



# MTN Uganda Limited

Unaudited Financial Results For The Quarter  
Ended 31 March 2025

Overall Subscribers  
**up by 14.6% to 22.8 million**

Active data subscribers  
**up by 19.4% to 10.2 million**

Fintech subscribers  
**up by 9.8% to 13.6 million**

EBITDA  
**increased by 13.7%  
to Ush 444.0 billion**

EBITDA margin  
**improved by 0.4 pp  
to 52.4%**

Service revenue grew by  
**13.5% to Ush 841.4 billion**

Data revenue grew by  
**32.5% to Ush 235.6 billion**

Voice revenue grew by  
**1.5% to Ush 320.1 billion**

Fintech revenue grew by  
**18.4% to Ush 255.6 billion**

Capex of  
**Ush 211.4 billion**  
Including IFRS 16 leases  
**(Ush 118.6 billion ex-leases,  
with capex intensity of  
14.0%)**

Leverage reduced  
**to 0.6x**  
(Q1 24: 0.7x)

Net debt reduced by  
**2.4% to Ush 1.12 trillion**  
(Q1 24: Ush 1.24 trillion)

Volume of MoMo transactions  
**up by 19.9% to 1.2 billion**

Value of MoMo transactions  
**up by 23.9% to Ush 42.0 trillion**

Advanced service revenue contribution  
**up by 3.3 pp to 34.1%**

Earnings per share  
**increased by 20.6%  
to Ush 8.1 per share**

Return on Equity  
**increased by 1.0 pp  
to 52.5%**

\*Unless otherwise stated, financial and non-financial growth rates are presented on a year-on-year basis (YoY, 3M to 31 March 2025 versus 3M to 31 March 2024).

Service revenue excludes device and SIM card revenue. Data revenue is mobile and fixed access data and excludes roaming and wholesale. Fintech includes mobile financial services and MTN Xtratime. Active mobile users are a count of all subscribers at a point in time, which had a revenue generating event in the specified period (90 days) prior to that point. Active data users are a count of subscribers who during the past 30 days had data usage greater than or equal to 5 megabytes. Active fintech users is a count of subscribers who have transacted on the platform during the past 30 days.

#### Abbreviations:

EBITDA - Earnings before interest, tax, depreciation and amortization, Capex - Capital expenditure, PAT - Profit after tax, pp - Percentage points

## Q1 2025 Key messages

- Challenging operating environment cushioned by favorable macroeconomic conditions.
- Solid strategic execution supported growth across the business.
- Progressed on our portfolio transformation strategy with fintech.
- Continued execution of our strategy to ensure operational and financial resilience.
- Medium-term guidance maintained.

## Sylvia Mulinge

MTN Uganda's Chief Executive Officer



## Financial Summary

Ush (in millions)	Q1 2025	Q1 2024	YoY Change
<b>Total Revenue</b>	<b>847,951</b>	<b>750,493</b>	<b>13.0%</b>
Non-service revenue	6,570	9,123	-28.0%
<b>Service Revenue</b>	<b>841,382</b>	<b>741,370</b>	<b>13.5%</b>
Data	235,595	177,858	32.5%
Voice	320,122	315,418	1.5%
Fintech	255,627	215,964	18.4%
Mobile money	249,527	209,674	19.0%
Xtra time	6,100	6,290	-3.0%
Other Revenue	30,038	32,130	-6.5%
Expenses	(404,000)	(360,084)	12.2%
<b>EBITDA</b>	<b>443,951</b>	<b>390,408</b>	<b>13.7%</b>
EBITDA margin	52.4%	52.0%	0.4 pp
<b>EBIT</b>	<b>316,946</b>	<b>272,591</b>	<b>16.3%</b>
EBIT margin	37.4%	36.3%	1.1 pp
<b>PAT</b>	<b>180,887</b>	<b>150,026</b>	<b>20.6%</b>
PAT Margin	21.3%	20.0%	1.3 pp

*MTN Uganda had a resilient start, navigating changes in the regulatory environment which impacted our business momentum. The business headwinds were cushioned by supportive macroeconomic conditions, a stronger shilling, which appreciated by 5.7% against the US dollar and stable headline inflation which averaged 3.6% (Q1 24: 3.2%), albeit higher than the previous quarter (Q4 23: 3.1%). Despite the regulatory MTR changes, we are pleased with the solid strategic execution that supported growth in other areas of our business in the period while ensuring margin resilience and value preservation in our operation.*

The focus on customer centricity enabled us to grow our subscriber base to 22.8 million in the period. Our efforts to continuously innovate and solution for our customers supported an increase in our data and fintech subscribers by 19.4% and 9.8% respectively. Service revenue grew by 13.5% with stronger contribution recorded from our data and fintech portfolios. Our cost discipline initiatives enabled increase in our EBITDA by 13.7% providing an uplift in our margin by 0.4pp to 52.4%.

Our investment of Ush 118.6 billion was focused on network densification to improve coverage and quality of service for our customers. During the quarter, MTN Group and Airtel Africa entered into network sharing agreements to maximize network infrastructure. These agreements are targeted at improving our network cost efficiencies, expanding our geographical coverage in line with the NTO license requirement and addressing our customer user experience particularly in remote areas with less coverage. As we close the geographical coverage gaps, co-investment with Airtel Uganda will further improve network redundancy and enable better capital allocation over the next few years.

In the connectivity business, an interim industry-wide directive from last year relating to the reduction in mobile termination rates (MTR) from Ush 45 to Ush 26, impacted our voice outgoing revenues in the quarter. To ensure resilience of our portfolio, we intensified our customer value management (CVM) and improved our bundle offering and service proposition to our customers. On the data front, we invested extensively in smartphone penetration by enhancing the affordability of devices through our **Pay Mpola Mpola** programme and device purchase subsidies through our various partners. This helped to increase the number of smartphones in use by 9.8% on our network.

For fintech, we noted increased velocity in our ecosystem with growth in transaction volume (up to 19.9%) and transaction value (up 23.9%) driven by increased peer-to-peer (P2P)

transaction and banktech activity. To further accelerate our advanced revenue ambition, we partnered with Mastercard, Diamond Trust Bank and Network International, and launched the **Virtual Card by MoMo** designed to enable our fintech customers to perform secure online transactions. This development reflects our commitment to driving financial inclusion and enhancing digital accessibility across Uganda, aligning with our broader mission of enabling a digital economy for all.

Through the MTN Foundation, this quarter we progressed initiatives in the education and youth empowerment pillars. We invested in vocational training equipment, construction of classroom blocks and safe water equipment for several under served communities. We also focused on digital inclusion for learners with disabilities particularly those with visual impairments by computerized equipment enabled with JAWS (Job Access with Speech) software. The MTN Foundation's Digital Access Project is a Ush 1.0 billion investment aimed at setting up 11 computer labs across Uganda, five of which are inclusive labs designed for learners with visual and hearing impairments.

Our youth empowerment commitments focused on scholarships, capacity building, ICT skilling and entrepreneurship through our partnership with the Smart Girls Foundation. We proudly graduated 250 young women from the **MTN Girls in Tech** program and 33 youth in the **MTN Girls with Tools** initiative. These graduates join a growing community of over 850 youth who have been trained in digital and technical skills, positioning them to thrive in Uganda's evolving economy.

We remain focused on delivering value for our customers and shareholders while driving sustainable and inclusive growth. This year's ambition is to accelerate growth through strategic investments to ensure superior customer experience delivery as we continue our transformation journey from a Telco to Techo. We are confident in the resilience of our operation to navigate these challenges as we work towards fulfilling the **Ambition 2025** strategy.

## Operational Highlights

### Service revenue grew by 13.5% augmented by stronger data and fintech revenue performance in the period.

**Data** revenue accelerated by 32.5% in the period, anchored by a 19.4% growth in active daily users to 10.2 million, indicating 1.7 million in net additions YoY. The average MB per user expanded by 12.0% resulting in a 33.7% YoY growth in data traffic over the period. We commenced testing of the VoLTE (voice over LTE) to support enabled devices.

In home broad band, we recorded strong revenue growth as we increased the number of homes connected. Our value proposition premised offering high data speeds up to 500 Mbps at affordable prices enabled us to grow our base.

Data revenue contribution to service revenue continued to improve increasing by 4.0 pp to 28.0% (Q1 24: 24.0%).

**Voice** revenue was up by 1.5%, impacted by lower inbound voice revenue as a result of the industry-wide MTR review. However, the reduced pricing resulted in a 16.5% uplift in our voice traffic due to increased adoption of our improved all-network bundles – this helped to cushion the impact of the MTR cuts.

This position was further consolidated by the increased investment in network coverage and our sustained momentum in customer acquisition, which increased our subscriber base by 2.9 million (up 14.6% YoY). This, in combination with rigorous CVM, supported strong growth in our outgoing voice revenues by 11.9% in the period.

Voice revenue contribution to service revenue reduced by 4.5pp to 38.0% (Q1 24: 42.5%) in favour of data and fintech.

**Digital** revenue grew by 23.5%, driven by growth in our content revenue and growth in our video streaming subscriptions with increased adoption of the My MTN app.

The contribution of digital to service revenue remained steady at 0.4% (Q1 24: 0.4%).

**Fintech** revenue increased by 18.4%, driven by growth in our mobile money services by 19.0%. This growth was anchored by increased velocity in the ecosystem with growth in transaction volume of 19.9% to 1.2 billion (Q1 24: 1.0 billion). This in turn accelerated transaction value, growing by 23.9% to Ush 42.0 trillion (Q1 24: 33.9 trillion). Our ecosystem expansion was also reflected in the higher number of active agents and merchants recorded at 212,044 and 100,985 respectively. This expanded activity supported growth in basic revenue by 15.9% and advanced revenues by 33.4%.

Our advanced services benefited from refreshed campaigns to increase payments and the loan and savings marketplace. This improved the advanced revenue contribution to 34.1% (Q1 24: 30.9%). Fintech revenues contribution to service revenue increased by 1.3 pp to 30.4% (Q1 24: 29.1%).

**EBITDA** increased by 13.7% YoY supported by a resilient revenue performance and moderate cost growth of 12.2%. The business benefited from reduced interconnect costs as a result of the MTR reduction which improved our cost of sales. EBITDA margin improved by 0.4 pp to 52.4%.

**Depreciation and amortization** increased moderately by 7.8% driven by lease costs associated with the increased investment in network sites. **Net finance costs** grew by 1.0%, this contained growth partially benefited from the currency appreciation witnessed in the period.

We are pleased with the growth in our **Profit after tax**, which was up by 20.6% to Ush 180.9 bn with an improved margin of 21.3% (up 1.3pp).

**Capex** (ex-leases) reduced by 2.8% to Ush 118.6 billion as we targeted our investment in modernization of our sites, IT system upgrades and fibre expansion in line with our ambition to drive industry leading connectivity in our operation. We increased our 5G population coverage by 16.3% with an additional investment of 104 strategic sites and also invested in 4G coverage growing it to 88.0% from 85.2% as we improved our data experience and capabilities.

The Capex reduction slowed our capex intensity to 14.0% (Q1 2024: 16.3%) in line with our medium-term guidance.

### Progressing Ambition 2025

**Ambition 2025** is MTN's strategic blueprint, which incorporates building the largest and most valuable platform business in Uganda as a key priority. **Ambition 2025** is based on the primary objective of accelerating growth, reducing the risk profile and unlocking the value of MTN's infrastructure assets and platforms. It aims to better position businesses such as MTN MoMo's to capture the exciting opportunities within Uganda for growth and deepening financial inclusion.

As has been previously communicated, MTN is taking steps to effect the proposed structural separation of MTN Mobile Money (U) Limited in line with Ambition 2025. Further announcement on the progress of this matter shall be made before end of Q2 2025.

### Outlook

Our macroeconomic outlook is expected to trend positively, according to Bank of Uganda, with moderate inflation below 5% in the near term and a stable shilling supported by reforms in the interbank market. We remain cognizant of external potential headwinds to our operation arising from uncertainties in the global markets in relation to global trade.

The trade tensions which may also possibly affect global supply chains, may increase the risk to our macro and business prospects.

We remain vigilant to these developments and ensure that our operating model remains agile to respond. With this context, our focus this year is to continue executing our strategy while we ensure operational and financial resilience of our business to deliver sustainable value to all our stakeholders.

On the commercial front, we have implemented several key initiatives to defend our voice revenues with refreshed propositions to drive customer uptake. To ensure network resilience, we are carrying out major network system upgrades this quarter to enrich our customer experience for both connectivity and mobile money.

In line with our smartphone penetration strategy, we launched a new entry level smartphone **Kabode Supa** which in addition to our network investments should support data subscriber and revenue growth. In our strategy to **"own the home"**, we continue to focus improving our service offering to ensure customer retention in a highly competitive market.

For fintech, we are committed to continue solutioning for our customers through innovations and impactful partnerships as we drive the financial inclusion agenda. Our aspiration is to be the preferred digital financial services provider in Uganda.

On the regulatory front, the Uganda Communications Commission is conducting a costing study to determine the future trajectory of the MTR over the next five years, with the study is expected to be concluded in July 2025. This position will guide the future MTR direction of the voice business.

As we progress, we maintain our guidance framework of delivering "upper-teen" service revenue growth, stable EBITDA margins above 50% as well as capex (excluding leases) intensity in the "low-teens".

## Unaudited summary financial statements for the quarter ended 31 March 2025

### Summary Statement of Comprehensive Income

	March 2025 Ush'000	March 2024 Ush'000
Revenue from contracts with customers	847,951,435	750,492,539
Total expenses	(403,999,987)	(360,084,368)
<b>EBITDA</b>	<b>443,951,448</b>	<b>390,408,171</b>
Depreciation and Impairment of property and equipment	(105,573,810)	(95,164,917)
Amortization of intangible assets	(21,431,313)	(22,652,354)
<b>Operating profit</b>	<b>316,946,325</b>	<b>272,590,900</b>
Finance income	13,901,416	13,060,110
Finance costs	(71,184,042)	(69,762,161)
<b>Profit before tax</b>	<b>259,663,699</b>	<b>215,888,849</b>
Income tax expense	(78,776,704)	(65,862,616)
<b>Profit for the year</b>	<b>180,886,995</b>	<b>150,026,233</b>
Other comprehensive income net of tax	-	-
<b>Total comprehensive income for the year</b>	<b>180,886,995</b>	<b>150,026,233</b>
Basic/diluted earnings per share	8.1	6.7

### Summary Statement of Financial Position

	March 2025 Ush'000	December 2024 Ush'000
<b>Assets</b>		
Non-Current assets	2,996,475,352	2,910,504,915
Current assets	1,914,840,444	1,760,099,353
<b>Total Assets</b>	<b>4,911,315,796</b>	<b>4,670,604,268</b>
<b>Equity</b>		
Ordinary share capital	22,389,044	22,389,044
Retained earnings	1,355,289,694	1,174,402,716
<b>Total Equity</b>	<b>1,377,678,738</b>	<b>1,196,791,760</b>
<b>Liabilities</b>		
Non-Current liabilities	1,392,599,772	1,266,447,523
Current liabilities	2,141,037,296	2,207,364,985
<b>Total liabilities</b>	<b>3,533,637,068</b>	<b>3,473,812,508</b>
<b>Total Equity and Liabilities</b>	<b>4,911,315,796</b>	<b>4,670,604,268</b>

### Summary Statement of Cash Flows

	March 2025 Ush'000	March 2024 Ush'000
<b>Operating activities</b>		
Net cash generated from operating activities	264,928,570	279,653,102
<b>Investing activities</b>		
Net cash used in investing activities	(45,843,400)	(117,641,164)
<b>Financing activities</b>		
Net cash used in Financing activities	47,517,240	(82,726,608)
<b>Movement in cash at bank and in hand</b>	<b>266,602,410</b>	<b>79,285,330</b>
At start of year	151,856,408	238,465,185
Increase	266,602,410	79,285,330
Exchange losses on cash at bank and in hand	(21,493)	(1,191,847)
<b>At end of year</b>	<b>418,437,325</b>	<b>316,558,668</b>



## Contact

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## About MTN Uganda

MTN Uganda is one of Africa's largest providers of communications services, connecting approximately 22.8 million people in communities across the country with each other and the world. Guided by a vision to lead the delivery of a bold new digital world, MTN Uganda's leadership position in coverage, capacity and innovation has remained constant since its launch in 1998. MTN Uganda is part of the MTN Group – a multinational telecommunications group, which operates in 18 markets.