

MTN International (Mauritius) Limited
(Registration number: 19434/3597)
Annual Financial Statements
for the year ended 31 December 2024

MTN International (Mauritius) Limited

Company Annual Financial Statements

for the year ended 31 December 2024

Contents	Page
Company information	2
Statement of directors' responsibility	3
Certificate by the Company Secretary	4
Directors' report	5
Independent auditor's report	6 – 8
Statement of profit or loss and other comprehensive income	9
Statement of financial position	10
Statement of changes in equity	11
Statement of cash flows	12
Notes to the financial statements	13 - 47

MTN International (Mauritius) Limited

Company information

for the year ended 31 December 2024

		Date of appointment
Directors:	Paul Deon Norman ¹	14 January 2004
	Roshan Nathoo ²	20 April 2010
	Jean-François Legrigore ^{2,3}	14 January 2019
	Sugentharen Perumal ¹	28 November 2023
	Shreekantsingh Bissessur ²	21 February 2025
	¹ South African	
	² Mauritian	
	³ Resigned as director effective 21 February 2025.	
Administrator:	Rogers Capital Corporate Services Limited Rogers House 5 President John Kennedy Street Port Louis Republic of Mauritius	
Secretary:	Rogers Capital Corporate Services Limited Rogers House 5 President John Kennedy Street Port Louis Republic of Mauritius	
Registered:	C/o Rogers Capital Corporate Services Limited Rogers House 5 President John Kennedy Street Port Louis Republic of Mauritius	
Auditor:	Ernst & Young Inc. 6 th floor IconEbene Rue de L'institut Ebene Republic of Mauritius	

MTN International (Mauritius) Limited

Statement of directors' responsibility

for the year ended 31 December 2024

Company law requires the directors to prepare Annual Financial Statements for each financial year which present fairly the financial position, financial performance and cash flows of MTN International (Mauritius) Limited (the Company). Full details of the financial results of the Company are set out on pages 9 to 47 of these Annual Financial Statements for the year ended 31 December 2024. In preparing these Annual Financial Statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether International Financial Reporting Standards (IFRS Accounting Standards) have been followed and disclose and explain any material departures in the Annual Financial Statements.
- Prepare the Annual Financial Statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business in the foreseeable future.

The directors confirm that they have complied with the above requirements in preparing the Annual Financial Statements.

The directors are responsible for the preparation and presentation of the financial statements in accordance with the requirements of the Mauritian Companies Act, No 15 of 2001 (Companies Act) applicable to a company holding a Global Business Licence, as described in note 1.2 of the financial statements, and for such internal control as the directors determine necessary to enable the presentation of financial statements that are free from material misstatements, whether due to fraud or error.

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the business will not be a going concern in the year ahead.

The directors of the Company are responsible for the controls over, and the security of the website and, where applicable, for establishing and controlling the process for electronically distributing the Annual Financial Statements and other financial information to the shareholder and to the Registrar of Companies.



R Nathoo
Director
28 April 2025



S. Bissessur
Director
28 April 2025

MTN International (Mauritius) Limited

Certificate by the Company Secretary

for the year ended 31 December 2024

**Rogers Capital Corporate Services Ltd
Rogers House, 5 President John Kennedy Street
Port-Louis
Republic of Mauritius**

We certify that, to the best of our knowledge and belief, the Company has filed with the Registrar of Companies all such returns as are required of the Company under the Companies Act.



Authorised signatory
Rogers Capital Corporate Services Ltd
Company Secretary
28 April 2025

MTN International (Mauritius) Limited

Directors' Report

for the year ended 31 December 2024

The directors present their report and the audited Annual Financial Statements of the Company for the year ended 31 December 2024.

Incorporation

The Company is incorporated in Mauritius under the Companies Act as a private company with limited liability.

Nature of business

The Company 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.

Results of operations

The Company recorded a profit after tax for the year ended 31 December 2024 of R4 550 million (2023: R5 848 million). Full details of the financial results of the Company are set out in these Annual Financial Statements and accompanying notes for the year ended 31 December 2024.

Dividends

Dividends of R4 000 million (2023: Rnil) were declared and paid during the current financial year and dividends amounting to Rnil were declared subsequent to year end. Refer to note 23.

Holding and ultimate holding companies

The Company's holding and ultimate holding companies are MTN International Proprietary Limited and MTN Group Limited respectively, both companies incorporated in the Republic of South Africa.

Subsidiaries and joint ventures

Details of subsidiaries and joint ventures in which the Company has a direct interest are set out in note 7 of these Annual Financial Statements.

Auditor

The auditor, Ernst & Young, was appointed during the year and expressed its willingness to continue in office.

Authorisation to issue Annual Financial Statements

The Annual Financial Statements have been authorised for issue on 28 April 2025 by the directors.

By Order of the Board



Director
28 April 2025

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MTN INTERNATIONAL (MAURITIUS) LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of MTN International (Mauritius) Limited (the "Company") set out on pages 9 to 47 which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and comply with the Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code") and other independence requirements applicable to performing audits of financial statements of the Company and in Mauritius. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits of the Company and in Mauritius. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the 47- page document titled "MTN International (Mauritius) Limited (Registration Number: 19434/3597) Annual Financial Statements for the Year Ended 31 December 2024", which includes the Company information, Statement of directors' responsibility, Directors' Report and the Company Secretary's Certificate as required by the Companies Act 2001. The other information does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MTN INTERNATIONAL (MAURITIUS) LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Responsibilities of the Directors for the Financial Statements (Continued)

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MTN INTERNATIONAL (MAURITIUS) LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

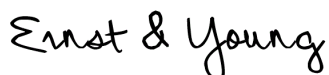
REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditor and dealings in the ordinary course of business.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.



ERNST & YOUNG
Ebène, Mauritius



DARYL CSIZMADIA, C.A. (S.A).
Licensed by FRC

Date: 28 April 2025

MTN International (Mauritius) Limited

Statement of profit or loss and other comprehensive income

for the year ended 31 December 2024

		2024	2023
	Note	Rm	Rm
Revenue	3	11 080	15 467
Other income	7,1	1 135	110
Management and professional fees	4	(3 680)	(3 721)
Other expenses		(117)	(111)
Interest expense		(1 521)	(1 349)
Operating profit		6 897	10 396
Finance income	5	347	388
Finance costs	5	(1 039)	(3 848)
Profit before tax		6 205	6 936
Income tax expense	6	(1 655)	(1 088)
Profit and total comprehensive income for the year		4 550	5 848

MTN International (Mauritius) Limited

Statement of financial position

as at 31 December 2024

	Note	2024 Rm	2023 Rm
ASSETS			
Non-current assets		70 750	72 073
Investment in subsidiaries and joint ventures	7	65 442	66 009
Loans and other non-current receivables	8	1 977	1 678
Deferred tax assets	9	3 331	4 386
Current assets		23 057	21 162
Trade and other receivables	10	13 307	11 908
Insurance receivable	11	1 523	1 334
Current investments	12	5 992	976
Taxation asset	20	551	551
Restricted cash	13	25	1 932
Cash and cash equivalents	14	1 659	4 461
Total assets		93 807	93 235
SHAREHOLDER'S EQUITY			
Ordinary share capital and share premium	15	1 252	1 252
Equity shareholder's loan	16	72	72
Retained earnings		70 338	70 177
Total equity		71 662	71 501
LIABILITIES			
Non-current liabilities			
Borrowings	17	16 016	15 582
Current liabilities		6 129	6 152
Trade and other payables	18	2 374	2 523
Financial guarantee contracts	24	950	1 563
Provisions		21	-
Borrowings	17	2 729	2 027
Derivative liability	25	55	39
Total liabilities		22 145	21 734
Total equity and liabilities		93 807	93 235

Approved for issue by the Board of Directors on 28 April 2025 and signed on its behalf by:


Director


Director

MTN International (Mauritius) Limited

Statement of changes in equity

for the year ended 31 December 2024

	Share capital Rm	Share premium Rm	Equity shareholder's loan Rm	Retained earnings Rm	Total equity Rm
Balance at 1 January 2023	*	1 252	72	64 984	66 308
Profit and total comprehensive income	-	-	-	5 848	5 848
Transactions with shareholders					
Initial recognition of financial guarantees ¹	-	-	-	(655)	(655)
Balance at 1 January 2024	*	1 252	72	70 177	71 501
Profit and total comprehensive income	-	-	-	4 550	4 550
Transactions with shareholders					
Initial recognition of financial guarantees ¹	-	-	-	(389)	(389)
Dividends paid	-	-	-	(4 000)	(4 000)
Balance at 31 December 2024	*	1 252	72	70 338	71 662
<i>Note</i>	15	15	16		

¹ The Company issued financial guarantees for new debt issues of Mobile Telephone Networks Holdings Limited (MTN Holdings) for no consideration. The fair value of the financial guarantees are recognised as a distribution in equity (refer to note 24).

*Amounts less than R1 million.

MTN International (Mauritius) Limited

Statement of cash flows

for the year ended 31 December 2024

		2024	2023
	Note	Rm	Rm
Cash flow generated from/(used in) operating activities			
Cash generated from/(used in) operations	19	661	(2 891)
Interest received		153	294
Interest paid		(1 468)	(1 206)
Income tax paid	20	(357)	(1077)
Dividends received from subsidiaries		5 773	4 453
Dividends received from joint ventures		89	275
Net cash generated from/(used in) operating activities		4 851	(152)
Cash flows generated from investing activities			
Proceeds from disposal of shares in MTN Nigeria	7.1.1	-	1 175
Proceeds from disposal of shares in MTN Uganda	7.1.2	1 036	-
(Purchase)/realisation in current investments		(4 739)	1 288
Decrease in restricted cash		898	920
Loan receivable granted		(347)	262
Net cash generated from investing activities		(3 152)	3 645
Cash flows used in financing activities			
Dividends paid		(4 000)	-
Net cash used in financing activities		(4 000)	-
Net (decrease) /increase in cash and cash equivalents		(2 301)	3 493
Exchange losses on cash and cash equivalents		(501)	(912)
Cash and cash equivalents at the beginning of the year		4 461	1 880
Cash and cash equivalents at the end of the year	14	1 659	4 461

MTN International (Mauritius) Limited

Notes to the financial statements

for the year ended 31 December 2024

1. Reporting entity, basis of preparation, going concern and principal accounting policies

1.1 Reporting entity

MTN International (Mauritius) Limited (the Company) is domiciled in the Republic of Mauritius. The address of the Company's registered office is C/o Rogers Capital Corporate Services Limited, Rogers House, 5 President John Kennedy Street, Port Louis, Republic of Mauritius.

The Company holds a Global Business Licence under the Financial Services Act 2007 and is regulated by the Financial Services Commission.

The Company 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.

1.2 Basis of preparation

The Company Annual Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board (IASB) and Interpretations as issued by the IFRS Interpretations Committee (IFRIC) and comply with the Companies Act.

The Company has adopted all new accounting pronouncements that became effective in the current reporting period, none of which had a material impact on the Company.

These separate financial statements contain information about MTN International (Mauritius) Limited as an individual company and do not contain consolidated financial information. The Company has taken advantage of the exemption under IFRS 10 *Consolidated Financial Statements*, from the requirements to prepare consolidated financial statements as it and its subsidiaries, joint ventures and associates (directly and indirectly held) are included by full consolidation in the consolidated financial statements of its ultimate holding company, MTN Group Limited, incorporated in South Africa. The MTN Group Limited (MTN Group) consolidated financial statements are publicly available and can be accessed electronically via <https://www.mtn.com/financial-results/> or physically inspected at its registered address which is 216 14th Avenue, Fairland, Roodepoort, Gauteng, South Africa, 2195.

The financial statements have been prepared on the historical cost basis, adjusted for the effects of certain financial instruments that have been measured at fair value, where applicable. Amounts are rounded to the nearest million, with the exception of number of ordinary shares. Refer to note 15.

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the Annual Financial Statements are included in note 2.

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

1. Reporting entity, basis of preparation, going concern and principal accounting policies (continued)

1.3 Going concern

The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within its current funding levels into the foreseeable future.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Annual Financial Statements therefore have been prepared on a going concern basis. Furthermore, the directors are not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. The Annual Financial Statements therefore have been prepared on a going concern basis.

1.4 Principal accounting policies

The principal accounting policies applied in the preparation of these Annual Financial Statements are set out below and in the related notes to the financial statements. The principal accounting policies applied are consistent with those adopted in the prior year, unless otherwise stated.

1.4.1 New accounting pronouncements

The standards and amendments listed below will be effective in future reporting periods. It is expected that the Company will adopt the pronouncements on their respective effective dates. The effect of *Lack of Exchangeability* (Amendments to IAS 21) continues to be assessed based on the facts and circumstances that exist in the jurisdiction that the Company operates. The adoption of the remaining new accounting standards and amendments is not expected to have a material impact on the Company results, except for IFRS 18 *Presentation and Disclosure of Financial Statements*, which is currently being assessed.

Standard	Effective date
Lack of Exchangeability (Amendments to IAS 21)	1 January 2025
Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures)	1 January 2026
Presentation and Disclosures in Financial Statements (IFRS 18)	1 January 2027
Subsidiaries without Public Accountability: Disclosures (IFRS 19)	1 January 2027

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

1. Reporting entity, basis of preparation, going concern and principal accounting policies (continued)

1.4 Principal accounting policies (continued)

1.4.2 Foreign currency

Functional and presentation currency

Items included in the financial statements of the Company are measured using the entity's functional currency. The financial statements are presented in South African rand (ZAR), which is the functional and presentation currency of the Company.

Transactions and balances

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

2. Critical accounting judgements, estimates and assumptions

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

The "Critical accounting judgements, estimates and assumptions" note should be read in conjunction with the "Principal accounting policies" disclosed in note 1.

2.1 Income taxes

Source of estimation uncertainty

The Company is subject to income taxes in South Africa, Mauritius and other jurisdictions. As a result, significant judgement is required in determining the Company's provision for income taxes. There are numerous calculations and transactions for which the ultimate tax position is uncertain during the ordinary course of business.

The Company recognises tax liabilities for anticipated tax issues based on estimates of whether additional taxes will be payable. In determining whether an interpretation and/or application of the various tax rules may result in a dispute of which the outcome may not be favourable to the Company, the Company seeks, where relevant, expert advice to determine whether an unfavourable outcome is probable or possible. Where payment is determined to be possible but not probable the tax exposure is disclosed as a contingent liability.

Where the final outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax in the period in which such determination is made.

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

2. Critical accounting judgements, estimates and assumptions (continued)

2.1 Income taxes (continued)

Deferred tax assets – Source of estimation uncertainty

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences (as applicable) to the extent that it is probable that future taxable profits will be available against which the deferred tax assets can be used. The Company is required to make significant estimates in assessing whether future taxable profits will be available.

Future taxable profits are determined based on business plans of the Company and the probable reversal of taxable temporary differences in future. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Such reductions are reversed when the probability of future taxable profits improves.

The Company has unused assessed losses of R16 695 million (2023: R8 576 million) for which no deferred tax asset has been recognised as at 31 December 2024, as well as an unrecognised deferred tax asset of R872 million (2023: R801 million) related to foreign tax credits. Refer to note 9.

The Company's recognised deferred tax assets of R3 331 million (2023: R4 386 million) mainly resulted from an assessed loss. The Company derecognised R1 055 million of the previously recognised deferred tax asset as a result of reducing the number of years considered in assessing the recoverability of the recognised deferred tax asset.

The Company considered the following factors in assessing whether it is probable that it will have of future taxable profits available against which the deferred tax asset can be used:

- It is unlikely that the circumstances that resulted in the Company incurring assessed losses will recur indefinitely.
- Interest expense and foreign exchange exposures will reduce as the Company repays its US\$ denominated intercompany debt. The repayments are currently scheduled to occur in 2026.
- Technical service fees from subsidiaries are expected to increase as more services are provided centrally.

Based on current business plans and stress scenarios, the Company expects to utilise the deferred tax asset in the next 10 to 11 years.

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

3. Revenue

Revenue comprises dividend income, management fees and interest income on funds invested and on loans receivable. Dividend income is recognised when the right to receive payment is established. Management fees received are recognised as and when the services are rendered. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

	2024	2023
	Rm	Rm
Dividend income - other revenue	6 866	11 454
Management fees - revenue from contracts with customers	3 689	3 452
Interest income - other revenue	525	561
	11 080	15 467

4. Operating expenses

The following disclosable items have been included in arriving at profit before tax:

	2024	2023
	Rm	Rm
Fees paid for services	(3 667)	(3 706)
Professional fees	(44)	(181)
Management fees	(3 623)	(3 525)
Auditor's remuneration	(13)	(15)
Total management and professional fees	(3 680)	(3 721)
Insurance costs	(65)	(61)

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

5. Finance income and finance costs

Finance income comprises amortisation of financial guarantee contracts, net foreign exchange gains and net gain on remeasurement of financial guarantee contracts. Finance income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise net foreign exchange losses, net loss on remeasurement of financial guarantee contracts and unwind of revision of cash flows.

	2024 Rm	2023 Rm
Finance income		
Amortisation of financial guarantee contracts	347	388
	347	388
Finance costs		
Net foreign exchange losses	(1 702)	(3 808)
Gain/(loss) on remeasurement of financial guarantee contracts	663	(40)
	(1 039)	(3 848)

6. Income tax expense

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

Current tax

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

Deferred tax

Deferred tax is recognised by providing for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements for financial reporting purposes. Deferred tax is measured at tax rates (and laws) that have been enacted or substantively enacted at the reporting date and are expected to apply to temporary differences when they reverse.

Deferred tax is not provided on temporary differences arising on investments in subsidiaries, associates and joint ventures where the timing of the reversal of the temporary differences is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

6. Income tax expense (continued)

Withholding tax

Withholding tax is payable at different rates varying between 0% and 20% on amounts paid to the Company by certain of its subsidiaries as dividends, interest and management fees.

	2024	2023
	Rm	Rm
Withholding taxes on foreign income	(600)	(1 055)
Capital gains tax	-	(33)
Deferred tax (note 9)	(1 055)	-
Current year	(1 055)	-
	(1 655)	(1 088)

Tax rate reconciliation

The Company's effective tax rate is reconciled to the South African statutory rate as follows:

	2024	2023
	%	%
Tax at standard rate	27.00	27.0
Prior year under provision	3.15	0.5
Expenses not allowed	0.46	0.8
Controlled foreign company legislation imputation	2.68	3.8
Income not subject to tax ¹	(32.21)	(46.5)
Disposal of 7.03% shareholding in MTN Uganda (note 7.1.2)	(3.81)	-
Assessed loss on which deferred tax was not recognised	5.52	14.0
(Gain)/loss on remeasurement of financial guarantee contracts	(2.89)	0.2
Reversal of deferred tax asset	16.99	-
Foreign income and withholding taxes	9.66	0.7
Other	0.09	15.2
Effective tax rate	26.65	15.6

¹ Includes dividends received and amortisation of financial guarantee contracts.

Global minimum top-up tax

The South African global minimum tax legislation was enacted during December 2024 and is retrospectively effective from 1 January 2024 for groups with fiscal years commencing on or after that date.

The South African Group has performed an impact assessment of its potential exposure in relation to the Pillar Two legislation based on the relevant 2023 and 2024 financial information.

Based on the outcome of the assessment, the companies located in South Africa do not anticipate being subject to a top-tax in relation to the South African group companies.

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

7. Investment in subsidiaries and joint ventures

The Company accounts for investments in subsidiaries and joint ventures at cost, less accumulated impairment losses. Interest-free loans owing to the Company by its subsidiaries, with no repayment terms are included in the cost of the investment.

Shares and share premium at cost	Country of incorporation	2024 Rm	2023 Rm
76.27% interest in MTN Nigeria (note 7.1.1)	Nigeria	8 718	8 718
76.02% (2023: 83.05%) interest in MTN Uganda (note 7.1.2)	Uganda	1 213	1 325
80% interest in MTN Cameroon Limited	Cameroon	1 424	1 424
55% interest in MTN Rwandacell Limited	Rwanda	275	275
58.83% interest in MTN Côte d'Ivoire S.A.	Côte d'Ivoire	1 761	1 761
78% interest in MTN Zambia	Zambia	860	860
100% interest in MTN Congo S.A.	Republic of the Congo	687	687
49% interest in Irancell ¹	Iran	568	568
Loan and receivable to Irancell	Iran	1 108	1 563
33.3% interest in Deci Investments Proprietary Limited (Botswana) ¹	Botswana	396	396
82.8% interest in Econet Wireless Citizens Limited	Mauritius	672	672
100% interest in MTN (Dubai) Limited	United Arab Emirates	44 530	44 530
100% interest in MTN (Mauritius) Investments Limited ²	Mauritius	3 230	3 230
Total interest in subsidiaries and joint ventures		65 442	66 009

¹ Joint venture.

² The cost of the investment includes a capital contribution relating to the Company providing financial guarantee for the subsidiary without charging a guarantee fee. Refer to note 24 for details on this financial guarantee contract.

Irancell loans and receivables

On 20 September 2019, the US Treasury Department's Office of Foreign Assets Control (OFAC) designated the CBI as being subject to sanctions. Sanctions imposed on the CBI create a secondary sanctions risk if the CBI allocates foreign currency to an MTN entity for the purpose of repatriating the receivable and/or loan.

Considering the continued uncertainty of when the sanctions will be lifted, the Company has classified R1 108 million (2023: R1 563 million) of the outstanding receivables as non-current as the settlement is neither planned nor likely to occur in the foreseeable future. The balance has been presented as part of investment in associates and joint ventures. There was a decrease in the balance due to the change in the applicable exchange rates.

7.1 Changes in shareholding

7.1.1 Prior year changes in shareholding

MTN Nigeria

During 2023, the Company elected a scrip dividend from MTN Nigeria and received approval from the Securities and Exchange Commission, increasing the Company's effective shareholding from 75.69% to 76.27%.

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

7. Investment in subsidiaries and joint ventures (continued)

7.1 Changes in shareholding (continued)

7.1.2 Current year changes in shareholding

MTN Uganda

The Company disposed of 1 575 million shares in MTN Uganda as part of the MTN Group's localisation strategy. This took the Company's shareholding from 83.05% to 76.02%. Proceeds generated from the sale of shares, net of taxes and transaction costs amounted to UGX214 billion (R1 036 million¹). This resulted in a R946 million gain has been included in other income.

¹ Translated at the effective date of the sale. Cash proceeds per the statement of cash flows are translated at the spot rate on the date of receipt of the proceeds.

8. Loans and other non-current receivables

Loans and other non-current receivables are measured at amortised cost in accordance with the accounting policy disclosed in note 25.

	2024 Rm	2023 Rm
Loan to MTN Zambia ¹	885	538
Irancell receivable ²	1 092	1 140
	1 977	1 678

¹ This loan is denominated in ZAR, is unsecured and attracts interest at JIBAR + 3.75% per annum. Interest is payable semi-annually and the loan is repayable in March 2026.

² The receivable owing from Irancell has been reclassified from current receivables to other non-current receivables in the current year, based on management's assessment that the receivable is expected to be recovered more than 12 months after the reporting date.

The Company does not hold any collateral for loans receivable.

9. Deferred tax assets

Deferred tax is accounted for in accordance with the accounting policy disclosed in note 6.

	1 January 2023 Rm	Recognised in profit or loss Rm	Other movements Rm	31 December 2023 Rm	Recognised in profit or loss Rm	31 December 2024 Rm
Deferred tax assets						
Other temporary differences	4 386	-	-	4 386	(1 055)	3 331
Note		6			6	

Deferred tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable.

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

9. Deferred tax assets (continued)

There were foreign tax credits of R872 million (2023: R801 million) for which no deferred tax asset had been recognised in the statement of financial position at year-end. The Company has accumulated unrecognised deferred tax asset balance of R4 508 million (2023: R2 315 million), with no expiry.

2024								
Year of expiry	2025	2026	2027	2028	2029	2030	2031	Total
Amount (Rm)	93	98	124	119	143	145	150	872
Total	93	98	124	119	143	145	150	872
2023								
Year of expiry	2024	2025	2026	2027	2028	2029	2030	Total
Amount (Rm)	79	93	98	124	119	143	145	801
Total	79	93	98	124	119	143	145	801

10. Trade and other receivables

Trade receivables are amounts due from customers for services rendered in the ordinary course of business and are accounted for at amortised cost in accordance with the accounting policy disclosed in note 25.

Prepayments and other receivables are stated at their nominal values.

	2024 Rm	2023 Rm
Trade receivables due from related parties ¹	8 810	7 859
Prepayments and other receivables ²	468	420
Loan to MTN (Netherlands) Co-Op UA	4 029	3 629
	13 307	11 908

¹ The receivable owing from Irancell has been reclassified from current receivables to other non-current receivables in the current year, based on management's assessment that the receivable is expected to be recovered more than 12 months after the reporting date.

² Includes prepayments for insurance and VAT receivables.

11. Insurance receivable

The Company accounts for its investment in Cell no. 19 of Guardrisk International Limited PPC as an insurance receivable in terms of IFRS 17 *Insurance Contracts*. The insurance receivable is measured at the amount recoverable or due in terms of the shareholder's agreement. The insurance receivable is assessed for impairment at each reporting date. If there is reliable objective evidence that amounts due may not be recoverable, the Company reduces the carrying amount of the asset to its recoverable amount and recognises the impairment loss in profit or loss.

	2024 Rm	2023 Rm
Investment in cell captive		
Balance at the beginning of the year	1 334	1 224
Gain recognised in profit or loss ¹	189	110
Balance at the end of the year	1 523	1 334

¹ Included in other income in the statement of profit or loss and other comprehensive income.

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

12. Current Investments

Current investments consist of financial assets at amortised cost that are accounted for in accordance with the accounting policy disclosed in note 25.

	2024 Rm	2023 Rm
Amortised cost		
Foreign currency deposits with fixed interest rates of 4.3% to 4.8% and maturity dates in January and February 2025 ¹	5 092	-
Foreign currency deposits with fixed interest rates of 1.5% to 3.0% and maturity date in January 2025 ²	900	-
Foreign currency deposits with fixed interest rate of 3.5% to 10.5% and maturity dates between January and August 2024 ¹	-	976
	5 992	976

¹ Denominated in United States Dollars.

² Denominated in Euro.

13. Restricted cash

Restricted cash comprises of short-term deposits that are not highly liquid and are accounted for at amortised cost in accordance with the accounting policy disclosed in note 25.

Restricted cash balance comprises of dividends from MTN Nigeria being held on behalf of the Company by the Nigeria Registrar at an amount of R25 million (2023: R1 932 million). These cash balances will remain restricted until foreign currency (US\$) becomes available in the market.

14. Cash and cash equivalents

Cash and cash equivalents are accounted for at amortised cost in accordance with the accounting policy disclosed in note 25.

Cash and cash equivalents comprise cash on hand and deposits held on call, all of which are available for use by the Company.

	2024 Rm	2023 Rm
Cash at bank	1 659	4 461

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

15. Ordinary share capital and share premium

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

	2024	2023
	Rm	Rm
Ordinary share capital		
<i>Authorised share capital</i>		
10 million ordinary shares of US\$1 each		
<i>Issued share capital</i>		
Issued and fully paid-up share capital		
4 198 (2023: 4 198) ordinary shares of US\$1 each	*	*
Share premium		
Balance at the beginning and the end of the year	1 252	1 252

*Amounts less than R1 million

16. Equity shareholder's loan

	2024	2023
	Rm	Rm
Loan from MTN International Proprietary Limited	72	72

The loan is South African rand denominated, unsecured, interest free and has no fixed repayment terms.

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

17. Borrowings

Borrowings are accounted for as financial liabilities in accordance with the accounting policy disclosed in note 25.

Fees paid on the establishment of loan facilities are recognised as transaction costs and capitalised to the extent that it is probable that some or all of the facility will be drawn down. When the draw down is made, the transaction costs are amortised to profit or loss using the effective interest method. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

	2024 Rm	2023 Rm
Non-current	16 016	15 582
Loan from MTN (Mauritius) Investments Limited ¹	9 445	9 119
Syndicated term loan ²	6 571	6 463
Current	2 729	2 027
Loan from MTN (Mauritius) Investments Limited ¹	821	2 027
Revolving credit facility ³	1 908	-
	18 745	17 609

¹ The loan from MTN (Mauritius) Investments Limited is denominated in US\$ and it attracts a fixed interest rate of 6.75% per annum. Interest is payable semi-annually and the loan is repayable in October 2026.

² The syndicated term loan attracts a variable interest rate of JIBAR + 1.8% per annum. Interest is payable quarterly and the loan is repayable in October 2028.

³ The revolving credit facility attracts a variable interest rate of 8.50%. Interest is payable quarterly and the facility is repayable in May 2028.

18. Trade and other payables

Trade payables and accrued expenses are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are accounted for as financial liabilities in accordance with the accounting policy disclosed in note 25.

Other payables are stated at their nominal values.

	2024 Rm	2023 Rm
Payables due to related parties (note 21)	1 356	1 519
Accrued expenses and other payables	1 018	1 004
	2 374	2 523

The fair values of trade and other payables approximate their carrying values as the impact of discounting is not considered to be material due to the short-term nature of the payables.

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

19. Cash used in operations

	2024 Rm	2023 Rm
Profit before tax	6 205	6 936
Adjusted for:		
Dividend income (note 3)	(6 866)	(11 454)
Interest income (note 3)	(525)	(561)
Finance income (note 5)	(347)	(388)
Interest expense	1 521	1 349
Finance cost (note 5)	1 039	3 848
Increase in provisions	21	-
Gain on disposal of MTN Uganda (note 7.1.2)	(946)	-
Write-off receivable from MTN Cameroon	31	40
Other income (note 11)	(189)	(110)
	(56)	(340)
Changes in working capital	717	(2 551)
(Decrease)/increase in trade, other and insurance receivables	527	(2 808)
Increase in trade and other payables	201	220
Increase/(decrease) in borrowings	(11)	37
Cash generated from/(used in) operations	661	(2 891)

20. Income tax paid

	2024 Rm	2023 Rm
Balance at the beginning of the year	551	551
Amounts recognised in profit or loss (note 6)	(1 655)	(1 088)
Deferred tax (note 6)	1 055	-
Decrease in withholding tax accruals	243	11
Taxation asset at the end of the year	(551)	(551)
Total income tax paid	(357)	(1077)

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

21. Related party transactions

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

The Company is controlled by MTN International Proprietary Limited (incorporated in South Africa) which owns 100% of the Company's shares. The ultimate parent of the Company is MTN Group Limited (incorporated in South Africa).

	2024	2023
	Rm	Rm
Key management compensation¹		
Salaries and other short-term employee benefits	116	109
Post-employment benefits	7	7
Share gain	129	100
Other benefits	29	13
Bonuses	73	59
	354	288

¹ This reflects the remuneration received by the directors and prescribed officers of the MTN Group for services rendered to the Company as well as other companies within the MTN Group during the respective financial year. Due to the vast number of entities included in the MTN Group for which services are provided and the diverse nature of services provided, presentation of the portion of the remuneration relating to the Company was impracticable. The fees are mainly paid by other companies in the MTN Group.

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

21. Related party transactions (continued)

Details of investments in subsidiaries and joint ventures are disclosed in note 7 of the financial statements. Various transactions were entered into by the Company during the year with related parties. The following is a summary of significant transactions between the Company and related parties during the year and significant balances at the reporting date:

MTN International (Mauritius) Limited

21. Related party transactions (continued)

	2024	2023
	Rm	Rm
Interest income	372	341
MTN Zambia ¹	74	63
Irancell Telecommunications Services Company (PJSC) ²	13	13
MTN Sudan Company Limited ⁴	18	18
MTN (Netherlands) BV ⁴	267	247
Interest expense	703	1 010
MTN (Mauritius) Investments Limited ¹	703	1 010
Management fees incurred (note 4)	3 454	3 337
MTN (Dubai) Limited ¹	205	-
MTN Group Management Services Proprietary Limited ³	3 249	3 337
Dividend income (note 3)	6 866	11 454
MTN Congo S.A. ¹	971	426
Mobile Telephone Networks Cameroon Ltd ¹	730	489
MTN Nigeria ¹	-	7 833
MTN Rwandacell Limited ¹	44	85
MTN Uganda ¹	1 669	1 614
MTN Côte d'Ivoire S.A. ¹	157	189
Mascom Wireless Botswana Proprietary Limited ²	182	275
Irancell Telecommunications Services Company (PJSC) ²	512	543
MTN (Dubai) Limited ¹	2 601	-
Management and royalty fee income (note 3)	3 689	3 452
Mobile Telephone Networks Proprietary Limited ⁶	449	449
Mobile Telephone Networks Cameroon Limited ¹	417	260
MTN Rwandacell Limited ¹	76	95
MTN Uganda ¹	400	287
MTN Nigeria Communications Plc	65	40
MTN Mobile Financial Services Côte d'Ivoire	-	1
MTN Fintech Group	226	226
MTN GlobalConnect Solutions Limited	100	131
MTN Mobile Money Uganda Ltd ¹	7	-
MTN Congo S.A. ¹	78	75
MTN (Dubai) Limited ¹	1 322	1 414
Spacetel Benin S.A. ¹	128	-
MTN Côte d'Ivoire S.A. ¹	421	474
Dividends paid	4 000	-
MTN International Proprietary Limited ⁵	4 000	-

¹ Subsidiary of the Company.

² Joint venture.

³ Subsidiary of MTN Group Limited.

⁴ Indirect subsidiary of the Company.

⁵ Holding and ultimate holding companies.

MTN International (Mauritius) Limited

Notes to the financial statements (continued) for the year ended 31 December 2024

21. Related party transactions (continued)

	2024 Rm	2023 Rm
Net receivables/(payables) (note 10 and 18)	7 454	10 960
Mobile Telephone Networks Cameroon Limited ¹	1 643	1 375
MTN Group Limited ⁵	4	4
MTN Rwandacell Limited ¹	227	110
MTN Uganda ¹	60	23
MTN Côte d'Ivoire S.A. ¹	164	206
Irancell Telecommunications Services Company (PJSC) ^{2,7}	2 200	4 626
Mobile Telephone Networks Proprietary Limited ⁶	352	562
MTN Lonestar Communications Corp ⁴	108	104
MTN Zambia ¹	120	60
MTN Congo S.A. ¹	843	124
MTN (Dubai) Limited ¹	772	2 091
MTN Sudan Company Limited ⁴	357	327
MTN Fintech Group ³	520	260
MTN Group Management Services Proprietary Limited ³	(1 415)	(1 983)
MTN International Proprietary Limited ⁵	1 532	1 673
MTN Nigeria ¹	1 467	1 425
MTN (Mauritius) Investments Limited ¹	461	(97)
Spacetel Benin S.A. ¹	134	-
Mobile Botswana Limited ¹	96	-
Bayobab ⁴	-	69
Other	9	1
Loans from related parties	10 338	11 217
MTN International Proprietary Limited ⁵ (note 16)	72	72
MTN (Mauritius) Investments Limited ¹ (note 17)	10 266	11 145
Loans to related parties	4 914	4 167
MTN (Netherlands) Co-Op UA ⁴ (note 10)	4 029	3 629
MTN Zambia ¹ (note 8)	885	538

¹ Subsidiary of the Company.

² Joint venture.

³ Subsidiary of MTN Group Limited.

⁴ Indirect subsidiary of the Company.

⁵ Holding and ultimate holding companies.

⁶ Subsidiary of intermediate parent.

⁷ Included in the balance is R1 108 million which is included in Investment in subsidiaries and joint ventures (refer to note 7).

Receivables from and payables to related parties above have a 30-day credit term from the date of invoice and bear interest at various rates to the extent that accounts are overdue, unless stated otherwise in these financial statements. Details of inter-group guarantees are provided in note 24.

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

22. Commercial commitments

Irancell

The investment in Irancell is subject to a number of sovereign, regulatory and commercial risks, which could result in the Company failing to realise full market value for its investment should it be required to dispose of any portion thereof. In this regard, 21% of Irancell is required to be offered to members of the Iranian public within approximately three years from the date of the licence. Such offering could have a proportional dilutionary effect on the Company's 49% shareholding, effectively reducing its shareholding by 10.3% to 38.7%. Local management together with the shareholders continue to engage the regulator on this matter.

23. Events after the reporting period

There are no material matters to the financial affairs of the Company that have occurred between 31 December 2024 and the date of approval of these financial statements.

24. Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and are subsequently measured at the higher of:

- The expected credit loss (ECL) in accordance with IFRS 9 *Financial Instruments* (IFRS 9); or
- The amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with IFRS 15 *Revenue from Contracts with Customers*.

The ECLs are a probability weighted estimate of credit losses (the cash shortfalls) over the expected life of the guarantee. Accordingly, the cash shortfalls are the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Company expects to receive from the holder, debtor or any other party.

Where guarantees in relation to loans to related parties are provided for no compensation, the fair values are accounted for as capital contributions and recognised as part of the cost of the investment.

The Company along with other MTN Group subsidiaries have guaranteed the bonds, senior unsecured notes, revolving credit facilities, long-term loans and general banking facilities of MTN Holdings and MTN (Mauritius) Investments Limited. Under the terms of the guarantees, the Company will make payments to reimburse the lenders upon failure of the guaranteed entity to make payments when due.

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

24. Financial guarantee contracts (continued)

	Face value		Drawn down balance ²	
	2024	2023	2024	2023
	Rm	Rm	Rm	Rm
Bond guarantees				
Bonds ¹ and commercial paper	35 000	35 000	20 050	17 751
US\$ senior unsecured notes	9 451	10 905	9 580	11 029
Syndicated and other loan facilities				
ZAR long-term loan	31 750	32 000	23 252	19 109
US\$ revolving-credit-facility	14 650	14 159	1 908	-
	90 851	92 064	54 790	47 889

¹ R20 050 million (2023: R17 751 million) of the bonds are listed on the Bond Exchange of South Africa.

² Includes interest accrued.

The Company, together with other subsidiaries in the MTN Group guaranteed senior unsecured notes issued by MTN (Mauritius) Investments Limited on the Irish Stock Exchange amounting to US\$500 million (2023: US\$593 million). Each guarantor is jointly and severally liable. A financial liability was recognised at the fair value of the guarantees issued. A fee was not charged by the Company for providing the guarantee and therefore the benefit provided by the Company to its subsidiary was recognised as a capital contribution. Refer to note 7.

The Company assessed that in the event of default by MTN (Mauritius) Investments Limited, it can be reasonably assumed that a borrower would seek recovery from the other guarantors, considering any breach on the part of MTN (Mauritius) Investments Limited could reasonably be expected to be as a result of default by the Company as the funds of these borrowings were lent to the Company (refer to note 17). As such, the ECLs attributable to the Company as at 31 December 2024 have been estimated at zero while the financial liability remains recognised at the amount initially recognised less cumulative amortisation.

In addition to the financial guarantees issued over the senior unsecured notes and Citibank facilities, the Company, together with other subsidiaries of the MTN Group, have also issued various financial guarantees over the bonds, revolving credit facilities, long-term loans and general banking facilities of MTN Holdings. Limited value was attached to these financial guarantee contracts which resulted in immaterial fair values being ascribed on initial recognition. New financial guarantees issued over new bonds issued and a renegotiated general banking facility in the current financial year have been initially recognised at a combined fair value of R389 million. As a fee was not charged by the Company for providing the guarantee, the benefit provided by the Company to its intermediate parent has been recognised as a distribution in equity.

As industry practice has developed, it has become clear that consideration should be given to which guarantor the borrower could reasonably be expected to seek recovery from. Therefore, the Company assessed that in the event of default by MTN Holdings there is a 62.5% probability that a borrower would seek recovery from the Company, considering the assets held by each guarantor and their credit scores. As such, the estimated ECLs attributable to the Company as at 31 December 2024 in relation to the financial guarantees over MTN Holdings debt have resulted in a gain on remeasurement of R663 million (2023: loss on remeasurement of R40 million) recognised in profit or loss.

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

24. Financial guarantee contracts (continued)

MTN Group's credit rating as determined by Standard and Poor (S&P) has been used to assess whether there has been a significant increase in credit risk. Following the downgrade in MTN Group's credit rating by S&P during the prior financial year (BB+ to BB-), it was determined that the use of lifetime ECLs for debt instruments entered into prior to the downgrade and the use of 12 months ECLs for debt instruments entered into subsequent to the downgrade, including banking facilities renegotiated on an annual basis, was appropriate. This assessment remained unchanged for the 2024 financial year.

The following formula was used to determine the ECL: Exposure at Default x Probability of Default (PD) x Loss Given Default (LGD) x discount rate. PDs have been determined with reference to Refinitiv's Telecoms BB credit default swap (CDS) spreads adjusted to BB-, being the MTN Group's current credit rating by S&P. CDS's are forward looking and considered reflective of markets view on future potential losses and therefore default probabilities. The LGD specific to MTN Group was determined based on the S&P Ratings report dated 27 October 2022 at 35% (2023: 35%). The original effective interest rate of the underlying borrowing is used as the discount rate.

The Company's financial liability relating to financial guarantee contracts amounts to R950 million (2023: R1 563 million) as at 31 December 2024 and R347 million (2023: R388 million) was amortised to profit or loss for the year. Credit gains relating to 12 months ECLs amounted to R219 million (2023: credit losses of R397 million) and credit gains relating to lifetime ECLs amounted to R51 million (2023: credit losses of R101 million).

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

25. Financial risk management and financial instruments

Accounting for financial instruments

Financial instruments comprise investments in debt securities, loans receivable, trade and other receivables (excluding prepayments), cash and cash equivalents, restricted cash, borrowings, financial guarantees and trade and other payables.

Recognition

Financial assets and liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instruments. Financial assets are recognised on the date the Company commits to purchase the instruments (trade date accounting).

Financial assets are classified as current if expected to be realised or settled within 12 months from the reporting date; if not, they are classified as non-current. Financial liabilities are classified as non-current if the Company has an unconditional right to defer payment for more than 12 months from the reporting date.

Classification

The Company classifies financial assets on initial recognition as measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL) on the basis of the Company's business model for managing the financial asset and the cash flow characteristics of the financial asset.

Financial assets are classified as follows:

Measurement Category	Criteria
Amortised cost	The asset is held within a business model with the objective to collect the contractual cash flows; and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

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

Financial liabilities are classified as measured at amortised cost.

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

25. Financial risk management and financial instruments (continued)

Measurement on initial recognition

All financial assets (unless it is a trade receivable without a significant financing component) and liabilities are initially measured at fair value, including transaction costs, except for those classified as at FVTPL which are initially measured at fair value excluding transaction costs. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss. A trade receivable without a significant financing component is initially recognised at the transaction price.

Subsequent measurement: Financial assets

Subsequent to initial recognition, financial assets are measured as described below:

Category	Subsequent measurement
Amortised cost	These financial assets are subsequently measured at amortised cost using the effective interest method, less any impairment losses. Interest income, foreign exchange gains and losses and impairments are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Subsequent measurement: Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognised when the obligations specified in the contracts are discharged, cancelled or expire. On derecognition of a financial asset/liability, any difference between the carrying amount extinguished and the consideration received/paid is recognised in profit or loss.

Modification of financial liabilities

A substantial modification of the terms of an existing debt instrument or part of it is accounted for as an extinguishment of the original debt instrument and the recognition of a new debt instrument.

Gains or losses arising from the modification of the terms of a debt instrument are recognised immediately in profit or loss where the modification does not result in the derecognition of the existing instrument.

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

25. Financial risk management and financial instruments (continued)

Offsetting financial instruments

Offsetting of financial assets and liabilities is applied when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The net amount is reported in the statement of financial position.

Impairment

Under IFRS 9 the Company calculates allowance for credit losses as ECLs for financial assets measured at amortised cost. ECLs are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the original effective interest rate (EIR) of the financial asset.

The Company applies the simplified approach to determine the ECL for trade receivables. ECL for trade receivables is calculated using a provision matrix.

Risk management

Introduction

The Company has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk and market risk (foreign exchange and interest rate risk). This note presents information about the Company's exposure to each of these risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these Annual Financial Statements.

Risk profile

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company considers natural hedges that may exist and in addition, where possible, uses derivative financial instruments such as forward exchange contracts to hedge exposures. As a matter of principle, the Company does not enter into derivative contracts for speculative purposes.

Risk management is carried out under policies approved by the Board of Directors of the MTN Group and the Company. The MTN Group Treasury Committee identifies, evaluates and hedges financial risks in cooperation with the MTN Group's operating units. The board provides written principles for overall risk management, as well as for specific areas such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments, and investing cash. MTN Group treasury is responsible for managing the Company's exposure to financial risk within the policies set by the Board of Directors, under the guidance of the MTN Group Chief Financial Officer (GCFO), MTN Group Audit Committee and MTN Group Risk Management and Compliance Committee.

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

- 25. Financial risk management and financial instruments** (continued)
- 25.1 Categories of financial instruments**

MTN International (Mauritius) Limited

	Note	Assets at amortised cost Rm	Liabilities at amortised cost Rm	Total carrying amount Rm	Fair value Rm
2024					
Non-current financial assets					
Investment in joint ventures	7	1 108	-	1 108	#
Loans and other non-current receivables	8	1 977	-	1 977	#
Current financial assets					
Trade and other receivables	10	12 839	-	12 839	#
Current investments	12	5 992	-	5 992	#
Restricted cash	13	25	-	25	#
Cash and cash equivalents	14	1 659	-	1 659	#
		23 600	-	23 600	#
Non-current financial liabilities					
Borrowings	17	-	9 445	9 445	9 559
External Loan	17	-	6 571	6 571	#
Current financial liabilities					
Trade and other payables	18	-	2 233	2 233	#
Borrowings	17	-	821	821	#
Revolving credit facility	17	-	1 908	1 908	#
Derivative liability	25,2	-	55	55	55
Financial guarantee contracts	24	-	950	950	713
		-	21 983	21 983	10 327

	Note	Assets at amortised cost Rm	Liabilities at amortised cost Rm	Total carrying amount Rm	Fair Value Rm
2023					
Non-current financial assets					
Investment in joint ventures	7	1 563	-	1 563	#
Loans and other non-current receivables	8	1 678	-	1 678	#
Current financial assets					
Trade and other receivables	10	11 488	-	11 488	#
Current investments	12	976	-	976	#
Restricted cash	13	1 932	-	1 932	#
Cash and cash equivalents	14	4 461	-	4 461	#
		22 098	-	22 098	#
Non-current financial liabilities					
Borrowings	17	-	9 119	9 119	9 246
External Loan	17	-	6 463	6 463	#
Current financial liabilities					
Trade and other payables	18	-	2 371	2 371	#
Borrowings	17	-	2 027	2 027	1 794
Derivative liability	25,2	-	39	39	39
Financial guarantee contracts	24	-	1 563	1 563	1 145
		-	21 582	21 582	12 224

The carrying amount of the financial instrument approximates its fair value.

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

25. Financial risk management and financial instruments (continued)

25.2 Fair value estimation

A number of the Company's accounting policies and disclosures require the measurement of fair values. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The following table presents the fair value measurement hierarchy of the Company's liabilities that are materially different from the carrying amount. The classification into different levels is based on the extent that quoted prices are used in the calculation of fair value and the levels have been defined as follows:

- Level 1: fair value based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: fair value based on inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); or
- Level 3: fair value based on inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

	Total carrying amount Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
2024					
Non-current liabilities					
Borrowings	9 445	-	-	9 559	9 559
Current financial liabilities					
Financial guarantee contracts	950	-	-	713	713
Cross-currency swaps	55	-	55	-	55
2023					
Non-current liabilities					
Borrowings	9 119	-	-	9 246	9 246
External Loan	6 463	-	-	6 463	6 463
Current financial liabilities					
Financial guarantee contracts	1 563	-	-	1 145	1 145
Cross-currency swaps	39	-	39	-	39
Borrowings	2 027	-	-	1 794	1 794

Valuation methods and assumptions

The following methods and assumptions were used to estimate the fair values:

The fair value of the financial guarantee contracts is determined using the discounted cash flow method. The valuation requires management to make certain assumptions about the model inputs, which include the probability of default, the maximum recovery amount and interest rate curve.

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

25. Financial risk management and financial instruments (continued)

25.3 Credit risk

Credit risk, or the risk of financial loss to the Company due to customers or counterparties not meeting their contractual obligations, is managed through the application of credit approvals, limits and monitoring procedures. The Company's maximum exposure to credit risk is represented by the carrying amount of the financial assets that are exposed to credit risk.

The Company considers its maximum exposure per class, without taking into account any collateral and financial guarantees, to be as follows:

	2024	2023
	Rm	Rm
Investment in joint ventures	1 108	1 563
Loans and other non-current receivables	1 977	1 678
Current investments	5 992	975
Restricted cash	25	1 932
Cash and cash equivalents	1 659	4 461
Trade and other receivables	12 839	11 488
Financial guarantee contracts	54 790	47 886
	78 390	69 983

Exposure to credit risk

Credit risk is mitigated to the extent that the majority of trade receivables and loans receivable consist of related party receivables of R12 866 million (2023: R11 488 million) and R1 977 million (2023: R1 678 million) respectively. No allowance for impairment of trade receivables has been recognised.

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

25. Financial risk management and financial instruments (continued)

25.3 Credit risk (continued)

Trade receivables

Ageing and impairment analysis

	2024			2023		
	Rm Gross	Rm Impaired	Rm Net	Rm Gross	Rm Impaired	Rm Net
Fully performing other receivables	4 029	-	4 029	3 629	-	3 629
Trade receivables due from related parties	4 029	-	4 029	3 629	-	3 629
Past due other receivables	8 810	-	8 810	7 859	-	7 859
Trade receivables due from related parties	8 810	-	8 810	7 859	-	7 859
0 to 3 months	1 130	-	1 130	1 729	-	1 729
3 to 6 months	1 349	-	1 349	993	-	993
6 to 9 months	1 484	-	1 484	1 471	-	1 471
9 to 12 months	4 847	-	4 847	3 666	-	3 666
	12 839	-	12 839	11 488	-	11 488

Cash and cash equivalents, restricted cash and current investments

MTN Group treasury determines appropriate internal credit limits for each counterparty. In determining these limits, MTN Group treasury considers the counterparty's credit rating established by an accredited ratings agency and performs internal risk assessment. MTN Group treasury manages the Company's exposure to a single counterparty by spreading transactions among approved financial institutions. MTN Group treasury regularly reviews and monitors the Company's credit exposure.

The Company holds its cash balances and the majority of its current investments in financial institutions with ratings of AA+ (2023: AA+). Given these credit ratings, management does not expect any counterparty to fail to meet its obligations.

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

25. Financial risk management and financial instruments (continued)

25.4 Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its obligations as they become due.

The Company's approach to managing liquidity risk is to ensure that sufficient liquidity is available to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

MTN Group treasury develops strategies to ensure that the Company has sufficient cash on demand or access to facilities to meet expected operational expenses, and to service financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. MTN Group treasury performs regular cash flow forecasts, monitors cash holdings of the Company, negotiates lines of credit and sets policies for maturity profiles of loans.

The following liquid resources are available:

	2024	2023
	Rm	Rm
Cash and cash equivalents	1 659	4 461
Trade and other receivables	12 839	11 488
Current investments	5 992	976
	20 490	16 925

The following are the undiscounted contractual cash flows of financial liabilities:

	Carrying amount	Total	Payable within 1 month or on demand	More than one month but not exceeding three months	More than three months but not exceeding one year	More than one year but not exceeding two years	More than two years but not exceeding five years	More than five years
2024	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm
Borrowings	18 745	22 392	2 523	165	1 133	10 750	7 821	-
Trade and other payables	2 233	2 233	2 233	-	-	-	-	-
Derivative liability	55	55	55	-	-	-	-	-
Financial guarantee contracts	950	54 790	54 790	-	-	-	-	-
	21 983	79 470	59 601	165	1 133	10 750	7 821	-

	Carrying amount	Total	Payable within 1 month or on demand	More than one month but not exceeding three months	More than three months but not exceeding one year	More than one year but not exceeding two years	More than two years but not exceeding five years	More than five years
2023	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm
Borrowings	17 609	22 811	109	169	2 985	1 286	18 262	-
Trade and other payables	2 371	2 371	2 371	-	-	-	-	-
Derivative Liability	39	39	39	-	-	-	-	-
Financial guarantee contracts	1 563	47 886	47 886	-	-	-	-	-
	21 582	73 107	50 405	169	2 985	1 286	18 262	-

The Company has undrawn variable rate borrowing facilities of R12 760 million (2023: R14 159 million).

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

25. Financial risk management and financial instruments (continued)

25.5 Market risk

Market risk is the risk that changes in market prices (such as interest rates and foreign currencies) will affect the Company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

25.5.1 Interest rate risk

Interest rate risk is the risk that arises on an interest-bearing asset or liability, due to variability of interest rates.

Financial assets and liabilities that are sensitive to interest rate risk are cash and cash equivalents, trade and other receivables/payables, loans receivable, treasury bills and foreign currency deposits carried at amortised cost and borrowings. The interest rates applicable to these financial instruments are a combination of floating and fixed rates in line with those currently available in the market.

The Company's interest rate risk arises from the repricing of the Company's floating rate debt, incremental funding or new borrowings, the refinancing of existing borrowings and the magnitude of the significant cash balances which exist.

Debt in the Company is managed on an optimal fixed versus floating interest rate basis, in line with the approved MTN Group treasury policy. Significant cash balances are also considered in the fixed versus floating interest rate exposure mix.

Where appropriate, the Company uses interest rate derivatives and other suitable hedging tools as a way to manage interest rate risk. The Company does not apply hedge accounting to these derivatives.

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

25. Financial risk management and financial instruments (continued)

25.5 Market risk (continued)

25.5.1 Interest rate risk (continued)

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was:

	Fixed interest Rm	Variable interest Rm	No interest Rm	Total Rm
2024				
Non-current financial assets				
Investment in joint ventures	-	1 108	-	1 108
Loans and other non-current receivables	-	885	1 092	1 977
Current financial assets				
Trade and other receivables	-	12 839	-	12 839
Current investments	5 992	-	-	5 992
Restricted cash	-	-	25	25
Cash and cash equivalents	152	882	625	1 659
	6 144	15 714	1 742	23 600
Non-current financial liabilities				
Borrowings	9 445	-	-	9 445
External Loan	-	6 571	-	6 571
Current financial liabilities				
Trade and other payables	-	1 356	877	2 233
Borrowings	821	-	-	821
Revolving credit facility	-	1 908	-	1 908
	10 266	9 835	877	20 978
2023				
Non-current financial assets				
Investment in joint ventures	-	1 563	-	1 563
Loans and other non-current receivables	-	538	1 140	1 678
Current financial assets				
Trade and other receivables	-	11 488	-	11 488
Current investments	976	-	-	976
Restricted cash	-	-	1 932	1 932
Cash and cash equivalents	1 475	2 095	891	4 461
	2 451	15 684	3 963	22 098
Non-current financial liabilities				
Borrowings	9 119	-	-	9 119
External loan	-	6 463	-	6 463
Current financial liabilities				
Trade and other payables	-	1 519	852	2 371
Borrowings	2 027	-	-	2 027
	11 146	7 982	852	19 980

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

25. Financial risk management and financial instruments (continued)

25.5 Market risk (continued)

25.5.1 Interest rate risk (continued)

Sensitivity analysis

The Company has used a sensitivity analysis technique that measures the estimated change to profit or loss of an instantaneous increase or decrease of 1% (100 basis points) in market interest rates, from the rate applicable at 31 December, for each class of financial instrument with all other variables remaining constant. This analysis is for illustrative purposes only, as in practice market rates rarely change in isolation.

The Company is mainly exposed to fluctuations in the following market interest rates: SOFR, LIBOR, JIBAR and Prime rates. Changes in market interest rates affect the interest income or expense of floating rate financial instruments.

A change in the above market interest rates at the reporting date would have increased/(decreased) profit before tax by the amounts shown in the table to follow.

The analysis has been performed on the basis of the change occurring at the start of the reporting period and assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis as was used for 2023.

	Change in interest rate %	(Decrease)/Increase in profit before tax	
		Upward change in interest rate Rm	Downward change in interest rate Rm
2024			
JIBAR	1	(57)	57
SOFR ¹	1	118	(118)
Other	1	9	(9)
2023			
JIBAR	1	(61)	61
LIBOR ¹	1	100	(100)
Prime	1	21	(21)

¹ LIBOR ceased on 30 September 2024 when the final synthetic LIBOR settings were published. The alternative reference rate for US\$ LIBOR is the Secured Overnight Financing Rate (SOFR). Amendments have been made to financial instruments with contractual terms indexed to US\$ LIBOR such that they incorporate the new benchmark rate.

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

25. Financial risk management and financial instruments (continued)

25.5 Market risk (continued)

25.5.2 Currency risk

Currency risk is the exposure to exchange rate fluctuations that have an impact on cash flows and financing activities.

Currency risk arises on recognised financial assets and liabilities which are denominated in a currency that is not the entity's functional currency. The Company aims to maintain its foreign currency exposure within internally determined parameters, however, this depends on the market conditions in the geography where the Company operates. MTN Group treasury reports on the status of foreign currency positions or derivatives to the MTN Group Treasury Committee on a regular basis.

Exposure

Included in the Company's statement of financial position are the following amounts denominated in currencies other than its functional currency:

	2024 Rm	2023 Rm
Assets		
Non-current assets		
Iranian rial (IRR)	2 200	2 703
Current assets		
United States dollar	15 740	12 145
Euro (EUR)	1 738	1 776
Congo-Brazzaville Communauté Financière Africaine franc (CFACB)	796	93
Côte d'Ivoire Communauté Financière Africaine franc (CFA)	89	92
Nigerian naira (NGN)	25	1 841
Rwanda franc (RWF)	75	256
	18 463	16 203
Liabilities		
Non-current liabilities		
United States dollar	15 917	15 582
Current liabilities		
United States dollar	4 389	3 313
Euro (EUR)	373	285
	4 762	3 598

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

25. Financial risk management and financial instruments (continued)

25.5 Market risk (continued)

25.5.2 Currency risk (continued)

Sensitivity analysis

The Company has used a sensitivity analysis technique that measures the estimated change in profit or loss of an instantaneous 10% strengthening or weakening in the rand against all other currencies, from the rate applicable at 31 December, for each class of financial instrument with all other variables remaining constant. This analysis is for illustrative purposes only, as in practice, market rates rarely change in isolation.

The Company is mainly exposed to fluctuations in foreign exchange rates in respect of the United States dollar, euro, Nigerian naira and Iranian rial. This analysis considers the impact of changes in foreign exchange rates on profit or loss.

A change in the foreign exchange rates to which the Company is exposed to at the reporting date would have increased/(decreased) profit before tax by the amounts shown below.

The analysis has been performed on the basis of the change occurring at the reporting date and assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis as was used for 2023.

Denominated: functional currency 2024	Change in exchange rate %	(Decrease)/increase in profit before tax	
		Weakening in	Strengthening in
		functional currency Rm	functional currency Rm
US\$:ZAR	10	(457)	457
EUR:ZAR	10	137	(137)
IRR:ZAR	10	220	(220)
CFA:ZAR	10	9	(9)
RWF:ZAR	10	8	(8)
CFACB:ZAR	10	80	(80)
NGN:ZAR	10	3	(3)
2023			
US\$:ZAR	10	(675)	675
EUR:ZAR	10	149	(149)
IRR:ZAR	10	270	(270)
CFA:ZAR	10	9	(9)
RWF:ZAR	10	26	(26)
CFACB:ZAR	10	9	(9)
NGN:ZAR	10	184	(184)

MTN International (Mauritius) Limited

Notes to the financial statements (continued)

for the year ended 31 December 2024

25. Financial risk management and financial instruments (continued)

25.6 Price risk

The Company is not exposed to commodity price risk or equity securities price risk.

25.7 Capital management

Equity funding for the Company is raised centrally by the MTN Group, first from excess cash and then from new borrowings while retaining an acceptable level of debt for the consolidated MTN Group. Where funding is not available to the Company locally or in specific circumstances where it is more efficient to do so, funding is sourced centrally. The MTN Group policy is to borrow using a mixture of long-term and short-term capital market issues and borrowing facilities from local and international capital markets as well as multi-lateral organisations together with cash generated to meet anticipated funding requirements. Borrowings are managed within the MTN Group established debt: equity ratios.

Capital includes ordinary share capital and share premium and equity attributable to the equity holders of the Company.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce cost of capital.