

# MTN NIGERIA Plc

Earnings Show - Q1 2026

MTN Nigeria delivered a robust performance in Q1 2026, underpinned by strong revenue growth, improved operational efficiency, and a significant expansion in profitability. Revenue grew by 41.62% year-on-year, driven primarily by an impressive 77.90% surge in fintech revenue and a 56.23% increase in data revenue. This was supported by a broadening user base, with active data subscribers rising by 9.50% to 55 million, alongside a 12.30% increase in average usage per subscriber (AUPS) to 14.3GB.

As a result of mounting cost pressures, particularly from elevated energy prices toward the latter part of the quarter and a surge in employee costs, operating expenses rose by 46% YoY. However, operating profit (EBIT) rose by 84%, highlighting improved operating leverage.

On the financing side, reduced short- and long-term borrowings led to a 38.68% decline in net finance costs. Notably, the full repayment of outstanding foreign currency loans (US\$105 million as of December 2025) significantly lowered foreign exchange risk and strengthened the company's funding structure.

From a balance sheet perspective, growth remained relatively modest, with total assets rising by 8%. However, equity expanded by 34%, strengthening the company's capital base and contributing to improved profitability metrics.

Items (In millions of Naira)	Q1 2026	Q1 2025	YOY (%)
Revenue	1,498,322	1,057,973	41.6%
Cost of sales	332,355	349,041	-4.8%
Gross profit	1,165,967	708,932	64.5%
Operating expenses	533,762	365,625	46.0%
Operating Profit	632,305	342,719	84.5%
Profit before tax	546,421	202,649	169.6%
Income Tax expense	(190,920)	(68,966)	176.8%
Profit for the year	355,501	133,683	165.9%

Sources: Company Financials, Norrenberger Research

	Q1 2026	FY 2025	YOY (%)
Assets	5,849,193	5,403,489	8.25%
Liabilities	4,945,253	4,854,777	1.86%
Equity	903,940	548,712	34.00%

Sources: Company Financials, Norrenberger Research



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### Company Statistics as at 13<sup>th</sup> May, 2026

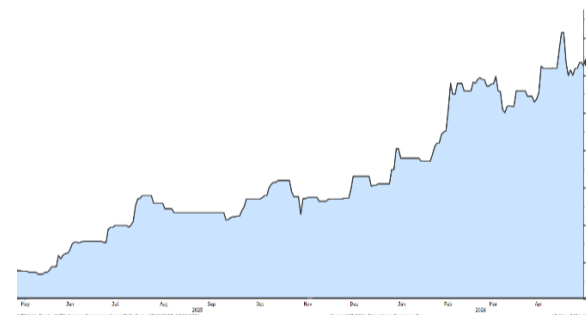
Price (N)	775.00
Market Cap (N'Billion)	16,271.6
P/E Ratio	12.17x
Dividend Yield	1.83%
Shares Outstanding (Million)	20,995.56
Q1 EPS	16.95
Beta	1.55

Sources: Bloomberg, Norrenberger Research

### Ownership Structure

MTN International (Mauritius)	73.39%
Others	26.61%

Sources: Company's Financial Statement, Norrenberger Research

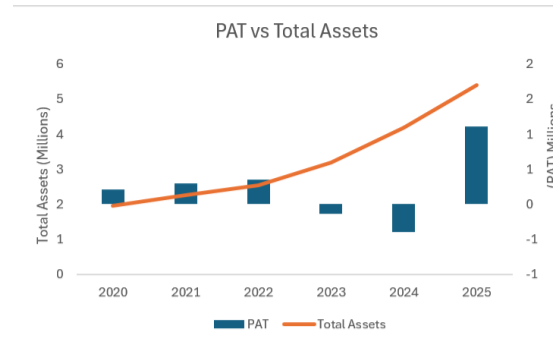


Source: Bloomberg, Norrenberger Research

### Business Description

MTN Nigeria Communications Plc is a leading telecommunications company with its headquarters situated in Lagos, Nigeria. Established in 2001 as a subsidiary of the MTN Group, MTN Nigeria has grown to become the country's largest mobile network operator, providing services to millions of subscribers nationwide. MTN Nigeria provides a wide range of telecommunications and digital services, including voice and data services, messaging and fast growing digital and enterprise services. Beyond their services, the company plays a pivotal role in Nigeria's infrastructural development, digital and technological advancements through their investments in network infrastructure, broadband expansion and innovative digital solutions such as mobile financial services, enterprise connectivity and content platforms. Through its extensive nationwide coverage, MTN Nigeria continues to be a beacon of connectivity, economic inclusion, and growth within Nigeria's telecommunications sector and economy as a whole.

Robust profitability during the period significantly strengthened the company's earnings base and overall financial position. As a result, retained earnings rose markedly to N755.7 billion from N400.4 billion in December 2025, while shareholders' funds expanded to N903.9 billion from N548.7 billion. This improvement highlights enhanced balance sheet strength, improved capital buffers, and greater financial flexibility going forward.



Sources: Company Financials; Norrenberger Research

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Key Ratios	Q1 26	Q1 25
EBITDA Margin	55.4%	46.7%
Operating Margin	42.2%	32.4%
Return on Equity (ROE)	157.3%	97.5%
Return on Assets (ROA)	25.9%	3.2%

Sources: Company Financials; Norrenberger Research

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