



MOBILE TELEPHONE NETWORKS HOLDINGS LIMITED

(Incorporated in the Republic of South Africa with limited liability under Registration Number 1993/001411/06)

unconditionally and irrevocably guaranteed by:

MTN GROUP LIMITED

(Incorporated in the Republic of South Africa with limited liability under Registration Number 1994/009584/06)

and

MOBILE TELEPHONE NETWORKS PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa with limited liability under Registration Number 1993/001436/07)

MTN INTERNATIONAL PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa with limited liability under Registration Number 1998/002351/07)

MTN INTERNATIONAL (MAURITIUS) LIMITED

(Incorporated in Mauritius under Registration Number 19434/3597)

**RISK FACTORS AND OTHER DISCLOSURES SCHEDULE
RELATING TO THE MOBILE TELEPHONE NETWORKS HOLDINGS LIMITED
ZAR35,000,000,000 DOMESTIC MEDIUM TERM NOTE PROGRAMME**

This is the risk factors and other disclosures schedule relating to the Mobile Telephone Networks Holdings Limited ZAR35,000,000,000 Domestic Medium Term Note Programme (the “**Programme**”) (the “**Risk Factors and Other Disclosures Schedule**”) applicable to all Notes issued under the Programme pursuant to the Programme Memorandum dated 2 November 2022, as amended, updated and replaced from time to time (the “**Programme Memorandum**”).

This Risk Factors and Other Disclosures Schedule is dated as of 2 November 2022 and contains information pertaining to:

- the description of the Issuer, the Noteholder Guarantor and the Subsidiary Guarantors;
- the Issuer’s directors and debt officer prescribed by paragraph 4.10(b) of the JSE Debt Listings Requirements;
- the Risk Factors that the Issuer believes are material for the purposes of assessing the market risks associated with the Notes;
- Conflicts of Interest;
- Settlement, Clearing and Transfer of Notes;
- Taxation;

- Exchange Control;
- Subscription and Sale; and
- Corporate Information.

Capitalised terms used in this Risk Factors and Other Disclosures Schedule are defined in the section of the Programme Memorandum headed “*Terms and Conditions of the Notes*” (the “**Terms and Conditions**”), unless separately defined or clearly inappropriate from the context.

DESCRIPTION OF THE ISSUER, THE NOTEHOLDER GUARANTOR AND THE SUBSIDIARY GUARANTORS

Capitalised terms used in this section headed “Description of the Issuer, the Noteholder Guarantor and the Subsidiary Guarantors” shall bear the same meanings as those used in the Terms and Conditions, except to the extent that they are separately defined in this section or are clearly inappropriate from the context.

THE ISSUER

1. LEGAL STATUS

1.1 Mobile Telephone Networks Holdings Limited (the “**Issuer**”) was incorporated on 17 March 1993 under the laws of the Republic of South Africa and converted from a private company to a public company on 22 March 2016.

1.2 The Issuer has the following details:

- (a) Registration number: 1993/001411/06.
- (b) *Registered place of business*: 216 14th Avenue, Fairland, 2195, South Africa.
- (c) *Company Secretary*: Patience Thobeka Sishuba-Bonoyi.
- (d) *Company Secretary Address*: Innovation Centre, 216 14th Avenue, Fairland, 2195.
- (e) *Financial year*: the Issuer’s financial year end is currently 31 December of each year.
- (f) *Annual financial statements*: the annual audited financial statements of the Issuer is drawn up in accordance with International Financial Reporting Standards (“**IFRS**”) and the Companies Act, 2008 of the Republic of South Africa (the “**Companies Act**”).
- (g) *JSE issuer code*: BIMTN.
- (h) *Debt Officer*: Thuto Shomang, Group Executive: Treasury.

1.3 The Issuer is, as at the Programme Date, in compliance with the provisions of the Companies Act and is acting in conformity with its memorandum of incorporation.

1.4 The auditors of the Issuer as at the Programme Date are PricewaterhouseCoopers Inc. and Ernst andYoung Inc.

2. NATURE OF BUSINESS

The Issuer was established with the business objective of an investment holding company and is currently one of the main borrowers of funding for the Group.

3. OWNERSHIP STRUCTURE

The Issuer is 100% owned by MTN Group Limited (the “**Company**”, “**MTN**” or “**MTN Group**”) and together with its subsidiaries, the “**Group**”).

4. CORPORATE GOVERNANCE

4.1 Board of Directors

The board of directors of the Issuer (the “**Board**”) is the focal point for, and custodian of, corporate governance, by managing its relationship with management, the shareholders and other relevant stakeholders of the Company and the Group along sound corporate governance principles. The board is ultimately accountable and responsible for the performance and affairs of the Company and the Group and seeks to create enduring stakeholder value in a responsible and ethical manner. The members of the board of the Issuer as at the Programme Date are listed below:

- (a) Mcebisi Jonas* (Chairman)
- (b) Ralph Mupita# (Group President and Chief Executive Officer)
- (c) Tsholofelo Molefe# (Group Chief Financial Officer)
- (d) Noluthando Gosa*
- (e) Shaygan Kheradpir*¹
- (f) Stanley Miller*²
- (g) Khotso Mokhele*
- (h) Nosipho Molope*
- (i) Lamido Sanusi*³
- (j) Nkululeko Sowazi*
- (k) Vincent Rague*⁴

- # Executive
- * Independent non-executive director
- # Non-executive director
- 1 American
- 2 Belgian
- 3 Nigerian
- 4 Kenyan

4.2 Abridged curricula vitae of the Board

- (a) **Mcebisi Jonas (2 July 1960)**

Independent non-executive Chairman

BA, Higher Diploma in Education

Appointed: 1 June 2018

Board Committee Membership: Chairman: Directors Affairs and Governance Committee. **Member:** Human Capital and Remuneration Committee, as well as International Advisory Board.

Other directorships: Mcebisi is currently one of four independent Presidential Investment Envoys, appointed by President Cyril Ramaphosa to facilitate investment into South Africa. He holds non-executive board positions at Northam Platinum, BKB, and Sygnia Group.

Skills, expertise and experience:

Mcebisi is a former Deputy Finance Minister of the Government of South Africa (2014 to 2017). Before his appointment to national government, he played a key leadership role in the Eastern Cape. He served as a provincial minister of Finance and Economic Development, Environmental Affairs and Tourism provincial minister. He served as Chief Executive Officer of the Eastern Cape Development Corporation and Chief Executive Officer of the Centre for Investment and Marketing in the Eastern Cape, developing the investment promotion agenda for the province.

(b) **Ralph Mupita (11 April 1972)**

Executive Director - Group President and CEO

BSc. Eng (Hons), MBA & GMP

Appointed: 1 April 2017

Other directorships: Director of various companies in the Group.

Skills, expertise and experience:

Ralph is MTN Group Chief Executive Officer. Prior to joining MTN in April 2017, Ralph was the Chief Executive of Old Mutual Emerging Markets. He has extensive experience in the financial services, building and operating life, asset management, short-term insurance and banking businesses in emerging markets. His vast market experience covers Africa, Latin America and Asia as operating regions.

(c) **Tsholofelo Molefe (4 November 1968)**

Executive Director: Group Chief Financial Officer

BA (Hons) Accounting & Finance, Bcompt Honours Degree CTA CA(SA)

Appointed: 1 April 2021

Other directorships: Director of various companies in the Group.

Skills, expertise, and experience:

Tsholofelo joins MTN from Telkom where she held the positions of Deputy Chief Financial Officer and Group Risk and Compliance officer, prior to her appointment as the Group Chief Financial Officer in 2018. Before joining Telkom, Tsholofelo spent nine years at Eskom Holdings, where she held various roles including being the Finance Director of the company. In addition to her telecommunications industry experience, Tsholofelo has also worked in the banking and financial services sector before joining Eskom. She brings with her extensive financial strategy, financial management and accounting experience, with a strong background in enterprise risk management and financial controls.

(d) **Noluthando Gosa (9 February 1963)**

Independent non-executive director

BA (Hons) Communications, Post Graduate Diploma in Business Administration.

Appointed: 1 April 2021

Board Committee Membership: Member: Risk and Compliance Committee: Social, Ethics and Sustainability Committee and Audit Committee.

Other directorships: Director of various companies in the Group. She is currently the Chief Executive officer of Akhona Group and is serving as a director on various companies where she is a shareholder. She is also a non-executive director of ArcelorMittal SA. She has served on multiple boards, including Investec Asset Management (now NinetyOne); AON SA, Broll Property Group, Verimark Holdings and Hulisani Proprietary Limited.

Skills, expertise and experience:

She has solid experience in telecommunications. In 1997, she was appointed as a founding member of the first independent telecommunications regulator, ICASA and was one of six councilors tasked to set up the regulator in South Africa.

Noluthando then joined Investec Bank and spent three years as a sell-side analyst, focusing on the telecommunications sector. Noluthando is also an extremely experienced deal maker and businesswoman, having spearheaded numerous joint ventures and acquisitions in multiple sectors and having enjoyed considerable success as an entrepreneur.

(e) **Shaygan Kheradpir (19 December 1960)**

Independent non-executive director

BA, Masters & PhD Electrical Engineering

Appointed: 8 July 2015

Board Committee Membership: Chairman: Risk and Compliance Committee.

Other directorships: Director of various companies in the Group and MTS Group. He was CEO and Chairman of Coriant International Group, a global packet-optical networking company. He is the former CEO of Juniper Networks, a routing and packet switching networking company. Prior to joining Juniper in 2014, Shaygan spent 3 years as the Group Chief Operating & Technology Officer at Barclays Bank PLC in the United Kingdom. Shaygan also spent in excess of 10 years at Verizon Communications until 2011 where he held the position of EVP & Chief Information & Technology Officer.

Skills, expertise and experience:

Business leadership and transformational change, business operations, technology and engineering.

(f) **Stanley Miller (6 September 1958)**

Independent non-executive director

Intermediate diploma, diploma in law & administration, London Business School Proteus Leadership

Appointed: 1 August 2016

Board Committee Membership: Member: Risk and Compliance Committee and Social, Ethics and Sustainability Committee.

Other directorships: Director of various companies in the Group. He is currently CEO of Athena Investment Holdings SA Luxembourg.

Skills, expertise and experience:

He has over 30 years of experience in the start-up, turn around and successful management of companies in both the Media and Telecommunication industries. His experience includes executive and INED positions in listed entities spanning several jurisdictions. These include MNET SA (1987-1991 JSE Listed) NetHold Europe (1991-1996) Royal KPN Europe Executive board member (1997-2010 AEX listed) MTS OJSC Russian Federation CIS INED (2010-2019 NYSE Listed) AINMT / ICE group (20210-2016 Oslo Bourse).

(g) **Khotso Mokhele (12 September 1955)**

Independent non-executive director

BSc (Agriculture), MSc (Food Science), PhD (Microbiology) and a number of honorary doctorates from various institutions.

Appointed: 1 July 2018

Board Committee Membership: Chairman: Human Capital and Remuneration.

Committee, Member: Directors Affairs and Governance Committee and Social, Ethics and Sustainability Committee.

Other directorships: Director of various companies in the Group. Khotso is currently the Chairman of AECI, a Non-Executive Director of Hans Merensky Holdings Proprietary Limited and holds the following non-executive directorships by virtue of his personal shareholding: Kenosi Investment Holdings, Delta Zero Corporation Proprietary Limited, Industrial Marketing Corporation of South Africa and Seasoned Capital.

Skills, expertise and experience:

Khotso's role in science is recognised nationally and internationally. He previously served as President/CEO of the National Research Foundation and Special Advisor to two Ministers of Science and Technology in South Africa as well as Chancellor of the University of the Free State. He also represented South Africa on the executive board of UNESCO, served as Vice President of the International Science Council and was awarded the Member Legion of Honour of the Republic of France for his work in strengthening scientific ties between South Africa and France.

(h) **Nosipho Molohe (12 September 1964)**

Independent non-executive director

Bachelor of Science (BSC Med) Bachelor of Accounting Science (BCompt Hons) (CTA).

Appointed: 1 April 2021

Board Committee Membership: Member: Risk and Compliance Committee, Audit Committee and Finance and Investment Committee.

Other directorships: Nosipho is currently serving on the boards of Engen Limited, EOH Holdings Limited, Old Mutual Limited (jointly with Old Mutual Life Assurance Company (South Africa)), MTN Group, Investor Property Fund Limited and the University of Johannesburg Council. She previously served as a director on South32 Coal Holdings Limited as well as various MTN Group subsidiaries where she chaired the audit committee.

Skills, expertise and experience:

She has a wealth of experience in telecommunications, packaging, agricultural and petrochemical sectors. She is commercially astute and has a deep level of technical accounting knowledge with an objective and broad-minded approach that stems from her multi-sector experience as well as her exposure to diverse cultures.

(i) **Lamido Sanusi (31 July 1961)**

Independent non-executive director

Bachelor's degree in Economics and a bachelor's degree in Islamic Law.

Appointed: 1 July 2019

Board Committee Membership: Member: Risk and Compliance Committee, Finance and Investment Committee, Directors Affairs and Governance Committee and Social and Social, Ethics and Sustainability Committee.

Other directorships: Director of various companies in the Group (Non-Executive Director). Babbangona (Chairman). Black Rhino Management Services Proprietary Limited (Chairman).

Skills, expertise and experience:

Finance, Banking and Central Banking.

(j) **Nkululeko Sowazi (16 April 1963)**

Independent non-executive director

Master's degree from the University of California, Los Angeles (UCLA).

Appointed: 1 August 2016

Board Committee Membership: Chairman: Social, Ethics and Sustainability Committee, Member: Directors Affairs and Governance Committee, Human Capital and Remuneration Committee and Finance and Investment Committee.

Other directorships: Nkululeko is the Executive Chairman and co-founder of Tiso Investment Holdings, a diversified Pan African investment holding company with business interests in South Africa and Ghana. He was Chairman of Kagiso Tiso Holdings (KTH) until June 2020.

He is the Chairman of Bud Chemicals and Minerals, Botswana Soda Ash (Botash) and Bayport Financial Services South Africa.

He is lead independent director of JSE listed Grindrod Limited and is also a non-executive director of Tiso Blackstar Group (Luxembourg) industrial conglomerate Bud Group and leading independent consulting company IQ Business South Africa. Nkululeko also serves as an Investment Committee member of the Sanlam Private Equity business, a division of Sanlam Alternative Investments.

Nkululeko serves on a number of not-for-profit organizations. He is a co-founder trustee of the Tiso Foundation and Chairman of Housing for HIV Foundation based in Washington D.C.

(k) **Vincent Rague (5 April 1953)**

Independent non- executive director

MBA: MBA and BA; Hons – Econ/Statistics, Executive development programs at the Harvard Business School, Boston, USA; and IMD, Lausanne, Switzerland.

Appointed: 1 July 2019

Board Committee Membership: Member: Directors Affairs and Governance Committee, Human Capital and Remuneration Committee and Audit Committee.

Other directorships: Director of various companies in the Group; City Lodge Hotels Limited (Independent Non-Executive Director); Pan African Infrastructure Fund (Independent Non-Executive Director); UAP/Old Mutual Limited (Independent Non-Executive Director); Jambojet Limited (Independent Chairman); Financial Sector Deepening African (Independent Chairman); FSD Africa (Investments) Limited (Director); International Advisory Board of NYSE-listed Chubb P&C Insurance and as a non-remunerated member on the Global Advisory Council of the Darden Business School, University of Virginia, USA.

Skills, expertise and experience:

International investment and corporate finance experience in banking, insurance and infrastructure. Co-Founder and non-executive partner at Catalyst Principal Partners, a private equity fund manager based in Nairobi, Kenya where he sits on the Investment Committee and as a director on the Board.

4.3 **Board Committees**

The Board's committees are: the Directors Affairs and Governance Committee; the Human Capital and Remuneration Committee; the Risk and Compliance; and the Finance and Investment Committee. The Audit Committee and the Social Ethics and Sustainability Committee (despite being statutory committees) constitute committees of the Board in respect of all duties assigned to them by the Board in addition to their statutory duties in terms of the Companies Act.

(a) *Audit Committee*

Responsible for the annual financial statements, accounting policies and reports; oversees the quality and integrity of the Group's integrated reporting. The committee is the primary forum for engagement with internal and external audit, and monitors the Group's internal control and compliance environment.

(b) *Directors Affairs and Governance Committee*

Consists only of non-executive directors, the majority of whom must be independent. The chairman of the Board chairs the committee. The committee's primary objective is to ensure that the right calibre of management and Board members is recruited and retained and ensure the committees of the Board are reflective of the complexity, size and nature of the business. The committee is accountable for effective corporate governance.

(c) *Human Capital and Remuneration Committee*

Consists only of non-executive directors, the majority of whom must be independent. The committee's objective is to ensure that the general human resources practices are formulated and monitored. The committee also reviews the overall remuneration of the Group to ensure that Board members and senior executives are appropriately

remunerated for their contribution to the Group's operating and financial performance, reviews and approves performance related incentive schemes, performance criteria and measurements, share incentive schemes, benefit funds and salary sacrifice options.

(d) *Risk and Compliance Committee*

Consists of non-executive directors and is chaired by a non-executive director, other than the Chairman of the Board. The committee's objective is to ensure that the Company has a clearly defined risk management and compliance strategy with appropriate supporting processes and structures. The committee's primary function is to identify and where possible, quantify risk exposures and ensure adequate reporting to the Board. The committee reviews the Group compliance with all applicable rules, regulations and ethical standards for the Company's directors, executives and employees, including corporate governance issues and practices. The committee is also responsible for formulating and monitoring corporate governance policies and practices for the Group in relation to risk and compliance.

(e) *Social, Ethics and Sustainability Committee*

Is constituted as a statutory committee of the Issuer and it consists of non-executive directors. The committee is responsible for monitoring the Issuer's activities, having regard to any relevant legislation, other legal requirements or prevailing codes of common practice, with regard to matters relating to the environmental, social and ethics, and economic development as contemplated in sections 72(4) and 72(5) of the Companies Act read with regulation 43 of the Companies Regulations, 2011. The committee is also responsible for formulating and monitoring corporate governance policies and practices for the Group in relation to social and ethics matters.

(f) *Finance and Investment Committee*

The committee has over the last few years been in existence as an ad hoc committee. In 2021 it was formalised as a standing committee of the Board to assess all investment cases against a predetermined set of criteria to ensure the viability and feasibility of the investment. The focus is assessing the cost benefit analysis, considering key risks and the short and long-term environmental and social-economic impacts, ensuring the necessary mitigation controls are implemented. This includes requirements for capital expenditure, funding strategies and mergers and acquisition activities.

4.4 **Directors' and debt officer's declarations**

None of the directors nor the debt officer of the Issuer mentioned above have:

- (a) ever been convicted of an offence resulting from dishonesty, fraud, theft, forgery, perjury, misrepresentation or embezzlement;
- (b) ever been adjudged bankrupt, insolvent or sequestrated in any jurisdiction;
- (c) at any time been a party to a scheme or arrangement or made any other form of compromise with their creditors;
- (d) ever been involved, as a director with an executive function, in any business rescue plans and/or by any entity to commence business rescue proceedings, application having been made for any entity to begin business rescue proceedings, notices having been delivered in terms of section 129(7) of the Companies Act, receiverships, compulsory liquidations, creditors' voluntary liquidations, administrations, company voluntary arrangements or any composition or arrangement with its creditors generally or any class of its creditors of any company at the time of, or within the 12 months preceding, any such event(s);

- (e) ever been found guilty in disciplinary proceedings by an employer or regulatory body due to dishonest activities;
- (f) ever been involved in any receiverships, compulsory liquidations, administrations or partnership voluntary arrangements of any partnership where they were partners at the time of, or within 12 months preceding, any such event(s);
- (g) ever received public criticisms from statutory or regulatory authorities, including professional bodies, and none has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company;
- (h) ever been barred from entry into a profession or occupation;
- (i) ever been convicted in any jurisdiction of any criminal offence or an offence under legislation relating to the Companies Act, and no company of which he or she was a director, alternate director or officer at the time of the offence has been convicted in any jurisdiction of any criminal offence, or an offence under legislation relating to the Companies Act;
- (j) ever been removed from an office of trust on the grounds of misconduct and involving dishonesty; or
- (k) ever been declared delinquent or placed under probation in terms of section 162 of the Companies Act or disqualified from taking part in the management of a corporation in terms of section 47 of the Close Corporations Act, or disqualified to act as a director in terms of section 219 of the 1973 Companies Act or section 69 of the Companies Act.

4.5 **King Code application**

- (a) MTN is committed to high standards of governance, business integrity, ethics and professionalism. Corporate governance is central to the Group's business and the Group ensures that it functions in accordance with the King IV Report. MTN's governance processes ensure that it is a sustainable business that creates and preserves value for the Company's stakeholders.
- (b) The Group's governance philosophy, framework and ecosystem are grounded on the elements of good governance, including transparency, integrity, sound policy, stakeholder participation, accountability and anti-corruption. The Board is committed to efficient governance and to observing the trends in sound governance standards to attain best practice.
- (c) The Issuer's application of the King IV principles is set out in the Group's King IV Assessment Report, which is published annually on MTN Group's corporate website at <https://www.mtn.com/annual-reports/>.

4.6 **Nominations of directors policy**

- (a) The appointment of new directors, re-appointment of current directors as well as the appointment of the group company secretary are matters of the Board as a whole with the assistance of the Directors and Corporate Affairs Committee and is undertaken in accordance with the Issuer's nomination policy.
- (b) The following guidelines are intended as a procedural framework for the committee as it addresses the different appointments that will need to be made from time to time. In following the procedures, the committee takes account of the provisions of King IV and the Companies Act, that:

- (i) the Board should include a balance of executive and non-executive directors such that at least the majority should comprise independent non-executive directors;
 - (ii) appointments should be made on merit and against objective criteria; and
 - (iii) the directors, including the group company secretary should have sufficient time to devote to their work.
- (c) The committee considers appointments based on the following guidelines:
- (i) the Board should be structured in such a way that it has a proper understanding of, and the competence to deal with the current and emerging issues of the business and is able to enhance the performance of the Issuer;
 - (ii) the need to achieve an appropriate combination of Executive and Non-executive directors;
 - (iii) the need to have sufficient directors in order to structure board committees appropriately, raise a quorum and create capacity amongst the directors;
 - (iv) the skills, experience and expertise needed in order to manage the affairs of the business and to make strategic business decisions on behalf of the Issuer;
 - (v) diversity, academic qualifications, technical expertise, relevant industry knowledge, nationality, age, race and gender; and
 - (vi) regulatory requirements.
- (d) The group company secretary assists the committee in ensuring that the procedure for the appointment of the Board is properly carried out.
- (e) The nominations policy is available on MTN Group's corporate website at <https://www.mtn.com/investors-shareholders/?tablink=debt-and-funding-updates>.

4.7 **Conflicts of interest policy**

- (a) The Group's conflicts of interest management framework guides operations on implementing processes, procedures and internal controls to ensure all employees and directors are aware of their duties and responsibilities to avoid any imminent conflict of interest, identify present conflicts of interest, and to ensure disclosure and management of existing or potential conflicts of interest.
- (b) All actual or potential conflicts of interest in respect of an individual must be disclosed to the Group in writing and must include the disclosure of all relevant ownership or financial interests that the representative has or is eligible for, and the nature of any relationship or arrangement with a third party that gives rise to a conflict of interest within the context of their employment with the Group. The framework also deals with the issues around human resources and employment procedures to guard against nepotism and favouritism. To manage conflict of interest matters, all directors and employees are required to declare their interests on an annual basis. Records will be stored and maintained accordingly. Senior leadership authorisation and approval processes are followed when conflicts of interest are declared. All breaches are dealt with through internal disciplinary processes.
- (c) The conflicts of interest policy is available on MTN Group's corporate website at <https://www.mtn.com/investors-shareholders/?tablink=debt-and-funding-updates>.

4.8 Performance policy

- (a) The Group operates in a highly competitive global market. Its vision of leading the delivery of a bold new digital world to its customers places heavy emphasis on the alignment of the overall strategic vision and objectives at operating unit, team and individual level. Performance management is key to the success of the business and in meeting its stated strategic themes and objectives. A policy stating the broad rules governing performance management is therefore required.
- (b) The Group's performance policy sets out its approach of integrated performance management ("**Integrated Performance Management**") and the broad rules that govern Integrated Performance Management. The primary purpose of the policy is to cultivate a high performance culture.
- (c) The performance policy is applicable to all permanent employees of the Group and such other employee types as specifically approved by the Group, including but not limited to expatriates, contractors, etc. The policy governs performance management process.
- (d) Integrated Performance Management seeks to align organisational performance with stated strategic objectives, through a process of continuous improvement, ensured through formal performance measurement, personal development, personal improvement plan, moderation process, and linking of reward to performance.
- (e) Integrated Performance Management requires, amongst others:
 - (i) formal measurement and monitoring of performance against agreed performance objectives, set in accordance with contribution to strategic and organisational objectives;
 - (ii) setting and agreement of performance objectives at organisational, team and individual level, where applicable;
 - (iii) identifying of individual development plans for training, development and performance improvement in line with the individual's set and agreed performance objectives;
 - (iv) maintaining of a calendar of key performance related activities, in particular to the formal performance contracting and mid-year and end year performance review periods;
 - (v) regular tracking of performance through regular performance feedback;
 - (vi) acknowledgement of good performance and looking for opportunities to enhance such performance;
 - (vii) recording of gaps in performance and required changes in behaviour, changes to business processes and developmental opportunities to close such gaps; and
 - (viii) utilisation of the approved performance sale rating with its definition and criteria. The individuals and teams are assessed and recorded, and the scores are then used as an input into the determination of annual salary increase and/or the performance bonus schemes.

5. LEGAL PROCEEDINGS

5.1 Biza Telecoms

- (a) The plaintiff issued summons claiming that MTN has infringed its copyright in its computer program, the CHOMI application, by utilising the CHOMI application to formulate the MTN Application, AYوبا.
- (b) MTN served a notice to remove cause of complaint on the grounds that: (i) the plaintiff had failed to identify the copyright work(s) with sufficient particularity; (ii) the plaintiff failed to identify persons who wrote the source code to the computer program; (iii) the plaintiff had failed to state when and under which circumstances the defendants had access to its works and/or copied its source code; (iv) the plaintiff failed to disclose a cause of action in that it failed to allege that the defendants performed any of the acts listed in Section 11B (a) – (h) of the Copyright Act 98 of 1978 in relation to the work; and (v) the plaintiff's particulars of claim do not comply with Rule 18(10) of the Uniform Rules of Court (High Court of South Africa) in that the plaintiff claims damages in the amount of ZAR1,200,000,000 (one billion two hundred million rands) without pleading the facts enabling the Defendants to reasonably assess the quantum thereof.
- (c) The plaintiff subsequently amended its particulars of claim removing the claim amount and leaving the quantification of the claim to the discretion of the court.
- (d) The matter is ongoing before the High Court of South Africa, Gauteng Local Division, Johannesburg.

5.1 Ijad Ertebat Beinalmelal & Another

- (a) The matter concerns the tender process for a GSM licence in Iran. MTN participated in the tender through a consortium with the Iranian company Ijad Ertebatat Beinalmelal and Messrs Sarraf and Pischevar. The tender was provisionally awarded to another consortium, the Irancell consortium, consisting of the Iranian companies IEDC and Parman Ertebat and of East Asian Consortium (“EAC”) (in which Turkcell held the majority stake).
- (b) Following a change in the law, which imposed an important local content requirement (51% controlling interest to the Iranian side), EAC failed to reach an agreement with its partners and with the Iranian authorities on the shareholding structure of the licence-holding company (which became the Irancell company). The Iranian partners in the Irancell consortium, following authorisation of the Iranian authorities, then entered into discussions with MTN and the licence was finally granted in November 2005 to the Irancell company, which consisted of IEDC and MTN (51%/49% shareholding structure).
- (c) MTN's former consortium partners, claim that MTN breached its obligations under their agreements (shareholders agreement and a consortium agreement) by participating in the winning consortium. MTN was successful in defending all claims in the first arbitration which was based on the shareholders agreement and was thus awarded legal costs which have subsequently been paid by the claimants.
- (d) Prior to the conclusion of the first arbitration the same claimants engaged a new arbitration against MTN, arising out of the same factual matrix, but this time under the consortium agreement, signed on 13 December 2003. This arbitration is presently before the ICC International Court of Arbitration.

5.2 Poosh Cellular

- (a) The plaintiff in this matter has instituted legal action for damages due to an alleged breach of contract by MTN.
- (b) When MTN acquired iTalk in 2008, it specifically excluded the agreement between iTalk and Poosh from the acquisition as iTalk had granted Poosh a very generous discount that was not in line with industry standards.
- (c) In September 2009 and after the acquisition and the integration of the iTalk business into the MTN Service Provider business, Poosh placed an order for 301 lines with iTalk. MTN declined to accept the order as it was based on the iTalk agreement pricing.
- (d) Poosh applied for an urgent interdict against iTalk, the Issuer, Mobile Telephone Networks Proprietary Limited and MTN Service Provider Proprietary Limited to comply with the agreement between iTalk and Poosh. On 24 December 2009, the court granted the application in favour of Poosh and MTN was ordered to comply with the agreement between iTalk and Poosh.
- (e) MTN appealed the decision. The Supreme Court of Appeal ordered that the matter be referred trial for evidence. The matter is presently ongoing in the High Court of South Africa, Gauteng Local Division, Johannesburg.

5.3 Turkcell

- (a) The matter relates to Turkcell and the EAC as plaintiffs against MTN Group and certain of its subsidiaries, in terms of which the plaintiffs are allegedly aggrieved by their unsuccessful bid to obtain a mobile licence in Iran, and the awarding of that licence to Irancell in 2005.
- (b) MTN Group has consistently opposed this claim on the basis that the licence to Irancell was validly issued and that the allegations made by the plaintiffs are without merit. In November 2020, Turkcell formally withdrew as a plaintiff from the case before the High Court, leaving EAC as the only plaintiff in the matter. The matter is presently ongoing before the High Court of South Africa, Gauteng Local Division, Johannesburg.

THE NOTEHOLDER GUARANTOR

1. INTRODUCTION AND BACKGROUND

Launched in 1994, MTN Group Limited (the “**Company**”, “**MTN**” or “**MTN Group**” and, together with its subsidiaries, the “**Group**”) is a multinational telecommunications group offering cellular network access and business solutions. The Group has mobile licences across 19 countries in Africa and the Middle East and was listed on the JSE Limited (“**JSE**”) in August 1995.

2. LEGAL STATUS

2.1 MTN Group was incorporated on 23 November 1994, under the Companies Act. The registration number of MTN Group is and its registered address is 216 14th Avenue, Fairland, Roodepoort, 2195, South Africa. Its telephone number is +27 11 912 3000.

2.2 MTN Group has the following details:

- (a) Registration number: 1994/009584/06.
- (b) *Registered place of business*: 216 14th Avenue, Fairland, 2195, South Africa.
- (c) *Company Secretary*: Patience Thobeka Sishuba-Bonoyi.

- (d) *Company Secretary Address:* Innovation Centre, 216 14th Avenue, Fairland, 2195.
- (e) *Financial year:* MTN Group’s financial year end is currently 31 December of each year.
- (f) *Annual financial statements:* The Group’s and MTN Group’s annual financial statements are prepared in accordance with IFRS as issued by the IASB and Interpretations as issued by the IFRIC and comply with the SAICA Financial Reporting Guides as issued by the APC and Financial Reporting Pronouncements as issued by the FRSC, the JSE Listings Requirements.
- (g) *ISIN code:* ZAE000042164.
- (h) *Share code:* MTN.

2.3 MTN Group is, as at the Programme Date, in compliance with the provisions of the Companies Act and is acting in conformity with its memorandum of incorporation.

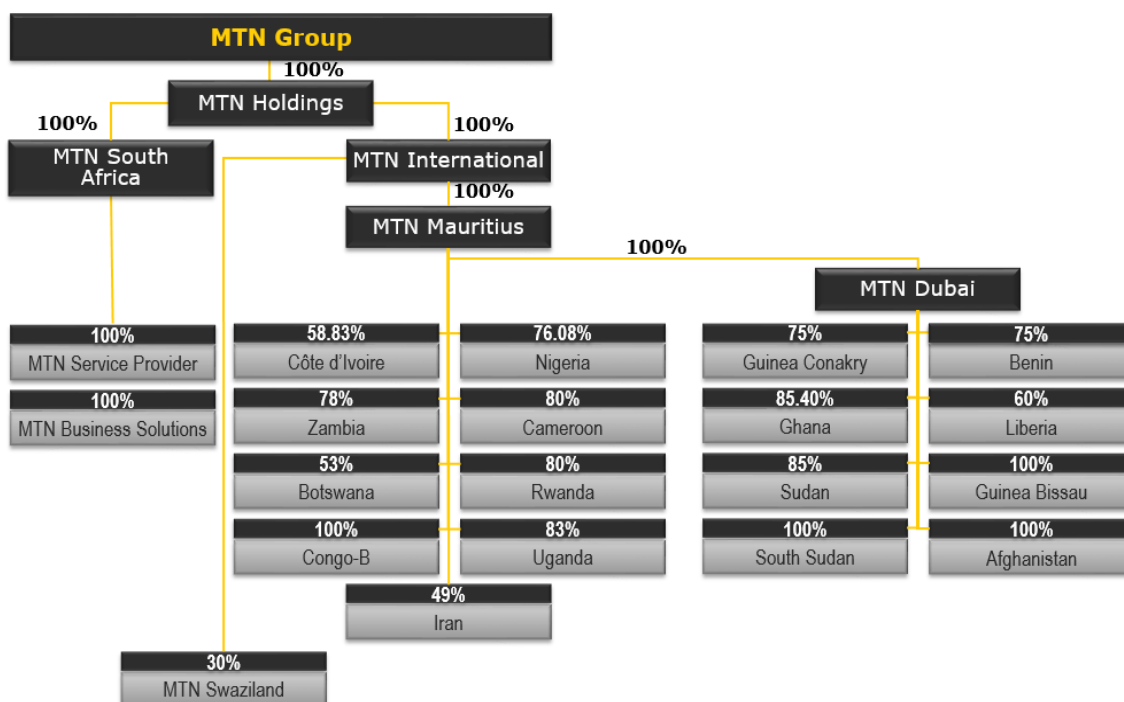
2.4 The auditors of MTN Group as at the Programme Date are PricewaterhouseCoopers Inc. and Ernst and Young Inc.

3. NATURE OF BUSINESS

The Group is a leading Pan-African mobile operator that provides a diverse range of voice, data, digital, fintech, wholesale and enterprise services. As of December 2021, the Group recorded 272 million subscribers, placing it in the top 10 largest mobile network operator in the world, and the largest in Africa. The Group offers services to retail customers, enterprise solutions to corporate and public sector customers in a total of 19 countries. The Group’s mobile financial service business enables customers to make financial transactions using their mobile devices, e-learning and entertainment through its investments in mobile platforms, applications and online ventures.

4. GROUP STRUCTURE

4.1 In 2015, MTN Group reviewed its operating structure to strengthen operational oversight, leadership, governance and regulatory compliance across its 19 licensed operations. Effective as of 1 January 2016, MTN Group was structured into three regions, namely South and East Africa (“SEA”), the Middle East and North Africa (“MENA”) and West and Central Africa (“WECA”). The new structure was supported by a number of senior appointments.



- 4.2 As at 31 December 2015, MTN Group recorded 232,5 million subscribers across its operations where the SEA region contributed 23% to MTN Group's total subscribers while WECA and MENA contributed 46% and 31%, respectively.

5. MAJOR SHAREHOLDING

MTN Group shareholding (as of 31 December 2021):

Spread of ordinary shareholders					
	2021			2020	
	Number of shareholdings	Number of shares	% of Issued share capital	Number of shares	% of Issued share capital
Public	123 444	1 266 617 776	67.22	1 187 957 776	63.05
Non-Public	32	617 651 982	32.78	696 311 982	36.95
Directors, prescribed officers and Company Secretary of MTN Group Limited and Directors of major subsidiaries'	11	480 492	0.03	193 063	0.01
MTN Zakhele Futhi (RF) Limited	1	76 835 378	4.08	76 835 378	4.08
Lombard Odier Darier Hentsch & Cie (M1 Limited)	3	121 330 000	6.44	121 330 000	6.44
Government Employees Pension Fund	16	414 798 034	22.01	489 510 141	25.98
MTN Telephone Network Holdings Limited and 2016 ESOP Trust	1	4 208 078	0.22	8 443 400	0.44
Total	123 476	1 884 269 758	100.00	1 884 269 758	100.00

6. STRATEGIC VISION

- 6.1 MTN's strategy is anchored in building the largest and most valuable platform business with a clear focus on Africa. This rests on a scale connectivity and infrastructure business – mobile and fixed access networks in the consumer, enterprise and wholesale segments. The Group is accelerating implementation through partnerships and its strategy is supported and funded through enhanced cost and capex efficiencies. It is focused on four strategic priorities and five vital enablers.

- 6.2 The Group's four strategic priorities are:

- (a) building the largest and most valuable platforms;

- (b) driving industry-leading connectivity operations;
- (c) creating shared value; and
- (d) accelerating portfolio transformation.

6.3 The Group's five vital enablers are:

- (a) leading customer experience;
- (b) best talent, culture and future skills;
- (c) value-based capital allocation;
- (d) ESG at the core; and
- (e) technology platforms second to none.

7. CORPORATE GOVERNANCE

7.1 Board of Directors

The members of the board of directors of MTN Group as at the Programme Date are listed below:

- (a) **Mcebisi Jonas*** (Chairman)
Refer to the Issuer's Board.
- (b) **Ralph Mupita[#]** (Group President and Chief Executive Officer)
Refer to the Issuer's Board.
- (c) **Tsholofelo Molefe[#]** (Group Chief Financial Officer)
Refer to the Issuer's Board.
- (d) **Noluthando Gosa***
Refer to the Issuer's Board.
- (e) **Paul Hanratty*¹** (22 April 1961)

Independent non-executive director

B. Bus. Sc (Hons.), Fellow of Institute of Actuaries (FIA), Advanced Management Programme Harvard.

Appointed: 1 August 2016

Board Committee Membership: Chairman: Finance and Investment Committee.

Other directorships: Director of various companies in the Group.

Skills, expertise and experience:

Paul is currently the Sanlam Chief Executive Officer and a Fellow of the Institute of Actuaries and served as CEO of Old Mutual South Africa prior to 2009 when he became CEO of Old Mutual Long-Term Savings in London and subsequently an Executive Director of Old Mutual plc. He has chaired the Boards of insurance, asset management and banking operations in the UK, Scandinavia, emerging markets business and South Africa for the Old Mutual Group.

- (f) **Shaygan Kheradpir***²

Refer to the Issuer's Board.

- (g) **Sindi Mabaso-Koyana*** (14 August 1969)

Independent non-executive director

BComm Honours (Accounting), CA (SA).

Board Committee Membership: Chairman: Audit Committee.

Other directorships: Chairperson of The African Women Chartered Accountants Investments Holdings (AIH) as well as Managing Partner of AIH Capital Private equity fund. She is the Non-Executive Director at MTN Zakhele Futhi (RF) Limited, Bidvest Group Limited, Sun International Limited, Zenex Foundation, Phembani Group and is Chairperson for Advanced Group.

Skills, expertise and experience:

Finance, Audit, Corporate Governance, Investment Management, Compliance and Risk management.

- (h) **Stanley Miller***³

Refer to the Issuer's Board.

- (i) **Khotso Mokhele***

Refer to the Issuer's Board.

- (j) **Nosipho Molohe***

Refer to the Issuer's Board.

- (k) **TL Pennington (24 November 1960)**

Independent non-executive director

Bachelor of Arts (Honours) degree in Economics and Social Studies (University of Manchester)

Appointed: 1 August 2022

Board committee membership: Audit committee, Risk and Compliance Committee and Finance and Investment committee.

Other directorships: Tim is currently serving on the board of Euromoney Institutional Investor plc as well as various MTN Group subsidiaries. Prior to Joining MTN Group, Tim was the Chief Financial Officer of Millicom. Previously, he was the Chief Financial Officer at Cable and Wireless Communications plc, Group Finance Director for Cable and Wireless plc and Chief Financial Officer of Hutchison 3G (UK), Hutchison Whampoa's British mobile business. He also has corporate finance experience as a director at Samuel Montagu & Co Limited and was Managing Director of HSBC Investment Bank within its Corporate Finance and Advisory Department.

Skills, expertise and experience:

He has a wealth of experience in Telecommunications, Finance & Mergers and Acquisition.

- (l) **Lamido Sanusi***⁴
Refer to the Issuer's Board.
- (m) **Nkululeko Sowazi***
Refer to the Issuer's Board.
- (n) **Vincent Rague***⁵
Refer to the Issuer's Board.

#	Executive
*	Independent non-executive director
#	Non-executive director
1	Irish
2	American
3	Belgian
4	Nigerian
5	Kenyan
6	British

7.2 Governance structure

- (a) Governance at MTN is structured in line with best practice and is substantially cascaded down to subsidiaries across the Group. In 2021 the Group evolved the operational governance framework and structure to better align it with 'Ambition 2025'. The board delegates its authority to committees with the mandate to deal with relevant governance issues and report to the board on them on a quarterly basis. Each committee operates under terms of reference setting out roles and responsibilities, composition and scope of authority. These are reviewed every year.
- (b) Our governance ecosystem reflects sound governance principles and practices which serve as a foundation for the Group's Ambition 2025.
- (c) The Group's governance framework is made up of eight pillars:
 - (i) ethical and effective leadership;
 - (ii) strategic direction and stewardship;
 - (iii) board composition;
 - (iv) board and committee effectiveness;
 - (v) compliance and ethics management;
 - (vi) governance risks and opportunities;
 - (vii) internal controls and assurance; and
 - (viii) stakeholder inclusivity.
- (d) The pillars correspond with the chapters of the King IV Report. These pillars are supported by standard principles, policies, structures and practices which are cascaded down to all Group operating subsidiaries. The application of and adherence to the King IV principles continue to be a key focus.

7.3 Management and executives

- (a) **Ralph Mupita**
(Born 1972)
Group President and CEO
Joined MTN in 2017,
Executive since 2017
Qualifications: BScEng (Hons), MBA, GMP
- (b) **Tsholofelo Molefe**
(Born 1968)
Group Chief Financial Officer
Joined MTN in 2021,
Executive since 2021
Qualifications: BCompt (Hons), CTA, BA (Hons) Accounting and Finance, CA(SA)
- (c) **Jens Schulte-Bockum**
(Born 1966)
Group Chief Operating Officer
Joined MTN in 2017,
Executive since 2017
Qualifications: MA (SocSci) Volkswirt – Diploma
- (d) **Ebenezer Asante**
(Born 1977)
Vice-President: SEAGHA
Joined MTN in 2008,
Executive since 2017
Qualifications: BA (Hons) (Econ and Stats), Postgraduate Diploma in Management
- (e) **Karl Toriola**
(Born 1972)
Chief Executive Officer: MTN Nigeria
Joined MTN in 2006,
Executive since 2015
Qualifications: BSc (Hons) (Elec Eng), MSc (Comm Systems), GMP

- (f) **Ismail Jaroudi**
(Born 1970)
Vice-President: MENA
Joined MTN in 2006,
Executive since 2015
Qualifications: BA, Executive Education Certificate
- (g) **Ferdi Moolman**
(Born 1963)
Group Chief Risk Officer
Joined MTN in 2007,
Executive since 2015
Qualifications: CA(SA), BCom, BCompt (Hons), theory of Accounting Diploma
- (h) **Yolanda Cuba**
(Born 1977)
Vice President: SEA
Joined MTN in 2020,
Executive since 2020
Qualifications: BCom (Stats), BCom Hons (Acc), MCom, International Executive Programme
- (i) **Paul Norman**
(Born 1965)
Group Chief Human Resources Officer
Joined MTN in 1997,
Executive since 1997
Qualifications: MA (Psych), MBA
- (j) **Kholekile Ndamase**
(Born 1980)
Group Chief M&A and Business Development Officer
Joined MTN in 2016,
Executive since 2021
Qualifications: BSc

- (k) **Lele Modise**
(Born 1978)
Group Chief Legal and Regulatory Officer (since 1 February 2022)
Joined MTN in 2019,
Executive since 2019
Qualifications: BProc (LLB), Masters in Banking Law, Certificate in Securities Law,
Certificate in Banking Law and Financial Markets
- (l) **Serigne Dioum**
(Born 1974)
Group Chief Fintech Officer
Joined MTN in 2009,
Executive since 2021
Qualifications: Telecommunications Engineering
- (m) **Charles Molapisi**
(Born 1975)
CEO: MTN South Africa
Joined MTN in 2009,
Executive since 2020
Qualifications: BCom, MBL, Executive Programme
- (n) **Nompilo Morafo**
(Born 1979)
Group Chief Sustainability & Corporate Affairs officer
Joined MTN in 2019,
Executive since 2022
Qualifications: B Tech: Business Communications, Post Graduate Diploma:
Management Practice
- (o) **Chika Ekeji**
(Born 1981)
Group Chief Strategy and Transformation Officer
Joined MTN in 2021,
Executive since 2022
Qualifications:
B.Sc (Honours) Computer Science, Marketing, Mathematics M. Eng., MB

(p) **Mazen Mroue**

(Born 1971)

Group Chief Information and Technology Officer

Joined MTN in 1998,

Executive since 1 February 2022

Qualifications:

Master's Degree in Engineering, Intellectual Systems and Networks, Leadership Development, Executive Finance Programme.

7.4 **King IV implementation**

- (a) MTN is committed to high standards of governance, business integrity, ethics and professionalism. Corporate governance is central to the Group's business and the Group ensures that it functions in accordance with the King IV Report. MTN's governance processes ensure that it is a sustainable business that creates and preserves value for the Company's stakeholders.
- (b) The Group's governance philosophy, framework and ecosystem are grounded on the elements of good governance, including transparency, integrity, sound policy, stakeholder participation, accountability and anti-corruption. The Board is committed to efficient governance and to observing the trends in sound governance standards to attain best practice.
- (c) Our application of the King IV principles is set out in our King IV Assessment Report, which is published annually on MTN Group's corporate website at <https://www.mtn.com/annual-reports/>.

7.5 **Environmental, Social and Governance**

- (a) In alignment with the Company's Ambition 2025 strategy, the Group has placed '*creating shared value*' as a strategic priority supported by vital enabler of '*ESG at the Core*'. In pursuit of this strategic priority, MTN has continued to make progress in gaining a deeper understanding of sustainability issues through our four-pillar sustainability strategic framework which outlines our vision of creating shared value through responsible environmental, social and governance ("**ESG**") practices. The 2025 goals and targets support our role as a UN Sustainable Development Goals (SDG) enabler. The Board and management continues to engage in discussions about sustainability, ESG trends, and best practices, with the goal of assisting in better aligning with global and local ESG challenges and opportunities that are relevant to the Group's day-to-day operations, strategy and risk profile.
- (b) Our sustainability performance is monitored by the Board's social, ethics and sustainability committee, group executive committee and our sustainability mandate and integration is reflected across all Board and operating company committees.
- (c) The Board provides oversight on the important areas of MTN's ESG credentials that can be enhanced by focusing on the Group's approved sustainability strategic framework, which has clearly defined targets and deadlines.
- (d) The establishment of key performance indicators for key group executives and chief executive officers has been a significant breakthrough. To this end, we have linked 2022 executive remuneration for short-term and long-term incentives to ESG with a focus on net zero, diversity and inclusion and the expansion of rural broadband. This

will enable the embedding of sustainability strategy and continuous improvement plans to be cascaded down to the various operations and business units.

8. LEGAL PROCEEDINGS

8.1 Turkcell

See above.

8.2 *Zobay et al* Complaint

- (a) In 2021, a complaint for violation of the Anti-terrorism Act (“**ATA**”) was filed in the United States District Court for the Eastern District of New York, against MTN Group, MTN (Dubai) Limited (MTN Dubai), as well as in respect of other defendants, including Irancell Telecommunication Company (PJSC) (“**Irancell**”).
- (b) The plaintiffs allege that MTN Group caused, or aided and abetted, the attacks allegedly committed by diverse Iraqi Shia militant groups that injured or killed U.S. servicemembers, contractors, or civilians stationed in Iraq (or their family members) in either 2011 or 2016.
- (c) MTN Group and MTN Dubai have moved to dismiss on the ground that they are not subject to jurisdiction in the US court and that the complaint failed to articulate a viable claim under ATA.
- (d) On 4 February 2022, plaintiffs responded to the motion to dismiss by exercising their right to file an amended complaint. The amended complaint’s core allegations remain the same as the original complaints, and the main grounds on which MTN Group and MTN Dubai previously moved to dismiss remain unchanged.
- (e) The relevant Group defendants moved to dismiss the amended complaint on 25 April 2022. The matter is ongoing with oral argument to take place in November 2022.

8.3 *Cabrera & Others*

- (a) On 27 December 2019, a complaint for violation of the ATA was filed in the United States District Court for the District of Columbia. The complaint was filed on behalf of American service members and civilians, and their families, who were killed or wounded in Afghanistan between 2009 and 2017. The complainants allege that several Western businesses supported the Taliban by, inter alia, making payments to ensure the protection of their infrastructure.
- (b) The defendants named in the complaint are six different groups, one of which is MTN Group and certain of its subsidiary companies, including MTN Afghanistan. On 29 April 2020, the MTN defendants moved to dismiss, challenging the jurisdiction of the US court and the legal sufficiency of the claims against them.
- (c) On 5 June 2020, plaintiffs responded to the motion to dismiss by exercising their right to file an amended complaint (the amended complaint), which likewise asserts claims under the ATA. On 20 July 2020, the district court referred the matter to a magistrate judge to consider defendants’ forthcoming motions to dismiss the amended complaint.
- (d) The relevant Group defendants moved to dismiss the amended complaint on 10 September 2020, again. On 30 July 2021, magistrate judge issued a report and recommendation (“**R&R**”) recommending that the case against the MTN defendants be dismissed because the court lacks jurisdiction over them. The R&R was sent to the district court, and it will issue its procedural ruling on how it will handle the R&R, at which point the procedural path and timing will become clearer. The matter is presently

being held in abeyance pending the outcome of another ATA matter presently on appeal, which the magistrate judge referred to in the R&R.

8.4 **Davis et al & Chand et al**

- (a) On 27 March 2022, two complaints ATA lawsuits were filed against MTN Group (*Chand et al. v. MTN Irancell et al. and Davis et al. v. MTN Irancell et al*) in the U.S. District Court for the District of Columbia.
- (b) The two new cases, Chand and Davis, are predicated on the same core factual allegations as Zobay, but concern attacks that occurred earlier in time. The plaintiffs in these cases are U.S. servicemembers and civilians injured in Iraq or Afghanistan between 2006 and 2010, and family members of servicemembers and civilians killed in those countries during that period. Like the Zobay plaintiffs, Plaintiffs in these two cases allege that MTN Group is liable for the attacks at issue because it supplied equipment to, and invested in Irancell alongside, supposed Islamic Revolutionary Guard Corps “fronts.”
- (c) The two matters were consolidated subsequent to MTN’s Notice of Relatedness wherein the court was requested to combine the two matters to be heard by the same judge. On 26 May 2022, the Defendants filed their Motions to Dismiss the Plaintiffs’ Complaint as well as their Motion to Transfer the matter to the District Court for The Eastern District of New York (the court where the Zobay matter is being heard). The matter is ongoing.

8.5 **Biza Telecom**

See above.

8.6 **Ahmed Farrouk**

- (a) On 12 July 2016, Farrouk instituted action proceedings against MTN Group, in the High Court of South Africa, Gauteng Local Division. Farrouk claimed payment from MTN Group of an amount of USD1,341,851.75. Farrouk's claim arises out of an alleged entitlement, of what is described by him as an end of service benefit.
- (b) MTN Group has taken several exceptions to Farrouk's original particulars of claim, and the Farrouk amended his particulars several times. Ultimately, MTN Group pleaded to the amended particulars on the basis that it was denied that MTN Group was Farrouk's employer, or indeed that he was entitled to any end of service benefit, as a result, inter alia, of the fact that the termination of Farrouk's employment was at his own instance (in fact we are aware he had sought and procured alternative employment elsewhere), and not by "mutual consent".
- (c) In mid-2017, and by agreement between the parties, the action was referred to arbitration before retired Judge Joffe. Thereafter, various applications to compel further and better discovery and further and better particulars were launched by both parties, and pursuant thereto further documents and particulars were provided.
- (d) In 10 May 2018 Farrouk issued new summons under case number 17748/2018, against Mobile Telephone Network Proprietary Ltd and MTN Group Management Services in the High Court of South Africa, Gauteng Local Division, Johannesburg.
- (e) In June 2021 the consolidation application was heard and granted, combining all the litigation (the two High Court matters and the arbitration).
- (f) The matter is presently ongoing in the High Court of South Africa, Gauteng Local Division, Johannesburg.

8.7 **Integrat**

- (a) In August 2015 Global Trading Company (“**GTC**”) and Integrat concluded a Group Framework Agreement (“**GFA**”) wherein Integrat would deploy its mobile advertising services in MTN operating companies, and all revenue generated would be shared according to a defined revenue split.
- (b) The GFA was valid for a fixed period of 3 years and expired in 2018 by effluxion of time. Integrat subsequently instituted legal action against GTC claiming payment in the amount of USD9,264,255 which it alleges to be the total share of the revenue it was entitled to under the GFA. Integrat alleges that under the GFA, GTC guaranteed to pay them a minimum of USD10,000,000 irrespective of the revenue actually generated.
- (c) GTC is defending the matter which is subject to ongoing arbitration proceedings.

THE SUBSIDIARY GUARANTORS

MOBILE TELEPHONE NETWORKS PROPRIETARY LIMITED

1. LEGAL STATUS

Mobile Telephone Networks Proprietary Limited (“**MTN South Africa**”) was incorporated on 17 March 1993, under the Companies Act. The registration number of MTN South Africa is 1993/001436/07 and its registered address is 216 14th Avenue, Fairland, Roodepoort, 2195, South Africa. Its telephone number is +27 11 912 3000.

2. NATURE OF BUSINESS

MTN South Africa is a wholly owned subsidiary of the Issuer, and the ultimate holding company is MTN Group. MTN South Africa is an operating company. It is involved with the operation of global system for mobile communication telephone networks and the provision of related services to its customers.

3. BOARD OF DIRECTORS

The members of the board directors of MTN South Africa as at the Programme Date are listed below:

(a) **Michael John Harper (29 December 1955)**

Qualifications: B.BusSc (Actuarial), MBA, AMP (Harvard), and member of IoDSA

Appointed: 1 July 2016

Independent Non-Executive Chairperson since 2016

Skills: Financial services, Sales, Marketing, Technology, and Business strategy

(b) **Charles Molapisi (6 November 1976)**

Qualifications: BCom (University of the Witwatersrand) MBL (UNISA) and has participated in executive programmes at IMD Business School, Harvard Business School, Columbia Business School and INSEAD

Appointed: 1 January 2022

Executive Director since 2022

- (c) **Dineo Molefe (28 July 1977)**
Qualifications: CA (SA), BCompt (Hons)/CTA, and an MCom. International Accounting, Advanced Management Programme (Wharton School)
Appointed: 1 November 2020
Executive director since 2020
Skills: Finance, Audit, Strategy, Mergers and Acquisitions, Risk Management
- (d) **Shirley Anne Zinn (14 July 1961)**
Qualifications: BA (University of the Western Cape); Post Graduate Higher Diploma in Education (University of the Western Cape); B.Ed. Honours (UNISA); M.Ed. (University of the Western Cape); Ed.M. (Harvard); and Doctorate in Education (Harvard)
Appointed: 1 July 2018
Independent non-executive director since 2018
Skills: Human resources, Advisory, Transformation, Leadership, and Education
- (e) **Shauket Allie Fakie (19 August 1953)**
Qualifications: BCom, BCompt (Hons), CA (SA). Shauket is a qualified Chartered Accountant (CA) in South Africa (1986) and in Australia (1988).
Appointed: 11 April 2013
Independent non-executive director since 2013
Skills: Accounting, Auditing, Consulting, and Advisory work locally and internationally
- (f) **Nooraya Khan (16 April 1969)**
Qualifications: University of South Africa, Pretoria, South Africa BCompt (Hons), Accounting, 1992, University of KwaZulu-Natal, Durban, South Africa, BComm, 1990, CA(SA) and IDP-C (INSEAD)
Appointed: 11 February 2021
Independent non-executive director since 2021
Skills: Private equity transactions, Financial structuring, Risk, Governance, Accounting and Auditing
- (g) **Thabi Leoka (7 February 1979)**
Qualifications: PhD in Economics from the University of London (2008), MSc in Economics and Economic History from the London School of Economics (2004), MA (Distinction) from the University of the Witwatersrand (2000), Honors University of the Witwatersrand (1999), BA University of the Witwatersrand (1998)
Appointed: 1 October 2019
Independent non-executive director since 2018
Skills: Economics, Finance, and Banking

- (h) **Tsholofelo Molefe (4 November 1968)**
Qualifications: Bcompt Honours Degree, CTA, BA (Hons) Accounting & Finance, CA(SA) Appointed: 1 October 2021
Non- executive director since 2021
Skills: Banking, Accounting, Enterprise risk management, Financial strategy, and Financial management
- (i) **Ralph Tendai Mupita (11 April 1972)**
Qualifications: BSc.Eng (Hons) (University of Cape Town), MBA (University of Cape Town), GMP (Harvard Business School)
Appointed: 3 April 2017
Non-executive director since 2017
Skills: Financial services in emerging markets
- (j) **Paul Deon Norman (13 November 1965)**
Qualifications: MA (Psych)
Appointed: 8 March 2016
Non-executive director since 2016
Skills: Human Resources, Telecommunications, and Transportation.
- (k) **Rams Ramashia (20 July 1957)**
Qualifications: University of the Witwatersrand LLM, 1997; University of Johannesburg LLB, 1993; University of Limpopo, B.Juris, 1988. Practising advocate of the High Court of South Africa and member of the Johannesburg Society of Advocates. Former Director General of the Department of Labour
Appointed: 1 April 2021
Independent non-executive director since 2021
Skills: Corporate governance, Legal, Technical, Commercial, Social, and Political.
- (l) **Jens Schulte-Bockum (20 November 1966)**
Qualifications: (Social Sciences), University of Chicago, Diplom–Volkswirt, Christian- Albrechts-Universität zu Kiel, Germany, Undergraduate studies, Emory University, Atlanta
Appointed: 28 February 2017
Non-executive director since 2017
Skills: Telecommunications, Consumer business, Transformation in a convergent operation.
- (m) **Ferdinand Jacobus Moolman (17 August 1973)**
Qualifications: BCom, BCompt (Hons), Certificate in Theory of Accounting CTA (SA)
Appointed: 1 April 2021

Non-executive director since 2021

Skills: Accounting and Finance

(n) **Michael John Bosman (13 November 1960)**

Qualifications: B Com (Hons) LLM Cape Town AMP Harvard CA(SA) Blockchain Strategy Programme Oxford

Appointed: 1 July 2016

Independent non-executive director since 2016

Skills: Accounting, Finance, Advertising, and Digital.

4. LEGAL PROCEEDINGS

4.1 Biza Telecoms

See above

4.2 Game Theorem

- (a) MTN South Africa was issued with a summons by Game Theorem Licensing Limited (“**Game Theorem**”) in terms of which they claim payment of the sum of €276,714,816 (USD297,621,000), being damages that Game Theorem is alleged to have suffered as a result of MTN’s breach of contract.
- (b) MTN South Africa and Game Theorem (a company incorporated in the Isle of Man) concluded the “*Play4Fun Entertainment Service Pilot and Licence Agreement*” (the “**Agreement**”) on 11 October 2011. Game Theorem granted MTN South Africa the licence to market the Play4Fun games (the “**Games**”) developed by Game Theorem in consideration of which the parties were going to share the revenues derived from such games on a 40% MTN / 60% Game Theorem basis.
- (c) MTN South Africa became aware that Game Theorem was facing litigation in Mauritius where the Commercial Bank of Mauritius was applying for the liquidation of Game Theorem Mauritius. The Games, which Game Theorem had licensed to MTN South Africa, were developed in Mauritius and the Commercial Bank of Mauritius alleged that they were not lawfully transferred to Game Theorem (Isle of Man) and remained the property of Game Theorem Mauritius. Given this litigation MTN South Africa terminated the Agreement on the basis that Game Theorem ceded the Agreement to the Commercial Bank of Mauritius without MTN South Africa’s consent as stipulated in the Agreement.
- (d) The matter is subject to arbitration. MTN South Africa filed an application for absolution which was granted with costs. Game Theorem filed an appeal which is presently ongoing.

4.3 Ahmed Farouk

See above.

4.4 Poosh Cellular

See above.

4.5 **MGM**

- (a) The claim is based on the awarding of a tender by MTN to outsourcing partners for the repair of devices at the High Volumes Repair Centre (“**HVRC**”) during September 2013. MGM was the incumbent service provider but was not successful in the tender.
- (b) MGM consequently issued summons against MTN claiming damages in the sum of ZAR17,000,000 (USD1,284,740). MGM contend that it was unfairly treated in that one of the successful outsource partners, Infraconnect, gained an unfair advantage as one of MTN’s former employees (this was an employee at the time) leaked confidential MTN adjudication documents to Infraconnect and that the said documents resulted in Infraconnect being awarded the tender.
- (c) MGM contend that had it not been for the leak, it would have been awarded the tender and that it has suffered damages to the sum of ZAR17,000,000 (USD1,284,740). MGM alleges MTN’s liability on the basis of vicarious liability.
- (d) MTN contends that MGM was disqualified because it did not meet one of the pertinent requirements of that tender in that MGM’s BEE certificate was outdated and MGM failed to furnish a proper updated certificate. MTN further disputes the allegation that one of its employees had leaked crucial information to Infraconnect and that even if the allegation were found to be valid, MGM had already been disqualified by its own failure to furnish an updated BEE certificate.
- (e) Presently MTN has filed an application to have the matter dismissed due to the Plaintiff’s inability to provide security of costs as ordered by the court.
- (f) The matter is ongoing before the High Court of South Africa, Gauteng Local Division, Johannesburg.

4.6 **GPC International**

- (a) GPC International (“**GPC**”) instituted an action against MTN to claim for ZAR26,973,408.64 for a breach of an alleged oral agreement relating to the motor vehicle fleet used at the HVRC.
- (b) The GPC alleges that during July 2015, it entered into a verbal agreement with MTN, in respect of rendering logistic services to MTN for a period of 3 years to terminate on 31 July 2018. Further, it is alleged that MTN would reimburse GPC ZAR1,772,441.66 for security service. On 04 July 2017, MTN terminated the vehicle rental service. GPC contends that there was no valid reason to terminate the contract and, as such, MTN’s conduct constituted a breach of contract. MTN has vehemently denied the allegations and is defending the matter.
- (c) The matter is presently ongoing in the High Court of South Africa, Gauteng Local Division, Johannesburg.

4.7 **SMI**

- (a) SMI Trading owns a farm in northern KZN on which MTN South Africa has a base station. MTN entered into a long term lease with the previous owner of the farm in 1998. When SMI acquired the property their initial demand was for MTN South Africa to be ejected from the site. When SMI launched proceedings to have MTN South Africa ejected from the site, SMI was successful, however, the court clarified that no compensation is due to an owner in terms of section 22 of the Electronic Communications Act, 2005 (“**ECA**”). MTN South Africa then immediately invoked its rights in terms of section 22 of the ECA.

- (b) The court proceedings have since evolved into SMI demanding payment from MTN South Africa based on the revenue generated from the base station on the property. MTN has opposed this action.
- (c) The matter is presently ongoing in the High Court of South Africa, Gauteng Local Division, Johannesburg.

4.8 **Ayanda Green**

- (a) Former MTN employees who were dismissed due to operational reasons referred a dispute for unfair dismissal wherein an award was rendered in favour MTN confirming that the dismissals were in fact fair.
- (b) The former employees then proceeded to the Labour Court wherein they have filed two legal actions. The first is a review application to set aside the arbitration award which confirmed their retrenchment as being fair.
- (c) The action is a stated case where the former employees have claimed damages for loss of their employment.
- (d) MTN is opposing both matters which are ongoing in the Labour Court, Johannesburg.

MTN INTERNATIONAL PROPRIETARY LIMITED

1. LEGAL STATUS

- 1.1 MTN International Proprietary Limited (“**MTN International**”) was incorporated on 10 February 1998, under the Companies Act.
- 1.2 The registration number of MTN International is 1998/002351/07 and its registered address is 216 14th Avenue, Fairland, Roodepoort, 2195, South Africa. Its telephone number is +27 11 912 3000.

2. NATURE OF BUSINESS

MTN International is a wholly owned subsidiary of the Issuer, incorporated in the Republic of South Africa on 10 February 1998 and carries on the business of an investment holding company. The ultimate holding company is MTN Group.

3. BOARD OF DIRECTORS

The members of the board of MTN International as at the Programme Date are listed below:

- (a) **Mcebisi Jonas***
Refer to the Issuer’s Board.
- (b) **Ralph Mupita[#]**
Refer to the Issuer’s Board.
- (c) **Tsholofelo Molefe[#]**
Refer to the Issuer’s Board.
- (d) **Noluthando Gosa***
Refer to the Issuer’s Board.

- (e) **Paul Hanratty***¹
Refer to the Guarantor's Board.
- (f) **Shaygan Kheradpir***²
Refer to the Issuer's Board.
- (g) **Sindi Mabaso-Koyana***
Refer to the Guarantor's Board.
- (h) **Stanley Miller***³
Refer to the Issuer's Board.
- (i) **Khotso Mokhele***
Refer to the Issuer's Board.
- (j) **Nosipho Molope***
Refer to the Issuer's Board.
- (k) **Nkululeko Sowazi***
Refer to the Issuer's Board.

- # Executive
- * Independent non-executive director
- # Non-executive director
- 1 Irish
- 2 American
- 3 Belgian

4. LEGAL PROCEEDINGS

4.1 Ijad Ertebat Beinalmelal & Another

See above.

4.2 Turkcell

See above.

MTN INTERNATIONAL (MAURITIUS) LIMITED

1. LEGAL STATUS

- 1.1 MTN International (Mauritius) Limited (“**MTN Mauritius**”) was incorporated on 27 March 1998, under the Companies Act 2001 of Mauritius. The registration number of MTN Mauritius is 19434/3597 and its registered address is c/o Rogers House, 5 President John Kennedy Street, Port Louis, Mauritius.
- 1.2 MTN Mauritius is domiciled in the Republic of Mauritius. The Company holds a Category 1 Global Business Licence under the Financial Services Act 2007 and is regulated by the Financial Services Commission.

2. NATURE OF BUSINESS

- 2.1 MTN Mauritius is a wholly owned subsidiary of MTN International and is indirectly controlled by MTN Group. MTN Mauritius' holding and ultimate holding companies are MTN

International and MTN Group, respectively, both companies incorporated in the Republic of South Africa.

- 2.2 MTN Mauritius operates as an investment holding company and invests primarily in companies which are involved in the operation of telecommunication networks and the provision of a diverse range of voice, data, digital, fintech, wholesale and enterprise services.

3. BOARD OF DIRECTORS

The members of the board of MTN Mauritius as at the Programme Date are listed below:

(a) **Paul Deon Norman**

Position: Director

Appointment date: 8 March 2016

(b) **Roshan Nathoo**

Position: Director

Appointment date: 20 April 2010

(c) **Jean-Francois Legrigore**

Position: Director

Appointment date: 14 January 2019

(d) **Tsholofelo Molefe**

Position: Director

Appointment date: 12 May 2021.

4. LEGAL PROCEEDINGS

4.1 **Ijad Ertebat Beinalmelal & Another**

See above.

4.2 **Turkcell**

See above.

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below. The value of the Notes could decline due to any of these risks, and investors may lose some or all of their investment.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate.

Prospective investors should also read the detailed information set out elsewhere in the Programme Memorandum, as read with this Risk Factors and Other Disclosures Schedule, and reach their own views prior to making any investment decision.

Capitalised terms used herein and not otherwise defined shall bear the meanings ascribed to them in the Terms and Conditions.

RISKS RELATING TO THE GROUP'S BUSINESS

The disruptions caused by the recent coronavirus (“COVID-19”) pandemic across the markets in which the Group operates and the enduring uncertainty about future waves of COVID-19 present multi-faceted risks for the Group. The long-term impact of COVID-19 on the Group’s operations remains uncertain

Although new COVID-19 infections in Sub-Saharan Africa (where the Group generates the bulk of its revenue) have declined from the mid-2021 peaks, amid government interventions and a wide coverage in vaccinations, the modest economic rebound remains fragile due to lingering uncertainties about the course of the pandemic.

While COVID-19 restrictions support increased demand for the Group’s services, the long-term damage to lives and livelihoods remains a challenge. Business insolvency rates, unemployment levels, continued government interventions and the severity of the economic effects of such interventions, amongst other factors, could impinge the speed and extent of the recovery.

The cascading effects of unemployment and high inflation may affect the ability of the Group’s customers to consume and pay for the Group’s services. The Group is exposed to material bad debt if a significant number of its small and medium enterprises and large corporate customers experience financial distress or insolvency. During severe lockdowns that took place across the Group’s markets, the Group saw a major dip in customer activity. Movement restrictions and retail store closures affect the Group’s ability to gain new subscribers.

The Group is exposed to pandemic-related supply chain disruptions. Future lockdowns and restrictions could lead to future global semi-conductor and power supply shortages, both of which are critical to the Group’s operations. Such shortages could increase the Group’s operating costs.

While strict lockdowns force many people to stay home, which increases data consumption for work, entertainment, and general communication needs, the increase in demand accelerates the need for capex investment. Ongoing COVID-19 related expenditure could lead to an increase in operating expenses. The collective effects of the COVID-19 pandemic and the associated economic downturn could adversely impact the Group’s cash position and its ability to fund investment projects and ongoing operations.

If the Group does not continue to provide telecommunications or related services that are useful and attractive to customers, it may not remain competitive, and its business, financial condition, results of operations and prospects may be adversely affected

The telecommunications industry is characterised by technological changes, including an increasing pace of change in existing mobile systems, and industry standards and ongoing improvements in the capacity and quality of technology. The Group's commercial success depends on providing services such as voice, data, fintech and digital services that provide its customers with attractive products and services at a competitive cost. As new technologies develop, the Group's equipment may need to be replaced or upgraded, or its networks may need to be rebuilt in whole or in part in order to sustain its competitive position as a market leader. Continuing technological advances, ongoing improvements in the capacity and quality of digital technology and short development cycles also contribute to the need for continual upgrading and development of the Group's equipment, technology and operations. While the Group endeavours to upgrade its existing infrastructure (such as accelerating 5G through the acquisition of spectrum in South Africa and Nigeria), to respond successfully to technological advances, the Group may require substantial capital expenditures and access to related or enabling technologies in order to integrate the new technology with its existing technology. If the Group is unable to anticipate customer preferences or industry changes, or if it is unable to modify its service offerings on a timely and cost-effective basis, it may lose customers.

Many of the services the Group offers are technology-intensive and the development or acceptance of new technologies may render such services non-competitive, replace such services or reduce prices for such services. In addition, as convergence of services accelerates, the Group has made and will have to continue to make additional investments in new technologies to remain competitive. The Group's operating results will also suffer if its new products and services are not responsive to the needs of its customers, are not appropriately timed with market opportunities or are not effectively brought to market. The new technologies the Group chooses may not prove to be commercially successful or profitable.

The Group cannot be certain that existing, proposed or as yet undeveloped technologies will not become dominant in the future and render the technologies it uses less commercially viable or profitable or that it will be successful in responding in a timely and cost-effective way to keep up with new developments. As telecommunications technology continues to develop, its competitors may be able to offer telecommunications products and services that are, or that are perceived to be, substantially similar or better than those offered by the Group. This could have a material adverse effect on the Group's business, financial condition, results of operations and prospects. If the Group is not successful in anticipating and responding to technological change and resulting consumer preferences in a timely and cost-effective manner, its quality of services, business, financial condition, results of operations and prospects could be materially adversely affected.

A failure in the operations of the Group's networks, gateways to its networks or the networks of other operators could adversely affect its business, financial condition, results of operations and prospects

The Group depends to a significant degree on the uninterrupted operation of its networks to provide its services. From time to time, customers of certain operating companies within the Group have experienced blocked or dropped calls because of network capacity constraints. The Group may not be able to improve or maintain these relevant networks at current levels, particularly if its traffic volume grows significantly beyond its headroom capacity.

The Group also relies to a certain extent on interconnection with the networks of other telecommunications operators to carry calls from its customers to the customers of fixed-line operators and other mobile operators, both within a given country and internationally. While the Group has interconnection and international roaming agreements in place with many other telecommunications operators, it has no direct control over the quality of these networks and the interconnections and international roaming services they provide. Any difficulties or delays in interconnecting with other networks and services, or the failure of any operator to provide reliable interconnections or roaming

services to the Group on a consistent basis, could result in a loss of subscribers or a decrease in traffic, which could adversely affect its business, financial condition, results of operations and prospects.

The Group may face increased competition from established telecommunications operations or new entrants into the markets in which it operates

The Group operates in an increasingly competitive environment, particularly around pricing, across its markets. The Group's competitors generally fall into three broad categories: (i) international diversified telecommunications companies; (ii) state-owned and partly state-owned telecommunications companies; and (iii) local and regional telecommunications companies. Some of the Group's global competitors have substantially greater financial, personnel, technical, marketing and other resources. In a number of countries, the Group's competitors are also government-owned entities or major local business participants, and may have the advantage of being an incumbent service provider. Local and regional operators may be able to leverage their knowledge of the local markets more efficiently than the Group.

The continuing trend toward business combinations and strategic alliances in the telecommunications industry may create increased competition, including from non-conventional and Over The Top ("OTT") players (internet-based alternatives to traditional telephony services) such as social networking sites and messaging applications. Although new laws and regulatory initiatives may provide the Group with increased business opportunities by removing or substantially reducing certain barriers to competition, in so doing they also create a more competitive business environment and may encourage new entrants, which could adversely affect the Group's key performance indicators, such as the Group's total voice minutes on network and data usage on network.

Increased competition may also lead to increased churn, a reduction in the rate at which the Group is able to add new customers, or to a decline in customer numbers and a decrease in the Group's market share as customers purchase telecommunications services, or other competing services, from other providers and/or increasingly switch between providers based on pricing and the products and services that are offered. Increasing competition has also led, in certain markets, to declines in the prices the Group is able to charge for its services and may lead to further price declines in the future, which could adversely affect its overall profitability.

There can be no assurance the Group will not experience increases in churn rates, reflecting increased numbers of customer deactivations, particularly as competition for existing customers intensifies. An increase in churn rates may result in lower revenue and higher costs resulting from the need to replace customers, and may consequently have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group's continued growth in profitability depends in part on its ability to continue to grow internationally through organic expansion and/or further acquisitions

The Group's continued growth in profitability will depend in part on its ability to continue to grow its international operations through organic expansion and/or further acquisitions. Such acquisitions may vary in size, and could be significant enough that they would have a material impact on the Group and require an increase in its overall level of indebtedness and leverage. The success of the Group's acquisition and investment strategy depends on the ability of management to identify and compete for suitable acquisition and investment targets, to assess the value, strengths, weaknesses, contingent or other liabilities and potential profitability of such acquisitions and investments, to negotiate acceptable purchase, financing and other terms and, in some cases, the selection of appropriate international and local partners, and the continued contributions by certain of its key management and technical personnel. The Group's acquisition and investment strategy also depends on its ability to obtain the appropriate regulatory and governmental approvals, licences, spectrum allocation and registrations, and may be limited by regulatory constraints in the countries in which the Group operates due to antitrust laws, asset control laws or political conflicts. See "*Current and future antitrust and competition laws in the countries in which the Group operates may limit its growth and subject it to antitrust and other investigations or legal proceedings*". In addition, the success of the Group's acquisitions and

investments will depend on, and may be limited by, its ability to finance acquisitions and investments, which may be limited by restrictions contained in its debt instruments and its other existing and future financing arrangements.

Once targets are acquired, the success of the Group's acquisitions and investments is dependent on the ability of its management and employees to integrate the acquired businesses, to implement an effective management structure given the terms of the investment (particularly in cases where the Group has only a minority interest or has a joint venture partner), to realise the benefits of expected planned synergies (such as branding, marketing and equipment sourcing) and to successfully operate and manage new and acquired businesses, particularly in new jurisdictions (such as rolling out a new network, managing vendors, establishing billing systems and addressing security concerns). These risks can be particularly significant in emerging markets, where it is difficult to assess the regulatory, business and operating environment given limited history and precedent and other economic operating and political factors. See "*Risks Relating to the countries in which the Group operates*".

There can be no assurance that the Group will be able to identify and complete future acquisitions or investments on appropriate terms and at an acceptable cost or that it will successfully execute its acquisition, investment or roll-out plans or that it will realise the benefit of such plans when completed. In addition, the Group may exit certain markets in which it operates should there be a compelling business or regulatory reason to do so. The Group cannot give any assurance that its recent rate of growth will be maintained in the future or that demand for its services will enable it to achieve a satisfactory return on any acquisitions or investments that it makes or support the leverage taken on for such acquisitions or investments. The Group's inability to expand its existing business internationally, or to find, complete, operate and integrate suitable acquisitions or investments and to operate with increased leverage, could have a material adverse effect on its business, financial condition, results of operations and prospects.

The Group has a minority shareholding in one sanctioned country, which could subject it to increased government scrutiny, make business more difficult and expose it to allegations or investigations in respect of sanctions violations, with possible damage to its reputation and financial position

The Group has a minority shareholding in joint venture in Iran. Iran is subject to sanctions regimes of the United States ("US"), the European Union ("EU"), United Kingdom, and United Nations ("UN"). In connection with its operations in Iran, the Group may directly or indirectly have engaged or may currently engage in business with certain persons or entities that are the target of sanctions. Previously, sanctions affected the Group's operations in Sudan and Syria. As regards Sudan, most sanctions authorities have revoked and/or rescinded the sanctions previously imposed by them on Sudan. Effective 14 December 2020, the US rescinded its determination of Sudan as a 'State Sponsor of Terrorism'. In Syria, a court ruling in February 2021 placed MTN Syria under a judicial guardianship, thereby removing MTN Group's management control. The Group subsequently exited its investment in Syria.

The United States, through sanctions overseen primarily by the US Treasury Department's Office of Foreign Assets Control and the US State Department, and the EU and its Member States have laws that regulate, restrict or prohibit certain business activities in sanctioned countries or dealing with certain individuals or entities within such countries or with significant ties to such countries. Any failure to comply with these laws and regulations may expose the Group to risk of adverse and material financial, operational, or other impacts.

Neither the Group nor any of its affiliates are subject to US sanctions as a US person or as an entity located in the United States; however, certain US secondary (extraterritorial) sanctions are applicable to all US and non-US persons regardless of whether they have any ties or contacts to the United States. The Group is not generally subject to EU sanctions as an EU person or as an entity located in the EU.

The Group's remaining activities in a sanctioned country are in Iran, where the Group's joint venture, Irancell Telecommunication Company Services (PJSC) ("**Irancell**"), in which it holds a 49% interest, provides a range of telecommunications services.

The Group's business interests and activities have been and continue to be disclosed to the South African government and the US State Department. The US government applies extensive sanctions against Iran, which may also apply to non-US persons, under numerous laws and executive orders. The US State Department has regularly given guidance on sanctions compliance by the Group's business operations or the business operations of its affiliates, which the Group has complied with.

Sanctions regimes and related laws and regulations are complex and constantly changing. Sanctions regimes and related laws and regulations may be enacted, amended, enforced or interpreted in a manner that materially impacts the Group's operations. The Group works closely with US, South African, and other legal authorities to remain compliant with all applicable sanctions. Neither the Group nor its affiliates, to the best of the Group's knowledge, are the subject of a current government investigation or enforcement action in respect of any sanctions matter.

If the Group or its affiliates are found to be in violation of sanctions laws, the Group or its affiliates could be subject to financial or other penalties, and investors may decide, or be required, to divest their interest, or not to invest, in the Group. The enforcement of sanctions laws may interfere with the Group's operations. For example, evolving relations between Iran and the West and associated sanctions impact the Group's ability to repatriate cash from MTN Irancell. Even where there is no violation of sanctions laws, government investigations or other actions by pressure groups related to the conduct of business in countries subject to international sanctions may result in reputational or other harm to the Group.

The Group's investment plans are based on models reflecting management's predictions of market conditions in the markets in which it seeks to operate. There can be no assurance that such models will correctly anticipate actual investment results

The Group's investment plans, including in particular its acquisitions and greenfield roll-out plans, are influenced by its modelling of anticipated investment returns. The Group uses the results of its modelling to identify and execute potential investment strategies, such as acquisitions or greenfield network development. These models rely on certain assumptions of market fundamentals, such as macroeconomic assumptions, economic growth forecasts, pricing and competition in the relevant markets, in determining a given investment's timing, cost and expected profitability for the Group. If actual market conditions deviate from the assumptions underlying these models, the Group could be required to modify, scale back or delay its acquisition and expansion plans. If the Group is not able to modify its plans, its financial returns could be materially adversely affected. Changing market fundamentals could likewise affect its ability to adhere to its acquisition and expansion plans in ways that could have a material adverse effect on its business, financial condition, results of operations and prospects.

The Group maintains and regularly reviews its internal controls over financial reporting, but these controls cannot eliminate the risk of errors or omissions in such reporting

The Group maintains and regularly reviews internal controls over its financial reporting. However, internal control over financial reporting has inherent limitations. It is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. In addition, it can be circumvented by collusion or improper management override. It is possible to design safeguards to mitigate, though not eliminate, this risk. A failure to detect or correct deficiencies and weaknesses in a timely manner could have an adverse effect on the accuracy of financial reporting.

Negative fluctuations in currency exchange rates could materially and adversely affect the Group's business, financial condition and results of operations

The Group's results of operations are directly affected by the exchange rates for currencies of countries in which it operates and which fluctuate in relation to the Rand, such as the US dollar, the Euro, the Naira, the Cedi and the Iranian Rial, among others. Because the Rand is the Group's reporting currency, it must translate the assets, liabilities, turnover and expenses of all of its operations with a functional currency other than the Rand into Rand at the applicable exchange rates, being the period-end rate for assets and liabilities, the average period rate for revenue and expenses, and the transaction date rate for specific transactions in equity.

Consequently, increases or decreases in the value of the Rand in relation to these other currencies may affect the value of these items with respect to the Group's non-Rand businesses in its consolidated financial statements, even if their value has not changed in their original currency. For example, a stronger Rand against the US dollar will reduce the reported results of operations of the non-Rand businesses, and conversely a weaker Rand will increase the reported results of operations of the non-Rand businesses. These translations could affect the comparability of the Group's results between financial periods or result in changes to the carrying value of its assets, liabilities and equity.

As at the 2021 financial year, 27% of the Group's revenue and 31% of its costs are denominated in Rand and the Group had net exchange gains of ZAR1,409 billion. The Group generally does not hedge its foreign currency earnings. There can be no assurance that future exchange rate fluctuations between the Rand and the currencies of countries in which the Group operates will not have a material adverse effect on its business, financial condition and results of operations.

Fluctuations in rates could increase the Group's finance costs

The Group's finance costs are highly sensitive to many factors beyond its control, including the interest rate, exchange rate and other monetary policies of governments and central banks in the jurisdictions in which it operates. The floating rate portion of the Group's loans and borrowings is subject to interest rate risk resulting from fluctuations in the relevant reference rates underlying such debt. Consequently, because a significant portion of the Group's debt is subject to floating interest rates, any increase in such reference rates will result in an increase in its interest rate expense and may have a material effect on its financial condition, results of operations and prospects. Any future unhedged interest rate risk may result in an increase in the Group's interest expense and may have a material adverse effect on its business, its financial conditions and results of operations.

If the Group's risk management and loss limitation methods fail to adequately manage its exposure to losses, the losses it incurs could be materially higher than its expectations and its financial condition and results of operations could be materially adversely affected

The Group historically has sought and will in the future seek to manage its exposure to losses through a number of loss limitation methods, including internal risk management procedures.

The Group's methods of managing risk include setting a Group framework for general risk management and internal audit which are then implemented by its operating companies. These methods may not predict future exposures, which could be significantly greater than anticipated. The Group's risk management methods depend on the evaluation of information regarding markets or other matters that are publicly available or otherwise accessible to it and the successful implementation of Group risk policies by its operating companies. This information may not always be accurate, complete, up-to-date or properly evaluated. Further, any cost-cutting initiatives by the Group's operating companies could impact on their ability to implement the Group risk framework and manage their risks; for example, reducing staff tasked with monitoring fraud could result in the Group being impacted by increased fraud-related costs. Accordingly, if the estimates and assumptions that it enters into its risk models are incorrect, if such models prove to be an inaccurate forecasting tool, or if its operating companies fail to successfully implement its risk framework and policies, the losses it might incur could be materially

higher than its expectation of losses, and its financial condition and results of operations could be adversely affected.

Continued cooperation between the Group and its key equipment and service providers is important to maintain its telecommunications operations

Once a manufacturer of telecommunications equipment has designed and installed its equipment within the Group's system, it will often be reliant on such manufacturer for continued service and supply. The Group outsources the management and operation of much of its infrastructure to the original equipment manufacturer or technology provider. The Group's ability to maintain and grow its subscriber base depends in part on its ability to source adequate supplies of network equipment and on the effective management and operation of its network equipment by third parties. For example, the Group has made substantial equipment purchases from, and has entered into vendor financing arrangements with, Ericsson, Huawei and ZTE in certain jurisdictions. Continued cooperation with these equipment and service providers is essential in order for the Group to maintain its operations.

The Group does not have direct operational or financial control over its key equipment and service providers, including tower operators, such as American Tower Corp ("ATC") and IHS Holdings Limited ("HIS"), with whom it has entered into sale and lease back transactions in respect of its tower infrastructure in some of the markets in which it operates, and have limited influence with respect to the manner in which its key equipment and service providers conduct their businesses. The Group's reliance on these equipment and service providers subjects it to risks resulting from any delays in the delivery of services. The Group cannot assure investors that its key equipment and service providers will continue to provide equipment and services to it at attractive prices or that it will be able to obtain such equipment and services in the future from these or other providers on that scale, in the geographies where it operates and within the time frames required, if at all. The inability or unwillingness of key equipment and service providers to provide the Group's operations with adequate equipment and supplies on a timely basis and to manage its infrastructure in accordance with best practices, including at attractive prices, could materially and adversely impact the ability of these operations to retain and attract subscribers or provide attractive product offerings, either of which could materially and negatively impact its business, financial condition, results of operations and prospects.

A downgrade in the Group's credit ratings could adversely affect its ability to access the debt capital markets and may increase its borrowing costs

A downgrade in the Group's credit ratings could adversely affect its ability to access the debt capital markets and may increase its borrowing costs.

The Group's credit ratings, which are intended to measure its ability to meet its debt obligations as they mature, are an important factor in determining its cost of borrowing. The interest rates of the Group's borrowings are partly dependent on its credit ratings. Furthermore, the Group's credit rating is partially correlated to the sovereign credit ratings in its key operations. As at the Programme Date, the Group's global scale issuer ratings were assessed Ba2 (stable outlook) by Moody's and BB- (stable outlook) by S&P. The Group's national scale term ratings were Aa1.za and zaAA from Moody's and S&P respectively. There can be no assurance that any of the Group's ratings will remain the same in the future.

A downgrade of the Group's credit ratings (or announcement of a negative ratings watch) may increase its cost of borrowing and may also limit its ability to raise capital. Moreover, actual or anticipated changes in the Group's credit ratings or the credit ratings of the Notes (if applicable) generally may affect the market value of the Notes. In addition, ratings assigned to the Notes (if applicable) may not reflect the potential impact of all risks related to the transaction, the market or any additional factors discussed in this Risk Factors and Other Disclosures Schedule and other factors that may affect the value of the Notes. A securities rating is not a recommendation to buy, sell or hold securities. Ratings may be subject to revision or withdrawal at any time by the assigning rating organisation and each rating should be evaluated independently of any other rating.

Current and future antitrust and competition laws in the countries in which the Group operates may limit its growth and subject it to antitrust and other investigations or legal proceedings

The antitrust and competition laws and related regulatory policies in many of the countries in which the Group operates generally favour increased competition in the telecommunications industry and may prohibit it from making further acquisitions or continuing to engage in particular practices to the extent that it holds a significant market share in such countries. For example, in 2013 the Nigerian Communications Commission (the “NCC”) declared that the Group was a dominant operator in the mobile voice segment of the Nigerian market. The NCC placed certain obligations on the Group, including the requirement that it refrain from offering differential pricing on its on-net and off-net mobile voice service. In addition, violations of antitrust and competition laws and policies could expose the Group to administrative proceedings, civil lawsuits or criminal prosecution, including fines and imprisonment, and to the payment of punitive damages.

Regulators are particularly focused on establishing rules and a regulatory framework for interconnection between fixed and mobile networks, including mobile termination (i.e., the ability of a telecommunications provider to terminate a call on another operator’s network (i.e., calling between networks)) and the related pricing mechanisms (i.e., mobile termination rates). In fixed-line networks, although the incumbent provider has generally been obliged by the regulator to offer access to its network for the purposes of interconnection or call termination at prices which have usually been set by the regulator to equal cost, such pricing could also be set well below cost. Decisions by any of the Group’s regulators requiring it to provide mobile termination and interconnection services well below current rates or to pay rates to its competitors that are higher than the rates which the Group’s competitors pay it, which is more likely to be required in countries in which the Group is viewed or designated by the local regulator as having significant market power, could prevent the Group from realising a significant amount of revenue and have a material adverse effect on its business, financial condition, results of operations and prospects. For instance, in South Africa the Independent Communications Authority of South Africa (“ICASA”) has been regulating termination rates since 2010 where larger mobile network providers paid a higher fee to smaller network providers like Cell C and Telkom for carrying their calls. ICASA announced in March 2022, that mobile termination rates will move to symmetry within a transitional period of twelve months, while new licensees will qualify for asymmetry for a limited period of three years after entry into the market. Such asymmetrical regulatory intervention negatively impacts the Group’s competitive position and its profit.

In addition, antitrust and competition laws are subject to change and existing or future laws may be implemented or enforced in a manner that is materially detrimental to the Group. The Group cannot predict the effect that current or any future lawsuits, appeals or investigations by regulatory bodies or by any third party in any of the countries in which it operates will have on its business, financial condition, results of operations or prospects. Although to date the Group has not been subject to any material antitrust or competition-related lawsuits, there can be no assurance that these lawsuits will not occur and as a result cause the Group material losses and expenses. In addition, any fines, or other penalties imposed by an antitrust or competition authority as a result of any such investigation, or any prohibition on the Group engaging in certain types of business in one or more of the regions in which it operates, could have a material adverse effect on its business, financial condition, results of operations and prospects.

Telecommunications businesses require substantial capital investment and the Group may not be able to obtain sufficient financing on favourable terms, or at all

The Group operates in a capital-intensive industry that requires substantial amounts of capital and other long term expenditures, including those relating to the development and acquisition of new networks and the expansion or improvement of existing networks. In the past, the Group has financed these expenditures through a variety of means, primarily through syndicated banking facilities, particularly at the operating company level, and debt capital markets in some instances, and to a lesser extent, through equity capital markets. This is likely to remain unchanged in the future. The Group’s ability to arrange external financing, and the cost of such financing, depends on numerous factors, including its

future financial condition and results of operations, as well as that of its individual operating companies, general economic and capital markets conditions, interest rates, credit availability from banks or other lenders, investor confidence in the Group, applicable provisions of tax and securities laws and political and economic conditions in any relevant jurisdiction.

The Group is exposed to certain risks in respect of the development, expansion and maintenance of its telecommunications networks

The Group's ability to increase its subscriber base depends in part upon the success of the expansion and management of its telecommunications networks. The build-out of the Group's networks is subject to risks and uncertainties which could delay the introduction of services in some areas and increase the cost of network construction. Network expansion and infrastructure projects, including those in the Group's development pipeline, typically require substantial capital expenditure throughout the planning and construction phases and it may take months or years before the Group can obtain the necessary permits and approvals and the new sites become operational. During the planning and expansion process, the Group is subject to a number of construction, financing, operating, regulatory and other risks beyond its control, including, but not limited to:

- shortages or unavailability of materials, equipment and skilled and unskilled labour;
- increases in capital and/or operating costs, including as a result of foreign exchange rate movements;
- changes in demand for its services;
- labour disputes and disputes with contractors and sub-contractors;
- inadequate engineering, project management, capacity or infrastructure, including as a result of failure by third parties to fulfil their obligations relating to the provision of utilities and transportation links that are necessary or desirable for the successful operation of a project;
- electricity and power interruptions due to electricity load-shedding and/or blackouts, and energy shortages;
- regulatory regimes impacting its business;
- failure to complete projects according to specifications;
- failure to meet licence obligations;
- adverse weather conditions and natural disasters;
- environmental regulations, including the need to perform feasibility studies and conduct remedial activities;
- political, social and economic conditions;
- fraud;
- accidents;
- theft and malfeasance;
- terrorist action;
- changes in law, rules, regulations, governmental priorities and regulatory regimes; and
- an inability to obtain and maintain project development permission or requisite governmental licences, permits or approvals.

The occurrence of one or more of these events may have a material adverse effect on the Group's ability to complete its current or future network expansion projects on schedule or within budget, if at all, and may prevent it from achieving the projected revenues, internal rates of return or capacity associated with such projects. There can be no assurance that the Group will be able to generate revenues or profits from its expansion projects that meet its planned targets and objectives, or that such revenues will be sufficient to cover the associated construction and development costs, either of which could have a material adverse effect on its business, financial condition, results of operations and prospects.

The Group is involved in disputes and litigation, the ultimate outcome of which is uncertain

The Group is subject to numerous risks relating to legal and regulatory proceedings to which the Group, its associates and joint ventures are currently a party or which could develop in the future.

The Group is currently engaged in litigation in South Africa with the East Asian Consortium. The proceedings relate to the unsuccessful effort of a subsidiary of Turkcell Iletisim Hizmetleri AS ("**Turkcell**"), to obtain the second Global System for Mobile Communications ("**GSM**") licence tendered in Iran in 2005. In November 2020, Turkcell formally withdrew as a plaintiff from the case before the High Court. Should there be an adverse finding in these proceedings, the damages for the alleged breach carries an exposure of up to USD4.2 billion. While the Group believes that the claim is unfounded and that the proceedings will be resolved in a satisfactory manner, there can be no assurance in this respect.

The Group's involvement in litigation and regulatory proceedings may adversely affect its reputation. Furthermore, litigation and regulatory proceedings are unpredictable and legal or regulatory proceedings in which the Group is or becomes involved in (or settlements thereof) may have a material adverse effect on its business, financial condition, results of operations and prospects.

If the Group fails to attract and retain qualified and experienced employees, its business may be harmed

If the Group is unable to attract and retain experienced, capable and reliable personnel, especially senior and middle management with appropriate professional qualifications, or if it fails to recruit skilled professional and technical staff at a pace consistent with its growth, its business, financial condition, results of operations and prospects may be materially adversely affected. Experienced and capable personnel in the telecommunications industry remain in high demand and there is continuous competition for their talents. The Group may not be able to successfully recruit, train or retain the necessary qualified personnel in the future. The loss of some members of the Group's senior management team or any significant number of its mid-level managers and skilled professionals may, particularly with regards to digital content and advertising, result in a loss of organisational focus, poor execution of operations and corporate strategy or an inability to identify and execute potential strategic initiatives such as expansion of capacity or acquisitions and investments. These adverse consequences could, individually or in the aggregate, have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group's ability to exercise control over its subsidiaries and joint ventures is, in some cases, dependent upon the consent and cooperation of other participants who are not under its control. Disagreements or terms in the agreements governing its subsidiaries and joint ventures could adversely affect its business, financial condition, results of operations and prospects.

The Group currently operates through subsidiaries and joint ventures. While it has a majority interest in most of these entities which allows it to maintain management control, its level of ownership of each of its subsidiaries and joint ventures varies from market to market, and it does not always have a majority interest. Although the terms of the Group's investments vary, its business, financial condition, results of operations and prospects may be materially and adversely affected if disagreements develop with its partners.

The Group's ability to withdraw funds, including dividends, from its participation in, and to exercise management control over, subsidiaries and joint ventures depends, in some cases, on the consent of its other partners in these entities and/or the consent of regulatory authorities. Further, failure to resolve any disputes with its partners in certain of its operating subsidiaries and joint ventures could restrict payments made by these operating entities to the Group and have a material adverse effect on its business, financial condition, results of operations and prospects.

RISKS RELATING TO THE TELECOMMUNICATIONS INDUSTRY

The Group's telecommunications licences, permits and frequency allocations are subject to finite terms, ongoing review and/or periodic renewal, any of which may result in modification or early termination. In addition, the Group's inability to obtain new licences and permits could adversely affect its business

The terms of the Group's licences, permits and frequency allocations are subject to finite terms, ongoing review and/or periodic renewal and, in some cases, are subject to modification or early termination or may require renewal with the applicable government authorities. While the Group does not expect that it or any of its subsidiaries, associates or joint ventures will be required to cease operations at the end of the term of their business arrangements or licences, and while many of these licences provide for terms on which they may be renewed, there can be no assurance that these business arrangements or licences will in all cases be renewed on equivalent or satisfactory terms, or at all. Upon termination, the licences and assets of these companies may revert to the local governments or local telecommunications operators, in some cases without any or adequate compensation being paid.

The Group has in the past paid significant amounts for certain of its telecommunications licences and the competition for these licences has historically been high. The Group anticipates that it may have to continue to pay substantial licence fees in certain markets, particularly those with anticipated high growth rates, such as South Africa, Nigeria and Ghana, and incur substantial costs to meet specified network build-out requirements that it commits to in acquiring such licences. There can be no assurance that the Group will be successful in obtaining or funding these licences, or, if licences are awarded, that they can be obtained on terms acceptable to the Group. If the Group obtains or renews further licences, it may need to seek future funding through additional borrowings or equity offerings and there can be no assurance that such funding will be obtained on satisfactory terms, or at all. Failure to obtain financing on satisfactory terms or at all may have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group's operations could be adversely affected by natural disasters or other catastrophic events beyond its control

The Group's business operations, technical infrastructure (including its network infrastructure) and development projects could be adversely affected or disrupted by natural disasters (such as earthquakes, floods, tsunamis, hurricanes, fires or typhoons) or other catastrophic or otherwise disruptive events, including, but not limited to:

- changes to predominant natural weather, hydrologic and climatic patterns;
- major accidents, including chemical or other material environmental contamination;
- acts of terrorism;
- power loss;
- strikes or lock-outs or other industrial action by workers or employers; and
- medical pandemics.

The occurrence of any of these events, or a similar such event, in the regions in which the Group operates or affecting any part of its telecommunications network may cause disruptions to its operations

in part or in whole, may increase the costs associated with providing services as a result of, among other things, costs associated with remedial work, may subject it to liability or impact its brands and reputation and may otherwise hinder the normal operation of its business, which could materially adversely affect its business, financial condition, results of operations and prospects.

In addition, the Group's technical infrastructure is vulnerable to damage or interruption from information and telecommunications technology failures, acts of war, terrorism, intentional wrongdoing, human error and similar events. Unanticipated problems affecting any part of the Group's telecommunications network, such as system failures, hardware or software failures, computer viruses or hacker attacks could affect the quality of its services and cause service interruptions. Any of these occurrences could result in reduced user traffic and reduced revenues and could harm the Group's operations.

The effect of any of these events on the Group's business, financial condition, results of operations and prospects may be worsened to the extent that any such event involves risks for which it is uninsured or not fully insured, or which are not currently insurable, such as acts of war and terrorism.

Because the Group operates in highly regulated business environments, changes in law, regulations or governmental policy affecting its business activities could adversely affect its business, financial condition, results of operations and prospects

The Group has ventures in a large number of jurisdictions, and therefore it must comply with an extensive range of laws and regulations pertaining to the licensing, construction and operation, as well as monitoring (including call interceptions), of telecommunications networks and services, as implemented by relevant agencies or other regulatory bodies. Among the most significant of these laws and regulations are those governing tariffs, the ability to offer and/or bundle products and services, the allocation of frequency spectrum, interconnection and access, and those governing the regulatory agencies that monitor and enforce regulation and competition laws that apply to the telecommunications industry.

In many of the countries in which the Group operates, local regulators have significant latitude in the administration and interpretation of telecommunications licences and laws, rules and regulations. In addition, the actions taken by these regulators in the administration and interpretation of these licences and laws, rules and regulations may be influenced by local political and economic pressures. Decisions by regulators regarding the grant, amendment or renewal of licences, to the Group or to third parties, or regarding laws, rules, and regulations, could materially and adversely affect the Group's operations in these geographic areas. The Group cannot provide any assurance that governments or regulatory bodies in the countries in which it operates will not issue telecommunications licences to new operators whose services will compete with those services provided by it.

For example, in Nigeria in October 2015, the NCC imposed a ₦1,04 trillion fine (which was at that time equivalent to USD5,2 billion) on MTN Nigeria, in relation to the alleged non-compliance with a directive regarding the timing of the disconnection of unregistered subscribers. The fine had initially been reduced to the Naira equivalent of USD3,9 billion but a settlement was reached on 10 June 2016 whereby MTN Nigeria agreed to pay a total cash amount of ₦300 billion (as at 10 June 2016, the equivalent of USD1,671 billion) over three years to the Federal Government of Nigeria in full and final settlement of the matter, payable as follows:

- ₦50 billion, paid in good faith and without prejudice by MTN Nigeria on 24 February 2016, forms part of the monetary component of the settlement;
- the balance of the ₦280 billion outstanding was discharged as follows:
 - ₦30 billion on 30 June 2016;
 - ₦30 billion on 31 March, 2017;
 - ₦55 billion on 31 March 2018;

- ¥55 billion on 31 December,2018;
- ¥55 billion on 31 March 2019; and
- ¥55 billion on 31 May 2019.

In addition, other changes in the regulatory environment concerning the use of mobile phones may lead to a reduction in the usage of mobile phones or otherwise adversely affect the Group. Decisions by regulators and new legislation, including in relation to retail, wholesale and interconnect price regulation, could adversely affect the pricing of, or adversely affect the revenue from, the services the Group offers. Decisions by regulators may include limiting the Group's pricing flexibility, raising its costs, reducing its retail or wholesale revenues or conferring greater pricing flexibility on its competitors.

Failure in the Group's information and technology systems could result in interruptions of its business operations

The Group's information and technology systems are designed to enable it to use its infrastructure resources as effectively as possible and to monitor and control all aspects of its operations. Although the Group's critical systems are designed with high availability to avoid any downtime, any failure or breakdown in these systems could interrupt the normal business operations and result in a significant slowdown in operational and management efficiency for the duration of such failure or breakdown. Any prolonged failure or breakdown could dramatically impact the Group's ability to offer services to its customers, which could have a material adverse effect on its business, financial condition, results of operations and prospects. For example, the Group depends on certain technologically sophisticated management information systems and other systems, such as its customer billing system, to enable it to conduct its operations. Any significant delays or interruptions in providing services could negatively impact the Group's reputation as an efficient and reliable telecommunications provider.

In addition, the Group relies on third-party vendors to supply and maintain much of its information technology. In the event that one or more of the third-party vendors that the Group engages to provide support and upgrades with respect to components of its information technology ceased operations or became otherwise unable or unwilling to meet the Group's needs, the Group cannot assure investors that it would be able to replace any such vendor promptly or on commercially reasonable terms, if at all. Delay or failure in finding a suitable replacement could materially adversely affect the Group's business, financial condition, results of operations and prospects.

Actual or perceived health risks or other problems relating to mobile handsets or transmission and/or network infrastructure could lead to litigation or decreased mobile communications usage

The effects of any damage caused by exposure to an electromagnetic field have been and continue to be the subject of careful evaluations by the international scientific community, but to date there is no conclusive scientific evidence of harmful effects on health. However, the Group cannot rule out that exposure to electromagnetic fields or other emissions originating from wireless handsets or transmission infrastructure is not, or will not be found to be, a health risk.

The Group's mobile communications business may be harmed as a result of these alleged or actual health risks. For example, the perception alone of these health risks could result in a lower number of customers, reduced usage per customer or potential customer liability. In addition, these concerns may cause regulators to impose greater restrictions on the construction of base station towers or other infrastructure, which may hinder the completion of network build-outs and the commercial availability of new services and may require additional investments.

Industrial action or adverse labour relations could disrupt the Group's business operations and have an adverse effect on operating results

While only a limited number of the Group's operations, involving in aggregate approximately 1200 employees (as at the Programme Date), are currently subject to collective bargaining, union or similar

labour agreements, more of its operations may in the future be subject to collective bargaining, union or similar labour agreements. In addition, the Group's employees also benefit from local laws regarding employee basic employee rights and benefits. If the Group is unable to negotiate acceptable labour agreements or maintain satisfactory employee relations environment, the results could include work stoppages, strikes or other forms of industrial action or labour disputes (including higher labour costs and adverse productivity interruptions), which individually or collectively could adversely impact on the Group's business continuity, resulting in financial losses with a net negative effect on the business growth and operational profits on a short or long-term basis.

RISKS RELATING TO THE COUNTRIES IN WHICH THE GROUP OPERATES

The Group is subject to the risks of political, social and economic instability associated with emerging market countries and regions in which they operate or may seek to operate.

Overview

The Group conducts its business in a number of emerging market countries and regions with developing economies, many of which have uncertain legal and regulatory systems and some of which from time to time have experienced economic, social or political instability. In addition, some of the countries in which the Group operates, such as Ghana and Rwanda, are in the process of transitioning to a market economy and, as a result, are experiencing changes in their economies and their government policies that can affect the Group's investments in these countries.

There is also a risk that the Group's operations in certain of the countries in which it operates could be expropriated by the relevant government or regulatory authorities, either by formal change in ownership, revocation of an operating licence or by changes in regulatory or financial policies that have an equivalent effect. Governments in these jurisdictions and countries, as well as in more developed jurisdictions and countries, may be influenced by political or commercial considerations outside of the Group's control, and may act arbitrarily, selectively or unlawfully, including in a manner that benefits the Group's competitors. In addition, the Group may from time to time enter into business relationships with entities subject to European, United States, UN or other international sanctions. By doing so, it could experience adverse publicity, which may in turn result in reputational harm in certain jurisdictions.

Specific country risks that may have a material adverse effect on the Group's business, financial condition, results of operations and prospects include, among other things:

- political instability, riots or other forms of civil disturbance or violence;
- war, terrorism, invasion, rebellion or revolution;
- government interventions, including expropriation or nationalisation of assets;
- increased protectionism and the introduction of tariffs or subsidies;
- changing fiscal, regulatory and tax regimes;
- arbitrary or inconsistent government action, including capricious application of tax laws and selective tax audits;
- inflation in local economies;
- difficulties and delays in obtaining requisite governmental licences, permits or approvals;
- restricted access to cash;
- cancellation, nullification or unenforceability of contractual rights; and
- underdeveloped industrial and economic infrastructure.

Changes in investment policies or shifts in the prevailing political climate in any of the countries in which the Group operates, or seeks to operate, could result in the introduction of increased government regulations with respect to, among other things:

- price controls;
- export and import controls;
- income and other taxes;
- environmental legislation;
- customs and immigration;
- foreign ownership restrictions;
- foreign exchange and currency controls; and
- labour and welfare benefit policies.

Political climate

Various countries in Africa and the Middle East have experienced varying degrees of political instability in recent years. Ongoing and future armed conflicts or political instability in those regions could impact the Group's operations, including its ability to purchase adequate political risk and political violence insurance. For example, in Afghanistan, Sudan and Nigeria insurgent groups have engaged in campaigns against their respective governments and allies, and have struck both military and civilian targets resulting in continued risk to the Group's operations, including the threat of damage to its infrastructure. There can be no assurance that such groups will not escalate violent activities or that the relevant governments will be successful in maintaining the prevailing levels of domestic order and stability.

Investing in countries that are politically and economically undeveloped or developing, as the Group has done and expects to continue to do, is risky and uncertain. Any changes in the political, social, economic or other conditions in such countries, or in countries that neighbour such countries, could have a material adverse effect on the investments that the Group has made or may make in the future, which in turn could have a material adverse effect on its business, financial condition, results of operations and prospects.

The Group is subject to political and economic conditions in the key markets in which it operates

The Group's key operations are located in South Africa and Nigeria. The Group's results of operations are, and will continue to be, significantly affected by financial, economic and political developments in or affecting those markets and, in particular, by the level of economic activity in those markets. For example, the continued weak economic situation in South Africa has depressed consumer business confidence and negatively impacted consumer demand in the country. It is not possible to predict the occurrence of events or circumstances, such as war or hostilities, or the impact of such occurrences, and no assurance can be given that the Group would be able to sustain the operation of its business if adverse financial, economic, political or other events or circumstances were to occur. Any future economic downturn, either regionally or domestically in any of the key markets in which the Group operates, could have a material adverse effect on its business, financial condition, results of operations and prospects. Investors should also note that the Group's business and financial performance could be adversely affected by political, financial, economic or related developments both within and outside the key markets in which it operates because of inter-relationships within the global financial markets. In addition, the implementation by a national or local government in any of the key markets in which the Group operates of regulations adverse to the Group's interests, including changes with respect to royalty payments, taxation or telecommunications regulations, or changes to grants and licences of properties used by the Group in those markets, could have a material adverse effect on its business, financial

condition, results of operations and prospects and thereby adversely affect its ability to perform its obligations in respect of the Notes.

Certain countries in which the Group currently operates, such as Sudan and Afghanistan do not have particularly stable political environments. Instability in any of these countries may result from a number of factors, including government or military regime change, civil unrest or terrorism. To a varying extent in each of these countries, extremists have engaged in campaigns, sometimes violent, against various governments in the region and terrorists have struck both military and civilian targets. There can be no assurance that extremists or terrorist groups will not escalate violent activities in the countries in which the Group operates or that the governments of those countries will be successful in maintaining the prevailing levels of domestic order and stability. In recent years, there has been significant political and social unrest, including violent protests in a number of countries in which the Group operates. There can be no assurance that such significant political and social unrest will not escalate or that the governments of countries in which the Group operates will be successful in maintaining domestic order and stability.

Any of the foregoing circumstances could have a material adverse effect on the political and economic stability of the countries in which the Group operates and, in particular, could impact the level of economic activity in those countries and, consequently, could have a material adverse effect on the Group's business, financial condition, results of operations and prospects, and thereby adversely affect its ability to perform its obligations in respect of the Notes.

A downturn in the domestic, regional or global economy may adversely affect the Group's business

The Group is exposed to risks associated with any future downturn in the domestic, regional or global economy.

Whilst macroeconomic indicators have significantly improved since the global financial crisis from 2008 to 2011, there can be no assurance that economic performance, whether globally or in the regions in which The Group operates, can or will be sustained in the future. For example, the global decline in crude oil prices from mid-2014 to sub \$100 levels, has had a significant impact on the GDP, revenue and consequently exchange rate weakness in Nigeria. Efforts by the government to protect the currency and limit devaluation thereof in line with market forces has resulted in a rapid depletion of foreign currency reserves and a significant slowdown or curtailment of capital inflows. Accordingly, foreign exchange reserves and availability thereof has been prioritised for certain uses and industries and consequently has resulted in challenges in repatriating funds out of the country. To the extent that economic growth or performance, either globally or in the regions in which the Group operates, slows or begins to decline, this could have an adverse effect on its operations. Many of the Group's strategic partners and suppliers, who are based overseas, may, in the event of a global downturn or a downturn in any specific region, experience financial difficulties that could affect their ability to service the Group in a timely and efficient manner. Any future global downturn, such as that experienced from 2008 to 2011, could have a material and adverse effect on the Group's revenues, financial position, results of operations and continued growth.

Economic conditions can have a material adverse effect on telecommunications businesses, including a material adverse effect on the quality and growth of their customer base and service offerings. For example, customers may decide that they can no longer afford mobile services, or that they can no longer afford the data services and value-added services that are instrumental in maintaining or increasing total revenue generated per subscriber, and, in turn, increasing the Group's revenues. Subject to differing levels of price elasticity of demand in each market in which the Group operates, any future economic downturn in those markets could have a material adverse effect on the Group's business, financial condition, results of operations and prospects. High rates of inflation in some of the countries in which the Group operates may also cause consumer purchasing power to decrease, which may reduce consumer demand for the Group's services.

A loss of investor confidence in the financial systems of emerging as well as mature markets may cause increased volatility in the financial markets in the countries and regions in which the Group operates

and a slowdown in economic growth or economic contraction in those countries and regions. Any such increased volatility or slowdown could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group may pursue investment opportunities in countries in which it has no previous investment experience or in jurisdictions that are subject to greater social, economic and political risks

The Group may not be able to adequately assess the risks of investing in new jurisdictions irrespective of advice from its advisers. Investments made by the Group in emerging markets may involve a greater degree of risk than investments in developed countries. For example, emerging market investments may carry the risk of more volatile equity markets, less favourable and less sophisticated fiscal and commercial regulation and a less favourable business and operating environment, a greater likelihood of severe inflation, unstable currency, exchange controls, restrictions on repatriation of profits and capital, corruption, political, social and economic instability (including warfare and civil unrest) and government actions or interventions, including tariffs, royalties, protectionism, subsidies, expropriation of assets and cancellation of contractual rights, than investments in companies based in developed countries. An occurrence of any of the foregoing risks or failure by the Group to correctly identify the risks associated with an investment could have a material adverse effect on its business, financial condition and results of operations.

Some of the countries in which the Group operates lack infrastructure or have infrastructure in very poor condition and, particularly in Africa, have an insufficient supply of electricity

Some of the countries in which the Group operates often lack modern infrastructure or have infrastructure in poor or very poor condition, including in particular roads and power networks. In general, the rural areas in each of the countries in which the Group operates often lack even the most basic infrastructure, as any development tends to be concentrated in urban areas. The Group must often build its cell sites without the benefit of roads and other infrastructure, which increases its network development and maintenance costs.

The electricity supply is insufficient in certain of the African countries in which the Group operates due to underdevelopment of electricity sectors compared to the pace of economic growth in such countries. In certain countries, including South Africa and Nigeria, the Group must rely on diesel-powered generators or solar panels to power its radio sites and some of its towers have solar back-up power or hybrid deep cycle backup batteries. These measures increase the Group's costs and impact the profitability of its African operations, although the impact is mitigated, to some extent, by the sale of its towers in Ghana, Uganda, Rwanda, Ivory Coast, Zambia and Cameroon.

The Group operates in locations where there are high security risks, which could result in harm to its employees and contractors or substantial costs

Some of the Group's subsidiaries, joint ventures and associates operate in high-risk locations, such as Afghanistan, Sudan and Iran, where the country or location has suffered, or is suffering from political, social or economic instability, or war or civil unrest. In those locations where the Group has employees, assets or operations, those subsidiaries, associates and joint ventures may incur substantial costs to maintain the safety of their personnel and to protect their assets. Despite these precautions, the safety of the Group's personnel in these locations may continue to be at risk. In addition, network maintenance and expansion projects in these areas could be delayed or cancelled due to the need for heightened security for employees and contractors operating in these areas. The security situation in Afghanistan, Sudan and Iran and other regions in which the Group operates remains unstable and could have a material adverse effect on its business, financial condition, results of operations and prospects.

RISKS RELATING TO THE NOTES

The Notes may not be a suitable investment for all investors

Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in the Programme Memorandum or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such an investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

The Notes will constitute unsecured obligations of the Issuer and the Noteholder Guarantee and the Subsidiary Guarantee will constitute unsecured obligations of the Noteholder Guarantor and each Subsidiary Guarantor

The Notes will constitute unsecured and unsubordinated obligations of the Issuer and the Noteholder Guarantee and the Subsidiary Guarantee will constitute unsecured and unsubordinated obligations of the Noteholder Guarantor and each Subsidiary Guarantor. The Notes, the Noteholder Guarantee and the Subsidiary Guarantee will rank equally with all of the other unsecured and unsubordinated indebtedness of the Issuer, the Noteholder Guarantor and each Subsidiary Guarantor, respectively. However, the Notes, the Noteholder Guarantee and the Subsidiary Guarantee will be effectively subordinated to the secured indebtedness and securitisations, if any, of the Issuer, the Noteholder Guarantor and each Subsidiary Guarantor, respectively, to the extent of the value of the assets securing such transactions, and will be subject to certain preferential obligations under South African and/or Mauritian law, as applicable, such as wages of employees.

Generally, lenders and trade and other creditors of the subsidiaries of the Issuer, the Noteholder Guarantor and each Subsidiary Guarantor are entitled to payment of their claims from the assets of such subsidiaries before these assets are made available for distribution to the Issuer or the Noteholder Guarantor or the relevant Subsidiary Guarantor, as the case may be, as a direct or indirect shareholder. Any debt that the subsidiaries of the Issuer, the Noteholder Guarantor or the relevant Subsidiary Guarantor may incur in the future will also rank structurally senior to the Notes, the Noteholder Guarantee and the Subsidiary Guarantee, respectively.

The Issuer, the Noteholder Guarantor and the Subsidiary Guarantors are dependent on cash flows received from other members of the Group to meet their respective payment obligations on the Notes and under the Noteholder Guarantee

The Issuer is a holding company and will, accordingly, depend upon the receipt of sufficient funds in the form of dividends and management fees from other members of the Group to meet its obligations.

In addition, the Noteholder Guarantor and the Subsidiary Guarantors conduct their business through their respective operating subsidiaries and joint ventures, and will, accordingly, depend upon the receipt of sufficient funds from other members of the Group and such joint ventures in the form of management fees and dividends to meet their respective obligations. The amount of such dividends and management fees that will be received by the Noteholder Guarantor and/or the Subsidiary Guarantors depend on the profitability and cash flows of their respective subsidiaries and joint ventures. The Group's subsidiaries and such joint ventures may not, however, be able to, or may not be permitted under the terms of their existing or future indebtedness or applicable law to make dividend or management fee payments to their shareholders (who may include the Noteholder Guarantor and/or the Subsidiary Guarantors) so that payments can be made to the Issuer and/or the Noteholder Guarantor and/or the Subsidiary Guarantors on loans extended by the Issuer and/or the Noteholder Guarantor and/or the Subsidiary Guarantors.

In the event that the Issuer, the Noteholder Guarantor and the Subsidiary Guarantors do not receive payments under intra-Group loans, dividends, management fees or other funding payments from other members of the Group or its joint ventures, the Issuer may be unable to make required principal and interest payments on the Notes and the Noteholder Guarantor and/or the Subsidiary Guarantor(s) may be unable to meet their respective payment obligations under the Noteholder Guarantee or the Subsidiary Guarantee, as the case may be.

In addition, other than the Issuer in relation to the Notes and the Noteholder Guarantor in relation to the Noteholder Guarantee and each Subsidiary Guarantor in relation to the Subsidiary Guarantee, the other members of the Group are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay any amounts due pursuant to the Notes, the Noteholder Guarantee or the Subsidiary Guarantee or to make funds available for these purposes, whether by loans, dividends, distributions, management fees or other payments, and do not guarantee the payment of interest on, or principal of, the Notes.

The operating subsidiaries and joint ventures have obligations to creditors under their respective supply transactions or borrowings. Any right that the Issuer, the Noteholder Guarantor or the Subsidiary Guarantors may have to receive assets of any of their respective subsidiaries or joint ventures upon any such subsidiary's or joint venture's liquidation, and the consequent right of Noteholders to benefit from the distribution of proceeds from those assets to the Issuer, the Noteholder Guarantor or any Subsidiary Guarantor, will be effectively subordinated to the claims of creditors of such subsidiaries and joint ventures (including tax authorities, employees, trade creditors and lenders to such subsidiaries).

Decisions of the holders of the required majority of the Notes bind all Noteholders

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions will permit Noteholders holding defined percentages of Notes to bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Issuer may create and issue further Notes

The Issuer may from time to time without the consent of the Noteholders create and issue further Notes, having terms and conditions that are the same as those of the Notes, or the same except for the amount of the first payment of interest, which new Notes may be consolidated and form a single series with the outstanding Notes even if doing so may adversely affect the value of the original Notes.

There may not be an active trading market for the Notes

Notes issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market. If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market

for similar securities, general economic conditions and the financial condition of the Issuer. There is no assurance as to the development or liquidity of any trading market for any particular Tranche of Notes.

The Notes may be redeemed prior to maturity

Unless in the case of any particular Tranche of Notes the Terms and Conditions provide otherwise, in the event that the Issuer would be obliged to increase the amounts payable in respect of any Taxes, the Issuer may redeem all outstanding Notes in accordance with the Terms and Conditions.

In addition, if in the case of any particular Tranche of Notes the Terms and Conditions provide that the Notes are redeemable at the Issuer's option in certain other circumstances, the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances, an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

Because uncertificated Notes are held in the Central Securities Depository, investors will have to rely on their procedures for transfer, payment and communication with the Issuer

Notes issued under the Programme which are listed on the Interest Rate Market of the JSE or such other or additional Financial Exchange and/or held in the Central Securities Depository may, subject to Applicable Laws and the Applicable Procedures, be issued in uncertificated form. Unlisted Notes may also be held in the Central Securities Depository in uncertificated form. Notes held in the Central Securities Depository will be issued, cleared and settled in accordance with the Applicable Procedures through the electronic settlement system of the Central Securities Depository. Except in the limited circumstances described in the Terms and Conditions, investors will not be entitled to receive Individual Certificates. The Central Securities Depository will maintain records of the Beneficial Interests in Notes and/or issued in uncertificated form, which are held in the Central Securities Depository (whether such Notes are listed or unlisted). Investors will be able to trade their Beneficial Interests only through the Central Securities Depository and in accordance with the Applicable Procedures.

Payments of principal and/or interest in respect of uncertificated Notes will be made to the Central Securities Depository or the Participants and the Issuer will discharge its payment obligations under the Notes by making payments to or to the order of the Central Securities Depository or the Participants for distribution to their account holders. A holder of a Beneficial Interest in uncertificated Notes, whether listed or unlisted, must rely on the procedures of the Central Securities Depository to receive payments under the relevant Notes. Each investor shown in the records of the Central Securities Depository or the Participants, as the case may be, shall look solely to the Central Securities Depository or the Participant, as the case may be, for such investor's share of each payment so made by the Issuer to the registered holder of such uncertificated Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, such Beneficial Interests.

Holders of Beneficial Interests in uncertificated Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the Central Securities Depository to appoint appropriate proxies.

Recourse to the JSE Debt Guarantee Fund Trust

The holders of Notes that are not listed on the Interest Rate Market of the JSE will have no recourse against the JSE Debt Guarantee Fund Trust. Claims against the JSE Debt Guarantee Fund Trust may only be made in respect of the trading of Notes listed on the Interest Rate Market of the JSE and in accordance with the rules of the JSE Debt Guarantee Fund Trust. Unlisted notes are not regulated by the JSE.

Credit Rating

Tranches of Notes issued under the Programme, the Issuer and/or the Programme, as the case may be, may be rated or unrated. A Rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning Rating Agency. Any adverse

change in an applicable credit rating could adversely affect the trading price for the Notes issued under the Programme.

Any amendment in the Rating of the Issuer and/or the Programme and/or a Tranche of Notes, as the case may be, after the Programme Date, will be announced on SENS.

Modification and waivers and substitution

The Terms and Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. The approval of the JSE is required prior to any amendment to the Terms and Conditions that is not of a formal, minor or technical nature.

Change of law

The Notes are governed by, and will be construed in accordance with, South African law in effect as at the Programme Date. No assurance can be given as to the impact of any possible judicial decision, change to South African law or administrative practice in South Africa after the Programme Date.

RISKS RELATED TO THE STRUCTURE OF A PARTICULAR ISSUE OF NOTES

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

Notes subject to optional redemption by the Issuer

An optional redemption feature is likely to limit the market value of the Notes. During any period when the Issuer may elect to redeem the Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to re-invest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Indexed and other Notes

The Issuer may issue Notes the terms of which provide for interest or principal payable in respect of such Notes to be determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a “**Relevant Factor**”) or with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- the market price of such Notes may be volatile;
- no interest may be payable on such Notes;
- payments of principal or interest on such Notes may occur at a different time or in a different currency than expected;
- the amount of principal payable at redemption may be less than the Principal Amount of such Notes or even zero;
- a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;

- if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable is likely to be magnified; and
- the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Variable Rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate may at any time be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Notes where denominations involve integral multiples: Individual Certificates

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive an Individual Certificate in respect of such holding and would need to purchase a Principal Amount of Notes such that its holding amounts to a minimum Specified Denomination.

If Individual Certificates are issued, holders should be aware that Individual Certificates which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

The value of and return on any Notes linked to a benchmark may be adversely affected by ongoing national and international regulatory reform in relation to benchmarks

Following the events related to the actual and attempted manipulation of the London Interbank Offered Rate ("LIBOR") in 2012, there has been a coordinated response from international regulators and central banks to improve the robustness, reliability and transparency of interest rate benchmarks. In line with this coordinated global response towards strengthening major interest rate benchmarks that are used as reference rates, the SARB published a "Consultation paper on selected interest rate benchmarks in South Africa" on 30 August 2018 (the "Consultation Paper") containing proposals on the reform of

key interest rate benchmarks used in South Africa as well as proposals on a suite of new benchmarks that could potentially be used as alternative reference interest rates. The SARB also set up an independent body referred to as the Market Practitioners Group (“MPG”) comprising members of the SARB, FSCA, and senior professionals from a variety of institutions, reflecting different market interest groups active in the domestic money market, to provide input into the design and operationalisation of the benchmark proposals.

The reform of interest rate benchmarks in South Africa is informed by various considerations, including concerns with design aspects of the existing key reference rates, monetary and financial stability policy considerations and aligning with best practice standards.

Following a public commentary process on the Consultation Paper, the SARB published a “*Report on stakeholder feedback on the reform of interest rate benchmarks in South Africa*” in May 2019 (the “**Benchmark Reform Feedback Report**”) setting out key issues arising from the comments received on the Consultation Paper and the SARB’s position regarding those key issues. In this report, the SARB notes that the reform of interest rate benchmarks in South Africa is a multi-year project, the implementation of which will be phased in over the next few years, specifically with reference to ZAR-JIBAR-SAFEX, the SARB urges the MPG and its work-streams to prioritise the reform of the reference rate and to provide an interim solution, which will become effective from a date announced by the SARB. The report also indicated that, as a next step, the SARB would publish a technical specification paper to serve as a reference for the computation of various benchmarks.

On 19 June 2020 the SARB published the “*Statement of methodology and the policies governing the SARB-administered interest rate benchmarks*”, otherwise referred to as the Technical Specification Paper (“**TSP**”), for public comment. The TSP is a draft statement of the methodology and policies that will govern proposed interest rate benchmarks to be administered by the SARB. An extensive consultation process was followed in the development of the technical specification of the proposed interest rate benchmarks, including consultations with global counterparts. In the domestic market, input from members of the MPG and its various work streams was considered.

The TSP details the methodologies and policies that will be applied for the following suggested benchmarks:

- South African Rand Interbank Overnight Rate (“**ZARIBOR**”);
- South African Secured Overnight Financing Rate (“**ZASFR**”);
- South African Rand Overnight Index Average (“**ZARONIA**”);
- Term Wholesale Financial Corporate Fixed Deposit Benchmark Rate; and
- Term Wholesale Non-financial Corporate Fixed Deposit Benchmark Rate.

This suite comprises four new benchmarks and a reformed version of the existing overnight benchmark rate – the South African Benchmark Overnight Rate (“**SABOR**”). The benchmark proposed as a replacement for SABOR is ZARONIA, which is an unsecured overnight rate. ZARONIA aims to measure the interest rate at which rand-denominated overnight wholesale funds in South Africa are obtained by banks. The calculation methodology for the benchmark is specified as a trimmed, volume-weighted mean of the central 80% of the distribution of interest rates paid on eligible unsecured overnight deposits.

In August 2020 the MPG released a Position Paper entitled “*Market Practitioners Group Risk-Free Reference Rate Work Stream*” (the “**MPG Position Paper**”) which provided recommendations relating to the reform of the Johannesburg Interbank Average Rate (“**JIBAR**”), including the designation of ZARONIA as the *preferred* successor rate that will most likely replace JIBAR. In terms of the process going forward, the SARB will begin publishing the new successor rate daily during the second quarter of 2022 to allow market participants to observe the rate and develop strategies to promote voluntary adoption in cash and derivatives markets. Although the SARB has advised that JIBAR will continue to

be made available in parallel with the successor rate for a period, JIBAR will cease to be published at some point and all contracts referencing JIBAR will need to be transitioned to an alternative successor rate or provide for an appropriate fallback rate – preferably the designated successor rate. Although ZARONIA has been designated as the preferred successor rate, the ultimate outcome of reform will likely feature the coexistence of several interest rate benchmarks to fulfil different market and policy purposes.

In November 2021, the SARB published a document entitled “*Feedback on the statement of methodology and policies governing the SARB-administered interest rate benchmarks*” detailing comments received from the public and findings from the back-testing exercise. The back-testing exercise refers to the process of testing the conceptual design of the preferred successor rate to ensure that the proposed alternative reference rate is reliable, robust and sufficiently stable (“*fit for public consumption*”). The SARB collected 5-year historical transactions data from the four largest commercial banks and the JSE to enable the back-testing exercise. The report provided results from the back-testing exercise and contingency arrangements for the possible successor rates. It also identified issues relating to data collection and infrastructure which the SARB will seek to address in the near future. As a next step, the SARB will begin publishing Reporting Instructions with details of reporting institutions, scope of qualifying money market transactions, fields and their definitions, arrangements for the transmission of data, and the controls as well as governance procedures that will be applied. Thereafter the SARB will publish a final TSP.

The reform of JIBAR, and the reform of benchmarks generally, may cause JIBAR or any other benchmark to perform differently than it has done in the past, or have other consequences which cannot be predicted. Any such consequences could have a material adverse effect on any Notes linked to or referencing such benchmark rate. In addition, where reform leads to the discontinuation of a benchmark, an adjustment to the Terms and Conditions of the Notes may be required in respect of Notes referencing such benchmark.

To the extent that JIBAR is discontinued and replaced, there may also be secondary market risk where Notes linked to the new successor rate may not have an established trading market when issued and an established trading market may not develop or if it does develop, it may not be very liquid. If the successor rate does not prove to be widely used in floating rate securities, the trading price of the successor rate-linked floating rate Notes may be lower than those of Notes linked to other reference rates that are more widely used. Investors in such securities may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk.

The reform of benchmark rates may have an impact on hedging as there may not be an established market for hedging in the successor rate-linked securities. There is also the risk that loans and their hedges may not transition simultaneously – if a loan and its corresponding hedge were to transition to different replacement rates or to the same replacement rate but at different times, this may render the protection offered by the hedge ineffective.

There can be no guarantee, that ZARONIA or any alternative successor rate will not be discontinued or fundamentally altered in a manner that would be materially adverse to the interests of investors in floating rate Notes linked to the successor rate. If the manner in which the successor rate is calculated is changed, that change may result in a reduction of the amount of interest payable on the successor rate-linked floating rate Notes and the trading prices of such Notes.

Investors should consult their own independent advisers and make their own assessment about the potential risks associated with any benchmark reforms in making any investment decision with respect to any Notes linked to or referencing a benchmark. A full copy of the Consultation Paper, the Benchmark Reform Feedback Report and the TSP are available at <https://www.resbank.co.za/Markets/Pages/default.aspx>.

CONFLICTS OF INTEREST

Capitalised terms used in this section headed “Conflicts of Interest” shall bear the same meanings as those used in the Terms and Conditions, except to the extent that they are separately defined in this section or are clearly inappropriate from the context.

The Group’s conflicts of interest management framework guides operations on implementing processes, procedures and internal controls to ensure all employees and directors are aware of their duties and responsibilities to avoid any imminent conflict of interest, identify present conflicts of interest, and to ensure disclosure and management of existing or potential conflicts of interest.

All actual or potential conflicts of interest in respect of an individual must be disclosed to the Group in writing and must include the disclosure of all relevant ownership or financial interests that the representative has or is eligible for, and the nature of any relationship or arrangement with a third party that gives rise to a conflict of interest within the context of their employment with the Group. The framework also deals with the issues around human resources and employment procedures to guard against nepotism and favouritism. To manage conflict of interest matters, all directors and employees are required to declare their interests on an annual basis. Records will be stored and maintained accordingly. Senior leadership authorisation and approval processes are followed when conflicts of interest are declared. All breaches are dealt with through internal disciplinary processes.

The Conflicts of Interest Policy is available on MTN Group’s corporate website at <https://www.mtn.com/investors-shareholders/?tablink=debt-and-funding-updates>.

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

Capitalised terms used in this section headed “Settlement, Clearing and Transfer of Notes” shall bear the same meanings as those used in the Terms and Conditions, except to the extent that they are separately defined in this section or are clearly inappropriate from the context.

Notes listed on the Interest Rate Market of the JSE and/or held in the Central Securities Depository

Each Tranche of Notes which is listed on the Interest Rate Market of the JSE in uncertificated form will be held in the Central Securities Depository. A Tranche of unlisted Notes may also be held in the Central Securities Depository.

Clearing systems

Each Tranche of Notes listed on the Interest Rate Market of the JSE will be issued, cleared and settled in accordance with the Applicable Procedures for the time being of the JSE and the Central Securities Depository through the electronic settlement system of the Central Securities Depository. Such Notes will be cleared by Participants who will follow the electronic settlement procedures prescribed by the JSE and the Central Securities Depository.

The Central Securities Depository has, as the operator of an electronic clearing system, been appointed by the JSE to match, clear and facilitate the settlement of transactions concluded on the JSE. Subject as aforesaid each Tranche of Notes which is listed on the Interest Rate Market of the JSE will be issued, cleared and transferred in accordance with the Applicable Procedures and the Terms and Conditions, and will be settled through Participants who will comply with the electronic settlement procedures prescribed by the JSE and the Central Securities Depository. The Notes may be accepted for clearance through any additional clearing system as may be agreed between the JSE, the Issuer and the Dealer(s).

Participants

The Central Securities Depository maintains accounts for Participants. As at the Programme Date, the Participants which are approved by the Central Securities Depository, in terms of the Applicable Procedures, as Settlement Agents to perform electronic settlement of funds and scrip are Absa Bank Limited; Citibank N.A. South Africa Branch; FirstRand Bank Limited Nedbank Limited; The Standard Bank of South Africa Limited; Standard Chartered Bank, Johannesburg Branch and the South African Reserve Bank. Euroclear, Bank S.A./N.V, as operator of the Euroclear System (Euroclear), and Clearstream Banking, société anonyme, (Clearstream Luxembourg) (“**Clearstream**”) as operator of the Euroclear System, and Clearstream will settle off-shore transfers in the Notes through their Participants.

Settlement and clearing

Participants will be responsible for the settlement of scrip and payment transfers through the Central Securities Depository, the JSE and the South African Reserve Bank.

While a Tranche of Notes is held in the Central Securities Depository, the Noteholder, will be named in the Register as the holder of the Notes in that Tranche in accordance with the Applicable Procedures. All amounts to be paid in respect of Notes held in the Central Securities Depository will be paid to the relevant Participants on behalf of the relevant Noteholder pursuant to the Applicable Procedures. All rights to be exercised in respect of Notes held in the Central Securities Depository will be exercised by the relevant Noteholder.

In relation to each Person shown in the records of the Central Securities Depository or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in a particular Principal Amount of Notes, a certificate or other document issued by the Central Securities Depository or the relevant Participant, as the case may be, as to the Principal Amount of such Notes standing to the account of such Person shall be prima facie proof of such Beneficial Interest. However, the Noteholder, as the

registered holder of such Notes named in the Uncertificated Securities Register, will be treated by the Issuer, the Paying Agent, the Transfer Agent and the Central Securities Depository as the holder of that aggregate Principal Amount of such Notes for all purposes.

Payments of all amounts in respect of a Tranche of Notes which is listed on the Interest Rate Market of the JSE and/or held in uncertificated form will be made to the Central Securities Depository and/or the relevant Participants, to the holders of Beneficial Interests. Each of the Persons reflected in the records of the Central Securities Depository as the holders of Beneficial Interests in Notes shall look solely to the Central Securities Depository or the relevant Participant, as the case may be, for such Person's share of each payment so made by (or on behalf of) the Issuer to, or for the order of, the Central Securities Depository.

Payments of all amounts in respect of a Tranche of Notes which is listed on the Interest Rate Market of the JSE and/or held in uncertificated form will be recorded by the Central Securities Depository, distinguishing between interest and principal, and such record of payments by the Central Securities Depository, shall be prima facie proof of such payments.

Transfers and exchanges

Subject to the Applicable Laws and the Applicable Procedures, title to Beneficial Interest held by Noteholders through the Central Securities Depository will be freely transferable and will pass on transfer thereof by electronic book entry in the Securities Accounts maintained by the Central Securities Depository or relevant Participants for such Noteholders.

Beneficial Interests may be exchanged for Notes represented by Individual Certificates in accordance with Condition 13.4 (*Exchange of Beneficial Interests*).

Records of payments, trust and voting

Neither the Issuer nor the Paying Agent will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, Beneficial Interests, or for maintaining, supervising or reviewing any records relating to Beneficial Interests. Neither the Issuer nor the Paying Agent nor the Transfer Agent will be bound to record any trust in the Register or to take notice of or to accede to the execution of any trust (express, implied or constructive) to which any Note may be subject. Holders of Beneficial Interests vote in accordance with the Applicable Procedures.

JSE Debt Guarantee Fund Trust

The holders of Notes that are not listed on the Interest Rate Market of the JSE will have no recourse against the JSE or the JSE Debt Guarantee Fund Trust. Claims against the JSE Debt Guarantee Fund Trust may only be made in respect of the trading of the Notes listed on the Interest Rate Market of the JSE and in accordance with the rules of the JSE Debt Guarantee Fund Trust.

Notes listed on any Financial Exchange other than (or in addition to) the Interest Rate Market of the JSE

Each Tranche of Notes which is listed on any Financial Exchange other than (or in addition to) the Interest Rate Market of the JSE will be issued, cleared and settled in accordance with the rules and settlement procedures for the time being of that Financial Exchange. The settlement and redemption procedures for a Tranche of Notes which is listed on any Financial Exchange (other than or in addition to the JSE) will be specified in the Applicable Pricing Supplement.

TAXATION

Capitalised terms used in this section headed “Taxation” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The comments below are intended as a general guide to the relevant tax laws of South Africa as at the Programme Date. South African tax laws are subject to frequent change and accordingly the comments set out below may be subject to change, possibly with retrospective effect. The contents of this section headed “Taxation” do not constitute tax advice and do not purport to describe all of the considerations that may be relevant to a prospective subscriber for or purchaser of any Notes. Prospective subscribers for or purchasers of any Notes should consult their professional tax advisers in this regard. The Issuer makes no representation and gives no warranty or undertaking, express or implied, and accepts no responsibility for the accuracy or completeness of the information contained in this section.

CERTAIN SOUTH AFRICAN TAXATION CONSIDERATIONS

Securities Transfer Tax

No securities transfer tax is payable, in terms of the South African Securities Transfer Tax Act, 2007 (the “**STT Act**”), in respect of either the issue or transfer of Notes on the basis that a Note is not a “*security*” (as defined in section 1 of the STT Act).

Withholding Tax

Under current taxation law in South Africa, all payments made under the Notes to South African tax-resident Noteholders will be made free of withholding or deduction for or on account of any taxes, duties, assessments or governmental charges in South Africa. In the event that such withholding or deduction is required by law, the Issuer will be obliged to pay additional amounts in relation thereto, subject to customary exceptions, as described in Condition 12.

A withholding tax on South African sourced interest (see the section headed “*Income Tax*” below) paid to or for the benefit of a “*foreign person*” (being any person that is not a South African tax-resident) in terms of section 50A-50H of the Income Tax Act, 1962 (the “**Income Tax Act**”). The withholding tax on interest is levied at a rate of 15%, but may be reduced by the application of a relevant double taxation treaty.

The withholding tax legislation provides an exemption from the withholding tax on interest for interest paid to a foreign person in respect of any debt listed on a “*recognised exchange*” as defined in paragraph 1 of the Eighth Schedule of the Income Tax Act. The JSE Limited (the “**JSE**”) qualifies as such an exchange, and therefore, subject to any legislative changes, the interest paid on the Notes listed on the JSE will also be exempt from the withholding tax on interest. A foreign person will also be exempt from the withholding tax on interest if:

- that foreign person is a natural person who was physically present in South Africa for a period exceeding 183 days in aggregate during the twelve-month period preceding the date on which the interest is paid; or
- the debt claim in respect of which that interest is paid is effectively connected with a permanent establishment of that foreign person in South Africa, if that foreign person is registered as a taxpayer in South Africa.

Foreign persons are subject to normal South African income tax on interest sourced in South Africa unless exempted under Section 10(1)(h) of the Income Tax Act (see the section headed “*Income Tax*” below).

Income Tax

Nature of any Original Issue Discount or Premium

Any original issue discount to the face value of the Notes will be treated as interest for tax purposes and will be deemed to accrue to the Noteholder on a day-to-day basis until maturity or until such time as such Noteholder disposes of its beneficial interest in the Note. The amount to be included in the Noteholder's taxable income is usually calculated on a yield to maturity basis.

Any original issue premium will be added to the face value of the Notes to determine the initial amount which will be used to determine the interest which is deemed, under Section 24J of the Income Tax Act, 1962, to have been incurred or to have accrued in respect of the Notes.

Position in Respect of the each Tax Year

Under current taxation law in South Africa:

- a person ordinarily resident in South Africa will, subject to any available exemptions, be taxed on their worldwide income; and
- a person not ordinarily resident in South Africa is subject to tax on income from a South African source. Interest is sourced in South Africa if the debtor is tax resident in South Africa (unless the interest is attributable to a permanent establishment of the debtor which is situated outside of South Africa) or the funds are applied in South Africa. Under section 10(1)(h) of the Income Tax Act, a Noteholder not tax resident in South Africa is exempt from South African income tax on any interest received by or accrued to that Noteholder on the Notes, unless:
 - that person is a natural person who was physically present in South Africa for a period exceeding 183 days in aggregate during the twelve-month period preceding the date on which the interest is received by or accrues to that person; or
 - the debt from which the interest arises is effectively connected to a permanent establishment of that person in South Africa.

If a Noteholder not tax resident in South Africa does not qualify for the exemption under section 10(1)(h) of the Income Tax Act, exemption from, or reduction of any South African income tax liability may be available under an applicable double taxation treaty.

Covered Persons

Section 24JB of the Income Tax Act contains specific provisions relating to the fair value taxation of financial instruments for "*covered persons*" (as defined in section 24JB of the Income Tax Act). Noteholders should seek advice as to whether this provision may apply to them.

Capital Gains Tax

Capital gains and losses of residents of South Africa on the disposal of Notes are subject to capital gains tax, unless the Notes are purchased for re-sale in the short term as part of a scheme of profit making, in which case any gain or loss would be subject to income tax. Any discount or premium on acquisition which has already been treated as interest for income tax purposes, under section 24J of the Income Tax Act will not be taken into account when determining any capital gain or loss. If the Notes are disposed of or redeemed prior to or on maturity, an "*adjusted gain on transfer or redemption of an instrument*", or an "*adjusted loss on transfer or redemption of an instrument*", as contemplated in section 24J of the Act, must be calculated. Any such adjusted gain or adjusted loss is deemed to have been incurred or to have accrued in the year of assessment in which the transfer or redemption occurred. The calculation of the adjusted gain or adjusted loss will take into account, inter alia, all interest which has already been deemed to accrue to the Noteholder over the term that the Note has been held by the Noteholder. Under section 24J(4A) of the Income Tax Act, where an adjusted loss on transfer or redemption of an

instrument realised by a holder of a Note includes any amount representing interest that has previously been included in the income of the holder, the amount will qualify as a deduction from the income of the holder during the year of assessment in which the transfer or redemption takes place and will not give rise to a capital loss.

Noteholders who are not tax resident in South Africa will generally not be subject to capital gains tax (if any) on the disposal of Notes unless the Notes are assets of a permanent establishment of such non-resident located in South Africa, or compromise a right to or an interest in immovable property.

CERTAIN MAURITIUS TAX CONSIDERATIONS

Withholding Tax

With respect to any payment of principal made by the Mauritian Subsidiary Guarantor under the Subsidiary Guarantee, there will be no withholding or deduction for or on account of any taxes in Mauritius or any other tax implications in Mauritius.

Payments in respect of interest made by the Mauritian Subsidiary Guarantor under the Subsidiary Guarantee to a Mauritius resident (other than a company resident in Mauritius) are subject to a withholding tax under the Income Tax Act 1995 (“**ITA 95**”) at a rate of 15%, subject to such relief or exemption as may be available under the provisions of ITA 95.

Any such payments when made to non-residents not carrying on any business in Mauritius by a company holding a global business license (a “**GBL**”) out of its foreign source income (as defined below) are exempt from such withholding tax. Accordingly, it is expected that any payments of interest to non-residents having no place of business in Mauritius made the Mauritian Subsidiary Guarantor, being a company holding a GBL, under the Subsidiary Guarantee will be exempt from any such withholding tax in Mauritius provided such payments are made out of foreign source income.

EXCHANGE CONTROL

Capitalised terms used in this section headed “South African Exchange Control” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

*The information below is intended as a general guide to the position under the Exchange Control Regulations, 1961, promulgated under the Currency and Exchanges Act, No. 9 of 1933 (the “**Exchange Control Regulations**”) as at the Programme Date. The Exchange Control Regulations are subject to change at any time without notice. The contents of this section headed “South African Exchange Control” do not constitute exchange control advice and do not purport to describe all of the considerations that may be relevant to a prospective subscriber for or purchaser of any Notes. Prospective subscribers for or purchasers of any Notes should consult their professional advisers in this regard.*

Non-South African resident Noteholders and emigrants from the Common Monetary Area

Dealings in the Notes and the performance by the Issuer of its obligations under the Notes and the Terms and Conditions may be subject to the Exchange Control Regulations.

Emigrant Capital Account

Emigrant Capital in an Emigrant’s Capital account may be used for the subscription for or purchase of Notes. Any amounts payable by the Issuer in respect of the Notes subscribed for or purchased with Emigrant Capital in an Emigrant’s Capital account may not, in terms of the Exchange Control Regulations, be remitted out of South Africa or paid into any non-South African bank account.

Emigrants from the Common Monetary Area

Any Individual Certificates issued to Noteholders who are emigrants from the Common Monetary Area will be endorsed “*non-resident*”. Such restrictively endorsed Individual Certificates shall be deposited with an authorised foreign exchange dealer(s) controlling such emigrant’s remaining assets.

In the event that a Beneficial Interest in Notes is held by an emigrant from the Common Monetary Area through the Central Securities Depository, the Securities Account maintained for such emigrant by the relevant Participant will be designated as an Emigrant Capital account.

Any payments of principal due to a Noteholder who is an emigrant from the Common Monetary Area will be deposited into such emigrant Noteholder’s Emigrant Capital account, as maintained by an authorised foreign exchange dealer. Interest payments are freely transferable and may be credited to the emigrant’s non-resident Rand account. Capital amounts are not freely transferable from the Common Monetary Area and may only be dealt with in terms of the Exchange Control Regulations.

Non-residents of the Common Monetary Area

Any Individual Certificates issued to Noteholders who are not resident in the Common Monetary Area will be endorsed “*non-resident*”. In the event that a Beneficial Interest in Notes is held by a non-resident of the Common Monetary Area through the Central Securities Depository, the Securities Accounts maintained for such Noteholder by the relevant Participant will be designated as a “*non-resident*” account.

It will be incumbent on any such non-resident Noteholder to instruct the non-resident’s nominated or authorised Dealer in foreign exchange as to how any funds due to such non-resident in respect of Notes are to be dealt with. Such funds may, in terms of the Exchange Control Regulations, be remitted abroad only if the relevant Notes are acquired with foreign currency introduced into South Africa or Rand from a non-resident Rand account held with an authorised foreign exchange Dealer and provided that the

relevant Individual Certificate has been endorsed “*non-resident*” or the relevant Securities Accounts has been designated as a “*non-resident*” account, as the case may be.

The Issuer is domiciled and incorporated in South Africa and as such is not required to obtain exchange control approval for the issuance of Notes within South Africa.

For purposes of this section, Common Monetary Area means South Africa, Lesotho, Namibia, and eSwatini.

SUBSCRIPTION AND SALE

Capitalised terms used in this section headed “Subscription and Sale” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The Dealers have in terms of the amended and restated programme agreement dated on or about 2 November 2022, as may be amended, supplemented or restated from time to time entered into amongst the Issuer, the Arranger, the Dealers, the Guarantor, the Subsidiary Guarantors and the other parties named therein, agreed with the Issuer on a basis upon which it may from time to time agree to subscribe for Notes or procure the subscription of the Notes.

SELLING RESTRICTIONS

South Africa

Each Dealer has (or will have) represented, warranted and agreed that it (i) will not offer Notes for subscription, (ii) will not solicit any offers for subscription for or sale of the Notes, and (iii) will itself not sell or offer the Notes in South Africa in contravention of the Companies Act, the Banks Act, the Exchange Control Regulations, 1961, promulgated under the Currency and Exchanges Act, 1933 (the “**Exchange Control Regulations**”) and/or any other Applicable Laws and regulations of South Africa in force from time to time.

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that it will not make an “*offer to the public*” (as such expression is defined in the Companies Act, and which expression includes any section of the public) of Notes (whether for subscription, purchase or sale) in South Africa. The Programme Memorandum (as read with this Risk Factors and Other Disclosures Schedule) does not, nor is it intended to, constitute a prospectus prepared and registered under the Companies Act.

Offers not deemed to be offers to the public

Offers for subscription for, or sale of, Notes are not deemed to be offers to the public if:

- made only to certain investors contemplated in section 96(1)(a) of the Companies Act; or
- the total contemplated acquisition cost of Notes, for any single addressee acting as principal, is equal to or greater than ZAR1,000,000 (one million Rand), or such higher amount as may be promulgated by notice in the Government Gazette of South Africa pursuant to section 96(2)(a) of the Companies Act.

Information made available in the Programme Memorandum, or any document incorporated by reference therein, should not be considered as “*advice*” as defined in the Financial Advisory and Intermediary Services Act, 2002.

The issue of a particular Tranche of Notes may, depending on the type of Notes in that Tranche, require the prior written approval of the exchange control authorities in terms of the Exchange Control Regulations (see the section headed “*South African Exchange Control*”, which, amongst other, sets out a description of South African Exchange Control).

United States

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or the securities laws of any state in the United States of America and the Notes may not be offered or sold or transferred within the United States or to, or for the account or benefit of, U.S. Persons (as defined in the Regulation S of the Securities Act) except in certain

transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that:

- (a) the Notes in that Tranche have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons except in certain transactions exempt from the registration requirements of the Securities Act;
- (b) it has not offered, sold or delivered any Notes in that Tranche and will not offer, sell or deliver any Notes in that Tranche (i) as part of their distribution at any time or (ii) otherwise until 40 (forty) Days after completion of the distribution, as determined and certified by the Dealer(s) or, in the case of an issue of such Notes on a syndicated basis, the relevant Lead Manager, of all Notes of the Series of which that Tranche of Notes is a part, within the United States or to, or for the account or benefit of, U.S. Persons;
- (c) it will send to each dealer to which it sells any Notes in that Tranche during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of such Notes within the United States or to, or for the account or benefit of, U.S. Persons; and
- (d) it, its Affiliates and any Persons acting on its or any of its Affiliates behalf have not engaged and will not engage in any directed selling efforts in the United States (as defined in Regulation S under the Securities Act) with respect to the Notes in that Tranche and it, its Affiliates and any Persons acting on its or any of its Affiliates' behalf have complied and will comply with the offering restrictions requirements of Regulation S.

Until 40 (forty) Days after the commencement of the offering of a Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under the Securities Act.

European Economic Area

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that, in relation to each Member State of the European Economic Area which has implemented the EU Prospectus Regulations (each a “**Relevant Member State**”), with effect from and including the date on which the EU Prospectus Regulations is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of any of such Notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of any of such Notes to the public in that Relevant Member State:

- (a) if the terms or drawdown prospectus in relation to the Notes specifies that an offer of those Notes may be made other than pursuant to Article 1(4) of the EU Prospectus Regulations in that Relevant Member State (a “**Non-exempt Offer**”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State in accordance with the EU Prospectus Regulations and/or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus, if not a drawdown prospectus, has subsequently been completed by the terms contemplating such Non-exempt Offer, in accordance with the EU Prospectus Regulations, in the period beginning and ending on the dates specified in the drawdown prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

- (b) at any time to any legal entity which is a qualified investor as defined in the EU Prospectus Regulations;
- (c) at any time to fewer than 150 (one hundred and fifty) natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulations) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 1(4) of the EU Prospectus Regulations, provided that no such offer referred to in (a) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulations or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulations.

For the purposes of this provision, the expression an “*offer of Notes to the public*” in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, and the expression “EU Prospectus Regulations” means Regulation (EU) 2017/1129 (as amended).

The Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that, in relation to any offering of Notes to which Markets in Financial Instruments Directive 2014/65/EU (as amended, “**MiFID II**”) applies, that such offering is in accordance with the applicable rules set out in MiFID II (including any applicable national transposition of MiFID II), including that any commission, fee or non-monetary benefit received from the Issuer complies with such rules.

United Kingdom

Public Offer Selling Restrictions under the UK Prospectus Regulation

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that has not made and will not make an offer of any of such Notes to the United Kingdom except that it may make an offer of any of such Notes to the public in the United Kingdom:

- (a) if the final terms or drawdown prospectus in relation to the Notes specifies that an offer of those Notes may be made other than pursuant to section 86 of the Financial Services and Markets Act, 2000 (the “**FSMA**”) (a “**Non-exempt Offer**”), following the date of publication of a prospectus in relation to such Notes which either (i) has been approved by the Financial Conduct Authority, or (ii) is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provision in Regulation 74 of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within section 86 of the FSMA, provided that no such offer referred to in (a) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an “*offer of Notes to the public*” in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression “UK Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended and regulations made thereunder.

Other regulatory restrictions: The Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) **Financial Promotion:** it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 (Financial Promotion) of the FSMA) received by it in connection with the issue or sale of any Securities in which section 21(1) of the FSMA would not, if it was not an authorised person, apply to the Issuer; and
- (b) **General Compliance:** it has complied and will comply with all applicable provisions of the FSMA and the Financial Conduct Authority Handbook with respect to anything done by it in relation to any Securities in, from or otherwise involving the United Kingdom.

Selling Restrictions Addressing Additional United Kingdom Securities Laws

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that:

- (a) in relation to any of the Notes in that Tranche which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any of such Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of such Notes would otherwise constitute a contravention of section 19 of the FSMA by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any of the Notes in that Tranche under circumstances in which section 21(1) of the FSMA does not apply to the Issuer, the Noteholder Guarantor or any Subsidiary Guarantor; and

it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any of the Notes in that Tranche in, from or otherwise involving the United Kingdom.

General

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to agree that:

- (a) it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in each jurisdiction in which it purchases, subscribes or procures the subscription for, offers or sells Notes in that Tranche or has in its possession or distributes the Programme Memorandum and will obtain any consent, approval or permission required by it for the purchase, subscription, offer or sale by it of Notes in that Tranche under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, subscription, offers or sales; and

- (b) it will comply with such other or additional restrictions as the Issuer and such Dealer agree and as are set out in the Applicable Pricing Supplement.

Neither the Issuer nor any of the Dealer(s) represent that Notes may at any time lawfully be subscribed for or sold in compliance with any applicable registration or other requirements in any jurisdiction or pursuant to any exemption available thereunder nor assumes any responsibility for facilitating such subscription or sale.

CORPORATE INFORMATION

ISSUER AND ARRANGER

Mobile Telephone Networks Holdings Limited

(Registration Number 2013/219122/06)

216 - 4th Avenue

Fairland

2195

Gauteng

South Africa

Contact: Group Executive: Treasury

Email: Thuto.Shomang@mtn.com

Telephone: +27 11 912 3000

GUARANTOR

MTN Group Limited

(Registration Number 1994/009584/06)

216 - 4th Avenue

Fairland

2195

Gauteng

South Africa

Contact: Group Executive: Treasury

Email: Thuto.Shomang@mtn.com

Telephone: +27 11 912 3000

SUBSIDIARY GUARANTORS

Mobile Telephone Networks Proprietary Limited

(Registration Number

1993/001436/07)

216 - 4th Avenue

Fairland

2195

Gauteng

South Africa

Contact: Group Executive:

Treasury

Email:

Thuto.Shomang@mtn.com

Telephone: +27 11 912 3000

MTN International Proprietary Limited

(Registration Number

1998/002351/07)

c/o MTN Group Limited

216 - 4th Avenue

Fairland

2195

Gauteng

South Africa

Contact: Group Executive:

Treasury

Email:

Thuto.Shomang@mtn.com

Telephone: +27 11 912 3000

MTN International (Mauritius) Limited

(Registration Number

19434/3597)

Rogers House

5 President John Kennedy

Street

Port Louis

Mauritius

Contact: Group Executive:

Treasury

Email:

Thuto.Shomang@mtn.com

Telephone: +27 11 912 3000

JSE DEBT SPONSOR

**The Standard Bank of South Africa Limited
(acting through its Corporate and Investment Banking division)**

(Registration Number 1962/000738/06)

3rd Floor, East Wing

30 Baker Street

Rosebank, 2196

South Africa

Contact: Head – JSE Sponsor and Regulatory

Email: Natalie.Di-Sante@standardbank.co.za

Tel: +27 11 721 6125

DEALERS

**Absa Bank Limited,
acting through its Corporate and Investment
Banking division**

(Registration Number 1986/004794/06)

15 Alice Lane

Sandton

Johannesburg, 2196

South Africa

Contact: Head – Debt Capital Markets

Email: Kumeshen.Naidoo@absa.africa

Tel: +27 11 895 6555

**FirstRand Bank Limited
acting through its Rand Merchant Bank
division**

(Registration Number 1929/001225/06)

1 Merchant Place

Cnr Fredman Drive & Rivonia Road

Sandton, 2196

South Africa

Contact: Debt Capital Markets

Email: Leigh.Buckley@rmb.co.za

Tel: +27 11 282 8000

**Nedbank Limited,
acting through its Corporate and Investment
Banking division**

(Registration Number 1951/000009/06)

135 Rivonia Road

Sandown

Sandton, 2196

South Africa

Contact: Head – Debt Capital Markets

Email: BruceS@Nedbank.co.za

Tel: +27 10 234 8710

**The Standard Bank of South Africa Limited
(acting through its Corporate and Investment
Banking division)**

(Registration Number 1962/000738/06)

3rd Floor, East Wing

30 Baker Street

Rosebank, 2196

South Africa

Contact: Head – Debt Capital Markets

Email: Sabelo.Mbuthu@standardbank.co.za

Tel: + 27 11 721 5390

LEGAL ADVISERS TO THE ISSUER, ARRANGER AND DEALERS

White & Case Inc.

(Registration number: K2013220413)

Katherine Towers, 1st Floor

1 Park Lane, Wierda Valley

Sandton

Johannesburg, 2196

South Africa

Contact: Debt Capital Markets Practice – Johannesburg

Tel: +27 11 341 4051

AUDITORS TO THE ISSUER

Ernst and Young Inc.

(Registration number: 2005/002308/21)

102 Rivonia Road

Dennehof

Sandton

Johannesburg, 2196 South Africa

Contact: Wickus Botha

Email: wickus.botha@za.ey.com

Tel: +27 83 611 1843

COMPANY SECRETARY

Patience Thobeka Sishuba-Bonoyi

Executive: Group Company Secretary

216-14th Avenue

Fairland

2195

Gauteng

South Africa

Email: thobeka.bonoyi@mtn.com

cosecqueries@mtn.com

Tel: +27 11 912 3000

DEBT OFFICER

Thuto Shomang

Group Executive: Treasury

216 - 4th Avenue

Fairland

2195

Gauteng

South Africa

Contact: Group Executive: Treasury

Email: Thuto.Shomang@mtn.com

Tel: +27 11 912 3000