MTN

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2024 MTN Rwandacell PLC
Integrated Report and Financial Statements

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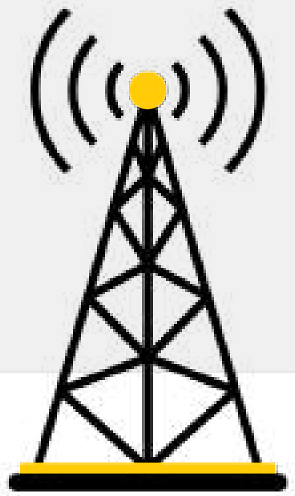

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INTRODUCTION

About this Report

MTN Rwandacell PLC("MTN Rwanda") together with its subsidiary company, Mobile Money Rwanda Limited, collectively is pleased to present its FY2024 Integrated Report, our second report to be prepared with reference to the fundamental concepts, guiding principles and elements of the International Integrated Reporting Council's (IIRC) Integrated Reporting (IR) Framework.

Following the adoption of the framework, we have made significant progress in some of our business areas. As a business, we are continually evolving to ensure we uphold the best standards in the industry.

Scope and Boundary

This Integrated Annual Report is the primary report of MTN Rwandacell PLC and its subsidiary Mobile Money Rwanda Limited (MTN Rwanda or the Group, collectively, 'we', 'us') to its stakeholders, and is a concise, material and honest assessment, reviewed and authorised by our Board of Directors (the Board) of how we create long-term value and how we deliver on our belief that everyone deserves the benefits of modern connected life. The report provides an overview, in terms of our strategy and business model, principal risks, operational, financial and governance performance and activities for the financial year 01 January 2024 to 31 December 2024.

Our intention in this report is to describe both our financial and non-financial activities and performance during the year. In compiling the report, we have reflected the integrated thinking that we apply to our business activities, and we have endeavoured to demonstrate our commitment to the principles of integrated reporting as aligned with our ability to create value in the short, medium and long term as described in our Ambition 2025 strategy.

Framework

This Integrated Report has been prepared in compliance with global best practices and prudent accounting frameworks for our shareholders. It is aligned to the provisions of the Rwanda Utility Regulatory Authority (RURA) guidelines and the National Bank of Rwanda. The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The Integrated Report is part of our commitment to transparency and accountability to our stakeholders. We continue to align to the Rule Book (2013) of the Rwanda Stock Exchange (RSE), Rwanda Companies Act (2021) and consider additional reporting frameworks or metrices we could use to enhance our disclosures.

Assurance

The Annual Financial Statements for MTN Rwanda were audited by Ernst & Young Rwanda Limited in accordance with the International Standards on Auditing (ISAs).

The Board of Directors (the Board) acknowledges its responsibility for the integrity of MTN Rwanda's integrated report. Through the Audit and Risk Committee, the Board verified the independence of the assurance obtained from the External Auditors.

Forward Looking Statement

The Integrated Annual Report may contain "forward-looking statements" relating to the Company's business. These forward-looking statements can be identified by the use of forward-looking terminology such as "believes", "expects", "may", "is expected to", "will", "will continue", "should", "would be", "seeks" or "anticipates" or similar expressions or the negative thereof or other variations thereof or comparable terminology, or by discussions of strategy, plans or intentions. These statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from the future results, performance or achievements that may be expressed or implied by such forward-looking statements. Some of these factors are discussed in more detail under "Risk Management". Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this Integrated Annual Report as anticipated, believed, estimated or expected.

Who We Are

MTN Rwandacell Plc (MTN Rwanda) is the market leader in mobile telecommunications in Rwanda. Since 1998, we have continuously invested in expanding and modernizing our network and leading digital solutions for Rwanda's progress.

As the country's No 1 network, we offer various services to subscribers, including innovative propositions such as personalized voice and data offers as well as fintech services for individuals and corporates with a clear vision to lead the delivery of a bold, new digital world to our customers because we believe everyone deserves the benefits of a modern connected life.

> *Our Ambition 2025* : *'Leading digital solutions for Rwanda's progress' is driving accelerated growth and faster deleveraging, positioning MTN for greater relevance to 2025.*
> *We position ourselves as a telecommunications operator that leads digital solutions for Rwanda's progress.*

We never settle for less

Our Vision

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

Our Belief

That everyone deserves the benefits of a modern connected life.

Our Values

- Lead with Care
- Collaborate with Agility
- Can-Do with Integrity
- Serve with Respect
- Act with Inclusion

Strategic Priorities

- Build the largest and most valuable platforms
- Drive Industry-leading connectivity operations
- Create shared value
- Accelerate portfolio transformation

Vital Enablers

- Leading customer experience
- Best talent, culture & future skills
- Value based capital allocation
- ESG at the core
- Technology platforms second to none

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Where we Operate

Rwanda

Our Products

Personal

Voice
Data
Yolo
Xtratime
Ayoba

Value Added Services
Device Financing
Home Broadband
Digital Services

Business

Cloud Services
Enterprise Broadband
Wholesale Connectivity
SME

MoMo

Person to Person Transfers
Remittances
MoMoPay
Mokash

MTN Rwanda Milestones

1998

Our journey began in 1998, starting out as an exclusive GSM network providing voice and SMS services. Since then, we have expanded our product, services, and rechnology offerings.

Tristar Investments Invited **MTN Group** to partner in establishing its first Investment outside South Africa in the establishment of **MTN Rwandacell.**

2008

MTN Rwandacell Registered its one millionth mobile phone subscriber.

2010

MTN Rwandacell launched Mobile Money and the **MTN Foundation.**

2015

Crystal Ventures (Formerly Tristar Investments)listed its shareholding in **MTN Rwandacell** (20%) to the investing public through an initial public offer (IPO) on the **Rwanda Stock Exchange** in the form of an SPV, Crystal Telecom PLC.

2019

MTN Rwandacell Registered its five millionth mobile phone subscriber.

MTN Rwandacell launches a campaign #Connect Rwanda aimed to connect 2.9 million households with Smart phones and improving smart phone penetration in Rwanda.

MTN Rwanda Milestones

2021

Mobile Money Rwanda Ltd incorporated as a fintech subsidiary.

MTN Rwanda receives approval to List by Introduction on the **Rwanda Stock Exchange** following CTL's resolution to cease business and distribute its surplus assets in specie to its shareholder.

MTN Rwanda renews its Individual License for a further 10 years. Under the new licensing framework. **MTN Rwanda** can provide **Network Services, Network Infrastructure Services, Application Services and Content Provider Services.**

2022

Connect Rwanda 2.0 launched by introducing #Macye Macye, an innovative financing programme in collaboration with Bank of Kigali Plc that allowed customers to pay for their devices in manageable instalments over 12 months further driving smartphone penetration in Rwanda.

2023

MTN Rwanda launched its own **4G LTE network** in July 2023 providing best in-class network connectivity services to its customers. This was a result of the Regulator's modification of **MTN Rwanda's** Individual License following the liberalisation of access to 4G and future technologies.

MTN Rwanda marked 25 years anniversary of pioneering mobile telecommunications.

In celebration of its 25th anniversary, **MTN Rwanda** extended "25,000 trees for 25 years" environmental initiative, demonstrating its unwavering commitment to environmental stewardship and sustainability.

MTN Rwandacell Registered its seventh million mobile phone subscriber.

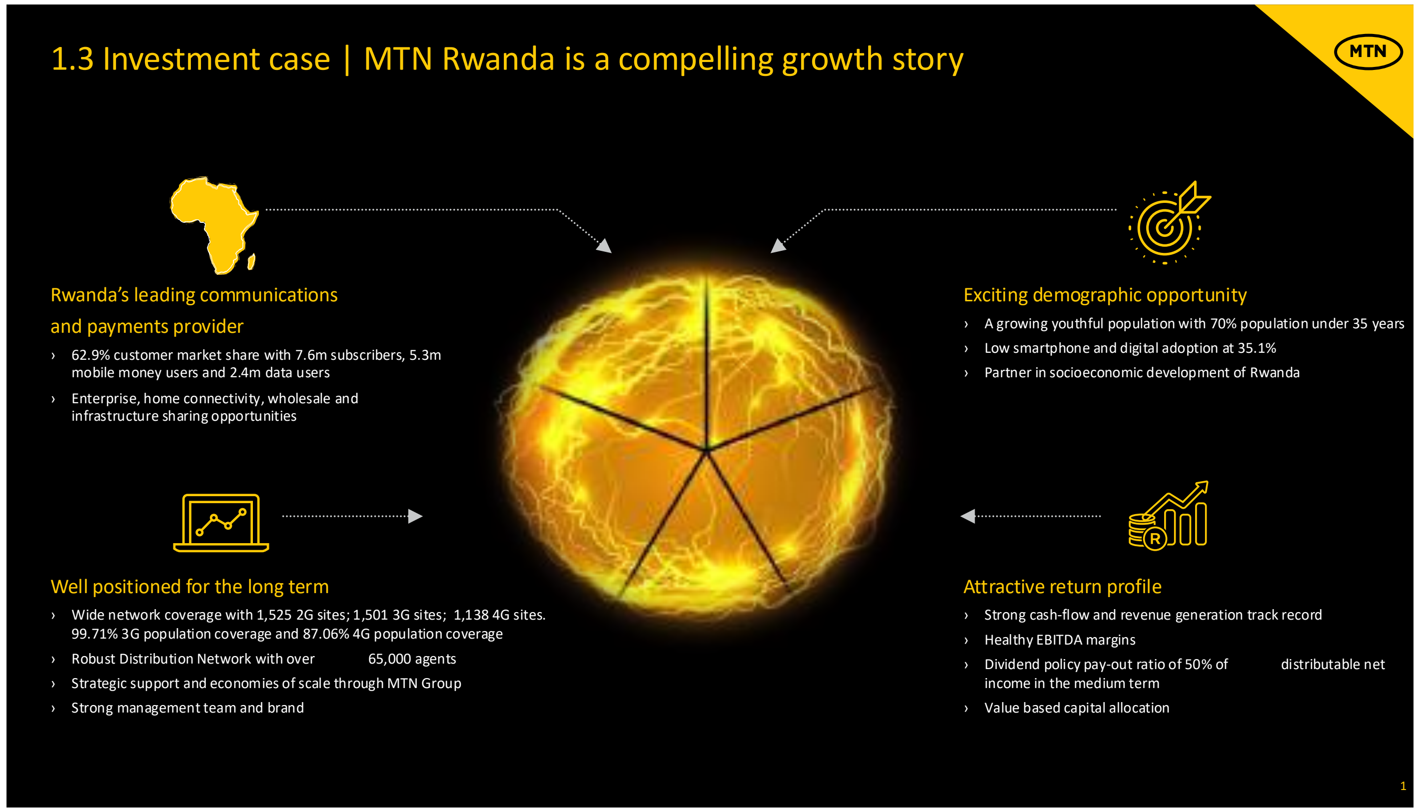
2024

Mobile Money Rwanda Ltd registered its **five millionth MoMo user.**

In partnership with the Ministry of ICT and Innovation, **MTN Rwanda** unveiled their affordable **4G enabled smartphone, IKOSORA+,** under the umbrella digital inclusion initiative **Connect Rwanda 2.0** that distributed over 100,000 ikosora devices driving affordability and digital transformation.

Ericsson and MTN completed the expansion and modernization of **MTN's network in Kigali** to extend network coverage, enhance user experience in the country and prepare the network for the introduction of **5G.**

Investment Case



Our Story in Numbers

MTN Rwanda's journey is one of consistent evolution, impact, and performance. Over the years, we have combined disciplined commercial execution with purpose-driven innovation to deliver connectivity and financial inclusion at scale. Below is a snapshot of the numbers that tell our story in 2024.

Empowering Millions Through Connectivity and Innovation

7.6 million total subscribers, a **5.1%** increase year-on-year reinforcing our market leadership.

2.4 million active data subscribers, reflecting efforts to improve data affordability and accessibility.

5.3 million monthly active Mobile Money (MoMo) users, up **8.0% YoY**, showcasing strong fintech momentum.

11.6K home broadband users, representing a **27.0% growth**, expanding digital inclusion across households.

Financial Discipline and Investment for Growth

Rwf 92.9 billion EBITDA, down **19.8% YoY** due to margin compression, with a margin of 35.5%.

Rwf 70.5 billion in total capital expenditure (**Rwf 36.9 billion ex-leases**), underpinned by network modernization.

Rwf 5.5 billion net loss, impacted by zero-rated MTRs and elevated opex, with Q4 showing turnaround signs.

Rwf 5.3 billion profit after tax in Q4 alone, marking a return to profitability for the quarter.

Enabling Digital and Financial Transformation

Rwf 257.7 billion in service revenue, up **4.6% YoY**, demonstrating resilience despite multiple headwinds impacting the business.

Rwf 116.7 billion in MoMo revenue, a **30.3% growth**, driven by uptake in advanced services, which now contribute **27.6%** of total MoMo revenue.

Rwf 45.2 billion in data revenue, maintaining stable performance **(+0.2% YoY)**.

Rwf 68.7 billion in voice revenue, down **17.8% YoY**, reflecting structural shifts in consumer behavior and pricing pressures.

Operational Excellence and ESG Impact

8.9% GDP growth in Rwanda, supporting commercial expansion.

Urban inflation averaged **4.8%**, boosting consumer confidence.

127 sites upgraded to **4G LTE** as part of our network transformation and in preparation for **5G rollout**.

Award-winning performance, including top rankings in the **MTN Group's "Million Dollar Challenge** for Most Valuable Platform: Fintech" and local recognition for gender equality and tax compliance.

Key Operational Highlights

Operational Performance and Strategic Milestones

In 2024, MTN Rwanda continued to advance its strategic ambition of leading digital solutions for Rwanda's progress, navigating a dynamic macroeconomic and regulatory environment while delivering meaningful value to its stakeholders. The year was marked by a resilient operational execution, despite facing pressures from regulatory interventions, forex volatility and heightened competitive intensity.

We grew our total subscriber base by 5.1% year-on-year (YoY) to 7.6 million, reaffirming our market leadership. This growth was underpinned by our deliberate efforts to enhance customer value propositions, optimize distribution, and expand our digital platforms. Our mobile money ecosystem remained a standout performer, with monthly active users increasing by 8.0% to 5.3 million, and our merchant base expanding by 54.4% to 521,000.

Our MoMo platform cemented its position as a cornerstone of financial inclusion in Rwanda. MoMo transaction volumes surged by 18.5% to 1.9 billion and transaction values grew by 47.1% to Rwf 21.0 trillion. Importantly, advanced services spanning payments, savings, remittances, and lending grew by 56.2%, contributing 27.6% to total MoMo revenue.

MTN Rwanda's network modernization strategy progressed significantly in 2024. We deployed 222 new sites and completed the modernization of Kigali's network, improving efficiency and customer experience. Home broadband subscribers rose by 27.0% to 11,600, while 4G users grew by 17.8%, reflecting the rising demand for high-speed connectivity. We also extended our 2G/3G population coverage to 99.7% and 4G coverage to 87.6%.

Digital transformation initiatives, such as the #ConnectRwanda 2.0 campaign, played a vital role in bridging the digital divide. We supplied over 100,000 subsidized smartphones increasing smartphone penetration into the market from 27.0% to 33.7%. Data usage per customer increased by 35.7%, driven by tailored data bundles and enhanced user engagement.

Operational resilience was complemented by continued investments in sustainability. In line with our ESG commitments, we introduced biodegradable SIM cards, full electric vehicles to our fleet and partnered with UNICEF on digital child protection. Our efforts contributed to an improved Reputation Index score of 84.0%, the highest in five years.

Key Financial Highlights

Financial Performance Summary

Despite a complex operating environment, MTN Rwanda demonstrated resilient financial performance in 2024, supported by robust momentum in fintech and a comprehensive review of the company's asset depreciation profile in the second half of the year.

Total Revenue increased by **4.9% YoY** to **Rwf 261.6 billion**, with Service Revenue growing by **4.6%** to **Rwf 257.7 billion**, driven primarily by a 30.3% surge in MoMo revenue to **Rwf 116.7 billion**, which now constitutes **45.3%** of total service revenue.

Voice Revenue declined by **17.8%** to **Rwf 68.7 billion**, impacted by regulatory constraints including the zero-rating of Mobile Termination Rates (MTRs). However, the downward trend moderated in the fourth quarter Q4 2024, with only a **4.6%** decrease YoY.

Data Revenue remained stable at **Rwf 45.2 billion**, reflecting intensified pricing competition and a decrease in active data users. Yet, data volumes surged in the fourth quarter 2024 Q4 due to growing smartphone adoption and a **143%** increase in **4G traffic**.

EBITDA declined by **19.8%** to **Rwf 92.9 billion**, with the EBITDA margin narrowing to **35.5%** from **46.4%**, primarily due to elevated Opex, currency depreciation and the impact of zero MTRs. Encouragingly, the fourth quarter Q4 EBITDA margin improved to **39.6%**, signalling a positive inflection.

Loss after tax for the full year was **Rwf 5.5 billion**, largely attributable to a lower EBITDA performance. However, the business posted a profit of **Rwf 5.3 billion** in the fourth quarter 2024 Q4, representing a **328.9% YoY** increase, highlighting a strong recovery trajectory.

Capital expenditure (ex-leases) amounted to **Rwf 36.9 billion**, a **40.6%** decline YoY, reflecting a disciplined approach to capital allocation following significant platform investments **(Ericsson Converged Wallet Platform)** in 2023. Capex intensity stood at **14.1%**, below the guidance range.

Free cashflows (FCF) stood at **Rwf 54.5 billion,** signalling a healthy profile, enabling ongoing investments in our network and platforms despite economic headwinds.

Looking ahead, MTN Rwanda remains focused on executing its Ambition 2025 strategy. The medium-term guidance includes:

- **Mid-teens service revenue growth**
- **EBITDA margin of 40.0–42.0%**
- **Capex intensity between 15.0–18.0%**

Through continued commercial discipline, network investments, and customer-centric innovation, MTN Rwanda is well positioned to restore profitability, enhance shareholder value, and accelerate digital inclusion across the country.

Recent Awards and Recognition

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MTN Global Leadership Gathering (GLG)

On February 4-5, our ***Y'ello*** leaders convened in South Africa to align on our ambitions Beyond 2025. This year's themes: Clarity, Speed, and Resilience set the tone for an action driven future.

MTN Rwanda took centre stage, winning two awards.

Overall Winner: Build the Largest & Most Valuable Platforms - Fintech
2nd Runner-Up CEO of the Year: MTN Rwanda CEO

People Matters Awards 2024

MTN Rwanda was honoured with the Outstanding Compensation and Benefits Award for its dedication to employee well-being and empowerment, a testament to the HR team's exceptional efforts.

MTN Group Fintech Forum

MoMo Rwanda won two prizes from the 2024 MTN Group Fintech Forum as the Ultimate Tax partner and Overall Treasury partner.

MTN Group CTO/CIO/CTIO Conference

MTN Rwanda received the Information Security Improvement Award at the CTO/ CIO/CTIO Conference in South Africa for advancements in cybersecurity.

Institute of Certified Public Accountants of Rwanda (ICPAR) Annual Tax Convention

Acknowledged for Exemplary Support & Dedication at the annual tax convention, reinforcing MTN Rwanda's commitment to compliance and fiscal responsibility.

Key Regulatory Update

Zero-rating of Mobile Termination Rate (MTR) by RURA

In August 2023, Rwanda Utilities Regulatory Authorities (RURA) set new directives on local interconnection rates for the mobile telecommunication sector. The consequence of this directive meant that as from August 2023, all operators in the mobile telecommunication sector would not recognize local incoming interconnect revenue. This negatively impacted our service revenue performance and EBITDA margins in 2024.

Following the completion of a Mobile Termination Rate (MTR) market study and constructive engagement with the regulator, we are encouraged that RURA is currently finalizing discussions with stakeholders including mobile operators with a view to issuing new MTR directives.

Regulatory directives related to One Network Area (ONA)

ONA is an initiative by East Africa partner states that aims to create a common market for member states by harmonizing telecommunications policies. This includes harmonized roaming costs, calls across partner states treated as local calls, price caps on roaming charges and the removal of surcharges on cross-border telecommunications traffic.

This intends to bring down the cost of roaming for voice calls, for roaming customers among partner states. The mobile terminating costs (interconnect costs) are meant to be realized by the home operator of the roamer when receiving a call.

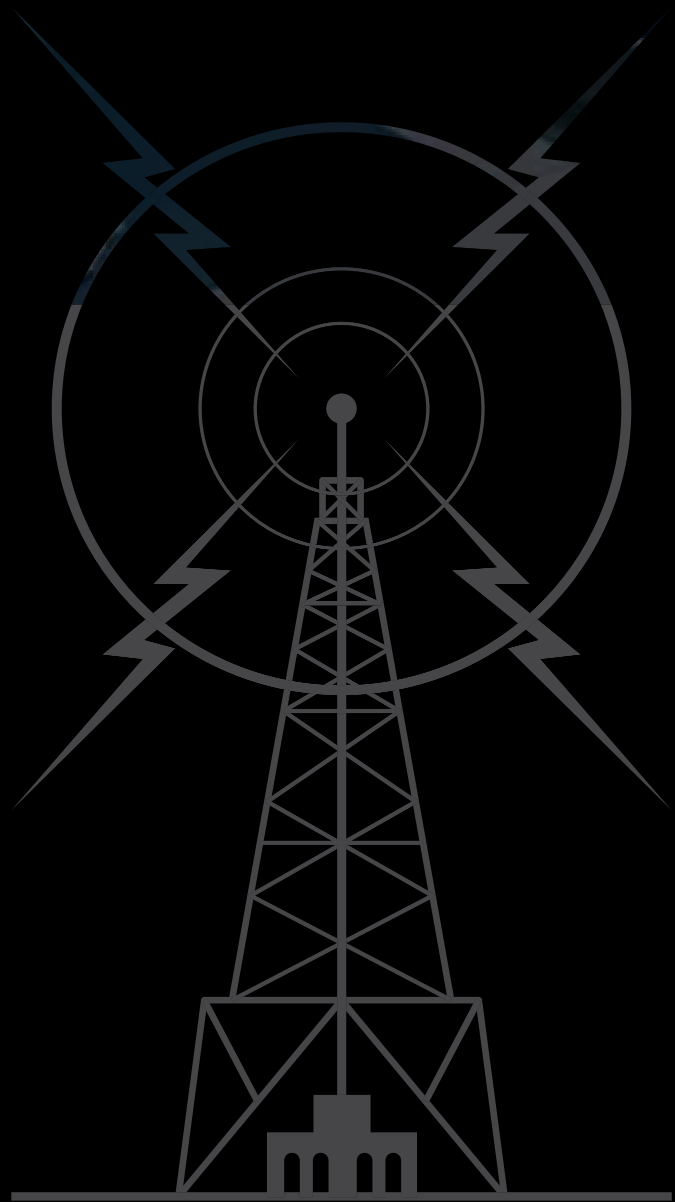
The introduction of zero MTR triggered a substantial increase in outgoing traffic to a high number of permanent roamers in the ONA countries of Uganda and South Sudan utilizing our network, thereby leading to an increase in interconnect cost of sales.

In September 2024 the regulator agreed to categorize calls to roaming subscribers within the ONA region as international traffic. We are currently in the process of aligning with other operators to implement these changes and finalize the rates. In the meantime, calls to roaming subscribers in Uganda and South Sudan are classified as out-of-bundle to cover interconnect costs.

Regulatory Directive on SIM Registration Premises

In August 2024 the regulator issued a directive to Mobile Network Operators (MNOs) with regards to approved premises for SIM Registration and SIM Swap. MTN Rwanda was required to stop SIM registration and SIM swaps in Kiosks and remove SIM registration capabilities from Mobile Point of Sales (MPOS) devices used by roaming agents. This led to a significant decline in daily gross additions in late third quarter of 2024 and early fourth quarter of 2024.

The regulator subsequently permitted SIM registration and SIM swaps in kiosks, which provides support to our customer acquisition efforts.



STRATEGIC REPORT

> ***Our values Inclusion, Respect, Agility, Integrity and Care anchor our culture and shape the way we deliver impact across the country, our focus areas, enabling levers, and core values into a unified strategic vision.***

Chairman's Statement

As Chairperson of MTN Rwandacell Plc, I am pleased to present our 2024 Integrated Annual Report. This year, we navigated a complex operating landscape with resilience and focus, delivering on our strategic commitments, strengthening our operational execution and reinforcing our long-term value creation ambitions.

Macroeconomic Context And Strategic Resilience

The macroeconomic environment remained challenging in 2024, with currency depreciation impacting businesses across emerging markets. In Rwanda, the franc depreciated by 13.6% on average against the US dollar, increasing input costs particularly for foreign currency denominated expenses.

Despite these headwinds, Rwanda's economy displayed remarkable resilience, with GDP growing by 8.9% and urban inflation averaging 4.8%, remaining within the central bank's target of 2.0% - 8.0%. This macro stability enabled a strong second-half commercial recovery, underpinned by disciplined cost management and improved business momentum.

Advancing Our Strategic Priorities

Our Ambition 2025 strategy continues to guide our investments and actions. In 2024, we delivered tangible progress across all four pillars:

- Build The Largest And Most Valuable Platforms: MoMo revenue grew by 30.3%, with strong uptake in digital payments and advanced services.
- Drive industry-leading connectivity operations: We deployed 222 new sites, modernized the Kigali network and expanded 4G coverage.
- Create Shared Value: Our initiatives in financial inclusion, environmental sustainability and community engagement deepened our ESG impact.
- Accelerate Portfolio Transformation: We laid the groundwork for deeper fintech integration and ecosystem development.

These milestones were achieved despite broader market challenges and reinforce our commitment to digital innovation, customer value and inclusive growth.

Strengthening Sustainability and ESG Outcomes

Our long-term competitiveness is underpinned by multiple drivers, with sustainability continuing to play a central role. While we did not meet our 2024 emissions reduction target, reporting 4,129 tCO_2 e against a target of 3,088 tCO_2 e, we have redoubled our commitment, setting a 17.5% reduction target for 2025.

Our sustainability actions in 2024 included expanded solar use in data centres, deployment of fully electric vehicles and the rollout of green workplace practices. As a member of MTN Group's Project Zero, we remain firmly aligned to our ambition of achieving net-zero emissions by 2040.

Governance and Board Stewardship

The Board continued to uphold high standards of governance, ensuring strategic oversight and stakeholder alignment throughout the year. We were pleased to welcome Wanda Matandela and Peace Uwase as Non-Executive Directors in January 2024, bringing valuable commercial and regulatory expertise.

At year-end, the Board comprised nine members, including five independent directors and four women reinforcing our commitment to independence, diversity, and sound governance practices.

Chairman's Statement Continued

Dividend Consideration

Following the reported full-year loss of Rwf 5.5 billion, the Board resolved not to declare a dividend for the 2024 financial year. This prudent decision prioritizes balance sheet flexibility and positions the company to reinvest in critical areas of growth and transformation. Encouragingly, our fourth quarter profit of Rwf 5.3 billion illustrates improving financial health and underpins our confidence in future performance recovery.

Outlook for 2025

Looking to 2025, we are cautiously optimistic. We anticipate continued economic expansion, strong platform momentum, and greater operational efficiency to support our earnings recovery. Our strategic priorities remain anchored in:

- Rebuilding earnings and EBITDA margins through disciplined execution.
- Scaling fintech and deepening platform partnerships.
- Advancing digital and ESG transformation.
- Expanding our network and elevating customer experience.

With a capable leadership team and a clear strategic focus, we are well-positioned to deliver on our vision of leading digital solutions for Rwanda's progress.

Acknowledgements

On behalf of the Board, I wish to extend heartfelt appreciation to Mr. Mark Nkurunziza, who concluded his tenure as Chief Financial Officer in November 2024. Mark has been instrumental in strengthening financial stewardship and investor confidence since our listing.

I also acknowledge the exceptional leadership of Ms. Mapula Bodibe, who completed her term in Rwanda as CEO in April 2025. Mapula led the business through a period of transformation, marked by operational resilience, platform scaling and deeper ESG integration. Her legacy is one of purpose-led leadership and inclusive innovation.

We warmly welcome Mr. Monzer Ali as Chief Executive Officer. Monzer brings deep experience in telecoms and digital transformation across emerging markets. His appointment signals our commitment to unlocking long-term value and innovation-led growth.

To my fellow Board members, management, employees and all our stakeholders, thank you for your continued dedication and trust. Together, we remain steadfast in our ambition to shape a connected, empowered and sustainable future for Rwanda.

Faustin K. Mbundu
Chairperson of the Board
MTN Rwandacell Plc

"The combination of disciplined execution, stakeholder collaboration, and a focused commitment to our Ambition 2025 strategy enabled us to navigate a complex operating environment and exit the year with renewed momentum and optimism"

Chief Executive Officer's Statement

Resilience, Recovery and Strong Momentum Towards Sustainable Growth

2024 was a year that tested our resilience and reaffirmed the strength of our purpose, strategy and people. Against a backdrop of macroeconomic volatility, regulatory shifts and competitive intensity, MTN Rwanda stood firm delivering commercial momentum, restoring investor confidence, and laying a solid foundation for long-term value creation. The combination of disciplined execution, stakeholder collaboration, and a focused commitment to our Ambition 2025 strategy enabled us to navigate a complex operating environment and exit the year with renewed momentum and optimism.

Our strategic intent of "Leading digital solutions for Rwanda's progress" continues to inspire everything we do; from how we innovate, serve our customers, support the economy, and transform lives. This intent came to life in 2024, not just in our financial outcomes, but also in how we deepened digital and financial inclusion, modernized our infrastructure, and amplified our contribution to the national development agenda.

Delivering Commercial and Operational Momentum

We ended the year with 7.6 million subscribers, representing a 5.1% year-on-year growth, driven by strong acquisition initiatives, enhanced distribution reach, and compelling customer value propositions. Although voice revenues continued to be impacted by the regulatory zero-rating of Mobile Termination Rates (MTRs), we demonstrated resilience through a well-executed commercial strategy and operational efficiencies, that enabled us to stabilize topline revenue performance as well as to significantly improve performance and gain share in strategic areas.

Service revenue grew by 4.6% year-on-year to Rwf 257.7 billion, reflecting a steady recovery in the second half of the year. The standout contributor was our Fintech business, which recorded a strong 30.3% revenue growth to Rwf 116.7 billion. Mobile money is now at the heart of our platform business, contributing 45.3% of service revenue. Monthly active MoMo users grew by 8.0% to 5.3 million. We continued to expand our digital financial services ecosystem with notable growth in merchant services, remittances, payments, and savings & lending products now accounting for over 27.0% of total MoMo revenue.

Voice revenue declined by 17.8% year-on-year, primarily driven by the impact of mobile termination rates (MTR) that were zero rated. Excluding the zero Mobile Termination Rate (MTR) impact, the normalized decline would have been significantly lower. Our data business maintained steady performance, ending the year flat at Rwf 45.2 billion, but with promising trends in the fourth quarter driven by increased usage per user and strong adoption of 4G. Smartphone penetration rose to 33.7%, boosted by initiatives such as connect Rwanda 2.0, which facilitated the distribution of over 100,000 affordable 4G smartphones.

Home broadband subscribers grew by 27.0% to 11,600, supported by the continued rollout of fibre and fixed wireless solutions. Our enterprise business also contributed positively, underpinning the resilience of our enterprise services portfolio.

Network Modernization: Investing In Best-In Class Network Infrastructure

In 2024, we made significant strides in modernizing and expanding our network to meet the evolving needs of our customers and to future-proof our digital platforms. We invested Rwf 36.9 billion in capex (ex-leases) and rolled out 222 new sites across the country. The completion of the Radio Access Network (RAN) modernization programme in Kigali was a key milestone that enhanced network reliability, improved data speeds, and reduced congestion in high-traffic areas. The network modernization programme also supports our sustainability goals through the introduction of digitised and more energy-efficient infrastructure.

We increased 4G user penetration by 17.8% and 4G data traffic by an impressive 143.0%. These gains reflect the impact of our investments in expanding coverage, device affordability programs and improved user experience. We now boast over 2.7 million smartphones on our network: a 36.8% increase year-on-year providing a strong base to unlock the next wave of digital services.

Network modernization remains a key enabler of our long-term strategy. As we look ahead, our value-based investment strategy will continue to balance coverage expansion, quality of service improvements and preparation for next-generation technologies, including 5G readiness and cloud-based platforms.

Driving Our Sustainability And ESG Agenda

MTN Rwanda remains deeply committed to creating shared value for all stakeholders. In 2024, we elevated our sustainability agenda, embedding ESG principles into the core of our strategy and operations.

Our environmental efforts saw the introduction of fully electric vehicles into our operational fleet, marking a critical step in reducing our carbon footprint. We also deployed solar power solutions across some of our data centres, reinforcing our ambition to operate more sustainably and reduce dependence on fossil fuels.

From a sustainable societies perspective, our impact was both broad and meaningful. In partnership with UNICEF Rwanda, we advanced key child protection and digital literacy programmes, including initiatives aimed at enhancing online safety for children and improving access to digital education resources. These efforts reflect our commitment to building a responsible digital society.

We deepened our support for youth and education through MTN's "21 Days of ***Y'ello*** Care" programme and our pledge to the #DusangireLunch school feeding programme. Our annual support to Imbuto Foundation's Edified Generation Programme enabled over 100 underprivileged students to continue their education. Additionally, our school kitchen project at Groupe Scolaire Bukure now feeds over 1,500 students daily, improving learning conditions and nutrition outcomes.

Governance and transparency remain cornerstones of our stakeholder relationships. Our 2024 Reputation Index Score improved by 3 percentage points to 84.0%, reflecting our efforts to enhance stakeholder engagement, disclosures and brand trust. This is an outcome that we intend to build upon in 2025.

Responding to Regulatory Shifts With Constructive Engagement

The industry experienced unprecedented regulatory developments in 2024. Key among them was the Rwanda Utilities Regulatory Authority's (RURA) directive to zero-rate local MTRs in August 2023 going into 2024, which significantly impacted our interconnect revenues and resulted in aggressive market repricing. Consequently, our voice revenue reduced, as did infrastructure monetization opportunities.

However, through continuous and constructive engagements with RURA, we made meaningful progress. By the fourth quarter of 2024, new regulatory guidance was provided that reclassified calls to roaming subscribers in One Network Area (ONA) countries as international traffic. This decision restored a level of cost recovery for outbound traffic and has already improved our interconnect margins.

We also welcomed the regulator's revised stance on SIM registrations, allowing registration through retail kiosks under compliance conditions. This is key for inclusive access in underserved areas, and we will continue working closely with the regulator to ensure responsible implementation. The Regulator subsequently permitted SIM registration and swap in Kiosks located in remote areas and subject to certain security controls being implemented.

Financial Resilience In A Complex Environment

While our operational results showed signs of recovery, our financial performance was challenged by rising costs and prior-year restatements. EBITDA declined by 19.8% to Rwf 92.9 billion, and the EBITDA margin compressed to 35.5%, mainly due to foreign currency depreciation, increased interconnect costs and higher network operating expenses. Despite these pressures, we saw margin recovery in the fourth quarter, ending the year at 39.6%, an encouraging trend as we enter 2025.

Net finance costs decreased by 11.3% to Rwf 38.0 billion, while depreciation and amortization declined by 8.0%, following the completion of a lease accounting review. The full-year result was a net loss after tax of Rwf 5.5 billion. However, fourth quarter delivered a profit of Rwf 5.3 billion, marking a positive turnaround from the earlier quarters and a strong signal of business recovery.

The financial restatements relating to historical lease accounting, tax adjustments, and fintech receivables were disclosed in our audited results and have now been fully incorporated into our financial base. These adjustments, though mostly non-cash in nature, required correction to ensure full compliance with IFRS standards and to reflect our commitment to financial integrity.

The Board's recommendation, having reviewed our financial position and outlook, is not to declare a dividend for the full year 2024. This prudent approach will enable us to restore profitability, improve free cash flow, and strengthen our balance sheet to support sustainable future operations.

Chief Executive Officer's Statement Continued

Outlook: Creating The Future We Envision

We exit 2024 with growing confidence in the trajectory of our business. The commercial turnaround in the second half, the stabilization of our financial performance and the regulatory reforms underway signal a more constructive outlook for 2025.

Strategically, we remain focused on four key priorities:

1. Accelerating commercial growth – with a focus on meeting the increasing demand for Data and Digital services.
2. Accelerating platform growth – with a focus on fintech and enterprise services as engines for growth and portfolio diversification.
3. Modernizing infrastructure – through continued investment in coverage, quality, and digitisation.
4. Enhancing operational efficiency – by optimizing cost structures and embedding smarter and more cost-effective technologies.
5. Deepening ESG impact – by creating inclusive and lasting value for Rwandans.

As I conclude this message and indeed, my tenure as Chief Executive Officer of MTN Rwanda, I do so with immense pride in the journey we have undertaken together. Leading this incredible organization for the past two and a half years has been a great privilege. Over the past years, I have witnessed firsthand the resilience, innovation, and passion that define our people, and the transformative role MTN Rwanda continues to play in the lives of millions across the country.

While 2024 marked the final chapter of my leadership at MTN Rwanda, it is also a powerful prologue to the Company's next phase of growth and impact. The strong foundations we have laid through commercial discipline, digital transformation, stakeholder partnerships and sustainable leadership will serve as a springboard for even greater progress in the years ahead.

I extend my heartfelt gratitude to our customers, for their trust; to our employees, for their unwavering dedication; to our partners and regulators, for their collaboration; and to our Board and shareholders, for their confidence and support. I leave the business in capable hands, with a talented leadership team and a clear roadmap aligned to achieving our Ambition 2025 strategy.

Though I will no longer be at the helm, I will forever remain part of the MTN Rwanda family in spirit. I look forward to witnessing and celebrating the continued success of MTN Rwanda.

Thank you for the opportunity to serve.

Mapula Bodibe – Chief Executive Officer, MTN Rwandacell Plc

Welcoming The Incoming CEO

CEO Monzer Ali

As I bid farewell, I am also delighted to warmly welcome my successor, Monzer Ali, who assumes the role of Chief Executive Officer of MTN Rwanda. Monzer brings a wealth of leadership experience, a deep understanding of the telecoms landscape and a strong alignment with the values and ambition that define the MTN brand.

I am confident that under Monzer's leadership, MTN Rwanda will continue to accelerate its commercial and digital transformation journey, drive stakeholder value and impact, whilst delivering on the promise of a bold, modern, and connected Rwanda. I wish him all the success as he takes on this exciting new chapter.

Business Model and Strategy

MTN Rwanda operates as a purpose-driven technology company under the strategic vision of Leading digital solutions for Rwanda's progress. Our business model is anchored in connectivity, digital inclusion and financial empowerment. This has been structured around delivering broad based value across our voice, data, enterprise and fintech segments. Through our core business under MTN Rwandacell Plc and subsidiary, Mobile Money Rwanda Ltd, we offer a diversified suite of services that cater to both retail and business customers across Rwanda.

Our Strategic Framework: Ambition 2025

Belief statement
Everyone deserves the benefits of a modern connected life

Strategic intent
Leading digital solutions for Rwanda's progress

Strategic Priorities
- Build the largest & most valuable platforms
- Drive industry leading connectivity operations
- Create shared value
- Accelerate portfolio transformation

Vital Enablers: Leading customer experience | Best talent, culture & future skills | Value based capital allocation | ESG at the core | Technology platforms second to none

Values: Lead with Care | Can-do with integrity | Collaborate with Agility | Serve with Respect | Act with Inclusion

MTN Rwanda's strategic direction is guided by MTN Group's Ambition 2025 with our 2024 achievements highlighted below:

Priorities	2021	2024
Drive Industry-leading connectivity operations	2.1m active data users #1 NPS 98.2% population coverage 3.8k home broadband users Smartphone Penetration: 19.3%	2.4M active data users #1 NPS 99.71% population coverage 11.6k home broadband users Smartphone Penetration: 33.7% 4G rollout (87.6%)
Build the largest & most valuable platforms	3.7m MoMo users 48k Mobile Money merchants	5.3 MoMo users 521K Mobile Money merchants
Create shared value	Reputation index ≥ 80% Women in leadership 23%	Reputation Index score 84% Women in leadership 30%
Accelerate portfolio transformation	RSE listing complete FinCo subsidiary, Mobile Money Rwanda Ltd., incorporated and approved by the National Bank of Rwanda	FinCo Subsidiary set up and agreements to be finalised Data Science & Machine learning Channel digitization

2025 Strategic Priorities

As MTN Rwanda continues to deliver on its Ambition 2025 roadmap, our strategic priorities for 2025 are focused on deepening customer value, accelerating digital and financial inclusion, and sustaining operational excellence. These priorities span six critical pillars which are:

Customer Growth | Data Monetization | Fintech Expansion | Network Leadership | Expense Efficiency | Regulatory Engagement

Each aligned to drive long-term growth and resilience in a dynamic market.

Pillar	Appointment date
Sustain Customer & Market Share Growth	• Sustain momentum with compelling offers and customer value initiatives • Deepen segmentation and loyalty programs • Strengthen distribution and brand visibility
Accelerate Data Subscriber & Revenue Growth	• Drive smartphone and 4G penetration • Scale targeted CVM campaigns and monetization use cases • Improve bundle relevance and upsell rates
Fintech	• Expand Banktech and payment services footprint • Deepen P2P, merchant, and bill payment adoption • Strengthen fintech ecosystem and channel reach
Network	• Maintain Network #1 NPS leadership • Extend modernization outside Kigali • Progress 5G-readiness and spectrum optimization
Expense Efficiency Program	• Align cost structure to support growth • Deliver EEP savings to protect margins
Regulatory	• Continue to engage the Regulator on the reintroduction of MTRs

Risk Management

While we are a subsidiary of the MTN Group, risk management at MTN Rwandacell remains our responsibility. We are committed to building a risk-conscious, compliance-focused, and ethical organization by embedding robust risk management and compliance processes to achieve sustainable value for all stakeholders. We continue to make significant progress in implementing structures, policies, and procedures in support of this commitment.

The MTN Rwandacell risk strategy is an integral part of the MTN Rwandacell business strategy. It expresses our overall philosophy towards risk-taking, which we regard as necessary to achieve our vision and reflects the risk elements of our business strategy.

We recognize that to provide protection for our customers and to provide them with good value for money, we need to accept certain risks on their behalf. Therefore, we are willing to take certain risks, and there may be some types of risks for which we have a strong preference (capitalizing on opportunities). We must, however, ensure that the risks we take are not so significant or so concentrated that they could threaten the financial security of the Group or the parent company in very adverse conditions.

Enterprise Risk Management

Our risk management framework aims to guide embedding risk management in our business. We are able to uniformly identify and evaluate potential events that may impact our ability to achieve the objectives we set out in our Ambition 2025 strategy. Our risk management framework employs risk management guidance from the Rwanda Capital Markets Corporate Governance Code, National Bank of Rwanda, concepts and workflow from established risk management frameworks and standards, including ISO 31000, the COSO Framework and other leading frameworks such as ISO 27001 for Information Security and ISO 22301 for Business Continuity Management.

Governance Oversight

Our risk management framework prescribes the roles and responsibilities of management and various levels of assurance regarding risk management as per the Board and committees' charters.

Our approach to managing risk is based on the "Three Lines of Defense" combined assurance model to better identify and structure interactions and responsibilities of key internal and external stakeholders towards achieving more effective alignment, collaboration, accountability and, ultimately, objectives.

Our Board is ultimately responsible for directing risk management within MTN Rwandacell by adopting our parent company's, MTN Group's, defined risk-bearing capacity, risk philosophy and risk preference. The Audit and Risk Committee is a delegate of the Board that is charged with the oversight over management, compliance, internal audit and external audit within MTN Rwanda.

The Audit and Risk Committee receives and reviews risk management reports detailing the adequacy and overall effectiveness of the Company's risk management function and its implementation by management.

In its ethics oversight role, the Audit and Risk Committee focuses on five main tasks:

- Oversee the analysis of ethics risk to ensure that the Company is appropriately identifying and managing ethics-related risks.
- Review the ethics strategy to mitigate risk and ensure ethics is governed and managed appropriately.
- Monitor adherence to the Code of Ethics and other ethics-related policies.
- Hold management accountable for the Company's ethical culture.

The Audit and Risk Committee has mandated the Nominating and Remuneration Committee to have oversight and responsibility concerning the human resource elements of ethical breaches.

The Executive Management is accountable and responsible for risk management within the organization. The Risk and Compliance function is charged with assisting the Executive Management in developing a clearly defined risk management strategy, framework, policies, procedures for approval by the Audit and Risk Committee and subsequently the Board. The risk and compliance function has a solid line reporting to the Chief Executive Officer and dotted line reporting to the Board (through the Audit and Risk Committee).

Our Risk Management Process

The Enterprise Risk Management Process at MTN Rwanda aligns with Rwanda's risk management requirements, ISO 31000 International Risk Management Standard, COSO framework and King IV. It is supported by other leading global standards, i.e., ISO 27001 as ISO 22301.

Our risk management process involves the following:

1. **Analysing the Business**
   The first step of the Risk Management Process is concerned with gaining an understanding of the organization, its activities and processes; and considering the internal and external environment in which we seek to achieve its objectives.

2. **Risk Assessment**

   Risk Assessment includes the following activities:

   i. **Risk Identification:** This activity aims to identify risks that could affect the organization's achievement of objectives and opportunities to enhance business performance. The identification of opportunities is as important as the identification of risks. The risks and opportunities are recorded and form the basis of our risk register.

   ii. **Risk Analysis:** The purpose of the risk analysis activity is to provide a view of the probability and impact of the risks and opportunities identified. This assists in gaining an understanding of the risk, its prioritization and decision-making. For each risk identified, the risks are classified based on the impact of the risk, should it occur, and the probability of occurrence.

   iii. **Risk Evaluation:** This activity includes evaluating the results of the risk assessment phase in terms of their aggregated impact. This involves comparing the risk against predetermined criteria to determine their net effect, thus specifying the significance of the risk to the organization's objectives. The process facilitates prioritization and decision making relating to the treatment implementation.

3. **Risk Treatment**
   Risk treatment considers the responses and specific action plans to address the risks and opportunities identified with a risk response strategy determined for each risk identified. The response is to reduce the level of residual risk to the acceptable risk level.

4. **Risk Monitoring and Review**
   The goal is to ensure that risks are monitored, timely escalated and reported to the right levels within the MTN structures. To achieve this goal, there is a filtering process for the risks identified. The risks are prioritized based on the impact scales (Probability and Impact Scales) performed when assessing the principal risks or risks associated with the principal risks.

Risk Management Continued

Principles of the Three lines model

This provides a clear allocation of responsibilities for the ownership and management of risks to avoid overlaps and/or gaps in independence and robust risk governance. It also ensures risks are managed in line with the risk appetite as defined by the Board and cascaded throughout the Company.

- **First line of defence:** Business functions that own and manage risk
- **Second Line of Defence:** Functions that oversee or specialise in risk management and compliance
- **Third line of defence:** Functions that provide independent assurance. In MTN Rwanda's case this is the Internal Audit and Forensics' function and External Audit.

In line with the "Three Lines of Defence" model of functional responsibility, the scope of ERM includes the following:

Principal Risk Categories	
Financial • Financial Markets • Liquidity and Funding • Tax • Financial Accounting and Reporting • Credit • Financial Performance and Returns	Strategic • Strategy and Execution • Regulatory and Stakeholder Management • Products and Innovation (Telco, Digital and FinTech) • Mergers & Acquisitions, Divestiture and Strategic Partnerships
	Compliance • Compliance • Internal Control Environment • Fraud and Financial Crime • Environmental, Social and-Governance • Ethics
Technology • Network • Information Technology • Information Security	External • Competition • Legal • Political, Country and Macro-economic
Operational • Supply Chain Management • Sales & Distribution • Customer Experience • Continuity • Human Capital • Reputation, Branding & Marketing	

Risk Ranking	Principal Risk Description	Mitigations	Progress Update
1	Network risk - Quality of Service (QoS). The rapid advancement of mobile and digital technologies, alongside customer demand for reliable connectivity, places pressure on infrastructure resilience and service availability. 2024 was a year where we continued to track Network issues such as call set up time, data speeds that were a challenge to service quality and customer experience	Continue to resolve network issues for Kigali and the rest of the country.	• Successfully introduced and rolled out 4G • Network modernization project ongoing
2	**Financial Performance and Returns risk (Rising Roaming Costs Arising from/ with ONA Framework)** – Given the traffic distribution is tilted to the ONA region mainly Uganda and South Sudan and that termination costs still apply, MTNR is incurring an exponentially increasing negative margin to implement the ONA principle.	Consultative meetings held with ONA MNO's together with the regulators from Rwanda, Uganda & South Sudan and Ministry of ICT in the different operations/countries to agree on the way forward.	• The Regulator agreed to MNOs excluding the Permanent Roamers in Uganda and South Sudan from the Local MTR effective August 2024, MTN has since engaged Airtel to agree on tariffs to apply on calls to the Permanent Roamers in Uganda and South Sudan.
3	**Financial Performance and Returns Risk (Inflationary Pressures)** Sustained increase in Inflation due to rising fuel prices has driven a higher cost of living, resulting in a shift in Consumers spend. The annual average inflation rate for 2024 is 4.8%	Continue efficiency programme to offset expense lines forecasted to grow.	• Continue efficiency programme to offset expense lines forecasted to grow. • A mitigation against the franc's depreciation we are exploring is to have a review of our vendor payment terms.

Risk Management Continued

Risk Ranking	Principal Risk Description	Mitigations	Progress Update
4	**Regulatory Risk – Increased Regulatory Scrutiny,** 2024 was a year of increased regulatory scrutiny. Examples include MTR Zero rating directive, release of new Sim registration regulation, Quality of Service and customer experience scrutiny.	Continuous engagement of RURA & other stakeholders.	• Implementation of Commercial mitigations in response Zero MTR • Implementation of the new Sim regulation requirements
5	**Competitor Risk- Increased Competition Activity Eroding Value** In recent months there has been adverse changes in the competition landscape. These activities include; Regulatory changes/ directive in the Mobile termination rate (MTR) issued by RURA in 2023 which spilled over into 2024. Disruptive value offerings resulting in value dilution for the industry.	MTNR is engaging the regulator on the impact of the changes to the MTR rates. Offer competitive service offerings to our customers, delivered through our customer value management (CVM) strategy.	• MTNR continues to engage the regulator on the impact of the changes on the MTR rates. • Commercial teams are developing alternative means to mitigate the loss of the Local Interconnect Revenue. • In 2024 MTNR launched its own subsidized smartphone #ikosora under the #Connect Rwanda 2.0 campaign, with an affordable smartphone to counter competition.
6	**Taxation Risk** Tax Audits by the Tax regulator furnished MTN Rwanda with an assessment of Rwf 2.2Bn for the periods 2019 and 2020.	MTNR paid the tax penalty of Rwf 2.2Bn and through the Voluntary disclosure Programme (VDP) we carried out a self-assessment review for the periods 2021 – 2022 and paid all outstanding taxes without being penalized by the tax Authority.	• The tax Audit for 2019 & 2020 was concluded and amounts paid by MTNR. • MTN Rwandacell also benefited from this programme by declaring Rwf1.4Bn in taxes for the unaudited periods of 2021 and 2022.
7	**Compliance risk - New Sim Registration Directive Compliance** In 2024, Rwanda Utilities Regulatory Authority ("RURA") issued the new regulation governing Sim Card Registration in Rwanda, this follows the directive that was shared by RURA in 2021 with many of the directives put into the latest regulation. We are tracking compliance to this New Regulation.	Management is actively focused on delivering the components outlined in the New Regulation i.e. introduction of Fingerprint capture & validation as part of Sim registrations and Sim swaps.	• System readiness completed with rollout plans ongoing
8	**Information Technology Risk-** Challenges in system outages and system misconfigurations	IT implementation of Revenue primary controls and reporting.	• Close monitoring and strengthening of the control environment.
9	**Continuity Risk (Business Continuity)** This relates to our Data Center which requires modernization and expansion. The current data centres face challenges of space to host new racks & faces an issue of suboptimal air conditioning due to congestion.	Regular decommissioning of old equipment. Exploring options to either buy or build new Data Centre.	• Portable cooling systems deployment • Removing decommissioned equipment frequently (equipment clean-up) • Exploring options to either buy or build new Data Center.
10	**Human Capital Risk - Challenges with Employee Retention** The evolving nature of work, accelerated by automation and digital transformation is reshaping the skills landscape. This evolution has intensified competition for skilled professionals, requiring a revision previous benefit and adaptive workforce strategies to attract and retain Top talent	Performed a company-wide talent review exercise with the intention to offer new competitive value propositions.	• HR working with Group HR completed a Benefits review and some recommendations such as revamp and relaunch of Recognition programme have been implemented. • Adoption of New lifestyle Policy to serve as a retention scheme was adopted & rolled out by MTN Rwandacell this fiscal year.

SUSTAINABILITY

Our ESG Framework

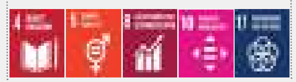
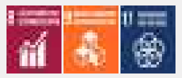
ESG Framework: Creating Shared Value for Rwanda's Progress

At MTN Rwanda, our Environmental, Social, and Governance (ESG) strategy is anchored in our belief that doing good is good business. Through our comprehensive four-pillar sustainability framework Eco-Responsibility, Sustainable Societies, Sound Governance and Economic Value Creation; we continue to drive inclusive growth, foster trust, and contribute to a sustainable digital future for all Rwandans.

See Image below for more detail on: "Our Sustainability Strategy Framework"

Belief statement: **'Everyone deserves the benefits of a modern connected life'**

Strategic intent: Ambition 2025 **'Leading digital solutions for Rwanda's progress'**

	Eco-responsibility	Sustainable societies	Governance	Economic value
				
Commitments	We are committed to protecting our planet and achieving Net Zero emissions by 2040	We are committed to driving digital and financial inclusion and diverse societies	We are committed partners to stakeholders to create and protect value	We are committed boosting inclusive economic growth on the continent
Metrics/actions	a) Project zero: Reduce GHG emission b) Efficiency: Improve energy efficiency c) Water and waste management: Reducing our impact	a) Generational equality: women representation b) Increase access and reduce cost to communicate c) Increase financial inclusion	a) Enhance reputation and trust with stakeholders b) Digital human rights c) Responsible policies and pratices	a) Tax contribution across markets b) Network infrastructure investment c) Contribution to society through ICT: digital education, digital skills and jobs
UN SDGs				

2024 ESG Outcomes

In 2024, we made tangible progress across all four pillars of our ESG framework. From advancing environmental initiatives and expanding digital inclusion, to reinforcing sound governance and driving economic impact, our efforts reflect MTN Rwanda's commitment to responsible, inclusive, and sustainable growth. The highlights below demonstrate how we are turning strategy into measurable impact.

1. Eco-Responsibility: Committed to Protecting the Planet

Guided by our ambition to achieve Net Zero emissions by 2040, we have made meaningful progress in minimizing our environmental footprint. In 2024, our network modernization initiatives yielded daily energy savings of up to 5,831 kWh, significantly improving energy efficiency across our operations. We expanded our green fleet with 23.0% now hybrid and full electric vehicles and introduced biodegradable SIM cards as part of our waste reduction strategy.

Despite these efforts, we faced setbacks in our emissions reduction efforts. Our target was to reduce carbon emissions by 12.5%, equivalent to 3,088 tCO_2 e, but instead, we recorded 4,129 tCO_2 e, exceeding the target by 17.0%. The primary contributor was increased electricity usage at our major data centers in Remera and Nyarutarama, which remain central to our digital operations.

We acknowledge the shortfall in our emission targets and have put in place corrective action. Through our "Project Zero" and broader environmental programs, we are laying the foundation for long-term climate resilience and operational sustainability.

2. Sustainable Societies: Driving Inclusion and Empowerment

We remain committed to building a digitally inclusive society where no one is left behind. In partnership with the Government of Rwanda, the #ConnectRwanda 2.0 campaign saw the distribution of over 100,000 affordable smartphones, contributing to a smartphone penetration rate of 33.7% and a 17.8% increase in 4G users.

Enabling Rwanda's Digital Future: Beyond the Numbers
MTN Rwanda's progress in digital infrastructure and connectivity is directly aligned with the Government's National Strategy for Transformation (NST2) objective of accelerating Rwanda's journey toward a knowledge-based, digitally empowered economy. The data points tell a story far greater than technological expansion. They reflect inclusive progress, national capacity building and growing digital participation across communities.

With a subscriber base of 7.6 million, MTN Rwanda continues to extend its digital reach. Notably, 2.4 million active data users represent an increasingly connected population engaging with digital platforms for education, business, health and social interaction. This digital adoption is built on a robust infrastructure: 99.71% 3G and 87.06% 4G population coverage ensure that even the most remote areas have access to fast and reliable internet. Our network of 1,500 2G/3G sites and 1,138 4G sites, along with 11,600 fibre-to-the-home connections, underpins our commitment to delivering affordable, quality connectivity nationwide, a key NST2 pillar.

A critical enabler of digital inclusion has been the distribution of 100,000 subsidized 4G smartphones, targeting segments of the population previously excluded due to cost barriers. This initiative

Our ESG Framework Continued

supports the NST2 ambition to facilitate universal access to smart devices and basic technology, while directly boosting smartphone penetration to 33.7%, a stepping stone toward nationwide digital adoption.

Beyond connectivity, this infrastructure sets the foundation for the adoption and use of digital technologies by all Rwandans, fostering economic opportunity, inclusion, and improved access to government e-services. It positions MTN Rwanda as a key enabler of enhanced digital service delivery such as e-government platforms, digital ID frameworks and cloud-based systems. These initiatives are central to the full digitisation of government services and strengthening national research and innovation capacity.
By building best-in-class ICT capabilities, MTN Rwanda is not only contributing to Rwanda's global competitiveness as a proof-of-concept hub for digital transformation but also unlocking a digitally inclusive society where citizens can thrive in an interconnected world.

Driving Financial Inclusion and Economic Participation Through MoMo.

Aligned with the National Strategy for Transformation (NST2) objective of building a resilient and broadened financial sector that supports private sector growth, MTN Rwanda continues to play a pivotal role in expanding access to formal financial services through our Mobile Money (MoMo) platform.

In 2024, our MoMo ecosystem registered strong growth across key indicators, further reinforcing our contribution to Rwanda's financial inclusion agenda. MoMo subscribers grew by 8.0% to 5.3 million, reflecting increased adoption of digital financial services across both urban and rural populations. This growth was complemented by a 54.4% increase in MoMo Pay merchants, which rose to 521,000 demonstrating significant progress in digitizing payments for micro, small, and medium enterprises (MSMEs), many of which are youth and women led.

The platform also facilitated 1.9 billion transactions, representing an 18.5% increase in volume, with the value of these transactions reaching Rwf 20.9 trillion, a 47.1% year-on-year rise. These trends highlight the deepening role of mobile money in Rwandans everyday economic activity, enabling secure, convenient and cashless transactions at scale.

Merchant payment users rose by 23.5% to 3.3 million, indicating growing confidence in digital commerce. This expansion supports Rwanda's aspiration to mainstream digital and electronic payment systems as part of a modernized financial sector.

Findings from the Finscope 2024 Survey affirm this impact: financial inclusion in Rwanda rose to 96%, up from 93% in 2020, largely driven by the penetration and usage of mobile money services. MTN MoMo has been instrumental in this progress, providing a platform that empowers individuals—especially youth and women—to participate more actively in the economy, access financial tools, and improve their overall financial well-being.

Through continued investment in our MoMo platform, MTN Rwanda remains committed to advancing financial inclusion, stimulating entrepreneurship, and contributing to the broader socio-economic development agenda.

3. Sound Governance: Strengthening Trust and Accountability

Governance is the bedrock of our value creation. We continue to embed responsible business practices, digital human rights protections, and stakeholder-centric policies across the organization.

In 2024, we achieved our highest-ever Reputation Index score of 84%, up by 43.0 percentage points YoY reflecting improved stakeholder trust and transparency.

We also advanced gender inclusion, with women representing 35% of our workforce and holding 30% of leadership positions, while our Board achieved 44% female representation demonstrating our commitment to gender equity.

Our governance structure is underpinned by diverse leadership, ethical conduct, and alignment with global standards, ensuring we uphold the integrity of our operations and protect value for all stakeholders.

4. Economic Value Creation: Powering Rwanda's Development

Our contributions to Rwanda's economic progress are wide reaching. In 2024, we invested over Rwf36 billion in capital expenditure to strengthen our infrastructure and platforms and paid Rwf68 billion in taxes, reinforcing our role as a responsible corporate citizen. We distributed Rwf15 billion in commissions to more than 65,000 MoMo agents and paid Rwf1.1 billion in dividends to minority shareholders. These investments affirm our commitment to inclusive economic growth and sustainable stakeholder value.
Total Sponsorships of Rwf 240 million to sports development as a boost to the #Visit Rwanda campaign by sponsoring the 16th edition of Tour du Rwanda, 4th edition of the Basketball Africa League (BAL) Finals and the 19th edition of the annual Kigali International Peace Marathon.

Tour du Rwanda: MTN Rwanda through its subsidiary Mobile Money Rwanda Limited were the silver sponsor of the 16th edition of the annual Tour du Rwanda in collaboration with the Rwanda Cycling Federation, an affiliate of the Union Cyclist Internationale (UCI). This significant partnership underscored Mobile Money Rwanda's dedication to leveraging sports as a catalyst for community engagement and development.

Basketball Africa League (BAL) Playoffs and Finals: MTN Rwanda was named the Official Digital Partner of the 4th edition of the BAL Playoffs and Finals that occurred in Kigali in May 2024. The collaboration with BAL reflected MTN Rwanda's commitment to supporting initiatives that unite communities and empower Rwandan youth, fostering national unity.

Kigali International Peace Marathon (KIPM): MTN Rwanda sponsored the 19th edition of the annual Kigali International Peace Marathon. First organized in 2005, the Kigali International Peace Marathon (KIPM) has been held annually under the patronage of His Excellency President Paul Kagame. The event is spearheaded by the Rwanda Athletics Federation and the Ministry of Sports, in partnership with other key institutions. It was launched with the aim of promoting peace and unity through sports and has since become a symbol of resilience and hope.

Supporting Universal Health Coverage

As part of our commitment to inclusive socio-economic development, MTN Rwanda contributed Rwf 7.9 billion in 2024 to the national Mutuelle de Santé program. This contribution helped expand access to affordable healthcare for vulnerable communities, aligning with Rwanda's goal of achieving universal health coverage. By reducing financial barriers to essential services, MTN Rwanda is enhancing citizen welfare, supporting national productivity and reinforcing the broader public health system demonstrating how shared value can be created through strategic social investment.

Our ESG strategy remains fully aligned with MTN Group's Ambition 2025 Leading digital solutions for Africa's progress and supports Rwanda's national development goals and the UN Sustainable Development Goals (SDGs). Through consistent execution and bold commitments, we continue to unlock shared value and ensure that everyone deserves the benefits of a modern connected life.

Our People and Culture

At MTN Rwanda, we recognize that our people are central to achieving our Ambition 2025 strategy. In 2024, we focused on creating an engaging, rewarding, and future-fit work environment to empower our employees to deliver their best.

Throughout the year, we implemented initiatives that promoted a culture of recognition, agility, and continuous learning. Notably, we relaunched the MTN Shine platform, reinforcing a culture of appreciation through monthly appreciation days and the Grateful December campaign; a heartfelt wrap-up of employee gratitude moments.

Employee engagement was supported by structured town halls (4 held), weekly staff webinars (44 sessions), and leadership forums (4). These engagements facilitated transparent communication and reinforced our core values of integrity, collaboration, and innovation.

To promote talent development, we invested in future-focused learning interventions, including leadership, customer care, and critical digital skills such as AI, Machine Learning, FinTech, and cloud technologies. These programs aim to build exponential capabilities within our teams.

We also demonstrated our commitment to staff retention and well-being by benchmarking salaries, offering performance-based bonuses, enhancing welfare provisions, and rolling out a flexible work-from-home policy. These efforts contributed to a manageable staff attrition rate of 10.5% and positioned MTN Rwanda as an employer of choice.

We never settle for less

Diversity and Inclusion

MTN Rwanda remains committed to fostering an inclusive, diverse, and empowering work environment that mirrors the communities we serve. In 2024, women held 36% of leadership roles, reflecting progress toward our goal of 50% representation by 2030.

We continued to drive inclusion through targeted initiatives such as the Female Rising Leaders Programme (18 participants) and LiftHerUp (7 members). These programs provide mentorship, leadership training, and career development opportunities to high-potential female talent.

Our job adverts explicitly encourage applications from women and underrepresented groups, and we conduct mock interviews to prepare women for panel engagements. We also offer public speaking training and coaching under the WeNet Committee, our internal Diversity & Inclusion forum.

In 2024, we maintained an inclusive hiring policy, with 137 women and 2 individuals living with disabilities recruited. Our efforts contributed to increased female participation in traditionally male-dominated fields, supported by the Women in Tech program.

We recognize that diverse perspectives are essential to innovation and long-term growth, and we remain committed to enhancing inclusivity at all organizational levels.

Employee Health and Safety

Employee wellness and safety remained a top priority throughout 2024. In partnership with mHub, we implemented a comprehensive mental health and wellness program addressing both preventive and responsive needs.

Key wellness initiatives included:

- **Online Wellbeing Surveys to assess organizational health**
- **Counselling Services available to all employees**
- **Focus Group Discussions for qualitative insights**
- **Sessions on Work-Life Balance, Stress Management, and Building Resilience**
- **First Aid for Mental Health workshops, delivered in group settings**

These interventions created a psychologically safe environment and reinforced our commitment to employee well-being, particularly in a year marked by rising economic pressures and inflation.

Additionally, to ensure business continuity, MTN Rwanda offered competitive salary increments, reviewed welfare benefits, and ensured operational flexibility through remote work policies. This proactive approach supported both productivity and wellness.

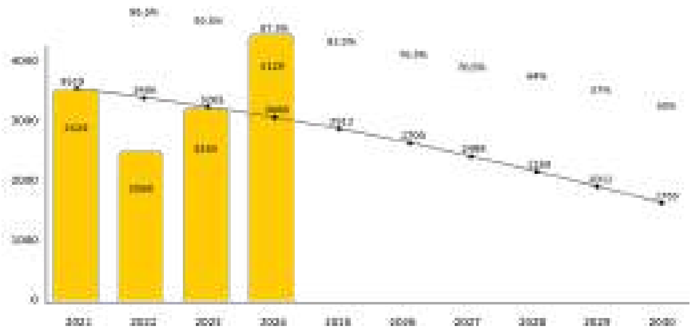
As we look to 2025, we plan to enhance our mental health programs, expand digital wellness tools, and ensure that all wellness efforts align with our broader ESG and Ambition 2025 strategies.

Road to Net Zero

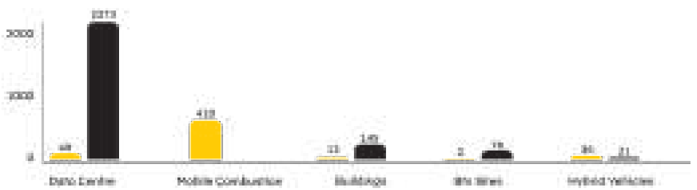
At MTN Rwandacell, we are committed to taking decisive action against climate change and contributing to a sustainable future for our country and the continent. Guided by MTN Group's ambition to achieve Net Zero emissions by 2040, we are on a journey to reduce our environmental impact through measurable emission reductions, operational efficiency, and the adoption of cleaner technologies.

2024 Emissions Performance: A Year of Learning

In 2024, we faced setbacks in our emissions reduction efforts. Our target was to reduce carbon emissions by 12.5%, equivalent to 3,088 tCO_2 e, but instead, we recorded 4,129 tCO_2 e, exceeding the target by 17.0%. The primary contributor was increased electricity usage at our major data centres in Remera and Nyarutarama, which remain central to our digital operations.



Breakdown detailing the CO2 emitted under scope 1&2:



Strategic Priorities on the Road to Net Zero

We have revised our approach and are accelerating efforts to meet our climate commitments. For 2025, our emissions reduction target has been set at -17.5%, with a ceiling of 2,912 tCO_2 e.

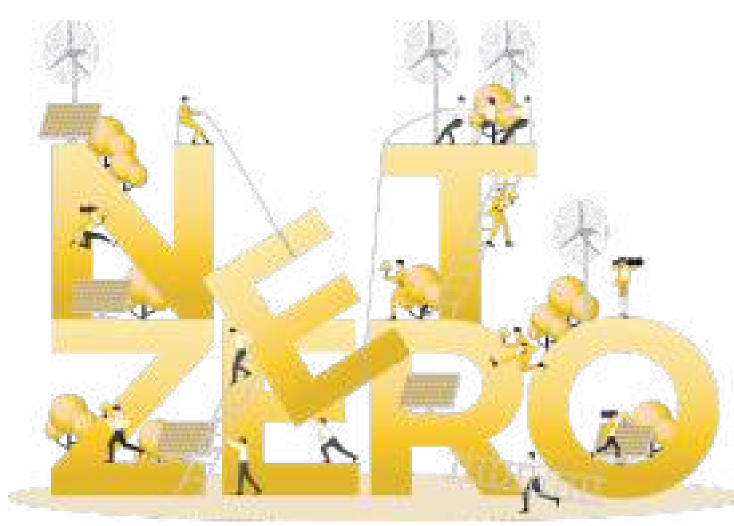
Enabling Structures and Group Support

Our actions are embedded within MTN Group's "Project Zero" and broader sustainability framework, which provides structured guidance across four pillars—Eco-Responsibility, Economic Value, Sustainable Societies, and Sound Governance. As a business with national scale and regional influence, our commitment is to act locally while aligning globally.

Outlook: Committed to Climate Leadership

While 2024 was a challenging year in our environmental journey, it marked a turning point. We acknowledge the shortfall in our emission targets and have put in place corrective action to ensure we move forward with greater urgency and precision.

MTN Rwandacell is fully aligned with the Net Zero by 2040 commitment. Through decisive leadership, disciplined implementation, and multi-stakeholder collaboration, we are building a greener digital future one where economic growth and environmental stewardship go hand in hand.



Corporate Social Investment (CSI)

Overview

At MTN Rwanda, we believe in the power of connectivity to transform lives. Beyond our commitment that everyone deserves the benefit of a modern connectivity, we are deeply committed to creating a sustainable and responsible future for Rwanda.

"Our Corporate Social Investment (CSI) programs are founded upon four essential pillars: Education, Health, Economic Empowerment and Government Priorities, and we embody these principles through our slogan, "Doing for Tomorrow Today."

With ***"Doing for Tomorrow Today,"*** we are more than just a telecommunications company; we are a catalyst for positive change in Rwanda. Together with our partners and communities, we are creating a brighter, more sustainable future—one that starts today, ***for a better tomorrow.***

Join us in our journey to shape Rwanda's tomorrow today. Together, we make the future brighter.

National Prayer Breakfast

The Rwanda Leaders Fellowship (RLF) started in 1995 as a formal Prayer meeting with the simple aim of bringing leaders in top positions for fellowship during the breakfast and Praying for the nation and its leaders , sharing the world of God not only to revive their faith but also to instil Godly values their leadership . The rationale behind the creation of the Rwanda Leaders fellowship is our firm belief and conviction that leadership and specifically good leadership come from God.it is God that molds the Character of leadership and that is why the motto of the forum is " Instilling Godly value I leadership. The main reason od supporting this initiative is to maintain the good relationship with stakeholders and be at the fore front of Government priorities. It is a platform where we find religion as part of our stakeholders ,it is a religion initiative where all leaders and top government officials gathers for Prayers.

Connect Women In Business

MTN Rwandacell Plc (MTN Rwanda) awarded women-led saving groups during the 5th annual Connect Women in Business (CWiB) initiative in March 2024 that was in partnership with the National Women's Council (NWC), Africa Evangelistic Enterprise Rwanda (AEE Rwanda), and the National Union of Disability Organizations in Rwanda (NUDOR). This initiative, which commenced in 2019, has supported more than 1,109 beneficiaries so far, both financially and through business acumen training.

In line with the Ministry of Gender and Family Promotion's priority of gender equality and empowering women, MTN Connect Women in Business aims to empower women in their respective projects, growing them to a cooperative level, allowing them to further improve their quality of life.

Kwibuka 30: MTN Commemorates Genocide Against the Tutsi

In remembrance of more than a million victims of the 1994 Genocide against the Tutsi, MTN Rwanda and MMRL Staff
marked the 30th commemoration of the 1994 Genocide against the Tutsi by laying wreaths at the Kigali Genocide memorial located in Gisozi in April 2024.

Corporate Social Investment (CSI) Continued

Campaign Overview

From June 3rd to June 27th, MTN Rwanda joined the MTN Group to run the "21 Days of ***Y'ello Care"*** campaign under the theme "Learn Today, Lead Tomorrow: Education for Rural and Remote Communities." This initiative focused on two main projects to support education in rural and remote areas.

21 DAYS OF Y'ELLO CARE

Project 1: Clean Energy at Groupe Scolaire Agateko (June 3rd – 14th)

In the first week of the campaign, MTN Rwanda staff from various departments collaborated daily with BBOX staff to install solar panels and digital screens (TVs) at Groupe Scolaire Agateko in Jali sector, Gasabo District.

The activities included:

- Mounting solar panels on the roof
- Smart cabling
- Connecting bulbs and batteries
- TV installations

On the final day of the first project (June 14th), our CEO Mapula led the team in additional activities:

- Washing dishes for students
- Painting one block of classrooms
- Cooking meals for students

This initiative aimed to enhance the learning environment for approximately 2,100 students.

Corporate Social Investment (CSI) Continued

Identified Issue: Project 1

Before our intervention, Groupe Scholaire Agateko faced significant challenges due to the lack of proper lighting both inside and outside classrooms. This situation made it difficult for school guards to secure the premises and created a poor learning environment for the students.

Project 2: School Feeding Programme/Kitchen Construction at GS Bukure (June 17th – 27th)

In the second phase, MTN Rwanda staff traveled 35 km from Kigali to Groupe Scolaire Bukure in Gicumbi District to facilitate the construction of a modern kitchen.

This project, was completed in October 2024 and included:

- Construction of the kitchen from scratch
- Cooking and sharing food with students
- Washing dishes

Challenge Faced at GS Bukure

Groupe Scolaire Bukure faced challenges due to the lack of a proper kitchen facility. This issue led to inefficient meal preparation and distribution, affecting the students' nutrition and overall well-being.

Dusangire Lunch

In October 2024, during the inauguration of the modern kitchen at GS Bukure that MTN and Mobile Money Rwanda staff built during June's special 30 Days of Yello Care, MTN CSI, on behalf of MTN Rwanda and Mobile Money Rwanda, pledged Frw 30,000,000 for 10,000 students for the academic year 2024-2025 and committed to support an additional 10,000 students at Frw 30,000,000 for the 2025-2026 school year as well.

The kitchen now serves nutritious meals to over 1,500 students, enhancing their well-being and learning experience. By ensuring access to healthy food, MTN aims to support the students' academic performance and contribute to their physical and cognitive development, reinforcing its commitment to empowering the next generation through sustainable initiatives. This project underscores MTN's dedication to uplifting communities and fostering a brighter future for Rwanda.

The School leadership and students were very appreciative of the support received by MTN Rwanda and shared a song and poem they composed to express their gratitude for MTN.

Corporate Social Investment (CSI) Continued

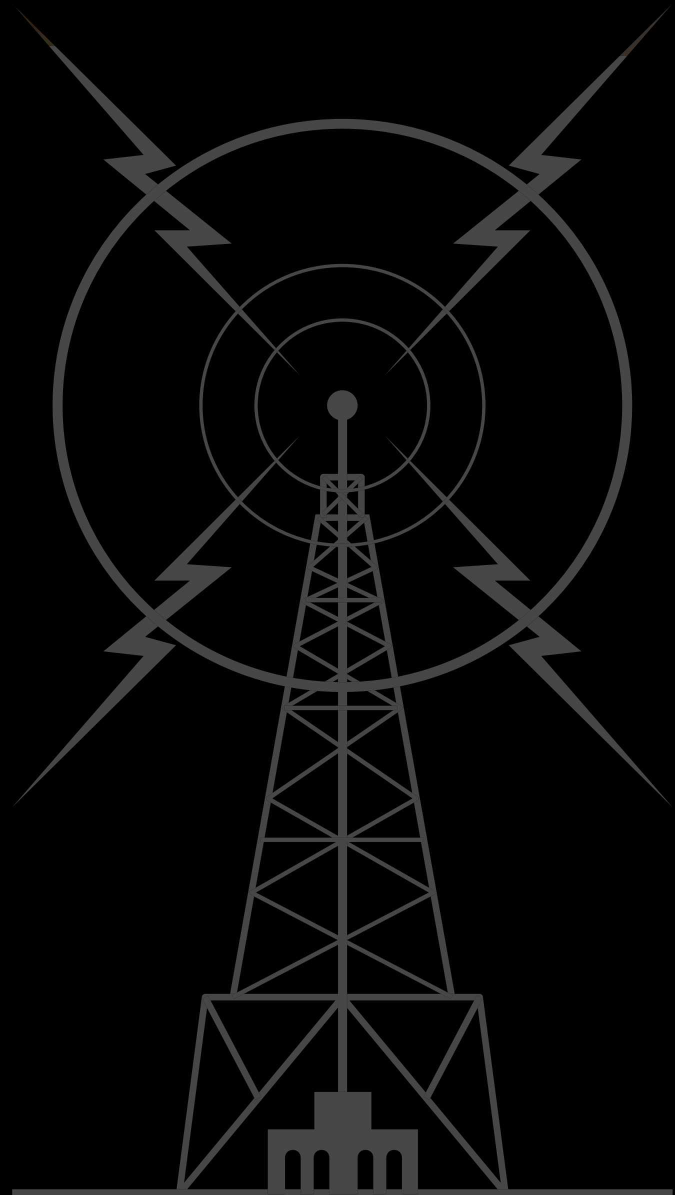
Scholarship Programme

Each year, MTN supports the education of 100 students from underprivileged backgrounds by covering their school fees. These students are part of Imbuto Foundation's Edified Generation Program, which empowers Rwanda's youth through education, guidance, and resources to build a brighter future. By investing in their growth, MTN is committed to helping these young individuals unlock their full potential and make lasting impacts in their communities. We were able to fulfil this obligation for the 2024-2025 school year in August 2024.

Community Work (Umuganda)

In the month of October, MTN Rwanda management and staff participated in the monthly community work also known as "Umuganda" by planting 100 trees in the Kanyinya sector. This effort reinforces our commitment to environmental conservation and also foster a sense of community, highlighting the impact of collective action for a sustainable future.

Corporate Social Investment (CSI) Continued



GOVERNANCE

Corporate Governance Statement

We are committed to upholding the highest standards of corporate governance and business ethics, in full alignment with the Capital Market Corporate Governance Code. Our governance framework is designed to be accountable, transparent and fair, ensuring the Company's long-term sustainability, value creation and resilience for all stakeholders.

Governance Framework

The Board is collectively responsible for setting the Company's purpose, values, strategy and risk appetite, and for overseeing management's execution against these objectives. Its roles and responsibilities are formally documented in our Articles of Association and Board Charter, with a clear Decision-Making Framework to management while retaining ultimate accountability. To ensure robust oversight, the Board meets at least quarterly, receiving accurate, timely and comprehensive information to discharge its duties effectively.

Leadership & Independence

Our Chairperson is an independent non-executive director, distinct from the Chief Executive Officer, to maintain an appropriate balance of power and oversight. The Chairperson leads the Board in upholding ethical conduct, guiding agenda-setting, fostering constructive debate, and ensuring that non-executive directors contribute fully to strategy and risk governance.

Company Secretary

A professionally qualified Company Secretary supports the Board by ensuring compliance with all applicable laws, regulations and Board procedures. Reporting functionally to the Chairperson and administratively to the CEO, the Company Secretary advises on director duties, maintains the register of interests and oversees induction and ongoing training for all directors.

Board Committees & Independent Functions

To enhance objectivity and focus, we have established standing committees under written charters:

Audit & Risk Committee: Oversees financial reporting integrity, internal controls, risk-management framework and external/internal audit functions.

Nominating & Remuneration Committee: Manages board and executive appointments, succession planning, diversity targets and compensation policies that align performance with long-term value creation.

These committees are independent functions - Risk & Compliance, Internal Audit & Forensics, and Human Resources - which report directly to the relevant Board committee to preserve independence and bolster governance rigour.

Board Composition & Appointment

We target a board size and mix of skills commensurate with our strategy and complexity, with at least five independent and four non-independent directors. The Nominating Committee oversees a formal, transparent nomination process, reviewing candidates' qualifications, experience, independence and potential conflicts of interest before recommending appointments to shareholders.

Performance Evaluation & Development

Annually, the Board conducts a thorough self-evaluation overseen by the Nominating Committee to assess collective and individual director performance, committee effectiveness and the Chairperson's leadership. Results drive tailored training and board refreshment plans, ensuring continuous improvement.

Ethics, Conflicts & Disclosure

We maintain a robust Code of Conduct and a Conflict-of-Interest policy. Directors, executive management and employees declare interests annually and immediately disclose any transactional conflicts. Full, fair and timely disclosure of financial and non-financial information including ESG performance and governance practices is provided in the Annual Report and on our website.

Through this governance framework anchored in independence, transparency, accountability and continuous oversight we ensure that the Company remains true to its purpose, responsive to stakeholder needs, and well-positioned for long-term growth.

Audit and Risk Committee Chairperson: Karabo Nondumo

Members of the Audit and Risk Committee (ARC)

ARC Members: Karabo Nondumo, Michael Fleischer, Peace Uwase, Wanda Matandela.

Committee role

- The safeguarding of assets of the business;
- The operation of adequate financial systems and control processes; and
- The preparation of financial statements and related financial reporting, in compliance with all applicable legal requirements and accounting standards.

Nominating and Remuneration Committee Chairperson: Julien Kavaruganda

Members of the Nominating and Remuneration Committee (NOMREM) NOMREM Members: Julien Kavaruganda, Michael Fleischer and Yolanda Cuba.

Committee role

- Ensuring diversity and inclusion among the team
- Making sure that the board composition is composed of members with the relevant skills and experience needed to achieve the set goals.
- Developing policies to ensure the company is attracting the right talent.
- Succession planning and training for senior management.
- Surveys to ensure team wellness in terms of work life balance.

Board of Directors

Faustin K. Mbundu
Independent Non-Executive Chairperson

Faustin K. Mbundu owns and runs the MFK Group Ltd, an investment company with a diversified portfolio of investments. These include transportation/ logistics, auto repair and maintenance services; Farming, processing, and exports of Rwandan specialty coffee; farming, processing, and exports Rwandan horticultural products; Dairy products processing; Real estate developments for commercial and residential properties; Business advisory and project management.

Julien Kavaruganda
Independent Non-Executive Director, Chairperson of the Nominating and Remuneration Committee

Julien Kavaruganda is the Founder and Senior Partner of K-Solutions & Partners, a corporate law firm in Kigali, Rwanda. Prior to this, he was a Senior Associate at DeWolf and Partners in Belgium. He has been practicing at the Brussels Bar Association before joining the Rwanda Bar Association. Julien is the current President of the Rwanda Bar Association.

Karabo Nondumo
Independent Non-Executive Director, Chairperson of Audit and Risk Committee

Karabo Nondumo is an entrepreneur who has interests in the provision of Industrial supplies, corporate advisory & Investments. She held Executive roles within Vodacom Business and Mergers & Acquisitions at Vodacom Group. She is an Independent NonExecutive Director of MTN Operating Companies in Uganda, Zambia and Eswatini. She is also an independent Non-Executive Director of Sanlam Ltd and Harmony Gold Company Ltd.

Yolanda Cuba
Non-Executive Director

Ms Yolanda Cuba is the Vice President SEA region of the MTN Group having joined in January 2020. She is the former CEO of Vodafone Ghana and former Group Chief Strategy Officer for strategy, new business and M&A at Vodacom Group covering South Africa, Tanzania, Mozambique, DRC and Lesotho. Ms Cuba comes with a wealth of experience in telecoms, financial services and fast-moving consumer goods amongst others. Her work experience started in corporate finance and transitioned to operational management in diversified industries.

Michael Fleischer
Independent Non-Executive Director

Michael Fleischer is currently a consultant at one of the leading South African law firms, WebberWentzel. Prior to this, he worked as Chief Legal Counsel for MTN Group Limited, Executive Vice President and General Counsel at Gold Fields Limited, and as a Senior Equity Partner(Corporate Department) at Webber Wentzel.

Board of Directors

Peace Masozera Uwase
Independent Non-Executive Director

Peace Masozera Uwase is a seasoned finance professional committed to the nexus between business and government to foster inclusive economic growth and development. With over two decades' experience, she brings a wealth of expertise in public policy, regulation, leadership, strategy, finance, risk management, compliance, and personnel management. Ms. Uwase has worked as a financial sector regulator and supervisor at the National Bank of Rwanda, as Chief Financial Officer at Ecobank in Rwanda and Guinea Bissau, as an external auditor at PwC Uganda, and as a business advisory consultant. Her diverse expertise aligns to maximize shareholder value while simultaneously preserving other stakeholders' interests over the long term.

Wanda Matandela
Non-Executive Director

Wanda Matandela is the Chief Executive officer of MTN Cameroon. Previously, he was the Chief Commercial Operations Officer for MTN South Africa.
Services Senior Executive with over 20 years' experience in Managing and Leading B2B and B2C businesses in South Africa, African Markets and in various industries such as Telecommunications, Banking, FMCG and Media. Wanda has very strong skills in Executive Leadership, Business Growth, Business Strategy, Channel Strategies, Sales Management, Business Transformation. He has a passion in driving inclusive economic growth through technological enablement of business in and around Africa, especially Small Medium Business.

GENDER
Male
56%
Female
44%

Mapula Bodibe
Executive Director, Chief Executive Officer

Mapula Bodibe joined the organisation at the beginning of September 2022. She's a seasoned Telecoms specialist with 17 years of experience in the telecommunications sector. Formerly, she has served as the Chief Consumer Officer at MTN South Africa where she led the Consumer Business Unit for over 5 years.

Mark Nkurunziza
Executive Director, Chief Finance

Officer Mark is the Chief Finance Officer at MTN Rwandacell PLC. Prior to joining MTN RwandacellPLC, he was the Chief Financial Officer at the Rwanda Development Board and Finance Manager in the aviation industry when he served at the National Airline, RwandAir.

NATIONALITY
Local
4
Foreign
5

Board Diversity Snapshot

Director Status

Independent Non Executive Director	56% (5)
Executive Director	22% (2)
Non Executive Director	22% (2)

Gender

Male	56% (5)
Female	44% (4)

Age

(40-55)	71%
(55-65)	29%

Skills Represented on the Board

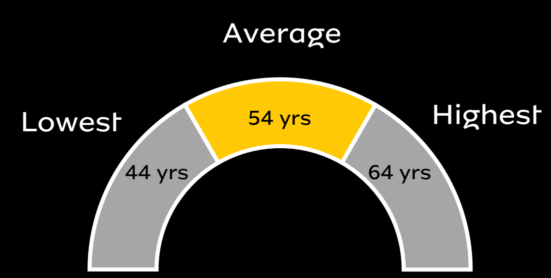
Corporate Governance	8 of 9
Human Resource	7 of 9
Risk Management	8 of 9
Financial Services	6 of 9
Technology	4 of 9
Law	2 of 9

Nationality

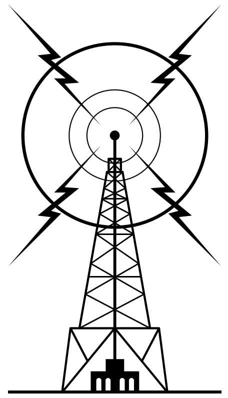
Rwandan
44% (4)

South African
56% (5)

Age Analysis



We never settle for less



Nomination and Remuneration Committee

Message from the Chairperson of the Nominating and Remuneration Committee

As Chairperson of the Nominating and Remuneration Committee, I am pleased to present our report for the 2024 financial year. Our committee is mandated to oversee a formal, transparent director-selection process; evaluate board size, composition and succession; review diversity targets; conduct annual board-evaluation oversight; set a fair, responsible policy linking pay to performance; recommend executive and non-executive compensation and benchmark our practices against peers.

During the year, the Committee has 3 members, 2 Independent Non-Executive Directors and 1 Non-Executive Directors, ensuring a diverse mix of skills, experience and perspectives. We conducted a comprehensive review of the Board's structure, size and composition to meet our diversity and inclusion requirements and made targeted recommendations for enhancements to support our strategic goal.

To ensure ongoing effectiveness, we completed an evaluation exercise assessing Board and director performance, the contribution of independent and non-executive members, CEO performance and Committee oversight. The insights gained are being integrated into our governance improvements and performance-monitoring frameworks.

Recognising the critical importance of succession planning, we initiated the development of a comprehensive framework to guide both emergency and planned transitions for the CEO, CFO and Board directors, with a view to presenting a formal succession plan for Board approval in 2025.

Action Plan for 2025

In direct response to our evaluation findings, the Committee will:

1. Finalise and present for Board approval a comprehensive succession-planning framework covering the CEO, CFO and key Board roles.
2. Develop and implement a formal stakeholder engagement strategy to deepen our dialogue with regulators, shareholders and other key groups.
3. Introduce a structured induction programme and ongoing development curriculum for all new and existing Directors.
4. Establish a dedicated ESG policy framework encompassing community engagement and responsible corporate citizenship and embed it within our committee charters.
5. Enhance procedures to ensure timely distribution of Board packs, giving Directors sufficient lead time for thorough review and deliberation

I thank my fellow Committee members for their dedication and rigour. I look forward to our continued work to strengthen MTN Rwandacell's governance culture and to guide the company's growth with strategic clarity and integrity.

Julien Kavaruganda
Independent Non-Executive Director
Chairperson, Nominating and Remuneration Committee

Audit and Risk Committe

Message from the Chairperson of the Audit and Risk Committee

As Chairperson of the Audit and Risk Committee, I am pleased to present our report for the 2024 financial year. Our committee is charged with safeguarding the integrity of MTN Rwandacell's financial statements and risk framework. We oversee financial reporting and internal controls; monitor risk management against the Board's approved appetite; supervise the internal audit function; steer the external auditor process and report on all these matters to the Board.

Committee Composition and Meetings

In 2024, the Committee was comprised of 4 members, 3 Independent Non-Executive Directors and 1 Non-Executive Directors. Each member brings relevant financial, risk management and governance expertise. We met five times during the year, including closed sessions with both our internal and external auditors.

Financial Reporting and Internal Controls

We reviewed and approved quarterly and annual financial statements for compliance with IFRS and applicable Rwandan regulations. Our deep dives included challenging significant accounting judgments particularly around revenue recognition, lease accounting, deferred tax assets, the treatment of ECW (Ericsson Converged Wallet) negative balances and endorsing management's disclosures once satisfied they present a true and fair view.

We evaluated the design and operation of key controls through:

- Internal audit reports and direct oversight of remediation plans.
- Our own walk throughs of critical processes, including IT general controls and revenue assurance controls.
- Review of high-risk control observations such as enhancements to the IFRS 16 lease model, strengthening receivables segmentation under IFRS 9, and addressing data quality gaps in the ECW trust account reconciliations, each of which management has committed to resolving

Risk Management Oversight

We continued to refine our Enterprise Risk Management framework, reviewing regular risk report dashboards covering strategic, operational, compliance and emerging cybersecurity risks. In 2024, we oversaw updates to our risk appetite statements and monitored management's action plans to mitigate key exposures arising from currency volatility, regulatory changes and technology platform resilience

Internal and External Audit Engagement

We approved the internal audit charter and 2024 plan, reviewed all internal audit findings and assessed resource adequacy and independence. On the external audit front, we recommended EY's reappointment, preapproved their scope and fees, and met privately with them to discuss audit differences and their assessment of management's representations prior to issuing an unqualified opinion.

Action Plan for 2025

To build on our 2024 achievements, the Committee will:

1. Oversee completion of remediation on all high-risk control observations particularly enhancing the IFRS 16 lease model, ECW trust account reconciliations and revenue assurance analytics.
2. Strengthen IT general controls by engaging external specialists to benchmark our controls against global best practice.
3. Advance the risk framework by embedding forward looking cybersecurity scenario testing and third party risk monitoring.
4. Enhance the internal audit function through targeted skill development in data analytics and emerging risks.
5. Continue collaboration with the external auditor on continuous audit techniques to improve audit efficiency and early detection of accounting and compliance anomalies.

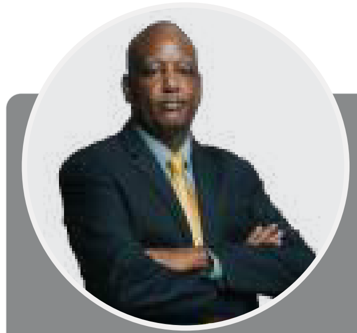
I thank my fellow Committee members, management, the internal audit team, and our external auditors for their dedication to rigorous oversight. We remain committed to strengthening MTN Rwandacell's control environment and risk governance, thereby safeguarding stakeholder value and underpinning the company's long-term resilience.

Karabo Nondumo
Independent Non-Executive Director
Chairperson, Audit and Risk Committee

Executive Team

Mapula Bodibe
Executive Director, Chief Executive Officer

Mapula Bodibe joined the organization at the beginning of September 2022. She's a seasoned Telecoms specialist with 17 years' experience in the telecommunications sector. Formerly, she has served as the Chief Consumer Officer at MTN South Africa where she led the Consumer Business Unit for over 5 years. She has also served as the Chief Marketing Officer at MTN Uganda. Mapula has a strong track record in driving excellent operational and commercial execution and business growth.



Mark Nkurunziza
Executive Director, Outgoing Chief Finance Officer

Mark was the Chief Financial Officer at MTN Rwandacell PLC. Prior to joining MTN Rwandacell PLC, he was the Chief Financial Officer at the Rwanda Development Board and Finance Manager in the aviation industry when he served at the National Airline, RwandAir.
Mark resigned from this role in December 2024

Dunstan Ayodele Stober
Incoming Acting Chief Finance Officer.

Dunstan brings with him 18 years of extensive experience in telecommunications finance in various markets such as Sierra Leone, Nigeria, Tanzania, Kenya, South Africa and Myanmar. Dunstan Joined us from MTN Afghanistan where he served as CFO and Acting CEO in 2023/24. He is a qualified Chartered Accountant and holds a Post Graduate Diploma degree from University of Wales.

Chantal Umutoni Kagame
Chief Executive Officer, Mobile Money Rwanda Limited

Chantal joined MTN Rwandacell PLC in May 2018 as the Chief Business and Corporate Affairs Officer. Chantal is a senior Telecom Executive with over 19 years of experience in Telecommunications. She has a track record of excellent achievement in the 3 Rwandan Telco companies in areas of Executive Leadership, Sales and Distribution, Mobile Financial Services, Strategy Development and Execution, Corporate Affairs and Credit Management.

Executive Team Continued

Eugen Gakwerere
Ag. Chief Technology & Information Officer

Eugene Gakwerere is MTN Rwandacell PLC's Acting Chief Technology and Information Officer, a role he has filled since August 2023. Eugene holds a Bachelor of Science in Engineering Electronics and Telecommunication Engineering. Eugene has over 13 years experience in Network Design, Planning and Optimization, Operational Management and Implementation.

Norman Munyampundu
Chief Sales and Distribution Officer

Eugene Gakwerere is MTN Rwandacell PLC's Acting Chief Technology and Information Officer, a role he has filled since August 2023. Eugene holds a Bachelor of Science in Engineering Electronics and Telecommunication Engineering. Eugene has over 13 years experience in Network Design, Planning and Optimization, Operational Management and Implementation.

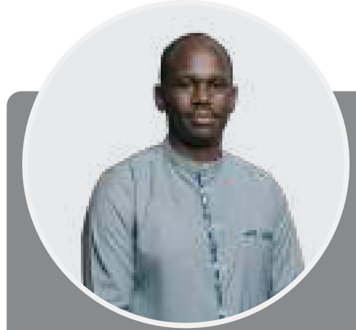
Somdev Sen
Chief Consumer and Digital Officer

Somdev Sen joined MTN Rwanda in October 2024 as Chief Consumer and Digital Officer, bringing over 24 years of experience in the telecommunications industry across India and Africa. He has held senior roles at Airtel, Tata Docomo, and Idea Cellular in India, and later with Airtel Africa. At MTN Uganda, he spent seven years driving transformative growth first as GM for Customer Value Management and Business Intelligence, and later on as Chief Marketing Officer.
Somdev is widely recognized for his strategic insight, customer-first mindset, and track record of delivering commercial results through digital innovation.

Enock Luyenzi
General Manager, Human Resources

Enock is a Chartered Human Resources Analyst (CHRA). He has a passion for Strategic Management with solid Human Resources and Administration skills in the Banking, the Public Sector and the Telecommunication Industry. Enock joined MTN Rwandacell PLC in December 2017 with 16 years of experience from the Office of the President as a Director of Logistics and later as the Head of Human Resources and Administration at Bank of Kigali. He is passionate about developing high performing teams to drive customer demands, business growth and profitability .

Executive Team Continued



George Kagabo
General Manager, Internal Audit and Forensics

George joined MTN Rwandacell PLC in January 2018 as the Head of Internal Audit & Forensics at MTN Rwandacell PLC. Prior to that, he served in different Managerial positions at Crystal Ventures Ltd from Director of Finance Inyange Industries, Director of Finance NPD Ltd and Senior Internal Auditor Crystal Ventures Group Ltd. He also previously served as Director of Portfolio Management Division at Rwanda Social Security Board, Ag. Director of Finance, Head of Treasury Management Unit, and Internal Auditor at Rwanda Social Security Board. George has over 12 years of experience in both public and private sectors with commanding knowledge in Finance and Auditing.

Oscar Oboma
General Manager, Risk and Compliance

Oscar joined MTN Rwandacell PLC in February 2015 and was confirmed as the General Manager Risk and Compliance at MTN Rwandacell PLC in February 2021. Prior to that, he held managerial roles within MTN Rwandacell PLC Finance department as Senior Manager Financial Planning and Analysis, Senior Accountant Fixed Assets and in the CEO's office serving as Senior Manager, Strategy. He possesses 9 years of working experience with 5 years working in the telecoms industry.

Sharon Mazimhaka
General Manager, Corporate Services and Company Secretary

Since 2021, Sharon has served as the General Manager, Corporate Services and the Company Secretary at MTN Rwandacell PLC. Prior to this, she was the Head of Legal and Regulatory and Company Secretary, a position she has held since 2015. Between 2011 and 2014, she was the Legal and Regulatory Affairs Supervisor and from 2009 to 2011 she was a Legal Officer at MTN Rwandacell PLC. Her areas of responsibility include Legal, Regulatory Affairs, Corporate Affairs and Company Secretarial duties.

Didas Ndoli
General Manager, Enterprise Business Unit

Didas has been the General Manager, Enterprise Business Unit since 2021. He joined MTN Rwandacell in 2009 as a Sales Engineer and later Sales Manager, became Senior Manager Commercial sales in 2016 until he was appointed Senior Manager EBU under MTN Business department in 2020. As part of the executive team and as General Manager, he oversees Strategy and Development of Enterprise Business segments that include the Large Enterprise sector, SME and Wholesale business.

Incoming Chief Executive Officer, Monzer Ali

Ali Monzer is a seasoned telecommunications executive with over 24 years of industry experience, including 21 years with MTN Group. He most recently served as CEO of MTN South Sudan, where he successfully navigated the company through a period of profound economic instability, organizational transformation, and the strategic license transition from Sudan to the Republic of South Sudan. Under his leadership, the business achieved operational stabilization, delivered real revenue growth, expanded market share, and secured the #1 position in Net Promoter Score (NPS). He also led the negotiation and successful delivery of a new 15-year operating license for MTN South Sudan—further solidifying the company's reputation for leadership, trust, and excellence in customer experience.

Monzer's unwavering focus on operational efficiency, digital innovation, and customer-centricity cemented MTN South Sudan's status as the nation's leading telecom provider. Internally, he nurtured a culture of excellence, ownership, and high engagement, resulting in one of the highest employee engagement scores across the MTN Group. He also led the highly successful Expense Efficiency Program (EEP), building a strong foundation for long-term financial sustainability. Throughout his leadership, he demonstrated resilience and agility, guiding MTN South Sudan with clarity, confidence, and an unwavering commitment to purpose.

Monzer comes from a strong technology background, having previously served as Chief Technology and Information Officer (CTIO) of MTN Uganda before taking the helm in South Sudan. In that role, he led major network modernization, digital transformation, and IT evolution programs. His leadership earned him multiple accolades, including recognition as the Best Technology Leaders in the MTN Group for 2023–2024, reflecting his deep expertise in integrating technology with business strategy to drive performance and innovation.

Combining his technical foundation with strategic business insight, Monzer describes himself as a "people leader who leads by example and from the front." His leadership is marked by a decisive, hands-on approach, a bold risk-taking spirit, and a deep belief in empowering people to drive change and deliver results in even the most challenging environments.

Ali Monzer is deeply committed to digital transformation, inclusive leadership, and building high-performance teams that thrive under pressure and consistently deliver growth.

He is a firm believer in below core leadership principles:People First –

1. Empowering and valuing individuals at every level.
2. Innovation – Constantly seeking new ideas to solve problems and add value.
3. Less is More – Driving simplicity, clarity, and focus in execution.
4. Always-On Technology – Ensuring network and IT resilience, reliability, and availability.
5. Cost Efficiency (War on Waste) – Prioritizing smart, sustainable resource utilization.
6. Customer Experience – Delivering superior, seamless, and human-centered services.

"These actions reflect our unwavering commitment to maintaining high standards of transparency, financial reporting and governance. The corrections enhance the credibility of our financial statements and provide a clean, accurate basis for assessing future performance"

Chief Finance Officer's Statement

Navigating Complexity with Financial Discipline and Strategic Focus

As the Acting Chief Financial Officer of MTN Rwandacell Plc, I am pleased to present the financial review for the year ended 31 December 2024. This year tested our resolve, sharpened our execution, and reaffirmed our commitment to disciplined financial stewardship and long-term value creation.

Despite a confluence of macroeconomic, regulatory, and operational headwinds, MTN Rwanda responded with resilience and strategic intent. We pursued operational efficiencies, recalibrated our investment focus, and took deliberate steps to fortify the business for a sustainable recovery.

In 2024, the reported net loss after tax of Rwf 5.5 billion was largely driven by the depreciation of the Rwandan Franc, the ongoing impact of zero-rated mobile termination rates (MTRs), one-off adjustments from financial restatements, and increasing operating costs driven by network expansion and our smartphone subsidy programme.

We saw these challenges as catalysts for transformation. We optimised our cost structure, sharpened capital allocation, and protected our growth engines, particularly in data and fintech services. These efforts led to a strong turnaround in Q4 2024, delivering double-digit topline growth and Rwf 5.3 billion in profit, a clear signal of strategic traction and executional agility.

Service Revenue: Sustaining Growth Under Pressure

We closed the year with service revenues of Rwf 257.7 billion, representing a 4.6% year-on-year growth despite the intense pricing pressure on voice revenues. Normalised revenue growth, excluding the impact of the zero-rated MTR policy implemented in August 2023, is 8.6%. This underscores the inherent strength of our core business fundamentals and innovative commercial value propositions in our data and fintech services.

EBITDA Performance: Margin Compression and Path to Recovery

- Earnings before interest, taxation, depreciation, and amortisation (EBITDA) for the year stood at Rwf 92.9 billion, down 19.8% from the prior year. The EBITDA margin compressed to 35.5% (from 46.4%) driven by:
- Regulatory interventions: The zero MTR regulation diluted topline growth, increased costs, and resulted in negative margins from One Network Area (ONA) roaming traffic.
- Foreign exchange pressure: The 13.6% average depreciation of the Rwandan Franc against the US Dollar inflated Dollar-denominated costs.
- Network expansion: Investment in network geographic expansion drove up site operating, maintenance, and transmission costs. Accounting for non-lease components of site leases also contributed to the year-on-year increase in operating costs.

However, we regained momentum in Q4, signalling a reversal of the loss trend. We recorded an EBITDA margin of 39.6%, underpinned by stronger, double-digit revenue growth, improved interconnect costs, and subscriber acquisition costs optimisation.

Chief Finance Officer's Statement Continued

Profitability and Bottom-Line Results

The loss after tax for the year of Rwf 5.5 billion (2023: profit after tax of Rwf 5.9 billion) is underpinned by moderate growth, adversely impacted by pricing pressure on voice services and an increase in costs due to currency depreciation, network expansion and the impact of restatements and adjustments in prior periods.

However, the profit of Rwf 5.3 billion delivered in Q4 2024 compared to the cumulative losses of the first nine months represented a 328.9% improvement over the fourth quarter of 2023 and set the stage for a turnaround in 2025.

Net finance costs declined by 11.3% to Rwf 38.0 billion, driven by lower borrowing costs, lower foreign exchange losses and restatement in the prior year.

Depreciation of property, plant and equipment decreased by 8.0% due to the revision of our fixed assets' useful life to ensure the useful lives fairly reflect the assets' usage.

Our loss per share was Rwf -4.1, compared to an earnings per share (EPS) of Rwf 4.4 in 2023 (restated).

Strategic Capital Allocation

Our investment of Rwf 70.5 billion in network enhancement and expansion (Rwf 36.9 billion excluding leases), down 15.3% from the prior year, reflects our disciplined, value-based capital allocation strategy. We invested in:

- Expanding our network with 222 new sites nationwide, improving our geographic coverage and capacity while maintaining our No.1 network NPS position.
- Modernising Kigali's radio access network (RAN) to deliver improved network quality experience to our customers and drive operational efficiency.
- Fintech and IT systems to deliver exciting, advanced fintech products and services, building on our strategic intent of driving financial inclusion and leading digital solutions for Rwanda's progress.

Our free cash flow declined to Rwf 22.1 billion due to a decline in EBITDA, which was impacted by an increase in operating costs.

Restatements: A Commitment to Financial Transparency

As previously disclosed in our earnings releases throughout the year, we undertook a comprehensive review of our technical accounting process and underlying records to ensure compliance and consistent application of relevant accounting standards. This review resulted in restatements relating to accounting for leases under IFRS 16, which impacted depreciation, finance costs, and deferred tax. Also, the review resulted in restatements relating to fintech receivables, management fee reversals, and tax assessments.

The cumulative effect of these restatements reduced the 2023 financial year profit after tax from Rwf 11.4 billion to Rwf 5.9 billion and EPS from Rwf 8.5 to Rwf 4.4. These adjustments were non-cash in nature and have been transparently disclosed to stakeholders.

These actions reflect our unwavering commitment to maintaining high standards of transparency, financial reporting and governance. The corrections enhance the credibility of our financial statements and provide a clean, accurate basis for assessing future performance.

Capital Preservation and Dividend Policy

Given the reported loss position in 2024 and the need to strengthen our financial resilience, the Board has prudently recommended that no dividend be declared for 2024. This recommendation was made to preserve capital, support ongoing investments, and accelerate our return to profitability.

We remain fully committed to resuming dividend distributions as soon as earning performance stabilises and it is financially sustainable and prudent. The strong Q4 2024 performance has laid the foundation for a return to profitability.

Outlook: Positioned for Growth and Value Creation

We enter 2025 with cautious optimism. Our strong focus on excellence in commercial execution, optimising operating costs and value-based investments is expected to support our return to growth, margin improvement and profitability:

- **Fintech acceleration will remain a key growth pillar**: Expand fintech advanced services to diversify revenue and deepen financial inclusion.
- **Data momentum**: deliver innovative value propositions and network investment to continue providing a superior customer experience.
- **Expense efficiency program**: Redesign our operating model for cost efficiency and resilience against FX and external headwinds.
- **Capital efficiency**: Drive investments that enhance cash generation and long-term returns.

In Closing

2024 was a year of realignment, resilience, and renewal. We took bold, necessary steps to reset our foundation and emerged from the year with tangible momentum. The fourth quarter's turnaround gives us confidence that we are firmly on the right path.

I extend heartfelt gratitude to our finance team, auditors, regulators, shareholders, and partners for their unwavering support, patience, and partnership. Together, we step into 2025 with renewed confidence and purpose, committed to growth, profitability, and shared value creation for Rwanda's progress.

Dunstan Ayodele Stober
Acting Chief Finance Officer
MTN Rwandacell Plc

DIRECTORS' REPORT

For the year ended 31 December 2024

The directors submit their report together with the audited consolidated financial statements for the year ended 31 December 2024, which disclose the state of affairs of MTN Rwandacell Plc and its subsidiary, Mobile Money Rwanda Limited (together, "the Group"). The Company was listed on the Rwanda Stock Exchange on 4 May 2021.

Principal activity

The principal activity of the Group is to provide mobile telecommunications, fintech and ICT services.

Staffing

The number of persons employed by the Group as of 31 December 2024 was 369 employees (2023: 341 employees).

Results and dividends

The Group's loss for the year ended on 31 December 2024 was Rwf (5.533) billion (2023 Restated Profit: Rwf 5.880 billion). During the year ending 31 December 2024, the Group declared a dividend of Rwf 5.725 billion from 2023 Profit (2023: Rwf 9.512 billion from 2022 profit).

Shareholding

As of 31 December 2024, MTN Rwandacell Plc's shareholders were MTN International (Mauritius) Limited (55%), MTN REL (Mauritius) Limited (25%), and the Public (20%), whose shares are listed on the Rwanda Stock Exchange.

Directors

The directors who held office during the year and to the date of this report were:

In office as at 1 January 2024	Executive/Non-Executive	Resignation date	In office at the date of report	Appointment date
Mr Faustin Mbundu (Chairperson)	Non-Executive		Mr Faustin Mbundu (Chairperson)	
Michael Fleischer	Non-Executive		Michael Fleischer	
Wanda Matandela	Non-Executive		Wanda Matandela	1 Jan 2024
Julien Kavaruganda	Non-Executive		Julien Kavaruganda	
Yolanda Cuba	Non-Executive		Yolanda Cuba	
Karabo Nondumo	Non-Executive		Karabo Nondumo	
Peace M Uwase	Non-Executive		Peace M Uwase	1 Jan 2024
Mark Nkurunziza	Executive	19 Dec 2024		
Mapula Bodibe	Executive		Mapula Bodibe	

Auditors

The Group's auditors, Ernst & Young Rwanda Limited, who were appointed during the year, has expressed their willingness to continue in office in accordance with Law No. 007/2021 of 5/02/2021 Governing Companies as amended by Law No. 019/2023 of 30 March 2023.

By order of the Board

Sharon Mazimhaka
Company Secretary
13th March 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES

For the year ended 31 December 2024

Law No. 007/2021 of 5/02/2021 governing companies as amended by Law No. 019/2023 of 30 March 2023 requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Group as at the end of the financial year and of its profit or loss for the financial year. It also requires the directors to ensure that the Group keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Group. The directors are also responsible for safeguarding the assets of the Group.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable estimates, in conformity with International Financial Reporting Standards (IFRS) and the requirements of Law No. 007/2021 of 5/02/2021 governing companies as amended by Law No. 019/2023 of 30 March 2023. The directors are of the opinion that the financial statements, which have been prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of Law No. 007/2021 of 5/02/2021 governing companies as amended by Law No. 019/2023 of 30 March 2023, give a true and fair view of the state of the financial affairs of the Group and its profit or loss. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error. Nothing has come to the directors' attention to indicate that there has been any material breakdown in the functioning of the internal controls, procedures and systems during the year under review.

The directors adopted the going concern basis when preparing the financial statements. Nothing has come to their attention to indicate that the Group will not remain a going concern for at least twelve months from the date of this statement.

Ernst &Young Rwanda Limited have audited the Group's financial statements, and their report is presented on pages 3 to 9. The accompanying financial statements on pages 9 to 76 were authorised for issue by the board of directors on ______ March 2025 and were signed on its behalf by:

Director
Julien Kavaruganda

Director
Mapula Bodibe

REPORT OF THE INDEPENDENT AUDITORS

TO THE MEMBERS OF MTN RWANDACELL PLC

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Report on the audit of the financial statements

Opinion

We have audited the consolidated financial statements of MTN Rwandacell Plc and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of Law No. 007/2021 of 05/02/2021 governing companies as amended by Law No. 019/2023 of 30 March 2023.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Rwanda, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below

Key Audit Matter	How our Audit Addressed the Key Audit Matter
Revenue recognition – complexity of products and systems	
The occurrence and accuracy of amounts recorded as revenue is an inherent industry risk due to the complexity of the billing systems arising from changes in products and plans – including multiple element arrangements, the number of products sold, and the tariff structure changes during the year. The application of the revenue recognition accounting standard IFRS 15: Revenue from contracts with customers requires the use of complex rating, billing, and accounting systems. The complexity is compounded by the significant number of revenue transactions that are accounted for on a monthly basis. We, therefore, considered revenue recognition to be a matter of most significance to our current year audit. The significant accounting policies and detailed disclosures on revenue recognition are included in Note 2b – Revenue recognition, Note 5a and 5b – Revenue from contracts with customers and Note 5c – Liabilities related to contracts with customers.	Our procedures to address this key audit matter included: • We understood and tested the design and operating effectiveness of management's controls over the transfer of revenue information between the multiple systems involved in recording revenue; • We tested the controls in place over the authorisation of rate changes and a review of the new products recorded in the billing systems; • We involved our internal IT audit specialists to test the IT general controls of the rating and billing environments, as well as assessed the completeness of the relevant revenue reports utilised for audit purposes; • We tested the end-to-end reconciliation from rating and billing systems to the journals processed in the general ledger; • We performed analytical review procedures over significant revenue streams by identifying the drivers that resulted in changes year on year to establish detailed monthly and annual expectations. Where movement were outside our precision level set, we performed substantive audit procedures; • We performed correlation between revenue, deferred revenue, trade receivables and cash; • We reviewed the reconciliation of the aggregate of the prepaid customers per the charging system to the deferred revenue balance;

REPORT OF THE INDEPENDENT AUDITORS

TO THE MEMBERS OF MTN RWANDACELL PLC (CONTINUED)

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Key Audit Matter	How our Audit Addressed the Key Audit Matter
Revenue recognition – complexity of products and systems	
	• We selected and tested a sample of enterprise revenue contracts and assessed, in line with the requirements of IFRS 15 Revenue from • contracts with customers, that contracts with customers were valid, that performance obligations were agreed by both parties and that revenue was appropriately recognised; • We tested the stand-alone selling prices as input into the system and agreed the logic behind the stand-alone selling prices to the relevant IFRS 15 Revenue from contracts with customers requirements; • We tested management reconciliations for interconnect/roaming revenue and agreed the balances to third party confirmations; • We tested a sample of journal entries, processed in relation to non-standard revenue including manual journals by reviewing supporting documentation to verify that the journals were supported by an underlying business rationale, were accounted for correctly, in the correct period and appropriately authorised; and • We examined and assessed the accounting policies applied and disclosures in terms of the recognition of revenue for compliance with IFRS 15: Revenue from contracts with customers.
Recognition of lease liabilities in accordance with IFRS 16 Leases	
As disclosed in Note 25 of the financial statements, the Group's lease liabilities at 31 December 2024 amounted to Rwf 157 billion (2023: Rwf 149 billion). This liability is recognized in line with the Group 's accounting policy described in Note 2H. The lease liability is recognised at the present value of the future minimum lease payments under the contract. The significant judgements applied in the recognition of the lease liabilities include: • Identifying and applying escalation clauses that could impact payments under the contract in future periods. The escalation clauses are based on external factors for which information may not be available currently, such as inflation rates in future periods. • identifying and excluding cash flows for non-lease components in the derivation of the lease liability determining the applicable lease terms for each lease including estimating the lease term implied in the renewal clauses in the lease contracts, and the application of extension clauses in the contract. • determining the appropriate incremental borrowing rate for discounting lease liability cash flows. • identifying and recognising lease liabilities for lease modifications. We considered the recognition of lease liabilities as a key audit matter on account of the significant judgements involved and because lease liabilities are a material item representing 27% of total liabilities.	Our procedures to address this key audit matter included: • We evaluated management's processes, systems, and financial controls for identifying and accounting for leases. • We checked management's basis for determining and excluding non-lease components in the computation of lease liabilities and obtained support documentation for the non-lease components. • We traced a sample of lease additions, disposals, and repayments, and lease cash flows to the lease model and to supporting documents. • We checked the reasonableness of the incremental borrowing rate applied in discounting lease cash flows. • We performed analytical procedures to check the reasonableness of the interest charge on lease liabilities. • We evaluated management's conclusions on whether there are any lease modifications arising during the year. • We checked the reasonableness of exchange rates used to account for lease contracts that are not denominated in Rwandan francs. For a sample of these contracts, we recomputed the expected carrying amount at the closing rate. • We evaluated the basis for application of extension clauses and assessed the reasonableness of these assumptions based on decisions taken previously and management's long-term strategy. • Where applicable, we tested management's assessment for restoration of site areas and the basis for recognition of an asset retirement obligation. • We recomputed the lease amortisation expense and the depreciation schedule for a sample of the leases.

REPORT OF THE INDEPENDENT AUDITORS

TO THE MEMBERS OF MTN RWANDACELL PLC (CONTINUED)

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Key Audit Matter	How our Audit Addressed the Key Audit Matter
Recognition of lease liabilities in accordance with IFRS 16 Leases	
	• We assessed the adequacy of the lease liability disclosures in the Group's consolidated financial statements for alignment with IFRS 16 Leases.

Other information

The other information consists of the information included on pages 1 to 2, which includes the Directors' Report and the Statement of Directors' responsibilities as required by Law No 007/2021 of 05/02/2021 governing companies in Rwanda as amended by Law No 019/2023 of 30 March 2023. The other information does not include the financial statements and our auditor's report thereon. The Directors are responsible for other information.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and in the manner required by the Law No. 007/2021 of 05/02/2021 governing companies as amended by Law No. 019/2023 of 30 March 2023, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Directors are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

REPORT OF THE INDEPENDENT AUDITORS

TO THE MEMBERS OF MTN RWANDACELL PLC (CONTINUED)

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- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other legal and regulatory requirements

As required by the Law N° 007/2021 of 05/02/2021 governing companies as amended by Law No. 019/2023 of 30 March 2023, we report to you, based on our audit, that:

i) We have no relationship, interests and debts in the group;
ii) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purpose of our audit;
iii) In our opinion, proper books of account have been kept by the group, so far as appears from our examination of those books;
iv) We have communicated to you through the management letter the internal control weaknesses identified in the course of our audit, including our recommendations with regard to those matters.

Stephen K Sang
For and on behalf of Ernst & Young Rwanda Limited

Date: 13th March 2025

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2024

Rwf'000	Notes	2024	2023
		Audited	Restated Audited
Revenue	5(a)	259,564,827	247,995,478
Other income	5(b)	2,062,840	1,390,324
Total income		261,627,667	249,385,802
Direct network operating costs		(39,097,716)	(26,158,737)
Government and regulatory costs		(16,122,868)	(8,501,090)
Cost of handsets and other accessories		(8,746,344)	(3,843,736)
Interconnection and roaming fees		(11,051,887)	(13,795,965)
Employee benefits expense	6	(23,582,210)	(18,125,664)
Sales, distribution and marketing costs		(38,721,931)	(35,720,003)
Other operating expenses	7(a)	(30,860,386)	(26,998,572)
Credit Loss expense**		(570,541)	(441,948)
Depreciation	20 (a)	(23,855,592)	(25,823,859)
Depreciation – right of use asset	20 (b)	(17,824,411)	(21,267,579)
Amortisation	19	(13,114,484)	(12,475,314)
Operating profit		38,079,297	56,233,335
Finance income	8	1,475,095	1,026,609
Finance costs	8	(39,492,743)	(43,895,201)
Profit before income tax		61,648	13,364,743
Income tax expense	9	(5,594,856)	(7,484,914)
(Loss)/Profit for the year		(5,533,208)	5,879,829
Other comprehensive income, net of tax			
Total comprehensive income for the year		(5,533,208)	5,879,829
Attributable to:			
Equity holders of the Company		(5,533,208)	5,879,829
Basic earnings per share - Rwf		(4.1)	4.4
Diluted earnings per share - Rwf		(4.1)	4.4

The notes on pages 61 to 99 are an integral part of these financial statements.
**Credit loss loss was previously included in Other operating expenses as provision for doubtful debts and has been disaggregated in the current year and comparative numbers have been re-presented accordingly.

Consolidated Statement of Financial Position

As at 31 December 2024

Rwf'000	Notes	31-Dec-24	31-Dec-23	1-Jan-23
		Audited	Audited Restated	Audited Restated
ASSETS				
Non-current assets				
Indefeasible rights of use assets (IRUs)	16	8,295,835	10,018,843	11,369,412
Intangible assets	19	81,016,479	82,494,204	79,018,917
Property, plant and equipment	20(a)	120,961,726	119,969,099	101,637,006
Non-Current prepayments		2,042,085	615,843	801,003
Right of use assets	20(b)*	123,088,778	119,468,186	104,958,809
Deferred tax assets	14	6,407,353	-	-
Total non-current assets		341,812,256	332,566,175	297,785,147
Current assets				
Current income tax asset	9	390,239	3,621,809	1,667,243
Indefeasible rights of use assets (IRUs)	16	2,530,601	2,249,645	2,324,534
Cash and cash equivalents	17(a)	14,514,695	20,297,068	20,299,144
Restricted cash	17(c)	6,319,489	5,713,097	4,763,190
Mobile money deposits	17(b)	201,572,790	153,059,615	114,417,857
Mobile money receivables**	17(b)		9,178,976	16,285,868
Deposits with financial institutions	18	-	1,977,505	-
Inventories	21	2,065,585	231,080	1,207,923
Trade and other receivables	22*	52,435,248	37,616,054	23,298,180
Total current assets		279,828,647	233,944,849	184,263,939
Total assets		621,640,903	566,511,024	482,049,086
EQUITY AND LIABILITIES				
Equity				
Ordinary share capital	11	1,350,887	1,350,887	1,350,887
Retained earnings		36,271,616	53,546,054	60,376,440
Other reserves	13	9,215,986	3,199,614	1,500
Total equity		46,838,489	58,096,555	61,728,827
Liabilities				
Non-current liabilities				
Deferred income tax	14	-	7,016,165	14,073,513
Borrowings	15	55,393,665	50,980,806	65,136,084
Other non-current financial liabilities	34	9,636,433	10,528,683	-
Lease liabilities	25*	146,053,051	125,774,863	108,714,958
Total IRU Liability		422,835	456,836	492,190
Total non-current liabilities		211,505,984	194,757,353	188,416,746
Current liabilities				
Contract Liability	5(c)	4,860,975	2,974,509	2,333,057
Deferred Revenue	5(c)	123,275	115,860	105,327
Borrowings	15	15,430,274	25,708,541	25,708,541
Trade and other payables	23(a)*	112,989,566	88,516,485	50,555,400
Financial liability	34	3,122,723	5,040,714	-
Mobile money payables	23(b)*	202,142,123	167,007,910	135,473,044
Provisions	24	1,544,894	639,441	1,152,739
Lease liabilities	25*	11,202,233	22,738,658	15,660,406

Consolidated Statement of Financial Position

As at 31 December 2024 (Continued)

Rwf'000	Notes	31-Dec-24	31-Dec-23	1-Jan-23
		Audited	Audited Restated	Audited Restated
Current liabilities cont'd.				
Current income tax liability	9	**5,102,313**	-	-
Bank Overdraft	17(a)	**5,863,054**	-	-
Shareholder loan	12	**915,000**	915,000	915,000
Total current liabilities		**363,296,430**	313,657,117	231,903,514
Total liabilities		**574,802,414**	508,414,470	420,320,259
Total equity and liabilities		**621,640,903**	566,511,024	482,049,086

The Financial statements were approved and authorized for issue by the Board of Directors on 13th March 2025.

Director: ____________________

Chief Executive Officer: ____________________

The notes on pages 61 to 99 are an integral part of these financial statements

*Restated notes

Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

Rwf'000	Notes	Ordinary	Retained earnings	Other reserves	Total
At 1 January 2023		1,350,887	66,960,821	1,500	68,313,208
Prior year adjustments		-	(6,584,381)		(6,584,381)
At 1 January 2023 (Restated)	38	1,350,887	60,376,440	1,500	61,728,827
Total profit and comprehensive income for the year		-	5,879,829	-	5,879,829
Transfer to reserve			(3,198,114)	3,198,114	-
Dividends declared		-	(9,512,101)	-	(9,512,101)
At 31 December 2023 (Restated)		1,350,887	53,546,054	3,199,614	58,096,555
At 1 January 2024		1,350,887	53,546,054	3,199,614	58,096,555
Transfer to reserve		-	(6,016,372)	6,016,372	-
Total profit and comprehensive income for the year		-	(5,533,208)	-	(5,533,208)
Dividends declared		-	(5,724,858)	-	(5,724,858)
At 31 December 2024		1,350,887	36,271,616	9,215,986	46,838,489

The notes on pages 61 to 99 are an integral part of these financial statements.

Consolidated statement of cash flows

For the year ended 31 December 2024

Rwf'000	Notes	2024	2023
		Audited	Audited Restated
Cash flows from operating activities			
Cash generated from operations	30	**91,619,414**	142,117,989
Interest paid on borrowings	15	**(10,428,763)**	(12,456,500)
Interest paid on lease	25	**(13,020,307)**	(19,504,662)
Interest received		**1,475,095**	1,026,609
Tax paid	9	**(15,166,886)**	(15,843,969)
Net cash generated from operating activities		**54,478,552**	95,339,467
Cashflows flow from investing activities			
Acquisition of property, plant and equipment and intangible assets	19 & 20(a)	**(36,930,082)**	(60,106,554)
Proceeds on disposal of PPE		**-**	974
Deposit placements with financial institutions	18	**1,977,505**	(1,977,505)
Net cash used in investing activities		**(34,952,577)**	(62,083,085)
Cashflows flow from financing activities			
Payment of principal portion of lease liabilities	25	**(24,556,733)**	(16,873,422)
Dividends paid	10	**(1,144,970)**	(1,902,420)
Increase in borrowings	15	**18,000,000**	3,000,000
Principal repayments of borrowings	15	**(23,469,697)**	(17,537,518)
Net cash used in financing activities		**(31,171,400)**	(33,313,360)
Net (decrease)/increase in cash and cash equivalents		**(11,645,427)**	(56,979)
Cash and cash equivalents at beginning of the year		**20,297,068**	20,299,144
Exchange gains on cash and cash equivalents		**-**	54,903
Cash and cash equivalents at end of the year	17(a)	**8,651,641**	20,297,068

The notes on pages 61 to 99 are an integral part of these financial statements

Consolidated Financial Statements

For the year ended 31 December 2024

Notes

1. General information

The Company is incorporated in Rwanda as a public liability company and listed on the Rwanda Stock Exchange. The address of its registered office is:

MTN Centre
Nyarutarama
P.O Box 264, Kigali
Rwanda

The Company is controlled by MTN International (Mauritius) Limited. Its parent and ultimate holding company is MTN Group Limited, a company incorporated in the Republic of South Africa and listed on the Johannesburg Stock Exchange. The principal activity of the Group is providing mobile telecommunication services, fintech services and ICT.

2. Summary of material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below and in the related notes to the Group's consolidated financial statements. Unless otherwise stated, these policies have been consistently applied to all the years presented.

A. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and comply with the requirements of Law No.007/2021 of 5/02/2021 governing companies as amended by Law No.019/2023 of 30th March 2023. The Group has adopted all new accounting pronouncements that became effective in the current reporting period.

The financial statements have been prepared on the historical cost basis except for financial liabilities that have been measured at fair value through profit or loss.

Amounts are rounded to the nearest thousand, except for the number of ordinary share capital (note 11). The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Information about significant areas of estimation uncertainty and significant judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements are included in note 4.

The notes to the financial statement have been presented for the Group and its subsidiary unless specified otherwise.

i) New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2024 but did not have an impact on the Group:

- Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1.
- Lease Liability in a Sale and Leaseback - Amendments to IFRS 16.
- Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7.

ii) Standards issued but not yet effective

The below amendments and standards issued but not yet effective are not expected to have a material impact on the Group:

- Lack of exchangeability – Amendments to IAS 21 Effective for annual periods beginning on or after 1 January 2025.
- Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 - The amendments will be effective for annual reporting periods beginning on or after 1 January 2026.
- Power Purchase Agreements – Amendments to IFRS 9 and IFRS 7 – Amendments to IFRS 9 and IFRS 7 Effective for annual periods beginning on or after 1 January 2026.
- IFRS 19 - Subsidiaries without Public Accountability: Disclosures Effective for annual periods beginning on or after 1 January 2027.
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28 -effective date postponed indefinitely.

The Group is still assessing the impact of the below amendments and standards issued but not yet effective:

- IFRS 18 – Presentation and Disclosure in Financial Statements -Effective for annual periods beginning on or after 1 January 2027.
- Annual Improvements to IFRS Accounting Standards—Volume 11 - The amendments will be effective for annual reporting periods beginning on or after 1 January 2026.

Basis of consolidation

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity where the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The board of MTN Rwandacell Plc has appointed the Company Executive Committee which assesses the financial performance and position of the Company and makes strategic decisions. The steering committee, which has been identified as being the chief operating decision maker, consists of the Company's executive committee.

The Group has identified reportable segments that the Group Executive Committee uses to make key operating decisions, allocate resources, and assess performance. The reportable segments are largely grouped according to the operations, primarily Fintech and Telecommunication business segments, which are used to examine the Group's performance.

The Group's underlying operations and product lines are clustered as follows:

- Telecommunication services. This comprises of data, voice, SMS, value added services, and airtime lending.
- Fintech services. Finance technology (Fintech) relates to mobile money services.
- Information Communication Technology (ICT). This relates to Fixed internet (Fiber to the home, Fiber to the Business, Worldwide Interoperability for Microwave Access (WiMAX) communication).

The Group executive committee primarily uses a measure of earnings before interest, tax, depreciation, and amortisation (EBITDA) to assess the performance of the operating segments.

Consolidated Financial Statements

For the year ended 31 December 2024

Notes (continued)

Summary of material accounting policies (continued)

Interest income, finance cost, borrowings, network assets, licences, borrowings, IRUs and right of use assets are not allocated to segments, as this type of activity is driven by the central function, which manages the cash position of the Group.

B. Revenue recognition

The Group principally generates revenue from providing mobile telecommunications services, such as network services (comprising of data, voice and SMS), digital services, interconnect and roaming services, ICT, Mobile Money services as well as from sale of mobile devices. Products and services may be sold separately or in bundled packages. The typical length of a contract for a post-paid bundled package is 24 months.

For bundled packages, the Group accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the bundled package and if a customer can benefit from it. The consideration is allocated between separate products and services in a bundle based on their stand-alone selling prices. The stand-alone selling prices are determined based on the list prices at which the Group sells mobile devices and network services separately.

The main categories of revenue and the basis of recognition are as follows:

Network services

Voice, SMS and Mobile services enable both prepaid and postpaid customers to make calls and send text respectively within and outside the network. Prepay customers top up their phones by either buying prepay virtual airtime from dealers, other retail outlets, by using mobile money or borrowing credit through emergency top up service. They can also receive airtime from other subscribers. Postpaid customers subscribe to various tariffs and are billed at the end of the month based on a fixed charge or usage. Revenue from prepay voice customers is recognised on usage.

Mobile data enables both prepaid and postpaid customers access the internet. Prepaid customers top up their lines by purchasing credit or bundles in advance, whereas postpaid customers are availed credit based on the tariff subscribed. Mobile data has a wide range of propositions available to meet customers' requirements. The data bundles are deferred on purchase and recognised as revenue on usage. The validity of purchased but un-utilised data bundles is extended upon additional purchase of data bundles, and the Group prompts the subscriber in advance before un-utilised bundles expire and are consequently unavailable for use. The Group has in place a Data Manager tool that gives subscribers the power to control data bundle usage and allows them to restrict browsing out of bundle, which avoids instances of higher pricing when browsing the internet.

Contract liability is recognised for amounts received in advance, until the services are provided, or when the usage of services becomes remote.

Network services (comprising voice, data and SMS) represent a single performance obligation as all are provided over the MTN network and transmitted as data representing a digital signal on the network. The transmission of voice, data and SMS consume network bandwidth; therefore, irrespective of the nature of the communication, the subscriber ultimately receives access to the network and the right to consume network bandwidth. Network services are, therefore, viewed as a single performance obligation represented by capacity on the MTN network.

Mobile money revenue

Mobile money is a mobile money transaction service allowing customers to deposit, transfer and withdraw e-money or pay for goods and services using a mobile phone. Mobile money is available to all MTN subscribers (Prepaid and Postpaid). Registration is free and available at any mobile money agent countrywide. Revenue from this service is earned largely from transfer and withdrawal transactions performed by customers. A graduated tariff depending on the funds being transacted is applied on all transactions which are cumulatively reported as mobile money transaction commission revenue.

In line with the financial inclusion strategy, the Group has partnered with NCBA to offer MoKash services. These services enable customers to save and get loans. Revenue is shared among the partners based on the facility fee and other charges to customers based on a pre-determined revenue share matrix.

Digital services

Digital services include value-added services, rich media services and airtime lending. Customers either pay these services in advance or monthly in equal instalments over the contractual period. A contract liability is recognised for amounts received in advance until the services are provided or when the usage of services becomes remote.

The Group recognises revenue from these services as they are provided. Revenue is based on the actual units of digital services provided during the reporting period as a proportion of the total units of digital services to be provided. The customer receives and uses the benefits of these services simultaneously. Units of digital services outside of postpaid contracts are recognised as the service is provided.

ICT

The Group has in place its Home Fibre, i.e. Fibre To The Home (FTTH) and Fibre to the Building (FTTB) services that enable fast, reliable and unlimited internet access from the comfort of a customer's home/premises. This service is open and available to all customers residing within areas that have the Group's fibre infrastructure ready and have applied to have their homes /premises connected to the Group's fibre grid. The price charged is based on the bandwidth and speed contracted by the customer. The price is charged upfront for a standard period of 30 days, and the customer can renew the subscription by making a payment. The amount charged is deferred and recognised as revenue proportionately over the subscription period.

Interconnect and roaming

The Group has signed interconnect agreements with both local and foreign partners. This allows customers from either network to originate or terminate calls to each other's network. Revenue is earned and recognised when partners' calls are terminated to the Group's network, i.e. the service is rendered.

The Group has roaming agreements with roaming partners that enable customers to make and receive calls when travelling around the world. The agreed charges differ per partner.

When visitors roam on the Group's network, revenue is earned by billing the visiting customers' network, while revenue from the Group's customers is earned from customer billing for voice, SMS, and data usage while roaming on other networks. Revenue is recognised on billing.

Payment for interconnect and roaming is generally received monthly. The Group has considered historical payment patterns (i.e., customary business practice) in assessing whether the contract contains a significant financing component. For contracts containing a significant financing component, the Group reduces interconnect and roaming revenue and recognises interest revenue over the period between satisfying the related performance obligation and payment.

Mobile devices

The Group sells a range of mobile devices. It recognises revenue when customers obtain control of mobile devices, which is when they take possession of the devices. Customers pay in full for mobile devices sold separately at the point of sale. For mobile devices sold in bundled packages, customers usually pay monthly in equal instalments over 24 months.

Consolidated Financial Statements

For the year ended 31 December 2024

Notes (continued)

Summary of material accounting policies (continued)

Revenue recognition (continued)

The Group assesses these contracts, including handsets, to determine if they contain a significant financing component. The Group does not expect to have any material financing component in contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. Consequently, the Group does not adjust any of the transaction prices for the time value of money.

SIM cards

This represents connection revenue that arises from the first activation of a SIM card bought by a subscriber. It is the amount paid by the subscriber to obtain a SIM card.

Other income

This includes among others and site rentals. Site rental revenue is billed monthly and is based on the number of sites and equipment hosted per site. Revenue is recognised systematically over the lease period.

Capitalisation of subscriber acquisition costs

The Group expects that incremental subscriber acquisition costs from the period ended December 2024 for obtaining and renewing contracts are recoverable. These costs include agents' commissions on post-paid contracts, SIM activation costs on prepaid contracts and cost of SIM cards. The capitalisation of customer acquisition cost was started in the financial year started on 1st January 2024. In prior years the acquisition cost was immaterial.

C. Functional currency and translation of foreign currencies

(i) Functional and presentation currency

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

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation at reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

D. Property, plant and equipment

Property, plant, and equipment are measured at historical cost, with less accumulated depreciation and impairment losses. Property, plant and equipment acquired through business combinations are initially shown at fair value and are subsequently carried at the initially determined fair value less accumulated depreciation and impairment losses.

The cost of property, plant, and equipment includes expenditure directly attributable to the acquisition or construction of the assets, any other costs directly attributable to bringing the assets to the location and condition for their intended use, and the present value of estimated decommissioning costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of the equipment.

Property, plant, and equipment under construction are measured at initial cost and depreciated from the date the assets are available for use in the manner intended by management for their estimated useful lives. Assets are transferred from capital work-in-progress to an appropriate property, plant and equipment category when commissioned and ready for their intended use.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The Group capitalises general and specific borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. A qualifying asset is deemed to be an asset which takes more than 12 months to acquire, construct or produce. Borrowing costs include general and specific borrowings directly attributable to the acquisition, construction or production of qualifying assets. Other borrowing costs are expensed in profit or loss.

In instances whereby the Group receives assets for no consideration, the Group accounts for these at cost in accordance with IAS 16 Property, Plant and Equipment, being zero value.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation is calculated using the straight-line method to write down their cost to their residual values over their estimated useful lives. In determining residual values, the Group uses historical sales and management's best estimate based on market prices of similar items.

Useful lives of property, plant and equipment are based on management estimates and take into account historical experience with similar assets, the expected usage of the asset, physical wear and tear, technical or commercial obsolescence and legal restrictions on the use of the assets.

The estimated useful lives of property, plant and equipment are as follows:

	2023 useful life	2024 revised useful life
Buildings	Over the period of the lease	15 to 50 Years
Leasehold improvements	3 to 5 years	3 to 5 years (Over the period of the lease)
Network infrastructure	2 to 20 years	5 to 15 years
Information systems	4 to 8 years	5 to 10 years
Furniture and fittings	4 to 6 years	5 to 8 years
Office equipment	4 to 6 years	5 to 8 years

The assets' useful lives and residual values are reviewed and adjusted, if appropriate, at each balance sheet date, and the effects of any changes in estimates are accounted for on a prospective basis.
During the year, management reviewed and extended the useful lives of property, plant and equipment based on a technical evaluation, historical consumption pattern, and expected future benefits. The revised useful lives are reflected above.

The effect of these changes on depreciation expense for the year is Rwf 7.95 billion decrease in depreciation. There were no changes in the depreciation method or the residual values of property, plant, and equipment.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the expected term of the relevant lease.

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

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between sales proceeds and the carrying amount of the asset and is included in operating profit.

Consolidated Financial Statements

For the year ended 31 December 2024

Notes (continued)

2. Summary of material accounting policies (continued)

E. Impairment of non–financial assets

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets (the "cash-generating unit").

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

F. Intangible assets

Intangible assets with an indefinite useful life or not yet available for use Intangible assets with an indefinite useful life or not yet available for use are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

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

Amortisation is calculated on a straight-line basis to write off the cost of intangible assets over their estimated useful lives. The estimated useful lives are as below:

	2023 useful life	2024 revised useful life
Network licenses	10 years	10 years
Software	4 years	1 to 5 years

The gain or loss arising from the disposal or retirement of an intangible asset is determined as the difference between the proceeds from the disposal and the carrying amount of the asset and is included in profit or loss. Costs associated with maintaining intangible assets are recognised as expenses as incurred.

Costs that are directly associated with the production of identifiable intangible assets controlled by the Group and that will probably generate economic benefits, are capitalised when all the criteria of capitalisation are met.

Expenditure that enhances or extends the performance of intangible assets beyond their original specifications is recognised as a capital improvement and added to the original cost of the assets. Expenditure on research activities is recognized as an expense in the period in which it is incurred.

G. Ericsson Converged Wallet ("ECW") software

During the year ended 31 December 2023, Ericsson Mobile Financial Services Limited ("Ericsson") and MTN entered into a new agreement that defines contractual obligations for the subsidiary, Mobile Money Rwanda Limited, in respect of the software licensing and equipment supply for the Ericsson Converged Wallet ("ECW") platform. The new agreement outlines the payment terms, annual minimum commitment, cloud deployment agreements, and on-site maintenance charges by Ericsson and is effective for five years, from 1 January 2023 to 31 December 2027.

In accordance with the contract, Mobile Money Rwanda Limited is required to make an RWF-denominated annual minimum payment.

The Group has assessed that since future economic benefits are expected to flow to the Group and the cost of the asset can be measured reliably, the Group's licensed software for the ECW platform meets the definition and recognition criteria for an intangible asset. Therefore, the present value of the future minimum payments has been capitalised as an intangible asset.

Intangible asset
The intangible asset is included in the additions to IT software disclosed under Note 19 (a) to the consolidated financial statements.

The intangible asset is amortised over its useful life of five years beginning on 1 January 2023.

Service charges
Maintenance charges (20% of the 3.6% revenue share charge) are expensed when incurred.

Financial liability
Since the payments for the intangible assets will not be made in advance, the Group has also recognised a financial liability (refer to Note 19 (b)), which represents the contractual obligation to pay Ericsson in cash over five years. The payments under the agreement are discounted to their present value using the Group's incremental borrowing rate.

Subsequently, the Group accounts for the interest expense on the financial liability over the five-year period and for the contractual payments due as and when settlements are made.

Embedded derivative
A portion of the future payments under the contract vary according to changes in the RWF:USD exchange rate. However, the Group has concluded that the embedded derivative arising from modification of cash flows on this basis does not have to be separated from the host contract because the economic characteristics and risks of the cash flows are closely related to the fixed minimum commitments under the contract. The embedded derivative will be assessed at the end of each accounting period. Therefore, the financial liability is measured at fair value through profit or loss (FVPL).

H. Accounting for leases - IFRS 16

The Group's leases include network infrastructure (including tower space and land), retail stores, and vehicles. Rental contracts are typically made for fixed periods ranging between 1 and 10 years but may have renewal periods, as described below.

The Group recognises right-of-use assets and lease liabilities for most leases at the lease commencement date. However, the Group has elected not to recognise right-of-use assets and lease liabilities for some leases of low-value assets (e.g., rentals for executive staff) and short-term leases, i.e., leases that, at the commencement date, have lease terms of 12 months or less.
The Group defines low-value leases as leases of assets for which the value of the underlying asset when new is US$5000 or less and is not considered fundamental to its network. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

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

- Fixed payments (including in-substance fixed payments), less any incentives receivable.
- Variable lease payments that are based on an index or rate, measured using the index or rate as at the lease commencement date.
- Amounts that are expected to be payable by the lessee under residual value guarantees.
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option.

Consolidated Financial Statements

For the year ended 31 December 2024

Notes (continued)

- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

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

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

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The Group applies judgment in assessing whether it is reasonably likely that options will be exercised.

Factors considered include how far in the future an option occurs, the Group's business planning cycle of three to five years, and the past history of terminating/not renewing leases. The assessment is reviewed if a significant event or a significant change in circumstances occurs that affects this assessment and is within the control of the lessee.

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

H. Lease and non-lease components

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

I. Indefeasible right of use (IRU) arrangements

The Group enters into long-term service contracts under which it purchases capacity from fibre networks. The purchase involves making prepayments to acquire indefeasible right of use (IRU) for a fixed period of time. The prepayment is amortised and recognised in the profit or loss on a straight-line basis over the life of the contract. The Group applies the principles of IFRS16, leases in order to assess whether its IRU arrangements constitute or contain leases. The requirements to be met in order to conclude that an IRU arrangement constitutes or contains a lease are as follows:

- the provision of a service in terms of the IRU arrangement should be dependent on the use of one or more specific assets; and
- the IRU arrangement must convey a right to use these assets.

The Group applies its principal accounting policies for leases to account for IRU arrangements which constitute or contain leases. All other IRU arrangements that do not constitute or contain leases are treated as service level agreements; the costs are expensed as incurred.

J. Inventories

Inventory mainly comprises items of handsets, SIM cards and accessories held for sale and consumable items. Inventories are measured at the lower of cost and net realisable value. The cost of inventory is determined using the weighted average method. Cost comprises direct materials and, where applicable, overheads incurred in bringing the inventories to their present location and condition, excluding borrowing costs. Net realisable value represents the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Where appropriate, an impairment provision is raised in respect of obsolete and defective inventories.

K. Trade and Other Receivables

Trade and Other receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 to 270 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and, therefore, measures them subsequently at amortised cost using the effective interest method less loss allowance. Details about the Group's impairment policies and the calculation of the loss allowance are provided in note 3.

L. Income tax expense

The tax expense for the year comprises current income tax, deferred income tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity. For these items the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current income tax
Current income tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income, and any adjustment to tax payable in respect of previous years. Directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establish provisions where appropriate based on amounts expected to be paid to the tax authorities.

Deferred income tax
Deferred income tax is recognised using the liability method, providing for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements for financial reporting purposes. Deferred income tax is not recognised if the temporary difference arises from goodwill or from the initial recognition of an asset or liability in a transaction (other than a business combination) that at the time of the transaction, affects neither accounting nor taxable profit nor loss. Deferred income tax is measured at tax rates (and laws) that have been enacted or substantively enacted at the reporting date and are expected to apply to temporary differences when they reverse.

M. Borrowings

Borrowings are accounted for as financial liabilities. Fees paid on the establishment of loan facilities are recognised as transaction costs and capitalised to the extent that it is probable that some or all of the facility will be drawn down. When the drawdown is made, the transaction costs are amortised to profit or loss using the effective interest method. To the extent that it is not probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Consolidated Financial Statements

For the year ended 31 December 2024

Notes (continued)

Summary of material accounting policies (continued)

Income tax expense (continued)

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

N. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits (cash at bank and on hand), as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

Bank overdrafts are shown separately in the statement of financial position.

O. Provisions

A provision is recognised when there is a present legal or constructive obligation as a result of a past event for which it is more likely than not that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of the expected outflow of resources required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a finance cost.

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

Regulatory and fiscal provisions
The Group is involved in various regulatory and other matters specific to the Group's operations. These matters may not necessarily be resolved in a manner favourable to the Group. The Group has therefore recognised provisions in respect of these matters based on estimates and the probability of whether an outflow of economic benefits will be required.

P. Dividends

To ensure the upstreaming of cash to the shareholders, subject to the Board's approval, the approved dividend policy states that a minimum of 50% of Profit after Tax (PAT) will be paid as dividends to shareholders.

Q. Share capital

Ordinary shares are classified as equity. Incremental external costs directly attributable to the issue of new ordinary shares or share options are recognised in equity as a deduction net of tax from the proceeds.

R. Finance income and costs

Finance income
Finance income comprises interest income on funds invested for the short term and gains on foreign exchange transactions. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs
Finance costs comprise interest expense on borrowings, interest in respect of lease liabilities, losses on foreign exchange transactions and the unwinding of the discount on provisions. All borrowing costs are recognised in profit or loss using the effective interest method, unless the borrowing costs are directly attributable to the acquisition, construction or production of qualifying assets, in which case the directly attributable borrowing costs are capitalised.

S. 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.

T. Related party transactions

Related party transactions constitute the transfer of resources, services or obligations between the Group and a party related to the Group, regardless of whether a price is charged. For the purposes of defining related party transactions with key management, key management has been defined as directors and the Group's executive committee and includes close members of their families and entities controlled or jointly controlled by these individuals.

U. Employee benefits

(i) Short-term employee benefits
Remuneration to employees in respect of services rendered during a reporting period is expensed in that reporting period. A liability is recognised for accumulated leave when there is a present legal or constructive obligation as a result of past service rendered by employees.

(ii) Share-based payment transactions
MTN Group, the Group's ultimate holding company, operates two staff share incentive schemes: the MTN Group performance share plan and the MTN Group share appreciation rights scheme, which applies to MTN Rwandacell Plc, a subsidiary of MTN.

These schemes are accounted for as cash-settled share-based payments to employees at subsidiary level. Cash-settled share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) at the valuation date, which is each financial year-end.

(i) Retirement contribution obligations

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

Consolidated Financial Statements

For the year ended 31 December 2024

Notes (continued)

2. Summary of material accounting policies (continued)

U. Employee benefits (continued)

(ii) Termination benefits

Termination benefits may be payable when an employee's employment is terminated before the normal retirement date due to retrenchment or whenever an employee accepts voluntary redundancy in exchange for these benefits.

The Group recognises termination benefits at the earlier of the following dates:

- when the Group can no longer withdraw the offer of those benefits; and
- when the Group recognises costs for a restructuring that is within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets that includes the payment of termination benefits.

In the case of an offer to encourage voluntary redundancy, termination benefits are measured based on the number of employees expected to accept the offer. Benefits due more than 12 months after the reporting date are discounted to their present value.

V. Financial instruments

Financial instruments comprise trade and other receivables (excluding prepayments), deposits with financial institutions, cash and cash equivalents, restricted cash, borrowings, other non-current liabilities (excluding provisions), bank overdrafts trade and other payables, other financial liabilities and derivative financial instruments.

Other liabilities:
Other liabilities include the liability for the Mobile Money Platform.

Accounting for financial instruments
Financial Instruments are accounted for under IFRS 9 on the recognition, classification and measurement of financial assets and liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

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

All financial assets and liabilities are initially measured at fair value, including transaction costs except for those classified as at fair value through profit or loss, which are initially measured at fair value, excluding transaction costs. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

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

Offsetting financial instruments
Offsetting of financial assets and liabilities arises when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The net amount is reported in the statement of financial position.

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

- Financial assets at amortised cost,
- Financial liabilities at amortised cost; and
- Financial liabilities at FVPL

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

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

Other financial liabilities on Mobile Money Payments are initially measured at their fair value, which is the present value of the payments in respect of the minimum commitment. The entity will account for the interest expense and decrease the financial liability over the course of the licensing agreement as and when the liability is settled.

An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. A portion of the cash flows varies according to changes in foreign currency. The economic characteristics and risks of these cash flows are, however, closely related to the fixed minimum commitments.

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For the year ended 31 December 2024

Notes (continued)

2. Summary of material accounting policies (continued)

V. Financial instruments (continued)

Categories of financial assets and liabilities

2024	Amortised cost	FVPL	Total carrying amounts
Financial Assets	Rwf'000	Rwf'000	Rwf'000
Current financial assets			
Trade and other receivables	48,412,803		48,412,803
Mobile money deposits	201,572,790		201,572,790
Restricted cash	6,319,489		6,319,489
Cash and cash equivalents	14,514,695		14,514,695
	270,819,777		270,819,777
Financial Liabilities			
Non-current financial liabilities			
Borrowings	55,393,665		55,393,665
Non-Current financial liabilities	-	9,636,433	9,636,433
Lease liabilities	146,053,051		146,053,051
Current financial liabilities			
Trade and other payables	107,188,200		107,188,200
Lease liabilities	11,202,233		11,202,233
Financial liability	-	9,636,433	3,122,723
Mobile money payables	202,142,123		202,142,123
Borrowings	15,430,274		15,430,274
Bank Overdraft	5,863,054		5,863,054
Shareholder loan	915,000		915,000
	342,740,884	3,122,723	345,863,607

2023	Rwf'000	Rwf'000	Rwf'000
Financial Assets			
Current financial assets			
Trade and other receivables	43,442,763		43,442,763
Restricted cash	5,713,097		5,713,097
Mobile money deposits	153,059,615		153,059,615
Cash and cash equivalents	20,297,068		20,297,068
Deposits with financial institutions	1,977,505		1,977,505
	224,490,048		224,490,048
Non-current financial liabilities			
Borrowings	50,980,806		50,980,806
Non-Current financial liabilities		10,528,683	10,528,683
Lease liabilities	125,774,863		125,774,863
	176,755,669		187,284,352
Financial Liabilities			
Current financial liabilities			
Trade and other payables	85,520,327		85,520,327
Financial liability	-	5,040,714	5,040,714
Lease liabilities	22,738,658		22,738,658
Mobile money payables	167,007,910		167,007,910
Borrowings	25,708,541		25,708,541
Shareholder loans	915,000		915,000
	301,890,436	5,040,714	306,931,150

Consolidated Financial Statements

For the year ended 31 December 2024

Notes (continued)

2. Summary of material accounting policies (continued)

V. Financial instruments (continued)

Categories of financial assets and liabilities (continued)

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

Subsequent measurement
Subsequent to initial recognition, financial instruments are measured as described below.

Financial assets
Financial assets are subsequently measured at amortised cost using the effective interest method, less any impairment losses.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Financial liabilities
All financial liabilities are subsequently measured at amortised cost using the effective interest method.
It is initially measured at its fair value, which is the present value of the payments in respect of the minimum commitment. The entity will account for the interest expense and decrease the financial liability over the course of the licensing agreement as and when the liability is settled.

Derivative financial liabilities are measured at fair value through profit or loss. Gains or losses on derivative liabilities are recognised in the statement of profit or loss.

De-recognition
Financial assets are derecognised when the rights to receive cash flows from the asset have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Impairment of financial assets
The Group assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group's trade and other receivables are subject to the expected credit loss model. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss is immaterial. See note 3 for further details.

W. Shareholder loan

Shareholder loans are equity loans and are accounted for as financial liabilities. The loans recognised initially at fair value, net of transaction costs incurred and subsequently carried at amortised cost.

X. Mobile Money (MoMo) deposits and payables

Mobile money ("MoMo") deposits indicated on the statement of financial position are balances held with banks for and on behalf of MoMo customers. MoMo regulations require that these balances with banks be held in a manner to ensure that they are not co-mingled with the Company's cash and cash equivalents and that they are ring-fenced to settle MoMo customers' obligations. These regulations specify the permissible liquid instruments in which these deposits may be invested.

The Group earns transactional fees on customers' transactions. These fees are part of the revenue and are recognised over time as transactions occur. The Group accounts for fees paid to agents as a commission expense.

Cash flows related to transaction fees earned and operating expenses incurred are classified as operational cash flows. Cash flows that relate to the principal MoMo deposit balances and corresponding liabilities are reflective of customer transactions and, consequently, are not recorded on the Group's statement of cash flows.

MoMo involves the issuing of electronic money in return for cash. It enables an active mobile phone subscriber to load a MoMo wallet, with a balance recorded electronically for immediate or later use.

The Group utilises MoMo agents to facilitate customer activities, such as depositing cash and loading and storing mobile money in wallets. The Group also performs the activities of a MoMo agent through its branches. Any monetary value stored in a MoMo wallet is supported by an equivalent mobile money deposit held with a bank or multiple banks.

The Group provides (under license) the platform to administer the MoMo wallet and the MoMo service generally. The Group opens bank accounts in which the Mobile money deposits are held.

MoMo is a regulated service offering. MoMo regulations govern the manner in which mobile money services are conducted as well as the rights and obligations of all parties to the mobile money service offering.

Y. Earnings per share

Basic and diluted earnings per share (EPS) data for ordinary shares are presented in the financial statements. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.

Consolidated Financial Statements

For the year ended 31 December 2024

Notes (continued)

3. Financial risk management

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

Market risk

(i) Foreign exchange risk
The Group operates locally and is exposed to foreign exchange risk arising from various currency exposures, primarily the US dollar. Foreign exchange risk arises from recognised assets and liabilities.

The Group aims to manage exposure to fluctuations in foreign currency exchange rates by keeping a proportion of its cash balance in foreign currency. As a policy, the Group does not use forward contracts or other speculative methods of hedging foreign exchange risk.

Included in the Group statement of financial position are the following amounts denominated in currencies other than the functional currency of the reporting entity

Rwf'000	2024	2023
		Restated
Assets		
Trade receivables	**4,598,830**	702,954
Cash and cash equivalents	**380,447**	24,520
	4,979,277	727,474
Liabilities		
Trade and other payables	**45,383,948**	25,421,952
Lease liability	**4,977,048**	10,566,006
	50,360,996	35,260,484
Net	**(45,381,719)**	(34,533,010)

The Group has used a sensitivity analysis technique that measures the estimated change to profit or loss and equity of an instantaneous 10% strengthening or weakening in the Rwandan Francs against all other currencies, from the rate applicable at 31 December, for each class of financial instrument with all other variables, in particular interest rates, remaining constant. This analysis is for illustrative purposes only, as in practice, market rates rarely change in isolation.

The Group is mainly exposed to fluctuations in foreign exchange rates in respect of the US Dollar. This analysis considers the impact of changes in foreign exchange rates on profit.

A change in the foreign exchange rates to which the Company and its subsidiary are exposed at the reporting date would have increased/(decreased) profit before tax by the amounts shown below;

	Change In exchange rate	2024 Increase/(decrease) Weakening in functional currency	Strengthening in Functional currency	Change In exchange rate	2023 Increase/(decrease) Weakening in functional currency	Strengthening in Functional currency
	%	Rwf'000	Rwf'000	%	Rwf'000	Rwf'000
Profit before tax	10	(4,538,172)	4,538,172	15	(5,179,952)	5,179,952
Equity	10	(3,267,484)	3,267,484	15	(3,729,565)	3,729,565

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

Interest rate risk is the risk borne by an interest-bearing asset or liability due to the variability of interest rates.

In 2024, the Group's fixed-rate borrowings and receivables were measured at amortized cost. Therefore, they are not exposed to interest rate risk since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Consolidated Financial Statements

For the year ended 31 December 2024

Notes (continued)

3. Financial risk management (continued)

(iii) Credit risk
Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables. The Group does not have any significant concentrations of credit risk. The Group credit controller assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. The utilisation of credit limits is regularly monitored.

With the exception of post-paid and dealer trade receivables, no collateral is held for any of the above assets. Some post-paid subscribers are required to pay a security deposit before being connected to the Group's network. Dealer debtors are also required to present post-dated cheques and bank guarantees before being granted credit.

The amount that best represents the Group's maximum exposure to credit risk at 31 December is made up as follows:

Rwf'000	Notes	2024	2023
Cash and cash equivalents (note 17(a))	17(a)	14,514,695	20,297,068
Mobile money deposits (note 17(b))	17(b)	201,572,790	162,238,591
Restricted cash (note 17 (c)	17(c)	6,319,489	5,713,097
Deposits with financial institutions (note 18)	18	-	1,977,505
Trade and other receivables - (note 22)	22	48,412,803	43,442,763
		270,819,777	233,669,024

Impairment of financial assets at amortised cost
The expected credit loss on other receivables and balances due from related companies is immaterial.

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

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2024 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect forward looking information to the extent that there is a strong correlation between the forward-looking information and the expected credit losses. The Group has identified the GDP of the country in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The default rates as at 31 December 2024 were determined as follows for trade receivables:
The loss rate is applied after adjusting for subsequent receipts

Default rate	Current	More than 30 days past due	More than 60 days past due but less than 90	More than 90 days past due	Government debtors over 90 days
31-Dec-24	5.00%	10.00%	20.00%	100.00%	13.86%
31-Dec-23	5.00%	28.00%	70.21%	100.00%	13.86%

The loss allowance as at 31 December 2024 and 2023 was determined as follows for trade receivables:

Rwf'000	2024			2023		
	Gross	Impairment	Net	Gross	Impairment	Net
Trade receivables	30,534,362	7,027,165	23,507,197	20,372,793	7,550,166	12,822,627

31-Dec-24	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Government debtors	Total
	Rwf'000	Rwf'000	Rwf'000	Rwf'000	Rwf'000	Rwf'000
Gross carrying amount	13,628,585	4,385,517	2,209,379	4,685,853	5,625,028	30,534,362
Loss allowance	681,429	438,550	441,876	4,685,853	779,457	7,027,165

31-Dec-24	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Government debtors	Total
Gross carrying amount	9,212,521	3,726,389	1,848,749	4,613,595	971,539	20,372,793
Loss allowance	460,626	1,043,388	1,297,931	4,613,595	134,626	20,372,793

Consolidated Financial Statements

For the year ended 31 December 2024

Notes (continued)

3. Financial risk management (continued)

Trade and other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group and a failure to make contractual payments for a period of greater than 90 days past due.

Impairment losses on trade and other receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Deposits with financial institutions, cash at bank, restricted cash

Deposits with financial institutions, cash at bank and restricted cash are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months' expected losses. Management considers 'low credit risk' for these financial assets as they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. The loss rate assigned to these has been determined to be 0.60%, which is the probability of default assigned to a B+ investment grade by Standard & Poor's rating agency.

The application of expected credit loss on other receivable, deposits with financial institutions, cash at bank, restricted cash and balances from related companies is immaterial.

(iv) Fair value
The Group adopted the amendment to IFRS 7 for financial instruments measured at fair value. This requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The Group had financial instruments, financial liability in relation to ECW contract which is held at fair value through profit or loss as at 31 December 2024.

(v) Liquidity risk
Prudent liquidity risk management includes maintaining sufficient cash and marketable securities and the availability of funding from an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity reserve based on expected cash flow.

The table below analyses the Group's financial liabilities that will be settled on a net basis into relevant maturity groups based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Rwf'000	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
At 31 December 2024:					
Borrowings	32,469,697	28,101,818	26,763,636		87,335,152
Shareholder loan	915,000	-	-	-	915,000
Bank overdraft	5,863,054	-	-	-	5,863,054
Finance Liability	4,554,133	5,332,643	5,925,158		15,811,934
Lease liabilities	11,202,233	40,206,175	37,233,129	90,521,705	179,163,242
Trade and other payables	107,188,200	-	-	-	107,188,200
Mobile money payables	202,142,123	-	-	-	202,142,123
	364,334,440	73,640,636	69,921,923	90,521,705	598,418,704
At 31 December 2023:					
Borrowings	25,708,541	32,469,697	28,101,818	26,763,636	113,043,693
Shareholder loan	915,000	-	-	-	915,000
Financial Liability	4,788,150	4,554,133	5,332,643	5,925,158	20,600,084
Lease liabilities	37,577,040	51,408,408	37,233,129	90,521,705	216,740,282
Trade and other payables	85,520,327	-	-	-	85,520,327
Mobile money payables	167,007,910	-	-	-	167,007,910
	321,516,967	88,432,238	70,667,590	123,210,499	603,827,294

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For the year ended 31 December 2024

Notes (continued)

3. Financial risk management (continued)

(v) Liquidity risk (continued)

Rwf'000	Notes	2024	2023 Restated	01-Jan-23 Restated
Financial assets at amortised cost				
Trade and other receivables	22	**48,402,803**	43,442,763	37,007,778
Deposits with financial institutions	18	**-**	1,977,505	-
Cash and cash equivalents	17(a)	**14,514,695**	20,297,068	20,299,144
Restricted cash	17(c)	**6,319,489**		-
Mobile money deposits	17 (b)	**201,572,790**		114,417,857
		270,809,777	224,490,048	171,724,779
Financial liabilities at amortised cost				
Borrowings	15	**70,823,939**	76,689,347	90,844,625
Trade and other payables	23	**107,188,200**	85,520,327	50,555,400
Shareholder loan		**915,000**	915,000	915,000
Overdraft		**5,863,054**	-	-
Lease liabilities		**157,255,284**	148,513,521	124,375,364
Mobile money payables		**202,142,123**	167,007,910	135,473,044
		544,187,600	478,646,105	402,163,433

(vii) Capital risk management
Capital includes borrowings, share capital and equity attributable to the Group's equity holders.

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios to support its business and maximise shareholder value. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

Where funding is not available to the operation locally or in specific circumstances where it is more efficient to do so, funding is sourced centrally and on-lent by the MTN Company. The Group's policy is to borrow using a mixture of long-term and short-term capital market issues, borrowing facilities from the local and international capital markets, and multilateral organisations, together with cash generated to meet anticipated funding requirements.

Consistent with others in the industry, the Group monitors capital on the basis of the target gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as equity plus net debt.

Rwf'000	Notes	2024	2023 Restated	01-Jan-23 Restated
Financial assets at amortised cost				
Lease liability	25	**157,255,284**	148,513,521	124,375,364
Borrowings	15	**70,823,939**	76,689,347	90,844,625
Total borrowings		**228,079,223**	225,202,867	215,219,989
Less: cash and cash equivalents	17(a)	**(14,514,695)**	(20,297,068)	(20,299,144)
Net debt		**213,564,528**	204,905,799	235,519,133
Total equity		**47,829,439**	59,354,497	62,986,769
Total capital		**261,393,967**	264,260,296	298,505,902
Gearing ratio		**81.70%**	77.54%	78.90%

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Notes (continued)

4. Significant accounting judgements, estimates and assumptions

Estimates and judgements are continually evaluated based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances. It is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from the assumption could require a material adjustment to the carrying amount of the asset or liability affected.

(i) Significant accounting estimates and assumptions

Impairment of financial assets
The loss allowances for trade and other receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 3(iii) above.

Sensitivity analysis on impairment of trade receivables

Rwf'000	2024 (Decrease)/Increase in provisions		2023 (Decrease)/Increase in provisions	
	Upward change in default rate	Downward change in default rate	Upward change in default rate	Downward change in default rate
50% change in default rate	**2,770,299**	**2,770,299**	263,764	263,764
100% change in default rate	**3,986,368**	**3,986,368**	2,506,535	2,506,535

Lease term
In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The Group applies judgment in assessing whether it is reasonably likely that options will be exercised. Factors considered include how far in the future an option occurs, the Group's business planning cycle of three to five years and past history of terminating/not renewing leases.

The assessment is reviewed if a significant event or change in circumstances occurs that affects this assessment and that is within the lessee's control.

(ii) Significant judgements in applying the Group's accounting policies

Income taxes
The Group exercises significant judgment in determining its provision for income taxes when dealing with calculations and transactions for which the ultimate tax position is uncertain during the ordinary course of business. The Group recognises tax liabilities for anticipated tax issues based on estimates of whether additional taxes will be payable. Where the final outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax in the period in which such determination is made.

Accounting for Mobile Money (MoMo) deposits and payables
Limited accounting guidance exists in IFRS relating to mobile money customers' balances held with banks. The Group previously recognised MoMo balances based on its assessment of the risks and rewards relating to the underlying financial asset. The Group's exposure to credit risk on the financial assets held with the various banks was considered a key factor in the overall evaluation, as any credit risk assumed potentially exposed the Group to refund MoMo customers in the event of any bank failure.

As a result, judgment was made to recognise all MoMo liabilities, representing the obligation which exists in the ordinary course to refund the customer for deposits made and the related MoMo balances held with the banks on the statement of financial position. For further details of the Group's MoMo policy, refer to note 2(X).

Property, plant and equipment
Property, plant and equipment represent a significant proportion of the Group's asset base. Therefore, the judgments made in determining their estimated useful lives and residual values are significant to the Group's financial position and performance. Useful lives and residual values are reviewed annually, with the effects of any changes in estimate accounted for on a prospective basis.

The useful lives of property, plant, and equipment are based on management estimates, which take into account historical experience with similar assets, the expected usage of the asset, physical wear and tear, technical or commercial obsolescence, and legal restrictions on the use of the assets.

The estimated useful lives of property, plant and equipment are shown under note 2d above.

Intangible assets with finite useful lives

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

Amortisation is calculated on a straight-line basis to write off the cost of intangible assets over their estimated useful lives. The estimated useful lives are as below:

Network licenses	10 years
Software	1 to 5 years

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Notes (continued)

4. Significant accounting judgements, estimates and assumptions (continued)

The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the proceeds from the disposal and the carrying amount of the asset and is included in profit or loss.

Costs associated with maintaining intangible assets are recognised as expenses when incurred.

Costs directly associated with the production of identifiable intangible assets controlled by the Group, which will probably generate economic benefits, are capitalised when all the criteria for capitalisation are met.

An expenditure that enhances or extends the performance of intangible assets beyond their original specifications is recognised as a capital improvement and added to the original cost of the assets. Expenditure on research activities is recognised as an expense in the period it is incurred.

5. Revenue

(a) Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services in the following major services and product Lines:

Rwf'000	2024	2023
Airtime and subscription	**62,422,292**	71,701,994
Data	**45,169,217**	45,061,474
ICT	**11,170,754**	10,188,844
SMS	**6,247,315**	7,433,516
Interconnect and roaming	**6,304,548**	11,934,657
Mobile money commissions	**122,639,829**	96,964,109
Digital	**1,648,458**	1,753,860
Handsets and accessories	**3,619,185**	2,509,422
Itemised billing	**39,050**	40,304
Simcard	**304,179**	407,298
	259,564,827	247,995,478

(b) Other income

Rwf'000	2024	2023
Other	**2,062,840**	1,390,324
Other revenue	**2,062,840**	1,390,324

(c) Liabilities related to contracts with customers

Rwf'000	2024	2023
Deferred Revenue	**123,275**	115,860
Contract liabilities - deferred revenue	**4,860,975**	2,974,509
	4,984,250	3,090,369

Movement liabilities related to contracts with customers

Rwf'000	2024	2023
At the start of year	**3,090,369**	2,438,384
Additions	**137,173,867**	156,485,263
Utilised	**(135,279,986)**	(155,833,279)
At the end of year	**4,984,250**	3,090,369

Contract liabilities represent unused activated airtime subscriber balances for prepaid products. They increased due to an increase in prepaid sales.

Revenue is recognised in profit or loss account as calls are made using the unused activated airtime.

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Notes (continued)

5. Revenue (continued)

(d) Revenue recognised in respect of contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities;

Rwf'000	2024	2023
Revenue recognised that was included in deferred revenue at start of year	4,984,250	3,090,369

Contract liabilities represent unused activated airtime subscriber balances for prepaid products. They increased due to an increase in prepaid sales. Revenue is recognised in the profit or loss account as calls are made using the unused activated airtime.

The significant increase in contract liabilities in 2024 was mainly due to the onboarding of a new partner, Optasia, which was given a float of Rwf 3.6 billion.

6. Employee benefits expenses

Rwf'000	2024	2023
Bonus	3,120,314	1,493,989
Cafeteria	145,996	84,537
Expats wages	1,141,436	815,826
Medical	713,180	607,251
Staff collective savings scheme	458,679	405,047
RSSB	665,562	591,515
Shares based expenses (note 26)	1,525,886	1,070,854
Sports	16,092	14,821
Staff welfare	2,166,936	795,978
Training	217,684	281,531
Wages and salaries	13,410,445	11,964,315
	23,582,210	18,125,664

7(a). Other operating expenses

Rwf'000	2024	2023
Professional and Consulting	6,588,815	5,435,748
Director's Fees	171,512	105,607
General Administration expenses incl. Community-based health insurance (3% of Revenue)	10,599,598	8,701,787
Management Fees	11,394,256	10,986,685
MTN Foundation	577,051	394,748
Travel & Entertainment	658,641	501,469
Power Cost - Electricity and Diesel Cost - Non-Network	439,002	527,522
Security Cost - Non-Network Buildings	182,309	176,619
Other Cost - Non-Network	0	76
Maintenance Other	55,233	89,294
Lease payments - non-network	32,328	34,923
Oracle Cloud fees	161,641	44,094
Total	30,860,386	26,998,572

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Notes (continued)

8. Finance Income/(costs)

Rwf'000	2024	2023
Finance income:		
Interest income from banks	1,475,095	1,026,609
	1,475,095	1,026,609
Finance costs:		
Interest expense and other charges on borrowings	10,033,052	12,838,740
Finance costs on leases	24,868,192	24,739,285
Other interest expense	1,366,162	2,212,629
Realised foreign exchange losses	1,810,962	2,154,159
Realised foreign exchange gains	(192,356)	-507,722
Unrealised foreign exchange gains	(522,993)	-351,807
Unrealised foreign exchange losses	2,129,724	2,809,917
	39,492,743	43,895,201

9. Income Tax

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

Rwf'000	2024	2023
Prior year current tax adjustment	5,013,945	554,025
Current income tax charge	14,004,428	13,988,237
Deferred income tax charge /(credit) (note 14)	(9,989,242)	(7,057,348)
Over provision of prior year deferred tax	(3,434,275)	-
	5,594,856	7,484,914

Income tax expense appearing the statement of comprehensive income

Rwf'000	2024	2023
Profits per accounts	61,648	13,364,743
Statutory tax rate	28%	29%
Tax at standard rate	17,262	3,930,571
Tax on expenses not deductible for tax purposes	4,106,301	3,000,318
Effect of prior year understatement	5,013,945	554,025
Over provision of prior year deferred tax	(3,434,275)	-
	5,594,857	7,484,914

Income tax recoverable

Rwf'000	2024	2023
Opening balance	3,621,809	1,667,243
Tax charge	19,018,373	(13,988,237)
Tax advance paid	(10,903,954)	-
Tax paid	(7,026,604)	15,843,969
WHT Claimed (305025)	2,450	98,834
Closing Balance	4,712,074	3,621,809

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Notes (continued)

9. Income Tax (continued)

Income tax recoverable (continued)

Rwf'000	2024	2023
Current Income tax asset	**390,239**	3,621,809
Current income tax liability	**(5,102,313)**	-
Closing Balance	**(4,712,074)**	3,621,809

10. Dividends

Rwf'000	2024 Dividend		2023 Dividend	
	Per share	Total	Per share	Total
Current Income tax asset	**3.39**	**4,579,888**	5.63	7,609,681
Current income tax liability	**0.85**	**1,144,970**	1.41	1,902,420
Closing Balance	**4.24**	**5,724,858**	7.04	9,512,101

Payment of dividends is subject to withholding tax at a rate of either 10% or 12% depending on the residence of the respective shareholders.

11. Share capital

Rwf'000	2024	2023
Authorised:		
1,350,886,600 ordinary shares each with a par value of Rwf 1	**1,350,886,600**	1,350,886,600
Issued and fully paid:		-
1,350,886,600 ordinary shares each with a par value of Rwf 1	**1,350,886,600**	1,350,886,600

12. Shareholder loans

Rwf'000	2024	2023
MTN REL	**915,000**	915,000

13. Other reserves

Rwf'000	2024	2023
Balance at end of year	**9,215,986**	3,199,614

In 2009, Law No. 7/2009 relating to companies replaced the Law Governing Commercial Enterprises in Rwanda. The Law Governing Commercial Enterprises in Rwanda required companies to transfer 5% of their profit after tax to a statutory reserve. Under the law, the obligation ceased when the enterprise's reserves were equivalent to 10% of its share capital. This reserve is not distributable.

In addition, the Mobile Money Rwanda Ltd Articles of Association provide for a legal reserve fund where at least 20% of Net Profit is set aside for the Special Reserve Fund. The requirement of this shall cease as soon as this fund attains 10% of the non-taxable reserves, excluding provisions for depreciation.

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Notes (continued)

14. Deferred income tax

Deferred income tax is calculated using the enacted income tax rate of 28%. The movement on the deferred income tax account is as follows:

2024	Opening balance	Charge to the P&L	Closing Balance
	Rwf'000	Rwf'000	Rwf'000
Property, plant, Equipment and Intangible asset	28,872,920	1,421,413	30,294,333
Provisions	(7,349,829)	4,540,284	(2,809,545)
Tax Losses	(6,112,926)	(16,839,051)	(22,951,977)
Unrealised Foreign Exchange Loss	-	(76,579)	(76,579)
ROU/Lease	(8,394,000)	(2,469,584)	(10,863,584)
Deferred tax liability/Asset	7,016,165	(13,423,517)	(6,407,352)
2023	Rwf'000	Rwf'000	Rwf'000
Property, plant, Equipment and Intangible asset	21,883,990	6,988,930	28,872,920
Provisions	(2,940,988)	(4,408,841)	(7,349,829)
Tax Losses	(2,249,403)	(3,863,523)	(6,112,926)
ROU/Lease	(2,620,086)	(5,773,914)	(8,394,000)
Deferred tax liability/Asset	14,073,513	(7,057,348)	7,016,165

15. Borrowings

Rwf'000	2024	2023
Non-current bank loans		
i) Syndicated Loan I:	**5,899,271**	11,801,563
ii) Syndicate Loan II:	**49,494,394**	64,887,784
iii) Revolving Loans	**15,430,274**	3,000,000
Total borrowings	**70,823,939**	76,689,347
At start of year	**76,689,347**	90,844,625
Interest expense	**10,033,052**	12,838,740
Principal repayments	**(23,469,697)**	(17,537,518)
Interest repayments	**(10,428,763)**	(12,456,500)
New loan facility (syndicate II)	**18,000,000**	3,000,000
At the end of year	**70,823,939**	76,689,347
Non-Current borrowings	**55,393,665**	50,980,806
Current borrowings	**15,430,274**	25,708,541
Total borrowing	**70,823,939**	76,689,347

(i) 2018 syndicated loan

The Group obtained a syndicated loan of Rwf 50 billion split into two tranches;

I) Tranche A of Rwf 35 billion has been fully drawn down, and the outstanding balance in 2024 is Rwf 5.9 billion (2023: Rwf 11.8 billion). The loan attracts interest of 15%, and the final payment is expected by November 2025. The first drawdown date was December 2018.

ii) The Tranche B of Rwf 15 billion was converted into working capital to be drawn on a need basis.
In 2021 Rwf 9 billion part of Rwf 15 billion was converted to second syndicated loan, Rwf 6 billion was converted to a revolving loan.

The loans are secured by a negative pledge over all existing and future assets of the Group

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Notes (continued)

15. Borrowings (continued)

(i) 2018 syndicated loan (continued)

The currency, interest rates, and outstanding principal as at 31 December 2024 under each participating bank are as follows:

Bank	Currency	Interest rate p.a	2024	2023
		%	Rwf'000	Rwf'000
Bank Populaire du Rwanda Plc	Rwf	15%	**1,518,691**	3,035,609
Equity Bank Rwanda Plc	Rwf	15%	**1,431,619**	2,866,335
Bank of Kigali Plc	Rwf	15%	**843,717**	1,688,992
Ecobank Rwanda Plc	Rwf	15%	**1,096,832**	2,193,738
I&M Bank Rwanda Plc	Rwf	15%	**1,008,411**	2,016,889
			5,899,271	11,801,563

(ii) 2021 Syndicate loan

The Group obtained a second syndicated loan of Rwf 64 billion, as contractually agreed upon on 27 July 2021, to facilitate the payment of the GSM license. The loan had been fully drawn down as at 31 December 2021.

Interest on the loan is based on a base rate, being the BNR discount rate, which was 9.5% agreed at the contractual date plus a marginal rate of 5.5% per annum.

After a six-month moratorium, the first principal instalment was paid on 28 January 2022. The final repayment is due on 28 July 2028.

The loan is secured by a negative pledge over all existing and future assets of the Group.

The currency, interest rates and outstanding principal as at 31 December 2024 under each participating bank are as follows:

Bank	Currency	Interest rate p.a	2023
		%	Rwf'000
Banque Populaire du Rwanda Plc	Rwf	15%	5,318,750
Ecobank Rwanda Plc	Rwf	15%	5,318,750
Equity Bank Plc	Rwf	15%	4,269,682
Bank of Kigali Plc	Rwf	15%	14,907,182
I&M Bank (Rwanda) Plc	Rwf	15%	6,769,318
Equity Bank Rwanda Plc	Rwf	15%	9,104,909
Banque Populaire du Rwanda Plc	Rwf	15%	6,125,727
Guaranty Trust Bank (Rwanda) Plc	Rwf	15%	3,886,534
Access Bank Rwanda Plc	Rwf	15%	4,351,705
NCBA Rwanda Plc	Rwf	15%	4,835,227
			64,887,784

Short-term borrowing

The short-term borrowing relates to the shareholder loan for MTN REL, which was previously in Equity but has now been reclassified to current liabilities. Repayment is expected by the end of Q2 2025, and it's a non-interest-bearing facility.

The section below sets out an analysis of net debt and the movements in net debt.

None of the borrowings were defaulted on at any time during the year. The Group complied with the financial covenants of its borrowing facilities during the reporting period.

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Notes (continued)

15. Borrowings (continued)

Short-term borrowing (continued)

	Threshold per loan covenants	Status as at 31st December 2024	Conclusion	Status as at 31st December 2023	Conclusion
Net Debt to EBITDA	<2.5x	0.67x	Compliant	0.49x	Compliant
Debt Service Coverage Ratio	>1.25x	2.66x	Compliant	3.28x	Compliant
Net Debt/ (Equity and shareholder loans)	<70:30	57:43	Compliant	49:51	Compliant
Interest Coverage Ratio	>4.5x	9.26x	Compliant	9.02x	Compliant

As per the loan agreement, the financial ratios do not take the treatment of leases under IFRS 16.

Capitalised transaction costs relate to costs that are directly attributable to the acquisition of the above borrowing facilities.

The carrying amount of the borrowings approximates their fair values since the interest payable on them is close to current market rates. The effective interest rates for the borrowings were 15% in the period.

The section below sets out an analysis of net debt and the movements in net debt.

Rwf'000	2024	2023
Cash and cash equivalents	**14,514,695**	20,297,068
Current borrowings (including overdrafts)	**(21,293,328)**	(25,708,541)
Shareholders Loan	**(915,000)**	(915,000)
Non-current borrowings	**(55,393,665)**	(50,980,806)
Current lease liabilities	**(11,202,233)**	(22,738,658)
Non-current lease liabilities	**(146,053,051)**	(125,774,863)
At end of year	**(220,342,582)**	(205,820,800)

16. Indefeasible rights of use assets (IRUs)

Rwf'000	2024	2023
Opening net book amount	**12,268,488**	13,693,946
Addition	**2,393,825**	1,862,999
Amortisation	**(3,835,877)**	(3,288,457)
Closing net book amount	**10,826,436**	12,268,488
Current	**2,530,601**	2,249,645
Non-current	**8,295,835**	10,018,843
Indefeasible rights of use assets (IRUs)	**10,826,436**	12,268,488
Indefeasible rights of use liability (IRUs)	**(422,835)**	(456,836)

IRU costs for leased lines are recoverable over one year.

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Notes (continued)

17(a) Cash and cash equivalents

For purposes of the cash flow statement, cash and cash equivalents comprise the following:

Rwf'000	2024	2023
Cash at bank and on hand	**14,514,695**	20,297,068
Bank overdraft	**(5,863,054)**	-
	8,651,641	20,297,068

17(b) Mobile money deposits

Rwf'000	2024	2023
Mobile money deposits	**201,572,790**	153,059,615
Mobile Money Receivables		9,178,976
	201,572,790	162,238,591

The balance is fully covered by an equal liability; thus, there is no expected credit loss.

17(c) Restricted Cash

Rwf'000	2024	2023
Deposits held with KCB Rwanda Plc	**1,672,101**	4,448,075
Deposits held I&M Rwanda Plc	**4,592,240**	1,311,625
Mobile money deposits	**55,148**	-
Expected credit loss	**-**	(46,603)
	6,319,489	5,713,097

Deposits with financial institutions, cash at bank and restricted cash are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months' expected losses. Management considers 'low credit risk' for these financial assets as they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. The loss rate assigned to these has been determined to be 0.17%, which is the probability of default assigned to a B+ investment grade by Standard & Poor's rating agency.

18. Deposits held in financial institutions

Rwf'000	2024	2023
Deposits held with KCB Rwanda Plc	-	-
Deposits held I&M Rwanda Plc	-	-
Deposits held with I&M Bank	-	1,977,505
Expected credit loss	-	-
	-	1,977,505

19. Intangible assets - 2023

Rwf'000	Network licenses	Software incl SW licences	Work in progress	2023 Total
Cost				
At beginning of year	92,096,677	1,545,885	-	93,642,562
Additions	-	15,811,472	139,130	15,950,602
At end of year	92,096,677	17,357,357	139,130	109,593,164
Accumulated amortization				
At the beginning of year	14,375,804	247,842	-	14,623,646
Amortisation charge	9,143,633	3,331,681	-	12,475,314
At end of year	23,519,437	3,579,523	-	27,098,960
Carrying amount				
At end of year	68,577,240	13,777,834	139,130	82,494,204

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Notes (continued)

19. Intangible assets - 2024

Rwf'000	Network licenses	Software incl SW licences	Work in progress	2024 Total
Cost				
At beginning of year	92,096,677	17,357,357	139,130	109,593,164
Additions			11,636,758	11,636,758
Reallocation		11,636,751	(11,636,751)	-
At end of year	92,096,677	28,994,108	139,137	121,229,922
Accumulated amortisation				
At the beginning of year	23,519,437	3,579,522	-	27,098,959
Amortisation charge	9,143,633	3,970,851	-	13,114,484
At end of year	32,663,070	7,550,373	-	40,213,443
Carrying amount				
At end of year 2024	59,433,607	21,443,735	139,137	81,016,479

At the beginning of the year, the software licence included ECW, a 5-year software licensing agreement contract for the Mobile Money Platform license entered in 2023 between MTN and Ericsson. An intangible asset was capitalised at the present value of the minimum future commitments applying the borrowing rate of 15%. The liability is equal to the capitalised intangible asset at initial recognition.

Network licenses

Type of license	Date / renewed	Licence term
GSM	01/07/2021	10 years

20(a) Property, plant and equipment

	Cellular Network Equipment	Capital Work In Progress	Information System Equipment	Furniture and Other Equipment	Freehold Land and Buildings	Total
COST						
At 1 January 2024	220,472,865	6,980,941	65,288,929	4,016,616	5,286,723	302,046,074
Additions	-	25,293,324	-	-	-	25,293,324
Reallocation from capital works in progress	20,950,948	(27,088,642)	5,056,993	787,515	293,186	-
Write off	-	(445,106)	-	-	-	(445,106)
Balance at 31 December 2024	241,423,813	4,740,517	70,345,922	4,804,131	5,579,909	326,894,292
ACCUMULATED DEPRECIATION						
At 1 January 2024	(137,061,145)	-	(41,038,132)	(2,359,586)	(1,618,111)	(182,076,974)
Depreciation charge for the year	(14,260,898)	-	(8,560,920-)	(493,019)	(540,755)	(23,855,592)
Balance at 31 December 2024	(151,322,043)	-	(49,599,052)	(2,852,605)	(2,158,866)	(205,932,566)
CARRYING AMOUNT						
At 31 December 2024	90,101,770	4,740,517	20,746,870	1,951,526	3,421,043	120,961,726
At 31 December 2023	83,411,720	6,980,941	24,250,797	1,657,030	3,668,612	119,969,099

Work in progress relates to network expansion projects under way, whose completion is expected to be in Q1 2025. See note 15 for assets pledged as collateral

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Notes (continued)

20(a) Property, plant and equipment (continued)

	Cellular Network Equipment	Capital Work In Progress	Information System Equipment	Furniture and Other Equipment	Freehold Land and Buildings	Total
COST						
At 1 January 2023	190,388,069	6,724,079	52,869,029	3,626,764	4,283,155	257,891,095
Additions	-	43,111,085	40,733	16,460	987,674	44,155,952
Reallocation from capital works in progress	30,085,770	(42,854,223)	12,379,167	373,392	15,894	-
Disposals	(974)	-	-	-	-	(974)
Balance at 31 December 2023	220,472,865	6,980,941	65,288,929	4,016,616	5,286,723	302,046,073
ACCUMULATED DEPRECIATION						
At 1 January 2023	(121,382,534)	-	(31,663,553)	(1,948,018)	(1,259,984)	(156,254,089)
Disposals	974	-	-	-	-	974
Depreciation charge for the year	(15,679,585)	-	(9,374,579)	(411,568)	(358,127)	(25,823,859)
Balance at 31 December 2023	(137,061,145)	-	(41,038,132)	(2,359,586)	(1,618,111)	(182,076,974)
CARRYING AMOUNT						
At 31 December 2023	83,411,720	6,980,941	24,250,797	1,657,030	3,668,612	119,969,099
At 1 January 2023	69,005,535	6,724,079	21,205,476	1,678,746	3,023,171	101,637,006

20(b) Right-of-use assets

	Cellular Network Equipment	Motor Vehicles	Offices and service centers	Total
COST				
At 1 January 2024	177,845,745	3,962,781	5,378,828	187,187,354
Additions	32,148,354	476,744	896,219	33,521,317
Lease modification	(11,899,608)	-	-	(11,899,608)
Disposals	(2,603,126)	(546,521)	(1,092,782)	(4,242,429)
At 31 December 2024	195,491,365	3,893,004	5,182,265	204,539,118
ACCUMULATED DEPRECIATION				
At 1 January 2024	(63,448,945)	(1,350,630)	(2,919,593)	(67,719,168)
Disposals	2,466,464	506,475	1,092,784	4,065,723
Depreciation charge for the year	(15,710,786)	(1,032,793)	(1,080,832)	(17,824,411)
At 31 December 2024	(76,693,267)	(1,876,948)	(2,907,641)	(81,447,856)
CARRYING AMOUNT				
At 31 December 2024	118,798,098	2,016,056	3,568,862	123,088,778
At 31 December 2023 (Restated)	113,102,562	2,612,151	3,753,473	119,468,186

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Notes (continued)

20(b) Right-of-use assets (continued)

	Cellular Network Equipment	Motor Vehicles	Offices and service centers	Total
COST				
At 1 January 2023 (As previously stated)	155,563,085	1,987,012	4,946,458	162,496,555
Restatement	(10,666,297)	-	-	(10,666,297)
At 1 January 2023 (As Restated)	144,896,788	1,987,012	4,946,458	151,830,258
Additions	32,948,957	2,395,629	432,370	35,776,956
Disposals	-	(419,860)	-	(419,860)
At 31 December 2023	177,845,745	3,962,781	5,378,828	187,187,354
ACCUMULATED DEPRECIATION				
At 1 January 2023	(43,887,109)	(814,042)	(2,170,298)	(46,871,449)
Disposals	-	419,860	-	419,860
Depreciation charge for the year	(19,561,836)	(956,448)	(749,295)	(21,267,579)
At 31 December 2023	(63,448,945)	(1,350,630)	(2,919,593)	(67,719,168)
CARRYING AMOUNT				
At 31 December 2023	114,396,800	2,612,151	2,459,235	119,468,186
At 1 January 2023 (Restated)	101,009,679	1,172,970	2,776,160	104,958,809

Finance lease liabilities are disclosed in note 25. Refer to Note 38, explaining the restatement.

21. Inventories

Rwf'000	2024	2023
Airtime cards, SIM cards, phones and accessories	**2,192,836**	237,507
Provision for obsolete stock	**(127,251)**	(6,427)
	2,065,585	231,080
Inventories expensed during the year	**8,746,344**	3,843,736

Movements in the provision for obsolete inventory

Rwf'000	Balance at beginning of year	Additions	Written off during the year	Balance at the end of the year
2024				
Movement in provision	-	127,251	-	127,251
2023				
Movement in provision	(6,427)	-	(6,427)	-

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Notes (continued)

22. Trade and other receivables

Rwf'000	2024	2023
Trade - receivables	**30,534,362**	20,372,793
Less: allowance for impairment of trade receivables	**(7,027,165)**	(7,550,166)
Net trade receivables	**23,507,197**	12,822,627
Interconnect Receivables - Gross	**1,696,552**	7,867,484
Other receivables	**19,398,914**	7,147,405
Intercompany debtors	**3,810,140**	6,426,271
	48,412,803	34,263,787
Prepayments	**1,351,602**	1,609,466
VAT receivable	**2,670,843**	1,742,801
Trade and other receivables	**52,435,248**	37,616,054

In the opinion of the directors, the carrying amounts of the receivables approximate their fair values due to their short-term nature.

The closing loss allowances for trade receivables and other receivables as at 31 December 2024 reconcile to the opening loss allowances as set out below.

Rwf'000	2024	2023
Opening balance	7,550,166	7,066,655
Restatement	-	-
Increase in loss allowance recognised in income statement during the year	570,541	441,948
Receivables written off during the year as uncollectible	(1,093,542)	-
Closing Balance	7,027,165	7,550,166

Trade receivables written off of 1.3 billion are due to fraud cases on these receivables.

23(a) Trade and other payables

Rwf'000	2024	2023
		Restated
Financial liabilities		
Trade payables	**40,151,833**	16,009,237
Interconnect payables	**737,961**	3,770,069
Accrued expenses	**16,361,266**	31,691,843
Intercompany payables	**35,714,716**	24,406,642
Dividends payable	**14,222,424**	9,642,536
	107,188,200	85,520,327
Non Financial liabilities		
Statutory payroll taxes	**2,565,011**	1,287,485
Deductions and other taxes	**3,236,355**	1,708,673
	5,801,366	2,996,158
Trade & other payables	**112,989,566**	88,516,485

The carrying amounts of the above trade and other payables approximate their fair values due to their short-term nature. Other creditors and accruals mainly relate to accruals for goods received but not invoiced, statutory deductions, and other payables.

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Notes (continued)

23(b) Mobile Money payables

Rwf'000	2024	2023
Mobile money amount due to customers	**202,142,123**	167,007,910

24. Provisions

Rwf'000	2024	2023
Bonus provision	**1,544,894**	639,441
	1,544,894	639,441

Rwf'000	Balance at beginning of the year	Additional provisions	Utilised	Reversals	Balance at the end of the year
2024					
Bonus provision	639,441	3,120,314	(2,214,861)	-	1,544,894
	639,441	3,120,314	(2,214,861)	-	1,544,894
2023					
Bonus provision	1,152,739	1,493,989	(2,007,287)	-	639,441
	1,152,739	1,493,989	(2,007,287)	-	639,441

Bonus provisions represent a performance incentive paid to employees based on their achievement of key performance indicators. The provision for the year is based on an estimate of a percentage of each employee's annual basic salary.

25. Leases

This note provides information for leases where the Group is a lessee.

(i) Amounts recognised in the balance sheet
The statement of financial position shows the following amounts relating to leases:

Rwf'000	2024	2023
Lease liabilities		Restated
Opening balance as previously stated	**148,513,521**	132,999,075
Restatement*	**-**	(8,623,711)
Disposal	**(171,098)**	-
Lease Modification	**(11,899,608)**	-
Additions	**33,521,317**	35,776,956
Interest and foreign exchange losses on lease liability	**24,868,192**	24,739,285
Interest Paid on lease	**(13,020,307)**	(19,504,662)
Payment of principal portion of lease liability	**(24,556,733)**	(16,873,422)
	157,255,284	148,513,521
Non-current	**146,053,051**	125,774,863
Current	**11,202,233**	22,738,658
	157,255,284	148,513,521

The maturity analysis of lease liabilities is disclosed in Note 3 (v).
*Refer to note 39 explaining the restatement

Amount recognised in the profit or loss

Rwf'000	2024	2023
Interest and foreign exchange losses on lease liability Note 8	24,868,192	24,739,285
Depreciation of right-of-use assets	17,824,411	21,267,579
Short-term leases and low-value assets	35,928	34,923
	42,728,531	46,041,787

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Notes (continued)

26. Notional share option scheme

The Group operates a Notional Share Scheme, where qualifying staff receive a net increase in the phantom Group share price while exercising their options. The options under the phantom scheme are "cash settled" rather than "equity settled" under IFRS 2: Share-based payments. Effective 1 January 2014, the shares' vesting periods are 100% on the third anniversary after the grant date, with the maximum period for the exercising of options being five years. The first lot of qualifying staff were granted options by the Board on 1 April 2005 and the number is reviewed at each grant date to determine any additional staff that may have qualified for the scheme since the last issue. On 31 December 2024, the total liability arising from the Notional Share Option scheme amounted to Rwf 638 million (2023: Rwf 39.988 million) for the qualifying staff.

The weighted average price of the shares exercised during the year was Rwf 31,212.7288 per share (2023: Rwf 31,212.7288 per share).

Year ended 31 December 2024	At start of year	Additional provisions	Utilised/ reversed	At end of year
	Rwf'000	Rwf'000	Rwf'000	Rwf'000
Employee share-based payment liability				
Notional share options	39,988	1,567,710	(969,614)	638,084

Year ended 31 December 2023	At start of year	Additional provisions	Utilised/ reversed	At end of year
Employee share-based payment liability				
Notional share options	807,919	1,070,854	(1,838,785)	39,988

27. Lease commitments

The Group entered into a Master Lease Agreement with IHS Rwanda Holdings Limited to lease tower space for the next 10 years. After the initial term, the Group has the right to renew the lease for a maximum of 4 renewal periods of 5 years each. The lease contract has an escalation clause which states that from 1 January 2015 and on each anniversary thereafter the applicable use fee and service credits shall be increased or decreased (compounded annually) in line with percentage increase or decrease in the Consumer Price Index for the previous 12 months period prior to the relevant escalator date. See note 25 on lease accounting.

28. Capital commitments

Capital commitments at the reporting date not recognised in the financial statements are as follows:

Rwf'000	2024	2023
Property, plant and equipment		
Authorised and contracted for purchase of network equipment	**35,685,780**	39,050,276

29. Contingent liabilities

The Group is a defendant of a number of other legal suits. In the opinion of the directors, after taking appropriate legal advice, the outcome of the actions will not give rise to any significant cash out flow to the Group.

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Notes (continued)

30. Cash generated from operations

Reconciliation of profit before income tax to cash generated from operations:

Rwf'000	Notes	2024	2023 Restated
Profit before tax		**61,648**	13,364,743
Adjusted for:			
Finance income	8	**(1,475,095)**	(1,026,609)
Finance costs	8	**39,492,743**	43,895,201
Depreciation of property, plant and equipment and ROUA	20	**41,680,003**	47,091,438
Amortisation of intangible assets	19	**13,114,484**	12,475,314
Write-offof property, plant and equipment and loss on lease termination		**450,712**	(974)
Bonus provision	24	**905,453**	1,493,989
Inventory absolescence	21	**127,251**	6,427
Movement in the impairment of trade receivables		**570,541**	441,948
Net Cash Generated by Operations		**94,927,739**	117,741,477
Changes in working capital		**(3,308,328)**	55,265,674
W/C Movement - Net inventory		**(1,961,756)**	970,433
Increase in IRU assets and liability		**1,408,050**	1,390,104
W/C Movement - Trade and other payables		**9,847,537**	44,242,220
W/C Movement – contract liability and deferred revenue		**1,893,881**	641,452
W/C Movement - Interco creditors		**11,308,074**	6,532,303
(Decrease) /increase in Non-Current prepayments		**(1,426,242)**	(1,838,167)
(Decrease) /increase in Financial Liabilities		**(4,788,151)**	-
Increase/(decrease) Other reserves		**-**	3,327,329
Increase/(decrease) Restricted cash		**-4,199,986**	
W/C Movement - Net Trade and Receivables		**(15,389,735)**	(30,889,162)
W/C Movement - Remaining trade receivables		**(18,005,866)**	(27,353,970)
W/C Movement - Intercompany debtors		**2,616,131**	(3,535,192)
Increase/(decrease) Restricted cash			
Cash Generated from Operations		**91,619,414**	142,117,989

31. Related party transactions

The Company's parent is MTN International (Mauritius) Limited, incorporated in Mauritius. The ultimate parent and ultimate controlling party of the Company is MTN Company Ltd, incorporated in South Africa. The following transactions were carried out with related parties, with whom the Company has common shareholdings or common directorships:

i) Sale of services

Rwf'000	2024	2023
MTN Uganda Limited - Interconnect Services	**-**	30,915
MTN Business Kenya- Leased lines	**-**	4,556
Bayobab Africa - Leased lines	**5,716,019**	4,879,078
	5,716,019	4,914,549

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Notes (continued)

31. Related party transactions (continued)

ii) Purchases of services

Rwf'000	2024	2023
MTN Uganda Limited - Interconnect, Seamless Roaming Services, IT Shared Services and leased line services	**18,961**	13,508
MTN International (Mauritius) Ltd	**4,880,241**	6,240,111
MTN Group Fintech	**5,854,090**	-
MTN Business Kenya Limited- Leased lines	**121,531**	99,448
Bayobab Africa - leased lines	**16,495,279**	13,466,667
Global Trading Company	**1,089,235**	486,807
	28,459,337	20,306,541

iii) Management fees paid

The management fees are calculated as follows:

Rwf'000	MTN International (Mauritius) Limited	MTN Group Fintech	Total	MTN Group Fintech	Total
	2024	2024	2024	2023	2023
4% of revenue	**3,293,259**	**4,670,895**	**7,964,154**	3,779,683	8,796,008
2% on Profit before income tax	**1,586,982**	**1,183,195**	**2,770,177**	966,892	2,190,677
Total	**4,880,241**	**5,854,090**	**10,734,331**	4,746,575	10,986,685

Management and technical fees are in accordance with agreements between the Company and the respective parties. The fees were based on 2% of revenue and 1% on Profit before income tax for MTN International (Mauritius) Limited and MTN REL (Mauritius) Limited up until November 2020. From December 2020 MTN REL (Mauritius) Limited cease to receive management fees, and MTN International (Mauritius) Limited to received 4% of revenue and 2% of profit before income tax inclusive of tax.

iv) Interest expense

Rwf'000	2024	2023
MTN Dubai Limited	**156,973**	56,681
Global Trading Company	**81,561**	16,368
Interserve Overseas Limited	**108,704**	33,770
	347,238	106,819

v) Dividends declared

Rwf'000	2024	2023
MTN International (Mauritius) Limited	**3,148,670**	5,231,655
MTN REL- Mauritius	**1,431,215**	2,378,025
Shareholders listed in the Rwanda Stock Exchange	**1,144,972**	1,902,420
	5,724,857	9,512,100

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Notes (continued)

31. Related party transactions (continued)

vi) Outstanding balances arising from sale and purchase of goods/services

a) Receivables from related parties

Rwf'000	2024	2023
MTN Holdings Ltd	**1,180**	1114
MTN Company Management Services (Pty) Ltd	**901,431**	440,046
MTN (Pty) Ltd	**71,439**	65,172
MTN Eswatini	**4,044**	-
MTN Group Fintech	**107,768**	3,327,329
MTN Cote d'Ivoire SA	**4,982**	4,545
Congo-Brazzaville	**12,854**	11,726
Space Tel Guinea-Bissau SA	**-**	15,518
MTN Guinea	**25,655**	23,404
M.T.N. South Sudan Co Ltd	**134,539**	3,942
Bayobab Africa - leased lines	**484,322**	474,100
MTN International (Mauritius) Limited	**2,061,926**	2,059,376
	3,810,140	6,426,271

b) Receivables from related parties

Rwf'000	2024	2023
MTN Company Management Services (Pty) Ltd	**794,673**	448,152
MTN Holdings Ltd	**743,625**	592,377
MTN (Pty) Ltd	**221**	209
MTN Uganda Ltd	**34,758**	-
Congo-Brazzaville	**6,225**	6,071
MTN Dubai Ltd	**1,834,923**	1,381,311
Interserve Overseas Ltd	**1,945,655**	945,057
MTN International (Mauritius) Ltd	**10,655,749**	5,108,827
Global Trading Company	**1,860,356**	577,399
Bayobab Africa Limited	**16,894,907**	14,125,482
MTN Group Fintech	**900,042**	1,212,831
Bayobab Kenya	**43,582**	8,926
	35,714,716	24,406,642
Dividends payable to related party		
MTNREL – Mauritius	**5,842,095**	4,410,880
MTN International (Mauritius) Ltd	**8,380,328**	5,231,655
	14,222,423	9,642,536

vii) Shareholder loan

The shareholder loan amounts to Rwf 915 million and is due to MTN REL. The loan is interest-free and repayable on demand. See note 12 for details.

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Notes (continued)

31. Related party transactions (continued)

viii) Key management compensation

Rwf'000	2024	2023
Short term employee benefits	**1,066,629**	891,711
Post-employment benefits	**70,775**	59,169
Share based provisions	**638,083**	685,822
	1,775,487	1,636,702

ix) Directors' emoluments

Rwf'000	2024	2023
Directors' fees		
Mr. Faustin Mbundu	**20,316**	18,944
Peace Uwase	**14,566**	-
Julien Kavaruganda	**19,038**	17,433
Mark Nkurunziza**	**138,549**	101,326
Dunstan Stober**	**109,607**	-
Mapula Bodibe**	**714,930**	587,327
	1,017,006	725,030

**Directors that are employees of MTN Company Limited are not separately remunerated.

x) MTN Rwanda cell Plc Staff Defined contribution provident fund

Rwf'000	2024	2023
Employer contributions	**394,336**	355,811

32. Going concern

The Group's forecasts and projections, taking into account reasonably possible changes in trading performance, show that the Group should be able to operate within its current funding levels.

After making enquiries, the directors reasonably expect that the Group has adequate resources to continue in operational existence for the foreseeable future. Therefore, the Group continues to prepare its financial statements on a going concern basis.

33. Collective staff savings scheme

The Group set up a defined contributory provident fund scheme for its employees. The provident fund is a defined contribution fund designed to provide a lump sum upon retirement, not a guaranteed pension. The lump sum is dependent upon the fund's investment performance. Both employees and the Group contribute to the provident fund on a fixed contribution basis.

Under this plan, the Group has no legal or constructive obligation to pay further contributions if the fund does not have sufficient assets to pay all employees' benefits relating to the employee service in the current or prior period. Consequently, no actuarial valuation of the fund is required.

34. Other non-current financial liabilities

The financial liability relates to the present value of future payments to Ericson AB for annual EWP licenses over the next five years.

Rwf'000	2024	2023
Non-current portion	**9,636,433**	10,528,683
Current portion	**3,122,723**	5,040,714
	12,759,156	15,569,397

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Notes (continued)

34. Other non-current financial liabilities (continued)

Movement during the year

Rwf'000	2024	2023
At 1 January	**15,569,397**	-
Additions	**-**	14,405,477
Interest recognised in P&L	**1,977,910**	2,115,838
Repayments	**(4,788,150)**	(951,918)
At 31 December	**12,759,156**	15,569,397

The fair value of the financial liability is determined using level 3 techniques by discounting future cash flows using the Group's incremental borrowing rate. The significant unobservable inputs in the fair value measurement are the long-term growth rate for the Group's service revenue, the annual movement in the foreign exchange rate and the incremental borrowing (discount) rate. A 1% increase in the discount rate results into a Rwf 185 million decrease in the fair value of the financial liability. A 1% increase in the foreign exchange rate and the service revenue increase Rwf 125 million and Rwf 125 million in the fair value of the financial liability, respectively.

35. Earnings per share

Rwf'000	2024	2023
		Restated
Profit for the year attributable to equity shareholders Rwf'000	**(5,533,208)**	5,879,829
Weighted average number of shares for calculation diluted and basic earning per share	**1,350,886,600**	1,350,886,600
Earnings per share:		
Basic and diluted earnings per share – Rwf	**(4.1)**	4.4

36. Segment reporting

a) Segment revenue and EBITDA

The executive committee primarily uses earnings before interest, taxes, depreciation and amortisation (EBITDA) to assess the performance of the segments. Earnings before interest, taxes, depreciation and amortisation (EBITDA) reconciles to operating profit before income tax as follows:

Unallocated balances relate to intercompany transactions between the GSM and Fintech entity which are eliminated at the consolidated level.

For the year ended 31 December 2024:

31-Dec-24	Fintech	Telecommunication	Elimination	Total
	Rwf'000	Rwf'000	Rwf'000	Rwf'000
Revenue	119,138,263	165,630,100	(23,140,696)	261,627,667
	119,138,263	165,630,100	(23,140,696)	261,627,667
Direct cost	(49,245,535)	(74,717,292)	10,222,081	(113,740,746)
Operating expenses	(21,843,682)	(46,088,072)	12,918,616	(55,013,138)
Depreciation and amortization	(3,743,919)	(51,050,567)	-	(54,794,487)
Operating profit	44,305,127	(6,225,831)	-	38,079,296
Finance income	1,457,203	22,488,426	(22,470,534)	1,475,095
Finance costs	(2,351,620)	(37,141,123)	-	(39,492,743)
Profit before income tax	43,410,710	(20,878,529)	(22,470,533)	61,648
Income tax expense	(12,822,610)	7,227,754	-	(5,594,856)
Profit for the year	30,588,099	(13,650,774)	(22,470,533)	(5,533,208)

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Notes (continued)

36. Segment reporting (continued)

a) Segment revenue and EBITDA (continued)

For the year ended 31 December 2023:

31-Dec-23	Fintech	Telecommunication	Elimination	Total
	Rwf'000	Rwf'000	Rwf'000	Rwf'000
Revenue	92,374,372	160,593,911	(3,582,481)	249,385,802
	92,374,372	160,593,911	(3,582,481)	249,385,802
Direct cost	(29,001,470)	(59,018,061)	-	(88,019,531)
Operating expenses	(14,481,179)	(34,568,314)	3,483,309	(45,566,184)
Depreciation and	(3,743,919)	(51,050,567)	-	(54,794,487)
amortization	(3,531,869)	(56,034,883)	-	(59,566,752)
Operating profit	45,359,853	10,972,653	(99,171)	56,233,335
Finance income	919,756	23,911,672	(23,804,819)	1,026,609
Finance costs	(2,105,810)	(41,789,391)	-	(43,895,201)
Profit before income tax	44,173,799	(6,905,066)	(23,903,990)	13,364,743
Income tax expense	(14,091,176)	6,606,262	-	(7,484,914)
Profit for the year	30,082,624	(298,804)	(23,903,990)	5,879,829

b) Segment assets

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment;

As at 31 December 2024:

31-Dec-24	Fintech	Telecommunication	Elimination	Total
	Rwf'000	Rwf'000	Rwf'000	Rwf'000
Non-current assets				
Indefeasible rights of use assets (IRUs)	-	8,295,835	-	8,295,835
Intangible assets	11,652,830	69,363,650	(1)	81,016,479
Property, plant and equipment	567,173	120,394,553	-	120,961,726
Non-Current prepayments	-	2,042,085	-	2,042,085
Right of use assets	1,329,919	121,758,860	-	123,088,778
Investment in subsidiary	-	300,000	(300,000)	-
Deferred tax assets	1,047,013	5,360,340	-	6,407,353
	14,596,935	327,515,322	(300,001)	341,812,256
Current assets				
Current income tax	-	390,239	-	390,239
Indefeasible rights of use assets (IRUs)	-	2,530,601	-	2,530,601
Restricted cash	-	6,319,488	-	6,319,489
Mobile Money deposits	201,517,641	55,149	-	201,572,790
Cash and cash equivalents	8,491,799	6,022,896	-	14,514,695
Deposits with financial institutions	-	-	-	-
Inventories	-	2,065,585	-	2,065,585
Trade and other receivables	33,624,642	36,723,111	(17,912,505)	52,435,248
	243,634,083	54,107,069	(17,912,506)	279,828,647

Consolidated Financial Statements

For the year ended 31 December 2024

Notes (continued)

36. Segment assets (continued)

b) Segment assets continued)

As at 31 December 2023:

31-Dec-23	Fintech	Telecommunication	Elimination	Total
	Rwf'000	Rwf'000	Rwf'000	Rwf'000
Non-current assets				
Indefeasible rights of use assets (IRUs)	-	10,018,842	-	10,018,842
Intangible assets	13,916,966	68,577,238	-	82,494,204
Property, plant and equipment	505,737	119,463,362	-	119,969,099
Non-Current prepayments	-	615,843	-	615,843
Right of use assets	1,359,851	118,108,336	0	119,468,187
Investment in subsidiary	-	200,000	(200,000)	-
	15,782,554	316,983,621	-200,000	332,566,175
Current assets				
Current income tax	-2,582,352	6,204,161	-	3,621,809
Indefeasible rights of use assets (IRUs)	-	2,249,646	-	2,249,646
Restricted cash	-	5,713,096	-	5,713,096
Mobile Money deposits	155,993,340	136,496	(3,070,221)	153,059,615
Cash and cash equivalents	12,149,047	8,148,021	-	20,297,068
Deposits with financial institutions	1,977,505	-	-	1,977,505
Inventories	-	231,080	-	231,080
Trade and other receivables	62,457,511	65,616,784	(81,279,265)	46,795,030
	229,995,051	88,299,284	(84,349,486)	233,944,849

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For the year ended 31 December 2024

Notes (continued)

36. Segment assets (continued)

c) Segment liabilities

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment;

As at 31 December 2024:

31-Dec-24	Fintech	Telecommunication	Elimination	Total
	Rwf'000	Rwf'000	Rwf'000	Rwf'000
Non-current liabilities				
Deferred income tax	-	-	-	-
Other non current liabilities	9,636,433	-	-	9,636,433
Borrowings	-	55,393,665	-	55,393,665
Total IRU Liability	-	422,835	-	422,835
Lease liabilities	1,443,708	144,609,343	-	146,053,051
	11,080,141	200,425,843	-	211,505,984
Current liabilities				
Deferred revenue	-	4,984,250	-	4,984,250
Borrowings	-	15,430,274	-	15,430,274
Trade and other payables	18,312125	100,184,129	(11,881,325)	106,614,929
Mobile money payables	202,086,975	55,148	-	202,142,123
Provisions	497,578	1,047,317		1,544,894
Lease liabilities	-	11,202,233	-	11,202,233
Financial liability	3,122,723	-	-	3,122,723
Taxation liabilities	5,153,503	(51,190)	-	5,102,313
Restricted cash		6,374,637	-	6,374,637
Other short-term borrowings		10,669,041	(10,669,041)	-
Bank Overdraft		5,863,054	-	5,863,054
Shareholder loan	-	915,000	-	915,000
	229,172,904	156,673,893	(22,550,367)	363,296,430

Consolidated Financial Statements

For the year ended 31 December 2024

Notes (continued)

36. Segment assets (continued)

c) Segment liabilities (continued)

As at 31 December 2023:

31-Dec-23	Fintech	Telecommunication	Elimination	Total
	Rwf'000	Rwf'000	Rwf'000	Rwf'000
Non-current liabilities				
Deferred income tax	-	7,016,165	-	7,016,165
Other non current liabilities	10,528,683	-	-	10,528,683
Borrowings	-	50,980,806	-	50,980,806
Total IRU liability	-	456,836	-	456,836
Lease liabilities	1,406,552	124,368,311	-	125,774,863
	11,935,234	182,822,119	-	194,757,353
Current liabilities				
Deferred revenue	-	3,090,369	-	3,090,369
Borrowings	-	25,708,541	-	25,708,541
Trade and other payables	49,786,842	113,149,349	(74,419,707)	88,516,484
Mobile money payables	163,801,194	136,495	(3,070,221)	167,007,910
Provisions	298,940	340,501	-	639,441
Lease liabilities	-	22,738,658	-	22,738,658
Shareholder loan	-	13,915,000	(13,000,000)	915,000
	218,927,690	179,078,913	(84,349,486)	313,657,117

37. Investment in subsidiary

The Company's principal subsidiary at 31 December 2024 is set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Company, and the proportion of ownership interests held equals the voting rights held by the Company. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ country of incorporation	Ownership interest held by the Company	Share capital	Intercompany loan	Principal activities
			Rwf'000	Rwf'000	
Mobile Money Rwanda Limited	Rwanda	100%	300,000	-	Fintech services

38. Effect of Prior year restatement

Leases

The Company accounts for leases in accordance with IFRS 16 Leases.
During 2024, the Company identified errors in the calculation of lease liabilities and right-of-use assets arising mainly relating to foreign denominated leases which were accounted for as local currency leases, incorrectly measured CPI escalations and terminated leases not being derecognised.

The above matters resulted in right-of-use assets and lease liabilities being overstated, with related impacts to depreciation, finance costs, deferred tax liabilities and income tax expense.

Prior year restatement related to bank-to-wallet transactions in fintech

Following a review of our fintech subsidiary, MTN Mobile Money Rwanda Ltd (MMRL), of its bank-to-wallet transactions, discrepancies were identified arising due to uncollected funds from customers' bank accounts caused by system push-pull integration gaps with partner banks. The review found that, due to inadequate reconciliations relating to Mobile Money balances, the cash on certain transactions was not recovered from the customers' bank accounts while equivalent e-value was created on their respective MoMo wallets. This was as result of MMRL's business model not requiring that the partner bank accounts are pre-funded and agreements with the respective banks did not necessitate pre-funding. This has led to accumulated loss of approximately Rwf 4.8 billion – relating to the relevant transactions effected between 2016 and 2022 – amounting to the discrepancy in e-money float versus the cash assets held in different trust accounts on behalf of MoMo customers.

Consolidated Financial Statements

For the year ended 31 December 2024

Notes (continued)

38. Effect of Prior year restatement (continued)

Leases (continued)

Additionally, due to MMRL's business model not requiring that the partner bank accounts are pre-funded, e-value was created as at 31 December 2022 and 31 December 2023, but the related cash was only collected from customers' bank accounts in January 2023 to March 2023 and January 2024, respectively.
In compliance with regulatory requirements under the central bank's e-Money Regulation 54/2022, which mandates that e-money float must be backed by equivalent cash balances, MMRL transferred the required funds from operational bank accounts into the trust accounts in December 2024.

Due to the errors noted above, the Mobile money payables balance was understated, Mobile money deposits were understated and retained earnings overstated. The Group restated the Mobile money payables balance as at 1 January 2023 and 31 December 2023 and retained earnings for the related loss. The Mobile Money deposit balance was only increased as at 31 December 2024, based on when MMRL transferred the operational cash into the trust accounts

We have implemented the necessary remedial measures to close the system integration gaps that led to this matter. The remedial measures included implementing daily reconciliations and moving all banks to a pre-funded basis by 31 December 2024. Management is in the process of initiating a structured recovery process including stakeholder engagement to minimise the overall financial impact on the business. We remain fully committed and focused on ensuring compliance with our regulatory obligations.

Taxes

During 2024, the Company identified that the tax impacts of the assessed loss that arose in 2022 was accounted for as a current tax income in 2022 and a deferred tax income in the second half of 2023. This resulted in the overstatement of current income tax assets and closing retained earnings.

Management fees over reversal

In the 2022 financial year, the Company accrued for management fees owing from Mobile Money Rwanda Limited based on the best estimate of the management fees to be charged. As part of the finalization of the management fee agreement between Mobile Money Rwanda Limited and MTN Company Fintech (Pty) Ltd, it was agreed that Mobile Money Rwanda Limited would only incur management fees from the date of signature of the contract, effectively resulting in Mobile Money Rwanda Limited not being charged management fees for the year ended 31 December 2022.

The Company correctly reversed the related management fees through the income statement in the year ended 31 December 2023. However, the Company also reversed the related management fees through retained earnings, resulting in an overstatement of retained earnings and an understatement of trade and other payables.

Below is the cumulative effect of the errors that were corrected:

Statement of financial position
At 1st January 2023

Rwf'000	As previously reported	Adjustment	Restated
ASSETS			
Non-Current Assets			
Right of use Asset	115,625,107	(10,666,298)	104,958,809
Current Assets			
Mobile money receivable		16,285,868	16,285,868
Total Assets	476,429,516	5,619,570	482,049,086
EQUITY AND LIABILITIES			
Equity			
Retained earnings	66,960,821	(6,584,381)	60,376,440
Non-Current Liability			
Lease Liability	95,259,578	13,455,380	108,714,958
Deferred Tax Liability	14,301,038	(227,525)	14,073,513
Current liabilities			
Mobile money payables	114,417,857	21,055,187	135,473,044
Current Lease Liability	37,739,497	(22,079,091)	15,660,406
Total Equity and Liabilities	476,429,516	5,619,570	482,049,086

** The restatement is due to ECW reconciliation.

Consolidated Financial Statements

For the year ended 31 December 2024

Notes (continued)

38. Effect of Prior year restatement (continued)

Statement of financial position
At 31st January 2023

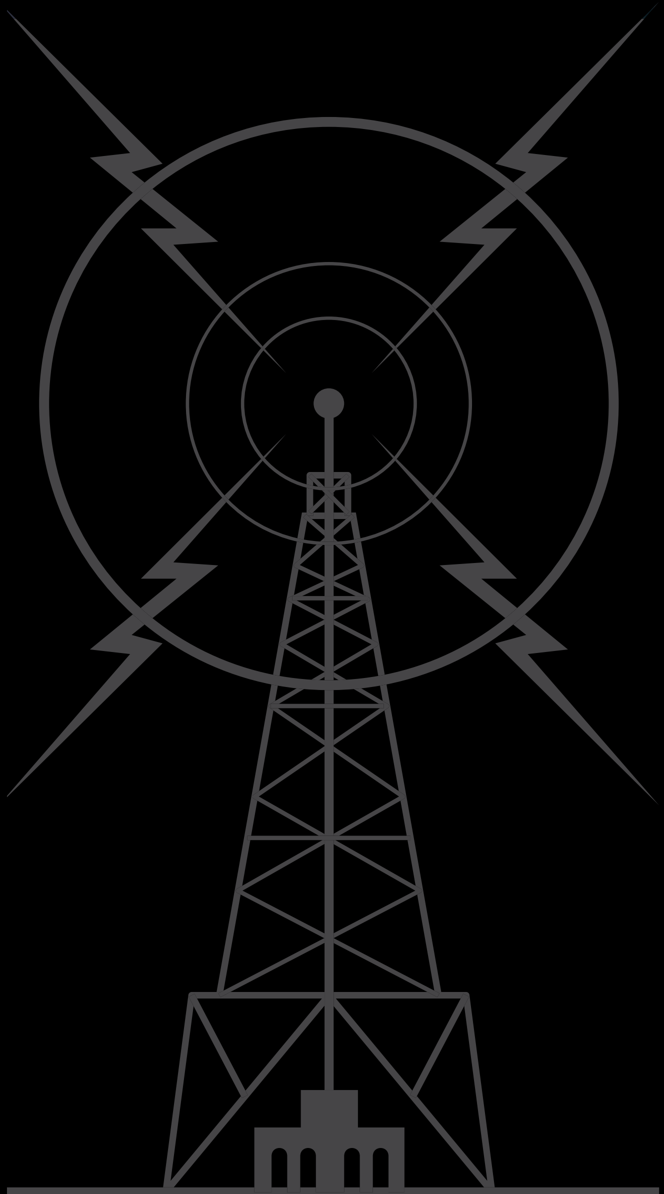
Rwf'000	As previously reported	Adjustment	Restated
ASSETS			
Non-current assets			
Right of use assets	127,125,919	(7,657,733)	119,468,186
Current Assets			
Current income tax	5,871,212	(2,249,403)	3,621,809
Mobile money receivables	-4	9,178,976	9,178,976
Total Assets	567,239,184	(728,160)	566,511,024
EQUITY AND LIABILITIES			
Equity			
Retained earnings	68,898,442	(15,352,388)	53,546,054
Non-current liabilities			
Deferred tax Liability	8,828,938	(1,812,773)	7,016,165
Lease liabilities	100,010,918	25,763,945	125,774,863
Current liabilities			
Lease liabilities	49,861,579	(27,122,921)	22,738,658
Trade and other payables	84,668,802	3,847,683	88,516,485
Mobile money payables	153,059,615	13,948,295	167,007,910
Total Equity and Liabilities	567,239,184	(728,159)	566,511,024

Statement of comprehensive income
For the year ended 31 December 2023

Rwf'000	As previously reported	Adjustment	Restated
Depreciation – right of use asset	(23,390,698)	2,123,119	(21,267,579)
Operating profit	54,110,216	2,123,119	56,233,335
Finance costs	(37,516,014)	(6,379,187)	(43,895,201)
Profit before income tax	17,620,811	(4,256,068)	13,364,743
Income tax expense	(6,171,091)	(1,313,823)	(7,484,914)
Profit for the year	11,449,720	(5,569,891)	5,879,829
Total comprehensive income for the year	11,449,720	(5,569,891)	5,879,829
Attributable to:			
Equity holders of the Company	11,449,720	(5,569,891)	5,879,829
Basic earnings per share	8.5	(4.1)	4.4
Diluted earnings per share	8.5	(4.1)	4.4

39. Events after the reporting period

There were no adjusting or non-adjusting subsequent events that would have an impact on the interim financial statements as at 31 December 2024.



ADDITIONAL INFORMATION

Disclosure of other offices held by Directors and memberships held in other companies' Board of Directors for the year ending 2024.

1. Karabo Nondumo

NO.	COMPANY NAME	BOARD
1.	KM ICT (Pty) Ltd	Director
2.	CIARASPACE (Pty) Ltd	Director
3.	CIARASPAN (Pty) Ltd	Director
4.	SORASPACE CAPITAL (Pty) Ltd	Director
5.	SORASPACE SERVICES (Pty) Ltd	Director
6.	SORASPACE LIMPOPO (Pty) Ltd	Director
7.	SORASPACE NORTHERN CAPE	Director
8.	DILENO TRADING (Pty) Ltd	Director
9.	SAFIC (PTY) LTD	Director
10.	AWCA INVESTMENT HOLDINGS (PTY) LTD	Director
11.	SANLAM LTD	Director
12.	SANLAM LIFE INSURANCE	Director
13.	SANLAM DEVELOPING MARKETS LIMITED	Director
14.	CHANNEL LIFE LIMITED	Director
15.	SAFRICAN INSURANCE COMPANY LTD	Director
16.	HARMONY GOLD MINING COMPANY LTD	Director
17.	SWAZI MTN LTD	Director
18.	MTN UGANDA LTD	Director
19.	MTN RWANDACELL PLC	Director
20.	MTN (ZAMBIA) LTD	Director
21.	TCI - TISO (PTY) LTD	Director
22.	SENATLA CAPITAL EMPOWERMENT FUND II	Advisory Member
23.	MABINDU BUSINESS DEVELOPMENT TRUST	Trustee
24.	HLANGANANI-KOPANANG TRUST	Trustee
25.	UBUNTU-BOTHO WOMAN'S UPLIFTMENT TRUST	Trustee

2. Yolanda Cuba

NO.	COMPANY NAME	BOARD
1.	Asante Trust	Trustee
2.	Nelson Mandela Foundation	Trustee
3.	PTH/Simfy	Director
4.	MTN Zambia	Director
5.	MTN Uganda	Director
6.	MTN South Sudan	Chairperson
7.	MTN Rwandacell Plc	Director
8.	Azure Pearl Trust	Trustee
9.	Nelson Mandela Investment Committee	Director
10.	Cuba-Mtyi Foundation	Trustee
11.	AB Sugar Illovo Advisory Panel	Panel
12.	Chenosis	Director
13.	Mascom Wireless	Director
14.	Deci Investment	Director
15.	Cuba-Mtyi Foundation	Trustee

Disclosure of other offices held by Directors and memberships held in other companies' Board of Directors for the year ending 2024 (continued).

3. Mbundu Faustin

NO.	COMPANY NAME	BOARD
1.	Green Hills Academy	Chairman
2.	African Leadership University (ALU Rwanda)	Chairman
3.	MFK Group Ltd	Chairman
4.	East Africa Development Bank (EADB)	Director

4. Julien Kavaruganda

NO.	COMPANY NAME	BOARD
1.	K-Solutions & Partners Ltd	Founder and Member
2.	Director New Bugarama Mining Company Ltd	Director
3.	Sanlam Life (Rwanda) Ltd	Director
4.	Rwanda Finance Ltd	Director

5. Michael Fleischer

NO.	COMPANY NAME	BOARD
1.	Mascom Wireless Botswana	Director
2.	Deci Investments Botswana	Director

6. Peace Uwase

NO.	COMPANY NAME	BOARD
1.	MTN Rwandacell Plc	Director
2.	Access to Finance Rwanda	Director
3.	Inkomoko	Director
4.	Ecobank Rwanda Plc	Director

7. Wanda Matandela

NO.	COMPANY NAME	BOARD
1.	MTN Rwandacell Plc	Director
2.	Supersonic FTTX (Pty) Ltd	Director

8. Mapula Bodibe

NO.	COMPANY NAME	BOARD
1.	MTN Rwandacell Plc	Director
2.	Mobile Money Rwanda Limited	Director
3.	Johannesburg Business School	Director
4.	CMO Council – Africa Advisory Board	Director

9. Mark Nkurunziza

NO.	COMPANY NAME	BOARD
1.	MTN Rwandacell Plc	Director
2.	Mobile Money Rwanda Limited	Director