



**MTN Nigeria Communications Plc**

Audited consolidated and separate financial statements  
for the year ended 31 December 2025  
Together with Directors' and Sustainability Reports

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Corporate information

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**Registered company number** 395010

<b>Directors</b>	<b>Name</b>	<b>Nationality</b>	<b>Position</b>
	Dr. Ernest Ndukwe, OFR	Nigerian	Chairman
	Mr. Karl Toriola	Nigerian	Chief Executive Officer
	Mr. Muhammad K. Ahmad, OON	Nigerian	Independent Non-Executive Director
	Mr. Michael Ajukwu	Nigerian	Independent Non-Executive Director
	Mr. Andrew Alli	Nigerian	Non-Executive Director
	Dr. Omobola Johnson	Nigerian	Non-Executive Director
	Mr. Modupe Kadri	Nigerian	Chief Financial Officer
	Mr. Abubakar B. Mahmoud, SAN OON	Nigerian	Non-Executive Director
	Ms. Tsholofelo Molefe	South African	Non-Executive Director
	Mr Ferdinand Moolman*	South African	Non-Executive Director
	Mr. Mazen Mroue	Lebanese	Non-Executive Director
	Mr. Ralph Mupita	South African	Non-Executive Director
	Mrs. Ifueko M. Omoigui Okauru, MFR	Nigerian	Non-Executive Director
	Mr. Jens Schulte-Bockum	German	Non-Executive Director
	Mrs. Eyitope Kola-Oyeneyin**	Nigerian	Independent Non-Executive Director
	Mr. Udemezuo Nwuneli**	Nigerian	Independent Non-Executive Director
	Mr. Tim Pennington**	British	Non-Executive Director

\* Resigned 31 October 2025

\*\* Appointed effective 2 January 2025.

**Registered office** 4 Aromire road,  
Off Alfred Rewane  
Ikoyi Lagos

**Holding company** MTN International (Mauritius) Limited  
incorporated in the Republic of Mauritius

**Independent auditor** Ernst & Young Nigeria  
10th & 13th floors  
UBA House  
Marina  
Lagos

**Company secretary** Uto Ukpanah

**Registrar** Coronation Registrars Limited  
9 Amodu Ojikutu Street  
Victoria Island, Lagos

**Tax Identification Number** 00969009-001

**FRC registration number** FRC/2012/00000000114

# MTN Nigeria Communications Plc

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# MTN Nigeria Communications Plc

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## Financial highlights

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	Notes	2025 N million	2024 N million	Increase/ (decrease) N million
Revenue	8	5,202,957	3,358,461	1,844,496
Operating profit		2,079,511	778,244	1,301,267
Net foreign exchange gains/(losses)	16	90,268	(925,361)	1,015,629
Profit/(loss) before taxation		1,696,029	(550,325)	2,246,354
Profit/(loss) for the year attributable to the owners of the Company		1,112,846	(399,448)	1,512,294
Share capital	30.1	420	420	-
Total equity attributable to the owners of the Company		548,712	(458,007)	1,006,719
Basic and diluted earnings/(loss) per share (N)	34.1	53.07	(19.05)	72.12
Net assets/(liabilities) per share (N)		26.17	(21.84)	48.01
Stock Exchange Information				
Dividend per share (DPS):- Interim (N)	34.2	5.00	-	5.00
Dividend per share (DPS):- Final (N) (proposed)	34.2	15.00	-	15.00
Market price per share as at year end (N)		511.00	200.00	311
Market capitalisation as at year end		10,728,956	4,199,200	6,529,756
Number of shares issued and fully paid as at year end (millions)	30.1	20,996	20,996	-

The financial highlights reflect Group numbers only.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Directors' report

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We, the directors, present our report on the affairs of MTN Nigeria Communications Plc (MTN Nigeria or the Company) and its subsidiaries (the Group), together with the audited and consolidated financial statements and the independent auditors' report for the year ended 31 December 2025.

### Principal activities of the Group

MTN Nigeria Communications Plc (MTN Nigeria or the Company) was incorporated on 08 November 2000 as a private limited liability company. The Company was granted a licence by the Nigerian Communications Commission on 09 February 2001 to undertake the business of building and operating GSM Cellular Network Systems and provide related services across Nigeria. The Company commenced operations on 08 August 2001 (commercial launch date). Currently, the Company holds a Unified Access Service License (UASL) and other licences as detailed in note 20.7.

The Company re-registered as a public limited company, MTN Nigeria Communications Plc on 18 April 2019 and listed by introduction on the Premium Board of the Nigerian Stock Exchange on 16 May 2019.

The registered office address of the Company is 4, Aromire Road, Off Alfred Rewane, Ikoyi Lagos. The principal place of business is MTN Plaza, Falomo, Ikoyi, Lagos.

The Group's subsidiaries are MoMo Payment Service Bank Limited, Yello Digital Financial Services Limited and XS Broadband Limited. MoMo Payment Service Bank Limited and Yello Digital Financial Services Limited, provide mobile and digital financial services (fintech) and operated actively during the year under review, while XS Broadband Limited remained dormant, its principal activity is provision of broadband fixed wireless telecommunication services.

### Business review

The Group recorded revenue of N5.20 trillion (2024: N3.36 trillion) and a profit after tax of N1.11 trillion (2024: loss after tax of N400.44 billion) for the year.

### Operating results and dividends

The following is a summary of the Group's operating results:

	Notes	2025 N million	2024 N million
Revenue	8	5,202,957	3,358,461
Operating profit		2,079,511	778,244
Profit/(loss) before taxation		1,696,029	(550,325)
Tax (expense)/credit	17	(583,183)	149,890
Profit/(loss) for the year		1,112,846	(400,435)
Profit/(loss) attributable to the owners of the Company		1,112,846	(399,448)
Profit/(loss) before tax has been arrived at after charging:			
Depreciation of property and equipment	18	315,229	259,748
Depreciation of right of use assets	19.1	258,809	184,723
Amortisation of intangible assets	20	90,216	90,684
Employee costs	11	154,217	91,919
Credit loss on financial assets	12	5,507	6,752
Other operating expenses	13	263,277	200,234
Finance costs	15	524,908	431,648
Net foreign exchange (gain)/loss	16	(90,268)	925,361

### Dividends

During the year ended 31 December 2025, dividends were paid and proposed as follows:

- 30 September 2025 interim dividend paid: N104.98 billion
- 31 December 2025 proposed final dividend: N314.93 billion

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Directors' report

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### Interim dividend

On 28 November 2025, the Board of Directors paid an interim dividend of N5.00 (2024: Nil) per share on the 20,995,560,103 ordinary shares of 2 kobo each for the period ended 30 September 2025 to shareholders on the register of shareholding as of the qualification date. Withholding Tax was deducted at the time of payment.

### Proposed final dividend

The Board of Directors proposed a final dividend of N15.00 (31 December 2024: Nil) per ordinary share on the 20,995,560,103 (31 December 2024: 20,995,560,103) ordinary shares of 2 kobo each for the year ended 31 December 2025 to shareholders' for approval at the forthcoming Annual General Meeting (AGM). If the proposed final dividend is approved, the total dividend for the financial year ended 31 December 2025 will be N20.00 per share of 2 kobo each. The proposed dividend, if approved, will be paid net of applicable withholding tax.

### Unclaimed dividends

In accordance with the Securities and Exchange Commission (SEC) guidelines, no returned unclaimed dividends were received by the Group during the year ended 31 December 2025 (2024: N287.7 million). However, Coronation Registrars Limited issued funding request notices totaling N66.95 million to the Company during the year, which were duly honoured (2024: N525.9 million). The total unclaimed dividend liability outstanding as at 31 December 2025 is N1.67 billion (2024: N612.5 million).

### Tariff increase

On 20th January 2025, the Nigerian Communication Commission (NCC) approved a 50 percent tariff adjustment for telecoms operations in Nigeria. This development is a significant milestone in ensuring the long-term sustainability of the telecoms industry, supporting the country's critical infrastructure and services, while empowering millions of people and businesses and contributing to the country's overall economic development. This tariff adjustment represents an important step towards addressing the impacts of the prevailing economic challenges on our business and industry. It will enable us to maintain the critical investments required to deliver reliable, high-quality services to Nigerians. We remain committed to supporting Nigeria's digital transformation agenda and driving inclusive growth for all stakeholders. Implementation of this change resulted in a tariff adjustment across its service offerings. The company remains committed to balancing affordability with the need to maintain service excellence and financial sustainability.

### National roaming

During the year Nigerian Communications Commission (NCC) approved a three-year national roaming agreement between MTN Nigeria and Emerging Markets Telecommunications Services Limited (9Mobile) now T2 Mobile Limited. The agreement allows 9Mobile subscribers to roam seamlessly on MTN Nigeria's network, fostering collaborative telecom ecosystem and enhancing operational efficiencies. By leveraging our extensive coverage, 9Mobile can provide mobile communication services to its customers. This strategic collaboration is yet another first in the country by MTN Nigeria and marks a significant milestone for the sustainability of the telecommunications industry. By enabling national roaming, MTN Nigeria is contributing to a more effective use of telecommunications resources, accelerating efforts to expand connectivity across the country, improving customer experience, and supporting the NCC's vision of a fully connected Nigeria. This initiative aligns with MTN Nigeria's strategic objective of creating shared value, fostering industry sustainability and advancing digital and financial inclusion nationwide.

MTN Nigeria continues to onboard Mobile Virtual Network Operators (MVNOs) as part of its strategic efforts to drive industry innovation and promote long-term sustainability.

# MTN Nigeria Communications Plc

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## Directors' report

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### Spectrum

#### T2 mobile limited spectrum lease

On 9th September 2025, the Nigerian Communications Commission (NCC) granted approval for MTN Nigeria Communications Plc to lease frequency spectrum from T2 Mobile Limited (formerly 9Mobile). The approval allows MTN Nigeria to lease 5MHz frequency division duplex (FDD) in the 900MHz band and 15MHz FDD in the 1800MHz band from T2 Mobile for a period of three years, with the arrangement effective 1 October 2025. This integrated approach, combining spectrum trade and national roaming, underscores our commitment to industry collaboration, infrastructure sharing, and the broader goal of advancing digital inclusion across Nigeria. It reaffirms our unwavering commitment to delivering reliable, high-quality connectivity to our customers. By leveraging additional spectrum resources, we are enhancing network capacity in a cost-efficient and environmentally sustainable way.

#### Natcom Development and Investment Ltd ("Ntel") spectrum

The one year spectrum lease agreement with Natcom Development and Investment Ltd ("Ntel"), which covered 5MHz FDD in the 900MHz band and 10MHz FDD in the 1800MHz band across 17 states and the Federal Capital Territory, expired on 29 November 2025 and was not renewed pursuant to its terms.

### Spectrum renewal

Nigerian Communications Commission (NCC) approved the renewal of MTN Nigeria first 800MHz Spectrum band licence (Channel 1) for an additional ten years, effective from 1 January 2025 to 31 December 2034. The NCC also approved the extension of the second 800MHz spectrum band licence (Channel 2), which initially is to expire on 31 December 2030, for an additional four years, with a new end date of 31 December 2034. The extension aims to harmonise the tenure of the Company's 800MHz spectrum licences so that they jointly expire on 31 December 2034 for ease of subsequent renewals.

This spectrum renewal lays a solid foundation for the ongoing delivery of 4G services to our customers. This enables us to continue to meet the demand for data and is integral to our broader strategy for enhancing connectivity

### Taxation

#### The Nigerian Tax Act

The Directors confirm that the provisions of the Nigeria Tax Act 2025 have been applied in preparing the audited consolidated and separate financial statements for the year ended 31 December 2025. The Act, which was signed into law on 26 June 2025, consolidates, modernizes, and replaces fragmented federal tax statutes by providing a single, coherent framework governing taxable persons, taxable income, transactions, and tax bases in Nigeria.

Key provisions introduced by the Act include the following:

- (a) 4% Development Levy on assessable profits, replacing several sector specific levies.
- (b) 15% minimum effective tax rate for companies meeting the prescribed turnover and group threshold criteria.
- (c) Revised rules governing capital gains tax, including the taxation of indirect share transfers.
- (d) Simplified Stamp Duty requirements, including a mandatory 30 day stamping timeline with accompanying penalties for noncompliance; and
- (e) Strengthened administrative and penalty frameworks to promote timely filing, remittances and adherence to tax obligations. In accordance with IAS 12 – Income Taxes, the Group has assessed the impact of the Act on both current and deferred tax and has appropriately reflected these effects in the 2025 Audited Financial Statements (see note 41).

Accordingly, the income tax expense reported for the year has been determined in line with the requirements of the Act. This includes the application of updated tax rates, revised definitions of assessable profits, adjustments to allowable deductions and other obligations introduced under NTA 2025 and guidelines provided by the Nigeria Revenue Service (see note 41). An aggregate tax charge of N583.18 billion (2024: tax credit of N149.89 billion) has been recognised in the consolidated statement of profit or loss covering the period January to December 2025.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Directors' report

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### Repealed Tax Acts

In prior years the Group complied with the provisions of the Companies Income Tax Act (CITA), as amended by the Finance Act 2023, National Agency for Science and Engineering infrastructure Act (NASENI), Tertiary Education Trust Fund Act and Nigeria Police Trust Fund Act. The Company Income Tax, Education Tax, Police Trust fund and National Information Technology Development Fund Levy due in the prior years under the Repealed Tax Acts have been duly settled in line with the provisions of the respective relevant tax laws.

### Directors and their interests

The directors who served during the year and their direct/ indirect interests in the Group's equity were as follows:

	2025 Direct No. of shares	2025 Indirect No. of shares	2024 Direct No. of shares	2024 Indirect No. of shares
Dr. Ernest Ndukwe, OFR	161,375	Nil	161,375	Nil
Mr. Karl Toriola	4,848,646	Nil	4,086,858	Nil
Mr. Muhammad K. Ahmad, OON	Nil	Nil	Nil	Nil
Mr. Michael Ajukwu	Nil	Nil	Nil	Nil
Mr. Andrew Alli*	Nil	Nil	93,220	Nil
Dr. Omobola Johnson	225,000	Nil	225,000	Nil
Mr. Modupe Kadri	1,341,468	Nil	1,153,972	Nil
Mr. Abubakar B. Mahmoud, SAN OON	Nil	Nil	Nil	Nil
Ms. Tsholofelo Molefe	Nil	Nil	Nil	Nil
Mr. Ferdinand Moolman**	Nil	Nil	Nil	Nil
Mr. Mazen Mroue	Nil	Nil	Nil	Nil
Mr. Ralph Mupita	Nil	Nil	Nil	Nil
Mrs. Ifueko M. Omoigui Okauru, MFR	Nil	Nil	Nil	Nil
Mr. Jens Schulte-Bockum	Nil	Nil	Nil	Nil
Mrs. Eyitope Kola-Oyeneyin***	Nil	Nil	Nil	Nil
Mr. Udemezuo Nwuneli***	Nil	Nil	Nil	Nil
Mr. Tim Pennington***	Nil	Nil	Nil	Nil

\* Mr. Andrew Alli disposed of all his shareholding in the company.

\*\* Resigned 31 October 2025.

\*\*\* Appointed effective 2 January 2025.

### The Board and key management changes

1. Mrs. Eyitope Kola-Oyeneyin was appointed as a member of the Board on 2 January 2025.
2. Mr. Udemezuo Nwuneli was appointed as a member of the Board on 2 January 2025.
3. Mr. Tim Pennington was appointed as a member of the Board on 2 January 2025.
4. Mr. Ferdinand Moolman resigned as a member of the Board on 31 October 2025.
5. Mr. Egerton Idehen was appointed as Chief Broadband Officer effective April 2025 to drive the company's broadband expansion, specifically focusing on fibre penetration (FibreX) and digital transformation.

### Directors' interests in contracts

In accordance with the provisions of section 303 of the Companies and Allied Matters Act of Nigeria (CAMA) 2020, the Directors have disclosed all direct and indirect interests in contracts and arrangements involving the Company and its subsidiaries ("the Group").

The transactions were undertaken in the ordinary course of business, on arm's length terms, and in compliance with the Company's governance framework and regulatory requirements. The Board is satisfied that the transactions were fair, reasonable, and in the best interests of the Company and the Group. Information relating to related parties transactions are contained in Note 45 to the financial statements.

# MTN Nigeria Communications Plc

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## Directors' report

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### Shareholders and their interest as at 31 December 2025

Share range	Number of shareholders	% of shareholders	Number of holdings	% of shareholding
1 - 10,000	195,719	96.0589	97,233,205	0.46
10,001 - 50,000	5,565	2.7313	113,244,092	0.54
50,001 - 100,000	943	0.4628	65,102,449	0.31
100,001 - 500,000	1,064	0.5222	221,809,589	1.06
500,001 - 1,000,000	152	0.0746	109,242,137	0.52
1,000,001 - 5,000,000	203	0.0996	448,809,830	2.14
5,000,001 - 10,000,000	40	0.0196	268,226,683	1.28
10,000,001 - 50,000,000	45	0.0221	918,669,332	4.38
50,000,001 - 100,000,000	8	0.0039	561,966,807	2.68
100,000,001 - 500,000,000	7	0.0034	1,518,370,221	7.23
500,000,001 - 1,000,000,000	2	0.0010	1,263,399,757	6.02
1,000,000,001 - above	1	0.0005	15,409,486,001	73.39
	<b>203,749</b>	<b>100</b>	<b>20,995,560,103</b>	<b>100</b>

### Substantial interest in shares

As at 31 December 2025, MTN International (Mauritius) Limited with total interest of 73.39% shareholding (2024: 73.39%) held more than 5% of the issued share capital of the Company.

### Property and equipment

Information relating to changes in property and equipment is given in Note 18 to the audited consolidated and separate financial statements.

### Charitable gifts

There was an accrual of N10.52 billion made in the year for donations to MTN Foundation Limited by Guarantee (2024: Nil). The Foundation, a duly registered charitable entity separate and distinct from the Group has two major portfolios namely National Priority and Youth development that covers: Education, Economic Empowerment and Health.

The Group made no donations to other charitable organisations during the year (2024: Nil). In compliance with S.43(2) of Companies and Allied Matters Act of Nigeria 2020, the Group did not make any donations to any political party, political association or for any political purpose.

### Employment of differently abled persons

The Group has a policy of fair consideration of job applications by differently abled persons having regard to their abilities and aptitude. The Group's policy prohibits discrimination against differently abled persons in the recruitment, training and career development of its employees. As at the end of the reporting period, the Group had forty six (46) differently abled persons in employment (2024: forty four (44)).

### Employee consultation and training

The Group has a vibrant platform called "Employee Council" through which it engages with its employees on a regular basis and also leverages all communication channels to keep employees informed on business performance.

MTN Nigeria is committed to employee development as a key value proposition through its investment in learning and development opportunities to drive personal development and achievement of business targets. This is achieved by identifying skills gaps and sourcing learning interventions to address them. There are also opportunities for professional development and the pursuit of postgraduate studies for eligible employees.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Directors' report

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### Health, safety and welfare at work

The Group places a high premium on the health, safety and welfare of its employees in their place of work. To this end, the Group has various forms of insurance policies, including employee compensation scheme (NSITF), employer's liability and group life insurance policies, to adequately secure and protect its employees. The Group also has Safety, Health and Environment (SHE) policies that employees are required to adhere to

### Statutory audit committee

In accordance with the provisions of Section 404(3) of the Companies and Allied Matters Act (CAMA) 2020, the Company's Statutory Audit Committee consist of five (5) members comprising of three (3) shareholders and two (2) non-executive directors as follows:

• Mr. Nornah Awoh	Shareholders' Representative	Chairman
• Chief Michael Odili	Shareholders' Representative	Member
• Mrs. Josephine Ewitat	Shareholders' Representative	Member
• Mr. Tim Pennington	Non-Executive Director	Member
• Mrs. Ifueko M Omoigui Okauru, MFR	Non-Executive Director	Member

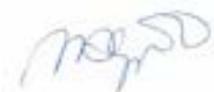
All members of the Statutory Audit Committee are financially literate.

### Auditor

Messrs Ernst & Young (EY) acted as the Company's independent auditor during the financial year ended 31 December 2025. The independent auditor's report was signed by Williams I. Erimona, a partner in the firm, with Financial Reporting Council (FRC) membership number FRC/2013/PRO/ICAN/004/00000002190.

Messrs Ernst & Young (EY) has indicated its willingness to continue in office as auditor in accordance with S.401(2) of the Companies and Allied Matters Act 2020, Laws of the Federation of Nigeria.

By Order of the Board



Uto Ukpanah  
Company Secretary  
FRC/2014/NBA/00000005748  
25 February 2026

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Sustainability-related financial disclosures (abridged)

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### 1 Group structure and reporting boundary

#### 1.1 Group and Group structure

These sustainability-related financial disclosures of MTN Nigeria Communications Plc and its subsidiaries, MoMo Payment Service Bank Limited and Yello Digital Financial Services Limited (together, "the Group"), are extracted from the Group's Sustainability Report for the year ended 31 December 2025. They are prepared for the same reporting period as the Group's consolidated financial statements and are intended to provide decision-useful information to the Group's primary users of its general-purpose financial reports.

#### 1.2 Basis of statement of compliance with IFRS Sustainability Disclosure Standards

These sustainability-related financial disclosures comply with IFRS Sustainability Disclosure Standards issued by the International Sustainability Standards Board (ISSB), specifically IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures.

#### 1.3 Use of other standards and frameworks

In accordance with IFRS S1, the Group referred to relevant standards and frameworks to identify material sustainability topics, determine appropriate metrics, and inform entity-specific disclosures. Sources consulted include the Sustainability Accounting Standards Board (SASB) Standards, the GHG Protocol Corporate Accounting and Reporting Standard, the GHG Protocol Corporate Value Chain (Scope 3) Standard, and the IFRS Sustainability Disclosure Standards Adoption Roadmap issued by the Financial Reporting Council of Nigeria.

#### 1.4 Connectivity to the Financial Statements

These sustainability-related financial disclosures should be read in conjunction with the Group's consolidated financial statements, prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and adopted by the Financial Reporting Council of Nigeria. The disclosures cover the 12-month period ended 31 December 2025, consistent with the financial reporting period.

#### 1.5 Definition of time horizons

Management defines time horizons based on the Group's strategic planning cycle (annual budget and a rolling medium-term planning horizon) and the expected timing of when sustainability-related and climate-related risks and opportunities could reasonably be expected to affect the Group's cash flows, access to finance or cost of capital:

- Short term (ST): 0 to 12 months
- Medium term (MT): 1 to 3 years
- Long term (LT): Beyond 3 years

#### 1.6 Meeting primary users' information needs

The objective of these disclosures is to provide information about sustainability-related risks and opportunities that is useful to primary users of the Group's general-purpose financial reports in making decisions relating to providing resources to the Group. Primary users include:

- **Investors:** information affecting enterprise value, resilience and governance quality;
- **Lenders:** information affecting cash flow resilience, asset quality and capacity to meet obligations; and
- **Other creditors:** information affecting operational continuity and payment capacity.

#### 1.7 Comparative information

Comparative information is provided where available and practicable. Where data is newly introduced or still being strengthened (including parts of the value chain), the Group will enhance comparability over subsequent reporting periods through ongoing improvements to data systems and controls.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Sustainability-related financial disclosures (abridged)

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### 2 Business Model and Value Chain

The Group's primary business activity is providing nationwide digital connectivity and technology-enabled solutions, offering telecommunications and digital infrastructure services to consumer, commercial, and institutional customers across Nigeria. Services include mobile telephony, broadband internet, and messaging delivered via mobile networks, fibre connectivity, data centres, and related infrastructure. Through its subsidiaries, the Group also offers mobile-based payment, savings, and commerce solutions that deepen financial inclusion and enable secure digital transactions.

The Group's value chain depends on spectrum and energy access, operational cash flows, debt and equity funding, technology assets, a skilled and diverse workforce, telecommunications infrastructure, fibre networks, data centres, electronic devices, and partnerships with customers, communities, regulators, government institutions, and trade unions.

#### 2.1 Reporting Boundaries

The reporting boundary for these disclosures is aligned with the financial reporting boundary. The disclosures cover sustainability-related and climate-related risks and opportunities that could reasonably be expected to affect the Group's prospects. Where value chain information is not yet of sufficient quality, estimates are applied and data quality will be strengthened over subsequent reporting periods.

#### 2.2 GHG Emissions Boundary

The Group measures and reports its greenhouse gas (GHG) emissions in accordance with the GHG Protocol Corporate Accounting and Reporting Standard and the GHG Protocol Scope 3 Standard. Using the operational control approach, the Group accounts for 100% of emissions from operations it controls, covering Scope 1, Scope 2, and relevant Scope 3 categories.

### 3 Materiality Assessment

The Group conducted a materiality assessment to identify sustainability-related risks and opportunities that could reasonably be expected to affect the Group's cash flows, access to finance, or cost of capital over the short, medium and long term, and therefore be material to the primary users of the Group's general-purpose financial reports.

The Group also monitors a wider set of impact-related topics within its broader sustainability disclosures; however, the basis for inclusion in these IFRS sustainability-related financial disclosures is financial materiality, consistent with IFRS S1's objective and audience.

#### 3.1 Materiality Assessment Process

The Group applied a structured five-step materiality assessment methodology:

**Topic and Scope Definition:** Fifteen sustainability topics were identified based on a review of the 2023 material topics, emerging sustainability trends, and issues specific to the Group's operating context. Topics were aligned to the Group's sustainability strategic themes: "Doing for Planet", "Doing for People", "Doing it Right", and "Doing for Growth".

**Stakeholder Mapping and Engagement:** Eight stakeholder groups were identified and engaged through an online survey over a six-week period: employees, customers, suppliers, investors and shareholders, government and regulators, civil society, trade partners, and media. A total of 639 responses were received and analysed. Investor responses (137 respondents, 21.4%) were weighted more heavily in the assessment of financial materiality.

**Data Analysis:** Topics were assessed using the Maximum Difference (MaxDiff) ranking methodology and scored quantitatively across both financial and impact materiality dimensions. Results were plotted on a materiality matrix. Topics exceeding the defined threshold on either dimension were classified as material.

**Validation:** The materiality assessment process and outcomes were reviewed and approved by the Board Social, Ethics and Sustainability Committee.

**Disclosure:** Sustainability-related financial disclosures are prepared in accordance with the IFRS Sustainability Disclosure Standards.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Sustainability-related financial disclosures (abridged)

### 3.2 Material Topics Identified

Fifteen material sustainability topics were identified and ranked by relevance to the Group's financial performance and impact on society and the environment. Investor priorities align broadly with the overall assessment, supporting the provision of decision-useful information to providers of capital while also capturing impact-related topics that may evolve into financial risks or opportunities over time.

The four highest-ranked topics by combined score were:

Rank	Material topic	Financial material score	Impact material score	Combined score
1.	Data privacy and security	26	28	54
2.	Customer safety and satisfaction	29	19	48
3.	Risk management and business resilience	23	5	28
4.	Economic performance and market presence	22	-8	14

**Note: Climate-related Materiality:** Climate and energy topics ranked lower in financial materiality (-23) than other topics, reflecting current stakeholder perceptions within the operating context. Notwithstanding this outcome, the Group recognises that climate-related disclosures are required under IFRS S2. Accordingly, climate-related risks and opportunities are disclosed in line with IFRS S2 and monitored through the enterprise risk management framework.

## 4 Governance

The Board of Directors oversees the Group's sustainability-related and climate-related risks and opportunities in accordance with applicable laws, the Articles of Association, Board and committee charters, and recognised governance codes. The Board is the highest governance body responsible for overseeing sustainability-related matters.

### 4.1 Board Oversight and Committee Structure

Board oversight of sustainability and climate-related matters is delegated to specialised committees:

**Social, Ethics and Sustainability Committee:** Oversees the sustainability strategy, targets, performance, and integration across the business, and reviews management updates quarterly or as required.

**Risk Management and Compliance Committee:** Oversees enterprise-wide risk management, regulatory compliance, and information security and privacy, including the integration of sustainability and climate-related risks into the enterprise risk management framework.

**Remuneration and Human Resources Committee:** Oversees remuneration and human capital policies, ensuring alignment with the Company's strategy, performance objectives, and organisational culture, including talent management and employment equity.

### 4.2 Management Accountability

Aligned with the Group's strategy, leadership accountability for the Group's environmental, social, and governance impacts is embedded at the executive level.

- The Chief Executive Officer (CEO) and the Chief Corporate Services and Sustainability Officer (CCSSO) provide executive oversight and strategic direction, ensuring sustainability considerations are integrated into business strategy, operational planning, and decision-making.
- The General Manager, Sustainability and Shared Value, coordinates sustainability activities, including monitoring performance against targets, consolidating sustainability-related data, and reporting progress to executive management and relevant stakeholders.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Sustainability-related financial disclosures (abridged)

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### 4.3 Skills and Competencies

The Board's collective skills and experience span sustainability, corporate governance, information technology and cybersecurity, risk management and regulatory compliance.

During the year, the Board's capability was further strengthened through targeted development programmes. Sessions covered artificial intelligence, digital transformation, and cybersecurity, reinforcing the Board's oversight of technology, data protection, risk, and governance.

### 4.4 Remuneration Linkage

The Group's remuneration structures are designed to reinforce long-term value creation and are subject to Board oversight in line with IFRS S1 and IFRS S2 requirements. Sustainability and climate-related performance measures are embedded in both long-term and short-term incentive plans. ESG metrics account for 25% of long-term incentive weighting, reflecting the strategic importance of climate action, network expansion, diversity, and responsible business conduct.

In addition, ESG targets account for at least 10% of annual performance scorecards, covering carbon emissions reduction, digital and financial inclusion, broadband expansion, reputation management, and governance outcomes. Variable remuneration outcomes are directly linked to performance against these metrics. This approach ensures senior management accountability for sustainability performance and reinforces the integration of ESG priorities into executive decision-making.

## 5 Risk Management

The Group's risk management framework is designed to identify, assess, manage, and monitor risks that could affect the achievement of strategic objectives, business continuity, and long-term value creation. Sustainability-related and climate-related risks are assessed using the same criteria as all other enterprise risks, including impact, likelihood, and other relevant factors. This approach ensures consistency, comparability, and full integration into corporate risk processes, in line with defined risk appetite and tolerance.

### 5.1 Three Lines Model

The Three Lines Model is adopted to clarify roles and responsibilities for governance, risk management, and independent assurance across sustainability and climate-related matters:

- **Governance (Board and Committees):** Provides strategic direction, approves risk appetite (including sustainability-related policies), and oversees sustainability and climate-related risks, opportunities, and performance, ensuring accountability to stakeholders.
- **Management:** Owns and manages risks across all business units, including first-line operational responsibility and second-line risk and compliance oversight. Management integrates sustainability and climate considerations into planning, controls, and day-to-day business operations.
- **Assurance:** Internal Audit and external assurance providers assess the effectiveness of risk management processes and controls, providing objective assurance to the Board.

### 5.2 Integration of Sustainability-related and Climate-related Risks

Sustainability and climate-related risks are identified across business units using internal reporting, stakeholder engagement, industry benchmarking, emerging regulatory development, and materiality assessment, in line with the enterprise risk management framework.

Climate scenario analysis assesses exposure to physical and transition climate risks under a range of plausible future conditions. Inputs to risk identification and monitoring include operational key performance indicators, ESG metrics, regulatory developments, and changes in market demand.

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## Sustainability-related financial disclosures (abridged)

### 5.3 Risk Prioritisation

Sustainability-related and climate-related risks are assessed using the same impact and likelihood criteria applied to all enterprise risks, ensuring consistent evaluation across the Group's risk portfolio. Identified risks are categorised by potential impact severity and likelihood of occurrence, then prioritised to guide mitigation actions, capital allocation, regulatory compliance measures, and process improvements.

The prioritisation process considers both current and emerging risks, including those arising from regulatory developments, stakeholder expectations, and climate-related physical and transition factors. Risks with the potential to affect operational continuity, regulatory standing, or stakeholder trust are assigned higher priority and subject to more frequent review.

The risk assessment process also informs the identification of sustainability- and climate-related opportunities, enabling the Group to pursue initiatives that enhance operational efficiency, strengthen market positioning, and support long-term value creation.

These risks are continuously monitored through established governance structures, with regular reporting to the Board and senior management on risk trends, mitigation progress, and changes in the Group's risk profile.

## 6 Strategy

Sustainability is integral to the Group's strategy, supporting long-term value creation. The Group embeds environmental, social, and governance considerations across operations, governance systems, the value chain, and stakeholder engagement. Early adoption of the IFRS Sustainability Disclosure Standards (IFRS S1 and S2) enhances transparency and supports proactive monitoring of emerging sustainability and climate-related regulations. The Group advances its Net Zero ambition, aligned with the Science Based Targets initiative (SBTi), through actions to reduce Scope 1 and Scope 2 emissions and by engaging suppliers to support value chain decarbonisation.

### 6.1 Sustainability-related and Climate-related Risks and Opportunities

The Group's material sustainability-related and climate-related risks and opportunities influence strategic positioning, capital allocation, and operational resilience. The table below summarises (i) the time horizon, (ii) current and anticipated financial effects, and (iii) geographic concentration. Climate-related items (†) are disclosed in accordance with IFRS S2.

Risk/ Opportunity	Category	Time horizon	Current financial effects	Anticipated financial effects	Operational concentration	Mitigation/ Strategy
Data privacy breach	Digital rights — Risk	ST, MT	<ul style="list-style-type: none"> <li>IT and network security Capex</li> <li>Revenue loss</li> <li>Nigeria Data Protection Regulation (NDPR) compliance costs</li> </ul>	<ul style="list-style-type: none"> <li>Additional IT and network security Capex</li> <li>Potential penalties or liabilities</li> </ul>	All operating locations	Zero-tolerance policy; continuous security upgrades, NDPR compliance
Enhanced data governance	Digital rights — Opportunity	MT, LT	<ul style="list-style-type: none"> <li>Revenue retention from reduced churn</li> </ul>	<ul style="list-style-type: none"> <li>Premium pricing potential</li> <li>Enhanced market positioning</li> </ul>	Nationwide customer base	Transparent data practices

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## Sustainability-related financial disclosures (abridged)

Risk/ Opportunity	Category	Time horizon	Current financial effects	Anticipated financial effects	Operational concentration	Mitigation/ Strategy
Network infrastructure failure	Operational resilience – Risk	ST	<ul style="list-style-type: none"> <li>Outage-related revenue loss</li> </ul>	<ul style="list-style-type: none"> <li>Increased resilience Capex</li> <li>Maintenance to reduce outage-related revenue-at-risk and service impacts</li> </ul>	Nationwide; high-traffic areas	Preventive maintenance, SLA management and optimisation
ESG Regulatory compliance	Governance – Risk	ST, MT, LT	<ul style="list-style-type: none"> <li>Sustainability advisory costs</li> <li>Nigeria Data Protection Regulation (NDPR) compliance costs</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing compliance obligations</li> <li>Potential liabilities from regulatory changes</li> </ul>	All operating locations, governance functions	Early adopter positioning, regulatory engagements
Board diversity	Governance – Opportunity	MT, LT	<ul style="list-style-type: none"> <li>Board development costs</li> </ul>	<ul style="list-style-type: none"> <li>Enhanced strategic performance</li> <li>Improved investor confidence</li> </ul>	Corporate governance	Succession planning, diversity targets, and board development programmes
Enhanced governance	Governance – Opportunity	MT, LT	<ul style="list-style-type: none"> <li>Governance enhancement and training costs</li> </ul>	<ul style="list-style-type: none"> <li>Improved access to capital</li> <li>Enhanced investor confidence</li> </ul>	Corporate governance, investor relations	Continuous governance improvement, stakeholder engagement
Emerging ESG regulations	Governance – Opportunity	MT, LT	<ul style="list-style-type: none"> <li>Early adopter positioning costs</li> </ul>	<ul style="list-style-type: none"> <li>Access to sustainable financing</li> </ul>	All operations	IFRS S1/S2 implementation; regulatory leadership
Supply chain disruption	Supply Chain – Risk	ST, MT	<ul style="list-style-type: none"> <li>Supplier compliance monitoring costs</li> </ul>	<ul style="list-style-type: none"> <li>Increased costs of sustainable alternatives</li> </ul>	Supply chain networks, tower infrastructure providers	Supplier diversification, local procurement, supplier sustainability programmes

# MTN Nigeria Communications Plc

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## Sustainability-related financial disclosures (abridged)

Risk/ Opportunity	Category	Time horizon	Current financial effects	Anticipated financial effects	Operational concentration	Mitigation/ Strategy
Sustainable supply chain	Supply chain — Opportunity	MT, LT	<ul style="list-style-type: none"> <li>Supplier capacity-building and development costs</li> <li>Supplier compliance monitoring costs</li> </ul>	<ul style="list-style-type: none"> <li>Reduced unexpected cash outflows</li> <li>Improved asset reliability</li> </ul>	Nationwide supplier network	Supplier development, local content policy implementation
Heat stress†	Climate — Physical Risk	MT, LT	<ul style="list-style-type: none"> <li>Cooling infrastructure Capex</li> </ul>	<ul style="list-style-type: none"> <li>Increased cooling costs</li> <li>Accelerated asset replacement</li> </ul>	Northern states; Lagos (urban heat island), Abuja	High-efficiency cooling deployment; site-level resilience assessment
Flooding†	Climate — Physical Risk	ST, MT	<ul style="list-style-type: none"> <li>Repair and replacement costs for damaged sites</li> </ul>	<ul style="list-style-type: none"> <li>Resilience Capex</li> <li>Potential asset impairment</li> </ul>	Coastal regions (Lagos, Port Harcourt, Calabar), flood-prone areas	Elevated equipment platforms; drainage improvements, insurance coverage
Carbon pricing†	Climate — Transition Risk	MT, LT	<ul style="list-style-type: none"> <li>No current financial impact until policy implementation</li> </ul>	<ul style="list-style-type: none"> <li>Annual carbon costs</li> <li>Low-carbon technology upgrades</li> <li>Supply chain decarbonisation costs</li> </ul>	All operating locations, energy-intensive facilities	Emissions reduction programme, renewable energy transition
Renewable energy deployment†	Climate — Opportunity	ST, MT, LT	<ul style="list-style-type: none"> <li>Solar hybrid and Electric Vehicle (EV) charging capex</li> <li>Diesel savings</li> </ul>	<ul style="list-style-type: none"> <li>Long-term energy cost reduction</li> <li>Access to green financing</li> </ul>	Nationwide network infrastructure, data centres.	Accelerated solar deployment, CNG transition, green financing strategy
Green products and services†	Climate — Opportunity	MT, LT	<ul style="list-style-type: none"> <li>No current financial impact for the year</li> </ul>	<ul style="list-style-type: none"> <li>Revenue growth from sustainable digital solutions, market differentiation</li> </ul>	Enterprise customer segment, nationwide	Product development, sustainability positioning

### 6.2 Financial effects of the sustainability-related and climate-related risks and opportunities

Sustainability-related and climate-related risks and opportunities increasingly influence the Group's financial position and cash flow resilience. In 2025, management directed capital and operating expenditure toward operational resilience, regulatory preparedness, and responsible growth.

The table below links material topics to relevant financial statement line items and note references. Where quantitative information about current financial effects is not available without undue cost or effort, or remains subject to significant measurement uncertainty, the Group provides qualitative information and identifies the financial statement line items expected to be affected.

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## Sustainability-related financial disclosures (abridged)

Material topic	Financial statement line item	Note reference	Current period effect	Description
Data Privacy and Security	Intangible assets	Note 20	N24.0 billion (capitalised under computer software)	IT and network security infrastructure
	Property and equipment	Note 18	N4.5 billion (capitalised under Information systems, furniture and office equipment)	
Sustainable Supply Chain	Other operating expenses	Note 13	N134.6 million (included in professional fees)	Supplier capacity building costs
Human Capital and Diversity	Employee costs	Note 44	N224.4 million (included in share-based expense)	ESG-linked remuneration
	Other operating expenses	Note 13	N41.2 million (included in other expenses)	Diversity and inclusion program costs
Governance and Compliance	Other operating expenses	Note 13	N50.6 million (included in professional fees)	NDPR compliance costs
	Other operating expenses	Note 13	N177.7 million (included in directors' emoluments)	Board development costs
	Other operating expenses	Note 13	N53.8 million (included in professional fees)	Sustainability advisory costs
Physical Climate Risk — Heat Stress	Property and equipment	Note 18	N2.2 billion (capitalised under network infrastructure)	High-efficiency cooling units deployed at critical sites
	Direct networking operating costs	Note 10.1	N352.6 million (savings – network maintenance)	Savings from the deployment of highly efficient cooling units and inverter solutions
Physical Climate Risk — Flooding	Property and equipment	Note 18	N81.0 million (impairment)	Equipment damage from thunderstorms and flooding incidents
	Other operating expenses	Note 13	N573 million (included in other expenses)	Insurance recovery for flood-related incidents
Transition Climate Risk — Energy Transition	Property and equipment	Note 18	N7.9 billion (capitalised under network infrastructure)	BTS Solar installations and EV charging infrastructure
	Direct networking operating costs	Note 10.1	N8.1 billion (savings – network maintenance)	Reduced diesel consumption from renewable energy deployment

### 6.3 Climate Scenario Analysis

In 2024, the Group conducted a climate scenario analysis for MTN Nigeria to assess exposure to physical and transition risks under a range of plausible future conditions. The analysis, prepared in accordance with IFRS S2, evaluated potential climate-related impacts on operations, infrastructure, and business resilience across key asset classes, including buildings, telecommunications towers, data centres, and vehicle fleets.

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## Sustainability-related financial disclosures (abridged)

The assessment leveraged Copernicus Climate Data and applied the Shared Socioeconomic Pathways (SSPs) framework, which models how global society, demographics, and economies may evolve under different climate futures. Temperature outcomes were modelled across three scenarios, ranging from approximately 1.3°C to above 2.8°C by mid-century.

The table below summarises the temperature pathways, primary transmission mechanisms, directional financial impacts, and planning responses embedded in the Group's current and medium-term budgeting and capital allocation processes. These assessments inform (i) site-level resilience priorities, (ii) capital reinforcement sequencing, and (iii) stress-testing of operating cost exposure under higher-warming outcomes.

Scenario/Temperature Pathway	Affected Regions	Anticipated Temperature Increase/Key Impact	Directional Financial Impact	Planning Response
Paris Ambition 1.3°C–1.5°C	Nationwide, with less impact on Northern regions	<ul style="list-style-type: none"> <li>Low to Moderate</li> <li>Minor increase in cooling needs, manageable heat stress</li> </ul>	<ul style="list-style-type: none"> <li>Minor</li> <li>Energy Opex and Maintenance Capex, within current budgets</li> </ul>	Embedded in operational budgets; Capex uplift is considered in reinforcement planning
Stated Policies +1.5°C – +1.8°C	Northern and Southern regions	<ul style="list-style-type: none"> <li>Moderate</li> <li>Increased cooling costs, potential for heat-induced equipment failure</li> </ul>	<ul style="list-style-type: none"> <li>Moderate</li> <li>Energy Opex, Maintenance and Resilience Capex; minor revenue-at-risk</li> </ul>	Risk-adjusted Capex allocation, operational resilience measures
No mitigation, approximately >2.8°C	Coastal regions (Lagos, Rivers and Delta regions)	<ul style="list-style-type: none"> <li>High</li> <li>Significant overheating risks, increased operational and cooling costs</li> </ul>	<ul style="list-style-type: none"> <li>Non-linear</li> <li>Energy Opex, Maintenance and Resilience Capex; higher revenue-at-risk from outages and QoS penalties</li> </ul>	Forward-looking planning; potential reprioritization of growth vs protection Capex; additional resilience investments

### 6.4 Internal Carbon Pricing

As at 31 December 2025, the Group has not adopted an internal carbon price. Management considers internal carbon pricing a potential tool to support capital stress testing, incentivise emissions reduction and enhance preparedness for emerging regulation and sustainable finance requirements. A feasibility assessment is planned for completion by Q4 2026, with outputs informing potential policy design, governance and future disclosure.

### 6.5 Resilience Assessment

Management concludes that the Group's strategy remains resilient under Paris Ambition and Stated Policies scenarios, supported by network efficiency initiatives, operational reinforcement and transition governance.

Under No Mitigation (>2.8°C), additional resilience capital expenditure may be required over time to maintain service continuity. These insights will continue to inform long-term planning, risk management and capital allocation, including trade-offs between growth and resilience investment.

# MTN Nigeria Communications Plc

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## Sustainability-related financial disclosures (abridged)

### 7 Metrics and Targets

#### 7.1 GHG Emissions Performance

**SBTi Near Term Target:** The Group commits to reduce absolute scope 1 and 2 GHG emissions 50% by 2030 from a 2021 base year. The Group also commits to reduce absolute scope 3 GHG emissions from fuel and energy-related activities 50% by 2030 from a 2021 base year.

Metric	Base Year (2021) (tCO <sub>2</sub> e)	2024 (tCO <sub>2</sub> e)	2025 (tCO <sub>2</sub> e)	Change vs. 2021 Base)
Scope 1 emissions	65,899	55,190	53,060	-19%
Scope 2 emissions	47,927	46,234	53,409	11%
Scope 1 and 2 emissions	113,826	101,424*	106,469	-6%

\*Restated Scope 1 and 2 from 101,300 tCO<sub>2</sub>e to 101,424 tCO<sub>2</sub>e in 2025, to improve data accuracy, ensure methodological consistency, and align with updated emission factors.

**Note:** 2025 Scope 3 emissions data are not yet available as at the reporting date due to ongoing consolidation of value chain activity data required for accurate measurement. In accordance with IFRS S1 transitional provisions, the results will be disclosed in the Group's full 2025 Sustainability Report.

#### 7.2 SBTi Target Rebaselining

In 2022, MTN Group Limited, the ultimate parent company of MTN Nigeria Communications Plc, had its short-term greenhouse gas (GHG) reduction targets validated by the Science Based Targets initiative (SBTi), using 2021 as the baseline year. As an operating company within the MTN Group, the Group's emissions reduction pathway is aligned with these validated targets.

According to the SBTi Near-term Target Criteria, companies must recalculate their baseline emissions if structural changes result in a cumulative change of more than 5% relative to the baseline. Between 2021 and 2024, MTN Group underwent significant structural changes, primarily through business divestments, resulting in a 9.18% deviation from the baseline and requiring a recalculation under the SBTi rules. Consequently, a re-baselining process was conducted in accordance with SBTi guidance. The year 2024 was set as the new baseline, and revised near-term targets were submitted to SBTi in September 2025. Validation began within the standard review window following submission. The SBTi then issued a validation statement confirming the revised near-term targets for Scopes 1, 2, and 3, with 2024 as the baseline year, effective from the 2026 financial year onwards.

#### Implications for MTN Nigeria

##### New Baseline Year: 2024

**SBTi Near Term Target:** The Group commits to reduce absolute scope 1 and 2 GHG emissions 42.0% by 2030 from a 2024 base year. The Group also commits to reduce absolute scope 3 GHG emissions 25.0% within the same timeframe.

Total Emissions (2024 Baseline): 334,361 tCO<sub>2</sub>e

Scope	2024 Baseline (tCO <sub>2</sub> e)	2030 Target (tCO <sub>2</sub> e)	Reduction target
Scope 1 and 2	101,424	58,825	42.0% absolute reduction by 2030
Scope 3	232,937	174,703	25.0% absolute reduction by 2030
Total	334,361	233,528	

Note: The targets for 2025 will not change, and the new baseline targets will apply from 2026 onwards for all scopes of emissions (Scope 1, 2, and 3).

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The Group's emissions reduction targets are expressed on a gross emissions basis unless explicitly stated otherwise. If the Group sets or is required to meet any net greenhouse gas emissions targets, it will disclose the extent to which carbon credits are planned to be used and the reliance placed on those credits to achieve the target, consistent with IFRS S2 requirements.

### 7.3 Non-GHG Metrics

Non-GHG metrics are monitored to track progress against strategic objectives across connectivity, inclusion, customer experience, and governance.

Metrics	Target	2024	2025	Status
Broadband coverage (% population)	95%	90.10%	91.17%	In progress
Active MoMo wallets (million)	30- 40 million	2.30 million	3.70 million	In progress
Female representation (%)	50% by 2030	41.40%	43.35%	In progress
Data breaches	Zero	Zero	Zero	Achieved
Monetary losses from privacy-related legal proceedings (N'million)	Zero	Zero	Zero	Achieved
Net Promoter Score	Top position	1	1	Achieved
Reputation Index	>75%	79%	80%	Achieved
Local ownership	11%	3%	3%	In progress

### 8 Judgements and Measurement Uncertainties

In preparing these sustainability-related financial disclosures, Management has exercised judgment in several areas and has used estimates for certain amounts which cannot be measured directly. Estimates have been made when sustainability information relates to an entity in the value chain and needs to be estimated, or when data limitations apply.

#### 8.1 Materiality Assessment

Management applied significant judgment in:

- determining the scope of topics assessed (25 topics evaluated, of which 15 were determined to be material);
- applying equal weighting across stakeholder groups;
- setting materiality thresholds, whereby topics exceeding the defined threshold on either the financial or impact dimension were classified as material; and
- determining appropriate metrics for disclosure, with reference to industry-based standards, including the SASB Telecommunications Standards.

#### 8.2 GHG Emissions Boundary

The Group applies the operational control approach to define its organisational boundary for GHG reporting. Under this approach, the Group accounts for 100% of emissions from operations over which it exercises operational control, reflecting management accountability and decision-making authority.

#### 8.3 GHG Emissions Calculation Methods

GHG emissions are calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard and the GHG Protocol Scope 3 Corporate Value Chain Standard. Scopes 1, 2 and 3 emissions are included within the Group's reported GHG footprint.

# MTN Nigeria Communications Plc

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## Sustainability-related financial disclosures (abridged)

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### 8.4 Measurement Uncertainty

Certain metrics are subject to inherent measurement uncertainty due to reliance on third-party activity data and emission factors. Where complete or timely data is unavailable, estimates are applied. Where estimations are used, management applies consistent methodologies period-to-period and prioritises improvements to data quality and internal controls to enhance comparability and decision-usefulness over time.

Metric	Primary source of uncertainty
Scope 1 emissions	Fuel metering accuracy; generator runtime estimation; fleet tracking.
Scope 2 emissions	Grid emission factor variability in Nigeria; electricity meter accuracy.

### 8.5 Changes in Estimates

During the 2025 financial year, the Group revised MTN Nigeria Communications Plc's 2024 Scope 3 emissions to improve data quality, ensure methodological consistency, and reflect updated recognised emission factors. In accordance with IFRS S1 transitional provisions, the results will be disclosed in the Group's full 2025 Sustainability Report.

### 8.6 Material Errors

Prior period errors are omissions from and misstatements in the entity's sustainability-related financial disclosures for one or more prior periods. Such errors arise from a failure to use, or the misuse of, reliable information that was available when the disclosures were authorised for issue. No material errors in prior period sustainability disclosures were identified during the preparation of the 2025 disclosures.



Tobechukwu Okigbo  
Chief Corporate Services and Sustainability  
Officer  
FRC/2019/NBA/00000019355

25 February 2026

# MTN Nigeria Communications Plc

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## Corporate governance

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### Corporate History

MTN Nigeria Communications Plc (MTN Nigeria or the Company) was incorporated as a private company on 8 November 2000. The first phone call on the network was made on 16 May 2001. The Company thereafter commenced commercial operations on 8 August 2001.

On 18 April 2019, MTN Nigeria re-registered as a Public Limited Company (PLC) and was listed on the Premium Board of Nigerian Exchange Limited (NGX) on 16 May 2019. MTN Nigeria subjects its operations to the highest standards of corporate governance and believes that good corporate governance is an essential foundation for sustainable corporate success.

### Board of Directors

The Board of Directors is responsible for the governance of MTN Nigeria and accountable to shareholders for creating and delivering sustainable value. The Board provides effective and ethical leadership. It determines the Company's purpose and values and approves the strategy to achieve the organisational goal. The Board is set up to function effectively to align the interests of stakeholders and shareholders with management's actions and decisions. The Board ensures that stakeholders' interests are well represented and protected while enhancing shareholder value.

MTN Nigeria conducts its affairs with transparency, accountability, prudence, fairness, and social responsibility, which are value-based principles that ensure all deliberations and decisions are beneficial to the interests of the Company, all stakeholders, and the consuming public. Therefore, the board strives to achieve balance by establishing policies and structures that best reflect the objectives, goals, values, and interests of the stakeholders. These policies are regularly reviewed, taking into account the ever-changing dynamics of the operating and regulatory environment and leading practices.

The Board ensures that the Company's values are upheld to maintain its going concern status. In addition, the Board ensures that procedures and practices that protect the Company's assets and reputation are in place.

Overall, the Board of Directors oversees the Company's affairs and ensures in accordance with applicable laws, its Articles of Association, and sound corporate governance principles. Our corporate governance framework, and ensures compliance with the organisation's policies, board and committee charters, and the requirements and codes of corporate governance. This governance framework enables the board to strategically discharge its oversight duties, provide directions, make informed decisions, and ensure the organisation complies with regulatory requirements.

### Board Composition

MTN Nigeria aspires to achieve a balanced mix of skills, gender, and knowledge on its Board by appointing and retaining competent, experienced, trustworthy, and reliable Directors who have the capacity and ability to lead the Company towards achieving its strategic objectives. It is important that the organisation is led by capable, effective and reliable individuals. The Nomination and Governance Committee ensures that the Board has broad representation from different fields of business and backgrounds. Collectively, they bring a wealth of knowledge, expertise, and diversity, which helps advance the Company's efforts to realise its organisational objectives and goals.

As at 31 December 2025, the Board comprised 16 members: 14 Non-Executive Directors (including 5 Independent Non-Executive Directors) and 2 Executive Directors. Four (4) of the Board members are female. For most of 2025, there were 17 Board members; one Director resigned on 31 October 2025.

### The Chairman

The Chairman of the Board provides leadership and is responsible for the Board's overall operations and governance. He manages the Board's business and sets its agenda in consultation with the Group Managing Director/Chief Executive Officer and the Company Secretary, with contributions from other Board members. The Chairman also ensures that the Board's decisions strike the right balance between operational performance and strategic matters. In so doing, the Chairman ensures that Board meetings are properly conducted and that the Board is effective and functions cohesively.

The Chairman plays a leading role in ensuring that the Board and its committees are composed of the relevant skills, competencies, and desired experience. He facilitates and encourages Directors' active engagement by leveraging their skills, knowledge, and expertise. The Chairman does not serve as Chairman or a member of any Board Committee.

# MTN Nigeria Communications Plc

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## Corporate governance

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The Chairman and Chief Executive Officer positions are separate and held by different individuals.

### Non-Executive Directors

The Non-Executive Directors (NEDs) bring their knowledge and expertise to bear on Board strategy and performance issues. To enable them to contribute effectively, they are provided with comprehensive, relevant information in a timely manner. Non-Executive Directors are not involved in the day-to-day management of the Company but have unfettered access to the Company Secretary, the Internal Auditor, and other senior management staff.

### Independent Non-Executive Directors

Independent Non-Executive Directors (INEDs) provide objective and independent advice and guidance to the Board on various issues. They ensure that the interests of all stakeholders, including minority shareholders, are well considered in Board decisions. They also serve as a sounding board for the business on various strategic matters. INEDs act as a check and balance on the acts of the Board and Management.

The Companies and Allied Matters Act (CAMA) 2020, as amended, provides that (1) A public company shall have at least one-third of the total number of its directors as independent directors.

### The Group Managing Director/Chief Executive Officer

The Group Managing Director/Chief Executive Officer (GMD/CEO) is responsible for the execution of strategy and the day-to-day management of the MTN Nigeria Group, supported by the Executive Leadership Team. The GMD/CEO is responsible for providing the Board with complete, accurate, and timely information and documentation to enable sound decision-making.

### Executive Directors

The Chief Financial Officer, an Executive Director, works with the GMD/CEO to manage the Group's day-to-day affairs. He has extensive operational knowledge and supports the achievement of the Company's overall business objectives.

### The Company Secretary

The Company Secretary ensures the integrity of the governance framework and is responsible for the efficient administration of the Company, ensuring compliance with statutory and regulatory requirements and implementing the decisions made by the Board of Directors.

The Office of the Company Secretary provides support, governance advice, and detailed guidance to the Directors concerning their duties, responsibilities, and powers. The Office also ensures compliance with procedures, regulations, and recommended practices necessary to conduct the Board's affairs. The Company Secretariat provides secretarial support to the Board, its Committees, the Statutory Audit Committee, the Executive Management Committee, the Governance Steering Committee, the Management Credit Committee, the Road Infrastructure Tax Credit Committee and the Sourcing Committees.

The Company Secretary is responsible for coordinating the induction and training of new Directors and the continuous education of Non-Executive Directors, supporting the director selection process and assisting the Chairman and GMD/CEO in formulating an annual Board Plan. The Company Secretary is also responsible for the administration of other strategic matters at the Board level, organising Board meetings, and ensuring that the minutes of Board meetings clearly and accurately capture Board discussions and decisions.

# MTN Nigeria Communications Plc

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## Corporate governance

### Members of the Board as at 31 December 2025

S/N	Name of Director	Designation	Effective date of appointment	Cumulative period in office as at 31 December 2025	Nationality	Gender	Age as at 31 December 2025
1.	Dr. Ernest Ndukwe, OFR	Chairman	1 June 2018	7 years and 7 months	Nigerian	Male	77
2.	Mr. Karl Olutokun Toriola	Group Managing Director/Chief Executive Officer	14 January 2016	9 years and 11 months	Nigerian	Male	54
3.	Mr. Modupe Kadri	Executive Director/Chief Financial Officer	2 March 2020	5 years and 10 months	Nigerian	Male	57
4.	Mr. Muhammad K. Ahmad, OON	Independent Non-Executive Director	2 September 2019	6 years and 4 months	Nigerian	Male	71
5.	Mr. Michael Ajukwu	Independent Non-Executive Director	2 September 2019	6 years and 4 months	Nigerian	Male	69
6.	Mr. Andrew Alli	Non-Executive Director	March 2004- July 2006 2 September 2019	2 years 5 months 6 years and 4 months	Nigerian	Male	58
7.	Dr. Omobola Johnson	Non-Executive Director	2 September 2019	6 years and 4 months	Nigerian	Female	62
8.	Mrs. Eyitope Kola-Oyeneyin	Independent Non-Executive Director	2 January 2025	1 year	Nigerian	Female	45
9.	Mr. Abubakar B. Mahmoud SAN, OON	Non-Executive Director	2 September 2019	6 years and 4 months	Nigerian	Male	68
10.	Ms. Tsholofelo Molefe	Non-Executive Director	3 May 2021	3 years and 8 months	South African	Female	57
11.	Mr. Ferdinand Moolman*	Non-Executive Director	1 July 2014	11 years and 6 months	South African	Male	62
12.	Mr. Mazen Mroue	Non-Executive Director	1 June 2022	2 years and 7 months	Lebanese	Male	53
13.	Mr. Ralph Mupita	Non-Executive Director	13 April 2017	13 April 2017	South African	Male	53
14.	Mr. Udemezuo Nwuneli	Independent Non-executive Director	2 January 2025	1 year	Nigerian	Male	52
15.	Mrs. Ifueko M. Omoigui Okauru, MFR	Non-Executive Director	2 September 2019	6 years and 4 months	Nigerian	Female	63
16.	Mr Timothy Pennington	Non-Executive Director	2 January 2025	1 year	British	Male	65
17.	Mr. Jens Schulte-Bockum	Non-Executive Director	13 April 2017	7 years and 9 months	German	Male	58

\*Resigned October 31, 2025

# MTN Nigeria Communications Plc

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## Corporate governance

### Meetings of the Board of Directors

During the period under review, the Board met eleven (11) times. The record of attendance at Board meetings in the year ended 31 December 2025 is provided below:

Name	Status	Date of meeting											Total	
		29-Jan	27-Feb	29-Apr	26-May	29-July	17-Aug	10-Sept	29-Oct	10-Nov	2-Dec	22-Dec		
Dr. Ernest Ndukwe, OFR	Chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11
Mr. Karl Olutokun Toriola	Group Managing Director/Chief Executive Officer	✓	✓	✓	✓	✓	✓	✓	✓	✓	R	✓	✓	10
Mr. Modupe Kadri	Executive Director/Chief Financial Officer	✓	✓	✓	✓	✓	✓	✓	✓	✓	R	✓	✓	10
Mr. Muhammad K. Ahmad, OON	Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11
Mr. Michael Ajukwu	Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11
Mr. Andrew Alli	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11
Dr. Omobola Johnson	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11
Mrs. Eytope Kola-Oyeneyin	Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11
Mr. Abubakar B. Mahmoud SAN, OON	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11
Ms. Tsholofelo Molefe	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	R	✓	✓	10
Mr. Ferdinand Moolman*	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	N/A	N/A	N/A	8
Mr. Mazen Mroue	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	*	R	✓	✓	9
Mr. Ralph Mupita	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11
Mr. Udemezuo Nwuneli	Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11
Mrs. Ifueko M. Omoigui Okauru, MFR	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11
Mr Timothy Pennington	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11
Mr. Jens Schulte-Bockum	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11

\*Resigned October 31, 2025

R -These directors were recused from the emergency meeting of 10 November, 2025

# MTN Nigeria Communications Plc

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## Corporate governance

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The Board receives regular reports from its committees and deliberates on their recommendations. Highlights of key matters deliberated upon by the Board during the reporting period include:

- i. Approval of the audited Financial Statements for the year ended 31 December 2024.
- ii. Approval of unaudited Consolidated Financial Statements for 31 March 2025, 30 June 2025 and 30 September 2025
- iii. Interim Dividend note 34
- iv. Structural Separation Transaction
- v. 2026 Budget/Business Plan
- vi. Directors who retired by Rotation and other Annual General Meeting Related Matters
- vii. Approval of various charters and policies recommended by the Board Committees, including but not limited to the following:
  - a. Revised Board Charter
  - b. Revised Board Audit Committee Charter
  - c. Revised Finance and Investment Committee Charter
  - d. Revised Remuneration and Human Resources Committee Charter
  - e. Revised Social, Ethics and Sustainability Charter
  - f. Revised Nominations and Governance Committee Charter
  - g. Revised Digital and Innovations Committee Charter
  - h. Revised Board Induction and Continuous Development Policy
  - i. Localisation of Finance Policies
  - j. Internal Control Framework
  - k. Revised Master Policy
  - l. Responsible Artificial Intelligence Policy
  - m. Revised Local Content Policy
  - n. Data Governance Policy
  - o. Revised Information Security Policy
  - p. Investor Relations Policy
- viii. 2024 Board Evaluation and Corporate Governance Assessment Report.
- ix. The Nigerian Communication Commission's Corporate Governance Guidelines 2025.
- x. Regular Operational reports from Management via the Chief Executive Officer's Report.
- xi. Appointment of DCSL as Independent Consultant for the FY 2025 Board Evaluation and Corporate Governance Assessment
- xii. Approvals for Issuance of Letters of Credit
- xiii. Approvals of Indefeasible Right of Use Fibre Leases
- xiv. Appointment of Mr. Egerton Idehen, Chief Broadband Officer
- xv. Credit Limit Increase and Funding Updates
- xvi. Financial Year 2025 Treasury Strategy
- xvii. Bank Facilities and Related Matters
- xviii. 2025 Board Development Plan
- xix. Board Committee Membership
- xx. Advance CAPEX Request
- xxi. Employee-related benefits.
- xxii. Retirement of fully depreciated assets that are not in use and retirement based on policy years.
- xxiii. Regular macroeconomic updates.
- xxiv. Updates on Related Party Transactions.
- xxv. Resolutions which were recommended to shareholders at the Annual General Meetings held on 30 April 2025.

### Director Appointment Process

The Board ensures that suitable candidates are identified based on the Company's needs and that appointment decisions take into account diversity across experience, knowledge, skills, and gender. The Board has put in place a robust Board Appointment and Succession Policy that ensures the following:

- A built-in balance of continuity and turnover.
- Regular infusion of fresh ideas and new perspectives to the Board.
- Composition of qualified individuals with appropriate skills and competencies.
- Improved Board performance and effectiveness.
- Defined skills and competencies profile that reflects the needs of the Board.
- Prevention of threats to Directors' independence.

# MTN Nigeria Communications Plc

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## Corporate governance

- A broad framework for assessing prospective and existing Board members.
- Compliance with regulatory provision

The Nomination and Governance Committee is responsible for leading the process of identifying, screening, and recommending candidates for Board appointment. In addition, an external consultant is engaged to assist in identifying candidates who embody the highest standards of personal and professional integrity and ethics for nomination.

### Keyboard Skills, Expertise and Competencies

The Board comprises qualified members who bring in the required skills, competence and expertise to contribute effectively to deliberations at Board and Committee meetings. The matrix below summarises the skills, expertise, and competencies of individual directors that contribute to corporate governance and Board effectiveness.

Directors	Board Service and Governance	Financial Expertise	Engineering and Technology	Global Exposure	Legal/Regulatory	Risk Management	Industry Knowledge
Dr. Ernest Ndukwe, OFR	✓		✓	✓	✓		✓
Mr. Ralph Mupita	✓	✓	✓	✓		✓	✓
Mr. Karl Olutokun Toriola	✓		✓	✓			✓
Mr. Ferdinand Moolman*	✓	✓		✓		✓	✓
Mr. Muhammad K. Ahmad, OON	✓	✓		✓	✓	✓	✓
Mr. Abubakar B. Mahmoud SAN, OON	✓			✓	✓	✓	✓
Mrs. Ifueko M. Omoigui Okauru, MFR	✓	✓		✓	✓	✓	✓
Dr. Omobola Johnson	✓		✓	✓	✓	✓	✓
Mr. Jens Schulte-Bockum	✓		✓	✓			✓
Mr. Andrew Alli	✓		✓	✓		✓	✓
Mr. Michael Ajukwu	✓	✓		✓		✓	✓
Mr. Modupe Kadri	✓	✓		✓		✓	✓
Ms. Tsholofelo Molefe	✓	✓		✓		✓	✓
Mr. Mazen Mroue	✓		✓	✓			✓
Mrs. Eytlope Kola-Oyeneyin	✓	✓		✓		✓	✓
Mr. Udemezuo Nwuneli	✓	✓		✓			✓
Mr Timothy Pennington	✓	✓	✓	✓			✓

### Retirement by Rotation

In accordance with the provisions of the Companies and Allied Matters Act (CAMA) 2020, the Directors retiring by rotation are:

- Dr. Ernest Ndukwe OFR
- Mrs. Ifueko M. Omoigui Okauru MFR
- Mr. Mazen Mroue
- Mr. Jens Schulte-Bockum

# MTN Nigeria Communications Plc

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## Corporate governance

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- v. Ms. Tsholofelo Molefe
- vi. Mr Mohammad K. Ahmad OON

Being eligible, Dr. Ndukwe, Mrs. Omoigui Okauru, Mr. Schulte-Bockum, Ms. Molefe, and Mr. Ahmad have offered themselves for re-election. Their profiles and attendance records at Board and Committee meetings are provided in this report.

### Directors' Remuneration

MTN Nigeria is committed to ensuring that fees payable to Non-Executive Directors (NEDs) reflect their roles and responsibilities and are subject to all applicable laws, Regulations and codes of corporate governance in Nigeria.

The fees paid to the Chairman and other non-executive directors are reviewed against fees paid to the non-executive directors of a comparable group of listed companies. Total remuneration for the Board Chairman is benchmarked against the 80th percentile for the market and the 75th percentile for other Non-Executive Directors. The skills, experience, and capabilities of the non-executive directors are also considered.

Executive Directors and Non-Executive Directors nominated for appointment by MTN Group Limited receive no fees or other remuneration for their services as Directors of MTN Nigeria.

### Board Induction and Development

Upon appointment to the Board, all Directors receive an induction tailored to support a seamless onboarding experience. The induction, arranged by the Company Secretary, may include meetings with senior management and key external advisors to help Directors develop a detailed understanding of the Company's

operations, strategic plan, business environment, stakeholder ecosystem, and priority areas. The induction provides an opportunity to introduce Directors to their fiduciary duties and responsibilities, as well as to their committee roles.

The Company attaches great importance to the continuous development of its Directors to enhance their performance and effectiveness. During the year under review, members of the Board attended the development programmes detailed in the table below:

Name of Training	Date	Organiser	Attendees
Artificial Intelligence (AI) Appreciation Workshop	5 February 2025	Dell Technologies	Mr. Timothy Pennington Mr. Udemezuo Nwuneli Mrs. Eyitope Kola-Oyeneyin
MWC25 Barcelona	3-6 March 2025	Mobile World Conference	Dr. Ernest Ndukwe
Cybersecurity	4 April 2025	MTN Internal	Mr. Jens Schulte-Bockum
MIT Sloan Executive Education	7-18 April 2025	AI Executive Academy	Mr. Andrew Alli
Artificial Intelligence	9 April 2025	MTN Group Technology	Mr. Micheal Ajukwu
Low Earth Orbit (LEO) Technology	9 April 2025	MTN Group Technology	Mr. Mazen Mroue
Beyond 2025 Strategy and AI Training	6 May 2025	MTN Group IT	Dr. Ernest Ndukwe Mr. Mazen Mroue Mr. Ferdi Moolman Mr. M. K Ahmad Mr. Micheal Ajukwu Mr. Timothy Pennington Mr. Udemezuo Nwuneli Mrs. Eyitope Kola-Oyeneyin Dr. Omobola Johnson Mr. Andrew Alli Mrs. Ifueko Omoigui Okauru Mr. A. B. Mahmoud Dr. Karl Toriola Mr. Jens Schulte-Bockum

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## Corporate governance

Name of Training	Date	Organiser	Attendees
MTN Information Security Policy	12 May 2025	MTNN Internal School	Mr. Modupe Kadri
Listening Intelligence for Leaders	28-29 May 2025	The Listening School	Mr. Modupe Kadri Mr. Karl Toriola
Excellence in Global Board Leadership – Transform Your Board Leadership	14-18 July 2025	Swiss Board School, Switzerland	Dr. Ernest Ndukwe
Sanction and Export Controls	15 July 2025	MTN Internal	Mr. Jens Schulte-Bockum
M365 Copilot in Word Training	19 August 2025	MTN Group	Mr. Modupe Kadri
Cultural Sensitivity and Workplace Ethics Training	17 September 2025	MTN Nigeria (Risk and Compliance)	Mr. Modupe Kadri
CFO Conference	18 September 2025	MTN Group	Mr. Modupe Kadri
Lease Tool Application AI Upgrade	27 September - 3 October 2025	MTN Nigeria	Mr. Modupe Kadri
AI Ethics	3 October 2025	KPMG	Mr. Jens Schulte-Bockum
Cybersecurity	3 October 2025	MTN Internal	Mr. Jens Schulte-Bockum
Competition Law	3 October 2025	Webber Wentzel	Mr. Jens Schulte-Bockum
High Performance Boards	6-9 October 2025	IMD Business School for Management and Leadership Courses	Mr. Karl Toriola
AI Governance for the Boardroom	7 October 2025	PwC Inc.	Mr. Mazen Mroue
Executive Program in Corporate Strategy	13-17 October 2025	The University of Chicago Booth School of Business, USA	Mrs. Ifueko Omoigui Okauru

Directors also have access to MTN Learn, an e-learning platform with over 40,000 courses.

### Board Committees

The Board carries out its oversight responsibilities through its committees, which have clearly defined terms of reference that set out their roles, functions, and scope of authority. The Board has seven (7) substantive Committees, namely:

- i. Board Audit
- ii. Risk Management and Compliance
- iii. Remuneration and Human Resources
- iv. Nomination and Governance
- v. Social, Ethics and Sustainability
- vi. Finance and Investment
- vii. Digital and Innovation.

The Committees make recommendations to the Board, which has the ultimate responsibility for decision-making. In some instances, the Board delegates approval mandates to its Committees. Regular, timely reports on Committee deliberations are submitted to the Board, enabling it to make informed decisions as it carries out its roles and responsibilities.

A summary of the roles, responsibilities, composition, highlights of deliberations, and meeting frequency for each Committee is set out in the following sections.

### Board Audit Committee

The Board Audit Committee is mandated to assist the Board in discharging its duties relating to the safeguarding of assets, the operation of adequate financial systems, and control processes. The Committee also ensures that financial statements and related financial reporting are prepared in compliance with all applicable statutory requirements and accounting standards.

# MTN Nigeria Communications Plc

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## Corporate governance

### Duties and responsibilities

The duties and responsibilities of the Board Audit Committee include the following:

- i. Exercise oversight over Management's processes to ascertain the integrity of the Company's financial statements, ensure compliance with all applicable legal and other regulatory requirements, and assess the qualifications and independence of the external auditors and the performance of the Company's internal audit function as well as that of the external auditors;
- ii. Ensure the establishment and exercise of oversight in the internal audit function, assuring the effectiveness of the internal controls. Obtain and review quarterly reports by the internal auditor describing the strength and quality of internal controls, including identification of any issues or recommendations for improvement raised by the most recent internal audit review of the Company;
- iii. Ensure the development of a comprehensive internal control framework for the Company, obtain appropriate (internal and/or external) assurance, and report annually in the Company's audited financial report on the design and operating effectiveness of the Company's internal controls over the financial reporting systems;
- iv. Oversee the process for the identification of fraud risks across the Company and ensure that adequate prevention, detection, and reporting mechanisms are in place;
- v. Discuss the quarterly, interim and annual audited financial statements as well as significant financial reporting findings and recommendations with management and external auditors before recommending the same to the Board;
- vi. Maintain oversight of financial and non-financial reporting, including climate-related financial disclosures;
- vii. Review and ensure that adequate whistle-blowing policies and procedures are in place and that the issues reported through the whistle-blowing mechanism are summarised and presented to the Board;
- viii. Review with the external auditors any audit scope limitations or significant matters encountered and management's responses to same;
- ix. Develop a policy on the nature, extent, and terms under which the external auditors may perform non-audit services;
- x. Review the independence of the external auditors before their appointment to perform non-audit services to ensure that where the external auditors provide approved non-audit services, there is no real or perceived conflict of interest or other legal or ethical impediments;
- xi. Preserve auditor independence by setting clear hiring policies for employees or former employees of external auditors;
- xii. Ensure the development of a Related Party Transactions policy and monitor its implementation by Management.
- xiii. In line with the adoption of IFRS Sustainability Disclosure Standards (S1 and S2), the Committee has expanded its oversight to include the reliability of non-financial disclosures.

### Composition and meeting attendance

The Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Chief Risk and Compliance Officer, and Chief Internal Audit and Forensic Services Officer attend Committee meetings. The Chief Financial Officer and the Chief Internal Audit and Forensic Services Officer present quarterly reports to the Board Audit Committee. At least once a year, the Committee holds a closed session with the Chief Internal Audit and Forensic Services Officer and the External Auditors. The Committee met five (5) times during the year ended 31 December 2025.

The members of the Committee and the record of their attendance at meetings during the year under review are reflected in the table below:

Name	Status	Date of meeting					Total
		27- Jan	24- Feb	25- Apr	28- July	28- Oct	
Mr Timothy Pennington	Non-Executive Director	N/A	✓	✓	✓	✓	4
Mrs. Ifueko M. Omoigui Okauru, MFR	Non-Executive Director	✓	✓	✓	✓	✓	5
Ms. Tsholofelo Molefe	Non-Executive Director	✓	✓	✓	✓	✓	5
Mr. Ferdinand Moolman*	Non-Executive Director	✓	✓	✓	✓	✓	5
Mr. Udemezuo Nwuneli	Independent Non-Executive Director	N/A	✓	✓	✓	✓	4
Mr. Muhammad K. Ahmad, OON	Independent Non-Executive Director	✓	✓	✓	✓	✓	5

# MTN Nigeria Communications Plc

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## Corporate governance

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\*Resigned October 31, 2025

The Committee is composed of Independent Non-Executive Directors and Non-Executive Directors who possess the requisite financial literacy, business acumen, and experience to fulfil the Committee's mandate. The Board is satisfied that, collectively, the members of the Committee have the appropriate skills and experience to discharge their duties effectively, including a deep understanding of IFRS and the regulatory environment.

### Committee activities in 2025:

Highlights of the Committee's deliberations during the year ended 31 December 2025 are provided below:

- i. Review of Audited Consolidated Financial Statements for the year ended 31 December 2024.
- ii. Closing Report for the year ended 31 December 2025
- iii. Review of Unaudited Consolidated Financial Statements for 31 March 2025, 30 June 2025 and 30 September 2025.
- iv. Review of the External Audit Plan for the year ended 31 December 2025.
- v. Review of External Audit Report
- vi. Review of the quarterly Internal Audit and Forensic Services Reports.
- vii. Approval of the revised Internal Audit and Forensic Services Charter.
- viii. Approval of the revised 2025 Internal Audit Plan.
- ix. Approval of the 2026 Internal Audit Plan.
- x. Approval of the Letter of Comfort for MoMo PSB
- xi. Approvals of Extension of Audit Findings Closure Date
- xii. Review of the Board Audit Committee Charter
- xiii. Review of Assets' Useful Lives
- xiv. Review of the Quarterly Earnings Release.
- xv. Review and recommendation of the Interim Dividend #34 to the Board for approval.
- xvi. Review of the retirement of fully depreciated assets and recommendation to the Board for approval
- xvii. Review of the 2025 Audit Fee and recommendation to the Board for approval.
- xviii. Review of the 2025 ICFR Audit Fee and recommendation to the Board for approval.
- xix. Review of Non-Audit Work for EY and recommendation to the Board for approval.
- xx. Review of Finance Policies and recommendation to the Board for approval
- xxi. Quarterly Key Accounting Issues
- xxii. Tax Appeal Tribuna (FIRS and MTN Nigeria). Status update
- xxiii. Closed sessions with the Internal Audit and Forensic Services Team.
- xxiv. Review of the Chief Financial Officer's Report, which covers matters such as:
  - a. Significant litigation
  - b. Related Party transaction
  - c. Tax matters
  - d. Treasury updates
  - e. Update on non-audit work performed by the Big Four firms.

### Conclusion and Statement of Satisfaction

Based on its activities during the 2025 financial year, the Board Audit Committee affirms:

- **Integrity of Financial Reporting:** The Committee has reviewed the interim and annual audited financial statements with management and the external auditors. It is satisfied that these statements have been prepared in compliance with all applicable statutory requirements and accounting standards.
- **Internal Control Environment:** Through the review of quarterly internal audit reports and the internal control framework, the Committee is satisfied with the design and operating effectiveness of the Company's internal controls over financial reporting.
- **External Auditor Independence:** Following a review of the nature and extent of non-audit services provided by the external auditors, specifically for EY, the Committee confirms that the auditors maintained their independence and that no conflicts of interest occurred.
- **Regulatory Compliance:** The Committee has maintained oversight of management's processes to ensure compliance with legal and regulatory requirements, including monitoring significant litigations and tax matters.

# MTN Nigeria Communications Plc

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## Corporate governance

- **Whistle-blowing and Fraud:** The Committee has ensured that adequate whistle-blowing policies and fraud detection mechanisms are in place to protect the Company's assets.
- **Committee Effectiveness and Self-Assessment:** In accordance with the Committee's Charter, a formal effectiveness evaluation was conducted for the 2025 financial year. The 2025 evaluation concluded that the Committee remained effective and independent.

### Mr. Timothy Pennington

Chairman, Board Audit Committee

### Risk Management and Compliance Committee

The Committee assists the Board in fulfilling its oversight responsibility for the Company's risk management, compliance, and information security/privacy programmes.

### Duties and responsibilities

- The duties and responsibilities of the Board Risk Management and Compliance Committee include the following:
- Ensure the Company has a clearly defined risk management strategy with appropriate supporting processes and structures.
- Review and assess the integrity of the risk control systems and ensure that their policies and strategies are effectively implemented and managed.
- Review significant compliance risk areas and the steps Management has taken to monitor, control, and report such exposures.
- Report compliance issues that may have significant financial implications to the Board and otherwise assist the Board in discharging such obligations related to such compliance issues.
- Review compliance-related policies and procedures.

### Composition and meeting attendance

The Chief Executive Officer, Chief Operating Officer, Chief Risk and Compliance Officer, Chief Corporate Services and Sustainability Officer, and Chief Internal Audit and Forensic Services Officer attend Committee meetings. The Chief Risk and Compliance Officer and the Chief Corporate Services and Sustainability Officer present regular reports to the Committee. Cybersecurity risk reports are also presented to the Committee. The Committee met five (5) times during the year ended 31 December 2025.

The members and their records of attendance at meetings during the year under review are reflected in the table below:

Name	Status	Date of meeting					Total
		21- Jan	13 - Mar	22 -July	8 - Sept	10 - Oct	
Dr. Omobola Johnson	Non-Executive Director	✓	✓	✓	✓	✓	5
Mr Timothy Pennington	Non-Executive Director	N/A	✓	✓	✓	✓	5
Mr. Abubakar B. Mahmoud SAN, OON	Non-Executive Director	✓	✓	✓	✓	✓	5
Mr. Andrew Alli	Non-Executive Director	✓	✓	✓	✓	✓	5
Mr. Michael Ajukwu	Independent Non- Executive Director	✓	✓	✓	✓	x	4
Ms. Tsholofelo Molefe	Non-Executive Director	✓	x	✓	✓	✓	4
Mr. Ferdinand Moolman*	Non-Executive Director	N/A	✓	✓	✓	✓	4

\*Resigned 31 October 2025

### Committee Activities in 2025

The Committee deliberated on the following matters during the year ended 31 December 2025:

- i. Compliance with statutory and regulatory guidelines.
- ii. Review of risks on the Company's Risk Register.
- iii. Review of the Company's Intellectual Property Register.
- iv. Reviewed the Sanctions and Export Control Policy

# MTN Nigeria Communications Plc

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## Corporate governance

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- v. Approval of the Risk and Compliance Plan.
- vi. Update on the implementation of Oracle Fusion Enterprise Resource Planning (ERP) software.
- vii. Legal Opinion on Ericsson's Culpability for the Momo PSB Glitch.
- viii. Dominant Market Study Report
- ix. Internal Control Self-Assessment.
- x. Quarterly updates on Significant Litigation.
- xi. Status report on Regulatory Matters and Government Relations.
- xii. Status report on Litigation Audit.
- xiii. Status report on the amicable resolution of cases.
- xiv. Review of the Company's insurance placement and other insurance—related matters.
- xv. Recommendation of the following policies to the Board for approval:
  - a. Revised IT Governance Framework
  - b. Internal Control Framework
  - c. Revised MTN Nigeria Master Policy
  - d. Revised Information Security Policy
- xvi. Quarterly reports on Information/Cyber Security.
- xvii. Status reports on IT thematic issues.
- xviii. Quarterly reports on the development of the new data centre project.

### **Dr. Omobola Johnson**

Chairman, Risk Management and Compliance Committee

### **Remuneration and Human Resources Committee.**

The Committee assists the Board in fulfilling its oversight responsibility for the Company's human resource management and remuneration matters. Duties and Responsibilities

The duties and responsibilities of the Remuneration and Human Resources Committee in 2025 included:

- Development of a formal, clear, transparent framework for the Company's remuneration and human resources policies and procedures with regular reviews.
- Ensure alignment of the remuneration and human resources strategies and policies with the Company's business strategy and the desired culture.
- Make recommendations to the Board on the remuneration of directors and compensation payable to key senior management employees.
- Set employment equity targets for the Company.
- Promotion of equality.

### **Composition and Meeting Attendance**

The Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, and Chief Human Resources Officer attend the Committee meetings and present regular reports to the Committee.

The Committee met seven (7) times during the year ended 31 December 2025. Membership and record of attendance at Committee meetings during the period under review are reflected in the table below:

# MTN Nigeria Communications Plc

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## Corporate governance

Name	Status	Date of meeting							Total
		20 -Jan	10 Mar	14-Apr	1 July	25 July	9 Oct	7 Nov	
Mr. Muhammad K. Ahmad, OON	Independent Non-Executive Director	✓	✓	✓	✓	✓	x	✓	6
Mr. Andrew Alli	Non-Executive Director	✓	✓	x	✓	✓	✓	✓	6
Mrs. Ifueko M. Omoigui Okauru, MFR	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	7
Mr. Jens Schulte-Bockum	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	7
Mr. Ralph Mupita	Non-Executive Director	✓	x	✓	✓	✓	✓	✓	6
Mr Timothy Pennington	Non-Executive Director	N/A	✓	✓	✓	✓	✓	✓	6

### Committee Activities in 2025

The Committee deliberated on the following matters during the year ended 31st December 2025:

- i. Revised MTN Nigeria Remuneration and Human Resources Committee Charter.
- ii. Ad Hoc Salary Adjustment Guideline.
- iii. 2025 Annual Salary Increase Proposal.
- iv. 2024 Variable Pay.
- v. 2025 Performance Share Plan Vesting.
- vi. Appointment of Chief Broadband Officer.
- vii. Chief Executive Officer's Remuneration.
- viii. Chief Financial Officer's Remuneration.
- ix. Short-Term Incentive Framework.
- x. Non-Executive Directors' Remuneration.
- xi. Voluntary Severance Scheme.
- xii. MTN Nigeria Employee Share Ownership Plan – December 2024 and June 2025 Allocations.
- xiii. MTN Nigeria Performance Share Plan – December 2024 Allocation.
- xiv. Diversity, Equity, and Inclusion Update.
- xv. Employee Relations Update, which covers matters such as: Update on Labour Union Matters Disciplinary Hearings; and Workplace Harassment Update.
- xvi. Culture Report.
- xvii. Human Capital Management and Workforce Efficiency Reports, which cover matters such as:
  - a. Headcount Management.
  - b. HR-related activities organised.
  - c. Employee Development.
  - d. Succession and Talent Development.
  - e. Learning and Development.
  - f. Group Culture Audit Survey/Sentimeter.
- xviii. 2026 Annual Plan.

### Mr. Muhammad K. Ahmad, OON

Chairman, Remuneration and Human Resources Committee

### Nomination and Governance Committee

The Board, through the Nomination and Governance Committee, identifies, reviews, and recommends candidates for potential appointment as Directors. The Committee ensures that candidates possess the relevant skills, knowledge, experience, and qualifications to steer the Company forward.

### Duties and Responsibilities

- i. The duties and responsibilities of the Nomination and Governance Committee include:
  - Reviewing the Board structure, size, and composition at least annually and making recommendations for any proposed changes to the Board.

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## Corporate governance

- ii. Establishing the Board and Board committee membership criteria, reviewing prospective candidates' qualifications and any potential conflict of interest.
- iii. Assessing the contribution of current Directors against their suitability for re-nomination and making appropriate recommendations to the Board.
- iv. Ensuring that the appointment of Director(s) is formalised by way of a letter or legal document disclosing the terms and conditions of the appointment and setting out the responsibilities of such Director.
- v. Ensuring the annual declaration of independence by independent non-executive directors and undertaking the annual assessment of the independent status of such independent non-executive directors.
- vi. Ensuring that the Company has a succession policy and plan for the Chairman of the Board, the Chief Executive Officer of the Company, and other Directors.

### Composition and meeting attendance

The Chief Executive Officer and the Company Secretary attend Committee meetings and present reports to the Committee.

The Committee met six (6) times during the year ended 31 December 2025. The membership and record of attendance at meetings of the Committee are provided in the table below:

Name	Status	Date of meeting						
		23 -Jan	13 - Mar	15 - Mar	4 Apr	24 July	9 Oct	Total
Mr. Michael Ajukwu	Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	6
Mr. Abubakar B. Mahmoud SAN, OON	Non-Executive Director	✓	✓	✓	✓	✓	✓	6
Dr. Omobola Johnson	Non-Executive Director	✓	✓	✓	✓	✓	✓	6
Mr. Ralph Mupita	Non-Executive Director	✓	✓	✓	✓	✓	✓	6

### Committee activities in 2025

- i. The Committee deliberated/acted on the following matters during the year ended 31 December 2025:  
Revised Board Charter
- ii. The appointment of the consultant for the Corporate Governance and Board Performance Evaluation for 2025.
- iii. The Corporate Governance and Board Performance Evaluation Assessment for 2024.
- iv. 2025 MTN Nigeria Board Development Plan.
- v. The outcomes from the 2025 Board Strategy Retreat Session
- vi. Directors retiring by rotation and their eligibility for re-election.
- vii. Quarterly reports on the activities of the Company Secretariat.
- viii. The NCC's Corporate Governance Guidelines 2025
- ix. Updates on Succession Plan for the Board and Senior Management
- x. Revised Board Induction and Continuous Development Policy
- xi. Revised Nomination and Governance Committee Charter

### Mr. Michael Ajukwu

Chairman, Nomination and Governance Committee

### Social, Ethics and Sustainability Committee

The Committee supports the Board in its oversight of the Company's sustainability, ethical conduct, and social performance, helping to create shared value through responsible business practices that integrate economic, social, and environmental factors.

# MTN Nigeria Communications Plc

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## Corporate governance

### Duties and responsibilities

- i. The duties and responsibilities of the Social, Ethics and Sustainability Committee include:  
Providing oversight on ethics-related matters
- ii. Monitoring the Company's activities and efforts to embed sustainability, ethical conduct, social and environmental considerations into its strategy and operations.
- iii. Approving stakeholder management strategy and policy that articulate and give effect to the Company's direction on stakeholder relationships.
- iv. Monitoring the Company's record of sponsorship and charitable donations, through the MTN Nigeria Foundation.
- v. Ensuring the entrenchment of sound sustainability practices.

### Composition and meeting attendance

The Chief Executive Officer, Chief Operating Officer, Chief Corporate Services and Sustainability Officer, Chief Risk and Compliance Officer, Head of Internal Audit and Forensic Services and the Executive Secretary of MTN Nigeria Foundation attend Committee meetings and present reports to the Committee.

The Committee met four (4) times during the year ended 31 December 2025. The membership and record of attendance at meetings are provided in the table below:

Name	Status	Date of meeting				
		15-Jan	18-Mar	4-July	23-Oct	Total
Mr. Abubakar B. Mahmoud SAN, OON	Non-Executive Director	✓	✓	✓	✓	4
Mr. Muhammad K. Ahmad, OON	Independent Non-Executive Director	✓	✓	x	✓	3
Dr. Omobola Johnson	Non-Executive Director	✓	✓	✓	✓	4
Mr. Modupe Kadri	Executive Director/Chief Financial Officer	✓	✓	✓	✓	4
Mr. Mazen Mroue	Non-Executive Director	✓	✓	✓	✓	4
Mr. Udemezuo Nwuneli	Independent Non-Executive Director	N/A	✓	✓	✓	3

### Committee activities in 2025

The Committee deliberated on the following matters during the year ended 31 December 2025:

- i. Review and recommendation of the following policies:
  - a. Responsible Artificial Intelligence Policy
  - b. Revised Local Content Policy
- ii. Revised Social, Ethics, and Sustainability Committee Charter
- iii. Quarterly Geographical Diversity Reports
- iv. 2025 Ethics Management Plan
- v. Quarterly Ethics Management Reports
- vi. Disciplinary Hearing Reports
- vii. Quarterly Sustainability Reports
- viii. 2024 Cumulative Public Relations Coverage Report
- ix. Quarterly Public Relations Report
- x. Update on Donations to the Federal Government
- xi. Update on MTN Nigeria Foundation Activities
- xii. Update on Ethics-related activities, including:
  - a. Conflicts of Interest Declarations
  - b. Reported misconducts.
  - c. Company-wide ethics training
  - d. Ethics awareness communication.
- xiii. 2026 Annual Plan

### Mr. Abubakar B. Mahmoud, SAN, OON

Chairman, Social, Ethics and Sustainability Committee

# MTN Nigeria Communications Plc

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## Corporate governance

### Finance and Investment Committee

The Finance and Investment Committee was established to assess proposed investments and capital expenditures, including mergers, acquisitions, and other major transactions.

### Duties and Responsibilities

- i. The duties and responsibilities of the Finance and Investment Committee include:
  - Ensuring that capital expenditure, investments, and disposals or acquisitions are in line with the Company's overall strategy and meet its established investment criteria.
- ii. Reviewing the effectiveness of the treasury function and its compliance with approved policies and considering any proposed changes to the Treasury Policy for recommendation to the Board.
- iii. Exercising oversight on specific matters relating to the listing or offering of MTN Nigeria shares on the NGX.
- iv. Assessing additional expenditures not approved for the Company as part of the Capital Expenditure and Operating Expenditure business planning process and recommending the same to the Board for approval.
- v. Reviewing and exercising oversight on capital projects in line with the Company's strategic plan.
- vi. Providing guidance relating to MTN Nigeria's fintech interests and platform business, including Fibre.

### Composition and meeting attendance

The Chief Executive Officer, Chief Operating Officer, and other Members of the Management Team (as may be invited) attend Committee meetings and present regular reports to the Committee.

The Committee met eight (8) times during the year ended 31 December 2025. The membership and record of attendance at meetings of the Committee are provided in the table below:

Name	Status	Date of meeting								
		22-Jan	17 Mar	22 Apr	21-May	2-July	9-Sept	23-Oct	16-Dec	Total
Mr. Andrew Alli	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	8
Mr. Karl Olutokun Toriola	Group Managing Director/Chief Executive Officer	✓	x	✓	✓	✓	✓	✓	✓	7
Mr. Michael Ajukwu	Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	8
Mr. Modupe Kadri	Executive Director/Chief Financial Officer	✓	✓	✓	✓	✓	✓	✓	✓	8
Ms. Tsholofelo Molefe	Non-Executive Director	✓	x	✓	✓	✓	✓	✓	x	6
Mr. Ralph Mupita	Non-Executive Director	✓	x	✓	✓	✓	✓	✓	✓	7
Mrs. Ifueko M. Omoigui Okauru, MFR	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	8

# MTN Nigeria Communications Plc

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## Corporate governance

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### Committee activities in 2025

The matters the Committee deliberated on during the year ended 31 December 2024 include:

- i. Fintech Structural separation
- ii. Project Atlas (obtaining waivers from creditors)
- iii. Fintech Capital Injection
- iv. Spectrum Lease
- v. Resolving MTN's negative equity position
- vi. Downward review of the forex limit
- vii. Treasury strategy updates and impact of macro volatilities on MTN Nigeria operations
- viii. The Company's capital structure, funding plan, liquidity, capex utilisation status and debt profile
- ix. Future non-budgeted projects (Capex and Opex) requiring Board approvals
- x. Alternative sources of the forex project
- xi. Assessment and status of the Company's fintech investment
- xii. The Company's tender and bidding process
- xiii. The Company's equity investments and share performance.
- xiv. The status of the Company's capital projects, such as the Head Office project and the RITC project
- xv. Insulating MTN from FX Volatilities
- xvi. MTN Nigeria's Treasury Strategy
- xvii. MTN Nigeria's Treasury Policy
- xviii. Funding Updates and Approvals
- xix. Credit Management

### Mr. Andrew Alli

Chairman, Finance and Investment Committee

### Digital and Innovation Committee

The Digital and Innovation Committee was established to assist the Board in its oversight of innovation, information technology (IT) strategy, and execution. This involves understanding key digital issues within the Company's business strategy, as well as existing and emerging technology trends that may affect the Company's operations and strategic plans.

### Duties and responsibilities

The duties and responsibilities of the Digital and Innovation Committee include:

- i. Reviewing and receiving reports from Management on the technology and innovation strategy of the Company and the integration of these strategies with the Company's overarching objectives.
- ii. Reviewing the Company's technology and innovation strategies to ensure adequate value creation from new channels for digital products and services.
- iii. Reviewing the execution of Digital, IT, and Innovation matters annually.
- iv. Receiving regular reports from Management on the digital ecosystem and customers' responses, and monitoring shifts in industry trends.
- v. Recommending investments in IT architecture and infrastructure to ensure the actualisation of the Company's digital, technology, and innovation strategy to the Board.
- vi. Referring significant risks arising from digital, technology, and innovation projects for the consideration of the Risk Management and Compliance Committee.
- vii. Reviewing, on an annual basis, the performance of the Digital, IT, Network and Innovation departments against the strategy.

### Composition

The Chief Executive Officer, Chief Operating Officer, Chief Information Officer, Chief Digital Officer, and Chief Strategy and Innovation Officer attend Committee meetings and present regular reports to the Committee.

The Committee met four (4) times during the period under review. The membership and record of attendance at meetings of the Committee are provided in the table below:

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## Corporate governance

Name	Status	Date of meeting				
		23-Jan	3-Apr	24-July	21-Oct	Total
Dr. Omobola Johnson	Non-Executive Director	✓	✓	✓	x	3
Mr. Karl Olutokun Toriola	Managing Director/ Chief Executive Officer	✓	✓	✓	✓	4
Mr. Andrew Alli	Non-Executive Director	✓	✓	✓	✓	4
Mr. Jens Schulte-Bockum	Non-Executive Director	✓	✓	✓	✓	4
Mr. Mazen Mroue	Non-Executive Director	✓	✓	✓	✓	4
Mrs. Eyitope Kola-Oyeneyin	Independent Non-executive Director	N/A	✓	✓	✓	3

### Committee activities in 2025

The matters the Committee deliberated on during the year ended 31 December 2025 include:

1. Digital Transformation Initiatives
2. Digital Maturity Assessment Initiatives
3. Information Technology Strategy and Initiatives
4. Digital Services Initiatives.

### Dr. Omobola Johnson

Chairman, Digital and Innovation Committee

### Ad hoc Committees

An Ad hoc Committee comprising members of the Digital and Innovations and Finance and Investment Committees met to discuss the Fintech Strategy. The Committee met once during the period under review. The membership and record of attendance at meetings of the Committee are provided in the table below:

Name	Status	Date of meeting
		12 Mar
Mr. Andrew Alli	Non-Executive Director	✓
Dr. Omobola Johnson	Non-Executive Director	✓
Mr. Karl Olutokun Toriola	Managing Director/ Chief Executive Officer	✓
Mr. Michael Ajukwu	Independent Non-Executive Director	✓
Mr. Modupe Kadri	Executive Director/Chief Financial Officer	✓
Ms. Tsholofelo Molefe	Non-Executive Director	✓
Mr. Ralph Mupita	Non-Executive Director	✓
Mrs. Ifueko M. Omoigui Okauru, MFR	Non-Executive Director	✓
Mr. Jens Schulte-Bockum	Non-Executive Director	✓
Mr. Mazen Mroue	Non-Executive Director	✓
Mrs. Eyitope Kola-Oyeneyin	Independent Non-executive Director	✓

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## Corporate governance

### Board Attendance Record 2025

The table below shows the frequency of meetings of the Board of Directors and Board Committees, as well as Directors' attendance for the year ended 31 December 2025

Type of Meeting	Board	Board Audit Committee	Risk Management Compliance Committee	Remuneration and Human Resources Committee	Nomination and Governance Committee	Social, Ethics and Sustainability Committee	Finance and Investment Committee	Digital and Innovation Committee
Date of meeting	29-Jan 27-Feb 29- Apr 26- May 29-July 10-Sept 29-Oct 10-Nov 2- Dec 22-Dec	27-Jan 24-Feb 25-Apr 28-July 28-Oct	21-Jan 13-Mar 22-July 8-Sept 10-Oct	20-July 13-Mar 15-Mar 4-Apr 24-July 9-Oct	23-Jan 13-Mar 15-Mar 4-Apr 24-July 9-Oct	15 Jan 18-Mar 4-July 23-Oct	22-Jan 17-Mar 22-Apr 21-May 2-July 9-Sept 23-Oct 16-Dec	23-Jan 3-Apr 24-July 21-Oct
Number of meetings held	11	5	5	7	6	4	8	4
Attendance by Directors	11	-	-	-	-	-	-	-
Dr. Ernest Ndukwe, OFR	11	-	-	-	-	-	-	-
Mr. Michael Ajukwu	11	-	5	-	6	-	8	-
Mr. Andrew Alli	11	-	5	-	6	-	8	-
Mr. Muhammad K. Ahmad, OON	11	5	-	6	-	-	8	4

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## Corporate governance

Type of Meeting	Board	Board Audit Committee	Risk Management Compliance Committee	Remuneration and Human Resources Committee	Nomination and Governance Committee	Social, Ethics and Sustainability Committee	Finance and Investment Committee	Digital and Innovation Committee
Date of meeting	29-Jan 27-Feb 29- Apr 26- May 29-July 10-Sept 29-Oct 10-Nov 2- Dec 22-Dec	27-Jan 24-Feb 25-Apr 28-July 28-Oct	21-Jan 13-Mar 22-July 8-Sept 10-Oct	20-July 13-Mar 15-Mar 4-Apr 24-July 9-Oct	23-Jan 13-Mar 15-Mar 4-Apr 24-July 9-Oct	15 Jan 18-Mar 4-July 23-Oct	22-Jan 17-Mar 22-Apr 21-May 2-July 9-Sept 23-Oct 16-Dec	23-Jan 3-Apr 24-July 21-Oct
Number of meetings held	11	5	5	7	6	4	8	4
Attendance by Directors	11	-	-	-	-	-	-	-
Dr. Omobola Johnson	11	-	5	-	6	-	8	-
Mr. Modupe Kadri	10	-	-	-	-	4	8	-
Mr. Abubakar B. Mahmoud SAN, OON	11	-	5	-	6	4	-	-
Ms. Tsholofelo Molefe	10	5	5	-	-	-	6	-
Mr. Ralph Mupita	11	-	-	6	6	-	7	-
Mr. Mazen Mroue	9	-	-	-	-	4	-	4
Mrs. Ifueko M. Omoigui Okauru, MFR	11	5	-	7	-	-	8	-
Mr. Ferdinand Moolman*	9	5	4	-	-	-	-	-
Mr. Jens Schulte-Bockum	11	-	-	7	-	-	-	4
Mr. Karl Olufokun Toriola	10	-	-	-	-	-	7	4
Mrs. Eyitope Kola-Oyenehin	11	-	4	-	-	-	-	3
Mr Timothy Pennington	11	4	-	6	-	-	-	-
Mr. Udemezuo Nwuneli	11	4	-	-	-	3	-	-

\*Resigned October 31, 2025

### Annual General Meeting held on 30 April 2025

The Annual General Meeting (AGM) to consider the Annual Report and the Financial Statements for the year ended 31 December 2024 was held on April 30, 2025, virtually via MS Teams, with online streaming services also made available. Shareholders who provided their email addresses to the Registrar were sent the meeting link to join, and the streaming link was also published on the Company's website for quick, easy access, enabling all shareholders, regulators, and the public to join and participate in the Meeting.

# MTN Nigeria Communications Plc

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## Corporate governance

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A summary of the resolutions passed at the AGM is outlined below:

i. The Audited Financial Statements for the year ended 31 December 2024, together with the reports of the Directors, Auditors, and Statutory Audit Committee as laid before Members at the AGM, were received and adopted.

ii. The following Directors were elected and re-elected:

- Mrs. Eyitope Kola-Oyeneyin (elected)
- Mr. Udemezuo Nwuneli (elected)
- Mr. Timothy Pennington (elected)
- Mr. Andrew Alli (re-elected)
- Mr. Michael Ajukwu (re-elected)
- Dr. Omobola Johnson (re-elected)
- Mr. Abubakar B. Mahmoud SAN (re-elected)
- Mr. Ferdinand Moolman (re-elected)

iii. The Directors were authorised to fix the remuneration of the Auditors for the year ended 31 December 2025.

iv. The following shareholders were duly elected to the Statutory Audit Committee (SAC) of the Company:

- i. Mr. Nornah Awoh
- ii. Mrs. Josephine Ewitat
- iii. Chief Michael Odili

The Board representatives on the Committee are:

- i. Mr. Timothy Pennington
- ii. Mrs. Ifueko M. Omoigui Okauru, MFR.

The following was passed as an ordinary resolution of the Company:

v. A general mandate was given to the Company to enter recurrent transactions with related parties for its day-to-day operations, including the procurement of goods and services, on normal commercial terms, and the indemnification of Directors whether directly by the Company or by obtaining appropriate insurance in accordance with the Company's Articles; in compliance with the Nigerian Exchange Limited ("NGX") Rules Governing Transactions with Related Parties or Interested Persons and other applicable Nigerian statutory and/or regulatory requirements.

### Statutory Audit Committee.

The Committee is established in accordance with the provisions of section 404(2) of CAMA 2020 (as amended). The functions of the Committee, as set out in section 404 (7) of CAMA 2020 (as amended), are to:

- i. Ascertain whether the accounting and reporting policies of the company are in accordance with legal requirements and agreed ethical practices.
- ii. Review the scope and planning of audit requirements.
- iii. Review the findings on management matters in conjunction with the external auditor and departmental responses thereon.
- iv. Keep under review the effectiveness of the company's system of accounting and internal control.
- v. Make recommendations to the Board with regard to the appointment, removal and remuneration of the external auditors of the company; and
- vi. Authorise the internal auditor to carry out investigations into any activities of the company which may be of interest or concern to the committee.

The Company's annual and interim financial statements are reviewed by the Committee, particularly the effectiveness of the Company's disclosure controls and systems of internal control, as well as areas of judgment involved in the compilation of the Company's results. In addition, the Committee is responsible for reviewing the integrity of the Company's financial reporting and overseeing the independence and objectivity of the external auditors. The Committee reviews and ensures that adequate whistleblowing procedures are in place and that a summary of reported issues is presented to the Committee. It also reviews the independence of external auditors and ensures there is no conflict of interest in the provision of non-audit services.

The Committee has access to the internal and external auditors to seek explanations and additional information. Members of the Statutory Audit Committee are provided with and regularly briefed on developments impacting the Company's operations. They receive appropriate training, as needed, to perform their oversight functions effectively. Thus, the Company utilises various platforms to acquaint the shareholder representatives on the Statutory Audit Committee with its operations. The Statutory Audit Committee's report is on page ...The membership and record of attendance at meetings of the Committee are provided in the table below:

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## Corporate governance

Name	Status	Date of meeting						Total
		28-Jan	25-Feb	25- Apr	24- Jun	28 July	28 Oct	
Mr. Nornah Awoh	Shareholders Representative (Chairman)	✓	x	✓	✓	✓	✓	6
Colonel Ayegbeni Peters Rtd.*	Shareholders Representative	✓	x	✓	N/A	N/A	N/A	2
Mrs. Josephine Ewitat	Shareholders Representative	✓	✓	✓	✓	✓	✓	6
Mrs. Ifueko M. Omoigui Okauru, MFR	Non-Executive Director	✓	✓	✓	✓	✓	✓	6
Mr Timothy Pennington	Non-Executive Director	N/A	N/A	✓	✓	✓	✓	4
Mr. Muhammad K. Ahmad, OON	Independent Non-Executive Director	✓	✓	N/A	N/A	N/A	N/A	2
Mr. Micheal Odili**	Shareholders Representative	N/A	N/A	N/A	✓	✓	✓	3

\*Exited the Committee after the 2025 AGM.

\*\*Elected to the Committee at the 2025 AGM.

Management Committees Executive Committee (ExCo)

The Committee, which is chaired by the CEO, has the following key responsibilities:

- Implementing Board-approved strategies and policies of the Company.
- Managing the business and affairs of the Company as delegated by the Board.
- Establishing the best management practices and functional standards.
- Monitoring the performance of all operating units of the Company.
- Ensuring compliance with legislation and regulations applicable to the Company.
- Optimising the allocation of the Company's resources and assets.
- Identifying and exploring new business opportunities.
- Ensuring control, coordination, and monitoring of the Company's risk profile and controls (financial, operational, and information management).
- Ensuring the development of internal policies and that controls are put in place to guarantee compliance therewith.
- Reviewing relevant and/or material submissions to Board/Board Committees, unless otherwise agreed by the CEO.

**The Committee is further responsible for:**

- Prioritising the allocation of capital, technical, human, and other appropriate resources.
- Examining/exploring major investments, divestments, and expenditure to be undertaken for Board approval.

The Committee met regularly during the period under review. War Room Committee

At War Room Committee meetings, the Company's business performance is reviewed and tracked, operational issues are discussed and escalated, and solutions are proffered. The War Room meeting is chaired by the Chief Operating Officer (COO) and attended by Senior Management from the Commercial, Technology, Regulatory, Risk, and Internal Audit functions.

**The key responsibilities of the War Room Committee are to:**

- Track and review the Company's performance nationally and regionally, including financial and non-financial metrics.
- Review and propose solutions to operational issues.
- Analyze customer feedback reports to address pain points and improve customer experience.
- Track each function's targets and initiatives to ensure alignment with the company's overall objectives.
- Customer experience performance review.

### Governance Steering Committee

The Committee deliberates and makes decisions on the effective and efficient management of the performance of operational and strategic matters within the Company. Meetings of the Committee are scheduled monthly.

# MTN Nigeria Communications Plc

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## Corporate governance

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The Committee's terms of reference are detailed below:

- i. Ensure the existence of good internal control systems within the Company.
- ii. Oversee compliance with legal and regulatory requirements.
- iii. Ensure ethical standards and that a strong risk management culture is maintained.
- iv. Ensure efficient deployment and management of the Company's resources.

### Sourcing Committees

The Sourcing Committees (Tiers 1-3) were established to evaluate tender awards and ensure the tender process is fair, honest, equitable, transparent, ethical, competitive, and cost-effective.

#### Tier 1 Sourcing Committee

The Committee evaluates projects presented during meetings and approves the recommendation. It reviews transactions with a threshold of US\$9 million, up to US\$20 million. Where additional information is required to make an informed decision, the Committee requests documentation and clarification from the Sourcing Unit or the project's user department. The Chief Executive Officer chairs the Committee, and the membership includes the Chief Financial Officer, the Group Executive, Global Sourcing and Supply Chain, the Chief Operating Officer, and the Chief Corporate Services Officer.

#### Tier 2 Sourcing Committee

Transactions with values between US\$1.5 million and US\$9 million are considered by the Tier 2 Sourcing Committee. The Chief Financial Officer chairs the Committee, and membership includes the Chief Marketing Officer, Chief Sales and Distribution Officer, Chief Human Resources Officer, Chief Customer Relations Officer, and the Group Executive Global Sourcing and Supply Chain.

#### Tier 3 Sourcing Committee

The Tier 3 Sourcing Committee is mandated to consider and approve transactions with values above the equivalent of US\$145,000 and below US\$1.5 million. It is chaired by the Chief Operating Officer. Membership includes the General Managers for Network Operations, Global Sourcing and Supply Chain, Financial Planning, and Information Technology Operations.

### Capex Steering Committee

The Capital Expenditure (Capex) Steering Committee is established to provide comprehensive oversight of all enterprise Capex, including evaluation, approval, monitoring, and status reporting. The Committee has approval authority over all major milestones and key deliverables of capital projects, or of a set of projects constituting a programme. Its terms of reference are to:

- i. Provide complete supervisory oversight for enterprise-wide Capex governance for optimal return on investment.
- ii. Ensure that a viable business case exists by making sure that all business cases for projects are presented for approval.
- iii. Ensure that the business case remains valid throughout the project through continuous reviews at meetings, where required.
- iv. Ensure the provision of risk analysis and evaluation of all capital projects in the project documentation and post-implementation appraisals.
- v. Review and approve motivations for the budget reallocation or reprioritisation within the confines of the budget approval given by the MTN Nigeria Board.
- vi. Ensure value for money spent from every investment (Return on investment) by providing an investment appraisal for all projects submitted for approval.

# MTN Nigeria Communications Plc

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## Corporate governance

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### Digital Transformation Steering Committee

The Digital Transformation Steering Committee is mandated to provide strategic oversight, guidance, and decision-making authority for Digital Transformation within MTN Nigeria. The Committee ensures effective digitalisation across the organisation to drive revenue growth, improve operational efficiency, and enhance customer experience. The Committee also ensures we stay on course to achieve our Digital Maturity aspirations. The Committee is chaired by the Chief Operating Officer, and has representatives from Digital Services, Enterprise Business, Finance, Human Resources, Information Technology, Internal Audit and Forensic Services, Marketing, Network Group, Risk and Compliance, Strategy & Innovation, and Customer Relations.

The committee's primary purpose is to:

- I. Set digital transformation goals and identify KPIs to enhance value creation.
- II. Ensure alignment between digital transformation efforts and the overall strategic priorities.
- III. Advocate and guide on new and existing digital transformation initiatives across MTN Nigeria.
- iv. Ensure that the expected benefits are realised from digital transformation initiatives
- v. Promote a culture of innovation at MTNN.

### Brand Council

The Brand Council's role is to drive alignment across all areas of the business on strategic priorities through the following:

- i. Approval of annual brand marketing plans.
- ii. Prioritisation and approvals of all strategic commercial/ brand initiatives across the business.
- iii. Assessment and review of Brand initiatives and prioritised commercial projects across the business.
- iv. Ensuring consistency and singularity of brand messaging across the business for advertising and PR content through the creative council which is chaired by the CMO.

The Chief Operating Officer chairs the Brand Council, and membership comprises heads of functional divisions except for the Chief Information Officer and the Chief Technical Officer.

### Editorial Council

The Editorial Council's primary responsibility is to ensure the deployment of integrated messaging. The Chief Corporate Services Officer chairs the Council weekly with functional General Managers, Senior Managers and regional representatives as members.

### Governance and Compliance

MTN Nigeria is committed to compliance with the following Codes of Corporate Governance and Listing Standards:

- i. The Code of Corporate Governance for Public Companies in Nigeria, issued by the Securities and Exchange Commission, 2011.
- ii. The Nigerian Communications Commission's Guidelines for Corporate Governance for the Telecommunications Industry 2025
- iii. The Nigerian Code of Corporate Governance 2018.
- iv. The Post Listing Rules of the Nigerian Exchange Limited.

### Insider Trading and Price Sensitive Information

The Company's Securities Trading Policy has a flowchart on disclosure requirements and clearance to deal in the Company's securities. This provides guidance on trading in its shares. Directors, insiders, and their connected persons in possession of confidential, price-sensitive information (insider information) are prohibited from dealing with the shares of the Company where such would amount to insider trading. Directors, insiders, and related parties are prohibited from disposing, buying, or transferring their shares in the Company during a closed period or any other period as determined by the Company from time to time.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Corporate governance

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### Malus and Clawback

MTN Nigeria offers incentive remuneration to attract, retain, and reward employees through short- and long-term incentives linked to achieving defined performance measures aligned with shareholder interests. To ensure that remuneration outcomes are, inter alia, fair, appropriate, and reflect accurate business performance, the Policy was developed to provide the circumstances where the Board may, through malus, adjust unvested, unsettled, and/or unpaid incentive remuneration downward to zero if required or cancel same or through clawback pursue remedies to recoup any vested, settled, and/or paid incentive remuneration amounts.

Clawback may be triggered if the account or financial performance on which the reward was based is later found to be materially false, misstated, misleading, or erroneous, or if it involves misdemeanour, fraud, a material violation of Company policy, or a material regulatory infraction.

The Board may invoke malus or clawback when a trigger event, which indicates a gross error, whether directly or indirectly and whether intentional or unintentional in the calculation of remuneration, is discovered as follows:

- i. A material misstatement of the financial results, resulting in the adjustment in the audited consolidated accounts of the Company or the audited accounts of a member of the Company; and/or
- ii. The fact that any information used to determine the quantum of an incentive remuneration amount was based on an error, inaccurate, or misleading information; and
- iii. Action or conduct of a participant, which in the reasonable opinion of the Board, amounts to serious misconduct; and/or
- iv. Events or behaviour of a participant or the existence of events attributable to a participant which have led to the censure under applicable rules or reputational/financial damage.

### MTN Nigeria Code of Conduct

The MTN Nigeria Code of Conduct (Conduct Passport) emphasizes MTN Nigeria's commitment to ethical conduct. It demonstrates the standard of behaviour expected of directors, employees, entities and other third parties engaged in business relationships with MTN Nigeria. These core business principles are set out to ensure a common understanding of what is expected of everyone, individually and collectively.

When dealing with customers, suppliers, government officials, members of the public, and the broader society, we conduct ourselves appropriately, comply with the highest ethical standards, and maintain integrity. The Conduct Passport establishes ethical standards and provides the general principles for stakeholder relations. It covers who we are, how we do business, our values and practices, our individual and collective expectations, and how we interact with each other, our partners, customers, and communities. It summarises what we stand for and why compliance with laws and adherence to our policies, processes, and procedures are cornerstones of our philosophy.

The Conduct Passport encapsulates MTN Nigeria's philosophy: to conduct its affairs with uncompromising honesty, integrity, diligence, and professionalism, and to be recognised by all its stakeholders for these qualities.

To make ethics real at MTN Nigeria, we have a dedicated Ethics Management Office that oversees ethics across the Company. In driving the principles set out in our Conduct Passport, the Ethics Office deploys various training programs and awareness campaigns and ensures a visible demonstration of leadership commitment. The Ethics Office has a dedicated helpdesk for ethics-related complaints, ensures trust in the whistleblowing line, and continues to provide ethics advice to staff and other stakeholders.

### Conflict of Interest

Managing potential conflicts of interest remains a key focus in mitigating our ethical risk and ensuring employees and stakeholders are aware of circumstances that could lead to, or be perceived as, ethical breaches. All employees must proactively and transparently disclose personal, contractual, or business interests that could be perceived as, or could result in, actual conflicts of interest.

MTN Nigeria's Conflict of Interest Policy provides guidance on implementing controls to prevent conflicts of interest.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Corporate governance

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### Giving and Receiving of Gifts

As an organisation, we are aware of the impression of impropriety that excessive entertainment or the giving and receiving of gifts may create. Therefore, whilst we appreciate our business partners' goodwill, MTN Nigeria has a strict "No-Gifts" policy. There are certain exceptions permitted, including gifts of limited value, such as corporate-branded items, to foster and maintain good relationships with our stakeholders. The MTN Nigeria Gifts, Hospitality and Entertainment Policy provides limits and approval requirements and requires that all gifts be declared and recorded in Divisional Gifts registers.

### Bribery and Corruption

MTN Nigeria is committed to the highest levels of integrity. We are committed to doing business ethically in compliance with applicable laws and regulations. We have a zero-tolerance approach to fraud, bribery, and corruption, and we continuously strive to improve our efforts to combat these misconducts. We believe that fraudulent and corrupt activities threaten the sustainability and reputation of any business. Our policy is to conduct all our business activities with honesty, integrity, and to the highest ethical standards. We have an Anti-Bribery and Corruption Policy to ensure our efforts against fraud, bribery, and corruption align with global best practices. To promote the vision of zero tolerance for corruption, MTN Nigeria raises awareness of the above principles through various ethics campaigns.

Employees are required to raise their concerns and report wrongdoing within the workplace. We recently deployed an app available for download on mobile phones to report fraud and other misconduct anonymously. The whistle-blowing facility is operated independently by an outsourced service provider.

MTN Nigeria joined the United Nations Global Compact (UNGC) on 2 November 2006. The UNGC aims to advance responsible corporate citizenship, enabling businesses address the challenges of local and cross-border fraud through a network of global partnerships between the private sector and other social sectors.

### Suppliers and Partners

The Company's suppliers and other partners are also expected to act with integrity and conduct business in accordance with the highest ethical standards throughout their entire supply chains. They must demonstrate zero tolerance for all forms of bribery and corruption. All business dealings should be conducted transparently and accurately reflected in the company's books and records.

All suppliers and partners are bound by the same standards and principles stated above, as set out in the Company's Supplier Code of Conduct. The Supplier Code of Conduct outlines our commitment to respecting and promoting human rights and fair workplace practices, including equal opportunities, environmentally sustainable business activities, avoiding conflicts of interest, and a zero-tolerance policy on bribery and corruption.

### Anti-Money Laundering and Combating the Financing of Terrorism

The MTN Nigeria Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) Policy establishes processes and procedures to prevent the Company from being used, intentionally or unintentionally, for money laundering or financing terrorism-related activities. It applies to all MTN Nigeria employees and its subsidiaries, MTN Nigeria partners, and third parties using MTN Nigeria's platform to offer products and services.

The policy covers prohibited dealings with entities associated with unlawful activities such as drug trafficking, arms dealing, fraud, and adult entertainment. Other aspects include prohibiting anonymous accounts, shell banks, and accounts in fictitious names, and sanctions screening for partners, vendors, and third parties to identify designated terrorists and perpetrators of financial crimes.

### Privacy and Data Protection

We are committed to protecting and ensuring the security of the personal information of all our stakeholders. The Company's Privacy and Data Protection Policy set out the principles that govern how MTN Nigeria collects, processes, and protects personal information. The Policy reiterates our commitment to compliance with all applicable legal and regulatory requirements governing the collection and processing of personal information. Therefore, the privacy rights of all data subjects are respected and protected. We ensure that our business interests do not override those rights, and we rely on a lawful basis to process all personal information. Personal information is retained only as long as required by law or for business purposes, and it is always secured and protected.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Corporate governance

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We have developed and deployed a Data Breach Management Procedure that establishes the process for reporting and managing data security breaches involving personal information in MTN Nigeria's custody.

### Complaints Management Policy

MTN Nigeria has established a procedure to handle complaints and inquiries from customers, shareholders, and other stakeholders. The company's complaints management policy aligns with the Nigerian Capital Market Complaints Management Framework issued by the Securities and Exchange Commission. This policy governs the receipt, response, monitoring, and resolution of complaints and inquiries in a timely and efficient manner. The policy is accessible to everyone through our website: <https://www.mtn.ng/investors/shareholders/policies/>

### Executive Management Team

S/N	Name	Designation
1.	Karl Olutokun Toriola	Chief Executive Officer (CEO)
2.	Modupe Kadri	Chief Financial Officer (CFO)
3.	Ayham Moussa	Chief Operating Officer (COO)
4.	Uto Ukpanah	Company Secretary (CS)
5.	Obiageli Ugboma	Chief Risk and Compliance Officer (CRCO)
6.	Ugonwa Nwoye	Chief Customer Relations Officer (CCRO)
7.	Lynda Saint-Nwafor	Chief Enterprise Business Officer (CEBO)
8.	A'isha Umar Mumuni	Chief Digital Officer (CDO)
9.	Tobechukwu Okigbo	Chief Corporate Services and Sustainability Officer (CCSO)
10.	Olusina Adegoke	Chief Corporate Services and Sustainability Officer (CCSO)
11.	Esther Akinnukawe	Chief Human Resources Officer (CHRO)
12.	Yahaya Ibrahim	Chief Technical Officer (CTO)
13.	Onyinye Ikenna-Emeka	Chief Marketing Officer (CMO)
14.	Shoyinka Shodunke	Chief Information Officer (CIO)
15.	Ibe Efe	GM, IAFS
16.	Babalola Oyeleye	Chief Strategy and Innovation Officer (CSIO)
17.	Egerton Idehen	Chief Fixed Broadband Officer (CFBO)



Dr. Ernest Ndukwe, OFR  
Chairman of the Board of Directors  
FRC/2020/003/00000020337

25 February 2026

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Statement of directors' responsibilities in relation to the preparation of the consolidated and separate financial statements

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The Directors of MTN Nigeria Communications Plc are responsible for the preparation of the consolidated and separate financial statements that present fairly the financial position of the Group and Company as at 31 December 2025, and the results of its operations, cash flows and changes in equity for the year ended, in compliance with International Financial Reporting Standards ("IFRS") Accounting Standards and in the manner required by the Companies and Allied Matters Act of Nigeria (CAMA) 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

In preparing the consolidated and separate financial statements, the Directors are responsible for:

- Properly selecting and applying accounting policies;
- Presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Providing additional disclosures when compliance with the specific requirements in IFRS Accounting Standards is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance; and
- Making an assessment of the Group and Company's ability to continue as a going concern.

The Directors are responsible for:

- Designing, implementing and maintaining an effective and sound system of internal controls of the group and company;
- Maintaining adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company, and enable them to ensure that the consolidated and separate financial statements of the Group and Company comply with IFRS Accounting Standards;
- Maintaining statutory accounting records in compliance with the legislation of Nigeria and IFRS Accounting Standards;
- Taking such steps as are reasonably available to them to safeguard the assets of the Group and Company; and
- Preventing and detecting fraud and other irregularities.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern for at least twelve months from the date of this statement.

The consolidated and separate financial statements of the Group and Company for the year ended 31 December 2025 were approved by the Directors on 25 February 2026.

Signed on behalf of the Directors of the Group.



Dr. Ernest Ndukwe, OFR  
Chairman of the Board of Directors  
FRC/2020/003/00000020337



Mr. Karl Toriola  
Chief Executive Officer  
FRC/2021/002/00000022839

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Statement of corporate responsibility for the consolidated and separate financial statements

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Section 405 of the Companies and Allied Matters Act (CAMA) 2020 requires the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of a company, other than a small company or persons performing similar functions, to take direct responsibility for the financial reports and shall certify in the audited consolidated and separate financial statements accordingly.

In pursuance of this Section, the CEO and CFO (hereinafter called "Officers") certify that the:

- a) Officers who signed the audited consolidated and separate financial statements have reviewed them, and based on the officers' knowledge, the:
  - i. audited consolidated and separate financial statements do not contain any untrue statement of a material fact or omit a material fact which would make the statements misleading, in light of the circumstances under which such statements were made; and
  - ii. audited consolidated and separate financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operations of the Group and Company as of, and for, the periods covered by the audited consolidated and separate financial statements;
- b) Officers who signed the audited consolidated and separate financial statements:
  - i. are responsible for establishing and maintaining internal controls; and have designed such internal controls to ensure that material information relating to the company, and its subsidiaries, is made known to the officers by other officers of the Company, particularly during the period in which the audited consolidated and separate financial statements are being prepared;
  - ii. have evaluated the effectiveness of the Group and Company's internal controls within 90 days prior to the date of the audited consolidated and separate financial statements;
  - iii. certifies that the group's and company's internal controls are effective as of that date.
- c) Officers who signed the audited consolidated and separate financial statements disclosed to the company's auditors and audit committee:
  - i. all significant deficiencies and material weaknesses in the design or operations of the internal control system which could adversely affect the Group's and Company's ability to record, process, summarize and report financial data; and has identified to the Company's auditors any material weaknesses in internal controls; and
  - ii. whether or not, there is any fraud that involves management or other employees who have a significant role in the company's internal control; and
- d) Officers who signed the report, have indicated in the report, whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Signed on 25 February 2026.



Karl Toriola  
Chief Executive Officer  
FRC/2021/002/00000022839



Modupe Kadri  
Chief Financial Officer  
FRC/2020/001/00000020737

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Statutory audit committee report

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To the members of MTN Nigeria Communications Plc.

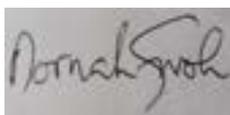
In accordance with the provisions of Section 404(7) of the Companies and Allied Matters Act (CAMA) 2020, the members of the Statutory Audit Committee of MTN Nigeria Communications Plc hereby report as follows:

- We have exercised our statutory functions under Section 404(7) of the Companies and Allied Matters Act, 2020 and acknowledge the cooperation of management and staff in the conduct of these responsibilities.
- We are of the opinion that the accounting and reporting policies of the Group are in accordance with legal requirements and agreed ethical practices.
- The scope and planning of the external and internal audits for the year ended 31 December 2025 were satisfactory and reinforce the Group's internal control systems.
- We have considered the External Auditor's management letter for the year and we are satisfied with management's responses to the External Auditor's recommendations and that management has taken appropriate steps to address the issues raised by the Auditor.
- The External Auditor's confirmed they received necessary cooperation from management in the course of their statutory audit and that the scope of their work was not restricted in any way.

Members of the Statutory Audit Committee that served during the year are:

1.	Mr. Nornah Awoh	Shareholders' Representative	Chairman
2.	Chief Michael Odili	Shareholders' Representative	Member
3.	Mrs. Josephine Ewital	Shareholders' Representative	Member
4.	Mr. Tim Pennington	Non-Executive Director	Member
5.	Mrs. Ifueko M Omoigui Okauru, MFR	Non-Executive Director	Member

On behalf of the statutory audit committee



Mr. Nornah Awoh  
Chairman, Statutory Audit Committee  
FRC/2021/003/00000022526  
25 February 2026

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Certification on management assessment on internal controls over financial reporting

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In compliance with the provisions of Section 405 of the Companies and Allied Matters Act, 2020 and, Investment and Securities Act (ISA) 2025 on internal control over financial reporting, the directors, whose names are stated below, hereby certify that:

- a. We have reviewed the audited consolidated and separate financial statements of MTN Nigeria Communications Plc for the year ended 31 December 2025;
- b. Based on our knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c. Based on our knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
- d. We also certify that we:
  - are responsible for establishing and maintaining internal controls;
  - have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the company, and its consolidated subsidiaries, is made known to us by others within the Group, particularly during the period in which this report is being prepared;
  - have designed an internal control system, or caused an internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the consolidated and separate financial statements for external purposes in accordance with generally accepted accounting principles;
  - have evaluated the effectiveness of the Company's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e. We have disclosed, based on our most recent evaluation of internal control system, to the Company's auditors and the audit committee of the board of directors (or persons performing the equivalent functions):
  - All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
  - Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control system.
- f. We have identified in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.



Mr. Karl Toriola  
Chief Executive Officer  
FRC/2021/002/00000022839

25 February 2026



Mr. Modupe Kadri  
Chief Financial Officer  
FRC/2020/001/00000020737

25 February 2026

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Management's annual assessment of, and report on the entity's internal control over financial reporting

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To comply with the provisions of Section 1.3 of SEC guidance on implementation of Sections 88-89 of Investments and Securities Act 2025, we hereby make the following statements regarding the Internal Controls of MTN Nigeria Communications Plc for the year ended 31 December 2025.

- i. MTN Nigeria Communications Plc's management is responsible for establishing and maintaining a system of internal control over financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards.
- ii. MTN Nigeria Communications Plc's management used the Committee of Sponsoring Organisation of the Treadway Commission (COSO) Internal Control-Integrated Framework to conduct the required evaluation of the effectiveness of the entity's ICFR.
- iii. MTN Nigeria Communications Plc's management has assessed that the entity's ICFR as of the end of 31 December 2025 is effective.
- iv. MTN Nigeria Communications Plc's external auditor, Messrs Ernst & Young (EY), which audited the financial statements, has issued an attestation report on management's assessment of the entity's internal control over financial reporting.

The attestation report by Messrs Ernst & Young (EY), which audited the consolidated and separate financial statements, will be filed as part of the annual report.



Dr. Ernest Ndukwe  
Chairman of the Board of Directors  
FRC/2021/002/00000022839  
25 February 2026



Modupe Kadri  
Chief Financial Officer  
FRC/2020/001/00000020737  
25 February 2026

## Independent Auditor's Attestation Report on Management's Assessment of Internal Control over Financial Reporting

### To the Members of MTN Nigeria Communications Plc

#### Scope

We have been engaged by MTN Nigeria Communications Plc ("the Company") to perform a 'limited assurance engagement', based on International Standards on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ("ISAE 3000 (Revised)") and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, herein referred to as the engagement, to report on MTN Nigeria Communications Plc Internal Control over Financial Reporting (ICFR) (the "Subject Matter") contained in MTN Nigeria Communication Plc ("the Company's") Management's Assessment on Internal Control over Financial Reporting as of 31 December 2025 ("the Report").

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company,
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.





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***Criteria applied by MTN Nigeria Communications Plc***

In designing, establishing, and operating the Internal Control over Financial Reporting (ICFR) and preparing the Management's assessment of the Internal Control over Financial Reporting (ICFR), MTN Nigeria Communications Plc applied the requirements of Internal Control-Integrated Framework (2013) of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and SEC Guidance on Management Report on Internal Control Over Financial Reporting (Criteria). Such Criteria were specifically designed to enable organizations effectively and efficiently develop systems of internal control that adapt to changing business and operating environments, mitigate risks to acceptable levels, and support sound decision making and governance of the organization; As a result, the subject matter information may not be suitable for another purpose.

***MTN Nigeria Communications Plc responsibilities***

MTN Nigeria Communications Plc management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying MTN Nigeria Communications Plc's management's assessment of the Internal Control over Financial reporting as of 31 December 2025 in accordance with the criteria.

***Our responsibilities***

Our responsibility is to express a conclusion on the design and operating effectiveness of the Internal Control over Financial Reporting based on our Assurance engagement.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ("ISAE 3000 (Revised)") and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, those standards require that we plan and perform our engagement to obtain limited assurance on the entity's internal control over financial reporting based on our assurance engagement.

***Our independence and quality management***

We have maintained our independence and confirm that we have met the requirements of the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (including International Independence Standards) (IESBA Code) and have the required competencies and experience to conduct this assurance engagement.

We also apply International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements, which requires that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.



**Description of procedures performed.**

The procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provides a basis for our report on the internal control put in place by management over financial reporting.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have obtained had a reasonable assurance engagement been performed

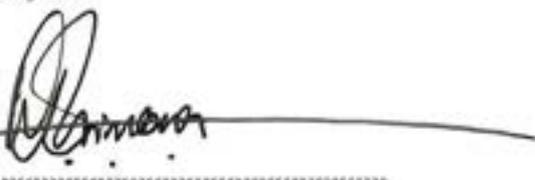
**Conclusion**

In conclusion, nothing has come to our attention to indicate that the internal control over financial reporting put in place by management is not adequate as of 31 December 2025, based on the requirements of Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and SEC Guidance on Management Report on Internal Control Over Financial Reporting.

**Other Matter**

We also have audited, in accordance with the International Standards on Auditing, the audited consolidated and separate financial statements report for the year ended 31 December 2025 of MTN Nigeria Communications Plc and we expressed an unmodified opinion in our Auditor's report dated 25 February 2026. Our conclusion is not modified in respect of this matter.

Signed:



Williams I. Erimona  
FCA FRC/2013/PRO/ICAN/004/000000 00681  
For: Ernst & Young  
Lagos, Nigeria  
25 February 2026



**Independent Auditor's Report**  
**To the Members of MTN Nigeria Communications Plc**  
**Report on the Audit of the Consolidated and Separate Financial Statements**

**Opinion**

We have audited the consolidated and separate financial statements of MTN Nigeria Communications Plc ("the Company") and its subsidiaries (together "the Group"), which comprise the consolidated and separate statements of financial position as at 31 December 2025, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Group and the Company as at 31 December 2025, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the provisions of the Companies and Allied Matters Act, 2020 and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

**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 and Separate Financial Statements* section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Nigeria, 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 judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. For the 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 and Separate Financial Statements* section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate 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 and separate financial statements.



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Independent Auditor's Report

To the Members of MTN Nigeria Communications Plc

Key Audit Matters-Continued

Key Audit Matters	How the matter was addressed in the audit*
<p><b>Revenue recognition</b></p> <p>Included in revenue of N 5.18 trillion for the year ended 31 December 2025, is revenue from network services of N4.63 trillion (2024: N2.91 trillion). The revenue from this source represents over 89% of total revenue of the Group. There is a risk associated with recognizing revenue from this source by the telecommunication industries due to the complexity of the processes, systems, and the impact of changing pricing models (tariff structures, incentive arrangements, discounts etc). The application of accounting standards to revenue recognition involves a number of key judgements and estimates, most especially within the Network Service Revenue (Voice, Data and SMS). These judgments include:</p> <ul style="list-style-type: none"> <li>▶ Bundled products where revenue arrangements involve more than one good or service being provided to the customer, consideration is allocated between the goods and services using estimated standalone selling prices (SASP); and</li> <li>▶ Timing of satisfaction of performance obligations as direct output used to recognize revenue over a period of time.</li> </ul> <p>Revenue recognized from network services is designated a key audit matter as a result of the complexity of the billing systems, estimation involved, and controls established in the revenue estimation.</p> <p>Refer to:</p> <ul style="list-style-type: none"> <li>▶ Note 7.7 to the financial statements - Critical accounting judgements - Timing of satisfaction of performance obligations.</li> <li>▶ Note 7.11 to the financial statements - Critical accounting judgements - Contract Liabilities</li> <li>▶ Note 6 to the financial statements - Segment information.</li> <li>▶ Note 8 to the financial statements - Revenue</li> </ul>	<p>Our audit procedures in response to the key audit matter included, among others:</p> <ul style="list-style-type: none"> <li>▶ We evaluated the design and operating effectiveness of controls over the occurrence and measurement of revenue transactions, including assessing the relevant IT systems used for capturing revenue.</li> <li>▶ We examined the processes and controls over the capture and assessment of the timing of revenue recognized for new products and plans; and performed testing on a sample of new plans with supporting evidence.</li> <li>▶ We tested the IT environment in which billing, rating, and other relevant support systems reside, including the change control procedures in place around systems that bill the network service revenue stream.</li> <li>▶ We tested the end-to-end reconciliation from business support systems to billing and rating systems, and then to the general ledger. This testing included validating material journals processed between the billing system and the general ledger.</li> <li>▶ We performed tests on the customer bill generation on a sample basis, as well as tested a sample of credits and discounts applied to customer bills.</li> <li>▶ We tested a sample of tariff setups and rate changes in the Intelligent Network (IN) for Network Services.</li> <li>▶ For network revenue, we tested a sample of call records to validate and test the accuracy of revenue, and the resolution of exceptions, in addition to performing independent calls to check the setup of rates.</li> <li>▶ We performed a detailed analytical review to gain an understanding of the reasons for the movement in network service revenue compared to the prior year.</li> </ul>



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Independent Auditor's Report

To the Members of MTN Nigeria Communications Plc

	<ul style="list-style-type: none"> <li>▶ We performed revenue assurance procedures by testing the application controls on revenue recognized in the prepaid platform.</li> </ul>
<p><b>Impairment loss assessment on Investment in subsidiaries</b></p> <p>MTN Nigeria Communications Plc ("MTNN" or "the Company") holds investments in YDFS Limited ("YDFS") and Momo PSB, both of which are wholly owned subsidiaries. During the year, impairment indicators were identified for the subsidiaries, and an impairment assessment was performed by comparing the carrying amounts of the subsidiaries to their recoverable amounts. As a result, the Company recognised an impairment loss amounting to N45.39 billion (2024: N500 million) for its investments in subsidiaries.</p> <p>The recoverable amount, in accordance with International Accounting Standard (IAS) 36- Impairment of assets, is determined to be the higher of the fair value less costs of disposal and the value in use. The recoverable amounts of the investments in subsidiaries were estimated using the discounted cash flow model which is complex and involves significant judgement and assumptions including the discount rate applied in cash flow forecasts, growth rate in determining the value in use (VIU), also comparable company multiples using the market approach in determining the fair value less cost to sale.</p> <p>Given the complexity and significant judgement involved in estimating the recoverable amounts of the investments in subsidiaries, as well as the sensitivity of the assumptions used in the determination of the recoverable amounts, impairment loss assessment on investments in subsidiaries is considered a key audit matter.</p> <p>Refer to: Note 4.2.2 to the financial statements - Investment in Subsidiaries and Note 22.1.2 to the financial statements - Method used to determine recoverable amount in the separate financial statements</p>	<p>Our audit procedures in response to the key audit matter included, among others:</p> <ul style="list-style-type: none"> <li>▶ We obtained an understanding of the policies and procedures that the company applies when assessing investments in subsidiaries for impairment.</li> <li>▶ Together with our valuation specialists, we assessed the appropriateness of the company's valuation methodology and the reasonableness of the assumptions used in determining the recoverable amount.</li> <li>▶ We tested the mathematical accuracy of the impairment model independently and performed testing of the recoverable amount using assumptions that are relevant to the applicable investments in assessing the recoverable amount.</li> <li>▶ We assessed the appropriateness of the disclosures made in the financial statements in accordance with the applicable accounting policies of the company.</li> </ul>





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## Independent Auditor's Report

To the Members of MTN Nigeria Communications Plc

### *Other Information*

The Directors are responsible for the other information. The other information comprises the information included in the document titled "MTN Nigeria Communications Plc Audited Consolidated and Separate Financial Statements for the year ended 31 December 2025", which includes the Directors' Report, Statutory Audit Committee Report, Statement of Corporate Responsibility For the Consolidated and Separate Financial Statements, Statement of Directors' Responsibilities in relation to the preparation of the Consolidated and Separate Financial Statements, Certification on Management Assessment on Internal Controls over Financial Reporting, Management Annual Assessment of and report on the entity's Internal Control over Financial Reporting, Corporate Governance Report, Sustainability-Related Financial Disclosures (Abridged) and Other National Disclosures which we obtained prior to the date of this report, and the annual report which is expected to be made available to us after that date. Other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon as part of this opinion.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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 and Separate Financial Statements*

The Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the provisions of the Companies and Allied Matters Act, 2020 and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the Group's and the Company'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 and/or the Company or to cease operations, or have no realistic alternative but to do so.

### *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements*

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements 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 and separate financial statements. As part of an audit in accordance with ISAs, we exercise



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## Independent Auditor's Report

To the Members of MTN Nigeria Communications Plc

professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 and the Company'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 and the Company'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 and separate 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 and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate 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 as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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 and separate financial statements of the current period 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.

**Independent Auditor's Report**  
**To the Members of MTN Nigeria Communications Plc**

**Report on Other Legal and Regulatory Requirements**

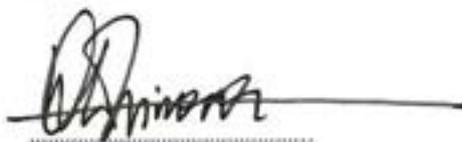
In accordance with the requirement of the Fifth Schedule of the Companies and Allied Matters Act, 2020, we confirm that:

- We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
- In our opinion, proper books of account have been kept by the Group and Company, in so far as it appears from our examination of those books;
- The consolidated and separate statements of financial position and the consolidated and separate statements of profit or loss and other comprehensive income are in agreement with the books of account; and
- In our opinion, the consolidated and separate financial statements have been prepared in accordance with the provisions of the Companies and Allied Matters Act, 2020 so as to give a true and fair view of the state of affairs and financial performance of the Company and its subsidiaries.

In accordance with the requirements of the Financial Reporting Council of Nigeria (FRC) Guidance on Assurance Engagement Report on Internal Control over Financial Reporting:

We performed a limited assurance engagement and reported on management's assessment of the Company's internal control over financial reporting as of 31 December 2025. The work performed was done in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (ISAE 3000 (Revised)) and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, and we have issued an unmodified conclusion in our report dated 25 February 2026.

Signed:



Williams I. Erimona, FCA  
FRC/2013/PRO/ICAN/004/00000002190  
For: Ernst & Young  
Lagos, Nigeria



25 February 2026

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Consolidated and separate statements of profit or loss

	Note(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million
Revenue	8	5,202,957	3,358,461	5,195,521	3,363,513
Other income	9	1,672	2,369	1,672	2,369
Direct networking operating costs	10.1	(1,390,033)	(1,232,120)	(1,390,033)	(1,232,115)
Value added services	10.2	(55,703)	(33,743)	(55,699)	(33,737)
Cost of starter packs, handsets and accessories	10.3	(46,536)	(48,630)	(46,536)	(48,630)
Interconnect costs	10.4	(191,982)	(192,819)	(191,982)	(192,819)
Roaming costs	10.5	(11,442)	(12,344)	(11,442)	(12,344)
Transmission costs	10.6	(40,764)	(29,164)	(40,764)	(29,164)
Commissions	10.7	(243,070)	(154,577)	(240,658)	(152,945)
Advertisements, sponsorships and sales promotions	10.8	(58,333)	(45,129)	(55,179)	(33,847)
Employee costs	11	(154,217)	(91,919)	(148,080)	(85,212)
Impairment of financial assets	12	(5,507)	(6,752)	(6,413)	(6,824)
Other operating expenses	13	(263,277)	(200,234)	(320,749)	(195,382)
Depreciation of property and equipment	18	(315,229)	(259,748)	(315,229)	(259,553)
Depreciation of right of use assets	19.1	(258,809)	(184,723)	(258,809)	(184,723)
Amortisation of intangible assets	20	(90,216)	(90,684)	(88,708)	(89,231)
<b>Operating profit</b>		<b>2,079,511</b>	<b>778,244</b>	<b>2,026,912</b>	<b>809,356</b>
Finance income	14	51,158	28,440	40,827	24,998
Finance costs	15	(524,908)	(431,648)	(523,750)	(430,427)
Net foreign exchange gain/(loss)	16	90,268	(925,361)	89,960	(924,903)
<b>Profit/(loss) before taxation</b>		<b>1,696,029</b>	<b>(550,325)</b>	<b>1,633,949</b>	<b>(520,976)</b>
Tax (expense)/credit	17	(583,183)	149,890	(583,083)	160,500
<b>Profit/(loss) for the year</b>		<b>1,112,846</b>	<b>(400,435)</b>	<b>1,050,866</b>	<b>(360,476)</b>
<b>Profit/(loss) attributable to:</b>					
Owners of the Company		1,112,846	(399,448)	1,050,866	(360,476)
Non-controlling interest		-	(987)	-	-
		<b>1,112,846</b>	<b>(400,435)</b>	<b>1,050,866</b>	<b>(360,476)</b>
Earnings/(loss) per share - basic/diluted (N)	34.1	53.07	(19.05)	50.11	(17.19)

The accompanying notes form an integral part of the audited consolidated and separate financial statements.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Consolidated and separate statements of other comprehensive income

	Note(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million
<b>Profit/(loss) for the year</b>		<b>1,112,846</b>	<b>(400,435)</b>	<b>1,050,866</b>	<b>(360,476)</b>
<b>Other comprehensive income/(loss):</b>					
<b>Items that will not be reclassified to profit or loss, (net of taxation):</b>					
Remeasurement loss on employee benefits	44.2	(2,133)	(81)	(2,133)	(81)
<b>Items that may be reclassified to profit or loss, (net of taxation):</b>					
Fair valuation gain/(loss) on investments at FVOCI (a)	32.1	156	(104)	90	(108)
<b>Other comprehensive loss for the year; net of taxation</b>		<b>(1,977)</b>	<b>(185)</b>	<b>(2,043)</b>	<b>(189)</b>
<b>Total comprehensive income/(loss)</b>		<b>1,110,869</b>	<b>(400,620)</b>	<b>1,048,823</b>	<b>(360,665)</b>
<b>Total comprehensive income/(loss) attributable to:</b>					
Owners of the Company		1,110,869	(399,633)	1,048,823	(360,665)
Non-controlling interest		-	(987)	-	-
		<b>1,110,869</b>	<b>(400,620)</b>	<b>1,048,823</b>	<b>(360,665)</b>

(a) Fair valuation gain or loss on investments designated at fair value through other comprehensive income (FVOCI) relates to Federal Government treasury bills and bonds investments and its recognised net of tax (except for Federal Government bonds).

The accompanying notes form an integral part of the audited consolidated and separate financial statements.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Consolidated and separate statements of financial position as at 31 December 2025

	Note(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million
<b>Assets</b>					
<b>Non-current assets</b>					
Property and equipment	18	1,853,524	1,248,304	1,853,524	1,248,304
Right-of-use assets	19.1	1,716,877	1,382,580	1,716,877	1,382,580
Intangible assets	20	421,410	408,783	418,347	404,212
Investments in subsidiaries	21	-	-	45,386	102,950
Contract acquisition costs	22	12,319	9,344	12,319	9,344
Other non-current investments	23	17,812	9,068	6,251	6,575
Deferred tax assets	42.2	93,629	321,349	93,612	321,332
Non-current prepayments	24	33,830	26,227	33,830	26,227
		<b>4,149,401</b>	<b>3,405,655</b>	<b>4,180,146</b>	<b>3,501,524</b>
<b>Current assets</b>					
Inventories	25	23,298	6,971	23,298	6,395
Trade and other receivables	26	397,029	367,713	433,716	398,966
Current investments	23	162,255	52,409	116,893	28,196
Restricted cash	27	37,707	107,023	37,507	106,823
Cash held for MoMo customer	28.1	1,298	3,843	-	-
Cash and cash equivalents	29	632,501	253,377	630,219	232,800
		<b>1,254,088</b>	<b>791,336</b>	<b>1,241,633</b>	<b>773,180</b>
<b>Total assets</b>		<b>5,403,489</b>	<b>4,196,991</b>	<b>5,421,779</b>	<b>4,274,704</b>
<b>Equity and liabilities</b>					
<b>Equity</b>					
Share capital	30.1	420	420	420	420
Share premium	31	166,362	166,362	166,362	166,362
Other reserves	32.1	(14,431)	(12,454)	(31,876)	(29,833)
Shares held for employee share scheme	33	(4,041)	(4,869)	(4,041)	(4,869)
Retained profit/(accumulated loss)		400,402	(607,466)	457,570	(488,318)
		<b>548,712</b>	<b>(458,007)</b>	<b>588,435</b>	<b>(356,238)</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Borrowings	35.1	419,572	636,590	419,572	636,590
Lease liabilities	19.2	2,117,047	1,997,744	2,117,047	1,997,744
Provisions	36	52	43	52	43
Share based payment liability	43.1	44,354	14,021	44,354	14,021
Employee benefits	44	13,699	9,440	13,699	9,440
Other non-current liabilities	37.1	11,634	8,842	2,354	25
		<b>2,606,358</b>	<b>2,666,680</b>	<b>2,597,078</b>	<b>2,657,863</b>

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Consolidated and separate statements of financial position as at 31 December 2025

	Note(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million
<b>Current liabilities</b>					
Trade and other payables*	38	1,317,659	1,190,246	1,319,134	1,183,736
Borrowings	35.1	108,097	336,325	108,097	336,325
Lease liabilities	19.2	269,182	285,680	269,182	285,680
Contract liabilities	39	138,138	117,272	138,138	117,272
Current tax payable	41	355,175	25,012	354,801	24,713
Provisions	36	39,177	25,171	37,545	21,754
Derivatives	40	2,224	1,961	2,224	1,961
Deposit held for MoMo customers	28.2	9,842	3,843	-	-
Employee benefits	44	6,003	1,638	6,003	1,638
Other current liabilities*	37.2	2,922	1,170	1,142	-
		<b>2,248,419</b>	<b>1,988,318</b>	<b>2,236,266</b>	<b>1,973,079</b>
<b>Total liabilities</b>		<b>4,854,777</b>	<b>4,654,998</b>	<b>4,833,344</b>	<b>4,630,942</b>
<b>Total equity and liabilities</b>		<b>5,403,489</b>	<b>4,196,991</b>	<b>5,421,779</b>	<b>4,274,704</b>

The audited consolidated and separate financial statements were approved by the Board of Directors on the 25 February 2026 and were signed on its behalf by:



Dr. Ernest Ndukwe, OFR  
Chairman of the Board of Directors  
FRC/2020/003/00000020337



Karl Toriola  
Chief Executive Officer  
FRC/2021/002/00000022839



Modupe Kadri  
Chief Financial Officer  
FRC/2020/001/00000020737

The accompanying notes form an integral part of the audited consolidated and separate financial statements.

\*2024 numbers have been reclassified, see note 52.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Consolidated and separate statements of changes in equity

	Share capital	Share premium	Total share capital	Shares held for employee share scheme	Other reserves	Retained profit/ (accumulated loss)	Equity attributable to the owners of the company	Non-controlling interest	Total equity
Note(s)	N million	N million	N million	N million	N million	N million	N million	N million	N million
<b>Group</b>									
<b>Balance at 1 January 2024</b>	<b>420</b>	<b>166,362</b>	<b>166,782</b>	<b>(4,869)</b>	<b>701</b>	<b>(208,018)</b>	<b>(45,404)</b>	<b>4,560</b>	<b>(40,844)</b>
Loss for the year	-	-	-	-	-	(399,448)	(399,448)	(987)	(400,435)
Other comprehensive loss; net of tax	-	-	-	-	(185)	-	(185)	-	(185)
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(185)</b>	<b>(399,448)</b>	<b>(399,633)</b>	<b>(987)</b>	<b>(400,620)</b>
Non-controlling interest acquisition	-	-	-	-	(12,970)	-	(12,970)	(3,574)	(16,544)
<b>Balance at 31 December 2024</b>	<b>420</b>	<b>166,362</b>	<b>166,782</b>	<b>(4,869)</b>	<b>(12,454)</b>	<b>(607,466)</b>	<b>(458,007)</b>	<b>-</b>	<b>(458,007)</b>
<b>Balance at 1 January 2025</b>	<b>420</b>	<b>166,362</b>	<b>166,782</b>	<b>(4,869)</b>	<b>(12,454)</b>	<b>(607,466)</b>	<b>(458,007)</b>	<b>-</b>	<b>(458,007)</b>
Profit for the year	-	-	-	-	-	1,112,846	1,112,846	-	1,112,846
Other comprehensive loss; net of tax	-	-	-	-	(1,977)	-	(1,977)	-	(1,977)
<b>Total comprehensive (loss)/income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,977)</b>	<b>1,112,846</b>	<b>1,110,869</b>	<b>-</b>	<b>1,110,869</b>
Net vested shares	33	-	-	828	-	-	828	-	828
Dividends	30.2	-	-	-	-	(104,978)	(104,978)	-	(104,978)
<b>Balance at 31 December 2025</b>	<b>420</b>	<b>166,362</b>	<b>166,782</b>	<b>(4,041)</b>	<b>(14,431)</b>	<b>400,402</b>	<b>548,712</b>	<b>-</b>	<b>548,712</b>
Note(s)	30.1	31		33	32.1			21.2	

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Consolidated and separate statements of changes in equity

	Share capital	Share premium	Total share capital	Shares held for employee share scheme	Other reserves	Retained profit/ (accumulated loss)	Equity attributable to the owners of the company	Non-controlling interest	Total equity
Note(s)	N million	N million	N million	N million	N million	N million	N million	N million	N million
<b>Company</b>									
<b>Balance at 1 January 2024</b>	<b>420</b>	<b>166,362</b>	<b>166,782</b>	<b>(4,869)</b>	<b>708</b>	<b>(127,842)</b>	<b>34,779</b>	-	<b>34,779</b>
Loss for the year	-	-	-	-	-	(360,476)	(360,476)	-	(360,476)
Other comprehensive loss; net of tax	-	-	-	-	(189)	-	(189)	-	(189)
<b>Total comprehensive loss for the year</b>	-	-	-	-	<b>(189)</b>	<b>(360,476)</b>	<b>(360,665)</b>	-	<b>(360,665)</b>
Common control reserve	-	-	-	-	(30,352)	-	(30,352)	-	(30,352)
<b>Balance at 31 December 2024</b>	<b>420</b>	<b>166,362</b>	<b>166,782</b>	<b>(4,869)</b>	<b>(29,833)</b>	<b>(488,318)</b>	<b>(356,238)</b>	-	<b>(356,238)</b>
<b>Balance at 1 January 2025</b>	<b>420</b>	<b>166,362</b>	<b>166,782</b>	<b>(4,869)</b>	<b>(29,833)</b>	<b>(488,318)</b>	<b>(356,238)</b>	-	<b>(356,238)</b>
Profit for the year	-	-	-	-	-	1,050,866	1,050,866	-	1,050,866
Other comprehensive loss; net of tax	-	-	-	-	(2,043)	-	(2,043)	-	(2,043)
<b>Total comprehensive (loss)/income for the year</b>	-	-	-	-	<b>(2,043)</b>	<b>1,050,866</b>	<b>1,048,823</b>	-	<b>1,048,823</b>
Net vested shares	33	-	-	828	-	-	828	-	828
Dividends	30.2	-	-	-	-	(104,978)	(104,978)	-	(104,978)
<b>Balance at 31 December 2025</b>	<b>420</b>	<b>166,362</b>	<b>166,782</b>	<b>(4,041)</b>	<b>(31,876)</b>	<b>457,570</b>	<b>588,435</b>	-	<b>588,435</b>
Note(s)	30.1	31		33	32.1				

The accompanying notes form an integral part of the audited consolidated and separate financial statements.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Consolidated and separate statements of cash flows

	Note(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million
<b>Cash flows from operating activities</b>					
Cash generated from operations	46	2,840,617	1,415,470	2,855,171	1,435,565
Finance income received	14	35,868	23,304	30,941	19,845
Finance costs paid	15	(538,038)	(443,253)	(538,038)	(443,253)
Dividends paid	30.2	(104,978)	-	(104,978)	-
Tax paid	41	(21,546)	(126,620)	(21,546)	(126,620)
<b>Net cash generated from operating activities</b>		<b>2,211,923</b>	<b>868,901</b>	<b>2,221,550</b>	<b>885,537</b>
<b>Cash flows from investing activities</b>					
Acquisition of property and equipment	18.3	(654,035)	(339,900)	(654,035)	(339,900)
Prepayment of right of-use-assets	19.1.1	(140,961)	(51,850)	(140,961)	(51,850)
Acquisition of intangible assets	20.5	(276,528)	(87,303)	(276,528)	(86,980)
Proceeds from sale of property and equipment	13.3	2,903	2,643	2,903	2,643
Addition to contract acquisition costs	22	(11,047)	(7,246)	(11,047)	(7,246)
Restricted cash released and utilized	27	71,709	292,166	71,709	292,166
Purchase of non-current FGN bonds	23	(8,427)	(2,434)	-	-
Purchase of bonds, treasury bills and foreign deposits	23	(743,032)	(125,230)	(243,503)	(105,621)
Sale of bonds, treasury bills and foreign deposits	23	647,275	99,733	152,717	99,733
Prepaid road investment tax credit cost	24.1	(27,895)	(18,978)	(27,895)	(18,978)
Acquisition of non-controlling interest	21.2	-	-	-	(6,950)
Investment in subsidiary	21	-	-	(5,000)	(30,000)
<b>Net cash used in investing activities</b>		<b>(1,140,038)</b>	<b>(238,399)</b>	<b>(1,131,640)</b>	<b>(252,983)</b>
<b>Cash flows from financing activities</b>					
Proceeds from borrowings	35.1	107,357	463,348	107,357	463,348
Repayments of borrowings	35.1	(523,090)	(988,674)	(523,090)	(988,674)
Repayments on lease liabilities	19.2	(268,032)	(204,564)	(268,032)	(204,564)
Acquisition of non-controlling interest	21.2	-	(6,950)	-	-
Payments to the Ericsson Wallet Platform (EWP) liability	37.3	(191)	-	-	-
Shares held for employee share scheme	33	(509)	-	(509)	-
<b>Net cash flows used in financing activities</b>		<b>(684,465)</b>	<b>(736,840)</b>	<b>(684,274)</b>	<b>(729,890)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>387,420</b>	<b>(106,338)</b>	<b>405,636</b>	<b>(97,336)</b>
Cash and cash equivalents at the beginning of the year		253,409	345,168	232,832	315,589
Exchange (loss)/gain on cash and cash equivalents	16	(8,134)	14,579	(8,134)	14,579
<b>Cash and cash equivalents at the end of the year</b>	29	<b>632,695</b>	<b>253,409</b>	<b>630,334</b>	<b>232,832</b>

The accompanying notes form an integral part of the audited consolidated and separate financial statements.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

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### 1 General information

MTN Nigeria Communications Plc (MTN Nigeria or the Company) was incorporated on 08 November 2000 as a private limited liability company. The Company was granted a licence by the Nigerian Communications Commission on 09 February 2001 to undertake the business of building and operating GSM Cellular Network Systems and provide related services across Nigeria. The Company commenced operations on 08 August 2001 (commercial launch date). Currently, the Company holds a Unified Access Service License (UASL) and other licences as detailed in note 20.7.

The Company re-registered as a public limited company, MTN Nigeria Communications Plc on 18 April 2019 and listed by introduction on the Premium Board of the Nigerian Stock Exchange on 16 May 2019. The registered office address of the Company is 4, Aromire Road, Off Alfred Rewane, Ikoyi Lagos. The principal place of business is MTN Plaza, Falomo, Ikoyi, Lagos.

The Group's subsidiaries are MoMo Payment Service Bank Limited, Yello Digital Financial Services Limited and XS Broadband Limited. MoMo Payment Service Bank Limited and Yello Digital Financial Services Limited, provide mobile and digital financial services (fintech) and operated actively during the year under review, while XS Broadband Limited remained dormant, its principal activity is provision of broadband fixed wireless telecommunication services.

### 2 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under Accounting Standards to IFRS. In addition, the consolidated and separate financial statements complies with the requirements of the Financial Reporting Council of Nigeria (Amendment) Act, 2023, and the Companies and Allied Matters Act of Nigeria (CAMA), 2020.

The Group has adopted all new accounting pronouncements that became effective in the current reporting period, none of which had a material impact on the Group or the Company. The consolidated and separate financial statements are presented in Naira and rounded to the nearest millions, except where stated otherwise.

The financial statements have been prepared on a going concern basis. Nothing has come to the attention of the directors to indicate that the Group will not remain a going concern for at least twelve months from the date of these financial statements.

### 3 Going concern

The Group and the Company recorded strong financial performance for the year, evidenced by sustained revenue growth and profitability, positive operating cash flows, adequate liquidity levels, and continued access to funding. Based on this assessment, the Directors have a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence and to meet their obligations as they fall due for the foreseeable future. Therefore, the audited consolidated and separate financial statements have been prepared on a going concern basis.

### 4. Material accounting policies

The material accounting policies applied in the preparation of these audited consolidated and separate financial statements are set out below and in the related notes to the audited consolidated and separate financial statements. The policies applied are consistent with those adopted in the prior year unless otherwise stated.

#### 4.1 Basis of measurement

The audited consolidated and separate financial statements have been prepared under the historical cost basis except for debt instruments measured at fair value through profit or loss and at fair value through other comprehensive income and for the following items which have been measured on an alternative basis on each reporting date:

- Defined benefit obligations at present value of the obligation.
- Shared based transactions at grant date fair value of the equity instrument issued.
- Derivative financial instruments measured at fair value.
- Inventory at lower of cost and net realisable value.
- Lease liabilities at present value of future lease payments.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

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### 4.2 Consolidation

#### 4.2.1 Basis of consolidation

The consolidated financial statements include the financial statements of the Group and its subsidiaries, XS Broadband Limited, Yello Digital Financial Services Limited and MoMo Payment Service Bank Limited which are all incorporated in Nigeria. The subsidiaries are wholly owned and controlled by the Group. Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the subsidiaries and has the ability to affect those returns through its power over the subsidiaries. The subsidiaries are fully consolidated from the date on which control is obtained and deconsolidated from the date that control ceases. Intercompany transactions, balances, income and expenses, and profits and losses are eliminated.

The acquisition method is used to account for acquisition of subsidiaries by the Group. Consideration transferred is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of acquisition. Acquisition-related costs are recognised in profit or loss. Identifiable assets acquired and 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.

#### Non-controlling interest

Non-controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary.

#### 4.2.2 Investments in subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity if it is exposed to or has the rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it has control if there are changes to one or more elements of control. This includes circumstances in which protective rights held become substantive and lead to the Group having control over an investee. The financial statements of subsidiaries are consolidated from the date the Group acquires control, up to the date that such effective control ceases.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (transactions with owners). When the proportion of the equity held by non-controlling interests (NCI's) changes, the carrying amounts of the controlling and NCIs are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the Group.

Inter-company transactions, balances and unrealised gains on transactions between companies within the Group are eliminated on consolidation. Unrealised losses are also eliminated in the same manner as unrealised gains. Accounting policies of subsidiaries are consistent with the policies adopted by the Group. In the separate financial statements, investments in subsidiaries are carried at cost less impairments.

#### Change in ownership interest

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized in a separate reserve within equity attributable to owners of the Group.

#### Loss of control

On loss of control, the Group derecognises the assets and liabilities of the subsidiary, any related non-controlling interests and the other components of equity relating to a subsidiary. Any surplus or deficit arising on the loss of control is recognized in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, that retained interest is accounted for as an equity-accounted investee or as a financial asset depending on the level of influence retained.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

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### 4.2 Consolidation (continued)

#### 4.2.3 Predecessor accounting

The Group applies predecessor accounting for business combinations involving entities under common control. This policy is in accordance with the principles of IFRS Accounting Standards, specifically considering the lack of explicit guidance on common control transactions.

This policy applies to all business combinations involving entities under common control within the Group.

Recognition and measurement:

Assets and liabilities:

- The assets and liabilities of the acquired entity are recognized at their carrying amounts in the consolidated financial statements of the ultimate parent entity at the date of the combination;
- No adjustments are made to reflect fair values or recognize any new assets or liabilities, including contingent liabilities, at the date of the combination.

Consideration transferred:

The consideration transferred is measured at the carrying amount of the assets given, liabilities incurred, and equity instruments issued by the relevant entity.

Goodwill and gain on bargain purchase:

No goodwill is recognized. Any difference between the consideration transferred and the carrying amount of the net assets acquired is recognized in equity.

Comparative information:

Business combination under common control is reflected only in the current period, with no adjustments to prior periods.

### 4.3 Foreign currency translation

#### Functional and presentation currency

Items included in the audited consolidated and separate financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The audited consolidated and separate financial statements are presented in Naira, which is also the functional currency of the Company.

#### Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

### 4.4 Revenue

The Group principally generates revenue from providing mobile telecommunications services, such as network services (comprising data, voice and short message service: SMS), value added services (VAS), digital, interconnect and roaming services, as well as from the 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 service to a customer.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

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### 4.4 Revenue (continued)

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 separately. 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.

#### Categories of revenue

The main categories of revenue and the basis of recognition are as follows:

#### Mobile telecommunication services

The Group provides mobile telecommunication services, including network services, value added services (VAS) and digital services. Network services (comprising voice, data, SMS (person to person)) 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.

Digital revenue is any value added service that involves the application in transacting (i.e. application to person SMS, person to application SMS, Unstructured Supplementary Service Data (USSD), Interactive Voice Response (IVR) and revenue from cloud and infrastructure services, information and communication technology. These services include rich media, insurance and e-commerce services.

Value added services includes airtime lending and mobile money (Fintech), subscriber identification module (SIM) back-up services and voice based services.

#### Other information

The Group recognises revenue from these services as they are provided. Revenue is recognised based on actual units of network services provided during the reporting period as a proportion of the total units of network services to be provided. The customer receives and uses the benefits of these services simultaneously.

Customers either pay in advance for these services. A contract liability is recognised for amounts received in advance, until the services are provided or when the usage of services becomes remote. For postpaid customers, payment typically occurs after performance, usually on a 30-days billing cycle.

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 terms of IAS 8 Accounting policies, changes in accounting estimates and errors.

#### Mobile devices

The Group sells a range of mobile devices. The Group recognises revenue when customers obtain control of mobile devices, being when the customers take possession of the devices. For mobile devices sold separately, customers pay in full at the point of sale. For mobile devices sold in bundled packages, the Group allocates the transaction price to the device and the network services based on the stand-alone selling prices. The Group is obligated to replace a faulty device or accessory with another device/accessory. No cash refund is provided to the customer.

#### 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.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

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### 4.4 Revenue (continued)

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.

#### Incremental costs of obtaining a contract

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. Certain commissions incurred by the Group in obtaining customer contracts that are payable to third party agents and sim activation costs on prepaid contracts qualify as incremental costs. The Group recognises such commissions as an asset, included as contract acquisition costs, if it expects to recover these costs. The asset is amortised on a straight-line basis over the estimated subscriber tenure on the network. The amortisation period ranges from 18 months to 48 months.

In terms of a practical expedient, the Group has elected to recognise the incremental costs of obtaining contracts 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 terms of IAS 36 Impairment of Assets (IAS 36) when there is an indication of impairment.

#### Contract assets and liabilities

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with IFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due. A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer.

Revenue received on prepaid contracts is deferred and recognised when services are utilised by the customer or on termination of the customer relationship. Breakage is recognised in proportion to the pattern of rights exercised by the customer or when utilisation thereof becomes remote.

### 4.5 Employee benefits

#### 4.5.1 Short-term employee benefits

Remuneration to employees in respect of services rendered during a reporting year is recognised on an undiscounted basis as an expense in that reporting period. A liability is recognised for accumulated leave and for other short-term benefits when there is no realistic alternative other than to settle the liability, and at least one of the following conditions is met:

- there is a formal plan and the amounts to be paid are determined before the time of issuing the financial statement; or
- achievement of previously agreed bonus criteria has created a valid expectation by employees that they will receive a bonus and the amount can be determined before the time of issuing the financial statements.

#### 4.5.2 Share-based payment

At the beginning of 2022, MTN Nigeria commenced a new share scheme for its employees comprising of the Performance Share Plan (PSP) and Employee Share Ownership plan (ESOP). The scheme replaces the Notional Share Option (NSO) scheme and is being managed by Vetiva Trustees Limited.

The Notional Share Option (NSO) scheme will be wound up once all unvested and/or unexercised awards previously made have run their course. It is a cash-settled scheme on which gains are calculated from appreciation in both the MTN Group share price and operational performance measured using EBITDA. The strike price for the NSO schemes are determined by the closing market price of the MTN Group Limited shares on the day prior to the date of allocation. Unexercised options and rights lapse 10 years from the date of grant and are forfeited if the employee leaves the group before they vest.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

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### 4.5 Employee benefits (continued)

The Performance Share Plan (PSP) is a conditional share offer to its management employees. PSP awards are conditional rights to receive a certain number of shares by qualifying participants annually. The vesting period for the PSP is three years and the awards vest in full based on set performance targets. Employees are not entitled to receive dividends on the shares during the vesting period.

The Employee Share Ownership Plan (ESOP) is a one-off share offer to its eligible non-management employees at no cost to participants. The plan is not tied to the company performance. The shares will vest as follows:

- 1/3 vesting after 3 years,
- the second 1/3 after 4 years and
- the final 1/3 after 5 years of the grant date.

The fair value of share options granted is estimated at the date of grant using a Monte-Carlo simulation model, taking into account the terms and conditions on which the share options were granted.

#### 4.5.3 Long service award

The long service award is a non-contributory benefit. Employees are automatically beneficiaries of the long service award after completing five consecutive years of service with the Company and accrued over the service lives of the employees. Independent actuarial valuations are performed periodically on a projected unit credit basis. Remeasurement gains or losses and curtailment gains or losses arising from valuations are recognised in the profit or loss.

#### 4.5.4 Post employment benefits

##### a) Pension contribution plan

The Group's end of service benefits scheme has been in existence since 1 February 2004 as a defined contribution Scheme governed by the Scheme's Trust Deeds and Rules. All full time employees contribute 8% of monthly emoluments while the Group contributes 10% of monthly emoluments in line with the Pension Reform Act 2014 guidelines. Monthly emoluments comprise of basic salary, housing allowance, transport allowance, leave allowance, 13th month allowance and passage allowance. These contributions are recognised as employee benefits expense when they are due.

##### b) Termination benefits

Termination benefits are benefits that may be payable when an employee's employment is terminated before the normal retirement date due to death or retrenchment or whenever an employee accepts voluntary redundancy in exchange for these benefits.

The Company recognises termination benefits at the earlier of the following dates:

- When the Group can no longer withdraw the offer of those benefits; or
- When the Group recognises costs for a restructuring that is within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets that includes the payment of termination benefits.

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.

##### c) Retirement benefits

Employees' retirement benefits are calculated based on number of years of continuous service, and upon attaining the compulsory retirement age of 60 years. Lump sum benefits payable upon retirement of employment are fully accrued over the service lives for all full time employees. Remeasurement gains/losses arising from valuations are charged in full to other comprehensive income.

### 4.6 Finance income and expenses

Finance income comprises interest income on funds invested, changes in fair value of financial assets through profit or loss, compensation for time value of money on road infrastructure tax scheme and Interest income is recognised as it accrues in profit or loss, using the effective interest rate method.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

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### 4.6 Finance income and expenses (continued)

Finance expenses comprise interest expenses on borrowings, unwinding of the discount on provisions, changes in fair value of financial assets through profit or loss that are recognised in profit or loss. 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.

### 4.7 Taxation

The income tax charge comprises both current and deferred tax. Income taxes are recognised in profit or loss, except to the extent that they relate to items recognised in Other Comprehensive Income (OCI), in which case the related tax is recognised in OCI. The Group determines income tax based on the expected amount payable, assessed on an individual tax position basis.

#### Current income tax

Current income tax represents the expected tax payable on taxable profits for the period, computed in accordance with the Nigeria Tax Act (NTA) 2025, which now consolidates and replaces the Companies Income Tax Act (CITA) and other previously separate tax statutes.

The key components of current income tax include

#### Companies Income Tax (CIT)

Tax is computed using the rate enacted or substantively enacted at the reporting date under the unified NTA regime.

#### Development Levy (New Unified Levy – 4%)

In line with the NTA 2025, a 4% Development Levy is imposed on assessable profits for all companies except small companies (turnover N100 million and fixed assets N250 million).

This levy replaces and consolidates the following previously separate levies:

- (a) Tertiary Education Tax (TET)
- (b) Information Technology Development Levy (ITDL)
- (c) NASENI Levy
- (d) Police Trust Fund Levy

Accordingly, ITDL and NASENI levies are no longer charged separately by the Group and have been subsumed into the Development Levy.

#### Minimum Tax

The prior CITA based 0.5% of gross turnover rule has been replaced and now determined under the NTA regime's unified rules. Under the unified tax regime, large companies must ensure that their effective tax rate is at least 15% of their "net Income." If the company's ETR falls below 15%, a top up tax must be paid to reach the minimum threshold.

A company is subject to the minimum ETR if it meets any of these criteria:

- (a) Annual turnover of N50 billion or more; or
- (b) Member of a multinational enterprise group with global turnover £750 million.

#### Deferred income tax

Deferred tax is recognised using the liability method, providing for temporary differences arising between the tax base of assets and liabilities and their carrying amount in the financial statements. Deferred tax liabilities are recognised for all taxable temporary differences except;

- a. the initial recognition of goodwill; or
- b. the initial recognition of an asset or liability in a transaction which:
  - i. is not a business combination; and
  - ii. at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss)

Deferred tax is measured at the statutory tax rate enacted or substantively enacted at the reporting date and are expected to apply to temporary differences when they reverse. Deferred tax asset is recognised for unused tax losses or deductible temporary difference only to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

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### 4.7 Taxation (continued)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same authority.

Deferred tax on decommissioning liabilities is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Decommissioning liabilities relates to the estimate of the costs of dismantling and removing items of property and equipment and restoring the item and site on which the items are located to their original condition. The Group only recognises these decommissioning costs for the proportion of its overall number of sites for which it expects decommissioning to take place.

### 4.8 Property and equipment

Property and equipment are measured at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of the equipment. Included in property and equipment is the estimated amount required for the decommissioning, dismantling and restoration of network sites, where there is a legal obligation to restore such sites to their original condition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the costs can be measured reliably. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the profit or loss during the period in which they are incurred.

When parts of an item of property and equipment that is significant in relation to the total cost of the item have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Property and equipment under construction is measured at initial cost and depreciated over its useful life from the date the asset is available for use in the manner intended by management. The cost of construction recognised includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and borrowing costs on qualifying assets. Assets are transferred from capital work in progress to an appropriate category of property and equipment when commissioned and ready for intended use.

The Group capitalises 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.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in statement of profit or loss.

Property and equipment acquired in exchange for non-monetary assets are measured at the fair value unless the exchange transaction lacks commercial substance or the fair value of the assets cannot be reliably measured. Assets received in the exchange transaction that are not measured at fair value are measured at the carrying value of the asset given up.

A transaction has commercial substance if the difference in either of the points below is significant relative to the fair value of the assets exchanged:

- a. the configuration (risk, timing and amount) of the cash flows of the asset received differs from the configuration of the cash flows of the asset transferred; or
- b. the entity-specific value of the part of the operations affected by the transaction changes as a result of the exchange.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

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### 4.8 Property and equipment (continued)

In instances whereby the Group receives assets for no consideration (free of charge), the Group accounts for these at cost in accordance with IAS 16 Property, and Equipment, being zero value. Where assets are received free of charge relating to settlement arising from business interruption, the assets are recognised at their fair value. Rebates\asset vouchers received from suppliers are applied against future purchases to reduce the amount payable to the respective supplier and the cost of the asset.

#### Depreciation

Depreciation of property and equipment recognised to write off the cost of the asset to its residual value, on a straight line basis, over its expected useful life as follows:

Item	Useful life
Buildings	10 - 15 years
Information systems, furniture and office equipment	2 - 15 years
Motor vehicles	5 years
Network Infrastructure	2 - 15 years
Leasehold improvements	10 - 15 years

Land is not depreciated. Capital work in progress is not depreciated but tested for impairment every reporting period. The depreciation method and the assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. Depreciation is charged to profit or loss.

The gain or loss arising on the disposal or retirement of an 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.

Depreciation begins when an assets is available for use and ceases at the earlier of the date that the asset is derecognised or classified as held for sale in accordance with IFRS5, Non current assets held for sale and discontinued operations.

#### Impairment

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 the purpose of 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).

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis. 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.

### 4.9 Leases

The Group's leases include network infrastructure (including tower space and land), retail stores, vehicles, and office equipment. Rental contracts are typically made for fixed periods varying between two to twelve years but may have renewal periods as described below. At inception of a contract, the Group assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

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### 4.9 Leases (continued)

#### 4.9.1 Group as lessee

##### 4.9.1.1 Lease liability

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date. This is the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

A number of lease contracts include both lease and non-lease components (e.g., maintenance, security, etc.). The Group allocates the consideration in the contract to each lease and non-lease component based on their relative stand-alone selling prices. The stand-alone selling prices of each component are based on available market prices. The Group has not elected the practical expedient to account for non-lease components as part of its lease liabilities and right-of-use assets. Therefore, non-lease components are accounted for as operating expenses and are recognised in profit or loss as they are incurred.

##### 4.9.1.2 Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Depreciation of right-of-use assets is recognised to write off the cost of the asset, on a straight line basis, over its lease term as follows:

Item	Lease terms range
Base station land	2 - 4 years
Property leases	2 - 10 years
Motor vehicles	4 - 5 years
Network Infrastructure	5 - 12 years

#### 4.9.2 Group as lessor

Leases for which the group is a lessor are classified operating leases. Lease payments from operating leases are recognised on a straight-line basis over the term of the relevant lease.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

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### 4.9 Leases (continued)

#### 4.9.3 Short-term leases and lease of low-values assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e., below \$5,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### 4.9.4 Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancelable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases to lease the assets for additional terms of three to five years. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

The Group included the renewal period as part of the lease term for leases of office equipment due to the relevance of these assets to its operations. These leases have a short non-cancelable period of two years and there will be a negative effect on operations if a replacement is not readily available.

A number of leases entitled both the Group and the lessor to terminate the lease without a termination penalty. In determining whether the Group has an economic incentive to not exercise the termination option, the Group considers the broader economics of the contract and not only contractual termination payments.

### 4.10 Intangible assets

In accordance with criteria set out in IAS 38 - "Intangible assets", intangible assets are recognized only if identifiable; controlled by the entity because of past events; it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably.

Intangible assets with finite useful lives that are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortized using the straight-line method over their useful lives.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is unrecognized.

Capital work in progress represents expenditures incurred on intangible assets that are not yet available for use at the reporting date. These include costs related to software acquired, system upgrades, licenses under implementation, and other intangible projects that meet the recognition criteria of IAS 38 – Intangible Assets. When the intangible asset is available for its intended use, the cost is transferred from Intangible CWIP to the appropriate intangible asset class.

#### Computer software

Computer software licences are capitalised on the basis of the costs incurred to acquire and bring the specific software into use. These costs are amortised using the straight-line method over their estimated useful life (three years) and carried at cost less accumulated amortisation and impairment losses. Costs associated with maintaining computer software programs are recognised as an expense as incurred. Subsequent expenditure on computer software is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

The amortisation method, useful lives and residual values are reviewed at each financial period-end and adjusted if appropriate. Computer software are derecognised on disposal or when no future economic benefits are expected from their use. Software integral to an item of hardware equipment is classified as property, and equipment. Amortisation is charged to the profit or loss.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

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### 4.10 Intangible assets (continued)

#### Licences

Licences have a finite useful life and are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of licences over their useful lives or contract terms. Amortisation on licences and spectrum fees are charged to profit or loss.

#### Goodwill

Goodwill in the consolidated financial statement is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition date fair values of the identifiable assets acquired and liabilities assumed. If, after reassessment, the net of the acquisition date fair values of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), such excess is recognised immediately in profit or loss as a bargain purchase.

Any changes resulting from additional and new information about events and circumstances that existed at the acquisition date and, if known, would have affected the measurement of the amount recognised at that date, are considered to be measurement period adjustments. The Group retrospectively adjusts the amounts recognised for measurement period adjustments. The measurement period ends when the acquirer receives all the information that they were seeking about the facts and circumstances that existed at the acquisition date or learns that information cannot be obtained. The measurement period shall, however, not exceed one year from the acquisition date. To the extent that changes in the fair value relate to post-acquisition events, these changes are recognised in accordance with the IFRS accounting standards applicable to the specific asset or liability.

### 4.11 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

#### 4.11.1 Financial assets

##### Initial recognition, measurement and classification

The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Financial assets are classified into the following categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVOCI)
- Financial assets at fair value through profit or loss (FVTPL)

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

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### 4.11 Financial instruments (continued)

#### Financial assets at amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost includes trade receivables, other non-current and current investments, restricted cash, cash and cash equivalents.

- 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, then they are recognised at fair value.
- Other non-current and current investments comprise investment in treasury bills, bonds and other security instruments with maturity periods, that are more than three months but less than twelve months for the current investments; and more than twelve months for the non-current investment.
- Restricted cash represents deposits with banks to secure letters of credit, collateral against repayment of borrowings and bank guarantee on garnishees against court judgements.
- Cash and cash equivalents comprise cash in hand, in current accounts which is a non-interest bearing demand deposit, Naira deposits held on call and other highly liquid investments with original maturities of three months or less.

#### Financial assets at fair value through other comprehensive income

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling and;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category includes investments in Federal Government Treasury bills and bonds. For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss. The Group's debt instruments at fair value through OCI includes investments in Federal Government Treasury bills included under current investments.

#### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and investments in Federal Government Treasury bills and bonds. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and attributable transaction costs are recognised in profit or loss when incurred. Subsequently derivatives are measured at fair value through profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

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### 4.11 Financial instruments (continued)

#### 4.11.2 Financial liabilities

##### Initial recognition and measurement

Financial liabilities comprise trade and other payables, borrowings and other non-current liabilities (excluding provisions). Financial liabilities are initially measured at fair value, net of transaction costs incurred and are subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities if payment is required within 12 months and non-current where the settlement of the liability is for at least 12 months after the reporting date.

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

##### Financial liabilities at amortised cost

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

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 or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs to the extent that it is probable that some or all of the facility will be drawn down

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less, if not they are presented as non-current liabilities.

##### Financial liabilities at fair value through profit or loss

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

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### 4.11 Financial instruments (continued)

#### 4.11.3 Impairment - expected credit losses

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECL is the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors, such as headline inflation rate and gross domestic product rate, which are specific to the receivables and the economic environment.

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.

For debt instruments at fair value through OCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers whether there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group's debt instruments at fair value through OCI comprise solely of Federal Government Treasury Bills that are graded in the non-investment category (B- to B+) by the Standard & Poor's (S&P), but are considered to be low credit risk investments as the risk of default is low. The Group uses the ratings from the S&P both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

#### 4.11.4 Reclassification

Financial instruments are not reclassified unless the group changes its business model. In rare circumstances where the group does change its business model, reclassifications are done prospectively from the date that the group changes its business model.

#### 4.11.5 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts, there is an intention to settle on a net basis and to realise the assets and settle the liabilities simultaneously.

MTNN offsets derivative financial assets and liabilities with the same counterparty when they arise from the same contract and are subject to a legally enforceable master netting arrangement. Amounts not meeting the criteria for offset are presented gross, with information on the related netting arrangements disclosed in the notes.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

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### 4.11 Financial instruments (continued)

#### 4.11.6 Derecognition

Financial assets are derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired or;
- The Group has transferred substantially all of the risks and rewards of the asset.

On derecognition of a financial asset, any difference between the carrying amount extinguished and the consideration paid is recognised in profit or loss.

Financial liabilities are derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The gain or loss in the respective carrying amounts is recognised in the statement of profit or loss.

### 4.12 Government grants

Government grants are recognised in accordance with IAS 20, Accounting for Government Grants and Disclosure of Government Assistance. Grants are recognised when there is reasonable assurance that MTN Nigeria Communications Plc (MTNN) will comply with the conditions attached to them and that the grants will be received. Government grants related to income, such as those arising from below-market interest rate loans, are recognised at their fair value as deferred grant income and amortised to profit or loss on a straight-line basis over the term of the related loan to offset the interest expense calculated using the effective interest rate method.

As practice demands, deferred grant income is presented as a separate liability, and the amortised deferred income is recognised as a direct off-set against the interest expense in profit or loss.

### 4.13 Inventories

Inventories comprises cellular telephones, accessories, starter packs and prepaid cards and are measured at the lower of cost and net realisable value. The cost of inventory is determined using the weighted average method and includes directly attributable costs such as custom duties, freight and handling costs. Net realisable value represents the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Where appropriate, allowance is made for obsolete, slow moving and defective inventory.

### 4.14 Share capital

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

### 4.15 Dividends

Interim dividends on ordinary shares are recognised as a liability and a reduction from equity, in the period in which they are approved by the Board of Directors.

Final dividends on ordinary shares are recognised as a liability and a reduction from equity, in the period in which they are recommended by the Board of Directors and ratified by the shareholders.

# MTN Nigeria Communications Plc

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## Notes to the audited consolidated and separate financial statements

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### 4.16 Shares held for employee share scheme

The Group operates an employee share-based compensation scheme under which eligible employees are granted Performance Share Plan (PSP) awards. The PSP awards are settled either through the issue of the Company's ordinary shares or in cash, based on the settlement option elected by the individual eligible employee. The awards are subject to performance-based vesting conditions.

For equity-settled awards, the fair value of the awards is recognised as an employee benefit expense over the vesting period, with a corresponding increase in shareholder's equity. For cash-settled awards, a liability is recognised and measured at fair value at each reporting date until settlement, with changes in fair value recognised in profit or loss.

The shares relating to the share-based compensation scheme are held in trust by an independent trustee, Vetiva Trustee Limited, on behalf of employees until the vesting conditions are satisfied. Shares held for the employee share scheme are recognised as a deduction from equity at cost. No gain or loss is recognised in profit or loss on the transfer of shares from the trust to employees upon vesting.

### 4.17 Impairment of assets

#### Goodwill and investment in subsidiaries

The Group accounts for investment in subsidiaries at cost less impairment losses.

The Group tests goodwill for impairment on an annual basis. Impairment is determined by assessing the recoverable amount of each CGU to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

#### Impairment of right-of-use assets

The Company applies IAS 36 Impairment of assets to determine whether the right-of-use assets are impaired.

### 4.18 Provisions

Provisions are 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. A provision to pay a levy is not recognised until the obligating event specified in the legislation occurs, even if there is no realistic opportunity to avoid the obligation. Provisions are not recognised for future operating losses. Provisions are measured at the present value of the expected outflow of resources required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a finance cost.

Decommissioning provision relates to the estimate of the costs of dismantling and removing items of property and equipment and restoring the item and site on which the items are located to their original condition. The Group only recognises these decommissioning costs for the proportion of its overall number of sites for which it expects decommissioning to take place. The expected percentage has been based on actual experience in the respective operations.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in 55.

### 4.19 Assets held for sale

Assets are classified as held for sale and are stated at the lower of their carrying amount and fair value less cost to sell when their carrying amounts are to be recovered principally through sale rather than continued use and the sale is considered to be highly probable. These assets are recognised under non-current assets

### 4.20 Segmental reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the other components, whose operating results are reviewed regularly by the Executive Committee (EXCOM), to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available. All costs that are directly traceable to the operating segments are allocated to the segment concerned.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

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### 5 New standards and interpretations

#### 5.1 Standards and interpretations effective for the first time for 31 December 2025 year end

In the current year, the Group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

##### a. Amendment to IAS 21 - Lack of Exchangeability

The amendments to IAS 21 clarify how an entity should assess whether a currency is exchangeable. Where a currency is not exchangeable, the standard provides guidance on how the spot exchange rate should be determined. Also, where the spot rate is estimated, there are some additional disclosures which are required to enable users of financial statements to understand the impact of a currency not being exchangeable.

Under the amendments, a currency is said to be exchangeable into another currency when an entity can obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations (IAS 21 para 8).

A currency is not exchangeable into the other currency if the entity is able to obtain no more than an insignificant amount of the other currency at the measurement date for the specified purposes (IAS 21 para 8B).

The amendment to IAS 21 on lack of exchangeability has no impact on MTNN's operations or financial statements, as the Group conducts foreign currency transactions mainly in United States Dollar (US\$), South African Rand (ZAR), Great Britain Pound (GBP), and Euro (EUR) at official exchange rates, which remain accessible.

#### 5.2 Standards and interpretations not yet effective

The Group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2026 or later periods. The Group is still assessing the impact of these new standards.

##### a. Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7

The amendments clarify that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date.

Other clarifications include the classification of financial assets with ESG linked features via additional guidance on the assessment of contingent features. Clarifications have been made to non-recourse loans and contractually linked instruments.

Additional disclosures are introduced for financial instruments with contingent features and equity instruments classified at fair value through OCI.

The amendments are effective for annual periods starting on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for contingent features only.

The amendments are not expected to have material impact on the Group and the Group does not plan to adopt the amendments earlier than the effective date.

##### b. IFRS 18 - Presentation and Disclosure in Financial Statements

The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. Among other requirements, this new standard requires:

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

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### 5. New standards and interpretations (continued)

- income and expenses in the income statement to be classified into three new defined categories-operating, investing and financing-and two new subtotals-"Operating profit or loss" and "Profit or loss before financing and income tax".
- disclosures about management-defined performance measures (MPMs) in the financial statements. MPMs are subtotals of income and expenses used in public communications to communicate management's view of the company's financial performance.
- disclosure of information based on enhanced general requirements on aggregation and disaggregation. In addition, specific requirements to disaggregate certain expenses, in the notes, will be required for companies that present operating expenses by function in the income statement.

The amendments are effective for annual reporting periods beginning on or after 1 January 2027. Upon adoption, the Group will enhance the disclosures in the notes to the financial statements to include management defined performance measures, in line with the revised requirements. The Group will also refine the aggregation and disaggregation of certain expense categories within the statement of profit or loss and the statement of cash flows.

These changes would affect only the presentation and disclosure of financial information and are not expected to impact the measurement of any items reported in the financial statements. The Group does not intend to adopt the amendments earlier than the mandatory effective date.

#### c. IFRS 19 - Subsidiaries without Public Accountability: Disclosures

IFRS 19, which permits eligible subsidiaries to apply reduced disclosure requirements while applying the recognition, measurement and presentation requirements in IFRS Accounting Standards.

An entity is eligible to apply IFRS 19 in its consolidated, separate or individual financial statements if it meets the eligibility criteria at the end of the reporting period.

The eligibility criteria are:

- the entity is a subsidiary (as defined in Appendix A of IFRS 10 Consolidated Financial Statements);
- the entity does not have public accountability; and
- the entity has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

An intermediate parent that does not have public accountability and meets the above eligibility conditions is permitted to apply IFRS 19 in its separate financial statements even if it does not apply IFRS 19 in its consolidated financial statements.

An entity has public accountability if:

- its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market; or
- it holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses.

The standard is effective for annual reporting periods beginning on or after 1 January 2027. The standard is not expected to have impact on the Group and separate financial statements because the Company is a listed entity.

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

In December 2015, the IASB decided to defer the effective date of the amendments until such time as it has finalised any amendments that result from its research project on the equity method. Early application of the amendments is still permitted.

Key requirements

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. The amendments clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in IFRS 3 Business combinations. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture.

# MTN Nigeria Communications Plc

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## Notes to the audited consolidated and separate financial statements

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### 5. New standards and interpretations (continued)

#### Transition

The amendments must be applied prospectively. Early application is permitted and must be disclosed. Although, the Group plans to defer adoption until the IASB finalises its research project on the equity method.

#### Impact

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

### e. Contracts Referencing Nature-dependent Electricity (previously Power Purchase Agreements) (Amendments to IFRS 9 and IFRS 7)

On 18 December 2024, the IASB issued amendments to enhance the reporting of financial effects from nature-dependent electricity contracts, commonly structured as power purchase agreements (PPAs).

These contracts help companies secure electricity from wind and solar sources. Since the amount of electricity generated under these contracts may vary based on uncontrollable factors related to weather conditions, current accounting requirements may not adequately capture how these contracts affect a company's performance. To address this, the IASB amended IFRS 9 and IFRS 7 to improve disclosure.

#### Key requirements

The amendments include:

- a) Clarifying the application of 'own-use' requirements,
- b) Allowing hedge accounting for these contracts when used as hedging instruments, and
- c) Introducing new disclosures to help investors assess their impact on financial performance and cash flows.

#### Transition

The amendments take effect for annual reporting periods beginning on or after 1 January 2026, with early adoption permitted.

#### Impact

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

### f. Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21

Effective for annual periods beginning on or after 1 January 2027.

In November 2025, the Board issued Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21. The amendments require translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate.

If an entity's functional currency is the currency of a non-hyperinflationary economy, but its presentation currency is the currency of a hyperinflationary economy, its results and financial position are translated into the presentation currency by translating all amounts (i.e., assets, liabilities, equity items, income and expenses) and all comparatives at the closing rate at the date of the most recent statement of financial position.

An entity whose functional currency and presentation currency are the currency of a hyperinflationary economy, restates the comparative amounts of a foreign operation, whose functional currency is that of a non-hyperinflationary economy, by applying the general price index, in accordance with paragraph 34 of IAS 29, to the foreign operation's comparative figures.

The amendments also introduce certain additional disclosure requirements.

The amendments apply for annual reporting periods beginning on or after 1 January 2027 and earlier application is permitted.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

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### 5. New standards and interpretations (continued)

If an entity's functional currency and presentation currency are the currency of a hyperinflationary economy (or are the currencies of different hyperinflationary economies) and it translates the results and financial position of foreign operations whose functional currency is that of a non-hyperinflationary economy, then it is required to apply the amendments from the beginning of the annual reporting period in which it first applies the amendments. In addition, it restates the comparative amounts of its foreign operations included in the entity's previously issued financial statements by applying the general price index it applies to corresponding figures in accordance with paragraph 34 of IAS 29. The amendments had no impact on the Group's consolidated and separate financial statements. However, the standard is not expected to impact on the presentation currency and measurement of items reported in the financial statements. The Group did not plan to adopt the standard earlier than the effective date.

#### g. Annual Improvements to IFRS Accounting Standards – Volume 11.

##### i. IFRS 1 First-time Adoption of International Financial Reporting Standards

Hedge Accounting by a First-time Adopter: Paragraphs B5 and B6 of IFRS 1 have been amended to include cross references to the qualifying criteria for hedge accounting in paragraph 6.4.1(a), (b) and (c) of IFRS 9. These amendments are intended to address potential confusion arising from an inconsistency between the wording in IFRS 1 and the requirements for hedge accounting in IFRS 9.

An entity applies the amendments for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

##### ii. IFRS 7 Financial Instruments: Disclosures

Gain or Loss on Derecognition: The amendments to paragraph IG1 of the Guidance on implementing IFRS 7 clarify that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7, nor does it create additional requirements.

##### iii. Guidance on implementing IFRS 7 Financial Instruments: Disclosures

Disclosure of Deferred Difference between Fair Value and Transaction Price Paragraph IG14 of the Guidance on implementing IFRS 7 has been amended mainly to make the wording consistent with the requirements in paragraph 28 of IFRS 7 and with the concepts and terminology used in IFRS 9 and IFRS 13.

##### iv. Guidance on implementing IFRS 7 Financial Instruments: Disclosure

Credit Risk Disclosures: Paragraph IG20B of the Guidance on implementing IFRS 7 has been amended to simplify the explanation of which aspects of the IFRS requirements are not illustrated in the example.

##### v. IFRS 9 Financial Instruments

Lessee Derecognition of Lease Liabilities: 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 or loss. However, the amendment does not address how a lessee distinguishes between a lease modification as defined in IFRS 16 and an extinguishment of a lease liability in accordance with IFRS 9.

An entity applies the amendments for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

### 6 Segment information

The Group has identified three reportable segments that are used by the Executive Committee (EXCOM) to make key operating decisions. All operating segment results are reviewed regularly by EXCOM to make decisions about resources to be allocated and to assess its performance. The reportable segments are largely grouped according to customer type for which discrete financial information is available. The customer segments are as follows:

- Consumer Business Unit (CBU)
- Enterprise Business Unit (EBU)
- Wholesale Business Unit (WBU)

Operating results are reported and reviewed regularly by the EXCOM and include items directly attributable to a segment.

Business segment	Description
Consumer Business Unit (CBU)	It consists of subscribers sitting in value propositions and tariff plans dedicated to three sub segments: Youth, High Value and Mass segments. All MTN customers are assumed to fall within CBU except where otherwise stated.
Enterprise Business Unit (EBU)	Enterprise customers are mostly corporate and small medium organisations whose business requires our products, services and solutions to serve their everyday business needs.
Wholesale Business Unit (WBU)	The Wholesale business, serves customers who buy MTN telecom products in bulk with the intention to re-sell these products (mobile or fixed) to their external clients.

A key performance measure of the Group is gross margin. This is defined as revenue less direct costs. The table below presents revenue, direct costs and gross margin for the operating segments for the year ended 31 December 2025 and 31 December 2024 respectively. There were no intersegment transactions during the year.

Information about reportable segments	CBU N million	EBU N million	WBU N million	Total N million
<b>31 December 2025</b>				
Segment revenue	4,282,119	680,148	240,690	5,202,957
Direct costs*	(563,659)	(38,364)	(86,242)	(688,265)
Gross margin	3,718,460	641,784	154,448	4,514,692
<b>31 December 2024</b>				
Segment revenue	2,620,468	631,332	106,661	3,358,461
Direct costs*	(455,523)	(24,013)	(48,654)	(528,190)
Gross margin	2,164,945	607,319	58,007	2,830,271

\*Direct costs include transmission costs, regulatory fees (reported in direct network operating costs), some costs of handsets and accessories, value added services costs and commissions costs..

### Reconciliation of reportable segment revenue and profit or loss Revenues

There are no significant reconciling items between the reportable segment revenue and total revenue for the period. The revenue of the Company is generated majorly from one geographical location, Nigeria. None of the Company's customers account for 10% or more of the total revenue of the Company.

	2025 N million	2024 N million
Segment gross margin	4,514,692	2,830,271
Unallocated items:		
- Operating expenses	(1,770,927)	(1,516,872)
- Depreciation & amortisation	(664,254)	(535,155)
- Finance income	51,158	28,440
- Finance expense	(524,908)	(431,648)
- Net foreign exchange gain/(loss)	90,268	(925,361)
<b>Profit/(loss) before taxation</b>	<b>1,696,029</b>	<b>(550,325)</b>

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

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### Segment assets and liabilities

The Group has not provided information on reportable segment assets and liabilities as they are not part of the items regularly reviewed by the Executive Committee (EXCOM) to make operating decisions.

### 7 Critical accounting judgements, estimates and assumptions

The Group makes judgements, estimates and assumptions concerning the future when preparing its financial statements. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The "Critical accounting judgements, estimates and assumptions" note should be read in conjunction with the "other material accounting policies" disclosed in note 4.

#### 7.1 Lease and non-lease components

A number of lease contracts include both lease and non-lease components (e.g. maintenance, security, power etc.). The Group has not elected the practical expedient to account for non-lease components as a part of its lease liabilities and right-of-use assets. Therefore, non-lease components are accounted for as operating expenses and are recognised in profit or loss as they are incurred. The Group applies judgement in allocating the consideration in the contract to each lease and non-lease component based on their relative stand-alone selling prices. The stand-alone selling prices of each component are based on available market prices.

#### 7.2 Income taxes

The Group exercises significant judgement in determining its provision for income taxes when dealing with calculations and transactions for which the ultimate tax position is uncertain during the ordinary course of business. The Group recognises tax liabilities for anticipated tax issues based on estimates of whether additional taxes will be payable. Where the final outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax in the period in which such determination is made.

#### 7.3 Provisions

The Group exercises judgement in determining the expected cash outflows related to its provision. Judgement is necessary in determining the timing of outflow as well as qualifying the possible range of financial settlements that may occur. See note 36.

#### 7.4 Impairment of trade and other receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses (ECL), which uses a lifetime expected loss allowance for all trade receivables. In applying the provision matrix, the Group estimates the ultimate write offs for a defined population of trade receivables. A loss ratio is calculated according to the ageing profile of the trade receivables by applying the historic write offs to the payment profile of the population adjusted to reflect current and forward looking information on microeconomic factors. The Group exercises significant judgements in the inputs, assumptions and techniques for estimating ECL, default and credit impaired assets. See note 51.1.2.

#### 7.5 Extension of lease option

Most lease arrangements have extension option clause that usually require the exercise price of a purchase option (reasonably certain to be exercised by the Group) and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

#### 7.6 Bundled products

In revenue arrangements where more than one good or service is provided to the customer, customer consideration is allocated between the goods and services using estimated standalone selling prices (SASP). The Group generally determines the SASP of individual elements based on prices at which the deliverable is regularly sold on a stand-alone basis after considering any appropriate volume discounts. See note 8.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

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### 7. Critical accounting judgements, estimates and assumptions (continued)

#### 7.7 Timing of satisfaction of performance obligations

The Group uses the output method to recognise revenue over a period of time. The output method recognises revenue based on direct measurement of the value to the customer of the goods or services transferred to date relative to the remaining goods or services promised under the contract. The bulk of MTN's revenue is from airtime that is used on network services such as voice, SMS, data and digital services. The output method is a faithful depiction as this represents the value transferred to the customer based on usage.

#### 7.8 Principal and agency arrangements

When the Group sells goods or services as a principal, revenue is reported on a gross basis in revenue and the amount paid to the agent is recorded in operating costs. If the Group sells goods or services as an agent, revenue is on a net basis, representing the margin earned. Whether the Group is considered to be the principal or an agent in the transaction depends on analysis by management of both the legal form and substance of the agreement between the Group and its business partners; such judgements impact the amount of reported revenue. See note 8.

#### 7.9 Impairment on other and current investments

The Group applies the general approach to estimate impairment of the other and current investments measured at amortised cost and at fair value through other comprehensive income. This area requires the use of inputs and assumptions on the credit rating of the issuer and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). See note 51.1.3.

#### 7.10 Amortisation of capitalised contract acquisition costs

The Group has capitalized incremental commission fees paid to trade partners for activating SIM kits as well as the cost of consumed virtual NIN tokens to ensure compliance with the NIN identity verification exercise, minimize call barring and the potential loss of customers from the network.

These costs are amortized on a straight-line basis over the estimated subscriber tenure on the network. The Group has determined the amortization periods based on the estimated subscriber tenure. See note 22.

#### 7.11 Contract liabilities

Recharge vouchers that have been purchased but not loaded, and airtime loaded but not recognised, are recorded as part of contract liability. Customers may not exercise all their rights and these are called breakage. The Group recognised the expected breakage amount as revenue in proportion to the pattern of rights exercised by the customer. The pattern of rights exercised is estimated by reference to recharge/usage patterns. Management estimates a breakage rate with which to gradually release unexercised rights or recognise credit into revenue. See note 39.

#### 7.12 Goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy. The recoverable amounts of cash-generating units (CGU) is determined as the higher of the CGU's fair value less estimated cost to sell and the value in use, while fair value calculation is based on the quoted price of MTN Nigeria Communication Plc. Value in use require the use of significant amount of judgement and estimates of future cash flows. A number of factors affect the value of such cash flows, including discount rates, see note 20.6 for detailed information on impairment assessment performed on the CGU.

#### 7.13 Contingent liability

The Group applies judgement in assessing the potential outcome of uncertain legal and regulatory matters. 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 or a tax liability is recognised. The Group has disclosed contingent liabilities where economic outflows are considered possible but not probable, see note 55.

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

	Notes	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million
<b>8. Revenue</b>					
<b>Revenue from contracts with customers</b>					
Voice		1,647,525	1,101,740	1,647,525	1,105,323
Data (a)		2,777,659	1,591,043	2,777,659	1,591,043
SMS (b)		203,041	226,783	205,969	230,130
Interconnect and roaming		221,283	211,161	221,283	211,161
Handset and accessories		18,685	12,296	18,685	12,296
Digital (c)		99,561	74,033	98,891	72,589
Value added services (d)		190,603	105,012	180,479	102,911
Other revenues (e)		44,548	36,277	44,772	37,740
		<b>5,202,905</b>	<b>3,358,345</b>	<b>5,195,263</b>	<b>3,363,193</b>
<b>Revenue other than from contracts with customers</b>					
Rental Income (f)		52	116	258	320
		<b>52</b>	<b>116</b>	<b>258</b>	<b>320</b>
		<b>5,202,957</b>	<b>3,358,461</b>	<b>5,195,521</b>	<b>3,363,513</b>

(a) Data revenue includes mobile data, fixed broadband and data bundles. It does not include roaming data, which is reported under the interconnect and roaming revenue stream.

(b) SMS revenue includes bulk SMS and USSD services. It does not include inbound roaming SMS which is reported under interconnect and roaming revenue stream.

(c) Digital revenue includes revenue generated from the distribution of video, music, gaming and lifestyle content and e-commerce activities.

(d) Value added services includes airtime lending and mobile money (Fintech), subscriber identification module (SIM) back up services and voice based services.

(e) Other revenue comprises revenue from cloud and infrastructure services, information and communication technology (ICT) revenue.

(f) Rental income comprises of income from sites leased to other telecom operators and office space leased to MoMo PSB (see note 19.2.1).

### 8.1. Disaggregation of revenue by timing of recognition

The Group recognises revenue over time when customers simultaneously receive and consume the benefits of the services provided, and at a point in time when control of the related goods transfers to the customer. The disaggregation of revenue provides information on the timing of revenue recognition across the categories presented in note 8, and should be read together with the Group's accounting policies on revenue recognition in note 4.4.

### 8.2 Revenue by timing of recognition

#### Timing of Recognition

Overtime		5,184,220	3,346,049	5,176,578	3,350,897
Point in time		18,685	12,296	18,685	12,296
<b>Total revenue</b>	<b>8</b>	<b>5,202,905</b>	<b>3,358,345</b>	<b>5,195,263</b>	<b>3,363,193</b>

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

	Notes(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million
<b>8.3 Revenue categories by timing</b>					
<b>Revenue categories by overtime</b>					
Voice		1,647,525	1,101,740	1,647,525	1,105,323
Data		2,777,659	1,591,043	2,777,659	1,591,043
SMS		203,041	226,783	205,969	230,130
Interconnect and roaming		221,283	211,161	221,283	211,161
Digital		99,561	74,033	98,891	72,589
Value added services		190,603	105,012	180,479	102,911
Other revenue (ICT, cloud, enterprise services)		44,548	36,277	44,772	37,740
<b>Subtotal – overtime</b>		<b>5,184,220</b>	<b>3,346,049</b>	<b>5,176,578</b>	<b>3,350,897</b>
<b>Revenue categories by point in time</b>					
Handsets and accessories		18,685	12,296	18,685	12,296
<b>Subtotal – point in time</b>		<b>18,685</b>	<b>12,296</b>	<b>18,685</b>	<b>12,296</b>
<b>Total revenue</b>	8	<b>5,202,905</b>	<b>3,358,345</b>	<b>5,195,263</b>	<b>3,363,193</b>

Rental income disclosed in Note 9 is not included as it falls outside the scope of IFRS 15.

## 9. Other income

Bad debts recovered (a)	193	-	193	-
Commission from NIMC (b)	1,479	2,369	1,479	2,369
	<b>1,672</b>	<b>2,369</b>	<b>1,672</b>	<b>2,369</b>

(a) This relates to collections on trade receivables previously written off in prior periods.

(b) This income represents commission received from National Identity Management Commission (NIMC) with respect to National Identification Number (NIN) registration service.

## 10. Direct operating and marketing costs

This consists of major direct cost categories presented in the consolidated and separate statements of profit or loss. These categories include direct operating costs, value added services, device and starter pack costs, interconnect and roaming expenses, transmission costs, discounts and commissions, and marketing related expenditures.

The Group recognises these costs in accordance with the applicable accounting policies on revenue recognition (Note 4.4), inventories (Note 4.13), and contract acquisition costs (Note 22).

### 10.1. Direct networking operating costs

Regulatory fees (a)	144,161	90,800	144,161	90,800
Annual Numbering Plan	3,147	3,459	3,147	3,454
BTS leases (b)	1,044,457	969,322	1,044,457	969,322
Network Maintenance (c)	198,268	168,539	198,268	168,539
	<b>1,390,033</b>	<b>1,232,120</b>	<b>1,390,033</b>	<b>1,232,115</b>

(a) This includes the Annual Operating Levy (AOL), a mandatory regulatory fee telecommunications licensees pay to the Nigerian Communications Commission (NCC), amounting to N123.3 billion (2024: N 78.16 billion).

(b) Following the adoption of IFRS 16 leases, BTS lease expense relating to the non-lease components (power and maintenance) of the tower lease contracts are recognised as an expense in profit or loss as they are incurred.

(c) Network maintenance costs refers to cost incurred on repairs and maintenance of network infrastructure, the supply of fuel, electricity and other utilities to MTN owned network sites.

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## Notes to the consolidated and separate financial statements

Notes(s)	Group		Company	
	2025 N million	2024 N million	2025 N million	2024 N million

### 10.2. Value added services costs

Value added services ("VAS") costs relate to expenses incurred in delivering VAS products and services, including airtime lending, mobile advertising, subscriber identification module (SIM) backup services and voice-based services. These costs are recognised as the related services are consumed, in line with the Group's revenue recognition accounting policy for mobile telecommunications services (see note 4.4). For the year ended 31 December 2025, VAS costs amounted to N55.70 billion (2024: N33.74 billion) for Group and Company.

### 10.3. Cost of starter packs, handsets and accessories

This represents the cost of mobile devices, starter packs, and related accessories sold during the financial period. Inventories are measured at the lower of cost and net realisable value using the weighted average method (see note 4.13). During the year, cost of starter packs, handsets and accessories recognised in profit or loss was N46.54 billion (2024: N48.63 billion). Excluded in this category are inventory writedowns on slowmoving and technologically obsolete 4G/5G devices, which are recognized in other operating expenses (note 13).

### 10.4. Interconnect costs

Interconnect costs represent amounts payable to domestic and international operators for terminating voice, SMS and data traffic on their networks. These costs are recognised as incurred (see note 4.4, interconnect and roaming). Interconnect costs for the year ended 31 December 2025 were N191.98 billion (2024: 192.82 billion).

### 10.5. Roaming costs

Roaming costs relate to cost charged by international network operators and partners for roaming services rendered to MTNN subscribers who visit foreign destinations. These costs are recognised as incurred, in line with the timing of the associated roaming revenue (see note 4.4, interconnect and roaming).

Roaming costs for the year ended 31 December 2025 amounted to N11.44 billion (2024: N12.34 billion).

### 10.6. Transmission costs

Transmission costs represent fees incurred on network transmission, including fibre, satellite and microwave links supporting national and international data and voice traffic. These costs are expensed as incurred (see note 4.4).

Transmission costs for the year ended 31 December 2025 amounted to N40.76 billion (2024: N29.16 billion).

### 10.7. Commissions

Commissions include trade commissions, dealer commissions and amortisation of contract acquisition costs such as SIM activation commissions and virtual NIN tokenisation costs incurred to obtain customer contracts and others (device and connect store commission etc). Contract acquisition costs are capitalised when they meet the definition of incremental costs of obtaining a contract and are amortised on a straightline basis over the estimated subscriber tenure of 18–48 months (see note 22).

Total commissions expensed during the year amounted to: Group: N243.07 billion (2024: N154.58 billion); Company: N240.66 billion (2024: N152.95 billion).

### 10.8. Advertisements, sponsorships and sales promotions

These costs relate to marketing, brand communication, promotional campaigns and sponsorship activities undertaken during the year to support customer acquisition and retention objectives. The expenses are recognised as incurred in line with IAS 38 for noncapitalisable marketing expenditure.

Advertisements, sponsorships and sales promotions costs incurred for the year ended 31 December 2025 amounted to: Group: N58.33 billion (2024: N45.13 billion); Company: N55.18 billion (2024: N33.85 billion).

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## Notes to the consolidated and separate financial statements

	Notes(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million
<b>11. Employee costs</b>					
Salaries and wages		88,844	71,767	83,333	65,856
Pension - Defined contribution plan		5,149	3,919	4,777	3,635
Share based expense (a)	43.1	35,522	8,420	35,522	8,420
Other staff costs (b)		24,702	7,813	24,448	7,301
		<b>154,217</b>	<b>91,919</b>	<b>148,080</b>	<b>85,212</b>

(a) Share-based expense is made up of local and group Performance Share Plan (PSP) provision.

(b) Other staff costs comprises of mortgage subsidy, long service award, staff retirement benefits costs, termination benefits, reward and recognition, group life insurance, medical expenses, etc.

### 11.1 Particulars relating to employees

The year end number of full time persons employed by the Group was as follows:

	Group		Company	
	2025	2024	2025	2024
Banking and commercial Operations	53	49	-	-
CEO's Office, COO's Office, CoSec	17	12	11	9
Corporate Services, Legal & Sustainability	82	71	78	69
Customer Relations & Experience	253	255	253	255
Digital Services	40	34	40	34
Enterprise Business	155	156	155	156
Finance	307	290	292	282
Human resources	72	69	68	66
Information Technology	148	138	124	124
Internal Audit & Forensic Services	32	31	28	28
Fixed Broadband	51	43	51	43
Marketing	103	92	103	92
Network Group	332	312	332	312
Product	10	7	-	-
Risk & Compliance	54	47	37	35
Sales & Distribution	280	292	280	292
Strategy & Innovation Office	12	14	10	12
	<b>2,001</b>	<b>1,912</b>	<b>1,862</b>	<b>1,809</b>

Employees of the Group, other than directors, whose duties were wholly or mainly discharged in Nigeria received remuneration (excluding pension contributions) in the following ranges:

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## Notes to the consolidated and separate financial statements

	Notes(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million
<b>11. Employee costs (continued)</b>					
<b>The table shows the number of employees (excluding directors) whose earnings during the year fell within the ranges shown below:</b>					
N3,000,000 - N4,500,000		6	-	-	-
N4,500,001 - N7,500,000		1	1	1	2
N7,500,001 - N9,500,000		2	114	1	113
N9,500,001 - N12,500,000		122	187	121	180
N12,500,001 - N14,500,000		104	65	97	65
N14,500,001 - N17,500,000		126	421	123	389
N17,500,001 - N19,500,000		341	136	313	130
N19,500,001 - N24,500,000		293	448	274	421
N24,500,001 - N29,500,000		347	206	318	194
Over - N29,500,001		659	334	614	315
		<b>2,001</b>	<b>1,912</b>	<b>1,862</b>	<b>1,809</b>

The salary ranges are gross of tax.

### 11.2 Remuneration was paid in respect of directors of the Group as follows:

#### Directors' emoluments

Fees (non-executive directors)		602	473	467	353
Other emoluments (non-executive directors)		391	417	366	395
Total non-executive emoluments	13	993	890	833	748
Emoluments (executive directors)*		5,089	5,100	4,024	4,137
		<b>6,082</b>	<b>5,990</b>	<b>4,857</b>	<b>4,885</b>

\*Emoluments of executive directors are reported in salaries and wages (note 11).

#### The directors' remuneration shown above includes:

Chairman's remuneration		94	94	94	94
Highest paid director		2,907	3,143	2,907	3,143

#### The emoluments of all other directors fall within the following ranges:

Nil		4	5	3	4
N1 - N5,000,000		1	1	-	-
Above N20,000,000		18	17	13	10

Non-executive directors who are executives of MTN Group are not remunerated for serving on the Board of MTN Nigeria.

### 11.3 Pensions and other post employment benefit plans

The Group has a defined contribution plan, long service award (unfunded) and termination benefit (unfunded). The long service awards is bestowed on employees who have achieved milestones in terms of length of service in the Group and are paid on the anniversary month.

Net benefit expense (recognised in other staff costs, with the exception of pension obligation).

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

	Notes(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million
<b>11. Employee costs (continued)</b>					
Pension - Defined contribution plan	11	5,149	3,919	4,777	3,635
Long service award	44.1	5,281	1,765	5,281	1,765
Retirement benefits	44.1	1,586	1,164	1,586	1,164
		<b>12,016</b>	<b>6,848</b>	<b>11,644</b>	<b>6,564</b>
<b>12. Impairment of financial assets</b>					
Credit loss expense on trade receivables	26.1	6,226	6,839	6,226	6,839
Reversal of credit loss expense on other receivables	26.2.1	(1,047)	-	-	-
Credit loss expense on related party receivables	45.3	-	-	-	25
Reversal of credit loss expense on other non-current investments	23.2	(35)	(2)	(84)	(2)
Credit loss/(reversal of credit loss) expense on current investments at amortised cost	23.2	201	(13)	188	(29)
Credit loss/(reversal of) expense on cash and cash equivalents	29.1	162	(62)	83	(9)
Reversal of credit loss expense on current investments at FVOCI	32.3	-	(10)	-	-
		<b>5,507</b>	<b>6,752</b>	<b>6,413</b>	<b>6,824</b>
The credit loss on current investments at FVOCI were assessed and is not material to these financial statements.					
<b>13. Other operating expenses</b>					
Audit fees (a)		794	709	732	631
Directors' emoluments	11.2	993	890	833	748
Directors' expenses		1,930	1,542	1,872	1,543
Professional and consultancy fees	13.2	86,843	58,599	84,208	56,894
Provision for/(reversal of) litigation costs	36.3	1,214	(7,361)	1,214	(7,361)
Impairment/(reversal of impairment) of property and equipment	18	672	(1,148)	672	(1,148)
Impairment of intangible assets	20	-	31	-	31
Impairment on investment in subsidiaries	21.1	-	-	62,564	-
Inventory write-down/(reversal of inventory write-down)	25.1	11,027	(4,226)	11,027	(4,226)
Profit on disposal of property and equipment	13.3	(2,477)	(2,193)	(2,477)	(2,193)
Maintenance - software		82,168	100,445	82,168	100,445
Maintenance - others including equipment and infrastructure		37,855	29,491	37,685	29,479
Security costs		3,038	2,650	3,038	2,650
Rent, rates, utilities and other office running cost		3,937	4,728	3,794	4,638
Trainings, travels and entertainment cost		14,273	9,315	13,868	8,969
Insurance costs		8,148	5,650	8,100	5,585
Reversal of excess VAT provision (b)		-	(4,414)	-	(4,414)
MTN Foundation		10,522	-	10,522	-
Other expenses (c)		2,340	5,526	929	3,111
		<b>263,277</b>	<b>200,234</b>	<b>320,749</b>	<b>195,382</b>

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## Notes to the consolidated and separate financial statements

Notes(s)	Group		Company	
	2025 N million	2024 N million	2025 N million	2024 N million

### 13. Other operating expenses (continued)

(a) The audit fees represent auditors remuneration as agreed with Messrs Ernst & Young (EY) for both interim and final audits of MTN Nigeria Group for the year. The independent auditor's report was signed by Williams I. Erimona, a partner in the firm, with Financial Reporting Council (FRC) membership number FRC/2013/PRO/ICAN/004/00000002190.

(b) The prior year reversal of N4.4 billion is on the excess provision of the VAT assessment cost made in the 2023 financial year. In 2023, there was a charge of N30.3 billion that was related to the judgement issued by the Tax Appeal tribunal on 20 October 2023. The total VAT assessment cost was in US Dollar totaling US\$47,776,211, however the liability was paid in Naira at the prevailing exchange rate at the date of payment, resulting in an excess provision.

(c) Other expenses includes bank charges, subscriptions, office refreshments and EWP platform expense, etc.

#### 13.1 Non audit services

MTNN engages Messrs Ernst and Young for other professional non-audit services. These services, in the MTNN's opinion, did not impair the independence and objectivity of the external auditor. Non-audit services provided during the period are detailed below. (The fees listed in the table below are VAT inclusive).

Name of signer	FRC Number	Service provider	Service rendered	2025 Amount (N)	2024 Amount (N)
Williams I. Erimona	FRC/2013/PRO/ICAN/004/00000002190	Ernst & Young	Agreed upon procedures on bonus calculations	6,240,375	4,837,500
Williams I. Erimona	FRC/2013/PRO/ICAN/004/00000002190	Ernst & Young	Review of payroll	5,190,172	2,356,723
Williams I. Erimona	FRC/2013/PRO/ICAN/004/00000002190	Ernst & Young	Attestation of ICFR report	52,003,770	45,150,000
Williams I. Erimona	FRC/2013/PRO/ICAN/004/00000002190	Ernst & Young	Sustainability report external assurance service	9,653,500	-
			Total	<b>73,087,817</b>	<b>52,344,223</b>

#### 13.2 Professional and consultancy fees

Brand, marketing and communication advisory	16,771	20,065	16,098	19,921
Legal fees	18,713	1,769	18,706	1,750
Management consulting	23,317	19,005	21,362	17,463
Technology & systems consultancy fees	28,042	17,760	28,042	17,760
	<b>86,843</b>	<b>58,599</b>	<b>84,208</b>	<b>56,894</b>

#### 13.3 Profit on disposal of property and equipment

Cost	18	183,227	130,545	183,227	130,545
Accumulated depreciation	18	(182,801)	(130,095)	(182,801)	(130,095)
Net book value		426	450	426	450
Sales proceeds		(2,903)	(2,643)	(2,903)	(2,643)
<b>Profit on disposal</b>	<b>13</b>	<b>(2,477)</b>	<b>(2,193)</b>	<b>(2,477)</b>	<b>(2,193)</b>

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

	Notes(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million
<b>14. Finance income</b>					
Interest income on bank deposits*		4,804	10,051	4,602	8,604
Interest income on investments*		38,713	8,437	28,584	6,424
Net gain on investments at fair value		2,499	1,519	2,499	1,537
Interconnect interest income (a)		-	4,815	-	4,815
Interest income - RITC uplift	24.2	5,142	3,618	5,142	3,618
<b>Total finance income</b>		<b>51,158</b>	<b>28,440</b>	<b>40,827</b>	<b>24,998</b>

\*Finance income calculated using effective interest rate method.

(a) This relates to interest payment on accumulated interconnect debt paid by Globacom based on the interconnect contract terms.

Included as cash flows for finance income are:

Interest income on bank deposits		4,805	11,802	4,602	10,037
Interest income on investments		31,063	6,687	26,339	4,993
Interconnect interest income		-	4,815	-	4,815
		<b>35,868</b>	<b>23,304</b>	<b>30,941</b>	<b>19,845</b>

## 15. Finance costs

Interest expense - borrowings(a)		127,540	172,073	127,540	172,073
Interest expense - leases*	19.2	393,090	250,869	393,090	250,869
Loss on FVTPL liabilities (b)		263	4,404	263	4,422
Other finance charges (c)		4,015	4,302	2,857	3,063
<b>Total finance costs</b>		<b>524,908</b>	<b>431,648</b>	<b>523,750</b>	<b>430,427</b>

\*Finance costs calculated using effective interest rate method

(a) This includes the amortised portion of the deferred income, see note 37.4.

(b) Fair valuation of derivative liability.

(c) Other finance charges includes other administrative costs on for acquisition of letters of credits and charges on decommissioning provision.

Included as cash flows for finance expense are:

Interest expense - borrowings	35.1	141,329	187,632	141,329	187,632
Interest expense - leases	19.2	393,090	250,874	393,090	250,874
Other finance charges		3,619	4,747	3,619	4,747
		<b>538,038</b>	<b>443,253</b>	<b>538,038</b>	<b>443,253</b>

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## Notes to the consolidated and separate financial statements

	Notes(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million
<b>16. Net foreign exchange gain/loss</b>					
The aggregate net foreign exchange gains/(losses) recognised on the profit or loss were:					
Net exchange gain/(loss) on borrowings		12,285	(336,631)	12,285	(336,631)
Net exchange gain/(loss) on lease liabilities		81,312	(446,954)	81,312	(446,954)
Net exchange gain/(loss) on trade and other payables		64,032	(160,045)	63,724	(159,587)
Net exchange loss on provisions		(214)	(15)	(214)	(15)
Net exchange loss on trade and other receivables		(59,106)	(22,626)	(59,106)	(22,626)
Net exchange gain on derivatives		-	3,273	-	3,273
Net exchange (loss)/gain on current investments		(2,300)	18,278	(2,300)	18,278
Net exchange gain on restricted cash		2,393	4,780	2,393	4,780
Net exchange (loss)/gain on cash and cash equivalents		(8,134)	14,579	(8,134)	14,579
		<b>90,268</b>	<b>(925,361)</b>	<b>89,960</b>	<b>(924,903)</b>

The Group transacts in other currencies and is exposed to foreign exchange risk, primarily the US Dollar. Foreign exchange risk arises from future commercial transactions and recognised monetary assets and liabilities denominated in a currency that is not the functional currency of the Group entity.

There was foreign exchange (forex) gains due to the decrease in the US Dollar exchange rate from N1,535/\$ as at 31 December 2024 to N1,435.76/\$ as at 31 December 2025. The Group has also assessed its sensitivity to the currency risk, see note 51.3.2.

Included in the exchange differences are net realised exchange gain/(loss) of N170.86 billion (2024: N560.37 billion) for Group and N170.99 billion (2024: N559.74 billion) for Company.

## 17. Tax expense/(credit)

### Current

Company income tax	41	291,480	-	291,480	-
Development levy	41	62,930	-	62,830	-
Tertiary education tax	41	-	3,568	-	3,568
Minimum tax	41	-	17,497	-	17,472
		<b>354,410</b>	<b>21,065</b>	<b>354,310</b>	<b>21,040</b>

### Deferred

Deferred tax expense/(credit)		235,089	(180,576)	235,089	(180,576)
Impact of rate change		(6,316)	-	(6,316)	-
Prior year tax under provision of deferred tax		-	(964)	-	(964)
Derecognition of prior year deferred tax credit*		-	10,585	-	-
<b>Net deferred tax expense/(credit)</b>	<b>42.3</b>	<b>228,773</b>	<b>(170,955)</b>	<b>228,773</b>	<b>(181,540)</b>
<b>Tax expense/(credit) for the year</b>		<b>583,183</b>	<b>(149,890)</b>	<b>583,083</b>	<b>(160,500)</b>

\*The derecognition of deferred tax assets from inception to date for MoMo PSB in 2024 in line with the provisions of IAS 12 (Income Taxes).

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

	Group		Company	
	Notes(s)	2025 N million	2024 N million	2025 N million

### 17. Tax expense/(credit) (continued)

The table below explains the differences between the expected tax expense on continuing operations, at the Nigerian statutory tax rate of 30% (2024: 30%) and the Company's total tax expense for each year.

Profit/(loss) before tax	1,696,029	(550,325)	1,633,949	(520,976)	
Tax expense/(credit)	583,183	(149,890)	583,083	(160,500)	
Actual tax rate	34.39 %	27.24 %	35.69 %	30.81 %	
Applicable tax rate	30.00 %	30.00 %	30.00 %	30.00 %	
Exempt income (a)	(0.10)%	0.23 %	(0.10)%	0.26 %	
Development levy	3.71 %	- %	3.85 %	- %	
Prior year tax over provision of company income tax	- %	(1.53)%	- %	- %	
Prior year tax under provision of deferred tax credit (b)	- %	0.12 %	- %	0.18 %	
Derecognition of prior year deferred tax credit (c)	- %	(1.92)%	- %	- %	
Expenses not allowed (b)	0.03 %	0.12 %	1.16 %	0.14 %	
Tertiary education tax (d)	- %	1.25 %	- %	1.31 %	
Deferred tax not recognised for the current period	1.14 %	- %	1.18 %	- %	
Impact of rate change	(0.39)%	- %	(0.40)%	- %	
Minimum tax (e)	- %	(1.03)%	- %	(1.08)%	
		<b>34.39 %</b>	<b>27.24 %</b>	<b>35.69 %</b>	<b>30.81 %</b>

The tax charge and effective tax rate for the period has majorly been impacted by:

(a) Exempt income which represents income from FGN bonds and Interest income from the Road Infrastructure Tax Credit Scheme not taxable.

(b) The prior year under provision of deferred taxes arising from the filing of MTN and its subsidiaries tax returns for 2025 year of assessment.

(c) The derecognition of deferred tax assets of MoMo and YDFS in the current period.

(d) The tax charge has taken into consideration the legislative changes from the Nigeria Tax Act which repealed the Tertiary Education Tax and other profit-based levies (including the Nigeria Police Trust Fund Levy), replacing them with the Development Levy—calculated at 4% of Assessable Profit (profit before tax plus net tax adjustments).

(e) The prior CITA-based 0.5% of gross turnover rule for Minimum taxes has been replaced with a new minimum effective tax rate. Specifically, large companies must ensure that their effective tax rate (i.e. covered taxes as a percentage of net income) is not less than 15%. If the company's ETR falls below 15%, a top up tax must be paid to reach the minimum effective tax rate threshold.

A company is subject to the minimum ETR if it meets any of these criteria:

(i) it is a constituent entity of a Multinational Entity group, with aggregate group turnover of at least £750 million or its equivalent.

(ii) Or it has an aggregate turnover of N50,000,000,000 and above in the financial year.

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

### 18. Property and equipment

#### Group

	Land	Buildings	Information systems, furniture and office equipment	Motor vehicles	Network infrastructure	Leasehold improvements	Capital - Work in progress	Total
	N million	N million	N million	N million	N million	N million	N million	N million
<b>Cost</b>								
At 1 January 2024	27,665	33,697	86,189	12,019	1,512,047	25,753	193,923	1,891,293
Additions	-	-	112	402	7,369	-	409,830	417,713
Reclassifications	197	4,351	5,655	5,924	380,407	2,146	(398,680)	-
Disposal	-	-	(3,489)	(456)	(126,600)	-	-	(130,545)
Other movements	-	-	-	-	-	-	(5,470)	(5,470)
<b>At 31 December 2024</b>	<b>27,862</b>	<b>38,048</b>	<b>88,467</b>	<b>17,889</b>	<b>1,773,223</b>	<b>27,899</b>	<b>199,603</b>	<b>2,172,991</b>
Additions	-	-	-	-	35,764	-	899,660	935,424
Reclassification	-	54,664	38,416	9,341	839,648	3,554	(945,623)	-
Disposals	-	-	(8,509)	(886)	(173,832)	-	-	(183,227)
Other movement	-	-	-	-	(13,877)	-	-	(13,877)
<b>At 31 December 2025</b>	<b>27,862</b>	<b>92,712</b>	<b>118,374</b>	<b>26,344</b>	<b>2,460,926</b>	<b>31,453</b>	<b>153,640</b>	<b>2,911,311</b>
<b>Depreciation and impairment</b>								
At 1 January 2024	-	(22,158)	(53,426)	(5,787)	(702,048)	(12,763)	-	(796,182)
Charge for the year	-	(1,280)	(13,580)	(2,307)	(240,946)	(1,635)	-	(259,748)
Disposal	-	-	3,418	207	126,470	-	-	130,095
Impairment reversal	-	-	-	-	1,148	-	-	1,148
<b>At 31 December 2024</b>	<b>-</b>	<b>(23,438)</b>	<b>(63,588)</b>	<b>(7,887)</b>	<b>(815,376)</b>	<b>(14,398)</b>	<b>-</b>	<b>(924,687)</b>
Charge for the year	-	(2,502)	(16,459)	(3,507)	(290,863)	(1,898)	-	(315,229)
Disposal	-	-	8,460	599	173,742	-	-	182,801
Impairment loss	-	-	-	-	(672)	-	-	(672)
<b>At 31 December 2025</b>	<b>-</b>	<b>(25,940)</b>	<b>(71,587)</b>	<b>(10,795)</b>	<b>(933,169)</b>	<b>(16,296)</b>	<b>-</b>	<b>(1,057,787)</b>
<b>Carrying amount</b>								
At 31 December 2024	27,862	14,610	24,879	10,002	957,847	13,501	199,603	1,248,304
At 31 December 2025	27,862	66,772	46,787	15,549	1,527,757	15,157	153,640	1,853,524

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## Notes to the consolidated and separate financial statements

### 18. Property and equipment (continued)

Company	Land	Buildings	Information systems, furniture and office equipment	Motor vehicles	Network Infrastructure	Leasehold improvements	Capital - Work in progress	Total
	N million	N million	N million	N million	N million	N million	N million	N million
<b>Cost</b>								
At 1 January 2024	27,665	33,697	86,189	12,019	1,512,047	25,753	193,923	1,891,293
Additions	-	-	112	207	7,369	-	409,830	417,518
Reclassification	197	4,351	5,655	5,924	380,407	2,146	(398,680)	-
Disposal	-	-	(3,489)	(456)	(126,600)	-	-	(130,545)
Other movement	-	-	-	-	-	-	(5,470)	(5,470)
<b>At 31 December 2024</b>	<b>27,862</b>	<b>38,048</b>	<b>88,467</b>	<b>17,694</b>	<b>1,773,223</b>	<b>27,899</b>	<b>199,603</b>	<b>2,172,796</b>
Additions	-	-	-	-	35,764	-	899,660	935,424
Reclassifications	-	54,664	38,416	9,341	839,648	3,554	(945,623)	-
Disposal	-	-	(8,509)	(886)	(173,832)	-	-	(183,227)
Other movement	-	-	-	-	(13,877)	-	-	(13,877)
<b>At 31 December 2025</b>	<b>27,862</b>	<b>92,712</b>	<b>118,374</b>	<b>26,149</b>	<b>2,460,926</b>	<b>31,453</b>	<b>153,640</b>	<b>2,911,116</b>
<b>Depreciation and impairment</b>								
At 1 January 2024	-	(22,158)	(53,426)	(5,787)	(702,048)	(12,763)	-	(796,182)
Charge for the year	-	(1,280)	(13,580)	(2,112)	(240,946)	(1,635)	-	(259,553)
Disposal	-	-	3,418	207	126,470	-	-	130,095
Impairment reversal	-	-	-	-	1,148	-	-	1,148
<b>At 31 December 2024</b>	<b>-</b>	<b>(23,438)</b>	<b>(63,588)</b>	<b>(7,692)</b>	<b>(815,376)</b>	<b>(14,398)</b>	<b>-</b>	<b>(924,492)</b>
Charge for the year	-	(2,502)	(16,459)	(3,507)	(290,863)	(1,898)	-	(315,229)
Disposal	-	-	8,460	599	173,742	-	-	182,801
Impairment loss	-	-	-	-	(672)	-	-	(672)
<b>At 31 December 2025</b>	<b>-</b>	<b>(25,940)</b>	<b>(71,587)</b>	<b>(10,600)</b>	<b>(933,169)</b>	<b>(16,296)</b>	<b>-</b>	<b>(1,057,592)</b>
<b>Carrying amount</b>								
At 31 December 2024	27,862	14,610	24,879	10,002	957,847	13,501	199,603	1,248,304
At 31 December 2025	27,862	66,772	46,787	15,549	1,527,757	15,157	153,640	1,853,524

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

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### 18. Property and equipment (continued)

#### 18.1 Capital work-in-progress

This represents costs incurred on assets still under construction or not yet available for their intended use as at the reporting date. CWIP is measured at cost and is not depreciated or amortised. When the underlying asset is completed and becomes available for use, the accumulated costs are reclassified to the appropriate category of property and equipment or intangible assets. Depreciation or amortisation then commences in accordance with the Group's accounting policies.

Management performs periodic reviews to assess the recoverability of CWIP, and where indicators of impairment are identified, the asset is written down to its recoverable amount when necessary.

#### 18.2 Reclassification

Reclassification relates to assets moved from capital work in progress to other categories of property and equipment. Total reclassification for the year was N945.62 billion (2024: N398.68 billion).

#### 18.3 Cash movements

The total cash outflow for the purchase of property and equipment for the year was N654.04 billion (2024: N339.90 billion).

#### 18.4 Impairment losses recognised in the year

Impairment loss was N0.67 billion (2024: impairment reversal of N1.15 billion). Impairment relates to loss recognized due to obsolescence and damaged network infrastructure. Technological obsolescence is one of the indicators of impairment according to IAS 36.15b and this occurs frequently in the telecommunications industry. The impairment loss was driven by change in technology which made the carrying amount of the related infrastructure equipment to be written down to nil.

#### 18.5 Other movement

Other movement relates to reversals of prior year property and equipment associated costs no longer required. This includes freight, clearing and import charges.

#### 18.6 Assets pledged as security

The Group has made a negative pledge over all existing and future assets to the lenders. The negative pledge signifies that the Group has agreed not to deplete its assets via sales, collateral and transfer to anyone except the group of lenders, subject to a permitted amount.

#### 18.7 Capitalised borrowing costs

No borrowing costs were capitalised during the year (2024: nil).

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 19. Leases

#### 19.1 Right of use asset

Group and Company

	Network infrastructure N million	Base station land N million	Property leases N million	Motor vehicle N million	Total N million
<b>Cost</b>					
Balance as at 1 January 2024	860,694	11,143	10,580	9,384	891,801
Additions	182,393	3,263	1,487	-	187,143
Modifications*	901,334	-	-	-	901,334
Balance as at 31 December 2024	1,944,421	14,406	12,067	9,384	1,980,278
Additions	592,421	685	-	-	593,106
<b>Balance as at 31 December 2025</b>	<b>2,536,842</b>	<b>15,091</b>	<b>12,067</b>	<b>9,384</b>	<b>2,573,384</b>
<b>Depreciation</b>					
Balance as at 1 January 2024	(393,541)	(6,975)	(6,397)	(6,062)	(412,975)
Charge for the year	(179,268)	(2,196)	(1,400)	(1,859)	(184,723)
Balance as at 31 December 2024	(572,809)	(9,171)	(7,797)	(7,921)	(597,698)
Charge for the year	(253,775)	(2,309)	(1,274)	(1,451)	(258,809)
<b>Balance as at 31 December 2025</b>	<b>(826,584)</b>	<b>(11,480)</b>	<b>(9,071)</b>	<b>(9,372)</b>	<b>(856,507)</b>
<b>Carrying amount</b>					
<b>At 31 December 2024</b>	<b>1,371,612</b>	<b>5,235</b>	<b>4,270</b>	<b>1,463</b>	<b>1,382,580</b>
<b>At 31 December 2025</b>	<b>1,710,258</b>	<b>3,611</b>	<b>2,996</b>	<b>12</b>	<b>1,716,877</b>

\*Modification relates to the financial impact of the change in the terms of the renegotiated IHS BTS lease contract.

In prior year, MTN Nigeria renegotiated the binding commercial terms of the existing infrastructure sharing and master lease agreements with IHS (Nigeria) Limited, INT Towers Limited and IHS Towers NG Limited (together, IHS). The revised Terms of Agreement was executed on 7 August 2024, with the terms of the amendment effective 1 April 2024, and a mutual agreement to extend all agreements to 31 December 2032.

#### 19.1.1 Right of use cash movement

Total cash outflow for prepaid right-of-use assets in 2025 is N140.96 billion (2024: N51.85 billion).

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

	Notes(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million
<b>19. Leases (continued)</b>					
<b>19.2 Lease liabilities</b>					
The maturity analysis of lease liabilities is as follows:					
- within one year (included in current liabilities)		269,182	285,680	269,182	285,680
- after one year to two years		275,235	196,138	275,235	196,138
- after two years to five years		986,662	787,677	986,662	787,677
- later than five years		855,150	1,013,929	855,150	1,013,929
Amounts included in non-current liabilities		2,117,047	1,997,744	2,117,047	1,997,744
<b>Total lease liabilities</b>		<b>2,386,229</b>	<b>2,283,424</b>	<b>2,386,229</b>	<b>2,283,424</b>

### Movement schedule

As at 1 January		2,283,424	1,004,411	2,283,424	1,004,411
Additions		452,149	135,294	452,149	135,294
Modification	19.1	-	901,334	-	901,334
Interest expense	15	393,090	250,869	393,090	250,869
Exchange (gain)/loss	16	(81,312)	446,954	(81,312)	446,954
Payments - principal portion		(268,032)	(204,564)	(268,032)	(204,564)
Payments - interest portion		(393,090)	(250,874)	(393,090)	(250,874)
		<b>2,386,229</b>	<b>2,283,424</b>	<b>2,386,229</b>	<b>2,283,424</b>

The Group's leases include network infrastructure (including tower space and land), land and buildings and motor vehicles. The leases have varying terms, escalation clauses and renewal rights. Penalties are chargeable on certain leases should they be cancelled before the end of the agreement.

The lease liability is measured at the present value of lease payments to be made over the lease term and are discounted using the Group's incremental borrowing rate. The lease liability is included in the statement of financial position under non-current and current liabilities. Each lease payment is allocated between the principal amount and interest expense. Interest expense on the lease liability is a component of finance costs, which represents the unwinding of discount charged to profit or loss over the remaining balance of the obligation for each reporting period.

Lease commitments exclude non-lease components and short-term. There were no future cash outflows to which MTN Nigeria is potentially exposed that are not reflected in the measurement of lease liabilities.

The future cash outflows relating to leases that have not yet commenced are disclosed in note 51.2.

### The following are the amounts recognised in profit or loss:

Interest expense on lease liabilities	393,090	250,869	393,090	250,869
Depreciation expense of right of use assets	258,809	184,723	258,809	184,723
Net foreign exchange (gain)/loss	(81,312)	446,954	(81,312)	446,954
Operating expenses relating to short-term leases	413	304	282	220
	<b>571,000</b>	<b>882,850</b>	<b>570,869</b>	<b>882,766</b>

#### 19.2.1 MTNN as a lessor

Leases in which the MTNN does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease term and is included as revenue in the statement of profit or loss due to its operating nature.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

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### 19. Leases (continued)

#### 19.3 Lease information

##### Extension options and termination options

The Company's lease agreements often include extension and termination options to provide operational flexibility and manage asset utilization efficiently. These options are negotiated on a case-by-case basis and are prevalent across leases for network infrastructure, base station land, properties, and motor vehicles. The current contract with the IHS would be ending in December 2032, and any future extension would be subjected to MTNN and IHS management alignment.

##### Residual value guarantees for leases

The Company did not provide residual value guarantees for its leases, as it does not engage in arrangements requiring such guarantees. This approach eliminates exposure to residual value risk and its financial or operational impacts. The underlying leased assets remain unaffected by guaranteed obligations.

##### Restrictions or covenants imposed by leases

Each lease imposes a restriction that, unless contractually permitted, the right-of-use asset can only be used by the Company. Leases are either non-cancelable or can only be cancelled by incurring a substantive termination fee. Certain leases include options to purchase the underlying asset at the end of the lease term or extend the lease for a further term. The Company is prohibited from selling or pledging leased assets as security. For base station land and properties, including office buildings, the Company must maintain the assets in good state and return them in their original condition at the end of the lease term.

##### The nature of the lessee's leasing activities

The Company's leasing activities include network infrastructure, base station land, properties, and motor vehicles. All leases are negotiated individually and include varied terms and conditions, such as purchase options and escalation clauses. Payments excluded from the measurement of lease liabilities primarily consist of variable lease payments that are not dependent on an index or rate. Variable lease payments not dependent on an index are excluded from the initial measurement of the lease liability and asset. Right-of-use assets are classified consistently with property, and equipment (see note 19.1). Except for short-term leases and leases of low-value assets, all leases are recognized in the separate and consolidated statement of financial position as right-of-use assets and lease liabilities.

##### Variable lease payments not reflected in the measurement of lease liabilities

The Company is exposed to future cash outflows arising from variable lease payments that are not included in the measurement of lease liabilities. Key variables driving these payments are mainly foreign exchange rate and CPI, with payments fluctuating based on changes in these factors. The CPI index include a US dollar-indexed and a cap of 20% for the Naira CPI escalation component. All CPI induced variations are recognised in the right-of-use and lease liability upon occurrence. The potential additional future cash flows to which the Company is exposed if extension options are exercised, form part of initial right-of-use and lease liability recognition.

##### Leases committed but not yet commenced

The Company had committed to leases which had not yet commenced. Lease commitments exclude non-lease components, short-term and low-value leases. The total future cash outflows for leases that had not yet commenced for the year ended 31 December 2025: N3.93 trillion (2024: N3.94 trillion) see note 51.2.

##### Sale and leaseback transactions

The Company did not engage in any sale and leaseback transactions during the reporting period. As a result, there are no associated reasons, prevalence, or cash flow effects to disclose.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 20. Intangible assets

#### Group

	Goodwill	Licenses	Computer software	Capital work-in-progress	Total
	N million	N million	N million	N million	N million
<b>Cost</b>					
At 1 January 2024	10,016	522,544	109,804	26,359	668,723
Additions	-	-	326	52,283	52,609
Reclassification	-	26,836	51,805	(78,641)	-
Disposal	-	-	(29,469)	-	(29,469)
Other movement	-	333	-	-	333
<b>At 31 December 2024</b>	<b>10,016</b>	<b>549,713</b>	<b>132,466</b>	<b>1</b>	<b>692,196</b>
Additions	-	52,947	-	49,896	102,843
Reclassification	-	(17,727)	67,568	(49,841)	-
Disposal	-	-	(6,252)	-	(6,252)
<b>At 31 December 2025</b>	<b>10,016</b>	<b>584,933</b>	<b>193,782</b>	<b>56</b>	<b>788,787</b>
<b>Amortisation and impairment</b>					
At 1 January 2024	-	(163,382)	(57,742)	-	(221,124)
Charge for the year	-	(48,238)	(42,446)	-	(90,684)
Disposal	-	-	29,469	-	29,469
Impairment	-	-	(31)	-	(31)
Other movement	-	(1,043)	-	-	(1,043)
<b>At 31 December 2024</b>	<b>-</b>	<b>(212,663)</b>	<b>(70,750)</b>	<b>-</b>	<b>(283,413)</b>
Charge for the year	-	(61,232)	(28,984)	-	(90,216)
Disposals	-	-	6,252	-	6,252
<b>At 31 December 2025</b>	<b>-</b>	<b>(273,895)</b>	<b>(93,482)</b>	<b>-</b>	<b>(367,377)</b>
<b>Carrying amount</b>					
<b>At 31 December 2024</b>	<b>10,016</b>	<b>337,050</b>	<b>61,716</b>	<b>1</b>	<b>408,783</b>
<b>At 31 December 2025</b>	<b>10,016</b>	<b>311,038</b>	<b>100,300</b>	<b>56</b>	<b>421,410</b>

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 20. Intangible assets (continued)

#### Company

	Goodwill	Licenses	Computer software	Capital work-in-progress	Total
	N million	N million	N million	N million	N million
<b>Cost</b>					
At 1 January 2024	-	474,724	102,676	26,359	603,759
Additions	-	-	-	52,283	52,283
Reclassification	-	26,836	51,805	(78,641)	-
Absorption of Visafone (note 22.1)	10,016	48,153	-	-	58,169
Disposal	-	-	(29,469)	-	(29,469)
<b>At 31 December 2024</b>	<b>10,016</b>	<b>549,713</b>	<b>125,012</b>	<b>1</b>	<b>684,742</b>
Additions	-	52,947	-	49,896	102,843
Reclassification	-	(17,727)	67,568	(49,841)	-
Disposal	-	-	(6,252)	-	(6,252)
<b>At 31 December 2025</b>	<b>10,016</b>	<b>584,933</b>	<b>186,328</b>	<b>56</b>	<b>781,333</b>
<b>Amortisation and impairment</b>					
At 1 January 2024	-	(121,147)	(56,312)	-	(177,459)
Charge for the year	-	(48,238)	(40,993)	-	(89,231)
Disposals	-	-	29,469	-	29,469
Impairment	-	-	(31)	-	(31)
Absorption of Visafone (Note 22.1)	-	(43,278)	-	-	(43,278)
<b>At 31 December 2024</b>	<b>-</b>	<b>(212,663)</b>	<b>(67,867)</b>	<b>-</b>	<b>(280,530)</b>
Charge for the year	-	(61,232)	(27,476)	-	(88,708)
Disposals	-	-	6,252	-	6,252
<b>At 31 December 2025</b>	<b>-</b>	<b>(273,895)</b>	<b>(89,091)</b>	<b>-</b>	<b>(362,986)</b>
<b>Carrying amount</b>					
<b>At 31 December 2024</b>	<b>10,016</b>	<b>337,050</b>	<b>57,145</b>	<b>1</b>	<b>404,212</b>
<b>At 31 December 2025</b>	<b>10,016</b>	<b>311,038</b>	<b>97,237</b>	<b>56</b>	<b>418,347</b>

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

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### 20. Intangible assets (continued)

#### 20.1 Licences and software

The licences and software are not internally generated intangible assets and have a definite useful life.

#### 20.2 Reclassification

Reclassification relates to prior year additions to capital work in progress moved to other categories of intangible assets. During the year there was a reclassification of N49.84 billion (2024: N78.64 billion).

#### 20.3 Other movement

Group:

Cost: other movement of N0.33 billion relates to a refund on the Visafone Spectrum, eliminated at consolidation but brought back at the absorption of Visafone.

Amortisation: other movement of N1.04 billion relates to accumulated amortization charged on the fair value of Visafone spectrum license in 2024 before absorption, accounted for in the common control reserves.

#### 20.4 Goodwill

Goodwill relates to the acquisition of Visafone Communications Limited (now absorbed) by the company.

### 20.5 Cash movements

For the purpose of cash flows, total cash flows for intangibles assets for Group was N276.53 billion (2024: N87.30 billion); for Company N276.53 billion (2024: N86.98 billion)

### 20.6 Goodwill impairment assessment

The goodwill assessed for impairment as at 31 December 2025 relates to Visafone Telecommunications Ltd, now liquidated and absorbed into MTN Nigeria (See note 21.3). MTN Nigeria performs an annual impairment assessment of goodwill in accordance with IAS 36 – Impairment of Assets, or more frequently if events or changes in circumstances indicate that the carrying amount may not be recoverable.

The change from value in use (VIU) to fair value less cost of disposal (FVLCD) represents a change in estimation technique, rather than a change in accounting policy, and was made to better reflect prevailing market conditions, consistent with the requirements of IAS 36. The recoverable amount is the higher of: value in use and fair value less costs of disposal. However, if either of these amounts exceed the asset's carrying amount, the asset is not impaired, and it is not necessary to estimate the other amount. It is not always necessary to determine both an asset's fair value, less costs of disposal and its value in use.

As of 31 December 2025, the recoverable amount is determined based on fair value less costs to sell, as this exceeds the carrying amount of the CGU's assets. Considering that the goodwill is allocated to MTN Nigeria Communications Plc, the fair value was determined using quoted ordinary share price and it is considered a level 1 valuation.

Fair value was estimated based on MTN Nigeria's quoted market capitalisation less estimated cost of disposal as at the year ended 31 December 2025. The carrying amount of the CGU includes goodwill, property, plant and equipment, right-of-use assets, intangible assets, and other non-current tangible assets.

#### The key assumptions

- a. The valuation is based on the quoted share price of MTN Nigeria Communications Plc, without any assumptions. Furthermore, the cost to sell is determined using the published transaction rates for the sale of shares on the Nigerian Stock Exchange.
- b. Sensitivity focuses only on downside changes in market capitalisation.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 20. Intangible assets (continued)

#### The impairment assessment

Management has performed appropriate assessment and made relevant assumptions including necessary analysis. Below is the summary of the impairment assessment:

	2025 N million	2024 N million
Recoverable amount(a) as at the year end†	10,557,527	4,132,105
CGU carrying amount (b) as at the year end	4,117,747	3,520,320
Head room (excess of recoverable amount over carrying value)	6,439,780	611,785

#### Recoverable Amount

	2025	2024
No of shares issued and fully paid as at year end (million)	20,996	20,996
Share price as at year end)	511	200
<b>Fair Value (Share price * No. of shares)</b>	<b>10,728,731</b>	<b>4,199,112</b>
Less: Estimated cost at disposal	171,204	67,007
<b>Market capitalization as at year end (N)</b>	<b>10,557,527</b>	<b>4,132,105</b>

#### CGU Amount

	2025 N million	2024 N million
Property and equipment	1,853,525	1,248,304
Right of use asset	1,716,879	1,683,407
Intangible assets excluding goodwill	408,326	395,349
Investments in subsidiaries	45,386	40,386
Deferred tax asset	31,214	107,489
Contract acquisition costs	12,319	11,265
Non current prepayment	33,831	28,029
Other investments	6,251	6,091
CGU(EBU/WBU/CBU)	4,107,731	3,520,320
Goodwill	10,016	10,016
CGU carrying amount as at year end	4,117,747	3,530,336

#### The impairment outcome

The results of the impairment assessment indicate that the recoverable amount exceeded the carrying amount of the MTN Nigeria CGU as at 31 December 2025. Accordingly, no impairment of goodwill was recognised for the year ended 31 December 2025. The impairment outcome for FY2025 is consistent with the prior year, notwithstanding the change in valuation approach (2024: Nil).

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 20. Intangible assets (continued)

#### Goodwill sensitivity analysis

The sensitivity analysis been performed is based on change in the discount rate or quoted share price, variations to cash flows arising from revenue, operating expenditure (as seen below) considered possible by management.

For the year ended 31 December 2025

Scenario	Decrease %	Recoverable Amount N million	Carrying Amount N million	Headroom N million	Remarks
Base case	0.00%	10,557,527	4,117,747	6,439,780	No impairment
Sensitivity 1 (X=10% decrease)	10.00%	9,501,775	4,117,747	5,384,028	No impairment
Breakeven (Z=62.47% decrease)	62.47%	4,117,747	4,117,747	-	-
Breakeven threshold (Z) at 62.47% decline in market capitalization equates share price to N207.11 per share (vs. N511 at year end).					

For the year ended 31 December 2024

Scenario	Decrease %	Recoverable Amount N million	Carrying Amount N million	Headroom N million	Remarks
Base case	0.00%	4,132,105	3,520,320	611,785	No impairment
Sensitivity 1 (X=10% decrease)	10.00%	3,718,894	3,520,320	198,574	No impairment
Breakeven (Z=14.81% decrease)	14.81%	3,520,320	3,520,320	-	-
Breakeven threshold (Z) at 14.81% decline in market capitalization equates share price to N170.39 per share (vs. N200 at year end).					

The analysis indicates that an impairment of goodwill would only occur if MTN Nigeria's market capitalisation declined by more than 62.47% in 2025 financial year, assuming all other variables remain constant (2024: 14.81%).

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

### 20. Intangible assets (continued)

#### 20.7 Details of network licences

S/N	Network licences type	Date granted /renewed	Term (years)	Renewable term	Licence fee currency	Initiation/ renewal fee	Purpose/ characteristics
1	Digital Mobile Licence (DML) - 900MHz & 1800 MHz	9 February 2001/ 1 September 2021	10	Renewable after the expiration of 31 August 2031	NGN	N20.72 billion/ N71.61 billion	Operational license and spectrum license, authorises 2nd Generation mobile services & mobile voice/SMS, basic data (GPRS).
2	3G Spectrum Licence (Receive Frequency 1920 - 1930 MHz) (Transmit Frequency 2110 - 2120MHz)	1 May 2007/ 1 May 2022	15	As may be determined by NCC	NGN	N19.04 billion/ N58.70 billion	Spectrum License for 3rd Generation (3G) services. Enables high- speed data services (voice/video calls, live data streaming, etc.)
3	Unified Access Service Licence (UASL)	1 September 2006/ 1 September 2021	10	Renewable after the expiration of 31 August 2031	NGN	N114.60 million/ N374.60 million	Operational license, technology-neutral & permits full bouquet of services possible on existing spectrum.
4	International Submarine Cable Infrastructure and Landing Station (WACS)	1 January 2010	20	Renewable after the expiration of 31 December 2030	NGN	N33.20 million	Authorises MTNN to set up & maintain a landing station for transmission of international traffic. Authorises carriage of both MTNN/3rd party traffic.
5	800MHz - Intercellular acquisition*	1 January 2021/ 1 Jan 2025	10	Renewable after the expiration of 31 December 2030	NGN	N16.12 billion/ N1.596 billion	Spectrum for 4th Generation (4G/LTE) services, broadband spectrum and enables voice calls over IP-based networks, video calling, streaming and downloading etc.
6	700 MHz spectrum licence	14 December 2020	10	13 December 2030	NGN	N40.35 billion	For the provision of telecommunication services.
7	Spectrums 800 MHz (Visafone)*	1 January 2015/ 1 January 2025	10	Renewable after the expiration of 31 December 2034.	NGN	N48.10 billion	Spectrum for 4th Generation (4G/LTE) services, broadband spectrum and enables voice calls over IP-based networks, video calling, streaming and downloading etc.
8	Spectrums 2.6GHz	1 January 2018	10	Renewable after the expiration of 31 December 2027	NGN	N18.90 billion	Spectrum license for 4th generation (4G/LTE) services, broadband spectrum and enables voice calls over IP-based networks, video calling, streaming and downloading etc.

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

### 20. Intangible assets (continued)

S/N	Network licences type	Date granted /renewed	Term (years)	Renewable term	Licence fee currency	Initiation/ renewal fee	Purpose/ characteristics
9	2.6GHz (Opensky Acquisition)	7 September 2023	10	Renewable after the expiration of 16 April 2033	NGN	N79.68 billion	Spectrum license for 4th generation (4G/LTE) services, broadband spectrum and enables voice calls over IP-based networks, video calling, streaming and downloading etc.
10	3.5GHz Spectrum Licence	24 August 2022	10	Renewable after the expiration of 23 August 2032	NGN	N119.28 billion	Spectrum license for 5G services. Enables high-speed data services (voice/video calls, live data streaming, etc.)
11	Ntel Spectrum Licence (900MHz and 1800 MHz)**	1 May 2023/ 1 May 2025	2	Expires on 30 April 2027	NGN	N26.83 billion	Shared operational spectrum license, authorises 2nd Generation mobile services and mobile broadband services using 3G/4G technology.
12	T2 Spectrum (900MHz and 1800 MHz)	1 October 2025	3	Expires on 30 September 2028	NGN	N30.75 billion	Shared operational spectrum license, authorises 2nd Generation mobile services and mobile broadband services using 3G/4G technology.

\*The NCC has approved a harmonization of the term of the Visafone & Intercellular 800MHz spectrum licences. As such, Intercellular 800MHz has been renewed for a further 4-year period (i.e., till 31 December 2034) to align with the term of the Visafone 800MHz at the sum of N1.596 billion.

\*\*This is a prepaid spectrum lease initially scheduled to expire in April 2025. A further two-year renewal has extended the expiry to 30 April 2027, with the inclusion of a standalone one-year lease running from 30 November 2024 to 29 November 2025.

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

### 21. Investments in subsidiaries

Name of company	% holding 2025	% holding 2024	Carrying amount 2025 N million	Carrying amount 2024 N million
XS Broadband Limited	100 %	100 %	500	500
Yello Digital Financial Services Limited	100 %	100 %	15,000	15,000
MoMo Payment Service Bank Limited	100 %	100 %	92,950	87,950
			108,450	103,450
Impairment of investment in subsidiary (note 21.1)			(63,064)	(500)
			45,386	102,950

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held. All the subsidiaries have the same year-end as the parent company.

In the fourth quarter of 2025, MTN Nigeria made an additional investment of N5.00 billion (MoMo Payment Service Bank Limited, 2024: N46.35 billion part cash injection and part acquisition of non controlling interest, note 21.2).

The investment in XS Broadband Limited was impaired in previous years to reflect the recoverable amount of MTNN's investment in subsidiary in line with IAS 36 - impairment of assets.

There are no significant regulatory restrictions to movement of capital from the subsidiaries.

#### 21.1 Impairment of investment in subsidiary

During the year ended 31 December 2025, the MTN Nigeria recognized an impairment loss of N62.56 billion on its investments in Yello Digital Financial Services Limited ("YDFS") and MoMo Payment Service Bank Limited ("MoMo PSB"), both wholly owned subsidiaries. The impairment was recorded in accordance with IAS 36 Impairment of Assets.

		2025 N million	2024 N million
Opening balance		500	500
Impairment loss on investment of subsidiaries	13	62,564	-
<b>Closing balance</b>		<b>63,064</b>	<b>500</b>

##### 21.1.1 Events leading to the impairment

The impairment assessment was triggered by the following indicators:

- 1) Persistent operating losses - The subsidiaries have experienced sustained financial losses over the years, indicating that its operations are not generating sufficient revenue or profit to cover its operating costs. However, MoMo PSB's current performance provides optimism that the long-term viability of the investment may improve in the future.
  - 2) Negative net asset position - YDFS currently has a negative net asset position, meaning that its liabilities exceed its assets. This imbalance suggests financial distress and further highlights the risk of impairment, as the entity's net worth is diminishing.
  - 3) Continued financial support and commitments from MTNN to sustain the subsidiaries' operations. This recurring dependence on external financial aid points to potential liquidity issues and suggests that the business may not be able to sustain itself independently, increasing the likelihood of impairment.
- These factors collectively suggest that the carrying amounts of the investments could exceed their recoverable amounts.

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Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

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### 21. Investments in subsidiaries (continued)

#### 21.1.2 Method used to determine recoverable amount

The test involves comparing the carrying value of the subsidiaries with their recoverable amount.

Accordingly, the recoverable amount was determined as the higher of:

a) Value in Use (VIU) - the calculations mainly used cash flow projections based on financial budgets approved by Management covering a five-year period. Management is confident that the projections are appropriate based on the Group's operating model. The valuation conducted by Deloitte resulted in a negative value in use. Considering that an investment in a subsidiary cannot be impaired beyond its carrying value, the value in use is taken to be zero.

b) Fair Value Less Costs of Disposal (FVLCD) - the recoverable amount of the investment in subsidiaries was alternatively assessed using the fair value approach, determined using a market approach by Deloitte, our independent valuation expert. Methods applied included market approach (MoMo PSB: P/BV multiples; YDFS: EV/Revenue multiples). The fair value assessment resulted in a combined recoverable amount of N40.39 billion, which is higher than VIU and therefore adopted for impairment testing.

The valuation was carried out by Deloitte & Touche (FRC/2025/PRO/ICAN/004/607665) and signed by Abimbola Ogundare (FRC/2022/COY/COY/091021).

#### 21.1.3 Impairment calculation

Below is the summary of the value computed by the valuation expert:

Recoverable amount (higher than value in use)	Low	High	Average
	N million	N million	N million
MoMo PSB market approach	25,024	26,296	25,660
YDFS market approach	13,944	15,507	14,726
Recoverable amount			<u>40,386</u>

Based on the outcome of the assessment conducted, the impairment loss is as follows;

	N million
Recoverable amount	40,386
Additional investment	5,000
Less: Carrying amount as 31 December 2025	(107,950)
Impairment	<u>(62,564)</u>

#### Fair value hierarchy and key assumptions

The level of fair value hierarchy is level 3 due to significant unobservable inputs. These unobservable inputs are the key assumption that the valuation is most sensitive to and they include private company multiples, discount for lack of marketability (DLOM) and Nigeria specific risk adjustments.

#### 21.1.4 Deferred tax implications

The impairment loss gives rise to a deductible temporary difference under IAS 12 Income Taxes. Accordingly, a deferred tax asset has been recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized.

### 21.2 Acquisition of non-controlling interest in MoMo PSB Limited

In May 2024, the non-controlling interest holders in MoMo Payment Service Bank (MoMo PSB) offered to sell their 20% stake, which has been previously diluted to a 7.17% minority interest, to MTN Nigeria Communications PLC ("MTN Nigeria"). This proposal was accepted, and MTN Nigeria paid N6.95 billion as the agreed purchase consideration.

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

### 21. Investments in subsidiaries (continued)

This acquisition has been recorded as an equity transaction, resulting in an adjustment of N12.97 billion to the Group's reserves. This adjustment reflects the difference between the carrying amount of the non-controlling interest acquired and the consideration paid, in compliance with the provisions of IFRS Accounting Standard - IFRS 10.

	N million
Purchase consideration paid*	16,350
Less: NCI net assets acquired	(3,574)
Add: 20% of post audit CBN provisions	194
Adjustment to Group's other reserves	<u>12,970</u>

\*The purchase consideration includes N6.95 billion paid to the non-controlling interest holders and an additional investment of N9.4 billion initially recognized as a receivable.

### 21.3 Absorption and liquidation of Visafone Communications Limited

In the previous year, MTN Nigeria Communications PLC ("MTN Nigeria") concluded an internal restructuring involving the absorption of Visafone Communications Limited ("Visafone"), a subsidiary under common control. The restructuring and absorption of Visafone by MTN Nigeria have been accounted for in line with the principles of predecessor accounting for common control transactions. Under predecessor accounting, assets and liabilities are transferred at their carrying amounts in MTN Nigeria's financial statements, and any loss arising is recognized in the common control reserve. Consequently, a loss of N30.35 billion has been recognised in the common control reserve of MTN Nigeria. Below is the summary of the absorption as at 31 January 2024:

Visafone Communications Limited (now liquidated)

Statement of asset and liabilities absorption as at 31 January 2024

	Notes	N million
Non-current assets		
Intangible assets - Spectrum licence (cost)	20	48,153
Intangible assets - Spectrum licence (accumulated depreciation)	20	(43,278)
Goodwill	20	10,016
Non-current prepayment		<u>2</u>
		<u>14,893</u>
Current assets		
Trade and other receivables		446
Cash and cash equivalents		<u>91</u>
		<u>537</u>
Total assets		<u>15,430</u>
Current liability		
Trade and other payables		844
Contract liabilities	39	61
Current tax payable	41	31
Deferred tax liability	42	<u>1,068</u>
		<u>2,004</u>
Net assets absorbed by MTN Nigeria		<u>13,426</u>
Impact of Visafone Absorption on MTN Nigeria		
Investment in Visafone		43,778
Less net assets absorbed		<u>(13,426)</u>
Total loss recognised in common control reserve	32	<u>30,352</u>

Following the absorption by MTN Nigeria, Visafone is now fully liquidated. The Group's financial statements accurately reflect the economic substance of the restructuring and prevent any double counting of previously recognised expenses.

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## Notes to the consolidated and separate financial statements

	Notes(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million
<b>22. Contract acquisition costs</b>					
Opening balance		9,344	7,136	9,344	7,136
Additions		11,047	7,246	11,047	7,246
Amortised and expensed in the year		(8,072)	(5,038)	(8,072)	(5,038)
<b>Closing balance</b>		<b>12,319</b>	<b>9,344</b>	<b>12,319</b>	<b>9,344</b>

Contract acquisition costs are incremental costs of obtaining a contract with a customer that would not have incurred if the contract had not been obtained. They include incremental commission fees paid to trade partners for SIM activations, other SIM activation costs and the costs of virtual NIMC tokenization incurred during customer identity verification exercises at all service touchpoints.

These costs are amortised on a straight line basis over the estimated subscriber tenure on the network. The amortisation period ranges from 18 months to 48 months. Contract acquisition costs amortised during the year is included in discounts and commissions in profit or loss.

### 23. Investments

#### Other non-current investments

Treasury bonds at amortised cost		17,863	9,154	6,253	6,661
Allowance for expected credit losses	23.2	(51)	(86)	(2)	(86)
		<b>17,812</b>	<b>9,068</b>	<b>6,251</b>	<b>6,575</b>

#### Current investments

US Dollar deposits at amortised cost		-	23,824	-	23,824
NGN deposits at amortised cost		13,829	-	-	-
Treasury bills at amortised cost		92,387	11,806	85,548	1,489
Allowance for expected credit losses	23.2	(291)	(90)	(226)	(38)
Net current investments at amortised cost		105,925	35,540	85,322	25,275
Treasury bills and bonds at FVTPL		29,081	1,584	29,081	1,584
Treasury bills and bonds at FVOCI		27,249	15,285	2,490	1,337
		<b>162,255</b>	<b>52,409</b>	<b>116,893</b>	<b>28,196</b>

For cash flow purposes of non-current investments:

Group: Total purchases was N8.43 billion (2024: 2.43 billion).

For cash flow purposes of current investments:

Group: Total purchases was N743.03 billion (2024: N125.23 billion); total sales is N647.28 billion (2024: N99.73 billion).

Company: Total purchases was N243.50 billion (2024: N105.62 billion); total sales was N152.72 billion (2024: N99.73 billion).

#### 23.1 Investments measured at fair value through other comprehensive income (FVOCI)

As at 1 January		15,285	3,022	1,337	1,491
Purchases		276,093	20,197	5,383	-
Sales		(266,136)	(9,088)	(4,505)	-
Interest accrued		11,927	1,600	322	183
Net gain/(loss) from changes in fair value		202	(140)	137	(154)
Interest received		(10,122)	(306)	(184)	(183)
		<b>27,249</b>	<b>15,285</b>	<b>2,490</b>	<b>1,337</b>

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## Notes to the consolidated and separate financial statements

	Notes(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million
<b>23. Investments (continued)</b>					
<b>23.2 Reconciliation for allowance of expected credit losses</b>					
<b>Other non-current investments</b>					
As at 1 January		(86)	(88)	(86)	(88)
Reversal of credit loss expense	12	35	2	84	2
<b>As at 31 December</b>	<b>23</b>	<b>(51)</b>	<b>(86)</b>	<b>(2)</b>	<b>(86)</b>
<b>Current investments</b>					
As at 1 January		(90)	(103)	(38)	(67)
(Charge)/reversal of credit loss expense	12	(201)	13	(188)	29
<b>As at 31 December</b>	<b>23</b>	<b>(291)</b>	<b>(90)</b>	<b>(226)</b>	<b>(38)</b>
<b>24. Non-current prepayments</b>					
Prepayment for road infrastructure tax credit	24.1	27,910	18,820	27,910	18,820
Other non-current prepayments (a)		5,920	7,407	5,920	7,407
		<b>33,830</b>	<b>26,227</b>	<b>33,830</b>	<b>26,227</b>

(a) This includes the non-current portion of the prepaid Indefeasible right of use (IRU) asset access to the West African Cable System (WACS).

### 24.1 Prepayment for road infrastructure tax credit

Opening balance		18,820	17,421	18,820	17,421
Payments made towards the scheme		27,895	18,978	27,895	18,978
Reclassification to current prepayment*	24.2	(18,805)	-	(18,805)	-
Tax credit utilised to offset current tax payable	24.2	-	(17,579)	-	(17,579)
<b>Closing balance</b>	<b>24</b>	<b>27,910</b>	<b>18,820</b>	<b>27,910</b>	<b>18,820</b>

These tax credits are costs incurred towards the reconstruction of the Enugu-Onitsha expressway under the Road Infrastructure Development and Refurbishment Investment Tax Credit ("Road Tax Credit") Scheme. The Scheme is a public-private partnership (PPP) intervention that enables the Nigerian Government to leverage private sector capital and efficiency for the construction, repair, and maintenance of critical road infrastructure in key economic areas in Nigeria. MTN Nigeria shall be entitled to utilize the total cost incurred in the construction or refurbishment of an eligible road as a tax credit against their future Companies Income Tax (CIT) liability, until full cost recovery is achieved.

\*In August 2025, the FIRS and Federal Ministry of Finance in accordance with the RITC Executive Order approved the utilisation of N18.81 billion of the prepaid RITC costs and interest of N5.14 billion. Accordingly, these balances will be applied to offset the cash tax payable in 2026 Year of Assessment by MTNN for 2025 financial year.

### 24.2 Road infrastructure tax credit applied to tax payable

Tax credit utilised to offset current tax payable	24.1	-	17,579	-	17,579
Reclassification to current prepayment	24.1	18,805	-	18,805	-
Interest income - RITC uplift	14	5,142	3,618	5,142	3,618
Total road infrastructure tax credit		23,947	21,197	23,947	21,197
Road investment tax credit utilised	41	-	(21,197)	-	(21,197)
<b>Un-utilised road investment tax credit</b>		<b>23,947</b>	<b>-</b>	<b>23,947</b>	<b>-</b>

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	Notes(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million

### 24. Non-current prepayments (continued)

The interest income on the RITC is a compensation for the time value of money under the road infrastructure tax scheme, and its based on MPR plus a 2% uplift.

### 25. Inventories

Handsets and accessories		24,202	5,893	24,202	5,317
Starter packs		11,507	2,462	11,507	2,462
		35,709	8,355	35,709	7,779
Inventories (write-downs)	25.1	(12,411)	(1,384)	(12,411)	(1,384)
		<b>23,298</b>	<b>6,971</b>	<b>23,298</b>	<b>6,395</b>

During the year, N46.54 billion (2024:N48.63 billion) was recognised for Group and company as an expense for inventories as cost of starter packs, handsets and accessories reported on the profit or loss statement.

#### 25.1 Reconciliation of inventory write-down

Opening balance		(1,384)	(5,610)	(1,384)	(5,610)
(Allowance)/reversal in inventory write-down	13	(11,027)	4,226	(11,027)	4,226
<b>Closing balance</b>	<b>25</b>	<b>(12,411)</b>	<b>(1,384)</b>	<b>(12,411)</b>	<b>(1,384)</b>

During the year, there was a inventory write-down of N11.03 billion (2024: write-down reversal of N4.23 billion) for starter packs, 4G and 5G devices carried at net realisable value. The increase in write-down is as a result of the arrival of new technology 4G & 5G devices and new updated stocks received which would leave the old existing stock possibly obsolete. The write-down is recognised in the other operating costs in statement of profit or loss.

### 26. Trade and other receivables

#### Financial instruments:

Trade receivables		114,662	132,265	114,662	132,265
Trade receivables - related parties	45.4	39,364	77,494	86,262	127,185
Allowance for expected credit losses	26.1	(27,297)	(21,071)	(27,297)	(21,071)
Net trade receivables at amortised cost		126,729	188,688	173,627	238,379
Other receivables (a)	26.2	51,715	55,201	51,829	53,352
		178,444	243,889	225,456	291,731

#### Non-financial instruments:

Sundry receivables and advances (b)		2,246	693	660	553
Other non-financial receivables (c)		108,822	69,667	101,043	53,618
Prepayments (d)		107,517	53,464	106,557	53,064
		218,585	123,824	208,260	107,235
<b>Total trade and other receivables</b>		<b>397,029</b>	<b>367,713</b>	<b>433,716</b>	<b>398,966</b>

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	Notes(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million

### 26. Trade and other receivables (continued)

(a) Other receivables includes uninvoiced expenses covered for related parties and subsidiaries.

(b) Sundry receivables and advances includes advances to staff for travel expenses and other work related expenses.

(c) Other non-financial receivables includes contracted Advance Payment Guarantees (APGs) and performance bonds with vendors and withholding tax receivables.

(d) Current prepayments includes, prepaid operational costs, short term software licenses, insurance and the prepaid RITC cost of N23.95 billion.

The Group's exposure to currency risk and credit risk and impairment losses related to trade and other receivables are disclosed in note 51.3.2 and 51.1.2 respectively.

The carrying value of trade and other receivables materially approximates the fair value because of the short period to maturity.

#### 26.1 Reconciliation of allowance for expected credit losses

The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade receivables:

As at 1 January		(21,071)	(14,650)	(21,071)	(14,232)
Addition to loss allowances recognised during the year 12		(6,226)	(6,839)	(6,226)	(6,839)
Reversal of loss allowance of Visafone receivables		-	418	-	-
<b>As at 31 December</b>	<b>26</b>	<b>(27,297)</b>	<b>(21,071)</b>	<b>(27,297)</b>	<b>(21,071)</b>

The impairment charge of N6.23 billion (2024: N6.84 billion) for Group and Company was recognised in the impairment of financial assets, note 12. N418 million of credit loss allowance from Visafone was reversed from the allowance for expected credit losses after its liquidation. See note of the analysis of credit risk and expected credit losses in note 51.1.2.

#### 26.2 Other receivables

Related parties and other receivable balances		52,767	57,300	51,829	53,352
Unauthorised transferred receivables		9,413	9,413	9,413	9,413
Credit loss on other receivables	26.2.1	(10,548)	(11,595)	(9,413)	(9,413)
		<b>51,632</b>	<b>55,118</b>	<b>51,829</b>	<b>53,352</b>

##### 26.2.1 Analysis of impairments on other receivables

Opening balance		11,595	11,595	9,413	9,413
Reversal of impairment on other receivables		(1,047)	-	-	-
<b>Closing</b>	<b>26.2</b>	<b>10,548</b>	<b>11,595</b>	<b>9,413</b>	<b>9,413</b>

The reversal relates to an impairment loss previously recognised on MoMo PSB funds held in the YDFS custody account. Following the transfer of these funds back to MoMo, the impairment was reversed in the current year.

### 27. Restricted cash

Restricted cash deposits for letters of credit (a)		16,940	81,623	16,940	81,623
Collateral on borrowings (b)		-	22,372	-	22,372
Collateral on forwards (c)		20,767	1,884	20,567	1,884
Restricted cash - others (d)		-	1,144	-	944
		<b>37,707</b>	<b>107,023</b>	<b>37,507</b>	<b>106,823</b>

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	Notes(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million

### 27. Restricted cash (continued)

(a) This is usance letters of credit (LC) that is backed by restricted cash deposit (known as cash collateral) in US\$ and Naira.

(b) Collateral on borrowings include includes cash invested in marketable securities, provided in accordance with the terms of certain loan covenants. These investments serve as security pledge required by lenders to maintain compliance with the contractual obligations of the borrowing arrangements.

(c) This is the cash build up on forward contract.

(d) Restricted cash - others comprises of: the retention fee on purchase of Visafone Communications Limited (now liquidated) of N378.64 million; dividends received on shares held in trust by Vefiva Trustee Ltd for the MTNN employee shares scheme implementation: N0.53 million (2024: N500.8 million) and garnishees against court judgments of N64.98 million (2024: 64.98 million). For Group, YDFS has a deposit of N200 million (2024: N200 million) with the Central Bank of Nigeria for access to the PSSP (Payment service solution provider) & PTSP (Payment terminal service provider) platforms.

Although these balances are restricted, the related funds are payable on demand and are therefore classified as current assets in the statement of financial position.

For the purpose of cash flows, total net cash inflow from banks for restricted cash for Group and Company: N71.71 billion (2024: inflow from banks of N292.17 billion).

### 28. Cash and deposits held for MoMo customers

#### 28.1 Cash held for MoMo Customer

Cash held for MoMo Customer	1,298	3,843	-	-
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Cash held for MoMo Customers represent funds received from MoMo customers. When customers fund their wallets, MoMo recognises a financial asset (representing the cash received or held) and a corresponding deposit liability, reflecting its obligation to repay these funds to customers (see note 28.2). In line with the Central Bank of Nigeria (CBN) guidelines, these deposits may only be invested in permissible liquid instruments as specified in the regulatory framework.

#### 28.2 Deposit held for MoMo customers

Deposit held for MoMo customers	9,842	3,843	-	-
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Deposits held for MoMo customers represent deposit liabilities arising from funds received into customers' mobile money wallets. These deposit liabilities are either payable on demand or withdrawable at short notice, consistent with the nature of mobile money services. Accordingly, deposits held for MoMo customers are measured at amortised cost in accordance with IFRS 9.

### 29. Cash and cash equivalents

Bank balances		162,525	214,004	160,164	213,037
Short-term deposits		470,170	39,405	470,170	19,795
		632,695	253,409	630,334	232,832
Allowance for expected credit losses	29.1	(194)	(32)	(115)	(32)
<b>Net cash and cash equivalents</b>		<b>632,501</b>	<b>253,377</b>	<b>630,219</b>	<b>232,800</b>

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	Notes(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million

### 29. Cash and cash equivalents (continued)

Some bank balances earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

The Company does not have any cash and bank equivalents pledged to fulfil collateral requirements.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at 31 December:

Bank balances		162,525	214,004	160,164	213,037
Short-term deposits		470,170	39,405	470,170	19,795
		<b>632,695</b>	<b>253,409</b>	<b>630,334</b>	<b>232,832</b>

#### 29.1 Reconciliation of allowance for expected credit losses

As at 1 January		(32)	(94)	(32)	(41)
(Allowance for)/reversal of credit expenses	12	(162)	62	(83)	9
<b>As at 31 December</b>	<b>29</b>	<b>(194)</b>	<b>(32)</b>	<b>(115)</b>	<b>(32)</b>

### 30. Share capital

#### 30.1 Share capital

##### Issued and fully paid

20,995,560,103 ordinary shares of N0.02 each		420	420	420	420
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There were no new shares issued during the year (2024: nil)

#### 30.2. Dividends

Interim dividend for 2025: 5:00 kobo per share (2024:nil)		104,978	-	104,978	-
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For the purpose of the statement of cash flows, dividends paid comprise of:

Final dividend paid		-	-	-	-
Interim dividend paid		104,978	-	104,978	-
		<b>104,978</b>	<b>-</b>	<b>104,978</b>	<b>-</b>

### 31. Share premium

4,500,000 ordinary shares of N 3,779.89 each		17,009	17,009	17,009	17,009
138,960 ordinary shares of N 1,488.15 each		207	207	207	207
641,047,053 ordinary shares of N233.66		149,146	149,146	149,146	149,146
		<b>166,362</b>	<b>166,362</b>	<b>166,362</b>	<b>166,362</b>

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## Notes to the consolidated and separate financial statements

	Notes(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million
<b>32. Other reserves</b>					
<b>32.1 Movement in other reserves</b>					
As at 1 January		(12,454)	701	(29,833)	708
Net fair valuation gain/(loss) on FVOCI investments		156	(104)	90	(108)
Net remeasurement loss on employee benefits liability	44.2	(2,133)	(81)	(2,133)	(81)
Common control reserve		-	-	-	(30,352)
Non-controlling interest acquisition		-	(12,970)	-	-
<b>As at 31 December</b>		<b>(14,431)</b>	<b>(12,454)</b>	<b>(31,876)</b>	<b>(29,833)</b>

Fair valuation loss on financial assets classified as fair value through other comprehensive income is recognised on Federal Government treasury bills and bonds investments net of tax except for Federal Government bonds, which are exempted from company income tax.

The remeasurement of loss on employee benefits valuation in accordance with IAS 19 Employee benefits.

### 32.2 Other reserves is made up of:

Capital redemption reserve fund	32.3	239	239	239	239
Fair value reserve of FVOCI investments	32.3	(227)	(383)	(290)	(380)
Remeasurement on employee benefits liability	32.3	(1,473)	660	(1,473)	660
Common control reserve	32.3	-	-	(30,352)	(30,352)
Non-controlling interest acquisition	32.3	(12,970)	(12,970)	-	-
		<b>(14,431)</b>	<b>(12,454)</b>	<b>(31,876)</b>	<b>(29,833)</b>

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

### 32. Other reserves (continued)

#### 32.3 Analysis of other reserves:

	Note(s)	Capital redemption reserve fund N million	Fair value reserve of FVOCI investments N million	Remeasurement on employee benefits liability N million	Common control reserve N million	Non-controlling interest acquisition N million	Total N million
<b>Group</b>							
1 January 2024		239	(279)	741	-	-	701
Net fair value loss on FVOCI investments	23.1	-	(140)	-	-	-	(140)
Remeasurement loss on employee benefits	44.2	-	-	(116)	-	-	(116)
Deferred tax on FVOCI items	42.3	-	46	-	-	-	46
Deferred tax on actuarial loss	42.3	-	-	35	-	-	35
Reversal of credit losses on FVOCI investments	12	-	(10)	-	-	-	(10)
Non-controlling interest acquisition	21.2	-	-	-	-	(12,970)	(12,970)
<b>31 December 2024</b>		<b>239</b>	<b>(383)</b>	<b>660</b>	<b>-</b>	<b>(12,970)</b>	<b>(12,454)</b>
Net fair value loss on FVOCI investments	23.1	-	202	-	-	-	202
Deferred tax on FVOCI items	42.3	-	(46)	-	-	-	(46)
Remeasurement loss on employee benefits	44.2	-	-	(3,232)	-	-	(3,232)
Deferred tax on actuarial loss	42.3	-	-	1,099	-	-	1,099
<b>31 December 2025</b>		<b>239</b>	<b>(227)</b>	<b>(1,473)</b>	<b>-</b>	<b>(12,970)</b>	<b>(14,431)</b>
<b>Company</b>							
1 January 2024		239	(272)	741	-	-	708
Net fair value loss on FVOCI investments	23.1	-	(154)	-	-	-	(154)
Remeasurement loss on employee benefits	44.2	-	-	(116)	-	-	(116)
Deferred tax on FVOCI items	42.3	-	46	-	-	-	46
Deferred tax on actuarial loss	42.3	-	-	35	-	-	35
Absorption of Visafone	21.3	-	-	-	(30,352)	-	(30,352)
<b>31 December 2024</b>		<b>239</b>	<b>(380)</b>	<b>660</b>	<b>(30,352)</b>	<b>-</b>	<b>(29,833)</b>
Net fair value loss on FVOCI investments	23.1	-	137	-	-	-	137
Deferred tax on FVOCI items	42.3	-	(47)	-	-	-	(47)
Remeasurement loss on employee benefits	44.2	-	-	(3,232)	-	-	(3,232)
Deferred tax on actuarial loss	42.3	-	-	1,099	-	-	1,099
<b>31 December 2025</b>		<b>239</b>	<b>(290)</b>	<b>(1,473)</b>	<b>(30,352)</b>	<b>-</b>	<b>(31,876)</b>

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## Notes to the consolidated and separate financial statements

	Notes(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million
<b>33. Shares held for employee share scheme</b>					
<b>Opening balance</b>		<b>4,869</b>	<b>4,869</b>	<b>4,869</b>	<b>4,869</b>
Equity settled share based payments for the period	43.1	(1,337)	-	(1,337)	-
Additional shares acquired for the scheme		509	-	509	-
<b>Closing balance</b>		<b>4,041</b>	<b>4,869</b>	<b>4,041</b>	<b>4,869</b>

During the year, 5,455,425 equity-settled shares vested. In addition, 2,088,800 ordinary shares were acquired by the trustee for the purposes of the scheme. As at 31 December 2025, the trustee held a total of 25,443,414 ordinary shares (31 December 2024: 28,809,789 ordinary shares).

Shares held for employee share scheme	No. of shares	Share price (N)	Share value (N' million)
Opening balance	28,810,039	169.00	4,869
Equity settled share based payment for the period	(5,455,425)	245.08	(1,337)
Additional shares acquired for the scheme	2,088,800	243.68	509
	<b>25,443,414</b>	<b>158.82</b>	<b>4,041</b>

### 34. Earnings/(loss) and dividend per share

#### 34.1 Basic and diluted earnings/(loss) per share

Earnings/(loss) per share is calculated using the weighted average number of ordinary shares in issue during the year and is based on the earnings/(loss) after tax attributable to ordinary shareholders of the parent. For the purpose of calculating earnings/(loss) per share, shares held for employee share scheme are deducted from the weighted average number of ordinary shares outstanding at the end of the reporting period.

Diluted earnings/(loss) per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares and is based on the net earnings/(loss) attributable to ordinary shareholders, adjusted for the after-tax dilutive effect.

Earnings/(loss) attributable to equity holders (N million)	1,112,846	(399,448)	1,050,866	(360,476)
Weighted average numbers of ordinary shares as at end of year (million)	20,970	20,970	20,970	20,970
Basic and diluted earnings/(loss) per share (N)	53.07	(19.05)	50.11	(17.19)

Earnings/(loss) per share (EPS) is calculated by dividing the profit/(loss) after tax attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period, excluding the average number of ordinary shares held for employee share scheme (31 December 2025: 25,443,414 shares; 31 December 2024: 28,809,789 shares). EPS for the year has been adjusted to reflect the change in shares held for employee share scheme.

#### 34.2 Dividends per share

Interim	5.00	-	5.00	-
Final	15.00	-	15.00	-

During the year ended 31 December 2025, dividends were paid and proposed as follows:

- i. 30 September 2025 interim dividend paid: N104.98 billion
- ii. 31 December 2025 proposed final dividend: N314.93 billion

On 28 November 2025, the Board of Directors paid an interim dividend of N5.00 (2024: Nil) per share on the 20,995,560,103 ordinary shares of 2 kobo each for the period ended 30 September 2025 to shareholders on the register of shareholding as of the qualification date. Withholding Tax was deducted at the time of payment.

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## Notes to the consolidated and separate financial statements

### 34. Earnings/(loss) and dividend per share (continued)

The Board of Directors proposed a final dividend of N15.00 (31 December 2024: Nil) per ordinary share on the 20,995,560,103 (31 December 2024: 20,995,560,103) ordinary shares of 2 kobo each for the year ended 31 December 2025 to shareholders' for approval at the forthcoming Annual General Meeting (AGM). If the proposed final dividend is approved, the total dividend for the financial year ended 31 December 2025 will be N20.00 per share of 2 kobo each. The proposed dividend, if approved, will be paid net of applicable withholding tax.

### 35. Borrowings

	Description of borrowing	Type	Currency	Rate	Remaining repayment details	N million
<b>2025</b>						
1	Bilateral loan facility (Stanbic)	Unsecured	NGN	20%-25%	2 semi-annual equal installments	31,390
2	Access Bank facility (R)	Unsecured	US\$	7%-12%	3 semi-annual equal installments	77,890
3	Access Bank facility (S)	Unsecured	US\$	7%-12%	4 annual installments	76,516
4	Local bond series I&II (7yr & 10yr)	Unsecured	NGN	12%-15%	8 annual installments	320,459
5	Letter of credit transaction established on credit line	Secured	US\$	8%-16%	2 quarterly equal installments	58
6	Bilateral loan Facility (Bank of Industry)	Secured	NGN	15%	48 monthly installments	21,356
						<b>527,669</b>

	Description of borrowing	Type	Currency	Rate	Remaining repayment details	N million
<b>2024</b>						
1	Local syndicated facility (M)	Unsecured	NGN	25%-30%	2 semi-annual equal installments	31,196
2	Local syndicated facility (N)	Unsecured	NGN	25%-30%	3 semi-annual equal installments	14,954
3	Bilateral loan facility (Stanbic)	Unsecured	NGN	28%-35%	2 semi-annual equal installments	62,081
4	Access Bank facility (R)	Unsecured	US\$	7%-12%	5 semi-annual equal installments	103,874
5	AFC foreign facility (Q)	Unsecured	US\$	7%-12%	5 annual installments	123,892
6	Local Bond Series I&II (7yr & 10yr)	Unsecured	NGN	12.7%-14.5%	9 annual installments	319,903
7	Letter of credit transaction established on credit line	Secured	US\$	8%-16%	2 quarterly equal installments	32,316
8	Commercial paper	Unsecured	NGN	25%-30%	Matures in 2025	158,064
9	Bilateral loan facility (First Bank)	Unsecured	NGN	28%-35%	2 semi-annual equal	52,677
10	Bilateral loan facility (Zenith Bank)	Unsecured	NGN	28%-35%	2 semi-annual equal	53,008
11	Supply chain finance	Unsecured	NGN	28%-35%	Matures in Jan 2025	20,950
						<b>972,915</b>

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

	Notes(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million
<b>35. Borrowings (continued)</b>					
<b>35.1 Borrowings maturity and reconciliation</b>					
<b>Borrowings maturity</b>					
<b>The maturity of the loan is as follows:</b>					
Payable within one year (included in current liabilities)*		108,097	336,325	108,097	336,325
More than one but not exceeding two years		131,090	234,229	131,090	234,229
More than two but not exceeding five years		199,632	257,109	199,632	257,109
More than five years		88,850	145,252	88,850	145,252
Amounts included in non-current liabilities		419,572	636,590	419,572	636,590
<b>Total borrowings</b>		<b>527,669</b>	<b>972,915</b>	<b>527,669</b>	<b>972,915</b>

\*This includes letters of credit of N0.06 billion (December 2024: N32.32 billion).

### Borrowings reconciliation

As at 1 January		972,915	1,177,169	972,915	1,177,169
Drawdown		107,357	463,348	107,357	463,348
Repayment		(523,090)	(988,674)	(523,090)	(988,674)
Interest payment		(141,329)	(187,632)	(141,329)	(187,632)
Interest charge		127,743	172,073	127,743	172,073
Exchange (gain)/loss	16	(12,285)	336,631	(12,285)	336,631
Deferred income liability*		(3,642)	-	(3,642)	-
<b>As at 31 December</b>		<b>527,669</b>	<b>972,915</b>	<b>527,669</b>	<b>972,915</b>

\*This relates to the grant on BOI term loan priced below market interest rate, see note 37.4.

At 31 December 2025, the Company had available N195 billion (2024: N239.88 billion) of undrawn committed borrowing facilities. The maturities of borrowings can be seen in note 51.2.

### 35.2 Borrowing arrangements

MTN Nigeria has a loan portfolio with a consortium of local banks and foreign banks. The details of the facilities are as follows:

1. **Bilateral loan facility (Stanbic)** - Bilateral financing facility was secured with Stanbic Bank. The interest rate is based on the Monetary Policy Rate (MPR) and a margin. The loan includes a one-year moratorium, with repayments scheduled to begin in 2025 in two equal installments. As at 31 December 2025, the outstanding balance was N31.39 billion (2024: N62.08 billion).

2. **Access Bank facility (R)** - Access Bank UK refinanced an equivalent amount previously sourced from the European Investment Bank (EIB). The facility is structured as a fixed-interest loan indexed to term SOFR plus a margin. Principal repayments are scheduled over five equal semi-annual instalments which commenced in October 2025. As at 31 December 2025, the outstanding principal balance stood at US\$54.25 million (2024: US\$66.9 million).

3. **Access Bank facility (S) formerly AFC foreign facility Q** - Access Bank UK refinanced an equivalent amount previously sourced from the African Finance Corporation. The loan carries a fixed interest rate indexed to SOFR plus an applicable margin. Principal repayments are structured over eight equal instalments, commencing in July 2026. As at 31 December 2025, the outstanding principal balance was US\$53.29 million (2024: US\$79.19 million).

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

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### 35. Borrowings (continued)

4. **Local bonds** - Under the N200 billion bond issuance programme, two series were issued on 5 May and 4 November 2021 comprising of:

a) Series I: N110.001 billion 7 year 13% bond due 2028.

b) Series II: N89.999 billion 10 year 12.75% bond due 2031.

c) Series III: Tranche A - N10 billion 4 year 13.5% bond issued in 29 September 2022 due in 2026.

Tranche B - N105 billion 10 year 14.5% bond issued on 30 September 2022 due in 2032.

In securing the facilities, MTN Nigeria has made a negative pledge over all existing and future assets to the lenders. The negative pledge signifies that MTN Nigeria has agreed not to deplete its assets via sales, collateral and transfers to anyone except the group of lenders, subject to a permitted amount. No other security has been provided. As at 31 December 2025, the outstanding balance on the facility is N320.46 billion (2024: N319.96 billion).

5. **Letter of credit transaction established on credit line** - The sum of US\$39,823 is outstanding on the letters of credit established using trade lines with the banks. This balance is backed by fx forwards allocated by the CBN and yet to be delivered.

6. **Bilateral loan Facility (Bank of Industry)** - A NGN 25 billion bilateral financing facility (backed by bank guarantee) was secured from the Bank of Industry at a fixed interest rate of 15% per annum. The loan includes a one-year moratorium, after which principal repayments will be made in 48 equal monthly instalments commencing in 2026. As at 31 December 2025, the outstanding principal balance on the facility stood at NGN 25 billion (excluding the impact of the grant).

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

	Notes(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million
<b>36. Provisions</b>					
Non-current liabilities		52	43	52	43
Current liabilities		39,177	25,171	37,545	21,754
		<b>39,229</b>	<b>25,214</b>	<b>37,597</b>	<b>21,797</b>

### Reconciliation of provision

	Opening balance N million	Additions N million	Utilised N million	Reversed N million	Revaluation N million	Closing balance N million
<b>Group - 2025</b>						
Decommissioning provision	43	14	(5)	-	-	52
Litigation provision	1,671	1,505	(347)	(291)	-	2,538
Bonus provision	17,226	23,778	(11,455)	(1,582)	(212)	27,755
Other provisions	6,274	14,030	(598)	(10,819)	(3)	8,884
	<b>25,214</b>	<b>39,327</b>	<b>(12,405)</b>	<b>(12,692)</b>	<b>(215)</b>	<b>39,229</b>
<b>Group - 2024</b>						
Decommissioning provision	46	1	(4)	-	-	43
Litigation provision	17,025	19,651	(7,993)	(27,012)	-	1,671
Bonus provision	6,793	27,189	(16,771)	-	15	17,226
Other provisions	4,398	3,611	(1,361)	(374)	-	6,274
	<b>28,262</b>	<b>50,452</b>	<b>(26,129)</b>	<b>(27,386)</b>	<b>15</b>	<b>25,214</b>
<b>Company - 2025</b>						
Decommissioning provision	43	14	(5)	-	-	52
Litigation provision	1,671	1,505	(347)	(291)	-	2,538
Bonus provision	15,951	23,591	(11,455)	(1,582)	(212)	26,293
Other provisions	4,132	16,002	(598)	(10,819)	(3)	8,714
	<b>21,797</b>	<b>41,112</b>	<b>(12,405)</b>	<b>(12,692)</b>	<b>(215)</b>	<b>37,597</b>
<b>Company - 2024</b>						
Decommissioning provision	46	1	(4)	-	-	43
Litigation provision	17,025	19,651	(7,993)	(27,012)	-	1,671
Bonus provision	6,752	25,955	(16,771)	-	15	15,951
Other provisions	3,410	2,456	(1,361)	(373)	-	4,132
	<b>27,233</b>	<b>48,063</b>	<b>(26,129)</b>	<b>(27,385)</b>	<b>15</b>	<b>21,797</b>

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

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### 36. Provisions (continued)

#### 36.1 Bonus provision

The bonus provision consists of a performance-based bonus, which is determined by reference to the overall Group performance with regard to a set of predetermined key performance measures. Bonuses are payable annually after the Holding Company annual results have been announced. Bonus provision is calculated as a percentage of employee's gross annual income plus pension contribution based on the overall performance of the Group, the teams, divisions and the employees.

#### 36.2 Decommissioning provision

The provision represents the present value of the estimated costs of dismantling and removing network equipment and restoring leased sites to their original condition at the end of the respective lease terms. The amount recognised is based on management's most recent reassessment of the expected costs required to restore sites to their original condition at the end of the lease term. These estimates incorporate current assumptions regarding the scope of dismantling activities, restoration requirements, inflation rates and other relevant cost factors.

The estimated future cash outflows have been discounted using inflation and discount rates of 14.5% and 20.6%, respectively (2024: 34.6% and 27.06%). The discount rate reflects current market assessments of the time value of money and the risks specific to the obligation. The timing of settlement is dependent on the expiry of the related site lease agreements, at which point decommissioning and restoration activities are expected to be undertaken.

#### 36.3 Litigation provision

This relates to cases between MTN Nigeria and various bodies such as: Benue State Internal Revenue Services v MTNN, Corporate Communications Ltd vs MTN Nigeria, Hamsatu Abdullahi vs MTN Nigeria & Anor etc. Timing is dependent on the outcome of court judgements in respect of the litigation. The expense is recognised in other operating expenses, see note 13.

#### 36.4 Other provisions

The Group is involved in various regulatory and tax matters. These matters may not necessarily be resolved in a manner that is favourable to the group. The group has therefore recognized provisions in respect of these matters based on estimates and probability of an outflow of economic benefits. MTN Nigeria strategic advisory and consultancy services are payable to various consultants and legal advisers.

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

	Notes(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million
<b>37. Other liabilities</b>					
<b>Financial liabilities</b>					
EWP platform liability	37.3	11,060	9,463	-	-
Other non-current liabilities		564	549	564	25
		<b>11,624</b>	<b>10,012</b>	<b>564</b>	<b>25</b>
<b>Non-financial liabilities</b>					
Deferred grant income	37.4	2,932	-	2,932	-
		<b>14,556</b>	<b>10,012</b>	<b>3,496</b>	<b>25</b>
<b>37.1 Other non-current liabilities</b>					
EWP platform liability	37.3	9,280	8,293	-	-
Deferred grant income	37.4	1,790	-	1,790	-
Other non-current liabilities		564	549	564	25
		<b>11,634</b>	<b>8,842</b>	<b>2,354</b>	<b>25</b>
<b>37.2 Other current liabilities</b>					
EWP platform liability	37.3	1,780	1,170	-	-
Deferred grant income	37.4	1,142	-	1,142	-
		<b>2,922</b>	<b>1,170</b>	<b>1,142</b>	<b>-</b>
<b>37.3 EWP liability</b>					
This relates to the non-current portion of the MoMo PSB's Ericsson Waller Platform (EWP) liability that relates to intangible assets. The outstanding liability is contractually due over more than one year and includes a financing component. Its accretion is reported within finance expenses, while platform fee charges are detailed in the other operating expenses notes.					
Opening balance		9,463	8,224	-	-
Accretion charged to profit or loss		1,159	1,239	-	-
Platform fees		629	-	-	-
Amount paid on liability		(191)	-	-	-
<b>Closing balance</b>	<b>37</b>	<b>11,060</b>	<b>9,463</b>	<b>-</b>	<b>-</b>
<b>Non-current and current split of EWP liability</b>					
Due after 1 year	37.1	9,280	8,293	-	-
Due within 1 year	37.2	1,780	1,170	-	-
		<b>11,060</b>	<b>9,463</b>	<b>-</b>	<b>-</b>
<b>37.4 Deferred grant income</b>					

During the year, MTN Nigeria Communications Plc (MTNN) recognised a government grant arising from below market interest rate loans under a loan agreement with Bank of Industry Limited (BOI), a government-owned development finance institution on 24 February 2025. The agreement comprises Term Loan 1 (N25 billion, funded by CBN Fund), to finance equipment procurement for upgrading and expanding telecommunication infrastructure. The grant represents the difference between the fair value of the loans, calculated using the market interest rate of 21.13% per annum, and the proceeds received.

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

	Notes(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million

### 37. Other liabilities (continued)

MTNN recognised N3.6 billion as deferred grant income, of which N710 million was amortised to profit or loss to offset the interest expense on Bilateral loan Facility (Bank of Industry) No other forms of government assistance or grants were received during the reporting year.

Opening balance		-	-	-	-
Additions to deferred grant income		3,642	-	3,642	-
Deferred income charged		(710)	-	(710)	-
<b>Closing balance</b>	<b>37</b>	<b>2,932</b>	<b>-</b>	<b>2,932</b>	<b>-</b>

#### Non-current and current split of deferred grant income

Due after 1 year	37.1	1,790	-	1,790	-
Due within 1 year	37.2	1,142	-	1,142	-
		<b>2,932</b>	<b>-</b>	<b>2,932</b>	<b>-</b>

### 38. Trade and other payables

#### Financial instruments:

Trade payables		265,119	222,015	264,087	220,897
Trade payables - related parties	45.4	113,857	186,013	119,718	193,487
Other accrued expenses		643,276	519,211	640,875	510,287
		<b>1,022,252</b>	<b>927,239</b>	<b>1,024,680</b>	<b>924,671</b>

#### Non-financial instruments:

Other non-financial accrued expenses (b)		168,301	151,510	167,900	151,986
Sundry payables (c)		42,005	7,905	41,646	4,097
Other payables (d)		85,101	103,592	84,908	102,982
		<b>295,407</b>	<b>263,007</b>	<b>294,454</b>	<b>259,065</b>
		<b>1,317,659</b>	<b>1,190,246</b>	<b>1,319,134</b>	<b>1,183,736</b>

(a) Other accrued expenses include BTS lease accruals, accruals for cloud services and services provided by vendors.

(b) Other non-financial instrument accrued expenses include unclaimed dividend, accrued staff expenses and other regulatory fees.

(c) Sundry payables includes security deposits and advance payments from some enterprise and wholesale business customers.

(d) Other non-financial instrument payables include withholding and value added tax liabilities

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## Notes to the consolidated and separate financial statements

	Notes(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million

### 39. Contract liabilities

#### Reconciliation of contract liabilities

As at 1 January		117,272	102,796	117,272	102,414
Payments received in advance of delivery of performance obligations		4,812,337	3,182,400	4,812,337	3,182,400
Revenue recognised on delivery of goods/services:					
-In relation to carry forward balance recognised		(117,272)	(102,796)	(117,272)	(102,414)
-Recognised on delivery of goods/services during the year		(4,674,199)	(3,065,128)	(4,674,199)	(3,065,189)
Absorption of Visafone (a)		-	-	-	61
<b>As at 31 December</b>		<b>138,138</b>	<b>117,272</b>	<b>138,138</b>	<b>117,272</b>

(a) The adjustment relates to the Visafone contract liability, which was initially consolidated in the opening balance but has been absorbed by MTN Nigeria Communications PLC (MTNN) in accordance with the approved and implemented scheme of arrangement (see note 21.3).

Contract liability relates to payments received in advance from sales of recharge cards and on Subscriber Identification Module (SIM) cards. Contract liabilities are recognised as revenue when the subscribers use the airtime for network services such as voice, SMS, data and digital services and when the SIM cards are activated on the network.

The Group has elected the practical expedient of not disclosing the transaction price of unsatisfied performance obligations because the performance obligations relate to contracts that have an original expected duration of one year or less.

### 40. Derivatives

Forward contracts		2,224	1,961	2,224	1,961
		<b>2,224</b>	<b>1,961</b>	<b>2,224</b>	<b>1,961</b>

All gains and losses from changes in the fair value of derivatives are recognised immediately in the profit or loss statement as finance income or cost. All forward contracts are payable within a year and therefore classified as current. The Group uses derivative financial instruments such as currency swap and forward contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the net fair value is positive and as financial liabilities when the net fair value is negative, refer to note 50 fair value estimation for details of valuation policies and processes.

The liability also has a restricted cash balance representing a security on the derivative liability contract with the counterparty, see note 27.

### 41. Current tax payable

Balance as at 1 January		25,012	157,971	24,713	157,669
Provisions for the year - company income tax	17	291,480	-	291,480	-
Minimum tax	17	-	17,497	-	17,472
Provision for the year - development levy	17	62,930	-	62,830	-
Provision for the year - tertiary education tax	17	-	3,568	-	3,568
Absorption of Visafone	21.3	-	31	-	31
Tax paid		(21,546)	(126,620)	(21,546)	(126,620)
Road investment tax credit utilised	24.2	-	(21,197)	-	(21,197)
Withholding tax credit utilised		(2,701)	(6,238)	(2,676)	(6,210)
<b>Balance as at 31 December</b>		<b>355,175</b>	<b>25,012</b>	<b>354,801</b>	<b>24,713</b>

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

	Notes(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million

### 41. Current tax payable (continued)

In 2023, MTN Nigeria participated in the Road Infrastructure Development and Refurbishment Investment Tax Credit ("RITC") Scheme as part of its continued effort to support Federal Government initiatives on infrastructural developments. A total of N21.2 billion was approved as tax credit by the Ministry of Finance in line with the provisions of the scheme. In 2026 Year of Assessment, MTN has an RITC of N28 billion available for use which has been approved by the Federal Ministry of Finance in accordance with the RITC Executive Order and will be applied to offset the cash tax payable for the 2026 Year of Assessment.

### 42. Deferred tax

#### 42.1 Deferred tax liability

#### 42.2 Deferred tax asset

Deferred tax assets	42.3	93,629	321,349	93,612	321,332
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#### Deferred tax asset recoverability

Deferred tax assets are recognized for tax losses carried forward to the extent that there are sufficient projected future taxable profits on which the tax losses can be utilized. The Group deferred tax assets resulted from temporary differences arising from associated provisions, allowances, and unrealised exchange differences.

The Group assess the availability of future taxable profit against which the deductible temporary difference or unused tax losses or credits can be recovered or utilized using 3 year projected taxable profit of the Group operation. Based on the assessments along with stress-test scenarios conducted, and considering the current business plans, coupled with the implementation of strategies aimed at improving financial performance and strengthening operational capabilities, management has a reasonable expectation that the Company will have a strong financial performance that will enable the utilization of the deferred tax assets within the relevant financial periods. Additionally, the new tariff increase is expected to accelerate this recovery.

#### Implication of the new tax law

In the prior financial period, the Group measured deferred tax assets and liabilities using the substantively enacted tax rates applicable at the time. Qualifying capital expenditure items were assessed using a deferred tax rate of 30%, while all other temporary (timing) differences were measured using a rate of 33%, in line with the prevailing provisions of the Nigerian tax legislation.

During the current reporting period, significant tax reforms were introduced through the Nigeria Tax Act (2025), which repealed the former corporate tax framework and established a new fiscal regime. Among the key changes was the replacement of certain existing taxes with a Development Levy assessed at 4%, which is applicable broadly across corporate income generating activities. The enactment of this new law effectively increased the tax rate applied to non-capital timing differences to a composite rate of 34% for the current period.

As required by IAS 12 Income Taxes, the Group reassessed all deferred tax balances at the new substantively enacted rate. The resulting impact of the change in tax rate has been fully recognised in the statement of profit or loss for the period, with adjustments allocated between current tax expense and deferred tax expense as appropriate. The remeasurement of deferred tax liabilities and deferred tax assets arising from the revised 34% rate resulted in a corresponding charge/credit to income tax expense for the year.

Management has reviewed the implications of the legislative amendments and have appropriately reflected the impact of the changes in the tax rates in the determination of both current and deferred tax amounts for the reporting period to ensure ongoing compliance with the revised statutory framework.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 42. Deferred tax (continued)

#### 42.3 Reconciliation of deferred tax asset/(liability)

Group	Reconciliation				Split		
	Net balance at 1 January N million	Recognised in profit or loss N million	Recognised in OCI N million	Others N million	Net balance at 31 December N million	Deferred tax assets N million	Deferred tax liabilities N million
<b>2025</b>							
Property and equipment	(110,134)	(77,679)	-	-	(187,813)	(187,813)	-
Right of use assets	(456,036)	(127,645)	-	-	(583,681)	(583,681)	-
Lease Liability	797,116	14,202	-	-	811,318	811,318	-
Provision	13,252	21,774	-	-	35,026	35,026	-
Employee benefits	(313)	-	1,099	-	786	786	-
Unrealised exchange difference	78,262	(58,704)	-	-	19,558	19,558	-
Financial instruments at FVTPL and OCI	270	(721)	(46)	-	(497)	(497)	-
Absorption of Visafone	(1,068)	-	-	-	(1,068)	(1,068)	-
	<b>321,349</b>	<b>(228,773)</b>	<b>1,053</b>	<b>-</b>	<b>93,629</b>	<b>93,629</b>	<b>-</b>
<b>2024</b>							
Property and equipment	(178,465)	68,331	-	-	(110,134)	(110,134)	-
Right of use assets	(157,629)	(298,407)	-	-	(456,036)	(456,036)	-
Lease liability	354,814	442,302	-	-	797,116	797,116	-
Provisions	20,955	(7,703)	-	-	13,252	13,252	-
Employee benefits	(348)	-	35	-	(313)	(313)	-
Unrealised exchange difference	102,391	(24,129)	-	-	78,262	78,262	-
Financial instruments at FVTPL and OCI	(443)	667	46	-	270	270	-
Assessable losses	8,938	(10,105)	-	1,167	-	-	-
Absorption of Visafone	-	-	-	(1,068)	(1,068)	(1,068)	-
	<b>150,213</b>	<b>170,955</b>	<b>81</b>	<b>99</b>	<b>321,349</b>	<b>321,349</b>	<b>-</b>

Others relate to the deferred tax impact of the liquidation and absorption of Visafone see note 21.3.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 42. Deferred tax (continued)

#### Reconciliation of deferred tax asset/(liability)

Company	Net balance at 1 January N million	Reconciliation			Net balance at 31 December N million	Split	
		Recognised in profit or loss N million	Recognised in OCI N million	Others N million		Deferred tax assets N million	Deferred tax liabilities N million
<b>2025</b>							
Property and equipment	(110,134)	(77,679)	-	-	(187,813)	(187,813)	-
Right of use asset	(456,036)	(127,645)	-	-	(583,681)	(583,681)	-
Lease Liability	797,116	14,202	-	-	811,318	811,318	-
Provision	13,235	21,774	-	-	35,009	35,009	-
Employee benefits	(313)	-	1,099	-	786	786	-
Unrealised exchange difference	78,262	(58,704)	-	-	19,558	19,558	-
Financial instruments at FVTPL/OCI	270	(721)	(46)	-	(497)	(497)	-
Absorption of Visafone	(1,068)	-	-	-	(1,068)	(1,068)	-
	<b>321,332</b>	<b>(228,773)</b>	<b>1,053</b>	<b>-</b>	<b>93,612</b>	<b>93,612</b>	<b>-</b>
<b>2024</b>							
Property and equipment	(178,893)	68,759	-	-	(110,134)	(110,134)	-
Right of use assets	(157,629)	(298,407)	-	-	(456,036)	(456,036)	-
Lease liability	354,814	442,302	-	-	797,116	797,116	-
Provision	20,912	(7,677)	-	-	13,235	13,235	-
Employee benefits	(348)	-	35	-	(313)	(313)	-
Unrealised exchange difference	102,366	(24,104)	-	-	78,262	78,262	-
Financial instruments at FVTPL/OCI	(443)	667	46	-	270	270	-
Absorption of Visafone	-	-	-	(1,068)	(1,068)	(1,068)	-
	<b>140,777</b>	<b>181,540</b>	<b>81</b>	<b>(1,068)</b>	<b>321,332</b>	<b>321,332</b>	<b>-</b>

Others relate to the deferred tax impact of the liquidation and absorption of Visafone see note 21.3.

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

### 43. Share based payments

#### 43.1 Share based payment liability

	Notes	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million
Balance as at 1 January		14,021	16,910	14,021	16,910
Share based expense	11	35,522	8,420	35,522	8,420
Equity-settled share-based payments (PSP & ESOP) valued at fair price	33	(1,337)	-	(1,337)	-
Cash-settled share-based payment (PSP & ESOP) valued at fair price*		(1,618)	-	(1,618)	-
Cash-settled share-based payment (Group PSP, GAN & LAN)**		(2,234)	(11,309)	(2,234)	(11,309)
<b>Balance as at 31 December</b>		<b>44,354</b>	<b>14,021</b>	<b>44,354</b>	<b>14,021</b>

\*The cash settled share-based payment for PSP and ESOP was measured at fair value on the vesting date, using the closing share price of N245 as at 28 March 2025.

\*\*The cash settled share-based payment for Group PSP, GAN & LAN was measured at fair value on the vesting date using the appropriate share price.

GAN share options	48	115	48	115
LAN share options	3	153	3	153
Local Performance share plan (PSP) & ESOP	24,534	7,226	24,534	7,226
Group performance share plan	19,769	6,527	19,769	6,527
	<b>44,354</b>	<b>14,021</b>	<b>44,354</b>	<b>14,021</b>

#### 43.2 GAN and LAN

MTN Nigeria Communications Plc operates a Notional Share Scheme, where qualifying staff receive the increase in a phantom MTN share price at exercise date as compared to the offer price. The scheme is a cash-settled share-based payment scheme.

#### Outstanding Number of GAN and LAN Notional Shares:

The outstanding options as at 31 December 2025 for the NSO scheme

Grant Date	Vesting Date*	Maturity Date*	Strike Price (N)	Number outstanding as at 31 December 2025
1 April 2021	1 April 2024	1 April 2026	2,225.10	217,300
Total				217,300

\*If an option vests or reaches maturity after normal retirement date, we then set the vesting or maturity date equal to the normal retirement date.

#### Reconciliation of GAN and LAN outstanding notional shares

The change in number of options outstanding has been reconciled as follows

	GAN		LAN	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Outstanding options at the beginning	595,700	1,676,784	340,300	875,732
Exercises/forfeits/lapse	(405,800)	(1,081,084)	(312,900)	(535,432)
Outstanding options as at year end	189,900	595,700	27,400	340,300

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 43. Share based payments (continued)

GAN and LAN notional share options valuation methodology

A valuation was performed on the outstanding obligation using the projected Unit Method prescribed by IAS 19 to determine the fair value of the Notional Share Scheme liabilities. The valuation was carried out by Alexander Forbes Consulting Actuaries Nigeria (FRC/2012/000000000504) and signed by Wayne van Jaarsveld (FRC/2021/002/00000024507).

Principal actuarial key assumptions

Economic assumptions	GAN		LAN	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Discount rate	16.13%	20.60%	16.13%	20.60%
Dividend yield	2.58%	2.94%	2.58%	2.94%
Volatility	37.26%	36.97%	37.26%	36.97%
Expected option lifetime	1 year	1 year	1 year	1 year

Volatility assumptions

Volatility represents the degree to which the share price is expected to fluctuate over the expected life of the option. The estimate of expected volatility is a key assumption in determining the fair value of employee share options under IFRS 2.

The Group determined expected volatility using the annualised standard deviation of the continuously compounded weekly returns of the Company's share price. In estimating expected volatility, the Group considered the factors outlined in IFRS 2 Appendix B, including: Paragraph B25(b): the historical volatility of the share price over a period consistent with the expected term of the option; and Paragraph B25(d): the tendency of volatility to revert to its long-term average and other indicators that future volatility may differ from historical trends.

Expected volatility was therefore estimated using weekly closing share prices sourced from I-Net Bridge, covering a period commensurate with the expected option life across all grants during the vesting period.

Demographic assumptions

The following demographic assumptions have been used in performing the valuation for both GAN and LAN Notional Shares:

Mortality in Service

Pre-retirement: A1967-70 Ultimate Table

Sample age	GAN		LAN	
	31 December 2025	31 December 2024	31 December 2024	31 December 2024
	Number of deaths per 10,000 lives			
25	7	7	7	7
30	7	7	7	7
35	9	9	9	9
40	14	14	14	14
45	26	26	26	26
50	48	48	48	48
55	84	84	84	84
60	144	144	144	144

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

### 43. Share based payments (continued)

#### Withdrawal and Early Retirement

It was assumed that withdrawals and early retirements would be in accordance with the following table for both GAN and LAN notional shares::

Age group	Annual Rate of Early Retirement		Annual Rate of Early Retirement	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
20-30	5.00%	5.00%	-	-
31-39	3.00%	3.00%	-	-
40-44	2.00%	2.00%	-	-
45-49	1.00%	1.00%	-	-
50-54	1.00%	1.00%	1.00%	1.00%
5-59	-	-	-	-
60+	-	-	-	-

### 43.3 Performance share plan (PSP)

During the financial year, the Group granted eligible employees share rights under the Performance Share Plan (PSP). These rights were granted to employees on levels 3, 4, 5, and 6. The PSP was established to attract, retain, and reward selected employees capable of contributing to the business of the employer companies. It aims to stimulate their personal involvement, thereby encouraging their continued service and motivating them to advance the interests of the relevant employer company and the Group in general. All options granted vest three years after the grant date, with eligible employees having the right to elect settlement either in cash or in equity. Share options granted under the ESOP vest over a five year period from the grant date, with eligible employees having the right to elect settlement either in cash or in equity.

#### The PSP option performance conditions

The options are subject to the fulfillment of the following performance conditions, as stated in the specified percentage proportions:

Total shareholder return	25%
Cash generated from operations	25%
Return on equity	25%
Environmental, social and governance	25%

In respect of the grant made on December 2021, the following performance conditions must be fulfilled to qualify for the percentage of the shares granted as stated in the table above:

Award condition	Vesting	Performance measurement period
Total shareholder return ("TSR")	Sliding scale of 100% vesting at 75th percentile as compared to MSCI EM Communication Services Index†, with 25% vesting at the median and straight-line vesting in between the two points. Zero vesting for below the median. TSR will be measured by comparing the 30-day VWAP at the beginning and end of the 3-year period plus re-invested dividends. TSR must be positive and is measured on common currency (ZAR).	-13 December 2022 grant: 1 January 2023 to 31 December 2026 -13 December 2023 grant: 1 January 2024 to 31 December 2027 - 13 December 2024 grant: 1 January 2025 to 31 December 2028 - 13 December 2025 grant: 1 January 2026 to 31 December 2029

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## Notes to the consolidated and separate financial statements

### 43. Share based payments (continued)

Cash generated from operations ("CGO")	Targeted at the average of the budgeted CGO for the 3-year measurement period with: - a threshold of 25% vesting at 90% of the target - a stretch of 100% vesting at 110% of the target; and - 0% vesting below 90% of the target.	-13 December 2022 grant: 1 January 2023 to 31 December 2026 -13 December 2023 grant: 1 January 2024 to 31 December 2027 - 13 December 2024 grant: 1 January 2025 to 31 December 2028 - 13 December 2025 grant: 1 January 2026 to 31 December 2029
Return on equity ("ROE")	Defined as adjusted headline earnings per share/equity excluding non- controlling interest for each year divided by 3: - 25% vesting at 90% of budget (kick-in) - 100% vesting at 100% of budget; and - 0% vesting below 90% of target.	-13 December 2022 grant: 1 January 2023 to 31 December 2026 -13 December 2023 grant: 1 January 2024 to 31 December 2027 - 13 December 2024 grant: 1 January 2025 to 31 December 2028 - 13 December 2025 grant: 1 January 2026 to 31 December 2029
Environmental, social and governance ("ESG")	ESG comprises of emissions, broadband coverage and diversity and inclusion as per approved business plan. Measured over the 3-year measurement period with: - 25% vesting at threshold value (kick-in) - 100% vesting at 100% of target; and - straight line vesting between the kick-in and target rate.	-13 December 2022 grant: 1 January 2023 to 31 December 2026 -13 December 2023 grant: 1 January 2024 to 31 December 2027 - 13 December 2024 grant: 1 January 2025 to 31 December 2028 - 13 December 2025 grant: 1 January 2026 to 31 December 2029

For the purposes of the calculations, the actuary replaced MTN Group's data with MTN Nigeria's data in the MSCI index for the TSR comparison.

The TSR performance conditions above are classified as market performance conditions and are hence included in the fair value of the options. The other performance conditions are classified as a non-market performance condition and hence adjustments will be made to the expense to reflect the actual experience in relation to these conditions.

Details of the outstanding equity-settled performance share plan rights are as follows:

Grant date	Strike price (N)	Number of options granted	New Grant	Forfeited	Number outstanding at 31 December 2025
13 December 2022	-	22,723,430	-	(1,150,510)	21,572,920
13 December 2023	-	-	49,217,240	(190,700)	49,026,540
13 December 2024	-	-	25,335,360	-	25,335,360
Total	-	22,723,430	74,552,600	(1,341,210)	95,934,820

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

### 43. Share based payments (continued)

Outstanding obligations (liability) in respect of unexpired options:

The tables below show the liability in respect of all outstanding unexpired employee share options as at 31 December 2025, after allowing for forfeitures.

Grant date	Liability as at 31 December 2024 N million	Change N million	Liability as at 31 December 2025 N million
13 December 2023	1,124	5,334	6,458
13 December 2024	-	7,838	7,838
13 December 2025	-	164	164
Total	1,124	13,336	14,460

#### Valuation assumptions

The model used for valuing the employee share option arrangements requires a number of assumptions to be made. These include financial assumptions as well as various assumptions around individual employee behaviour.

The main assumptions have been set out below.

	31 December 2025	31 December 2024
Share price (N)	511	200
Expected option lifetime (years)	1 - 2 years	1 - 2 years
Risk-free rate (%)	15.42%	19.06%
Expected volatility (%)	40.73%	43.34%
Dividend yield (%)	1.90%	2.94%

#### Cost per employee share option

The table below shows the option price gross and net of pre-vesting assumed forfeitures, as well as the option price as a percentage of the share price:

Grant date	Performance condition	Vesting date	Gross option price	Gross option as % of share price	Net option price	Net option price as % of share price
13 December 2024	CGO	13 December 2027	512.37	97.24%	96.36%	87.19%
	ESG	13 December 2027	512.37	97.24%	96.36%	87.19%
	ROE	13 December 2027	512.37	97.24%	96.36%	87.19%
	TSR	13 December 2027	482.33	0.05%	90.71%	82.08%
13 December 2025	CGO	13 December 2028	502.7	94.42%	94.55%	81.27%
	ESG	13 December 2028	502.7	94.42%	94.55%	81.27%
	ROE	13 December 2028	502.7	94.42%	94.55%	81.27%
	TSR	13 December 2028	295.84	6.20%	55.64%	47.83%

#### Split of expense between performance criteria

The tables below indicate the split of the total profit and loss charge of each grant as at the valuation date amongst the various performance criteria:

31 December 2025	CGO expense N million	ROE expense N million	ESG expense N million	TSR expense N million	Total expense N million
13 December 2024	1,988.76	1,988.76	1,988.76	1,988.76	7,838.44
13 December 2025	-	45.62	45.62	26.85	163.69
Total	1,988.76	2,034.38	2,034.38	2,015.61	8,002.13

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

### 43. Share based payments (continued)

#### Sensitivity analysis

Option valuation results are based on a forfeiture rate, before the vesting date, of 5% per annum compound. We have analysed the sensitivity of these results to this assumption by allowing for 7.5% and 10% rate of forfeitures per annum compound. The following table compares the liability resulting from the cash-settled valuation of all outstanding share options as at 31 December 2025 based on the above forfeiture assumptions.

Outstanding liability	Main result N million	7.5% forfeiture N million	7.5% forfeiture N million
31 December 2025	14,378	13,809	13,250
Changes (%)		-3.41%	-7.84%
31 December 2024	2,973	2,872	2,772
Changes (%)		-6.67%	-6.78%

The MTN Performance Share Plan (PSP) actuarial valuation was carried out by Alexander Forbes Consulting Actuaries Nigeria (FRC/2012/000000000504) signed by Wayne van Jaarsveld (FRC/2021/002/00000024507).

#### 43.4 Employee share ownership programme (ESOP)

The Group operates an Employee Share Ownership Scheme (ESOP) for eligible employees on Levels 1 and 2. The scheme was established to attract and retain key talent, while enhancing employee engagement and aligning their interests with those of the Company and the wider Group. Share options granted under the ESOP vest over a five year period from the grant date, with eligible employees having the right to elect settlement either in cash or in equity.

The ESOP option performance conditions

The options vest over a total period of five years from the option grant date as follows:

- 1/3 of the options granted vest after three years
- A further 1/3 of the options granted vest after four years
- The final 1/3 of the options granted vest after five years.

All options automatically mature on their vesting date.

Details of the summary of the options granted in terms of the ESOP

Grant date	Strike price (N)	Number of options granted	Adjustment for forfeitures	Number outstanding as 31 December 2025
13 December 2024	176.0	1,576,120	(69,280)	1,506,840
13 December 2025	531.7	311,980	-	311,980
Total		1,888,100	(69,280)	1,818,820

Outstanding obligations (liability) in respect of unexpired options:

The tables below show the liability in respect of all outstanding unexpired employee share options, after allowing for forfeitures.

Grant date	Liability as at 31 December 2025	Adjustment for forfeitures	Adjustments
13 June 2024	8,875,240	(552,510)	17,540
13 December 2024	104,250	-	-
13 June 2025	371,110	(30,090)	-
13 December 2025	521,850	(21,300)	-
Total	9,872,450	(603,900)	17,540

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 43. Share based payments (continued)

#### Valuation methodology

The model used for valuing the employee share option arrangements requires a number of assumptions to be made. These include financial assumptions as well as various assumptions around individual employee behaviour.

The main assumptions have been set out below:

Grant date	Vesting date	Expected option lifetime	Continuous risk-free rate
13 December 2024	13 December 2027	3	19.56
	13 December 2028	4	17.98
	13 December 2029	5	17.23
13 December 2025	13 December 2028	3	16.55
	13 December 2029	4	16.21
	13 December 2030	5	15.79

#### Share price

MTN Nigeria's closing share price was N176.00 as at 13 December 2024. MTN Nigeria's closing share price was N511.00 as at 31 December 2025.

#### Dividend yield

The dividend yield applied represents management's best estimate of the forward looking dividend yield over the remaining contractual life of the ESOP share scheme.

At each valuation date, MTNN assesses whether any specific circumstances exist that may indicate that the assumed dividend yield is not appropriate for the remaining term of the options.

For the grant dated 13 December 2024, MTNN applied a one year moving average of the dividend yield. The daily dividend yield used in this calculation was determined with reference to dividends per share available at the grant date. This grant was valued as part of the 2025 measurement.

In view of the absence of dividend declarations in recent years, MTNN applied a higher expected dividend yield of 1.90% for the 2025 grants, instead of the one year moving average as at 31 December 2025. This adjustment reflects management's expectations, based on internal guidance, that annual dividend declarations are anticipated to resume going forward.

Grant date	Dividend yield
13 December 2025	1.90%
13 December 2024	5.29%

#### Cost per employee share option

The table below shows the option price (gross and net of assumed forfeitures), as well as the option price as a percentage of the share price for the new share options granted:

Grant date	Vesting date	share price N	Gross option price N	Gross Option price as a % of share price	Net option price N	Net option price as a % of share price
13 December 2024	13 December 2027	176	162.12	92.11%	139.37	79.19%
	13 December 2028	176	157.75	89.63%	128.81	73.19%
	13 December 2029	176	153.49	87.21%	119.07	67.65%
13 December 2025	13 December 2028	531.7	502.24	94.46%	431.68	81.19%
	13 December 2029	531.7	492.79	92.68%	402.39	75.68%
	13 December 2030	531.7	483.51	90.94%	375.09	70.55%

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

	Group		Company	
	Notes(s)	2025 N million	2024 N million	2025 N million

### 43. Share based payments (continued)

#### Sensitivity Analysis

Option valuation results are based on a forfeiture rate before the vesting date of 5% per annum compound. We have analysed the sensitivity of these results to this assumption by allowing for 7.5% and 10% rate of forfeitures per annum compound.

Key assumption	Main result N million	+1% N million	-1% N million
Dividend yield	545	524	567
	% change	-3.85%	4.01%
Pre-vesting forfeiture rates	545	640	461
	% change	17.42%	-15.40%

The MTN ESOP actuarial valuation was carried out by Alexander Forbes Consulting Actuaries Nigeria (FRC/2012/000000000504) signed by Wayne van Jaarsveld (FRC/2021/002/00000024507).

### 44. Employee benefits

#### Non-current and current split

Non-current liabilities	13,699	9,440	13,699	9,440
Current liabilities	6,003	1,638	6,003	1,638
	<b>19,702</b>	<b>11,078</b>	<b>19,702</b>	<b>11,078</b>
Defined benefit obligations - retirement benefits	10,037	5,778	10,037	5,778
Long service awards	9,665	5,300	9,665	5,300
	<b>19,702</b>	<b>11,078</b>	<b>19,702</b>	<b>11,078</b>

MTN Nigeria Communications Plc operates post employment benefit plans consisting of a non contributory long service award and staff retirement benefits. The plans are unfunded and MTNN does not maintain any plan assets for the purpose of settling future post employment benefit obligations. All benefit payments are made directly from the Company's internal resources as they fall due.

Employees become eligible for the long service award after completing five consecutive years of service with the Company. Retirement benefits are determined based on an employee's total years of continuous service and are payable once the compulsory retirement age of 60 years is attained.

The plans are administered internally by the Human Resources Division, working closely with the Finance Division. MTNN is responsible for maintaining accurate employee service records, determining employees' eligibility in line with established policies, processing long service award and retirement benefit payments, ensuring that annual actuarial valuations are conducted, and providing actuaries with all relevant employee and financial information. Administration is supported by documented HR and Finance processes designed to ensure accurate employee data management, proper verification of service years, and appropriate approval of benefit payments.

The valuation of the defined benefit obligation was performed by Alexander Forbes Consulting Actuaries Nigeria (FRC/2012/000000000504), and the actuarial report was signed by Wayne van Jaarsveld (FRC/2021/002/00000024507).

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

	Group		Company		
	Notes(s)	2025 N million	2024 N million	2025 N million	2024 N million
<b>44. Employee benefits (continued)</b>					
<b>44.1 Movement in employee benefits</b>					
<b>Defined benefit obligations - retirement benefits</b>					
Present value as at 1 January		5,778	4,767	5,778	4,767
Current service cost		400	351	400	351
Past service cost		65	-	65	-
Interest cost		1,121	813	1,121	813
Actuarial loss		3,232	116	3,232	116
Benefits paid		(559)	(269)	(559)	(269)
<b>Present value as at 31 December</b>		<b>10,037</b>	<b>5,778</b>	<b>10,037</b>	<b>5,778</b>
Retirement benefit cost recognised in the profit or loss for the year is N1.59 billion (2024: N1.16 billion); except for actuarial loss of N3.23 billion (2024: N116 million) which was recognised in other comprehensive income.					
<b>Long service awards</b>					
Present value as at 1 January		5,300	4,936	5,300	4,936
Current service cost		555	526	555	526
Interest cost		1,014	750	1,014	750
Actuarial loss		3,712	652	3,712	652
Past service cost		-	(163)	-	(163)
Benefits paid		(916)	(1,401)	(916)	(1,401)
<b>Present value as at 31 December</b>		<b>9,665</b>	<b>5,300</b>	<b>9,665</b>	<b>5,300</b>
Long service award cost and actuarial loss recognised in the profit or loss for the year is N5.28 billion (2024: N1.76 billion).					
<b>44.2 Remeasurement losses</b>					
<b>Remeasurement loss analysis for retirement benefits:</b>					
Change in economic assumptions		1,424	(1,154)	1,424	(1,154)
Change in demographic assumptions		1,808	1,270	1,808	1,270
Total actuarial loss		3,232	116	3,232	116
Deferred tax		(1,099)	(35)	(1,099)	(35)
		<b>2,133</b>	<b>81</b>	<b>2,133</b>	<b>81</b>
Change in economic assumptions		803	(571)	803	(571)
Remeasurement analysis for long service award		2,909	1,223	2,909	1,223
Remeasurement gains recognised during the year		3,712	652	3,712	652
Tax expense		(1,114)	(196)	(1,114)	(196)
<b>Recognised in profit or loss</b>		<b>2,598</b>	<b>456</b>	<b>2,598</b>	<b>456</b>

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the audited consolidated and separate financial statements

### 44. Employee benefits (continued)

#### 44.3 Principal actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	31 December 2025	31 December 2024
Discount rate - retirement benefits	16.50%	18.80%
Discount rate - long service award	16.50%	18.80%
Retirement age for both male and female	60 years	60 years
Salary increase rate	8.00%	8.00%

These assumptions depicts managements estimate of the likely future experience of the Company. Future mortality before retirement are based on A1967-70 ultimate table published by the Institute of Actuaries of United Kingdom. Discount rate is with reference to the yields on Nigerian Government bonds with the nearest expected duration as compiled by the Financial Markets Dealers Quotation (FMDQ). We have assumed that the level of salary increases to be awarded in the long-term will, on average, be 8.00% per annum. The level of inflationary increases on the gifts in the long-term will, on average, be 10% p.a. (2024: 10% p.a.)

For members in active service as at the valuation date, the projected unit credit method of valuation as required under the IFRS accounting standards has been adopted.

Mortality in service	31 December 2025	31 December 2024
Sample age	Number of deaths per 10,000 lives	
25	7	7
30	7	7
35	9	9
40	14	14
45	26	26
50	48	48
55	84	84
60	144	144

The same pre-retirement mortality assumption was used in the previous valuation.

#### Withdrawal and Early Retirement

It was assumed that withdrawals and early retirements would be in accordance with the following table:

Age group	Annual rate of early retirement		Annual rate of early retirement	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
20 - 30	2.5%	2.5%	-	-
31 - 39	1.5%	1.5%	-	-
40 - 44	1.0%	1.0%	-	-
45 - 49	1.0%	1.0%	-	-
50 - 54	0.0%	0.0%	1.0%	1.0%
55 - 59	-	-	1.0%	1.0%
60+	-	-	-	-

Details of benefits for long service awards and gratuity

Length of service	Cash award	Gift item
5	85% of 1-month's gross salary	-
10	85% of 2-month's gross salary	A plaque
15	2-month's gross salary	A plaque
20	2-month's gross salary	A plaque, additional 5GB data per month
25	2-month's gross salary	A plaque, additional 5GB data per month and 3 extra leave days
30	2-month's gross salary	A plaque, additional 5GB data per month and 5 extra leave days
35	2-month's gross salary	A plaque, additional 5GB data per month and 10 extra leave days

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## Notes to the audited consolidated and separate financial statements

### 44. Employee benefits (continued)

#### Gratuity Benefit

Employees are entitled to 6 months gross salary with a plaque only on retirement at age 60. In addition, a retiring employee who served the organization for thirty-five (35) consecutive years will be presented with a gold plated wristwatch or its equivalent.

#### 44.4 Sensitivity analysis

It is important to treat the results of the valuation with a degree of caution, as they are extremely sensitive to the assumptions used. The value of the liability could turn out to be overstated or understated, depending on the extent to which actual experience differs from the assumptions adopted.

Retirement benefits		31 December 2025		31 December 2024	
		N million	% Change	N million	% Change
Discount rate	+0.5%	8,116	-3.60	5,579	3.80
	-0.5%	7,823	3.80	5,987	4.00
Salary increase	+0.5%	8,116	4.20	6,013	4.50
	-0.5%	8,458	-4.00	5,554	-4.30
Age rating	+1 year	8,116	0.80	5,734	-0.90
	-1 year	8,050	0.70	5,818	0.80

Sensitivity to each actuarial assumption was determined while other assumptions were held constant.

Long service award		31 December 2025		31 December 2024	
		N million	% Change	N million	% Change
Discount rate	+0.5%	9,479	-1.90	5,198	-1.90
	-0.5%	9,858	2.00	5,406	2.00
Salary increase	+0.5%	9,887	2.30	5,424	2.30
	-0.5%	9,451	-2.20	5,180	-2.30
Age rating	+1 year	9,640	-0.30	5,286	-0.30
	-1 year	9,688	0.20	5,313	0.20

Sensitivity for each actuarial assumption was assessed by varying the specific assumption while holding all other assumptions constant. This approach isolates the effect of each individual assumption and does not reflect possible interactions between assumptions.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

Notes(s)	Group		Company	
	2025 N million	2024 N million	2025 N million	2024 N million

### 45. Related parties

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.

Various transactions are entered into by the Group during the year with related parties. The terms of these transactions are at arm's length.

#### 45.1 Holding and ultimate holding companies

The Company's holding company is MTN International (Mauritius) Limited, a company incorporated in the Republic of Mauritius and its ultimate holding company is MTN Group Limited, a company incorporated in South Africa. MTN Nigeria Communications Plc's subsidiaries are MoMo Payment Service Bank Limited and Yello Digital Financial Services Limited, which provide mobile and digital financial services (fintech) and were actively operating during the year, and XS Broadband Limited which remained dormant, its principal activity is provision of broadband fixed wireless telecommunication services.

#### 45.2 Key management personnel

For the purpose of defining related party transactions with key management personnel, key management is defined as Directors and the Group's Executive Committee (EXCOM) members having the authority and responsibility for planning, directing and controlling the activities of the Group. It also includes close members of their families and entities controlled or jointly controlled by these individuals

##### Directors and EXCOM members

Salaries and other short-term employee benefits	5,870	5,100	4,541	4,100
Post-employment benefits	582	518	466	418
Other benefits	2,265	2,096	2,062	1,528
Variable pay	2,152	2,075	2,045	1,912
Share based payments	1,596	3,502	1,515	3,474
Non-executive directors fees	602	473	467	353
Non-executive directors: Other emoluments	391	417	366	395
	<b>13,458</b>	<b>14,181</b>	<b>11,462</b>	<b>12,180</b>

Executive directors' and EXCOM members emoluments comprise:

- Salaries and other short-term employee benefits: This includes the gross salary package and other allowances paid on a monthly basis.
- Post-employment benefits: This includes the company's pension contribution paid monthly on behalf of executive directors and EXCOM members.
- Other benefits: These include lifestyle, medical and accommodation benefits. These are paid at periodic intervals during the year.
- Share based payment: This is equity compensation benefits for executive directors and EXCOM members in respect of the share appreciation rights.
- Bonus: This is a performance-based bonus, which is based on overall Group performance. Bonuses are payable annually in arrears.

Non-executive directors' emoluments comprise:

- Directors' emoluments: This includes sitting allowance for attending Board and Board Committee Meetings paid after each meeting.
- Directors fees: These are board and committee member appointment fees paid quarterly to non-executive directors

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

	Group		Company	
	Notes(s)	2025 N million	2024 N million	2025 N million

### 45. Related parties (continued)

#### 45.3 Parent

The following is a summary of other transactions between the Group and MTN Nigeria outside its related parties during the year and balances due at year end.

##### Parent company:

MTN International (Mauritius) Ltd				
Dividends paid (excluding withholding tax)		79,954	-	79,954

#### 45.4 Payables and receivables with related parties

These transactions are listed below:

##### Trade payables - related parties

MTN Benin	34	-	34	-	
MTN Cameroon	13	1,036	13	1,036	
MTN Congo	48	23	48	23	
MTN Dubai	359	375	359	375	
MTN Ghana	163	163	80	74	
MTN Group Fintech (Pty) Limited	2,484	1,580	-	-	
MTN Holdings	-	42	-	42	
MTN International (Mauritius) Limited	70,698	119,149	70,698	119,149	
MTN Management Services Co	14,547	16,000	14,547	16,000	
MTN Mobile Money Ghana	118	87	-	-	
MTN Mobile Money Uganda Limited	55	27	-	-	
MTN Rwanda	(1)	-	(1)	-	
MTN Uganda	39	40	4	17	
MTN Zambia	18	19	18	19	
Bayobab Africa (formerly MTN Global Connect)	13,578	45,727	13,578	45,727	
Global Trading Company	759	904	759	904	
Interserve Overseas Limited	9,327	-	9,327	-	
Mobile Telephone Networks (Pty) Limited	1,618	841	1,618	841	
Yello Digital Financial Services Limited	-	-	7,839	5,829	
MoMo Payment Service Bank Limited	-	-	797	3,451	
XS Broadband Limited	-	-	638	638	
Impairment of XS Broadband receivables*	-	-	(638)	(638)	
	38	<b>113,857</b>	<b>186,013</b>	<b>119,718</b>	<b>193,487</b>

\*In 2024, additional impairment of N25 million was recognised to fully impair receivable from XS broadband, see note 12.

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

	Notes(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million
<b>45. Related parties (continued)</b>					
<b>Trade receivables - related parties</b>					
MTN Benin		181	163	181	163
MTN Cameroon		1,724	1,364	1,724	1,364
MTN Congo		205	162	205	162
MTN Cote d'Ivoire		388	377	388	377
MTN Dubai		-	255	-	255
MTN Ghana		46	50	46	50
MTN Group Fintech (Pty) Limited		1,190	1,686	1,190	1,686
MTN Group Management Services Co		17,004	17,058	17,004	17,058
MTN Holdings		5	-	5	-
MTN International (Mauritius) Limited		16	17	16	17
MTN Kenya		69	78	69	78
MTN Mobile Money Ghana		2	1	2	1
MTN Sudan		5	1	5	1
MTN Zambia		209	224	209	224
Bayobab Africa (formerly MTN Global Connect)		16,335	54,635	16,335	54,635
Lonestar Communications Corporations (Liberia)		314	336	314	336
Mobile Telephone Networks (Pty) Limited		1,314	776	1,314	776
Progressive Tech Holdings		357	311	357	311
Yello Digital Financial Services Limited		-	-	25,520	25,200
MoMo Payment Service Bank Limited		-	-	21,378	24,491
	26	<b>39,364</b>	<b>77,494</b>	<b>86,262</b>	<b>127,185</b>

The receivables from related parties arise mainly from professional, roaming and interconnect services transactions rendered on behalf of other operations within MTN Group. These are due one month after the date of rendering of service.

Trade payables to related parties arise mainly from professional fees, interconnect, roaming service transactions rendered on MTN Nigeria's behalf by other operations within the MTN Group and are due one month after the date of purchase.

As at 31 December 2025, related parties with a net receivable position stood at N48.012 billion (2024: N54.003 billion). These balances have been assessed for expected credit losses and the related ECL is considered insignificant due to the short repayment period and no history of default in the past.

### 45.5 Purchases and sales with related parties

#### Purchases from related parties

MTN Benin	342	225	342	225
MTN Cameroon	160	142	160	142
MTN Congo	9	5	9	5
MTN Cote d'Ivoire	58	56	58	56
MTN Ghana	530	341	530	341
MTN Guinea Bissau	-	2	-	2
MTN Guinea Conakry	-	4	-	4
MTN Irancell	2	3	2	3
MTN Swaziland	1	-	1	-
MTN Business Solutions Namibia (Pty) Ltd	2	11	2	11
MTN Rwanda	57	41	57	41
MTN South Sudan	8	6	8	6
MTN Uganda	24	19	24	19
MTN Zambia	-	5	-	5
Bayobab Africa (formerly MTN Global Connect)	56,155	61,398	56,155	61,398
Global Trading Company	7,108	3,620	7,108	7,108
Interserve Overseas Limited	13,019	13,893	13,019	18,604
Lonestar Communications Corporations (Liberia)	19	14	19	14
Mobile Telephone Networks (Pty) Limited	204	146	204	146

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

	Group		Company	
	Notes(s)	2025 N million	2024 N million	2025 N million

### 45. Related parties (continued)

#### Sales to related parties

MTN Benin		375	568	375	568
MTN Business Kenya Limited		17	96	17	96
MTN Cameroon		363	420	363	420
MTN Congo		2	1	2	1
MTN Cote d'Ivoire		14	20	14	20
MTN Ghana		265	351	265	351
MTN Guinea Conakry		-	1	-	1
MTN Namibia		-	1	-	1
MTN Rwanda		8	8	8	8
MTN South Sudan		1	2	1	2
MTN Uganda		15	18	15	18
MTN Zambia		3	5	3	5
Bayobab Africa (formerly MTN Global Connect)		53,339	64,756	53,339	64,756
Lonestar Communications Corporations (Liberia)		7	10	7	10
Mobile Telephone Networks (Pty) Limited		63	116	63	116
Progressive Tech Holdings		671	692	671	692
Yello Digital Financial Services Limited		-	-	285	1,090
MoMo Payment Service Bank Limited		-	-	2,643	5,841

#### 45.6 Other related party transactions

##### Purchases from

Eventful Limited		1,720	1,581	1,720	1,581
GSM Association		306	-	306	-
Liquid Intelligent Technologies Limited		274	350	274	350
National Identity Management Commission (NIMC)		-	1,500	-	1,500
Nigeria Economic Summit Group (NESG)		100	100	100	100
International Chamber of Commerce (ICC)		3	-	3	-
Pan Atlantic University		186	74	186	74
ReStraL Limited		-	9	-	9

##### Interest

Sterling Bank Plc		5	-	5	-
Stanbic IBTC Bank Plc		211	-	211	-
Standard Chartered Bank Nigeria		275	-	275	-

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

	Group		Company	
	Notes(s)	2025 N million	2024 N million	2025 N million

### 45. Related parties (continued)

Other related parties relate to entities that transact with MTN Nigeria and whose directors also serve on the Board of MTN Nigeria. Other related parties as at 31 December 2025 include:

Name of Company	Relationship
Eventful Limited	Eventful Ltd provides event management services to MTN Nigeria. Omobola Johnson is related to the Non-Executive Director of the Board of Eventful Ltd.
GSM Association	The GSM Association is a global advocacy and industry organization representing the interests of mobile network operators and the broader mobile communications ecosystem. MTN Nigeria maintains an active membership subscription with the Association. Ralph Mupita, currently serves as a member of the GSMA Board.
Liquid Intelligent Technologies Limited	Liquid Technologies is a provider of pan-African digital infrastructure with fibre broadband network. Omobola Johnson served as a Director on the Board.
National Identity Management Commission (NIMC)	NIMC has the mandate to establish, own, operate, maintain and manage the National Identity Database in Nigeria, assign a Unique National Identification Number (NIN) and issue General Multi-Purpose Cards (GMPC) to those. MTN Nigeria purchases bulk verification credit from the NIMC. Ifueko M. Omoigui Okauru was an Identity Ambassador for the organisation.
Nigerian Economic Summit Group (NESG)	NESG is a non-profit, non-partisan private sector organisation that promotes and champions the reform of the Nigerian economy. MTN Nigeria provides platinum category sponsorship to NESG and pays its membership dues. Karl Toriola was a Non-Executive Director on the Board of the NESG.
Pan Atlantic University	Pan Atlantic University is an educational institution. MTN Nigeria had engaged the school to train its staff. Muhammad Ahmad is on the governing council of the school.
Sterling Bank Plc	Sterling Bank Plc is a leading Nigerian full-service national commercial bank known for its "one-customer" approach, it focuses on retail, consumer, and non-interest banking, with a strategic emphasis on sectors like health, education, agriculture. Michael Onochie Ajukwu is an Independent Non-Executive Director on the Board of the Sterling bank plc.
Standard Chartered Bank Nigeria	Standard Chartered Plc is a leading British multinational banking and financial services company headquartered in London, operating extensively across Asia, Africa, and the Middle East. Udemezuo O. Nwuneli is related to the CEO of Standard Chartered Bank Nigeria.
International Chamber of Commerce (ICC)	ICC is the largest global business organization, representing 45 million companies in over 170 countries to promote open trade, investment, and market economies. Ralph T. Mupita was a non-executive director on the board of ICC.
ReStraL Limited	ReStraL Limited is a management consulting and capacity building firm providing research, strategy and leadership development solutions. Ifueko M. Omoigui Okauru is the chairman of the board.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

	Group		Company	
	2025 N million	2024 N million	2025 N million	2024 N million
<b>46. Cash generated from operations</b>				
Profit/(loss) before taxation	1,696,029	(550,325)	1,633,949	(520,976)
Adjustments for				
Finance income	14 (51,158)	(28,440)	(40,827)	(24,998)
Finance costs	15 524,908	431,648	523,750	430,427
Net foreign exchange (gain)/loss	16 (90,268)	925,361	(89,960)	924,903
Depreciation of property and equipment	18 315,229	259,748	315,229	259,553
Depreciation of right of use assets	19.1 258,809	184,723	258,809	184,723
Amortisation of intangible assets	20 90,216	90,684	88,708	89,231
Amortisation of contract acquisition costs	22 8,072	5,038	8,072	5,038
Profit on disposal of property and equipment	13 (2,477)	(2,193)	(2,477)	(2,193)
Impairment/(reversal of impairment)	13 672	(1,148)	672	(1,148)
Impairment of intangible assets	13 -	31	-	31
Impairment on investment in subsidiaries	13 -	-	62,564	-
Impairment on financial assets	12 5,507	6,752	6,413	6,824
Inventory write-down/(reversal of inventory write-down)	13 11,027	(4,226)	11,027	(4,226)
Ericsson Wallet platform expense	13 629	-	-	-
	<b>2,767,195</b>	<b>1,317,653</b>	<b>2,775,929</b>	<b>1,347,189</b>
Changes in working capital:				
(Increase)/decrease in inventories	(27,361)	3,281	(27,930)	3,858
Increase in trade and other receivables	(46,122)	(167,568)	(40,640)	(171,172)
Increase/(decrease) in provisions	14,015	(11,577)	15,802	(13,965)
Increase in post employee benefit cost	6,444	1,375	6,444	1,375
Increase in trade and other payables	73,090	260,719	72,210	256,372
Increase in contract liabilities	20,866	14,476	20,866	14,797
Increase/(decrease) in share based payments liability	32,490	(2,889)	32,490	(2,889)
	<b>73,422</b>	<b>97,817</b>	<b>79,242</b>	<b>88,376</b>
<b>Cash generated from operations</b>	<b>2,840,617</b>	<b>1,415,470</b>	<b>2,855,171</b>	<b>1,435,565</b>

# MTN Nigeria Communications Plc

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## Notes to the consolidated and separate financial statements

### 47. Changes in liabilities arising from financing activities

#### Group and Company

	Opening balance	Net cash raised	Net cash paid	Foreign exchange movements	Additions	Others*	Closing balance
	N million	N million	N million	N million	N million	N million	N million
<b>2025</b>							
Current interest bearing loans and borrowings (excluding items listed below)	336,325	5,024	(365,434)	49,168	-	83,014	108,097
Non-current interest bearing loans and borrowings (excluding items listed below)	636,590	102,333	(157,656)	(61,453)	-	(100,242)	419,572
Current lease liabilities	285,680	-	(661,122)	(81,312)	452,149	273,787	269,182
Non-current lease liabilities	1,997,744	-	-	-	-	119,303	2,117,047
	<b>3,256,339</b>	<b>107,357</b>	<b>(1,184,212)</b>	<b>(93,597)</b>	<b>452,149</b>	<b>375,862</b>	<b>2,913,898</b>
<b>2024</b>							
Current interest bearing loans and borrowings (excluding items listed below)	709,189	303,348	(947,424)	335,408	-	(64,196)	336,325
Non-current interest bearing loans and borrowings (excluding items listed below)	494,346	160,000	(41,250)	23,494	-	-	636,590
Current lease liabilities	190,776	-	(455,432)	446,954	135,293	(31,911)	285,680
Non-current lease liabilities	813,630	-	-	-	-	1,184,114	1,997,744
	<b>2,207,941</b>	<b>463,348</b>	<b>(1,444,106)</b>	<b>805,856</b>	<b>135,293</b>	<b>1,088,007</b>	<b>3,256,339</b>

\*The 'Other' column includes the effect of reclassification of non-current portion of interest-bearing loans and borrowings, including lease liabilities to current due to the passage of time, and the effect of accrued but not yet paid interest on interest-bearing loans and borrowings, including lease liabilities. The Group classifies interest paid as cash flows from operating activities.

The additions of cash flows from current and non-current interest bearing loan and borrowing represent the net of proceeds from borrowing and repayment of borrowings on the statement of cash flow.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 48. Foreign exchange exposure

Included in the Group statement of financial position are the following amounts denominated in currencies other than the functional currency of the Group:

#### Group and Company 31 December 2025

	United States Dollar N million	British Pound Sterling N million	Euro N million	South African Rand N million	Swiss Franc N million	Total N million
<b>Assets</b>						
<b>Current assets</b>						
Trade and other receivables	115,172	2	31	-	-	115,205
Restricted cash	9,509	-	-	-	-	9,509
Cash and cash equivalents	60,893	41	2	-	-	60,936
<b>Total assets</b>	<b>185,574</b>	<b>43</b>	<b>33</b>	<b>-</b>	<b>-</b>	<b>185,650</b>
<b>Liabilities</b>						
<b>Current liabilities</b>						
Trade and other payables	376,335	394	1,105	178	25	378,037
Provision	8,002	-	-	-	-	8,002
Borrowings	3,995	-	-	-	-	3,995
Lease liabilities	135,052	-	-	-	-	135,052
	<b>523,384</b>	<b>394</b>	<b>1,105</b>	<b>178</b>	<b>25</b>	<b>525,086</b>
<b>Non-current liabilities</b>						
Borrowings	132,282	-	-	-	-	132,282
Lease liabilities	1,060,225	-	-	-	-	1,060,225
	<b>1,192,507</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,192,507</b>
<b>Total liabilities</b>	<b>1,715,891</b>	<b>394</b>	<b>1,105</b>	<b>178</b>	<b>25</b>	<b>1,717,593</b>

#### 31 December 2024

<b>Assets</b>						
<b>Current assets</b>						
Trade and other receivables	136,425	-	-	4	-	136,429
Current investments	23,824	-	-	-	-	23,824
Restricted cash	39,696	-	-	-	-	39,696
Cash and cash equivalents	32,942	40	2	-	-	32,984
<b>Total assets</b>	<b>232,887</b>	<b>40</b>	<b>2</b>	<b>4</b>	<b>-</b>	<b>232,933</b>
<b>Liabilities</b>						
<b>Current liabilities</b>						
Trade and other payables	545,652	78	1,615	196	8	547,549
Provision	3,117	-	-	-	-	3,117
Borrowings	94,423	-	-	-	-	94,423
Lease liabilities	129,217	-	-	-	-	129,217
	<b>772,409</b>	<b>78</b>	<b>1,615</b>	<b>196</b>	<b>8</b>	<b>774,306</b>
<b>Non-current liabilities</b>						
Borrowings	163,235	-	-	-	-	163,235
Lease liabilities	1,195,965	-	-	-	-	1,195,965
	<b>1,359,200</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,359,200</b>
<b>Total liabilities</b>	<b>2,131,609</b>	<b>78</b>	<b>1,615</b>	<b>196</b>	<b>8</b>	<b>2,133,506</b>

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 49. Financial instruments

Financial assets and financial liabilities are recognised on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument. The Group classifies its financial instruments into the following categories depending on the purpose for which the financial instruments were acquired:

- Financial assets: amortised cost, fair value through OCI (FVOCI) and fair value through profit or loss (FVTPL);
- Financial liabilities: amortised cost and fair value for derivative liability.

Financial instruments comprise trade and other receivables, cash and cash equivalents, restricted cash, investments (non-current and current), cash and deposit held for MoMo customers, other liabilities (non-current and current), derivatives, lease liabilities, borrowings and trade and other payables.

### Accounting classes

#### Categories of financial assets

	Note(s)	Amortised costs N million	FVTPL N million	FVOCI N million	Total carrying amount N million
<b>Group - 2025</b>					
Other non-current investment	23	17,812	-	-	17,812
Trade and other receivables	26	178,444	-	-	178,444
Current investments	23	105,925	29,081	27,249	162,255
Cash held for MoMo customer	28.1	1,298	-	-	1,298
Restricted cash	27	37,707	-	-	37,707
Cash and cash equivalents	29	632,501	-	-	632,501
		<b>973,687</b>	<b>29,081</b>	<b>27,249</b>	<b>1,030,017</b>
<b>Group - 2024</b>					
Other non-current investments	23	9,068	-	-	9,068
Trade and other receivables	26	243,889	-	-	243,889
Current investments	23	35,540	1,584	15,285	52,409
Cash held for MoMo customer	28.1	3,843	-	-	3,843
Restricted cash	27	107,023	-	-	107,023
Cash and cash equivalents	29	253,377	-	-	253,377
		<b>652,740</b>	<b>1,584</b>	<b>15,285</b>	<b>669,609</b>
<b>Company - 2025</b>					
Other non-current investments	23	6,251	-	-	6,251
Trade and other receivables	26	225,456	-	-	225,456
Current investments	23	85,322	29,081	2,490	116,893
Restricted cash	27	37,507	-	-	37,507
Cash and cash equivalents	29	630,219	-	-	630,219
		<b>984,755</b>	<b>29,081</b>	<b>2,490</b>	<b>1,016,326</b>
<b>Company - 2024</b>					
Other non-current investments	23	6,575	-	-	6,575
Trade and other receivables	26	291,731	-	-	291,731
Current investments	23	25,275	1,584	1,337	28,196
Restricted cash	27	106,823	-	-	106,823
Cash and cash equivalents	29	232,800	-	-	232,800
		<b>663,204</b>	<b>1,584</b>	<b>1,337</b>	<b>666,125</b>

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 49. Financial instruments (continued)

#### Categories of financial liabilities

	Note(s)	Amortised cost N million	FVTPL N million	FVOCI N million	Total carrying amount N million
<b>Group - 2025</b>					
Borrowings	35	527,669	-	-	527,669
Lease liabilities	19	2,386,229	-	-	2,386,229
Trade and other payables	38	1,022,252	-	-	1,022,252
Derivatives	40	-	2,224	-	2,224
Deposit held for MoMo customers	28.2	9,842	-	-	9,842
Other liabilities	37	11,624	-	-	11,624
		<b>3,957,616</b>	<b>2,224</b>	<b>-</b>	<b>3,959,840</b>
<b>Group - 2024</b>					
Borrowings	35	972,915	-	-	972,915
Lease liabilities	19	2,283,424	-	-	2,283,424
Trade and other payables	38	927,239	-	-	927,239
Derivatives	40	-	1,961	-	1,961
Deposit held for MoMo customers	28.2	3,843	-	-	3,843
Other liabilities	37	10,012	-	-	10,012
		<b>4,197,433</b>	<b>1,961</b>	<b>-</b>	<b>4,199,394</b>
<b>Company - 2025</b>					
Borrowings	35	527,669	-	-	527,669
Lease liabilities	19	2,386,229	-	-	2,386,229
Trade and other payables	38	1,024,680	-	-	1,024,680
Derivatives	40	-	2,224	-	2,224
Other liabilities	37	564	-	-	564
		<b>3,939,142</b>	<b>2,224</b>	<b>-</b>	<b>3,941,366</b>
<b>Company - 2024</b>					
Borrowings	35	972,915	-	-	972,915
Lease liabilities	19	2,283,424	-	-	2,283,424
Trade and other payables	38	924,671	-	-	924,671
Derivatives	40	-	1,961	-	1,961
Other liabilities	37	25	-	-	25
		<b>4,181,035</b>	<b>1,961</b>	<b>-</b>	<b>4,182,996</b>

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 50. Fair value estimation

A number of the Group's accounting policies and disclosures require the measurement of fair values. 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.

Where a financial asset or liability is carried on the statement of financial position at fair value, additional disclosure is required. In particular, the fair values need to be classified in accordance with the fair value hierarchy. This fair value hierarchy distinguishes between different fair value methodologies based on the level of subjectivity applied in the valuation. The fair value hierarchy is split into the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities (e.g. the price quoted on a stock exchange for a listed share).
- Level 2: Valuation techniques with 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) (e.g. a valuation that uses observable interest rates or foreign exchange rates as inputs).
- Level 3: Valuation techniques with inputs that are not based on observable market data (that is, unobservable inputs) (e.g. a valuation that uses the expected growth rate of an underlying business as input).

The financial instruments measured at fair value are presented below.

Group	Level 1 N million	Level 2 N million	Level 3 N million	Total N million
<b>31 December 2025</b>				
<b>Assets</b>				
Treasury bills at FVTPL	29,081	-	-	29,081
Treasury bills at FVOCI	27,249	-	-	27,249
	<b>56,330</b>	<b>-</b>	<b>-</b>	<b>56,330</b>
<b>Liabilities</b>				
Derivatives	-	2,224	-	2,224
	<b>-</b>	<b>2,224</b>	<b>-</b>	<b>2,224</b>
<b>31 December 2024</b>				
<b>Assets</b>				
Treasury bills at FVTPL	1,584	-	-	1,584
Treasury bills at FVOCI	15,285	-	-	15,285
	<b>16,869</b>	<b>-</b>	<b>-</b>	<b>16,869</b>
<b>Liabilities</b>				
Derivatives	-	1,961	-	1,961
	<b>-</b>	<b>1,961</b>	<b>-</b>	<b>1,961</b>
<b>Company</b>				
<b>31 December 2025</b>				
<b>Assets</b>				
Treasury bills at FVTPL	29,081	-	-	29,081
Treasury bills at FVOCI	2,490	-	-	2,490
	<b>31,571</b>	<b>-</b>	<b>-</b>	<b>31,571</b>
<b>Liabilities</b>				
Derivatives	-	2,224	-	2,224
	<b>-</b>	<b>2,224</b>	<b>-</b>	<b>2,224</b>

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 50. Fair value estimation (continued)

Company	Level 1 N million	Level 2 N million	Level 3 N million	Total N million
<b>31 December 2024</b>				
<b>Assets</b>				
Treasury bills at FVTPL	1,584	-	-	1,584
Treasury bills at FVOCI	1,337	-	-	1,337
	<b>2,921</b>	<b>-</b>	<b>-</b>	<b>2,921</b>
<b>Liabilities</b>				
Derivatives	-	1,961	-	1,961
	<b>-</b>	<b>1,961</b>	<b>-</b>	<b>1,961</b>

Financial asset at amortised cost and financial liabilities at amortised cost - The carrying value of current receivables and liabilities measured at amortised cost approximates their fair value. The fair values of the majority of the non-current liabilities measured at amortised cost are also not significantly different from their carrying values.

Treasury bills are valued at market prices listed on FMDQ daily quotation list while the fair valuation of the derivatives is derived by valuation models and consensus pricing information from third party pricing services and quotes to determine an appropriate valuation.

The Company and the Group consider the carrying amounts of lease liabilities, loans, and other non-current borrowings to approximate their fair value.

#### FX forward derivative

The Group enters into forward exchange contracts with counterparties. At the reporting date, the Group estimates the fair value of derivatives transacted with the counterparties using the discounted mark-to-market technique. All significant inputs into the valuation techniques are wholly observable.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 51. 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 consolidated financial statements.

#### Risk profile

The Group's overall risk management programme focuses on the unpredictability of its markets and seeks to minimize potential adverse effects on the performance of the Group and its subsidiaries.

Risk management is carried out under policies approved by the Board of Directors of the Group. The Directors identify, evaluate and manage the enterprise risks in line with the MTN Group Risk Management Framework. The Board provides written principles for overall risk management, as well as for specific areas such as foreign exchange risk, interest rate risk, credit risk and investing cash.

The carrying value of financial instruments materially approximate their fair values.

#### 51.1 Credit risk

Credit risk or the risk of financial loss to the Group due to customers or counter parties not meeting their contractual obligations and is managed through the application of credit approvals, limits and monitoring procedures. The Group's maximum exposure to credit risk is represented by the carrying amount of the financial assets that are exposed to credit risk.

The following instruments give rise to credit risk

Other non-current investments

Trade and other receivables

Current investments

Restricted cash

Cash and cash equivalents

Group		Company	
2025	2024	2025	2024
N million	N million	N million	N million
17,812	9,068	6,251	6,575
178,444	243,889	225,456	291,731
133,174	50,825	87,812	26,612
37,707	107,023	37,507	106,823
632,501	253,377	630,219	232,800
<b>999,638</b>	<b>664,182</b>	<b>987,245</b>	<b>664,541</b>

##### 51.1.1 Cash and cash equivalents, and restricted cash

The Group's exposure and the credit ratings of its counter parties are continuously monitored and the aggregate values of investment portfolio is spread amongst approved financial institutions. The Group's Cash investment activity is based on the SLY (Safety, Liquidity and Yield) principle while it also limits its cash holdings in a financial institution to a maximum of 20% of total investment portfolio to manage concentration risk. The exposure is controlled by counter party exposure limits derived from the facility amount provided to the Group, the credit rating of the lending institutions as well as the cash collection by each of the institutions.

The National Long Term credit ratings of the counterparty financial institutions where the Group's bank deposits and restricted cash range from AAA to BBB-

Total estimated credit loss: Group: N194 million (2024: N32 million); Company: N115 million (2024: N32 million).

Credit loss expense: Group: N162 million (2024: N62 million reversal); Company: N83 million (2024: N9 million reversal).

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 51. Financial risk management (continued)

#### 51.1.2 Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses (ECL). The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type).

For Group and Company: ECL for gross trade receivables of N114.66 billion (2024: N132.27 billion) was N27.30 billion (2024: N21.07 billion).

The Group holds collateral as security for trade receivables relating to trade partners. These are bank guarantees held with bank with credit ratings of AAA to BBB-. A total of N9.75 billion was held as collateral for same value of receivables as at 31 December 2025 (31 December 2024: N6.17 billion). Trade partners are to pay within seven days of credit advanced. In the event of default, the bank guarantee is called-in immediately to offset the credit.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix.

The Group assesses its Xtratime receivables for impairment using the expected credit loss (ECL) model. As of December 31, 2025, these receivables are covered by an irrevocable Bank Guarantee that provides for the full recovery of all outstanding balances exceeding 180 days past due. Consequently, after considering the impact of this credit enhancement as required by IFRS 9 Appendix B5.5.55, management determined that the expected cash shortfalls were nil. Therefore, no impairment loss has been recognized for this category of receivables.

	Current N million	More than 30 days past due N million	More than 90 days past due N million	More than 180 days past due N million	Total N million
<b>Group and Company</b>					
<b>31 December 2025</b>					
Expected loss rate	5.14 %	1.32 %	30.46 %	61.16 %	
Gross carrying amount	67,979	5,303	5,118	36,262	114,662
Loss allowance	3,491	70	1,559	22,177	27,297
Credit impaired	No	No	No	No	
<b>31 December 2024</b>					
Expected loss rate	0.53 %	3.83 %	11.21 %	99.75 %	
Gross carrying amount	100,936	8,803	9,971	19,134	132,265
Loss allowance	530	337	1,118	19,086	21,071
Credit impaired	No	No	No	No	

The ECL rates are the outcome of a quarterly review using a simplified expected credit loss (ECL) based on days past due. Based on the assessment this year, there were no receivables fully impaired after 180 days, as receivables in this range were impaired by 61.16% (2024: 99.75%). The calculation reflects the probability-weighted outcome, the time value of money and reasonable, and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 51. Financial risk management (continued)

#### 51.1.3 Current and other non-current investments

Current and other non-current investments are all liquid assets that consist of marketable securities. They are primarily selected based on the funding and liquidity plan of the Group and from issuers with the least known credit and default risk. In connection with investment decisions, priority is placed on the issuer's very high creditworthiness and the present yield/interest rates offered. In this assessment, the Group also considers the credit risk assessment of the issuer by the rating agencies such as Fitch, Standards and Poor (S&P). The Federal Government of Nigeria (FGN) has one of the lowest credit risks known in the country and in a possibility of default, it could simply print new money or borrow from international sources to pay off its local debt.

In line with the Group's risk policy, its investments in treasury bills have no historical rate of default and the investments can be liquidated and sold at the prevalent market rates at that point in time. The rating for the FGN by S&P Global Ratings is B-, is a speculative grade, for its Long Term Foreign and Local Issuer Default Rating (IDR) which is a stable rating but not yet at the investment grade level which is hardly given to African Countries. Current investments are thus not subject to a material credit risk and are allocated to stage 1 of the impairment model.

Expected Credit Losses (ECLs) are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. In determining the cash flows that the Group expects to receive, the Group apply the probability of default (default rate) based on rating by international credit rating agencies like S&P, Moody's and Fitch as well as local ratings by Agosto and Co.

Total estimated credit loss: Group: N342 million (2024: N176 million); Company: N228 million (2024: 124 million).

The total expected credit loss expense for the year: Group: N 166 million (2024: reversal of N15 million ); Company: N104 million (2024: reversal of N31 million).

The National long term credit ratings of the counterparty financial institutions where the Group's current and other non-current investments range from AAA to BBB-.

Reconciliation of gross carrying amount and related ECL	Note(s)	Cash and cash equivalents	Current investments	Other non-current investments	Total ECL
		N million	N million	N million	N million
<b>Group</b>					
Balance at 1 January 2024		345,074	4,029	6,632	(285)
Net movement during the year		(106,338)	-	-	-
Purchase		-	112,953	2,434	-
Sale/matured		-	(99,733)	-	-
Exchange gain		14,579	18,278	-	-
Credit loss reversal	12	62	13	2	77
Balance at 31 December 2024		253,377	35,540	9,068	(208)
Net movement during the year		387,420	-	-	-
Purchase		-	389,017	8,427	-
Sale/matured		-	(316,131)	-	-
Remeasurement to profit or loss account		-	-	282	-
Exchange loss		(8,134)	(2,300)	-	-
(Credit loss reversal)/credit loss expense	12	(162)	(201)	35	(328)
<b>Balance at 31 December 2025</b>		<b>632,501</b>	<b>105,925</b>	<b>17,812</b>	<b>(536)</b>

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 51. Financial risk management (continued)

		Cash and cash equivalents	Current investments	Other non- current investments	Total ECL
	Note(s)	N million	N million	N million	N million
<b>Company</b>					
Balance at 1 January 2024		315,548	923	6,632	(196)
Net movement during the year		(97,336)	-	-	-
Purchase		-	105,778	-	-
Sale/matured		-	(99,733)	-	-
Remeasurement to profit or loss account		-	-	(59)	-
Exchange gain		14,579	18,278	-	-
Credit loss reversal	12	9	29	2	40
Balance at 31 December 2024		232,800	25,275	6,575	(156)
Net movement during the year		405,636	-	-	-
Purchase		-	172,252	-	-
Sale/matured		-	(109,717)	-	-
Remeasurement to profit or loss account		-	-	(408)	-
Exchange loss		(8,134)	(2,300)	-	-
(Credit loss reversal)/credit loss expense	12	(83)	(188)	84	(187)
<b>Balance at 31 December 2025</b>		<b>630,219</b>	<b>85,322</b>	<b>6,251</b>	<b>(343)</b>

### 51.2 Liquidity risk

Liquidity risk is the risk that an entity will be unable to meet its obligations as they become due.

The Group's approach to managing liquidity risk is to ensure that sufficient liquidity is available to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group ensures it has sufficient cash on demand (currently the Group is maintaining a positive cash position) or access to facilities to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters

	Note(s)	Group		Company	
		2025 N million	2024 N million	2025 N million	2024 N million
The following are the liquid resources:					
Cash and cash equivalents	29	632,501	253,377	630,219	232,800
Cash held for MoMo customer	28.1	1,298	3,843	-	-
Current investments	23	162,255	52,409	116,893	28,196
Restricted cash	27	37,707	107,023	37,507	106,823
Trade and other receivables	26	178,444	243,889	225,456	291,731
		<b>1,012,205</b>	<b>660,541</b>	<b>1,010,075</b>	<b>659,550</b>

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 51. Financial risk management (continued)

The following are the contractual maturities of financial liabilities:

Group	Note(s)	Contractual cash flows							Total
		Carrying amount	Payable within one month or on demand	More than one month but not more than three months	More than three months but not more than one year	More than one year but not more than two years	More than two years but not more than five years	More than five years	
		N million	N million	N million	N million	N million	N million	N million	N million
<b>31 December 2025</b>									
Trade and other payables	38	1,022,252	173,783	490,681	357,788	-	-	-	1,022,252
Deposit held for MoMo customers	28.2	9,842	9,842	-	-	-	-	-	9,842
Derivatives	40	2,224	-	2,224	-	-	-	-	2,224
Other liabilities	37	11,624	343	969	814	10,724	2,245	-	15,095
Borrowings	35	527,669	3,397	10,615	103,705	164,796	278,193	106,379	667,085
Lease liabilities	19.2	2,386,229	151,833	85	448,889	614,247	1,697,536	1,018,344	3,930,934
		<b>3,959,840</b>	<b>339,198</b>	<b>504,574</b>	<b>911,196</b>	<b>789,767</b>	<b>1,977,974</b>	<b>1,124,723</b>	<b>5,647,432</b>
<b>31 December 2024</b>									
Trade and other payables	38	927,239	157,631	445,075	324,533	-	-	-	927,239
Deposit held for MoMo customers	28.2	3,843	3,843	-	-	-	-	-	3,843
Derivatives	40	1,961	-	1,961	-	-	-	-	1,961
Other liabilities	37	10,012	207	586	377	6,668	4,463	-	12,301
Borrowings	35	972,915	38,615	2,447	213,505	311,348	375,671	196,477	1,138,063
Lease liabilities	19.2	2,283,424	120,521	39	400,996	525,883	1,557,725	1,338,267	3,943,431
		<b>4,199,394</b>	<b>320,817</b>	<b>450,108</b>	<b>939,411</b>	<b>843,899</b>	<b>1,937,859</b>	<b>1,534,744</b>	<b>6,026,838</b>

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 51. Financial risk management (continued)

Company	Note(s)	Contractual cash flows							Total
		Carrying amount	Payable within one month or on demand	More than one month but not more than three months	More than three months but not more than one year	More than one year but not more than two years	More than two years but not more than five years	More than five years	
		N million	N million	N million	N million	N million	N million	N million	N million
<b>31 December 2025</b>									
Trade and other payables	38	1,024,680	174,196	491,846	358,638	-	-	-	1,024,680
Derivatives	40	2,224	-	2,224	-	-	-	-	2,224
Other liabilities	37	564	-	-	-	1,175	2,245	-	3,420
Borrowings	35	527,669	3,397	10,615	103,705	164,796	278,193	106,379	667,085
Lease liabilities	19.2	2,386,229	151,833	85	458,889	614,247	1,697,536	1,018,344	3,940,934
		<b>3,941,366</b>	<b>329,426</b>	<b>504,770</b>	<b>921,232</b>	<b>780,218</b>	<b>1,977,974</b>	<b>1,124,723</b>	<b>5,638,343</b>
<b>31 December 2024</b>									
Trade and other payables	38	924,671	157,166	443,858	323,647	-	-	-	924,671
Derivatives	40	1,961	-	1,961	-	-	-	-	1,961
Other liabilities	37	25	-	-	-	25	-	-	25
Borrowings	35	972,915	38,615	2,447	213,505	311,348	375,671	196,477	1,138,063
Lease liabilities	19.2	2,283,424	120,521	39	400,996	525,883	1,557,725	1,338,267	3,943,431
		<b>4,182,996</b>	<b>316,302</b>	<b>448,305</b>	<b>938,148</b>	<b>837,256</b>	<b>1,933,396</b>	<b>1,534,744</b>	<b>6,008,151</b>

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 51. Financial risk management (continued)

#### 51.3 Market risk

Market risk is the risk that changes in market prices (interest rate, price risk and currency risk) will affect the Group's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group is not exposed to price risk. Derivatives are entered into solely for risk management purposes and not as speculative investments. The Group treasury policy specifies approved instruments which may be used to economically hedge the Group's exposure to variability in foreign currency and to manage and maintain market risk exposures within the parameters set by the Group's board of directors.

##### 51.3.1 Interest rate risk

Interest rate risk is the risk that the cash flow or fair value of an interest bearing financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities that are sensitive to interest rate risk are cash and cash equivalents, short term investments and loans payable. The interest rates applicable to these financial instruments are on a combination of floating and fixed basis in line with those currently available in the market. The Group's interest rate risk arises from the repricing of the Group's floating rate debt, incremental funding or new borrowings, the refinancing of existing borrowings and the magnitude of the significant cash balances which exist. The Group manages its debt on an optimal mix of local and foreign borrowings and fixed and floating interest rates. The Group however adheres to its policy on interest rate mix of fixed and floating rates percentages on loans to minimize the impact of interest rate risk.

#### Interest rate profile

At the reporting date the interest rate profile of the Group's financial instruments is as follows:

	31 December 2025			31 December 2024		
	Fixed rate instruments N million	Variable rate instruments N million	Non interest bearing N million	Fixed rate instruments N million	Variable rate instruments N million	Non interest bearing N million
<b>Group</b>						
<b>Financial assets</b>						
Cash and cash equivalents	632,501	-	-	253,377	-	-
Current investments	162,255	-	-	52,409	-	-
Restricted cash	-	-	37,707	22,750	-	84,273
Trade and other receivables	-	-	178,444	-	-	243,889
Cash held for MoMo customers	1,298	-	-	3,843	-	-
Other non-current investments	17,812	-	-	9,068	-	-
	<b>813,866</b>	<b>-</b>	<b>216,151</b>	<b>341,447</b>	<b>-</b>	<b>328,162</b>
<b>Financial liabilities</b>						
Trade and other payables	-	-	265,119	-	-	222,015
Amounts due to related parties	-	113,857	-	-	186,013	-
Other accrued expenses	-	-	643,276	-	-	519,211
Derivatives	-	-	2,224	-	-	1,961
Deposit held for MoMo customers	-	-	9,842	-	-	3,843
Borrowings	333,855	332,964	-	682,594	290,321	-
Other liabilities	-	-	11,624	-	-	10,012
	<b>333,855</b>	<b>446,821</b>	<b>932,085</b>	<b>682,594</b>	<b>476,334</b>	<b>757,042</b>

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 51. Financial risk management (continued)

Company	31 December 2025			31 December 2024		
	Fixed rate instruments	Variable rate instruments	Non interest bearing	Fixed rate instruments	Variable rate instruments	Non interest bearing
	N million	N million	N million	N million	N million	N million
<b>Financial assets</b>						
Cash and cash equivalents	630,219	-	-	232,800	-	-
Current investments	116,893	-	-	28,196	-	-
Restricted cash	-	-	37,507	22,750	-	84,073
Trade and other receivables	-	-	225,456	-	-	291,731
Other non-current investments	6,251	-	-	6,575	-	-
	<b>753,363</b>	<b>-</b>	<b>262,963</b>	<b>290,321</b>	<b>-</b>	<b>375,804</b>
<b>Financial liabilities</b>						
Trade and other payables	-	-	264,087	-	-	220,897
Amounts due to related parties	-	119,718	-	-	193,487	-
Other accrued expenses	-	-	640,875	-	-	510,287
Derivatives	-	-	2,224	-	-	1,961
Borrowings	332,964	194,705	-	682,594	290,321	-
Other liabilities	-	-	564	-	-	25
	<b>332,964</b>	<b>314,423</b>	<b>907,750</b>	<b>682,594</b>	<b>483,808</b>	<b>733,170</b>

### Interest rate sensitivity analysis

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

The Group has used a sensitivity analysis technique that measures the estimated change to profit or loss of an instantaneous increase or decrease of 1% (100 basis points) in market interest rates, from the rate applicable at 31 December, for each class of financial instrument with all other variables remaining constant.

The Group is mainly exposed to fluctuations in the following market interest rates: LIBOR and NIBOR. Changes in market interest rates affect the interest income or expense of floating rate financial instruments. Changes in market interest rates only affect profit or loss in relation to financial instruments with fixed interest rates if these financial instruments are recognised at their fair value.

A change in the above market interest rates at the reporting date would have increased/(decreased) profit before tax by the amounts shown overleaf. The analysis has been performed on the basis of the change occurring at the reporting date and assumes that all other variables, in particular foreign currency rates, remains constant. The analysis is performed on the same basis for prior year.

Group and Company	31 December 2025			31 December 2024		
	Increase/(decrease) in profit before tax			Increase/(decrease) in profit before tax		
	Change in interest rate	Upward change in interest rate	Downward change in interest rate	Change in interest rate	Upward change in interest rate	Downward change in interest rate
	%	N million	N million	%	N million	N million
SOFR	1	(1,081)	1,081	1	(1,594)	1,594
NIBOR	1	(2,633)	2,633	1	(4,836)	4,836

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

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### 51. Financial risk management (continued)

#### 51.3.2 Currency risk

Currency risk is the exposure to exchange rate fluctuations that have an impact on cash flows and financing activities. The Group manages foreign currency risk on major foreign denominated purchase orders through the use of Letters of Credit. The Group has also entered into a currency swap arrangement to enhance dollar liquidity to address critical operational requirements. Refer to Note 48 for details of financial instruments exposed to currency risk.

#### Sensitivity analysis

The Group is mainly exposed to fluctuations in foreign exchange rates in respect of the US Dollar, being the significant foreign denominated currency. The Group has used a sensitivity analysis technique that measures the estimated change to the income statement of an instantaneous 5% strengthening or 20% weakening in the Nigerian Naira against the US Dollar, from the rate applicable at 31 December, for each class of financial instrument with all other variables, in particular interest rates, remaining constant. A change in the foreign exchange rates to which the Group is exposed at the reporting date would have increased/(decreased) profit before tax by the amounts shown below. The analysis has been performed on the basis of the change occurring at the start of the reporting period. The analysis is performed on the same basis for the Company.

Group and Company	31 December 2025		31 December 2024	
	Increase/(decrease) in profit before tax		Increase/(decrease) in profit before tax	
	20% weakening in Naira, resulting in a decrease in profit before tax	5% strengthening in Naira resulting in an increase in profit before tax	20% weakening in Naira, resulting in a decrease in profit before tax	5% strengthening in Naira resulting in an increase in profit before tax
Denominated:	N million	N million	N million	N million
Functional				
USD:NGN	(306,215)	76,554	(379,745)	94,936

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 51. Financial risk management (continued)

#### 51.4 Capital risk management

The Group seeks to optimise its capital structure by ensuring adequate gearing levels taking into consideration working capital, cash flow, existing loan covenants, operational requirements, business plan and broader macro- economic conditions. It maximizes external borrowings on the back of its strong cash generating capacity. In line with its funding policy, the Group diversifies funding sources across local and international markets and ensures that new facility conditions comply with existing loan covenants. Management monitors Net Debt to EBITDA and EBITDA to Net Interest in line with the financial covenants in the loan agreement while it seeks to limit refinancing risk by controlling the concentrations of maturing obligations in the short end of maturity profile.

Equity approximates share capital and reserves attributable to the owners of the Company. EBITDA is defined as earnings before interest, tax, depreciation, amortisation and goodwill impairment/losses. Gross debt relates to MTN Nigeria syndicated medium term loan, net debt is the gross debt less cash and cash equivalents and total funding is gross debt plus equity.

	Group		Company	
	2025 N million	2024 N million	2025 N million	2024 N million
Revenue	5,202,957	3,358,461	5,195,521	3,363,513
Other income	1,672	2,369	1,672	2,369
Operating expenses excluding depreciation and amortisation	(2,460,864)	(2,047,431)	(2,507,535)	(2,023,019)
<b>EBITDA</b>	<b>2,743,765</b>	<b>1,313,399</b>	<b>2,689,658</b>	<b>1,342,863</b>
Gross debt	527,669	972,915	527,669	972,915
Cash and cash equivalents	(632,501)	(253,377)	(630,219)	(232,800)
<b>Net debt</b>	<b>(104,832)</b>	<b>719,538</b>	<b>(102,550)</b>	<b>740,115</b>
Gross debt	527,669	972,915	527,669	972,915
Equity	548,712	(458,007)	588,435	(356,238)
<b>Total funding</b>	<b>1,076,381</b>	<b>514,908</b>	<b>1,116,104</b>	<b>616,677</b>
Gross debt: Total funding	49 %	189 %	47 %	158 %
Net debt: Total funding	10 %	140 %	9 %	120 %
Net debt: EBITDA	4 %	55 %	4 %	55 %

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 52. Reclassification of comparative amounts

There were reclassifications made for the period ended 31 December 2025, the comparative amounts relating to 2024 financial year were reclassified in adherence to IAS 1, paragraph 41. The Group previously presented some of its balances on the statement of profit or loss, statements of financial position and statement of cash flows. However, management considers it to be more relevant if these items are presented as separate line items on those statements. See table below:

	Group			Company		
	As previously reported N million	Reclass N million	As re-presented N million	As previously reported N million	Reclass N million	As re-presented N million
Statement of financial position						
Current liabilities						
Trade and other payables	1,191,416	(1,170)	1,190,246	-	-	-
Other current liabilities	-	1,170	1,170	-	-	-

### 53. Going concern assessment

During the year, the Company returned to profitability, achieving a 390% growth in profit after tax to N1.05 trillion (2024: loss after tax of N360.48 billion). This strong turnaround strengthened the capital position of the Company, reflecting improved revenue performance, enhanced cost efficiency, better working capital management and overall financial resilience.

As at the reporting date, the Company had net current liabilities of N994.63 billion (2024: N1.20 trillion). The Directors have assessed this position and concluded that it arises primarily from working capital dynamics and classification requirements and does not indicate an inability to settle obligations as they mature. The Company generated positive operating cashflows of N2.86 trillion during the year (2024: N1.44 trillion). Based on detailed cashflow projections for at least the next twelve (12) months, the Directors are satisfied that the Company has adequate resources to meet its obligations as they fall due.

In performing this assessment, the Directors have considered the available financing facilities, projected cash flows and ongoing operational and strategic initiatives aimed at sustaining profitability and maintaining adequate liquidity.

This assessment considered events and conditions that could, individually or collectively, cast significant doubt on the Company's operational continuity, including:

- It is unlikely that fixed-term borrowings approaching maturity lack realistic prospects of renewal or repayment.
- We are currently complying with all loan agreements, and no loans have been renegotiated.
- There are currently no changes in legislation or government policy expected to adversely affect MTN Nigeria communications Plc.
- There are no substantial operating losses or significant deterioration in the value of assets used to generate cash flows. This is sustained by the easing average inflation rates and relatively stable exchange rates which even appreciated marginally from N1,535/\$ to N1,435.76/\$ for the year ended 31 December 2025.
- MTN Nigeria has secured tripartite set-off arrangements with Group entities to reduce intercompany payables.
- In addition, an assessment of forecast cash flows and projections has been performed, including potential impact of external and internal variations, uncertainties, and sensitivity of business plans.

Based on the above assessments, the Directors have a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future and will be able to discharge their liabilities in the normal course of business. Consequently, the condensed consolidated and separate financial statements have been prepared on a going concern basis.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

### 54. Capital commitments

	Group		Company	
	2025 N million	2024 N million	2025 N million	2024 N million
<b>Commitments for the acquisitions of property and equipment as at the reporting date is as follows:</b>				
Approved but not contracted	1,015,648	590,180	1,015,648	590,180
<b>Commitments for the acquisitions of software and work in progress as at the reporting date is as follows:</b>				
Approved but not contracted	92,656	51,436	92,656	51,436
<b>Total commitments for property and equipment, software and work in progress</b>	<b>1,108,304</b>	<b>641,616</b>	<b>1,108,304</b>	<b>641,616</b>

Capital expenditure will be funded from operating cash flows, existing borrowing facilities and, where necessary, by raising additional facilities.

### 55. Contingent liabilities

Contingent liabilities represent possible obligations that arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events not wholly within the control of the Group in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

The Group has N1.00 billion (2024: N3.99 billion) contingent liabilities arising from claims and litigations in the ordinary course of business, representing a significant reduction from prior period. The decrease is primarily attributable to the resolution of some legal claims.

Pending litigation and legal claims against the Group are being vigorously defended in various courts, and in the opinion of the directors, based on legal advice, are not expected to result in material liabilities. Accordingly, no provision has been made in these financial statements.

### 56. Security trading policy

MTN Nigeria Communications Plc has in place a Securities Trading Policy which guides the Board and employees when effecting transactions in the Company's shares. The policy provides for periods for Dealing in Shares and other Securities, established communication protocols on periods when transactions are not permitted to be effected on the Company's Shares as well as disclosure requirements when effecting such transactions.

Insiders covered in this policy have not notified the Company of any dealing in the Company's Securities within this period and the Company is not aware of any breach of this Policy within the period.

### 57. Free float information

MTN Nigeria Communications Plc with a free float value of N1,923,396,455,596 as at 31 December 2025 (2024: N709,061,844,200) is compliant with The Exchange's requirements for free float for companies listed on the Premium Board.

# MTN Nigeria Communications Plc

Audited consolidated and separate financial statements for the year ended 31 December 2025

## Notes to the consolidated and separate financial statements

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### 58. Events after the reporting period

Subsequent to the end of the financial year ended 31 December 2025, the following events occurred:

#### **MTN Group agrees to acquire the remaining shares in IHS Holding Limited (IHS)**

On 17 February 2026, MTN Group, the parent announces that it has entered into an agreement with IHS to acquire the remaining 75% ordinary shares of IHS not already owned by MTN Group via an all-cash transaction.

The structure of the Transaction is intended such that, upon completion of IHS' announced disposals of its Latin American (LatAm) businesses, MTN will acquire 100% of IHS' African tower portfolio and assume control over a substantial portion of the Group's passive mobile infrastructure footprint in Africa. IHS announced the disposal of its LatAm fibre and towers businesses on 11 February 2026 and 17 February 2026, respectively.

The Transaction is expected to deliver operating synergies and efficiencies and to support MTN's digital infrastructure strategy across Africa. It is anticipated that the Transaction will deliver net income and cash flow accretion.

IHS currently has several subsidiaries in Nigeria, including Global Independent Connect Limited, IHS Nigeria Limited, IHS Towers NG Limited, and INT Towers Limited. These entities serve as key infrastructure partners to MTN Nigeria, providing tower and fibre facilities under long-term lease arrangements to support the delivery of MTN's network services across the country.

#### **Fintech structural separation**

MTN Group is considering a structural separation of its Fintech business from its local GSM operations across various operating companies including Nigeria. The objective of the structural separation is to establish a new Local Fintech company to oversee and drive fintech operations, accelerate the growth of the Group's digital financial services business, foster the development of an integrated fintech ecosystem, and enable greater operational agility in response to the rapidly evolving digital financial services landscape.

Subsequent to the reporting date, the Board of Directors of MTN Nigeria approved this strategic initiative, subject to shareholders approval at the forthcoming Annual General Meeting and the receipt of all required regulatory approvals.

The proposed transaction will involve MTN Group obtaining controlling interest of the existing Nigeria FinCos (Momo PSB and YDFS) and diluting MTN Nigeria's ownership to a minority stake in existing FinCos in Nigeria.

As at the date of authorization of these financial statements, the transaction remains conditional upon the required approvals and has not been finalized. Accordingly, no adjustments have been made to the amounts recognized in these financial statements. The final structure and financial impact of the transaction will be determined upon completion.

#### **Dividend**

On 25 February 2026, the Board of Directors proposed a final dividend of N15.00 per ordinary share on the 20,995,560,103 ordinary shares of 2 kobo each for the year ended 31 December 2025 to shareholders' for approval at the forthcoming Annual General Meeting (AGM). This will result in a dividend payment of N314.93 billion.

Other national disclosures

# MTN Nigeria Communications Plc

Other national disclosure for the year ended 31 December 2025

## Value added statements

	2025 N million	2025 %	2024 N million	2024 %
<b>Group</b>				
<b>Value added</b>				
Revenue	5,202,957		3,358,461	
Finance income	51,158		28,440	
Other income	1,672		2,369	
Bought - in materials and services				
- Local	(2,193,164)		(1,845,426)	
- Foreign	(96,269)		(115,019)	
<b>Total value added</b>	<b>2,966,354</b>	<b>100</b>	<b>1,428,825</b>	<b>100</b>
<b>Value distributed</b>				
<b>To pay employees</b>				
Salaries, wages, and other benefits	154,217		91,919	
	<b>154,217</b>	<b>5</b>	<b>91,919</b>	<b>6</b>
<b>To pay providers of capital</b>				
Finance costs	524,908		431,648	
Net foreign exchange loss	(90,268)		925,361	
	<b>434,640</b>	<b>15</b>	<b>1,357,009</b>	<b>95</b>
<b>To pay government</b>				
Income tax	354,410		21,065	
Deferred tax	228,773		(170,955)	
	<b>583,183</b>	<b>20</b>	<b>(149,890)</b>	<b>(10)</b>
<b>To be retained in the business for expansion and future wealth creation:</b>				
Depreciation	574,038		444,471	
Amortisation	90,216		90,684	
Impairment	17,214		(4,933)	
	<b>681,468</b>	<b>23</b>	<b>530,222</b>	<b>37</b>
<b>Value retained</b>				
Retained profit/(loss)	1,112,846		(399,448)	
Non-controlling interest	-		(987)	
	<b>1,112,846</b>	<b>38</b>	<b>(400,435)</b>	<b>(28)</b>
<b>Total value distributed</b>	<b>2,966,354</b>	<b>100</b>	<b>1,428,825</b>	<b>100</b>

# MTN Nigeria Communications Plc

Other national disclosure for the year ended 31 December 2025

## Value added statements

	2025 N million	2025 %	2024 N million	2024 %
<b>Company</b>				
<b>Value added</b>				
Revenue	5,195,521		3,363,513	
Finance income	40,827		24,998	
Other income	1,672		2,369	
Bought - in materials and services				
- Local	(2,183,418)		(1,827,659)	
- Foreign	(95,353)		(115,019)	
<b>Total value added</b>	<b>2,959,249</b>	<b>100</b>	<b>1,448,202</b>	<b>100</b>
<b>Value distributed</b>				
<b>To pay employees</b>				
Salaries, wages and other benefits	148,080		85,212	
	<b>148,080</b>	<b>5</b>	<b>85,212</b>	<b>6</b>
<b>To pay providers of capital</b>				
Finance costs	523,750		430,427	
Net foreign exchange loss	(89,960)		924,903	
	<b>433,790</b>	<b>15</b>	<b>1,355,330</b>	<b>94</b>
<b>To pay government</b>				
Income tax	354,310		21,040	
Deferred tax	228,773		(181,540)	
	<b>583,083</b>	<b>20</b>	<b>(160,500)</b>	<b>(11)</b>
<b>To be retained in the business for expansion and future wealth creation:</b>				
Depreciation	574,038		444,276	
Amortisation	88,708		89,231	
Impairment	80,684		(4,871)	
	<b>743,430</b>	<b>25</b>	<b>528,636</b>	<b>37</b>
<b>Value retained</b>				
Retained profit/(loss)	1,050,866		(360,476)	
	<b>1,050,866</b>	<b>36</b>	<b>(360,476)</b>	<b>(25)</b>
<b>Total value distributed</b>	<b>2,959,249</b>	<b>100</b>	<b>1,448,202</b>	<b>100</b>

# MTN Nigeria Communications Plc

Other national disclosure for the year ended 31 December 2025

## Five-year financial summaries

	2025	2024	2023	2022	1 Jan 2022
	N million	N million	N million	restated N million	restated N million
<b>Group</b>					
<b>Statement of financial position</b>					
<b>Assets and liabilities</b>					
Property and equipment	1,853,524	1,248,304	1,095,111	928,357	774,113
Intangible assets	421,410	408,783	447,599	335,599	245,558
Other non-current assets	1,874,467	1,748,568	670,336	514,369	482,856
Net current liabilities	(994,331)	(1,196,982)	(917,638)	(412,122)	(285,444)
Non-current liabilities	(2,606,358)	(2,666,680)	(1,336,252)	(1,103,661)	(1,015,092)
<b>Net assets/(liabilities)</b>	<b>548,712</b>	<b>(458,007)</b>	<b>(40,844)</b>	<b>262,542</b>	<b>201,991</b>
<b>Equity</b>					
Share capital	420	420	420	407	407
Share premium	166,362	166,362	166,362	17,216	17,216
Other reserves	(14,431)	(12,454)	701	1,664	885
Shares held for employee share scheme	(4,041)	(4,869)	(4,869)	(4,869)	-
Retained earnings/(accumulated losses)	400,402	(607,466)	(208,018)	246,679	183,483
Non-controlling interest	-	-	4,560	1,445	-
<b>Total equity</b>	<b>548,712</b>	<b>(458,007)</b>	<b>(40,844)</b>	<b>262,542</b>	<b>201,991</b>
<b>Statement of profit or loss</b>					
Revenue	5,202,957	3,358,461	2,468,847	2,012,272	1,654,299
<b>Profit/(loss) before taxation</b>	<b>1,696,029</b>	<b>(550,325)</b>	<b>(177,885)</b>	<b>518,823</b>	<b>436,687</b>
Tax (expense)/credit	(583,183)	149,890	40,865	(170,096)	(138,033)
<b>Profit/(loss) for the year</b>	<b>1,112,846</b>	<b>(400,435)</b>	<b>(137,020)</b>	<b>348,727</b>	<b>298,654</b>
<b>Per share data</b>					
Earnings/(loss) per share - basic/diluted (N)	53.07	(19.05)	(6.53)	16.63	14.24
Net assets/(liabilities) per share (N)	26.17	(21.84)	(1.95)	12.52	9.63

# MTN Nigeria Communications Plc

Other national disclosure for the year ended 31 December 2025

## Five-year financial summaries

	2025	2024	2023	2022	1 Jan 2022
	N million	N million	N million	restated N million	restated N million
<b>Company</b>					
<b>Statement of financial position</b>					
<b>Assets and liabilities</b>					
Property and equipment	1,853,524	1,248,304	1,095,111	928,357	774,113
Intangible assets	418,347	404,212	426,300	314,684	219,324
Other non-current assets	1,908,275	1,849,008	760,129	577,679	537,380
Net current liabilities	(994,633)	(1,199,899)	(919,925)	(407,862)	(286,058)
Non-current liabilities	(2,597,078)	(2,657,863)	(1,326,836)	(1,100,916)	(1,010,752)
<b>Net assets/(liabilities)</b>	<b>588,435</b>	<b>(356,238)</b>	<b>34,779</b>	<b>311,942</b>	<b>234,007</b>
<b>Equity</b>					
Share capital	420	420	420	407	407
Share premium	166,362	166,362	166,362	17,216	17,216
Other reserves	(31,876)	(29,833)	708	1,664	885
Shares held for employee share scheme	(4,041)	(4,869)	(4,869)	(4,869)	-
Retained earnings/(accumulated losses)	457,570	(488,318)	(127,842)	297,524	215,499
<b>Total equity</b>	<b>588,435</b>	<b>(356,238)</b>	<b>34,779</b>	<b>311,942</b>	<b>234,007</b>
<b>Statement of profit or loss</b>					
Revenue	5,195,521	3,363,513	2,472,473	2,011,935	1,652,926
<b>Profit/(loss) before taxation</b>	<b>1,633,949</b>	<b>(520,976)</b>	<b>(144,242)</b>	<b>549,516</b>	<b>448,358</b>
Tax (expense)/credit	(583,083)	160,500	39,732	(179,305)	(141,534)
<b>Profit/(loss) for the year</b>	<b>1,050,866</b>	<b>(360,476)</b>	<b>(104,510)</b>	<b>370,211</b>	<b>306,824</b>
<b>Per share data</b>					
Earnings/(loss) per share - basic/diluted (N)	50.11	(17.19)	(4.98)	17.66	14.63
Net assets/(liabilities) per share (N)	28.06	(16.99)	1.66	14.88	11.16