



MTN Zakhele Futhi receives regulatory clearance for shareholder distributions, paving the way for the finalisation of the current B-BBEE scheme

Shareholders to receive up to approximately R23 per share as scheme winds down

15 July 2025

MTN Group's ("MTN") Broad-Based Black Economic Empowerment ("B-BBEE") investment MTN Zakhele Futhi (RF) Limited (MTNZF) has entered the final phase of its lifecycle and will begin shareholder distributions on 28 July 2025. This follows the successful sale of the majority of its MTN Group shares last month, and confirmation that no exchange control approval is required by the Financial Surveillance Department of the South African Reserve Bank for the shareholder distributions to take place.

The scheme, which launched in 2016, was designed to broaden South African ownership in MTN. The scheme enabled thousands of investors to participate in the company's growth through accessible shareholding. Supported by additional funding, MTNZF allowed for a larger stake in MTN than shareholder contributions alone could have achieved.

Belinda Mapongwana, Chairperson of the MTN Zakhele Futhi Board said, *"In 2016, MTNZF was created to give more South Africans a meaningful stake in MTN. We are pleased that the scheme has now delivered a full return of capital and a modest gain to shareholders, despite the volatility we've seen in the market over the years. With improved market conditions in 2025, the MTNZF Board was able to proceed with a full unwind of the scheme in a way that protects and preserves value for shareholders"*.

The proceeds from the sale of MTN shares have been used to settle or provide for all outstanding debts, and the remaining funds after provision for costs and taxes are now being prepared for distribution to shareholders.

In 2024, as the scheme approached its original maturity date, the MTNZF Board, together with MTN and with the approval of other funders, opted to extend the scheme by three years. This decision was taken in light of market conditions at the time, which would have made it difficult to settle the scheme's funding obligations without eroding shareholder value. This extension was approved by MTNZF shareholders.

Shareholders are now set to receive R20.00 per share on 28 July, with a second distribution of approximately between R2.00 – R3.00 per share expected thereafter. In total, shareholders are expected to receive approximately between R22.00 and R23.00 per share, representing a full return of their original investment and a modest gain.

Mapongwana concludes *"We are grateful for the support of MTN Group who, beyond being a shareholder, have provided essential working capital support to the scheme throughout its duration. MTNZF has been a part of the Group's broader commitment to transformation and inclusive ownership. While the financial returns were modest due to market volatility over the years, the scheme succeeded in expanding shareholding among previously excluded South Africans. We also acknowledge and thank our shareholders for their patience during the scheme's lifecycle and look forward to ensuring that you receive your distributions."*



MTNZF is now essentially a cash-only entity and will no longer operate as an investment vehicle. Its sole purpose is to distribute the remaining proceeds to shareholders before being delisted from the Johannesburg Stock Exchange ("JSE") and deregistered.

Shareholders are encouraged to ensure their bank and contact details are up to date to avoid delays in receiving their payments. Further updates will be shared via the MTNZF website and official announcements.

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