



Scancom PLC (MTN Ghana)

Performance for the six-month period ended 30 June 2024



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

Salient features (YoY)

- Subscribers
 - Mobile subscribers* increased by 3.9% to 28.4 million
 - Active data subscribers# increased by 15.9% to 16.4 million
 - Active Mobile Money (MoMo) users increased by 16.2% to 16.5 million.
- Service revenue grew by 31.2% to GHS8.1 billion.
- Earnings before interest, tax, depreciation and amortization (EBITDA) increased by 31.3% to GHS4.6 billion.
- EBITDA margin was maintained at 56.1%
- Total capital expenditure (capex) of GHS2.8 billion[^] (ex-lease capex: GHS1.7 billion)
- Direct and indirect taxes paid increased by 44.4% to GHS3.9 billion (2023: GHS2.7 billion)
- Interim dividend increased by 30.0% to GHS0.065 per share (2023: GHS0.05)
- Outlook: MTN Ghana will continue to invest to develop its platforms and improve its network and services to unlock value for stakeholders in line with our Ambition 2025 strategy. We continue to explore efficiency measures, preserve liquidity and strengthen the balance sheet against a backdrop of election-related and macroeconomic uncertainties. MTN Ghana maintains its medium-term guidance of high twenties (in percentage terms) growth in service revenue

Snapshot of key financial items (YoY change)

	30 June 2024	30 June 2023	
	GHS 000	GHS 000	Change
Total revenue	8,110,589	6,177,928	31.3%
Service revenue	8,078,701	6,156,412	31.2%
EBITDA	4,552,192	3,467,021	31.3%
EBITDA margin	56.1%	56.1%	0.0pp
Profit before tax	3,336,915	2,443,221	36.6%
Profit after tax	2,331,448	1,711,083	36.3%
Total capex	2,762,629	2,231,479	23.8%
Ex-lease capex	1,679,989	998,135	68.3%

* 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.

[^] Total capex is made up of PPE of GHS1,656.3 million, intangibles of GHS599.2 million (includes network and spectrum license cost) and right of use (RoU) assets of GHS507.1 million for the period. Ex-lease capex is total capex less RoU and spectrum cost (GHS575.5 million).

MTN Ghana CEO, Stephen Blewett, comments:

MTN Ghana delivered strong results in the first half of 2024, despite the difficult macroeconomic conditions. This reflects the resilience of the business and our ability to provide essential connectivity solutions to our customers. We have also been able to increase financial inclusion, supporting the further development of the country.

Macroeconomic context – operating in a challenging economy in an election year

The macroeconomic environment remained challenging mainly due to the continued depreciation of the Ghana cedi and inflationary pressures, negatively impacting business operations and the disposable income of consumers.

In H1 2024, the Ghana cedi continued to worsen, with a year-to-date (YTD) decline of 22.8% against the US dollar, with its consequent impact on the cost of doing business.

Over the period, inflation averaged 23.9%. This represents a slowdown of 22.3 percentage points (pp) from the average rate of 46.2% recorded in the first half of 2023. While the levels remain fairly elevated, we are encouraged by the easing trend in the inflation rate, which ended H1 with a June 2024 print of 22.8%*. This was 3.0pp below the 25.8% recorded at the end of March 2024 and 0.4pp lower than the December 2023 rate.

Despite facing these and other challenges that affected business operations, MTN Ghana maintained focus on our strategic priorities of driving revenue growth and exploring cost efficiencies, as well as creating value for all stakeholders. As a result of these efforts, in H1, MTN Ghana achieved a 31.2% year-on-year (YoY) growth in service revenue and a stable EBITDA margin.

Creating shared value – impacting lives through social and economic initiatives

The MTN Ghana Foundation has made great strides in local communities through its social interventions in Health, Education, and Economic Empowerment, its three focus areas.

In the first half of 2024, the Foundation completed and handed over some key projects. These included a 60-bed maternity and neonatal center at the Keta Municipal Hospital, an Accident and Emergency Center with an administrative block for the Bawjiase Polyclinic, and a STEM robotics laboratory at Methodist Girls High School in Mamfe, Akwapim.

These projects support the Sustainable Development Goals (SDGs), including SDG 1 (No Poverty), SDG 3 (Good Health and Well-being), SDG 4 (Quality Education), and SDG 17 (Partnership for the Goals).

Y'ello Care, our employee volunteerism program, kicked off as usual in June this year. In celebration of MTN's 30th anniversary, we undertook our **Y'ello** Care activities over a 30-day period instead of the usual 21 days. In line with our digital agenda, employee volunteers established smart farms and helped to construct an automated (IoT enabled) boreholes and 2 containerized ICT labs in selected schools across the country.

The Foundation continues to support laudable initiatives across the country. In the upcoming months, it will hand over a 40-seater ICT center to the Yilo Krobo Senior High School. Additionally, it will offer 200 scholarships to needy but brilliant students.

The Foundation is committed to supporting micro, small, and medium-scale enterprises led by the youth, women, and differently abled persons. This support will include equipping them with digital skills, and funding to invest in their respective businesses.

The Foundation has invested over GHS106 million in social interventions, positively impacting more than 5 million people across the country since its inception in 2007.

* Based on inflation data published by the Ghana Statistical Services.

MTN Ghana remains committed to promoting national roaming to achieve universal access and advance digitalization in Ghana. In line with this effort, MTN Ghana is in the final stages of long-term agreement discussions with Telecel. Additionally, the national roaming partnership with AT will ensure that Ghanaians have connectivity regardless of their carrier. We are firmly committed to a sustainable telecoms sector aligned with Ghana's developmental agenda.

In the first half of 2024, MTN Ghana reaffirmed its commitment to supporting the Government as a development partner, contributing to the country's fiscal and socioeconomic growth. During this period, MTN Ghana made significant financial contributions, including paying GHS3.9 billion in direct and indirect taxes and GHS298.7 million in fees, levies and other payments to governmental agencies. These payments accounted for 52.0% of MTN's total revenue in the first half of the year.

Operational and financial review

In H1 2024, MTN Ghana delivered a 31.2% YoY increase in service revenue. This growth was driven by higher data, MoMo and digital revenues; supported by enhanced 4G connectivity and a 3.9% YoY expansion in the subscriber base.

We invested GHS2.8 billion in total capex to maintain network quality, expand coverage and capacity, as well as to enhance our IT systems. This served our nationwide customer base of 28.4 million, which reflected 0.6 million additional customers connected in the second quarter.

Voice revenue decreased by 3.1% YoY to GHS1.7 billion as customers switched to lower-priced plans. This was mitigated by an increase in voice usage (+13.7% YoY in minutes of use) as we stimulated higher engagement through our customer value management initiatives. These interventions also helped to reduce customer churn. The contribution of voice to total service revenue decreased from 29.1% to 21.5% YoY, in favour of faster-growing products and services.

Data revenue continued to grow strongly, up by 55.0% YoY to GHS4.0 billion. This was supported by a 15.9% YoY increase in active data subscribers and a 7.2% YoY rise in megabytes consumed per active user per month, which underpinned a 24.2% YoY growth in data traffic in the period. The contribution of data revenue to total service revenue increased from 41.5% to 49.0% YoY.

Mobile Money revenue increased by 44.8% YoY to GHS1.9 billion. This was supported by a 16.2% YoY increase in the active user base as we continue to improve our digital financial solutions offering. Consequently, this led to the growth in advanced services of +73.3% YoY, while cash-out services (+33.0% YoY) and peer-to-peer transactions (+43.1% YoY) also sustained robust growth trajectories. The overall contribution of MoMo revenue to total service revenue increased from 21.7% to 24.0% YoY.

Digital revenue grew strongly, increasing by 59.4% YoY to GHS101.4 million. This was primarily driven by video, gaming and ring-back tones. The enhancement of customer experience and a continued focus on providing locally and internationally relevant digital offerings contributed to this growth. The number of ayoba users increased by 14.8% YoY to reach 2.9 million. The MyMTN app also saw several improvements and reached a user base of 1.6 million, with over 0.4 million daily users. Several more improvements and new features are planned for the second half of the year to offer an even better digital experience for our customers. The contribution of digital to total service revenue increased from 1.0% to 1.3% YoY.

Inflation continued to exert an upward pressure on expenses, with total costs up by 31.3% YoY to GHS3.6 billion. We mitigated this impact through the continued execution of cost-reduction initiatives under our expense efficiency programme, and this supported a 31.3% YoY expansion in EBITDA to GHS4.6 billion; with the EBITDA margin being maintained at 56.1%.

During the period, depreciation and amortization increased by 37.7% YoY. Finance cost declined by 11.5% YoY on the back of a reduction in loan balances and interest rates. On the other hand, finance

income increased by 49.8% YoY, driven by gains on investments in call and fixed-term deposits. Consequently, net finance costs declined by 44.9% YoY.

The direct tax charge for the period was GHS1.0 billion, representing a 37.3% increase over the same period in 2023. As a result, profit after tax increased by 36.3% YoY to GHS2.3 billion.

Regulatory updates

Update on localisation of Scancom PLC and MobileMoney Limited

MTN Ghana is committed to localising Scancom PLC and MobileMoney Limited and has made significant progress in this regard. By the end of the second quarter, the level of local ownership of Scancom PLC was 27.9%. As a result, the regulator has confirmed Scancom PLC's achievement of the 25.0% localisation requirement for its 4G license.

We are committed to further localise Scancom PLC and MobileMoney Limited, and we will continue to work closely with regulators and other relevant stakeholders to towards achieving our goal.

Outlook

The macroeconomic outlook for Ghana in the second half of 2024 is expected to remain challenging due to elevated inflation, currency volatility and election-related macroeconomic risks. These factors could potentially impact economic growth and result in increased pressures on Ghanaian consumer spend.

The government maintains its forecast that inflation for the year will range between 13.0% and 17.0%, gradually trending back to the medium-term target range of 6.0% to 10.0% by 2025.

We are dedicated to implementing our **Ambition 2025** strategy, which remains relevant to navigate challenges in the macro environment. Our focus remains on creating value for all stakeholders by driving sustained growth through consistent and strategic investments in infrastructure. We intend to actively pursue the national roaming agenda in collaboration with Telecel to establish a long-term infrastructure share agreement. We will continue the work to enhance our leading connectivity asset base and service offerings provided to our customers.

MTN Ghana is working to further improve our platforms such as myMTN, ayoba and the MoMo app to offer better services. We also aim to meet the high demand for data, particularly in rural areas, and encourage more people to use smartphones. Furthermore, we plan to service the need for high-speed internet in the home broadband market.

We are also focused on expanding our partnerships with financial institutions, agents, and merchants to grow the MoMo ecosystem. This will make it more convenient for our customers to transfer money, make payments and save, as well as access micro-loans, micro-insurance, and international remittance services. This remains a key pillar of our advanced services strategy in our MoMo business.

The MTN Ghana Foundation is committed to supporting Ghanaian communities. Throughout the rest of the year, we will implement various sustainability projects and initiatives aimed at improving the lives of Ghanaians across the nation. Our focus will be on enhancing healthcare services and developing digital skills for the youth. Through these efforts, we aim to make a positive impact on society and improve the communities we operate in.

We will continue to navigate the challenges in our business environment and remain committed to focused execution of our strategy and achieving operational excellence to safeguard the long-term growth and profitability of our business. We maintain our medium-term guidance of service revenue growth in the high twenties (in percentage terms).

Declaration of interim ordinary dividend

Notice is hereby given that a gross interim dividend of GHS0.065 per share for the period ended 30 June 2024 has been declared (2023 interim: GHS0.050 per share). This is 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 Ghana Stock Exchange rules, the salient dates relating to the payment of the dividend are as follows:

Ex-dividend date	Wednesday, 14 August 2024
Qualifying date	Friday, 16 August 2024
Dividend payment date	Friday, 6 September 2024

All shareholders registered in the books of Scancom PLC at close of business on Friday, 16 August 2024 qualify for the interim dividend.

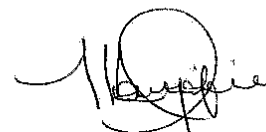
In view of the foregoing, the ex-dividend date has been set as Wednesday, 14 August 2024. Consequently, an investor purchasing MTNGH shares before this date will be entitled to the interim dividend. However, an investor buying MTNGH shares on or after Wednesday, 14 August 2024 will not be entitled to the interim dividend.

On Friday, 6 September 2024 the dividend will be transferred electronically to the bank accounts or mobile money wallets of shareholders who make use of these facilities.

The interim dividend was approved by the Board of Directors on 30th July 2024 and signed on its behalf by:



Stephen Blewett
Chief executive officer



Antoinette Kwofie
Chief finance officer

REPORT ON REVIEW OF THE INTERIM CONDENSED CONSOLIDATED AND SEPARATE FINANCIAL INFORMATION TO THE MEMBERS OF SCANCOM PLC

Introduction

We have reviewed the accompanying interim condensed consolidated and separate financial statements of Scancom PLC and its subsidiary ("the Group") as at 30 June 2024 which comprise the interim consolidated and separate statement of financial position as at 30 June 2024 and the related interim consolidated and separate statements of comprehensive income, changes in equity and the cash flows for the six-month period then ended, explanatory notes. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with the IFRS Accounting Standards applicable to interim financial reporting (IAS 34 Interim Financial Reporting) as issued by the International Accounting Standards Board including the IAS 29 Hyperinflation Directive issued by the Institute of Chartered Accountants Ghana and the requirements of the Companies Act, 2019 (Act 992). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

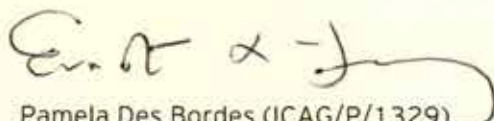
We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated and separate financial information is not prepared, in all material respects, in accordance with IFRS Accounting Standards applicable to the interim financial reporting (IAS 34 Interim Financial Reporting) as issued by the International Accounting Standards Board including the IAS 29 Hyperinflation Directive issued by the Institute of Chartered Accountants Ghana and the requirements of the Companies Act, 2019 (Act 992).

The Engagement Partner on the review engagement resulting in this independent auditor's conclusion is Pamela Des Bordes (ICAP/P/1329).



Pamela Des Bordes (ICAG/P/1329)
Ernst & Young (ICAG/F/2024/126)
Chartered Accountants
Accra, Ghana

Date: 31/07/2024

MTN Ghana condensed consolidated and separate financial information for the six-month period ended 30 June 2024

Summary statements of comprehensive income

	Group	Company	Group	Company
	For the six-month period ending 30 June 2024	For the six-month period ending 30 June 2024	For the six-month period ending 30 June 2023	For the six-month period ending 30 June 2023
	GHS 000	GHS 000	GHS 000	GHS 000
Revenue from contracts with customers	8,110,589	6,236,695	6,177,928	4,896,824
Other revenue	2,416	63,633	1,412	84,545
Direct network operating costs	(897,474)	(894,760)	(633,696)	(633,694)
Government and regulatory costs	(146,218)	(145,468)	(119,477)	(119,477)
Cost of handsets and other accessories	(36,630)	(36,630)	(11,892)	(11,892)
Interconnect and roaming costs	(388,967)	(388,967)	(244,688)	(244,688)
Employee benefits expense	(296,875)	(276,014)	(240,810)	(231,175)
Selling, distribution and marketing expenses	(1,125,452)	(638,787)	(974,767)	(496,756)
Other operating expenses	(669,197)	(591,033)	(486,988)	(461,118)
Earnings Before Interest, Tax				
Depreciation and Amortization	4,552,192	3,328,669	3,467,022	2,782,569
Depreciation	(900,963)	(899,892)	(658,705)	(657,306)
Amortization	(184,457)	(149,736)	(129,335)	(129,335)
Operating profit	3,466,772	2,279,041	2,678,982	1,995,928
Finance income	192,600	603,747	128,574	407,082
Finance costs	(322,457)	(258,254)	(364,335)	(364,182)
Profit before income tax	3,336,915	2,624,534	2,443,221	2,038,828
Income tax expense	(838,953)	(536,426)	(609,977)	(423,706)
Growth and sustainability levy	(166,514)	(105,894)	(122,161)	(84,941)
Profit after income tax	2,331,448	1,982,214	1,711,083	1,530,181
Other comprehensive income	-	-	-	-
Total comprehensive income	2,331,448	1,982,214	1,711,083	1,530,181
Attributable to:				
Equity holders of the company	2,331,448	1,982,214	1,711,083	1,530,181
Diluted/Basic Earnings per share	GHS0.176	GHS0.150	GHS0.129	GHS0.116

MTN Ghana condensed consolidated and separate financial information for the six-month period ended 30 June 2024

Summary statements of financial position

	Group	Company	Group	Company
	As at 30 June 2024	As at 30 June 2024	As at 31 December 2023	As at 31 December 2023
	GHS 000	GHS 000	GHS 000	GHS 000
Non-current assets	11,227,907	10,904,328	9,548,436	9,193,753
Property, plant and equipment	7,512,147	7,509,276	6,432,554	6,428,601
Right-of-Use assets	1,667,496	1,667,496	1,484,549	1,484,549
Intangible assets and goodwill	1,784,166	1,541,118	1,369,559	1,091,790
Investment in subsidiary	-	20,050	-	20,050
Investments	20,000	-	20,000	-
IRU assets	116,812	116,812	123,417	123,417
Deferred tax assets	77,711	-	73,011	-
Capitalized contract cost	49,575	49,576	45,346	45,346
Current assets	23,559,810	2,544,409	21,410,005	3,897,709
Inventories	33,007	33,007	80,998	80,998
Trade receivables and other receivables	1,767,863	1,719,843	1,490,693	1,351,570
Income tax assets	99,637	40,864	189,533	167,965
Growth and Sustainability Levy assets	49,484	21,220	14,138	7,789
IRU assets	26,664	26,664	29,129	29,129
Investments in securities	253,343	-	278,285	-
Mobile Money float	19,709,989	-	16,381,096	-
Cash and cash equivalents	1,619,823	702,811	2,946,133	2,260,258
Total assets	34,787,717	13,448,737	30,958,441	13,091,462
Total equity	8,634,150	7,359,005	8,619,074	7,693,173
Stated capital	2,222,888	2,222,888	2,222,888	2,222,888
Retain earnings	6,096,209	5,136,117	6,083,422	5,435,807
Other reserves	315,053	-	312,764	34,478
Non-current liabilities	2,520,192	2,272,126	2,703,498	2,452,002
Borrowings	-	-	73,422	73,422
Deferred tax liabilities	635,158	635,158	575,714	575,714
Lease liabilities	1,600,927	1,600,927	1,711,375	1,711,375
IRU liability	24,513	24,513	26,071	26,071
Other non-current liabilities	244,775	-	245,967	-
Non-current share-based payment liability	4,594	1,901	60,959	55,996
Provisions	10,225	9,627	9,990	9,424
Current liabilities	23,633,375	3,817,606	19,635,869	2,946,287
Trade and other payables	2,501,024	2,699,408	1,879,444	1,890,427
Obligations to electronic money holders*	19,709,989	-	16,381,096	-
Contract liabilities	196,061	196,061	347,476	347,476
Provisions	218,202	71,096	246,416	98,264
Lease liabilities	683,103	683,103	448,109	448,109
IRU liability	4,573	4,573	3,795	3,795
Deferred income	21,686	21,686	-	-
Other liabilities	157,058	-	171,317	-
Borrowings	141,679	141,679	158,216	158,216
Total liabilities	26,153,567	6,089,732	22,339,367	5,398,289
Total equity and liabilities	34,787,717	13,448,737	30,958,441	13,091,462

*Obligations to electronic money holders (Mobile Money float) is made up of GHS9.1 billion Bank-Owned funds and GHS10.6 billion of funds in Customer wallets.

The condensed consolidated and separate financial information for the six-month period ended 30 June 2024 was approved by the Board of Directors on 30 July 2024 and signed on its behalf by:


Stephen Blewett
 Chief executive officer


Antoinette Kwofie
 Chief finance officer

MTN Ghana condensed consolidated and separate financial information for the six-month period ended 30 June 2024

Summary statements of changes in equity - Group

	Stated Capital	Retained Earnings	Other Reserves	Total Equity
Six-month period ending 30 June 2024	GHS 000	GHS 000	GHS 000	GHS 000
Opening balance as at 1 January 2024	2,222,888	6,083,382	312,763	8,619,033
Profit for the year	-	2,331,448	-	2,331,448
Other comprehensive income	-	-	-	-
Total comprehensive income	-	2,331,448	-	2,331,448
Equity movement	-	-	(34,478)	(34,478)
Other Equity movement	-	-	36,768	36,768
Equity other	-	(2,290)	-	(2,290)
Transfer between reserves	-	(2,290)	2,290	-
Transaction with owners of Company:	-	-	-	-
Dividend Paid	-	(2,316,331)	-	(2,316,331)
Closing balance as at 30 June 2024	2,222,888	6,096,209	315,053	8,634,150

Six-month period ending 30 June 2023				
Balance as at 1 January 2023	1,097,504	4,396,677	215,482	5,709,663
Profit for the year	-	1,711,083	-	1,711,083
Other comprehensive income	-	-	-	-
Total comprehensive income	1,097,504	6,107,760	215,482	7,420,746
Equity movement	1,125,384	-	19,301	1,144,685
Other Equity movement	-	-	60,816	60,816
Equity other	-	(81,103)	-	(81,103)
Transfer between reserves	-	-	-	-
Transaction with owners of Company:	-	-	-	-
Dividend Paid	-	(1,524,019)	-	(1,524,019)
Closing balance as at 30 June 2023	2,222,888	4,502,638	295,599	7,021,125

MTN Ghana condensed consolidated and separate financial information for the six-month period ended 30 June 2024

Summary statements of changes in equity - Company

	Stated Capital	Retained Earnings	Other Reserves	Total Equity
Six-month period ending 30 June 2024	GHS 000	GHS 000	GHS 000	GHS 000
Balance as at 1 January, 2024	2,222,888	5,435,756	34,478	7,693,122
Profit for the year	-	1,982,214	-	1,982,214
Other comprehensive income	-	-	-	-
Total comprehensive income	-	1,982,214	-	1,982,214
Equity movement	-	-	(34,478)	(34,478)
Other Equity	-	34,478	-	34,478
Transfer between reserves	-	34,478	(34,478)	-
Transactions with owners of the company:				
Dividends Paid	-	(2,316,331)	-	(2,316,331)
Closing balance as at 30 June 2024	2,222,888	5,136,117	-	7,359,005

Six-month period ending 30 June 2023				
Balance as at 1 January 2023	1,097,504	3,942,978	26,910	5,067,392
Profit for the year	-	1,530,181	-	1,530,181
Other comprehensive income	-	-	-	-
Total comprehensive income	1,097,504	5,473,159	26,910	6,597,573
Equity movement	1,125,384	-	19,301	1,144,685
Other Equity	-	(20,286)	-	(20,286)
Transfer between reserves	-	-	-	-
Transactions with owners of the company:				
Dividends paid	-	(1,524,019)	-	(1,524,019)
Closing balance as at 30 June 2023	2,222,888	3,928,854	46,211	6,197,953

MTN Ghana condensed consolidated and separate financial information for the six-month period ended 30 June 2024

Summary statement of cashflow

	Group For the six- month period ending 30 June 2024 GHS 000	Company For the six- month period ending 30 June 2024 GHS 000	Group For the six- month period ending 30 June 2023 GHS 000	Company For the six- month period ending 30 June 2023 GHS 000
Net cash generated from operating activities	1,362,840	1,189,898	2,150,796	1,993,431
Cash generated from operations	4,450,345	3,404,260	3,082,994	2,391,792
Interest received	157,574	603,747	106,054	407,082
Interest paid	(32,573)	(32,573)	(59,838)	(59,838)
Dividend paid	(2,316,331)	(2,316,331)	(398,635)	(398,635)
Growth and sustainability levy	(204,786)	(349,880)	(104,347)	(54,834)
Income tax paid	(691,389)	(119,325)	(475,432)	(292,136)
Net cash (used in)/from investing activities	(1,935,997)	(1,996,196)	(1,619,767)	(1,581,471)
Acquisition of property, plant and equipment	(1,369,462)	(1,369,686)	(989,355)	(989,355)
Acquisition of intangible assets	(599,244)	(599,244)	(537,912)	(537,912)
Acquisition of additional IRU capacity	(27,592)	(27,592)	(54,204)	(54,204)
Proceeds of Disposal of PPE	333	326	-	-
Investment in securities	59,968	-	(38,296)	-
Net cash used in financing activities	(718,375)	(717,183)	(488,574)	(488,574)
Finance lease payment	(630,182)	(630,182)	(428,820)	(428,820)
Repayments on borrowings	(87,001)	(87,001)	(75,001)	(75,001)
Decrease in other non-current liabilities	(1,192)	-	-	-
IRU liabilities	-	-	15,247	15,247
Net decrease/increase in cash and cash equivalents	(1,291,532)	(1,523,481)	42,455	(76,614)
Cash and cash equivalents at the beginning of the year	2,946,133	2,260,258	1,586,207	1,176,104
Exchange gain/(loss) on cash and cash equivalents	(34,778)	(33,966)	3,205	3,238
Cash and cash equivalents as at end of the period	1,619,823	702,811	1,631,867	1,102,728

MTN Ghana condensed consolidated and separate financial information for the six-month period ended 30 June 2024

Notes to the condensed consolidated and separate financial information

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, enterprise 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 and separate financial statements are for the Group consisting of the Company, Scancom PLC and its subsidiary, MobileMoney Limited. The same accounting policies and methods of computation are followed in this consolidated and separate financial statements as compared with the most recent annual financial statements.

2. Basis of preparation

This consolidated and separate financial information has been prepared in accordance with IFRS Accounting Standards applicable to interim financial reporting (IAS 34 Interim Financial Reporting), as issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRSIC) of IASB that are effective as at 30 June 2024 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). 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 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. 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.

Notes (continued)

All amounts in thousands of Ghana cedis	Network services	Interconnect and roaming	Digital and fintech	Mobile devices and accessories	Other	Total
2024 Revenue	5,625,477	247,800	2,132,327	31,888	73,097	8,110,589
2023 Revenue	4,329,165	228,297	1,526,627	21,516	72,323	6,177,928
%YoY	30%	9%	40%	48%	1%	31.3%
2024 EBITDA margin						56.1%
2023 EBITDA margin						56.1%
2024 Capex spend						2,762,629
2023 Capex spend						2,231,479
%YoY						23.8%
2024 profit after tax						2,331,448
2023 profit after tax						1,711,083
% YoY						36.3%

4. Property, plant and equipment and 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 recognized 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 recognized as intangible assets. During the period, PPE amounting to GHS1.7 billion was acquired and capitalized, while an intangible asset amounting to GHS599.2 million was acquired and capitalized.

The Group recognizes 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 GHS507.1 million was capitalized.

Breakdown of capex (GHS 000)

Details	Cash movement	Non-cash / credit	Item total
Property, plant and equipment	1,656,285		1,656,285
Intangible assets			
(incl spectrum cost GHS575.5 m)	599,244	-	599,244
Right-of-use assets	-	507,100	507,100
Total capex	2,255,529	507,100	2,762,629

5. 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 recognized because an outflow of resources is not probable, or a reliable estimate cannot be made. The Group does not recognize 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.

6. Determination of fair value

The Group considers the carrying values of cash and cash equivalents, trade receivables, trade and other payables and their fair values due to their short-term 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 short-term nature. The Group considers that the recognized 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).

The condensed consolidated and separate financial information for the six-month ended 30 June 2024 on pages 7 to 14 was approved by the Board of Directors on 30 July 2024 and was signed on its behalf by:



Stephen Blewett
Chief executive officer



Antoinette Kwofie
Chief finance officer

Contact

Jeremiah Opoku

Investor Relations

Scancom PLC (MTN Ghana)

Telephone: +233 244 300 000

Email: InvestorRelations.Gh@mtn.com

Pala Asiedu Ofori

Company Secretary

Scancom PLC (MTN Ghana)

Telephone: +233 244 300 000

Email: Pala.AsieduOfori@mtn.com

Please visit the [investor](#) page on our website to download our financials and other investor information.

Annexure

1. Quarterly financial highlights

	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
	GHS 000	GHS 000	GHS 000	GHS 000	GHS 000
Total revenue	4,264,147	3,846,443	3,668,896	3,502,647	3,274,860
Service revenue	4,248,134	3,830,567	3,652,500	3,486,594	3,263,110
Voice	840,910	895,055	853,875	918,003	905,771
Data	2,143,622	1,817,305	1,708,449	1,575,384	1,419,580
MoMo	1,066,060	870,603	824,629	718,386	695,043

2. Quarterly non-financial highlights (Net additions)

	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
	GHS 000	GHS 000	GHS 000	GHS 000	GHS 000
Voice Subs 1	572,625	986,952	957,747	(1,461,375)	(145,455)
Active data subs²	367,827	664,310	874,753	344,455	239,403
Active MoMo subs²	940,918	344,349	842,068	169,364	796,855

¹ RCS 90 subscribers.

² RCS 30 subscribers

* 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.



Scancom PLC (MTN Ghana)

MTN House, Independence Avenue, Accra
P.O.Box TF 281, Trade Fair, La, Accra, Ghana
Tel: +233 (0) 24 430 0000
Fax: +233 (0) 233 1974

mtn.com.gh