



MTN Zakhele Futhi Key Facts

Established in 2016 to give South Africans an opportunity to own a stake in MTN

- Part of MTN Group Limited's (**MTN**) commitment to Broad-Based Black Economic Empowerment (B-BBEE).
- Enabled broad participation by offering shares at an accessible price.
- Size of investment in MTN increased through the support of additional funding.
- MTNZF's only material assets were the shares of MTN.
- Original end date was 24 November 2024.

Scheme extension by three years with option to partially or fully wind down during extension period

- MTN share price performance at the time was not high enough to cover scheme debt as well as make a satisfactory return to ordinary shareholders.
- Were it not for the extension, the scheme would have been unwound at a loss with no return of capital to shareholders
- Key decision driver to, at a minimum, return capital to ordinary shareholders.
- MTN and third party funders were fully supportive of this extension.
- Extension approved by MTN shareholders and MTNZF shareholders.

Final Scheme unwind, return of capital to ordinary shareholders

- The MTNZF board continued to review the environment and had numerous discussions with MTN to explore options to preserve or enhance value for ordinary shareholders
- Following several considerations, MTNZF Board decided to unwind the scheme.
- MTN as a funder – approved the unwind along with the third party funders.
- Proceeds of sale of MTN shares was used to settle outstanding debt; and the balance after provision for costs and taxes is being prepared for an expected distribution to ordinary shareholders.
- Total expected ordinary shareholder return of approximately R20.00–R22.50 per share, comprising of at least R15.00 expected in near-term distributions and approximately R5.00–R7.50 expected to follow later.
- Decision based on improved market conditions and a stronger MTN share price along with other qualitative and quantitative factors, ensuring the best possible outcome for ordinary shareholders.
- Post the sale of the remaining MTN shares, MTNZF will no longer hold any investments and will exist solely to distribute the remaining cash to ordinary shareholders before it is eventually deregistered.

"In 2016, MTNZF was created to give more South Africans a meaningful stake in MTN. We are pleased that the scheme is expected to deliver a full return of capital and a modest gain to shareholders, despite the volatility we have seen in the market over the years. With improved market conditions in 2025, the MTNZF Board was able to proceed with a full unwind of the scheme in a way that protects and preserves value for shareholders."

Belinda Mapongwana, Chairperson, MTN Zakhele Futhi