MTN Nigeria Communications Plc

Audited consolidated and separate financial statements
for the year ended 31 December 2024
Together with Directors' and Auditor's Reports

Corporate information

Registered company number 395010

Directors

Name	Nationality	Position
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
Mr. Rhidwaan Gasant*	South African	Independent Non-Executive Director
Dr. Omobola Johnson	Nigerian	Non-Executive Director
Mr. Modupe Kadri	Nigerian	Executive Director
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

*Retired effective 31 May 2024.
** 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

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

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Financial highlights

	Notes	2024 N million	2023 N million	% change
Revenue	9	3,358,461	2,468,847	36.0
Operating profit		778,244	773,660	0.6
Net foreign exchange losses	17	(925,361)	(740,434)	(25.0)
Loss before taxation		(550,325)	(177,886)	(209.4)
Loss for the year attributable to the owners of the company		(399,448)	(133,841)	(198.4)
Share capital	31.1	420	420	-
Total equity attributable to the owners of the company		(458,007)	(45,404)	(908.7)
Basic and diluted loss per share (N)	35.1	(19.05)	(6.38)	(198.4)
Net liabilities per share (N)		(21.84)	(2.17)	(908.7)
Stock Exchange Information				
Dividend per share (DPS): - Interim (N)	35.2	-	5.60	(100.0)
Market price per share as at year end (N)		200.00	264.00	(24.2)
Market capitalisation as at year end		4,199,200	5,542,944	(24.2)
Number of shares issued and fully paid as at year end (millions)	31.1	20,996	20,996	-

The financial highlights reflect Group numbers only.

Directors' report

We, the directors, present our report on the affairs of MTN Nigeria Communications Plc and its subsidiaries (the Group), together with the financial statements and the independent auditors' report for the year ended 31 December 2024.

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. It 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 other related services nation-wide in Nigeria. The Company commenced operations on 08 August 2001 (commercial launch date). Currently, the Company holds a Unified Access Service License (UASL).

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 XS Broadband Limited, Visafone Communications Limited (now liquidated), Yello Digital Financial Services Limited and MoMo Payment Service Bank Limited. The subsidiaries principal activities are the provision of broadband fixed wireless access service, high quality telecommunication services and mobile financial services in Nigeria.

On 01 February 2024, Visafone Communications Limited (Visafone) was liquidated and absorbed by MTN Nigeria, see note 22.2 for details.

Business review

The Group recorded revenue of N3.36 trillion (2023: N2.47 trillion) and a loss after tax of N400.44 billion (2023: N137.02 billion) for the year.

Operating results and dividends

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

	Notes(s)	2024 N million	2023 N million
Revenue	9	3,358,461	2,468,847
Operating profit		778,244	773,660
Loss before taxation		(550,325)	(177,886)
Income tax credit	18	149,890	40,865
Loss for the year		(400,435)	(137,021)
Loss attributable to the owners of the company		(399,448)	(133,841)
Loss before tax has been arrived at after charging			
Depreciation of property and equipment	19	259,748	231,540
Depreciation of right of use assets	20.1	184,723	118,296
Amortisation of intangible assets	21	90,684	79,033
Employee costs	12	91,919	65,002
Credit loss on financial assets	13	6,752	756
Other operating expenses	14	200,234	139,128
Finance costs	16	431,648	236,927
Net foreign exchange loss	17	925,361	740,434

Dividends

In view of the loss for the year ended 31 December 2024, resulting from the significant currency devaluation and its impact on retained earnings, the Directors will not recommend a final dividend payment.

Directors' report

Unclaimed dividends

In line with SEC guidelines, Coronation Registrars Limited returned to the Group the sum of N287.7 million unclaimed dividend during the year ended 31 December 2024 (31 December 2023: N381.5 million). Replenishment notices from registrars amounting to N525.9 million were received and honoured during the period (2023: N657.5 million). The total amount of unclaimed dividends outstanding as at 31 December 2024 is N612.5 billion (31 December 2023: N1.38 billion).

Renegotiated lease contract

During the year, MTNN 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 (TOA) was executed on 7 August 2024, with the terms of the amendment taking effect from 1 April 2024, and a mutual agreement to extend all agreements to 31 December 2032.

The revised terms reduce the US dollar-indexed component of the leases linked to a discounted US consumer price index (CPI), making the leases majorly Naira-based. Additionally, technology-based pricing has been removed, allowing payments for new upgrades based on tower space and power. The renegotiated agreements incorporate an energy cost component indexed to the cost of providing diesel power. Furthermore, the terms also provide for some discounts and incentives over the life of the contracts.

USSD Debts resolution

On 20 December 2024, the Central Bank of Nigeria (CBN) and Nigerian Communications Commission (NCC) issued a joint circular to resolve the long standing USSD debts impasse between Deposit Money Banks (DMBs) and Mobile Network Operators (MNOs).

Unstructured Supplementary Service Data (USSD) is the platform that allows bank customers to transfer money digitally on their phones without requiring internet access. It is an SMS-based mobile banking service where a USSD shortcode enables transactions such as transfers, bill payments, and airtime purchases.

The implementation of end user billing for USSD services at a flat fee of N6.98 per transaction conducted by Deposit Money Banks (DMBs) and all CBN-licensed institutions brought about dispute between MNOs and the financial institutions on the applicable charges for USSD services and the method of billing. Consequently, this precipitated unresolved issues since 2020 on USSD debts between DMBs and MNOs until 20 December 2024 resolution by CBN and NCC.

The directive from CBN and NCC requires sixty percent (60%) of all pre-API invoices to be paid as full and final settlement by 2 July 2025 while for post-API invoices the DMBs are required to pay 85 percent (85%) of outstanding invoices issued after the February 2022 implementation of APIs by 31 December 2024. In addition, future invoices are to be settled within one month of issuance.
Based on this directive, on 31 December 2024 MTN received N32 billion payment from the banks out of the N74 billion in CBN and NCC circulars to banks

Directors' report

Directors and their interests

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

	2024 Direct No. of shares	2024 Indirect No. of shares	2023 Direct No. of shares	2023 Indirect No. of shares
Dr. Ernest Ndukwe, OFR	161,375	Nil	161,375	Nil
Mr. Karl Toriola	4,086,858	Nil	4,086,858	Nil
Mr. Muhammad K. Ahmad, OON	Nil	Nil	Nil	Nil
Mr. Michael Ajukwu	Nil	Nil	Nil	Nil
Mr. Andrew Alli	93,220	Nil	93,220	Nil
Dr. Omobola Johnson	225,000	Nil	225,000	Nil
Mr. Modupe Kadri	1,153,972	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
Mr. Rhidwaan Gasant*	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

*Retired effective 31 May 2024.
**Appointed effective 2 January 2025.

The Board and key management changes

1. Mr. Rhidwaan Gasant retired from the Board of Directors effective 31 May 2024.
2. Adia Sowho, Chief Marketing Officer resigned effective 27 May 2024.
3. Ayham Moussa was appointed as the new Chief Operating Officer effective 19 August 2024.
4. Mohammed Rufai, the Chief Technical Officer was transferred to MTN Congo Brazzaville effective 1 September 2024.
5. Onyinye Ikenna-Emeka was appointed as the Chief Marketing Officer effective 14 October 2024.
6. Yahaya Ibrahim was appointed as the new Chief Technical Officer effective 14 October 2024.
7. Mrs. Eyitope Kola-Oyeneyin was appointed as a member of the Board on 2 January 2025.
8. Mr. Udemezuo Nwuneli was appointed as a member of the Board on 2 January 2025.
9. Mr. Tim Pennington was appointed as a member of the Board on 2 January 2025.

Directors' interests in contracts

None of the directors have notified the Group for the purpose of Section 303 of the Companies and Allied Matters Act of Nigeria (CAMA) 2020, of any declarable interest in contracts in which the Group is involved.

Directors' report

Shareholders and their interest as at 31 December 2024

Share range	Number of shareholders	% of shareholders	Number of holdings	% of shareholding
1 - 10,000	137,973	94.5603	87,497,026	0.42
10,001 - 50,000	5,424	3.7174	110,013,952	0.52
50,001 - 100,000	977	0.6696	67,381,282	0.32
100,001 - 500,000	1,093	0.7491	228,327,276	1.09
500,001 - 1,000,000	164	0.1124	116,856,469	0.56
1,000,001 - 5,000,000	172	0.1179	395,568,495	1.88
5,000,001 - 10,000,000	48	0.0329	318,090,688	1.52
10,000,001 - 50,000,000	43	0.0295	895,522,516	4.27
50,000,001 - 100,000,000	4	0.0027	238,129,334	1.13
100,000,001 - 500,000,000	9	0.0062	1,762,080,014	8.39
500,000,001 - 1,000,000,000	2	0.0014	1,366,607,050	6.51
1,000,000,001 - above	1	0.0007	15,409,486,001	73.39
	145,910	**100**	**20,995,560,103**	**100**

Substantial interest in shares

As at 31 December 2024, the following shareholders hold 5% or more of the issued share capital of the Company:

A. MTN International (Mauritius) Limited with total interest of 73.39% shareholding (31 December 2023: 73.39%).
B. Chief Victor Odili indirectly holds 5.08% (31 December 2023: 4.46%) shareholding through the following entities:
i. Hermitage Overseas Corporation 4.32% (31 December 2023: 3.84%)
ii. Hermitage Eko Investments Ltd 0.76% (31 December 2023: 0.62%)

Property and equipment

Information relating to changes in property and equipment is given in Note 19 to the audited consolidated and separate financial statements.

Taxation

Company Income Tax, Education Tax and National Information Technology Development Fund Levy due in the prior years have been duly settled in line with the provisions of relevant tax laws.

An aggregate tax credit of N149.89 billion (December 2023: N40.87 billion) has been recognised in the consolidated statement of profit or loss covering the period January to December 2024.

Charitable gifts

No provision was made in the year for donation to MTN Foundation Limited by Guarantee (December 2023: Nil) as the Group made a loss after taxation. 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 (December 2023: 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 four (44) differently abled persons in employment (31 December 2023: thirty four (34)).

Directors' report

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.

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
• Col. Ayegbeni Peters (rtd)	Shareholders' Representative	Member
• Mrs. Josephine Ewitat	Shareholders' Representative	Member
• Mr. Rhidwaan Gasant*	Independent Non-Executive Director	Member
• Mr. Muhammad K. Ahmad, OON**	Independent Non-Executive Director	Member
• Mrs. Ifueko M Omoigui Okauru, MFR	Non-Executive Director	Member

All members of the Statutory Audit Committee are financially literate.

*Mr. Rhidwaan Gasant retired from the committee effective 31 May 2024.

**Mr. Muhammad K. Ahmad, OON was appointed effective 3 June 2024.

Auditor

Messrs Ernst & Young (EY) acted as the Company's independent auditor during the financial year ended 31 December 2024. The independent auditor's report was signed by Funmi Ogunlowo, a partner in the firm, with Financial Reporting Council (FRC) membership number FRC/2013/PRO/ICAN/004/00000000681.

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
27 February 2025

Statement of directors' responsibilities to prepare the financial statements

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 2024, and the results of its operations, cash flows and changes in equity for the year then ended, in compliance with IFRS Accounting Standards ("IFRS") 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 are 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 which enable them to ensure that the consolidated and separate financial statements of the 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 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 2024 were approved by the directors on 27 February 2025.

Signed on behalf of the Directors of the Group

Dr. Ernest Ndukwe, OFR	Mr. Karl Toriola
Chairman of the Board of Directors	Chief Executive Officer
FRC/2020/003/00000020337	FRC/2021/002/00000022839

Statement of corporate responsibility for financial statements

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 statement accordingly.

In pursuant 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 to state 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 report is being prepared;

ii. the effectiveness of the have evaluated 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 operation 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 for the company's auditors any material weaknesses in internal controls, and

ii. whether or not material, there is any fraud that involves management or other employees who have a significant role in the company's internal control system.

d) Officers who signed the report, has 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 27 February 2025.

Karl Toriola	Modupe Kadri
Chief Executive Officer	Chief Financial Officer
FRC/2021/002/00000022839	FRC/2020/001/00000020737

Statutory audit committee report

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 co-operation 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 both the external and internal audits for the year ended 31 December 2024 were satisfactory and reinforce the Group's internal control systems.
- We have considered the External Auditors 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 auditors 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 under review are:

1.	Mr. Nornah Awoh	Shareholders' Representative	Chairman
2.	Col. Ayegbeni Peters (rtd)	Shareholders' Representative	Member
3.	Mrs. Josephine Ewitat	Shareholders' Representative	Member
4.	Mr. Rhidwaan Gasant*	Independent Non-Executive Director	Member
5.	Mr. Muhammad K. Ahmad, OON**	Independent Non-Executive Director	Member
6.	Mrs. Ifueko M Omoigui Okauru, MFR	Non-Executive Director	Member

*Mr. Rhidwaan Gasant retired from the committee effective 31 May 2024.
**Mr. Muhammad K. Ahmad, OON was appointed effective 3 June 2024.

On behalf of the statutory audit committee

Mr. Nornah Awoh
Chairman, Statutory Audit Committee
FRC/2021/003/00000022526
27 February 2025

Statement on internal controls over financial reporting

In compliance with the provisions of section 405 of the Companies and Allied Matters Act, 2020 and, Investment and Securities Act (ISA) 2007 on internal control over financial reporting, the directors, whose names are stated below, hereby certify that:

a. We have reviewed this audited consolidated and separate financial statements of MTN Nigeria Communications Plc for the year ended 31 December 2024;

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 those entities, particularly during the period in which this report is being prepared;
   - have designed such internal control system, or caused such internal control system to be designed under our supervision, 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;
   - 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 company's 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 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

27 February 2025

Mr. Modupe Kadri
Chief financial officer
FRC/2020/001/00000020737

27 February 2025

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

To comply with the provisions of Section 1.3 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, we hereby make the following statements regarding the Internal Controls of MTN Nigeria Communications Plc for the year ended 31 December 2024.

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 International Financial Reporting 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 management has assessed that the entity's ICFR as of the end of 31 December 2024 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 financial statements, will be filed as part of the annual report.

Dr. Ernest Ndukwe
Chairman of the Board of Directors
FRC/2021/002/00000022839
27 February 2025

Modupe Kadri
Chief Financial Officer
FRC/2020/001/00000020737
27 February 2025

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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 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 Communications Plc ("the Company's") Management's Assessment on Internal Control over Financial Reporting as of 31 December 2024 ("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.

***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 Pic 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 *management's assessment of the Internal Control over Financial reporting as of 31 December 2024* in accordance with the criteria.

EY

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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 Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (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.

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 2024, 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 annual report for the year ended 31 December 2024 of MTN Nigeria Communications Plc and we expressed an unmodified opinion in our Auditor's report dated 27 February 2025. Our conclusion is not modified is respect of this matter.

Funmi Ogunlowo, FCA

FRC/2013/PRO/ICAN/004/000000

00681 For Ernst & Young

Lagos, Nigeria

27 February 2025

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA

ICAN

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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 2024, 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 2024, 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) 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.

Key Audit Matters-Continued

Key Audit Matters	Our Responses`
Modification of Lease Liability Contracts MTN 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 (collectively referred to as IHS). The revised Terms of Agreement were executed on August 7, 2024, with the terms of the amendment effective from April 1, 2024, and a mutual agreement to extend all agreements until December 31, 2032. The revised terms substantially reduce the US dollar-indexed portion of the overall lease arrangement, making the leases predominantly Naira-based, and set a cap of 20% for the Naira CPI escalation component. As a result of the lease extensions and renewals, additional lease liabilities and right-of-use (ROU) assets amounting to N901.33 billion have been recognized, bringing the total value of the lease liability as of December 31, 2024, to N2.28 trillion and the ROU asset to N1.40 trillion. The contract is currently considered a dollar-referenced contract. The dollar portion of the upgrades, which is subject to foreign exchange variation, constitutes a monetary item according to IAS 21, necessitating re-valuation each reporting year. The audit team consider this as a key audit matter due to the significant time incurred in analysing and interpreting the contractually enforceable rights and obligations and the complexity in the interpretation of the relevant laws and regulations, and the magnitude of the amounts in the financial statements. Refer to: • Note 4.10.4 - Significant judgement in determining the lease term of contracts with renewal options. • Note 8.5 – Critical judgements and estimates - Extension of lease option. • Note 19 .1- Right of use assets.	**Our audit procedures in response to the key audit matter included, among others:** ▸ We evaluated the cashflows to confirm that all applicable splits between naira and dollar, energy and non-energy is done according to the terms of the agreement. ▸ We recomputed the leases by incorporating the applicable discounts as stated in the contract in determining the cashflows and compared with the client's output. We confirmed that all applicable rates have been applied on the applicable sites, and this is reflected in the cashflows used for the present value of the lease liability for both Naira and Dollar portion. ▸ The EY team with specialized knowledge conducts testing on the leases application tool to verify that the software producing the data generate accurate numbers. Additionally, we carried out an IPE testing to understand how the discount was processed on the cashflow back end of the software. ▸ We reviewed whether the actual payment made was used for extinguishing the lease liability in accordance with the requirement of IFRS 16 and the terms of agreement. ▸ We reviewed the translation of the dollar portion of the lease liability and ensured that the foreign currency-denominated balances are measured using the applicable NFEM exchange rate at the reporting date, in accordance with the provisions of IAS 21. ▸ We reviewed the incremental borrowing rate by recalculating the credit premium and determining the appropriate yield on bond obtained through verifiable and appropriate source.

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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 2024", which includes the Report of the Directors, 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 and Other National Disclosures. 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.

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.

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Independent Auditor's Report

To the Members of MTN Nigeria Communications Plc

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements-Continued

As part of an audit in accordance with ISAs, we exercise 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated 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.

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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;

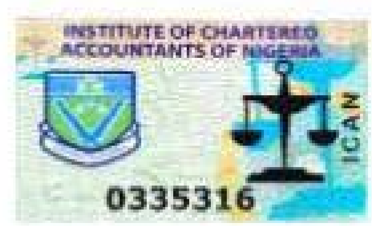
- The consolidated and separate statements of financial position, the consolidated and separate statements of profit or loss and other comprehensive income are in agreement with the books of account; and

- 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 December 31, 2024. 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 27 February 2025. That report is included on page 13-14 of the financial statements.

Funmi Ogunlowo, FCA
FRC/2013/PRO/ICAN/004/00000000681
For Ernst & Young
Lagos, Nigeria
27 February 2025



Consolidated and separate statements of profit or loss

		Group		Company	
	Note(s)	2024 N million	2023 N million	2024 N million	2023 N million
Revenue	9	3,358,461	2,468,847	3,363,513	2,472,473
Other income	10	2,369	-	2,369	-
Direct networking operating costs*	11	(1,232,120)	(655,203)	(1,232,115)	(654,913)
Value added services*		(33,743)	(23,668)	(33,737)	(23,661)
Cost of starter packs, handsets and accessories*		(48,630)	(30,296)	(48,630)	(30,296)
Interconnect costs		(192,819)	(159,542)	(192,819)	(159,542)
Roaming costs		(12,344)	(8,855)	(12,344)	(8,855)
Transmission costs		(29,164)	(11,120)	(29,164)	(11,120)
Discount and commissions		(154,577)	(121,846)	(152,945)	(117,066)
Advertisements, sponsorships and sales promotions		(45,129)	(50,902)	(33,847)	(28,999)
Employee costs	12	(91,919)	(65,002)	(85,212)	(60,462)
Impairment of financial assets*	13	(6,752)	(756)	(6,824)	(10,189)
Other operating expenses*	14	(200,234)	(139,128)	(195,382)	(137,278)
Depreciation of property and equipment	19	(259,748)	(231,540)	(259,553)	(231,540)
Depreciation of right of use assets	20.1	(184,723)	(118,296)	(184,723)	(118,296)
Amortisation of intangible assets	21	(90,684)	(79,033)	(89,231)	(72,289)
Operating profit		**778,244**	**773,660**	**809,356**	**807,967**
Finance income	15	28,440	25,815	24,998	24,753
Finance costs	16	(431,648)	(236,927)	(430,427)	(236,604)
Net foreign exchange loss	17	(925,361)	(740,434)	(924,903)	(740,358)
Loss before taxation		**(550,325)**	**(177,886)**	**(520,976)**	**(144,242)**
Taxation	18	149,890	40,865	160,500	39,732
Loss for the year		**(400,435)**	**(137,021)**	**(360,476)**	**(104,510)**
Loss attributable to:					
Owners of the parent		(399,448)	(133,841)	(360,476)	(104,510)
Non-controlling interest		(987)	(3,180)	-	-
		(400,435)	**(137,021)**	**(360,476)**	**(104,510)**
Loss per share - basic/diluted (N)	35.1	(19.05)	(6.38)	(17.19)	(4.98)

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

*2023 numbers have been reclassified, see note 53.

Consolidated and separate statements of other comprehensive income

		Group		Company	
	Note(s)	2024 N million	2023 N million	2024 N million	2023 N million
Loss for the year		**(400,435)**	**(137,021)**	**(360,476)**	**(104,510)**
Other comprehensive loss:					
Items that will not be reclassified to profit or loss, (net of taxation):					
Remeasurement loss on employee benefits	33.1	(81)	(79)	(81)	(79)
Items that may be reclassified to profit or loss, (net of taxation):					
Fair valuation loss on investments at FVOCI (a)	33.1	(104)	(884)	(108)	(877)
Other comprehensive income for the year; net of taxation		**(185)**	**(963)**	**(189)**	**(956)**
Total comprehensive loss		**(400,620)**	**(137,984)**	**(360,665)**	**(105,466)**
Total comprehensive loss attributable to:					
Owners of the parent		(399,633)	(134,804)	(360,665)	(105,466)
Non-controlling interest		(987)	(3,180)	-	-
		(400,620)	**(137,984)**	**(360,665)**	**(105,466)**

(a)Fair valuation 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.

Consolidated and separate statements of financial position as at 31 December 2024

		Group		Company	
	Note(s)	2024 N million	2023 N million	2024 N million	2023 N million
Assets					
Non-current assets					
Property and equipment	19	1,248,304	1,095,111	1,248,304	1,095,111
Right-of-use assets	20.1	1,382,580	478,826	1,382,580	478,826
Intangible assets	21	408,783	447,599	404,212	426,300
Investments in subsidiaries	22	-	-	102,950	100,378
Contract acquisition costs	23	9,344	7,136	9,344	7,136
Other non-current investments	24	9,068	6,632	6,575	6,632
Deferred tax assets	43.2	321,349	151,362	321,332	140,777
Non-current prepayments	25	26,227	26,380	26,227	26,380
		3,405,655	**2,213,046**	**3,501,524**	**2,281,540**
Current assets					
Inventories	26	6,971	6,027	6,395	6,027
Trade and other receivables	27	367,713	215,414	398,966	239,692
Current investments	24	52,409	7,256	28,196	2,619
Restricted cash*	28	107,023	394,409	106,823	394,209
Cash held for MoMo customer*	29.1	3,843	7,601	-	-
Cash and cash equivalents	30	253,377	345,074	232,800	315,548
		791,336	**975,781**	**773,180**	**958,095**
Total assets		**4,196,991**	**3,188,827**	**4,274,704**	**3,239,635**
Equity and liabilities					
Equity					
Share capital	31.1	420	420	420	420
Share premium	32	166,362	166,362	166,362	166,362
Other reserves	33.1	(12,454)	701	(29,833)	708
Treasury shares	34	(4,869)	(4,869)	(4,869)	(4,869)
Accumulated loss		(607,466)	(208,018)	(488,318)	(127,842)
Equity attributable to the owners of the company		(458,007)	(45,404)	(356,238)	34,779
Non-controlling interest		-	4,560	-	-
		(458,007)	**(40,844)**	**(356,238)**	**34,779**
Liabilities					
Non-current liabilities					
Borrowings	36	636,590	487,817	636,590	487,817
Lease liabilities	20	1,997,744	813,634	1,997,744	813,634
Deferred tax liabilities	43.1	-	1,149	-	-
Provisions	37	43	46	43	46
Share based payment liability	44.1	14,021	16,910	14,021	16,910
Employee benefits*	45	9,440	8,429	9,440	8,429
Other non-current liabilities*	38	8,842	8,267	25	-
		2,666,680	**1,336,252**	**2,657,863**	**1,326,836**

Consolidated and separate statements of financial position as at 31 December 2024

		Group		Company	
	Note(s)	2024 N million	2023 N million	2024 N million	2023 N million
Current liabilities					
Trade and other payables	39	1,191,416	699,520	1,183,736	693,435
Borrowings	36	336,325	689,352	336,325	689,352
Lease liabilities	20	285,680	190,777	285,680	190,777
Contract liabilities	40	117,272	102,796	117,272	102,414
Current tax payable	42	25,012	157,971	24,713	157,669
Provisions	37	25,171	28,216	21,754	27,187
Derivatives	41	1,961	15,912	1,961	15,912
Deposit held for MoMo customers	29.2	3,843	7,601	-	-
Employee benefits*	45	1,638	1,274	1,638	1,274
		1,988,318	**1,893,419**	**1,973,079**	**1,878,020**
Total liabilities		**4,654,998**	**3,229,671**	**4,630,942**	**3,204,856**
Total equity and liabilities		**4,196,991**	**3,188,827**	**4,274,704**	**3,239,635**

The audited consolidated and separate financial statements were approved by the Board of Directors on the 27 February 2025 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.

*2023 numbers have been reclassified, see note 53.

Consolidated and separate statements of changes in equity

	Note(s)	Share capital N million	Share premium N million	Total share capital N million	Treasury shares N million	Other reserves N million	Retained profit/ (accumulated loss) N million	Equity attributable to the owners of the company N million	Non-controlling interest N million	Total equity N million
Group										
Balance at 1 January 2023		**407**	**17,216**	**17,623**	**(4,869)**	**1,664**	**246,679**	**261,097**	**1,445**	**262,542**
Loss for the year		-	-	-	-	-	(133,841)	(133,841)	(3,180)	(137,021)
Other comprehensive loss; net of tax		-	-	-	-	(963)	-	(963)	-	(963)
Total comprehensive loss for the year		**-**	**-**	**-**	**-**	**(963)**	**(133,841)**	**(134,804)**	**(3,180)**	**(137,984)**
Additional share issued	31.1	13	149,146	149,159	-	-	-	149,159	-	149,159
Additional share issued by subsidiary		-	-	-	-	-	-	-	6,300	6,300
Dividends	31.3	-	-	-	-	-	(320,856)	(320,856)	-	(320,856)
Balance at 31 December 2023		**420**	**166,362**	**166,782**	**(4,869)**	**701**	**(208,018)**	**(45,404)**	**4,560**	**(40,844)**
Balance at 1 January 2024		**420**	**166,362**	**166,782**	**(4,869)**	**701**	**(208,018)**	**(45,404)**	**4,560**	**(40,844)**
Loss for the year		-	-	-	-	-	(399,448)	(399,448)	(987)	(400,435)
Other comprehensive loss; net of tax		-	-	-	-	(185)	-	(185)	-	(185)
Total comprehensive loss for the year		**-**	**-**	**-**	**-**	**(185)**	**(399,448)**	**(399,633)**	**(987)**	**(400,620)**
Non-controlling interest acquisition	22.1	-	-	-	-	(12,970)	-	(12,970)	(3,574)	(16,544)
Balance at 31 December 2024		**420**	**166,362**	**166,782**	**(4,869)**	**(12,454)**	**(607,466)**	**(458,007)**	**-**	**(458,007)**
Note(s)						33.1				

Consolidated and separate statements of changes in equity

	Note(s)	Share capital N million	Share premium N million	Total share capital N million	Treasury shares N million	Other reserves N million	Retained profit/ (accumulated loss) N million	Equity attributable to the owners of the company N million	Non-controlling interest N million	Total equity N million
Company										
Balance at 1 January 2023		**407**	**17,216**	**17,623**	**(4,869)**	**1,664**	**297,524**	**311,942**	**-**	**311,942**
Loss for the year		-	-	-	-	-	(104,510)	(104,510)	-	(104,510)
Other comprehensive loss; net of tax		-	-	-	-	(956)	-	(956)	-	(956)
Total comprehensive loss for the year		**-**	**-**	**-**	**-**	**(956)**	**(104,510)**	**(105,466)**	**-**	**(105,466)**
Additional share issued	31.1	13	149,146	149,159	-	-	-	149,159	-	149,159
Dividends	31.3	-	-	-	-	-	(320,856)	(320,856)	-	(320,856)
Balance at 31 December 2023		**420**	**166,362**	**166,782**	**(4,869)**	**708**	**(127,842)**	**34,779**	**-**	**34,779**
Balance at 1 January 2024		**420**	**166,362**	**166,782**	**(4,869)**	**708**	**(127,842)**	**34,779**	**-**	**34,779**
Loss for the year		-	-	-	-	-	(360,476)	(360,476)	-	(360,476)
Other comprehensive loss; net of tax		-	-	-	-	(189)	-	(189)	-	(189)
Total comprehensive loss for the year		**-**	**-**	**-**	**-**	**(189)**	**(360,476)**	**(360,665)**	**-**	**(360,665)**
Common control reserve	22.2	-	-	-	-	(30,352)	-	(30,352)	-	(30,352)
Balance at 31 December 2024		**420**	**166,362**	**166,782**	**(4,869)**	**(29,833)**	**(488,318)**	**(356,238)**	**-**	**(356,238)**
Note(s)		31.1	32		34	33.1				

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

Consolidated and separate statements of cash flows

		Group		Company	
	Note(s)	2024 N million	2023 N million	2024 N million	2023 N million
Cash flows from operating activities					
Cash generated from operations*	47	1,415,470	1,377,161	1,435,565	1,396,297
Finance income received	15	23,304	24,554	19,845	24,522
Finance costs paid	16	(443,253)	(212,965)	(443,253)	(212,965)
Tax paid	42	(126,620)	(184,507)	(126,620)	(184,507)
Net cash generated from operating activities		**868,901**	**1,004,243**	**885,537**	**1,023,347**
Cash flows from investing activities					
Acquisition of property and equipment	19.3	(339,900)	(392,997)	(339,900)	(392,997)
Prepayment of right of-use-assets	20.1.1	(51,850)	(34,501)	(51,850)	(34,501)
Acquisition of intangible assets	21.6	(87,303)	(165,029)	(86,980)	(165,029)
Proceeds from sale of property and equipment	14.1	2,643	1,225	2,643	1,225
Addition to contract acquisition costs	23	(7,246)	(5,029)	(7,246)	(5,029)
Decrease/(increase) in restricted cash	28	292,166	(200,456)	292,166	(200,456)
Purchase of non-current FGN bonds	52.1.3	(2,434)	-	-	-
Sale of non-current FGN bonds	52.1.3	-	4,066	-	4,066
Purchase of bonds, treasury bills and foreign deposits	24	(125,230)	(11,943)	(105,621)	(10,170)
Sale of bonds, treasury bills and foreign deposits	24	99,733	38,683	99,733	38,683
Prepaid road investment tax credit cost*	25.1	(18,978)	(17,291)	(18,978)	(17,291)
Acquisition of non-controlling interest	22.1	-	-	(6,950)	-
Investment in subsidiary	22	-	-	(30,000)	(25,200)
Net cash used in investing activities		**(238,399)**	**(783,272)**	**(252,983)**	**(806,699)**
Cash flows from financing activities					
Proceeds from borrowings	36.1	463,348	635,825	463,348	635,825
Repayments of borrowings	36.1	(988,674)	(501,280)	(988,674)	(501,280)
Dividend paid	31.3	-	(171,697)	-	(171,697)
Repayments on lease liabilities	20.2	(204,564)	(110,103)	(204,564)	(110,103)
Acquisition of non-controlling interest from subsidiary	22.1	(6,950)	-	-	-
Net cash flows used in financing activities		**(736,840)**	**(147,255)**	**(729,890)**	**(147,255)**
Net (decrease)/increase in cash and cash equivalents		**(106,338)**	**73,716**	**(97,336)**	**69,393**
Cash and cash equivalents at the beginning of the year		345,168	349,788	315,589	324,532
Exchange gain/(loss) on cash and cash equivalents	17	14,579	(78,336)	14,579	(78,336)
Cash and cash equivalents at the end of the year	30	**253,409**	**345,168**	**232,832**	**315,589**

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

*2023 numbers have been reclassified, see note 53.

Notes to the audited consolidated and separate financial statements

1 General information

MTN Nigeria Communications Plc (the Company) was incorporated on 8 November 2000 as a private limited liability company. The Company was granted a licence by the Nigerian Communications Commission on 9 February 2001 to undertake the business of building and operating GSM Cellular Network Systems and other related services nationwide in Nigeria. The Company commenced operations on 8 August 2001 (commercial launch date). Currently, the Company holds a Unified Access Service License (UASL) in addition to a 2GHz Spectrum and Digital Terrestrial TV Broadcasting licence, in addition to others shown in note 20.7.

On 18 April 2019, MTN Nigeria Communications Limited re-registered as a public limited company, MTN Nigeria Communications Plc. The Company was listed by introduction on the Premium Board of the Nigerian Stock Exchange on 16 May 2019. The Company's registered office is at 4, Aromire road, off Alfred Rewane Road, Ikoyi Lagos.

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, 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's and Company's forecasts and projections, taking account of reasonable possible changes in trading performance, show that the Group and Company should be able to operate within their current funding levels. The Directors have outlined in their report a series of measures to address the Group's negative reserves that was brought about due to the massive devaluation of the Naira in the financial year. The directors therefore, have a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing the audited consolidated and separate financial statements.

4. Material accounting policies

The material accounting policies applied in the preparation of these audited consolidated and separate financial statements 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 derivatives measured at fair value and 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.

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, Visafone Communications Limited (now liquidated), Yello Digital Financial Services Limited and MoMo Payment Service Bank Limited companies 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 the acquisition of subsidiaries by the Group. The 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, but only to the extent that there is no evidence of impairment. Accounting policies of subsidiaries are consistent with the policies adopted by the Group. In the separate financial statements, investments in subsidiaries are measured 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.

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.

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. 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.

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.

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 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.

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.

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.

4.7 Taxation

Income tax charge is the sum of current and deferred tax. Income taxes are recognised in profit or loss unless they relate to items that are recorded in Other Comprehensive Income (OCI) in which case the tax is recorded in OCI. The Group determines the tax due based on expected amount payable and on an individual tax position basis.

Current income tax

Current tax is the expected tax payable (companies income tax and tertiary education tax) on the taxable income for the year determined in accordance with the provisions of the Companies Income Tax Act and Tertiary Education Tax Act using the tax rate enacted or substantively enacted as at the reporting date.

Minimum tax is which is computed at 0.5% of gross turnover. This is in line with the provisions of Section 33 of Company Income Tax Act (CITA) which imposes a minimum tax where a company has no taxable profits, or the tax payable is less than the minimum tax computed.

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.

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 Other statutory levies

Information Technology Development Levy (ITDL)

Information Technology Development Levy is computed and recognised at one percent of profit before tax in line with National Information Technology Development Act of 2007. The levy is recognised in the profit or loss.

National Agency for Science and Engineering Infrastructure (NASENI) levy

4.8 Other statutory levies (continued)

The Finance Act 2021 imposed the National Agency for Science and Engineering Infrastructure (NASENI) levy of 0.25% of profit before tax on commercial companies and firms with turnovers of N100,000,000 and above in certain sectors, including banking, telecommunications, ICT, aviation, maritime, and oil and gas with effect from effective 1 January 2022. The levy is calculated based on 0.25% of the profit before tax, collectible by the Federal Inland Revenue Service (FIRS) on behalf of NASENI Agency and it is tax deductible. The levy is recognised in the profit or loss.

4.9 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 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.

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.

4.9 Property and equipment (continued)

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.

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.

4.10 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

4.10.1 Group as lessee

4.10.1.1 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.

4.10 Leases (continued)

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.

4.10.1.2 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	Useful life
Base station land	2 - 4 years
Property leases	2 - 10 years
Motor vehicles	4 - 5 years
Network Infrastructure	5 - 12 years

4.10.2 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.

4.10.3 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 or N1.8 million). 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.

4.10.4 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).

4.10 Leases (continued)

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.

4.11 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 unrecognised.

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.

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.

Notes to the audited consolidated and separate financial statements

4.12 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.

4.12.1 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.

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 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 and current investments comprise investment in treasury bills with maturity periods, that are more than three months but less than twelve months.

- 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.

4.12 Financial instruments (continued)

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.

4.12.2 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.

4.12 Financial instruments (continued)

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.

4.12.3 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 specific to the debtors 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.

4.12.4 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.

Notes to the audited consolidated and separate financial statements

4.12 Financial instruments (continued)

4.12.5 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.

4.12.6 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.

4.13 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.

4.16 Treasury shares

Where the Company purchases its shares, the consideration paid is deducted from shareholders' equity as treasury shares until they are cancelled. Where such shares are subsequently reissued or sold, any consideration received is included in shareholders' equity. These treasury shares represent the shares held by Trustee for the new MTN Nigeria Employee share scheme which have not yet been allocated to staff based on the predetermined vesting conditions.

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.

Notes to the audited consolidated and separate financial statements

4.17 Impairment of assets (continued)

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 56.

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.

5 Sustainability disclosure

MTN Nigeria Communications Plc has seen a growing interest from stakeholders regarding the potential impact of climate change on its financial performance, in line with Climate Change Act 2021 and Financial Reporting Council of Nigeria (FRC) road map on IFRS Sustainability Disclosure Standards - IFRS S1 and IFRS S2 Standards. As part of Its accounting practice, MTN Nigeria Plc identifies critical accounting judgments and key sources of estimation uncertainty, including assessing the influence of climate change on both the consolidated and separate financial statements.

Management has designed a formal process for assessing the potential financial implications stemming from climate change-related risks on the company's financial statements. These risks primarily concern the useful lives of all property and equipment items, including retirement obligations for Right of Use assets, the possibility of goodwill impairment, and other long-lived asset impairments. The process also covers the recoverability of deferred tax assets for the Group and Company. The process is consistent with statutory requirements as set out in FRC road map. The Group, exercising significant judgment, has concluded that there are no significant financial impacts of climate-related risks and opportunities on the consolidated and separate financial statements as at 31 December 2024.

However, as the future impacts of climate change are dependent on various environmental, regulatory, and other factors beyond the Company and group's control and not currently known to management, we will continue to review these judgments and process. This is necessary to ensure that we remain up to date with any potential future changes in the financial impacts of climate-related risks and opportunities. It is important to note that this process is tangentially based on the available data and current understanding of climate change-related risks.

Here are the key areas in which MTN Nigeria conducted an impact assessment concerning climate change

S/No	Key areas for impact assessment of climate change	Climate change effect and impact
1	Note 8 - Critical accounting judgements and assumptions	The Group and Company have active impact assessment process to ascertain the potential financial impact of climate change-related risks on financial statements particularly risks bordering on the useful lives of all items of property and equipment including retirement obligations for Right of Use assets, the possibility of impairment of goodwill and other long-lived assets, and the recoverability of deferred tax assets of the group. The assessment process is in tandem with the statutory requirements and Climate Change Act 2021. The Group and Company in exercising its significant judgement, conclude that there are no material financial impacts of climate-related risks and opportunities on the consolidated and separate financial statements as at 31 December 2024. Management will keep these judgements under review because the future impacts of climate change depend on environmental, regulatory and other factors outside of the control of the group which are not known to the management currently.
2	Property and equipment	The Group makes significant investments in network equipment and infrastructure - the base stations and technology required to operate the networks - that form most of the property and equipment. Based on management judgement, there is no material impact of climate related risks on the items of property and equipment.
3	Deferred tax assets	The recovery of deferred tax assets is dependent on forecasts of future profitability and the climate related risks identified by the group in the recovery of those assets. Based on management judgement, there is no material impact of climate related risks on deferred tax assets.
4	Goodwill	In assessing the Goodwill for impairment, impact of climate-related matters was considered in accordance with statutory requirements in respect of climate change Act of Nigeria, resulting in compliance on MTN's part. Based on management judgement, there is no material impact of climate related risks on Goodwill
5	Retirement obligations for right of use assets	The Group's leases include network infrastructure (including tower space and land), retail stores, vehicles, and office equipment. Based on management judgement, there is no material impact of climate related risks on retirement obligations for Right of use assets.

5 Sustainability disclosure (continued)

In conclusion, management has determined that there are no material financial impacts of climate-related risks on the company's financial statements as at 31 December 2024. Nevertheless, the group remain resolute in recognizing the uncertainty of future climate change impacts and will continue to monitor the situation as new environmental, regulatory, and other factors emerge.

6 New standards and interpretations

6.1 Standards and interpretations effective for the first time for 31 December 2024 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:

1. Classification of liabilities as current or non-current and non-current liabilities with covenants - Amendments to IAS 1

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:
a. What is meant by a right to defer settlement
b. That a right to defer must exist at the end of the reporting period
c. That classification is unaffected by the likelihood that an entity will exercise its deferral right
d. That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, a requirement has been introduced whereby an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.
The amendments had no impact on the Group's consolidated and separate financial statements.

2. Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

The amendment to IFRS 16 Leases specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment does not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining 'lease payments' that are different from the general definition of lease payments in Appendix A of IFRS 16. The seller-lessee will need to develop and apply an accounting policy in accordance with IAS 8 that results in information that is relevant and reliable.
The amendments had no impact on the Group's consolidated and separate financial statements.

3. Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements

The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments clarify the characteristics of supplier finance arrangements. In these arrangements, one or more finance providers pay amounts an entity owes to its suppliers. The entity agrees to settle those amounts with the finance providers according to the terms and conditions of the arrangements, either at the same date or at a later date than that on which the finance providers pay the entity's suppliers.
While this amendment did not impact any opening balances, the required disclosures for the supply chain financing arrangement entered into during the year are provided in note 36.

6 New standards and interpretations (continued)

6.2 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 2025 or later periods. The Group is still assessing the impact of these new standards.

1. 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.

2. 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:

- 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 change the extent of information disclosed in the notes to the financial statements to include management defined performance measures. The Group will also change the aggregation and disaggregation of certain expenses in the note to the financial statements. However, the standard is not expected to impact on the measurement of items reported in the financial statements. The Group did not plan to adopt the standard earlier than the effective date.

3. 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.

6 New standards and interpretations (continued)

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.

4. 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 not expected to have an impact on Group reporting.
The amendments are effective for annual reporting periods beginning on or after 1 January 2025. The Group does not plan to adopt these amendments earlier that the effective date.

5. 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.

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.

6 New standards and interpretations (continued)

6. 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.

Notes to the audited consolidated and separate financial statements

7 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
Customer 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 2024 and 31 December 2023 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
31 December 2024				
Segment revenue	2,620,468	631,329	106,661	3,358,458
Direct costs*	(455,523)	(24,010)	(48,654)	(528,187)
Gross margin	**2,164,945**	**607,319**	**58,007**	**2,830,271**
31 December 2023				
Segment revenue	2,083,204	319,798	65,845	2,468,847
Direct costs*	(356,115)	(17,850)	(31,603)	(405,568)
Gross margin	**1,727,089**	**301,948**	**34,242**	**2,063,279**

*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 in discount and commissions.

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.

	2024 N million	2023 N million
Segment gross margin	2,830,271	2,063,279
Unallocated items:		
- Operating expenses	(1,516,872)	(860,750)
- Depreciation & amortisation	(535,155)	(428,869)
- Finance income	28,440	25,815
- Finance expense	(431,648)	(236,927)
- Net foreign exchange loss	(925,361)	(740,434)
Loss before taxation	**(550,325)**	**(177,886)**

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.

8 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.

8.1 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.

8.2 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.

8.3 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 37.

8.4 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 52.1.2.

8.5 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.

8.6 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 9

8 Critical accounting judgements, estimates and assumptions (continued)

8.7 Timing of satisfaction of performance obligations

The Group uses the output method to recognise revenue over a period of time. The output methods 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.

8.8 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 9.

8.9 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 52.1.3.

8.10 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 23.

8.11 Contract liability

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 40.

8.12 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) have been determined based on value-in-use calculations. These calculations 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 21.7 for detailed information on impairment assessment performed on the CGU. There was no impairment charge during the year (2023: nil)

		Group		Company	
		2024	2023	2024	2023
	Notes	N million	N million	N million	N million
9. Revenue					
Revenue from contracts with customers					
Voice		1,101,739	954,994	1,101,739	957,497
Data (a)		1,589,628	1,068,715	1,589,628	1,068,715
SMS (b)		178,781	99,159	178,781	103,832
Interconnect and roaming		200,414	188,205	200,414	188,205
Handset and accessories		12,296	7,955	12,296	7,955
Digital (c)		74,033	40,522	72,589	37,159
Value added services (d)		105,012	82,725	102,911	82,321
Other revenues (e)		96,443	26,265	103,695	26,209
		3,358,346	**2,468,540**	**3,362,053**	**2,471,893**
Revenue other than from contracts with customers					
Rental Income (f)		115	307	1,460	580
		115	**307**	**1,460**	**580**
		3,358,461	**2,468,847**	**3,363,513**	**2,472,473**

(a) Data revenue excludes roaming data, roaming data is reported under interconnect and roaming revenue stream.
(b) SMS revenue excludes inbound roaming SMS. Inbound roaming SMS is reported under interconnect and roaming revenue stream.
(c) Digital revenue includes bulk SMS and USSD services (see note 9.1).
(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 20.2.1).

9.1 USSD service revenue

In 2020, all revenue earned from USSD transactions performed by bank customers and recognized in that year was reversed due to uncertainty around collectability of the relevant amounts, in accordance with IFRS 15. Consequently, management decided to stop the recognition of revenue from these transactions, even though banks continued to use the USSD platform to serve their customers. This situation prompted a change in the basis of accounting for USSD service revenues from the accrual to the cash basis.

On 20 December 2024, the Central Bank of Nigeria (CBN) and the Nigerian Communications Commission (NCC) effectively resolved the longstanding dispute concerning USSD debts. They released a joint circular to Deposit Money Banks (DMBs) and Mobile Network Operators (MNOs), instructing them to remit payments to MNOs as outlined in the document. This agreement clarifies the collectability of the related amount. Therefore, in line with IFRS 15, MTN has recognized the required payment amounts as revenue for the 2024 financial year, allowing management to revert to the accrual basis for recognizing USSD service revenue.

The total USSD service debts directed by CBN/NCC circular for banks to pay MTN is N74 billion. As at 31 December 2024, a payment of N32 billion has been received, while N42 billion is recognised as receivables in the financial statements for the year ended 31 December 2024.

Notes to the consolidated and separate financial statements

		Group		Company	
	Notes(s)	2024 N million	2023 N million	2024 N million	2023 N million

10. Other income

Commission from NIMC		2,369	-	2,369	-

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

11. Direct networking operating costs

Regulatory fees		90,800	65,419	90,800	65,419
Annual Numbering Plan		3,459	3,240	3,454	2,951
BTS leases		969,322	502,746	969,322	502,746
Network Maintenance		168,539	83,798	168,539	83,797
		1,232,120	**655,203**	**1,232,115**	**654,913**

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.

12. Employee costs

Salaries and wages		71,767	42,707	65,856	38,431
Pension - Defined contribution plan		3,919	2,779	3,635	2,601
Share based expense (a)	44.1	8,420	14,606	8,420	14,606
Other staff costs (b)		7,813	4,910	7,301	4,824
		91,919	**65,002**	**85,212**	**60,462**

(a) Share-based expense relates to expenses recognized for employee services received during the year and is made up of NSO provision 2024: nil (2023: N4.2 billion) and a performance share plan (PSP) provision of N8.42 billion (2023: N10.4 billion).
(b) Other staff costs comprises of mortgage subsidy, long service award, termination benefits, reward and recognition, group life insurance, medical expenses, etc.

		Group		Company	
	Notes(s)	2024 N million	2023 N million	2024 N million	2023 N million

12. Employee costs (continued)

12.1 Particulars relating to employees

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

	Group		Company	
	2024	2023	2024	2023
CEO's Office	9	9	9	9
Corporate Services	69	69	69	69
Customer Relations	255	257	255	257
Digital Services	34	30	34	30
Enterprise Solutions	156	136	156	136
Finance	282	274	282	274
Human resources	66	67	66	67
Information Systems	124	112	124	112
Internal Audit & Fraud Management	28	30	28	30
Fixed Broadband	43	29	43	29
Marketing	92	84	92	84
Network Group	312	321	312	321
Risk & Compliance	35	36	35	36
Sales & Distribution	292	275	292	275
Strategy & Innovation Office	12	10	12	10
MoMo PSB	103	85	-	-
	1,912	**1,824**	**1,809**	**1,739**

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:

The table shows the number of employees (excluding directors) whose earnings during the year fell within the ranges shown below:

N3,500,001 - N4,500,000	-	1	-	1
N4,500,001 - N5,500,000	1	1	1	1
N5,500,001 - N6,500,000	1	61	1	61
N6,500,001 - N7,500,000	-	29	-	29
N7,500,001 - N8,500,000	101	86	100	84
N8,500,001 - N9,500,000	13	82	13	82
N9,500,001 - N10,500,000	86	41	81	41
N10,500,001 - N11,500,000	31	239	31	217
N11,500,001 - N12,500,000	70	75	68	75
Over - N12,500,000	1,609	1,209	1,514	1,148
	1,912	**1,824**	**1,809**	**1,739**

		Group		Company	
	Notes(s)	2024 N million	2023 N million	2024 N million	2023 N million

12. Employee costs (continued)

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

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
Directors' emoluments:					
Fees (non-executive directors)		473	298	353	186
Other emoluments (non-executive directors)		1,958	1,176	1,937	1,166
Total non-executive emoluments	14	2,431	1,474	2,290	1,352
Emoluments (executive directors)*		5,100	3,069	4,137	3,069
		7,531	**4,543**	**6,427**	**4,421**

*Emoluments of executive directors are reported in salaries and wages (note 12).

	Group 2024	Group 2023	Company 2024	Company 2023
The directors' remuneration shown above includes:				
Chairman's remuneration	94	58	94	58
Highest paid director	3,143	1,625	3,143	1,625

	Group 2024	Group 2023	Company 2024	Company 2023
The emoluments of all other directors fall within the following ranges:				
Nil	5	7	4	5
N1 - N5,000,000	1	2	-	-
Above N20,000,000	17	18	10	10

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

12.3 Pensions and other post employment benefit plans

The Group has a defined contribution plan (unfunded), 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).

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
Pension - Defined contribution plan	12	3,919	2,779	3,635	2,601
Long service award	45.1	1,765	1,350	1,765	1,350
Retirement benefits	45.1	1,164	3,059	1,164	3,059
		6,848	**7,188**	**6,564**	**7,010**

Notes to the consolidated and separate financial statements

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
13. Impairment of financial assets					
Credit loss expense on trade receivables	27.1	6,839	998	6,839	998
Credit loss expense on other receivables	27.2	-	-	-	9,496
Credit loss expense on related party receivables	46.3	-	-	25	-
Reversal of credit loss expense on other non-current investments	24.2	(2)	(113)	(2)	(113)
(Reversal of)/increase in credit loss expense on current investments at amortised cost	24.2	(13)	91	(29)	55
Reversal of credit loss expense on cash and cash equivalents	30.1	(62)	(194)	(9)	(247)
Reversal of credit loss expense on current investments at FVOCI	33.3	(10)	(26)	-	-
		6,752	**756**	**6,824**	**10,189**

14. Other operating expenses

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
Audit fees (a)		709	532	631	486
Directors' emoluments	12.2	2,431	1,474	2,290	1,352
Professional fees (b)		58,599	35,320	56,894	34,876
(Reversal of)/ provision for litigation costs	37	(7,361)	4,305	(7,361)	4,305
(Reversal of)/impairment of property and equipment	19	(1,148)	2,439	(1,148)	2,439
Impairment of intangible assets	21	31	-	31	-
(Reversal of)/inventory write-down	26.1	(4,226)	1,053	(4,226)	1,053
Write-off on property and equipment	19	-	1,782	-	1,782
Profit on disposal of property and equipment	14.1	(2,193)	(752)	(2,193)	(752)
Maintenance - software		100,445	24,322	100,445	24,322
Maintenance - others including equipment and infrastructure		29,491	15,009	29,479	14,992
Security costs		2,650	2,057	2,650	2,057
Rent, rates, utilities and other office running cost		4,728	3,257	4,638	3,240
Trainings, travels and entertainment cost		9,315	7,856	8,969	7,638
Insurance costs		5,650	4,360	5,585	4,341
(Reversal of)/charge on VAT assessment (d)		(4,414)	30,281	(4,414)	30,281
Variable lease payments		208	267	208	267
Other expenses (e)		5,319	5,566	2,904	4,599
		200,234	**139,128**	**195,382**	**137,278**

(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 ended 31 December 2024. The independent auditor's report was signed by Funmi Ogunlowo, a partner in the firm, with Financial Reporting Council (FRC) membership number FRC/2013/PRO/ICAN/004/00000000681.
(b) Professional fees includes fees paid to management consultants, tax advisory, business consultants etc.
(c) This credit loss incurred from unauthorised transfers caused by a system glitch in MoMo PSB. N9.64 billion of the cost was transferred from MoMo PSB to MTN Nigeria in 2023 based on the contractual terms of the Service Level Agreement between the two companies.
(d) The current year reversal of N4.4 billion is on the excess provision of the VAT assessment cost made in the prior year. The prior year charge of N30.3 billion relates 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
(e) Other expenses includes bank charges, subscriptions, office refreshments, security costs, etc.

		Group		Company	
	Notes(s)	2024 N million	2023 N million	2024 N million	2023 N million

14. Other operating expenses (continued)

14.1 Profit on disposal of property and equipment

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
Cost	19	130,545	99,192	130,545	99,192
Accumulated depreciation	19	(130,095)	(98,719)	(130,095)	(98,719)
Net book value		450	473	450	473
Sales proceeds		(2,643)	(1,225)	(2,643)	(1,225)
Profit on disposal	**14**	**(2,193)**	**(752)**	**(2,193)**	**(752)**

14.2 Other 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.

Name of signer	FRC Number	Service provider	Service rendered	2024 Amount (N)	2023 Amount (N)
Funmi Ogunlowo	FRC/2013/PRO/ICAN/ 004/00000000681	Ernst & Young	Agreed upon procedures on bonus calculations	4,837,500	5,321,250
Funmi Ogunlowo	FRC/2013/PRO/ICAN/ 004/00000000681	Ernst & Young	Review of payroll	2,356,723	2,592,395
Funmi Ogunlowo	FRC/2013/PRO/ICAN/ 004/00000000681	Ernst & Young	Attestation of ICFR report	45,150,000	35,000,000
			Total	**52,344,223**	**42,913,645**

The fees listed in the table above are VAT inclusive.

15. Finance income

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
Interest income on bank deposits*		10,051	6,784	8,604	6,627
Interest income on investments*		8,437	17,710	6,424	16,805
Interest income - RITC uplift	25.2	3,618	-	3,618	-
Net gain on investments at fair value		1,519	1,321	1,537	1,321
Interconnet interest income (a)		4,815	-	4,815	-
Total finance income		**28,440**	**25,815**	**24,998**	**24,753**

*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:

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
Interest income on bank deposits		11,802	6,784	10,037	6,627
Interest income on investments		6,687	17,770	4,992	17,895
Interconnect interest income		4,815	-	4,815	-
		23,304	**24,554**	**19,844**	**24,522**

Notes to the consolidated and separate financial statements

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
16. Finance costs					
Interest expense - borrowings*	36.1	172,073	125,540	172,073	125,540
Interest expense - leases*	20.2	250,869	102,511	250,869	102,511
Loss on FVTPL liabilities (a)		4,404	6,322	4,422	6,322
Other finance charges (b)		4,302	2,554	3,063	2,231
Total finance costs		**431,648**	**236,927**	**430,427**	**236,604**

*Finance costs calculated using effective interest rate method.
(a) Fair valuation of derivative liability.
(b) 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:

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
Interest expense - borrowings	36.1	187,632	110,454	187,632	110,454
Interest expense - leases	20.2	250,874	102,511	250,874	102,511
Other finance charges		4,747	-	4,747	-
		443,253	**212,965**	**443,253**	**212,965**

17. Net foreign exchange loss

The aggregate net foreign exchange gains/losses recognised on the profit or loss were:

	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
Foreign exchange gain	106,917	93,848	106,405	93,839
Foreign exchange losses	(1,032,278)	(834,282)	(1,031,308)	(834,197)
	(925,361)	**(740,434)**	**(924,903)**	**(740,358)**
Analysis of exchange differences				
Net exchange loss on borrowings	(336,631)	(242,497)	(336,631)	(242,497)
Net exchange loss on lease liabilities	(446,954)	(367,356)	(446,954)	(367,356)
Net exchange loss on trade and other payables	(160,045)	(75,151)	(159,587)	(75,068)
Net exchange loss on provisions	(15)	-	(15)	-
Net exchange (loss)/gain on trade and other receivables	(22,626)	13,268	(22,626)	13,261
Net exchange gain/(loss) on derivatives	3,273	(7,869)	3,273	(7,869)
Net exchange gain on current investments	18,278	10,175	18,278	10,175
Net exchange gain on restricted cash	4,780	7,332	4,780	7,332
Net exchange gain/(loss) on cash and cash equivalents	14,579	(78,336)	14,579	(78,336)
	(925,361)	**(740,434)**	**(924,903)**	**(740,358)**

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 assets and liabilities denominated in a currency that is not the functional currency of the Group entity.
There was an increase in the foreign exchange (forex) gains and losses due to the increase in the US Dollar exchange rate from N907.11/$ as at 31 December 2023 to N1,535/$ as at 31 December 2024. The Group has also assessed its sensitivity to the currency risk, see note 52.3.2.

Included in the exchange differences are net realised exchange loss of N560.37 billion (December 2023: N104.45 billion) for Group and N559.74 billion (December 2023: N104.45 billion) for Company.

		Group		Company	
	Notes(s)	2024 N million	2023 N million	2024 N million	2023 N million

18. Taxation

Analysis of tax expense/(credits) for the year

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
Current					
Company income tax	42	-	129,459	-	129,458
Prior year tax under provision of company income tax	42	-	2,547	-	2,547
Education tax	42	3,568	23,476	3,568	23,476
Minimum tax	42	17,497	29	17,472	-
Net current tax charge		**21,065**	**155,511**	**21,040**	**155,481**
Deferred					
Deferred tax credit		(180,576)	(200,686)	(180,576)	(194,195)
Prior year tax under provision of deferred tax		(964)	(1,018)	(964)	(1,018)
Derecognition of prior year deferred tax credit*		10,585	5,328	-	-
Net deferred tax credit	**43.3**	**(170,955)**	**(196,376)**	**(181,540)**	**(195,213)**
Tax credit for the year		**(149,890)**	**(40,865)**	**(160,500)**	**(39,732)**

* The derecognition of deferred tax assets from inception to date for MoMo PSB in 2024 and YDFS in 2023, in line with the provisions of IAS 12 (Income Taxes)

Tax rate reconciliation

The table below explains the differences between the expected tax expense on continuing operations, at the Nigerian statutory tax rate of 30% (2023: 30%) and the Company's total tax expense for each year.

	Group 2024	Group 2023	Company 2024	Company 2023
Loss before tax	(550,325)	(177,886)	(520,976)	(144,242)
Taxation	(149,890)	(40,865)	(160,500)	(39,732)
Actual tax rate	27.24 %	22.97 %	30.81 %	27.55 %
Applicable tax rate	30.00 %	30.00 %	30.00 %	30.00 %
Exempt income (a)	0.23 %	0.05 %	0.26 %	0.06 %
Prior year tax over provision of company income tax	(1.53)%	(1.43)%	- %	(1.77)%
Prior year tax under provision of deferred tax credit (b)	0.12 %	0.58 %	0.18 %	0.71 %
Derecognition of prior year deferred tax credit (c)	(1.92)%	(3.00)%	- %	- %
Expenses not allowed (b)	0.12 %	(3.13)%	0.14 %	(1.36)%
Investment allowance	- %	2.05 %	- %	2.54 %
Education tax (d)	1.25 %	(2.13)%	1.31 %	(2.63)%
Minimum tax (e)	(1.03)%	(0.02)%	(1.08)%	- %
	27.24 %	**22.97 %**	**30.81 %**	**27.55 %**

The tax charge and effective tax rate for the period has majorly been impacted by:
(a) Exempt income represents income from FGN bonds not taxable.
(b) The prior year under provision of deferred taxes arising from the filing of MTN and its subsidiaries tax returns for 2024 year of assessment.
(c) The derecognition of deferred tax assets of MoMo and YDFS.
(d) The charge of education tax which is computed at 3% of assessable profit for the period.
(e) Minimum tax is which is computed at 0.5% of gross turnover. This is in line with the provisions of Section 33 of Company Income Tax Act (CITA) which imposes a minimum tax where a company has no taxable profits, or the tax payable is less than the minimum tax computed. In the current period, MTNN's taxable profit is lower than the minimum tax payable.
Minimum tax relates to MTN Nigeria and Yello Digital Financial Services Limited. MoMo PSB is exempt as it is still within its four (4) years of operations.

Notes to the consolidated and separate financial statements

19. 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
Cost								
At 1 January 2023	26,692	32,489	70,947	9,958	1,286,088	24,432	138,678	1,589,284
Additions	973	1,208	18,015	2,536	321,899	1,325	57,027	402,983
Disposal	-	-	(2,773)	(475)	(95,940)	(4)	-	(99,192)
Write-off	-	-	-	-	-	-	(1,782)	(1,782)
At 31 December 2023	**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
Reclassification	197	4,351	5,655	5,924	380,407	2,146	(398,680)	-
Disposals	-	-	(3,489)	(456)	(126,600)	-	-	(130,545)
Other movement	-	-	-	-	-	-	(5,470)	(5,470)
At 31 December 2024	**27,862**	**38,048**	**88,467**	**17,889**	**1,773,223**	**27,899**	**199,603**	**2,172,991**
Depreciation and impairment								
At 1 January 2023	-	(21,417)	(38,697)	(4,317)	(585,381)	(11,110)	-	(660,922)
Charge for the year	-	(741)	(17,446)	(1,644)	(210,054)	(1,655)	-	(231,540)
Disposal	-	-	2,717	174	95,826	2	-	98,719
Impairment	-	-	-	-	(2,439)	-	-	(2,439)
At 31 December 2023	**-**	**(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
At 31 December 2024	**-**	**(23,438)**	**(63,588)**	**(7,887)**	**(815,376)**	**(14,398)**	**-**	**(924,687)**
Carrying amount								
At 31 December 2023	**27,665**	**11,539**	**32,763**	**6,232**	**809,999**	**12,990**	**193,923**	**1,095,111**
At 31 December 2024	**27,862**	**14,610**	**24,879**	**10,002**	**957,847**	**13,501**	**199,603**	**1,248,304**

Notes to the consolidated and separate financial statements

19. 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
Cost								
At 1 January 2023	26,692	32,489	70,947	9,958	1,286,088	24,432	138,678	1,589,284
Additions	973	1,208	18,015	2,536	321,899	1,325	57,027	402,983
Disposal	-	-	(2,773)	(475)	(95,940)	(4)	-	(99,192)
Write-off	-	-	-	-	-	-	(1,782)	(1,782)
At 31 December 2023	**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)
At 31 December 2024	**27,862**	**38,048**	**88,467**	**17,694**	**1,773,223**	**27,899**	**199,603**	**2,172,796**
Depreciation and impairment								
At 1 January 2023	-	(21,417)	(38,697)	(4,317)	(585,381)	(11,110)	-	(660,922)
Charge for the year	-	(741)	(17,446)	(1,644)	(210,054)	(1,655)	-	(231,540)
Disposal	-	-	2,717	174	95,826	2	-	98,719
Impairment	-	-	-	-	(2,439)	-	-	(2,439)
At 31 December 2023	**-**	**(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
At 31 December 2024	**-**	**(23,438)**	**(63,588)**	**(7,692)**	**(815,376)**	**(14,398)**	**-**	**(924,492)**
Carrying amount								
At 31 December 2023	**27,665**	**11,539**	**32,763**	**6,232**	**809,999**	**12,990**	**193,923**	**1,095,111**
At 31 December 2024	**27,862**	**14,610**	**24,879**	**10,002**	**957,847**	**13,501**	**199,603**	**1,248,304**

19. Property and equipment (continued)

19.1 Capital work-in-progress

This represents costs incurred on assets still under construction as at the reporting date.

19.2 Reclassification

Reclassification relates to assets moved from capital work in progress to other categories of property and equipment. Total reclassification for the year was N398.68 billion (2023: nil).

19.3 Cash movements

The total cash outflow for property and equipment for the year was N339.9 billion (2023: N393.0 billion).

19.4 Impairment losses recognised in the year

Impairment relates to loss recognized due to obsolescence and damaged network infrastructure. During the year, there was a reversal of the impairment charge on the network infrastructure amounting to N1.15 billion (2023: impairment charge of N2.44 billion). The reversal of the impairment charge on network infrastructure reflects the improved performance, functionality, or market potential of the network infrastructure, resulting in a more favourable assessment of its recoverable amount.

19.5 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.

19.6 Write off

The write-off is an adjustment relating to technical inventory balances that were not adequately represented by physical assets.

19.7 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.

19.8 Capitalised borrowing costs

No borrowing costs were capitalised during the year (2023: Nil).

20. Leases

20.1 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
Cost					
Balance as at 1 January 2023	742,885	9,761	8,128	9,384	770,158
Additions	117,809	1,382	2,452	-	121,643
Balance as at 31 December 2023	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**
Depreciation					
Balance as at 1 January 2023	(280,247)	(5,207)	(5,035)	(4,190)	(294,679)
Depreciation	(113,294)	(1,768)	(1,362)	(1,872)	(118,296)
Balance as at 1 January 2024	(393,541)	(6,975)	(6,397)	(6,062)	(412,975)
Depreciation	(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)**
Carrying amount					
At 31 December 2023	467,153	4,168	4,183	3,322	478,826
At 31 December 2024	**1,371,612**	**5,235**	**4,270**	**1,463**	**1,382,580**

*Modification relates to the financial impact of the change in the terms of the renegotiated IHS BTS lease contract.
During the year, MTN 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.

The revised terms substantially reduce the US dollar-indexed portion of the overall lease arrangement, making the leases majority Naira-based, as well as set a cap of 20% for the Naira CPI escalation component.
As a result of the lease extension and renewals, additional lease liabilities and right-of-use (ROU) assets amounting to N901.33 billion have been recognized, bringing the total value as at 31 December 2024 of lease liability to N2.28 trillion and the ROU asset to N1.40 trillion.

20.1.1 Right of use cash movement

Total cash outflow for prepaid right-of-use assets in 2024 is N51.85 billion (2023: N34.50 billion).

20. Leases (continued)

20.2 Lease liabilities

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
The maturity analysis of lease liabilities is as follows:					
- within one year (included in current liabilities)		285,680	190,777	285,680	190,777
- after one year to two years		196,138	196,645	196,138	196,645
- after two years to five years		787,677	437,667	787,677	437,667
- later than five years		1,013,929	179,322	1,013,929	179,322
Amounts included in non-current liabilities		1,997,744	813,634	1,997,744	813,634
Total lease liabilities		**2,283,424**	**1,004,411**	**2,283,424**	**1,004,411**
Movement schedule					
As at 1 January		1,004,411	660,016	1,004,411	660,016
Additions		135,294	87,142	135,294	87,142
Modification	20.1	901,334	-	901,334	-
Interest expense	16	250,869	102,511	250,869	102,511
Exchange loss	17	446,954	367,356	446,954	367,356
Payments - principal portion		(204,564)	(110,103)	(204,564)	(110,103)
Payments - interest portion		(250,874)	(102,511)	(250,874)	(102,511)
		2,283,424	**1,004,411**	**2,283,424**	**1,004,411**

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 other 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 52.2.

	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
The following are the amounts recognised in profit or loss:				
Interest expense on lease liabilities	250,869	102,511	250,869	102,511
Depreciation expense of right of use assets	184,723	118,296	184,723	118,296
Net foreign exchange loss	446,954	367,356	446,954	367,356
Operating expenses relating to short-term leases	304	319	220	304
	882,850	**588,482**	**882,766**	**588,467**

20.2.1 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.

20. Leases (continued)

20.3 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). 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 N3.94 trillion (31 December 2023 N1.54 trillion).

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.

21. Intangible assets

Group

	Goodwill	Licenses	Computer software	Capital work-in-progress	Total
	N million	N million	N million	N million	N million
Cost					
At 1 January 2023	10,016	331,814	136,208	18,642	496,680
Additions	-	123,590	7,128	60,315	191,033
Reclassification	-	19,320	33,278	(52,598)	-
Reallocation	-	47,820	(47,820)	-	-
Disposal	-	-	(18,990)	-	(18,990)
At 31 December 2023	**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
At 31 December 2024	**10,016**	**549,713**	**132,466**	**1**	**692,196**
Depreciation and impairment					
At 1 January 2023	-	(82,280)	(78,801)	-	(161,081)
Charge for the year	-	(44,185)	(34,848)	-	(79,033)
Reallocation	-	(36,917)	36,917	-	-
Disposal	-	-	18,990	-	18,990
At 31 December 2023	**-**	**(163,382)**	**(57,742)**	**-**	**(221,124)**
Charge for the year	-	(48,238)	(42,446)	-	(90,684)
Disposals	-	-	29,469	-	29,469
Impairment	-	-	(31)	-	(31)
Other movement	-	(1,043)	-	-	(1,043)
At 31 December 2024	**-**	**(212,663)**	**(70,750)**	**-**	**(283,413)**
Carrying amount					
At 31 December 2023	**10,016**	**359,162**	**52,062**	**26,359**	**447,599**
At 31 December 2024	**10,016**	**337,050**	**61,716**	**1**	**408,783**

Notes to the consolidated and separate financial statements

21. Intangible assets (continued)

Company

	Goodwill	Licenses	Computer software	Capital work-in-progress	Total
	N million	N million	N million	N million	N million
Cost					
At 1 January 2023	-	331,814	88,388	18,642	438,844
Additions	-	123,590	-	60,315	183,905
Reclassification	-	19,320	33,278	(52,598)	-
Disposal	-	-	(18,990)	-	(18,990)
At 31 December 2023	**-**	**474,724**	**102,676**	**26,359**	**603,759**
Additions	-	-	-	52,283	52,283
Reclassification	-	26,836	51,805	(78,641)	-
Disposal	-	-	(29,469)	-	(29,469)
Absorption of Visafone (note 22.1)	10,016	48,153	-	-	58,169
At 31 December 2024	**10,016**	**549,713**	**125,012**	**1**	**684,742**
Depreciation and impairment					
At 1 January 2023	-	(82,280)	(41,880)	-	(124,160)
Charge for the year	-	(38,867)	(33,422)	-	(72,289)
Disposals	-	-	18,990	-	18,990
At 31 December 2023	**-**	**(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)
At 31 December 2024	**-**	**(212,663)**	**(67,867)**	**-**	**(280,530)**
Carrying amount					
At 31 December 2023	**-**	**353,577**	**46,364**	**26,359**	**426,300**
At 31 December 2024	**10,016**	**337,050**	**57,145**	**1**	**404,212**

21. Intangible assets (continued)

21.1 Licences and software

The licences and software are not internally generated intangible assets and have a definite useful life.

21.2 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 N78.64 billion (2023: N52.60 billion).

21.3 Reallocation

Reallocation relates to the reclassification of the Visafone licence from software category to licence category.

21.4 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.

21.5 Goodwill

Goodwill relates to the acquisition of Visafone Communications Limited (now absorbed) by the company.

21.6 Cash movements

For the purpose of cash flows, total cashflows for intangibles assets for Group was N87.30 billion (2023: N165.03 billion); for Company N86.98 billion (2023: N165.03 billion)

21. Intangible assets (continued)

21.7 Goodwill impairment assessment

The goodwill assessed for impairment as at 31 December 2024 relates to Visafone Telecommunications Ltd, now liquidated and absorbed into of MTN Nigeria (See note 22.2).

The goodwill is monitored on the business operating level of MTN Nigeria (2023: Visafone Telecommunications Ltd) and reviewed annually for impairment, or more frequently when there are indications that impairment may have occurred. The test involves comparing the carrying value of goodwill with their recoverable amount, which is the present value of the pre-tax cashflows, discounted at a rate of interest that reflects the inherent risks of the cash-generating unit to which the goodwill relates or the cash generating unit (CGU) fair value if this is higher.

The recoverable amount of the CGU has been based on the value-in-use calculations. The calculations mainly used cash flow projections based on financial budgets approved by management covering a three-year period. Management is confident that the projections are appropriate based on the Group's operating model.

From the assessment carried out, the carrying amount of the CGU is lower than the recoverable amount, hence no impairment was recorded in the financial statements. for the year ending 31 December 2024 (31 December 2023: Nil).

The goodwill assessed for impairment as of 31 December 2024 relates to Visafone Telecommunications Ltd, which has been fully liquidated and absorbed into MTN Nigeria. In accordance with IAS 36, IFRS Accounting Standards require that goodwill be tested for impairment.

The key assumptions

The following key assumptions were used for the value in use calculation

	2024	2023
Revenue growth (3 years simple average)	29.2%	26.6%
Opex % revenue	41.0%	49.8%
Capex % revenue	12.4%	16.9%
Discount rate	28.2%	30.8%

Management determined the values assigned to each of the above key assumptions as follows:

Assumptions	Approach used to determine values
Revenue	The budget is built adopting assumptions that align with the strategic objectives of the business within the period the budget covers.
Operating expenditure	Budget adopts core costs required to support revenue generation plans, strategic expansions inconsideration, and savings initiatives identified by the business.
Annual capital expenditure	These are projected capital expenditure costs in the CGU that has been derived as a percentage of revenue based on the historical experience of management.
Discount rate	The discount rate used is the MTN Nigeria's pre-tax Weighted Average Cost of Capital (WACC) which is derived using a Capital Asset Pricing Model (CAPM). This rate reflects both time value of money and other specific risks relating to relevant CGU.

21. Intangible assets (continued)

The impairment assessment

Management has performed appropriate assessment and made relevant assumptions including necessary analysis. There is no indication that the carrying amount of the respective CGUs is lower than the recoverable amounts (i.e. value in use).

	2024 N million	2023 N million
Present value of net future cashflows (three year period)	4,039,145	2,024,393
Present value of terminal value*	5,631,193	13,674,166
Recoverable amount (VIU)	9,670,338	15,698,559
CGU carry value as at 31 December 2024	3,508,997	2,196,345
Being excess of recoverable amount over CGU carry amount	6,161,341	13,502,214

*Cash flow projections for periods beyond the most recent budgets/forecasts are determined by extrapolation using a steady or declining growth rate, unless an increasing growth rate can be justified. The resulting figure is called the terminal value. In calculating the terminal value, preceding year pre-tax cash flow was adjusted for changes in working capital using the terminal period value (being the lowest of the projections) to reflect present value of free cash flow in the preceding year growing at a constant rate.

Goodwill sensitivity analysis

The sensitivity analysis been performed is based on change in the discount rate, variations to cash flows arising from revenue, operating expenditure (as seen below) considered possible by management.

Sensitivity analysis	% Change	Recoverable amount (VIU) N million	Excess of recoverable amount over CGU carrying amount N million
Discount rate	5%	9,126,591	5,947,167
	-5%	10,275,559	7,096,135
Revenue growth	5%	10,192,449	7,013,025
	-5%	9,082,646	5,903,222

Notes to the consolidated and separate financial statements

21. Intangible assets (continued)

21.8 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/ N58.7 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	N114.6 million/ N374.6 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	N33.2 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	10	Renewable after the expiration of 31 December 2030	NGN	N61.64 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 2024.	NGN	N48.1 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	N18.9 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.

21. 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

*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.

22. Investments in subsidiaries

The following table lists the entities which are controlled by the Group.

Name of company	% holding 2024	% holding 2023	Carrying amount 2024 N million	Carrying amount 2023 N million
Visafone Communications Limited (now liquidated)	- %	100 %	-	43,778
XS Broadband Limited	100 %	100 %	500	500
Yello Digital Financial Services Limited	100 %	100 %	15,000	15,000
MoMo Payment Service Bank Limited	100 %	80 %	87,950	41,600
			103,450	100,878
Impairment of investment in subsidiary (XS Broadband)			(500)	(500)
			102,950	100,378

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.

During the year, the investment in MoMo Payment Service Limited increased by N46.35 billion (2023: N25.2 billion), of which N16.35 billion relates to the acquisition of the non-controlling interest (see note 22.1) and N30 billion is a cash injection made in the fourth quarter of the financial year.

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.

22.1 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.

This acquisition has been recorded as an equity transaction, resulting in an adjustment of N12.97 billion to the Group's retained earnings. 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 International Financial Reporting Standards (IFRS) 10.

	N million
Purchase consideration paid*	16,350
Less: NCI net assets acquired	(3,574)
Less: 20% of post audit CBN provisions	194
Adjustment to Group's other reserves	12,970

*The purchase consideration includes N6.95 billion paid to the minority interest holders and an additional investment of N9.4 billion initially recognized as a receivable.

22. Investments in subsidiaries (continued)

22.2 Absorption and liquidation of Visafone Communications Limited

During the 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)	21	48,153
Intangible assets - Spectrum licence (accumulated depreciation)	21	(43,278)
Goodwill	21	10,016
Non-current prepayment		2
		14,893
Current assets		
Trade and other receivables		446
Cash and cash equivalents		91
		537
Total assets		15,430
Current liability		
Trade and other payables		844
Contract liabilities	40	61
Current tax payable	42	31
Deferred tax liability	43	1,068
		2,004
Net assets absorbed by MTN Nigeria		13,426
Impact of Visafone Absorption on MTN Nigeria		
Investment in Visafone		43,778
Less net assets absorbed		(13,426)
Total loss recognised in common control reserve	33	30,352

Following the absorption by MTN Nigeria, Visafone is now fully liquidated. The liquidation process was completed during the year, and all remaining assets and liabilities of Visafone have been transferred. The Group's financial statements accurately reflect the economic substance of the restructuring and prevent any double counting of previously recognised expenses.

Notes to the consolidated and separate financial statements

		Group		Company	
	Notes(s)	2024 N million	2023 N million	2024 N million	2023 N million

23. Contract acquisition costs

Opening balance	7,136	6,602	7,136	6,602
Additions	7,246	5,029	7,246	5,029
Amortised and expensed in the year	(5,038)	(4,495)	(5,038)	(4,495)
Closing balance	**9,344**	**7,136**	**9,344**	**7,136**

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 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.

24. Investments

Other non-current investments					
Treasury bonds at amortised cost		9,154	6,720	6,661	6,720
Allowance for expected credit losses	24.2	(86)	(88)	(86)	(88)
		9,068	**6,632**	**6,575**	**6,632**
Current investments					
US Dollar deposits at amortised cost		23,824	-	23,824	-
Treasury bills at amortised cost		11,806	4,132	1,489	990
Allowance for expected credit losses	24.2	(90)	(103)	(38)	(67)
Net current investments at amortised cost		35,540	4,029	25,275	923
Treasury bills and bonds at FVTPL		1,584	205	1,584	205
Treasury bills and bonds at FVOCI		15,285	3,022	1,337	1,491
		52,409	**7,256**	**28,196**	**2,619**

For cash flow purposes of current investments:
Group: Total purchases was N125.23 billion (2023: N11.94 billion); total sales is N99.73 billion (2023: N38.68 billion).
Company: Total purchases was N105.62 billion (2023: N10.17 billion); total sales was N99.73 billion (2023: N38.68 billion).

24.1 Investments measured at fair value through other comprehensive income (FVOCI)

As at 1 January	3,022	13,532	1,491	11,267
Purchases	20,197	9,627	-	9,627
Sales	(9,088)	(20,699)	-	(19,895)
Interest accrued	1,600	1,774	183	1,723
Net loss from changes in fair value	(140)	(1,212)	(154)	(1,231)
Interest received	(306)	-	(183)	-
	15,285	**3,022**	**1,337**	**1,491**

24. Investments (continued)

24.2 Reconciliation for allowance of expected credit losses

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
Other non-current investments					
As at 1 January		(88)	(201)	(88)	(201)
Reversal of credit expense	13	2	113	2	113
As at 31 December	**24**	**(86)**	**(88)**	**(86)**	**(88)**
Current investments					
As at 1 January		(103)	(12)	(67)	(12)
Reversal of/(increase in) credit loss expense	13	13	(91)	29	(55)
As at 31 December	**24**	**(90)**	**(103)**	**(38)**	**(67)**

25. Non-current prepayment

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
Prepayment for road infrastructure tax credit	25.1	18,820	17,421	18,820	17,421
Other non-current prepayments (1)		7,407	8,959	7,407	8,959
		26,227	**26,380**	**26,227**	**26,380**

(1) This includes the non-current portion of the prepaid Indefeasible right of use (IRU) asset access to the West African Cable System (WACS).

25.1 Prepayment for road infrastructure tax credit

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
Opening balance		17,421	130	17,421	130
Additions		18,978	17,291	18,978	17,291
Tax credit utilised to offset current tax payable	25.2	(17,579)	-	(17,579)	-
Closing balance	**25**	**18,820**	**17,421**	**18,820**	**17,421**

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.

25.2 Road infrastructure tax credit applied to tax payable

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
Tax credit utilised to offset current tax payable	25.1	17,579	-	17,579	-
Interest income - RITC uplift	15	3,618	-	3,618	-
Total road infrastructure tax credit		21,197	-	21,197	-
Road investment tax credit utilised	42	(21,197)	-	(21,197)	-
Un-utilised road investment tax credit as at year end		**-**	**-**	**-**	**-**

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.

Notes to the consolidated and separate financial statements

26. Inventories

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
Handsets and accessories		5,893	5,960	5,317	5,960
Starter packs		2,462	5,677	2,462	5,677
Gross handsets and accessories, and starter packs		8,355	11,637	7,779	11,637
Inventories (write-downs)	26.1	(1,384)	(5,610)	(1,384)	(5,610)
		6,971	**6,027**	**6,395**	**6,027**

During the year, N48.63 billion (2023: N30.30 billion) was recognised as an expense for inventories as cost of starter packs, handsets and accessories reported on the profit or loss statement.

26.1 Reconciliation of inventory write-down

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
Opening balance		(5,610)	(4,557)	(5,610)	(4,557)
Decrease/(increase) in inventory write-down	14	4,226	(1,053)	4,226	(1,053)
Opening balance	**26**	**(1,384)**	**(5,610)**	**(1,384)**	**(5,610)**

During the year, there was a reversal of inventory write-down of N4.23 billion (2023: write-down of N1.05 billion) for starter packs, 4G and 5G devices carried at net realisable value. The reversal resulted from the improved market conditions and higher-than-expected sales of the previously written-down inventory items. The reversal is recognized in other operating expenses in the statement of profit or loss.

27. Trade and other receivables

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
Financial instruments:					
Trade receivables		132,265	73,609	132,265	73,338
Trade receivables - related parties	46.6	77,494	28,724	127,185	65,010
Allowance for expected credit losses	27.1	(21,071)	(14,650)	(21,071)	(14,232)
Net trade receivables at amortised cost		188,688	87,683	238,379	124,116
Other receivables (a)	27.2	55,201	30,634	53,352	26,680
		243,889	118,317	291,731	150,796
Non-financial instruments:					
Sundry receivables and advances (b)		693	580	553	545
Other non-financial receivables (c)		69,667	80,211	53,618	72,324
Prepayments (d)		53,464	16,306	53,064	16,027
		123,824	97,097	107,235	88,896
Total trade and other receivables		**367,713**	**215,414**	**398,966**	**239,692**

(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) Prepayments prepaid operational costs, short term software licenses and insurance.

The Group's exposure to currency risk and credit risk and impairment losses related to trade and other receivables are disclosed in note 52.3.2 and 52.1.2 respectively.
The carrying value of trade and other receivables materially approximates the fair value because of the short period to maturity.

		Group		Company	
	Notes(s)	2024 N million	2023 N million	2024 N million	2023 N million

27. Trade and other receivables (continued)

27.1 Reconciliation of allowance for expected credit losses

The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade receivables:

	Notes(s)	Group 2024	Group 2023	Company 2024	Company 2023
As at 1 January		(14,650)	(13,652)	(14,232)	(13,234)
Increase in loss allowance recognised in profit or loss	13	(6,839)	(998)	(6,839)	(998)
Reversal of loss allowance of Visafone receivables		418	-	-	-
As at 31 December	**27**	**(21,071)**	**(14,650)**	**(21,071)**	**(14,232)**

The impairment charge of N6.84 billion (2023: N1.00 billion) for Group and Company was recognised in the other operating expenses, note 14. 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 52.1.2.

27.2 Other receivables

	Group 2024	Group 2023	Company 2024	Company 2023
Uninvoiced expenses covered for related parties and subsidiaries and other receivable balances	55,201	30,634	53,352	26,680
Unauthorised transferred receivables	-	-	9,496	9,496
Credit loss on other receivables	-	-	(9,496)	(9,496)
	55,201	**30,634**	**53,352**	**26,680**

Other receivables is made up of advanced payments and the amount expected from unauthorized cash transfers that occurred due to a system technical glitch in MoMo PSB in 2022. N22 billion was wrongly transferred out of which N12.5 billion has been recovered with a balance of N9.5 billion yet to be recovered. The company has fully provided for the outstanding balance.

28. Restricted cash

	Group 2024	Group 2023	Company 2024	Company 2023
Restricted cash deposits for letters of credit (a)	81,623	346,146	81,623	331,897
Collateral on borrowings (b)	22,372	31,457	22,372	31,457
Restricted cash on swap transaction (c)	-	15,662	-	15,662
Collateral on forwards (d)	1,884	-	1,884	-
Restricted cash - others (e)	1,144	1,144	944	15,193
	107,023	**394,409**	**106,823**	**394,209**

(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 cash invested in marketable securities as part of a loan covenant.
(c) Restricted cash on swap transaction includes security on the derivative liability contract with the counterparty.
(d)This is the cash build up on forward contract.
(e) Restricted cash - others comprises of: the retention fee on purchase of Visafone Communications Limited (now liquidated) of N378 million; dividends received on shares held in trust by Vetiva Trustee Ltd for the MTNN employee shares scheme implementation; N500.8 million (December 2023: N500.8 million) and garnishees against court judgments of N64.9 million (December 2023: 64.9 million). For Group, YDFS has a deposit of N200 million with the Central Bank of Nigeria for access to the PSSP (Payment service solution provider) & PTSP (Payment terminal service provider) platforms.

For the purpose of cash flows, total net cash inflow from banks for restricted cash was; for Group: N292.17 billion (2023: outflow to banks N200.46 billion), for Company N292.17 billion (2023: outflow to banks N200.46 billion).

Notes to the consolidated and separate financial statements

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million

29. Cash and deposit held for MoMo customers

29.1 Cash held for MoMo Customer

Cash held for MoMo Customer		3,843	7,601	-	-

Cash held for MoMo PSB customers relates to MoMo customers deposit liability for the year as seen below.

29.2 Deposit held for MoMo customers

Deposit held for MoMo customers		3,843	7,601	-	-

The deposits held for MoMo customers are measured at their carrying amounts considering that these are either due or demandable at short notice.

30. Cash and cash equivalents

Cash and cash equivalents consist of:

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
Bank balances		214,004	183,971	213,037	176,496
Short-term deposits		39,405	161,197	19,795	139,093
		253,409	345,168	232,832	315,589
Allowance for expected credit losses	30.1	(32)	(94)	(32)	(41)
Net cash and cash equivalents		**253,377**	**345,074**	**232,800**	**315,548**

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at 31 December:

Bank balances		214,004	183,971	213,037	176,496
Short-term deposits		39,405	161,197	19,795	139,093
		253,409	**345,168**	**232,832**	**315,589**

30.1 Reconciliation of allowance for expected credit losses

As at 1 January		(94)	(288)	(41)	(288)
Reversal of credit loss expense	13	62	194	9	247
As at 31 December	**30**	**(32)**	**(94)**	**(32)**	**(41)**

		Group		Company	
	Notes(s)	2024 N million	2023 N million	2024 N million	2023 N million

31. Equity

31.1 Share capital

Issued and fully paid				
20,995,560,103 ordinary shares of N0.02 each	420	420	420	420
Reconciliation:				
As at 1 January 2024	420	407	420	407
Additional share issue (641,047,053 ordinary shares at N0.02 per share)	-	13	-	13
As at 31 December	**420**	**420**	**420**	**420**

The additional new shares created by the scrip dividend scheme (see note 31.2) has been incorporated into the company's minimum issued share capital as duly approved by Securities and Exchange Commission (SEC) and registered with the Corporate Affairs Commission (CAC).

31.2 Scrip dividend scheme

In the prior the year, MTN Nigeria Communications Plc offered a scrip dividend election plan to its shareholders with the option to elect and receive new ordinary shares in the Company instead of receiving the dividend in cash. The scrip dividend election plan was approved by the shareholders at the Annual General Meeting held on 18 April 2023, with the plan being effective for 2022 financial year dividends.

Upon the conclusion of the election period, shareholders elected to receive a total number of 641,047,053 scrip dividend shares of N232.68 per share (N149,158,828,292). The Corporate Affairs Commission (CAC) authorised the increase of the Company share capital to accommodate the 641,047,053 scrip dividend shares. Those shares were subsequently approved and registered by the Securities and Exchange Commission (SEC).

31.3. Dividends

Final dividend for 2023: nil (2022: N10.00 kobo per share)	-	203,375	-	203,375
Interim dividend for 2024: nil (2023: N5.60 kobo per share)	-	117,481	-	117,481
	-	**320,856**	**-**	**320,856**

For the purpose of the statement of cash flows, dividends paid comprise of:

Final dividend paid	-	54,216	-	54,216
Interim dividend paid	-	117,481	-	117,481
	-	**171,697**	**-**	**171,697**

The increase in shares also impacted the interim dividend paid in 2023, the additional dividend payment of N3.49 billion was on the additional 641 million shares issued (less withholding tax)

32. 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 at N 1,488.15 each	207	207	207	207
641,047,053 ordinary shares of N232.66 each	149,146	149,146	149,146	149,146
	166,362	**166,362**	**166,362**	**166,362**

		Group		Company	
		2024	2023	2024	2023
	Notes(s)	N million	N million	N million	N million

33. Other reserves

33.1 Movement in other reserves

As at 1 January	701	1,664	708	1,664
Net fair valuation loss on FVOCI investments	(104)	(884)	(108)	(877)
Net remeasurement loss on employee benefits liability	(81)	(79)	(81)	(79)
Common control reserve	-	-	(30,352)	-
Non-controlling interest acquisition	(12,970)	-	-	-
As at 31 December	**(12,454)**	**701**	**(29,833)**	**708**

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.

33.2 Other reserves is made up of:

Other reserves is made up of:					
Capital redemption reserve fund	33.3	239	239	239	239
Fair value reserve of FVOCI investments	33.3	(383)	(279)	(380)	(272)
Remeasurement on employee benefits liability	33.3	660	741	660	741
Common control reserve	33.3	-	-	(30,352)	-
Non-controlling interest acquisition	33.3	(12,970)	-	-	-
		(12,454)	**701**	**(29,833)**	**708**

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33. Other reserves (continued)

33.3 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
Group							
1 January 2023		239	605	820	-	-	1,664
Net fair value loss on FVOCI investments	24.1	-	(1,212)	-	-	-	(1,212)
Remeasurement loss on employee benefits	45.1	-	-	(117)	-	-	(117)
Deferred tax on FVOCI items	43.3	-	354	-	-	-	354
Deferred tax on actuarial gains	43.3	-	-	38	-	-	38
Reversal of credit losses on FVOCI investments	13	-	(26)	-	-	-	(26)
31 December 2023		239	(279)	741	-	-	701
Net fair value loss on FVOCI investments	24.1	-	(140)	-	-	-	(140)
Non-controlling interest acquisition	22.1	-	-	-	-	(12,970)	(12,970)
Deferred tax on FVOCI items	43.3	-	46	-	-	-	46
Remeasurement loss on employee benefits	45.1	-	-	(116)	-	-	(116)
Deferred tax on actuarial loss	43.3	-	-	35	-	-	35
Reversal of credit losses on FVOCI investments	13	-	(10)	-	-	-	(10)
31 December 2024		**239**	**(383)**	**660**	**-**	**(12,970)**	**(12,454)**
Company							
1 January 2023		239	605	820	-	-	1,664
Net fair value loss on FVOCI investments	24.1	-	(1,231)	-	-	-	(1,231)
Remeasurement loss on employee benefits	45.1	-	-	(117)	-	-	(117)
Deferred tax on FVOCI items	43.3	-	354	-	-	-	354
Deferred tax on actuarial gains	43.3	-	-	38	-	-	38
31 December 2023		239	(272)	741	-	-	708
Net fair value loss on FVOCI investments	24.1	-	(154)	-	-	-	(154)
Absorption of Visafone	22.2	-	-	-	(30,352)	-	(30,352)
Deferred tax on FVOCI items	43.3	-	46	-	-	-	46
Remeasurement loss on employee benefits	45.1	-	-	(116)	-	-	(116)
Deferred tax on actuarial loss	43.3	-	-	35	-	-	35
31 December 2024		**239**	**(380)**	**660**	**(30,352)**	**-**	**(29,833)**

The allowance for the expected credit losses for investments at FVOCI for the Company were not assessed and are not material to the financial statementsAdditional text

Notes to the consolidated and separate financial statements

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million

34. Treasury shares

Treasury shares		(4,869)	(4,869)	(4,869)	(4,869)

Treasury shares represent 28,809,789 ordinary shares of MTN Nigeria acquired and held in trust by Vetiva Trustee Limited for the purpose of employee share scheme implementation (2023: 28,809,789).

35. Loss and dividend per share

35.1 Basic and diluted loss per share

Loss per share is calculated using the weighted average number of ordinary shares in issue during the year and is based on the loss after tax attributable to ordinary shareholders of the parent. For the purpose of calculating loss per share, treasury shares are deducted from the weighted average number of ordinary shares outstanding at the end of the reporting period.

Diluted 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 loss attributable to ordinary shareholders, adjusted for the after-tax dilutive effect

Loss attributable to equity holders (N 'million)		(399,448)	(133,841)	(360,476)	(104,510)
Weighted average numbers of ordinary shares at end of year (million)		20,967	20,967	20,967	20,967
Basic and diluted loss per share (N)		(19.05)	(6.38)	(17.19)	(4.98)

Loss per share is calculated by dividing the loss after tax attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares in issue during the period, excluding the average number of ordinary shares held as treasury shares (2024: 28,809,789; 2023: 28,809,789).

35.2 Dividends per share

Interim (N)		-	5.60	-	5.60
Final (N)		-	-	-	-

MTN Nigeria did not propose dividends for the year ended 31 December 2024 (31 December 2023: nil) in view of the Group's accumulated loss position.

36. Borrowings

	Description of borrowing	Type	Currency	Nominal interest	Remaining repayment details	N million
2024						
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 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
						972,915

	Description of borrowing	Type	Currency	Nominal interest	Remaining repayment details	N million
2023						
1	Local syndicated facility (M)	Unsecured	NGN	13%-18%	4 semi-annual equal installments	62,149
2	Local syndicated facility (N)	Unsecured	NGN	13%-18%	5 semi-annual equal installments	24,901
3	Commercial paper	Unsecured	NGN	13%-16%	Matures March 2024	234,109
4	Foreign EIB facility	Unsecured	US$	7%-12%	11 semi-annual equal installments	61,264
5	AFC foreign facility (Q)	Unsecured	US$	8%-12%	5 annual installments	72,696
6	Local Bond Series I&II (7yr & 10yr)	Unsecured	NGN	12.7%-14.5%	9 annual installments	319,320
7	Letter of credit transaction established on credit line	Secured	US$	2%-14%	2 quarterly equal installments	402,730
						1,177,169

		Group		Company	
	Notes(s)	2024 N million	2023 N million	2024 N million	2023 N million

36. Borrowings (continued)

36.1 Borrowings maturity and reconciliation

Borrowings maturity

The maturity of the loan is as follows:					
Payable within one year (included in current liabilities)*		336,325	689,352	336,325	689,352
More than one but not exceeding two years		234,229	78,825	234,229	78,825
More than two but not exceeding five years		257,109	184,841	257,109	184,841
More than five years		145,252	224,151	145,252	224,151
Amounts included in non-current liabilities		636,590	487,817	636,590	487,817
Total borrowings		**972,915**	**1,177,169**	**972,915**	**1,177,169**

*This includes letters of credit of N32.32 billion (December 2023: N402.73 billion).

Borrowings reconciliation

As at 1 January		1,177,169	689,673	1,177,169	689,673
Drawdown		463,348	635,825	463,348	635,825
Repayment		(988,674)	(501,280)	(988,674)	(501,280)
Interest payment		(187,632)	(15,086)	(187,632)	(15,086)
Interest charge	16	172,073	125,540	172,073	125,540
Exchange loss	17	336,631	242,497	336,631	242,497
As at 31 December		**972,915**	**1,177,169**	**972,915**	**1,177,169**

36.2 Borrowing arrangements

MTN Nigeria has a loan portfolio with a consortium of local banks, foreign banks and export development agencies. The details of the facilities are as follows:

1. **Local syndicated facility M** - This is a local facility of N200 billion syndicated from local banks in August 2018. It is a variable interest loan, linked to average 3-month NIBOR plus a margin of 1.75%. The total available amount under the loan has been fully drawn. The loan is repayable in six (6) equal semi-annual installments from January 2023 to August 2025.
As at 31 December 2024, the outstanding balance on the facility is N31.1 billion (31 December 2023: N62.15 billion).

2. **Local syndicated facility N** - This is a N200 billion local currency term loan syndicated from local banks in May 2019 with a 7-year tenor and a moratorium of two years. It is a variable interest loan, linked to average 3-month NIBOR plus a margin of 1.75%. The total available amount under the loan has been fully drawn. The loan is repayable in seven (7) equal semi-annual installments from April 2023 to May 2026.
As at 31 December 2024, the outstanding balance on the facility is N14.95 billion (31 December 2023: N24.9 billion).

3. **Bilateral loan facility (Stanbic)** - N60 billion bilateral financing facility was secured with Stanbic Bank. The interest rate is based on the prevailing 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 2024, outstanding balance of N62.08 billion.

4. **Access Bank facility (R)** – US$66.9 million financing from Access Bank was arranged in 2024. It was drawn in October 2024 to replace the US$66.9 million from European investment bank (EIB). It is a floating interest loan linked to the 6 month term SOFR plus a margin. The repayment of principal is over five (5) equal semi-annual installments which will commence in October 2025.
As at 31 December 2024, the facility has an outstanding balance of US$66.9 million

36. Borrowings (continued)

5. **AFC foreign facility Q** - US$150 million from AFC was arranged in 2022 with 2-year moratorium. US$79.19 million of Facility Q was drawn in two tranches based on a floating interest rate of compounded daily SOFR plus a margin,The repayments will begin in January 2025 and be made over six installments. As at 31 December 2024, the facility has an outstanding balance of US$79.19 million. (31 December 2023: US$79.19 million).

6. **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 2024, the outstanding balance on the facility is N319.90 billion (31 December 2023: N319.32 billion).

7. **Letter of credit transaction established on credit line** - A total of US$450 million trade loans for the establishment of letters of credit with various local banks. The loans attract pre and post Negotiation charges, and the facility are largely cash backed. The sum of US$20.83 million was due and unpaid as at 31 December 2024 as trade loans for letters of credit.

8. **Commercial paper** – Under the N250 billion commercial paper issuance programme are:

Series number	Issue date	Face value	Tenor	Discount rate	Maturity date
Series XI	November 2024	N25.6 billion	181 days	24.2023%	May 2025
Series XII	November 2024	N49.3 billion	265 days	23.9585%	July 2025
Series XIII	November 2024	N20.6 billion	180 days	24.2174%	May 2025
Series XIV	November 2024	N51.53 billion	270 days	23.8792%	August 2025
Series XV	December 2024	N2.28 billion	180 days	24.2162%	June 2025
Series XVI	December 2024	N35.49 billion	270 days	23.8780%	September 2025

As at 31 December 2024, the outstanding balance on the facility is N158.06 billion (31 December 2023: N234.11 billion).

9. **Bilateral loan facility (First Bank)** - N50 billion bilateral financing facility was secured with First Bank. This facility carries an interest rate of the average 180-day NIBOR and a margin. A one-year moratorium is in place, with repayments scheduled to begin in 2026, via two equal installments. As at 31 December 2024, outstanding balance of N52.68 billion.

10. **Bilateral loan facility (Zenith Bank)** - N50 billion bilateral financing facility was drawn down with Zenith Bank at an interest rate based on the Monetary Policy Rate (MPR) and a margin. The facility includes a one-year moratorium, with repayments beginning in 2026 via two equal installments. As at 31 December 2024, outstanding balance of N53.01 billion.

11. **Supply chain finance** - A total of N20 billion was given by Access Bank Nigeria as supply finance loan in November 2024 at MPR plus a margin which is due for repayment every 90 days. This is due in January 2025. As at 31 December 2024, outstanding balance of N20.95 billion.

36.3 Syndicated loans and offshore facility covenant waiver

During the reporting period, the Company breached certain terms of its long-term loan agreements, where the impact of the continued Naira weakness resulted in the carrying value of the Company's liabilities exceeding its assets. Consequently, the Company secured a waiver from its majority lenders, temporarily suspend covenant monitoring. This waiver allows the Company to continue the servicing of the loans as though no defaults in loan covenants had occurred. As a result, the Company retains the right to settle the loan obligations in line with the initially agreed timing without triggering debt acceleration in the reporting period, and the borrowings have been classified accordingly. The covenant ratio waiver is valid until June 2025, after which the loan covenants will be reassessed for compliance.

36. Borrowings (continued)

Management does not expect the default of the covenant ratios to extend beyond 2025. The outstanding loan balance (comprising offshore facilities and local syndicated loans) as at 31 December 2024 is N270 billion (31 December 2023: N226 billion).

36.4 Supply chain financing arrangements

MTN Nigeria has an active supply chain financing (SCF) arrangement. Under this arrangement, Fiducia Data Services Limited, in partnership with financiers/banks, agreed to pay participating suppliers amounts owed by MTN Nigeria based on submitted invoices and subsequently receive settlement from MTN within ninety (90) days starting from the date Fiducia Data Services makes funds available for MTNN. The fee/commission payable on this arrangement is set at MPR plus 100 basis points. The primary purpose of this arrangement is to facilitate efficient payment processing and enable the willing suppliers to receive payments from the bank on or before the invoice due date.

Company reports amounts owed to financier who provides funds for payment to suppliers within short-term loan, because upon funding by the financier, amount due to suppliers are settled and a new liability which is due to the financier is recognised. The amount due to the financier is secured against the underlying goods or services.

Payments received from, and made to, the financier are included within financing cash flows while the payment made to supplier is classified as cash outflow to operating activities. As at 31 December 2024, all amounts due under the supplier finance arrangements are classified as current liabilities.

36.4.1 Carrying amount of the supply chain financing balance in borrowings.

	31 December 2024	31 December 2023
	N million	N million
a. Presented with current borrowings	20,000	-
b. Of which suppliers have received payment from finance provider	20,000	-

Range of payment due dates

a. Liabilities that are part of the arrangement	90 days after invoice date	Not required
b.Trade payable that are not part of an arrangement	90 days after invoice date	Not required

36.4.2 Impact of non-cash changes

There were no material foreign exchange differences, or other non-cash transfers affecting the carrying amount of liabilities under supplier finance arrangements.

36.4.3 Impact of supply chain financing management of liquidity risk

During the year, MTN Nigeria entered into a supply chain financing (SCF) arrangement. Under this arrangement, Fiducia Data Services Limited, in partnership with financiers/banks, agreed to pay participating suppliers amounts owed by MTN Nigeria based on submitted invoices and subsequently receive settlement from MTN within 90 days. While the SCF does not significantly extend payment terms beyond those agreed with non-participating suppliers, it helps enhance the predictability of cash outflows.

		Group		Company	
	Notes(s)	2024 N million	2023 N million	2024 N million	2023 N million

37. Provisions

	Group 2024	Group 2023	Company 2024	Company 2023
Non-current liabilities	43	46	43	46
Current liabilities	25,171	28,216	21,754	27,187
	25,214	**28,262**	**21,797**	**27,233**

Reconciliation of provision

	Opening balance N million	Additions N million	Utilised N million	Reversed N million	Exchange difference N million	Total N million
Group - 2024						
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
	28,262	**50,452**	**(26,129)**	**(27,386)**	**15**	**25,214**
Group - 2023						
Decommissioning provision	43	3	-	-	-	46
Litigation provision	12,720	4,305	-	-	-	17,025
Bonus provision	7,054	12,154	(7,565)	(4,850)	-	6,793
Unauthorised transfers	10,508	-	-	(10,508)	-	-
Other provisions	11,805	6,945	(14,352)	-	-	4,398
	42,130	**23,407**	**(21,917)**	**(15,358)**	**-**	**28,262**
Company - 2024						
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
	27,233	**48,063**	**(26,129)**	**(27,385)**	**15**	**21,797**
Company - 2023						
Decommissioning provision	43	3	-	-	-	46
Litigation provision	12,720	4,305	-	-	-	17,025
Bonus provision	7,037	12,130	(7,565)	(4,850)	-	6,752
Other provisions	11,805	5,957	(14,352)	-	-	3,410
	31,605	**22,395**	**(21,917)**	**(4,850)**	**-**	**27,233**

37. Provisions (continued)

37.1 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.

37.2 Decommissioning provision

The decommissioning provision is the present value of dismantling costs discounted at a rate equal to the average rate that reflects current market assessment of the time value of money and the risks specific to the dismantling cost. The timing of the decommissioning is dependent on the expiration of the contract with the lessor.

37.3 Unauthorised transfers

This provision relates to the cost of the system glitch in MoMo PSB. The provision was initially recognised in MoMo PSB in 2022, however in 2023, the provision was transferred to MTN Nigeria based on the contractual terms of the Service Level Agreement. The expense is recognised in other operating expenses, see note 14.

37.4 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 14.

37.5 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.

Notes to the consolidated and separate financial statements

		Group		Company	
	Notes(s)	2024 N million	2023 N million	2024 N million	2023 N million

38. Other non-current liabilities

Other non-current liabilities		8,842	8,267	25	-

Other non current liabilities relates to the non current portion of payables of MoMo PSB's intangibles asset.
For cash flow purposes, movement in other non current liabilities is N684 million (December 2023: Nil).

39. Trade and other payables

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
Financial instruments:					
Trade payables		223,185	138,614	220,897	137,043
Trade payables - related parties	46.6	186,013	109,861	193,487	114,451
Other accrued expenses (a)		519,211	227,416	510,287	215,490
		928,409	**475,891**	**924,671**	**466,984**
Non-financial instruments:					
Other non-financial accrued expenses (b)		151,510	124,788	151,986	127,477
Sundry payables (c)		7,905	939	4,097	851
Other payables (d)		103,592	97,902	102,982	98,123
		263,007	**223,629**	**259,065**	**226,451**
		1,191,416	**699,520**	**1,183,736**	**693,435**

(a) Other accrued expenses include BTS lease accruals, accruals for cloud services and services provided by vendors.
(b) Other non-financial 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 payables include withholding, value added tax liabilities and the VAT assessment cost.

40. Contract liabilities

Reconciliation of contract liabilities

	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
As at 1 January	102,796	92,861	102,414	92,479
Payments received in advance of delivery of performance obligations	3,182,400	2,430,630	3,182,400	2,430,630
Revenue recognised on delivery of goods/services:				
-In relation to carry forward balance recognised	(102,796)	(92,861)	(102,414)	(92,479)
-Recognised on delivery of goods/services during the year	(3,065,128)	(2,327,834)	(3,065,189)	(2,328,216)
Absorption of Visafone*	-	-	61	-
As at 31 December	**117,272**	**102,796**	**117,272**	**102,414**

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.

*The adjustment relates to the Visafone contract liability, which was initially consolidated in the opening balance but has now been absorbed by MTN Nigeria Communications PLC (MTNN) in accordance with the approved and implemented scheme of arrangement (see note 22.2)

Notes to the consolidated and separate financial statements

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
41. Derivatives					
Currency swap		-	15,912	-	15,912
Forward contracts		1,961	-	1,961	-
		1,961	**15,912**	**1,961**	**15,912**

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.

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 51 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 28.

42. Current tax payable

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
Balance as at 1 January		157,971	199,959	157,669	199,687
Provisions for the year - company income tax	18	-	129,459	-	129,458
Minimum tax	18	17,497	29	17,472	-
Prior year under provision	18	-	2,547	-	2,547
Provisions for the year - education tax	18	3,568	23,476	3,568	23,476
Absorption of Visafone	22.2	31	-	31	-
Tax paid		(126,620)	(184,507)	(126,620)	(184,507)
Road investment tax credit utilised	25.2	(21,197)	-	(21,197)	-
Withholding tax credit utilised		(6,238)	-	(6,210)	-
Reversal of prior year over provision		-	(12,992)	-	(12,992)
Balance as at 31 December		**25,012**	**157,971**	**24,713**	**157,669**

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.

43. Deferred tax

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
43.1 Deferred tax liability					
Deferred tax liabilities	43.3	-	(1,149)	-	-
43.2 Deferred tax asset					
Deferred tax assets	43.3	321,349	151,362	321,332	140,777

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 unrealized 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 (see note 58) is expected to accelerate this recovery.

Notes to the consolidated and separate financial statements

43. Deferred tax (continued)

43.3 Reconciliation of deferred tax asset/(liability)

		Reconciliation				Split	
Group	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
2024							
Property and equipment	(178,465)	68,331	-	-	(110,134)	(110,134)	-
Right of use assets	197,185	143,895	-	-	341,080	341,080	-
Provision	20,642	(7,703)	-	-	12,939	12,939	-
Employee benefits	(348)	-	35	-	(313)	(313)	-
Unrealised exchange difference	102,391	(24,129)	-	-	78,262	78,262	-
Financial instruments at FVTPL	(130)	667	-	-	537	537	-
Financial instruments at OCI	-	-	46	-	46	46	-
Assessable losses	8,938	(10,105)	-	1,167	-	-	-
Absorption of Visafone	-	-	-	(1,068)	(1,068)	(1,068)	-
	150,213	**170,956**	**81**	**99**	**321,349**	**321,349**	**-**
2023							
Property and equipment	(156,606)	(21,859)	-	-	(178,465)	(178,465)	-
Right of use assets	72,690	124,495	-	-	197,185	197,185	-
Provisions	16,005	4,637	-	-	20,642	20,642	-
Employee benefits	(386)	-	38	-	(348)	(348)	-
Unrealised exchange difference	13,535	88,856	-	-	102,391	102,391	-
Financial instruments at FVTPL	306	(436)	-	-	(130)	(130)	-
Financial instruments at OCI	(354)	-	354	-	-	-	-
Assessable losses	8,255	683	-	-	8,938	10,087	(1,149)
	(46,555)	**196,376**	**392**	**-**	**150,213**	**151,362**	**(1,149)**

Others relate to the deferred tax impact of the liquidation and absorption of Visafone.

The deferred tax liability of N1.149 billion is from the assessable loss of Visafone.

43. Deferred tax (continued)

Reconciliation of deferred tax asset/(liability)

	Reconciliation					Split	
Company	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
2024							
Property and equipment	(178,893)	68,759	-	-	(110,134)	(110,134)	-
Right of use asset	197,184	143,895	-	-	341,079	341,080	-
Provision	20,599	(7,677)	-	-	12,922	13,270	-
Employee benefits	(348)	-	35	-	(313)	(313)	-
Unrealised exchange difference	102,366	(24,104)	-	-	78,262	78,262	-
Financial instruments at FVTPL	(131)	667	-	-	536	187	-
Financial instruments at OCI	-	-	46	-	46	46	-
Absorption of Visafone	-	-	-	(1,068)	(1,068)	(1,068)	-
	140,777	**181,540**	**81**	**(1,068)**	**321,332**	**321,332**	**-**
2023							
Property and equipment	(156,606)	(22,287)	-	-	(178,893)	(178,893)	-
Right of use assets	72,690	124,494	-	-	197,184	197,184	-
Provision	15,989	4,610	-	-	20,599	20,599	-
Employee benefits	(386)	-	38	-	(348)	(348)	-
Unrealised exchange difference	13,534	88,832	-	-	102,366	102,366	-
Financial instruments at FVTPL	305	(436)	-	-	(131)	(131)	-
Financial instruments at OCI	(354)	-	354	-	-	-	-
	(54,828)	**195,213**	**392**	**-**	**140,777**	**140,777**	**-**

Others relate to the deferred tax impact of the liquidation and absorption of Visafone.

44. Share based payments

44.1 Share based payment liability

		Group		Company	
		2024	2023	2024	2023
	Notes	N million	N million	N million	N million
Balance as at 1 January		16,910	8,569	16,910	8,569
Share based expense	12	8,420	14,606	8,420	14,606
Share based payments		(11,309)	(6,265)	(11,309)	(6,265)
Balance as at 31 December		**14,021**	**16,910**	**14,021**	**16,910**

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. The share based payment liability relates to Locally Aligned Notional (LAN) Shares and Group Aligned Notional (GAN). MTNN also runs the Employee share scheme plan managed by Vetiva Trustee Limited.
The share-based payment liability consists of:

- fair value of options issued to employees under the LAN notional share scheme
- fair value of options issued to employees under the GAN notional share scheme
- the issue of shares held in Trust by Vetiva Trustee for employees under Performance Share Plan (PSP) and Employee Stock Ownership Plan (ESOP).

Outstanding obligation - GAN share options	115	488	115	488
Outstanding obligation - LAN share options	153	2,814	153	2,814
Group performance share plan	6,527	8,081	6,527	8,081
Performance share plan (PSP)	7,226	5,527	7,226	5,527
	14,021	**16,910**	**14,021**	**16,910**

44.2 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 2024 for the NSO scheme

Grant Date	Vesting Date*	Maturity Date*	Strike Price (N)	Number outstanding as at 31 December 2024
1 April 2020	1 April 2023	31 January 2025	1,015.71	1,400
1 April 2020	1 April 2023	1 April 2025	1,015.71	39,800
1 April 2021	1 April 2024	31 January 2025	2,225.10	700
1 April 2021	1 April 2024	1 April 2026	2,225.10	148,000
Total				189,900

*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.

44. Share based payments (continued)

Reconciliation of LAN outstanding notional shares

The change in number of options outstanding has been reconciled as follows

	GAN		LAN	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
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 at 31 December 2024	189,900	595,700	27,400	340,300

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/2012/0000000000504) and signed by Wayne van Jaarsveld (FRC/2021/002/00000024507).

Principal actuarial key assumptions

	GAN		LAN	
Economic assumptions	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Discount rate	20.60%	11.80%	20.60%	11.80%
Dividend yield	2.94%	2.66%	-	
Volatility	36.97%	34.00%	-	
Expected option lifetime	1 year	2 years	-	

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

	GAN		LAN	
	31 December 2024	31 December 2023	31 December 2023	31 December 2023
Sample age	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

44. 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 2024	31 December 2023	31 December 2024	31 December 2023
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%	-
5-59	-	-	-	-
60+	-	-	-	-

Sensitivity analysis

The sensitivity analyses below have been determined based on a method that extrapolates the impact on GAN Notional Shares as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The methods and assumptions used in preparing the sensitivity analysis did not change compared to prior period. The sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated.

GAN share sensitivity analysis

Assumptions		31 December 2024		31 December 2023	
		Change N million	% Change	Change N million	% Change
Volatility	+10%	120	4.90	509	4.88%
	-10%	110	-4.28	470	-3.18%
Dividend yield	+1%	113	-1.57	475	-2.14%
	-1%	116	1.59	497	2.21%

LAN share sensitivity analysis

Assumptions		31 December 2024		31 December 2023	
		Change N million	% Change	Change N million	% Change
Volatility	+10%	153	0.00	2081	0.00
	-10%	153	0.00	2081	0.00
Age rating	+1 year	153	0.00	2081	0.00
	-1 year	153	0.00	2081	0.00

44.3 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 after three years from the date of grant.

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%

44. Share based payments (continued)

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 2021 grant: 1 January 2022 to 31 December 2024 -13 December 2022 grant: 1 January 2023 to 31 December 2025 - 13 December 2023 grant: 1 January 2024 to 31 December 2026
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 2021 grant: 1 January 2022 to 31 December 2024 -13 December 2022 grant: 1 January 2023 to 31 December 2025 - 13 December 2023 grant: 1 January 2024 to 31 December 2026
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 2021 grant: 1 January 2022 to 31 December 2024 -13 December 2022 grant: 1 January 2023 to 31 December 2025 - 13 December 2023 grant: 1 January 2024 to 31 December 2026
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 2021 grant: 1 January 2022 to 31 December 2024 -13 December 2022 grant: 1 January 2023 to 31 December 2025 - 13 December 2023 grant: 1 January 2024 to 31 December 2026

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.

44. Share based payments (continued)

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 2024
13 December 2022	-	22,025,947	-	(1,718,232)	20,307,715
13 December 2023	-	-	24,319,940	(1,596,510)	22,723,430
Total	-	22,025,947	-	-	43,031,145

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 2024, after allowing for forfeitures.

Grant date	Liability as at 31 December 2023 N million	Change N million	Liability as at 31 December 2024 N million
13 December 2022	1,279	653	1,932
13 December 2023	-	1,041	1,041
Total	1,279	1,694	2,973

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 2024	31 December 2023
Share price (N)	200	264
Expected option lifetime (years)	1 - 2 years	1 - 2 years
Risk-free rate (%)	19.06%	11.15%
Expected volatility (%)	43.34%	25.7%
Dividend yield (%)	2.94	6.26%

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 2022	CGO	13 December 2025	194.48	97.24%	185.23	92.62%
	ESG	13 December 2025	194.48	97.24%	185.23	92.62%
	ROE	13 December 2025	194.48	97.24%	185.23	92.62%
	TSR	13 December 2025	0.1	0.05%	0.1	0.05%
13 December 2023	CGO	13 December 2026	188.84	94.42%	170.87	85.43%
	ESG	13 December 2026	188.84	94.42%	170.87	85.43%
	ROE	13 December 2026	188.84	94.42%	170.87	85.43%
	TSR	13 December 2026	12.39	6.20%	11.21	5.61%

44. Share based payments (continued)

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 2024	CGO expense N million	ROE expense N million	ESG expense N million	TSR expense N million	Total expense N million
13 December 2022	643,660.54	643,660.54	643,660.54	334.04	1,931,315.66
13 December 2023	339,734.82	339,734.82	339,734.82	22,293.05	1,041,497.51
Total	983,395.36	983,395.36	983,395.36	22,627.09	2,972,813.17

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 2024 based on the above forfeiture assumptions.

Outstanding liability	Main result N million	7.5% forfeiture N million	7.5% forfeiture N million
31 December 2024	2,973	2,872	2,772
Changes (%)		-3.40%	-6.76%
31 December 2023	3,596	3,473	3,352
Changes (%)		-3.41%	-6.78%

The MTN Performance Share Plan (PSP) actuarial valuation was carried out by Alexander Forbes Consulting Actuaries Nigeria (FRC/2012/0000000000504) signed by Wayne van Jaarsveld (FRC/2021/002/00000024507).

44.4 Employee share ownership programme (ESOP)

During the financial year, the Group granted eligible employees share rights under the Employee Share Ownership Scheme (ESOP). These rights were granted to employees on levels 1 and 2. The ESOP was established to attract, retain and stimulate employees involvement to advance the interests of the company and the Group in general. The options vest over a total period of five years from the option grant date.

The ESOP option performance conditions
The options vest over a total period of five years from the option grant date as follows:
a) 1/3 of the options granted vest after three years
b) A further 1/3 of the options granted vest after four years
c) 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
13 December 2022	245.0	1,786,220	(39,990)
13 December 2023	220.7	1,714,700	-
Total		3,500,920	(39,990)

44. 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 (outstanding options as at 30 November 2022) as at 31 December 2022, after allowing for forfeitures.

Grant date	Liability as at 31 December 2023	Adjustment for forfeitures	Adjustments
13 December 2021	8,875,240	(552,510)	17,540
30 June 2022	104,250	-	-
13 December 2022	371,110	(30,090)	-
14 June 2023	521,850	(21,300)	-
Total	9,872,450	(603,900)	17,540

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 2026	3	13.71
13 December 2023	13 December 2027	4	14.76
	13 December 2028	5	14.67
	13 December 2027	3	18.07
13 December 2024	13 December 2028	4	17.73
	13 December 2029	5	17.98

Share price

MTN Nigeria's closing share price was N245 as at 13 December 2023. MTN Nigeria's closing share price was N200 as at 31 December 2024

Dividend yield

Grant date	Dividend yield
13 December 2023	6.28%
13 December 2024	5.29%

ESOP net expense summary
The total profit and loss charge for the cost of all share options issued to all employees for each financial period is detailed below:

Financial period ending	Gross P & L charge N million	New grants N million	Forfeiture update N million	Net expense N million
31 December 2021	17.05	-	-	17.05
31 December 2022	339.36	-	-	339.36
31 December 2023	338.38	3.82	-	342.20
31 December 2024	357.20	114.12	(11.51)	459.81
31 December 2025	208.78	144.92	(1.84)	351.87
31 December 2026	95.28	143.14	(0.72)	237.71
31 December 2027	11.81	90.70	(0.01)	102.50
31 December 2028	2.32	41.20	(0.02)	43.50
31 December 2029	-	6.94	-	6.94
Total	1,370.18	544.84	(14.10)	1,900.94

44. Share based payments (continued)

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 2026	245	202.91	82.82%	178.92	73.03%
13 December 2023	13 December 2027	245	190.55	77.78%	159.63	65.15%
	13 December 2028	245	178.95	73.04%	142.4	58.12%
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 2027	220.7	188.34	85.34%	166.12	75.27%
13 December 2024	13 December 2028	220.7	178.64	80.94%	149.67	67.82%
	13 December 2029	220.7	169.44	76.78%	134.87	61.11%

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/2012/0000000000504) signed by Wayne van Jaarsveld (FRC/2021/002/00000024507).

Notes to the consolidated and separate financial statements

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million

45. Employee benefits

Non-current and current split				
Non-current liabilities	9,440	8,429	9,440	8,429
Current liabilities	1,638	1,274	1,638	1,274
	11,078	**9,703**	**11,078**	**9,703**
Employee benefits consists of:				
Defined benefit obligations - retirement benefits	5,778	4,767	5,778	4,767
Long service awards	5,300	4,936	5,300	4,936
	11,078	**9,703**	**11,078**	**9,703**

MTN Nigeria Communications Plc operates a post employment benefit plans in non-contributory, long service award and staff retirement benefits. Employees are automatically beneficiaries of the long service award after completing five consecutive years of service with the Company. Employees' retirement benefits are calculated based on number of years of continuous service, and upon attaining the compulsory retirement 60 years. The defined benefit obligation actuaries valuation was carried out by Alexander Forbes Consulting Actuaries Nigeria (FRC/2012/0000000000504) signed by Wayne van Jaarsveld (FRC/2021/002/00000024507).

45.1 Movement in employee benefits

Defined benefit obligations - retirement benefits				
Present value as at 1 January	4,767	2,178	4,767	2,178
Current service cost	351	417	351	417
Past service cost	-	2,127	-	2,127
Interest cost	813	515	813	515
Actuarial loss	116	117	116	117
Benefits paid	(269)	(587)	(269)	(587)
Present value as at 31 December	**5,778**	**4,767**	**5,778**	**4,767**

Retirement benefit cost recognised in the profit or loss for the year is N1.16 billion (2023: N3.06 billion); except for actuarial loss of N116 million (2023: N117 million) that is recognised in other comprehensive income.

Long service awards				
Present value as at 1 January	4,936	4,657	4,936	4,657
Current service cost	526	500	526	500
Interest cost	750	665	750	665
Actuarial loss	652	185	652	185
Past service cost	(163)	-	(163)	-
Benefits paid	(1,401)	(1,071)	(1,401)	(1,071)
Present value as at 31 December	**5,300**	**4,936**	**5,300**	**4,936**

Long service award cost and actuarial loss recognised in the profit or loss for the year is N1.76 billion (2023: N1.35 billion).

Notes to the consolidated and separate financial statements

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
45. Employee benefits (continued)					
45.2 Remeasurement losses					
Remeasurement gains recognised during the year:					
Change in economic assumptions		(1,154)	(396)	(1,154)	(396)
Change in demographic assumptions		1,270	513	1,270	513
Total actuarial loss		116	117	116	117
Deferred tax		(35)	(38)	(35)	(38)
Recognised in Other Comprehensive Income (OCI)		**81**	**79**	**81**	**79**
Current year gain/(loss)					
Change in economic assumptions		(571)	(420)	(571)	(420)
Change in demographic assumptions		1,223	(32)	1,223	(32)
Experience		-	637	-	637
Remeasurement gains recognised during the year		652	185	652	185
Tax expense		(196)	(55)	(196)	(55)
Recognised in Profit or loss		**456**	**130**	**456**	**130**

45. Employee benefits (continued)

45.3 Principal actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	31 December 2024	31 December 2023
Discount rate - retirement benefits	18.80%	16.30%
Discount rate - long service award	18.80%	16.30%
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. (2023: 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 2024	31 December 2023
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:

	Annual rate of early retirement		Annual rate of early retirement	
Age group	31 December 2024	31 December 2023	31 December 2024	31 December 2023
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

45. 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.

45.4 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 2024		31 December 2023	
Retirement benefits		N million	% Change	N million	% Change
Discount rate	+0.5%	5,579	3.80	4,577	-4.40%
	-0.5%	5,987	4.00	4,968	4.06%
Salary increase	+0.5%	6,013	4.50	4,988	5.10%
	-0.5%	5,554	-4.30	4,557	-4.80%
Age rating	+1 year	5,734	-0.90	4,728	-0.90%
	-1 year	5,818	0.80	4,803	0.90%

Sensitivity to each actuarial assumption was determined while other assumptions were held constant.

Long Service Award

		31 December 2024		31 December 2023	
Long service award		N million	% Change	N million	% Change
Discount rate	+0.5%	5,198	-1.90	4,836	-2.20%
	-0.5%	5,406	2.00	5,040	2.10%
Salary increase	+0.5%	5,424	2.30	5,055	2.40%
	-0.5%	5,180	-2.30	4,821	-2.30%
Age rating	+1 year	5,286	-0.30	4,923	-0.30%
	-1 year	5,313	0.20	4,948	0.20%

Sensitivity to each actuarial assumption was determined while other assumptions were held constant.

46. 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.

46.1 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 XS Broadband Limited, Visafone Communications Limited (now liquidated), Yello Digital Financial Services Limited and MoMo Payment Service Bank Limited. Their principal activities are the provision of broadband fixed wireless access service, high quality telecommunication services and mobile financial services respectively.

46.2 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

		Group		Company	
	Notes(s)	2024 N million	2023 N million	2024 N million	2023 N million
Directors and EXCOM members					
Salaries and other short-term employee benefits		5,100	3,080	4,100	2,573
Post-employment benefits		518	270	418	245
Other benefits		2,096	1,151	1,528	954
Bonuses		-	1,217	-	1,157
Variable pay		2,075	-	1,912	-
Share based payments		3,502	2,325	3,474	2,286
Non-executive directors fees		473	298	353	186
Non-executive directors: Other emoluments		1,958	1,176	1,937	1,166
		15,722	**9,517**	**13,722**	**8,567**

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. It also includes travel and accommodation related expenses.
- Directors fees: These are board and committee member appointment fees paid quarterly to non-executive directors

		Group		Company	
	Notes(s)	2024 N million	2023 N million	2024 N million	2023 N million

46. Related parties (continued)

46.3 Parent and subsidiaries

The following is a summary of transactions between the Group and its related parties during the year and balances due at year end: Parent company: MTN International (Mauritius) Limited.

Parent company:				
MTN International (Mauritius) Limited				
Dividends paid (excluding withholding tax):				
MTN International (Mauritius) Ltd	-	77,664	-	77,664

MTN International (Mauritius) Limited opted for the scrip issue in lieu of the December 2022 dividend. N77.66 billion represents the 2023 interim dividend paid.

Subsidiaries				
Amounts due to related parties				
Visafone Communications Limited (now liquidated)	-	-	-	337
Yello Digital Financial Services Limited	-	-	5,829	3,992
MoMo Payment Service Bank Limited	-	-	3,451	799
	-	**-**	**9,280**	**5,128**

Amounts due from related parties				
Visafone Communications Limited (now liquidated)	-	-	-	11
XS Broadband Limited	-	-	638	638
Impairment of XS Broadband receivables*	-	-	(638)	(613)
Yello Digital Financial Services Limited	-	-	25,200	22,442
MoMo Payment Service Bank Limited	-	-	24,491	13,808
	-	**-**	**49,691**	**36,286**

*Additional impairment of N25 million was recognised during the year to fully impair receivable from XS Broadband during the year.

		Group		Company	
		2024	2023	2024	2023
	Notes(s)	N million	N million	N million	N million

46. Related parties (continued)

46.4 Related parties under MTN Group

MTN Nigeria transacts with its sister companies under the MTN Group. These transactions are listed below:

	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
Amounts due to related parties				
MTN Cameroon	1,036	614	1,036	614
MTN Congo	23	14	23	14
MTN Cote d'Ivoire	-	185	-	185
MTN Dubai	375	3,085	375	3,085
MTN Ghana	163	100	74	100
MTN Group Fintech (Pty) Limited	1,580	460	-	-
MTN Guinea Bissau	-	3	-	3
MTN Holdings	42	26	42	26
MTN International (Mauritius) Limited	119,149	70,770	119,149	70,770
MTN Management Services Co	16,000	9,239	16,000	9,239
MTN Mobile Money Ghana	87	13	-	-
MTN Mobile Money Uganda Limited	27	65	-	-
MTN Uganda	40	12	17	12
MTN Zambia	19	11	19	11
Bayobab Africa (formerly MTN Global Connect)	45,727	8,896	45,727	8,896
Global Trading Company	904	9,481	904	9,481
Interserve Overseas Limited	-	6,194	-	6,194
Mobile Telephone Networks (Pty) Limited	841	693	841	693
	186,013	**109,861**	**184,207**	**109,323**
Amounts due from related parties				
MTN Afghanistan	-	1	-	1
MTN Benin	163	41	163	41
MTN Cameroon	1,364	806	1,364	806
MTN Congo	162	89	162	89
MTN Cote d'Ivoire	377	385	377	385
MTN Dubai	255	315	255	315
MTN Ghana	50	15	50	15
MTN Group Fintech (Pty) Limited	1,686	-	1,686	-
MTN Guinea Bissau	-	70	-	70
MTN Guinea Conakry	-	67	-	67
MTN International (Mauritius) Limited	17	-	17	-
MTN Kenya	78	44	78	44
MTN Management Services Co	17,058	9,269	17,058	9,269
MTN Mobile Money Ghana	1	-	1	-
MTN Rwanda	-	1	-	1
MTN Sudan	1	-	1	-
MTN Zambia	224	132	224	132
Bayobab Africa (formerly MTN Global Connect)	54,635	595	54,635	595
Lonestar Communications Corporations (Liberia)	336	198	336	198
Mobile Telephone Networks (Pty) Limited	776	232	776	232
Progressive Tech Holdings	311	16,464	311	16,464
	77,494	**28,724**	**77,494**	**28,724**

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million

46. Related parties (continued)

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.
No allowance for expected credit loss on receivables from related parties because MTN Nigeria is in a net payable position

46.5 Related party transactions

	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
Purchases from related parties				
MTN Benin	225	121	225	121
MTN Cameroon	142	61	142	61
MTN Congo	5	4	5	4
MTN Cote d'Ivoire	56	22	56	22
MTN Cyprus	3	2	3	2
MTN Ghana	341	183	341	183
MTN Group Fintech (Pty) Limited	-	460	-	-
MTN Guinea Bissau	2	3	2	3
MTN Guinea Conakry	4	3	4	3
MTN Irancell	3	2	3	2
MTN Mobile Money Ghana	-	13	-	-
MTN Mobile Money Uganda Limited	-	65	-	-
MTN Namibia	11	58	11	58
MTN Rwanda	41	22	41	22
MTN South Sudan	6	5	6	5
MTN Sudan	-	10	-	10
MTN Syria	1	1	1	1
MTN Uganda	19	11	19	11
MTN Zambia	5	4	5	4
Bayobab Africa (formerly MTN Global Connect)	61,398	20,483	61,398	20,483
Lonestar Communications Corporations (Liberia)	14	10	14	10
Mobile Telephone Networks (Pty) Limited	146	63	146	63
Sales to related parties				
MTN Benin	568	257	568	257
MTN Business Kenya Limited	96	-	96	-
MTN Cameroon	420	126	420	126
MTN Congo	1	1	1	1
MTN Cote d'Ivoire	20	18	20	18
MTN Ghana	351	130	351	130
MTN Guinea Conakry	1	1	1	1
MTN Namibia	1	1	1	1
MTN Rwanda	8	4	8	4
MTN South Sudan	2	1	2	1
MTN Uganda	18	3	18	3
MTN Zambia	5	6	5	6
Bayobab Africa (formerly MTN Global Connect)	64,756	32,374	64,756	32,374
Global Trading Company	-	23	-	23
Lonestar Communications Corporations (Liberia)	10	4	10	4
Mobile Telephone Networks (Pty) Limited	116	32	116	32
Progressive Tech Holdings	692	-	692	-

		Group		Company	
	Notes(s)	2024 N million	2023 N million	2024 N million	2023 N million

46. Related parties (continued)

46.6 Summary of amounts due to and from related parties

	Notes(s)	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
Amount due to related parties					
Related parties	46.4	186,013	109,861	184,207	109,323
Subsidiaries	46.3	-	-	9,280	5,128
	39	**186,013**	**109,861**	**193,487**	**114,451**
Amount due from related parties					
Related parties	46.4	77,494	28,724	77,494	28,724
Subsidiaries	46.3	-	-	49,691	36,286
	27	**77,494**	**28,724**	**127,185**	**65,010**

46.7 Other related party transactions

	Group 2024 N million	Group 2023 N million	Company 2024 N million	Company 2023 N million
Purchases from				
Eventful Limited	1,581	816	1,581	816
Liquid Intelligent Technologies Limited	350	-	350	-
National Identity Management Commission (NIMC)	1,500	700	1,500	700
Nigeria Economic Summit Group (NESG)	100	53	100	53
Nigerian Exchange Group (NGX Group) Plc	-	229	-	229
Pan Atlantic University	74	155	74	155
ReStraL Limited	9	37	9	37
Interserve Overseas Limited	13,893	-	13,893	-
Global Trading Company Ltd	3,620	-	3,620	-

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 2024 include:

Name of Company	Relationship
Eventful Limited	Eventful Ltd provides event management services to MTN Nigeria. Omobola Johnson is related to the CEO of Eventful Ltd.
Liquid Intelligent Technologies Limited	Liquid Technologies is a provider of pan-African digital infrastructure with fibre broadband network. Omobola Johnson is serving as an independent non-executive 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 is the 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 & pays its membership dues. Karl Toriola is a non-executive director on the board of the NESG.
Nigerian Exchange Group (NGX Group) Plc	NGX Group provides a wide range of services including listing and trading securities, licensing, market data solutions, ancillary technology, regulation, real estate, and more through its wholly- owned subsidiaries. Abubakar B. Mahmoud is on the board of one of its subsidiaries, Nigeria Exchange Limited.
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.
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.

		Group		Company	
		2024	2023	2024	2023
	Notes(s)	N million	N million	N million	N million
47. Cash generated from operations					
Loss before taxation		(550,325)	(177,886)	(520,976)	(144,242)
Adjustments for					
Finance income	15	(28,440)	(25,815)	(24,998)	(24,753)
Finance costs	16	431,648	236,927	430,427	236,604
Net foreign exchange loss	17	925,361	740,434	924,903	740,358
Depreciation of property and equipment	19	259,748	231,540	259,553	231,540
Depreciation of right of use assets	20.1	184,723	118,296	184,723	118,296
Amortisation of intangible assets	21	90,684	79,033	89,231	72,289
Amortisation of contract cost	23	5,038	4,495	5,038	4,495
Profit on disposal of property, and equipment	14	(2,193)	(752)	(2,193)	(752)
(Reversal of)/impairment of property and equipment	14	(1,148)	2,439	(1,148)	2,439
Write-off on property and equipment	14	-	1,782	-	1,782
Impairment of intangible assets	14	31	-	31	-
(Reversal of)/ inventory write-down	14	(4,226)	1,053	(4,226)	1,053
Impairment of trade and other receivables	13	6,839	998	6,839	998
Reversal of credit loss expense on other non-current investments	13	(2)	(113)	(2)	(113)
(Reversal of)/increase in credit loss expense on current investments at amortised cost	13	(13)	91	(29)	55
Reversal of credit loss expense on cash and cash equivalents	13	(62)	(194)	(9)	(247)
Reversal of credit loss expense on current investments at FVOCI	13	(10)	(26)	-	-
Credit loss on subsidiary receivables (XSB)	13	-	-	25	-
Credit loss expense on other receivables	13	-	-	-	9,496
		1,317,653	**1,212,302**	**1,347,189**	**1,249,298**
Changes in working capital:					
Decrease/(increase) in inventories		3,281	(3,402)	3,858	(3,402)
Increase in trade and other receivables		(167,568)	(14,842)	(171,172)	(27,869)
Decrease in provisions		(11,577)	(13,868)	(13,965)	(4,372)
Increase in post employee benefit cost		1,375	2,752	1,375	2,751
Increase in trade and other payables		260,719	175,943	256,372	161,615
Increase in contract liabilities		14,476	9,935	14,797	9,935
(Decrease)/increase in share based payments liability		(2,889)	8,341	(2,889)	8,341
		97,817	**164,859**	**88,376**	**146,999**
Cash generated from operations		**1,415,470**	**1,377,161**	**1,435,565**	**1,396,297**

48. 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
2024							
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
	2,207,941	**463,348**	**(1,444,106)**	**805,856**	**135,293**	**1,088,007**	**3,256,339**
2023							
Current interest bearing loans and borrowings (excluding items listed below)	250,210	406,467	(172,747)	110,455	-	94,967	689,352
Non-current interest bearing loans and borrowings (excluding items listed below)	439,463	229,358	(328,533)	132,042	-	15,487	487,817
Current lease liabilities	68,838	-	(212,614)	367,356	-	(32,803)	190,777
Non-current lease liabilities	591,178	-	-	-	-	222,456	813,634
	1,349,689	**635,825**	**(713,894)**	**609,853**	**-**	**300,107**	**2,181,580**

*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.

49. 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 2024

	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
Assets						
Current assets						
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
Total assets	232,887	40	2	4	-	232,933
Liabilities						
Current liabilities						
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
	772,409	78	1,615	196	8	774,306
Non-current liabilities						
Borrowings	163,235	-	-	-	-	163,235
Lease liabilities	1,195,965	-	-	-	-	1,195,965
	1,359,200	-	-	-	-	1,359,200
Total liabilities	2,131,609	78	1,615	196	8	2,133,506

31 December 2023

	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
Assets						
Current assets						
Trade and other receivables	70,871	-	-	-	-	70,871
Restricted cash	171,716	-	-	-	-	171,716
Cash and cash equivalents	45,673	24	1	-	-	45,698
Total assets	288,260	24	1	-	-	288,285
Liabilities						
Current liabilities						
Trade and other payables	365,470	39	1,034	331	-	366,874
Derivative liability (a)	27,213	-	-	-	-	27,213
Borrowings	402,730	-	-	-	-	402,730
Lease liabilities	153,798	-	-	-	-	153,798
	949,211	39	1,034	331	-	950,615
Non-current liabilities						
Borrowings	132,552	-	-	-	-	132,552
Lease liabilities	549,808	-	-	-	-	549,808
	682,360	-	-	-	-	682,360
Total liabilities	1,631,571	39	1,034	331	-	1,632,975

(a) The derivative liability is denominated in US Dollars while the derivative asset is in Naira.

50. 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.

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 non-current liabilities, derivatives, lease liabilities, borrowings and trade and other payables.

Accounting classes and fair values

Categories of financial assets

	Note(s)	Amortised costs N million	FVTPL N million	FVOCI N million	Total carrying amount N million
Group - 2024					
Other non-current investment	24	9,068	-	-	9,068
Trade and other receivables	27	243,889	-	-	243,889
Current investments	24	35,540	1,584	15,285	52,409
Cash held for MoMo customer	29.1	3,843	-	-	3,843
Restricted cash	28	107,023	-	-	107,023
Cash and cash equivalents	30	253,377	-	-	253,377
		652,740	**1,584**	**15,285**	**669,609**
Group - 2023					
Other non-current investments	24	6,632	-	-	6,632
Trade and other receivables	27	118,317	-	-	118,317
Current investments	24	4,029	205	3,022	7,256
Restricted cash	28	394,409	-	-	394,409
Cash held for MoMo customer	29.1	7,601	-	-	7,601
Cash and cash equivalents	30	345,074	-	-	345,074
		876,062	**205**	**3,022**	**879,289**
Company - 2024					
Other non-current investments	24	6,575	-	-	6,575
Current investments	24	25,275	1,584	1,337	28,196
Trade and other receivables	27	291,731	-	-	291,731
Cash and cash equivalents	30	232,800	-	-	232,800
Restricted cash	28	106,823	-	-	106,823
		663,204	**1,584**	**1,337**	**666,125**
Company - 2023					
Other non-current investments	24	6,632	-	-	6,632
Trade and other receivables	27	150,796	-	-	150,796
Current investments	24	923	205	1,491	2,619
Restricted cash	28	394,209	-	-	394,209
Cash and cash equivalents	30	315,548	-	-	315,548
		868,108	**205**	**1,491**	**869,804**

50. Financial instruments (continued)

Categories of financial liabilities

	Note(s)	Amortised cost N million	FVTPL N million	FVOCI N million	Total carrying amount N million
Group - 2024					
Borrowings	36	972,915	-	-	972,915
Lease liabilities	20	2,283,424	-	-	2,283,424
Other non-current liabilities	38	8,842	-	-	8,842
Trade and other payables	39	928,409	-	-	928,409
Derivatives	41	-	1,961	-	1,961
Deposit held for MoMo customers	29.2	3,843	-	-	3,843
		4,197,433	**1,961**	**-**	**4,199,394**
Group - 2023					
Borrowings	36	1,177,169	-	-	1,177,169
Lease liabilities	20	1,004,411	-	-	1,004,411
Other non-current liabilities	38	8,267	-	-	8,267
Trade and other payables	39	475,891	-	-	475,891
Derivatives	41	-	15,912	-	15,912
Deposit held for MoMo customers	29.2	7,601	-	-	7,601
		2,673,339	**15,912**	**-**	**2,689,251**
Company - 2024					
Borrowings	36	972,915	-	-	972,915
Lease liabilities	20	2,283,424	-	-	2,283,424
Other non-current liabilities	38	25	-	-	25
Trade and other payables	39	924,671	-	-	924,671
Derivatives	41	-	1,961	-	1,961
		4,181,035	**1,961**	**-**	**4,182,996**
Company - 2023					
Borrowings	36	1,177,169	-	-	1,177,169
Lease liabilities	20	1,004,411	-	-	1,004,411
Trade and other payables	39	466,984	-	-	466,984
Derivatives	41	-	15,912	-	15,912
		2,648,564	**15,912**	**-**	**2,664,476**

51. 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**
31 December 2024				
Assets				
Treasury bills at FVTPL	1,584	-	-	1,584
Treasury bills at FVOCI	15,285	-	-	15,285
	16,869	-	-	16,869
Liabilities				
Derivatives	-	1,961	-	1,961
	-	**1,961**	**-**	**1,961**
31 December 2023				
Assets				
Treasury bills at FVTPL	205	-	-	205
Treasury bills at FVOCI	3,022	-	-	3,022
	3,227	-	-	3,227
Liabilities				
Derivatives	-	15,912	-	15,912
	-	**15,912**	**-**	**15,912**
Company				
31 December 2024				
Assets				
Treasury bills at FVTPL	1,584	-	-	1,584
Treasury bills at FVOCI	1,337	-	-	1,337
	2,921	-	-	2,921
Liabilities				
Derivatives	-	1,961	-	1,961
	-	**1,961**	**-**	**1,961**

51. Fair value estimation (continued)

Company	Level 1 N million	Level 2 N million	Level 3 N million	Total N million
31 December 2023				
Assets				
Treasury bills at FVTPL	205	-	-	205
Treasury bills at FVOCI	1,491	-	-	1,491
	1,696	-	-	1,696
Liabilities				
Derivatives	-	15,912	-	15,912
	-	**15,912**	**-**	**15,912**

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. The derivative financial instruments are in level.

52. 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.

52.1 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.

	Group		Company	
	2024 N million	2023 N million	2024 N million	2023 N million
The following instruments give rise to credit risk				
Other non-current investments	9,068	6,632	6,575	6,632
Trade and other receivables	243,889	118,317	291,731	150,796
Current investments	50,825	7,051	26,612	2,414
Restricted cash	107,023	394,409	106,823	394,209
Cash and cash equivalents	253,377	345,074	232,800	315,548
	664,182	**871,483**	**664,541**	**869,599**

52.1.1 Cash and cash equivalents, and restricted cash

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, which are lending institutions to the Group. 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 40% of total investment portfolio to manage concentration risk. The exposure is controlled by a right of setoff and 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 lending 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 for Group and Company as at 31 December 2024 stood at N32 million (31 December 2023: N94 million for Group; N41 million for Company).
Reversal of credit loss for the year was N62 million for Group; N9 million for Company (December 2023: reversal of N194 million for Group; N247 million for Company).

52. Financial risk management (continued)

52.1.2 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).
Group: ECL for gross trade receivables of N132.27 billion (2023: N73.61 billion) was N21.07 billion (2023: N14.65 billion)
Company: ECL for gross trade receivables of N132.27 billion (2023: N73.34 billion) was N21.07 billion (2023: N14.23 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 N6.17 billion was held as collateral for same value of receivables as at 31 December 2024 (31 December 2023: N3.83 billion). Trade partners are to pay within seven days of credit advanced. In the event of default, the bank guarantee is recalled 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.

	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
Group					
31 December 2024					
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	
31 December 2023					
Expected loss rate	0.86 %	18.34 %	33.29 %	71.20 %	
Gross carrying amount	45,786	4,941	7,759	15,123	73,609
Loss allowance	394	906	2,583	10,767	14,650
Credit impaired	No	No	No	No	
Company					
31 December 2024					
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	
31 December 2023					
Expected loss rate	0.86 %	18.34 %	28.91 %	71.20 %	
Gross carrying amount	45,786	4,941	7,488	15,123	73,338
Loss allowance	394	906	2,165	10,767	14,232
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 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.

52. Financial risk management (continued)

52.1.3 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 increase the circulation of money in the country 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 is B-, a speculative grade, for its Short-Term Local-Currency 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 Agusto and Co.

Total estimated credit loss as at 31 December 2024 for Group stood at N176 million (31 December 2023: N191 million) while the reversal of credit loss for the period stood at N15 million (31 December 2023: credit loss reversal of N22 million); Company: N124 million (31 December 2023: N155 million) while the reversal of credit loss for the period stood at N31 million (31 December 2023: credit loss reversal N58 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** N million	**Current investments** N million	**Other non-current investments** N million	**Total ECL** N million
Group					
Balance at 1 January 2023		339,549	6,217	10,585	(501)
Net movement during the year		83,667	-	-	-
Purchase		-	9,387	-	-
Sale/matured		-	(21,659)	(4,066)	-
Exchange gain		(78,336)	10,175	-	-
Credit loss reversal	14	194	(91)	113	216
Balance at 31 December 2023		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	14	62	13	2	77
Balance at 31 December 2024		**253,377**	**35,540**	**9,068**	**(208)**

52. Financial risk management (continued)

	Note(s)	Cash and cash equivalents N million	Current investments N million	other non-current investments N million	Total ECL N million
Company					
Balance at 1 January 2023		324,244	5,600	10,585	(501)
Net movement during the year		69,393	-	-	-
Purchase		-	5,349	-	-
Sale/matured		-	(20,146)	(4,066)	-
Exchange gain		(78,336)	10,175	-	-
Credit loss reversal	14	247	(55)	113	305
Balance at 31 December 2023		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	14	9	29	2	40
Balance at 31 December 2024		**232,800**	**25,275**	**6,575**	**(156)**

52.2 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

	Group		Company	
	2024 N million	2023 N million	2024 N million	2023 N million
The following are the liquid resources:				
Cash and cash equivalents	253,377	345,074	232,800	315,548
Cash held for MoMo customer	3,843	7,601	-	-
Current investments	52,409	7,256	28,196	2,619
Restricted cash	107,023	394,409	106,823	394,209
Trade and other receivables	243,889	118,317	291,731	150,796
	660,541	**872,657**	**659,550**	**863,172**

52. Financial risk management (continued)

The following are the contractual maturities of financial liabilities:

Group	Note(s)	Carrying amount N million	Payable within one month or on demand N million	More than one month but not more than three months N million	More than three months but not more than one year N million	More than one year but not more than two years N million	More than two years but not more than five years N million	More than five years N million	Total N million
31 December 2024									
Trade and other payables		928,409	157,838	445,661	324,910	-	-	-	928,409
Deposit held for MoMo customers		3,843	3,843	-	-	-	-	-	3,843
Derivatives		1,961	-	1,961	-	-	-	-	1,961
Other non-current liabilities		8,842	-	-	-	6,668	4,463	-	11,131
Borrowings		972,915	38,615	2,447	213,505	311,348	375,671	196,477	1,138,063
Lease liabilities		2,283,424	120,521	39	400,996	525,883	1,557,725	1,338,267	3,943,431
		4,199,394	**320,817**	**450,108**	**939,411**	**843,899**	**1,937,859**	**1,534,744**	**6,026,838**
31 December 2023									
Trade and other payables		475,891	86,294	232,359	157,238	-	-	-	475,891
Deposit held for MoMo customers		7,601	7,601	-	-	-	-	-	7,601
Derivatives		15,912	-	-	15,912	-	-	-	15,912
Other non-current liabilities		8,267	-	-	-	7,163	4,462	-	11,625
Borrowings		1,177,169	15,528	57,474	670,018	110,642	308,856	301,672	1,464,190
Lease liabilities		1,004,411	71,873	122	206,675	262,882	755,703	247,100	1,544,355
		2,689,251	**181,296**	**289,955**	**1,049,843**	**380,687**	**1,069,021**	**548,772**	**3,519,574**

52. Financial risk management (continued)

Company	Note(s)	Carrying amount N million	Payable within one month or on demand N million	More than one month but not more than three months N million	More than three months but not more than one year N million	More than one year but not more than two years N million	More than two years but not more than five years N million	More than five years N million	Total N million
31 December 2024									
Trade and other payables		924,671	157,166	443,858	323,647	-	-	-	924,671
Derivatives		1,961	-	1,961	-	-	-	-	1,961
Borrowings		972,915	38,615	2,447	213,505	311,348	375,671	196,477	1,138,063
Lease liabilities		2,283,424	120,521	39	400,996	525,883	1,557,725	1,338,267	3,943,431
Other non current liabilities		25	-	-	-	25	-	-	25
		4,182,996	**316,302**	**448,305**	**938,148**	**837,256**	**1,933,396**	**1,534,744**	**6,008,151**
31 December 2023									
Trade and other payables		466,984	79,374	224,116	163,494	-	-	-	466,984
Derivatives		15,912	-	-	15,912	-	-	-	15,912
Borrowings		1,177,169	15,528	57,474	670,018	110,642	308,856	301,672	1,464,190
Lease liabilities		1,004,411	71,873	122	206,675	262,882	755,703	247,100	1,544,355
		2,664,476	**166,775**	**281,712**	**1,056,099**	**373,524**	**1,064,559**	**548,772**	**3,491,441**

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52. Financial risk management (continued)

52.3 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.

52.3.1 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.

Interest rate profile

At the reporting date the interest rate profile of the Group's financial instruments is as follows:

	31 December 2024			31 December 2023		
	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
Group						
Financial assets						
Cash and cash equivalents	253,377	-	-	345,074	-	-
Current investments	52,409	-	-	49,559	-	-
Restricted cash	22,750	-	84,273	14,510	-	379,899
Trade and other receivables	-	-	243,889	-	-	118,317
Cash held for MoMo customers	3,843	-	-	-	-	-
Other non-current investments	9,068	-	-	6,632	-	-
	341,447	**-**	**328,162**	**415,775**	**-**	**498,216**
Financial liabilities						
Trade and other payables	-	-	223,185	-	-	146,881
Amounts due to related parties	-	186,013	-	-	109,861	-
Other accrued expenses	-	-	519,211	-	-	227,416
Derivatives	-	-	1,961	15,912	-	-
Deposit held for MoMo customers	-	-	3,843	-	-	7,601
Borrowings	682,564	290,321	-	640,394	536,775	-
Other non-current liabilities	-	-	8,842	-	-	8,267
	682,564	**476,334**	**757,042**	**656,306**	**646,636**	**390,165**

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52. Financial risk management (continued)

	31 December 2024			31 December 2023		
	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
Company						
Financial assets						
Cash and cash equivalents	232,800	-	-	315,548	-	-
Current investments	28,196	-	-	2,619	-	-
Restricted cash	22,750	-	84,073	22,111	-	372,098
Trade and other receivables	-	-	291,731	-	-	150,796
Other non-current investments	6,575	-	-	6,632	-	-
	290,321	**-**	**375,804**	**346,910**	**-**	**522,894**
Financial liabilities						
Trade and other payables	-	-	220,897	-	-	137,043
Amounts due to related parties	-	193,487	-	-	114,451	-
Other accrued expenses	-	-	510,287	-	-	215,490
Derivatives	-	-	1,961	15,912	-	-
Borrowings	682,564	290,351	-	640,394	536,775	-
Other non current liabilities	-	-	25	-	-	-
	682,564	**483,838**	**733,170**	**656,306**	**651,226**	**352,533**

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 2024 Increase/(decrease) in profit before tax			31 December 2023 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	(1,594)	1,594	1	(983)	983
NIBOR	1	(4,836)	4,836	1	(4,483)	4,483

52. Financial risk management (continued)

52.3.2 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 49 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 2024 Increase/(decrease) in profit before tax		31 December 2023 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	(379,745)	94,936	(299,462)	74,866

The sensitivity factors were re-assessed in 2023 financial year to accurately reflect the real economic conditions, particularly the devaluation of the Naira. The outcome resulted in the Group retaining a 5% propensity for the Naira strengthening. The propensity for the Naira to weaken was further revised upward, increasing from 10% to 20%.

52. Financial risk management (continued)

52.4 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	
	2024 N million	2023 N million	2024 N million	2023 N million
Revenue	3,358,461	2,468,847	3,363,513	2,472,473
Other income	2,369	-	2,369	-
Operating expenses excluding depreciation and amortisation	(2,047,431)	(1,266,318)	(2,023,019)	(1,242,381)
EBITDA	1,313,399	1,202,529	1,342,863	1,230,092
Gross debt	972,915	1,177,169	972,915	1,177,169
Cash and cash equivalents	(253,377)	(345,074)	(232,800)	(315,548)
Net debt	719,538	832,095	740,115	861,621
Gross debt	972,915	1,177,169	972,915	1,177,169
Equity	(458,007)	(45,404)	(356,238)	34,779
Total funding	**514,908**	**1,131,765**	**616,677**	**1,211,948**
Gross debt :Total funding	189 %	104 %	158 %	97 %
Net debt: Total funding	140 %	74 %	120 %	71 %
Net debt : EBITDA	55 %	69 %	55 %	70 %

Notes to the consolidated and separate financial statements

53. Reclassification of comparative amounts

There were reclassifications made for the period ended 31 December 2023, the comparative amounts relating to 2023 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 cashflows. 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	Reclassification N million	As currently reported N million	As previously reported N million	Reclassification N million	As currently reported N million
Statement of profit or loss						
Direct network operating costs	650,500	4,703	655,203	650,210	4,703	654,913
Value added service	28,374	(4,706)	23,668	28,367	(4,706)	23,661
Cost of Starter packs, handsets and accessories	30,293	3	30,296	30,293	3	30,296
Impairments of financial assets	-	756	756	-	10,189	10,189
Other operating expenses	139,884	(756)	139,128	147,467	(10,189)	137,278
Statement of financial position						
Current asset						
Restricted cash	402,010	(7,601)	394,409	-	-	-
Cash held for MoMo customers	-	7,601	7,601	-	-	-
Liabilities						
Non current liabilities						
Employee benefits	9,703	(1,274)	8,429	9,703	(1,274)	8,429
Other non-current liabilities	-	8,267	8,267	-	-	-
Current liabilities						
Trade and other payables	707,787	(8,267)	699,520	-	-	-
Employee benefits	-	1,274	1,274	-	1,274	1,274
Statement of cash flows						
Cash flows from operating activities						
Cash generated from operations	1,369,821	7,340	1,377,161	1,388,957	7,340	1,396,297
Cash flows from investing activities						
Prepaid road investment tax credit cost	-	(17,291)	(17,291)	-	(17,291)	(17,291)

54. Going concern assessment

During the year, the Company incurred a net loss of N360.5 billion (31 December 2023: N104.5 billion), resulting in total negative shareholders' funds of N356.2 billion (31 December 2023: N34.8 billion positive) and its current liabilities exceeded current assets by N1.1 trillion, after excluding derivatives, contract liabilities and provisions (31 December 2023: N767.1 billion).

In the same period, the company's revenue grew by 36.04% year on year, an increase of N891.04 billion and the operating profit of N809.36 billion.

The Board believes that the Company's fundamentals and prospects remain strong and to address its impaired shareholders fund, the shareholders at its Extraordinary General Meeting (EGM) held in May 2024 approved the implementation of several initiatives to improve the operational and financial performance of the Company. These initiatives are geared towards accelerating revenue growth development, restoring profitability and rebuilding reserves to strengthen business resilience and boost shareholder returns.

The Board of Directors of MTN Nigeria Communications Plc has assessed the Company's ability to continue as a going concern when preparing the financial statements. In performing this assessment, the Board has considered various events and conditions that may exist and, individually or collectively, cast significant doubt on the entity's ability to continue as a going concern, such as:

- The circumstances leading to the incurred period losses are unlikely to persist indefinitely.
- 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 is no significant deterioration in the value of assets used to generate cash flows, although there is a substantial operating loss arising from net foreign exchange loss being a major impact of forex deterioration. The net foreign exchange loss became material following the effect of the Naira devaluation against the US Dollar, which saw the Naira plummet from N907.11/$ to N1,535/$ for the year ended 31 December 2024. There is an ongoing effort to re-denominate some categories of foreign denominated expenditure to local currency. This strategic move aims to reduce exposure to exchange rate volatility.
- 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. We are satisfied that the business is expected to continue its operations over the next twelve months.

Based on the above assessments and taking account of reasonable possible changes in trading performance and the current financial position; the Directors have a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future. Consequently, the going concern basis has been adopted in preparing the audited consolidated and separate financial statements.

The accumulated loss and negative shareholders fund position is being addressed by the Board of directors, and an Extraordinary General Meeting (EGM) will be convened in compliance with Companies and Allied Matter Acts (CAMA) 2020, Section 137 (1).

55. Capital commitments

	Group		Company	
	2024 N million	2023 N million	2024 N million	2023 N million
Commitments for the acquisitions of property and equipment as at the reporting date is as follows:				
Approved but not contracted	590,180	394,895	590,180	394,895
Contracted but not capitalised	-	107,838	-	107,838
	590,180	**502,733**	**590,180**	**502,733**
Commitments for the acquisitions of software and work in progress as at the reporting date is as follows:				
Approved but not contracted	51,436	16,943	51,436	16,943
Contracted but not capitalised	-	21,916	-	21,916
	51,436	**38,859**	**51,436**	**38,859**
Total commitments for property and equipment, software and work in progress	**641,616**	**541,592**	**641,616**	**541,592**

Capital expenditure will be funded from operating cash flows, existing borrowing facilities and, where necessary, by raising additional facilities.

56. Contingent liabilities

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

The Group has N3.99 billion (2023: N0.99 billion) contingent liabilities arising from claims and litigations in the ordinary course of business and the Group is defending these actions. These matters are currently being considered by various courts and the timing of the judgements are unknown. In the opinion of the directors, which is based on advice from the legal counsels, no material loss is expected to arise from these claims and litigations.

57. 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.

58. Free float information

MTN Nigeria Communications Plc with a free float value of N709,061,844,200 as at 31 December 2024 (31 December 2023: N711,948,075,432) is compliant with The Exchange's requirements for free float for companies listed on the Premium Board.

Notes to the consolidated and separate financial statements

59. Events after the reporting period

Tariff Increase

On 15 January 2025, the National Communication Commission (NCC) announced its approval of a 50% increase in tariff in response to the prevailing macroeconomic environment, increasing inflationary pressures, and rising operational costs for all telecommunication companies within telecommunication ecosystem. The decision was made in compliance with regulatory guidelines and following engagements with relevant stakeholders. Implementation of this change will result in a tariff adjustment across its service offerings. The tariff increase was necessary to ensure the sustainability of network expansion, continued investment in infrastructure, and the delivery of high-quality services to customers. The company remains committed to balancing affordability with the need to maintain service excellence and financial sustainability.

Aside from the matter disclosed above, there were no events after the reporting date that could have had a material effect on the consolidated and separate financial statements that have not been provided for or disclosed in these financial statements

Value added statements

	2024 N million	2024 %	2023 N million	2023 %
Group				
Value added				
Revenue	3,358,461		2,468,847	
Finance income	28,440		25,815	
Other income	2,369		-	
Bought - in materials and services				
- Local	(1,845,426)		(1,049,116)	
- Foreign	(115,019)		(147,249)	
Total value added	**1,428,825**	**100**	**1,298,297**	**100**
Value distributed				
To pay employees				
Salaries, wages, and other benefits	91,919		65,002	
	91,919	**6**	**65,002**	**5**
To pay providers of capital				
Finance costs	431,648		236,927	
Net foreign exchange loss	925,361		740,434	
	1,357,009	**95**	**977,361**	**75**
To pay government				
Income tax	21,065		155,511	
Deferred tax	(170,955)		(196,376)	
	(149,890)	**(10)**	**(40,865)**	**(3)**
To be retained in the business for expansion and future wealth creation:				
Depreciation	444,471		349,836	
Amortisation	90,684		79,033	
Impairment	(4,933)		4,951	
	530,222	**37**	**433,820**	**33**
Value retained				
Retained loss	(399,448)		(133,841)	
Non-controlling interest	(987)		(3,180)	
	(400,435)	**(28)**	**(137,021)**	**(11)**
Total value distributed	**1,428,825**	**100**	**1,298,297**	**100**

Value added statements

	2024 N million	2024 %	2023 N million	2023 %
Company				
Value added				
Revenue	3,363,513		2,472,473	
Finance income	24,998		24,753	
Other income	2,369		-	
Bought - in materials and services				
- Local	(1,827,659)		(1,030,492)	
- Foreign	(115,019)		(146,512)	
Total value added	**1,448,202**	**100**	**1,320,222**	**100**
Value distributed				
To pay employees				
Salaries, wages and other benefits	85,212		60,462	
	85,212	**6**	**60,462**	**5**
To pay providers of capital				
Finance costs	430,427		236,604	
Net foreign exchange loss	924,903		740,358	
	1,355,330	**94**	**976,962**	**74**
To pay government				
Income tax	21,040		155,481	
Deferred tax	(181,540)		(195,213)	
	(160,500)	**(11)**	**(39,732)**	**(3)**
To be retained in the business for expansion and future wealth creation:				
Depreciation	444,276		349,836	
Amortisation	89,231		72,289	
Impairment	(4,871)		4,915	
	528,636	**37**	**427,040**	**32**
Value retained				
Retained loss	(360,476)		(104,510)	
	(360,476)	**(25)**	**(104,510)**	**(8)**
Total value distributed	**1,448,202**	**100**	**1,320,222**	**100**

Five year financial summary

	2024 N million	2023 N million	2022 restated N million	1 Jan 2022 restated N million	2020 restated N million
Group					
Statement of financial position					
Assets and liabilities					
Property and equipment	1,248,304	1,095,111	928,357	774,113	686,157
Intangible assets	408,783	447,599	335,599	245,558	111,080
Other non-current assets	1,748,568	670,336	514,369	482,856	642,488
Net current liabilities	(1,196,982)	(917,638)	(483,649)	(301,118)	(221,094)
Non-current liabilities	(2,666,680)	(1,336,252)	(1,032,134)	(999,418)	(1,041,245)
Net (liabilities)/assets	**(458,007)**	**(40,844)**	**262,542**	**201,991**	**177,386**
Equity					
Share capital	420	420	407	407	407
Share premium	166,362	166,362	17,216	17,216	17,216
Other reserves	(12,454)	701	1,664	885	239
Treasury shares	(4,869)	(4,869)	(4,869)	-	-
(Accumulated losses)/retained earnings	(607,466)	(208,018)	246,679	183,483	160,524
Non-controlling interest	-	4,560	1,445	-	-
Total equity	**(458,007)**	**(40,844)**	**262,542**	**201,991**	**178,386**
Statement of profit or loss					
Revenue	3,358,461	2,468,847	2,012,272	1,654,299	1,346,390
(Loss)/profit before taxation	**(550,325)**	**(177,886)**	**518,823**	**436,687**	**298,874**
Taxation	149,890	40,865	(170,096)	(138,033)	(93,660)
(Loss)/profit for the year	**(400,435)**	**(137,021)**	**348,727**	**298,654**	**205,214**
Per share data					
(Loss)/earnings per share - basic/diluted (N)	(19.05)	(6.38)	16.63	14.24	9.79
Net (liabilities)/assets per share (N)	(21.84)	(1.95)	12.52	9.63	8.46

Five year financial summary

	2024 N million	2023 N million	2022 restated N million	1 Jan 2022 restated N million	2020 restated N million
Company					
Statement of financial position					
Assets and liabilities					
Property and equipment	1,248,304	1,095,111	928,357	774,113	686,157
Intangible assets	404,212	426,300	314,684	219,324	79,525
Other non-current assets	1,849,008	760,129	577,679	537,380	692,816
Net current liabilities	(1,199,890)	(919,925)	(479,389)	(301,732)	(219,458)
Non-current liabilities	(2,657,863)	(1,326,836)	(1,029,389)	(995,078)	(1,036,808)
Net (liabilities)/assets	**(356,229)**	**34,779**	**311,942**	**234,007**	**202,232**
Equity					
Share capital	420	420	407	407	407
Share premium	166,362	166,362	17,216	17,216	17,216
Other reserves	(29,833)	708	1,664	885	239
Treasury shares	(4,869)	(4,869)	(4,869)	-	-
(Accumulated losses)/retained earnings	(488,309)	(127,842)	297,524	215,499	184,370
Total equity	**(356,229)**	**34,779**	**311,942**	**234,007**	**202,232**
Statement of profit or loss					
Revenue	3,363,513	2,472,473	2,011,935	1,652,925	1,346,288
(Loss)/profit before taxation	**(520,976)**	**(144,242)**	**549,516**	**448,358**	**309,245**
Tax credit/(expense)	160,500	39,732	(179,305)	(141,534)	(96,763)
(Loss)/profit for the year	**(360,476)**	**(104,510)**	**370,211**	**306,824**	**212,482**
Per share data					
(Loss)/earnings per share - basic/diluted (N)	(17.19)	(4.98)	17.66	14.63	10.13
Net (liabilities)/assets per share (N)	(16.99)	1.66	14.88	11.16	9.65