

OFFER FOR SECONDARY MARKET PURCHASE OF ORDINARY SHARES IN MTN UGANDA LIMITED



SBG Securities Uganda Limited (a wholly owned subsidiary of Stanbic Uganda Holdings Limited), in its capacity as the lead sponsoring broker, on behalf of MTN Uganda Limited (**MTN Uganda** or the **Company**), hereby announces the sale by MTN International (Mauritius) Limited (the **Selling Shareholder**) of up to 1,574,807,373 ordinary shares (the **Sale Shares**) in MTN Uganda (the **Offer**).

The Offer is made in accordance with Rule 15(a) of the Uganda Securities Exchange (**USE**) Listing Rules 2021, by which an existing shareholder of an issuer with equity securities already listed on the USE may conduct an offer for sale of shares to the public on the secondary market. The USE has provided its no-objection to the Offer.

Background and objectives of the Offer:

On 6 December 2021, MTN Uganda was listed on the Main Investment Market Segment of the USE. This listing followed an initial public offer which commenced on 11 October 2021 and closed on 22 November 2021. In accordance with Rule 32(7) of the USE Listing Rules, the USE granted a waiver for the Company to list on the exchange on the basis of the 12.97% public float attained in the initial public offer.

As with the initial public offer, the current Offer is being undertaken in accordance with MTN Group and MTN Uganda's objective to broaden Ugandan shareholding in the Company and provide an opportunity to Ugandan retail and professional investors, including MTN Uganda's loyal customers, to own a stake in the Company and participate in its future growth. In addition, the Offer is being undertaken to comply with the requirements of the Company's national telecommunications operator licence, the National Broadband Policy 2018 and the regulations issued by the Uganda Communications Commission.

Particulars of the Offer:

The Sale Shares will be sold to interested retail and professional investors through secondary market trades that will be settled in accordance with the USE Trading Rules 2021. The key details of the Offer are as follows:

Period	27 May 2024 at 10 a.m. - 10 June 2024 at 4 p.m.
Sale Shares	1,574,807,373 ordinary shares, representing a 7.03% stake in the Company and includes Incentive Shares
Incentive Shares	Number of Sale Shares made available by the Selling Shareholder and proposed to be transferred at nil cost to participating investors
Selling Shareholder	MTN International (Mauritius) Limited, a wholly-owned subsidiary of MTN Group Limited
Offer price	UGX 170 per Sale Share
Minimum number of Sale Shares to apply	1,400 Sale Shares. Additional applications must be in multiples of 420 Sale Shares
Qualifying investors	Retail investors and Ugandan, East African and international professional investors, subject to the sale restrictions below

The details of the Offer may be amended and any such amendment will be announced publicly through a press statement.

Qualifying investors:

Qualifying investors for the Sale Shares are retail investors and Ugandan, East African and international professional investors. Retail investors are persons who own and trade in securities for their own account, and who do so in a non-professional capacity. An institutional or professional investor is a corporate organisation whose ordinary business and purpose is to invest its assets or those held in trust for others.

Minimum number of Sale Shares to apply for:

The minimum number of Sale Shares for which an application must be made is 1,400 Sale Shares. Applications for greater than this minimum must be in multiples of 420 Sale Shares with no limit on the number of Sale Shares that a qualifying investor can apply for.

Incentive Shares framework and applicable lock-in restrictions:

The Selling Shareholder will allocate Incentive Shares to participating investors at no additional cost. The allocation of Incentive Shares is aimed at encouraging meaningful participation in the Offer. For every 140 Sale Shares, 30 Incentive Shares will be transferred to the participating retail and institutional investors.

Professional or institutional investors who are allocated Sale Shares shall be subject to a lock-in or lock-up restriction. From the date that the relevant portion of the Sale Shares and the Incentive Shares is transferred to the purchasing institutional investor following the conclusion of the Offer, the institutional investor shall not dispose of its shareholding interests in MTN Uganda for a period of six months thereafter. Participating institutional investors shall contractually undertake to this lock-in restriction when delivering a signed Sale Shares order confirmation or placement letter.

This lock-in restriction is appropriate to ensure an orderly market for MTN Uganda's shares following the conclusion of the Offer, to avoid distorting or creating a false market in the Company's shares and to protect the interests of existing shareholders who will not have participated in the Offer.

Requirement for SCD accounts:

In order for a potential investor to apply for and complete the purchase of the Sale Shares, the investor must have a securities central depository (**SCD**) account. If any potential investor does not have a SCD account, the investor must complete the SCD account opening process through the USE Easy-Portal at <https://scd.use.or.ug>, or by contacting one of the licensed stockbrokers and trading members of the USE listed on the USE website at <https://www.use.or.ug/content/trading-participants> for assistance.

Mode of application:

A qualifying investor may apply to purchase Sale Shares in the following ways:

- electronically, by accessing the USE Easy-Portal at <https://scd.use.or.ug/>. This option is available to qualifying investors on a self-service or assisted basis; and
- physically, by contacting one of the licensed stockbrokers and trading members of the USE listed on the USE website at <https://www.use.or.ug/content/trading-participants> for assistance.

Commissions payable by participating investors:

In addition to the aggregate Offer price, a qualifying investor for the Sale Shares will be required to pay all commissions related to the Sale Shares purchased by that investor in accordance with the USE Fees, Charges and Penalties Rules 2021. These are commissions payable to the USE, the Capital Markets Authority, the Capital Markets Authority Investor Compensation Fund and the SCD.

Allocation policy:

The sole responsibility for allocating the Sale Shares lies with the Selling Shareholder, and applications will be considered in the following order: (a) first, Ugandan and East African retail investors and (b) second, professional investors. In the event of oversubscription, Ugandan and East African retail investors will be prioritised in accordance with the Offer's objective to broaden local shareholding in MTN Uganda.

Voluntary suspension of trading in MTN Uganda shares:

Following an application by MTN Uganda, the USE has approved the voluntary suspension of trading in the Company's shares for the period **27 May 2024** to **12 June 2024** in accordance with Rule 5(1)(c) of the USE Listing Rules. The Company's shareholders and the public are hereby notified of this suspension.

The voluntary suspension of trading in MTN Uganda's shares is considered appropriate to facilitate the implementation and conclusion of the Offer without disrupting the market price of the Company's shares, ensuring an orderly market in the process. A further announcement will be made when the suspension is lifted and normal trading in the Company's shares can resume.

Sale restrictions:

The Sale Shares shall not be sold to an investor who is based in a country where, in the sole assessment of the Selling Shareholder, the residence of the investor in that country would make the transfer of the Sale Shares to be illegal or otherwise unenforceable. Equally, the Sale Shares shall not be transferred to an investor based in a country which is the subject of sanctions from a domestic or internationally-recognised sanctions authority.

Investor education and professional advice:

MTN Uganda has a dedicated web-based hub to provide investor information at the following link: <https://www.mtn.co.ug/investors>. On this portal, prospective investors can access MTN Uganda's audited financial statements for the years 2016 – 2023, quarterly and full-year earnings releases for 2023 and annual reports for the years 2021, 2022 and 2023. Retail investors are advised to seek professional advice from licensed stockbrokers and investment advisers.

Implementation of *Ambition 2025* strategy:

In the prospectus for the initial public offer that took place between 11 October 2021 and 22 November 2021 and in subsequent annual reports, MTN Uganda informed its shareholders and the wider public about the implementation of the Company's *Ambition 2025* strategy.

Ambition 2025 is anchored on building the largest and most valuable platform business. As part of this strategic repositioning, MTN Group is consolidating its infrastructure assets and platforms across its entire Africa footprint to build value and attract third-party capital and partnerships into these businesses. In Uganda, this includes the phased managed and structural separation of MTN Uganda's financial technology and fibre businesses.

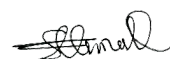
The separation and consolidation of the financial technology and infrastructure businesses will be undertaken on an arms' length basis and in line with market standards ensuring equitable treatment of minority shareholders. The decision on the appropriate shareholding structure of MTN Group's financial technology and infrastructure businesses (including those in Uganda) will take into account minority shareholder protection requirements, applicable local laws and regulations and other structuring considerations.

MTN Uganda intends that all existing shareholders will continue to benefit from the Company's financial technology and infrastructure businesses, whether in the form of listed or unlisted interests, and irrespective of any potential restructuring that may be undertaken. Once an appropriate transaction structure has been approved by the board of MTN Uganda, the transaction will be implemented in accordance with the relevant laws of Uganda and with regard to the interests of the entire body of shareholders of MTN Uganda.

Book closure and dividend payment date for 2023 final dividend:

At the annual general meeting of MTN Uganda for the year ended 31 December 2023 which took place on 22 May 2024, the shareholders of the Company approved and declared the payment of a final dividend of UGX 6.4 per ordinary share (UGX 143.3 billion).

Shareholders and the general public are notified that the books closure date for entitlement to the final dividend has been extended to **12 June 2024**. Only shareholders registered in the books of the Company at close of business on that date are entitled to receive the final dividend. The dividend will be paid (net of withholding tax) electronically to the nominated bank accounts or mobile money wallets of eligible shareholders on **25 June 2024**, as earlier communicated.



Grace Semakula
Chief Executive, SBG Securities Uganda Limited
27 May 2024