



Lagos, Nigeria | Tuesday, 01 February 2022

RESULTS OF THE SERIES 1 OFFER FOR SALE OF MTN NIGERIA COMMUNICATIONS PLC (MTN NIGERIA) ORDINARY SHARES, FIRST PUBLIC OFFER VIA DIGITAL PLATFORM IN NIGERIA

- Offer was 139.47% oversubscribed, activating the allocation of an additional 86.25 million shares
- Retail shareholders receive full allotment despite over-subscription
- Institutional shareholders under the Bookbuild were pro-rated as a result of the over-subscription
- 114,938 new CSCS accounts were created representing new market participants
- Approximately 76% of successful applicants via digital platform are women, and 85% are under age 40

The Series 1 offer for sale of 575 million shares held by the MTN Group in MTN Nigeria (the Offer) to Nigerian investors has been successfully completed. The Offer was implemented by way of a bookbuild to qualified institutional investors and a fixed price offer to retail investors.

The Offer was oversubscribed with valid applications for a total of 801.97 million units, leading to the activation of the approved 15% over-subscription clause of an additional 86.25 million MTN Nigeria shares. In all, 661.25 million MTN Nigeria shares were allotted. A total of 126,720 retail investors submitted valid applications and received full allotment; and institutional investors including pension funds, insurance companies, asset managers, corporates, and foreign portfolio investors that participated in the bookbuild were allotted 72.09% of their applications. This includes Nigerian pension funds representing approximately 6.5 million Nigerian contributors.

Following the successful completion of the Offer, MTN Group's shareholding in MTN Nigeria reduced by 3.25 percentage points, from 78.83% to 75.58%. In line with the innovative incentive structure of 1 free share for every 20 purchased, subject to a maximum of 250 free shares per investor, an additional 4.28 million MTN Nigeria shares will be allotted to qualifying investors who hold the shares allotted to them for 12 months till 31 January 2023.

MTN Group adopted a unique structure in this offering by determining a fixed price of ₦169 per share for the retail offer through a Bookbuild to Qualified Investors that was completed on 26 November 2021. The fixed price offer to Retail Investors was at a discount of 11% to the closing price of MTN Nigeria stock on the day the Bookbuild was completed. The Offer commenced on 1 December 2021 and was completed on 14 December 2021. Nigerian investors across the country supported the Offer through multiple channels - Receiving Agents, Issuing Houses and Primary Offer (a digital application platform).

The Offer is a landmark transaction and a true reflection of Nigerian investor confidence in MTN Nigeria. It marks the first time a digital application platform was used to democratize investing in a public offer and maximize investor participation across the country. More than 89% of retail offer

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Mrs. I. M. Omoigui Okauru, MFR Mr. A.B. Mahmoud, SAN OON *Mr. R. Gasant *Mr. C. Molapisi *Ms. T. Molefe *Mr. F. Moolman *Mr. R. Mupita
**Mr. J. Schulte-Bockum

***South African **German**



subscribers applied through the PrimaryOffer platform (mobile and web), and 114,938 new Central Securities Clearing System (CSCS) accounts were opened by first-time investors.

Ralph Mupita, CEO of MTN Group said: *"We are pleased that this Offer has given so many Nigerians the opportunity to become owners of MTN Nigeria. With over 6.6 million Nigerians directly or indirectly becoming shareholders in MTN Nigeria, the objective of broadening the shareholder base, and creating shared value has been achieved. We are proud that our Offer was the first Nigerian public offer to use the digital application platform, PrimaryOffer, which enabled wider investor participation across Nigeria. We thank the Nigerian authorities for their support of this Offer. We remain committed to playing our humble role in driving digital and financial inclusion in Nigeria over the medium."*

Commenting on the Offer, **Karl Toriola**, CEO of MTN Nigeria said: *"We are delighted to welcome so many new shareholders to the MTN family, up 11.6 times from the number before the offer. It has been inspiring to see so many Nigerians, many of whom are young, acquire shares for the first time, and use a digital platform to do so. This is the beginning of a journey to broaden our shareholding and there will be more opportunities to participate."*

We are pleased with the level of digital innovation we championed with this offer with the active collaboration of our lead issuing house and the various regulatory bodies. Deepening retail participation in Nigeria's capital markets is a process, and we are off to a great start, demonstrating the role digital platforms can play in expanding access. I am particularly pleased that we completed this transaction in an accelerated time frame ensuring new shareholders can realize value almost immediately through participation in our 2021 full-year dividend."

I would specifically like to thank the Honorable Minister of Communications and Digital Economy, Prof. Isa Ali Ibrahim (Pantami), the Nigerian Communications Commission and the wider Federal Government for the opportunity to execute this Offer. I thank the Securities and Exchange Commission, the Nigerian Exchange Limited, the CSCS, and all the parties involved for their support in delivering this ambitious Offer structure. I also appreciate our staff who worked tirelessly with our advisers on this project. Most of all I would like to thank our new shareholders for having confidence in us and in our future. We are delighted to have you on board for this journey to building a digital future together."

Bolaji Balogun, CEO of Chapel Hill Denham, the Lead Issuing House said: *"Chapel Hill Denham is honoured to have worked with MTN to complete Nigeria's first digital and predominantly green offering. I wish to thank the SEC, the NGX, the CSCS, all the professional firms and other stakeholders, for delivering a big win for Nigeria's capital markets in enabling the adoption of PrimaryOffer and this transaction marks a new and exciting future. Over 90% of subscribers to the Offer were first time participants in the capital markets and MTN Nigeria's strong investment case made this possible."*

Nigerian Exchange Limited (NGX) CEO, **Temi Popoola**, CFA said: *"NGX is proud to have worked with MTN Nigeria, Chapel Hill Denham and other parties to the transaction in advancing Nigeria's capital market through the adoption of forward-looking technology. In the NGX era, we are resolute in our commitment to democratize finance in Nigeria in order to ensure every type of investor has access to*

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public markets where they can invest in companies they believe in and reap value. With the digitised MTN Nigeria offering, we have made a tremendous stride in our plans for a full digital transformation of the Nigerian capital markets and we look forward to building on this."

Central Securities Clearing System Plc CEO, **Haruna Jalo-Waziri** said: "We are excited to be part of the innovation brought by the Offer, which afforded the successful launch of PrimaryOffer digital application platform. This further buttresses the necessity for digital transformation, allowing market access for all categories of investors, including institutional and retail investors within and outside of the country. At CSCS, digital transformation has been the core of our strategic direction. We will continue to collaborate with our participants, issuers and other stakeholders to efficiently and effectively ease market access with innovative solutions through the investment cycle."

Chapel Hill Denham Advisory Limited acted as Lead Issuing House and Bookrunner for the Offering, and Rand Merchant Bank Nigeria Limited, Renaissance Securities (Nigeria) Limited, Stanbic IBTC Capital Limited and Vetiva Capital Management Limited acted as Joint Issuing Houses and Joint Bookrunner.

A handwritten signature in black ink, appearing to read 'Uto Ukpanah', is written over a light grey rectangular background.

Uto Ukpanah
Company Secretary

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About MTN Nigeria

MTN Nigeria is one of Africa's largest providers of communications services, connecting approximately 68 million people in communities across the country with each other and the world. Guided by a belief that everybody deserves the benefits of a modern connected life, MTN Nigeria's leadership position in coverage, capacity and innovation has remained constant since its launch in 2001. MTN Nigeria is part of the MTN Group - a multinational telecommunications group, which operates in 20 countries in Africa and the Middle East.

Visit www.mtnonline.com/investors for more information.

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