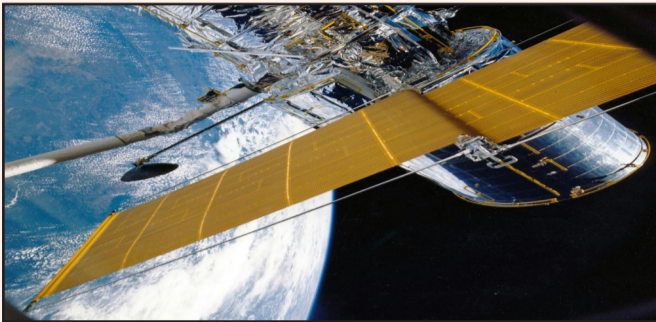


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NIGERIA'S RURAL DEAD ZONES SET TO LIGHT UP WITH STAR-LINK PHONE COVERAGE

BUSINESSDAY

Nigeria's long-standing rural mobile dead zones are set to vanish as Airtel Africa rolls out Starlink's Direct-to-Cell service this year, delivering phone coverage straight from satellites to ordinary smartphones in the country's most remote areas. Recall Airtel Africa sealed a partnership with SpaceX back in December 2025 to roll out Starlink's Direct-to-Cell service across all 14 of its markets, Nigeria included, where the operator has about 59 million subscribers out of more than 173 million total.

DATA BOOM, 5G ROLLOUT LIFT TELECOMS TO N18.5TN GDP MARK IN 2025

BUSINESSDAY

Nigeria's telecommunications industry tightened its hold on the economy in 2025, posting a real Gross Domestic Product (GDP) contribution of N18.5 trillion as rising data demand and rapid 5G deployment deepened the country's digital shift.

Fresh data from the National Bureau of Statistics (NBS) show the sector accounted for 8.3 percent of real GDP during the year, edging up from 8.1 percent in 2024. In nominal value terms, that translates to an increase from N17.2 trillion to N18.5 trillion, a clear indication that telecoms is not only expanding, but doing so faster than many other segments of the economy. At the heart of the surge was data. By December 2025, roughly 148 million Nigerians were actively connected to the internet, consuming an estimated 1.4 million terabytes of data in a single month. The figures reflect how deeply digital services have become embedded in daily life, from streaming and fintech transactions to remote work and online education.



UK MOBILE NETWORK, LEBARA, TARGETS DIGITAL INNOVATION, COMPETITION IN NIGERIA'S TELECOMS MARKET

BUSINESSDAY

Nigeria's telecommunications sector has received a fresh boost as Lebara Nigeria officially marked its entry into the market with a high-profile soft launch, a move which stakeholders described as a step toward deeper competition, inclusion, and digital innovation in Nigeria.

The event, attended by government officials, diplomats, regulators, financiers, and industry lead-

ers, and held in partnership with the UK Department for Business and Trade and the British High Commission in Lagos yesterday, signalled the arrival of the British-owned mobile virtual network operator (MVNO) brand into Africa's largest telecoms market.

At the event, the Minister of Art, Culture, Tourism, and the Creative Economy, Hannatu Musa Musawa, said the launch represents more than the debut of a new telecoms brand. "Today's event signifies the immense opportunities that exist within our cultural and tourism sectors," she said, noting that the milestone builds on an existing understanding between the ministry and Lebara aimed at leveraging technology to empower Nigeria's creative talents.

DATA BOOM, 5G ROLLOUT LIFT TELECOMS TO N18.5TN GDP MARK IN 2025

Data continues to support the position that the telecommunications sector has emerged as, and maintained its status as, one of the Nigerian economy's most productive sectors. In 2025, the sector contributed N18.5 trillion to the Nigerian economy, up from N17.2 trillion in 2024. This accounted for 8.3% of the total national output, an increase from 8.1% of GDP in 2024. Overall, while the Nigerian economy grew by approximately 4% between 2024 and 2025, the telecommunications GDP grew by 7.5%—nearly double the growth rate of the total economy. This demonstrates that the sector is not only significant in size but is also a primary engine of national growth.

To further illustrate the sector's significance, even the historically dominant oil and gas sector, for example, contributed only 3.5% to Nigeria's total GDP.

Several factors anchored this expansion. In 2025, Nigerians began consuming 1.4 million terabytes of data monthly, and broadband penetration reached 51.97%—the first time this figure has surpassed the 50% threshold. Additionally, oper-



ators invested over a billion dollars in infrastructure; MTN Nigeria increased its Capex by more than 100%, rising from N443.5 billion in 2024 to N1 trillion in 2025, while TowerCos added 2,800 telecom towers. These investments were aimed at improving connectivity, accelerating the 5G rollout, and expanding coverage. Consequently, operators recorded impressive financial performances: MTN Nigeria reported N1.1 trillion in profits, while Airtel Nigeria recorded \$1.13 billion in revenue during the first nine months of 2025.

For Ntel, these developments do more than validate the importance of the telecommunications sector, they reinforce the strategic opportunity embedded in the company's infrastructure and spectrum assets. As data consumption accelerates and networks become increasingly congested in major urban markets, the ability to deliver high-capacity, reliable broadband connectivity is becoming a key differentiator in Nigeria's telecom landscape.

LEBARA

UK MOBILE NETWORK, LEBARA, TARGETS DIGITAL INNOVATION, COMPETITION IN NIGERIA'S TELECOMS MARKET

February 2026, saw the entrance of Lebara, one of the United Kingdom's most recognized brands, into the Nigerian telecommunications market. The telecommunications giant would be making their foray into the Nigerian scene as a Tier 5 Mobile Virtual Network Operator (the highest category under Nigeria's regulatory framework) with a disruptive

pricing model which seeks to sell minutes rather than airtime. This model is particularly interesting because it effectively removes the ambiguity associated with currency-denominated airtime. By selling minutes directly, Lebara eliminates issues such as hidden deductions and fluctuating per-second rates that have long frustrated Nigerian users.

Riding on Airtel's vast infrastructure, Lebara would be bypassing heavy operational and capital expenditure associated with maintaining physical infrastructure. With a target of one million subscribers in the first year, Lebara is keen on leveraging Nigeria's diaspora community

(who are already familiar with the brand) and roaming opportunities to connect Nigerians within and outside the country. Additionally, Lebara seeks to provide services such as device financing and access to microloans.

There are several ways this development presents opportunities and frankly it is a case of whether to compete or not. On one hand, Lebara's launch validates the opportunity that exists for the other 45 licensed MVNOs who seek to launch in a similar way as Lebara. This opens an opportunity to serve as an enabler to these MVNOs rather than competing head-to-head with them by serving as an MVNE. On the other hand, Ntel could also become a competing MVNO but at the risk of facing steep competition as Lebara seeks to also make its mark on Nigeria's impressionable youth and its SME ecosystem. However, as Ntel continues to perfect its strategy, it is of utmost importance that it selects a niche that is advantageous to it economically just as Lebara aspires to do.



NIGERIA'S RURAL DEAD ZONES SET TO LIGHT UP WITH STARLINK PHONE COVERAGE

If ever a Nigerian wanted to disconnect themselves from the rest of the world; you know just to take a break from staring at screens, taking meetings and the toxicity of social media, it really is quite easy — go to your hometown for the weekend. The truth is that even if you went to your hometown with your phone and laptop, you would most likely still be disconnected as coverage would almost certainly be limited. That exactly is the issue Starlink and Airtel are seeking to solve by rolling out a direct-to-cell service this year to provide phone coverage to Nigeria's rural "dead zones" in Nigeria and 13 other countries where Airtel operates.

Direct-to-Cell solves rural connectivity without requiring the terrestrial towers, fiber backhaul, power infrastructure, or ongoing maintenance that traditional rural coverage demands. The satellites essentially function as space-based cell towers allowing regular smartphones to connect directly to orbiting satellites where there is no terrestrial network in vast geographic areas where building even a single tower would cost millions and require years of right-of-way negotiations, power solutions, and security arrangements that have historically made rural telephony economically unviable for private operators. The service would cover basic texting and data for certain

apps on regular smartphones, then builds toward faster speeds as more advanced satellites launch. Thus, if you did travel to your hometown to disconnect you may just have to go the old-fashioned way and turn off your devices.

Despite the challenges this development may pose for Ntel's rural telephony project, it is critical to recognize that the Starlink-Airtel initiative is fully supported by the Universal Service Provision Fund (USPF). The fund has signaled its commitment to subsidizing satellite broadband and Direct-to-Cell services to connect Nigeria's 23 million offline citizens. It is, therefore, imperative that Ntel secures similar institutional support; without it, the company's competitive position would be severely weakened, as it would be forced to compete on a purely private cost basis against a project that benefits from significant public subsidies.

This project has the potential to significantly affect the acceptability of Ntel's rural telephony project as it not only seeks to serve the same customer segment but plans to serve this segment with the same technology as Ntel's rural telephony project. However, the Starlink-Airtel project is currently restricted to basic texting and limited data coverage creating a service provision gap Ntel can fill. However, Ntel must ascertain the economic viability of providing more ad-

vanced services as the usage and adoption of such services may be limited as they often come at a higher cost to consumers. Costs which many in rural would be unwilling or unable to incur.

For Project Titan's urban tower co-location strategy serving MTN and Airtel in Lagos and Abuja, Direct-to-Cell presents a different but equally concerning threat: if satellite technology can bypass terrestrial infrastructure entirely for rural coverage, MNOs' capital allocation priorities shift permanently away from tower densification toward spectrum and satellite partnerships, reducing long-term demand for the co-location services Airtel's Direct-to-Cell partnership indicates that major operators are hedging against terrestrial infrastructure by investing in satellite alternatives. To remain competitive, Project Titan must pivot from viewing towers as traditional cellular assets to positioning them as flexible, infrastructure-agnostic platforms. This strategy transforms Ntel's value proposition into "prime real estate with power and fiber," capable of supporting today's 4G/5G radios and tomorrow's satellite ground stations. By embracing this shift, Ntel can serve both terrestrial and satellite operators from the same sites, effectively future-proofing against the disruption of traditional tower economics.