Status and Trends of MVNOs in Africa

Reaching the growth inflection

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BMIT MD
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- Policy and Regulation
- Future Foresight
- Strategy
- Due Diligences
- “Hands on operations experience”
- Fixed and Wireless Broadband Technologies
- Digital inclusion

MVNOs can deliver value exceeding the sum of the parts

Christopher Geerdts. June 2026

Welcome and My Quote for the Day

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Africa's MVNO Inflection point (in 15 mins)

1. **Markets differ greatly across the continent**
2. **Africa's untapped potential**
3. **South African example – beyond the tipping point**
4. **Country Overviews**
   Kenya • Tanzania • Nigeria • Ghana
5. **Choosing the right market sectors**
6. **Closing insights**

One has to understand the country-by-country context

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Policy & Regulation

- Support for MVNOs in terms of :
  - timely and fair agreements
  - competitive wholesale pricing
  - ownership of subscribers, their data and their phone numbers

Customer Needs

- Affordable voice & messaging
- Broadband access
- Financial services
- IoT Connectivity
- Business services
- Many (as yet unknown) solutions

Market Dynamics

- Intensity of competition (normally there are one or two dominant operators) in telecoms and finance
- Overall retail pricing
- Telecoms costs - data centres, high sites, transit etc
- Brand dominance

Socio-economics

- Wealth and wealth distribution
- Urban versus rural wealth
- Access to investment capital
- Mobile and digital finance penetration
- Tapping the ‘youth dividend’ by empowering the your

Africa has major, unrealised potential

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- The global MVNO market is clearly very dynamic, now with over 2000 MVNOs in >90 countries (from 1 in 1999)
  - E.g. Japan has 80 MVNOs. Mexico went from 3 in 2014 to 111 in 2024.
- Africa stands out as lagging the world
  - One sees similar with fibre, LTE and 5G maps, although less stark
- Why is this?
  - We have almost 1.6bn people (18% of the world's population)
  - E. and W. Africa about 500m each
  - We have countries demonstrating digital leadership
  - Southern Africa only about 75m but most of the MVNOs
  - Our mobile money systems are world leading
- We clearly have the most potential
- How do we replicate South Africa's inflection point
- How can we fill this gap with 'logos' (MVNOs) but ensure these thrive and grow"

The area of most future potential

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MVNO Services map (from 2024)

Source, MVNO Service, copied from MVNO Services.

BMIT predictive reporting on South Africa's 2022 Inflection Point

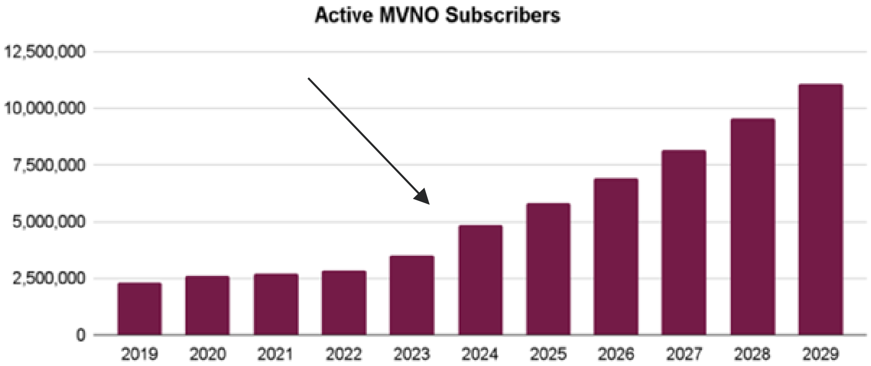
"the MVNO market is sitting at an inflection point"

"This impact comes from … the embedded leverage of the retailer and banking MVNOs - their brand power, wallet share and distribution capability."

"Geerdts believes MVNOs will double their mobile services market share within the next 2-3 years, with industry participants expecting around 10-12% of mobile subscribers, if not more, going forward."

BMIT forecasts *verified in 2024*

"BMIT sees MVNOs as the primary drivers of new mobile market growth"



"The market has doubled in size, well within the predictions in 2022, which were considered bold at the time"

"BMIT expects a CAGR of 18% going foward

A quick zoom-in on 4 countries

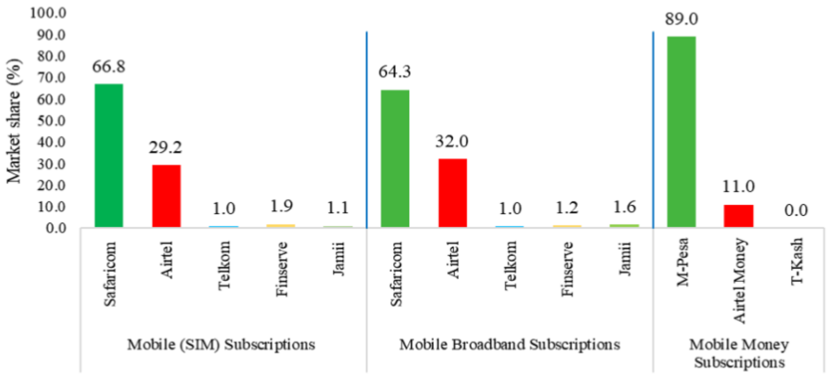
Reality lags the hype but the inflection point is imminent

Here are 4 examples:

1. Kenya
2. Tanzania
3. Ghana
4. Nigeria

Kenya - driven by financial services, in a concentrated market

- Since Communications Authority (CA - the regulator) started issuing licences in 2014, few have taken off.
- MNOs not compelled to sign agreements - based on selling 'spare capacity' (a poor foundation for MVNOs)
- Very concentrated market (see chart) - mobile and financial
- No incentive for Safaricom to host
- Airtel as 'challenger' signed MVNO agreements (but has SLA adherence challenges)
- Of the 4 original MVNOs and other subsequent, only Finserve (Equitel) stands out.

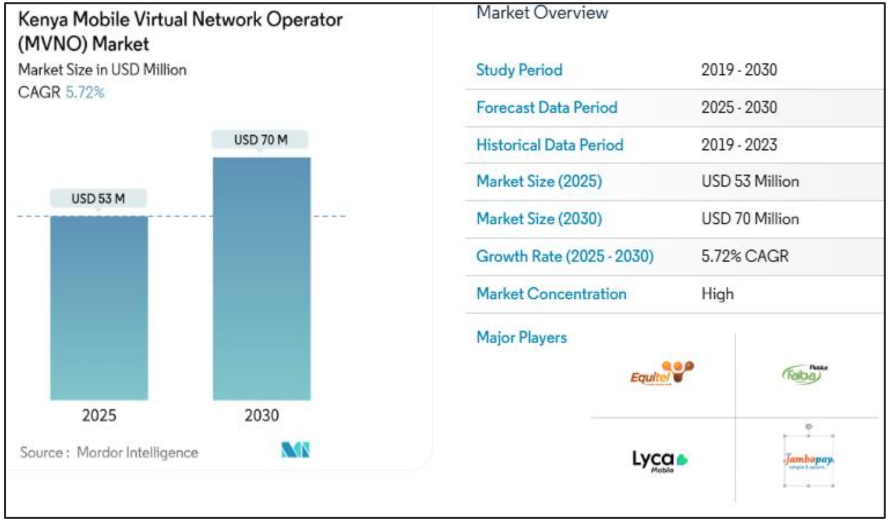


- Vibrant mobile money market, massively dominated by M-Peso (even Airtel battling to build market share). There are interoperability mandates and innovation around telco/fintech convergence (loans, capital investments etc). A neutral mobile money platform would unlock competition (more like Tanzania).
- Recent changes to Telco context:
  - MTR cuts to reduce retail costs
  - Healthy LTE/5G deployment but friction from strict KYC enforcement.
  - Starlink has enabled rural site backhaul but CA has hiked the licence price.
  - Recent regulations changes may see better QoS on network and more certainty re data centres
  - e-Sim boosts travel (tourist) use.

Source: chart of active sims is from Communications Authority (CA - the Regulator) 2025/Q4 report based on operator returns (Telkom Kenya was labelled 'provisional'].

Kenyan MVNOs - Equitel stands out amongst its peers

- **Equitel**
  - dominant MVNO and one of Africa's strongest on finance
  - Owned by Equity Holdings (via Finserve), a significant, trans-Africa banking player, intent on promoting financial inclusion, with the highest brand valuation in Kenya
  - Has a strong financial offering (payments, money transfers, loans, insurance etc)
  - Also has affordable data (claiming first 5G MVNO launch in Africa), and focus on key verticals (agriculture and energy)
  - Mobile money is dominated by M-Pesa but Equitel leveraged its own banking customers. Only recently opened to other bank customers, which should boost growth.
  - Voice market share is 0.04% and SMS is 0.02%
- **Faiba Mobile** (Jamii Telecom) owns own infrastructure but leverages Airtel to diversify and improve connectivity.
- **Web Tribe**, owner of JamboPay (also a long-time player in online payments services) secured an MVNO licence in 2021, promising a strong IoT focus.
- **Lycamobile** a successful international brand, gained no traction
- **Kenya Airways** was licensed early on but has reverted to an 'appcentric' approach.
- Other banks will likely want to follow the Equital model, leveraging their customers and keeping transactions in house



Mordor Intelligence estimates on MVNO market were $53m out of a total MNO market of $3.4bn. They also cite Lyca Kenya

Nigeria – slow start, but high potential

- In spite of the regulator issuing many licences recently, few have taken off.
- **NCC** (the regulator) was proactive in creating a framework and licensing MVNO, within a structured model
    - Model allows **five tiers** ranging from brand/retail centric to core infrastructure plays (note that Mexico and India also have multi-tiers)
- Business Day Nigeria said (Aug 2025) only **2 of 46 licencees were operational**
- **Market is large** (NCC reports) with around **180m active mobile subs in Dec.**
- **Market is quite concentrated**, with **MTN at 51.9%, Airtel at 33.9%, Globacom at 12.4% and T2 at 1.8%**. Top 3 have strong brand recognition.
- Large gap between licensing and going live:
    - Complex negotiations with strong incumbents
    - *NCC has now published draft improvements and stricter rules to tighten this gap (max 120 days to conclude agreements)*
- MVNEs/MVNAs (Tier 4 and can be 5) are active
    - IMBIL Telecom Solutions recently announced agreement with Airtel Nigeria and 5 active MVNOs and a **pipeline** promised (key launch coming is Flexmobile)
    - MobileCoreX (MCX)
- Potential segments to target (BMIT view) include: rural areas (but MVNOs can't build out new coverage), migrants, digital savvy, fintech, IoT, youth

Source: Business Day Nigeria Aug, 2025; Lebara Website; NCC 2026/Q1 Stats; Punch (Lebara soft launch)

Nigerian MVNOs are differentiating their value propositions

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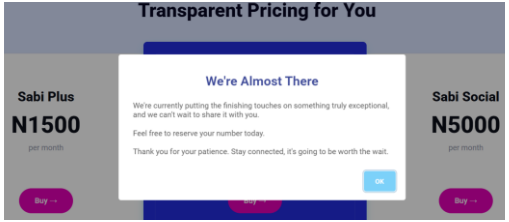
- **Vitel Wireless (Blue)**
  - Tier 3. First to get dedicated numbers. Hosted by MTN. Nationwide launch (Oct 2025), using PortaOne
  - Locally branded. Differentiating via eSIMs, flexible packages, digital channels and VAS
  - Traditional (voice, data, sms), location based services and IoT. Launched with ‘data that does not expire’
  - Experience centres in major cities
  - Incoming monthly port numbers from Nov 2025: 5, 6, 7, 8, 17. March 26 is 17 out of 1,267 for all operators (1.3%)
- **EmoSIM**
  - Entered via eSIM proposition to Nigerians travelling outside the country.
  - Partnered with Tata Communications.
  - Digital onboarding, eKYC
- **Lebara (private)**
  - ‘soft launch’ in Feb 2026. Tier 5 (highest).
  - Not yet functional (see graphic on right). They were onboarding agents until March.
  - Said they are competing on ‘underserved and niche’ customer segments (to be defined) with affordable product, reliability and good service. Selling ‘minutes, not airtime’. Website talks of financial products and targeting the creative industry.
  - Lebara is UK backed and in 10 countries (this is first in Africa). Has Tier 5 licence (see separate presentation from rep at conference)

- **BTel**
  - says their app will be ready in 114 days from today. They are a ‘next generation’ mobile operator offering ‘customer-focused’ telecom and digital services. They are enticing customers via a 6-month ‘welcome plan’)
- **Flexmobile**
  - targeted a launch of 1 June ? They claim to be ‘digital first’ targeting students, creators, gamers, gig workers and SMEs Strong emphasis on their app for control and to manage convergence of connectivity, payments, entertainment and (future) VAS.



Source: Business Day Nigeria Aug, 2025; Lebara Website; NCC 2026/Q1 Stats; Punch (Lebara soft launch) ; Btel and Flexmobile websites

Tanzania - a niche market

Regulatory Context

Allows but has not encouraged the MVNO market. Focuses on infrastructure competition (tower extension in rural areas).

Market Concentration

Less concentrated: Vodacom (31.9%), Yas (28.5%), and Airtel (23%).

The mobile money market is far more open than Kenya's. No evident pipeline of banks or fintechs entering as MVNOs.

Case Study: Amotel – aiming to overcome digital exclusion

- Best example; commenced 2015 via 'national application services' license.
- Focus: Digital inclusion for rural/underserved communities via low-cost distribution.
- Model: GSM + Wi-Fi hybrid (solar/battery), hosted by TTCL, supported by UCSAF.
- Success: Results/numbers not publicly accessible.

Possible MVNO Angles

- Rural coverage & community access (Amotel model).
- Agriculture & Logistics connectivity.
- Enterprise & IoT solutions.
- Public sector and digital inclusion projects.

Source: Tanzania invest website;

Ghana - dressed up but not (yet) going anywhere

Regulatory Framework

NCA created a framework (full, intermediate, thin) and licensed two full MVNOs back in 2015.

NCA has (previously) focused on licencsing LTE operators using 2600MHz spectrum (with limited success)

Market Activity

There is little evidence of activity despite the framework being in place for years.

Concentrated Market

MTN Ghana holds 70-75% share. Telecel and AT Ghana are fairly aggressive competitors.

Strategic Priorities

Regulator focus is on the neutral wholesale network (NGIC) for 5G and Quality of Service (QoS).

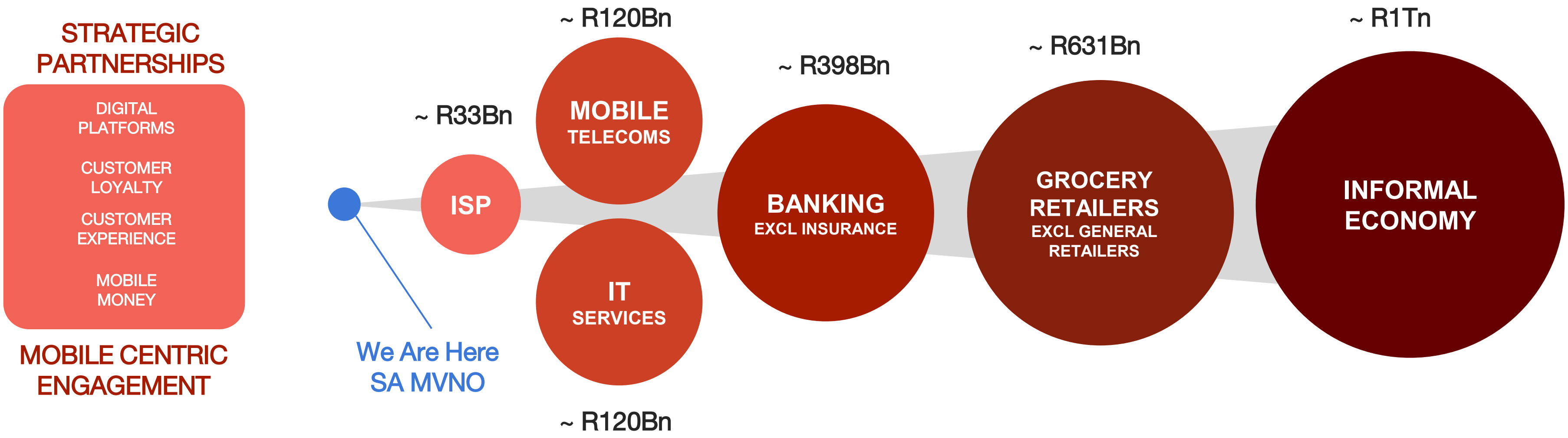
Key Barriers to Entry

MTN has no interest in allowing MVNOs, while smaller operators lack the technical capacity to host them.

Source: NCA Website ; The Labari Journal

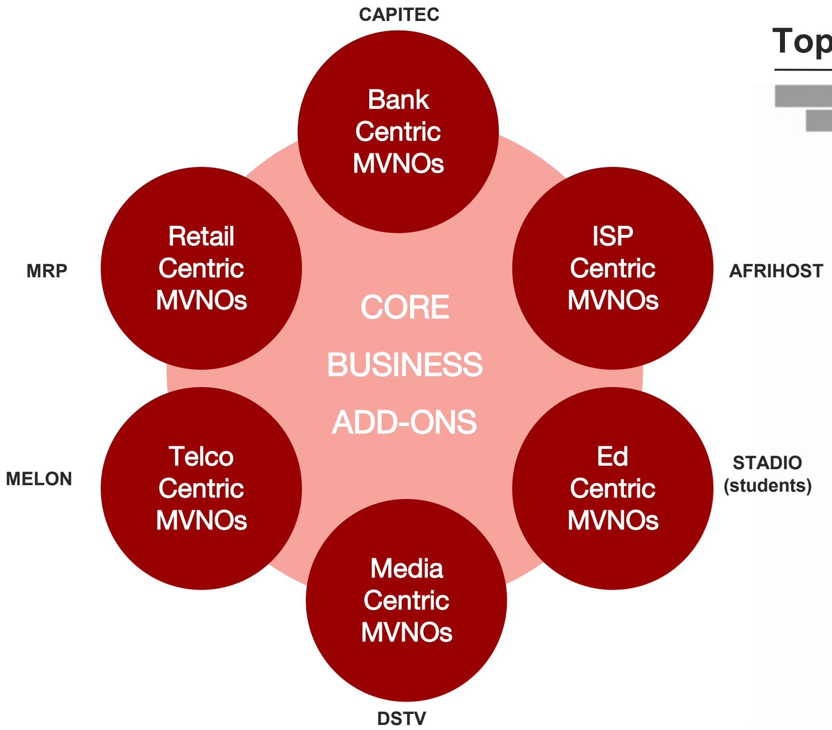
Analysis must begin with understanding market sizes

The proportionality of the sizes adjacent sectors provide us indicative perspective on shared value possibilities that can be leveraged



Source : BMIT's MVNO 2024 Report (published early 2025)

What does SA teach about finding opportunities
Market convergence; centrality of loyalty programs and value sources



Top 25 Loyalty Programs / MVNO

%	Top 25 Loyalty Programs	MVNO
57%	Shoprite Xtra Savings	K'Nect Mobile
49%	Capitec Live Better	Capitec Connect
42%	MoyaApp Rewards	
36%	MTN YelloBucks	
35%	Checkers Xtra Savings	K'Nect Mobile
32%	Pick n Pay Smart Shopper	PnP Mobile
31%	Clicks ClubCard	
29%	Vodacom VodaBucks	
25%	Spar Rewards	Spar Mobile
15%	TFG Rewards	TFG Connect
12%	Dis-Chem Benefit	
11%	SnapnSave Cashback Club	
9%	PEP Club Card	
8%	FNB eBucks	FNB Connect
8%	DSTV Rewards	DSTV Mobile
7%	Woolworths WRewards	
6%	thank U card	
6%	Absa Rewards	
6%	Truworths TruRoyalty	TFG Connect
5%	Spur Family Card	
5%	Shell V+	
5%	Old Mutual Rewards	Old Mutual Connect
4%	Nedbank Greenbacks	
4%	Makro mCard	
4%	Standard Bank UCount	Standard Bank Connect

MoyaApp — Mass market consumers

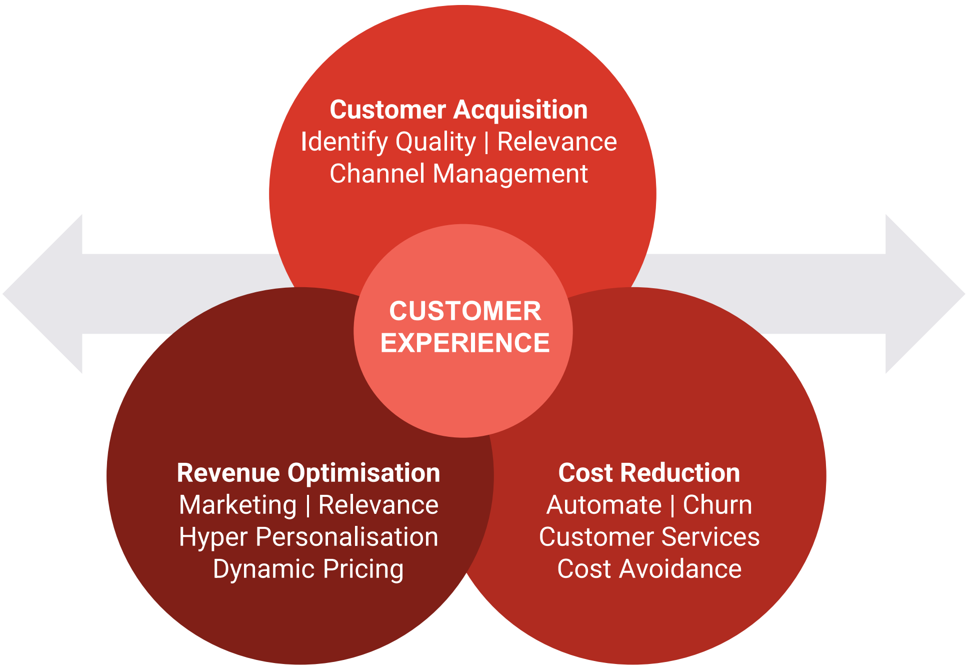
Value Sources

- Airtime
- Advertising
- Data analysis
- Loyalty and Customer Retention
- Promoting media
- Building or Enabling a base (e.g finserve)
- Tapping into a 'community' (diaspora, pet lovers, gen-z students, digital nomads, seniors)

Plan around how to optimise AI within future MVNO strategic imperatives

Strategic Imperative

MNO & MVNO BEST INTEREST



CUSTOMER BEST INTEREST

MVNOs need access to MNO data to combine with their own, to leverage analysis-based strategy and operations

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HYPERSCALE REAL TIME DATA	ENABLEMENT	COMBINED DATA	CHANNEL LEVERAGE	OUTCOME

HYPERSCALE REAL TIME DATA

MNO

Data Sets + AI Capability

Device Data | Location | Mobility
Relevance | GIS Proximity
User Groups | User Security

+ + +

ENABLEMENT

Intend to Create Win Win Win
MNO | MVNO | Customer

Data Processing & Storage

Data Protection Walled Gardens

Optimised For MVNO Leverage

Incremental Improvement

COMBINED DATA / CHANNEL LEVERAGE

COMBINED DATA	CHANNEL LEVERAGE	
Banking Data Sets Loyalty & Rewards	Telco Value Prop Banking MVNO Bank Value Prop	= ∑
Retail Data Sets Loyalty & Rewards	Telco Value Prop Retail MVNO Retail Value Prop	= ∑
ISP Data Sets Loyalty & Rewards	Telco Value Prop ISP MVNO ISP Value Prop	= ∑
Other Data Sets Loyalty & Rewards	Telco Value Prop OTHER e.g. DSTV Melon “Other” Value Prop	= ∑

OUTCOME

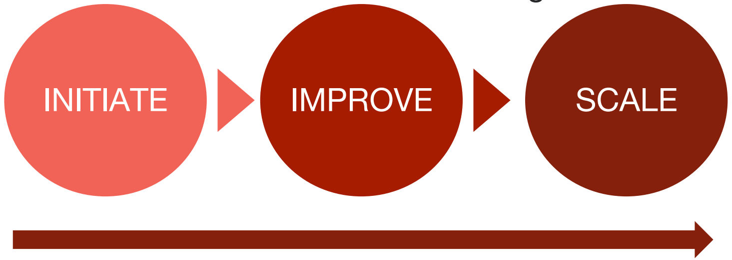
The Sum of Parts

∑

Revenue Growth
Churn Reduction
Customer Service

Closing thoughts

- MVNO potential is untapped – on the cusp of the growth inflection (the ‘tipping point’)
- Banking/Finance, Retail and FWA (fixed-wireless access) could still make great inroads (often leveraging an existing brand and installed base)
- Major segments still untapped : youth, agriculture, SMEs etc
- Operators need to have the incentive to partner with MVNOs, competing in the wholesale space
- All the **ingredients for AI leverage are already here**, if done correctly, this will become a strong catalyst for leverage
- Execution is essential - MNOs have set the standard but their size gives them ‘room for error’



The opportunity is ours for the taking

Chris Geerdts

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