



**PRESS RELEASE**

**PR. No. 360/2022**

**SCANCOM PLC (MTNGH) –**

**UNAUDITED FINANCIAL STATEMENTS FOR  
THE NINE MONTHS ENDING SEPTEMBER 30, 2022**

MTNGH has released its Unaudited Financial Statements for the period ending September 30, 2022.

Issued in Accra, this 31<sup>st</sup>  
day of October 2022.

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

*\*JD*



# Scancom PLC (MTN Ghana)

MTN Ghana performance for the nine-month period ended 30 September 2022



Scancom PLC (MTN Ghana)

(Incorporated in Ghana).

Registration number: PL000322016

ISIN: GHEMTN051541

Share code: MTNGH

(MTN Ghana or Scancom PLC)

## MTN Ghana performance for the nine-month period ended 30 September 2022

### Salient features (YoY)

- Subscribers
  - Mobile subscribers increased by 13.0% to 28.5 million\*.
  - Active data subscribers increased by 18.2% to 14.1 million#.
  - Active Mobile Money (MoMo) users increased by 16.3% to 12.4 million\*.
- Service revenue grew by 27.9% to GHS7.1 billion.
- Earnings before interest, tax, depreciation and amortization (EBITDA) increased by 35.1% to GHS4.1 billion.
- EBITDA margin increased by 3.1 percentage points (pp) to 57.5%.
- Total capex for the period was GHS1.4 billion^.
- Paid GHS2.1 billion in direct and indirect taxes during the period.
- Outlook: We will continue to execute on our Ambition 2025 strategy and intensify our efforts to drive growth, generate efficiencies and preserve liquidity as we navigate the macro-economic challenges and regulatory developments. We maintain our medium-term guidance for service revenue growth of high teens (in percentage terms).

### Snapshot of key financial items (YoY change)

	30 September 2022	30 September 2021	Change
	GHS 000	GHS 000	
<b>Total revenue</b>	<b>7,110,911</b>	5,564,272	<b>27.8%</b>
<b>Service revenue</b>	<b>7,090,245</b>	5,544,630	<b>27.9%</b>
<b>EBITDA</b>	<b>4,091,918</b>	3,027,846	<b>35.1%</b>
<b>EBITDA margin</b>	<b>57.5%</b>	54.4%	<b>3.1pp</b>
<b>Profit before tax</b>	<b>2,995,789</b>	1,975,784	<b>51.6%</b>
<b>Profit after tax</b>	<b>2,105,028</b>	1,412,066	<b>49.1%</b>
<b>Total capex</b>	<b>1,421,188</b>	1,059,957	<b>34.1%</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 GHS1,182.4m excludes intangibles and right of use (RoU) assets.*

*^ Total capex is made up of core capex spend of GHS1,182.4m, intangibles of GHS79.1m (Network licence, Software, etc) and right of use (RoU) assets of GHS159.7m for the period.*

## MTN Ghana performance for the nine-month period ended 30 September 2022

### Commentary

#### ***Navigating a challenging macroeconomic environment***

MTN Ghana maintained solid growth momentum in the third quarter of 2022 in a challenging macroeconomic and operating environment.

Inflation accelerated to 37.2% in September 2022, on the back of higher utility and fuel prices and the continued weakening of the cedi against major trading currencies. The Bank of Ghana data indicates that the cedi has depreciated by 58.9% against the US dollar in the year to date.

In response to the economic challenges, the Government has tightened monetary policy; implemented new revenue sources such as the e-levy; obtained a US\$750 million loan facility from Afreximbank; signed a US\$1.3 billion Cocoa loan syndication agreement; introduced spending cuts; and is pursuing a debt restructuring programme with the International Monetary Fund (IMF).

#### ***National roaming update – strategic partnerships to support industry sustainability***

MTN Ghana has run a successful pilot with Vodafone in the Volta Region over the past six months and currently are in discussions to extend national roaming beyond Volta Region on 2G to other areas in the coming months.

We have reached an agreement with AirtelTigo to extend 2G national roaming services to their subscribers in selected locations nationwide, pending regulatory approval.

We are excited about these recent developments with our partner operators, and this is grounded in our strategy to ensure a thriving telecoms industry to support the national agenda of building a digital economy.

#### ***Creating shared value – our commitment to social and economic development***

In line with initiatives launched during our 25th Anniversary, MTN pledged to award scholarships to 300 students over a three-year period, at an estimated cost of GHS6.9 million. We are pleased to announce that we have awarded the first 100 scholarships, enabling these students pursue their academic studies and bring their career dreams a step closer.

We have made good progress with our social projects: the STEM robotics lab for the Mamfe Girls' School and the 60-bed maternity and neonatal centre for the Keta Municipal Hospital. We look forward to the completion and utilization of these projects to enhance the delivery of education and health services to Ghanaians.

MTN Ghana is a responsible corporate citizen and is committed to contributing to the fiscal and socioeconomic development of the country. During the period, we contributed GHS2.1 billion in direct and indirect taxes and GHS227.5 million in payments to governmental agencies, which represents a combined 32.7% of MTN's total revenue for the period.

We remain resolute in our commitment to contribute to enhancing the economic and social development of Ghanaians and look forward to playing our part in the sustainable development of our nation.

#### ***Go Ghana Black Stars – supporting the Black Stars to make the nation proud***

MTN is proud to be a headline sponsor of the Ghana Black Stars as they journey to Qatar for the 22nd edition of the World Cup. As a result, MTN is committing the cedi equivalent of USD2 million to the Ghana Black Stars as they participate in the 2022 World Cup.

As a nation connected through football and with rich football history, MTN will join all Ghanaians in support of this national agenda, and we would like to wish the Black Stars the very best as they make the nation proud in Qatar.

## **Operational review**

Our operational performance for the period was resilient, with a 27.9% YoY growth in service revenue, which was supported by growth in voice, data and MoMo. This was underpinned by our continued capital investments (GHS1.4 billion) to improve the quality of service, expand capacity and extend our network coverage to customers across the nation.

During the period, we rolled out 339 2G, 339 3G, 1,081 4G sites and modernized 805 sites. This supported the increase in our 4G coverage by 17.3pp YoY to 99.3% of the population.

**Voice** revenue increased by 23.4% YoY to GHS2.4 billion. This was helped by a 13.0% YoY expansion of our subscriber base and various customer value management (CVM) initiatives and portfolio rationalization initiatives. The contribution of voice to service revenue decreased from 34.6% to 33.4% YoY in favour of an increased contribution from data.

**Data** revenue increased by 43.7% YoY to GHS2.8 billion, supported by an 18.2% YoY increase in the number of our active data subscribers, 50.7% YoY growth in data traffic and a 27.5% YoY increase in the megabytes consumed per active subscriber. The contribution of data to service revenue increased from 35.1% to 39.5% YoY.

**MoMo** revenue increased by 7.5% YoY to GHS1.4 billion. A slower growth was observed post implementation of the e-levy from May 2022 and our decision to reduce P2P transaction fees by 25% to cushion the impact on our customers. Revenue from P2P transactions declined by 13.3% YoY during the period. Overall, there was a 16.3% YoY increase in the number of active MoMo users, 15.9% YoY growth in cash-out services as well as a 17.7% increase in advanced service offerings such as microloans and other general payment services. The contribution of Mobile Money to service revenue subsequently decreased from 22.8% to 19.1% YoY.

We recorded strong growth in total MoMo transaction volume (+57.0% QoQ) and value (+53.4% QoQ) during the period, driven by higher levels of P2P activity over prior quarter and strong cash-out transactional activity.

**Digital** revenue decreased by 23.4% YoY to GHS113 million. The decline was as a result of our initiatives to enhance customer experience and rationalise our digital products portfolio. The number of active digital subscribers decreased by 20.0% YoY to 3.4 million. We remain committed to our portfolio rationalization initiatives while improving our music and gaming offerings with the launch of Mdundo music service and refreshing Ayoba with a new gaming section that also includes Subway Surfer. The contribution of digital to service revenue decreased from 2.7% to 1.6% YoY.

We achieved a milestone target during the period, as we reached 1.5 million MyMTN active users. We expect the number of active subscribers' growth to accelerate with the launch of MyMTN Lite app which is a web app that works on all devices.

**EBITDA** increased by 35.1% YoY with a corresponding margin expansion of 3.1pp to 57.5%. In addition to the solid top line growth delivered, profitability was supported by our expense efficiency initiatives.

Finance costs for the period were well managed at a 4.4% increase YoY, amidst rising interest rates and cedi depreciation on dollar denominated leases. Our finance income increased by 162.7% YoY owing to gains from investments in government securities during the period. The net result of this was a 23.5% YoY decrease in our net finance cost, supporting a year-on-year increase in profit after tax for the period of 49.1%.

## **Regulatory updates**

### **National SIM re-registration update**

The national SIM card re-registration exercise continues following the earlier deadline of 30 September 2022 communicated by the Ministry of Communication and Digitalisation. To this end, MTN had successfully registered 15.2 million subscribers using the Ghana National ID at the end of September 2022, with approximately 5.6 million yet to complete their registration after going through the first phase of the exercise.

On 17 October 2022, the Ministry of Communication and Digitalisation announced on social media that, all services with the exception of USSD services for SIM cards that have not completed registration should be blocked from 1 November 2022. We are working with the regulator on their formal directive.

As a result, MTN will continue to deploy resources and work with the regulator to accelerate re-registration and ensure a speedy completion of the exercise.

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

During the period, MTN maintained focus on the localisation of Scancom PLC and MobileMoney Limited and held various discussions with pension funds and other strategic investors. In this regard, at the end of the period, the local ownership of Scancom PLC was 23.7%. MTN Ghana is committed to increasing local ownership of Scancom PLC and MobileMoney Limited to 30% each.

## **Outlook**

The remainder of 2022 and the outlook for the Ghanaian macroeconomic environment remains uncertain given the trajectory of cedi depreciation as foreign currency demand continues to outstrip supply, its knock-on impact and that of increasing utility tariffs and hikes in product prices on rising inflation and the continuing impact of the Russia-Ukraine conflict on fuel prices and the global supply chain.

MTN is aware of the impact these factors have on consumers and on our business performance. We will continue to execute prudent commercial initiatives in line with our **Ambition 2025** strategy, and deploy cost saving and liquidity preserving measures, with a focus on enhancing the stability of the balance sheet to help mitigate the shocks of the external environment on the business. MTN Ghana maintains its medium-term growth target of high-teens (in percentage terms) for service revenue growth.

For the rest of the year, we intend to make considerable progress in the national SIM card re-registration exercise as well as the localisation of Scancom PLC and MobileMoney Limited. We will continue to drive sustainable growth and create long-term value for our stakeholders.

## MTN Ghana condensed consolidated financial information for the nine-month period ended 30 September 2022

### Summary statements of comprehensive income

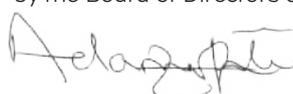
	Group For the nine- month period ended 30 September 2022  GHS 000	Company For the nine- month period ended 30 September 2022  GHS 000	Group For the nine- month period ended 30 September 2021  GHS 000	Company For the nine- month period ended 30 September 2021  GHS 000
<b>Revenue from contracts with customers</b>	<b>7,110,911</b>	<b>5,819,692</b>	5,564,272	4,302,333
Other revenue	775	52,364	-	-
Direct network operating costs	<b>(626,870)</b>	<b>(626,800)</b>	(534,241)	(534,211)
Government and regulatory cost	<b>(153,758)</b>	<b>(153,758)</b>	(109,444)	(109,444)
Cost of handsets and other accessories	<b>(68,583)</b>	<b>(68,583)</b>	(69,326)	(69,326)
Interconnect and roaming costs	<b>(284,754)</b>	<b>(284,754)</b>	(217,749)	(217,749)
Employee benefits expense	<b>(258,073)</b>	<b>(247,996)</b>	(201,052)	(193,908)
Selling, distribution and marketing expenses	<b>(999,241)</b>	<b>(554,950)</b>	(1,000,356)	(330,318)
Other operating expenses	<b>(628,489)</b>	<b>(605,171)</b>	(404,258)	(396,545)
<b>Earnings Before Interest Tax</b>	<b>4,091,918</b>	<b>3,330,044</b>	3,027,846	2,450,834
<b>Depreciation and Amortisation</b>	<b>4,091,918</b>	<b>3,330,044</b>	3,027,846	2,450,834
Depreciation	<b>(753,280)</b>	<b>(751,039)</b>	(643,519)	(642,046)
Amortisation	<b>(121,473)</b>	<b>(121,367)</b>	(119,146)	(118,949)
<b>Operating profit</b>	<b>3,217,165</b>	<b>2,457,638</b>	2,265,181	1,689,839
Finance income	<b>134,148</b>	<b>375,084</b>	51,064	472,509
Finance costs	<b>(355,524)</b>	<b>(360,703)</b>	(340,461)	(340,461)
<b>Profit before income tax</b>	<b>2,995,789</b>	<b>2,472,019</b>	1,975,784	1,821,361
Income tax expense	<b>(890,761)</b>	<b>(633,094)</b>	(563,718)	(413,168)
<b>Profit after income tax</b>	<b>2,105,028</b>	<b>1,838,925</b>	1,412,066	1,408,193
Other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	<b>2,105,028</b>	<b>1,838,925</b>	1,412,066	1,408,193
Attributable to:				
Equity holders of the company	<b>2,105,028</b>	<b>1,838,925</b>	1,412,066	1,408,193
Diluted/Basic Earnings per share	<b>GHS 0.171</b>	<b>GHS 0.150</b>	GHS 0.115	GHS 0.115

## MTN Ghana condensed consolidated financial information for the nine-month period ended 30 September 2022

### Summary statements of financial position

	Group As at 30 September 2022	Company As at 30 September 2022	Group As at 31 December 2021	Company As at 31 December 2021
	GHS 000	GHS 000	GHS 000	GHS 000
<b>Non-current assets</b>	<b>6,712,749</b>	<b>6,686,590</b>	6,157,626	6,150,453
Property, plant and equipment	4,562,848	4,556,531	3,906,148	3,898,955
Right-of-Use assets	1,261,786	1,261,786	1,342,204	1,342,204
Intangible assets	738,199	738,307	778,872	778,842
Investment in subsidiary	-	50	-	50
Investments	20,000	-	-	-
IRU assets	99,940	99,940	88,385	88,385
Capitalised contract cost	28,343	28,343	39,744	39,744
Contract asset	1,633	1,633	2,273	2,273
<b>Current assets</b>	<b>11,894,572</b>	<b>2,184,266</b>	11,367,783	1,829,487
Inventories	3,876	3,266	29,310	29,310
Trade and other receivables	658,836	625,759	568,461	551,306
Other current assets	120,344	116,454	27,431	27,431
Other financial assets at amortised cost	512,366	608,757	142,389	142,267
Income tax assets	3,152	1,471	529,488	442,705
IRU assets	16,703	16,703	14,753	14,753
Mobile Money float	8,977,272	-	8,977,989	-
Cash and cash equivalents	1,452,646	811,856	995,422	621,715
Investments in securities (MoMo)	149,377	-	82,540	-
<b>Total assets</b>	<b>18,607,321</b>	<b>8,870,856</b>	17,525,409	7,979,940
<b>Total equity</b>	<b>4,975,248</b>	<b>4,216,548</b>	4,363,298	3,870,715
Stated capital	1,097,504	1,097,504	1,097,504	1,097,504
Retained earnings	3,728,367	3,119,044	3,183,254	2,773,211
Other reserves	149,377	-	82,540	-
<b>Non-current liabilities</b>	<b>2,285,637</b>	<b>2,285,194</b>	2,210,988	2,210,803
Borrowings	296,781	296,781	369,774	369,774
Deferred tax liabilities	438,759	439,519	420,857	421,876
Lease liabilities	1,507,876	1,507,876	1,390,212	1,390,212
IRU liability	27,327	27,327	15,703	15,703
Provisions	8,023	8,023	14,442	13,238
Non-current share-based payment liability	6,871	5,668	-	-
<b>Current liabilities</b>	<b>11,346,436</b>	<b>2,369,114</b>	10,951,123	1,898,422
Trade and other payables	1,422,215	1,473,547	1,229,416	1,159,162
Obligations to electronic money holders	8,977,272	-	8,977,989	-
Contract liabilities	199,961	199,961	191,558	191,558
Tax liabilities	271,842	223,372	-	-
Provisions	40,833	37,921	57,702	53,244
Lease liabilities	170,310	170,310	293,526	293,526
IRU liability	3,794	3,794	1,616	1,616
Deferred income	10,763	10,763	-	-
Borrowings	249,446	249,446	199,316	199,316
<b>Total liabilities</b>	<b>13,632,073</b>	<b>4,654,308</b>	13,162,111	4,109,225
<b>Total equity and liabilities</b>	<b>18,607,321</b>	<b>8,870,856</b>	17,525,409	7,979,940

The condensed consolidated financial information for the nine-month period ended 30 September 2022 was approved by the Board of Directors on 28 October 2022 and signed on its behalf by:



**Selorm Adadevoh**  
Chief executive officer



**Antoinette Kwofie**  
Chief finance officer

## MTN Ghana condensed consolidated financial information for the nine-month period ended 30 September 2022

### Summary statements of changes in equity - Group

Nine-month period ended 30 September 2022	Stated Capital	Retained income	Mobile Money contingency fund	Other reserves	Total Equity
	GHS 000	GHS 000	GHS 000	GHS 000	GHS 000
<b>Opening balance at 1 January 2022</b>	<b>1,097,504</b>	<b>3,183,217</b>	<b>82,539</b>		<b>4,363,260</b>
Profit for the year	-	2,105,028			2,105,028
Other comprehensive income			66,838		66,838
Equity movement		(23,569)			(23,569)
Transfer between reserves	-				
<b>Transactions with owners of the company:</b>					
Dividend paid	-	(1,536,309)	-		(1,536,309)
<b>Closing balance at 30 September 2022</b>	<b>1,097,504</b>	<b>3,728,367</b>	<b>149,377</b>		<b>4,975,248</b>

### Nine-month period ended 30 September 2021

<b>Balance at 1 January 2021</b>	1,097,504	2,228,245	13,401		3,339,150
Profit for the year	-	1,412,066			1,412,066
Transfer between reserves	-	(20,217)	20,217		-
<b>Transactions with owners of the company:</b>					
Dividends paid	-	(983,238)			(983,238)
<b>Closing balance at 30 September 2021</b>	<b>1,097,504</b>	<b>2,636,856</b>	<b>33,618</b>		<b>3,767,978</b>

## MTN Ghana condensed consolidated financial information for the nine-month period ended 30 September 2022

### Summary statements of changes in equity - Company

Nine-month period ended 30 September 2022	Stated Capital	Retained income	Other Reserves	Total equity
	GHS 000	GHS 000	GHS 000	GHS 000
<b>Balance at 1 January, 2022</b>	<b>1,097,504</b>	<b>2,773,159</b>	<b>-</b>	<b>3,870,663</b>
Profit for the year	-	1,838,925	-	1,838,925
Other comprehensive income	-	-	-	-
Equity movement	-	43,269	-	43,269
Transfer between reserves	-	-	-	-
<b>Transactions with owners of the company:</b>				
Dividends paid		(1,536,309)		(1,536,309)
<b>Closing balance at 30 September 2022</b>	<b>1,097,504</b>	<b>3,119,044</b>	<b>-</b>	<b>4,216,548</b>

### Nine-month period ended 30 September 2021

<b>Balance at 1 January 2021</b>	1,097,504	1,976,155	-	3,073,659
Profit for the year	-	1,408,192	-	1,408,192
Other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	1,097,504	3,384,347	-	4,481,851
<b>Transactions with owners of the company:</b>				
Dividends paid	-	(983,238)	-	(983,238)
<b>Closing balance at 30 September 2021</b>	<b>1,097,504</b>	<b>2,401,109</b>	<b>-</b>	<b>3,498,613</b>

## MTN Ghana condensed consolidated financial information for the nine-month period ended 30 September 2022

### Summary statements of cash flow

	Group For the nine-month period ended 30 September 2022	Company For the nine-month period ended 30 September 2022	Group For the nine-month period ended 30 September 2021	Company For the nine-month period ended 30 September 2021
	GHS 000	GHS 000	GHS 000	GHS 000
<b>Net cash generated from operating activities</b>	<b>2,301,308</b>	<b>1,959,741</b>	1,649,384	1,494,559
Cash generated from operations	<b>3,980,978</b>	<b>3,257,420</b>	2,819,035	2,200,868
Interest received	<b>120,055</b>	<b>375,084</b>	51,064	472,509
Interest paid	<b>(39,929)</b>	<b>(39,929)</b>	(61,010)	(61,010)
Dividend paid	<b>(1,536,309)</b>	<b>(1,536,309)</b>	(983,238)	(983,238)
Income tax paid	<b>(223,487)</b>	<b>(96,524)</b>	(176,467)	(134,570)
<b>Net cash used in investing activities</b>	<b>(1,334,279)</b>	<b>(1,259,796)</b>	(878,763)	(845,787)
Acquisition of property, plant and equipment	<b>(1,182,390)</b>	<b>(1,180,652)</b>	(812,605)	(812,605)
Acquisition of intangible assets	<b>(79,055)</b>	<b>(79,055)</b>	(24,998)	(24,998)
Investment in securities	<b>(20,000)</b>	-	(32,977)	-
Movement in current investments	<b>(52,745)</b>	-	-	-
Acquisition of additional IRU capacity	<b>(89)</b>	<b>(89)</b>	(8,184)	(8,184)
<b>Net cash used in financing activities</b>	<b>(509,804)</b>	<b>(509,804)</b>	(593,555)	(593,568)
Proceeds from borrowing	-	-	-	-
Repayment of borrowing	<b>(57,000)</b>	<b>(57,000)</b>	(222,502)	(222,502)
Principal element of lease payments	<b>(452,804)</b>	<b>(452,804)</b>	(371,066)	(371,066)
<b>Net increase in cash and cash equivalents</b>	<b>457,225</b>	<b>190,141</b>	177,066	55,217
Cash and cash equivalents at the beginning of the year	<b>995,421</b>	<b>621,715</b>	671,968	518,499
Exchange gain/(loss) on cash and cash equivalents	-	-	1,124	283
<b>Cash and cash equivalents at end of the year</b>	<b>1,452,646</b>	<b>811,856</b>	850,158	573,999

## MTN Ghana condensed consolidated financial information for the nine-month period ended 30 September 2022

### Notes

#### 1. General information

Scancom PLC was incorporated 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 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 advanced 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 and separate 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 30 September 2022, and the requirements of the Companies Act, 2019 (Act 992). The condensed consolidated and separate financial information has been prepared on the historical cost basis except for financial assets at fair value through other comprehensive income.

Functional and presentation currency

Items included in this condensed consolidated and separate 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 GHS1.2 billion was acquired and capitalized, while an intangible asset amounting to GHS79 million was acquired and capitalized. The Group recognises right-of-use assets and lease liabilities at the lease commencement date for most leases in line with IFRS 16, and during the period a total amount of GHS160 million was capitalized.

## MTN Ghana condensed consolidated financial information for the nine-month period ended 30 September 2022

### Notes (continued)

#### Breakdown of capex (GHS 000)

Details	Cash movement	Non-cash / credit	Item total
Property, plant and equipment	1,182,390	-	1,182,390
Intangible assets	79,055	-	79,055
Right-of-use assets	-	159,743	159,743
<b>Total capex</b>	<b>1,261,445</b>	<b>159,743</b>	<b>1,421,188</b>

#### 4. Contingent 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. 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.

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

The condensed consolidated financial information for the nine-month period ended 30 September 2022 on pages 5 to 11 was approved by the Board of Directors on 28 October 2022 and was signed on its behalf by:



**Selorm Adadevoh**  
Chief executive officer



**Antoinette Kwofie**  
Chief finance officer

#### Contact

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

## MTN Ghana condensed consolidated financial information for the nine-month period ended 30 September 2022

### Annexure

#### 1. Quarterly financial highlights

	<b>Q3 2022</b>	<b>Q2 2022</b>	<b>Q1 2022</b>	<b>Q4 2021</b>	<b>Q3 2021</b>
	<b>GHS 000</b>				
<b>Total revenue</b>	2,444,372	2,310,558	2,355,982	2,158,986	1,942,762
<b>Service revenue</b>	2,437,478	2,303,644	2,349,123	2,156,095	1,934,003
<b>Voice</b>	792,573	788,000	785,384	708,215	619,899
<b>Data</b>	985,686	941,069	871,975	821,531	732,948
<b>MoMo</b>	457,466	384,063	514,911	471,646	437,336

#### 2. Quarterly non-financial highlights (Net additions)

	<b>Q3 2022</b>	<b>Q2 2022</b>	<b>Q1 2022</b>	<b>Q4 2021</b>	<b>Q3 2021</b>
<b>Subscribers<sup>1</sup></b>	739,937	677,818	1,731,347	126,458	357,113
<b>Active data subs<sup>2</sup></b>	970,229	317,903	386,216	497,209	526,328
<b>Active momo subs<sup>2</sup></b>	668,348	126,930	547,767	387,025	96,837

<sup>1</sup> RGS 90 subscribers.

<sup>2</sup> RGS 30 subscribers.



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