Transcript of

MTN Group

Capital Markets Day

Session 1 - Introduction and Overview

10 June 2026

Nastassia Arendse

Ladies and gentlemen, a warm welcome to you here in the room and to our virtual audience. My name is Nastassia Arendse, and I'm honoured to be your host for the Capital Markets Day today. Today represents an important milestone in MTN's journey. It's an opportunity to share not only where we are today, but where the business is headed. And to give us a little more context on this and the business of the day, I'd like to welcome on stage Roy Mutooni, who is the Group Executive for Investor Relations at MTN Group.

Roy Mutooni

Welcome to everyone; welcome to everyone in the room; welcome to all the people on the webcast; and to all our MTNers and especially members of the Board and the executive who are here. Today's a big day for us. Today is our Capital Markets Day 2026. Before we get into the business of the day, a few hygiene matters.

In the unlikely event of an evacuation, the doors are there and right there. For those of you who would like to post and communicate, we have our hashtags. This is our disclaimer, which applies to all the presentations and interactions that we have over the course of the day. You'll be able to connect to the Wi-Fi and post. When you post, please include our corporate hashtags so that we can all be in touch with that.

The agenda and selected executive deep-dive videos are already available on the microsite. You get to the microsite through the main MTN website or through the invitations that you all received. It will inform quite a few of the presentations here. You'll see that there are charging stations on your seats.

And finally, for those joining us here, it's going to be a long day. There are going to be lots of PowerPoint, lots of talking etc, so, please join us for drinks afterwards. And when you get a chance during the breaks, there's a fantastic exhibition outside. And there's also the Sifiso Dabengwa Exhibition Centre, just inside the building, the ushers will show you. That showcases everything that we talk about here, all the technology, all the experience, and everything makes it come real. I absolutely recommend that you go there.

So, looking at the business of the day, we're theming it as ‘Driving Growth. Delivering Returns’. It comes at an important point for MTN. We've come through our ***Ambition 2025***, and now we're looking to ***Ambition 2030***. And that's what makes us so proud to be here communicating to you.

We will first take stock of our ***Ambition 2025***. We'll be honest. Where we won, we won. Where we didn't, we'll tell you. And we'll tell you why. And when we speak about ***Ambition 2030***, we will tell you what we hope to do, what we aspire to do, and what we believe we can achieve.

We will start with Ralph. But instead of me going into those details, I think I'll let the programme director go into the agenda for the day. So, everybody, welcome. Please feel free. We're going to have a lot of Q&A. I've made the executives promise they'll be there for drinks and during the breaks and lunch. So, please feel free. You are our guests today. Thank you.

Nastassia Arendse

Thank you, Roy. I'm going to give you a brief outline in terms of what you can expect. We're going to be unpacking the three core platforms, and then we'll hear from the leadership in the key markets. We'll have a conversation later to explore the role of artificial intelligence, especially at a time where we want to talk about it in terms of how it's shaping MTN's future.

Then we're going to conclude with a financial framework on capital allocation principles that underpin the strategy. So, ultimately today is about understanding how MTN intends to convert Africa's structural growth opportunities and create sustainable value for customers, communities, as well as shareholders. A reminder that you are more than welcome to submit your questions throughout the day as the speakers come onto stage. We will allocate time to have those questions answered during the various Q&A sessions.

With that said, ladies and gentlemen, let's begin. To set the strategic context for the day, it is fitting that we begin with the person leading MTN's next phase of growth. He'll introduce ***Ambition 2030*** and outline how MTN's three-platform strategy is designed to unlock long-term growth and, of course, value creation across the continent. Please join me in welcoming the Group President and Chief Executive Officer of MTN Ralph Mupita.

Ralph Mupita

Nastassia and Roy, thank you very much for the introductions. And on behalf of the MTN management team and the Board, welcome to all our stakeholders, particularly to our shareholders, the ones who actually own the company. We appreciate all of you joining us. We see a good group here and I've had the opportunity to greet several of you. Also extending a welcome to those who are joining us virtually on the various media platforms.

We're looking forward to two days of engagement. We have today, the formal CMD programme where the executives and I will tell you about how excited we are about the next five years. But what we've done is also to include an additional programme tomorrow. So, tomorrow we are hosted by Investec, and we've got our broader leadership around. We brought them from the various markets. You'll be able to interact with them not only today, but tomorrow, so that you get a sense of the depth and the quality of the management that is running this company, but also our excitement about the opportunities that lie ahead.

As Roy has mentioned, we are framing ***Ambition 2030*** as 'Unlocking Growth. Delivering Returns'. We think that's a unique proposition for us to be focused and executing on and committing ourselves to, to shareholders more broadly.

I'm going to set the scene by firstly reminding us about who MTN is. I don't think MTN needs too much introduction, but we will give a bit of that. I'll then focus on ***Ambition 2025***. What did we deliver? And to Roy's point, what were some of the issues that we had to navigate to get to where we ended off at the end of last year? And then the results that were delivered.

I'll then move to framing the six big structural opportunities that we believe shape the next three to five years, and how well positioned we are as MTN to take advantage of those opportunities.

Then we will talk about ***Ambition 2030***, how we've organised ourselves under the 'One MTN. Three Platforms' and take you through the key and salient elements of that strategy. Before I conclude, I will then talk to the near-term priorities. What are the issues that we are seized with today? There's quite a bit, and I'll try and navigate the major ones that we think are important to deliver on the value. And then I'll close off before I pass on to Selorm to talk about Connectivity.

So, just a reminder of **who we are** as a group. In the third quarter last year, we crossed over the 300 million subscribers-served mark, and we're well ahead of that as of the end of quarter one 2026.

If you think about the kind of growth drivers that we still have, particularly if you think about data and fintech, we only have 176 million subscribers that are regularly using data. So, that's over 130 million people still stuck in the voice era across MTN markets who are our customers, again underpinning the growth opportunity that's already inherent in the base before we even see base growth.

In terms of our Mobile Money business, we have Serigne who's going to be talking to us a bit later about our strategy to really accelerate growth there. Again, if you look at the breadth of our footprint, we probably have the largest footprint in terms of mobile money users. We still see significant growth there.

Data is approximately 45% of our service revenue, so not even 50% quite yet. You see it's R101 billion of data revenue against service revenue of R219 billion. And our EBITDA margin that we have been generating on a constant-currency basis as of the end of last year was at 45%. So, strong performance all around. That's underpinned by a very strong brand. Over many successive years, we've been voted the most trusted and the most valuable brand, and we're operating across 19 markets.

Looking at **the portfolio** itself, these are numbers that many of you will be familiar with. We just arranged them in a form that we hope is interesting: looking at subscriber growth, conversion to active data subscribers, to Mobile Money subscribers to earnings.

If you look at the top three markets, South Africa has 40 million-odd of our total 313 million subscribers. It has active data users of 22 million. The Mobile Money opportunity, we're still very small there at two million. We have aspirations for higher. We know South Africa is very well served with financial services, but we think there is an opportunity there, particularly the very low end and in the merchant ecosystem. And South Africa is delivering about 18% of Group EBITDA if you look at last year's numbers.

Nigeria reached 90 million subscribers and 55 million active data users. Again, the Mobile Money opportunity for us screams a major opportunity. There's a bit of a reset on our strategy. Yesterday we announced the Alipay opportunity which will launch in Nigeria. So, with three million MoMo users we think that there's opportunity for significant growth particularly off Nigeria's connectivity base. And Nigeria is delivering a third of the EBITDA of the Group.

And then in this slide you can also see Ghana, SEA and the Francophone African markets. So, a broad, diversified portfolio which gives us resilience during some of the more challenging times.

Before we talk about ***Ambition 2030***, let's recap a little bit about what happened in ***Ambition 2025***. It was a period of a **very challenging macro**. The strategy was executed and actually started in the midst of COVID, dealing with a variety of forces that are all interplaying and having second-order effects that are pretty significant, whether you name the geopolitical, the macroeconomic, the shifts in technology, as well as in the regulatory environment. So, we had to navigate all these forces and these forces that we've spoken about at previous results presentations.

And within that context, we thought we delivered a fairly **resilient set of results**. We saw growth in our subscriber base. Effectively, we were growing 10 million subscribers per year. Active data users, the conversion was a little bit higher, more like 12 million, and then Mobile Money, more like six million growth on a per annum basis.

On the expense efficiency programme, the finance team, Tsholo and co, did a fantastic job of organising and rallying the troops to always focus on expenses. We always say at MTN, expenses are like nails: you've got to keep trimming them. The job is actually never done. So, we ended up with over R16 billion of expense efficiencies which underpinned the strong margins we delivered. We saw improving returns. The ROE, I think in 2017 was like 11%, so it's good to see that that has grown.

And then on the asset realisation programme, I think we did pretty well, given that the two biggest assets that had been in the programme (IHS being one of them and the other was a further sell-down in Nigeria), we didn't sell down. We were aiming for R25 billion, so we managed to get to just under R23 billion of asset realisations without actually meaningfully progressing with Nigeria as well as the sell-down for IHS. You know by now our strategy on IHS.

And Holdco leverage, we brought down the component of dollar debt quite significantly and also brought down the Holdco leverage to give the balance sheet resilience and strength, particularly during these difficult times.

One of the KPIs that we have, which is in our LTI, is the **TSR**. This is data from FactSet. If you take the TSR from day one and the dividends or the cash is assumed to be reinvested, I think we had a pleasing delivery on the TSR on a five-year basis, coming out at 315%.

We compare ourselves to the MSCI Emerging Markets Telco Index, and that was 119%. So, good growth, but as you can see, we had to navigate some choppy waters in that period, in particular with the significant devaluation of the naira in Nigeria. And you could see that the underlying strength of the franchise was there. And as the environment improved, we saw that strength coming back in the returns.

So, how is this all delivered? This is the **management team** that's pretty much been delivering over the last five years. A few people have moved here and there, but substantially the core of the team is there. Many of them will speak today: Karl, Ferdi, Serigne, Mazen. We will also have Tsholo, Selorm and Charles. But the broader executive team, they're all here in the room. So, many of you who are here at 14th Avenue will have an opportunity. This is a team that understands the continent well, understands how to navigate some of the complexities that I spoke about, and I look forward to working with this team over the next five years that lie ahead.

We do have some new members. Lwazi Bam is sitting in the room, he's all of 10 days in as our new Group Chief Risk Officer. Paul Norman, who has spent 29 years here, he said he doesn't want to spend 30 years, so Paul will be retiring before the end of the year, and Mitwa will be taking over his place on the Exco in the second half of this year.

So, let's talk about the future. What are the **structural growth opportunities** we see at MTN as they pertain to Africa? So, we think about our world as Sub-Saharan Africa, where the opportunity set for us remains significant. And if you think about where we are as at the end of 2025 to the end of 2030, you can look at different data sets. There're going to be 150 million more people out there to serve. And that's obviously underpinned by the demographics of the continent, a very young continent with a median age around 19. So, a very young and fast-growing continent we happen to be on.

People accessing mobile internet, that's both voice and data, an extra 200 million. So, this is not just data. It's people coming first time into accessing mobile services, voice and data. On financial inclusion, it's a very specific Findex definition where they talk about adults who have access to financial services. So, there's a much narrower band. And their viewpoint is there's at least 100 million people who will be moving from being unbanked or not having financial services to being provided for with financial services. So, there is this demographic effect across our continent which underpins the growth that we see.

We think that there are **six big structural growth drivers** for us going forward. The first one I've already touched on a little bit is the GDP growth of the continent. I think it's the fastest growing economic region. We think that data will accelerate. We take a view that consumption of data will be 2x before the end of this decade, and we'll make our case with regards to that. We believe home is the next big structural connectivity opportunity. We see workloads moving more and more increasingly to the home, and we are positioning ourselves over the next three to five years as being the leader in home connectivity. I'll touch on it a little bit, but Selorm will cover it and you'll hear further also from Ferdi, Karl and Stephen around our excitement around the home opportunity.

The African enterprise has been an area that we believe will increasingly become more sophisticated, and we will be able to serve some of the customers that we have, particularly the small and medium enterprises. So, we're calling enterprise out as an opportunity, particularly around the growth of converged services, IoT, cloud, cybersecurity services that will make our relationship with enterprises a lot more sticky and we think that's an opportunity.

Financial inclusion, it goes without saying: Africans are still dealing predominantly in cash, and the conversion of customers using cash to much more digital, for us is a big opportunity of growth.

Now, there's obviously a lot in the headlines around AI. We take a view from an MTN perspective that AI is another leapfrog opportunity. If we go back 30 years when the mobile phone came on, everyone said the mobile phone is too expensive...until a breakthrough came with prepaid and all of a sudden there was mass adoption. I think there's another point of adoption, particularly around the smartphone, that will enable more and more Africans. So, we're taking a medium to a very long-term view that this foundational technology is one that creates a leapfrog opportunity. As MTN, we're not seeing ourselves as builders of frontier models, of builders of one gigawatt data centres and all of that. But we think there's a place to participate in this foundational technology. And we'll cover some of our thought processes. And we're putting financial commitments out to our shareholders about the value creation potential that we see.

So, these are the six forces that we see. And I'll go through them fairly rapidly. I think the first, as I said, is really the **economic growth opportunity, as well as the demographic opportunity**. Particularly in markets that are commodities driven, I think we've seen a significant level of resilience in those markets. Ghana and Nigeria come to mind, but also in markets where there're critical minerals, the more there's beneficiation in these markets, I think we'll see economic growth expanding.

The youth, the median age being 19, these are born digital, these are digital native consumers that are beginning to work through the Gen Zs and so forth. And we believe that there are many reasons why we're very well positioned to capture, particularly given the brand strength that we have and the extensive customer base and the network positions that we have.

Again, **data acceleration**. Some of those data sets I think are very well known. There is a usage gap. Coverage across Africa, the job to cover the population has gone very well. What's at stake right now is usage. So, there's still a 65% usage gap. And the big issue to unlock here is smartphones. The cost of data-capable devices at price points Africans who have US$3 to $4 ARPUs can afford. And our estimation is that you've got to be south of US$35, ideally much more in the US$20s, to really unlock that growth and bring many of our customers who are still stuck in the voice era to come through.

As I mentioned, we anticipate that the current data usage will more than be 2x by 2030. What will drive it? We think providing raw data is not enough. What we need to do is to provide some of the services on top of that connectivity. And you'd have heard that we launched the MTN One TV solution, which we're beginning to roll out to markets. To try and curate, we're not going to be deeply in the production of some of this content, but to curate it and put it on a platform at price points our customers can afford.

So, some of you would have read headlines that we're trying to compete with Netflix. That's far from the truth. We see ourselves as very complementary and going to a part of the market that is much, much more at a lower price point, but very focused on local content, bringing in the African content creators and creating a platform for them to be able to sell their products. So, data consumption will go beyond just connectivity but providing the services that sit on top of it, and some we are looking to own. Again, many reasons for us that we are well positioned to be able to capture this opportunity.

The third is **home**, and I'm super excited by home. And previously, the way we thought about home was, in ***Ambition 2025***, we spoke about 10 million homes, and that was on mobile broadband, MBBs, a bit of FTTH, and FWA. We're saying, going forward, we really need to focus on home connectivity with future-facing technologies. So MBBs, we discount that now. Yes, a lot of our customers move around with their routers from work and home. And when they're at home, they use it. But that's not a future-resilient strategy if we look at the technologies.

And we're putting a call out here that we think that there is 70 to 90 million home opportunity across our markets. If we get our fair share of that, that's probably 20 to 30 million homes that we are pursuing. And Selorm will take us through a bit of that. And we are taking almost a technology-agnostic positioning. We want the technology that best fits the customer base that we can monetise. So, you will see us talk about a mixture of FTTH and FWA. There's AirFibre. Some people call it unlicensed band radios, UBR, in some geographies. We think that there's space for all of that in our markets.

And ultimately, we will have to embrace LEO satellites. They're not going to go away. It's a technology that's here. And the partnerships, and we've already started one or two partnerships, we would have spoken about, particularly in Zambia with Starlink. So, we are embracing the technologies. We're not running away from them. We're not pushing back. A person connected at home will be using any of these technologies. And Selorm will take us through a bit of that detail.

The other opportunity that I raise is **the enterprise**, and I think the way we've got to think about enterprises across our markets is that they look quite different from Europe. It's much more the small and medium-sized enterprises. They are largely informal. But they still need the technologies and the tool sets of today's much more commercial environment. We have about six million SMEs that we're serving across the markets, so that's about 12% of the total 50 million. The total is probably bigger, because documenting all the informal economies, you don't capture everything in that way. So, we think we can move up the stack in terms of serving these SMEs.

What's going to really drive this growth is going to be the converged services. Mobility will still play a part, but I think these enterprises need more than just raw connectivity. And you'll see from Selorm's presentation the categories of converged services that we see growth. And with David Behr and his team, I think we are arranging ourselves well to capture on this opportunity.

Financial inclusion, Serigne will cover this in a lot more detail. I mentioned the fact that 90% of payments are still in cash. And as we drive a more digital set of solutions, I think we see an enormous opportunity for us to continue to grow. That data point at the bottom of the slide is quite important: 90% of our existing customers, call them approximately 70 million, their journeys are still USSD-based journeys. I always give Serigne a hard time. Why aren't they moving to the app more quickly? And he will answer himself.

But we believe that the appification of services and getting our customers to move, it also increases discoverability of all of our services. Many of you use USSD menus. It's actually quite a confined space, very limited discovery other than when you contrast it to appified services. We think, again, we're pushing very hard. And again, as part of this partnership with Alipay, we really want to accelerate to the future, so that as our customers are catching up with smartphones, use of more appified services, we're there, and ensure that the moat and the scale advantages that we have, we don't lose them over the next while.

As I said, **AI** is very nascent, and we at MTN have our feet on the ground. We don't have them in the clouds, but we do recognise, particularly around inference, that there is an opportunity here as we look medium to longer term. And Charles will speak to it a little bit later. AI Inside the company, that's already something that we are progressing and working at. AI to consumer, AI to business. And we also have a philosophy and a thought process, AI for social. How do we help our communities more?

So, we're not at the bleeding edge, but we're not standing still either. We have to move with this technology, which is moving very rapidly. McKinsey has a view that by 2030, there is this

US$100 billion of economic value that could be unlocked, and they give a sense of where the industries play. I think the key thing is that these industries are all connected by technologies and connectivity. So, as these opportunities emerge, with our strong networks and our strong market position, we should be there. And I'll leave it to Charles and Mazen to give you our thoughtful approach around these technologies with this mindset around leapfrog opportunity.

So, with these six forces, how are we framing the next couple of years? We've introduced this ***Ambition 2030*** at the results of our FY2025 in March. We spoke about the 'One MTN. Three Platforms: Connectivity, Fintech and Digital Infrastructure'.

Most of our capital today and most of our returns are being generated from Connectivity. But as I said, we still see growth in scaling data with digital services on top of that to drive usage growth. And obviously, we have to do it profitably, given the capex we put in there. Selorm will take us through that detail. Accelerating home, I gave you a sense of the growth opportunity that we see, as I said, this is the next big thing in connectivity, is connecting African homes. We've seen the trends. We've seen it in Europe. We've seen it in Asia-Pacific. We've seen it in Latin America. That's the direction of travel. And we will be looking at our capex envelope and ensuring that there is enough capex allocation towards home connectivity to capture this opportunity, and different markets will use different technologies, and I spoke briefly about empowering enterprises.

Serigne will talk about the two big areas that we focused on at the group level for Fintech. Expanding the ecosystem – we think the ecosystem of users, agents, merchants, has still got a long runway of growth. And then deepening advanced services. Some of the basic services are beginning to get commoditised, or they're on path towards being commoditised over the medium term, so there's a big push from our end to increase the proportion of advanced services. And again, Serigne will give us an update on where we are and our plans.

On Digital Infrastructure, two boxes that are firmly in our control right now – open access fibre and an open access approach to data centres. In the build out of these particular verticals, we are going to tap not only a partner capability, but partner capital. We can't fund all of this opportunity off our balance sheet. So, much of what you'll hear today, and Tsholo will reinforce, is the growth opportunities, the funding and the capital of which will come partially from our own balance sheets, partially from debt being raised in specific of these verticals and then using partner capital. But the underlying thing on Digital Infra is open access. There are third-party customers beyond MTN who are here, but also bring in third-party capital.

And we've put in 'unlock towers value'. The IHS transaction is still going through the various processes and, subject to being completed, will be a building strategic block that we will place under unlock towers value.

All of the strategic pillars have three common themes that run through the organisation. 'Leading customer experience', we're pushing ahead with that. I think the expectation of customers, what good looks like, has changed quite significantly because of how customers are engaging in appified experiences. Many telcos' customers still use USSD today, and that's pretty much not just for ourselves, but actually for the peer group that we compete against.

On 'AI for growth', we'll give you our framework and how we're thinking about it and how we're embedding it, real use cases that are live around SIM registration and etc., which will be covered by Charles and the team. And we have a view and a philosophy position that for us to be sustainable, the 'creation of shared value' is important across our markets. We can't be growing and successful in an environment where that success is not equally shared. That has driven our approach to localisations, etc., and we think that is the right approach for long-term sustainability.

How are we going to market? Pretty much going to market for the 'One MTN. Three Platforms', three brands. And I guess, if on the Digital Infra, we have the IHS being concluded, that will sit as a brand. It won't change shape. We won't rename it. It will remain IHS. But for now, Connectivity uses the mother brand. MoMo is strongly endorsed from MTN. And Bayobab, another open access company, an MTN group company for our fibre as well as our data centre assets that we will build over time.

Strategy has to be underpinned by **people, culture and values**, and we at MTN are very proud – and Paul Norman is in the room - that we have an attractive value proposition for our people. Our people are passionate about the continent. They are passionate about this whole notion of giving Africans dignity, hope and opportunity. And we've had accolades in the past coming through as one of the few African companies in the Forbes World's Best Employers list. We are applying our minds for a world that has got human and AI agents in the workflows, in the work processes. We're not standing still. And we think that a human-AI ecosystem is going to be what is at play. It's part of our design and thinking about the AI Inside.

And we're increasingly focusing on acquiring talent that's fit for the future. And you'll even see when Tsholo speaks about IT, you'll see an increasing amount of our capex spend is going to IT. We need to build software engineers inside the company. The history of telcos was basically to build the network and outsource everything. And we say, actually, we need a lot more software engineers inside our own company as we're developing our own service. So, talent acquisition and upskilling and reskilling is a big part of our workforce planning and building ourselves for the future. And we're guided by our 'Live Y'ello' values. These we launched about two or three years ago. They underpin how we work here at MTN.

The **capital allocation framework**, Tsholo and I spoke about this with the full year results. We've simplified it. The organic growth remains a focus. Order of magnitude, we're saying capex intensity at a portfolio level of 15% to 18%. Nothing has really changed. We've got to figure out how we leverage our own capital, other people's capital. The balance sheet, we're moving from HoldCo leverage to Group leverage in anticipation of IHS. And we have this new shareholder remuneration framework, which has got dividends and buybacks.

Inorganic opportunities, still in the picture. If we can find compelling value-creation opportunities, we'll present them in front of our shareholders. And we think IHS is one of those, and obviously we're going through the process. Just touching on the last two, on **shareholder remuneration** and during the roadshows, I think we interacted with many of you, just to give you our sense of confidence behind the new framework. And obviously, a big part of that is buyback.

What we'd like to communicate to investors is that the buyback programme, we are kicking it off. And I think one of the things we've committed to is to report on it on a quarterly basis. So, that share buyback programme will be initiated no later than Q4 2026. So, anticipate that with full year results when they come up, we will, as we've committed on a quarterly basis, report how that has gone. And that's a voluntary disclosure that we will make from Q1 next year. So, it is R6 billion that we've set out to be executed before the end of 2028, and we're signalling here that in the second half of this year, will commence on that one.

Talking about pillar four on capital allocation, **the IHS acquisition**, the transaction, Tsholo will cover some of that. Again, I think the strategic rationale, as we've communicated, bringing operational and strategic positioning. Mazen will speak a bit later about the pots of value creation that we see going forward with the business under our control, and that we see meaningful synergies and efficiencies coming through. Financing synergies, our ratings, two notches above IHS, and that creates an opportunity for some financing synergies. I'll leave that to Tsholo to talk about how we frame that. And we believe that this is a transaction going forward that will be value-accretive on all the key KPIs. The debt stack will pick up for a period, but given the earnings profile of the business, will get us back into range in a pretty short period of time.

Before I conclude, I just want to talk about **near-term priorities**. Much of what I've spoken about is looking three to five years out, but what are the issues that seize us as a management team today? There's quite a lot on the chart, but I think I can navigate through it fairly quickly. So, on Connectivity, first thing, sustaining the commercial momentum that we saw coming out of Q4 and Q1.

We obviously are dealing with diesel, mostly price issues, not so much supply issues. And the nature of our contracts is the diesel pricing lagging a quarter behind. So, wherever you see diesel prices today, you're going to see these in Q3. And as we've said before, H1 will be relatively clean because of the lag effects, but starting Q3, you'll see what has happened in Q2. And then for Q4, you'll see what has happened.

So, for example, in Nigeria to mitigate the supply risk, we used to have two months of diesel cover. We're now working with three months. I think some of the IHS colleagues are sitting in the room somewhere. So, during the tea break you can confirm. So, the commercial momentum is there, we keep pushing it. And you saw with the Q1 results, the signal would be really the diesel pass-through coming through into Q3.

South Africa, I don't want to steal Ferdi's thunder. I think he has a couple of key messages. One would be prepaid recovery progress. We've said the recovery, you should start seeing the green shoots in the second half of the year, Q3 going to Q4. We don't see green shoots in Q2. We've taken some tough medicine, and we'll take some time for those results to come through, but Ferdi will update where we are.

Wholesale strategy for value, Ferdi will again talk about the approach that we're taking with regards to wholesale. That's all I'll say for now and leave it for him to talk about what that really means practically. And the SA business is doing a structural cost reset, where the team will take between R4 billion to R6 billion worth of expenses on today's basis, completely out of the expense stack going forward. So, that's seizing us today.

And I spoke about the capex mix within the envelope. There's wireless, there's home, there's network, there's IT. We have an envelope. We try and make our choices within an envelope. Capex capital is not infinite. So, we're trying to be as disciplined as possible to keep the capex envelope in that regard. Areas or markets like Nigeria, they're growing very quickly, so you'll see them at the upper end of the capex intensity. South Africa will be at the lower end of that capex intensity. So, these are some of the issues that are keeping us focused.

Fintech, I spoke about the growth side. Structural separations, Ghana is complete. Nigeria, the shareholder vote is done. We're going through all the regulatory approvals with the Central Bank of Nigeria. We're pretty much there with Uganda, I think before the end of this month, the one outstanding set of areas should get us there. So, the three big markets of Ghana, Nigeria, Uganda would have made progress.

Now, these separations are complex and the N-share structure which enabled the unbundling in Nigeria, it's a novel thing. So, the authorities are looking at this, trying to understand pretty much the same structure that we have in Uganda to effect in the most tax-efficient way the separation. There are many ways to separate quicker, but there's a lot of value leakage, so we're very mindful of minimising value leakage in the separation, and therefore there's been extensive engagement, and I think that's, you know, it's come through.

We are looking at new licences. We are looking at new licences that enable us to provide our customers with the suite of products. And Serigne will talk about that. I think most importantly, Nigeria is one of those, but it goes beyond Nigeria into other markets where we believe that fit for purpose, different set of licences, given our size and scale, given our desire to monetise, float better, etc., the licence is inefficient. So, this is a big area of focus, and we are already in train with that. And I'll leave Serigne to talk more about the Alipay partnership announced and how that will play out across our markets.

And again, on Digital Infra, IHS acquisition, big top of mind. As I said, we are actually engaged on the LEO strategy. Our approach is a fit for purpose strategy. So we are doing a POC now in Zambia on direct-to-device with Starlink. So, in that market, we have established that that will make sense in Zambia. It'll help us grow. That's not a strategy that makes sense everywhere. So, every market is different, so anticipate that we will have a LEO strategy that's fit for purpose per market. We're not having an umbrella approach of saying there's a global partnership. We're already partnering on backhaul. And the question is, how do we partner and compete? And I think that's the world we're in.

And then obviously, as I mentioned, the way we think about AI, radio access network, AI at the site. We have very valuable real estate at the site. Can there be inference workloads at the site? Can we do them profitably? That's the big question we're asking ourselves, and we've made a small investment into the ODC partnership, which Mazen will cover.

All of this is underpinned by a focus on what are these initiatives. We want to take AI from POCs and explorations to embedding them deeply across our business. And again, Charles will talk a bit about that. And then obviously, this free cash flow and return on capital employed focus. These are parts of our KPIs, and Tsholo will cover that a little bit later.

As I close, we have an **investment case** at MTN, which I trust between today and tomorrow, we'll be able to convince you as shareholders and broader stakeholders that we have a case about unlocking growth and delivering returns. We've got to deliver both. Delivering one is insufficient. There are significant growth opportunities across our portfolio, as we are today. And we want to be able to communicate these clearly to yourselves. And that's why we appreciate you taking the time to be with us.

There are these structural growth opportunities. The six that I spoke about are the ones most compelling for us. We are well positioned. In pretty much most of our markets we have scale. We're number one or number two across pretty much all of our markets. Networks are well invested. We have, in most markets, sufficient spectrum. It gives us a good base to grow going forward. The financial framework which Tsholo will take us through and remind us of, it has not changed much, but it's what disciplines us around decisions we make, particularly around how we allocate capital.

And we deeply believe in this thing about shared value, localisations – the import of those. Some of them, we've done them because of regulatory reasons, some of them we've done them because it's the right thing to do over time. And it also is a form of risk mitigation for us. So, we would like to position our investment case as unique, it's unlocking growth, and it's delivering returns. And at the end of today, and for those who are with us tomorrow, I'm hoping you **take away** the following key messages.

There is the structural growth opportunity across MTN's markets. The ***Ambition 2030*** strategy is the best way to capture this. We've got a track record as a business and as a management team to be able to execute, to manage through the macros and the challenges that we face in pursuit of these opportunities. As a business, we have an approach around disciplined capital allocation, and we're also giving shareholders both growth and return, something that we think is quite unique across our markets, and positions MTN as best placed across Africa to enable digital and financial inclusion. So, ladies and gentlemen, thanks very much. I'll pass on to our MC, and the next speaker will be Selorm. Thank you very much.

Nastassia Arendse
Thank you, Ralph. And we're going to catch up with him a little bit later today. I did have a look at the platform that we're using for the questions and some interesting questions are coming through and they are very detailed. A reminder that we're going to set aside time as the programme unfolds

to get through all of those questions. But we're loving that engagement. That is exactly what today is for.

End of session 1.
Edited for accuracy.

END OF TRANSCRIPT