



**MTN Nigeria Communications Plc  
Scrip Dividend Election Plan  
Frequently Asked Questions**

- I) What does the Scrip Dividend Election Plan entail, and what are its benefits?**  
The Scrip Dividend Election Plan gives Qualifying Shareholders (defined below) the opportunity to elect (i.e., choose) to receive their dividends in the form of new ordinary shares in the Company instead of cash. Qualifying Shareholders who elect to receive new ordinary shares would thus be able to increase the number of shares they hold in the Company without incurring capital market-related transaction costs. The election would also benefit the Company as the cash, which would otherwise be paid out in dividends, is retained for working capital and other general corporate purposes.
- II) Who are the Qualifying Shareholders?**  
For the FY 2022 Dividend, Qualifying Shareholders will be those shareholders whose names appear in the Company's Register of Members as at the close of business on 27 March 2023.
- III) To which dividend cycles will the Scrip Dividend Election Plan apply?**  
The Scrip Dividend Election Plan is being put in place in connection with the final dividend declared by the Company for the financial year ended 31 December 2022 and for future dividends declared by the Company commencing from the 2023 financial year (where the board of directors so decides from time to time), on terms and conditions to be communicated to shareholders at the relevant times in future.
- IV) How does a Qualifying Shareholder participate in the Scrip Dividend Election Plan for FY 2022?**  
A Qualifying Shareholder who intends to make the election for shares shall obtain the Election Form from the office of the Registrar, Coronation Registrars Limited, 9, Amodu Ojikutu Street, Off Adeola Odeku Street, Victoria Island, Lagos. The Election Form is also available at <http://mtnnscripdividend.coronationregistrars.com>. Additionally, the Election Form was enclosed in the Notice of AGM sent to shareholders.  
Qualifying Shareholders are expected to tick their preferred option and fill in the mandatory fields on the Election Form.  
Qualifying Shareholders (using their personal email addresses) can scan and send duly completed Election Forms to the Registrars via e-mail: [eforms@coronationregistrars.com](mailto:eforms@coronationregistrars.com) or return the form to the Registrar's office on or before 11 April 2023, being the closure date for election and submission.
- V) Can a Qualifying Shareholder rescind his/her decision to participate in the Scrip Dividend Election Plan?**  
Qualifying Shareholders who have elected may cancel or change their decision before the closure date for the submission but cannot cancel their election after the closure date for submission has elapsed.



- VI) What is the default option for Qualifying Shareholders?**  
The default option shall be cash. For additional clarity, the following sets of Qualifying Shareholders shall also automatically receive their dividends in cash:
- a. Qualifying Shareholders who do not submit an Election Form.
  - b. Qualifying Shareholders who do not make any selection on the Election Form.
  - c. Qualifying Shareholders who select both options on the Election Form.
- VII) What step(s) should be taken by Qualifying Shareholders who do not wish to participate in the Scrip Dividend Election Plan?**  
Qualifying Shareholders who do not wish to receive their dividends as additional shares in the Company need not complete the Election Form or take any other steps.
- VIII) How many new ordinary shares will a Qualifying Shareholder who elects for shares receive?**  
Regarding the FY 2022 Dividend, the number of new ordinary shares to be received by Qualifying Shareholders who elect for new shares will depend on their respective cash dividend entitlements (less withholding tax) and the Reference Share Price. Thus, the relevant formula for calculating the number of shares to be received is as follows:  
*Net Cash Dividend Due divided by Reference Share Price.*  
Net Cash Dividend Due is the Gross Dividend per share less Withholding Tax at the appropriate rate.
- IX) How is the Reference Price determined?**  
Regarding the FY 2022 final Dividend, the Reference Share Price shall be the average closing price of the Company's shares for 5 consecutive trading days on Nigerian Exchange Limited starting on 28 March 2023 and ending on 3 April 2023 (both days inclusive). For the FY 2022 final dividend under the Scrip Dividend Election Plan, the Reference Price is ₦232.68.
- X) What happens if the residual dividend (if any) is insufficient to purchase a new share at the Reference Price?**  
No fraction of a share will be issued. Instead, the resulting number of new ordinary shares will be rounded down to the nearest whole number of shares to deal with any fractional shares that may arise. If a fractional cash dividend entitlement arises due to an election to receive new ordinary shares, such Qualifying Shareholder will get paid the monetary value of such fractional dividend entitlement, irrespective of the election.
- XI) How will a Qualifying Shareholder who elects for new ordinary shares know how many new ordinary shares he/she has received?**  
Qualifying Shareholders who elect to receive new ordinary shares will receive a statement from the Registrar confirming the number of new shares issued, the Reference Share Price and the total cash equivalent of the new shares.



- XII) What is the proposed date for crediting the Central Securities Clearing System (CSCS) accounts of Qualifying Shareholders who elect to receive new ordinary shares?**

Upon completion of the election process, the Company's share capital shall be increased by the exact number of shares required to enable the Company to allot new shares to all shareholders who so elect. The CSCS accounts of Qualifying Shareholders will be credited as soon as practicable upon receipt of the Securities and Exchange Commission's (SEC) approval of the registration of the shares to be issued.

- XIII) What happens if a Qualifying Shareholder has more than one holding/account?**  
If a Qualifying Shareholder has more than one holding/account, each holding/account will require a separate election. Any Qualifying Shareholder who intends to combine its/his/her holding should contact the Registrar.

- XIV) How can accounts held in joint names participate in the Scrip Dividend Election Plan?**

For joint account holders, the Election Form must be signed by all joint shareholders for the election to be valid.

- XV) Can a Qualifying Shareholder receive the final dividend partly in shares and cash?**

No. The Shareholder can only receive either new shares or cash, not both.

- XVI) Who should be contacted for further questions about the Scrip Dividend Election Plan?**

If there are additional queries or questions, please contact the Registrar via email at [customercare@coronationregistrars.com](mailto:customercare@coronationregistrars.com) or via telephone at +234 1 227 2570.