



## **MTN Nigeria Communications Plc**

**Unaudited results for the nine months ended 30 September 2022**





## **MTN NIGERIA RELEASES UNAUDITED RESULTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022**

**Lagos | Nigeria: 28 October 2022**

Today, MTN Nigeria Communications Plc (MTN Nigeria) announces its unaudited results for the nine months ended 30 September 2022.

### **Salient points:**

- Mobile subscribers increased by 9.7% to 74.1 million
  - Added 5.7 million subscribers in 9M 2022
- Active data users increased by 14.6% to 38.0 million
  - Added 3.7 million active users in 9M 2022
- Active fintech subscribers rose by 68.7% to 11.2 million
  - 1.8 million active MoMo wallets since the launch of PSB
- Service revenue increased by 20.6% to N1,452.7 billion
- Earnings before interest, tax, depreciation and amortisation (EBITDA) grew by 23.0% to N780.6 billion
- EBITDA margin increased by 1.0 percentage points (pp) to 53.6%
- Profit before tax (PBT) grew by 24.7% to N400.7 billion
- Income tax paid increased by 26.9% to N139.5 billion
- Profit after tax (PAT) grew by 22.1% to N269.0 billion
- Earnings per share (EPS) rose by 22.1% to N13.20 kobo
- Capital expenditure (Capex) rose by 45.2% to N379.0 billion (up 51.3% to N251.8 billion, excluding the right-of-use assets)

*Unless otherwise stated, financial information is year-on-year (YoY, 9M 2022 versus 9M 2021), and non-financial information is year-on-year (September 2022 versus September 2021).*



**MTN Nigeria CEO Karl Toriola comments:**

***Navigating a challenging operating environment***

“Our operating environment remained challenging in the first nine months of 2022. The ongoing global macroeconomic and geopolitical volatility continued to drive up energy, food and general inflation, with the annual inflation rate in Nigeria rising to a 17-year high of 20.8% in September 2022. Supply chain uncertainties were exacerbated by the availability of foreign currency needed for capital expenditure. These headwinds continue to put severe financial pressure on consumers and businesses.

Against this backdrop, we continued to support our communities and sustain investment in the coverage and capacity of our 4G network and the rollout of 5G sites, with a focus on expense efficiencies and disciplined capital allocation. This has underpinned a resilient commercial and financial performance in the period, also enabled by the unwavering support of our customers and stakeholders, as well as the hard work and commitment of our people.

***Creating shared value in our communities***

As part of our work to build sustainable societies, we continue to invest in connectivity for digitally excluded populations, adding 650 rural locations, and bringing the total locations on our rural telephony program to 1,844. We remain committed to further expanding rural broadband access.

We continued to progress our corporate social investment programme. Following the announcement of our intention to participate in the Federal Government’s Road Infrastructure Tax Credit (RITC) scheme, we have now obtained Federal Executive Council approval to dualise the 110-kilometre Enugu-Onitsha Expressway. This project aligns with our Ambition 2025 strategic pillar to ‘create shared value’. We are excited about the impact the project will have on the lives of Nigerians, once completed.

The MTN Nigeria Foundation continues to implement a range of programs, handing over fully furnished ICT laboratories to 39 public secondary schools in 33 states, installing 30 solar-powered boreholes in 28 states, and reaching more than 32,000 people in 401 communities through medical outreach. In addition, the Foundation awarded scholarships to over 1,000 scholars, bringing the total value of granted scholarships to approximately N3 billion, benefitting over 4,000 young Nigerians.



These initiatives align with the Foundation's core objectives – driving youth empowerment and addressing national priority issues.

In addition, we enhanced our contributions to government revenue with a 26.9% increase in income tax paid to the Federal Inland Revenue Services to N139.5 billion. This comprises company income tax, education tax, Police Trust Fund and National Agency for Science and Engineering Infrastructure levies.

### ***Solid commercial and financial momentum***

We added 5.7 million mobile subscribers in the nine months bringing our base to 74.1 million, notwithstanding an increase in churn in Q3 2022. This was expected following the NCC's directive to restrict outgoing calls for subscribers whose SIMs are not associated with NINs. As a result, there was a marginal quarter-on-quarter decline in mobile subscribers by approximately 57k.

Encouragingly, the increase in churn was largely offset by the acceleration in gross connections. We anticipate a moderation in churn in Q4, which should support base growth broadly in line with our expectations for FY 2022.

The investments we make to enhance the quality and coverage of our network continue to yield positive results, driving higher data usage and an expansion of our user base. We added 3.7 million active data subscribers in the nine months, with 4G population coverage at 77.1% (up 7.9pp YoY). 4G traffic now constitutes 80.4% of the total, reflecting a 9.2pp YoY increase in its contribution.

Following the commercial launch in September 2022, MTN Nigeria became the first mobile network operator to roll out 5G network in Nigeria, providing coverage in key cities in the six geopolitical regions. 5G provides the foundation on which future network performance will be built and puts MTN Nigeria at the forefront of delivering technological advancements in the country.

Since the commercial launch of our MoMo Payment Service Bank (PSB) operations in May 2022, we have focused on building our fintech ecosystem and executing its growth strategy. Our active fintech users at the end of September 2022 were 11.2 million, of which 1.8 million are active MoMo wallets (down 29.4% in Q3).



During Q3, we moderated commercial activities and prioritised the enhancement of our control systems. This has resulted in short-term pressure on our active base in Q3 as the Nigerian Interbank Settlement System (NIBSS) interface has been temporarily suspended. We expect a more sustainable growth of active wallets once we reopen NIBSS and drive initiatives to grow our base. We anticipate that NIBSS will be reopened in Q4.

Overall, we remain excited about the prospects of our fintech business and will aggressively pursue its expansion and growth; it will play a pivotal role in driving financial inclusion in the country.

Our strong commercial momentum drove broad-based growth across all revenue lines, demonstrating the underlying strength and resilience of the business. We recorded a 20.6% increase in service revenue, marginally below the general inflation rate but in line with our medium-term growth guidance.

Our ability to maintain service revenue growth while unlocking efficiencies through disciplined execution of our expense efficiency programme led to an acceleration in EBITDA growth to 23.0% and EBITDA margin expansion of 1pp to 53.6%, in line with our medium-term target range.

Finally, we continue to execute our strategy to deliver service revenue growth in line with medium-term guidance. As we manage the increased pressures in the macro economy and our business, we will continue to focus on extracting efficiencies and driving operating leverage to support growth in earnings, cash flow and returns over the medium term."



## Key financial highlights

Items (in millions)	9M 2022	9M 2021	YoY	Q3 2022	Q3 2021	YoY
<b>Total Revenue</b>	<b>1,456,135</b>	<b>1,206,262</b>	<b>20.7%</b>	<b>506,048</b>	<b>414,997</b>	<b>21.9%</b>
Service Revenue	1,452,692	1,204,352	20.6%	504,842	414,053	21.9%
Voice	753,775	722,001	4.4%	251,928	234,324	7.5%
Data	549,657	368,624	49.1%	201,173	138,746	45.0%
Fintech	61,238	50,236	21.9%	20,802	18,599	11.8%
Digital	15,906	9,445	68.4%	5,691	3,095	83.9%
Other Service Revenue	72,116	54,046	33.4%	25,247	19,289	30.9%
Expenses	675,569	571,753	18.2%	234,798	197,703	18.8%
Cost of Sales	248,234	200,471	23.8%	85,454	67,974	25.7%
Operating Expenses	427,336	371,282	15.1%	149,344	129,729	15.1%
EBITDA	780,566	634,509	23.0%	271,251	217,294	24.8%
EBITDA Margin	53.6%	52.6%	1.0pp	53.6%	52.4%	1.2pp
Depreciation & Amortisation	242,887	216,159	12.4%	85,880	72,655	18.2%
Net Finance Costs	137,007	96,998	41.2%	53,328	38,405	38.9%
PBT	400,673	321,353	24.7%	132,043	106,233	24.3%
Taxation	131,634	101,041	30.3%	44,628	27,752	60.8%
PAT	269,039	220,312	22.1%	87,414	78,481	11.4%
Capital Expenditure	379,002	261,075	45.2%	67,358	74,622	-9.7%
Capital Expenditure excluding Right of Use Assets	251,782	166,456	51.3%	47,240	51,953	-9.1%
Capex Intensity	26.0%	21.6%	4.4pp	13.3%	18.0%	4.7pp
Capex Intensity excluding Right of Use Assets	17.3%	13.8%	3.5pp	9.3%	12.5%	-3.2pp
Free Cash Flows	401,564	373,435	7.5%	203,893	142,672	42.9%
Mobile Subscribers	74.1	67.5	9.7%	74.1	67.5	9.7%
Data Subscribers	38.0	33.2	14.6%	38.0	33.2	14.6%
Fintech Subscribers	11.2	6.6	68.7%	11.2	6.6	68.7%

## Operational and Financial Review

**Service revenue** grew in line with our medium-term guidance of at least 20%. This was on the back of a strong recovery in Q3 as we continue to manage the impact of the NCC's directive on NIN-SIM registration on our base. Growth was broad-based across our key revenue lines, such as voice, data, fintech and digital services.

**Voice** revenue grew by 4.4%, maintaining a steady recovery as more customers are reactivated, and gross connections continue to ramp up. This was supported by our customer value management (CVM) initiatives through which we managed churn and drove increased usage from the existing base.

**Data** revenue rose by 49.1% on increased subscribers and data usage. This was sustained by an aggressive 4G network expansion and enhanced quality and capacity of our network to support rising data traffic as we continue to drive the conversion of existing subscribers on the 3G network to 4G and drive smartphone penetration.



As a result, data traffic grew by 70.6% YoY, with 4G accounting for 78.6% of overall traffic, while data usage (MB per user) rose by 52.2%. In addition, the number of smartphones on our network continues to increase, with the addition of about 4.4 million in the nine months, bringing smartphone penetration to 52.0%.

In terms of fixed broadband penetration, we added over 430k users, bringing our user base to 1.1 million. We continue to advance our home broadband strategy with the commercial launch of the 5G network, providing coverage in key cities in the six geopolitical regions. Consequently, we deployed 5G routers delivering up to ten times 4G download speed and creating experiences that position MTN as the broadband service provider of choice.

The 5G technology extends the capacity of our data network. It delivers higher speeds and lower latency, supporting our home broadband strategy and unlocking many new use cases for consumers and enterprises.

**Fintech** revenue increased by 21.9%, and growth was broad-based across Xtratime (our airtime lending product, up 20.6%) and core fintech services (wallet and agency business, up 232.0%). Our fintech active users rose by 68.7% YoY to 11.2 million, of which 1.8 million represent active MoMo wallets (down 29.4% in Q3). However, registered MoMo wallets increased by more than two times to 9.9 million in Q3, demonstrating the underlying momentum in the ecosystem.

In addition, we expanded our mobile money (MoMo) agent network by adding over 21k active agents in Q3, bringing the total number to approximately 188k. The agent network continued to play a pivotal role in our MoMo ecosystem and helped to drive growth in the total volume of transactions by 112.2% YoY.

Overall, MoMo PSB continues to make steady progress in its operations. Our current focus is to grow the user base and scale basic services, targeting the sizable unbanked segment in the country. Over time, we will leverage our market-leading distribution to evolve the mix towards more advanced services across our fintech verticals, in line with our Ambition 2025 strategy.

**Digital** revenue grew by 68.4% as penetration of our digital products continues to deepen, driven by user journey optimisation and increased usage from our active base. Rich Media, Mobile Advertising and Content VAS drove revenue growth.



The active user base rose by 66.4% YoY to 9.6 million, led by ayoba, our instant messaging platform with approximately 5.1 million active users, up 75.5%. We continue to expand the features of ayoba beyond messaging to include gaming, music and other entertainment benefits with rich local content. This has helped to drive a higher active user base.

Revenue from the **enterprise** business was up by 49.5%, underpinned by onboarding new customers across segments and the uptake of our enhanced services. We are actively pursuing our goal of accelerating the uptake of enterprise platforms (internet of things and cloud), creating additional value for our customers and enabling them to innovate while remaining profitable.

We made good progress with our expense efficiency program, realising cost savings as we remain disciplined with capital allocation. The **cost of sales** increased by 23.8% off a low base in the prior year, which was depressed by the suspension of new SIM sales and activations by the Regulator and lower device purchases during that period, and the impact of growing gross connections in the current year.

**Operating expenses** (Opex) increased by 15.1% on higher lease rental costs impacted by Naira depreciation, higher dollar CPI, the acceleration in our site rollout and rising energy costs. However, the impact of the escalation of diesel prices in Nigeria is mitigated in most of our tower contracts resulting in a negative EBITDA margin impact of about 0.4pp.

Overall, our **total expenses** increased by 18.2%, below the service revenue growth rate and inflation rate in Nigeria. Consequently, we recorded **EBITDA** growth of 23.0% and EBITDA margin expansion by 1pp to 53.6%, supported by improved operating leverage.

Depreciation and amortisation rose by 12.4%, resulting from increased site rollout, while net finance costs increased by 41.2% on higher borrowings, rising interest rates, and foreign exchange loss due to Naira depreciation. As a result, Profit before tax (PBT) increased by 24.7% while taxation increased by 30.3% due to the PBT growth, the increase in the education tax rate to 2.5% and the tax paid on investments in government securities following the expiration of the 10-year tax exemption period. These led to a 22.1% increase in PAT.

**Capital expenditure** in the period was N379.0 billion, up by 45.2%, due to accelerated coverage expansion focusing on the 4G and 5G networks and our rural telephony



programme. Core capex, excluding the right-of-use assets, increased by 51.3% to N251.8 billion, on track with our expected full-year capital expenditure of N340 billion. We deployed 8230 4G sites and 218 5G sites, representing 84.4% of sites deployed during the period.

These investments enabled us to capture growth opportunities in the data, digital, and fintech space while mitigating foreign exchange and supply chain disruption risks and the impact of rising inflation. In doing so, we remain efficient with capital allocation, bringing capex intensity within target levels at 17.3%, while free cash flow was up by 7.5% to N401.6 billion.

During Q3 2022, we completed the issuance of a N115 billion Series 1 Fixed Rate Bond. The Series 1 bond represents MTN Nigeria's first issuance under a new N200 billion Bond Programme. It comprises two tranches of 4-year and 10-year bonds with a clearing coupon rate of 13.5% and 14.5%, respectively.

Finally, our funding and liquidity remain well-managed, supported by our cash flows and approved facilities. Our foreign currency exposure remains within manageable limits with about 92% of our total debts in local currency, excluding short-term trade loans for letters of credit establishment. In addition, our debt metrics remain well within all our financial covenants, with a net debt to EBITDA ratio of 0.6 times. As a result, we can comfortably meet our operational, financial and capex investment obligations.

### **NIN-SIM linkage update**

We continued to implement the interventions we put in place to moderate the impact of the NIN-SIM linkage regulation on revenue and the anticipated increase in churn during Q3 2022.

As at 30 September 2022, about 10.5 million of those initially restricted from making outgoing calls submitted their NINs for verification, of which 3.8 million have been reactivated.

We continued to ramp up gross connections and roll out NIN recovery offers to offset the impact of churn. As a result, the average daily gross connection was 48.1% above the pre-directive level, partly driven by the cohort of subscribers who were initially restricted and opted to register new SIMs. Combined with increased usage from the



existing base, these have supported an acceleration in the service revenue growth recovery and mitigated the impact of churn on the base.

Traffic trends have continued to evolve in line with expectations since the implementation of the directive. Total voice traffic has maintained a steady recovery, approaching the levels before the directive as the affected subscribers are reconnected to resume voice calls and gross connections continue to ramp up. Data traffic has continued to accelerate, supported by the switch to data by affected subscribers, reflecting the overall trend in data revenue growth.

We anticipate that the increase in 'technical' churn from affected subscribers who stopped activity after the restriction, opting instead to obtain new SIMs, will moderate in Q4 2022. As we continue to engage our affected subscribers, drive NIN enrolment for subscribers who do not yet have a NIN (with over 9,000 points of enrolment across the country) and support NIMC in addressing capacity challenges, we believe that we will recover the base in line with our broad expectations for FY 2022.

## **Outlook**

The operating environment remains challenging due to the strong headwinds caused by the ongoing global macroeconomic and geopolitical volatility, which place increased financial pressure on our customers and business.

This has been worsened by the recent flood affecting many communities across the country, resulting in loss of lives and livelihoods. We will continue to monitor the development to ascertain the full impact on our operations.

Notwithstanding the challenges, we will remain focused on building on the solid foundation of growth we have laid thus far. For the rest of the year, we will continue to prioritise the coverage and capacity of our network to accommodate the rising demand for data and expand rural coverage while pursuing our home broadband strategy. In Q4 2022, we plan to reach 80% 4G population coverage, deploy additional 362 5G sites and bring 5G to smartphones.

We will continue to ramp up gross connections and drive NIN-SIM linkage for our customers to grow our subscriber base. We also anticipate a reduction in churn to more normal levels in Q4 2022.



In addition, we will continue to pursue our goal of building an inclusive fintech platform for customers, ecosystem partners and other stakeholders and providing more advanced services working with ecosystem partners in the country. We expect the reopening of the NIBSS interface to support the growth of active MoMo wallets.

As we further strengthen our commercial operations, we are also accelerating our expense efficiency programme and bolstering our financial position to improve shareholder returns. In addition, we continue to engage the Regulators to approve the price increase recently reversed, to cushion the effect of the challenging operating environment and support continued investment and long-term sustainability of the industry.

We maintain our service revenue guidance of “at least 20%” and EBITDA margin target range of 53-55% over the medium term while remaining mindful of near-term volatility and uncertainties. Finally, we remain committed to executing our Ambition 2025 strategy to sustain the growth and profitability of the business to the benefit of all our stakeholders.

A handwritten signature in black ink, appearing to read "Karl Toriola", is positioned above the printed name.

Karl Toriola  
Chief Executive Officer



## Contact

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## About MTN Nigeria

MTN Nigeria is one of Africa's largest providers of communications services, connecting approximately 74 million people in communities across the country with each other and the world. Guided by a belief that everybody deserves the benefits of a modern connected life, MTN Nigeria's leadership position in coverage, capacity and innovation has remained constant since its launch in 2001. MTN Nigeria is part of the MTN Group - a multinational telecommunications group which operates in 19 countries in Africa and the Middle East.

Visit [www.mtn.ng](http://www.mtn.ng) for more information.



Unaudited consolidated and separate statement of profit or loss

In millions of Nigerian Naira	Group				Company			
	9 months ended 30 September 2022	9 months ended 30 September 2021	3 months ended 30 September 2022	3 months ended 30 September 2021	9 months ended 30 September 2022	9 months ended 30 September 2021	3 months ended 30 September 2022	3 months ended 30 September 2021
	<b>Revenue</b>	<b>1,456,135</b>	<b>1,206,262</b>	<b>506,048</b>	<b>414,997</b>	<b>1,455,959</b>	<b>1,205,394</b>	<b>506,322</b>
Direct network operating costs	(333,925)	(291,815)	(118,116)	(103,516)	(333,924)	(291,815)	(118,115)	(103,516)
Value added services	(16,674)	(15,122)	(5,590)	(5,302)	(16,674)	(15,122)	(5,590)	(5,302)
Costs of starter packs, handsets and accessories	(15,312)	(3,570)	(5,466)	(2,156)	(15,312)	(3,570)	(5,466)	(2,156)
Interconnect costs	(106,720)	(93,498)	(35,588)	(31,293)	(106,720)	(93,498)	(35,588)	(31,293)
Roaming costs	(4,790)	(3,021)	(1,856)	(1,072)	(4,790)	(3,021)	(1,856)	(1,072)
Transmission costs	(5,691)	(6,244)	(1,885)	(2,092)	(5,691)	(6,244)	(1,885)	(2,092)
Discounts and commissions	(69,474)	(57,766)	(24,580)	(18,773)	(67,771)	(57,001)	(23,896)	(18,443)
Advertisements, sponsorships and sales promotions	(21,036)	(13,294)	(6,819)	(4,734)	(16,995)	(11,560)	(5,330)	(4,430)
Employee costs	(32,882)	(31,191)	(10,733)	(12,146)	(32,213)	(30,565)	(10,505)	(11,920)
Depreciation of property and equipment	(128,992)	(120,287)	(46,078)	(39,423)	(128,992)	(120,287)	(46,078)	(39,423)
Depreciation of right of use assets	(75,858)	(63,504)	(26,043)	(21,639)	(75,858)	(63,504)	(26,043)	(21,639)
Amortisation of intangible assets	(38,036)	(32,369)	(13,759)	(11,592)	(34,048)	(28,380)	(12,430)	(10,262)
Other operating expenses	(69,066)	(56,231)	(24,165)	(16,620)	(60,696)	(54,093)	(18,365)	(15,520)
<b>Operating profit</b>	<b>537,679</b>	<b>418,350</b>	<b>185,370</b>	<b>144,639</b>	<b>556,275</b>	<b>426,734</b>	<b>195,175</b>	<b>147,531</b>
Finance income	8,708	7,674	2,400	2,932	8,414	7,674	2,215	2,932
Finance costs	(145,714)	(104,672)	(55,728)	(41,338)	(145,714)	(104,672)	(55,728)	(41,338)
<b>Profit before taxation</b>	<b>400,673</b>	<b>321,352</b>	<b>132,042</b>	<b>106,233</b>	<b>418,975</b>	<b>329,736</b>	<b>141,662</b>	<b>109,125</b>
Taxation	(131,634)	(101,040)	(44,628)	(27,752)	(137,124)	(103,555)	(47,645)	(28,618)
<b>Profit for the period</b>	<b>269,039</b>	<b>220,312</b>	<b>87,414</b>	<b>78,481</b>	<b>281,851</b>	<b>226,181</b>	<b>94,017</b>	<b>80,507</b>
<b>Earnings per share - basic/diluted (N)</b>	<b>13.30</b>	<b>10.82</b>	<b>4.35</b>	<b>3.86</b>	<b>13.87</b>	<b>11.11</b>	<b>4.63</b>	<b>3.96</b>

Unaudited consolidated and separate statement of other comprehensive income

In millions of Nigerian Naira	Group				Company			
	9 months ended 30 September 2022	9 months ended 30 September 2021	3 months ended 30 September 2022	3 months ended 30 September 2021	9 months ended 30 September 2022	9 months ended 30 September 2021	3 months ended 30 September 2022	3 months ended 30 September 2021
	<b>Profit for the period</b>	<b>269,039</b>	<b>220,312</b>	<b>87,414</b>	<b>78,481</b>	<b>281,851</b>	<b>226,181</b>	<b>94,016</b>
Items that may be reclassified to profit or loss								
Transfer of fair value reserve of investments designated at FVOCI*	(120)	-	(9)	-	(120)	-	(9)	-
Other comprehensive loss for the period net of taxation	(120)	-	(9)	-	(120)	-	(9)	-
<b>Total comprehensive income for the period</b>	<b>268,919</b>	<b>220,312</b>	<b>87,405</b>	<b>78,481</b>	<b>281,731</b>	<b>226,181</b>	<b>94,007</b>	<b>80,507</b>
Attributable to: Owners of the parent	270,219	220,312	88,394	78,481	281,731	226,181	94,007	80,507
Non-controlling interest	(1,300)	-	(989)	-	-	-	-	-
	<b>268,919</b>	<b>220,312</b>	<b>87,405</b>	<b>78,481</b>	<b>281,731</b>	<b>226,181</b>	<b>94,007</b>	<b>80,507</b>



Unaudited consolidated and separate statement of financial position

In millions of Nigerian Naira	Group		Company	
	30-Sep-22	31-Dec-21	30-Sep-22	31-Dec-21
<b>Assets</b>				
<b>Non-current assets</b>				
Property and equipment	888,743	774,113	888,743	774,113
Intangible assets	334,362	245,558	312,116	219,324
Right-of-use assets	662,429	613,812	662,429	613,812
Investments in subsidiaries	-	-	68,808	57,928
Other investments	10,465	10,845	10,465	10,845
Other non current assets	16,736	17,942	16,736	17,942
	<b>1,912,735</b>	<b>1,662,270</b>	<b>1,959,297</b>	<b>1,693,964</b>
<b>Current assets</b>				
Inventories	4,130	5,310	4,101	5,310
Trade and other receivables	151,328	127,232	165,104	135,958
Current investments	21,694	57,664	14,364	57,664
Restricted cash	200,556	146,188	198,608	146,188
Cash and cash equivalents	126,727	260,891	115,881	247,025
	<b>504,435</b>	<b>597,285</b>	<b>498,058</b>	<b>592,145</b>
<b>Total assets</b>	<b>2,417,170</b>	<b>2,259,555</b>	<b>2,457,355</b>	<b>2,286,109</b>
<b>Equity and liabilities Equity</b>				
Share capital	407	407	407	407
Share premium	17,216	17,216	17,216	17,216
Treasury shares	(4,869)	-	(4,869)	-
Other reserves	765	885	765	885
Retained profit	228,532	246,473	272,060	278,489
Equity attributable to parent	242,051	264,981	285,579	296,997
Non-controlling interest	1,420	-	-	-
	<b>243,471</b>	<b>264,981</b>	<b>285,579</b>	<b>296,997</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Borrowings	313,922	340,425	313,922	340,425
Lease liabilities	668,703	628,325	668,703	628,325
Deferred tax	69,185	104,683	73,740	103,747
Provisions	43	41	43	41
Employee benefits	5,993	6,549	5,993	6,549
Other non-current liabilities	7,490	8,547	7,490	8,547
	<b>1,065,336</b>	<b>1,088,570</b>	<b>1,069,891</b>	<b>1,087,634</b>
<b>Current liabilities</b>				
Trade and other payables	383,011	443,895	384,109	440,023
Current tax payable	169,454	144,163	169,182	143,891
Borrowings	364,935	152,835	364,935	152,835
Lease liabilities	67,000	62,531	67,000	62,531
Contract liabilities	86,659	72,336	86,277	71,954
Provisions	34,538	29,736	29,361	29,736
Deposit held for MoMo customers	1,745	-	-	-
Employee benefits	29	136	29	136
Derivatives	992	372	992	372
	<b>1,108,363</b>	<b>906,004</b>	<b>1,101,885</b>	<b>901,478</b>
<b>Total liabilities</b>	<b>2,173,699</b>	<b>1,994,574</b>	<b>2,171,776</b>	<b>1,989,112</b>
<b>Total equity and liabilities</b>	<b>2,417,170</b>	<b>2,259,555</b>	<b>2,457,355</b>	<b>2,286,109</b>



Unaudited consolidated and separate statement of cash flows

	Group		Company	
	9 months ended 30 September 2022	9 months ended 30 September 2021	9 months ended 30 September 2022	9 months ended 30 September 2021
<b>In millions of Nigerian Naira</b>				
<b>Cash flows from operating activities</b>				
<b>Cash generated from operations</b>	785,813	711,440	793,449	710,057
Interest paid	(142,982)	(92,487)	(142,982)	(92,487)
Interest received	10,003	6,417	9,709	6,417
Dividends paid	(288,280)	(212,705)	(288,280)	(212,705)
Tax paid	(139,510)	(109,931)	(139,510)	(109,931)
Employee benefits payments	(1,291)	(293)	(1,291)	(293)
Share based payments	(5,843)	(2,876)	(5,843)	(2,876)
Provisions payments	(8,397)	(4,694)	(8,397)	(4,694)
<b>Net cash generated from operating activities</b>	<b>209,513</b>	<b>294,871</b>	<b>216,855</b>	<b>293,488</b>
<b>Cash flows from investing activities</b>				
Acquisition of property and equipment	(261,784)	(151,346)	(261,784)	(151,346)
Acquisition of right of use assets	(15,236)	(35,801)	(15,236)	(35,801)
Proceeds from disposal of property and equipment and retirement of right of use assets	3,951	405	3,951	405
Purchase of contract acquisition costs	(3,587)	(2,503)	(3,587)	(2,503)
Sale of investment in non-current FGN bonds	384	18,311	384	18,311
Acquisition of other intangible assets	(123,757)	(149,270)	(123,757)	(149,270)
Sale of bonds, treasury bills and foreign deposits	46,844	62,054	54,174	62,054
Purchase of bonds, treasury bills and foreign deposits	(11,515)	-	(11,515)	-
Investment in subsidiary	-	-	(10,880)	-
Decrease in restricted cash	(52,625)	(57,350)	(50,677)	(57,350)
<b>Net cash flows used in investing activities</b>	<b>(417,325)</b>	<b>(315,500)</b>	<b>(418,927)</b>	<b>(315,500)</b>
<b>Cash flows from financing activities</b>				
Proceeds from borrowings	307,359	274,779	307,359	274,779
Repayment of borrowings	(179,177)	(291,510)	(179,177)	(291,510)
Repayment on lease liabilities	(71,284)	(43,301)	(71,284)	(43,301)
Investment by non-controlling interest	2,720	-	-	-
<b>Net cash flows generated from/(used in) financing activities</b>	<b>59,618</b>	<b>(60,032)</b>	<b>56,898</b>	<b>(60,032)</b>
Net decrease in cash and cash equivalents	(148,194)	(80,661)	(145,174)	(82,044)
Cash at the beginning of the period	261,494	275,825	247,628	271,668
Exchange gain on cash and cash equivalents	13,445	11,609	13,445	11,609
<b>Cash and cash equivalents at the end of the period</b>	<b>126,745</b>	<b>206,773</b>	<b>115,899</b>	<b>201,233</b>