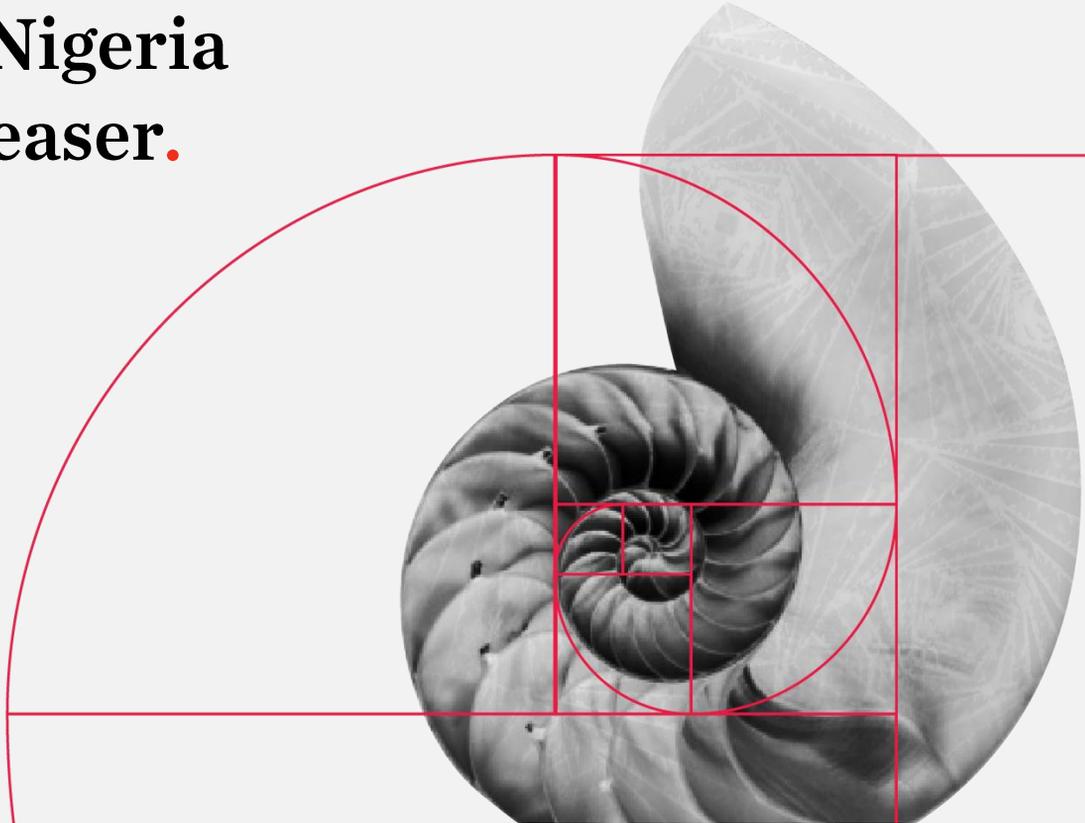


MTN Nigeria IPO Teaser.

May 2018.



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Executive Summary.



Nigeria's telecommunications industry is the largest in Africa



with four mobile telecom operators



with **160.5 million** subscribers



The industry leader, **MTN**, accounts for **40.7%** market share

In terms of technology, the industry is **99.7%** Mobile (GSM)

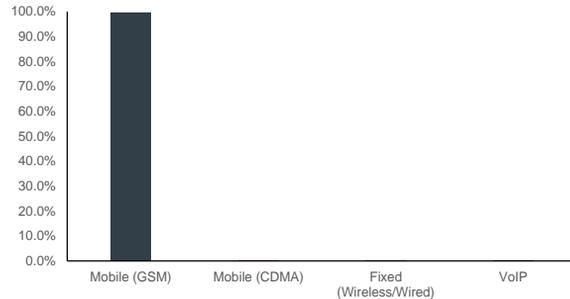
- Last year, MTN group announced that its Nigerian business will be listed on the Nigerian Stock Exchange this year, by way of initial public offering (IPO). Significant progress has been recorded vis-à-vis the IPO, which is expected to be concluded next month.
- We establish a compelling investment case for MTNN, considering the company's impressive track record which is supported by scaled market position and the first-mover advantage. Beyond that, it is difficult to ignore the telco's new growth initiatives - to be implemented by a sound management team - which could potentially propel earnings to new highs over the medium term.

Nigeria's telecommunications industry – quick facts.

Facts

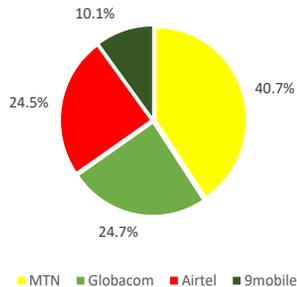
- Largest telecoms market in Africa
- Four mobile telecom operators
- 160.5 million mobile subscribers with teledensity and penetration rate at 114.7% and 75% respectively
- MTN is the market leader (65.2 million subscribers at 40.7% market share)
- 101.2 million data subscribers
- Contributed 9.2% to overall GDP in Q1-18

Market share by technology (April 2018)



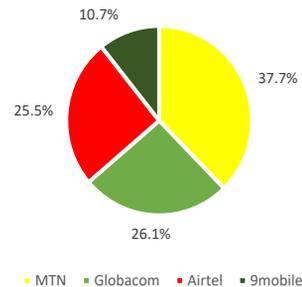
Source: NCC, Cordros Research

Market share (Voice) – April 2018



Source: NCC, Cordros Research

Market share (Data) – April 2018



Source: NCC, Cordros Research

Introducing MTNN.

2001

Commenced operations in Nigeria

Market leader with
40.7%
market share



Second biggest contributor to the group revenue and earnings



Has the most expansive network coverage in the country

75.8% owned by MTNI;

18.7% held by Nigerian shareholders through SPVs

2.8% held by MTN NIC B.V

1.7% held by Public Investment Corporation SOC Ltd.

2016

Acquired Visafone

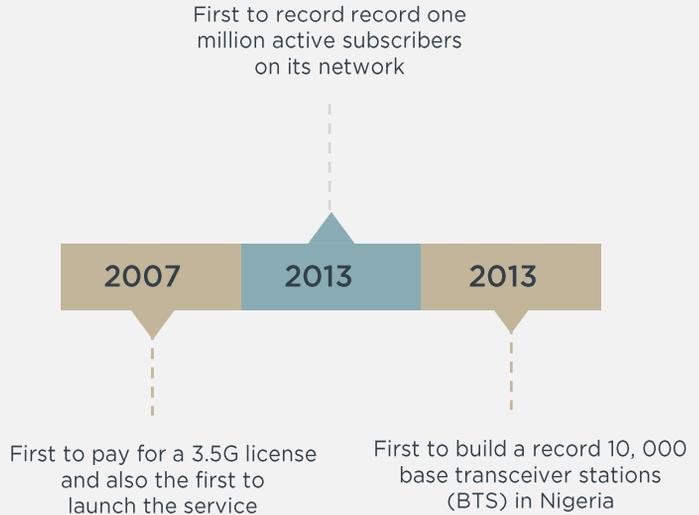
MTNN – Industry Pioneer.

1st

To launch its service across major Nigerian cities

To launch the pre-paid Blackberry service

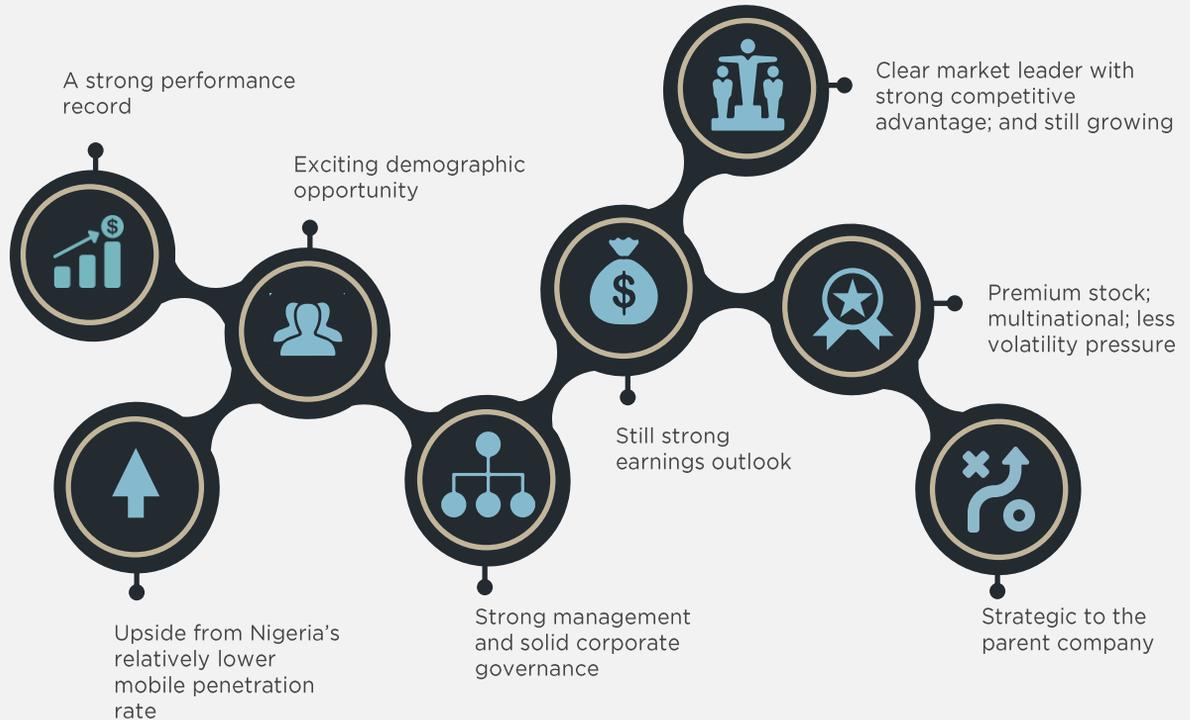
To invest in building a fibre-optic network pan-Nigeria



IPO Highlights.

- **Listing**
Nigerian Stock Exchange (NSE)
- **Projected deal size**
USD400 - USD500 million
(NGN144 - NGN180 billion)
- **Securities offered**
Ordinary shares
- **Indicative free float**
30%
- **Method of application**
Electronic
- **Advisers**
Citigroup and Stanbic
IBTC Bank

The Case for MTNN.

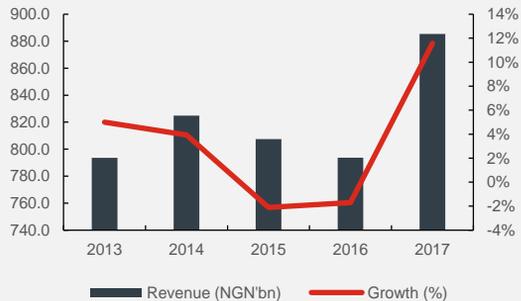


The road to 2022 – compelling strategy to deliver growth.



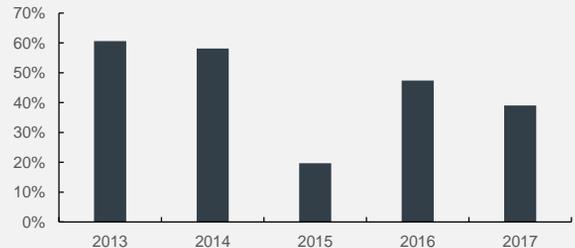
5-year historical financial performance and ratios.

Revenue (NGN'bn) and growth (%)



Source: Company data, Cordros Research

EBITDA margin



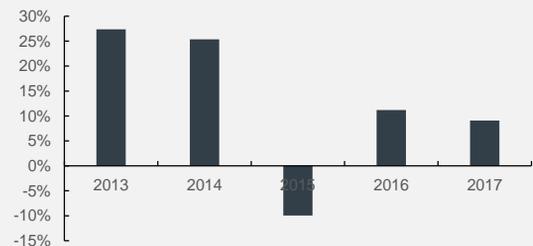
Source: Company data, Cordros Research

PAT (NGN'bn) and growth (%)



Source: Company data, Cordros Research

Net profit margin



Source: Company data, Cordros Research

Disclosure.

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