



**PRESS RELEASE**

**PR. No 139/2021**

**SCANCOM PLC (MTN GH) -**  
**UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION**  
**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2021**

MTNGH has released its Unaudited Financial Statements for the three-month period ended 31 March 2021, as per the attached.

Issued in Accra, this 27<sup>th</sup>  
Day of April, 2021.

**- E N D -**

att'd.

Distribution:

1. All LDMs
2. General Public
3. Company Secretary, MTNGH
4. Central Securities Depository, (Registrars for MTNGH shares)
5. Securities and Exchange Commission
6. Custodians
7. GSE Council Members
8. GSE Notice Board

**For enquiries, contact:**

**Head of Listing, GSE on 0302 669908, 669914, 669935**

*\*WA*



**#WearItForMe**

# **Scancom PLC (MTN Ghana)**

MTN Ghana unaudited results  
for the three-month period  
ended 31st March 2021

*We're good together  
everywhere you go*



[mtn.com.gh](http://mtn.com.gh)

# Scancom PLC (MTN Ghana)



Scancom PLC (MTN Ghana)  
(Incorporated in Ghana)  
Registration number: PL000322016  
ISIN: GHEMTN051541  
Share code: MTNGH  
("MTN Ghana" or "Scancom PLC")

## Salient features

- Subscribers (QoQ)
  - Subscribers increased by 2.4% to 25.0 million\*.
  - Active data subscribers increased by 4.0% to 11.2 million#.
  - Active Mobile Money (MoMo) users increased by 1.2% to 10.7 million\*.
- Service revenue up by 22.4% to GH¢1,746 million.
- Earnings before interest, tax, depreciation and amortization (EBITDA) up by 24.6% to GH¢957 million.
- EBITDA margin up by 1.2 percentage points (pp) to 54.6%.
- Total capex for the period was GH¢86 million^ (GH¢79 million under IAS 17).
- **Outlook:** The remainder of 2021 will continue to be shaped by the impact of COVID-19. We maintain a cautious outlook because of the potential longer-term dampening effects of COVID-19 on the Ghana economy.

## Snapshot of key financial items (YoY change)

	31 March 2021 GH¢ 000	31 March 2020 GH¢ 000	Change
<b>Total revenue</b>	<b>1,752,532</b>	1,437,203	<b>21.9%</b>
<b>Service revenue</b>	<b>1,745,927</b>	1,426,617	<b>22.4%</b>
<b>EBITDA</b>	<b>956,791</b>	767,805	<b>24.6%</b>
<b>EBITDA margin</b>	<b>54.6%</b>	53.4%	<b>1.2pp</b>
<b>Profit before tax</b>	<b>640,270</b>	501,950	<b>27.6%</b>
<b>Profit after tax</b>	<b>460,288</b>	349,649	<b>31.6%</b>
<b>Total Capex</b>	<b>86,395</b>	393,857	<b>-78.1%</b>

Due to ongoing discussions on the potential change in regulatory subscriber definitions, subscriber data in this report will be limited to the MTN Group definition until the regulatory definitions are finalized.

\* Aligned with the MTN Group definition, subscribers are SIMs which generate or participate in an event that generates revenue for the company.

# Active data subscribers as per MTN Group definition are data subscribers who have used more than 5MB in a month.

Core capex of GH¢79.4m excludes intangibles and right of use (RoU) assets.

^ Total capex under IFRS 16 is made up of core capex spend of GH¢79.4m, intangibles of GH¢8,000 (Network licence, Software, etc) and right of use (RoU) assets of GH¢7.0m for the period.

MTN Ghana unaudited results for the three-month period ended 31 March 2021



## Commentary

Performance in the first quarter of 2021 was influenced by the protracted impact of the pandemic. The Ghana economy continued its recovery, with increased economic activity and a boost in confidence over the deployment of COVID-19 vaccines in major cities. Data from the Ghana Statistical Service showed that as at April 19, 2021 Ghana had recorded 91,709 cases of COVID-19 and 771 deaths.

The government's COVID-19 Alleviation and Revitalization of Enterprises Support Scheme (CARES), is expected to continue through the year and will support growth in various sectors of the economy.

### **Y'ello Hope social impact**

MTN Ghana carried on with our work to support lives through our **Y'ello Hope** initiatives. Our people, whose health and safety remain our priority, have been empowered to work remotely. For those frontline staff who cannot work from home, we have provided more than 80 buses to transport them to work to minimize exposure to the virus. We continue to monitor and safeguard the wellbeing of staff and their families through, weekly health surveys and maintain support to our extended workforce through our Ghana Staff Care Emergency Fund.

We are in an era of accelerated digitalisation and MTN believes that everyone deserves the benefits of a modern connected life. This belief has driven the expansion of our digital channels to allow for customer self-service and enable quick and easy access to all our support channels through our social media handles, myMTN app and our dedicated digital customer service tools.

We have extended the zero-rating of all Mobile Money P2P (person-to-person) transfers up to a value of GH¢100 per day until further notice, to ensure this offer remains available throughout the period of the pandemic. This initiative has saved our customers over GH¢34 million in fees in the period and continues to build the adoption of digital currency for the safety of our customers.

In January 2021, MTN Group announced a US\$25 million donation to support the African Union's COVID-19 vaccination programme and help secure up to seven million doses of the vaccine for health workers across the continent. MTN Ghana is pleased to play its part in this initiative and, as at April 5, 2021, had delivered 356,000 doses of the AstraZeneca vaccine to support the Ghana government's efforts.

MTN remains committed to providing support to combat COVID-19. As we progress through 2021, we will remain focused on supporting our people, our customers and government, while ensuring network resilience as this is critical to the continued recovery of the economy.

### **Operational review**

MTN Ghana's operational performance in the first quarter was anchored on the strong commercial execution of various 'Ambition 2025' initiatives in data, MoMo and digital.

Our **subscriber\*** base grew by 0.6 million to 25.0 million, as we improved our network and customer experience. Continued demand for data and increased adoption of more digital payment services supported our active data# subscribers' growth of 0.4 million to reach 11.2 million and MoMo users\* growth of 0.1 million to reach 10.7 million. The number of MoMo merchants expanded by 11,000 to 183,000 and our agent network by 15,000 to 221,000.

We improved on our ayoba offerings with enhancements including payment integration and new business-to-customer channels. We also enhanced self-service offerings on myMTN app, introducing

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MTN Ghana unaudited results for the three-month period ended 31 March 2021





## Commentary (continued)

MoMo and mobile broadband channels to the app to improve the feature set and customer experience.

Amid accelerated digitalisation, we have committed to spend \$149 million in total capex in the year to meet the demand of digital services and help maintain the quality and availability of service for our data and Mobile Money customers. As part of our network expansion plan, we rolled out 36 2G, 36 3G, 36 4G sites and modernized 223 existing sites to 4G sites in the quarter. This investment helped support 64.0% growth in data traffic and reach a total of 2,160 4G sites nationwide resulting in an increase in our 4G population coverage from 71.7% to 76.1%.

We continued to execute on our revenue diversification strategy, resulting in service revenue growth of 22.4% year-on-year (YoY), driven by resilient growth in data and MoMo.

**Voice** revenue grew by 3.3% YoY over the period, supported by 2.4% growth in our subscriber\* base and the execution of various customer value management (CVM) initiatives. The voice performance was negatively impacted by the implementation of the 30% asymmetric interconnect rate reduction in October 2020. The contribution of voice to service revenue continued to decline from 45.6% to 38.5% YoY.

**Data** revenue grew by 40.4% YoY, driven by a 4.4% increase in active data subscribers#, a higher number of smartphones on the network (+5.9%) and a 64% increase in data traffic. Data revenue contribution to service revenue increased from 26.5% to 30.4% YoY.

**Mobile Money** revenue grew at 48.4% YoY. This was driven by 1.2% growth in active users\*, higher person-to-person (P2P) transactional activity and growth in advanced services such as retail merchant payments, insurance and international remittances. The contribution of MoMo to service revenue increased from 19.4% to 23.5% YoY.

We recorded a 16.4% YoY decline in **digital** revenue. The revenue decline was due to the application of the Principal vs Agent (IFRS 15) accounting standard across the MTN Group in 2020, which had no impact on the bottom line. Normalising for this, digital revenue would have recorded a 23.2% YoY growth.

We remain in line with our medium-term target to improve our margins and prudently manage our costs. EBITDA grew by 24.6%, with a corresponding margin expansion of 1.2 percentage points (pp) to 54.6%. The improvement in our margin was achieved through strong top-line growth and diligent execution of our expense efficiency initiatives, underpinned by continued digital distribution efficiencies.

Profit after tax increased by 31.6% YoY.

### Regulatory updates on SMP and localisation

MTN Ghana is poised to provide leading digital solutions for Ghana's progress and therefore undertakes constructive engagements on issues related to policy and regulatory initiatives with regulatory stakeholders in line with our **#GoodTogether** philosophy.

### Significant market power (SMP)

We remain focused on engaging the regulator and other key stakeholders on the regulator's declaration of MTN Ghana as a significant market power (SMP). It is our firm belief that the outcome of these engagements will help develop the industry to the benefit of all stakeholders.

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## Commentary (continued)

We remain grateful to the National Communication Authority (NCA), the Ministry of Communications and all key stakeholders for their continued support and commitment to engage with the view of finding an amicable resolution on the implementation of the remaining six remedies.

### **Update on localisation of Scancom PLC and MobileMoney Limited**

MTN continues to work with the Government of Ghana and key regulatory stakeholders to achieve all agreed localisation requirements. MTN Group remains committed to sell a further 8.1% of its investment in Scancom PLC to achieve 25% localisation.

This follows shareholder approval of the Employee Share Schemes which represents about 4.4% local ownership of issued shares of Scancom PLC.

In line with our 'Ambition 2025' strategy and in compliance with the licence requirements of the Payment Systems and Services Act, 2019 (Act 987), MTN will localise 30% of MobileMoney Limited, a wholly owned subsidiary of Scancom PLC. MTN is in discussions with its advisors on the most efficient way to achieve this and we look forward to providing further updates on our progress in subsequent releases.

### **MTN Ghana's 25th anniversary**

This year marks MTN Ghana's 25th anniversary, a significant milestone in our journey to provide vital telecommunication and digital services in Ghana. We have committed to contribute the equivalent of \$25 million (or GH¢150 million) over three years to a fund supporting Ghana's post-COVID-19 recovery efforts. It is our belief that this will go a long way to support digital ecosystem projects as part of government's long-term transformation agenda. We will share more details as discussions progress.

### **Outlook**

We believe that the remainder of 2021 will be shaped by the extent of the impact of the COVID-19 pandemic. The projected growth for the Ghanaian economy as was read in the 2021 Ghana budget is expected to be 5.0%. This expectation reflects the optimism regarding the potential benefits of widespread vaccinations in 2021 along with additional policy support to drive economic recovery. The distribution of vaccines worldwide is expected to help drive consumer and business confidence and positively impact financial markets. While the economic growth projection for the Ghana economy is optimistic, we remain cautious as the potential longer-term dampening effects of the COVID-19 pandemic on the Ghana economy are yet to be ascertained.

We maintain our service revenue growth medium-term target of 13% to 15%, as we employ various initiatives to grow our data, digital and Mobile Money businesses. We will continue with our prudent approach to managing cost to deliver on our commitment of margin expansion.

MTN Ghana is committed to supporting government's ambition of a digital Ghana and we have designated 2021 as the 'Year of the customer: the digital experience'. We are excited about the opportunity to be part of the Ghana digital journey as we play our part through the many digital initiatives highlighted.

## MTN Ghana unaudited condensed consolidated financial information for the three-month period ended 31 March 2021

### Summary statements of comprehensive income

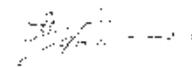
	Group	Company	Group	Company
	For the three-month period ended 31 March 2021	For the three-month period ended 31 March 2021	For the three-month period ended 31 March 2020	For the three-month period ended 31 March 2020
	GH¢ 000	GH¢ 000	GH¢ 000	GH¢ 000
<b>Revenue from contracts with customers</b>	<b>1,752,532</b>	<b>1,346,273</b>	1,437,203	1,166,375
Other revenue	-	-	-	-
Direct network operating costs	<b>(173,364)</b>	<b>(173,363)</b>	(143,496)	(143,487)
Government and regulatory cost	<b>(38,637)</b>	<b>(38,637)</b>	(30,802)	(30,802)
Cost of handsets and other accessories	<b>(23,948)</b>	<b>(23,948)</b>	(33,586)	(33,586)
Interconnect and roaming costs	<b>(73,034)</b>	<b>(73,034)</b>	(67,529)	(67,529)
Employee benefits expense	<b>(58,721)</b>	<b>(56,864)</b>	(54,903)	(53,281)
Selling, distribution and marketing expenses	<b>(322,843)</b>	<b>(106,344)</b>	(254,384)	(122,220)
Other operating expenses	<b>(105,195)</b>	<b>(102,748)</b>	(84,698)	(82,508)
<b>Earnings Before Interest Tax Depreciation and Amortisation</b>	<b>956,790</b>	<b>771,335</b>	767,805	632,962
Depreciation of property, plant and equipment	<b>(130,939)</b>	<b>(130,447)</b>	(118,081)	(117,706)
Depreciation of right-of-use asset	<b>(64,307)</b>	<b>(64,307)</b>	(60,685)	(60,685)
Amortisation of intangible assets	<b>(39,740)</b>	<b>(39,674)</b>	(31,988)	(31,922)
<b>Operating profit</b>	<b>721,804</b>	<b>536,907</b>	557,051	422,649
Finance income	<b>15,547</b>	<b>10,350</b>	11,170	7,984
Finance costs	<b>(97,081)</b>	<b>(98,618)</b>	(66,270)	(66,680)
<b>Profit before income tax</b>	<b>640,270</b>	<b>448,639</b>	501,950	363,952
Income tax expense	<b>(179,983)</b>	<b>(122,493)</b>	(152,301)	(110,928)
<b>Profit after income tax</b>	<b>460,287</b>	<b>326,146</b>	349,649	253,024
Other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	<b>460,287</b>	<b>326,146</b>	349,649	253,024
<b>Attributable to:</b>				
Equity holders of the company	<b>460,287</b>	<b>326,146</b>	349,649	253,024
Diluted/Basic Earnings per share	<b>GH¢0.037</b>	<b>GH¢0.027</b>	GH¢ 0.028	GH¢ 0.021

## MTN Ghana unaudited condensed consolidated financial information for the three-month period ended 31 March 2021

### Summary statements of financial position

	Group	Company	Group	Company
	As at 31 March 2021	As at 31 March 2021	As at 31 December 2020	As at 31 December 2020
	GH¢ 000	GH¢ 000	GH¢ 000	GH¢ 000
<b>Non-current assets</b>	<b>5,631,321</b>	<b>5,626,421</b>	5,775,966	5,770,507
Property, plant and equipment	3,319,487	3,314,512	3,371,844	3,366,375
Right-of-Use assets	1,362,772	1,362,772	1,420,085	1,420,085
Intangible assets	819,173	819,198	858,648	858,608
Investment in subsidiary	-	50	-	50
Other non-current assets	129,889	129,889	125,389	125,389
<b>Current assets</b>	<b>9,108,330</b>	<b>1,598,692</b>	8,441,851	1,539,693
Trade and other receivables	880,586	877,830	475,078	433,557
Other current assets	488,224	336,215	722,031	587,637
Mobile Money Float	6,998,468	-	6,559,373	-
Investment in securities	20,502	-	13,401	-
Cash and cash equivalents	720,550	384,647	671,968	518,499
<b>Total assets</b>	<b>14,739,651</b>	<b>7,225,113</b>	14,217,817	7,310,200
<b>Total equity</b>	<b>3,799,438</b>	<b>3,399,806</b>	3,339,187	3,073,695
Stated capital	1,097,504	1,097,504	1,097,504	1,097,504
Other reserves	20,502	-	13,401	-
Retained earnings	2,681,432	2,302,302	2,228,282	1,976,191
<b>Non-current liabilities</b>	<b>2,102,857</b>	<b>2,103,467</b>	2,114,722	2,115,251
Borrowings	557,763	557,763	557,093	557,093
Deferred tax liabilities	365,218	365,828	380,294	380,823
Lease liabilities	1,167,858	1,167,858	1,167,858	1,167,858
IRU liability	8,681	8,681	6,140	6,140
Provisions	3,337	3,337	3,337	3,337
<b>Current liabilities</b>	<b>8,837,356</b>	<b>1,721,840</b>	8,763,908	2,121,254
Trade and other payables	1,085,709	1,021,968	1,278,884	1,198,205
Obligations to electronic money holders	6,998,468	-	6,559,373	-
Contract liability	209,350	209,350	100,120	100,120
Provisions	69,615	66,905	81,359	78,757
Tax liabilities	(67,943)	(118,540)	-	-
Lease liabilities	424,260	424,260	463,555	463,555
IRU liability	1,140	1,140	615	615
Deferred income	1,755	1,755	-	-
Borrowings	115,002	115,002	280,002	280,002
<b>Total liabilities</b>	<b>10,940,213</b>	<b>3,825,307</b>	10,878,630	4,236,505
<b>Total equity and liabilities</b>	<b>14,739,651</b>	<b>7,225,113</b>	14,217,817	7,310,200

The unaudited condensed consolidated financial information for the three-month period ended 31 March 2021 was approved by the Board of Directors on April 26, 2021 and signed on its behalf by:



**Ishmael Yamson**  
Chairman



**Selorm Adadevoh**  
Chief executive officer

## MTN Ghana unaudited condensed consolidated financial information for the three-month period ended 31 March 2021

### Summary statements of changes in equity - Group

	Stated capital	Retained earnings	Other reserves	Total equity
Three-month period ended 31 March 2021	GH¢ 000	GH¢ 000	GH¢ 000	GH¢ 000
<b>Opening balance at 1 January 2021</b>	<b>1,097,504</b>	<b>2,228,282</b>	<b>13,401</b>	<b>3,339,187</b>
Profit for the three-month period	-	<b>460,288</b>	-	<b>460,288</b>
Other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	-	<b>460,288</b>	-	<b>460,288</b>
<b>Transfer to reserves</b>	-	<b>(7,100)</b>	<b>7,100</b>	-
<b>Closing balance at 31 March 2021</b>	<b>1,097,504</b>	<b>2,681,470</b>	<b>20,501</b>	<b>3,799,475</b>

Three-month period ended 31 March 2020				
Opening balance at 1 January 2020	1,097,504	1,706,322	-	2,803,826
Profit for the three-month period	-	349,650	-	349,650
Other comprehensive income	-	-	-	-
Total comprehensive income	-	349,650	-	349,650
Transfer to reserves	-	-	-	-
Transactions with owners of the company:				
Dividends paid	-	-	-	-
Closing balance at 31 March 2020	1,097,504	2,055,972	-	3,153,476

## MTN Ghana unaudited condensed consolidated financial information for the three-month period ended 31 March 2021

### Summary statements of changes in equity - Company

	Stated capital	Retained earnings	Other reserves	Total equity
Three-month period ended 31 March 2021	GH¢ 000	GH¢ 000	GH¢ 000	GH¢ 000
<b>Opening balance at 1 January 2021</b>	<b>1,097,504</b>	<b>1,976,191</b>	-	<b>3,073,695</b>
Profit after tax	-	326,146	-	326,146
Other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	-	<b>326,146</b>	-	<b>326,146</b>
<b>Transfer to reserves</b>	-	-	-	-
<b>Transactions with owners of the company:</b>				
Dividends paid	-	-	-	-
<b>Closing balance at 31 March 2021</b>	<b>1,097,504</b>	<b>2,302,337</b>	-	<b>3,399,841</b>

Three-month period ended 31 March 2020				
Opening balance at 1 January 2020	1,097,504	1,583,371	-	2,680,875
Profit after tax	-	253,026	-	253,026
Other comprehensive income	-	-	-	-
Total comprehensive income	-	253,026	-	253,026
Transfer to reserves	-	-	-	-
<b>Transactions with owners of the company:</b>				
Dividends paid	-	-	-	-
Closing balance at 31 March 2020	1,097,504	1,836,397	-	2,933,901

## MTN Ghana unaudited condensed consolidated financial information for the three-month period ended 31 March 2021

### Summary statements of cash flow

	Group For the year ended 31 March 2021 GH¢ 000	Company For the year ended 31 March 2021 GH¢ 000	Group For the year ended 31 March 2020 GH¢ 000	Company For the year ended 31 March 2020 GH¢ 000
<b>Net cash generated from operating activities</b>	<b>414,339</b>	<b>226,320</b>	438,950	318,057
Cash generated from operations	<b>561,616</b>	<b>378,794</b>	451,458	333,751
Interest received	<b>15,547</b>	<b>10,350</b>	11,170	7,984
Interest paid	<b>(4,846)</b>	<b>(4,846)</b>	(23,678)	(23,678)
Income tax paid	<b>(157,978)</b>	<b>(157,978)</b>	-	-
Net cash used in investing activities	<b>(90,810)</b>	<b>(83,711)</b>	(147,983)	(147,983)
Acquisition of property, plant and equipment	<b>(79,392)</b>	<b>(79,392)</b>	(71,809)	(71,809)
Acquisition of intangible assets	<b>(8)</b>	<b>(8)</b>	(57,003)	(57,003)
<b>Investment in securities</b>	<b>(7,100)</b>	<b>-</b>	-	-
Acquisition of additional IRU capacity	<b>(4,311)</b>	<b>(4,311)</b>	(19,171)	(19,171)
Net cash used in financing activities	<b>(276,400)</b>	<b>(276,401)</b>	(264,663)	(264,663)
Repayment of borrowing	<b>(165,000)</b>	<b>(165,000)</b>	(165,000)	(165,000)
Principal element of lease payments	<b>(111,401)</b>	<b>(111,401)</b>	(99,663)	(99,663)
Net increase in cash and cash equivalents	<b>47,129</b>	<b>(133,792)</b>	26,304	(94,589)
<b>Cash and cash equivalents at the beginning of the year</b>	<b>671,968</b>	<b>518,499</b>	458,736	340,546
Exchange gain/(loss) on cash and cash equivalents	<b>1,453</b>	<b>(61)</b>	428	4
Cash and cash equivalents at end of the year	<b>720,550</b>	<b>384,646</b>	485,468	245,961

## MTN Ghana unaudited condensed consolidated financial information for the three-month period ended 31 March 2021

### Notes

#### 1. General information

Scancom PLC was incorporated as a private limited liability company on April 14, 1994 and commenced operations on September 9, 1994. The Company's regulations were amended on October 13, 2016 to become a public company and its shares were listed on the Ghana Stock Exchange on September 5, 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 business is MTN House, Plot OER 6, Independence Avenue, West Ridge, Accra.

The principal activities are the provision of telecommunication services including voice, data, enterprises solutions, the provision of mobile financial services, the development of strategic partnerships to provide advance services and the provision of consultancy services in the mobile banking space.

The consolidated financial statements are for the Group consisting of the Company, Scancom PLC and its subsidiary, MobileMoney Limited.

#### 2. Basis of preparation

The condensed consolidated financial information have been prepared in accordance with International Financial Reporting Standards (IFRSs), as issued by the International Accounting Standard Board (IASB) and interpretations issued by the IFRS interpretations committee (IFRSIC) of IASB that are effective as at March 31, 2021, and the requirements of the Companies Act, 2019 (Act 992). The condensed consolidated financial information has been prepared on the historical cost basis except for financial assets at fair value through other comprehensive income.

#### **Principal accounting policies**

The Group has adopted relevant new, revised or amended accounting pronouncements as issued by International Accounting Standards Board (IASB) which were effective for the Group from January 1, 2019. The accounting policies adopted in the preparation of the annual financial information are in terms of IFRS and consistent with those accounting policies applied in the preparation of the previous condensed consolidated financial information.

#### **Functional and presentation currency**

Items included in this condensed consolidated financial information are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial information is presented in Ghana cedis, which is the functional and presentation currency of the Group.

#### 3. Property, plant and equipment & intangible asset

Property, plant and equipment and intangibles are measured at historical cost less accumulated depreciation and accumulated impairment losses. 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. During the period, PPE amounting to GH¢79.3 million was acquired and capitalized, while an intangible asset amounting to GH¢0.008 million was acquired and capitalized. The Group recognises right-of-use assets and lease

## MTN Ghana unaudited condensed consolidated financial information for the three-month period ended 31 March 2021

### Notes (continued)

liabilities at the lease commencement date for most leases in line with IFRS 16, and during the period a total amount of GH¢6.99 million was capitalized.

#### Breakdown of capex (GH¢ 000)

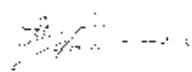
Details	Cash movement	Non-cash / credit	Item total
Property, plant and equipment	79,392	-	<b>79,392</b>
Intangible assets	8	-	<b>8</b>
Right-of-use assets	-	6,995	<b>6,995</b>
<b>Total Capex</b>	<b>79,400</b>	<b>6,995</b>	<b>86,395</b>

#### 4. Contingent assets and liabilities

Contingent liabilities represent possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events not wholly within the control of the Group. 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.

Contingent assets represent possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events not wholly within the control of the Group. There were no contingent assets determined as at March 31, 2021.

The unaudited condensed consolidated financial information for the three-month period ended 31 March 2021 on pages 5 to 11 was approved by the Board of Directors on April 26, 2021 and signed on its behalf by:



**Ishmael Yamson**  
Chairman



**Selorm Adadevoh**  
Chief executive officer

#### Contact

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Please visit <https://www.mtn.com.gh/investors/financial-reports> and other investor information.



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