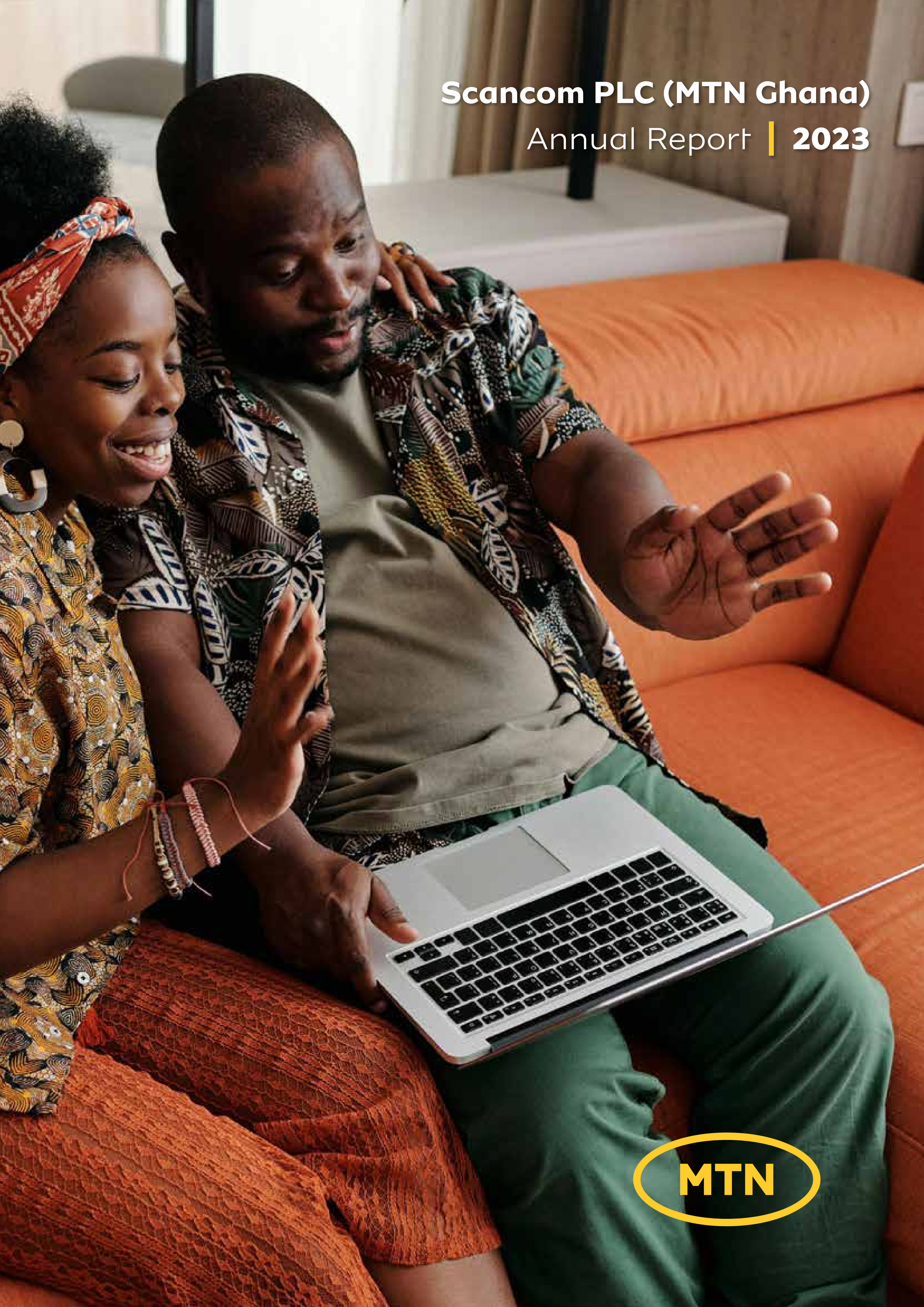


Scancom PLC (MTN Ghana)

Annual Report | **2023**

Y'ello!

get doing with

MTN

Contents

About this report

This annual report is Scancom PLC's (MTN Ghana) primary communication to all stakeholders and aims to enable them to make an informed assessment of our performance and prospects.

It endeavours to provide a balanced review of the material matters we face; our use of the capital as defined by the Securities Industry Act, 2016 (Act 929) and Companies Act, 2019 (Act 992); our key operational, financial, economic, social and environmental performance; how we are governed; our engagement with stakeholders; as well as our risks and opportunities. In short, it is our value-creation story.

Scope and boundary

Our material matters, as well as our strategy, form the anchor of the report and determine its content. It covers the period 1 January to 31 December 2023, and gives commentary, performance measures and prospects for MTN Ghana's operations. We provide supplementary information in associated reports and the full set of annual financial statements (AFS), at the Investors page on MTN Ghana's website **mtn.com.gh/investors**

Financial information

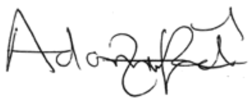
We apply International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and interpretations as issued by the IFRS Interpretations Committee. We comply with the annual filing requirements of the Securities and Exchange Commission's Regulations, 2003 (L.I. 1728) and Securities Industry Act, 2016 (Act 929) as issued by the Securities and Exchange Commission (SEC). We also comply with the Ghana Stock Exchange (GSE) Rulebook and the requirements of the Companies Act, 2019 (Act 992).

Non-financial information

We use local and global standards and guidelines to compile non-financial information. These include the GSE Rulebook, the Companies Act, 2019 (Act 992), the Securities Industry Act, 2016 (Act 929), Securities and Exchange Commission's Regulations, 2003 (L.I. 1728) and other guidelines issued by the National Communications Authority.

Approval by the Board

The report was prepared under the supervision of CEO, Selorm Adadevoh, and CFO, Antoinette Kwofie. The audit committee ensures the integrity of the report and has applied its collective mind to its preparation and presentation. The Directors are responsible for the annual report as a whole, which they approved in February 2024.



Selorm Adadevoh
Chief executive officer

Antoinette Kwofie
Chief financial officer

Notice of annual general meeting

Notice is hereby given that the 6th Annual General Meeting of Shareholders of Scancom PLC ("MTN Ghana" or the "Company") will be held both in-person at the Grand Arena of the Accra International Conference Centre, Accra and virtually by live streaming by accessing **https://mtnghagm.com/** on Friday, March 22, 2024 at 11:00am GMT to transact the following business:

Ordinary Business

1. To receive and consider the Audited Financial Statements together with the reports of the Directors and Auditors thereon for the year ended December 31, 2023;
2. To declare a final dividend for the year ended December 31, 2023;
3. To re-elect or appoint the following as Directors of the Company:

   3.1 To re-elect NanaAma Botchway who is retiring by rotation:

   3.2 To re-elect Rosemond Ebe-Arthur who is retiring by rotation:

   3.3 To re-elect Felix Addo who is retiring by rotation:

   3.4 To re-elect Kofi Dadzie who is retiring by rotation; and

   3.5 To appoint Louisa Stephens as a director of the Company.

   3.6 To appoint Stephen Blewett as a director of the Company effective April 1, 2024.
4. To approve Directors' fees for the financial year 2024; and
5. To authorize the Directors to fix the remuneration of the Auditor for the financial year 2024.

DATED THE 28TH DAY OF FEBRUARY, 2024

BY ORDER OF THE BOARD

SIGNED

PALA ASIEDU OFORI (MRS.)

(COMPANY SECRETARY)

1. Attendance

This Annual General Meeting (AGM) of Shareholders shall be held on Friday March 22, 2024, at 11:00am GMT. Shareholders may attend in person at the Grand Arena of the Accra International Conference Centre or may attend virtually and participate online by accessing **https://mtnghagm.com/**.

Alternatively, Shareholders who do not have smart phones may participate in the AGM by (i) dialing +233 24 430 0025; (ii) entering the access code 8000; and (iii) entering the conference pin number 056789.

2. Proxy / Proxy Forms

2.1 A Shareholder entitled to attend and vote at the AGM may appoint a proxy to attend and vote on his/her behalf. Such a proxy need not be a Shareholder of the Company.

2.2 The appointment of a proxy will not prevent a Shareholder from subsequently attending and voting at the AGM. Where a Shareholder himself/herself attends the meeting, the proxy appointment shall be deemed to be revoked.

2.3 A copy of the Proxy Form may be downloaded from **https://mtnghagm.com/** and may be completed, signed and sent via email only to info@csd.com.gh, as soon as possible and in any event not less than 48 hours before the time appointed for the meeting.

3. Accessing and Voting at the AGM

3.1 Access to the meeting will be made available from 9:00am GMT, on Friday, March 22, 2024. Kindly note, however, that the AGM shall commence at 11:00am GMT. Access to the AGM is set out in note 1 above.

3.2 A unique token number will be sent to Shareholders by email and/or SMS from Thursday, March 14, 2024, to grant access to the AGM. Shareholders who do not receive this token may contact info@csd.com.gh or call +233 (0) 54 582 3198, +233 (0) 54 582 2865 or +233 (0) 54 582 2920 before the date of the AGM, to be sent the unique token.

3.3 Shareholders who do not submit proxy forms to info@csd.com.gh prior to the meeting, may vote electronically during the AGM using their unique token number.

3.4 Shareholders participating in the AGM by dial-in as set out in note 1 above, may dial USSD code *899*0# on all networks to cast their votes.

3.5 Shareholders joining online may vote as well using the USSD code as set out in 3.4 above or on the online portal, by clicking on the “cast your vote” button and following the instructions.

3.6 Further assistance on accessing the meeting and voting electronically can be found on **https://mtnghagm.com/**.

4. 2023 Audited Financial Statements

Pursuant to Section 128 (3) of the Companies Act, 2019 (Act 992), the Directors must present to Shareholders at the Annual General Meeting the financial statements, alongside the report of the Directors, and report of the Auditor (Ernst & Young Ghana) of the Company for the year ended December 31, 2023.

Shareholders are required to receive and consider the Audited Financial Statements together with the reports of the Directors and Auditor thereon for the year ended December 31, 2023.

5. Ordinary Resolutions

5.1 Ordinary Resolution 1 – Final dividend payment

Section 76 of the Companies Act provides for the approval by Shareholders of dividend recommended by the Board of Directors. At the Board Meeting held on 27 February 2024, the Directors resolved and recommended a final dividend of GHS0.175 per share amounting to a total of GHS2,316,330,633.75 (Two Billion, Three Hundred and Sixteen Million, Three Hundred and Thirty Thousand, Six Hundred and Thirty-Three Cedis, Seventy-Five Pesewas) for the financial year 2023. Shareholders are by this resolution requested to approve the final dividend recommended by the Directors.

Resolution 1: The Shareholders by ordinary resolution hereby declare the payment of a final dividend of GHS0.175 per share amounting to a total of GHS2,316,330,633.75 (Two Billion, Three Hundred and Sixteen Million, Three Hundred and Thirty Thousand, Six Hundred and Thirty-Three Cedis, Seventy-Five Pesewas) for the financial year 2023.

5.2 Ordinary Resolution 2 – Re-election / Appointment of Directors

5.2.1 Re-election of Directors

To re-elect Ms. NanaAma Botchway, Ms. Rosemond Ebe-Arthur, Mr. Felix Addo and Mr. Kofi Dadzie who are retiring by rotation.

Pursuant to Sections 325 (a) and (d) of the Companies Act, one third of the Directors are required to retire from office at each AGM and each retiring Director is eligible for re-election at the said AGM. Accordingly, Ms. NanaAma Botchway, Ms. Rosemond Ebe-Arthur, Mr. Felix Addo and Mr. Kofi Dadzie who are required to retire by rotation at this AGM and being eligible for re-election have offered themselves for re-election.

Resolution 2.1: The Shareholders by ordinary resolution hereby, re-elect Ms. NanaAma Botchway retiring by rotation as an Independent Non-Executive Director of Scancom PLC.

Resolution 2.2: The Shareholders by ordinary resolution hereby, re-elect Ms. Rosemond Ebe-Arthur retiring by rotation as an Independent Non-Executive Director of Scancom PLC.

Resolution 2.3: The Shareholders by ordinary resolution hereby re-elect Mr. Felix Addo retiring by rotation as an Independent Non-Executive Director of Scancom PLC.

Resolution 2.4: The Shareholders by ordinary resolution hereby, re-elect Mr. Kofi Dadzie retiring by rotation as an Independent Non-Executive Director of Scancom PLC.

5.2.2 Appointment of Directors

To appoint Ms. Louisa Stephens as an Independent Non-Executive Director of the Board and to appoint Mr. Stephen Blewett as a Director of the Board.

Pursuant to section 172 (3) and 300 of the Companies Act, the Company may by ordinary resolution appoint a director of the Company. Ms. Louisa Stephens is recommended by the Board of Directors for appointment as an Independent Non-Executive Director of the Company.

Furthermore, pursuant to Clause 59 (4) of the Company's constitution, the Board may make recommendations for the appointment of the Chief Executive Officer as a director of the Company. The Board has appointed Mr. Stephen Blewett as the Chief Executive Officer of the Company effective 1 April 2024. The Board hereby recommends his appointment as a director of the Company effective 1 April 2024.

Resolution 2.5: The Shareholders by ordinary resolution hereby, appoint Ms. Louisa Stephens as an Independent Non-Executive Director of Scancom PLC.

Resolution 2.6: The Shareholders by ordinary resolution hereby appoint Mr. Stephen Blewett as a Director of Scancom PLC effective 1 April 2024.

5.3 **Ordinary Resolution 3 – Approval of an increase and payment of Directors' fees for the financial year 2024**

Pursuant to Section 185 (1) of Act 992 and Paragraph 15 (3) of the SEC Corporate Governance Code, the fees, and any other remuneration payable to directors shall be determined by an ordinary resolution of the Company and the Directors' remuneration shall not be increased except with Shareholder approval at a general meeting, where notice has been given of a proposal to increase remuneration.

The amount of Six Million Five Hundred and Ninety Thousand, Nine Hundred and Eighty-Two Ghana Cedis (GHS6,590,982.00) is hereby proposed as Non-Executive Directors' fees subject to overruns in the event of the appointment of additional Non-Executive Directors and ad-hoc Committee meetings that may be required in the course of the year.

Resolution 3: The Shareholders by ordinary resolution hereby approve the amount of Six Million Five Hundred and Ninety Thousand, Nine Hundred and Eighty-Two Ghana Cedis (GHS6,590,982.00) to be paid to Non-Executive Directors of Scancom PLC, subject to overruns in the event of the appointment of additional Non-Executive Directors and ad-hoc Committee meetings that may be required in the course of the year.

5.4 **Ordinary Resolution 4 – Authorization of the Board of Directors to fix the remuneration of the Auditors for the financial year 2024.**

Pursuant to Section 140 (1) (c) of Act 992, the remuneration payable to an Auditor of the Company shall be fixed at a meeting of Shareholders by ordinary resolution of the Company or in a manner that the Company by ordinary resolution may determine.

Resolution 4: The Shareholders by ordinary resolution hereby authorize the Board of Directors of Scancom PLC to fix the remuneration of the Auditors for the financial year 2024.

For further information, please contact:

Tel: +233 (0) 545823198, +233 (0) 545822865 or +233 (0) 545822920

Proxy form

Proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at 11:00am GMT on March 22, 2024, or at any adjournment thereof.

OR

I____a director of____________________ ______________________________________Company Limited (the "Shareholder Company") for and on behalf of the Shareholder Company, which is a shareholder of Scancom PLC do hereby

appoint____ of ____________________ __________________or failing him/her the Chairman of the Meeting as the Proxy of the Shareholder Company, to attend, speak and vote on its behalf as he/she may deem fit, at the Virtual Annual General Meeting to be held at 11:00am GMT on March 22, 2024.

Please indicate with an X in the spaces below how you wish your votes to be cast.

Ordinary Business	**For**	**Against**
1. The Shareholders hereby approve by ordinary resolution the payment of a final dividend of GHS0.175 per share amounting to a total of GHS2,316,330,633.75 (Two Billion, Three Hundred and Sixteen Million, Three Hundred and Thirty Thousand, Six Hundred and Thirty-Three Cedis, Seventy-Five Pesewas) for the financial year 2023		
2. Re-election / Appointment of Directors		
2.1. The Shareholders by ordinary resolution hereby re-elect Ms. NanaAma Botchway retiring by rotation as an Independent Non-Executive Director of Scancom PLC..		
2.2 The Shareholders by ordinary resolution hereby re-elect Ms. Rosemond Ebe-Arthur retiring by rotation as an Independent Non-Executive Director of Scancom PLC.		
2.3 The Shareholders by ordinary resolution hereby re-elect Mr. Felix Addo retiring by rotation as an Independent Non-Executive Director of Scancom PLC.		
2.4 The Shareholders by ordinary resolution hereby re-elect Mr. Kofi Dadzie retiring by rotation as an Independent Non-Executive Director of Scancom PLC.		
Please indicate with an X in the spaces below how you wish your votes to be cast		
Special Business	**For**	**Against**
2.5. The Shareholders by ordinary resolution hereby appoint Ms. Louisa Stephens as an independent non-executive director of Scancom PLC		
2.6. The Shareholders by ordinary resolution hereby appoint Mr. Stephen Blewett as a Director of Scancom PLC effective April 1, 2024.		
3. The Shareholders by ordinary resolution hereby approves the amount of Six Million Five Hundred and Ninety Thousand, Nine Hundred and Eighty-Two Ghana Cedis (GHS6,590,982.00) to be paid to Non-Executive Directors of Scancom PLC, subject to overruns in the event of the appointment of additional Non-Executive Directors and ad-hoc Committee meetings that may be required in the course of the year.		
4. The Shareholders by ordinary resolution hereby authorize the Board of Directors of Scancom PLC to fix the remuneration of the Auditors for the financial year 2024		

Dated this ______________day of March 2024

Name: ______________________________ Signature: __________________________

FIRST FOLD HERE

PLEASE
AFFIX
STAMP
HERE

The Company Secretary
Scancom PLC (MTN Ghana)
Head office
PO Box 281
Trade Fair, La Accra
Ghana

SECOND FOLD HERE

Declaration of final ordinary dividend

Notice is hereby given that a gross final dividend of GHS0.175 per share for the period to 31 December 2023 has been recommended by the Board and subject to approval by shareholders. All dividends are subject to the deduction of the appropriate taxes. The number of ordinary shares in issue at the date of this declaration is 13,236,175,050.

Scancom PLC's tax reference number is **C0003632776.** In compliance with the requirements of GSE rules, the salient dates relating to the payment of the dividend are as follows:

Ex-dividend date	**Tuesday, 26 March 2024**
Qualifying date	**Thursday, 28 March 2024**
Dividend payment date	**Friday, 12 April 2024**

All shareholders registered in the books of Scancom PLC at close of business on Thursday, 28 March 2024 qualify for the final dividend.

In view of the foregoing, the ex-dividend date has been set as Tuesday, 26 March 2024. Consequently, an investor purchasing MTNGH shares before this date will be entitled to the final dividend. However, an investor buying MTNGH shares on or after Tuesday, 26 March 2024 will not be entitled to the final dividend.

On Friday, 12 April 2024 the dividend will be transferred electronically to the bank accounts or mobile money wallets of shareholders who make use of these facilities.

The final dividend was approved by the Board of Directors on 27 February 2024 and signed on its behalf by:

Selorm Adadevoh
Chief executive officer

Antoinette Kwofie
Chief financial officer

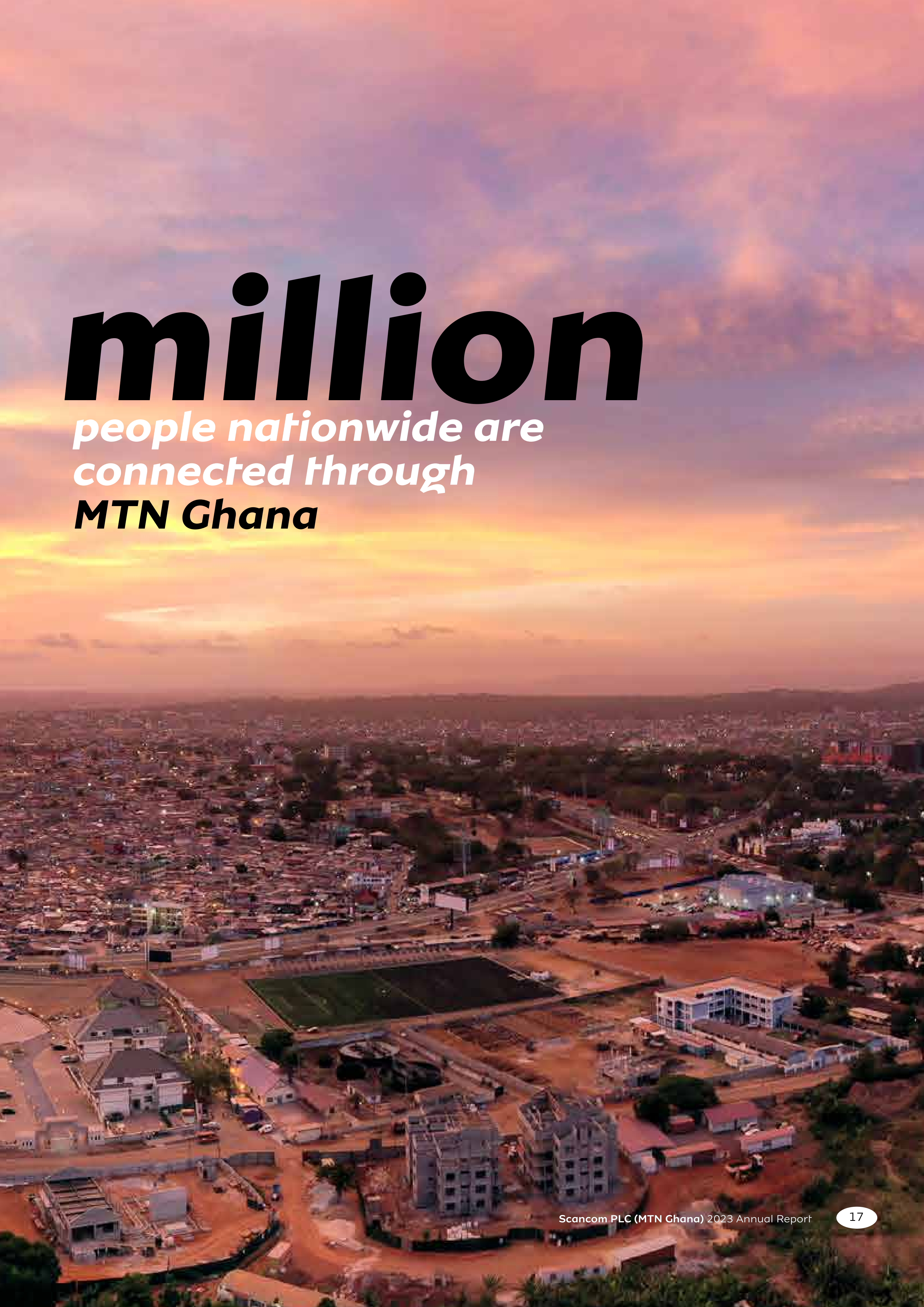

Doing starts with play
What are we doing today?
MTN

what are we doing next?

MTN

Who we are


26.8



million

people nationwide are connected through MTN Ghana

Creating Shared value, *responding to national priorities*

Shared value is a key priority for MTN Ghana and a testament to our commitment to the socio-economic development of the communities within which we operate. MTN Ghana continues to create shared value through the various social interventions it executes to drive Ghana's progress. The company, through the MTN Foundation's Corporate Social Investment (CSI) initiatives provides health, education and economic empowerment support to underserved communities. To date, the MTN Foundation has successfully implemented over 166 major projects across the country.

In 2023, the MTN Foundation embarked on a new course. In support of the overall strategic direction of the MTN and the Government of Ghana's digitalization agenda, which aim to accelerate digital access and usage, the MTN Ghana Foundation is now aligning 75% of its projects to digital related projects and 25% to other national priorities. Th organization will continue to execute other projects which are dear to the hearts of the communities whilst ensuring that such projects are forward looking by incorporating some digital components.

With a vision to create sustainable opportunities that impact communities and touch lives, the MTN Ghana Foundation's approach to CSI is to systematically drive inclusive growth by addressing literacy, youth unemployment and community development. For maximum impact, the MTN Foundation, with a firm belief in diversity and inclusion, targets the youth, women and differently abled especially in the low-income bracket. Through its various programs, the MTN Foundation seeks to expose beneficiaries to ICT through digital skills training, awareness, and information to equip them with valuable insights into the varied opportunities that are available for their education, businesses and general sustenance. In collaboration with like-minded organizations and MTN employees, the MTN Foundation will work to expand its reach, visibility and impact on communities across the country.

In 2023, the MTN Foundation made significant contributions to education and economic empowerment of the communities within which we operate.

Education

Giving young people a Brighter future

MTN Foundation's flagship scholarship program, the "MTN Bright Scholars" provides financial aid to needy but brilliant students pursuing primarily Science, Technology, Engineering and Mathematics (STEM) courses in public tertiary institutions. The all-inclusive scholarship covers the full cost of tuition, accommodation and stipend for personal expenses. The scholarship scheme is a legacy program which has supported more than 1400 beneficiaries since inception. The MTN Bright Scholars scheme has been hugely successful and has helped create a large pool of qualified highly motivated young people who are serving their country in various capacities. We are proud to say that a significant number of the MTN Bright Scholars have been the recipients of top honours at graduation ceremonies and have gone on to pursue their dream careers.

The Foundation is primed in 2024 and beyond to leverage its core capabilities to enable economic empowerment through the digital revolution among the youth, women and differently abled persons.

The Senior High School Integrated ICT and Robotics Laboratory

In keeping with its ICT focus, the MTN Foundation has established ultra-modern ICT and robotics laboratories in schools and deprived localities within the country. The Dansoman Community Library situated within Ebenezer Senior High School was the first secondary school library in Ghana to have a modern integrated ICT center and a robotics laboratory. The multipurpose facility was constructed at cost of GHS770,000 and handed over in November 2020.

Remarkably, the Dansoman multipurpose library has recorded more than 20,000 visits since its opening in November 2020. The purpose of the multipurpose facility was to help improve the reading culture of the community and whip up students' interest in STEM courses. The facility comprises of a 100-seater conventional library area, a 20-seater ICT center and a robotics laboratory. The robotics and ICT laboratories serve as learning resource centers for students and young people undergoing training in robotics.

Records show a consistent increase in patronage of the center since it went into operation. The facility currently records between 2,000 and 3,000 visits monthly, demonstrating the need for and usefulness of such facilities in our local communities. It also affirms MTN Foundation's belief in creating a community of enriched and empowered youth in ICT.

Digital skills through MTN Skills Academy

Late last year, MTN Ghana Foundation launched the MTN Skills Academy, the first of its kind in Ghana to train over 100,000 Ghanaian youth with digital skills by 2025.

The Academy will leverage technology and partnerships to build and scale up skills in a bid to bridge the digital skills and unemployment gap. The goal is to train youth in Ghana to build the needed ICT skills for the future. The MTN Skills Academy comes to complement the ongoing USD25 million Ghana ICT Hub that, among others, focuses on investing, developing and nurturing Ghana's growing youth population in ICT. Through the MTN Skills Academy, young people between the ages of 15 and 24 years will be taken through career guidance, digital and financial skills training, job placement requirements, work readiness and mentorship.

The MTN Ghana Foundation is collaborating with two partner ICT hubs in the Greater Accra Region to help in recruiting interested young people within the relevant bracket to sign up for the courses on the MTN Skills Academy program. They will also provide support to young people living in and around the selected areas who do not have the means to access the program online.

Economic Empowerment

In 2023, 140 micro and small enterprises benefited from the MTN Foundation's Enterprise program. The project is expected to support 500 micro, small and medium enterprises (MSMEs) in Ghana over the next five years and targets youth, women and differently abled led MSMEs. Selected beneficiaries will be supported with training, business development support, technical assistance, and seed funding. The program is MTN Foundation's way of helping to solve the challenge of access to capital by micro and small-scale enterprises in the country.

doing drops jaws

MTN

MTN Ghana Foundation commits to supporting 500 Micro, Small and Medium Enterprises with GHS5 million.

MTN Ghana Foundation has committed to supporting five hundred micro, small and medium enterprises (MSME) as part of its Enterprise Support Program. The project is targeting the youth, women and differently abled who own and run MSMEs.

The onboarding programme for the first group of beneficiaries were held in Accra, Kumasi and Takoradi. To date, 134 beneficiaries have received training, business development support, technical assistance, and seed funding, with each beneficiary receiving up to GHS10,000.00. Currently, MTN Foundation has successfully disbursed GHS988,000.00 out of a projected GHS1,000,000.00 to the beneficiaries.

All beneficiaries have registered for MTN merchant accounts to make payments easier. As a component of the program's benefits, participants have been successfully enrolled in the MTN Momo Market. This vibrant e-commerce platform offers businesses the chance to showcase their products to an extensive audience of over 20 million customers. Participants in the youth-led category were also given the opportunity to display their goods and services at MTN fair.

Commenting on the program, the Chief Corporate Services and Sustainability Officer of MTN Ghana, Adwoa Wiafe said, "In line with our diversity and inclusion drive, we made a conscious effort to select businesses that have clear social and environmental impact and align with our sustainability objectives and the UN Sustainable Development Goals. We were also interested in businesses with digital components since we are accelerating our digital inclusion agenda."

The MTN Enterprise Support Programme is in partnership with the Innohub Foundation and was launched in March 2023.

The MTN Ghana Foundation has been operating since November 2007 as the vehicle to select and implement MTN's Corporate Social Investments. MTN Ghana Foundation has three areas of focus - Health, Education and Economic Empowerment. From its inception to date, the Foundation has undertaken 166 major projects across the country.


Alexander
Tetteh
Beneficiary
MTN
nohub

MTN

we are doers

MTN Ghana continued to shine and excel in various areas of its work. In 2023, MTN Ghana received several awards and recognition from various institutions. Some MTN leaders and employees also received recognition for their contributions to their professions. In all, the company received a total of twenty-six awards. The awards are listed below.

MTN Ghana CEO receives MTN Group's Best CEO award as Ghana is adjudged best ESG OPCO.

Selorm Adadevoh was adjudged MTN CEO of the Year at the 2023 MTN Leadership Gathering Conference in Johannesburg, South Africa. Under his leadership, MTN Ghana also won two additional awards at the MTN Group level. The awards were: Best Environmental, Social and Governance (ESG) Award, Best OPCO in future fit talent and culture award and the Best OPCO in sustainable engagement.

The ESG Award was based on the adoption of the Sustainability strategy and ESG KPI Index scoring methodology that focuses on MTN's material matters and strategic programmes. Ghana recorded 5.2% emission reduction against the MTN Group target of 3.5%. Turning commitment into practical steps, MTN Ghana ensured that 20% of its Base transceiver stations (BTS) were solar powered resulting in a reduction of grid and fuel utilization. The award was also given due to MTN Ghana's piloting of various innovative solutions like smart sensors.

National Award presented to MTN Foundation

MTN Ghana Foundation was recognized for the significant contributions the Foundation made in the fight against COVID-19 at the 2023 National Honors and Awards. MTN Ghana Foundation received a plaque and a certificate for their distinguished service.

MTN Ghana wins Project Management Office of the Year for the third time running

MTN Ghana won the coveted Project Management Office (PMO) of the Year award for the third consecutive time at the Project Management Excellence Awards 2023. MTN was also adjudged winner of Telecoms Project of the Year at the ceremony.

The other awards the company won were:

- 1st Runner Up: IT Project of the year.
- 1st Runner Up: Project Management Excellence Award of the Year.
- 1st Runner Up: Project Manager of the Year (Evans Abakah).

The awards were in recognition of MTN Ghana's continuous adherence to strategic leadership principles in implementing projects. In 2022, MTN Ghana's PMO led the management of the company's capital projects implementation through an unprecedented volatile macroeconomic environment.

Ghanaweb Women Excellence Awards recognizes Senior Manager for Corporate Communications

Georgina Asare Fiagbenu, Senior Manager for Corporate Communications, received two awards at the 3rd edition of the Ghanaweb Women Excellence Awards. She won Ghanaweb Excellence in Media and Communications and a Special Award – Ghanaweb Humanitarian Award. The award celebrates, appreciates and brings to light the noteworthy achievements of women in various sectors including male-dominated jobs and careers.

MTN Ghana adjudged Marketing–oriented Telecommunications Company at CIMG Awards

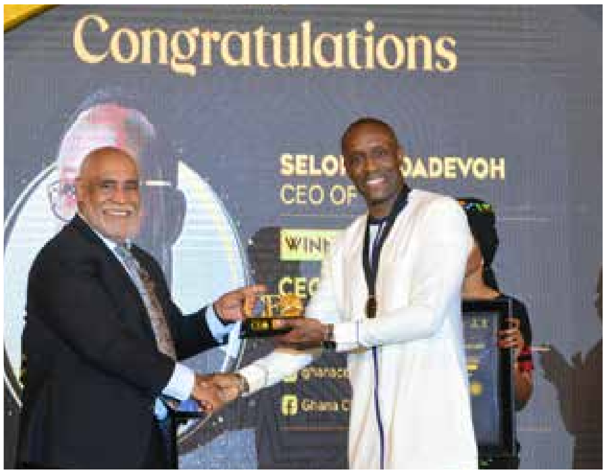
MTN Ghana was adjudged the Marketing-oriented Telecommunications Company of the Year 2022 at the 34th Chartered Institute of Marketing Ghana (CIMG) annual national awards held in Accra. In addition, the company was maintained in the CIMG Hall of Fame for the fourth time.

MTN Ghana CEO recognized by Ghana CEO Vision and Awards

MTN Ghana CEO, Selorm Adadevoh, was adjudged CEO of the Year for the telecom sector at the 2nd edition of the Ghana CEO Vision and Awards held in Accra. The CEO of Mobile Money Limited (MML), Shaibu Haruna was also adjudged CEO of the Year – FinTech Service Provider.

Selorm Adadevoh's award was in recognition of his achievements in the areas of sustainability, leadership excellence, innovation, among others, in the telecoms sector which contributed to job creation and helped in the growth of Ghana's economy.

Shaibu Haruna was honored for spearheading innovative products and services which kept MTN Momo ahead of the game in the fintech space. Above all, he was awarded for making lives easy for Ghanaians through the services that MTN Momo provides.



Ghana Club 100 number 2 company

Scancom PLC (MTN Ghana) was adjudged the number two company of the year at the 20th edition of the Ghana Club 100 awards ceremony held in Accra. In addition, MTN Ghana was ranked the number three company in Ghana for its Corporate Social Investments. MTN Ghana also received special recognition for its consistent participation in the prestigious Ghana Club 100 Awards for two decades, exemplifying a relentless commitment to excellence, and cementing its legacy as a cornerstone of Ghana's economic success.

Women's Choice Awards Africa honors MTN Ghana's Chief Financial Officer

Antoinette Kwofie, the Chief Financial Officer of MTN Ghana, was awarded the Ultimate Woman in Leadership – Finance at the 5th edition of the Women's Choice Awards Africa held in Accra. Antoinette's award was in recognition of her remarkable strides and success in the field of finance which is mostly male dominated.

At the same event, MTN MoMo received the Entrepreneur Choice of the Year Award.

MTN retains Hall of Fame status at HR Focus Awards

On the Human Resource (HR) side, the company was honored at the 6th edition of the HR Focus Awards. Having been inducted into the HR Focus Hall of Fame in 2019, MTN Ghana continues to demonstrate excellence in the practice of HR. The company was adjudged the Best Large Organization in the following categories: employee relations practice, rewards management practice, performance management and employer branding.

In the Special Awards category, MTN Ghana received the HR Team of the Year Award for employing new ways of working, innovation, and a unique approach to all aspects of HR management.

Own a business website in 72 hours!

Build and Maintain the online presence of your business with **MTN webwiz.**

Visit mtnwebwiz.com

Our vision, mission and values

Our Vision

To lead the delivery of a bold, new digital world to our customers

Our Purpose

To enable the benefits of a modern connected life to everyone

Our Belief

Everyone deserves the benefits of a modern connected life

Values that drive us

Lead with Care
'Can-do' with Intergrity
Collaborate with Agility
Serve with Respect
Act with Inclusion

Vital behaviours that shape our culture

Complete accountability
Get it done
Active collaboration
Complete candour

What we offer

MTN Ghana leads the data market with 15.4 million subscribers as at December 2023.

The growth in data market share is largely attributable to effective market propositions, rich content and value-added services, video push, MTN's smart device drive, lifestyle-based propositions and packages, as well as partnership models within the data ecosystem.

The various products and services offered by MTN Ghana to retail and corporate consumers include:

Enterprise

We are the committed partner to small, medium, and large private enterprises, multinationals as well as the public sector. We foster expansion and adaptability through the provision of top-tier connectivity, communication, and collaboration solutions on a global infrastructure platform.

Our comprehensive suite of offerings encompasses unified communication (covering voice, messaging, and video), digital, cloud and hosting services, connectivity solutions, managed mobility services (including Internet of Things), and robust security measures.

The products available in this segment include MTN Dedicated Internet, MTN Corporate Postpaid Packages, MTN Leased Lines, MTN Vehicle Tracking, Mobile Advertising, Association Bundle, GroupShare, MTN Webwiz, MTN SME Plus, Business Broadband, MTN Business Caller Tunez, MTN Multi-Caller Services, MTN Cloud Services, MTN Global (MPLS) VPN, MTN Co-Location Hosting/Data Center Services, and MTN APN SIM, Business Manager, Business Messenger and MTN Asset Tracking.

Consumer

As a dedicated partner to small, medium, and large private enterprises, as well as the public sector, we drive growth and agility by offering connectivity, communication, and collaboration solutions on world-class infrastructure. Our range of services includes unified communication (voice, messaging, and video), cloud and hosting services, connectivity, managed mobility (Internet of Things), and security. The products available in this segment include MTN Dedicated Internet, MTN Corporate Postpaid Packages, MTN Asset Tracking, MTN Leased Lines, MTN Vehicle Tracking, MTN Smart Cam, MTN Eazifon, MTN SME Plus, MTN Directory Services, MTN Fibre Broadband, MTN Business Caller Tunez, MTN Multi-Caller Services, MTN Cloud Services, MTN Global (MPLS) VPN, MTN Co-Location Hosting/Data Center Services, and MTN APN SIM.

MTN Mobile Money

MTN Ghana launched its Mobile Money service in July 2009 in partnership with nine banks, making it the first telco in Ghana to do so. As at December 2023, there were 21 partner banks and approximately 15.2 million active users on the MTN Mobile Money platform, along with over 282,355 active agents throughout the country. The platform offers a variety of services, including money transfers, airtime top-ups, bill payments, general payments, bulk payment payroll, school fees payments, savings and investment options, international remittances, links to bank accounts, insurance, and ATM cash-outs.

Ambition 2025 | Framing our strategic

Belief statement	Everyone deserves	
Strategic intent	Leading digi	
Strategic Priorities	Build the **largest** & most **valuable platforms**	Driv **indus** **leadi** connec operati
Vital enablers	Leading customer experience	Best talent, culture & future skills
Values*	Lead with Care	Can-do with Integrity

**Refreshed values*

position

s the benefits of a modern connected life

ital solutions for Africa's progress

e
try-
ng
tivity
ions

Create
shared value

Accelerate
portfolio
transformation

Value based capital allocation	ESG at the core	Technology platforms second to none
Collaborate with Agility	Serve with Respect	Act with Inclusion

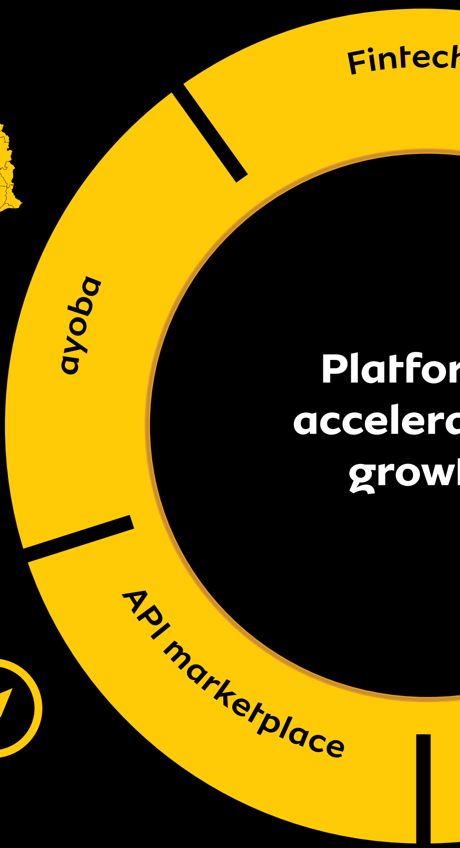
Investment case: Well-positione

Strong position in market

- #1 subscriber market share
- Leader with a strong competitive advantage across all segments: voice, data and mobile money

Well-positioned for the long-term growth

- Increased data investment: fixed and mobile
- Best Network with excellent customer experience
- Accelerated growth in advanced services : Payments, S&L and insurance



Disciplined cap

Enhanced risk and reg

Committed to create shared

ed to become a platform player

Exciting demographic opportunity

- Fast-growing, youthful population
- Large opportunity in digital and financial services
- The youth and community are at the heart of all socio-economic initiatives

Attractive return profile

- Accelerating growth outlook
- Attractive cash flow and ROE profile
- Consistent dividend payment
- Significant contribution to sustainability

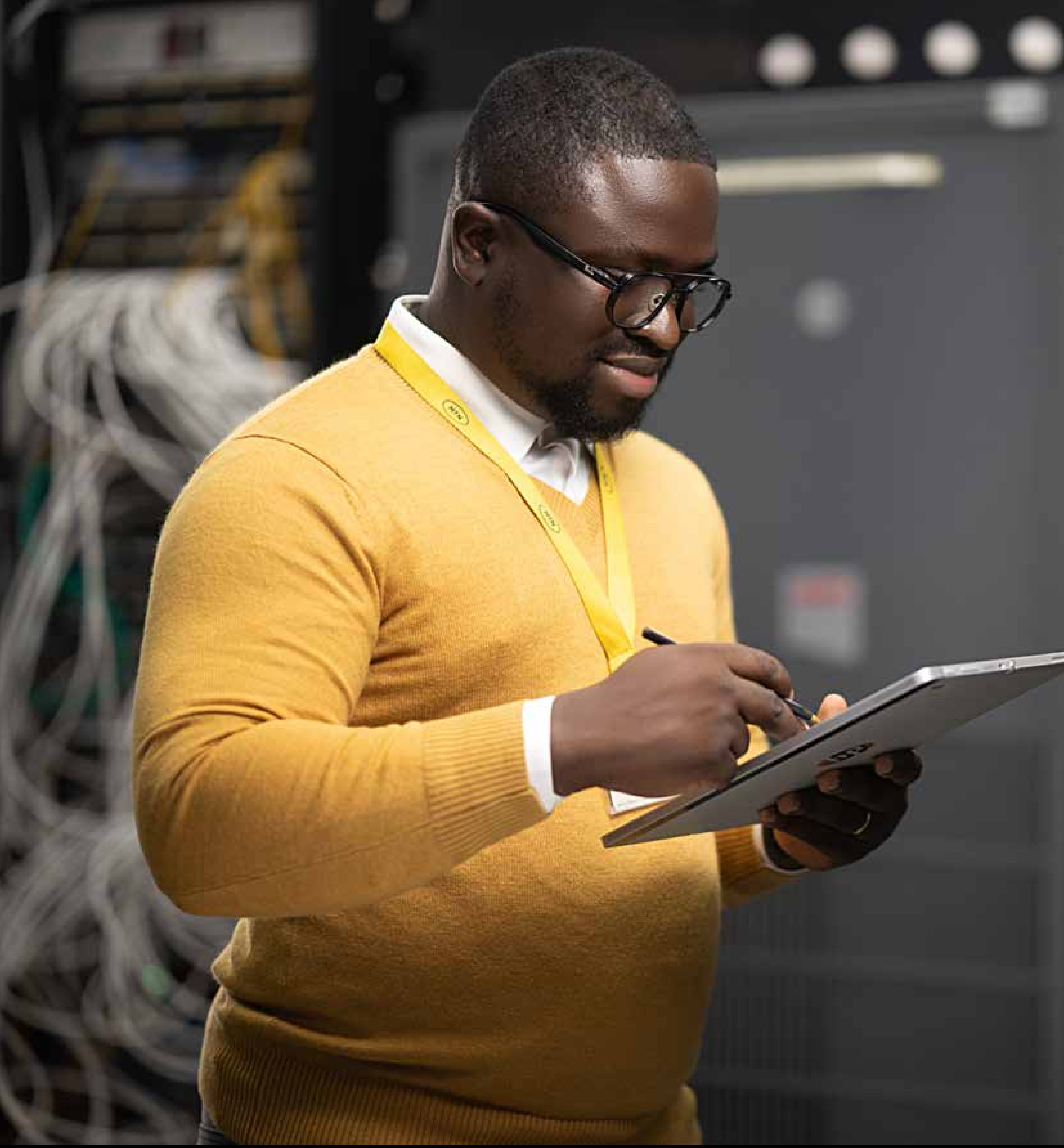
apital allocation

regulatory framework

ed value, with ESG at the core

what are we doing next?

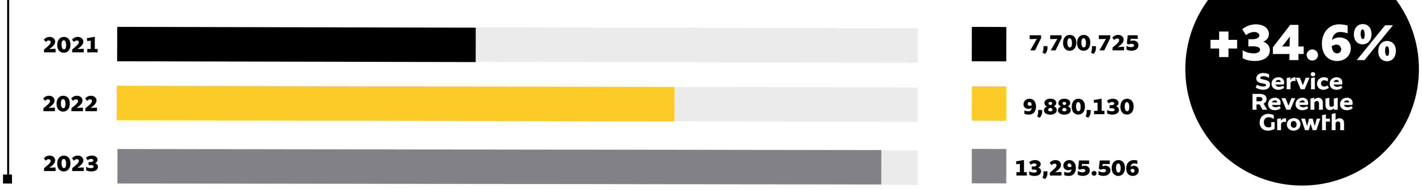
MTN



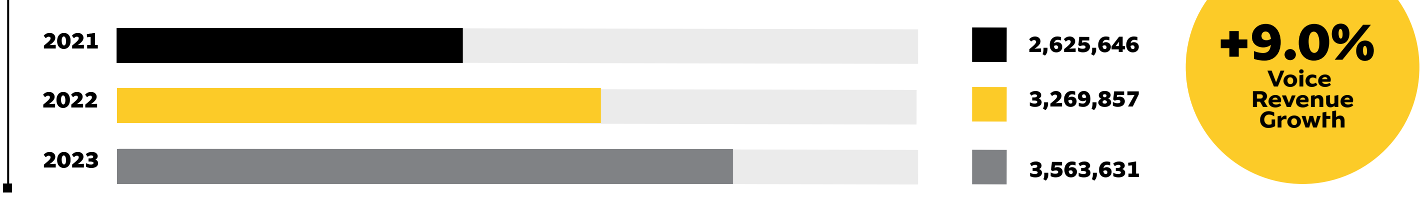
Operational performance

Salient features

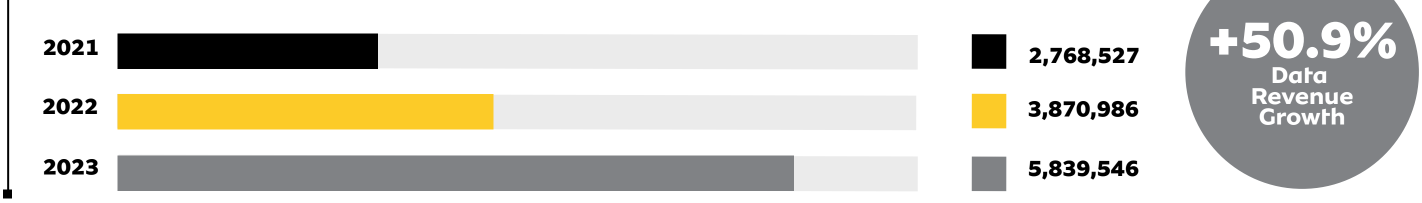
Service Revenue (GHS '000s)



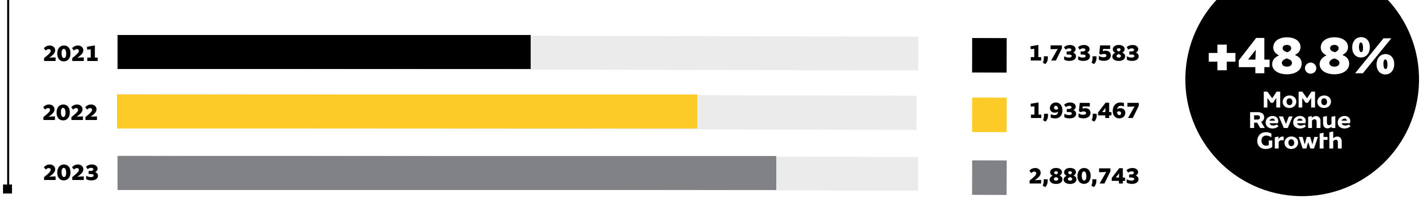
Voice Revenue (GHS '000s)



Data Revenue (GHS '000s)

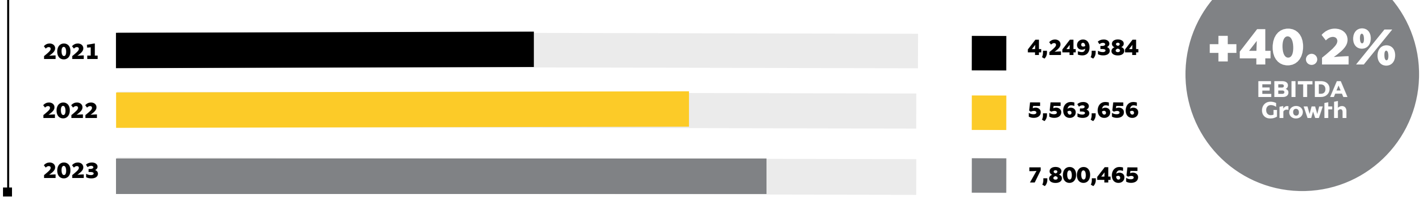


MoMo Revenue (GHS '000s)



Digital Revenue (GHS '000s)

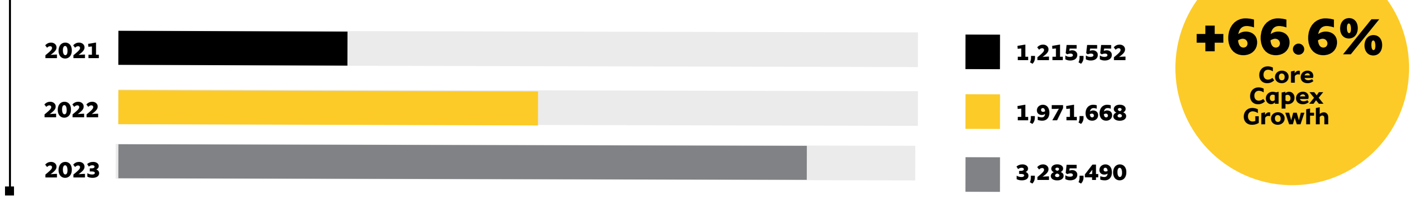
EBITDA (GHS '000s)



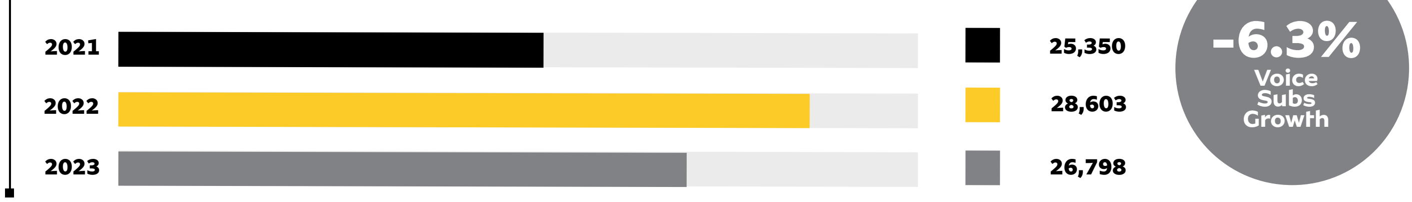
Salient features

EBITDA Margin

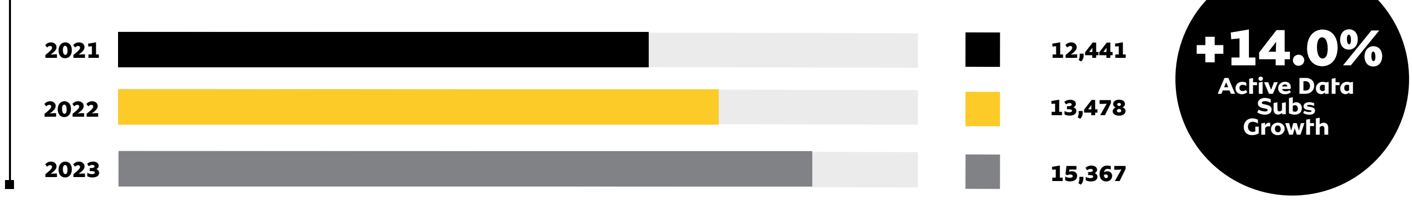
Core Capex (GHS '000s)



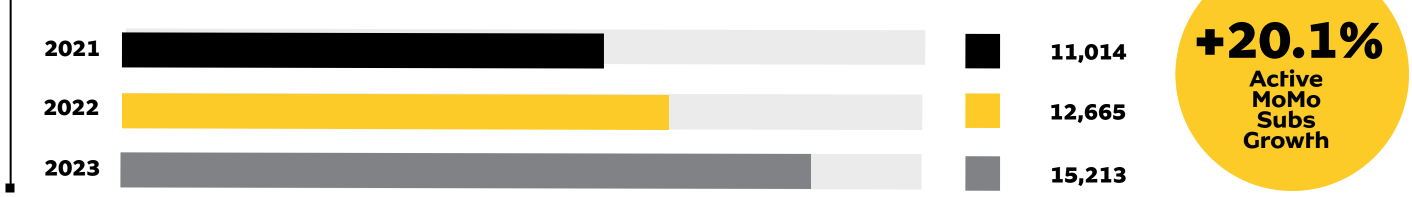
Voice subs ('000s)



Active Data subs ('000s)



Active MoMo subs ('000s)



Active Digital subs ('000s)

Chairman's statement

Distinguished shareholders, ladies, and gentlemen,

It is my great pleasure to welcome you all to Scancom PLC's sixth Annual General Meeting. As the Chairman of the Board of Directors, I am honored to have the opportunity to address you all today and provide an update on your company's performance for the year 2023.

The business operating environment

In the past year, the Ghanaian economy faced several challenges that impacted the business environment. These included elevated inflation and a tight monetary policy which led to an increase in the domestic cost of capital. Headline inflation, which reached a peak of 54.1% in December 2022, decreased to 23.2% in December 2023 due to a tighter monetary stance. In response, the government initiated a three-year fiscal adjustment and reform program supported by a USD3.0 billion Extended Credit Facility arrangement from the International Monetary Fund (IMF).

As a prerequisite for the IMF program, the government implemented a Domestic Debt Exchange Program (DDEP) to initiate Ghana's journey towards debt sustainability. The first phase of the DDEP, which largely involved domestic creditors, resulted in the reduction of interest income on investments and extended the time required to recover capital invested in treasury bonds by bondholders, including financial institutions. This led to an increase in the cost of credit, restricted access to new capital, and hindered the domestic investment landscape. It is worth noting that, the second phase which includes external creditors is yet to be concluded and implemented.

Despite these challenges, I am happy to report that our company has continued to demonstrate discipline in executing on its strategic goals for 2023. This success is a testament to the hard work, dedication, and resilience of our employees, as well as the support of our valued partners.

Financial performance and dividend

MTN Ghana's financial report for 2023 shows a robust performance with a strong total revenue growth of 34.6% compared to the previous year. The growth was achieved through targeted business strategies that led to an increase in Voice, Data, and Mobile Money revenues.

As part of the company's commitment to disciplined execution, the management team executed the expense efficiency program proactively to control costs,

Ishmael Yamson
Board chairman

> MTN has remained unwavering in its commitment to better the lives of people in Ghana by supporting various environmental, social and economic initiatives. In addition to investing heavily in our network and technology in an environmentally sustainable way, we dedicated GHS39.8 million towards projects related to healthcare, education, and economic empowerment in 2023 through the MTN Ghana Foundation.
>
> Ishmael Yamson

maintain profitability and ensure business growth. As a result, EBITDA grew by an outstanding 40.2% year-on-year (YoY), and EBITDA margin also increased by 2.3 percentage points from 56.1% in 2022 to 58.4%. Profit after tax grew by 39.4% YoY, and earnings per share increased by 29.5% YoY. These impressive results demonstrate the company's commitment to driving sustainable business growth in challenging times.

As a result of the exceptional business performance, and the strength of the cashflow position and projections, the Board of Directors is comfortable recommending a final dividend payout of 17.5 pesewas per share to shareholders, subject to their approval. If approved, the payment will be made on 12 April 2024. The total dividend for the 2023 financial year will be 22.5 pesewas per share, including the interim dividend of 5.0 pesewas per share paid on 8 September 2023. The total dividend amount of GHS3.0 billion is equivalent to 74.8% of the company's profit after tax (GHS4.0 billion) and represents a 37.2% increase in dividend payout per share.

Creating shared value – our commitment to social and economic development

Ladies and gentlemen, MTN has remained unwavering in its commitment to better the lives of people in Ghana by supporting various environmental, social and economic initiatives. In addition to investing heavily in our network and technology in an environmentally sustainable way, we dedicated GHS39.8 million towards projects related to healthcare, education, and economic empowerment in 2023 through the MTN Ghana Foundation. This is a testament to our vision of creating a better future for all Ghanaians and to bring about positive change to uplift communities.

We have completed the construction of a 60-bed maternity and neonatal centre for the Keta Municipal Hospital and a STEM robotics lab for the Mamfe Girls' School. We also awarded 120 new scholarships to students pursuing tertiary education, bringing the total number of students benefiting from the MTN scholarship programme at various educational institutions to 566.

During the year, MTN Ghana in collaboration with Government, launched the "Ghana Innovation Hub" project which is aligned to our Ambition 2025 strategic objective of leading the delivery of digital solutions for Ghana's progress. The ICT Hub project along with the "Accra Innovation City" and "The Ghana Education Platform" projects are spearheaded by MTN Ghana in partnership with the Government and other partners. So far, MTN Ghana has made a commitment of US$25 million towards the ICT Hub project. These initiatives aim to accelerate Ghana's ICT ecosystem, develop human capital and ICT skills, and create job opportunities for the youth.

MTN Ghana remained a development partner to the Government through our contribution to the fiscal and socio-economic development of the country. In 2023, the Company paid GHS5.9 billion in direct and indirect taxes and GHS0.4 billion in fees, levies, and other payments to Governmental agencies. Combined, this represented 47.1% of MTN's total revenue paid to Government for the 2023 financial year.

Corporate governance

Ladies and gentlemen, as the Chairman of the Board, I am committed to ensuring that our company operates in a manner that is transparent, ethical, and sustainable. To that end, we have implemented a number of measures to strengthen our governance framework, including the establishment of new committees and the splitting of the audit and risk committee into two separate committees to oversee and enhance our governance policies and practices.

We have also increased the training and development opportunities for our directors, with a focus on enhancing their understanding of key issues such as risk management, financial reporting, and compliance. Additionally, we have strengthened our oversight responsibilities by increasing the frequency and depth of our reviews of key areas such as employee compensation, internal controls, and risk management. In 2023, we held 23 board meetings, including special, emergency, and board committee meetings in pursuit of the Board's mandate.

Furthermore, we have engaged with you, our shareholders, and other stakeholders to ensure that we are responsive to any concerns raised and feedback shared. We believe that these measures will help to ensure that our company operates in a manner that is consistent with the highest standards of corporate governance. We remain committed to working closely with shareholders and other stakeholders to continue to improve our governance practices and enhance long-term value for all stakeholders.

Recognition and awards

Our company continues to excel in various fields for which it received numerous awards in 2023. We received 19 corporate and 7 employee awards during the year. These awards are a recognition of our innovation, excellence and fortitude. A full list of all the awards is published on page 24 in this report.

Board and leadership changes

Ladies and gentlemen, I would like to inform you that the composition of the Board of Directors did not change in 2023. However, following this Annual General Meeting, I am happy to inform you that our Chief Executive Officer, Selorm Adadevoh, will be bidding farewell to the company as he has been promoted to the new role of MTN Group Chief Commercial Officer, with effect from 1 April 2024. This announcement was made to the market on 6 December 2023.

On behalf of the Board, I would like to congratulate Selorm on his new appointment and express our gratitude for his successful leadership, hard work, and commitment to MTN Ghana over the past five years and nine months. Selorm has successfully led the company through some turbulent times and emerged stronger, and we are confident that he will make a positive impact in his new role. At the same time, we welcome Stephen Blewett, currently the MTN Operations Executive, Markets, as the new CEO of MTN Ghana. We look forward to working with him to build on the strong foundation that has been laid.

During the year, there have been some changes to the management team. We are happy to announce that Adwoa Afriyie Wiafe was appointed to the role of Chief Corporate Services and Sustainability Officer; Joseph Dogbe to the role of Chief Risk and Compliance Officer; and Angela Mensah-Poku to the role of Chief Enterprise Business Officer. Unfortunately, we had an exit from the team in the person of Amma Benneh-Amponsah, who was our Chief Human Resource Officer.

I would like to take this opportunity to welcome all new appointees to the MTN Ghana family and wish them the best in their new roles. I would also like to extend my best wishes to Amma and to thank her for her 22 years of service to the business.

Economic outlook

In 2024, we expect the macroeconomic environment in Ghana to be challenging. The IMF projects Ghana's exit inflation for 2024 at 15.0% which aligns with the 2024 Governments' budget target inflation. Furthermore, the Bank of Ghana also projects Ghana's 2024 inflation to be within 13.0% to 17.0%. These projections are grounded on the ongoing Government reforms and IMF program. A major risk to this target is the election cycle in 2024, noting that Ghana has a history of large election year fiscal slippages. Also, adverse conditions, upside risk to global fuel and food prices, due to geopolitical concerns, and utility tariff hikes could potentially slow down inflation's descent.

Based on the IMF program, the Ghana government has set an overall growth target of 2.8% in 2024, which is a slight improvement from the expected growth rate of 2.3% in 2023. However, there are uncertainties from the upcoming elections at the end of 2024 and the Bank of Ghana is expected to exercise caution in lowering the policy rate, which may result in a gradual decline in domestic interest rates.

While the outlook for 2024 is positive, there are still risks to watch. Election-related policy uncertainty and ongoing talks of external debt restructuring could potentially dampen the domestic investment climate and hinder long-term capital deployment in 2024. Furthermore, the passage of the Emissions Levy Bill last year could potentially lead to an increase in transport fares, which poses an upside risk to inflation and could consequently reduce consumer spending. These could potentially impact business operations adversely.

Conclusion

As we look to the future, we remain steadfast in our commitment to delivering value to all our stakeholders and building a sustainable and successful business. Our unwavering focus on investing in our people, new technologies, and innovation will ensure that we are well-positioned to meet the needs of our customers and take advantage of emerging opportunities. The Board is steadfast in our dedication to enhancing operational resilience and reinforcing our commitment to sound governance, as we strive towards a brighter future.

I would like to thank our partners and customers for their loyalty and patronage. We promise to provide you with better services and richer customer experiences in the coming year.

I also express my gratitude to all those who have supported us thus far. We are confident that the future holds great promise. Together, we will continue to build an even more prosperous company for the benefit of all stakeholders.

Before I conclude, I would like to express my gratitude to our staff and management for their hard work and dedication throughout 2023. As we face the challenges ahead, we will depend on the resilience and commitment of all MTN Ghana personnel, and we will continue to move forward with renewed enthusiasm, confident that we can achieve great things together.

Finally, we thank all our shareholders, regulators and other stakeholders for their continuous support for MTN Ghana.

Thank you, and may God bless us all and our homeland Ghana.

Ishmael Yamson
Board Chairman

doing drops jaws

MTN

Dear shareholders, ladies, and gentlemen,

I am pleased to welcome you to the sixth Annual General Meeting of Scancom PLC. It is an honor for me to provide you with an update on the company's performance in the past year and share our outlook for the future. Before I begin, I would like to express my gratitude to each one of you for your continued support and the trust and confidence you place in Management.

2023 in review

In 2023, the Ghana macroeconomic environment faced a number of challenges including high inflation, driven by factors such as the depreciation of the Ghana cedi against major trading currencies and increased utility, food and other non-food costs. Even though inflation started declining after the first half of the year, the levels remained elevated throughout the year, averaging 40.2% compared to the prior year average of 31.5%. The Ghana cedi depreciated by 38.5% against the US dollar, which had an impact on some of our operating and capital expenditure.

As we ploughed through a challenging operating environment, Management remained focused on pursuing its Ambition 2025 goals, which aimed for growth, cost efficiencies and creating shared value for our stakeholders. As a result, MTN Ghana recorded growth in revenue and managed its costs prudently to ensure a growth of 39.4% in profit after tax for the year 2023. There were many headwinds, but the Board, Management and staff of MTN Ghana remained resilient, believing in the power of determination and hard work.

Operational review

On our performance for the year 2023, I am pleased to share that service revenue grew by 34.6% year-on-year (YoY), with significant contributions from voice, data, and mobile money revenue. This growth can be attributed to well-executed commercial strategies and our focused investment in maintaining high network quality, expanding coverage and delivering a good experience to our customers, as well as achieving progress in our pricing initiatives across the business.

The national SIM re-registration exercise resulted in a 6.3% YoY decrease in our subscriber base. Despite the challenges presented and the potential implications on

Selorm Adadevoh
Chief executive officer

> "As we ploughed through a challenging operating environment, Management remained focused on pursuing its Ambition 2025 goals, which aimed for growth, cost efficiencies and creating shared value for our stakeholders. As a result, MTN Ghana recorded growth in revenue and managed its costs prudently to ensure a growth of 39.4% in profit after tax for the year 2023.
>
> Selorm Adadevoh

the business, our unwavering commitment to providing high-quality services to attract new customers and retain existing ones helped partially mitigate the full impact of the national SIM re-registration exercise on the business.

We pride ourselves in our obsession with customer experience and continue to invest consistently in this quest. In 2023, we invested a total of GHS4.1 billion in capital expenditure to modernize our infrastructure, enhance our IT systems and expand our network capacity and coverage across the country. As part of these efforts, we deployed 350 2G, 353 3G, and 350 4G sites, supporting a 99.3% 4G population coverage.

Voice revenue recorded a 9.0% YoY growth to GHS3.6 billion supported by our customer value management initiatives, which offer bundles and packages that meet the diverse needs of our customers. Our commitment to improving our network coverage and the quality of service, along with pricing initiatives, have been instrumental in the growth of voice. The contribution of voice to total service revenue declined from 33.1% to 26.8%, as customer behaviour evolves in line with global trends.

Data revenue grew by 50.9% YoY to GHS5.8 billion, driven by a 21.9% YoY increase in MB consumed per active user per month and implementation of data pricing initiatives. The growth in demand was supported by various commercial interventions coupled with investments in network infrastructure to offer high-speed data services to homes and mobile subscribers. Our focus on developing relevant and well-positioned data packages also contributed to the growth in data revenue. The data revenue contribution to total service revenue increased from 39.2% to 43.9% YoY.

Mobile Money revenue growth recovered, with a YoY increase of 48.8% to GHS2.9 billion, as we continue to provide convenient and secure financial services to our active users (up 20.1% YoY). Our partnerships with various financial institutions, agents, and merchants have enabled us to expand the mobile money ecosystem, making it easier for our customers to transfer money to others, make payments at merchant points, save, and access micro-loans, micro-insurance, and international remittance services among others. This helped increase the contribution of advanced services to Mobile Money revenue by 2.6pp to 27.0% over the previous year's contribution of 24.4%. The overall contribution of Mobile Money revenue to total service revenue increased from 19.6% to 21.7% YoY.

The decline in digital revenue slowed, with a decrease of 4.7% YoY to GHS137.4 million. H2 2023 digital revenue grew sequentially by 15.6% over H1 2023, supporting our optimism for a revenue growth continuation in 2024. This reflected our efforts to enhance customer experience, as well as to rationalise our digital product portfolio. We also recorded an increase of 28.6% YoY in the number of active digital subscribers, reaching a total of 4.6 million. Our primary focus is on improving the myMTN application and expanding the music and game offerings on ayoba. The contribution of digital to total service revenue decreased from 1.5% to 1.0% YoY.

We sustained the drive for operational efficiency through our expense efficiency programme and continued applying spend discipline amidst elevated inflation levels and other macroeconomic headwinds. As a result, we managed to contain the increase in total costs to 27.5% YoY, which was significantly lower than the average monthly inflation rate of 40.2% for the year. This supported the growth in EBITDA of 40.2% YoY, with a corresponding EBITDA margin increase of 2.3pp to 58.4%.

Net finance cost increased by 81.1% YoY to GHS486.2 million due to a relatively higher finance cost compared to finance income. Finance cost increased by 63.3% YoY primarily due to currency depreciation which resulted in unrealised losses on Dollar-denominated capex, and high levels of inflation and interest rates on lease costs. The finance cost was partially offset by a 40.2% YoY increase in finance income, primarily from gains on surplus cash invested in call and fixed-term deposits. Depreciation and amortization increased by 43.9% YoY to GHS1.7 billion. Consequently, profit after tax increased by 39.4% YoY to GHS4.0 billion.

Regulatory updates

Ladies and gentlemen, I would like to update you on regulatory developments during the year under review.

Completion of the national SIM re-registration exercise

The National Communications Authority (NCA) through the telecom operators embarked on a nationwide re-registration of all SIM cards using the Ghana National ID card. The exercise which began in October 2021 was completed at the end of May 2023.

In compliance with directives from the NCA, MTN Ghana blocked 5.4 million SIMs that were not registered with the Ghana card as at 31 May 2023.

Since then, 0.6 million SIMs of the blocked cohort have been re-registered, bringing the total number of outstanding disconnected SIMs to 4.8 million as at the end of December 2023. As a result, our subscriber base decreased by 6.3% to 26.8 million.

The process has now been concluded successfully, however, MTN Ghana is committed to continuing to support all customers who require re-registration or a new registered SIM to seamlessly complete the new registration process using the National ID Card.

Update on localisation of Scancom PLC and MobileMoney Limited

MTN Ghana has made significant progress in localising Scancom PLC and MobileMoney Limited. At the end of December 2022, localisation recorded was 23.7%. Although the company achieved 25.0% localisation for Scancom PLC in March 2023, this trend reversed in June 2023 due to the issuance of scrip dividends, resulting in a 1.8pp decrease to 23.2%.

As at December 2023, MTN Ghana had achieved an additional 1.9pp increase in the localisation of Scancom PLC, bringing it up to 25.1%.

The company is committed to further localize Scancom PLC and MobileMoney Limited, and we will continue to work closely with regulators and relevant stakeholders to ensure that we meet the agreed targets within specified timelines.

Looking ahead

Ladies and gentlemen, Ghana's macroeconomic outlook for 2024 seems to be challenging, as the government continues to implement the measures required to sustain the IMF program that it has signed up to. The IMF projects inflation for Ghana to be at 15.0% at end of 2024 with a monthly average of 22.2%. Currency depreciation against major trading currencies such as the US dollar presents a risk that we will monitor closely throughout the year. The potential challenges of external shocks and unfolding events in the political environment in the run-up to the 2024 elections also remain.

Despite the challenging economic outlook, Management remains fully committed to executing its Ambition 2025 strategy. We are committed to strengthening customer trust and loyalty in all we do by striving for excellence in how we deliver service to our valued customers. Our unwavering focus is to create value for all stakeholders and drive growth by investing efficiently in infrastructure, improving the quality of connectivity and launching new innovations and product enhancements for our customers.

Empowered by the strong demand for data and its rapid adoption in both urban and rural areas, we aspire to drive the acceleration of smartphone usage and address the immense need for high-speed internet in the home broadband market. With our unwavering commitment to attracting the best talent and forging strategic partnerships, supported by our strong brand presence and positive reputation, we are poised to sustain our business growth and drive profitability while making a positive impact on the Ghana economy.

MTN Ghana is on a journey to achieving operational excellence in all we do, which is a key pillar for protecting margins and sustaining bottom-line growth in the medium to long term. We plan to continue with the deployment of sound commercial strategies as well as our expense efficiency program and maintain a prudent approach to managing costs. This will enable us to deliver on our commitment of margin protection and ensure that our business remains profitable in the long run. However, we understand that there are macroeconomic headwinds currently impacting the business environment and our operations. These factors have been carefully evaluated, and we have decided to maintain MTN Ghana's guidance on service revenue growth in high twenties (in percentage terms).

The Ghanaian community is at the heart of everything we do. To support these communities, the MTN Ghana Foundation will continue to extend various sustainability projects and initiatives. These efforts will focus on improving healthcare services and developing digital skills among the youth. Our goal is to enhance the lives of Ghanaians across the nation and improve their communities.

We understand that this is a challenging environment for our business, but we are confident that with the right strategy and approach, we can overcome these challenges and achieve sustained growth.

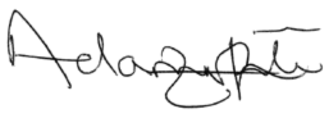
Conclusion

I want to express my gratitude to my dedicated management team and the entire MTN Ghana team for the commitment, hard work and for all the sacrifices they have made to overcome various challenges in the past five years and nine months that I was CEO of MTN Ghana. Thanks to my MTN Ghana team's efforts, we achieved a strong set of results consistently over the period. Even though we know that 2024 will bring its own challenges, we are confident that with the same level of commitment and resilience, and with the continued support of our Board and partners, we will be able to deliver on our goals for the year.

Also, I say a big thank you to our Board Chairman and Board Directors for leading and guiding us to deliver on our strategy and for providing support and mentorship to me throughout my tenure as CEO of MTN Ghana. I leave the MTN Ghana role knowing that together, we have built a solid foundation to sustain strong growth into the future and a culture and mindset that can withstand many challenges and deliver continued success for the business. I am excited about the opportunities that lie ahead.

Lastly, we do what we do because of our customers, without whom our work has no purpose nor meaning. I acknowledge our customers for their trust and loyalty, the government and regulators for the collaboration towards a digital Ghana, and to you, our shareholders, for the confidence you have placed in Management to deliver your expectations of Scancom PLC.

Thank you for your time, a special thank you from me to you, and while I step down, and hand over to Stephen Blewett, and while I know I will miss our quarterly interactions, I leave feeling excited and encouraged that I could not have left you in better hands. I wish you all a successful 2024 and may God bless us all.



Selorm Adadevoh

Chief executive officer

Chief financial officer's statement

Dear Shareholders, Ladies and Gentlemen,

I would like to welcome you to the sixth Annual General Meeting of Scancom PLC.

Today, I will present the key financial highlights for 2023 and provide our financial outlook for 2024.

Macro-economic context

The 2023 fiscal year in Ghana was marked by macroeconomic challenges such as currency depreciation against major trading currencies and elevated inflation rates. Although there was a decline in inflation from 54.1% in December 2022 to 23.2% in December 2023, it remained high throughout the year with an annual average of 40.2% compared to 31.5% average in 2022. According to the Bank of Ghana interbank report, the Ghanaian cedi depreciated by 38.5% against the US Dollar.

In response to prevailing economic conditions, the Central Bank tightened their monetary policy. Additionally, the Ghanaian government implemented a Domestic Debt Exchange Programme (DDEP) as part of fiscal reforms, which was a prerequisite for the USD3.0 billion Extended Credit Facility support from the IMF. As a result of this program, the returns on treasury bonds declined and the maturity dates were extended. The combined effect of these measures was an increase in the cost of credit, limited access to new capital, increased pressure on consumer spending, and higher operating costs for businesses.

Despite the macroeconomic challenges, MTN Ghana continued to invest in new technology and systems to drive growth while exploring cost efficiencies. By applying spend discipline, we were able to mitigate the impact of inflation on our overall operational costs.

The team's unwavering support for our expense efficiency programs has been truly commendable. Thanks to their efforts, we achieved a strong set of financial results for the year 2023.

Antoinette Kwofie
Chief financial officer

> Despite the high inflationary environment, we were able to identify efficiencies and maintain spend discipline, which resulted in a GHS59.9 million savings in 2023 and we are continuing to work towards unlocking more value in the medium to long term. This, amongst other gains helped to mitigate the impact of macroeconomic challenges on our costs.
>
> Antoinette Kwofie

Group revenue performance

	31 Dec 2023 GHS 000	31 Dec 2022 GHS 000	% change
Total revenue	**13,349,471**	9,916,109	**34.6%**
Service revenue	**13,295,506**	9,880,130	**34.6%**
Voice revenue	**3,563,631**	3,269,857	**9.0%**
Data revenue	**5,839,546**	3,870,986	**51.0%**
MoMo revenue	**2,880,743**	1,935,467	**48.8%**
Digital revenue	**137,391**	144,155	**-4.7%**
Non-service revenue	**874,195**	659,666	**32.5%**

MTN Ghana achieved a year-on-year increase of 34.6% in total revenue, reaching GHS13.3 billion. This growth was a result of the effective implementation of commercial strategies and investment in expanding the network and coverage. This resulted in an increase in revenues from data, voice, and MoMo services.

Expense efficiency and cost management

	31 Dec 2023 GHS 000	31 Dec 2022 GHS 000	% change
Cost of sales	**2,699,768**	1,958,039	**37.9%**
Opex	**2,850,703**	2,395,189	**19.0%**
Capex (IFRS 16)	**4,081,694**	2,144,354	**90.3%**
Capex intensity	**30.6%**	21.6%	**9.0pp**
Ex-lease capex	**3,285,490**	1,971,668	**66.6%**
Ex-lease capex intensity	**24.6%**	19.9%	**4.7pp**

Ladies and Gentlemen, I am happy to inform you that despite the high inflationary environment, we were able to identify efficiencies and maintain spend discipline, which resulted in a GHS59.9 million savings in 2023 and we are continuing to work towards unlocking more value in the medium to long term. This, amongst other gains helped to mitigate the impact of macroeconomic challenges on our costs. As a result, our cost of sales grew by 37.9%, and our operational costs increased by 19.0% within the period.

The technical and management fees agreement with MTN Group expired in April 2023 and got renewed from December 2023. On a comparative basis, the 2023 operational costs and EBITDA benefitted from an uplift caused by a relative reduction in fees paid compared to prior year.

During the period, we invested GHS4.0 billion in capital expenditure, out of which GHS2.4 billion was utilized for investments in property, plant, and equipment (PPE), GHS924.1 million was spent on software and other intangibles, and GHS796.2 million was recorded for right-of-use or IFRS 16 lease expenses. Our prudent allocation of capital expenditure has been instrumental in improving our network capacity and expanding our infrastructure. I am pleased to report that our strategic investment has yielded positive results, and we remain fully committed to ensuring continued growth. The ex-lease capex growth was 66.6% YoY with a corresponding ex-lease capex intensity of 24.6%, and we aim to reduce it in the medium to long term. In USD terms, core capex deployed increased by 33.4% YoY to USD275.2 million (2022: USD206.3 million), with currency depreciation and spectrum acquisition being the major driver of the growth in ex-lease capex.

Income statement

	31 Dec 2023 GHS 000	31 Dec 2022 GHS 000	% change
EBITDA	**7,800,465**	5,563,656	**40.2%**
EBITDA margin	**58.4%**	56.1%	**2.3pp**
Finance income	**288,748**	205,962	**40.2%**
Finance cost	**774,912**	474,418	**63.3%**
Profit before tax	**5,589,704**	4,096,520	**36.5%**
Corporate income tax	**1,607,457**	1,240,719	**29.6%**
Profit after tax	**3,982,246**	2,855,801	**39.4%**

Our EBITDA increased by 40.2% YoY with a corresponding margin expansion of 2.3 percentage points, to 58.4%. Given the current background of elevated inflation, we will continue to employ strategies to protect against margin deterioration.

During the period under review, we recorded a 43.9% year-on-year increase in depreciation and amortization expenses, amounting to GHS1.7 billion. Finance cost increased by 63.3% year-on-year attributable to currency depreciation, which resulted in unrealised losses on US dollar-denominated capex, and also attributable to the high levels of inflation and interest rates on lease costs. The finance cost was partially offset by a 40.2% YoY increase in finance income, primarily from gains on surplus cash invested in call and fixed-term deposits. As a result, net finance costs increased by 81.1% year-on-year, leading to an increase of 36.5% in profit before tax, totaling GHS5.6 billion.

MTN Ghana had corporate income tax obligations totaling GHS1.6 billion in 2023. This represents a 29.6% increase compared to the previous year. In total, MTN Ghana paid GHS5.9 billion in direct and indirect taxes and GHS385.8 million in fees, levies, and other payments to government agencies in 2023. MTN Ghana is a tax responsible entity and will continue to be a development partner to government.

The company's profit after tax increased by 39.4% YoY to GHS4.0 billion, and earnings per share (EPS) increased by 29.5% YoY to GHS0.301 due to the issue of scrip dividend during the year which increased the issued shares from 12.3 billion to 13.2 billion.

Dividend

The Board approved an interim dividend of GHS0.05 per share and have recommended a final dividend of GHS0.175 per share for the 2023 financial year. This represents a 47.8% YoY increase in total cash dividend to GHS3.0 billion and consequently, a 37.2% YoY increase in dividend per share to GHS0.225.

Balance sheet

During the period, we maintained a healthy balance sheet. We ensured that we remained compliant with all debt covenants that were agreed upon with our syndicated lending partners for the 2020 5-year additional facility agreement. By the end of 2023, the debt balance in our books was GHS225 million.

Outlook

The macroeconomic environment is expected to remain challenging in 2024. The Ghanaian government has estimated that inflation will decrease throughout the year, with a year-end prediction of 15%. However, this projection still suggests that inflation will be high, exceeding the Bank of Ghana's target range of 6.0% to 10.0% for the medium term. The Bank of Ghana is expected to relax its policy rate, but domestic interest rates are likely to remain high in the short term, potentially having a negative impact on consumer spending and business costs.

Despite the obstacles we face in the macroeconomic environment, MTN Ghana remains committed to investing in our network, IT systems, and infrastructure. With a capex envelope of GHS2.5 billion for 2024, we aim to enhance customer experience and create value for our stakeholders. Our investments will pave the way for growth and improved services for both new and existing customers, in line with our Ambition 2025.

We will continue to focus on managing costs and increasing our efficiency measures to safeguard our margins. Our efforts will include exploring new and rapid digital channels, implementing environmentally friendly and cost-effective energy solutions, and reviewing our systems to ensure that they continue to add material value.

Given the potential challenges that we may face, we commit to achieving a high twenties percentage growth in service revenue, while also safeguarding our margins for the year 2024.

Thank you once again for joining us today. Best wishes and see you next year.

Please stay safe. God bless us all.

Antoinette Kwofie

Chief financial officer

MTN Ghana: Strong Partnership, Significant Impact - GHS5.9 Billion Contributed to Ghana's Revenue Mobilsation in 2023

what are we doing next?

MTN

Corporate governance

Our board of directors

Ishmael Yamson
(Born 1942)
Board chairman (NED)
Appointed: 27 April 2011
Ghanaian

B.Sc. Economics

Skills: Economic and finance
Strategy and governance
Corporate and government relations

Attendance: 4/4
Special attendance: 2/2

Selorm Adadevoh
(Born 1974)
Chief executive officer (ED)
Appointed: 8 June 2018
Ghanaian

B.Sc. Civil Engineering
MBA

Skills: Finance and civil engineering

Attendance: 4/4
Special attendance: 2/2

Antoinette Kwofie
(Born 1976)
Chief financial officer (ED)
Appointed: 30 May 2022
Ghanaian

B.Sc. Agricultural Economics,
Chartered Accountant (GH),
ACMA (UK), CGMA

Skills: Finance and Accounting
Attendance: 4/4
Special attendance: 2/2

Ebenezer Asante
(Born 1968)
Non-executive director
Appointed: 1 July 2016
Ghanaian

BA Econs and Stats
PGDip Management
Skills: Finance and management

Attendance: 3/4 2/4

Special attendance: 2/2

Kofi Dadzie
(Born 1977)
Independent non-executive director
Appointed: 1 March 2021
Ghanaian

B.Eng. Computer Engineering

Skills: Information technology
& Governance

Attendance: 4/4 4/4 4/4
Special attendance: 2/2 1/1

Felix Addo
(Born 1955)
Independent non-executive director
Appointed: 1 March 2021
Ghanaian

B.Sc. Admistration
MA Accounting, CPA, CA, IP
Skills: Finance and Accounting

Attendance: 4/4 4/4 4/4

Special attendance: 2/2 1/1

Key- Commitee membership and attendance of meetings

- Board
- Special and AGM
- Human resources, remuneration and nominating committee
- Audit committee
- Social and ethics committee
- Risk, compliance, and IT governance committee

Sugentharen Perumal
(Born 1979)
Non-executive director

Appointed: 1 June 2018
South African

BCom Accounting, (Hons) Accounting
Chartered Accountant (SA)

Skills: Economic and finance
Strategy and governance
Corporate and government relations

Attendance: 4/4 3/4 2/4
Special attendance: 2/2

Tsholofelo Molefe
(Born 1968)
Non-executive director
Appointed: 25 May 2021
South African

BA, Accounting and Finance
Chartered Accountant (SA)

Skills: Finance and accounting

Attendance: 3/4 2/4
Special attendance: 1/2 1/1

NanaAma Botchway
(Born 1969)
Independent non-executive director

Appointed: 1 March 2021
Ghanaian

BA International Affairs
MBA Finance and Accounting Juris Doctor
CIPD Fellow

Skills: Human resources

Attendance: 4/4 4/4 4/4
Special attendance: 2/2 1/1

Fatima Daniels
(Born 1960)
Non-executive director
Appointed: 15 April 2016
South African

BSc. Mathematical Statistics
Chartered Accountant (SA)

Skills: Finance and Accounting

Attendance: 4/4 4/4 4/4
Special attendance: 2/2 1/1

Rosie Ebe-Arthur
(Born 1961)
Independent non-executive director
Appointed: 1 March 2021
Ghanaian

B.Education
CIPD Fellow

Skills: Human resources
Attendance: 4/4 4/4 4/4
Special attendance: 2/2 1/1

Pala Asiedu Ofori
(Born 1970)
Board secretary

Ghanaian

Bachelor of Laws
Master of Laws

Skills: Legal Corporate governance

Key- Commitee membership and attendance of meetings

- Board
- Special and AGM
- Human resources, remuneration and nominating committee
- Audit committee
- Social and ethics committee
- Risk, compliance, and IT governance committee

Our management team

Selorm Adadevoh
Chief executive officer
B.Sc. Civil Engineering
MBA

Antoinette Kwofie
Chief financial officer
B.Sc. Agricultural Economics,
Chartered Accountant (GH),
ACMA (UK), CGMA

Abdallah Abrahim
Ag. Chief human resource officer
B.Sc. Business Administration
MSc. Service Management

William Tetteh
Chief capital projects officer
B.Sc. Physics
MBA

Jemima Kotei Walsh
Chief customer relations officer
B.Sc. Admin
MA Human Resource Dev.

Thomas Motlepa
Chief technical officer
B.Sc. Electrical Engineering

Shaibu Haruna
CEO MobileMoney Ltd
B.Sc. Admin
MBA Finance

Joseph Dogbe
Chief risk & compliance officer
BSc. Accounting
FCCA, CA, CISA, CRISC

Bernard Acquah
Chief information officer
B.Sc. Computer Science
MBA

Noel Kojo-Ganson
Chief marketing officer
MBA Strategic Marketing
CIM (UK)

Angela Mensah-Poku
Chief enterprise business officer
B.Sc. Political Science
MSc. Information Systems

Samuel Addo
Chief sales and distribution officer
B.Sc. Biological Science
CIM (UK)

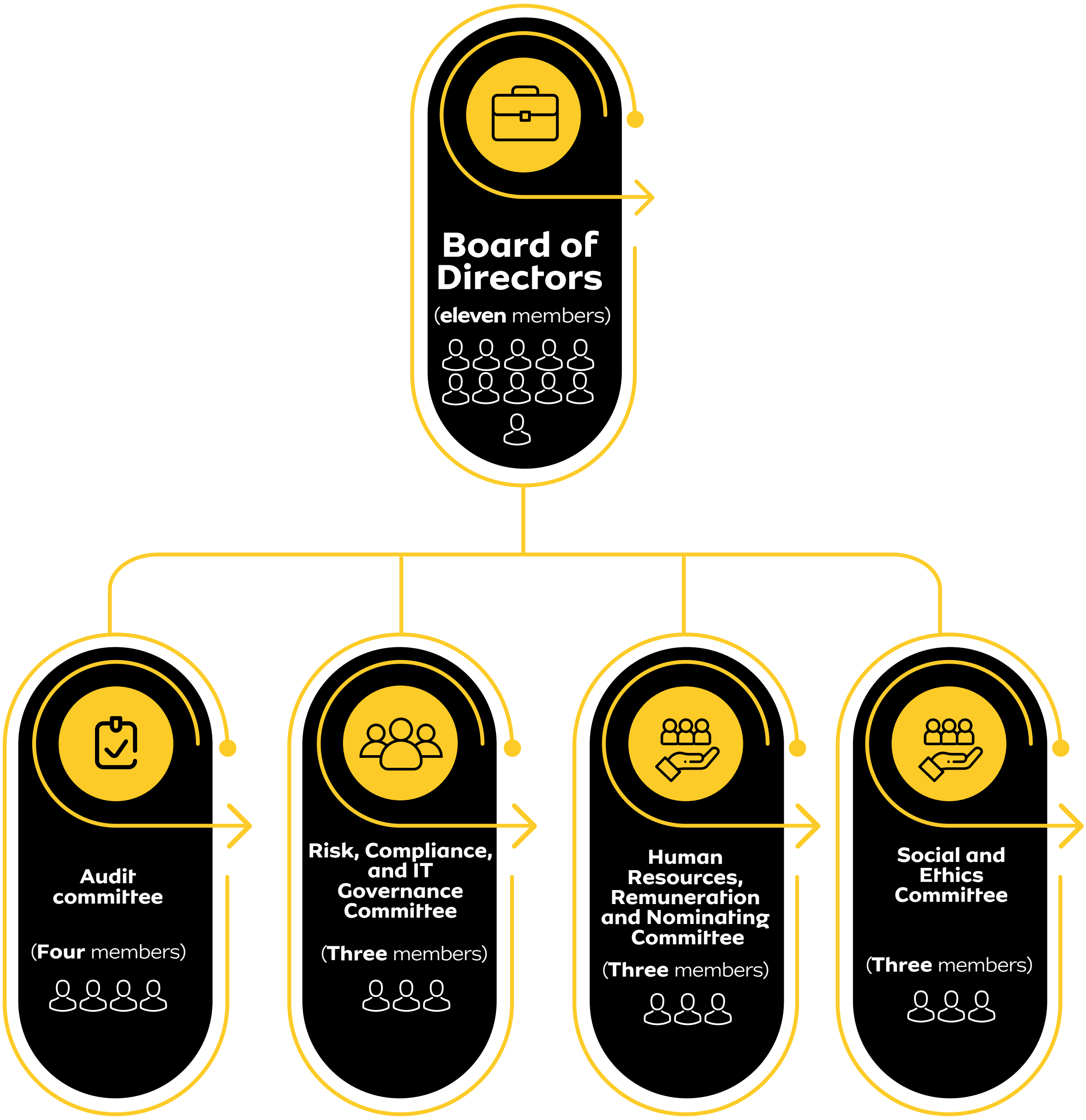
Adjwoa Wiafe
Chief corporate services officer
Bachelor of Civil Law (BCL)
Master of Law (LLM)
Qualifying Certificate in Law (QCL)

Micheal Gbewonyo
General manager: internal audit & forensics
B.Sc. Admin
ICAG,IIACIA, CCO

Dario Bianchi
Chief digital officer
MSc. Telecom engineering,
General Mgt. program (GMP)

Statement on corporate governance

The Scancom PLC (MTN Ghana) Board is responsible for governing the company as well as setting the strategic policies, appointing top management, monitoring progress towards the achievement of objectives and compliance with policies and approving all policies. The Board strives to create maximum shared value for its shareholders. The Scancom PLC (MTN Ghana) Board consists of eleven members, made up of an independent non-executive chairman, four independent non-executive directors, four non-executive directors and two executive directors.



These Directors have wide experience and in-depth knowledge in management, industry and the financial and capital markets, which enable them to make informed decisions and valuable contributions to the company's progress.

what are we doing next?

Financial statements and key reports

Report of the Directors

Ishmael Yamson
Board chairman

The Directors have the pleasure of submitting their report together with the audited consolidated and separate financial statements of Scancom PLC ("the Company") and its subsidiary, MobileMoney Limited (together "the Group") for the year ended 31 December 2023.

1. Statement of Directors' responsibilities

The Directors are responsible for the preparation and fair presentation of financial statements in accordance with International Financial Reporting Standards (IFRS) including the IAS 29 Hyperinflation Directive issued by the Institute of Chartered Accountants Ghana, and in the manner required by the Companies Act, 2019 (Act 992) and the Corporate Governance Code for Listed Companies 2020 (SEC/CD/001/10/2020), and for such internal controls as the Directors determine as necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Directors have selected suitable accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent in the circumstances.

In preparing the financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting, unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so. Having reviewed the Group's budget, and cashflow forecast for the year to 31 December 2024, and in the light of the current financial position, the Directors are satisfied that the Group has access to adequate resources to continue its operation for the foreseeable future.

The Directors are responsible for ensuring that the Group keeps proper accounting records that disclose with reasonable accuracy at any time, the financial position of the Group. They are also responsible for safeguarding the assets of the Group and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Those charged with governance are responsible for overseeing the Group's financial reporting processes.

2. Nature of business

The Group's principal activities are to:

- provide telecommunication services including voice, data, and enterprise solutions.
- provide mobile financial services in the financial services industry.
- develop strategic partnerships to provide advanced services in the mobile financial services industry; and
- provide consultancy and support services in the areas of mobile banking, payment services and fintech.

3. Summary of financial results

The financial results for the year ended 31 December 2023 are set out on page 80.

4. Holding company

Scancom PLC Ghana's ultimate holding company is MTN Group Limited, a company incorporated in the Republic of South Africa and listed on the Johannesburg Stock Exchange.

5. Dividend

During the year, the Board declared an interim dividend of GHS0.05 per share, which was paid on 15 September 2023. Based on the full year performance of the company, the Board has recommended a final dividend of GHS0.175 per share, bringing the total dividend for 2023 to GHS0.22 per share. The total dividend payout represents 74.8% of profit after tax in line with our dividend policy, and a 37.2% increase in dividend per share when compared to the prior year.

6. Interest of Directors and officers

During the year under review, no significant or material contract was entered into in which Directors and officers of the Group had an interest and which significantly or materially affected the business of the Group. The Directors and Officers had no interest in any third party or entity responsible for managing any of the business activities of the Group.

7. Substantive interest in shares

According to the register of members as at 31 December 2023, no other shareholder apart from MTN Group Limited had more than 5% of the issued stated capital of the Company.

The number of shares held by Directors are shown below:

	31 December 2023	31 December 2022
I. Yamson Chairman *	667,300	667,300
E. Asante	8,000,100	8,000,100
S. Adadevoh	133,500	133,500
F. Addo	666,680	666,680
K. Dadzie**	12,000	12,000
A. Kwofie	100,000	100,000

*Held in joint ownership in the name of Ishmael and Lucy Yamson (134,000) and a nominee holding account Octane SD ILY072018 (533,300).

**Held in the name of Afua Dadzie ITF Jayne Cristabel Dadzie (4,000), Joshua Caleb Dadzie (4,000) and Johannes Dadzie (4,000).

8. Remuneration of executive and non executive Directors

The remuneration of executive Directors is disclosed under transactions with related parties information in Note 2.32.1 and that of non executive Directors is disclosed as Directors' fees in Note 2.10.

9. Stated capital

There was no change in the authorised shares of Scancom PLC during the year under review. A total of 13.24 billion (2022:12.29 billion) ordinary shares of no-par value have been issued as at 31 December 2023. Scancom PLC announced a scrip dividend option for the 2022 final dividend subject to approval by shareholders at the Annual General Meeting (AGM) held on the 30 May 2023. Following approval of the scrip dividend as an alternative to cash dividend for the 2022 final dividend at the AGM, Scancom PLC received applications and successfully issued 945,700,690 new ordinary shares at a reference price of GHS 1.19. The additional issued shares were listed on the Ghana Stock Exchange (GSE) on 26 June 2023 , resulting in an increase in Scancom PLC's issued shares from 12,290,474,360 to 13,236,175,050 during the year under review. Further details of the authorised and issued ordinary shares are disclosed in Note 2.25

10. Subsidiary

MobileMoney Limited, is a wholly owned subsidiary of Scancom PLC, incorporated on 5 November 2015. The principal activities of the Company are to:

- Provide mobile financial services in the financial services industry.
- Develop strategic partnerships to provide advanced services in the mobile financial service industry; and
- Provide consultancy and support services in the area of mobile banking, payment services and fintech.

11. Property, plant and equipment

There were no changes in the nature of Property, Plant and Equipment or in the policy regarding their use during the financial year under review. In the opinion of the Directors, the fair value of the Property, Plant and Equipment is not less than the value shown in the consolidated and separate financial statements.

12. Donations and charity

The Group performs its corporate social responsibility via the MTN Foundation ("The Foundation"). MTN Foundation is established as a Non Profit organization with it own Board of Directors. MTN Foundation is fully owned by the Group. MTN's global policy is to set aside 1% of its profit after tax to fund the Foundation's activities. MTN Foundation is involved in projects on three broad areas which are education, health and economic empowerment. The Foundation has invested over GHS 123.5 million since inception to improve health care, education and living conditions for over 4 million people. This was achieved through the deployment of 157 projects across the entire country. In the area of education, the foundation has provided scholarship to over 1,600 needy and brilliant students in Ghana. During the year, an amount of GHS 39.8 million (2022: GHS 28.5 million) was charged to the Statement of Comprehensive Income. There are no related party transactions between the Group and MTN Foundation. The Foundation is not consolidated as subsidiary of the group.

13. Auditor's remuneration

Audit fee for the Group for the year ended 31 December 2023 was GHS 7,960,103 (2022: GHS 6,224,000). Auditors have expressed their willingness to continue to be in office per Section 139(5) of the Companies Act.

14. Capacity building of Directors

In 2023, Directors of Scancom PLC were engaged in a combination of local and international instructor led and online courses and seminars, aimed at strengthening their skills and abilities in the exercise of their duties as Directors. Training covered areas including Environmental, Social and Governance (ESG) goals 2030 and its impact on business and economies, Telco Trends and what the next 5 years could look like, growing a Fintech business, the metaverse & cryptocurrency and the fundamentals of building a platform business. As part of the quarterly meetings of the Board, Directors received updates in areas of the business such as marketing, technology covering network and information systems, and mobile financial services.

Approval of the consolidated and separate financial statements

The consolidated and separate financial statements of the Company and Group were approved by the Board of Directors on 27 February, 2024 and signed on their behalf by:

Ishmael Yamson
Chairman
27 February, 2024

Selorm Adadevoh
Chief Executive Officer
27 February, 2024

Risk, Compliance, and IT Governance Committee report

Kofi Dadzie
Chairperson

Membership of the Risk, Compliance, and IT Governance (RCITG) Committee of the board

Name	Designation
Kofi Dadzie	Chairperson
NanaAma Botchway	Member
Fatima Daniels	Member

The chief executive officer, the chief financial officer, the chief information officer, the chief risk and compliance officer, and general manager: internal audit & forensics attend RCITG Committee meetings. Other officers (executives and senior management) are also invited to attend meetings, as deemed appropriate.

Purpose

The Committee assists the Board in fulfilling its oversight responsibility for enterprise risk management, for compliance with applicable laws and regulations, and for the governance of information technology (IT) and associated risks.

Summary of the RCITG Committee Activities in 2023

The RCITG Committee met during the year 2023 on 20 February, 20 April, 21 July, 23 October, and 4 December. At these meetings, the committee reviewed and deliberated on the following matters:

- Adequacy and overall effectiveness of Scancom PLC's structures for identifying, assessing, and controlling risks, as well as the promulgation of an organization-wide risk-aware culture.
- Risk profile of Scancom PLC in the context of risk appetite and risk capacity. It also considered the assessment and prioritization of risks, risk tolerance, risk indicators and triggers, as well as adequacy of risk responses.
- Alignment of the stated risk appetite and tolerance framework with strategic business objectives.
- Emerging risks and trends that may lead to new threats and opportunities not yet identified.
- Compliance with regulatory bodies, statutory authorities, local and international applicable laws, and relevant regulatory codes, as well as internal policies.
- Significant legal matters, including pending in the courts or in arbitration, which could have an impact on compliance with applicable laws and regulations.
- Major IT projects and investments to assess progress in line with set targets and metrics.
- Effectiveness of control and mitigation strategies in lieu of cyber risk and reports of major cyber security incidents and emerging risks
- Data governance for effectiveness in preserving data integrity, privacy, and security.

The RCITG Committee reported on its activities to the Board after every meeting. Its activities are governed by a Terms of Reference, a copy of which is available on Scancom PLC's corporate website.

Risk Management

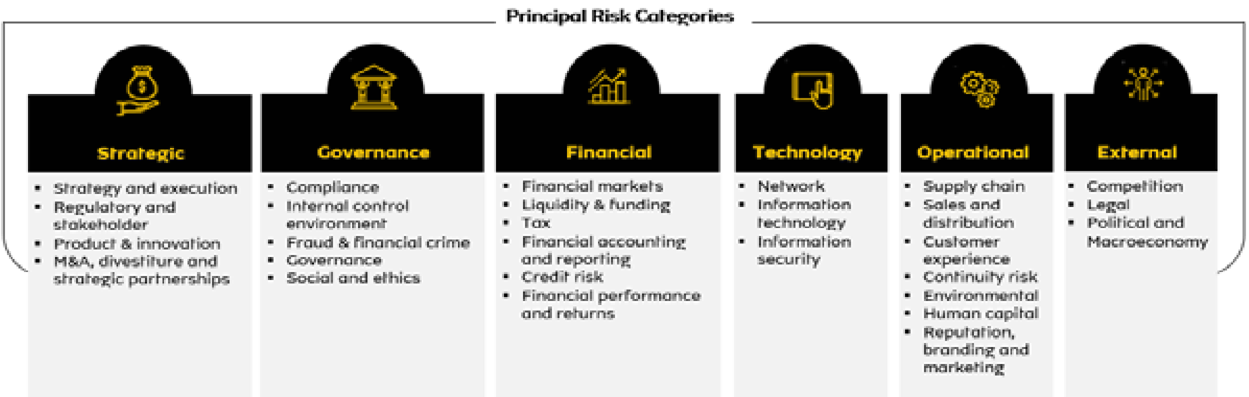
The Committee reviewed and approved the Risk and Compliance Combined Assurance Plan for 2023 in the meeting of February 20, 2023, and received quarterly updates which included maturity assessments for ISO 22301 standards regarding business continuity and resilience.

The Risk and Compliance function further reported to the Committee on its efforts to enhance risk awareness and to standardize risk management practices across the organization. These activities are guided by a set of policies, frameworks and methodologies approved by the Board.

The risk management process involves:

- Risk identification and assessment: determining what could affect the achievement of the organization's objectives (risk), why (cause) and the consequence (effect) of the event should it arise and assessing the inherent and residual risk associated.
- Recording and reporting: recording in risk registers and reporting to the appropriate level in line with the risk management delegation of authority.
- Monitoring and review: regular monitoring to ensure effective implementation of agreed mitigation actions.
- Ongoing risk reassessment: ongoing process to ensure new risk issues and/or new events are timeously and adequately captured and addressed.

Scancom PLC's risk management approach and monitoring activities are aimed at ensuring effective response to overall business risk profile, based on six broad principal risk categories:



Compliance Management

Scancom PLC is committed to conducting its business activities lawfully and in a manner that is consistent with its compliance obligations. It acknowledges that compliance with laws and regulations is an integral aspect of corporate governance.

The Committee assessed the effectiveness of compliance program operationalized through development and maintenance of a comprehensive compliance universe and implementation of an appropriate internal control framework. The program encompasses both internal and external compliance, with a management process involving adherence to all applicable regulations, rules, codes, license obligations, accepted practices, standards, internal policies, and procedures when performing business activity.

Information Technology Governance

The IT Division in 2023 reported to the Committee on key initiatives aimed at enhancing the organization's resilience to evolving cyber threats and ensuring the effective management of IT resources, including the implementation of comprehensive IT governance frameworks for efficient decision-making, enhancing accountability, and optimizing resource allocation.

The Committee reviewed key IT projects for 2023 and corresponding measures to mitigate implementation risks. Critical among these were projects on data governance, customer experience and bolstering cybersecurity measures through the adoption of advanced technologies and rigorous security protocols. These were supported by efforts to foster a culture of cybersecurity awareness and responsibility across all levels of the organization.

The Committee also received reports on emerging security risks, including a severe distributed denial of service (DDOS) attack in the sub-region, prompting us to shore up defenses, monitoring and threat intelligence. This reflected the organization's ability to adaptively and proactively adjust its cybersecurity measures based on ongoing risk assessments and threat intelligence, consistent with enhancements in controls for security and digital safety.

In summary, the Committee placed emphasis on the governance component of the MTN Ghana Enterprise Risk Management Framework, consistent with principle 11 of the King IV code to align on "the nature and extent of risks that the organization takes in pursuit of its strategic objectives".

Social and Ethics Committee Report

NanaAma Botchway
Chairperson

As Chair of the Social and Ethics Committee, I am pleased to present our first report in the Annual Report on our company's Environmental, Social and Governance (ESG) performance for 2023. The Social and Ethics Committee was set up in 2023 to drive sustainability to create shared value through our ESG initiatives.

The membership of the Committee are as follows:

Name	Designation
NanaAma Botchway	Chairperson
Rosie Ebe- Arthur	Member
Sugentharen Perumal	Member

Mandate

The Social and Ethics Committee oversees the implementation of the company's sustainability strategy to ensure sustainable and responsible business practices by creating the right ethical culture to advance our Ambition 2025 strategic objective of shared value with ESG at the core. Broadly, the Committee is responsible for:

- Overseeing and reporting to the Board on an ESG strategy and plan that is compliant with applicable laws and policies relating to environmental, social and governance matters.
- Monitoring the implementation of the ESG strategy and plan and reporting to the Board.
- Ensuring that the company provides accurate and timely reports to stakeholders.
- Ensuring that the Company's activities support its intention to be a responsible corporate citizen and to assist the Board in setting the tone for an ethical organizational culture.
- Addressing the Company's legal, regulatory, sustainability goals and, where applicable, community obligations, as well as the Company's stated corporate social and ethical objectives.

Meetings

The Committee held 4 meetings during 2023 as follows.

- Q1 - 17th February 2023
- Q2 - 18th April 2023
- Q3 - 24th July 2023
- Q4 - 24th October 2023

Summary of our achievements for 2023

Since the launch of Ambition 2025 in 2021, MTN Ghana has strengthened its commitment to building a resilient, responsible and sustainable business through the execution of our Sustainability strategy, which has 4 main pillars:

1. Doing for Planet - Eco Responsibility
2. Doing for People - Sustainable Societies
3. Doing it Right - Sound Governance
4. Doing for Growth - Economic Value Added

Doing for planet

Our flagship Project Zero aims to achieve net zero emissions by 2040. We are currently pursuing renewable energy and energy efficient technologies and solutions to progressively reduce our carbon emissions. In 2023, we reduced our carbon emissions by 7.5%. This was achieved through the deployment of solar solutions at all three of our data centres (Kaase, Sakaman and Tetteh Quarshie) and the modernization of the data centre cooling equipment.

In addition, we installed energy efficient lighting systems in our offices. Since 2021 when we launched Ambition 2021, we have achieved a cumulative carbon emissions reduction of 10% by reducing our scope 1 and 2 emissions. We are now turning our focus to scope 3 emissions by including environmental criteria in our procurement processes and monitoring the emissions of our partners. We are also supporting local businesses to adopt energy efficient practices. We expect to see more progress in the coming years as a result of the old and new measures we are implementing.

Doing for People

We accelerated our digital and diversity inclusion drive in 2023 through various social interventions in our business and in our local communities.

Diversity and Inclusion

As a company, MTN understands that a diverse workforce fosters innovation and drives success. We aim to build a culture that reflects the diversity of the communities we serve and promote equal opportunities for all. Through our diversity and inclusion program, female and differently abled representation in the workforce has improved. As at the end of 2023, women represented 41.64% of our workforce. We are aiming to increase that percentage to 50% by 2030 and will continue to intensify our efforts to increase the number of female hires and promotions especially when it comes to leadership positions.

Digital Inclusion

Digital access and affordability remain a core priority for us. By providing network connectivity, digital skills training, access to facilities as well as affordable products, we are equipping the youth with employable skills, providing job opportunities and platforms for job creation to improve lives and livelihoods in the local communities we serve.

As part of our Nation State agenda, we are contributing to Ghana's digitalization program. In 2023, we commenced the construction of a USD25 million ICT Hub in Accra. This project will when completed have laboratories for technology training and research, an innovation hub and co-working spaces for technology startups. We are also supporting the Girls in ICT program, an initiative of the Ministry of Communications and Digitalization, which has since 2020 trained 7,000 girls and 700 teachers in foundational digital skills.

In addition, we are making steady progress towards meeting our target of 80% smartphone penetration by 2025 by providing affordable solutions, customer awareness and extended data coverage. As at the end of 2023, we had increased smartphone penetration in our customer base to 67% through a variety of measures including device financing, data education, collaboration with original equipment manufacturers (OEM).

Doing for Growth

The MTN Ghana Foundation is focused on addressing socio-economic challenges faced by our local communities. Through the MTN Ghana Foundation's scholarship schemes, construction of schools, libraries, hospitals, and provision of financial support to micro and small businesses, we continue to make a positive impact in our communities.

The MTN Foundation's projects are aligned to our corporate strategy, Going forward, 75% of the spend on its projects will be full ICT or ICT enabled with the remaining 25% being dedicated to other national priorities. There are several ongoing digitally driven initiatives such as the Mamfe Girls Robotics Laboratory, Yilo Krobo 40-seater ICT project and Wiamose ICT Facility. Our digital inclusion agenda received a boost in the fourth quarter of 2023, when the MTN Ghana Foundation launched the Digital Skills Academy, which is a platform for digital skills training and job creation, targeting 100,000 youth in Ghana by 2025. This is part of an MTN Group target to provide one million people with digital skills training by 2025.

We are proud of the MTN Ghana Foundation's work. Since its establishment in 2007, it has undertaken 166 projects and touched the lives of about 4.5 million people in Ghana. The MTN Foundation will continue to embrace innovation to drive social change, nurture effective collaborations, and empower individuals in underserved communities.

Our 2024 Outlook

In 2024 and beyond, we will work to embed ESG into our operations. We will continue to invest in environmentally friendly energy sources and take steps to instill a clean energy-conscious culture within the company and beyond. We will push digital and financial inclusion by expanding digital access, our product offerings as well as other digital inclusion activities. We will also extend our diversity and inclusion programs and continue to nurture the strong ethical culture within the business.

Human Resources, Remuneration and Nominating Committee report

Rosie Ebe-Arthur
Chairperson

1. Introduction

MTN Ghana is committed to delivering the MTN Group's strategy of leading digital solutions for Africa's progress. Central to our success is our 'Live Inspired' employee value proposition, underpinned by our refreshed core values: Lead with Care, Can-do with Integrity, Collaborate with Agility, Serve with Respect and Act with Inclusion.

We continuously refine our ways of working to align with our business objectives and the **Ambition 2025** strategy. This includes attracting new talent to complement existing skills in the organization; upskilling and reskilling existing talent and evolving our culture to deliver digital solutions.

MTN Ghana is committed to becoming a digital operator and ensuring our people embrace a digital mindset is part of this journey. Consequently, we have enhanced employee development opportunities and revamped our performance management approach to ensure that each employee is equipped for this digital journey.

2. Culture aligned to MTN values and goals

We are committed in our efforts to foster a high-performance culture that is both rewarding and engaging to our people, while enabling a purpose driven organization that delivers sustained value to shareholders. This is reflected positively in our key people metrics, e.g. over the last year:

Sustainable Engagement	Women in Workforce	Diversity and Inclusion
95%	41.59%	94%
1% YoY improvement	0.43% YoY improvement	3% YoY improvement

2.1 Diversity and inclusion

The deliberate initiatives aimed at promoting diversity and inclusion have been pivotal components of MTN Ghana's strategy.

Highlights of our commitments in 2023 include:

- Women representation improved by 0.43% from 2022.
- Women in leadership improved by 1% from 2022.
- Two females hired into C Suite roles for Scancom PLC and with the other in MobileMoney LTD.
- 64% of Graduate Trainee intake are females.
- Differently abled employee: 3 new hires in 2023.
- A focus on gender pay parity as a measure to enhance diversity, equity, and inclusion.

3. Agile talent and future skills

The initiative to achieve an agile talent force with future proof skills during the year include:

- Focus on demonstrated learning: launched Talent marketplace to scale access to projects & offer employees further opportunities to demonstrate learning & the use of analytics.
- Succession Management focused on experience/ exposure: 45% of C-Suite successors enrolled on international experiential development.
- Design thinking cohort sessions & scale across the business using identified companywide projects to impact customer experience (NPS), reduction of support cost & customer usage/ revenue.

4. Largest platform player

The 2023 strategy was to achieve structural separation and people transition from Scancom PLC to MobileMoney Limited (MML) to enable focus, specialization & scalability. MML thus:

- Revised the MML structure and transferred the final batch of eighteen (18) dedicated employees to MML; and
- Hired six (6) MML CEO direct reports and twelve (12) other employees to resource MML.

5. Mandate

The Human Resource, Remuneration and Nominating Committee (HRRNC), assists the Board in fulfilling its oversight responsibility by ensuring alignment between the remuneration, human resources strategies, policies, and the Company's business strategy and desired culture. The Committee works to ensure succession plans are in place to attract, engage and retain the requisite talent to deliver business requirements whilst optimizing the capabilities of our people. The Committee also oversees the procedures relating to the interview, nomination and recommendation of qualified candidates to the Board for appointment as directors, subject to subsequent approval by Shareholders, in alignment with the requirements of the Securities and Exchange Corporate Governance Code for Listed Companies, (2020).

The members of the committee are;

Name	Designation
Rosie Ebe-Arthur	Chairperson
Felix Addo	Member
Tsholofelo Molefe	Member

6. Focus areas

The remuneration policies of MTN Ghana are designed to maintain relevant reward mechanisms aligned to industry best practices. We conduct annual total remuneration benchmarking to promote improved decision-making. Our primary objective is to ensure that MTN's remuneration strategies and policies effectively attract, motivate, and retain talent, senior management, and directors dedicated to deliver sustained performance.

In 2023 the Committee also focused on recruiting Independent Non-Executive Directors (INED) for Scancom PLC and MobileMoney Limited. Further information regarding the recruitment process is outlined in section 9 of this report.

Additionally, the Committee continued the INEDs fees review work which was initiated in 2023 with a benchmark exercise facilitated by PricewaterhouseCoopers (PwC). Subsequently, the Committee delegated an ad-hoc team to conclude the fees recommendations to the Board for shareholders' approval at the Annual General Meeting.

7. Key features of 2023

In 2023, the Committee reviewed and approved the following key remuneration decisions, Executive and Board appointments and policy developments:

- 2023 remuneration mandate and salary reviews;
- MTN Ghana annual performance bonus payout;
- MTN Ghana Tier 3 fund partial withdrawal after the 10-year anniversary;
- Transfer of 33% of ESOP shares to beneficiaries as part of localization;
- Revised performance bonus maximum percentage for employees in L1 to L4;
- Employee share allocations under the Employee Share Ownership Plan (ESOP) in June and December and Performance Share Plan (PSP) scheme in December 2023;
- Increased focus on succession development for key roles.
- Executive appointments for Chief Corporate Services & Sustainability Officer, Chief Enterprise Business Officer and Chief Executive Officer;
- Appointment of an additional Independent Non-Executive Director (INED) in compliance with the SEC Corporate Governance Code, 2020.
- Final phase of employee transfer to MobileMoney Limited

8. Regulatory compliance

MTN Ghana's human resources practices, as presented to the Committee, are in accordance with the Ghana Labor Act and the compliance regulations of the Security and Exchange C mmission. We are deliberate about keeping abreast and ensuring ongoing compliance with emerging developments locally and internationally.

9. Nomination of Independent Non-Executive Director for appointment by Shareholders

Scancom PLC remains committed to the appointment of competent Directors to steer the affairs of the company and achieve its strategy to deliver a sustainable and successful business.

9.1 Vacancy/Gender balance considerations

Scancom PLC has eleven (11) board members made up of: two (2) Executive Directors, four (4) Independent Non-Executive Directors, and five (5) Non-Executive Directors.

The SEC has supported efforts to increase Independent directors' representation on the Board of Scancom PLC in accordance with the SEC Governance Code, by granting an extension until September 2024.

To this end, the HRRNC considered the MTN Ghana Board Gender Policy in its deliberations and its requirements among other things, for a minimum of thirty percent (30%) female participation in the composition of the Board, as well as at least one female member on each committee of the Board. We are pleased to note that the 30% minimum for female participation on the Board had been achieved prior to the appointment of Ms. Louisa Stephens as an INED, which will result in a 50% female representation of the Board.

The ensuing paragraphs provide a summary of the Committee's assessment of the performance of candidates selected for the Independent Non-Executive Director role of Scancom PLC.

9.2 *Constitution of the interview panel / assessment criteria*

The panel comprised Ms. Rosemond Ebe-Arthur (Chairperson), Mr. Felix Addo and Ms. Fatima Daniels, who had the delegation of Ms. Tsholo Molefe, a member of the HRRNC.

The Committee reviewed the qualifications, recommendations, and other information deemed relevant and interviewed seven (7) shortlisted candidates guided by the underlisted criteria:

- Relevant business, skills, expertise and experience, including an understanding of fundamental financial statements,
- Freedom from conflicts of interest that would interfere with performance as a director,
- The highest character and integrity and a reputation for working constructively with others,
- Possess the skills, experience, expertise and personal qualities of the proposed candidate to advance the Company's objectives,
- An eligible person to hold the office of director under the Companies Act,
- Capability to devote the necessary time and commitment to the role. This involved a consideration of matters such as other board or executive appointments,
- Satisfaction of the independence criteria under the Companies Act, 2019 and the SEC Compliance Governance Code, 2020.
- A Chartered Accountant in good standing,
- Consideration of whether the proposed candidate would advance the objectives of ensuring diversity on the Board.

Background checks were conducted on the candidates and their employee records were reviewed.

Additionally, as a proposed Independent Non-Executive Director, the Committee, in determining the independence of Louisa Stephens, was guided by Section 40 of the SEC Governance Code which details the criteria for the determination of independence. The Committee thus noted inter alia that the candidate was:

- not associated with any majority or substantial shareholder of the company, either through business, family or personal relationships, political affiliation or in any other way;
- had not been employed by the company in an executive capacity within the last three (3) years; affiliated to an advisor or consultant to the company or a member of the company's senior management or a significant customer or supplier of the company;
- was free from any other relationship with the Company which could interfere with her capacity to act in an independent manner.
- The Committee ensured that the proposed Director was qualified as "Independent" under the Companies Act, 2019 and the SEC Corporate Governance Code, 2020.

9.3 *Appointment of Stephen Blewett as a Director*

Pursuant to Clause 59 (4) of the Company's constitution, the Board may make recommendations for the appointment of the Chief Executive Officer as a director of the Company. The resignation of the current CEO, Mr. Selorm Adadevoh, effective April 1, 2024, creates a vacancy on the MTN Ghana Board. To ensure continuity in the activities of the Board, the incoming CEO, Mr. Stephen Blewett, was considered by the Committee for nomination and recommendation to the Board for appointment by the Shareholders.

9.4 *Assessment criteria*

The Committee reviewed the qualifications, recommendations, and other information deemed relevant and interviewed the proposed Executive Director. Background checks were conducted on the candidate and his employee records were also reviewed. No concerns were raised.

9.5 Confirmation / Recommendation of Directors for *appointment*

The Committee, having received a written confirmation of the candidates' willingness to be considered as directors as well as written disclosures of any potential areas of conflict that could undermine their position or service as a director for the consideration of the Committee, the Committee recommended to the Board, Mrs. Louisa Stephens and Mr. Stephen Blewett for appointment by Shareholders as an Independent Non -Executive Director and Executive Director of the Company respectively. The appointment of Stephen Blewett as a Director will be effective April 1, 2024.

9.6 *Short profile of appointees*

Louisa Stephens

Ms. Louisa Stephens' education and professional qualifications attest to her expertise in accounting, finance and governance**.** She is a qualified Chartered Accountant, Chartered Director and a graduate of the University of Cape Town and Rand Afrikaans University (University of Johannesburg). Louisa is an independent financial trader who has a wealth of board experience in various sectors and has held directorships in both listed and unlisted companies, and non-profit organizations. Louisa has contributed to the strategic direction, governance, and oversight of these organizations, as well as bringing her expertise in finance, audit, risk, and transformation.

She held a position as the uMnotho Fund Manager at the National Empowerment Fund, where she managed a fund that provided acquisition, expansion and project finance for black-owned SMEs. She is a former Investment Banker at Rand Merchant Bank where she gained extensive experience as a debt transactor in acquisition & leverage Finance; debt and equity financier and advisor in BEE space; an equity transactor in the private equity environment and a credit analyst in Structured Finance. Louisa was also Chief Investment Officer of Circle Capital Ventures. Louisa served her articles at KPMG, in the Financial Services Division in bank audit.

Louisa currently serves on the Boards of the Institute of Directors in Southern Africa NPC, Multichoice Group Limited (MCG), Netcare Limited and Strate (Proprietary Limited).

Louisa is also a mentor in Coaching Circles and a member on the Business Plan Adjudication Panel for Goldman Sachs 10,000 Women Certificate Program for Women Entrepreneurs administered by the Gordon Institute of Business Science (GIBS).

Stephen Blewett

Stephen Blewett is the MTN Group Operations Executive for the West and Central Africa (WECA) regions and the incoming CEO of Scancom PLC effective April 1, 2024. He has over twenty (20) years' ongoing experience in General Management, Consulting and Commercial management. During this time, he has held varied positions that have enabled him to gain invaluable experience in all aspects of business in the telecommunications and oil industry. He has been specifically responsible for profit/ revenue enhancement and business improvement.

Stephen is a proven leader with a wealth of experience and expertise in the telecommunications industry. He has demonstrated his ability to deliver results, drive change and inspire teams across diverse markets and cultures. As the MTN Group Operations Executive for the WECA region, he had direct responsibility for performance in Congo, Liberia, Guinée Conakry & Guinée Bissau with operational support to Benin, Ivory Coast, Cameroon, and Ghana. Prior to assuming his current role with MTN, Stephen served as the Group Chief Operations Officer for Digicel in Kingston, Jamaica.

Stephen has extensive board training and experience having served as a director on the boards of five (5) MTN Operating companies (Benin, Guinée Conakry, Congo, Liberia and Guinée Bissau). He has contributed to the governance, oversight and direction of the MTN operating companies, ensuring compliance with regulatory and ethical standards, as well as alignment with the MTN Group vision and values.

He holds a Bachelor of Commerce degree from the University of Natal, having majored in Economics, Business Administration and Marketing.

Conclusion

I am confident that the Committee has effectively fulfilled its mandate over the past year and discharged its duties with meticulous attention. The Committee is content that it has met its responsibilities as outlined in its terms of reference, and the objectives of the Human Resource, Remuneration, and Nominating Committee have been achieved with minimal deviation. I express my profound gratitude for your ongoing support and valuable feedback during the year.

Audit Committee Report

Felix Addo
Chairperson

1. Membership of the Audit Committee (AC) of the Board

Name	Designation
Felix Addo	Chairperson
Kofi Dadzie	Member
Fatima Daniels	Member
Sugentharen Perumal	Member

The Chief Executive Officer, the Chief Financial Officer, the General Manager for Internal Audit & Forensics and the External Auditor (Ernst & Young Ghana) attend AC meetings. Other officers (executives and senior management) are also invited to attend meetings, as deemed appropriate.

2. Mandate

The AC assists the Board of Directors in discharging its duties relating to the safeguarding of assets, operation of adequate governance, internal control systems and processes, as well as the preparation of financial statements and related financial reporting in compliance with all applicable legal requirements and accounting standards. These include internal financial controls and ensuring that assurance services and functions enable an effective control environment and that these support the integrity of information produced in compliance with applicable legal and regulatory requirements.

3. Summary of the Audit Committee Activities in 2023

The AC focused on discharging its responsibility of exercising oversight over governance activities as well as monitoring the effectiveness of internal controls (both financial and non-financial) for both Scancom Plc and its subsidiary MobileMoney Limited.

The AC held quarterly meetings during the financial year under review on 20 February 2023, 20 April 2023, 21 July 2023, and 23 October 2023. At these meetings, the committee reviewed significant matters to satisfy itself and the Board of the adequacy and effectiveness of governance and internal control processes including:

- The Group and Company's performance and financial results.
- Stock exchange news service (SENS) releases review.
- Progressed activities to co-ordinate and oversee standardization of key controls across key processes.
- Evaluated and monitored on an ongoing basis, processes in place to improve the control environment.
- Reviewed significant financial and non-financial control issues and misstatements (actual or potential).
- Reviewed the internal financial controls in place for the purposes of the CEO and CFO attestation.
- Assessed the suitability of external auditors, internal audit, CFO and finance function.
- Reviewed the adequacy of Internal Audit and Forensic Services operations, processes and resourcing.
- Continued to assess the effectiveness of our combined assurance model.
- Ensured that appropriate financial reporting standards and procedures are in place and being applied.
- Discussion of changes in accounting and other reporting requirements and appropriateness of the organization's response to the changes.
- Evaluated operational, financial and control risks posed by the challenging macroeconomic environment and mitigation plans in place.
- Regularly reviewed significant tax, regulatory and legal matters and assessed the impact on the Group and its subsidiaries.

- Monitored the progress of management implementation of audit findings (raised by internal & external auditors).
- Reviewed the appropriateness of Management's acceptance of risks highlighted from internal and external audit work.
- Audit plan of the external auditors and audit findings report.
- Regular monitoring and assessment of major fraud cases and fraud risk alerts as well as the adequacy of fraud mitigation processes implemented by the Group and Company.
- Assessment of Information technology controls
- Remuneration and independence of the Group's external auditor.
- Considered and approved a refreshed decision-making framework that addresses the evolving needs of the business, taking into account MTN's growth ambitions.

4. Review of financial performance for the year ended 31 December 2023

The committee at its meeting held on 23 February 2024 reviewed the separate and consolidated financial statements for the year ended 31 December 2023 of Scancom Plc. as presented by management and recommended them to the Board for approval.

5. Internal Audit & Forensic Services Functions

The AC reviewed and approved the MTN Ghana Combined Assurance Plan for 2024 at its meeting on 23 February 2024 after satisfying itself that the risk-based plan covers significant risks of the Group and Company.

The committee was updated on the activities of Internal Audit & Forensic Services Divisions including the status of audits and findings from internal audits conducted.

6. External Audit

Ernst & Young Ghana, the external auditor, at the AC meeting held on 21 July 2023 shared their audit plan which highlighted objectives of the audit, audit approach, responsibilities of the directors and the auditor, audit scope and reporting timetable for the year ended 31 December 2023.

Ernst & Young Ghana, at the 23 February 2024 AC meeting, presented the findings from their revenue assurance report, observations and matters arising from their audit of the financial statements for the year ended 31 December 2023 to the committee members.

The AC is satisfied that the external auditor is independent of the Company and Group. The AC also considered matters arising in the current year's management letter and ensured that they are being properly resolved.

7. Key focus areas for 2024

The focus areas of the Audit committee for 2024 are:

- Continue to oversee and strengthen coordination of all lines of defense in the organization and extract the efficiencies of a combined assurance model.
- Overseeing the integrity of the accounting and financial reporting systems
- Reviewing any investor releases relating to the Group and Company's financial performance and reviewing significant financial reporting judgements contained therein, and reporting to the Board on these matters.
- Continue to facilitate a fair and balanced approach to corporate reporting.
- Reviewing and monitoring the performance of the external auditor and the effectiveness of the Internal Audit function.
- Commission and review internal Audit reports on major transactions.
- Continue to evaluate and improve the Group and Company's internal control systems including financial and information technology controls.
- Reviewing the impact of new IFRS.
- Reviewing the tax treatment of unusual transactions.
- Continued oversight over whistleblowing mechanisms, fraud investigations and remediation of related control breakdowns and deficiencies.
- Commission studies, reviews, audits and investigations as requested by the Director with responsibility for relations with minority shareholders.
- Review the annual reports and returns of the Group.
- Monitor progress on strategic initiatives and ensure the overall control environment is not compromised during the process of implementation.

Building a better working world

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SCANCOM PLC

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Scancom Plc and its subsidiary ('the group') and company set out on pages 13 to 91, which comprise the consolidated and separate Statements of Financial Position as at 31 December 2023, and the consolidated and separate Statements of Comprehensive Income, the consolidated and separate statements of Changes in Equity and the consolidated and separate statements of Cash Flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the group and company as at 31 December 2023, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards including the IAS29 Hyperinflation Directive issued by the Institute of Chartered Accountants Ghana and the requirements of the Companies Act, 2019 (Act 992).

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 *Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the group and company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Ghana, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Building a better working world

We have fulfilled the responsibilities described in the *Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

The Key Audit Matters applies equally to the audit of the consolidated and separate financial statements.

Key Audit Matter	How the matter was addressed in the audit
Expected Credit Loss (ECL) assessments on Mobile Money Float As of 31 December 2023, the group held material balance on the Mobile Money Float balances (GHS16.4b) constituting 53% of the group's total assets. The Mobile Money Float balances represent cash deposits held with Partner Banks in respect of all outstanding balances on customer wallets at the year end. As disclosed in note 2.23, the Group applies IFRS9 model in determining impairment on this Mobile Money Float asset. The allowance or provision recognized depends on the output of the partner banks risk assessment for the period, with forward looking assumptions regarding the choice of variables, inputs and their interdependencies. Partner banks whose counterpart risk profile indicated significant increase in credit risk were assessed for impairment. The Group exercises significant judgements regarding the inputs, assumptions, and techniques for estimating ECL on these Mobile Money Float balances. Total ECL recognised on the float balance amounts GHS 15.4m as disclosed under note 2.23.	We obtained an understanding of the Group's accounting process for float balances as well as the impairment methodology. We evaluated the reasonableness of management assumptions and judgments including the partner bank risk rating, other qualitative and forward-looking information included in the ECL assessment. We tested the reasonableness of management's calculations in the ECL model. We also reviewed the reasonableness of the impairment in line with our understanding of the macro-economic environment and the banking industry. We assessed the adequacy of the group's disclosure regarding impairment of float balances in line with IFRS 9 requirements.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the 93-page document titled "Scancom Plc, Consolidated and Separate Financial Statements for year ended 31 December 2023", which includes the Report of Directors, the Audit Committee's report and other disclosures as required by the Companies Act, 2019 (Act 992). The other information does not include the consolidated or the separate financial statements and our Auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards including the IAS 29 directive issued by the Institute of Chartered Accountants Ghana (ICAG) and the requirements of the Companies Act, 2019 (Act 992), and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

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

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

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

The Companies Act, 2019 (Act 992) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

ii. In our opinion, proper books of account have been kept by the group and the company, so far as appears from our examination of those books;

iii. The consolidated and separate Statement of Financial Position and the consolidated and separate Statement of Comprehensive of the group and the company are in agreement with the underlying books of account;

iv. In our opinion, to the best of our information and according to the explanations given to us, the accounts give the information required under the Act, in the manner so required and give a true and fair view of the state of affairs of the group and the company at the end of the financial year and of the profit or loss for the financial year then ended;

v. We are independent of the company pursuant to section 143 of the Companies Act, 2019 (Act 992).

The engagement partner on the audit resulting in this independent auditors' report is Pamela Des Bordes (ICAG/P/1329).

Ernst & Young

Ernst & Young (ICAG/F/2024/126)
Chartered Accountants
Accra, Ghana
Date: 28 February 2024

Consolidated and separate statement of comprehensive income

(All amounts in thousands of Ghana Cedis)

		Group		Company	
	Note	**2023**	**2022**	**2023**	**2022**
Revenue from contracts with customers	2.5.6	13,349,471	9,916,109	10,592,399	8,067,322
Other income	2.5.9	1,464	775	133,004	74,927
Direct network operating costs	2.6	(1,624,594)	(1,067,376)	(1,624,594)	(1,067,376)
Cost of device and other accessories		(63,100)	(66,775)	(63,100)	(66,775)
Interconnect and roaming costs	2.7	(592,716)	(415,581)	(592,716)	(415,581)
Employee expenses	2.8	(541,009)	(413,399)	(511,531)	(398,610)
Selling, distribution and marketing expenses	2.9	(1,913,660)	(1,449,440)	(1,021,240)	(783,130)
Other operating expenses	2.10	(815,387)	(940,658)	(677,062)	(873,637)
Earnings Before Interest Tax Depreciation and Amortisation		**7,800,469**	**5,563,655**	**6,235,160**	**4,537,140**
Depreciation	2.15.3	(1,389,990)	(1,027,919)	(1,388,064)	(1,024,917)
Amortisation	2.16.3	(334,608)	(170,760)	(265,166)	(170,766)
Operating profit		**6,075,871**	**4,364,976**	**4,581,930**	**3,341,457**
Finance income	2.11.3	288,748	205,962	926,292	719,297
Finance costs	2.11.3	(774,912)	(474,418)	(649,784)	(478,730)
Profit before income tax		**5,589,707**	**4,096,520**	**4,858,438**	**3,582,023**
Growth and Sustainability levy	2.13	(279,485)	(206,603)	(204,922)	(149,152)
Income tax expense	2.12.3	(1,327,972)	(1,034,116)	(954,911)	(746,743)
Profit after tax		**3,982,250**	**2,855,801**	**3,698,605**	**2,686,128**
Other comprehensive income:					
Other comprehensive income, net of tax		**-**	**-**	**-**	**-**
Total comprehensive income		**3,982,250**	**2,855,801**	**3,698,605**	**2,686,128**
Earnings per share information					
Diluted/Basic earnings per share (GHS)	2.14	**0.301**	**0.232**	**0.279**	**0.219**

The notes on pages 84 - 140 are an integral part of the consolidated and separate financial statements.

Consolidated and separate statement of financial position as at 31 December 2023

(All amounts in thousands of Ghana Cedis)

	Note	Group 2023	Group 2022	Company 2023	Company 2022
Assets					
Non Current Assets					
Property, plant and equipment	2.15.1	6,432,554	4,981,038	6,428,601	4,975,481
Right of use assets	2.15.8	1,484,549	1,196,562	1,484,549	1,196,562
Intangible assets	2.16.3	1,369,559	784,079	1,091,790	784,076
Investments in subsidiary	2.17.1	-	-	20,050	20,050
Investments	2.17.2	20,000	20,000	-	-
IRU assets	2.18.1	123,417	123,399	123,417	123,399
Deferred tax assets	2.12.6	73,011	10,084	-	-
Contract assets	2.19.2	-	1,633	-	1,633
Contract costs	2.19.3	45,346	24,968	45,346	24,968
		9,548,436	**7,141,763**	**9,193,753**	**7,126,169**
Current assets					
Inventory	2.20	80,998	13,749	80,998	13,749
Trade and other receivables	2.21.1	1,020,917	773,373	883,649	696,381
Other assets and other financial assets	2.22	87,769	149,247	86,618	147,871
Other financial assets	2.22	382,007	344,874	381,303	344,868
Income tax assets	2.12.5	189,533	149,920	167,965	103,801
Growth and Sustainability levy	2.13	14,138	27,071	7,789	25,608
IRU assets	2.18.1	29,129	25,995	29,129	25,995
Mobile money float	2.23	16,381,096	11,663,106	-	-
Investment in securities	2.24.1	278,285	188,571	-	-
Cash and cash equivalents	2.24	2,946,133	1,586,207	2,260,258	1,176,104
		21,410,005	**14,922,113**	**3,897,709**	**2,534,377**
Total assets		**30,958,441**	**22,063,875**	**13,091,462**	**9,660,544**
Equity					
Stated capital	2.25	2,222,888	1,097,504	2,222,888	1,097,504
Other reserves	2.36	312,764	215,482	34,478	26,910
Retained earnings	2.35	6,083,422	4,396,714	5,435,807	3,943,030
		8,619,074	**5,709,700**	**7,693,173**	**5,067,444**
Non Current Liabilities					
Borrowings	2.26	73,422	222,318	73,422	222,318
Deferred tax liabilities	2.12.6	575,714	538,113	575,714	538,113
Lease Liability	2.15.8	1,711,375	1,316,020	1,711,375	1,316,020
IRU liability	2.18.2	26,071	26,829	26,071	26,829
Other non-current liability	2.18.3	245,967	-	-	-
Share based payment liability	2.27.6	60,959	33,539	55,996	30,590
Provisions	2.27.3	9,990	10,657	9,424	10,657
		2,703,498	**2,147,476**	**2,452,002**	**2,144,527**
Current Liabilities					
Trade and other payables	2.28	1,879,444	1,766,990	1,890,427	1,712,092
Obligations to electronic money holders	2.23	16,381,096	11,663,106		
Contract liabilities	2.19.1	347,476	217,090	347,476	217,090
Provisions	2.27.3	246,416	107,058	98,264	66,936
Lease liabilities	2.15.8	448,109	284,278	448,109	284,278
IRU liability	2.18.2	3,795	3,431	3,795	3,431
Other liability	2.18.3	171,317			
Borrowings	2.26	158,216	164,746	158,216	164,746
		19,635,869	14,206,699	2,946,287	2,448,573
Total Liabilities		**22,339,367**	**16,354,175**	**5,398,289**	**4,593,100**
Total Equity and Liabilities		**30,958,441**	**22,063,875**	**13,091,462**	**9,660,544**

The notes on pages 84 - 140 are an integral part of the consolidated and separate financial statements.

The consolidated and separate financial statements on pages 80 - 140, were approved by the Board of Directors on 27 February 2024 and were signed on their behalf by:

Selorm Adadevoh
Chief Executive Officer

Antoinette Kwofie
Chief Financial Officer

Consolidated and separate statement of changes in equity for the year ended 31 December

(All amounts are in thousands of Ghana Cedis)

Group	**Stated capital**	**Other reserves**	**Retained earnings**	**Total Equity**
Balance as at 1 January 2022	1,097,504	82,540	3,183,254	4,363,298
Profit for the year	-	-	2,855,801	2,855,801
Total comprehensive income for the year	-	-	6,039,055	6,039,055
Transactions with equity holders of the Group				
Transfer between reserves	-	132,942	(106,032)	26,910
Dividends (Note 2.29)	-	-	(1,536,309)	(1,536,309)
Total contributions by and distributions to owners of company recognised directly in equity		132,942	(1,642,341)	(1,509,399)
Balance at 31 December 2022	**1,097,504**	**215,482**	**4,396,714**	**5,709,700**
Total comprehensive income	-	-	-	-
Profit for the year	-	-	3,982,250	3,982,250
Other Equity	1,125,384	97,282	-	1,222,666
Total comprehensive income for the year	1,125,384	97,282	3,982,250	5,204,916
Transactions with equity holders of the Group				
Transfer between reserves	-	-	(109,714)	(109,714)
Dividends (Note 2.29)	-	-	(2,185,828)	(2,185,828)
Total contributions by and distributions to owners of company recognised directly in equity	-	-	(2,295,542)	(2,295,542)
Balance at 31 December 2023	**2,222,888**	**312,764**	**6,083,422**	**8,619,074**

Company	**Stated capital**	**Other reserves**	**Retained income**	**Total Equity**
Balance as at 1 January 2022	1,097,504	-	2,773,211	3,870,715
Total comprehensive income				
Profit for the year	-	-	2,686,128	2,686,128
Total comprehensive income for the year	-	-	5,459,339	6,556,843
Transactions with equity holders of the Company				
Transfer between reserves	-	26,910	20,000	46,910
Dividends (Note 2.29)	-	-	(1,536,309)	(1,536,309)
Total contributions by and distributions to owners of company recognised directly in equity	-	26,910	(1,516,309)	(1,489,399)
Balance at 31 December 2022	**1,097,504**	**26,910**	**3,943,030**	**5,067,444**
Total comprehensive income				
Profit for the year	-	-	3,698,605	3,698,605
Other Equity	1,125,384	-	-	1,125,384
Total comprehensive income for the year	1,125,384	-	3,698,605	4,823,989
Transactions with equity holders of the Company				
Transfer between reserves	-	7,568	(20,000)	(12,432)
Dividends (Note 2.29)	-	-	(2,185,828)	(2,185,828)
Total contributions by and distributions to owners of company recognised directly in equity	-	7,568	(2,205,828)	(2,198,260)
Balance at 31 December 2023	**2,222,888**	**34,478**	**5,435,807**	**7,693,173**

The notes on pages 84 - 140 are an integral part of the consolidated and separate financial statements.

Consolidated and separate statement of cash flows for the year ended 31 december

(All amounts are in thousands of Ghana Cedis)

	Note	Group 2023	2022	Company 2023	2022
Cash from operating activities					
Profit before tax		5,589,707	4,096,520	4,858,438	3,582,023
Adjustments for:					
Depreciation of property, plant and equipment	2.15.3	1,389,990	1,027,919	1,388,064	1,024,917
Amortisation of intangible assets	2.16.4	334,608	170,760	265,166	170,766
Amortisation of contract cost	2.19.3	7,731	39,847	7,731	39,847
Amortisation of IRU (Capacity leasing)	2.18.1	40,837	25,561	40,837	25,561
IRU deferred income charge/(release)	2.18.2	(4,961)	12,941	(4,961)	12,941
Profit from disposal of property plant and equipment	2.15.10	(969)	(859)	(969)	(859)
Impairment / (Recovery) charge on trade receivable	2.21.1	20,273	(80,376)	20,273	(80,376)
Interest Income	2.11.3	(288,748)	(205,962)	(926,292)	(719,297)
Finance costs	2.11.3	774,912	474,418	649,784	478,730
		7,863,380	**5,560,769**	**6,298,071**	**4,534,253**
Changes in working capital:					
Inventory		(67,249)	(15,561)	(67,249)	(15,561)
Contract assets		1,633	640	1,633	640
Other assets		61,040	121,816	61,253	121,816
Increase/(decrease) in other financial assets at amortised cost		(100,150)	(202,485)	(36,435)	(202,601)
Trade and other payables		103,817	1,216,095	109,175	1,104,575
Trade and other receivables		(247,362)	(696,161)	(187,268)	(581,993)
Increase/(decrease) in contract liabilities		130,386	(12,825)	130,386	(12,825)
Increase/(decrease) in provisions		141,937	(49,356)	31,328	(23,657)
Increase in capitalised contract costs		(20,378)	(14,776)	(20,378)	(14,776)
Cash generated from operations		**7,867,054**	**5,908,156**	**6,320,516**	**4,909,871**
Interest received		237,330	156,170	166,292	99,171
Dividends received from subsidiary				760,000	600,000
Finance costs paid		(169,610)	(126,645)	(114,834)	(126,645)
Dividends paid	2.29	(1,072,177)	(1,536,309)	(1,072,177)	(1,536,309)
Taxes paid	2.12.5	(1,392,910)	(698,453)	(981,473)	(451,136)
Growth and Sustainability levy		(266,552)	(231,404)	(187,103)	(160,909)
Net cash flows from operating activities		5,203,135	3,471,515	4,891,221	3,334,043
Cash flows from investing activities					
Purchase of property, plant and equipment	2.15.6	(2,361,192)	(1,724,994)	(2,361,192)	(1,723,255)
Proceeds from disposal of property, plant and equipment	2.15.10	1,830		1,830	
Purchase of other intangible assets	2.16.5	(576,867)	(246,674)	(576,867)	(246,674)
Acquisition of additional IRU capacity	2.18.1	(43,988)	(69,892)	(43,988)	(69,892)
Purchase of securities	2.24.1	(38,296)	(84,187)		
Investment in integrity capital	2.17.2		(20,000)		
Net cash flows used in investing activities		(3,018,513)	(2,145,747)	(2,980,217)	(2,039,821)
Cash flows from financing activities					
Repayment of borrowings	2.26.1	(150,003)	(189,996)	(150,003)	(189,996)
Payment of stamp duty for scrip dividend issue	2.2	(11,733)	-	(11,733)	-
IRU Liabilities		4,961		4,961	
Principal element of lease payments		(688,942)	(579,947)	(688,942)	(579,947)
Net cash flows from financing activities		**(845,717)**	**(769,943)**	**(845,717)**	**(769,943)**
Net increase in cash and cash equivalents		1,338,905	555,825	1,065,287	524,279
Cash and cash equivalents at 1 January		1,586,207	995,422	1,176,104	621,715
Effect of exchange rate fluctuations on cash and cash equivalents held		21,021	34,960	18,867	30,110
Cash and cash equivalents at 31 December	2.24	**2,946,133**	**1,586,207**	**2,260,258**	**1,176,104**

The notes on pages 84 - 140 are an integral part of the consolidated and separate financial statements.

Notes to the financial statements

1. General information

Scancom PLC, (the "Company") was incorporated in Ghana as a private limited liability company on 14 April 1994 and commenced operations on 9 September 1994. The Company's regulations were amended on 13 October 2016 to become a public company and its shares were listed on the Ghana Stock Exchange on 5 September 2018.

Its ultimate holding company is MTN Group Limited, a company incorporated in the Republic of South Africa and listed on the Johannesburg Stock Exchange.

The registered address of the company is MTN House, Plot OER 6, Independence Avenue, West Ridge, Accra. The principal activities are the provision of telecommunication services including voice, data, and enterprise solutions, mobile financial services, the development of strategic partnerships to provide advanced services and the provision of consultancy and support services in the mobile banking, payment services and fintech space. The consolidated financial statements are for the Group consisting of the Company, Scancom PLC and its subsidiary, MobileMoney Limited.

2. Principal accounting policies

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

2.1 Basis of preparation

i. Compliance with IFRS

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) including the IAS 29 Hyperinflation Directive issued by the Institute of Chartered Accountants Ghana (ICAG) and in the manner required by the Companies Act, 2019 (Act 992).

ii. Financial Reporting in Hyperinflationary Economies

In 2023, Ghana's cumulative 3 year inflation rate exceeded 100% which triggered the quantitative hyperinflation criteria in IAS 29. The ICAG performed this hyperinflation assessment using the various criteria in IAS 29 and concluded in its directive issued in January 2024 that IAS 29 will not be applicable for the December 2023 financial reporting period. This conclusion has been applied in the preparation of these financial statements.

2.1.1 Going Concern

The Group's current assets exceed its current liabilities by GHS 1,774 million whilst the Company's current assets exceed its current liabilities by GHS951 million (2022: Group current assets exceeded its current liabilities by GHS715 million and Company's liabilities exceeded its current assets by GHS 86 million). The financial statements have therefore been prepared using the going concern basis.

2.2 Measurement principles

Assets and liabilities shown in the statement of financial position are measured as follows:

Item	Measurement principle		Item	Measurement principle
Assets			**Liabilities**	
Non current assets			**Non current liabilities**	
Property, plant and equipment	Historical cost, less accumulated depreciation and impairment losses.		Borrowings	Amortised cost
Right of use assets	Cost - Initial measurement of lease liability. - Any lease payment made at/ before commencement date		Deferred tax liabilities	Undiscounted amount measured at the tax rate that are expected to apply to the period when the liability is settled
Intangible assets	Historical cost, less accumulated amortisation and impairment losses		Lease liabilities	Present value of remaining lease payment discounted using the group's incremental borrowing rate at date of initial application
Investment in subsidiary	Cost less accumulated impairment losses		Provisions	Present value of settlement amount
Contract assets	Amortised cost		Others	Cost
Capitalised contract cost	Cost less accumulated amortisation			Current liabilities
Other reserves	Amortised cost		Trade and other payables	Amortised cost
Current assets			Contract liabilities	Amortised cost
Inventories	Lower of cost and net realisable value		Unearned income	Cost
Trade receivables	Amortised cost		Provision	Present value of settlement amount
Other financial assets	Amortised cost		Taxation liabilities	Amount expected to be paid to the tax authorities using tax rates that have been enacted at the reporting date
Income tax assets	Amount expected to be recovered from the tax authorities using tax rates that has been enacted or substantively enacted on the reporting date		Borrowing	Amortised cost

2.3 Critical accounting estimates and judgement

The preparation of consolidated and separate financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are modified and in any future periods affected.

Management also needs to exercise judgement in applying the Group's accounting policies. The 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:

2.3.1 Contract Liability

Electronic vouchers that have been purchased but not loaded and airtime loaded but not used are recorded as contract liabilities. Customers may not exercise all their rights, and this is often called breakage. The Group recognises the expected breakage amount as revenue in proportion to the pattern of rights exercised by the customer. The pattern of rights exercised is estimated by referencing to recharge/ usage patterns. Management estimates a breakage rate with which to gradually release unexercised rights or recognise credit into revenue. Breakage on airtime sales recognised in the year relates to sales of scratch card vouchers made in prior periods. Electronic Voucher Distribution (EVD) is now the sole channel for recharge voucher vendoring and does not age since it is an electronic system hence no breakage is recognised in respect of EVD sales.

Annually management recognises breakage revenue of balances on churned (unused) customer accounts after deletion from the Prepaid Charging Systems.

2.3.2 Lease liabilities

(i) Extension and termination options

Extension and termination options are included on a number of leases across the Group. These are used to maximise operational flexibility in managing the assets used in the Group's operations. In determining the lease term, Management considers all facts and circumstances that create an economic incentive to exercise an extension option. Due to the technological nature of MTN operations, the Directors have determined that a reasonable certain period of exercising an option to extend a lease term to be aligned to the business planning cycle of between 3 to 5 years.

(ii) Variable lease payment

Certain network sites have variable lease payments linked to consumer price index. To the extent that there are no floors in the contract, escalations based on these invoices were discarded by Directors in determining the lease liability.

2.3.3 Impairment of trade receivables

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

2.3.4 Income tax and deferred tax

There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters are different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets as well as liabilities in the period in which such determination is made.

2.3.5 Property, plant, and equipment

Property, plant and equipment are tangible assets which the Group holds for its own use or for rental to others and which are expected to be used for more than one year. An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the group, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the group and the cost can be measured reliably. Day to day servicing costs are included in Statement of Comprehensive Income in the year in which they are incurred.

2.3.5 Property, plant, and equipment (continued)

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the Group. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised. The useful lives of items of property, plant and equipment has been the basis for assessing its residual value. The useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. The depreciation charge for each year is recognised in Statement of Comprehensive Income unless it is included in the carrying amount of another asset. The cost of property, plant and equipment is depreciated on a straight line basis over their estimated useful lives ranging from 3 to 20 years. Changes in the expected level of the usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in Statement of Comprehensive Income to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item. This is included in Statement of Comprehensive Income when the item is derecognised.

2.3.6 Intangible assets

Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.
- Intangible assets are initially recognised at cost. Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale
- there is an intention to complete and use or sell it
- there is an ability to use or sell it.
- it will generate probable future economic benefits.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses. An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortization period and the amortization method for intangible assets are reviewed every period end.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result. the asset is tested for impairment and the remaining carrying amount is amortised over its useful life. Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

2.3.7 Leases

The Group assesses whether a contract is, or contains a lease, at the inception of the contract. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once Management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the Group has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

Group as lessee

A lease liability and corresponding right of use asset are recognised at the lease commencement date, for all lease agreements for which the group is a lessee, except for short term leases of 12 months or less, or leases of low value assets. For these leases, the group recognises the lease payments as an operating expense on a straight line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The various lease and non lease components of contracts containing leases are accounted for separately, with consideration being allocated to each lease component on the basis of the relative stand alone prices of the lease components and the aggregate stand alone price of the non lease components (where non lease components exist).

However, as an exception to the preceding paragraph, the group has elected not to separate the non lease components for leases of land and buildings.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed lease payments, including in substance fixed payments, less any lease incentives.
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.
- the amount expected to be payable by the Group under residual value guarantees.
- the exercise price of purchase options if the Group is reasonably certain to exercise the option.
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease if the lease term reflects the exercise of an option to terminate the lease.

Variable rents that do not depend on an index or rate are not included in the measurement of the (short term) lease liability (or right of use asset). The related payments are recognised as an expense in the period incurred and are included in operating expenses.

The lease liability is presented as a separate line item on the Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right of use asset) when:

- there has been a change to the lease term, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;

2.3.7 Leases (continued)

- there has been a change in the assessment of whether the Group will exercise a purchase, termination or extension option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change to the lease payments due to a change in an index or a rate, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used) there has been a change in expected payment under a residual value guarantee, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate;
- a lease contract has been modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised payments using a revised discount rate.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset or is recognised in Statement of Comprehensive Income if the carrying amount of the right of use asset has been reduced to zero.

Right of use assets

Right of use assets are presented as a separate line item on the Statement of Financial Position. Lease payments included in the measurement of the lease liability comprise the following:

- the initial amount of the corresponding lease liability;
- any lease payments made at or before the commencement date;
- any initial direct costs incurred;
- any estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, when the Group incurs an obligation to do so, unless these costs are incurred to produce inventories; and
- less any lease incentives received.

Right of use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right of use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. However, if a lease transfers ownership of the underlying asset or the cost of the right of use asset reflects that the group expects to exercise a purchase option, the related right of use asset is depreciated over the useful life of the underlying asset. Depreciation starts at the commencement date of a lease. For right of use assets which are depreciated over their useful lives, the useful lives are determined consistently with items of the same class of property, plant and equipment. Refer to the accounting policy for property, plant and equipment for details of useful lives. The residual value, useful life and depreciation method of each asset is reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of a right of use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately. The depreciation charge for each year is recognised in Statement of Comprehensive Income unless it is included in the carrying amount of another asset.

2.3.8 Impairment of assets

The Group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the Group also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash generating unit is the highest of its fair value less costs to sell and its value in use. Scancom PLC

2.3.8 Impairment of assets (continued)

estimates the value in use of cash generating unit in determining the recoverable amount of these asset. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss. An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated. The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

2.4 New and amended standards and interpretations

The following standards and amendments became effective for annual periods beginning on or after 1 January 2023. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. However we intend to apply those when they become effective.

Standard/ Interpretation:	**Effective date: Years beginning on or after**	**Expected impact:**
1. Lease Liability in a Sale and Leaseback In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must applied retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16. Earlier application is permitted and that fact must be disclosed. The amendments are not expected to have a material impact on the Group's financial statements	January 1, 2024	Unlikely there will be a material impact
2. Amendments to IAS 1: Classification of Liabilities as Current or Non current In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non current. The amendments clarify: ■ What is meant by a right to defer settlement ■ That a right to defer must exist at the end of the reporting period ■ That classification is unaffected by the likelihood that an entity will exercise its deferral right. ■ That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The Group is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.	January 1, 2024	Unlikely there will be a material impact

2.4 New and amended standards and interpretations (continued)

3. Standards issued but not yet effective continued Supplier Finance Arrangements Amendments to IAS 7 and IFRS 7. In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments will be effective for annual reporting periods beginning on or after 1 January 2024. Early adoption is permitted, but will need to be disclosed	January 1, 2024	Unlikely there will be a material impact
4. Lack of exchangeability: Amendment to IAS 21	January 1, 2025	Unlikely there will be a material impact

New standards, amendments and interpretations adopted

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
1. Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	January 1, 2023	There is no material impact
2. Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2.	January 1, 2023	There is no material impact
3. Definition of accounting estimates: Amendments to IAS 8	January 1, 2023	There is no material impact
4. Deferred tax related to assets and liabilities arising from a single transaction: Amendment to IAS 12	January 1, 2023	There is no material impact
5. IFRS 17 Insurance Contracts	January 1, 2023	There is no material impact

2.5 Revenue from contracts with customers

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown, net of indirect taxes, estimated returns and trade discounts.

The Group derives revenue from the transfer of mobile handsets, devices and accessories and the rendering of services at a point in time and over time in the following major product and services lines.

2.5.1 Network services

Network services revenue comprises revenue from airtime voice, data and SMS. Revenue is recognised over time commencing on the date of activation or subscription.

Amounts received from prepaid voucher sales is deferred as a contract liability and recognised when services are utilised by the customer or on termination of the customer relationship.

2.5.2 Interconnect and roaming

Interconnect and roaming revenue is recognised on a usage basis, over time, unless it is not probable on the transaction date that the interconnect revenue will be received; in which case interconnect revenue is recognised only when the cash is received. It is measured at the transaction price agreed with the counterparties or by the Regulator.

2.5.3 Digital and Fintech

Fintech revenue is driven by fee income received from subscribers, transactions by subscribers on money transfers, subscriber cash out, other fees charged to merchants. Fintech revenue is recognised when subscriber payment transactions are made and are based on transaction prices set out for those services at a point in time. Digital revenue is revenue earned on value added services and recognised over time. Digital revenue is recognised upon subscription based on tariff plans.

2.5.4 Mobile, devices and accessories

Revenue from the sale of mobile handset devices and accessories to third parties are recognised at a point in time, when risks and rewards of ownership are transferred to the buyer. It is measured at the transaction price agreed in the contract.

2.5.5 Other

Other revenue comprises revenue from fixed broad band, international and local leased lines providing connectivity, wireless broad band services, infrastructure sharing, infrastructure rentals and ICT services. Revenue is recognised over time commencing on the date of activation or subscription.

2.5.6 Disaggregation of revenue from contracts with customers

Group **Year ended 31 December 2023**	**Network services**	**Interconnect and roaming**	**Digital and Fintech**	**Devices and accessories**	**Other**	**Total**
Revenue from contracts with customers	9,870,692	158,212	3,125,883	61,115	133,569	13,349,471
Timing of revenue recognition						
At a point in time	-	-	2,757,072	61,115	-	2,818,187
Over time	9,870,692	158,212	368,811	-	133,569	10,531,284
	9,870,692	**158,212**	**3,125,883**	**61,115**	**133,569**	**13,349,471**

Year ended 31 December 2022	**Network services**	**Interconnect and roaming**	**Digital and Fintech**	**Devices and accessories**	**Other**	**Total**
Revenue from contracts with customers	6,996,495	359,672	2,289,868	35,979	234,095	9,916,109
Timing of revenue recognition						
At a point in time	-	-	1,983,563	35,979	-	2,019,542
Over time	6,996,495	359,672	306,305	-	234,095	7,896,567
	6,996,495	**359,672**	**2,289,868**	**35,979**	**234,095**	**9,916,109**

All amounts are in thousands of Ghana Cedis

Company **Year ended 31 December 2023**	**Network services**	**Interconnect and roaming**	**Digital and Fintech**	**Devices and accessories**	**Other**	**Total**
Revenue from contracts with customers	9,870,692	158,212	368,811	61,115	133,569	10,592,399
Timing of revenue recognition						
At a point in time	-	-	-	61,115	-	61,115
Over time	9,870,692	158,212	368,811	-	133,569	10,531,284
	9,870,692	**158,212**	**368,811**	**61,115**	**133,569**	**10,592,399**

Year ended 31 December 2022	**Network services**	**Interconnect and roaming**	**Digital and Fintech**	**Devices and accessories**	**Other**	**Total**
Revenue from contracts with customers	6,996,495	359,672	354,401	35,979	320,775	8,067,322
Timing of revenue recognition						
At a point in time	-	-	354,401	35,979	-	390,380
Over time	6,996,495	359,672	-	-	320,775	7,676,942
	6,996,495	**359,672**	**354,401**	**35,979**	**320,775**	**8,067,322**

Included in revenue from digital and fintech is interest income of GHS 130.0 million (2022: GHS 47.1 million) that is retained by the Group in respect of mobile money float interest received from banks.

(All amounts are in thousands of Ghana Cedis)

2.5.7 Segment reporting

Operating segments reflect the Group's Management structure and the way financial information is regularly reviewed by the Group. The Group has identified reportable segments that are used by the executive committee to make key operating decisions, allocate resources and assess performance. The reportable segments are largely grouped according to how data on the segments are managed and reported internally to the Group.

	Network services	Interconnect and roaming	Digital and Fintech	Mobile, devices and accessories	Other	Total
2023 Revenue	**9,870,692**	**158,212**	**3,125,883**	**61,115**	**133,569**	**13,349,471**
2022 Revenue	6,996,495	359,672	2,289,868	35,979	234,095	9,916,109
% YoY	**41%**	**(56)%**	**37%**	**70%**	**(43)%**	**34.6%**
2023 EBITDA margin						**58.4%**
2022 EBITDA margin						56.1%
2023 Capex spend						**4,081,696**
2022 Capex spend						2,144,354
% YoY						**90.3%**
2023 Profit after tax						**3,982,250**
2022 Profit after tax						2,855,801
% YoY						**39.4%**

The Group focuses on revenues from the various categories, EBITDA margin and Capex spend and runs the business as a single segment entity.

2.5.8 Assets and liabilities related to contracts with customers

(i) Capitalisation of subscriber acquisition costs

The Group expects that incremental subscriber acquisition costs for obtaining and renewing contracts are recoverable. These costs include agent and dealer commissions on successful SIM activation costs, agent commissions for successful portings to the MTN network via the mobile number portability (MNP) platform, and fees to the operator of the MNP platform for successful porting. These have therefore been capitalised. The amortisation of the capitalised cost is based on subscriber churn rate.

(ii) Assets recognised from costs to fulfil a contract

The Group recognised assets in relation to costs to fulfil longterm WiFi service contracts. The contract asset is amortised on a straightline basis over the term of the specific contract it relates to, consistent with the pattern of recognition of the associated revenue.

		Balance at 31 December 2023	Balance at 31 December 2022
Capitalised costs relating to acquisition of customer contracts Note 2.19.3		45,346	24,968
Loss allowance			
Capitalised contract cost		**45,346**	**24,968**
Costs incurred to fulfil a contract (contract assets)	Note 2.19.2		1,633
Contract liabilities	Note 2.19.1	**347,476**	**217,090**

(All amounts are in thousands of Ghana Cedis)

2.5.9 Other income

	Group		Company	
	2023	**2022**	**2023**	**2022**
Other income	**1,464**	775	**133,004**	74,927

Other income for the Company for 2023 relates to consideration for the use of Related Party resources, services or obligations between the company and MobileMoney Limited in the normal course of business. The company undertook various transactions with its subsidiary, MobileMoney Limited during the year. These include the provision of administrative support service, office space and other services. The charges are reflected as Other Income for the company. In addition, an amount of GHS1,464,000 was received in recognition of prizes won for the international data privacy awareness quiz and sustainability challenge from MTN Group.

2.6 Direct network operating costs

	Group		Company	
	2023	**2022**	**2023**	**2022**
Transmission costs	758,345	357,773	758,345	357,879
Network costs	460,014	435,040	460,014	434,934
Leased lines costs	149,400	67,352	149,400	67,352
Spectrum and regulatory fees	256,835	207,211	256,835	207,211
	1,624,594	**1,067,376**	**1,624,594**	**1,067,376**

2.7 Interconnect and roaming costs

	Group		Company	
	2023	**2022**	**2023**	**2022**
Interconnect costs	423,133	374,666	423,133	374,666
Roaming costs	169,583	40,915	169,583	40,915
	592,716	**415,581**	**592,716**	**415,581**

2.8 Employee expenses

	Group		Company	
	2023	**2022**	**2023**	**2022**
Salaries and other shortterm employee benefits	373,275	275,328	355,369	265,028
Share-based payment	45,777	68,312	43,206	65,012
Training	7,606	8,176	7,146	7,982
Long service awards	6,339	4,821	5,691	4,821
Post-employment benefit	16,453	10,888	15,440	10,888
Bonus provision	64,156	25,733	58,833	25,863
Pension Cost	27,403	20,141	25,846	19,016
	541,009	**413,399**	**511,531**	**398,610**

2.8.1 Short-term employee benefits

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

- there is a formal plan and the amounts to be paid are determined up to the financial year end;
- achievement of previously agreed bonus criteria has created a valid expectation by employees that they will receive a bonus and the amount can be determined.

(All amounts are in thousands of Ghana Cedis)

2.8.2 Long term employee benefits

The Group has a compensation scheme for managers and executives based on both the appreciation of Scancom PLC's value according to set rules and movements in the MTN Group Limited share price. A provision is raised to represent the growth in value of all unexercised compensation at the end of each reporting date.

Long service awards were instituted and implemented in December 2016. The qualification criteria is for permanent staff who have attained a minimum of five years of service to the Group. The Group's obligation in respect of longterm employee benefits is the amount of future benefit that employees have earned in return for their services in the current and prior periods. The benefit is discounted to determine its present value.

2.8.3 Defined contribution plan

The Group operates a defined contribution scheme. A defined contribution plan is one under which the Group pays a fixed percentage of employees' remuneration as contributions into a separate entity (a fund), and has no further legal or constructive obligations to pay additional contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Contributions to defined contribution plans in respect of services rendered during a period are recognised as an employee benefit expense when they are due.

2.8.4 Termination benefits

Termination benefits may be payable when an employee's employment is terminated before the normal retirement date due to death or retrenchment or whenever an employee accepts voluntary redundancy in exchange for these benefits. Termination benefits are charged against statement of comprehensive income when the Group is demonstrably committed to any such plan without the possibility of withdrawal or to provide termination benefits as a result of an offer made to encourage voluntary redundancy and it is probable the offer will be accepted, and the number of acceptances can be estimated reliably. Benefits falling due more than 12 months after the statement of financial position date are discounted to their present value.

2.9 Selling, distribution and marketing expenses

	Group		Company	
	2023	**2022**	**2023**	**2022**
Expenses incurred in respect of Valued Added Services (VAS)	133,715	137,439	101,598	188,467
Dealer commissions	403,231	309,102	403,231	309,102
Mobile money commissions	1,212,125	792,956	387,833	
Marketing and advertising expenses	164,589	209,943	128,578	285,561
	1,913,660	**1,449,440**	**1,021,240**	**783,130**

(All amounts are in thousands of Ghana Cedis)

2.10 Other operating expenses

	Group		Company	
	2023	**2022**	**2023**	**2022**
General expenses	332,530	339,763	233,267	317,519
Management fees	211,971	392,653	211,971	392,653
Power, maintenance and security costs	99,692	33,596	99,545	33,596
Impairment of trade receivables	20,273	38,552	20,273	2,717
Travel and entertainment	38,568	23,308	36,694	22,247
MTN Foundation expenses	39,822	28,257	29,386	20,383
Outsourced expenses nonnetwork	72,531	84,529	45,926	84,522
	815,387	**940,658**	**677,062**	**873,637**

Included in general expenses are the following:

Audit fees and expenses	7,960	6,224	7,294	5,991
Directors' fees and expenses	5,201	3,197	5,201	3,197
Advisory fees and expenses	10,939	14,496	10,939	14,496

Advisory fees and expenses relate to regulatory audits and tax advisory services during the year under review. The Directors of the subsidiary being full time employees of Scancom PLC and MTN Group, in line with MTN Group policy does not earn any fees for services rendered.

Included in management fees are the following:

	2023	**2022**
Intellectual Property	39,038	76,525
Services	165,103	316,128
Others	7,830	-
Total	**211,971**	**392,653**

2.11 Foreign currency translation

2.11.1 Functional and Presentation Currency

Items included in the annual financial statements are measured using the currency that best reflects the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Ghana Cedis, which is the functional and presentation currency of the Group.

2.11.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation, where items are revalued. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at yearend exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

(All amounts are in thousands of Ghana Cedis)

2.11.3 Finance income and costs

Finance income comprises interest income on funds invested, dividend received from subsidiary and foreign currency gains that are recognised in the statement of comprehensive income. Interest income is recognised as it accrues in the statement of comprehensive income, using the effective interest method. Finance costs comprise interest expenses on borrowings, unwinding of the discount on provisions, foreign exchange losses and interest on obligations on lease liabilities.

All borrowing costs are recognised in profit or loss using the effective interest method, unless the borrowing costs are directly attributable to the acquisition, construction or production of a qualifying asset, in which case the directly attributable borrowing costs are capitalized.

	Group		Company	
	2023	**2022**	**2023**	**2022**
Interest income from banks	288,748	205,962	166,292	119,297
Dividend income	-	-	760,000	600,000
Finance income	**288,748**	**205,962**	**926,292**	**719,297**
Interest expense on lease liabilities	422,391	258,465	422,391	258,465
Interest expense on borrowings	108,306	113,172	108,306	113,172
Other finance cost	124,501	4,705	(348)	4,705
Realised foreign exchange gains	(2,107)	(29,174)	(4,083)	(29,174)
Unrealised foreign exchange losses	121,821	127,250	123,518	131,562
Net Finance costs	**774,912**	**474,418**	**649,784**	**478,730**

2.12 Income tax

2.12.1 Current income tax

Current income tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the statement of financial position date 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 provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2.12.2 Deferred income tax

Deferred income tax is recognised using the liability method, providing for temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Deferred income tax is measured at tax rates (and laws) that have been enacted or substantially enacted at the statement of financial position date and are expected to apply to temporary differences when they reverse or are settled.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current income tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, where there is an intention to settle these balances on a net basis.

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

(All amounts are in thousands of Ghana Cedis)

2.12.3 Analysis of income tax expense

	Group		Company	
Current	**2023**	**2022**	**2023**	**2022**
Local income tax current period	1,353,297	926,945	917,309	630,507
Deferred				
Originating and reversing temporary differences	(25,325)	107,171	37,602	116,236
Income tax expense	**1,327,972**	**1,034,116**	**954,911**	**746,743**

2.12.4 Tax rate reconciliation

The tax on the profit before income tax differs from the theoretical amount that would arise using the statutory income tax rate as follows:

	Group		Company	
	2023	**2022**	**2023**	**2022**
Profit before income tax	5,589,707	4,096,520	4,858,438	3,582,023
Tax at the applicable tax rate of 25% (2022: 25%)	1,397,427	1,024,130	1,214,610	895,506
Tax effect of adjustments on taxable income				
Exempt income Dividend	(190,000)	(150,000)	(190,000)	(150,000)
Permanent restriction of vehicles	1,614	199	1,581	167
Intercompany profit taxable	190,000	158,885		
Other adjustment	(73,859)		(73,859)	
Other Permanent differences	2,790	902	2,579	815
Income tax expense	**1,327,972**	**1,034,116**	**954,912**	**746,743**
Effective tax rate (%)	**23.8**	**25.2**	**19.7**	**20.8**

(All amounts are in thousands of Ghana Cedis)

2.12.5 Current income tax assets

Group

At 31 December 2023	At 1 January	Charge for the year	Adjustments	Payments for the year	At 31 December
Year of Assessment					
Upto 2022	(149,920)	-	-	-	(149,920)
2023		1,353,297	-	(1,392,910)	(39,613)
	(149,920)	**1,353,297**	-	**(1,392,910)**	**(189,533)**

	At 1 January	Charge for the year	Adjustments	Payments for the year	At 31 December
Year of Assessment					
Upto 2021	(526,969)	-	-	-	(526,969)
2022		926,945	558,642	(1,108,538)	377,049
	(526,969)	**926,945**	**558,642**	**(1,108,538)**	**(149,920)**

Company

At 31 December 2023	At 1 January	Charge for the year	Adjustments	Payments for the year	At 31 December
Year of Assessment					
Upto 2023	(103,801)	-	-	-	(103,801)
2023		917,309		(981,473)	(64,164)
	(103,801)	**917,309**		**(981,473)**	**(167,965)**

	At 1 January	Charge for the year	Adjustments	Payments for the year	At 31 December
Year of Assessment					
Upto 2021	(437,847)	-	-	-	(437,847)
2022		630,507	457,200	(753,661)	334,046
	(437,847)	**630,507**	**457,200**	**(753,661)**	**(103,801)**

In 2022, an adjustment of GHS 559 million (GHS 62 million for indirect taxes, GHS410 million for CIT payment and GHS87 million as WHT on distributors commission) for the Group and GHS 457 million (GHS 58 million for indirect tax and GHS 312 million CIT payment and GHS87 million as WHT on distributors commission) for Company relates to tax prepayment used to set off VAT obligations which is permitted under the Revenue Administrative Act,2016 (Act 195).

2.12.6 Deferred tax

Deferred tax is accounted for in accordance with the accounting policy disclosed in note 2.12.2. Deferred tax assets are recognised for tax losses carried forward to the extent that the recognition of the related tax benefit through taxable future profits is probable. The deductible temporary differences have no expiry dates and are allowed as and when they crystallise. Deferred tax computation considered the impact of provision, and other provision such as share based payments, long services ward and expected credit loss.

(All amounts are in thousands of Ghana Cedis)

2.12.6 Deferred tax (continued)

Deferred tax liabilities are attributable to the following:

At 31 December 2023

Group	**At start of year**	**Recognised in profit or loss**	**At 31 December**
Deferred tax assets			
Property Plant and Equipment	-	34,962	34,962
Temporary provision from other provision	9,065	28,389	37,454
Unrealised forex	-	(424)	(424)
Reclassification	1,019	-	1,019
	10,084	62,927	73,011
Deferred tax liabilities			
Property plant and equipment	574,963	94,375	669,338
Other Provision	(36,850)	(36,196)	(73,046)
Other Unrealised forex	-	(20,578)	(20,578)
	538,113	37,601	575,714
Charge to profit and loss		**(25,325)**	

Company	**At 1 January**	**Recognised in profit or loss**	**At 31 December**
Deferred tax liabilities			
Property plant and equipment	574,963	94,375	669,338
Others Provision	(36,850)	(36,196)	(73,046)
Others Unrealised forex	-	(20,578)	(20,578)
	538,113	**37,601**	**575,714**

As at 31 December 2022

Group	**At 1 January**	**Recognised in profit or loss**	**At 31 December**
Deferred tax assets			
Temporary provision from other provision	-	9,065	9,065
Reclassification	-	-	1,019
	-	**9,065**	**10,084**
Deferred tax liabilities			
Property plant and equipment	463,917	111,140	575,057
Others	(43,060)	5,097	(37,963)
Reclassification	-	-	1,019
	420,857	**116,237**	**538,113**
Charge to profit and loss		**107,173**	

Company	**At 1 January**	**Recognised in profit or loss**	**At 31 December**
Deferred tax liabilities			
Property plant and equipment	463,823	111,140	574,963
Others	(41,947)	5,097	(36,850)
	421,876	**116,237**	**538,113**

(All amounts are in thousands of Ghana Cedis)

Deferred tax asset

Others includes provisions, share options, expected credit loss and long service award.

2.13 Growth and Sustainability Levy

	Group		Company	
	2023	**2022**	**2023**	**2022**
At start of year	(27,071)	(2,519)	(25,608)	(4,858)
Charge for the year	279,485	206,603	204,922	149,152
Adjustments during the year	-	54,391	-	42,223
Payments during the year	(266,552)	(231,404)	(187,103)	(160,909)
At 31 December	**(14,138)**	**(27,071)**	**(7,789)**	**(25,608)**

The Growth and Sustainability Levy is a levy of 5% on profit before income tax replacing National Fiscal Stabilisation Levy introduced in July 2013.

2.14 Earnings per share

The Group present basic and diluted earnings per share (EPS) for outstanding ordinary shares. The Group calculates basic earnings per share by dividing profit or loss attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the period. On the other hand, dilutive EPS is calculated by adjusting profit or loss attributable to ordinary equity holders of the Group and the weighted average number of ordinary shares outstanding, for the effects of all dilutive ordinary shares.

	Group		Company	
	2023	**2022**	**2023**	**2022**
Profit attributable to shareholders	3,982,250	2,855,801	3,698,605	2,686,128
Weighted average number of shares at 31 December	13,236,175	12,290,474	13,236,175	12,290,474
Earnings per share	**0.301**	**0.232**	**0.279**	**0.219**

At the reporting date, the basic and diluted earnings per share were the same.

2.15 Property, plant and equipment

Property, plant and equipment are measured at historical cost less accumulated depreciation and accumulated impairment losses.
Historical cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, and the present value of future decommissioning costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of the equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment. Property, plant and equipment under construction is measured at initial cost and depreciated from the date the asset is made available for use in the manner intended by management over its useful life. Assets are transferred from capital work in progress to an appropriate category of property, plant and equipment when commissioned and ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

Normal repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred. Major repairs and maintenance are capitalised.

2.15 Property, plant and equipment (continued)

The Group capitalises general and specific borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. A qualifying asset is deemed to be an asset which takes more than 12 months to acquire, construct or produce. Other borrowing costs are expensed in profit or loss. Property, plant and equipment acquired in an exchange transaction is measured at fair value unless the exchange transaction lacks commercial substance or the fair value of neither the asset received, nor the asset given up is reliably measurable.

No asset exchange transactions where one or more items of property, plant and equipment are acquired in exchange for nonmonetary assets or a combination of monetary and nonmonetary assets occurred in the current period.

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

	2023	**2022**
Buildings – owned	15 years	15 years
Buildings – leased	Lease term	Lease term
Network infrastructure	3 - 20 years	3 - 20 years
Information systems	3 - 5 years	3 - 5 years
Furniture and equipment	5 years	5 years
Office equipment	5 years	5 years
Leasehold improvement	Lease term	Lease term
Vehicles	5 years	5 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, during each financial year. Land is held under leasehold terms. Assets held under leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the expected term of the relevant lease.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses arising on the disposal or retirement of an asset is determined as the difference between the proceeds from the disposal and the carrying amount of the asset and is included in operating profit.

Impairment of assets

An impairment loss is recognised in statement of comprehensive income if the carrying amount of an asset or its cash generating unit exceeds its estimated recoverable amount. The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cashgenerating unit").

When an impairment loss subsequently reverses, the carrying amount of the asset (or cashgenerating unit) is increased to the revised estimate of its recoverable amount but limited to the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss. An impairment loss in respect of goodwill is not reversed.

The Group annually reviews the carrying amounts of its property, plant and equipment and intangible assets with finite useful lives in order to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amounts of the assets are estimated in order to determine the extent, if any, of the impairment loss.

(All amounts are in thousands of Ghana Cedis)

2.15.1 Reconciliation of property, plant and equipment (owned) – Group

	Land & buildings	Network equipment	Furniture and fixtures	Motor vehicles	Office equipment	Information systems	Leasehold improvements	Work in progress	Total
Cost									
At 1 January 2022	180,315	6,187,584	92,193	104,670	7,913	656,127	134,016	35,174	7,397,992
Additions	17,344	1,452,398	3,200	26,913	10,421	163,388	908	50,423	1,724,995
Disposal	-	(3,806)	(306)	(10,939)	(236)	(73)	-	-	(15,360)
Reallocations	-	51,102	837	-	-	1	-	(169)	51,771
At 31 December 2022	**197,659**	**7,687,278**	**95,924**	**120,644**	**18,098**	**819,443**	**134,924**	**85,428**	**9,159,398**
Additions	52,177	1,971,223	3,290	29,252	992	37,349	-	267,130	2,361,413
Disposals	-	(125)	(505)	(4,609)	(7)	(67)	-	-	(5,313)
*Reallocations	1,490	34,491	-	(7,007)	(10,419)	(188)	(2,502)	19,926	35,791
At 31 December 2023	**251,326**	**9,692,867**	**98,709**	**138,280**	**8,664**	**856,537**	**132,422**	**372,484**	**11,551,289**
Accumulated Depreciation									
At 1 January 2022	(68,880)	(2,827,876)	(85,833)	(49,104)	(6,505)	(393,644)	(60,002)	-	(3,491,844)
Disposals	-	3,792	306	10,293	224	73	-	-	14,688
Reallocations	(465)	18,780	331	(379)	-	(199)	66	-	18,134
Depreciation Charge	(11,290)	(591,917)	(2,269)	(22,900)	(382)	(84,276)	(6,430)	-	(719,464)
Other movements	-	124	-	-	-	-	2	-	126
At 31 December 2022	**(80,635)**	**(3,397,097)**	**(87,465)**	**(62,090)**	**(6,663)**	**(478,046)**	**(66,364)**	**-**	**(4,178,360)**
Disposals	-	32	505	3,946	7	66	-	-	4,556
Reallocations	(1,490)	(34,491)	-	-	-	188	-	-	(35,793)
Depreciation charge	(13,649)	(726,318)	(2,335)	(24,634)	(13)	(113,623)	(1,200)	-	(881,772)
Other movements	(1,780)	(26,294)	(1,300)	(1,136)	(554)	3,748	(50)	-	(27,366)
At 31 December 2023	**(97,554)**	**(4,184,168)**	**(90,595)**	**(83,914)**	**(7,223)**	**(587,667)**	**(67,614)**	**-**	**(5,118,735)**
Carrying amounts									
Cost	197,659	7,687,278	95,924	120,644	18,098	819,443	134,924	85,428	9,159,398
Accumulated Depreciation	(80,635)	(3,397,097)	(87,465)	(62,090)	(6,663)	(478,046)	(66,364)	-	(4,178,360)
At 31 December 2022	**117,024**	**4,290,181**	**8,459**	**58,554**	**11,435**	**341,397**	**68,560**	**85,428**	**4,981,038**
Cost	251,326	9,692,867	98,709	138,280	8,664	856,537	132,422	372,484	11,551,289
Accumulated Depreciation	(97,554)	(4,184,168)	(90,595)	(83,914)	(7,223)	(587,667)	(67,614)	-	(5,118,735)
At 31 December 2023	**153,772**	**5,508,699**	**8,114**	**54,366**	**1,441**	**268,870**	**64,808**	**372,484**	**6,432,554**

*Reallocation involves movement from CWIP to other assets classes and from other assets to CWIP.
*Other Movements relates to adjustment of beginning balances to reconcile General ledger and Fixed Asset register and other corrections.

(All amounts are in thousands of Ghana Cedis)

2.15.2 Reconciliation of property, plant and equipment (owned) Company

	Land & buildings	Network equipment	Furniture and fixtures	Motor vehicles	Office equipment	Information systems	Leasehold improvements	Work in progress	Total
Cost									
At 1 January 2022	180,315	6,187,582	92,195	91,911	7,878	655,733	134,016	35,172	7,384,802
Additions	17,344	1,452,398	3,201	25,262	10,421	163,388	908	50,423	1,723,345
Disposal	-	(3,806)	(306)	(10,939)	(236)	(73)	-	-	(15,360)
Reallocations	-	51,097	714	-	35	1	-	(168)	51,679
At 31 December 2022	**197,659**	**7,687,271**	**95,804**	**106,234**	**18,098**	**819,049**	**134,924**	**85,427**	**9,144,466**
Additions	52,177	1,971,223	3,290	29,034	992	37,346	-	267,130	2,361,192
Disposals	-	(125)	(505)	(4,815)	(7)	(67)	-	-	(5,519)
Reallocations	1,490	34,491	-	(7,007)	(10,419)	(188)	(2,502)	19,929	35,794
	251,326	**9,692,860**	**98,589**	**123,446**	**8,664**	**856,140**	**132,422**	**372,486**	**11,535,933**
Accumulated depreciation									
At 1 January 2022	(68,879)	(2,827,461)	(85,794)	(43,636)	(6,503)	(393,572)	(60,002)	-	(3,485,847)
Disposals	-	3,792	306	10,293	224	73	-	-	14,688
Reallocations	(465)	18,489	410	134	-	-	68	-	18,636
Depreciation Charge	(11,290)	(591,917)	(2,265)	(19,927)	(382)	(84,251)	(6,430)	-	(716,462)
At 31 December 2022	**(80,634)**	**(3,397,097)**	**(87,343)**	**(53,136)**	**(6,661)**	**(477,750)**	**(66,364)**	**-**	**(4,168,985)**
Disposals	-	32	505	4,048	7	66	-	-	4,658
Reallocations	(1,490)	(34,491)	-	-	-	188	-	-	(35,793)
Other Movement	(1,780)	(26,294)	(1,300)	(1,136)	(554)	3,748	(50)	-	(27,366)
Depreciation charge	(13,649)	(726,318)	(2,332)	(22,811)	(13)	(113,523)	(1,200)	-	(879,846)
At 31 December 2023	**(97,553)**	**(4,184,168)**	**(90,470)**	**(73,035)**	**(7,221)**	**(587,271)**	**(67,614)**	**-**	**(5,107,332)**
Carrying amounts									
Cost	197,659	7,687,271	95,804	106,234	18,098	819,049	134,924	85,427	9,144,466
Accum Depreciation	(80,634)	(3,397,097)	(87,343)	(53,136)	(6,661)	(477,750)	(66,364)	-	(4,168,985)
At 31 December 2022	**117,025**	**4,290,174**	**8,461**	**53,098**	**11,437**	**341,299**	**68,560**	**85,427**	**4,975,481**
Cost	251,326	9,692,860	98,589	123,446	8,664	856,140	132,422	372,486	11,535,933
Accum Depreciation	(97,553)	(4,184,168)	(90,470)	(73,035)	(7,221)	(587,271)	(67,614)	-	(5,107,332)
At 31 December 2023	**153,773**	**5,508,692**	**8,119**	**50,411**	**1,443**	**268,869**	**64,808**	**372,486**	**6,428,601**

*Other Movements relates to adjustment of beginning balances to reconcile General ledger and Fixed Asset register and other corrections.

Notes to the financial statements (continued)

(All amounts are in thousands of Ghana Cedis)

2.15.3 Reconciliation of property, plant and equipment (Owned and Leased) Group

	Land & buildings	Network equipment	Furniture and fixtures	Motor vehicles	Office equipment	Information systems	Fixed assets inventory	Leasehold improvements	Work in progress	Total
Cost										
At 1 January 2022	285,319	8,213,581	92,193	104,673	7,913	656,127	-	134,016	35,173	9,528,995
Additions	29,862	1,612,566	3,201	26,913	10,421	163,388	-	908	50,423	1,897,682
Disposal	-	(3,806)	(306)	(10,943)	(236)	(73)	-	-	-	(15,364)
Reallocations	1,082	39,744	840	-	-	-	-	-	(165)	41,501
Other movements	-	-	-	-	-	-	-	-	-	-
At 31 December 2022	**316,263**	**9,862,085**	**95,928**	**120,643**	**18,098**	**819,442**	**-**	**134,924**	**85,431**	**11,452,814**
Additions	90,253	2,729,351	3,290	29,252	992	37,349	-	-	267,130	3,157,617
Disposals	-	(125)	(505)	(4,609)	(7)	(67)	-	-	-	(5,313)
Reallocations	1,490	34,491	-	(7,007)	(10,419)	(188)	-	(2,502)	19,928	35,793
At 31 December 2023	**408,006**	**12,625,802**	**98,713**	**138,279**	**8,664**	**856,536**	**-**	**132,422**	**372,489**	**14,640,911**
Accumulated depreciation										
At 1 January 2022	(129,646)	(3,555,712)	(85,831)	(49,105)	(6,503)	(393,650)	(194)	(60,002)	-	(4,280,643)
Disposals	-	3,792	306	10,293	224	73	-	-	-	14,688
Reallocations	(68)	18,707	330	(378)	-	(193)	194	68	-	18,660
Depreciation charge	(28,296)	(883,366)	(2,269)	(22,900)	(382)	(84,276)	-	(6,430)	-	(1,027,919)
At 31 December 2022	**(158,010)**	**(4,416,579)**	**(87,464)**	**(62,090)**	**(6,661)**	**(478,046)**	**-**	**(66,364)**	**-**	**(5,275,214)**
Disposals	-	32	505	3,946	7	66	-	-	-	4,556
Reallocations	(1,490)	(34,491)	-	-	-	188	-	-	-	(35,793)
Other Movement	(1,780)	(26,294)	(1,300)	(1,136)	(554)	3,748	-	(50)	-	(27,366)
Depreciation charge	(40,317)	(1,207,868)	(2,335)	(24,634)	(13)	(113,623)	-	(1,200)	-	(1,389,990)
At 31 December 2023	**(201,597)**	**(5,685,200)**	**(90,594)**	**(83,914)**	**(7,221)**	**(587,667)**	**-**	**(67,614)**	**-**	**(6,723,807)**
Carrying amounts										
Cost	316,263	9,862,085	95,928	120,643	18,098	819,442	-	134,924	85,431	11,452,814
Accumulated Depreciation	(158,010)	(4,416,579)	(87,464)	(62,090)	(6,661)	(478,046)	-	(66,364)	-	(5,275,214)
At 31 December 2022	**158,253**	**5,445,506**	**8,464**	**58,553**	**11,437**	**341,396**	**-**	**68,560**	**85,431**	**6,177,600**
Cost	408,006	12,625,802	98,713	138,279	8,664	856,537	-	132,421	372,486	14,640,908
Accumulated Depreciation	(201,597)	(5,685,199)	(90,594)	(83,914)	(7,221)	(587,667)	-	(67,613)	-	(6,723,805)
At 31 December 2023	**206,409**	**6,940,603**	**8,119**	**54,365**	**1,443**	**268,870**	**-**	**64,808**	**372,486**	**7,917,103**

*Other Movements relates to adjustment of beginning balances to reconcile General ledger and Fixed Asset register and other corrections.

(All amounts are in thousands of Ghana Cedis)

2.15.4 Reconciliation of property, plant and equipment (Owned and Leased) Company

	Land & buildings	Network equipment	Furniture and fixtures	Motor vehicles	Office equipment	Information systems	Leasehold improvements	Work in progress	Total
Cost									
At 1 January 2022	285,321	8,213,580	92,072	91,999	7,914	655,732	134,015	35,173	9,515,806
Additions	29,862	1,612,566	3,201	25,174	10,421	163,388	908	50,423	1,895,943
Disposal	-	(3,806)	(306)	(10,939)	(236)	(73)	-	-	(15,360)
Reallocations	1,082	39,745	837	-	-	-	-	(161)	41,503
At 31 December 2022	**316,265**	**9,862,085**	**95,804**	**106,234**	**18,099**	**819,047**	**134,923**	**85,435**	**11,437,892**
Additions	90,253	2,729,351	3,290	29,034	992	37,346	-	267,130	3,157,396
Disposals	-	(125)	(505)	(4,815)	(7)	(67)	-	-	(5,519)
Reallocations	1,490	34,491	-	(7,007)	(10,419)	(188)	(2,502)	19,930	35,795
At 31 December 2023	**408,008**	**12,625,802**	**98,589**	**123,446**	**8,665**	**856,138**	**132,421**	**372,495**	**14,625,564**
Accumulated depreciation									
At 1 January 2022	(129,646)	(3,561,711)	(85,711)	(43,502)	(6,503)	(393,569)	(60,001)	-	(4,280,643)
Disposals	-	3,792	306	10,293	224	73	-	-	14,688
Reallocations	(78)	24,706	327	-	-	-	68	-	25,023
Depreciation charge	(28,286)	(883,376)	(2,265)	(19,927)	(382)	(84,251)	(6,430)	-	(1,024,917)
At 31 December 2022	**(158,010)**	**(4,416,589)**	**(87,343)**	**(53,136)**	**(6,661)**	**(477,747)**	**(66,363)**	**-**	**(5,265,849)**
Disposals	-	32	505	4,048	7	66	-	-	4,658
Reallocations	(1,490)	(34,491)	-	-	-	188	-	-	(35,793)
Other Movement	(1,780)	(26,294)	(1,300)	(1,136)	(554)	3,748	(50)	-	(27,366)
Depreciation charge	(40,317)	(1,207,868)	(2,332)	(22,811)	(13)	(113,523)	(1,200)	-	(1,388,064)
At 31 December 2023	**(201,597)**	**(5,685,210)**	**(90,470)**	**(73,035)**	**(7,221)**	**(587,268)**	**(67,613)**	**-**	**(6,712,414)**
Carrying amounts									
Cost	316,265	9,862,085	95,804	106,234	18,099	819,047	134,923	85,435	11,437,892
Accumulated Depreciation	(158,010)	(4,416,589)	(87,343)	(53,136)	(6,661)	(477,747)	(66,363)	-	(5,265,849)
At 31 December 2022	**158,255**	**5,445,496**	**8,461**	**53,098**	**11,438**	**341,300**	**68,560**	**85,435**	**6,172,043**
Cost	408,008	12,625,802	98,589	123,446	8,665	856,138	132,421	372,495	14,625,564
Accumulated Depreciation	(201,597)	(5,685,210)	(90,470)	(73,035)	(7,221)	(587,268)	(67,613)	-	(6,712,414)
At 31 December 2023	**206,411**	**6,940,592**	**8,119**	**50,411**	**1,444**	**268,870**	**64,808**	**372,495**	**7,913,150**

*Other Movements relates to adjustment of beginning balances to reconcile General ledger and Fixed Asset register and other corrections.

(All amounts are in thousands of Ghana Cedis)

2.15.5 Reconciliation of property, plant and equipment (Leased) – Company

	Land & buildings	Network equipment	Total
Cost			
At 1 January 2022	105,005	2,025,885	2,130,890
Additions	13,600	148,916	162,516
At 31 December 2022	118,605	2,174,801	2,293,406
Additions	38,077	758,140	796,217
At 31 December 2023	**156,682**	**2,932,941**	**3,089,623**
Accumulated Depreciation			
At 1 January 2022	(60,767)	(727,919)	(788,686)
Depreciation charge	(16,609)	(291,448)	(308,057)
At 31 December 2022	(77,364)	(1,019,480)	(1,096,844)
Depreciation charge	(26,681)	(481,550)	(508,231)
At 31 December 2023	**(104,044)**	**(1,501,030)**	**(1,605,074)**
Carrying amounts			
Cost	118,605	2,174,801	2,293,406
Accumulated depreciation	(77,364)	(1,019,480)	(1,096,844)
At 31 December 2022	**41,241**	**1,155,321**	**1,196,562**
Cost	156,682	2,932,941	3,089,623
Accumulated depreciation	(104,044)	(1,501,030)	(1,605,074)
At 31 December 2023	**52,638**	**1,431,911**	**1,484,549**

2.15.6 Cash used for the purchase of property, plant and equipment

	Group		Company	
	2023	**2022**	**2023**	**2022**
Additions for the year	3,157,617	1,897,680	3,157,396	1,895,941
Credit purchases	(796,425)	(172,686)	(796,204)	(172,686)
Total	**2,361,192**	**1,724,994**	**2,361,192**	**1,723,255**

2.15.7 Impairment

During the year, no property, plant and equipment was impaired.

2.15.8 Right-of-Use Assets and Lease liabilities

The Group's leases include network infrastructure (tower space and land) and retail stores. Rental contracts are typically made for fixed periods varying between 2 to 15 years but may have renewal periods. At inception of a contract, the Group assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises rightofuse assets and lease liabilities at the lease commencement date for most leases. However, the Group has elected not to recognise rightofuse assets and lease liabilities for some leases of lowvalue assets (e.g. office equipment) and for shortterm leases, i.e. leases that at commencement date have lease terms of 12 months or less. The Group defines lowvalue leases as leases of assets for which the value of the underlying asset when it is new is GHS60,250 or less and is not considered fundamental to its network. The Group recognises the lease payments associated with these leases as an expense on a straightline basis over the lease term.

The lease liability is initially measured at the present value of the following lease payments:

- Fixed payments (including insubstance fixed payments), less any incentives receivable
- Variable lease payments that are based on an index or rate, measured using the index or rate as at the lease commencement date
- Amounts that are expected to be payable by the lessee under residual value guarantees
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option
- Future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities. This includes exposure arising from variable lease payments, extension options and termination options, Leases not yet commenced to which the lessee is committed, and restrictions or covenants imposed by lessor.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Group's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments specific to the lease, such as. term, country, currency and security.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. Interest costs are charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. It is remeasured when there is a change in future lease payments arising from a change in index or rate, a change in the estimate of the amount payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The rightofuse assets are initially measured at cost comprising the following:

- The amount of the initial measurement of the lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs
- Decommissioning costs

(All amounts are in thousands of Ghana Cedis)

2.15.8 Right-of-Use Assets and Lease liabilities (continued)

The right of use assets are subsequently measured at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability. The right of use assets are depreciated over the shorter of the assets' useful lives and the lease terms on a straightline basis.

Renewal and termination options

A number of lease contracts include the option to renew the lease for a further period or terminate the lease earlier. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The Group applies judgement in assessing whether it is reasonably likely that options will be exercised. Factors considered include how far in the future an option occurs, the Group's business planning cycle of three to five years and history of terminating/not renewing leases. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

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

Lease and nonlease components

A number of lease contracts include both lease and nonlease components. The Group allocates the consideration in the contract to each lease and nonlease component based on their relative standalone selling prices. The standalone selling prices of each component are based on available market prices. The Group has elected to not apply practical expedient to account for nonlease components as part of its lease liabilities and rightofuse assets. Therefore, nonlease components are accounted for as operating expenses and are recognised in profit or loss as they are incurred.

	Group		Company	
Movement in lease liabilities	**2023**	**2022**	**2023**	**2022**
Opening Balance	1,600,298	1,673,467	1,600,298	1,673,467
Additions	796,204	172,686	796,204	172,686
Interest Expense	422,391	258,465	422,391	258,465
Unrealised forex gains	29,533	98,311	29,533	98,311
Payments	(688,942)	(602,631)	(688,942)	(602,631)
Total	**2,159,484**	**1,600,298**	**2,159,484**	**1,600,298**

	Group		Company	
Measurement of lease liabilities	**2023**	**2022**	**2023**	**2022**
Current lease liabilities	448,109	284,278	448,109	284,278
Noncurrent lease liabilities	1,711,375	1,316,020	1,711,375	1,316,020
Total	**2,159,484**	**1,600,298**	**2,159,484**	**1,600,298**

(All amounts are in thousands of Ghana Cedis)

2.15.8 Right-of-Use Assets and Lease liabilities (continued)

	Group		Company	
	2023	**2022**	**2023**	**2022**
Measurement of right of use assets				
Right of use assets				
Cost				
Buildings	156,682	118,605	156,682	118,605
Network equipment	2,932,941	2,174,801	2,932,941	2,174,801
Total	**3,089,623**	**2,293,406**	**3,089,623**	**2,293,406**
Depreciation				
Buildings	(104,044)	(77,364)	(104,044)	(77,364)
Network equipment	(1,501,030)	(1,019,480)	(1,501,030)	(1,019,480)
Total	**(1,605,074)**	**(1,096,844)**	**(1,605,074)**	**(1,096,844)**
Carrying amounts	**1,484,549**	**1,196,562**	**1,484,549**	**1,196,562**

2.15.9 Encumbrances

Borrowings are secured by a floating charge on the Group's total assets less the float balance.

2.15.10 Profit on disposal of property, plant and equipment

Cost	5,519	15,360	5,519	15,360
Accumulated depreciation	(4,658)	(14,688)	(4,658)	(14,688)
Net book value	**861**	**672**	**861**	**672**
*Proceeds	(1,830)	(1,531)	(1,830)	(1,531)
Profit on disposal of property, plant and equipment	**(969)**	**(859)**	**(969)**	**(859)**

*The proceeds for 2022 are noncash but credit notes has been received.

2.16 Intangible assets

Costs associated with maintaining computer software programs are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits, are recognised as intangible assets when the following conditions are met:

- It is technically feasible to complete the software product so that it will be available for use.
- Management intends to complete the software product and use or sell it.
- There is an ability to use or sell the software product.
- It can be demonstrated how the software product will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

(All amounts are in thousands of Ghana Cedis)

2.16 Intangible assets (continued)

Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Expenditure that enhances or extends the performance of computer software programs beyond their original specifications is recognised as a capital improvement and added to the original cost of the software.

Other development expenditure that does not meet the criteria is accounted for as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives which does not exceed three years.

2.16.1 Computer software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring the specific software into use. These costs are amortised in the statement of comprehensive income over their estimated useful lives (three to five years).

2.16.2 Licenses

Licenses are initially shown at historical cost. Licenses have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straightline method to allocate the cost of licenses over their estimated useful lives. The useful lives and renewal periods of licenses are given below and are determined primarily with reference to the contractual or unexpired license period.

Type of License	Date granted/ renewed	License Term	Useful Life
3G	23 January 2009	15 years	15 years
2G spectrum (900MHz and 1800MHz)	12 February 2019	15 years	15 years
International Gateway	10 August 2019	5 years	5 years
800MHz Spectrum (2x10MHz	21 June 2016	15 years	15 years
800MHz Spectrum (2x5MHz	10 January 2020	15 years	15 years
2600MHz spectrum	1 December 2018	15 years	15 years
Fixed Access License	23 March 2020	15 years	15 years
2x3 MHz on 900 & 2x7 1800MHz	2 December 2019	15 years	15 years
IRU	Various dates	15 years	15 years
BWA 30MHz 2620 Mhz to 2650 Mhz	18 June 2023	5 years	5 years
BWA 30MHz 2500 Mhz to 2690 Mhz	18 June 2023	5 years	5 years

(All amounts are in thousands of Ghana Cedis)

2.16.3 Intangible assets – Group

	Network Licenses	Software	Network Software	Work in Progress	Total
Cost					
At 1 January 2022	802,679	591,016	-	(405)	1,393,290
Additions	106,623	139,969	-	82	246,674
Reallocations	(5,512)	(46,254)	-	-	(51,766)
At 31 December 2022	**903,790**	**684,731**	-	**(323)**	**1,588,198**
Additions	472,622	401,183	31,271	19,326	924,402
*Reallocations	4,456	(13,649)	-	(4,735)	(13,928)
At 31 December 2023	**1,380,868**	**1,072,265**	**31,271**	**14,268**	**2,498,672**
Accumulated Amortisation					
At 1 January 2022	(233,789)	(380,632)	-	-	(614,421)
Reallocations	(39,211)	20,270	-	-	(18,941)
Amortisation	(60,880)	(109,880)	-	-	(170,760)
Other changes, movements					
At 31 December 2022	**(333,880)**	**(470,242)**	**-**	**-**	**(804,122)**
Reallocations	13,139	(3,522)	-	-	9,617
Amortisation	(161,663)	(171,107)	(1,838)	-	(334,608)
At 31 December 2023	**(482,404)**	**(644,871)**	**(1,838)**	**-**	**(1,129,113)**
Carrying amounts					
Cost	903,790	684,731	-	(320)	1,588,201
Accumulated amortisation	(333,880)	(470,242)	-	-	(804,122)
At 31 December 2022	**569,910**	**214,489**	**-**	-	**784,079**
Cost	1,380,868	1,072,265	31,271	14,268	2,498,672
Accumulated amortisation	(482,404)	(644,871)	(1,838)	-	(1,129,113)
At 31 December 2023	**898,464**	**427,394**	**29,433**	**14,268**	**1,369,559**

*Relates to reallocation of software which form an integral part of network equipment reclassified to property plant and equipment and work in progress.

(All amounts are in thousands of Ghana Cedis)

2.16.4 Reconciliation of intangible assets Company

	Network Licenses	Software	Network Software	Work in Progress	Total
Cost					
At 1 January 2022	802,679	590,362	-	(402)	1,392,639
Additions	106,623	140,371	-	(320)	246,674
Reallocations	(5,512)	(46,656)	-	402	(51,766)
At 31 December 2022	**903,790**	**684,077**	**-**	**(320)**	**1,587,547**
Additions	472,622	53,971	31,271	19,003	576,867
*Reallocations	4,735	(13,649)	-	(4,735)	(13,649)
At 31 December 2023	**1,381,147**	**724,399**	**31,271**	**13,948**	**2,150,765**
Accumulated Amortisation					
At 1 January 2022	(233,789)	(380,008)	-	-	(613,797)
Reallocations	(39,178)	20,270	-	-	(18,908)
Amortisation	(60,911)	(109,855)	-	-	(170,766)
At 31 December 2022	**(333,878)**	**(469,593)**	-		**(803,471)**
Reallocations	13,150	(3,487)	-	-	9,663
Amortisation	(161,663)	(101,665)	(1,838)	-	(265,166)
At 31 December 2023	**(482,391)**	**(574,745)**	**(1,838)**	**-**	**(1,058,974)**
Carrying amounts					
Cost	903,790	684,077	-	-	1,587,547
Accumulated amortisation	(333,878)	(469,593)	-	-	(803,472)
At 31 December 2022	**569,912**	**214,484**	**-**	**(320)**	**784,076**
Cost	1,381,147	724,399	31,271	13,948	2,150,765
Accumulated amortisation	(482,392)	(574,745)	(1,838)	-	(1,058,974)
At 31 December 2023	**898,755**	**149,654**	**29,433**	**13,948**	**1,091,790**

*Relates to reallocation of software which form an integral part of network equipment reclassified to property plant and equipment.

2.16.5 Cash used for the purchase of intangible assets

	Group		Company	
	2023	**2022**	**2023**	**2022**
Cash purchases	576,867	246,674	576,867	246,674
Credit purchases	347,212	-	-	-
Total	**924,079**	**246,674**	**576,867**	**246,674**

(All amounts are in thousands of Ghana Cedis)

2.17 Consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group. Intercompany transactions, balances, and unrealized gains on transactions between Group companies are eliminated. Accounting policies of subsidiaries are ensuring consistent with the policies adopted by the Group.

2.17.1 Investment in subsidiary

Investment in MobileMoney Limited is GHS20.05 million. MobileMoney Limited was incorporated on 5 November 2015 to operate mobile financial services in Ghana. Investment in Mobilemoney limited was increased by GHS20.00 million in 2022 to meet the capitalisation requirements for Fintech business.

2.17.2 Investments

The integrity capital investment is a Regulatory request by the Bank of Ghana which was made into a designated account at the Bank of Ghana to partly fulfil the licensing requirements of Dedicated Electronic Money Issuer (DEMI). This involves an amount of GHS20.00 million. This became effective on 31 December 2022.

2.18 Indefeasible Right of Use (IRU)

2.18.1 IRU assets

The Group holds Indefeasible Right of Use (IRU) assets which are payments for international submarine capacity, with a useful life of fifteen years on average starting from 2012 and a local lease cable capacity for 15 years starting from December 2018.

	Group		Company	
	2023	**2022**	**2023**	**2022**
At start of year	149,395	103,138	149,395	103,138
Additions for the year	43,988	79,296	43,988	79,296
Amortisation	(40,837)	(25,561)	(40,837)	(25,561)
Exchange difference		(7,478)		(7,478)
Total	**152,546**	**149,395**	**152,546**	**149,395**
Non-current assets	123,417	123,399	123,417	123,399
Current assets	29,129	25,995	29,129	25,995
Balance at 31 December	**152,546**	**149,394**	**152,546**	**149,394**
IRU payment: Statement of cashflow				
Total payment for IRU during the year	**(43,988)**	**(69,892)**	**(43,988)**	**(69,892)**

Total payment for IRU during the year amounted to GHS43.99 million (2022: GHS69.89 million).

(All amounts are in thousands of Ghana Cedis)

2.18.2 IRU Liability

This relates to a sale of a 60Gbps terrestrial capacity to MainOne which provides an indefeasible right of use of the said capacity for a period of 15 years. The proceeds from the sale have been deferred to be amortised over 15 years. In addition, a 10X10gb ACE CLS capacity from Accra to RacK Africa was also sold during the year whose proceeds from the sale have been deferred to be amortised over 10 years.

	Group		Company	
	2023	**2022**	**2023**	**2022**
At start of year	30,260	17,319	30,260	17,319
Additions	4,961	12,941	4,961	12,941
Amortisation	(5,355)	-	(5,355)	-
Total	**29,866**	**30,260**	**29,866**	**30,260**
Non-current	26,071	26,829	26,071	26,829
Current	3,795	3,431	3,795	3,431
Balance at 31 December	**29,866**	**30,260**	**29,866**	**30,260**

2.18.3 Other non-current Liability

This relates to an IAS38 capitalisation of Ericsson Converged Wallet (ECW) platform for Mobile Money Limited as disclosed under Note 2.16.3.

This is a five year contract between MML and Ericsson where the software will be developed on a Microsoft Azure cloud.

MobileMoney Ltd entered into a fiveyear noncancellable software licensing agreement with Ericsson AB (Supplier) for the supply of services related to the Ericsson Mobile Money Platform (Ericsson ConvergedWallet). EricssonConverged Wallet is the core platform used by MobileMoney Limited for the provision of mobile money services to all customers.

At initial recognition the intangible asset was capitalized at its present value (present value of future minimum commitments) using MML's incremental borrowing rate. This is a rate that MML would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic condition with similar terms and conditions. Subsequently the asset is amortized over the life of the contract (five years).

Liability in relation to ECW is equal to the capitalized asset at initial recognition. The liability is subsequently increased by the finance cost and decreased by cash payments made. Finance costs are charged to Statement of Comprehensive Income over the life of the asset to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

	Group		Company	
Measurement of other liabilities	**2023**	**2022**	**2023**	**2022**
Current liabilities	171,317	-	-	-
Noncurrent liabilities	245,967	-	-	-
Total	**417,284**	-	-	-

(All amounts are in thousands of Ghana Cedis)

2.18.3 Other non-current Liability (continued)

	Group		Company	
	2023	**2022**	**2023**	**2022**
At start of year	-	-	-	-
Finance Cost	347,211	-	-	-
Amortisation	124,849	-	-	-
Payment	(54,776)	-	-	-
Closing Liability	**417,284**	-	-	-

*Finance cost paid on the statement of cashflow includes an amount of GHS 54.8 million relating to interest payment on Ericsson Converged Wallet (ECW) liability.

2.19 Contract assets and liabilities

2.19.1 Contract liability

Contract liability (previously unearned revenue) represents subscriber balances of prepaid activated balances. The balance is affected by the early recognition of breakage. Previously, the Group only accounted for breakage on customer rights that will not be exercised when it became remote. When the Group expects to be entitled to breakage, it recognises the expected breakage amount as revenue in proportion to the pattern of rights exercised by the customer. This has led to an increase in revenue and a reduction in contract liability. The Business has recognised breakage in the current period for sale of vouchers in prior periods. Breakage is not recognised for current period sales as Electronic Voucher Distribution (EVD) is now the sole channel for recharge voucher vendoring and therefore does not age since it is an electronic system. Included in contract liability, an amount of GHS67,234 relating to payment received for unused capacity purchased and operations and maintenance of 134 sites..

Movement in contract liability is shown below:

	Group and Company	
	2023	**2022**
At start of year	217,090	191,558
Sale of prepaid airtime	10,080,939	7,445,109
Prepaid revenue recognised	(9,950,553)	(7,422,218)
Loyalty deferred	-	2,641
Balance at 31 December	**347,476**	**217,090**

2.19.2 Contract assets

Contract assets are the Group's right to consideration in exchange for goods or services that it has transferred to a customer. The Group's contract assets relate to initial infrastructural cost incurred in fulfilling customer contracts (specifically providing WiFi services).

	Group and Company	
	2023	**2022**
Contract assets	-	1,633

2.19.3 Capitalised contract costs

The Group has determined that incremental subscriber acquisition costs for obtaining and renewing contracts are recoverable. These costs include agent's commission on postpaid contracts and SIM activation costs on prepaid contracts. The Group has therefore capitalised these costs as contract costs. Capitalised contract costs are amortised on a systematic basis over the average customer life of 3 years and included in selling, distribution and marketing expenses in profit or loss.

(All amounts are in thousands of Ghana Cedis)

2.19.3 Capitalised contract costs (continued)

The impact of this change is a decrease in selling, distribution and marketing expenses and the recognition of a new asset, capitalised contract costs.

	Group		Company	
	2023	2022	2023	2022
At start of year	24,968	39,744	24,968	39,744
Additions	28,109	25,071	28,109	25,071
Amortisation	(7,731)	(39,847)	(7,731)	(39,847)
Balance at 31 December	**45,346**	**24,968**	**45,346**	**24,968**

2.20 Inventory

Inventory mainly comprises of devices, SIM cards and other accessories held for sale. Inventories are measured at the lower of cost and net realizable value. The cost of inventory is determined using the weighted average method. Cost comprises of direct materials and where applicable, overheads that have been incurred in bringing the inventories to their present location and condition, excluding borrowing costs. Net realisable value represents the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Inventory is reported net of allowances for impairment. The Group tests for impairment of inventories at each reporting date, and where items are assessed to be impaired, the carrying value of these is written down to net realisable values.

	Group		Company	
	2023	2022	2023	2022
Devices, SIM cards and accessories at cost	132,633	80,011	132,633	80,011
Less provision for obsolescence	(51,635)	(66,262)	(51,635)	(66,262)
	80,998	**13,749**	**80,998**	**13,749**
Movement in provision for obsolescence				
At start of year	(66,262)	(85,515)	(66,262)	(85,515)
Reductions during year	14,627	19,253	14,627	19,253
Balance at 31 December	**(51,635)**	**(66,262)**	**(51,635)**	**(66,262)**

2.21 Financial assets at amortised cost

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 60 days for interconnect debtors and 7 days for postpaid corporate and individual debtors. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Impairment on trade receivables is discussed in Note 2.34.3.

2.21.1 Trade and other receivables

	Group		Company	
	2023	2022	2023	2022
Trade receivables	1,106,862	853,749	969,594	776,757
Less: allowance for impairment of trade receivables	(85,945)	(80,376)	(85,945)	(80,376)
	1,020,917	**773,373**	**883,649**	**696,381**

The Group holds cash collateral of GHS 67.4 million (2022: GHS 78.2 million) for trade and other receivables. The Group's exposure to credit and currency risk relating to trade and other receivables is disclosed in Note 2.34.3.

(All amounts are in thousands of Ghana Cedis)

2.22 Other assets and Other financial assets

	Group		Company	
	2023	**2022**	**2023**	**2022**
Other assets				
Prepayments**	**87,769**	**149,247**	**86,618**	**147,871**
Other financial assets at amortised cost				
Staff loans	13,380	10,536	13,152	10,536
Intercompany receivables	368,627	334,338	368,151	334,332
Total	**382,007**	**344,874**	**381,303**	**344,868**

** Prepayments represents payments made in advance for certain network and information technology maintenance services level agreements.

2.23 Obligations to electronic money holders (Mobile money float)

The Company is an Electronic Money Issuer (EMI) that provides Mobile Money (MoMo) services. Mobile Money services involves the issuing of electronic money into MoMo wallet which is recorded on mobile phones for immediate and later use in return for cash. The service is rendered via MoMo agents and merchants who provide services to the Company's MoMo customers. MoMo agents are recruited by the MobileMoney Limited to facilitate customer activities including cash deposit and loading of electronic cash into wallets. The service is also performed through the Company's branches.

The wallet represents a "store" of MoMo, and at any moment all monetary value stored on a MoMo wallet is backed by an equivalent cash deposit held with partner banks in Ghana.

MobileMoney Limited's operation is regulated by the Bank of Ghana through its regulations and the Payment Systems and Services Act, 2019 Act (987).

Mobile money float and obligation to electronic money holders are presented in the statement of financial position at cost. Mobile money float includes all subscriber funds held with partner banks. Obligations to electronic money holders include all balances on electronic wallets of customers and represents an obligation of the electronic money issuer. Mobile money float balances as at 31 December are as follows:

	Group	
	2023	**2022**
Partner banks' own funds	8,902,269	5,646,633
Money held on EMI's own account	7,478,827	6,016,473
Total	**16,381,096**	**11,663,106**

As at 31 December 2023, the number of partner banks, MobileMoney Limited operated with were 22 (2022: 20). The funds are held in trust and on demand by electronic wallet holders and therefore, the funds are ring-fenced and cannot be commingled or used for the entity's operations.

(All amounts are in thousands of Ghana Cedis)

2.23 Obligations to electronic money holders (continued)

Impairments of mobile money float

MobileMoney Limited applies the IFRS9 model in determining impairment on the mobile money float. The allowance or provision recognized depends on the output of the partner banks risk assessment for the period, with forward looking assumptions regarding the choice of variables, inputs and their interdependencies. Partner banks whose counterpart risk profile indicate significant increase in credit risk were impaired. The total amount recognised as Expected Credit Loss (ECL) on the float balances is GHS51,433 (2022: GHS37,693) and this balance is included in provisions**.**

Quantitative criteria

The Company designates risk scoring for partner banks on the basis of weighted partner bank financial data as follows.

1. Between 80%100% as low risk, Tier 1
2. Between 60%79% as low risk, Tier 2
3. Between 0 59% as high risk, Tier 3

Qualitative Criteria

MobileMoney Limited considers qualitative criteria such as whether a partner bank is publicly owned, state owned or privately owned in determining whether it may be unlikely to make available mobile money float when they are due.

The Expected Credit Loss (ECL) is measured on a 12month basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is credit impaired. Expected credit losses are the discounted product of the Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD) defined as follows:

1. Probability of default: this is the likelihood that the partner bank will default.
2. Loss given default: the percentage that the company stands to loose when the partner bank defaults (LGD).
3. Exposure at default: the amount a partner bank carry at the time of default.

Based on the above elements, and the assigned probabilities, the expected credit loss is computed and recognised through profit or loss. At each reporting date, the company assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the period.

2.24 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, all of which are available for use by the Group.

	Group		Company	
	2023	**2022**	**2023**	**2022**
Cash and bank balances	**2,946,133**	**1,586,207**	**2,260,258**	**1,176,104**

2.24.1 Investment in securities

Investment in Securities represent a transfer from retained earnings at a minimum amount of 5% of MobileMoney Limted's annual net profit per internal policy. This is invested in risk free, highly liquid assets such as Treasury bills or Government notes or shortdated bonds up until such a time that the reserve fund amounts to GHS 200 million. Interest earned on investment are also transferred into other reserves and are not available for distribution.

2.24.1 Investment in securities (continued)

	2023	2022
Opening Balance	188,571	82,540
Investment in Treasury bills	38,296	84,187
Interest Accrued on investment	51,418	21,844
Total	**278,285**	**188,571**

2.25 Stated capital

There was no change in the authorised shares of Scancom PLC during the year under review. A total of 13.24 billion (2022:12.29 billion) ordinary shares of no par value have been issued as at 31 December 2023. Scancom PLC announced a scrip dividend option for the 2022 final dividend subject to approval by shareholders at the Annual General Meeting (AGM) held on the 30 May 2023. Following approval of the scrip dividend as an alternative to cash dividend for the 2022 final dividend at the AGM, Scancom PLC received applications and successfully issued 945,700,690 new ordinary shares at a reference price of GHS 1.19.The additional issued shares were listed on the Ghana Stock Exchange (GSE) on 26 June 2023 , resulting in an increase in Scancom PLC's issued shares from 12,290,474,360 to 13,236,175,050 during the year under review.

	Group		Company	
Number of shares	**2023**	**2022**	**2023**	**2022**
Authorised Ordinary shares of no par value	100,000,000,000	100,000,000,000	100,000,000,000	100,000,000,000
Reconciliation of number of shares issued:				
Reported at	13,236,175,050	12,290,474,360	13,236,175,050	12,290,474,360
All amounts are in thousands of Ghana Cedis				
Issued share capital				
Ordinary stated capital	2,222,888	1,097,504	2,222,888	1,097,504

2.26 Borrowings

Borrowings are initially recognised at fair value net of transaction cost incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognised in profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs 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 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.

	Group		Company	
	2023	**2022**	**2023**	**2022**
Current liabilities	158,216	164,746	158,216	164,746
Non-current liabilities	73,422	222,318	73,422	222,318
	231,638	**387,064**	**231,638**	**387,064**
Carrying amount of borrowings are denominated as follows:				
Local currency	**231,638**	**387,064**	**231,638**	**387,064**

(All amounts are in thousands of Ghana Cedis)

2.26.1 Summary of borrowing arrangements

31 December 2023

Additional Facility: Additional term loan of GHS450 million bearing interest at 34.7579% per annum repayable starting on 24/12/2022 and expiring on 24/06/2025. The facility is secured on total assets less float.

Total Funding Available	**Group**		**Company**	
Movement in borrowings	**2023**	**2022**	**2023**	**2022**
At start of year	375,000	564,996	375,000	564,996
Repayments on borrowings	(150,003)	(189,996)	(150,003)	(189,996)
At end of year	**224,997**	**375,000**	**224,997**	**375,000**
Movement in capitalised transaction costs:				
At start of year	(2,678)	(5,224)	(2,678)	(5,224)
Amortisation for the year	1,107	2,546	1,107	2,546
Interest accrued	8,213	14,740	8,213	14,740
Balance at 31 December	**231,638**	**387,062**	**231,638**	**387,062**

Repayment

Repayments in 2023 were for term loan (Additional Facility) of GHS150 million.

2.27 Provisions

A provision is recognised when there is a present legal or constructive obligation as a result of a past event for which it is more likely than not that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2.27.1 Bonus provision

The bonus provision consists of a performancebased bonus, which is determined by reference to the overall Group performance with regard to a set of predetermined key performance measures. Bonuses are payable annually after the Group's annual results have been approved.

2.27.2 Decommissioning provision

Decommissioning provision relates to the estimated cost of dismantling and removing an item of property, plant and equipment and restoring the site on which the item was located to its original condition. The Group provides for the anticipated costs associated with the restoration of leasehold property to its original condition at inception of the lease, including removal of items included in plant and equipment that are erected on leased land. The timing of the provision is expected to be at the expiry of 15 years of site commissioning.

(All amounts are in thousands of Ghana Cedis)

2.27.3 Provisions (continued)

	Group		Company	
Measurement of Provisions	**2023**	**2022**	**2023**	**2022**
Non-current Provisions	9,990	10,657	9,424	10,657
Current Provisions	246,416	107,058	98,264	66,936
Total	**256,406**	**117,715**	**107,688**	**77,593**

Reconciliation of current provisions - Group - 2023

	Opening balance	Additions	Utilised during the year	Total
Bonus provision	27,912	173,259	(138,232)	62,939
Provision for Share Appreciation Rights	38,721	23,101	(56,793)	5,029
Other provisions	40,425	868,925	(730,902)	178,448
	107,058	**1,065,285**	**(925,927)**	**246,416**

Reconciliation of Current provisions - Group - 2022

	Opening balance	Additions	Utilised during the year	Total
Bonus provision	27,440	27232	(26,760)	27,912
Provision for share appreciation rights	21,600	3,319	-	24,919
Other provisions	7,095	115,874	68,741	54,228
	9,762	44,175	(13,512)	
	57,702	**137,668**	**(88,312)**	**107,058**

Reconciliation of provisions - Company - 2023

	Opening balance	Additions	Utilised during the year	Total
Bonus provision	26,543	167,175	(136,084)	57,634
Provision for Share Appreciation Rights	15,764	30,923	(41,830)	4,857
Other provisions	24,629	799,860	(788,716)	35,773
	66,936	**997,958**	**(966,630)**	**98,264**

Reconciliation of provisions - Company - 2022

	Opening balance	Additions	Utilised during the year	Total
Bonus provision	27,440	27,037	(27,934)	26,543
Provision for share appreciation rights	20,500	3,626	-	24,126
Other provisions	5,236	79,772	68,741	16,267
	53,244	**73,470**	**(59,778)**	**66,936**

2.27.4 Other provisions (non-current)

The noncurrent portion of other provisions of GHS9.99 million (2022: GHS10.66 million) represents warranty provision in respect of sites sold under a sale and lease back arrangement. The Company recognized provisions in respect of a warranty for the sale and lease back arrangement based on estimates and the probability of whether an outflow of economic benefits will be required to settle the obligation. This provision will be released at final closure of site transfer under the Asset Purchase agreement.

Other Provision (current)

The current portion of Other provision is GHS246 million (2022 GHS107 million) which consists of bonus, litigation and the share appreciation rights provisions.This estimate is done with the probability that the obligations under consideration will crytalise within the accounting period under consideration.Thus the provision is released upon the cystalisation of these expenditure.

2.27.5 Share based payments

The Group operates a Performance Share Plan (PSP) and a Notional Share Option (NSO). The PSP is a longterm incentive scheme offered under the MTN Group Performance Share Plan to qualifying participants. The NSO consists of a Group Aligned NSO (GAN) and a Locally Aligned NSO (LAN). The GAN mirrors the movement in value of the MTN Group share price. The LAN is reflective of the increase in value of a key performance indicator of the business such as EBITDA. Sharebased payment schemes are cash and equity (local PSP and ESOP) settled in the accounting records of Scancom PLC.

NSO allocated prior to 1 January 2014 may only be exercised by the participants up to 20% after 2 years; up to 40% after 3 years: up to 70% after 4 years and up to 100% after 5 years of granting the NSO. NSO allocated effective 1 January 2014 may only be exercised 100% after 3 years from allocation. Each allocation of NSO granted prior to 2014 will remain in force for a period of 10 years from the date of offer. Each allocation of NSO granted after 2014 will remain in force for a period of 5 years from the date of offer. Any unexercised NSOs remaining at the end of the stated periods will automatically elapse. The exercise price GAN option is the price at which a vested GAN NSO is exercised and will be the closing MTN Group Limited share price on the day following the date of exercising. Exercise price LAN option is the price at which a vested LAN NSO is exercised and will be the current or ruling value of such NSO on the date of exercising, as determined by the annual LAN NSO valuation exercise. The NSO price is the Price at which an NSO is offered to any qualifying participant.

During 2022, 38,443,048 shares were granted to qualifying employees for no consideration and subject to a service condition. The shares will vest in three tranches, i.e. a third will vest on the third, fourth and fifth anniversary of the grant date respectively.

These are Equity settled at the vesting date base on set criteria which includes nonmarket conditions such as cash generated from operations. Return on Equity (ROE),and Environmental, Social and Governance KPIs set at grant date. Also included are market conditions of total shareholder return which is based on the price of stock on the exchange on which Monte Carlo simulations applies. The summaries of options granted are:

	2023		2022	
LAN	**Average price per option**	**Number of options**	**Average price per option**	**Number of options**
	GHS	**('000)**	**GHS**	**('000)**
At start of year	1.08	15,452	0.93	30,806
Granted	-	-	-	-
Exercised	2.68	(13,720)	2.04	(15,074)
Expired and forfeited	-	(116)	-	(280)
At 31 December 2023	**0.95**	**1,616**	1.08	15,452

2.27.5 Share based payments (continued)

GAN	2023 Average price per option GHS	2023 Number of options ('000)	2022 Average price per option GHS	2022 Number of options ('000)
At start of year	17.20	500,120	14.81	735,620
Granted	-	-	-	-
Exercised	75.76	(440,630)	25.70	(156,225)
Expired and forfeited	-	(16,880)	-	(79,275)
At 31 December 2023	**20.73**	**42,610**	17.20	500,120

Share options outstanding at the end of the year have the following expiry dates and prices:

MTN Group and Company LAN Grant date	Expiry date	NSO Price GHS	2023 Number of options 31 December 2023 ('000)	2022 Number of options 31 December 2022 ('000)
1 April 2016	31 March 2021	0.45	-	-
1 April 2017	31 March 2022	0.55	-	-
1 April 2018	31 March 2023	0.68	-	172
1 April 2019	31 March 2024	0.77	807	1,715
1 April 2020	31 March 2025	1.13	810	13,566
			1,617	15,453

MTN Group and Company GAN Grant date	Expiry date	NSO Price GHS	2023 Number of options 31 December 2023 ('000)	2022 Number of options 31 December 2022 ('000)
1 April 2011	31 March 2021	31.40	-	-
1 April 2012	31 March 2022	25.76	-	-
1 April 2013	31 March 2023	24.45	-	9,980
1 April 2014	31 March 2019	-	-	-
1 April 2015	31 March 2020	-	-	-
1 April 2016	31 March 2021	44.62	-	-
1 April 2017	31 March 2022	39.14	-	-
1 April 2018	31 March 2023	44.27	-	850
1 April 2019	31 March 2024	32.15	13,280	42,950
1 April 2020	31 March 2025	15.16	29,330	446,340
			42,610	500,120

(All amounts are in thousands of Ghana Cedis)

2.27.5 Share based payments (continued)

MTN Group and Company Group PSP Grant date	Expiry date	Price GHS	2023 Number of options 31 December 2023 ('000)	2022 Number of options 31 December 2022 ('000)
1 April 2018	31 March 2023	86.13	-	-
1 April 2019	31 March 2024	86.88	-	-
1 April 2022	31 March 2025	63.08	-	-
				-

MTN Group and Company Ghana PSP Grant date	Expiry date	Price GHS	2023 Number of options 31 December 2023 ('000)	2022 Number of options 31 December 2022 ('000)
15 December 2020	14 December 2025	0.62	29,098	34,022
15 December 2021	14 December 2026	1.16	17,517	19,326
15 December 2022	11 December 2027	0.88	36,251	37,315
15 December 2022	15 December 2022	1.40	27,914	-
			110,780	90,663

MTN Group and Company Ghana ESOP Grant date	Expiry date	Price GHS	2023 Number of options 31 December 2023	2022 Number of options 31 December 2022
15 December 2020	14 December 2025	0.61	11,138	16,717
1 December 2021	26 November 2026	1.26	200,358	222,620
22 June 2022		0.94	564,432	598,640
1 December 2022		0.87	481,280	529,408
1 December 2022		1.19	778,470	
1 December 2022		1.39	589,323	
		-	2,625,001	1,367,385

No share options were exercised during the year.

(All amounts are in thousands of Ghana Cedis)

2.27.5 Share based payments (continued)

2.27.6 Share based payment liability

These are equitysettled sharebased payment transactions; they are share based payment transactions in which the entity receives goods or services as a consideration for its own equity instruments (including shares or share options).

	Group		Company	
	2023	**2022**	**2023**	**2022**
Share based payment liability	**60,959**	33,539	**55,996**	30,590

2.28 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are accounted for as financial liabilities. Other payables are stated at their nominal values.

	Group		Company	
	2023	**2022**	**2023**	**2022**
Trade payables	476,100	308,382	469,908	434,123
Sundry payables	126,659	88,435	105,954	77,701
Accrued expenses	675,530	671,567	603,661	602,172
Intercompany payables	358,393	376,086	468,156	428,543
Other payables	242,762	322,520	242,748	169,553
Total	**1,879,444**	1,766,990	**1,890,427**	1,712,092

2.29 Dividends paid

Dividend distribution to shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Payment of dividends is subject to the deduction of withholding taxes at a final tax rate of 8% for resident and foreign shareholders.

	Group		Company	
	2023	**2022**	**2023**	**2022**
Dividend declared	2,185,828	1,536,309	2,185,828	1,536,309
Dividend paid	(1,072,177)	(1,536,309)	(1,072,177)	(1,536,309)
Scrip Dividend	(1,113,651)	-	(1,113,651)	-
Balance as at 31 December 2023	-	-	-	-

2.30 Contingent liabilities

Contingent liabilities represent possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or nonoccurrence of uncertain future events not wholly within the control of the Group. Contingent liabilities also represent present obligations that arise from past events but are not recognised because an outflow of resources is not probable, or a reliable estimate cannot be made. The Group does not recognise contingent liabilities in the statement of financial position until future events indicate that it is probable that an outflow of resources will take place and a reliable estimate can be made, at which time a provision is raised.

The Group had certain legal cases pending before the courts as of 31 December 2023. In the opinion of the directors, after taking appropriate legal advice, the outcome of these legal cases will not give rise to a significant loss to the Group. There were contingent liabilities determined as of 31 December 2023 of an amount of GHS309 million is respect of a court case between Ghana Revenue Authority GRA and Scancom PLC (ITU).

(All amounts are in thousands of Ghana Cedis)

2.30 Contingent liabilities (continued)

There is an ongoing tax audit by the Ghana Revenue Authority (GRA) spanning 2014 to 2018 years of assessment. Discussions were ongoing by the time the financial statements were being finalised for issue and no reliable estimate could be made of any risk at this point in time.

2.31 Capital commitments

	Group		Company	
Capital commitments for the acquisition of property, plant and equipment:	**2023**	**2022**	**2023**	**2022**
Property, plant and equipment contracted	476,100	308,382	469,908	434,123
Commercial commitments as at 31 December:				
100% commitment to purchase SIM and recharge cards (open purchase orders for 2021)	38,000	38,000	603,661	602,172

2.32 Related parties

Related party transactions constitute the transfer of resources, services or obligations between the Group and a party related to the Group, regardless of whether a price is charged.

For the purposes of defining related party transactions with key management, key management has been defined as directors and the Group's executive committee and includes close members of their families and entities controlled or jointly controlled by these individuals. The Group entered into various transactions with related parties during the year.

The Group is related to other entities in the MTN Group by virtue of common shareholding.

2.32.1 Transactions with related parties during the year are as follows:

	Group		Company	
Purchase from related parties:	**2023**	**2022**	**2023**	**2022**
MTN Group management services (PTY) Limited	4,194	3,633	4,194	3,633
MTN Nigeria Communications Limited	387	-	387	-
MTN Dubai Limited (Management Fees and Others	166,204	401,917	166,204	401,917
MobileMoney Limited	-	-	410,189	219,625
Global Connect Solutions	392,730	270,638	392,730	270,638
Other Intercompany Purchases	5,434	1,295	5,434	1,295
Services to related parties:				
Mobile Telephone Network Cameroon Limited	370	283	370	283
MTN Group management services (PTY) Limited	29,658	29,904	29,658	29,904
MTN South Africa	188	170	188	170
MTN Nigeria Communications Limited	452	213	452	213
MTN Cote d'Ivoire	784	2,080	784	2,080
Ayo Ghana	17,266	17,559	17,266	17,559
MobileMoney Limited	-	-	347,125	176,672
Global Connect Solutions	492,676	442,051	492,676	442,051
Other Intercompany Sales	8,389	4,290	8,389	4,290
Dividend to related parties				
Dividend paid to Investcom Consortium Holding SA	1,536,309	1,536,309	1,536,309	1,536,309
Compensation to directors and other key management				
Short-term employee benefits	9,471	9,471	7,871	7,871
Post-employment benefits/Pension/Defined contribution plan	1,034	1,034	876	876
Sharebased payment	7,500	7,500	6,385	6,385
	18,005	18,005	15,132	15,133

(All amounts are in thousands of Ghana Cedis)

2.32 Related parties (continued)

2.32.2 Year end balances arising from the above transactions are as follows:

	Group		Company	
	2023	**2022**	**2023**	**2022**
Payables				
MTN Group management services (PTY) Limited	(27,888)	(20,731)	(27,888)	(20,731)
MTN South Africa	(614)	(559)	(614)	(559)
MTN Dubai Limited	(45,808)	(206,531)	(45,808)	(206,531)
Ayo Ghana	(3,002)	(8,753)	(3,002)	(8,753)
MobileMoney Limited	(115,702)	-	(115,702)	(52,458)
GlobalConnect Solutions	(271,565)	(138,886)	(271,565)	(138,886)
Other Intercompany Payable	(3,578)	(625)	(3,578)	(625)
Receivables				
MTN Group management services (PTY) Limited	6,324	127,447	6,324	127,447
MTN South Africa	11,008	9,540	11,008	9,540
MTN Nigeria Communications Limited	869	428	869	428
GlobalConnect Solutions	311,739	170,336	311,739	170,336
UUTET Kenya (PTY) Limited	3,800	3,451	3,800	3,451
Ayo Ghana	2,933	1,793	2,933	1,793
Other intercompany receivable	29,613	19,467	29,613	19,467

The receivables from related parties arise mainly from professional and Interconnect services transactions rendered on behalf of other operations within MTN Group. These are due one month after the date of rendering of service. No provisions are held against receivables from related parties.

Trade payables to related parties arise mainly from professional and management fees, interconnect and transmission service transactions rendered on Scancom PLC's behalf by other operations within the MTN Group and are due one month after the date of purchase.

2.33 Financial instruments

Financial assets and liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

All financial assets and liabilities are initially measured at fair value, including transaction costs except for those classified as at fair value through profit or loss which are initially measured at fair value, excluding transaction costs. There are no financial assets at fair value through profit or loss. Financial assets are recognised (derecognised) on the date the Group commits to purchase (sell) the instruments (trade date accounting).

Financial assets and liabilities are classified as current if expected to be realised or settled within 12 months; if not, they are classified as noncurrent.

2.33.1 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.

No financial assets and liabilities were subjected to offsetting as at 31 December 2022.

2.33.2 Financial instrument classification
The Group classifies its financial instruments into the following categories:

- Financial assets at fair value through other comprehensive income
- Financial assets at amortised cost
- Financial liabilities at amortised cost.

The classification is dependent on the purpose for which the financial instruments were acquired. Management determines the classification of financial instruments at initial recognition.

2.33.3 Classification of financial assets at amortised cost
The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

2.33.4 Classification of financial assets at fair value through other comprehensive income
Financial assets at fair value through other comprehensive income comprise debt securities where the contractual cashflow are solely principal and interest and the objective of the Company's business model is achieved both by collecting contractual cashflow and selling financial assets.

On disposal of these debt investments, any related balance within the FVOCI reserve is reclassified to other gains/(losses) within profit or loss.

2.33 Financial instruments (continued)

2.33.5 Subsequent measurement
The Group holds financial assets with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

2.33.6 Financial liabilities
Financial liabilities comprise trade and other payables, bank overdrafts, borrowings and other noncurrent liabilities (excluding provisions). All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.33.7 Derecognition
Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Group 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.

2.33.8 Impairment

Impairment of trade receivables
The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of trade receivables over a period of 24 months before 31 December 2022 or 1 January 2023 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forwardlooking information on macroeconomic factors (where data is available and is obtained without undue effort or cost) affecting the ability of the customers to settle the receivables.

(All amounts are in thousands of Ghana Cedis)

2.34 Financial risk management and fair values

The Group has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk and market risk (foreign exchange and interest rate risk). This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

2.34.1 Risk profile

The Group'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 Group. Risk management is carried out under policies approved by the board of directors of the MTN Group and Scancom PLC. The Boards identify, evaluate and manage financial risks and provide written principles for overall risk management, as well as for specific areas such as foreign exchange risk, interest rate risk, credit risk and investing excess liquidity.

2.34.2 Financial instruments by category

Categories of financial liabilities

	Amortised cost	Total
Group 2023		
Trade and other payables (Note 2.28)	1,879,444	1,879,444
Borrowings (Note 2.26)	231,638	231,638
Lease liability (Note 2.15.8)	2,159,484	2,159,484
Mobilemoney floats (Note 2.23)	16,381,096	16,381,096
Other non-current liability (Note 2.18.3)	245,967	245,967
	20,897,629	**20,897,629**

Group 2022	**Amortised cost**	**Total**
Trade and other payables (Note 2.28)	1,766,990	1,766,990
Borrowings (Note 2.26)	387,064	387,064
Lease liability (Note 2.15.8)	1,600,298	1,600,298
	3,754,352	**3,754,352**

Company 2023	**Amortised cost**	**Total**
Trade and other payables (Note 2.28)	1,890,427	1,890,427
Borrowings (Note 2.26)	-	-
Lease liability (Note 2.15.8)	2,159,484	2,159,484
Mobilemoney floats (Note 2.23)	16,381,096	16,381,096
Other current liability (Note 2.18.3)	171,317	171,317
	20,602,324	**20,602,324**

Company 2022	**Amortised cost**	**Total**
Trade and other payables (Note 2.28)	1,712,092	1,712,092
Borrowing (Note 2.26)	164,746	164,746
Lease liability (Note 2.15.8)	1,600,298	1,600,298
	3,477,136	**3,477,136**

(All amounts are in thousands of Ghana Cedis)

2.34.2 Financial instruments by category (continued)

Categories of financial assets

Group 2023	Amortised cost	Total
Trade and receivables and other financial assets (Note 2.21.1 and 2.22)	1,402,924	1,402,924
Cash and cash equivalent (Note 2.24)	2,946,133	2,946,133
Mobilemoney floats (Note 2.23)	16,381,096	16,381,096
Investment in securities (Note 2.24.1)	278,285	278,285
	21,008,438	**21,008,438**

Group 2022	Amortised cost	Total
Trade and receivables and other financial assets (Note 2.21.1)	1,118,247	1,118,247
Cash and cash equivalent (Note 2.24)	1,586,207	1,586,207
	2,704,454	**2,704,454**

Company 2023	Amortised cost	Total
Trade and receivables and other financial assets (Note 2.21.1)	1,264,952	1,264,952
Cash and cash equivalent (Note 2.24)	2,260,258	2,260,258
	3,525,210	**3,525,210**

Company 2022	Amortised cost	Total
Trade and receivables and other financial assets (Note 2.21.1)	1,041,249	1,008,533
Cash and cash equivalent (Note 2.24)	1,176,104	1,176,104
	2,217,353	**2,184,637**

2.34.3 Credit risk

Credit risk, or the risk of financial loss to the Group due to customers or counterparties not meeting their contractual obligations, is managed through the application of credit approvals, limits and monitoring procedures.

Nairtime receivables (borrowed airtime) from subscribers is secured by $1,000,000 bank recourse guarantee provided by Nairtime holdings limited with over 98% of credit borrowed recovered within a month. Unliquidated Cash receivables from Mobile Money Ltd (i.e. from Airtime & EVD Data sale) are settled promptly due to a twice weekly settlements' regime agreed with partner banks and all credit limits granted to our trade distributors is also backed by 12 months bank guarantees

Credit Impaired or "Bad Debt " is defined as when account attains more than 12months/365 days past due and a debt claim of the Group in respect of which the Group has taken all reasonable steps to pursue payment and which the Group reasonably believes will not be satisfied and which may include but not limited to the following:

1. Debts which are not lawfully recoverable
2. Trade Debts resulting from a decision of the court/Collection agent
3. Debts whose collection would not be cost effective
4. Debts that cannot be proven
5. The debtors who cannot be located
6. The debtor is declared bankrupt
7. There is dispute over services delivery

(All amounts are in thousands of Ghana Cedis)

2.34.3 Credit risk (continued)

The Group Credit Management policy requires that a trade receivable is uncollectable given that collection efforts have been exhausted according to the prescribed collection strategy, is written off against the allowance account for trade receivables and must be done in line with the approved DOA of the Group. Subsequent recoveries of amounts previously written off are credited to profit or loss.

The Group's maximum exposure to credit risk is represented by the carrying amounts of the financial assets that are exposed to credit risk. The Group considers its maximum exposure per class, without taking into account any collateral and financial guarantees, to be as follows:

Group	2023			2022		
	Gross carrying amount	Credit loss allowance	Credit loss Amortised allowance cost/fair value	Gross carrying amount	Credit loss allowance	Credit loss Amortised allowance cost/fair value
Trade and other receivables	1,106,862	(85,945)	1,020,917	853,749	(80,376)	773,373
Contract assets	-	-	-	1,633	-	1,633
Cash and cash equivalents	2,946,133	-	2,946,133	1,586,207	-	1,586,207
	4,052,995	**(85,945)**	**3,967,050**	2,441,589	(80,376)	2,361,213

Company	2023			2022		
	Gross carrying amount	Credit loss allowance	Credit loss Amortised allowance cost/fair value	Gross carrying amount	Credit loss allowance	Credit loss Amortised allowance cost/fair value
Trade and other receivables	969,594	(85,945)	883,649	776,757	(80,376)	696,381
Contract assets	-	-	-	1,633	-	1,633
Cash and cash equivalents	2,260,258	-	2,260,258	1,176,104	-	1,176,104
	3,229,852	**(85,945)**	**3,143,907**	1,954,494	(80,376)	1,874,118

	Group		Company	
	2023	2022	2023	2022
Mobile money float	16,381,096	11,663,106	-	-
Trade receivables and other assets	1,490,693	1,267,494	1,351,570	1,189,120
Contract assets	-	1,633	-	1,633
Cash and cash equivalents	2,946,133	1,586,207	2,260,258	1,176,104
	17,871,789	14,518,440	**3,611,828**	2,366,857

On the basis of the policy in Note 2.35.7, the loss allowance as at 31 December 2022 was determined as follows for trade receivables.

(All amounts are in thousands of Ghana Cedis)

2.34 Financial risk management and fair values (continued)

2.34.3 Credit risk (continued)

Group 31 December 2023	Gross carrying amount	Loss rate	Lifetime expected losses	Carrying amount (net of impairment provision)
Fully performing trade receivables	**160,105**		**161**	**159,944**
Interconnect receivables	-	-	-	-
Contract receivables	12,566	0.10%	13	12,553
Other receivables	147,539	0.10%	148	147,391
Past due trade receivables	**946,757**		**85,784**	**860,973**
Interconnect receivables	**316**		**-**	**316**
0 to 3 months	-	-	-	-
3 to 6 months	158	-	-	158
6 to 9 months	158	-	-	158
***Contract receivables**	**16,277**		**2,020**	**14,257**
0 to 3 months	5,376	2.19%	118	5,258
3 to 6 months	7,509	25.33%	1,902	5,607
6 to 9 months	3,392	-	-	3,392
****Other receivables**	**930,164**		**83,764**	**846,400**
0 to 3 months	546,426	0.09%	476	545,950
3 to 6 months	141,585	69.41%	82,714	58,871
6 to 9 months	242,153	0.24%	574	241,579
Total	**1,106,862**		**85,945**	**1,020,917**

*Contract receivables increased as a result of an increase in postpaid and ICT receivables.

**Other receivables increased due to dealer withholding tax recievables, receivable for retail customers as well as rent recievables for MTN owned facilties.

2.34.3 Credit risk (continued)

Group 31 December 2022	Gross carrying amount	Loss rate	Lifetime expected losses	Carrying amount (net of impairment provision)
Fully performing trade receivables	**578,685**		**463**	**571,738**
Interconnect receivables	16,271	0.10%	16	16,255
Contract receivables	12,386	0.10%	12	12,374
Other receivables	550,028	0.10%	435	543,109
Past due trade receivables	**281,550**		**79,914**	**201,633**
Interconnect receivables	**17,742**		**377**	**17,364**
0 to 3 months	7,439	1.03%	77	7,362
3 to 6 months	3,274	1.17%	38	3,236
6 to 9 months	7,029	3.73%	262	6,767
Contract receivables	**20,342**		**6,158**	**14,183**
0 to 3 months	6,826	1.58%	108	6,717
3 to 6 months	13,516	44.76%	6,050	7,466
Trade and other receivables	**243,466**		**73,379**	**170,086**
0 to 3 months	34,651	1.33%	461	34,190
3 to 6 months	36,669	6.76%	2,479	34,190
6 to 9 months	172,146	40.92%	70,439	101,706
Total	**860,235**		**80,377**	**773,373**

(All amounts are in thousands of Ghana Cedis)

2.34 Financial risk management and fair values (continued)

2.34.3 Credit risk (continued)

Company 31 December 2023	Gross carrying amount	Loss rate	Lifetime expected losses	Carrying amount (net of impairment provision)
Fully performing trade receivables	**175,780**		**161**	**175,619**
Interconnect receivables	15,675	-%	-	15,675
Contract receivables	12,566	0.10%	13	12,553
Trade and other receivables	147,539	0.10%	148	147,391
Past due trade receivables	**793,814**		**85,784**	**709,960**
Interconnect receivables	**316**		**-**	**316**
0 to 3 months	-	-%	-	-
3 to 6 months	158	-%	-	158
6 to 9 months	158	-%	-	158
Contract receivables	**16,278**		**2,020**	**16,188**
0 to 3 months	7,860	1.50%	118	7,742
3 to 6 months	5,026	15.96%	802	4,223
6 to 9 months	3,392	32.43%	1,100	4,223
Other receivables	**777,220**		**83,764**	**693,456**
0 to 3 months	409,542	0.13%	532	409,010
3 to 6 months	38,630	2.50%	966	37,664
6 to 9 months	329,048	25.00%	82,266	246,782
Total	**969,594**		**85,945**	**883,649**

2.34 Financial risk management and fair values (continued)

Company 31 December 2022	Gross carrying amount	Loss rate	Lifetime expected losses	Carrying amount (net of impairment provision)
Fully performing trade receivables	**408,003**		**461**	**407,542**
Interconnect receivables	16,271	0.10%	16	16,255
Contract receivables	12,386	0.10%	12	12,374
Other receivables	379,346	0.12%	433	378,913
Past due trade receivables	**368,752**		**79,915**	**288,836**
Interconnect receivables	**17,742**		**377**	**17,365**
0 to 3 months	7,439	1.04%	77	7,362
3 to 6 months	3,274	1.17%	38	3,236
6 to 9 months	7,029	3.73%	262	6,767
Contract receivables	**8,638**		**1,369**	**7,268**
0 to 3 months	6,825	1.58%	108	6,717
3 to 6 months	1,813	69.55%	1,261	551
Other receivables	**342,372**		**78,169**	**264,203**
0 to 3 months	34,651	1.33%	461	34,190
3 to 6 months	36,669	6.72%	2,464	34,205
6 to 9 months	271,052	27.76%	75,244	195,808
Total	**776,757**		**80,376**	**696,381**

Movement in impairment provision	**At start of year**	**Increases**	**Writeoff**	**Balance at 31 December**
2023 Provision for impairment of trade receivables	**(80,376)**	**(5,569)**	**-**	**(85,945)**
2022 Provision for impairment of trade receivables	(8,122)	(72,254)	-	(80,376)

(All amounts are in thousands of Ghana Cedis)

2.34 Financial risk management and fair values (continued)

The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate values of cash and cash equivalents are spread amongst approved financial institutions. The Group actively seeks to limit the amount of credit exposure to any one financial institution and credit exposure is controlled by counterparty limits that are reviewed and approved by the credit risk department. Given these credit ratings.

2.34.4 Determination of fair values

The Group considers that the carrying values of cash and cash equivalents, trade receivables, trade and other payables and their fair values due to their shortterm nature.

The fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a shortterm nature. The Group considers that the recognised assets and liabilities are at Level 3 in the fair value hierarchy (that is inputs for the assets and liabilities that are not based on observable market data.

2.34.5 Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet its obligations as they become due. The Group's approach to managing liquidity risk is to ensure that sufficient liquidity is available to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group ensures it has sufficient cash on demand or access to facilities to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Group **31 December 2023**	**Carrying amounts**	**Payable within one month or on demand**	**More than 1 month but not exceeding 3 months**	**More than 3 month but not exceeding 1 year**	**More than 1 year but not exceeding 5 years**
Trade payables	476,100	476,100	-	-	-
Accruals and sundry payables	802,189	802,189	-	-	-
Lease liabilities	2,159,484	-	-	448,109	1,711,375
Amount due to related parties	358,393	358,393	-	-	-
Borrowings	231,638	-	-	158,216	73,422
Mobilemoney float	16,381,096	16,381,096			
Other liability	417,284			171,317	245,967
	208,266,184	18,017,778	-	777,642	2,030,764

Group **31 December 2022**	**Carrying amounts**	**Payable within one month or on demand**	**More than 1 month but not exceeding 3 months**	**More than 3 month but not exceeding 1 year**	**More than 1 year but not exceeding 5 years**
Trade payables	308,382	308,382	-	-	-
Accruals and sundry payables	760,002	760,002	-	-	-
Lease liabilities	1,600,298	-	-	284,278	1,316,020
Amount due to related parties	376,086	376,086	-	-	-
Borrowings	387,064	-	-	164,746	222,318
	3,431,832	1,444,470	-	449,024	1,538,338

(All amounts are in thousands of Ghana Cedis)

2.34 Financial risk management and fair values (continued)

2.34.5 Liquidity risk (continued)

Company **31 December 2023**	**Carrying amounts**	**Payable within one month or on demand**	**More than 1 month but not exceeding 3 months**	**More than 3 month but not exceeding 1 year**	**More than 1 year but not exceeding 5 years**
Trade payables	469,908	469,908	-	-	-
Accruals and sundry payables	709,615	709,615	-	-	-
Lease liabilities	2,159,484	-	-	448,109	1,711,375
Amount due to related parties	352,455	352,455	-	-	-
Borrowings	231,638	-	-	158,216	73,422
	3,923,100	1,531,978		606,325	1,784,797

Company **31 December 2022**	**Carrying amounts**	**Payable within one month or on demand**	**More than 1 month but not exceeding 3 months**	**More than 3 month but not exceeding 1 year**	**More than 1 year but not exceeding 5 years**
Trade payables	434,123	434,123	-	-	-
Accruals and sundry payables	679,872	679,872	-	-	-
Lease liabilities	1,600,298	-	-	284,278	1,316,020
Amount due to related parties	376,086	376,086	-	-	-
Borrowings	387,064	-	-	164,746	222,318
	3,477,443	1,490,081	-	449,024	1,538,338

The amounts included in the maturity table for borrowings are the contractual undiscounted cash flows, including principal and interest payments.

2.34.6 Market risk

Market risk is the risk that changes in market prices will affect the Group's income or the value of it's holding of financial instruments.

The Group's activities expose it primarily to the financial risks of changes in interest rates and foreign currency exchange rates. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Interest rate risk

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. In the current year, there has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured as compared to previous years.

Interest rate risk is the risk borne by an interestbearing 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 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 Group's interest rate risk arises from the repricing of the Group's borrowings. Debt is managed on an optimal floating interest rate basis.

(All amounts are in thousands of Ghana Cedis)

Interest rate risk (continued)
At 31 December 2023, the interest rate profile of the Group's interest bearing financial instruments was: 34.76%. The Group has used a sensitivity analysis technique that measures the estimated change to profit or loss of an instantaneous increase or decrease of 10% (1000 basis points) in market interest rates, from the rate applicable at **31 December 2022**, for Borrowings with all other variables remaining constant.

At 31 December 2023, if the interest rate for local currency denominated loans had increased /decreased by 10% (2022: 10%) with all other variables held constant, post tax profit for the year and equity would have been GHS 23,343,000 (2022: GHS 28,706,000).

Foreign exchange risk
31 December 2023, if the Ghana cedi had weakened/strengthened by 1000 basis point (10%) (2022: 10%) against the US Dollar and Euro with all other variables held constant, posttax profit for the year and equity would have been higher/lower at GHS 15,984,000 and GHS 586,000 for the Group and Company respectively (2022: GHS 2,526,000 and GHS 604,000), mainly as a result of US Dollar, Euro denominated trade payables, trade receivables and cash and cash equivalents.

2.34 Financial risk management and fair values (continued)

2.34.7 Market risk

2.34.8 Price risk
The Group is not directly exposed to commodity price risk or material equity securities price risk.

2.34.9 Capital risk management
Capital includes borrowings, stated capital and equity attributable to the equity holders of the Group. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios to support its business and maximise shareholder value. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group's policy is to borrow using a mixture of long term and shortterm borrowings from local and international financial institutions. Total equity is the equity attributable to owners of the Company and Group.

The Group monitors capital on the basis of gearing ratio, calculated as net debt divided by total equity.

	Group		Company	
Gearing ratio at the reporting date was:	**2023**	**2022**	**2023**	**2022**
Borrowings	(244,739)	(222,318)	(244,739)	(222,318)
Cash and cash equivalents	2,946,133	1,586,207	2,260,258	1,176,104
Net debt	2,701,394	1,363,889	2,015,519	953,786
Equity	8,619,074	5,709,700	7,693,173	5,067,444
Gearing ratio	**31.34%**	**23.89%**	**26.20%**	**18.82%**

Loan covenant
Under the terms of the borrowing facilities, the Group is required to comply with the following financial covenants:

- The ratio of net debt to EBITDA must not be less than 2.5
- The ratio of net debt to equity must be within 30/70
- The ratio of interest coverage must be greater than 4.5
- The ratio of debt service coverage must be greater than 1.5

(All amounts are in thousands of Ghana Cedis)

2.35 Retained earnings

	Group		Company	
	2023	**2022**	**2023**	**2022**
At start of year	4,396,714	3,183,254	3,943,030	2,773,211
Dividends declared	(2,185,828)	(1,536,309)	(2,185,828)	(1,536,309)
Net profit for the year	3,982,250	2,855,801	3,698,605	2,686,128
Transfer to reserves	(109,714)	(106,032)	(20,000)	20,000
At 31 December	**6,083,422**	**4,396,714**	**5,435,807**	**3,943,030**

2.36 Other reserves

Other reserves represent a transfer from retained earnings at a minimum of 5% of MobileMoney Limited's annual net profit per internal policy. This is invested in risk free, highly liquid assets such as treasury bills or Government notes or shortdated bonds up until such a time that the reserve fund amounts to GH¢200 million. Interest earned on investment are also transferred into other reserves and are not available for distribution**.** Also included in other reserves is share-based payments held in trust.

	Group		Company	
	2023	**2022**	**2023**	**2022**
At start of year	215,482	82,540	26,910	-
Interest on investment	-		-	-
Transfer between reserves	97,282	132,942	7,568	26,910
Interest Accrued on investment	-	-	-	-
At 31 December	**312,764**	**215,482**	**34,478**	**26,910**

Included in other reserves is a stamp duty of GHS11,733,298 as a result of issuance of scrip dividend.

2.37 Subsequent events

The company performed a review of events subsequent to the balance sheet date through to the date the financial statements were issued and determined that there were no subsequent events requiring recognition or disclosure in the financial statements.

Five year financial summary

(All amounts are in thousands of Ghana Cedis)

	2023	2022	2021	2020	2019
Revenue	13,349,471	9,916,109	7,723,259	5,920,720	5,181,836
EBITDA	**7,800,469**	**5,563,655**	**4,249,384**	**3,178,181**	**2,630,433**
Depreciation and amortisation	(1,724,598)	(1,198,679)	(1,035,557)	(877,453)	(801,544)
Operating profit	**6,075,871**	**4,364,976**	**3,213,827**	**2,300,728**	**1,828,889**
Net finance costs	(486,164)	(268,456)	(365,189)	(328,005)	(385,515)
Profit before income tax	**5,589,707**	**4,096,520**	**2,848,638**	**1,972,723**	**1,443,374**
Taxes and levies	(1,607,457)	(1,240,719)	(847,255)	(577,828)	(435,416)
Profit for the year	**3,982,250**	**2,855,801**	**2,001,383**	**1,394,895**	**1,007,958**
Statement of Financial Position					
Property, plant and equipment	6,432,554	4,981,038	3,906,148	3,371,844	3,018,008
Rightofuse assets	1,484,549	1,196,562	1,342,204	1,420,085	1,574,776
Intangible assets	1,369,559	784,079	778,872	858,648	448,276
Other noncurrent assets	168,763	150,000	130,402	125,389	120,962
Other current assets	2,082,776	1,672,800	1,394,372	1,210,510	932,314
Mobile money float	16,381,096	11,663,106	8,977,989	6,559,373	3,405,579
Cash and cash equivalents	2,946,133	1,586,207	995,422	671,968	458,735
Total assets	**30,958,441**	**22,063,875**	**17,525,409**	**9,958,650**	**4,216,880**
Obligations to electronic money holders	(16,381,096)	(11,663,106)	(8,977,989)	(6,559,373)	(3,405,579)
Total liabilities net of emoney	13,677,598	9,515,630	(4,184,122)	(4,319,257)	(3,749,245)
	28,254,943	**19,916,399**	**4,363,298**	**3,339,187**	**2,803,826**
Stated capital	**2,222,888**	**1,097,504**	**1,097,504**	**1,097,504**	**1,097,504**
Reserves	**312,764**	**215,482**	**82,540**	**13,401**	**-**
Retained income	**6,083,422**	**4,396,714**	**3,183,254**	**2,228,282**	**1,706,322**
	8,619,074	**5,709,700**	**4,363,298**	**3,339,187**	**2,803,826**

what are we doing next?

Shareholder information

Shareholder information

Stock exchange performance

MTNGH market-related metrics for the year ended 31 December 2023

Scancom PLC (MTNGH)	2023	2022
Closing Price (c)	**GHS1.40**	GHS0.88
Highest Price (c)	**GHS1.55**	GHS1.11
Lowest Price (c)	**GHS0.82**	GHS0.75
Number of shares in issue	**13,236,175,050**	12,290,474,360
Total Number of shares traded	**491,485,989**	1,271,806,936
Number of shares traded as a percentage of shares in issue (%)	**3.71**	10.35
One Year VWAP (c)	**GHS1.25**	GHS0.94
Market Cap (million)	**GHS18,530.65**	GHS10,815.62
Dividend yield (%)	**16.07**	18.64
Earnings yield (%)	**21.49**	26.40
P/E (X)	**4.65**	3.79
Ghana Stock Exchange Composite Index (close)	**3,130.23**	2,443.91
Ghana Stock Exchange Financial Index (close)	**1,901.57**	2,052.59

Source: Ghana Stock Exchange

Directors shareholding

The Directors named below held the following number of shares in Scancom PLC as at 31 December 2023:

Ordinary Shares	2023	2022
Ishmael Yamson*	**667,300**	667,300
Ebenezer Twum Asante	**8,000,100**	8,000,100
Selorm Andreas Adadevoh	**133,500**	133,500
Felix Addo	**666,680**	666,680
Kofi Dadzie**	**12,000**	12,000
Antoinette Kwofie	**100,000**	100,000

* Held in joint ownership in the name of Ishmael and Lucy Yamson (134,000) and a nominee holding account Octane SD ILYO7 2018 (533,300).

** Held in the name of Afua Dadzie ITF Jayne Cristabel Dadzie (4,000), Joshua Caleb Dadzie (4,000) and Johannes Dadzie (4,000)

Number of shareholders

Scancom PLC had only ordinary shareholders as at 31 December 2023 and distributed as follows:

Range of Shares	Number of Shareholders	Number of shares	Percentage %
1 – 1,000	**93,686**	**13,088,588**	**0.10**
1001 - 5,000	**7,725**	**17,152,612**	**0.13**
5001 - 10,000	**2,298**	**17,732,611**	**0.13**
10,001 - 999,999,999	**2,019**	**2,965,286,469**	**22.40**
1,000,000,000 – 11,000,000,000	**1**	**10,222,914,770**	**77.24**
TOTAL	**105,729**	**13,236,175,050**	**100.00**

Shareholder information (continued)

Details of 20 largest ordinary shareholders as at 31 December 2023

	Number of Shares held	Percentage (%) Holding
INVESTCOM CONSORTIUM HOLDINGS S.A.	10,222,914,770	77.24
JPMC FIRSTRAND BANK LTD GTI:73863	379,277,829	2.87
SOCIAL SECURITY AND NATIONAL INSURANCE TRUST	198,745,480	1.50
KIMBERLITE FRONTIER, AFRICA MASTER FUND, L.P	178,612,110	1.35
HUNTER BOFOUR LTD	122,904,743	0.93
AFCAP GHANA LTD, A.G	122,904,743	0.93
DADEK HOLDINGS LTD	122,904,743	0.93
YEOTECH COMPANY LTD	122,904,743	0.93
SCANVISION INVESTMENTS LIMITED COMPANY	122,904,743	0.93
EASTSPRING INVESTMENTS SICAV-FIS	110,306,438	0.83
NORTHERN TRUST CO. AVFC 6314B	99,915,882	0.75
ODD, O KIL AFRICA	87,464,313	0.66
FM1, HSOPS_FRONT	73,550,583	0.56
CORONATION FD MGERS IRE ON BEHALF OF THE AFR FRTR FUND	59,552,104	0.45
ALL AFRICA FUND	55,212,451	0.42
ENTERPRISE TIER 2 OCCUPATIONAL PENSION SCHEME	53,336,912	0.40
GES OCC PENSION - DATABANK FINANCIAL SERVICES	48,368,296	0.37
STD NOMS/ BNYM RE VANDERBILT UNIVERSITY	42,437,110	0.32
RUSSELL INVESTMENT CO. PLC FUND-NAS5	40,122,120	0.30
MOMENTUM SP REID SECURITIES LIMITED	39,700,132	0.30
OTHERS	967,711,060	7.31
TOTAL	13,236,175,050	100.00

Shareholders' diary

	Date
Summary annual financial results published	27 February 2024
Annual financial statements posted	29 February 2024
Annual general meeting	22 March 2024
Final dividend payment	12 April 2024
First quarter results release	30 April 2024
Half year-end	30 June 2024
Interim dividend declaration	30 July 2024
Half year results release	31 July 2024
Third quarter results release	31 October 2024
Financial year-end	31 December 2024
Final dividend declaration for 2024	end February 2025
2024 summary annual financial results	end February 2025

Please note that these dates are subject to change

Administration

Scancom PLC.
(Incorporated in Ghana)
Registration number PL000322016
ISIN: HEMTN051541
Share code: MTNGH
("MTN Ghana" or "MTNGH")

Board of Directors
Ishmael Yamson[2]
Ebenezer Asante[2]
Selorm Adadevoh[1]
Sugentharen Perumal[2]
Fatima Daniels[2]
Felix Addo[3]
NanaAma Botchway[3]
Kofi Nkisah Dadzie[3]
Rosie Ebe-Arthur[3]
Antoinette Kwofie[1]
Tsholofelo Molefe[2]

[1] Executive
[2] Non-executive
[3] Independent non-executive director

Company secretary
Pala Asiedu-Ofori
MTN House
Independence Avenue
West Ridge, Accra

Registered office
MTN House
Independence Avenue
West Ridge, Accra

Depository and registrars
Central Securities Depository (Gh) Limited
4th Floor Cedi House
Accra, Ghana

Auditor
Ernst & Young Ghana
Chartered accountants
60 Rangoon Lane
Cantonments, Accra

Bankers
Access Bank (Ghana) Limited
ADB Bank Limited
Absa Bank Ghana Limited
Ecobank Ghana Limited
Fidelity Bank Limited
Stanbic Bank Ghana Limited
Standard Chartered Bank (Ghana) Limited
Zenith Bank (Ghana) Limited
GT Bank Ghana Limited
GCB Bank (Ghana) Limited

Legal representatives
Law Trust Company
No. 27 Castle Road
Adabraka, Accra

Kuenyehia & Nutsukpui
Legal practitioners and notaries
No. 35 Labone Crescent
Labone, Accra

Totoe Legal Services
Practitioners and notaries
Plot 4 Block 2 Asokwa, Kumasi

ENSafrica Ghana
5th Floor, Vivo Place,
Rangoon Lane, Accra

Bentsi-Enchill, Letsa & Ankomah
4 Momotse Avenue,
Adabraka, Accra

Investor Relations
Jeremiah Opoku
MTN House
Independence Avenue
West Ridge, Accra
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