



9th MAY 2024

# Safaricom PLC

FY24 INVESTOR PRESENTATION



## Disclaimer

The following presentation is being made only to, and is only directed at, persons to whom such presentations may lawfully be communicated (“relevant persons”). Any person who is not a relevant person should not act or rely on this presentation or its contents.

This presentation does not constitute an offering of securities or otherwise constitute an invitation or inducement to any person to underwrite, subscribe for or otherwise acquire securities in the Company. The presentation also contains certain non-GAAP financial information.

The Group’s management believes these measures provide valuable additional information in understanding the performance of the Company’s businesses because they provide measures used by the company to assess performance. Although these measures are important in the management of the business, they should not be viewed as replacements for, but rather as complementary to, the comparable GAAP measures. All growth rates quoted are year-on year and refer to the year ended 31 March 2024 compared to the year ended 31 March 2023, unless stated otherwise.

Statements contained herein that contain projections or are forward looking and that relate to, among other things, the strategies, outlook, future events and performance guidance of Safaricom PLC, are not guarantees of the Company’s future operating or financial results and involve certain unforeseeable risks and assumptions.

Safaricom PLC undertakes no obligation to publicly update or revise any statements or information unless to the extent required by law. Safaricom, M-PESA and Safaricom/M-PESA logos are trademarks of Safaricom PLC. Other products and company names mentioned herein may be the trademarks of their respective owners.





# **BUSINESS OVERVIEW PURPOSE & STRATEGY**

**PETER NDEGWA, CHIEF EXECUTIVE OFFICER**

# KENYA OPERATING ENVIRONMENT | Sustained Resilience in the Economy Post COVID-19

## Macro Tailwinds & Headwinds

### Macro Tailwinds:

- Resilient GDP growth; +5.9% in Q3 2023
- Tapering inflation Rates; 5.7% March 2024
- Appreciating Kenyan Shilling in Q4
- Sustained private sector credit growth

### Headwinds:

- High interest rates
- Tightening monetary policy

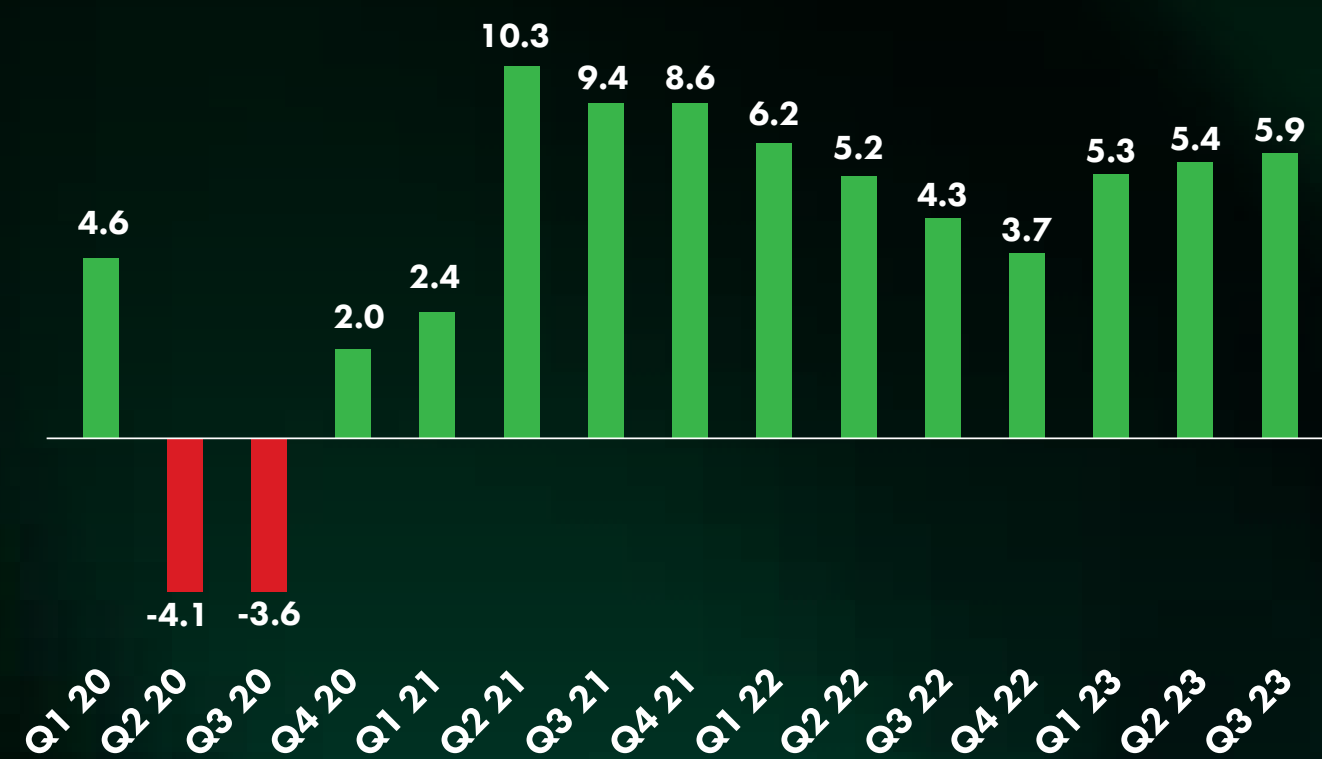
## Regulatory

- Reduction in excise duty on Telephone and internet data services
- Mobile Termination Rate (MTR) reduction
- Housing levy introduction
- Increased excise duty rates - mobile money transfer services

## Customer Insights

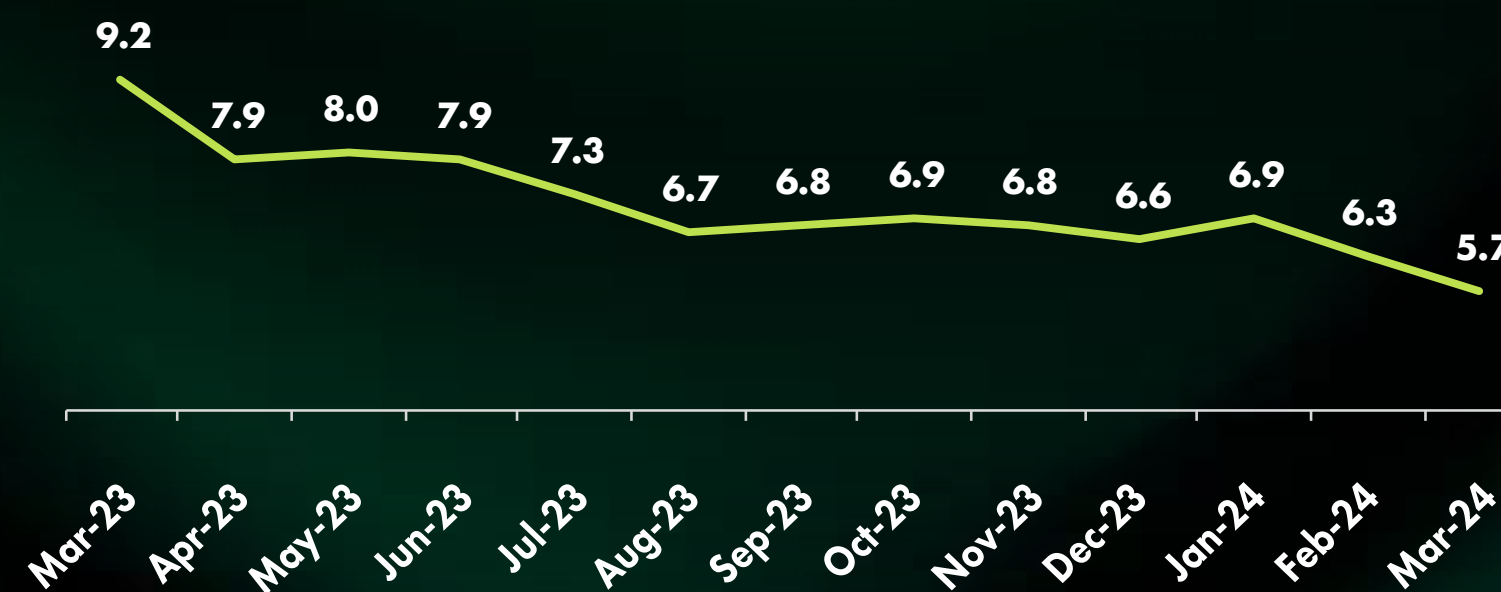
- Declining food prices
- Constrained consumer purchasing power
- High cost of borrowing
- High energy tariffs

## GDP Growth Rate (%)



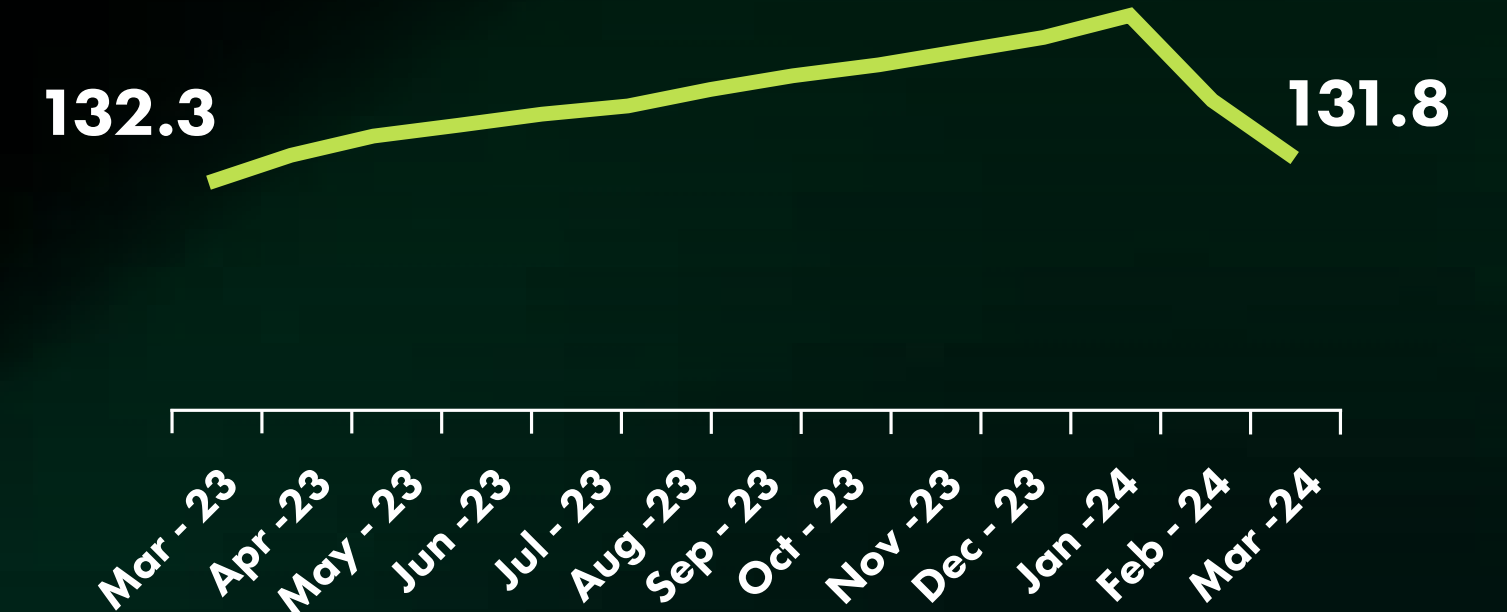
Source: KNBS

## Inflation Rate (%)



Source: KNBS

## USD/KShs Exchange Rate



Source: CBK



Partnering for Impact

» **Forward Faster Initiative**  
An initiative by United Nations Global Compact (UNGC) to fast-track achievement of the SDGs

- » **Advocacy**
- Africa Climate Summit
  - Conference of the Parties (COP28)
  - United General Assembly (UNGA)
  - Global Refugee Forum

» **Africa's Top 50 Companies in Sustainability**  
The 4th Africa Public Sector Conference and Awards

Our SDG Guiding Framework



# ESG

## Achievements



### Environment (E)

- **1.5Mn** trees grown, targeting 5Mn by 2025
- **23%** Solar energy mix, with **1,456** solar sites
- **25%** Scope 1 & 2 emissions reduced since 2017
- Net Zero by 2050 (Science Based Targets initiative (SBTi) validated)
- **98%** recycling rate on solid waste from facilities
- **100%** elimination of single use plastics

### Social (S)

- **3.5Mn** lives impacted by the Foundations in FY24
- Diversity & Inclusion; **41.8%** women in leadership
- **3.4%** of workforce are PwDs
- **51%** Male vs **49%** Female staff overall
- Zero Fatalities reported in FY24
- **5.85 %** of our procurement spend going to local marginalized groups

### Governance (G)

- Board Diversity: Male **55%**; Female **45%**
- Risk management framework is aligned to the International Risk Management Standard ISO **31000**
- **100%** compliance to both industry and environmental regulations
- **80%** of our suppliers signed up to the Code of Ethics for Businesses in Kenya

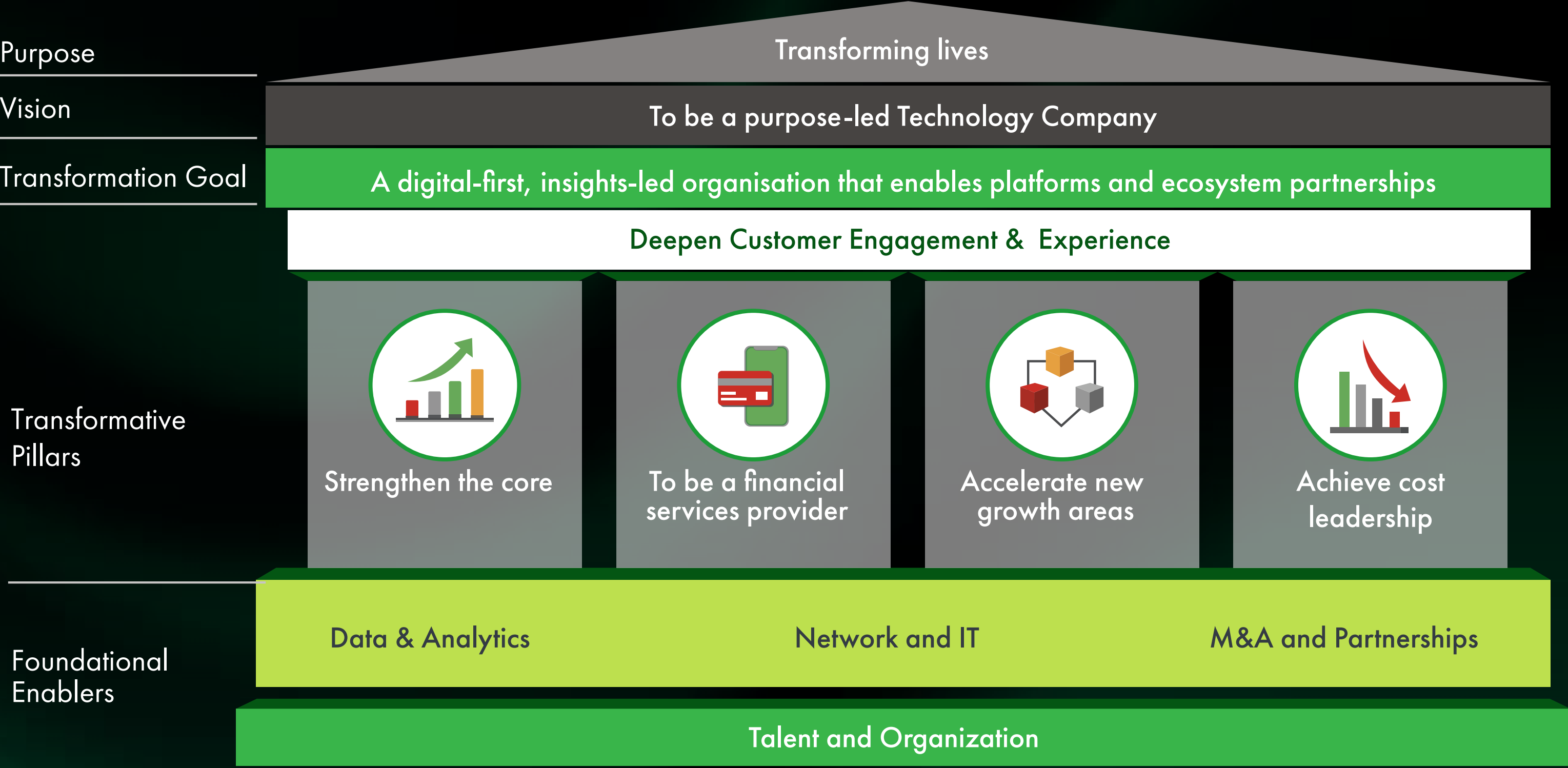
\*Numbers are as at 31 Mar 2024

# OUR STRATEGY | FY24 was the Penultimate Year

**FY24 Focus was:** **To Scale Tech Solutions** in order to be a Purpose-Led Technology Company by the end of 2025

**FY23 Focus was:** **To accelerate new growth Areas delivering superior customer experience** in order to be a Purpose-Led Technology Company by the end of 2025

**FY21 /22 Focus was:** **To establish a customer-obsessed, digital-first organisation** in order to be a Purpose-Led Technology Company by the end of 2025



- We will exemplify being a Purpose-Led Technology Company by;
- Applying technology to simplify life,
  - Making life more convenient,
  - Linking People to people,
  - People to knowledge and People to opportunities



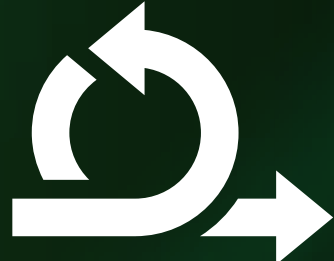
**Performance Momentum in Kenya**

Mobile Data; M-PESA; Consumer Fixed; EBIT Growth



**Commercial progress in Ethiopia**

Mobile Data usage; M-PESA Launch; Network rollout



**Agile Acceleration**

49% Agile; Level 3 agile maturity



**Big Data Acceleration**

Fully set up the data engineers and scientists center of excellence



**Purpose and Brand**

Scaled up purpose spend and focus; refreshed customer segmentation



**Public Sector Digitisation**

Hustler Fund; Digital Health; Agriculture





### Financial Empowerment Program (Hustler Fund)

- **21Mn** Customers
- **77%** Repayment rate
- **KShs 49.5Bn** Disbursed (cumulative)
- **651k** Groups enrolled



### Women Groups Empowerment

- **977k** groups created
- **2Mn** members
- **KShs 0.9Bn** value disbursed



### East Africa Device Assembly Kenya (EADAK)

- Launched in Oct 23
- Sold **+360k** devices, valued at KShs 21Bn
- Targeting **3Mn** devices p.a.



### Digitizing Devolution

- **11 Counties** on my county app
- **2 Counties** on Integrated County revenue management system (ICRMS)



### Government Cash Transfer Wallet

- Launched in Jan 2024
- **KShs 1.2Bn** disbursed
- **253k** Beneficiaries enrolled
- Target **2Mn** Beneficiaries by Sept 2024

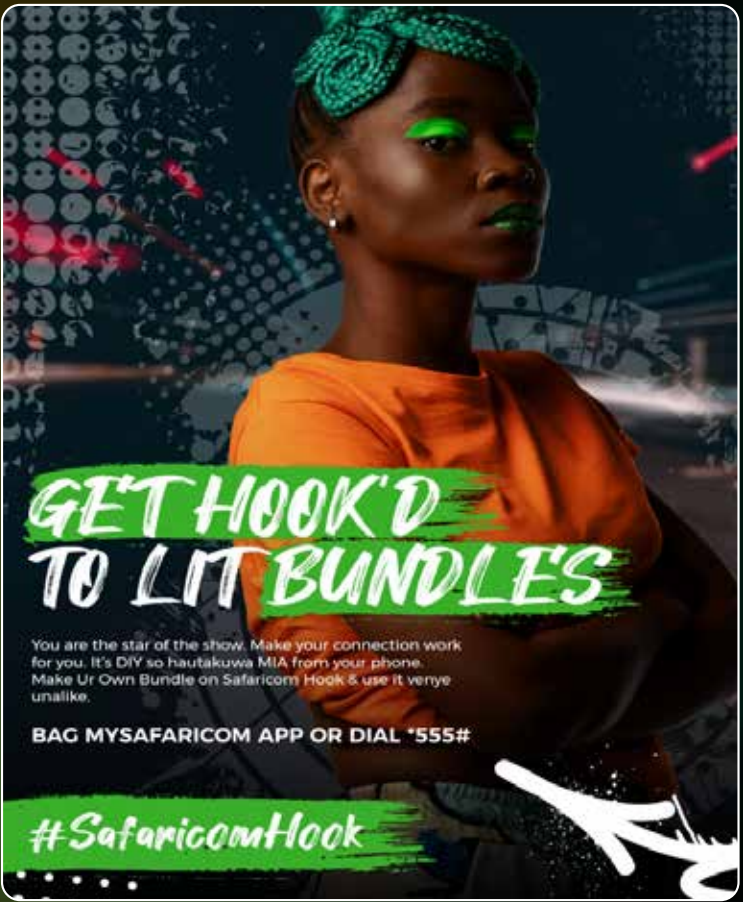
## Accelerated 4G+ Devices

- ✓ 17.5Mn 4G+ devices on the network
- ✓ Open market support with mobile data bundles
- ✓ Over 1.3Mn customers supported with a device under lipa mdogo mdogo
- ✓ Launched new neon smarta and neon ultra to enable 4G affordability



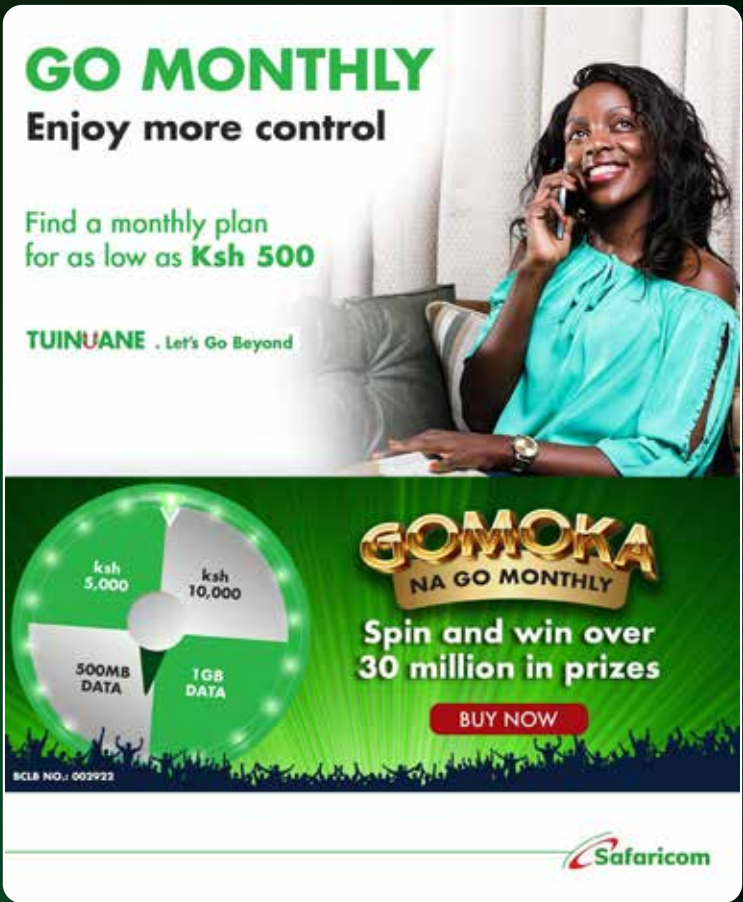
## Consumer Segmentation driving Personalization & Relevance

- ✓ 4.5Mn youth on Safaricom hook platform accessing propositions
- ✓ Over 50% of base using Tunukiwa personalized offers, okoa (call completion), reverse call, bonga points (loyalty programme) innovations
- ✓ Over 1K customers engaged in networking event on financial wellness



## Enhanced our Integrated Propositions

- ✓ 30.3% growth in all-in-one plans following the Go Monthly promotion
- ✓ Offers on integrated for as low as KShs 500
- ✓ Delivered simple DIY post pay journey
- ✓ Use of Machine Learning to deliver personalized offers





## Scaling Pochi la Biashara

- Segmented solutions for SMEs/MSMEs that addresses specific value propositions
- Targeted marketing leveraging on Customer Value Management (CVM)



## Technology & Platforms

- Capacity upgrade to support **3,500** transactions per sec on M-PESA
- **80k** developers in our ecosystem
- Enhanced stability and reliability to improve customer experience



## Partnerships & Collaborations

- Diversified partnerships to power financial inclusion
- Enhanced 3rd Party integrations through APIs ensuring optimized services
- Continued Government Partnerships





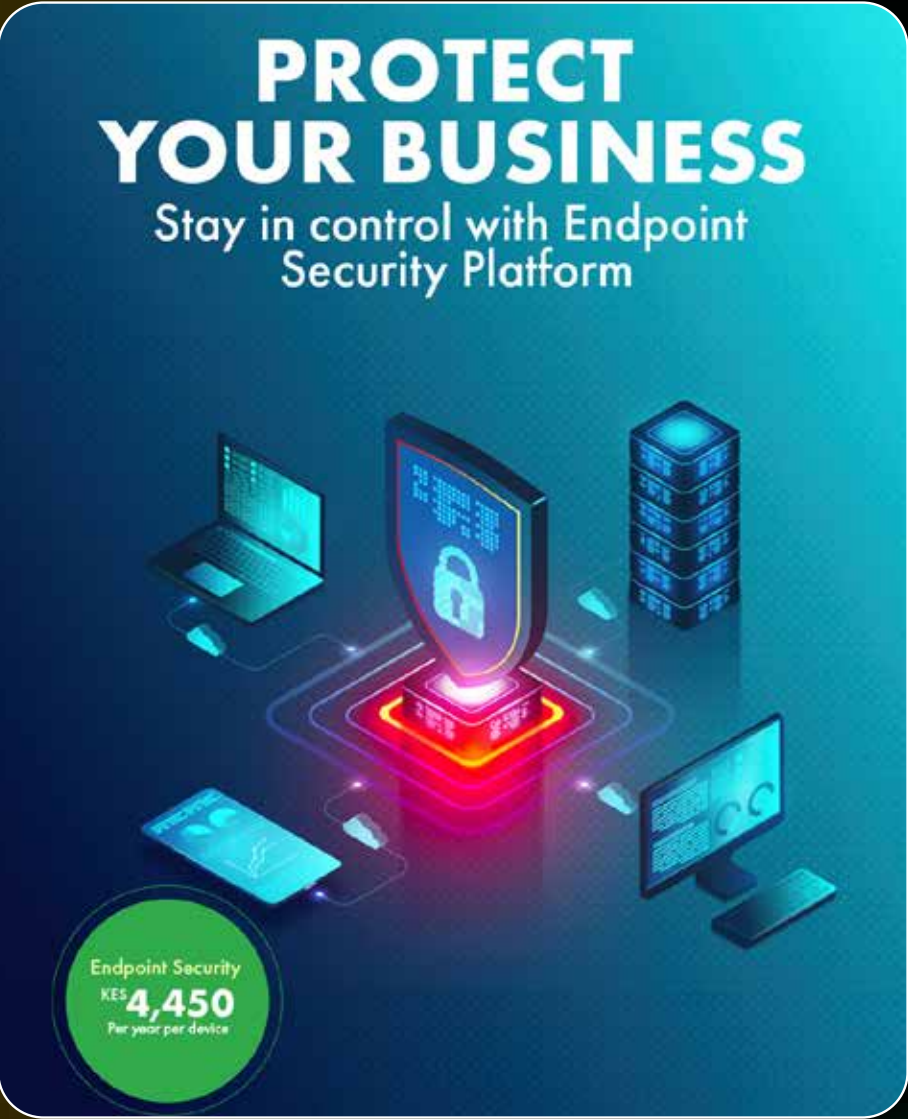
**SME Digital Adoption**

- Accelerated Cloud services adoption (+13k SMEs)
- Secure internet connectivity (KifaruNet) driving customer growth
- County Revenue System Launch in 2 counties driving 5x county revenue growth



**Scaling Cloud & Security in Large Enterprises**

- Full stack cyber security including security operations center (SOC)
- Integrated offerings; Hosted contact centers, professional services, unified communications & professional services



**Accelerated IoT Solutions**

- Smart Water project (1.5Mn devices connected)
- Fleet management telematics solutions for fleet management & efficiency
- Supported 8.5Mn farmers with 16Mn fertilizer bags via eVoucher/M-PESA





# FIXED BUSINESS | Leveraged New Technology to Enable Broadband Access

## Improved Home Value Proposition

- Increased 4G data volumes by 55%
- Unleashed full 5G speeds of Home 5G to upto 300Mbps

**FEELS GOOD TO BE HOME WITH SAFARICOM WI-FI**  
 VISIT MYSAFARICOM APP OR DIAL \*400# TO CONNECT

**STAY CONNECTED AT HOME AND ON THE MOVE**

FAMILY SHARE	
FIBRE PLAN	MOBILE PLAN
BRONZE <b>10Mbps</b>	8GB DATA 400 Mins 1,000 SMS
<b>KSH 3,799</b>	

Scan here to learn more

## Drove affordability

- Reduced 5G entry router prices by 60%
- Subsidized 4G router prices by 50%

**REVOLUTIONIZE YOUR DIGITAL EXPERIENCE WITH 5G FOR BUSINESS**  
 ENJOY FAST INTERNET SPEEDS ON KENYA'S BEST 5G NETWORK

Visit any Safaricom shop to get connected

**5G MONTHLY PLANS FOR BUSINESS**

SPEED	PRICE (KES)
10mbps	KES 4,000
20mbps	KES 5,000
30mbps	KES 6,000
50mbps	KES 10,000

\*FREE ROUTER

5G ROUTER

Get 3 months free offer on storage and cloud computing services on Safaricom Cloud.\*

## Simplified Journeys

- Enhanced dealer partners sales portal
- Automated incident management process

**KAZI BILA STRESS WITH SECURE FIBRE**  
 #1 CHOICE FOR BUSINESS INTERNET

Plans from **KES 3,000** a month  
 FREE ROUTER INCLUDED

CONTACT ME TO SIGN UP

**GET SECOND MONTH FREE**



# OUR AWARDS | Recognition by External Stakeholders



## Diversity & Inclusion

**2023 Safaricom Women in technology Award**  
by Institute of Electrical & Electronic Engineers (IEEE)

**Most Inclusive Listed Company in Kenya 2024**  
by Diversity, Inclusion Awards and Recognition (DIAR)



## Financial Reporting

**FiRe Awards - ICPAK**  
Various awards on Integrated Reporting, Environmental & Social Reporting & Governance



## Sustainability Awards

Environment sustainability award by the United Nations Environment Programme (UNEP) and Kenya Private Sector Alliance (KEPSA)

**Loan Currency, Loan Deal of the Year;**  
by Bonds, Loans & ESG Capital Markets Africa Awards

**Best ICT Adoption in Supply Chain**  
by Kenya Institute of Supplies Management (KISM) SPURS



## Brand

4th Edition of the Consumer Market Study of the Top 100 Most Loved Brands by Women in Kenya, 2024

- **M-PESA**; No. 1
- **Safaricom PLC**; No. 2

Payment Card Industry Data Security Standard (PCI DSS) Certification



## Top Employer

- 3rd Best Employer in Africa Ranking by Forbes
- Top Employer Certification 2024 - Kenya & Africa by the Top Employers Institute (TEI)





**ETHIOPIA**

# ETHIOPIA OPERATING ENVIRONMENT | Challenging Operating Environment in FY24

## Macro-Economic

- **Easing Inflation; 26.2%** in March 2024
- **FX Liquidity pressure**
- Expected 2023 **GDP growth of 6.1%**

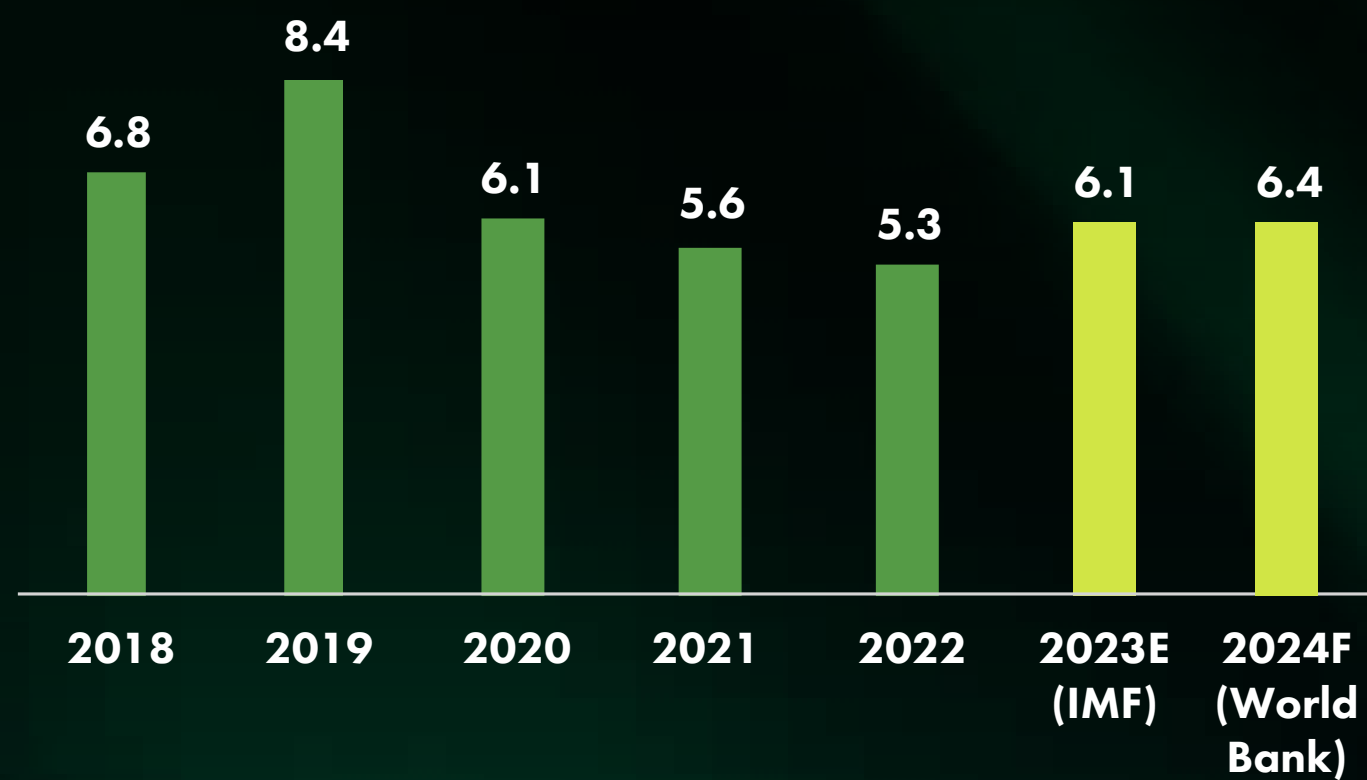
## Regulatory

- MTR reduction from ETB 0.31 to ETB 0.23 from 1 May 2024
- Revised mobile money limits, **ETB 75k** per daily account balance, **ETB 150k** daily transaction limit

## Political/Security

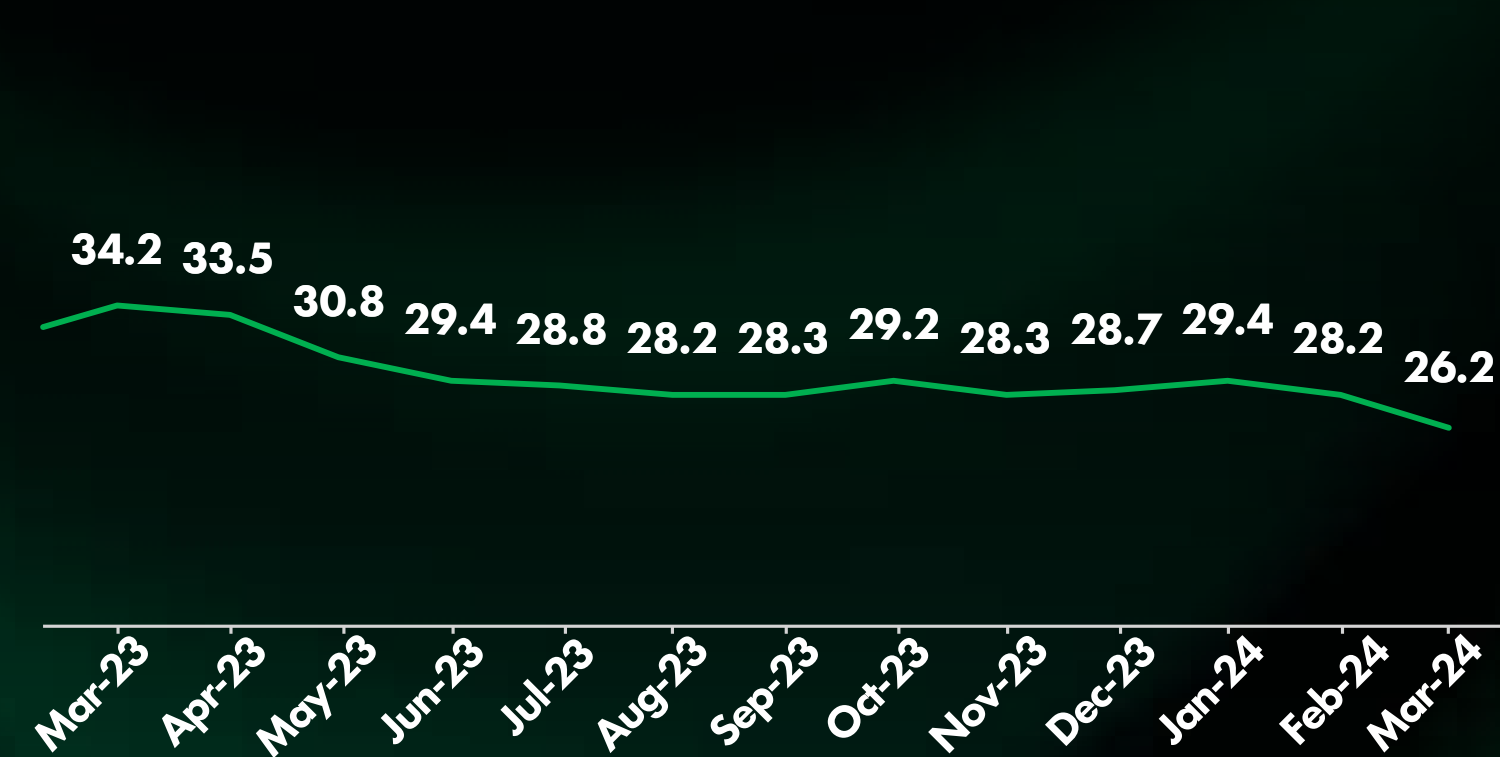
- **Stable security situation** in Tigray
- Amhara under **state of emergency**
- **Movement restriction** in some Oromia region

GDP Growth Rate (%)



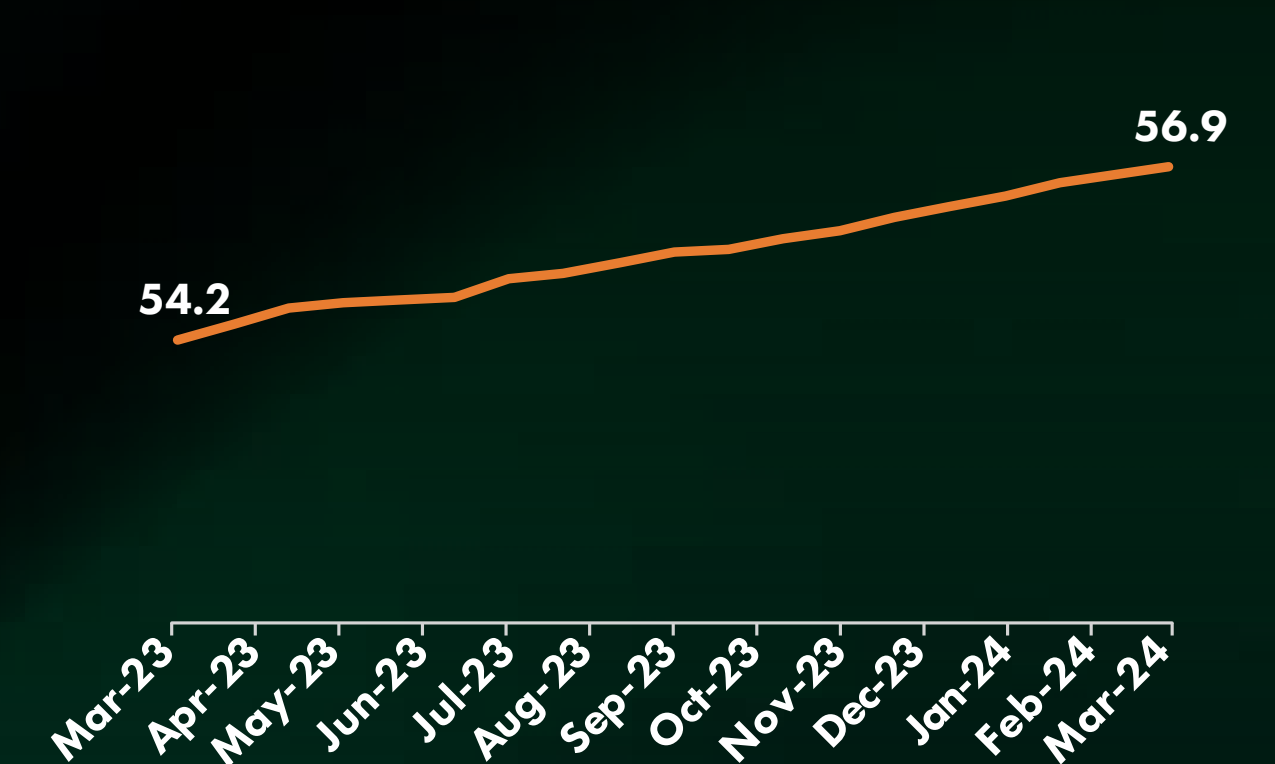
Source: Bloomberg, IMF, World Bank

Inflation Rate (%)




Source: Ethiopian Statistical Service (ESS)

USD/ETB Exchange rate



Source: Bloomberg



**Opportunity remains**


- 2<sup>nd</sup> most populated country in Africa
- Very youthful population
- Low mobile and fixed penetration
- Rapid economic growth




**Evolving into a fully-fledged Ethiopia-run organization**



**Driving financial inclusion via M-PESA**



**Focused on scaling sites, critical mass reach and cost efficiencies.**



**Positioning as the youthful brand of choice**



**On track to meet our license obligations 55% by June 2024**



**One customer & One Trade for both GSM & M-PESA services**



# ETHIOPIA PERFORMANCE | We Achieved Key Milestones in FY24

 <b>Customers</b>	<b>4.4Mn</b> 90-day Active Customers	<b>2.8Mn</b> 90-day Active Data Customers	<b>4.3GB</b> per Mobile Data User <i>(Mar exit at 6.2GB)</i>
 <b>M-PESA</b>	<b>4.5Mn</b> Total Registered M-PESA Customers	<b>62.7k</b> Active Merchants & <b>25.8k</b> Agents	<b>KShs 24.5Bn</b> Value & <b>31.5Mn</b> Volume of M-PESA transactions
 <b>Network</b>	<b>2,806</b> 2G/3G/4G Sites	Sites split Own-built <b>1,466</b> Collocated <b>1,340</b>	<b>38%</b> Population Coverage
 <b>People</b>	<b>887</b> Permanent Employees	<b>90%</b> Ethiopians <b>10%</b> Expats	<b>63%</b> Male <b>37%</b> Female

**Our focus areas to get to the next growth phase:**

- Accelerate monetization
- Grow quality subscribers
- Accelerate M-PESA Penetration
- Stable security environment



**Strong** data usage levels



**Superior** customer service



Building **coverage** momentum



Scaling **M-PESA**



Penetrating the **Youth Market**



**Fastest** data network in Ethiopia



**Strong** distribution network



Leveraging on our **Partnerships** to scale operations

An aerial photograph of a large dam structure across a river. To the left of the dam is a small town with several buildings. To the right, the riverbank is covered in terraced fields, likely for agriculture. The background shows rolling hills under a clear sky.

# FY24 PERFORMANCE HIGHLIGHTS

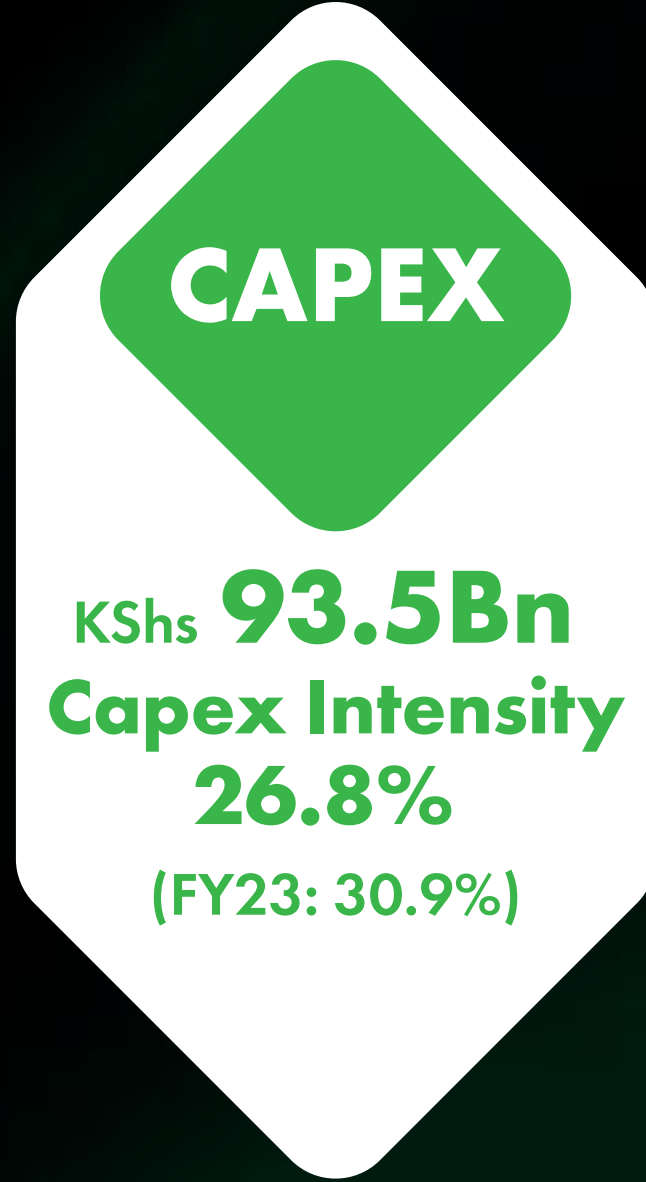
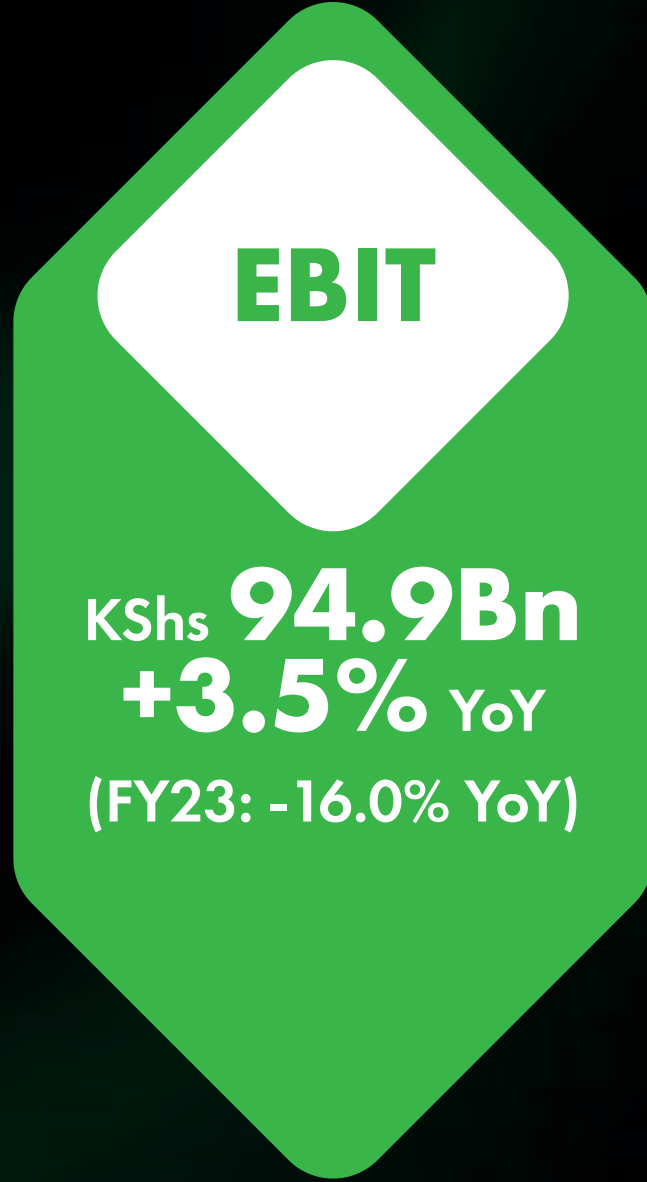
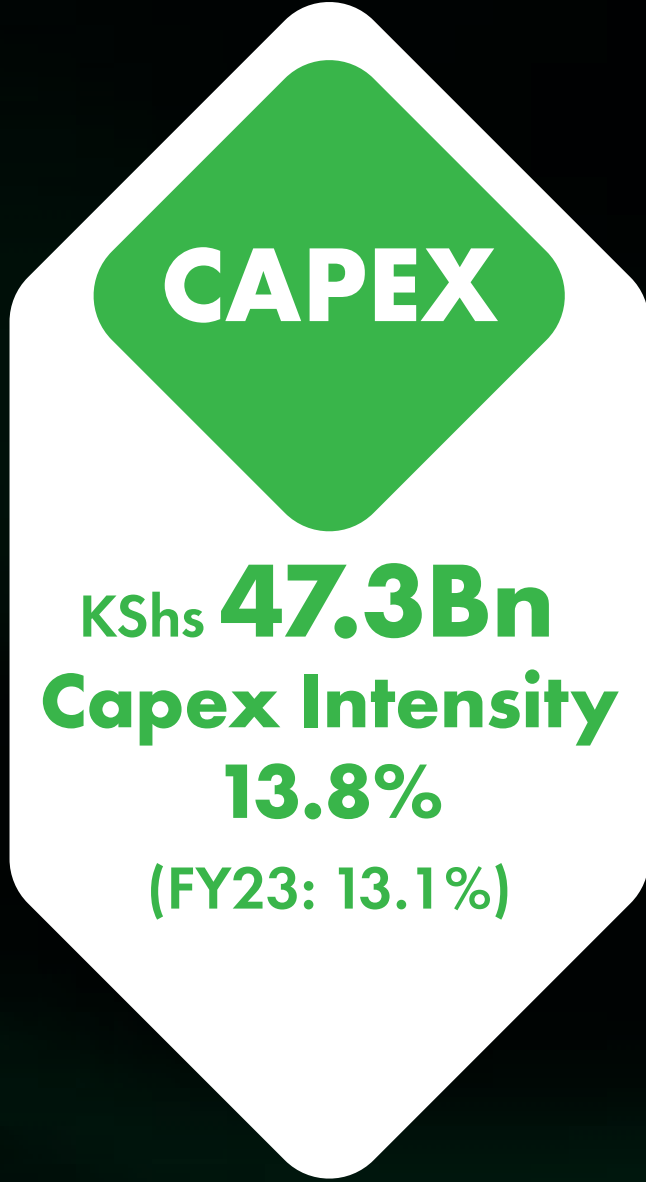
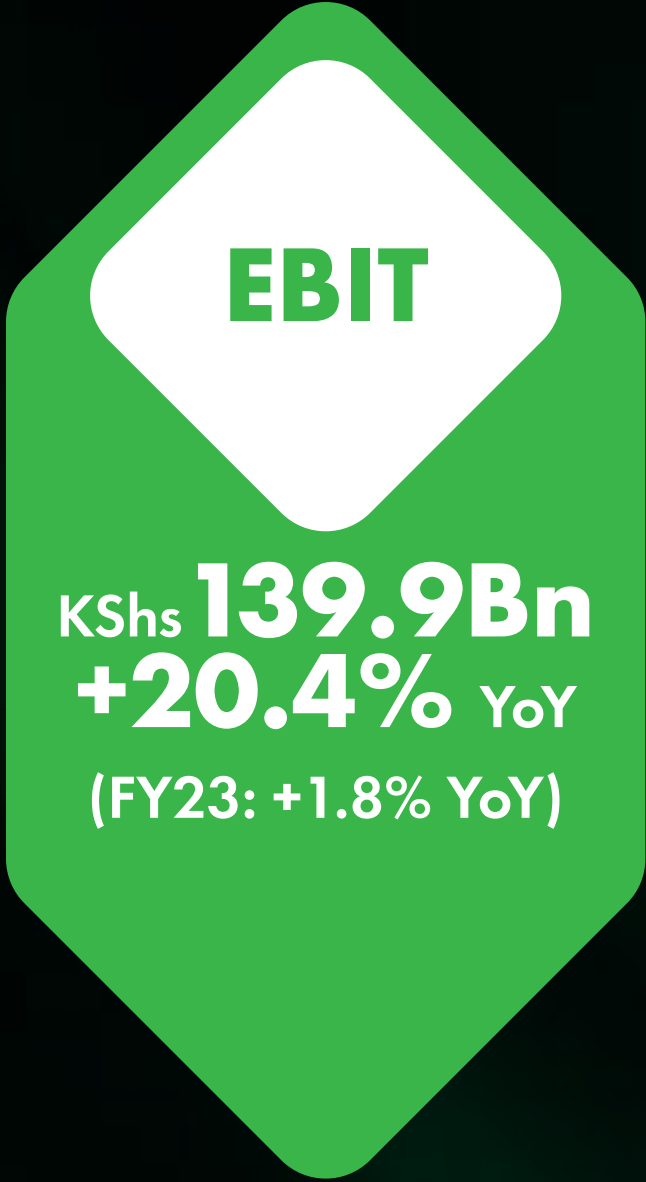


# FY24 PERFORMANCE | Outstanding Kenya Performance, Outperforming Group Guidance

## Safaricom Kenya Performance

## Safaricom Group Performance (Including Ethiopia)\*

Achievement →



Guidance  
(KShs) →

**129 - 132Bn**

**45 - 48Bn**

**87 - 93Bn**

**85 - 93Bn**



Group Service Revenue\*\*  
KShs **335.4Bn**,  
**+13.4% YoY**



Group Net Income excluding  
Minority Interest\*\*  
KShs **63.0Bn**, **+1.2% YoY**

\*Group numbers are exclusive of hyper-inflationary  
Adjustments on Ethiopia numbers  
\*\*Including IAS 29



A man with short grey hair and glasses, wearing a dark suit, a light pink shirt, and a purple tie, is sitting in a black leather chair. He is in a modern office hallway with large windows on the left and a glass wall on the right. The lighting is bright and professional.

# FINANCIAL PERFORMANCE

DILIP PAL, CHIEF FINANCE OFFICER





# KENYA PERFORMANCE



# KEY HIGHLIGHTS | Excellent Results for Our Kenya Business



**Service Revenue**



**+11.7% YoY**

**KShs 329.8Bn**

(+12.1% YoY adjusted for MTR)



**EBIT**



**+20.4% YoY**

**KShs 139.9Bn**



**EBITDA**



**+16.6% YoY**

**KShs 187.0Bn**



**Net Income**



**+13.7% YoY**

**KShs 84.7Bn**



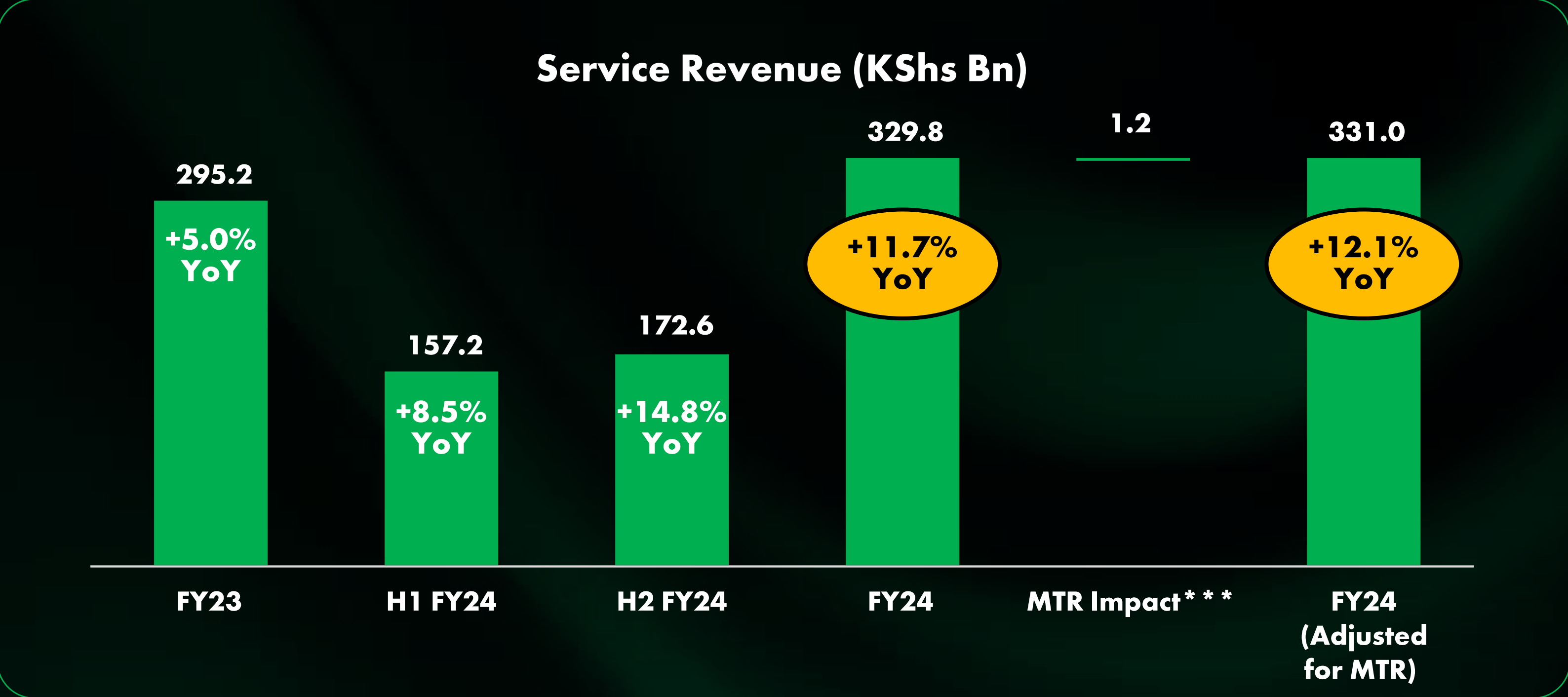
**Operating Free Cash Flow**



**+11.2% YoY**

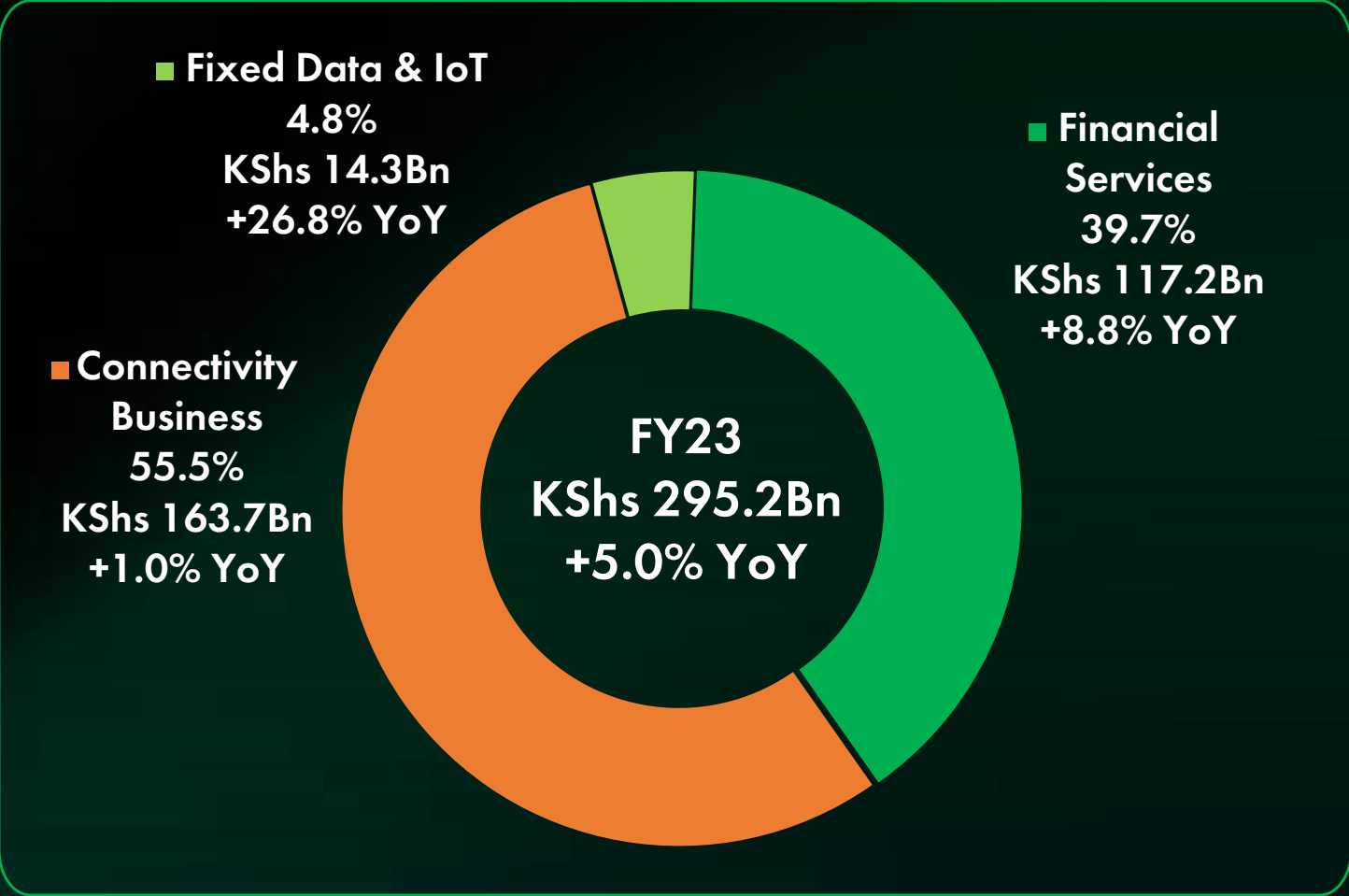
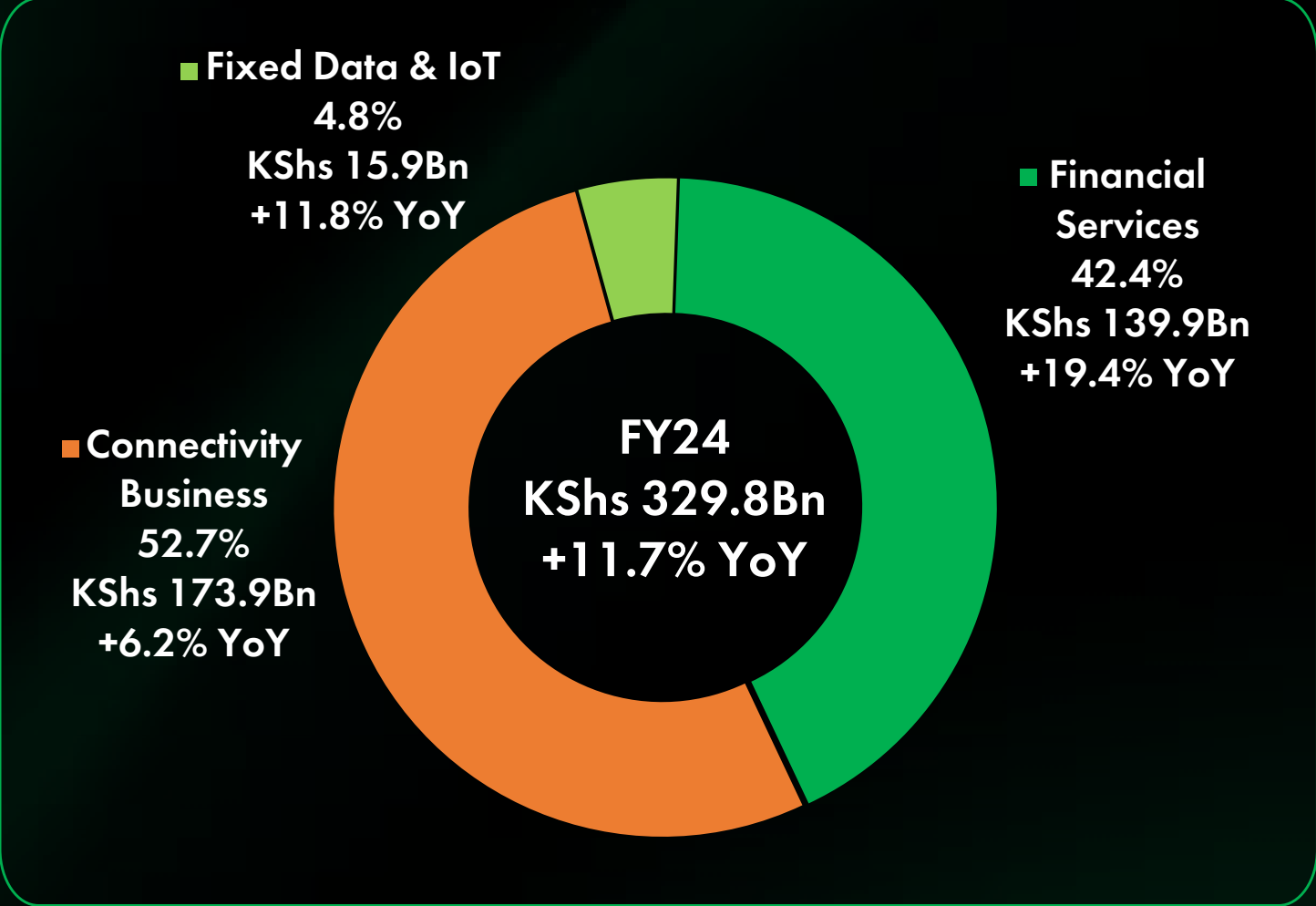
**KShs 128.6Bn**

# SERVICE REVENUE | Strong Growth Driven by M-PESA & Mobile Data



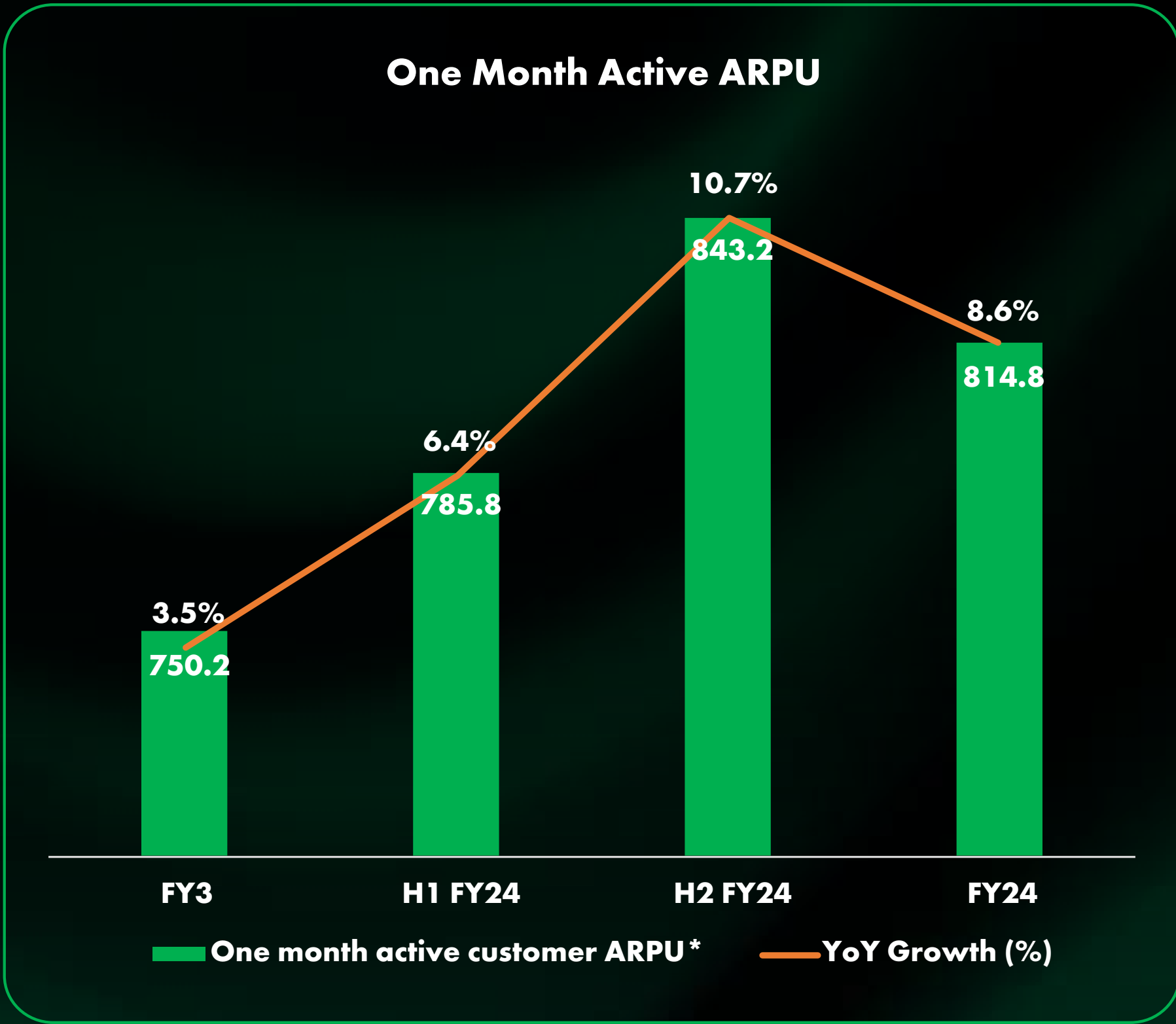
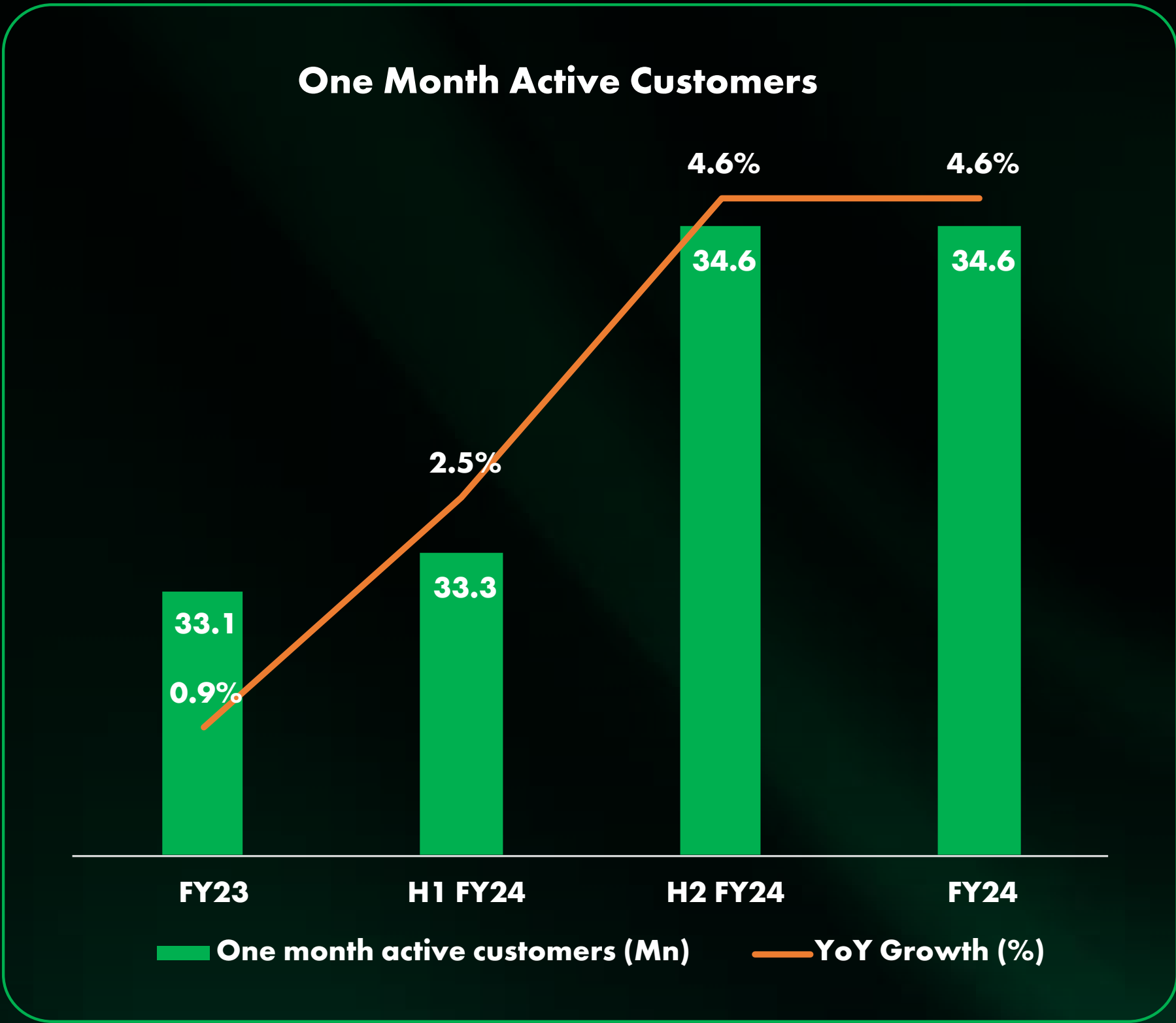
\*Others - Voice Incoming, Visitor, Content, IoT and Airtime Credit (Okoa Jahazi)  
 \*\*Others - Messaging, Mobile incoming & Visitor, Airtime Credit, IoT, Content  
 \*\*\*Mobile Termination Rates (MTR) changes from KShs 0.99 to KShs 0.58 effective 1 August 2022. MTR Impact covers 5 months including KShs 0.41 from 1 Mar 2024

## Evolution of Service Revenue Profiles





# CUSTOMER FOCUS | Customer Engagement & Usage Drives Monetization



#### Rate\* per MB

6.4 cents, **-4.6%** YoY  
**-61.3%**  
 (4-Year Change)

#### Rate\* per Min

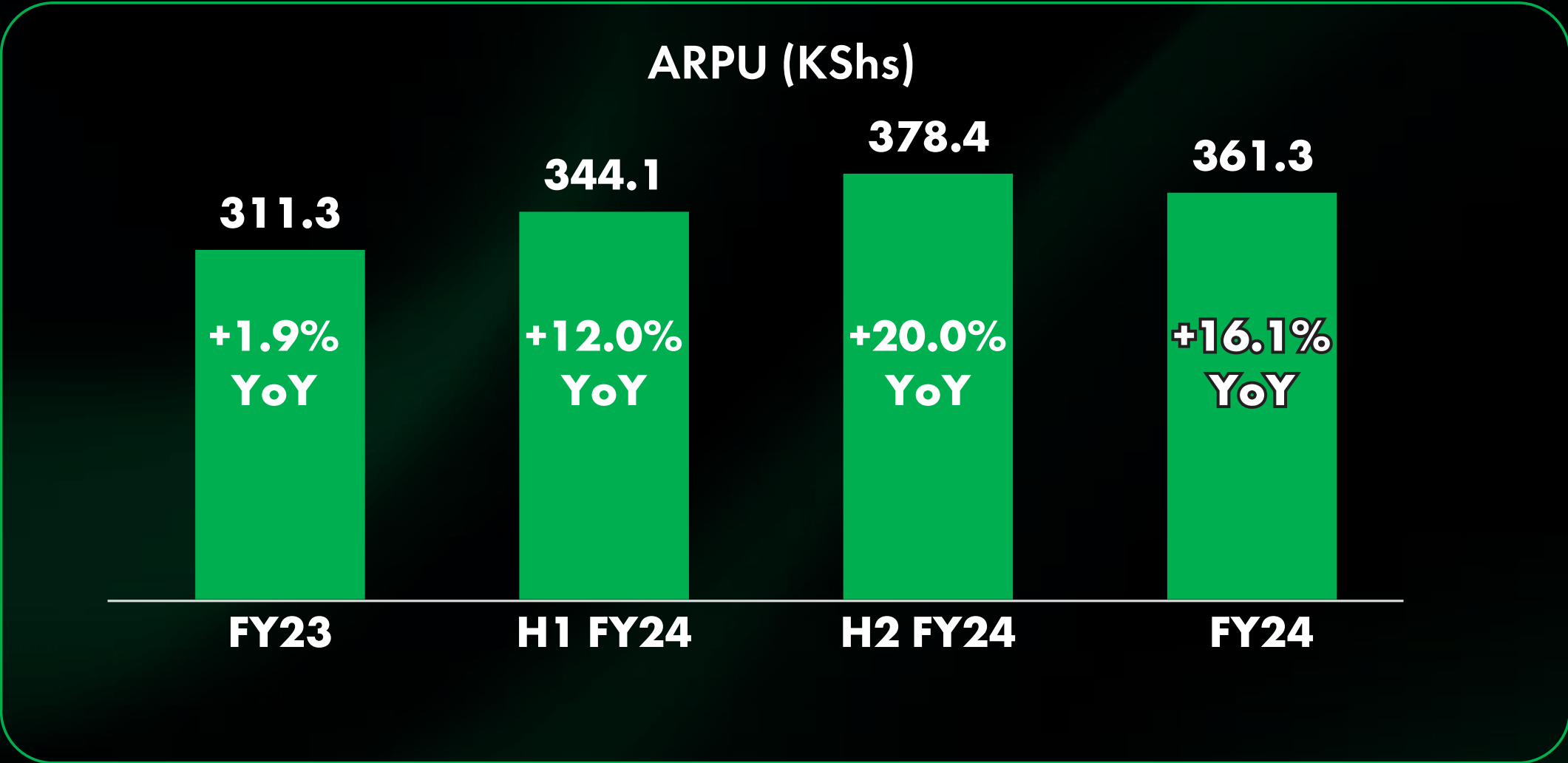
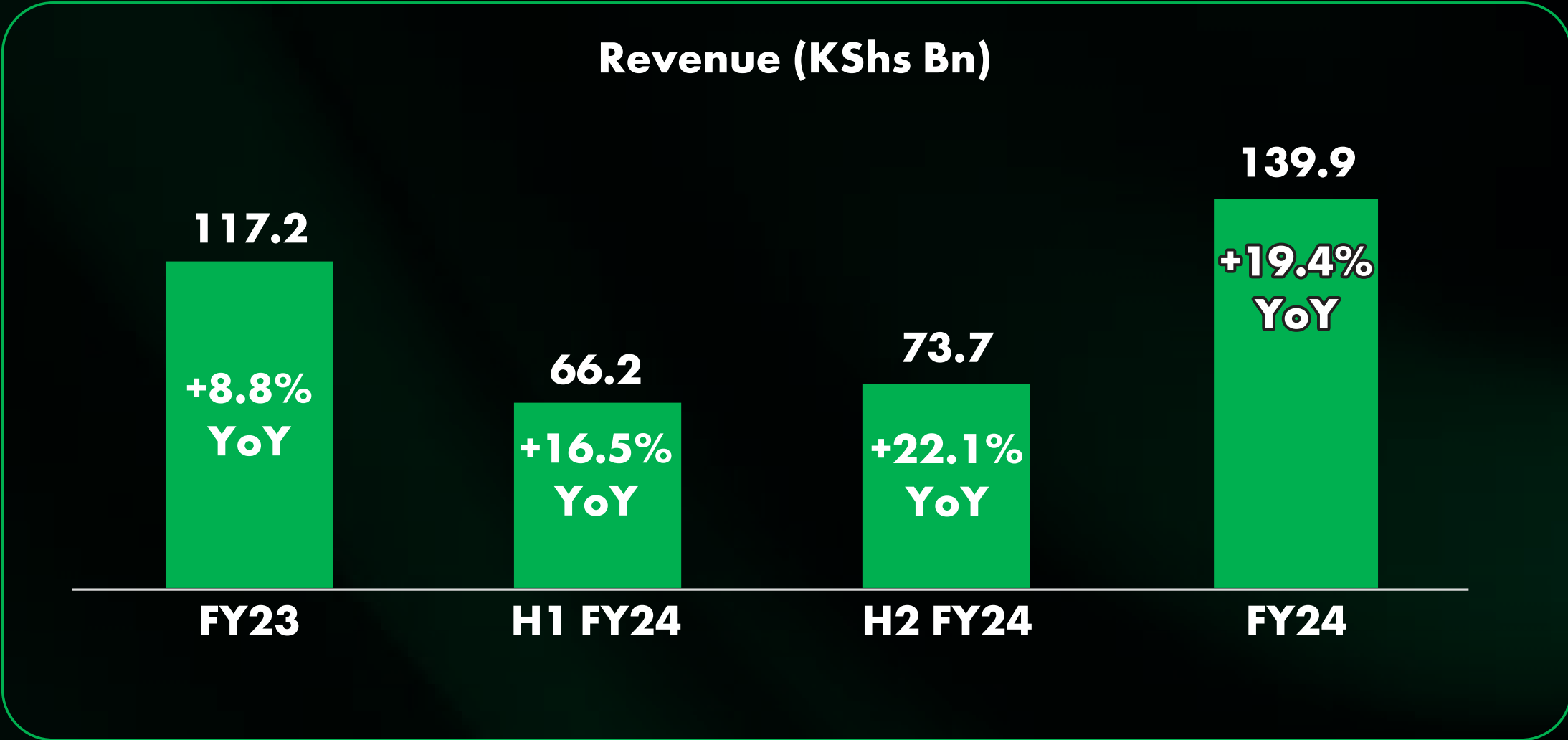
1.25, **-12.7%** YoY  
**-40.4%**  
 (4-Year Change)

#### M-PESA tariff

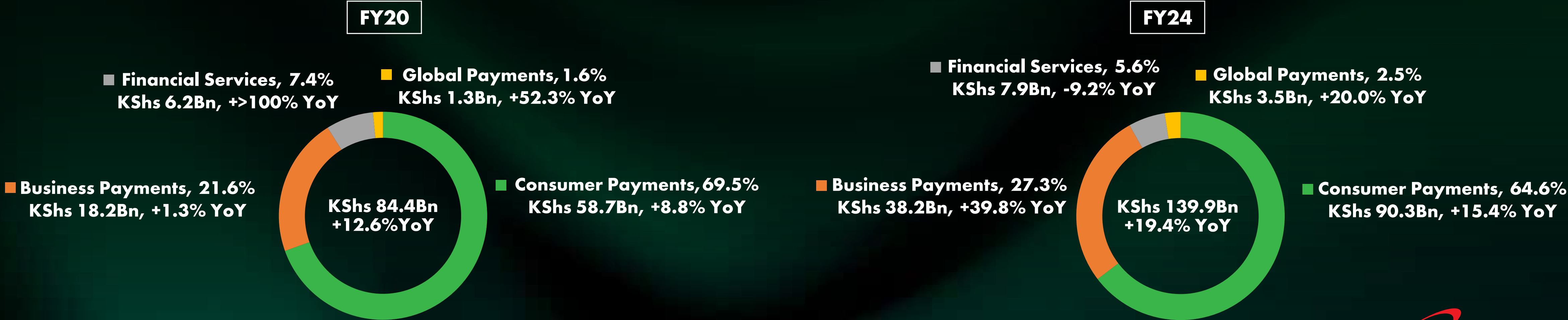
Up to **61%** reduction  
 in P2P, Paybill & Banking  
 transaction charges

\*Average Revenue Per User (ARPU) and Rates are in KShs

# M-PESA | Great Performance Post Return to Charging

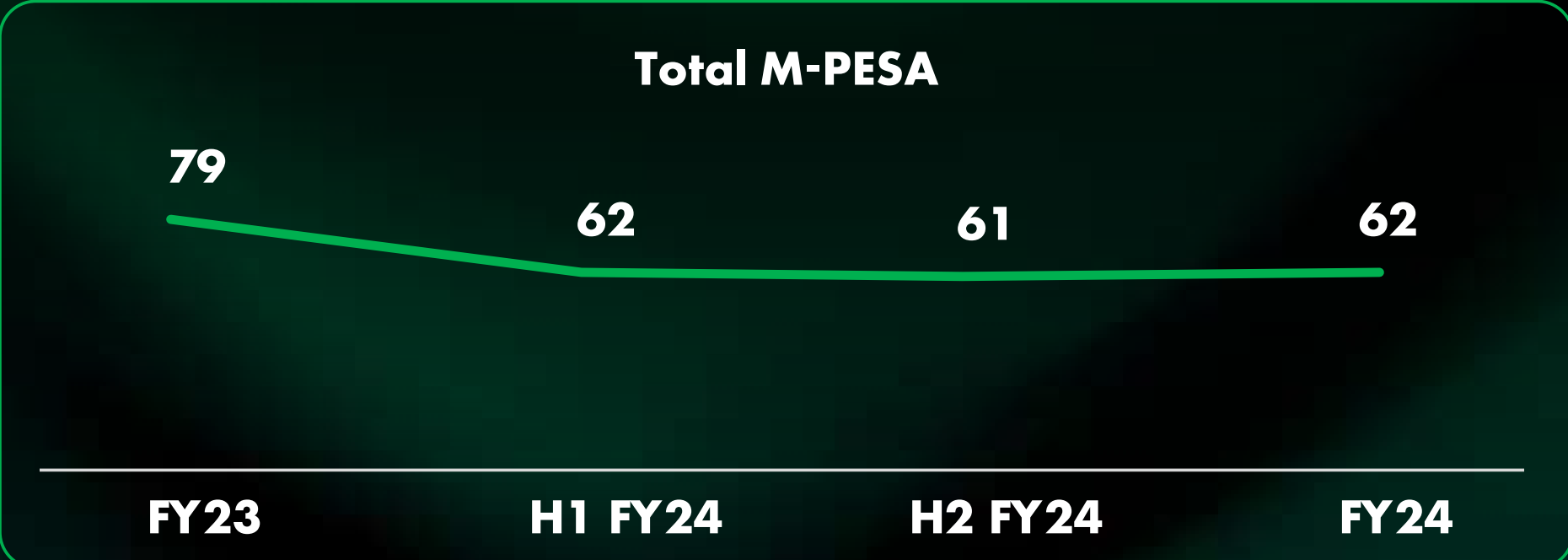
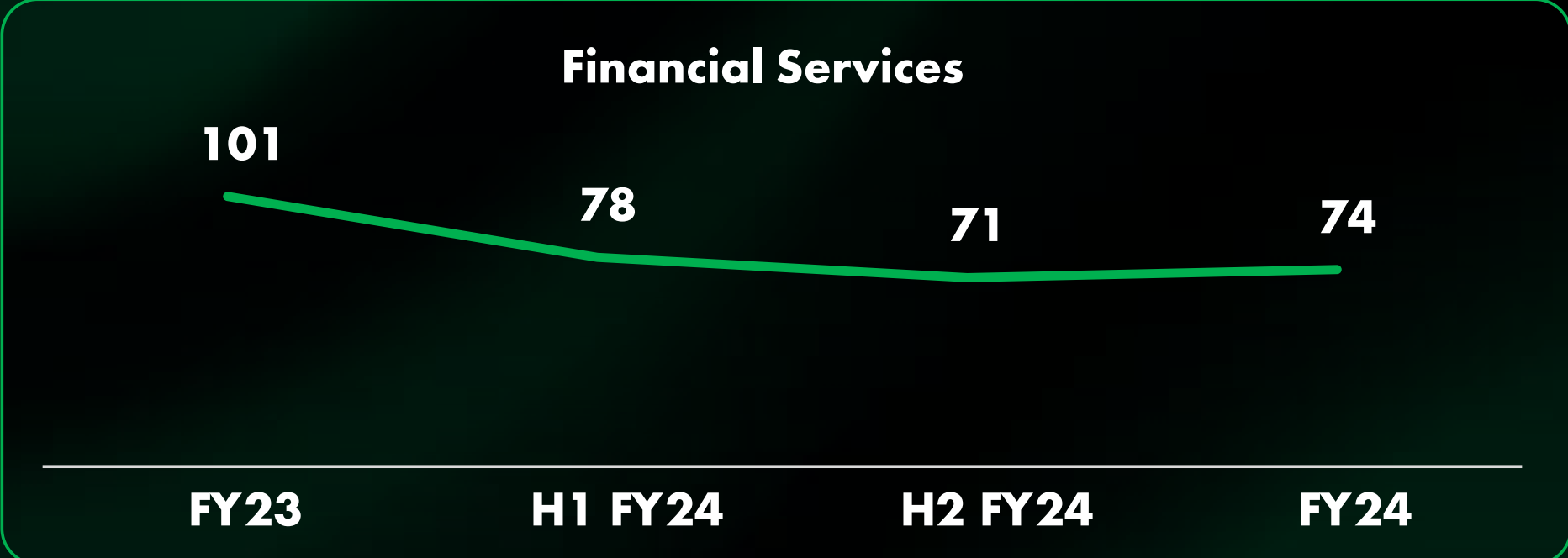
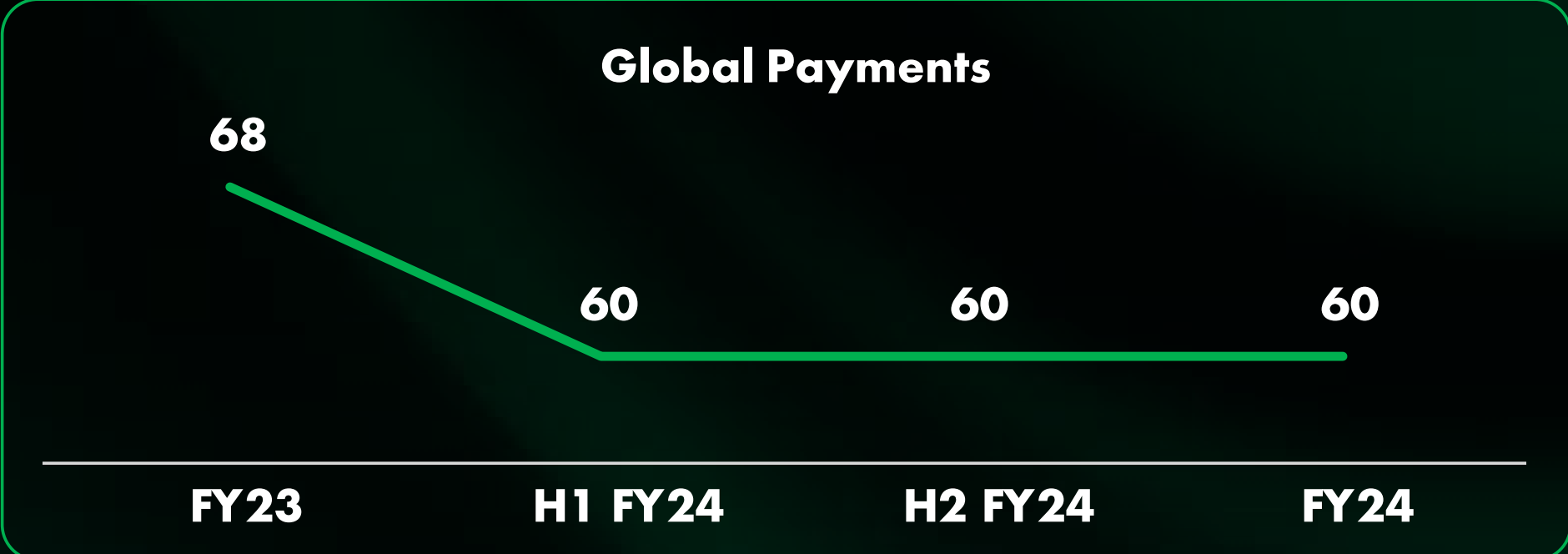
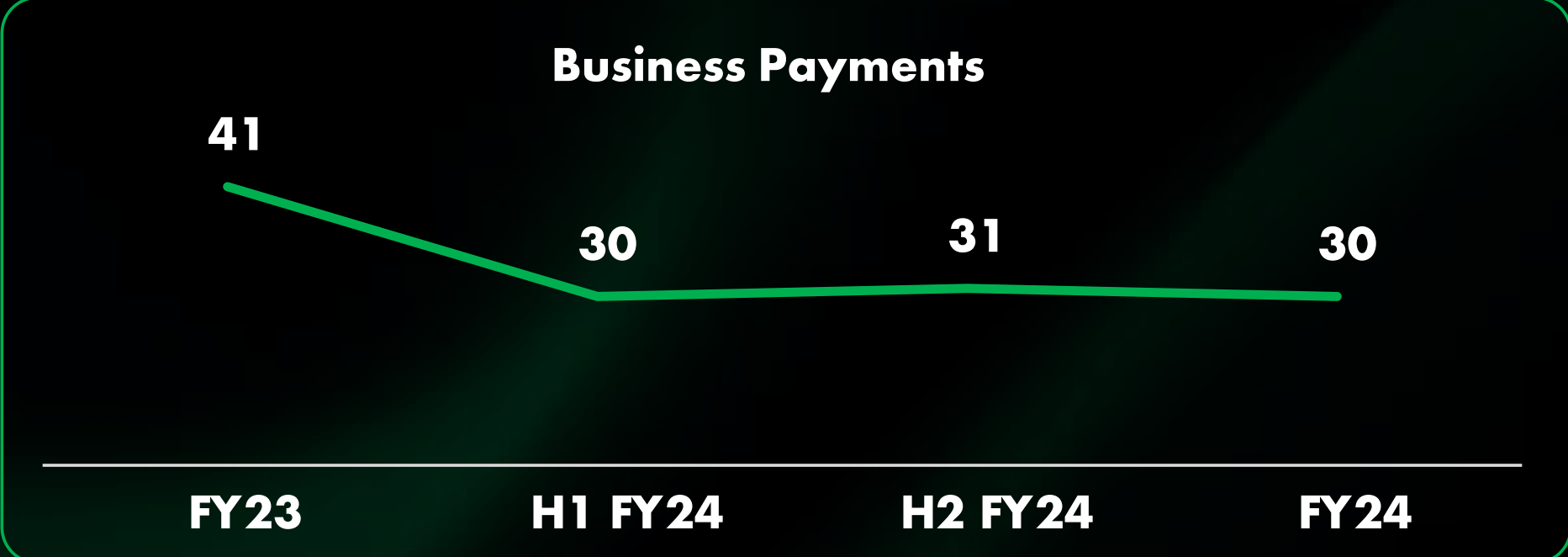
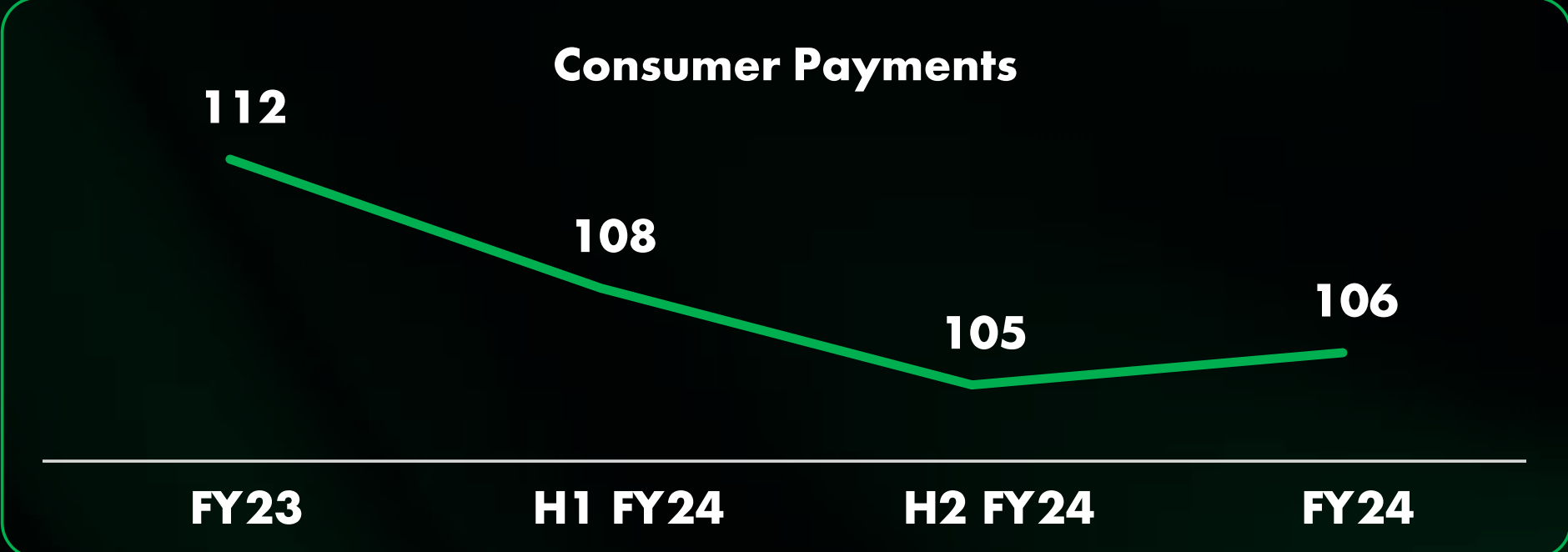


## Contribution to M-PESA Revenue



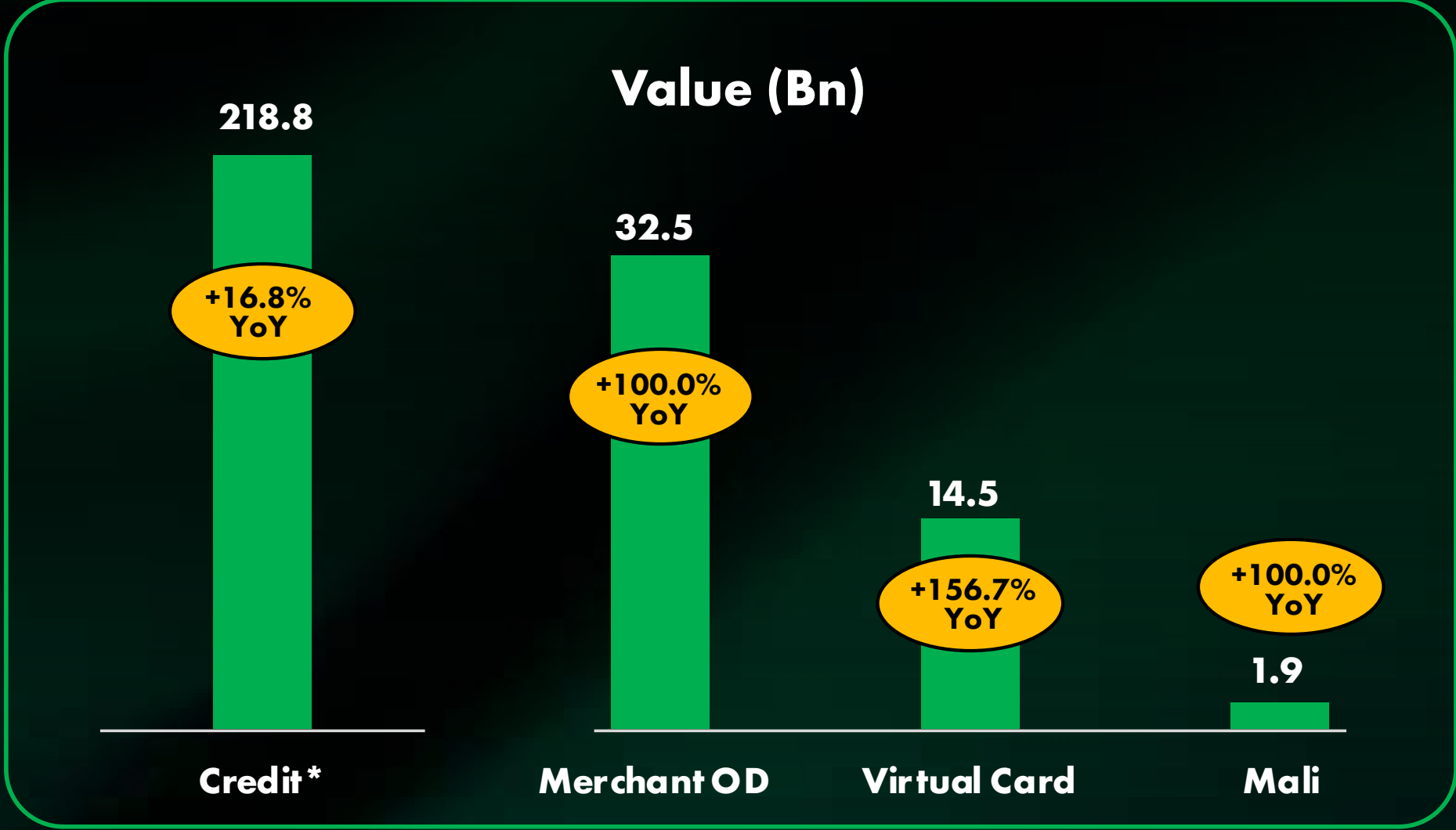
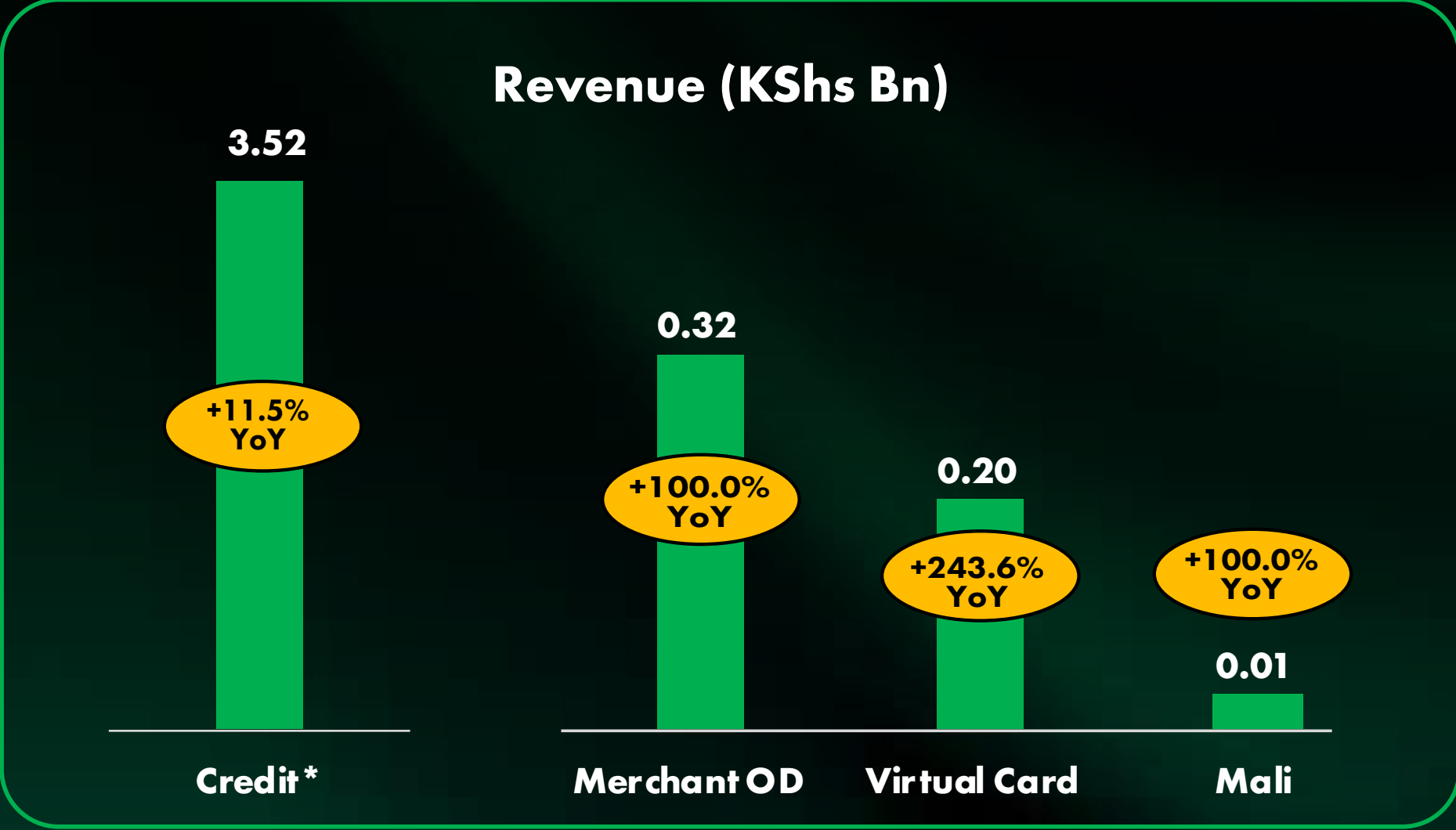
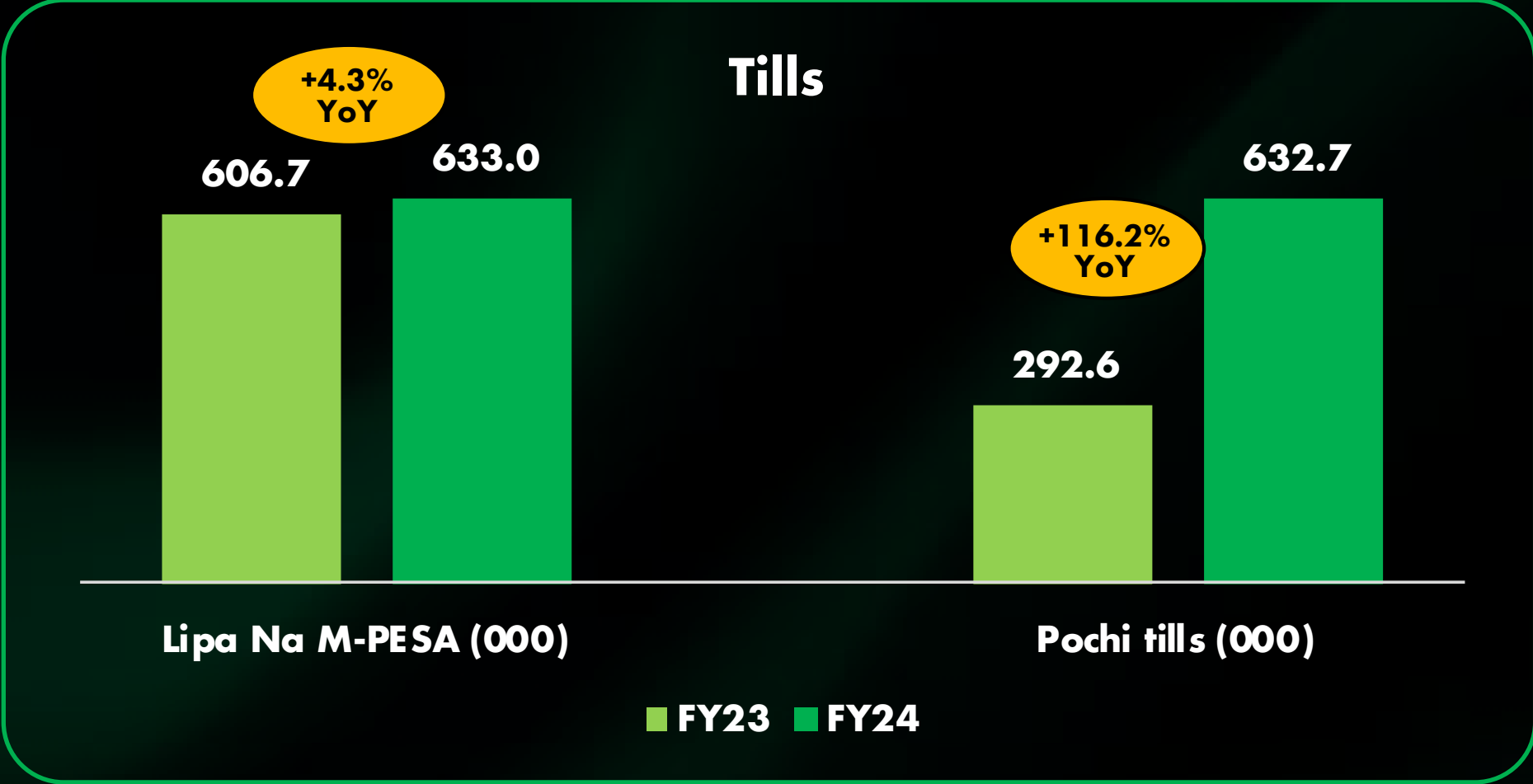
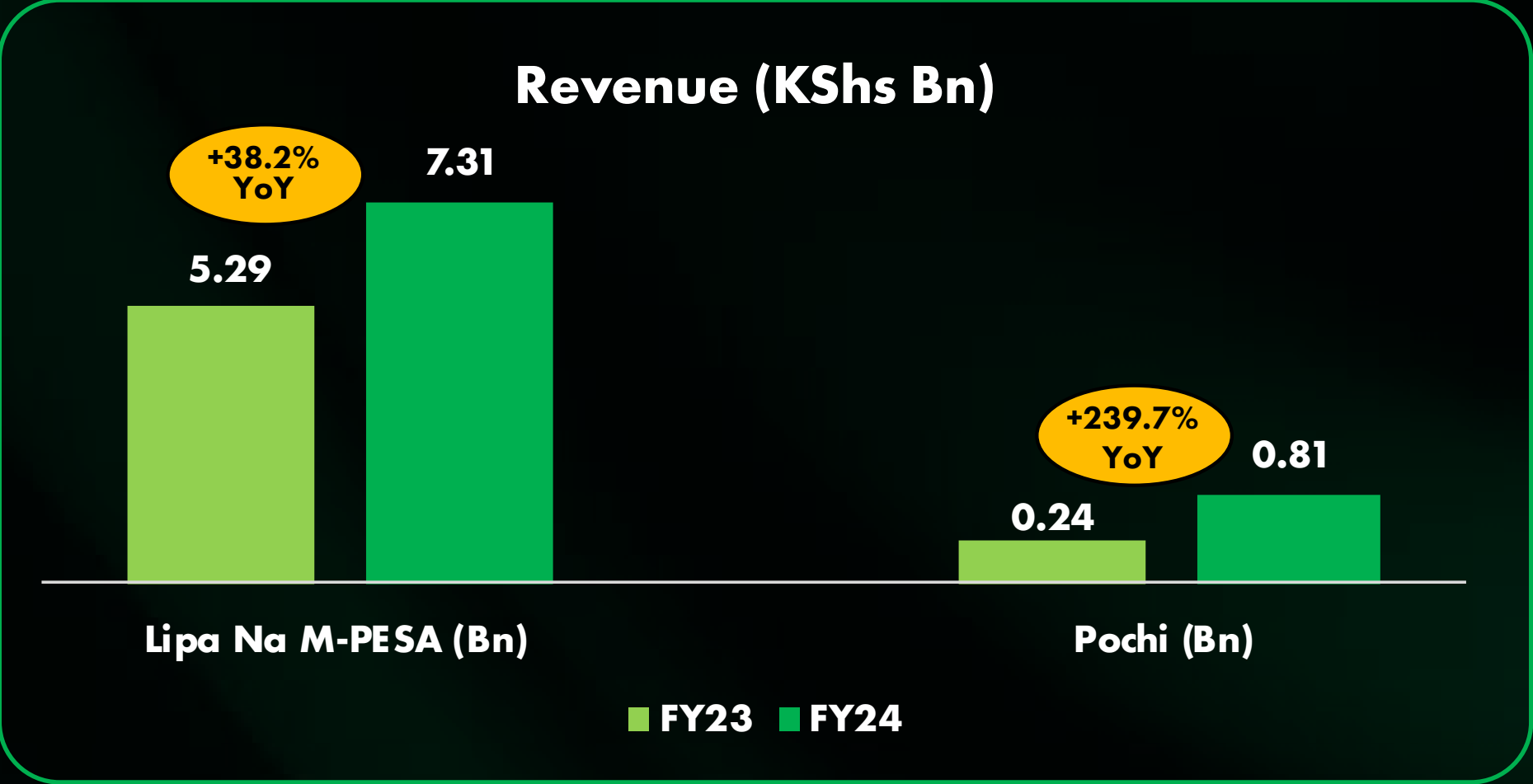


# M-PESA TAKE RATES | Driving Affordability to Ensure Inclusivity in Digital Payments



All numbers in basis points (bps)  
Take rates are based on chargeable transactions

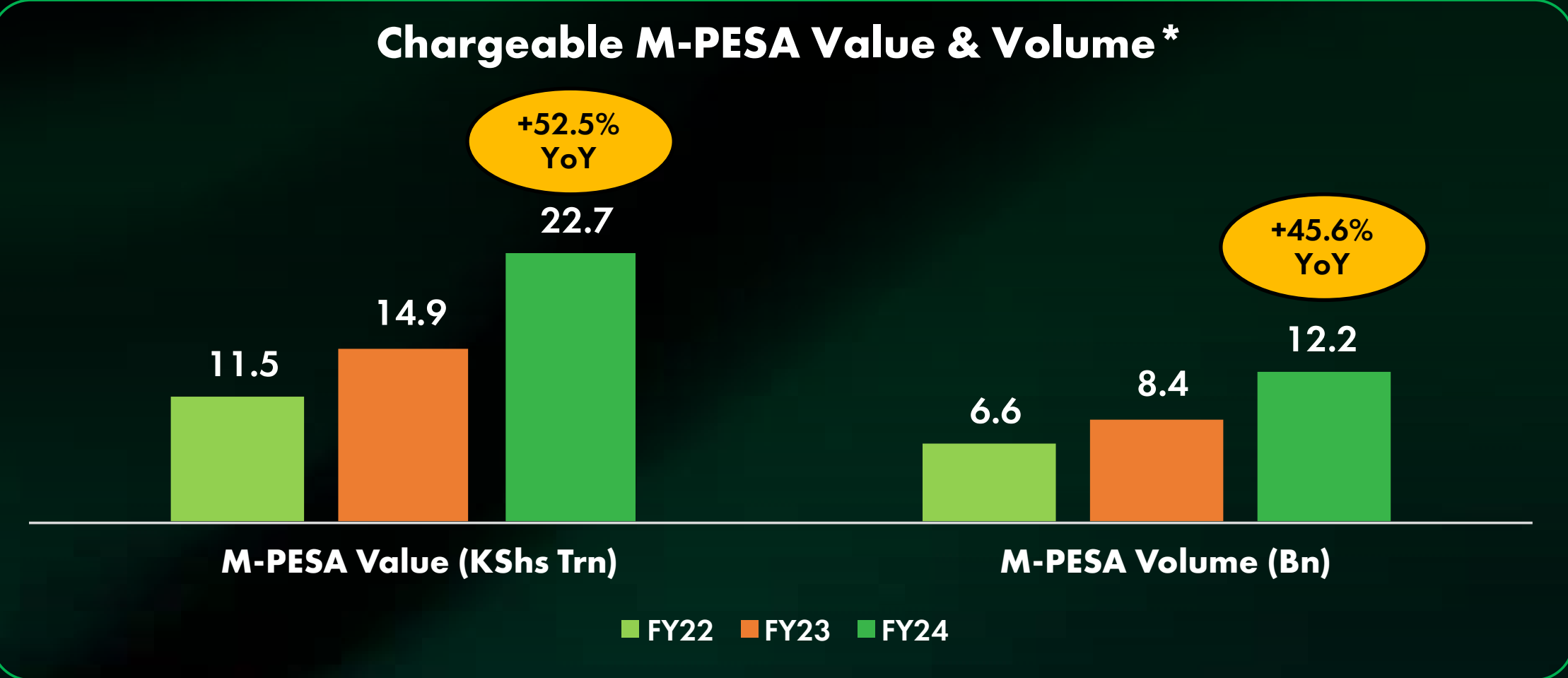
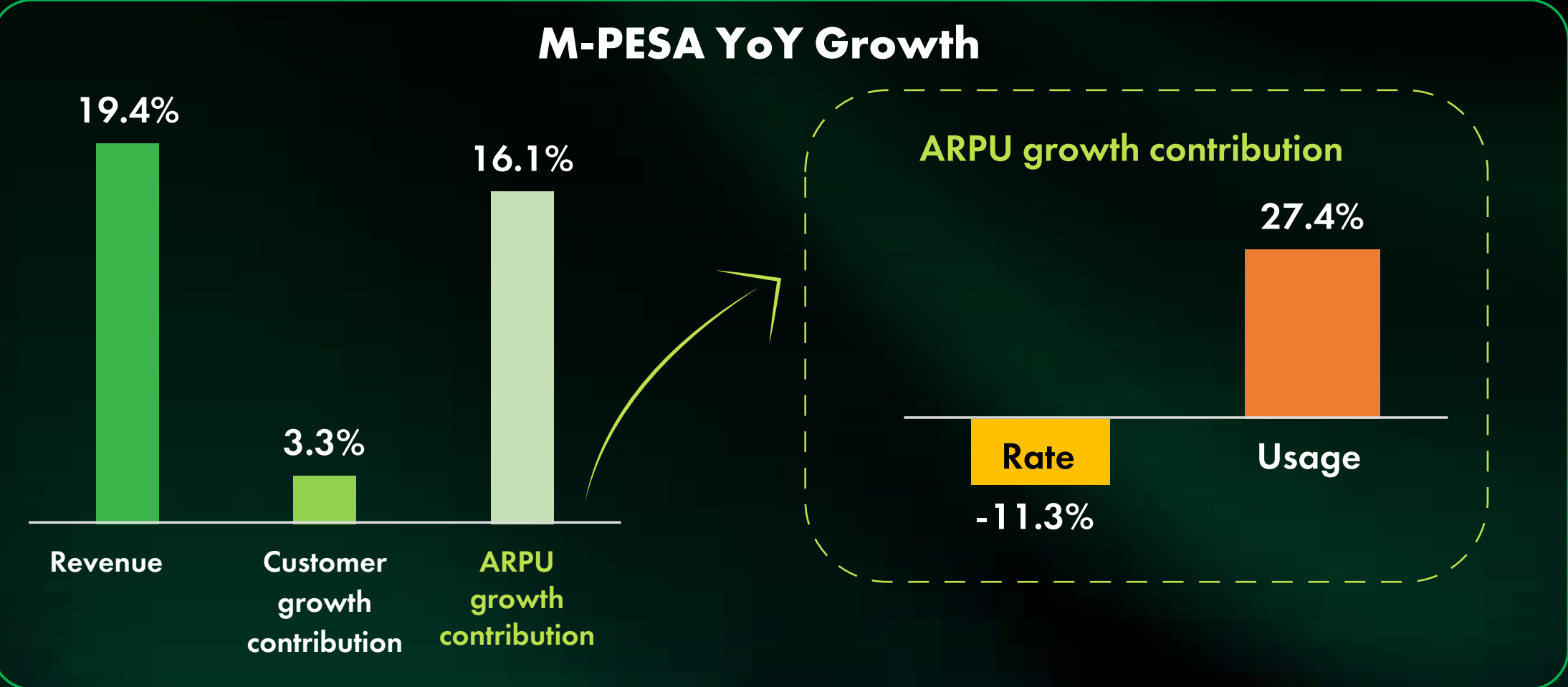
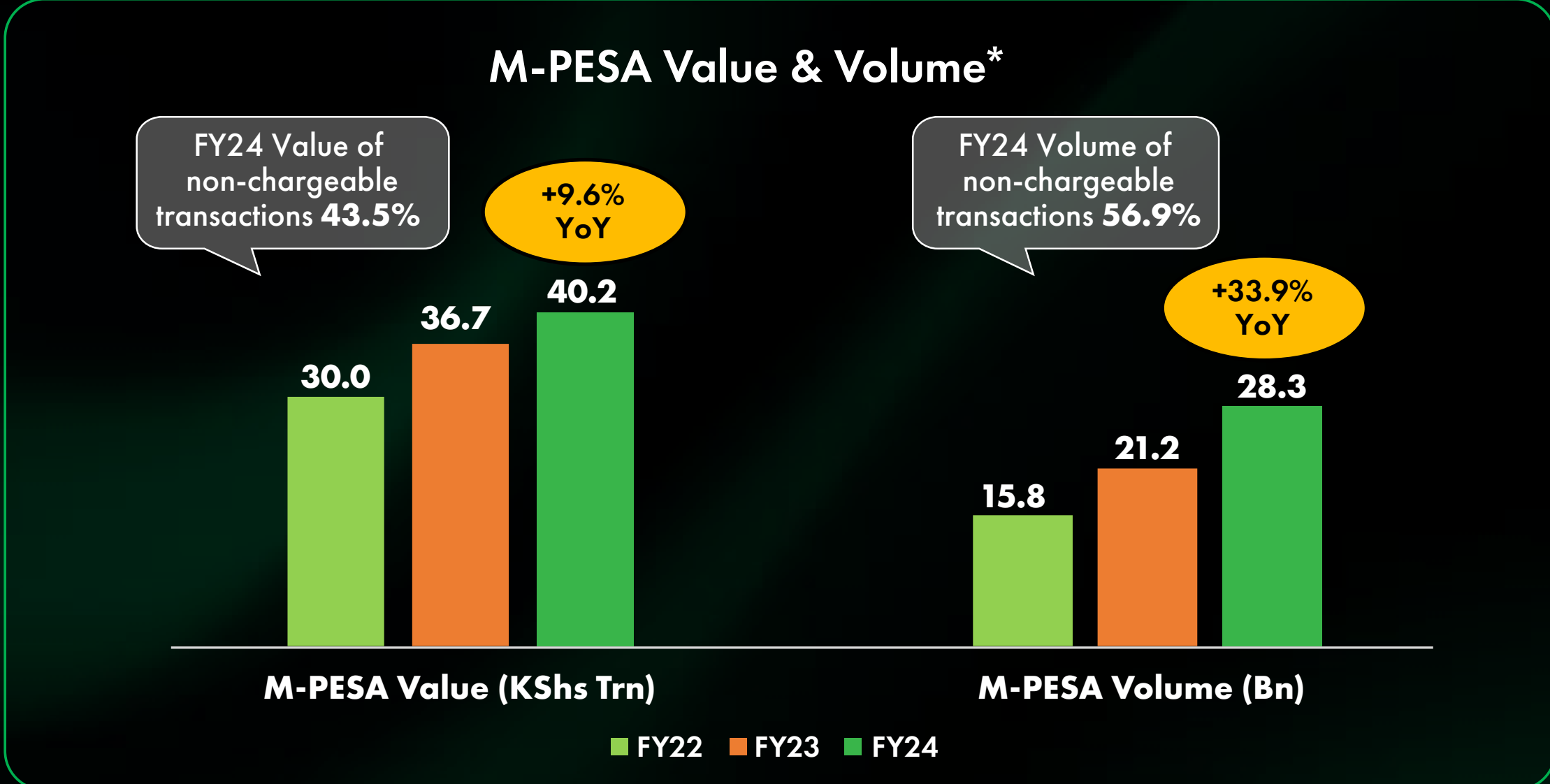
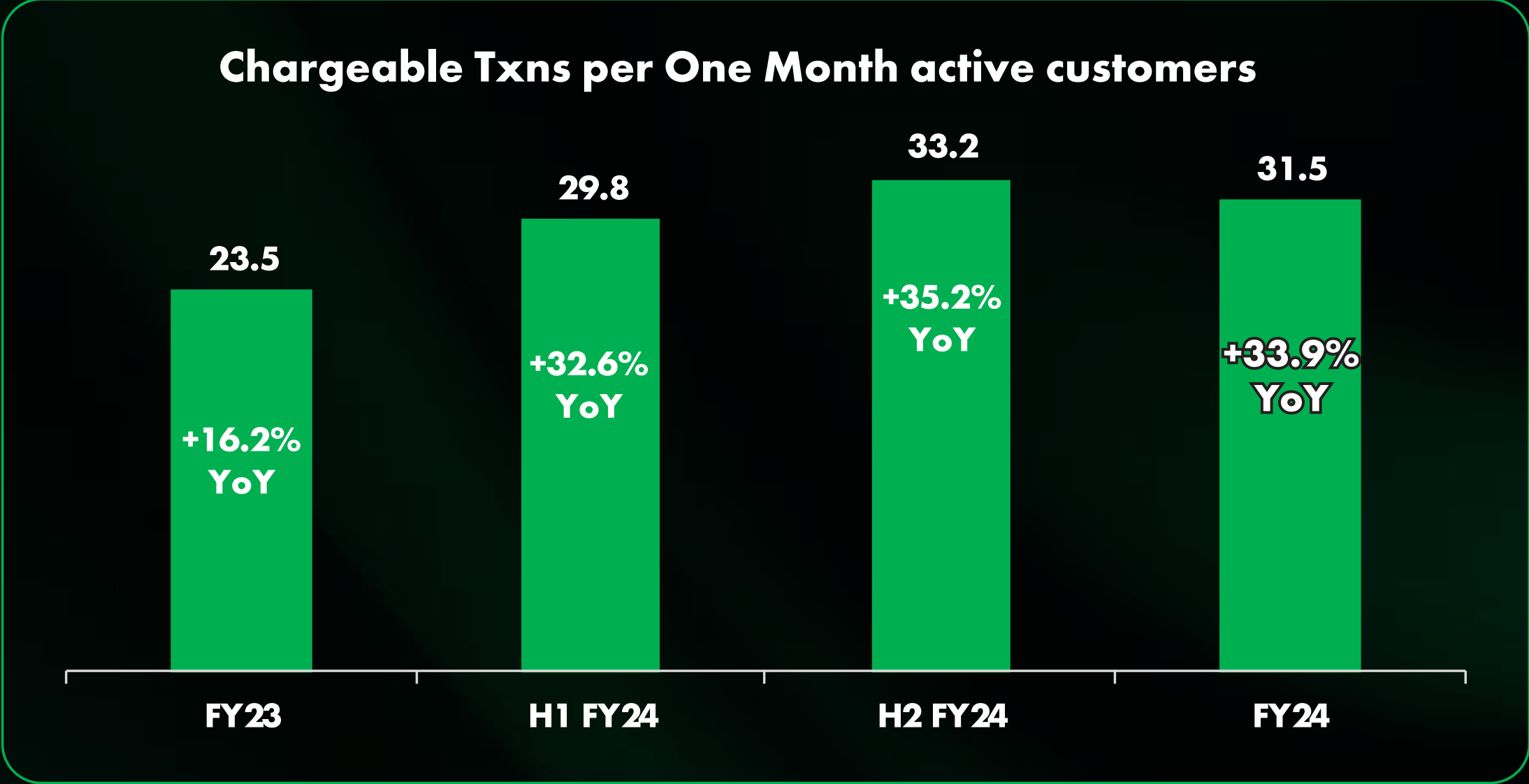
# NEW GROWTH AREAS | Expanding Merchant Network, Lending and Wealth Management



\*Credit = M-Shwari, KCB M-PESA, Timiza, M-Kesho, M-Kopa, H-Fund

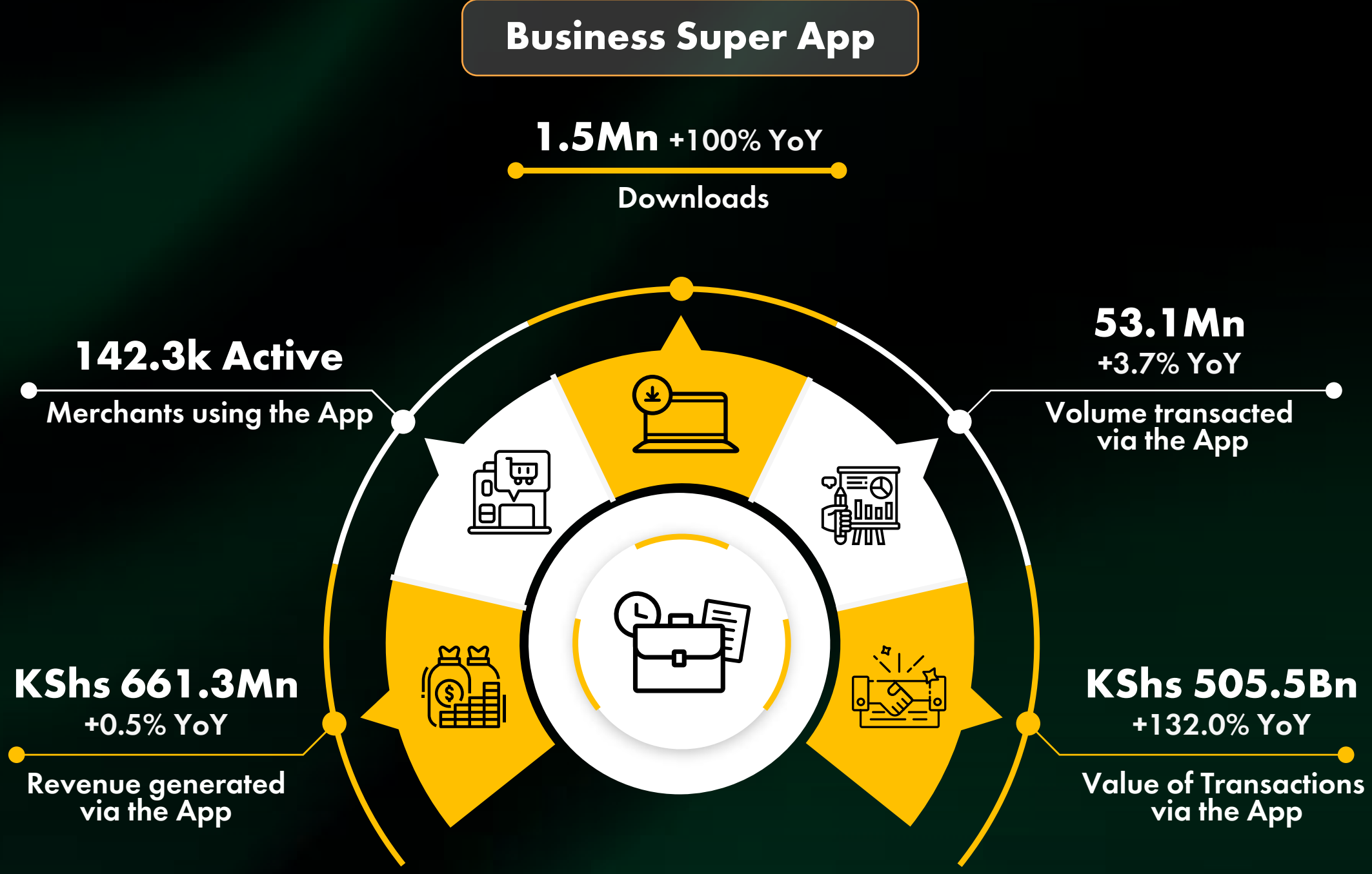
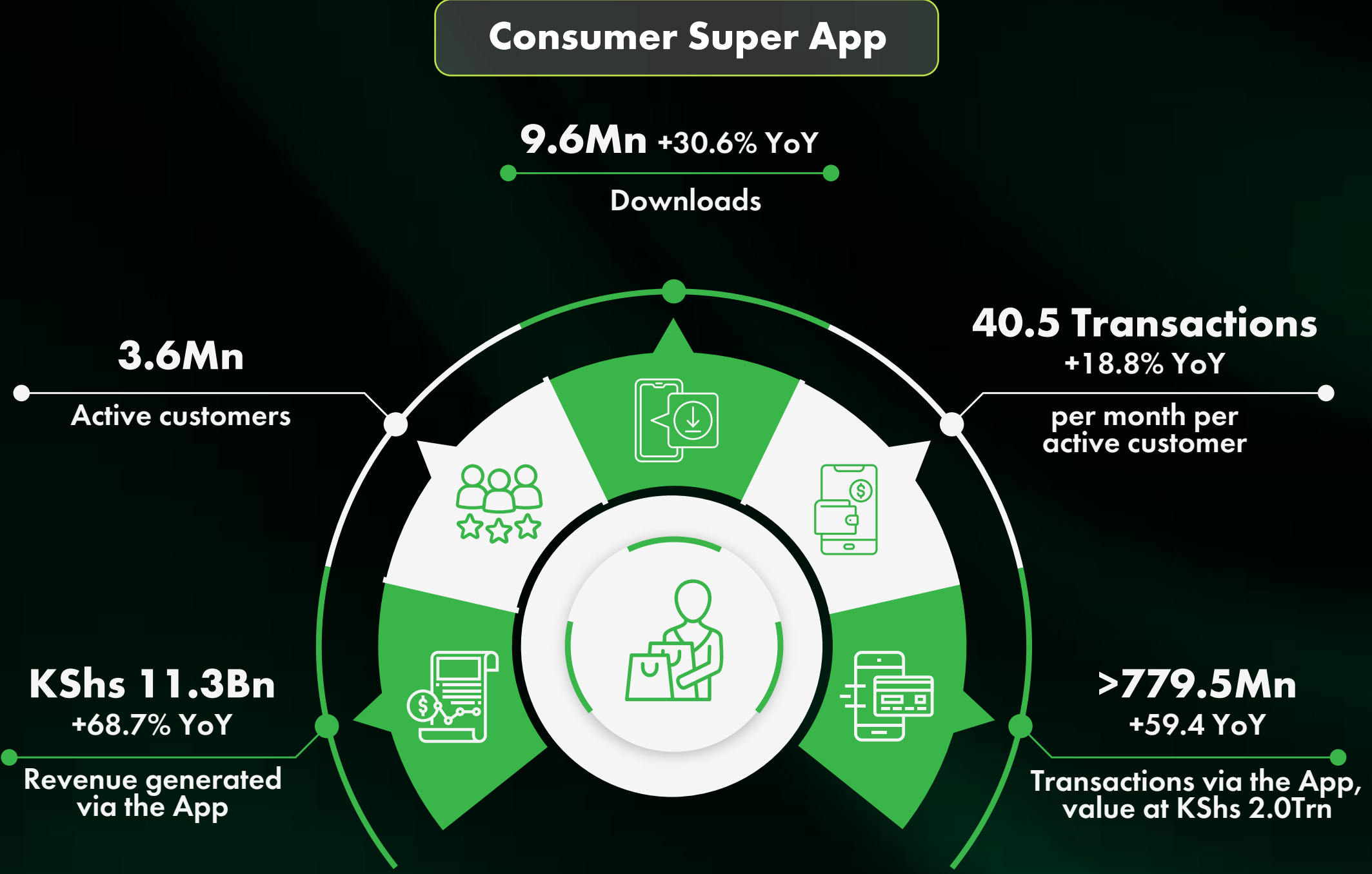


# M-PESA | Growth Driven by Usage & Affordability



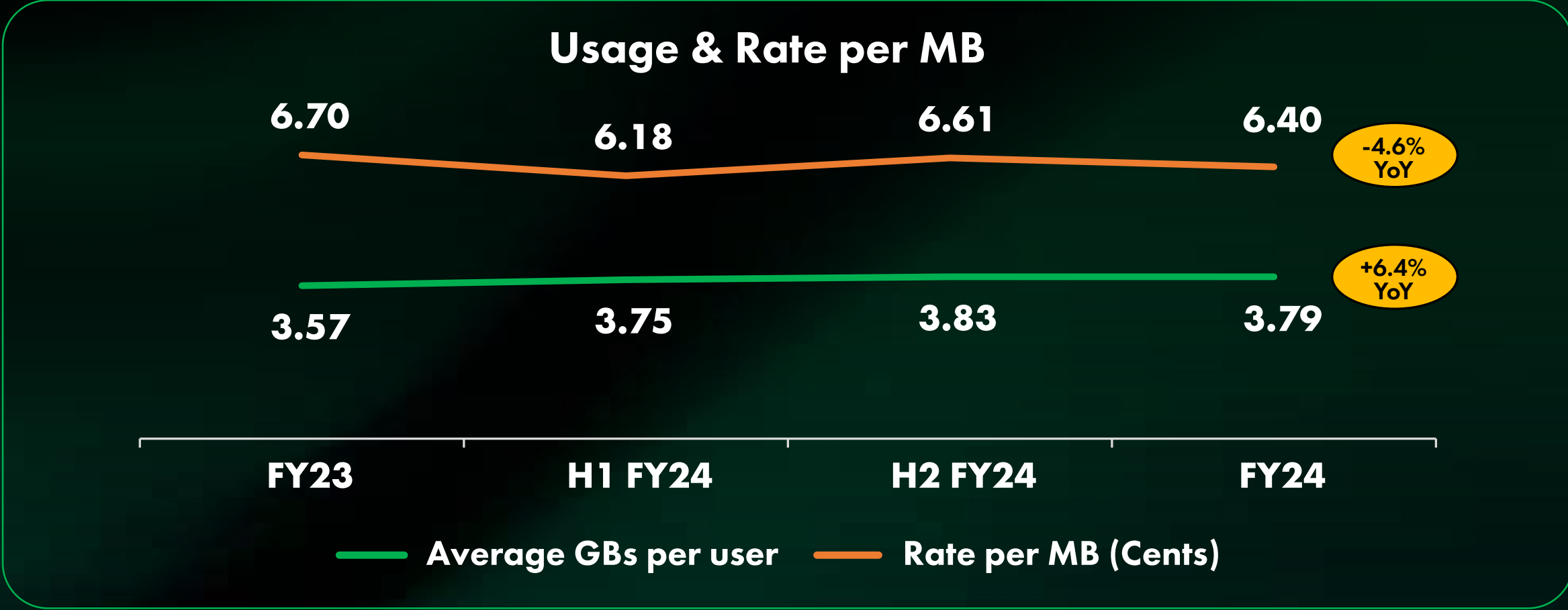
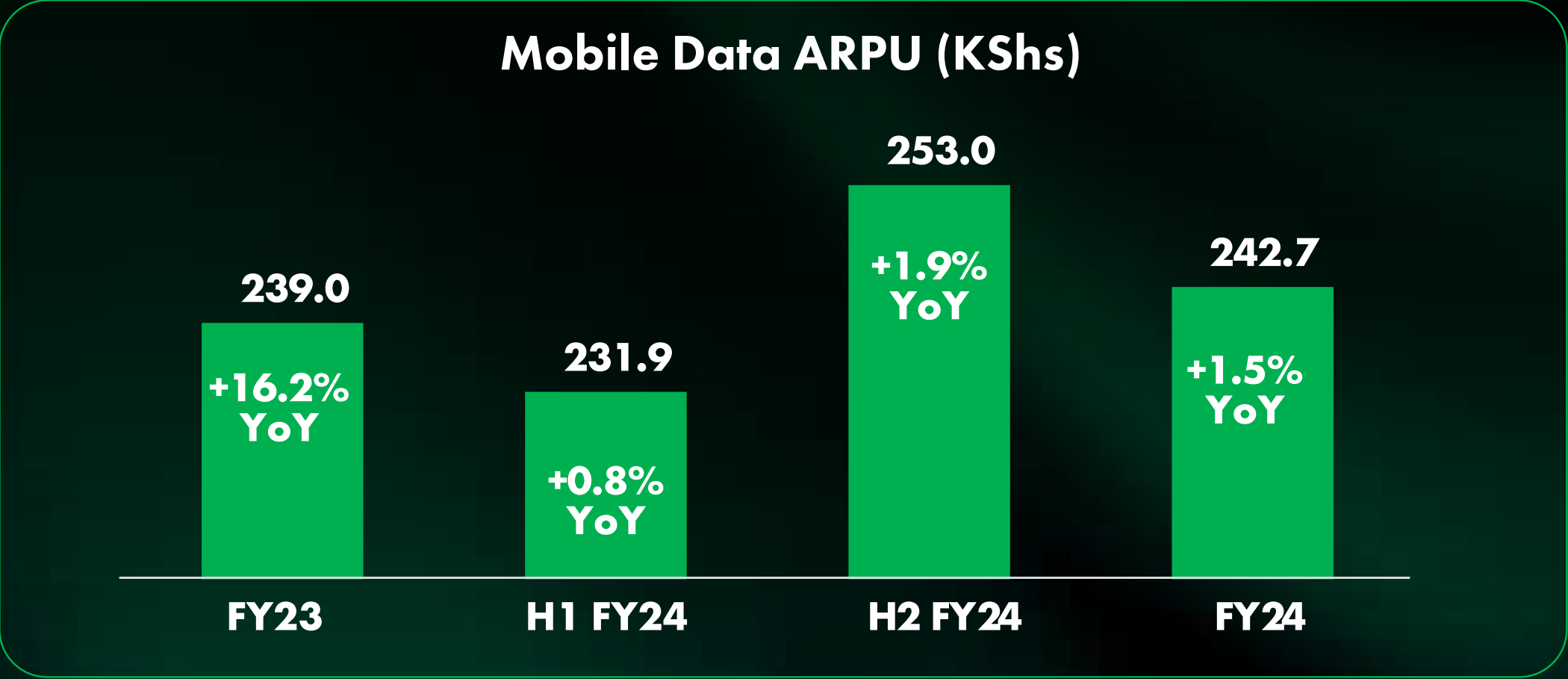
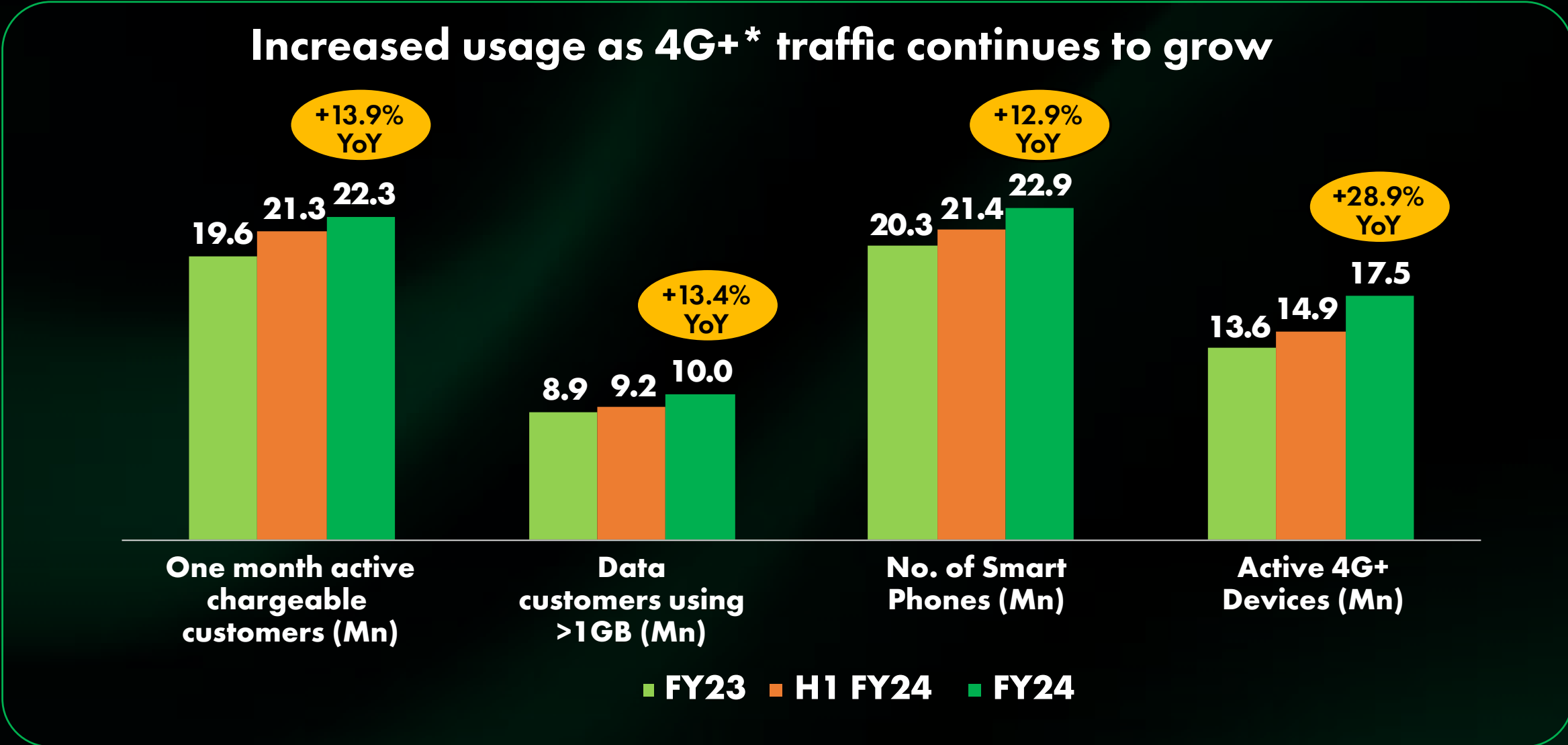
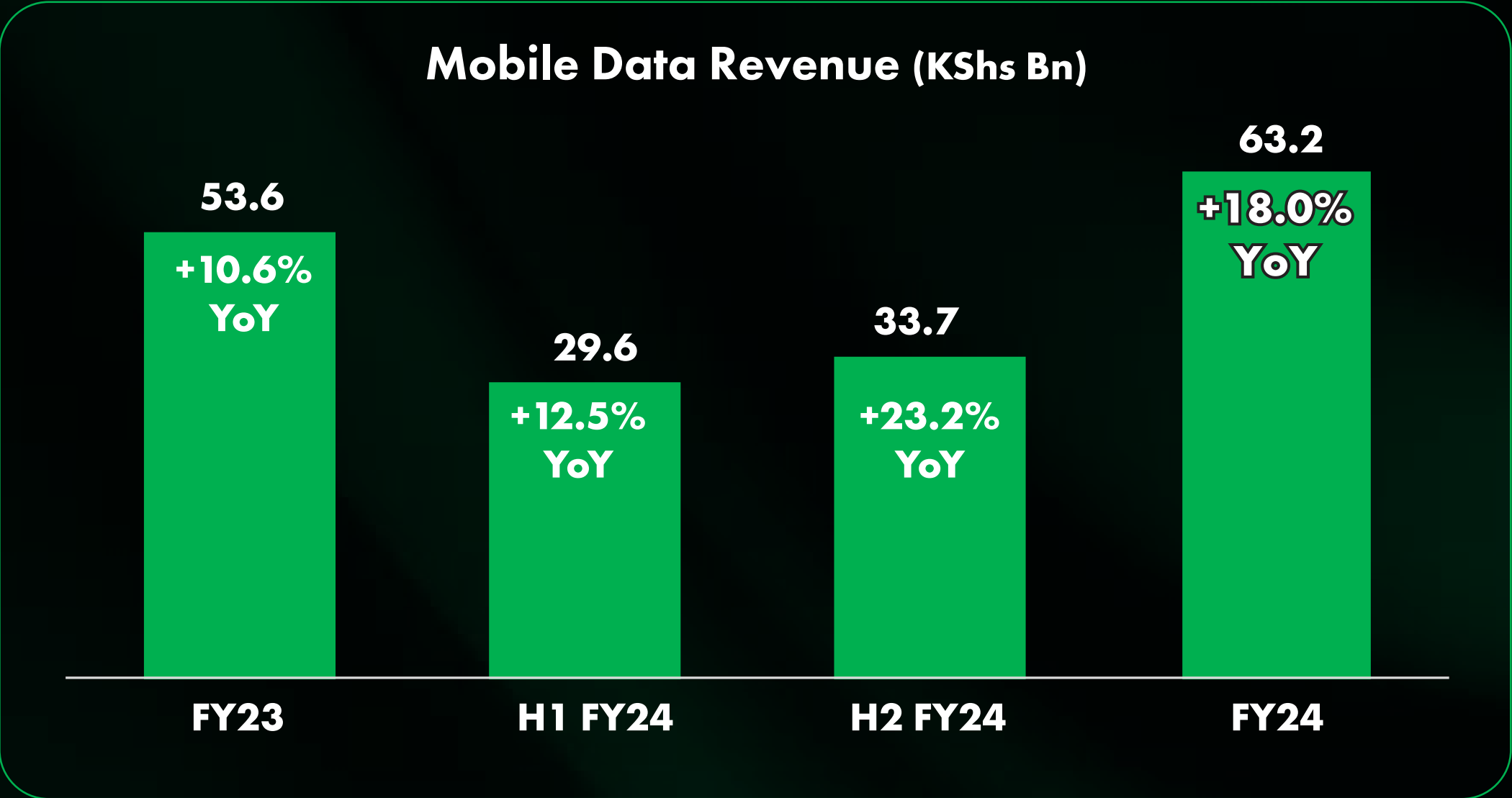
\*Prior year numbers have been adjusted to include Fuliza

# M-PESA SUPER APPS | Positioning M-PESA as a Lifestyle & Business Platform of Choice



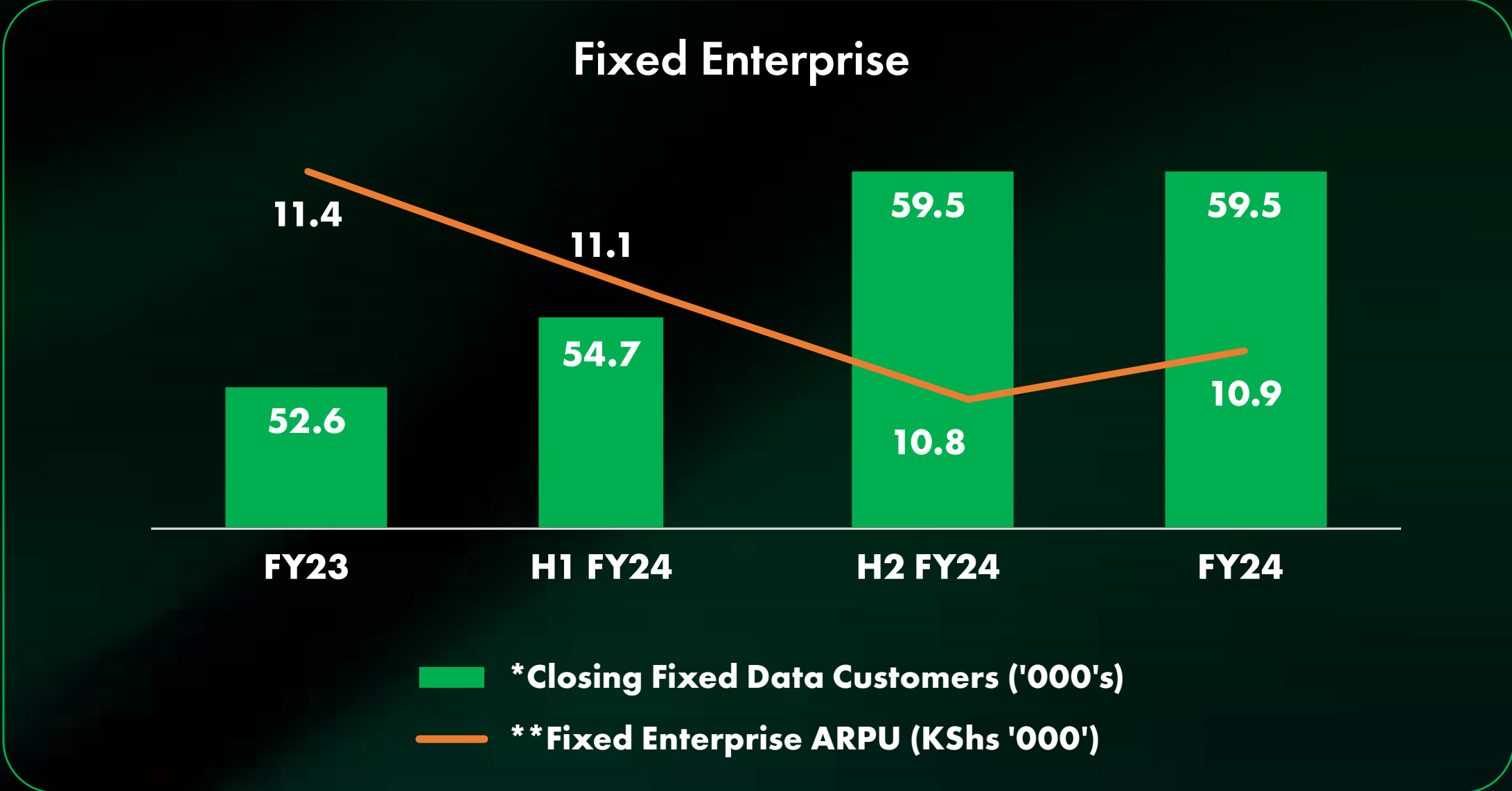
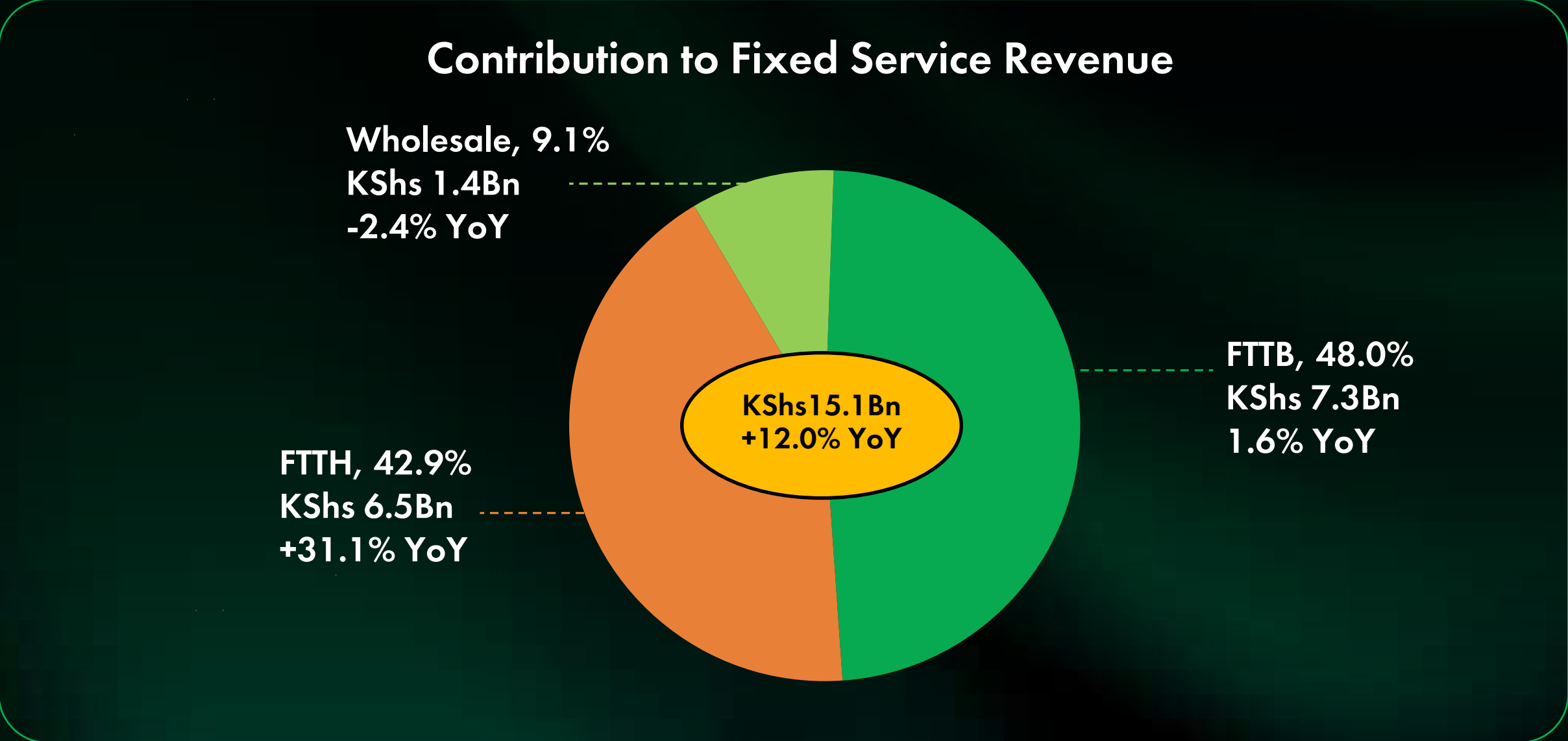
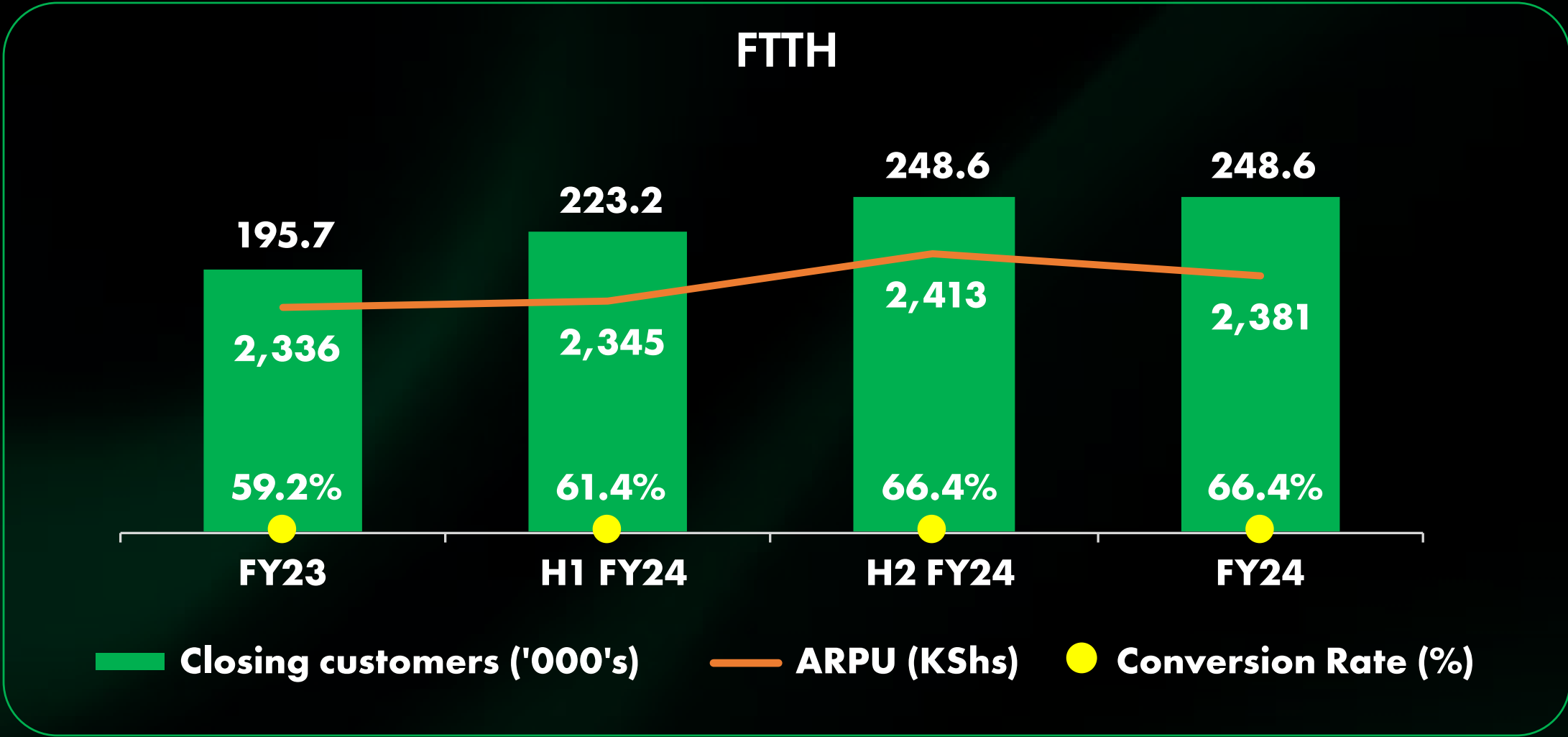
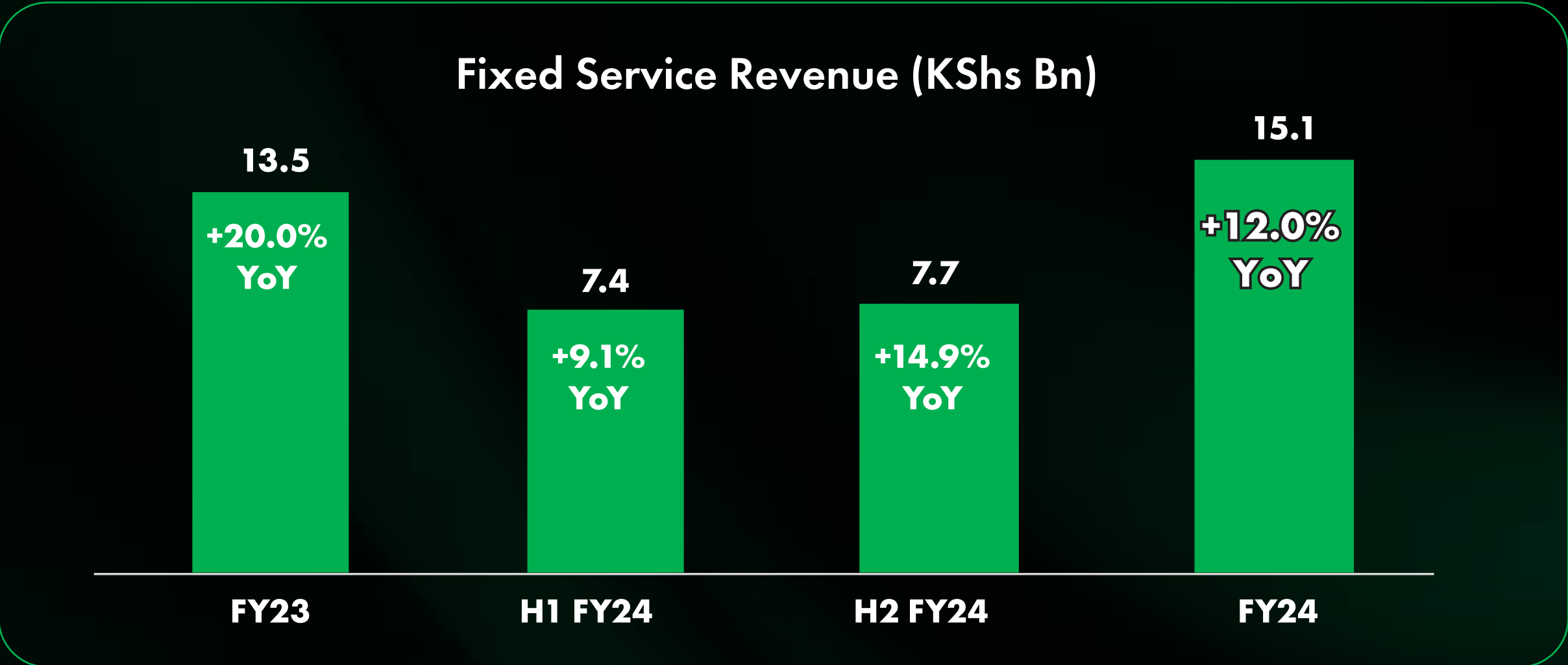


# MOBILE DATA | Double-Digit Growth Driven by Customer Value Management Initiatives



\*4G+ includes both 4G & 5G

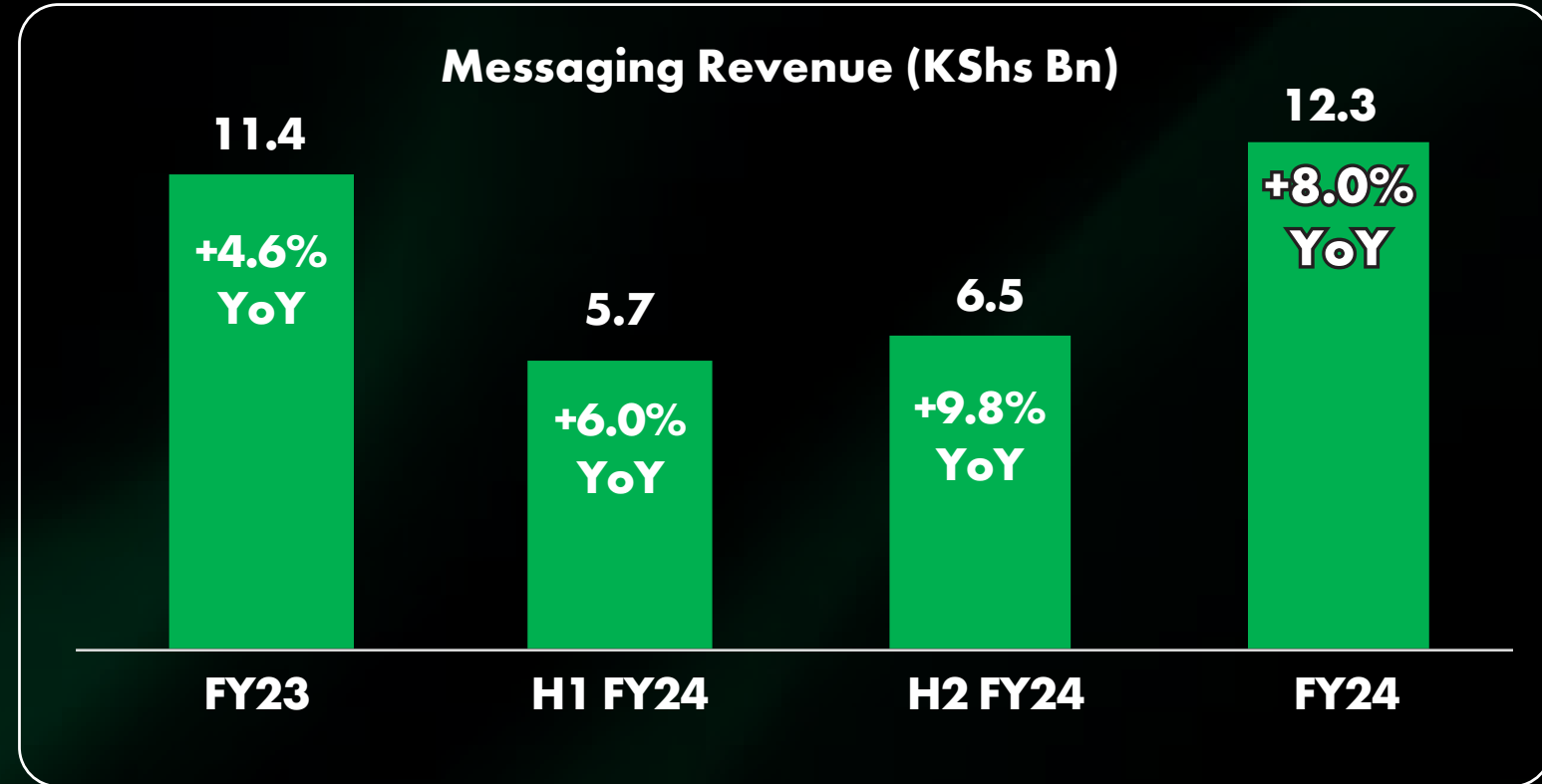
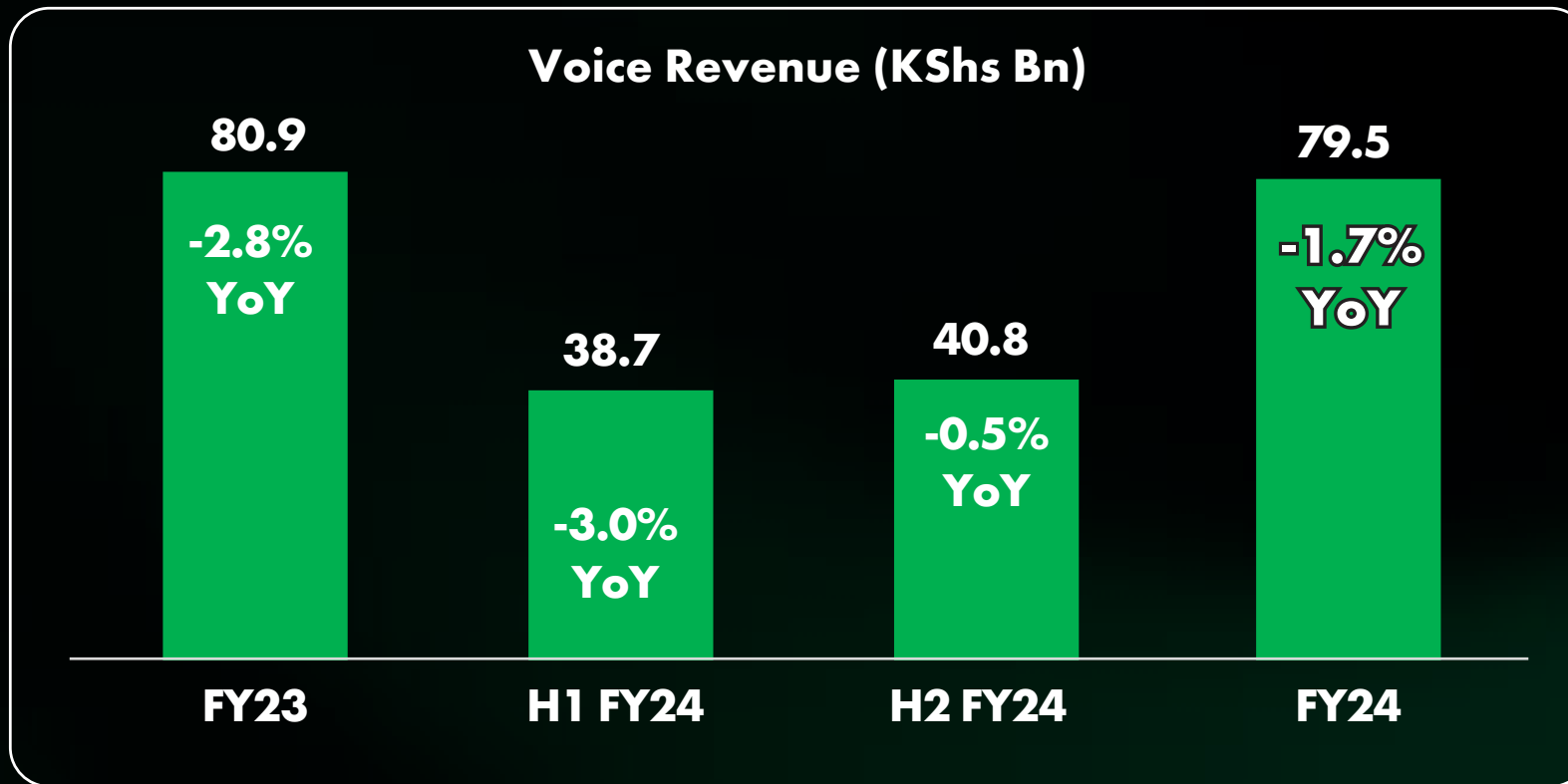
# FIXED SERVICE | Enhanced Customer Engagement & Connections Supporting Growth



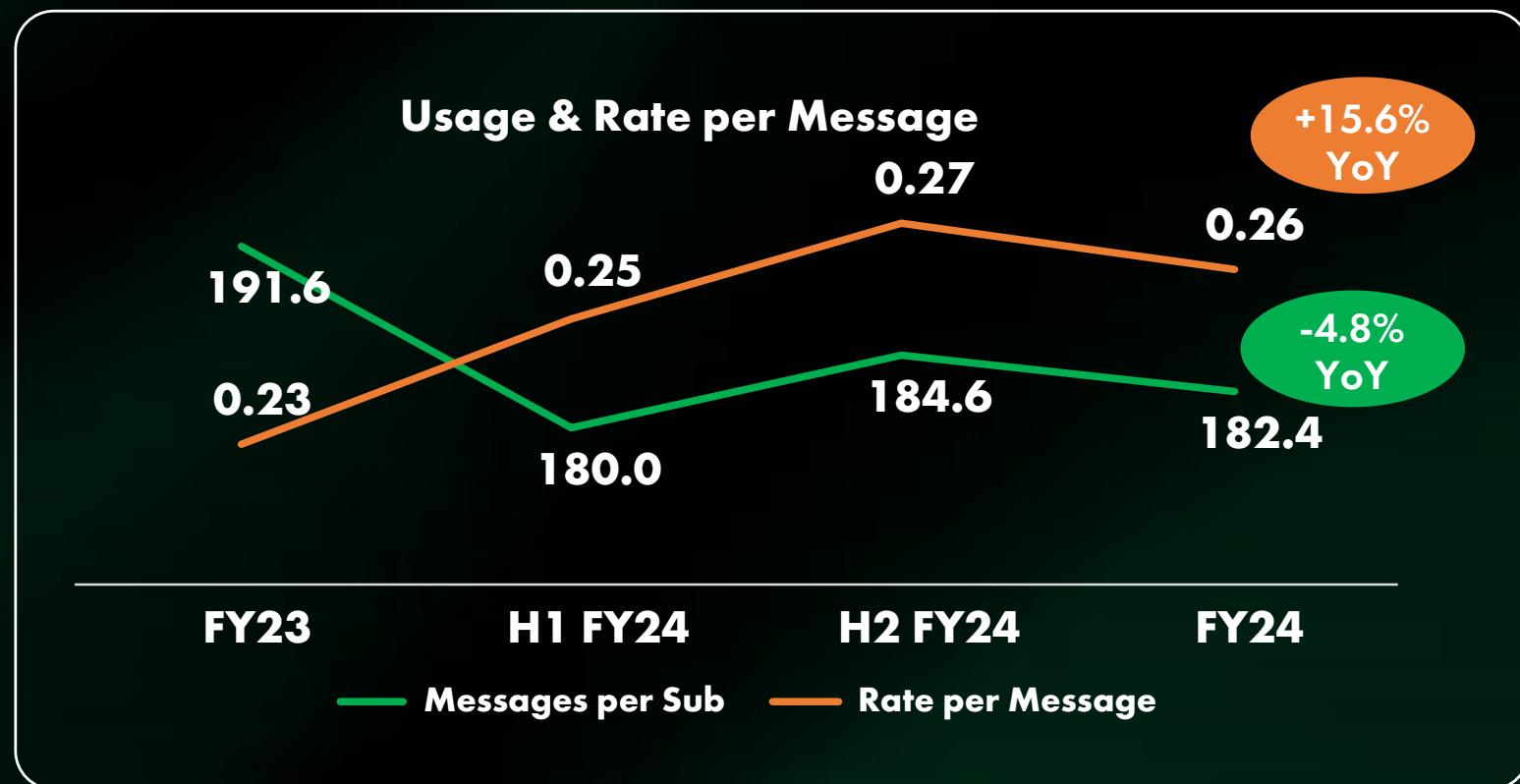
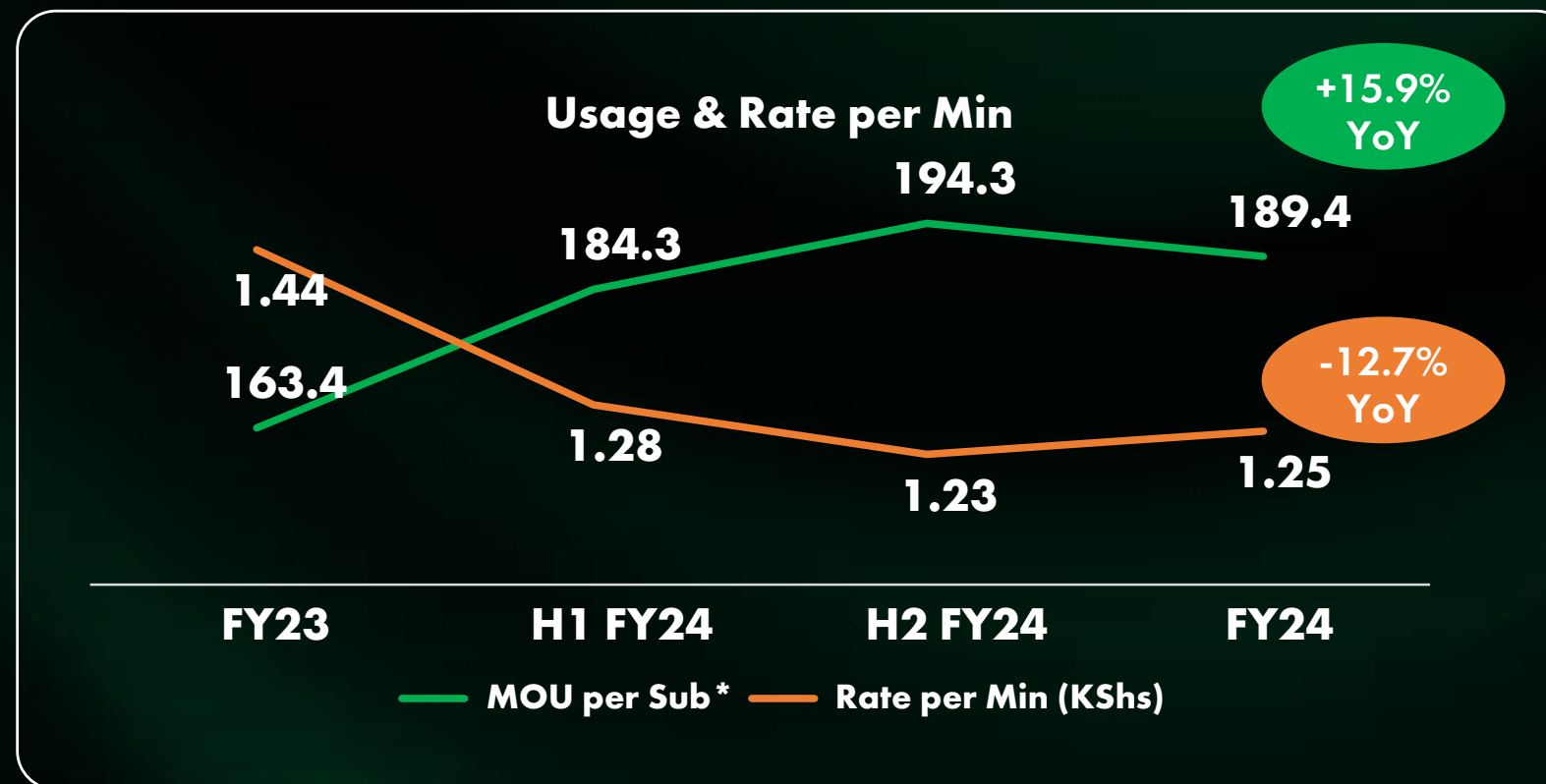


# VOICE & MESSAGING | Customer Value Propositions Enhancing Usage

## Revenue



## Usage & Rate Per Min/SMS



## Connectivity Performance FY24\*\*



Revenue  
**KShs 173.9Bn**  
+6.2% YoY



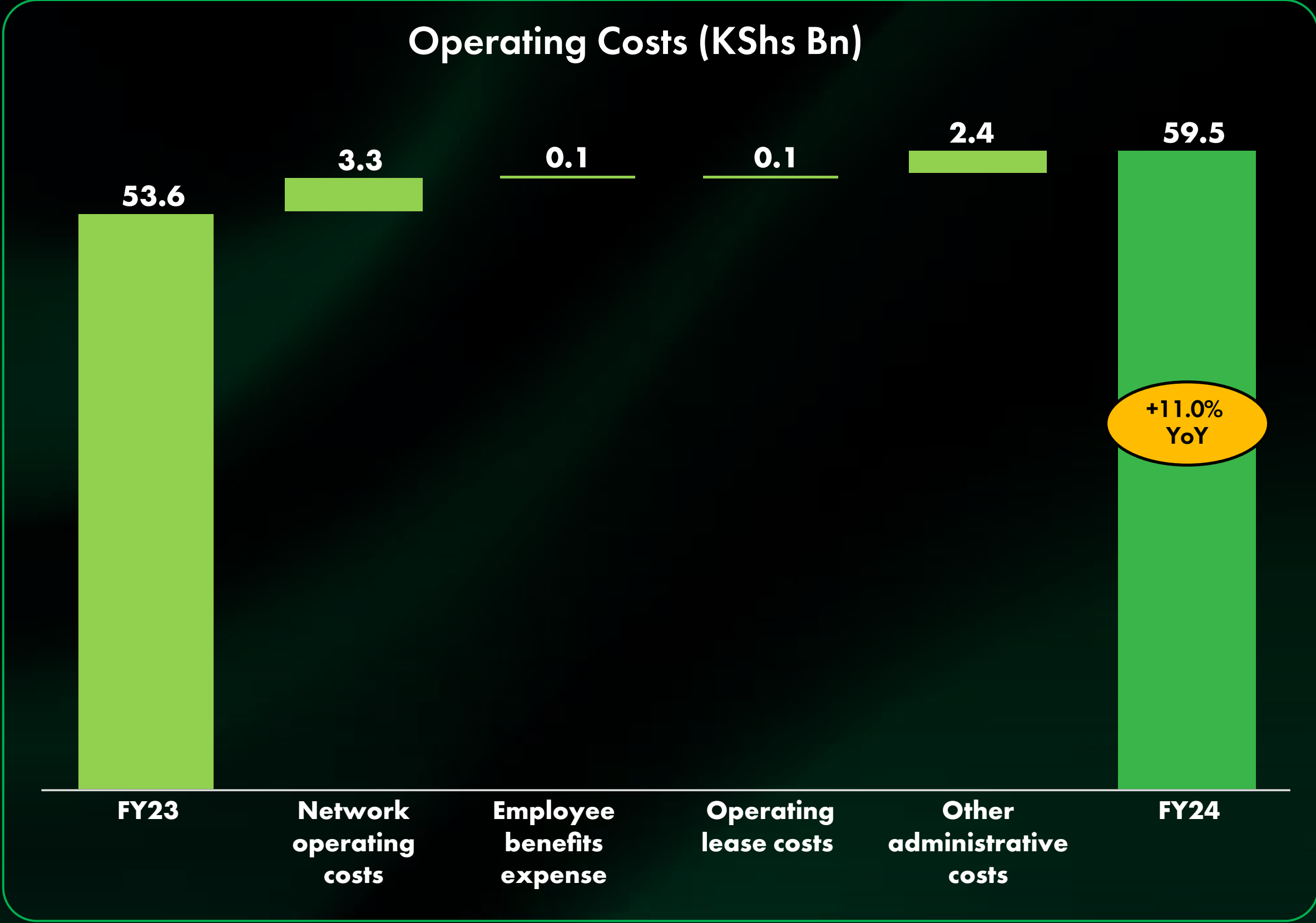
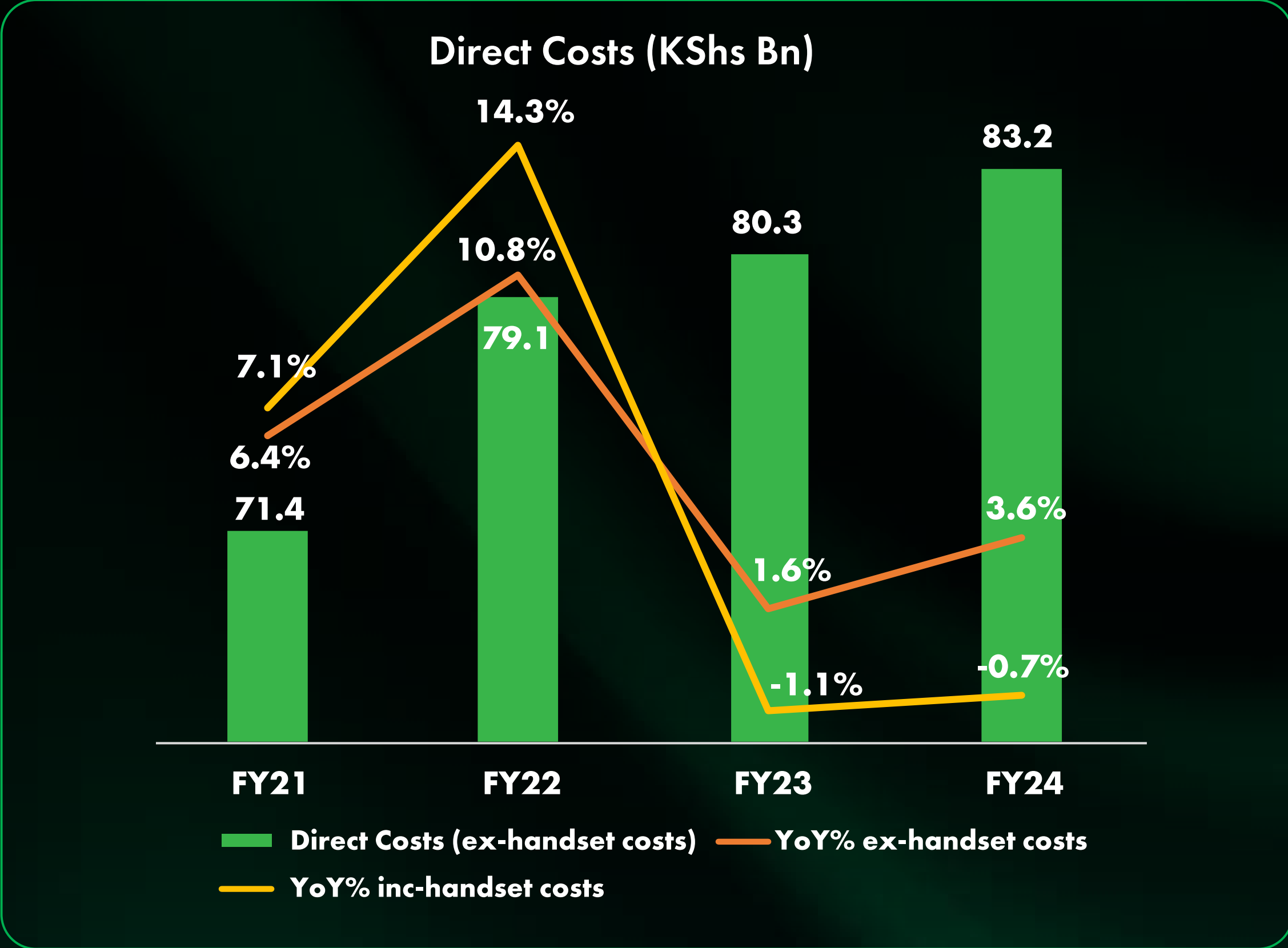
ARPU  
**KShs 422.7**  
+1.5% YoY



Customers  
**34.3Mn**  
+4.6% YoY

\*MOU - Minutes of Use Per One Month Active Subscriber  
\*\*GSM excluding M-PESA, Fixed & IoT Revenues

# COSTS | Navigating a Complex Operating Environment With Addressable Opportunities

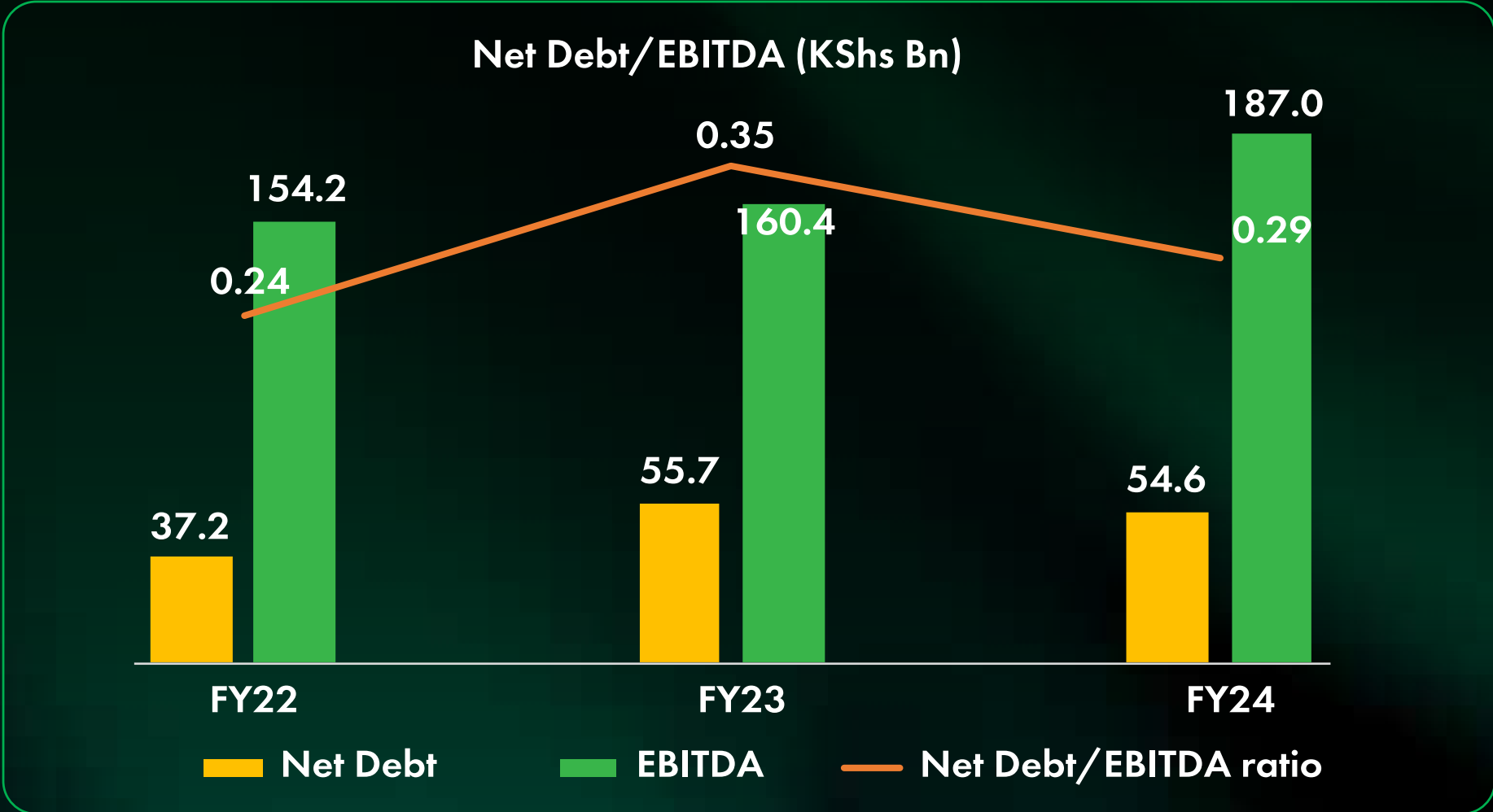
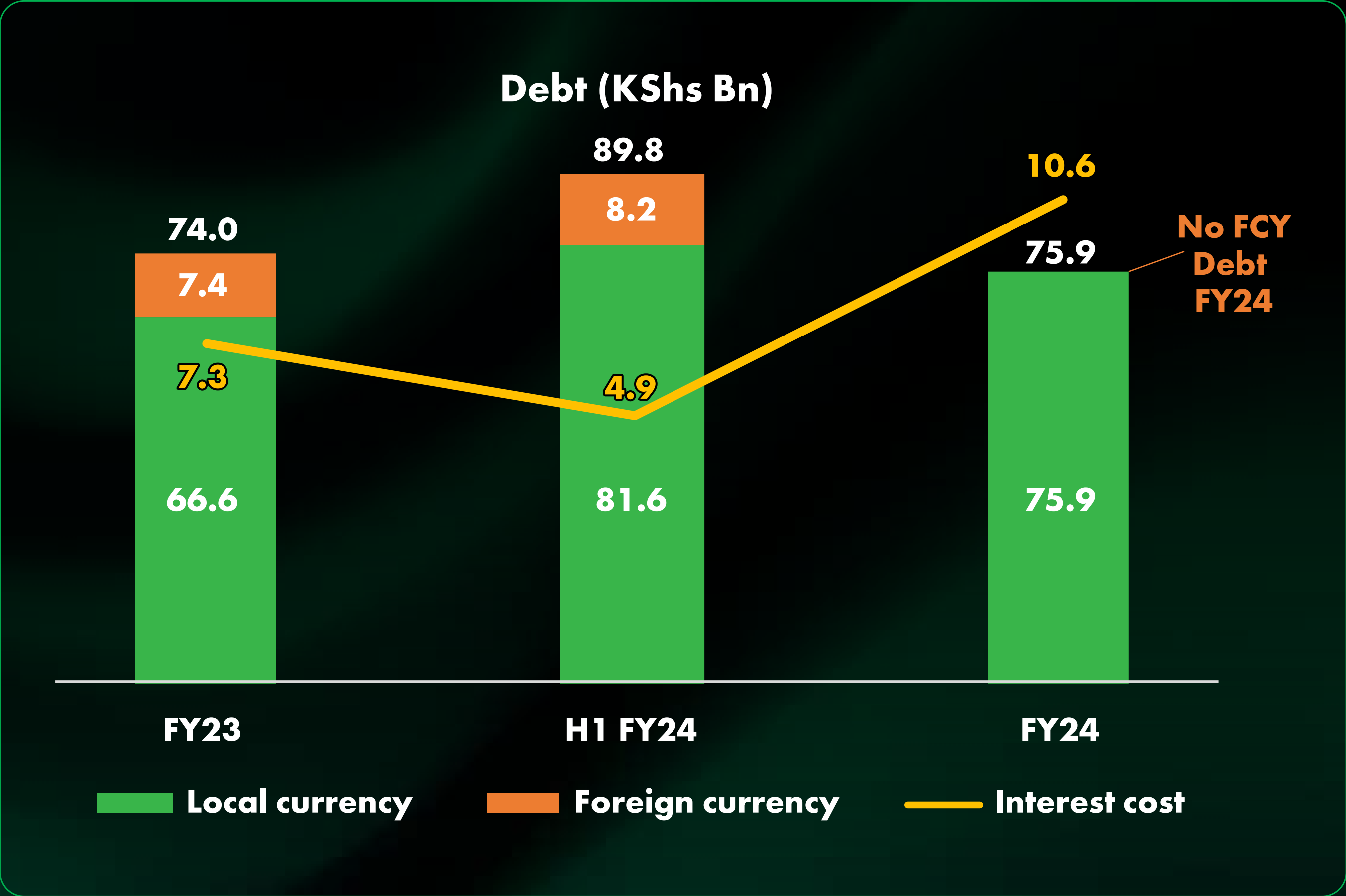


*\*Other admin costs - Sales & Advertising, Travel & Accommodation, Inventory Storage costs, Repairs & Maintenance, Office admin, Consultancy, Computer maintenance & Auditors remuneration, foreign exchange gains*

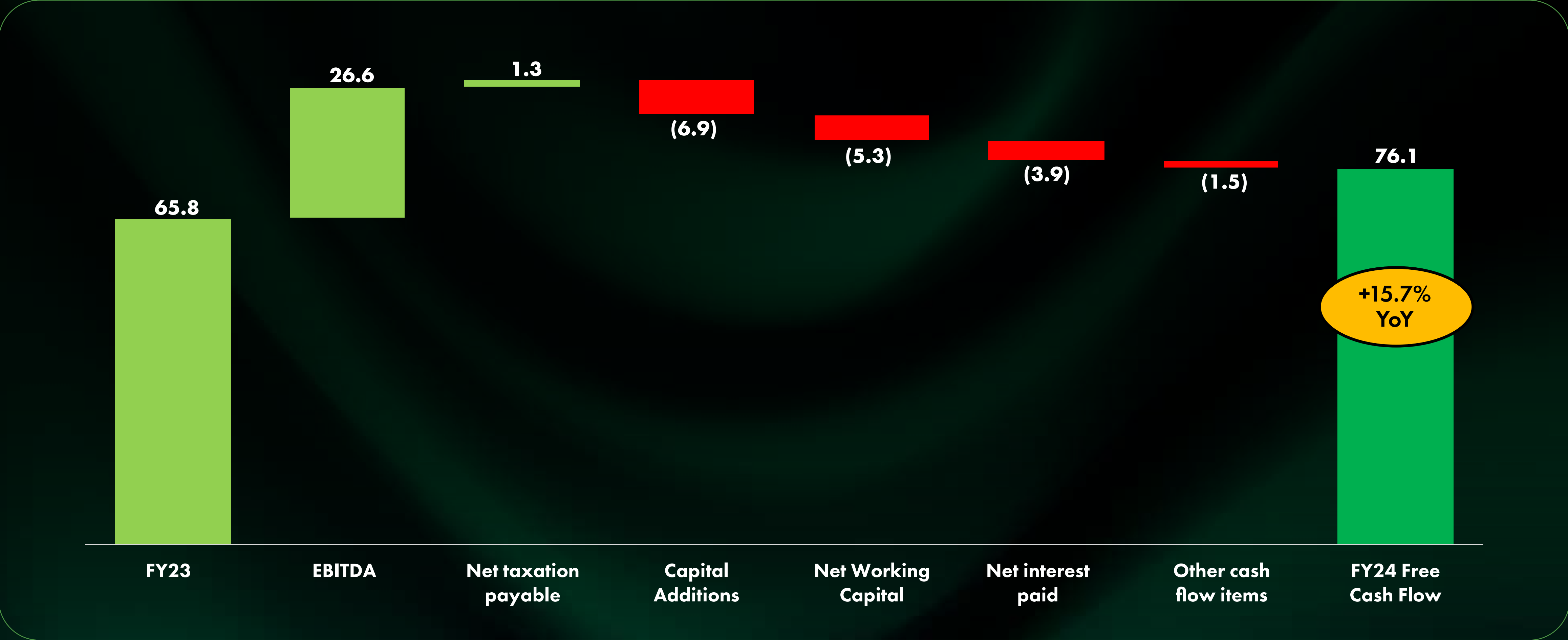


# DEBT & FINANCE COSTS | Growing Finance Costs on the Back of Increased Interest Rates

Net Debt (KShs Bn)			
	FY22	FY23	FY24
Cash & Cash Equivalents	28.1	18.3	21.3
Short term borrowings	(20.4)	(35.5)	(39.8)
Long term borrowings	(44.9)	(38.5)	(36.1)
<b>Net Debt</b>	<b>(37.2)</b>	<b>(55.7)</b>	<b>(54.6)</b>



# CASH FLOW STATEMENT | Strong Cash Flow Position



Numbers are in KShs Bn



## FINANCIAL KPIs | Improved Margins, Well Positioned to Create Value

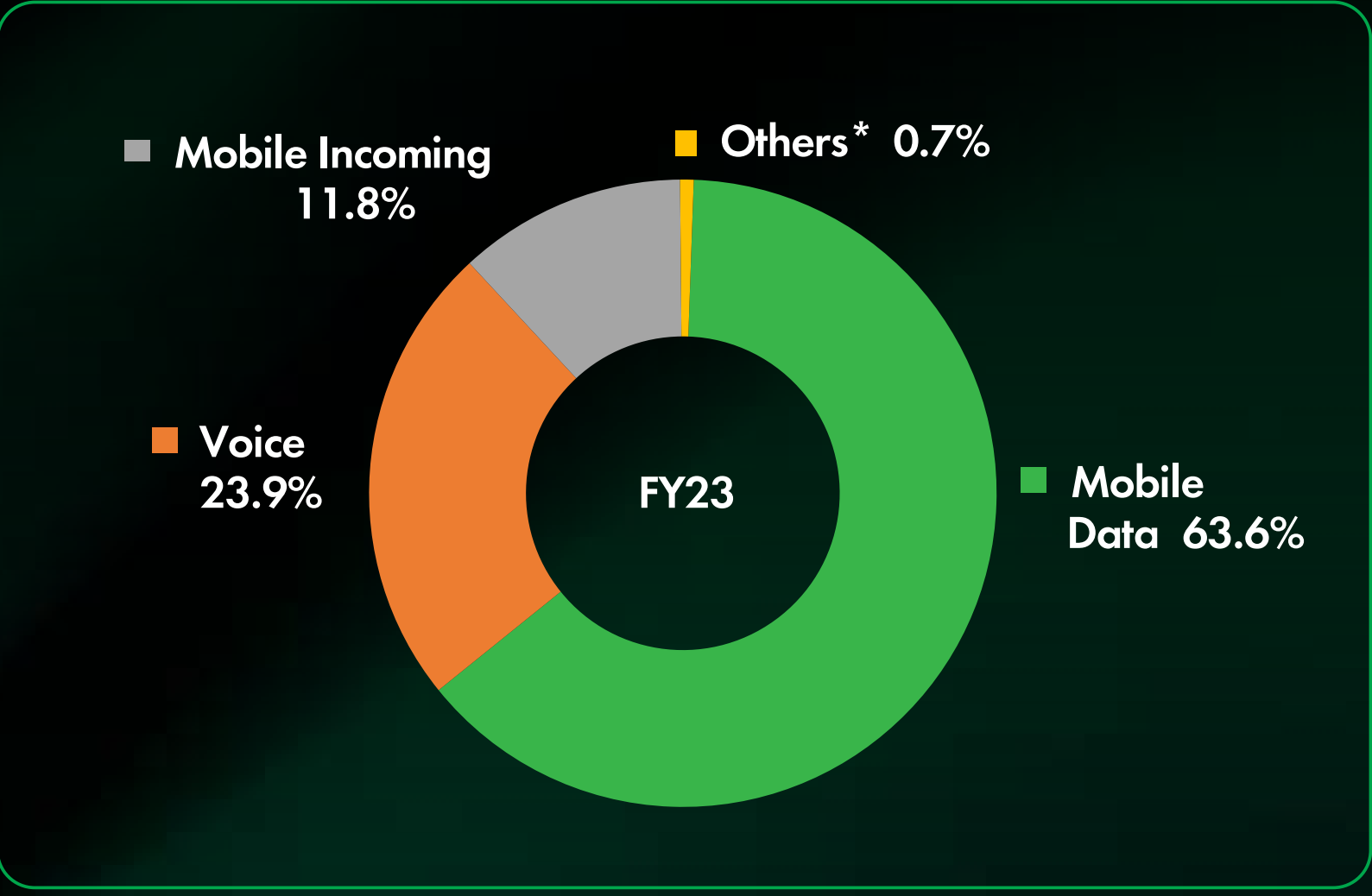
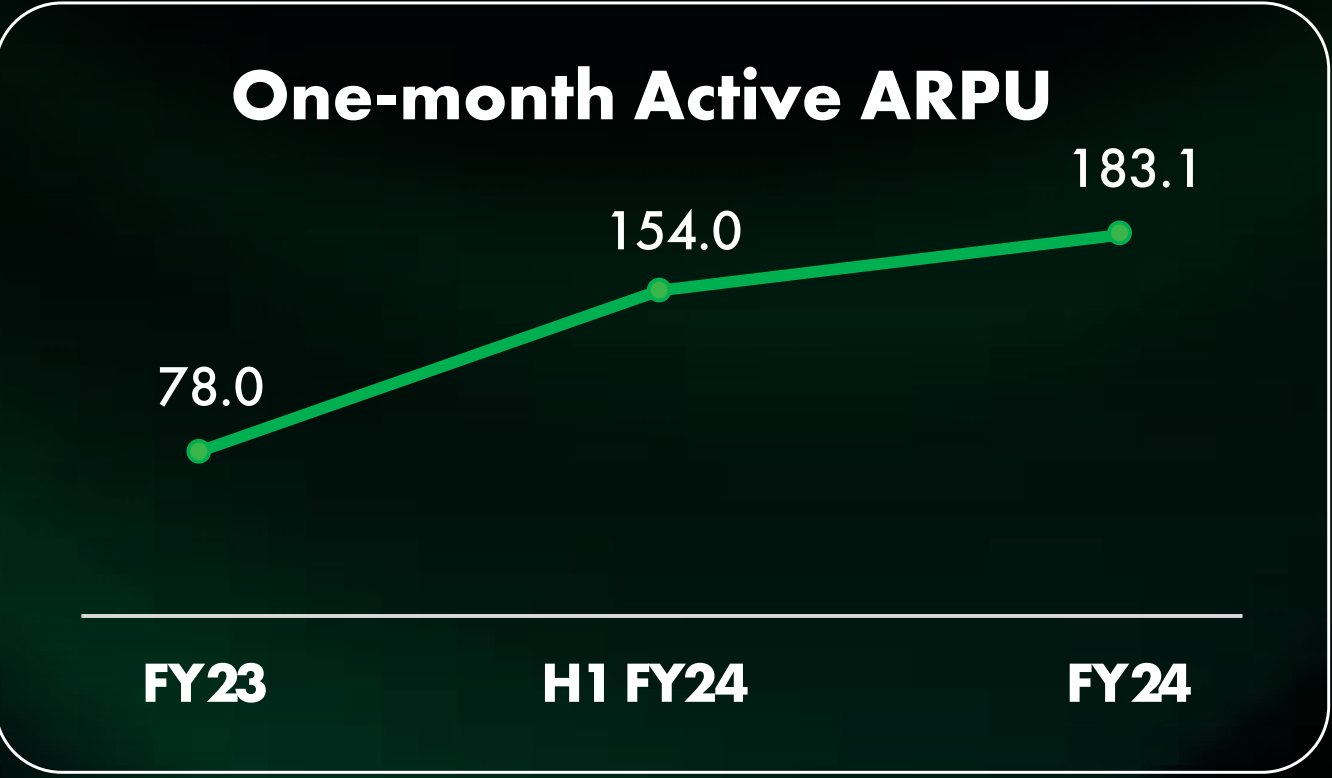
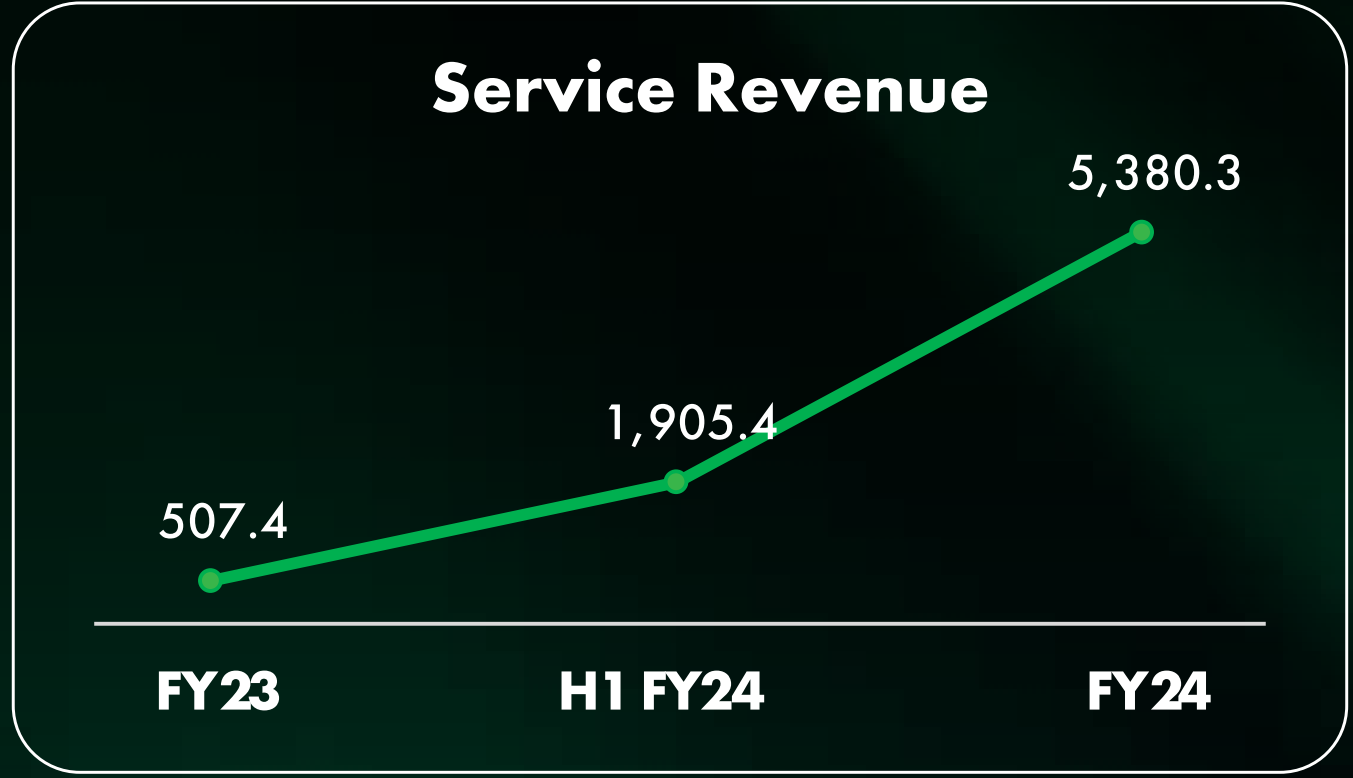
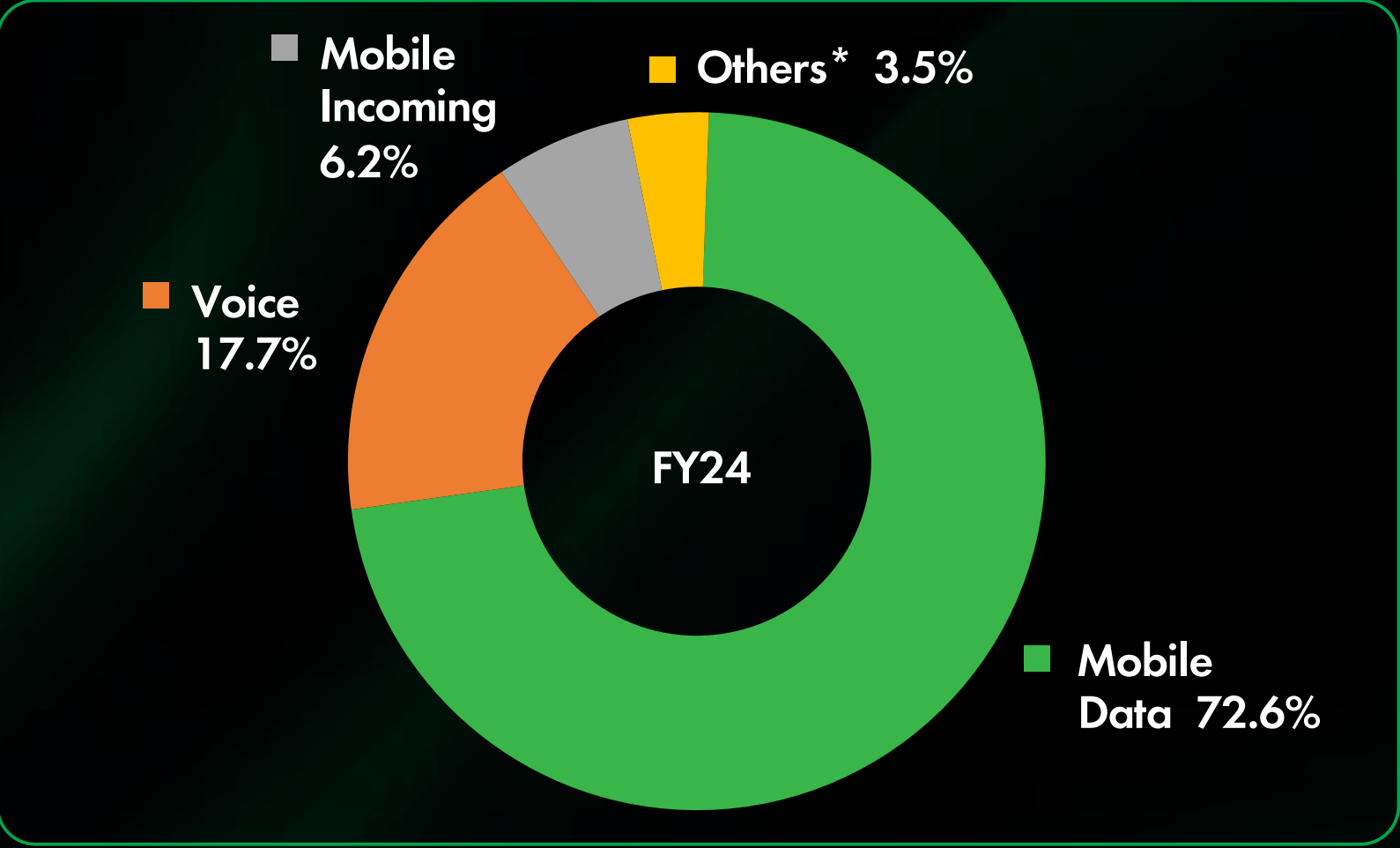
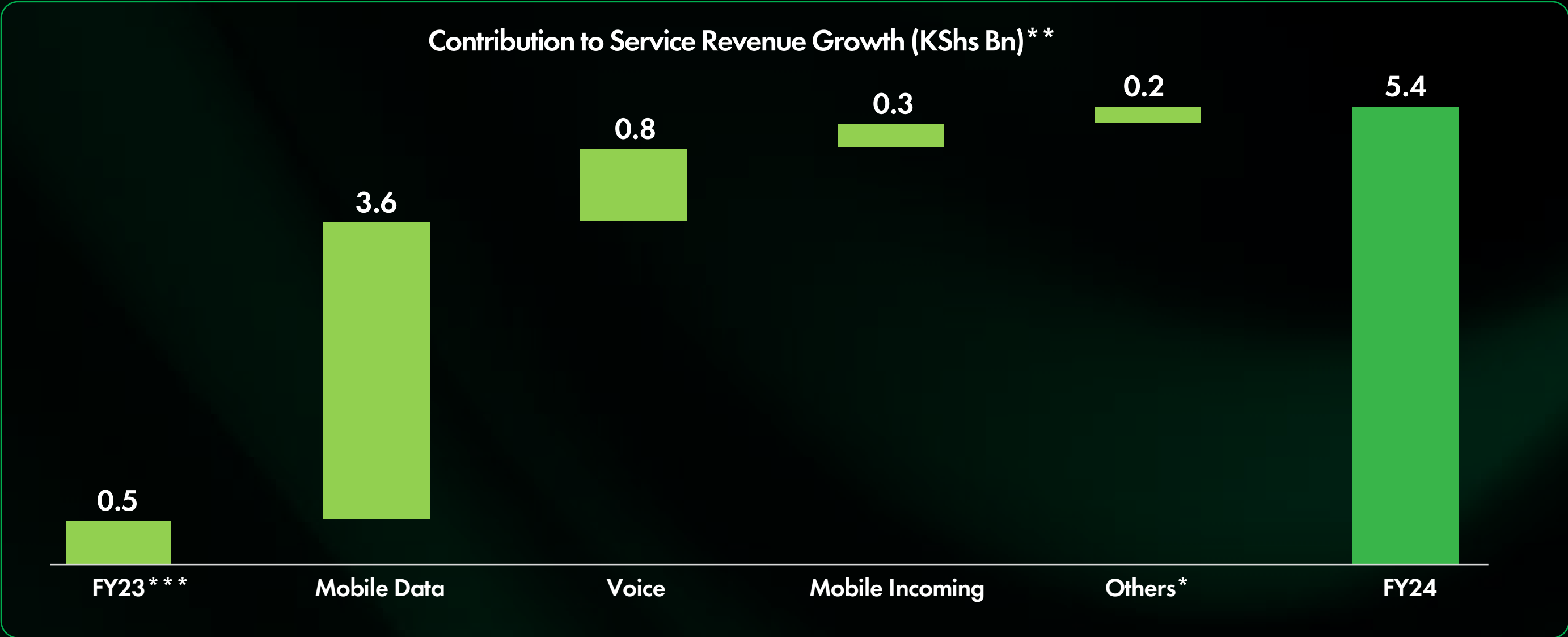
	FY21	FY22	FY23	FY24
Contribution Margin %	68.5%	68.5%	69.9%	72.1%
EBITDA Margin %	51.0%	50.0%	51.9%	54.7%
EBIT Margin %	36.5%	36.6%	37.6%	40.9%
OPEX Intensity	17.5%	18.5%	17.5%	17.4%
CAPEX Intensity	13.2%	13.2%	13.1%	13.8%
ROCE	62.5%	71.7%	65.0%	70.0%
Net Debt to EBITDA	-	0.24	0.35	0.29

*These are Safaricom Kenya numbers*

An aerial photograph of a modern architectural complex featuring several large, interconnected glass domes. The building is illuminated from within, and the scene is set against a dramatic sunset sky with a bright sun low on the horizon. The surrounding landscape is a mix of green fields and dark silhouettes of trees.

# FINANCIAL PERFORMANCE SAFARICOM ETHIOPIA

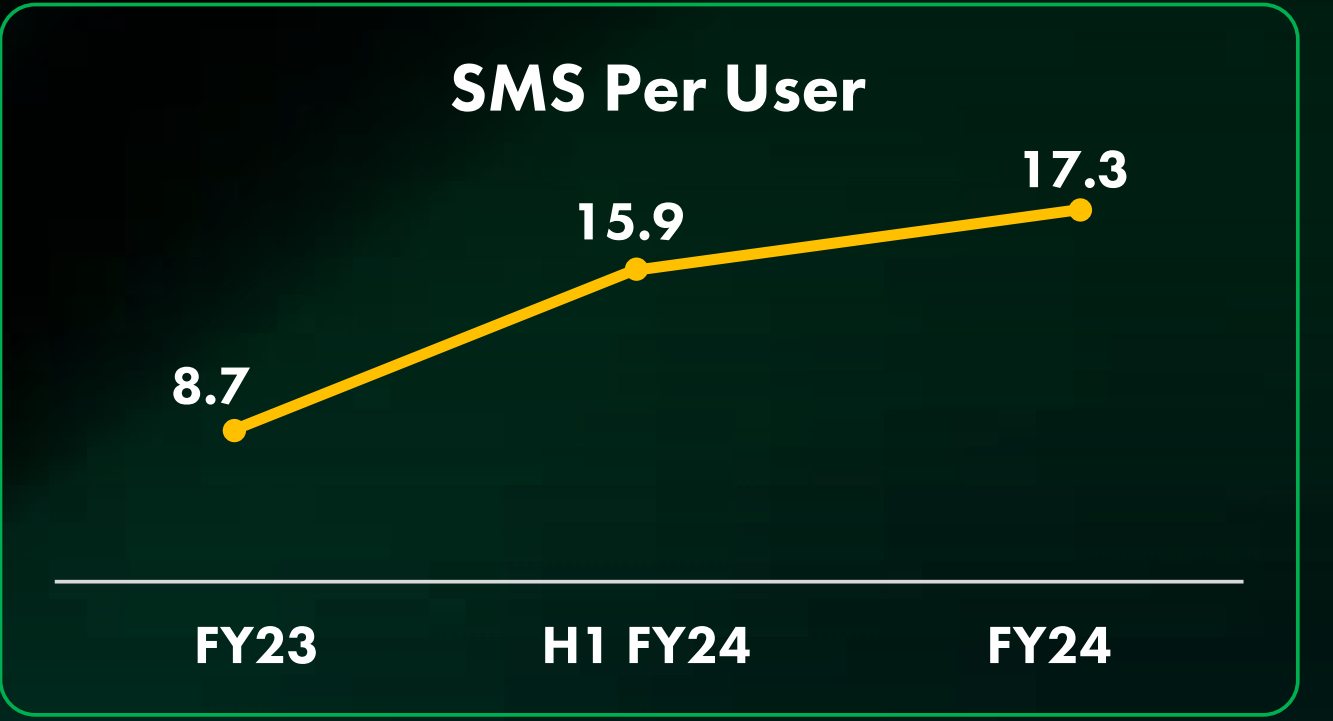
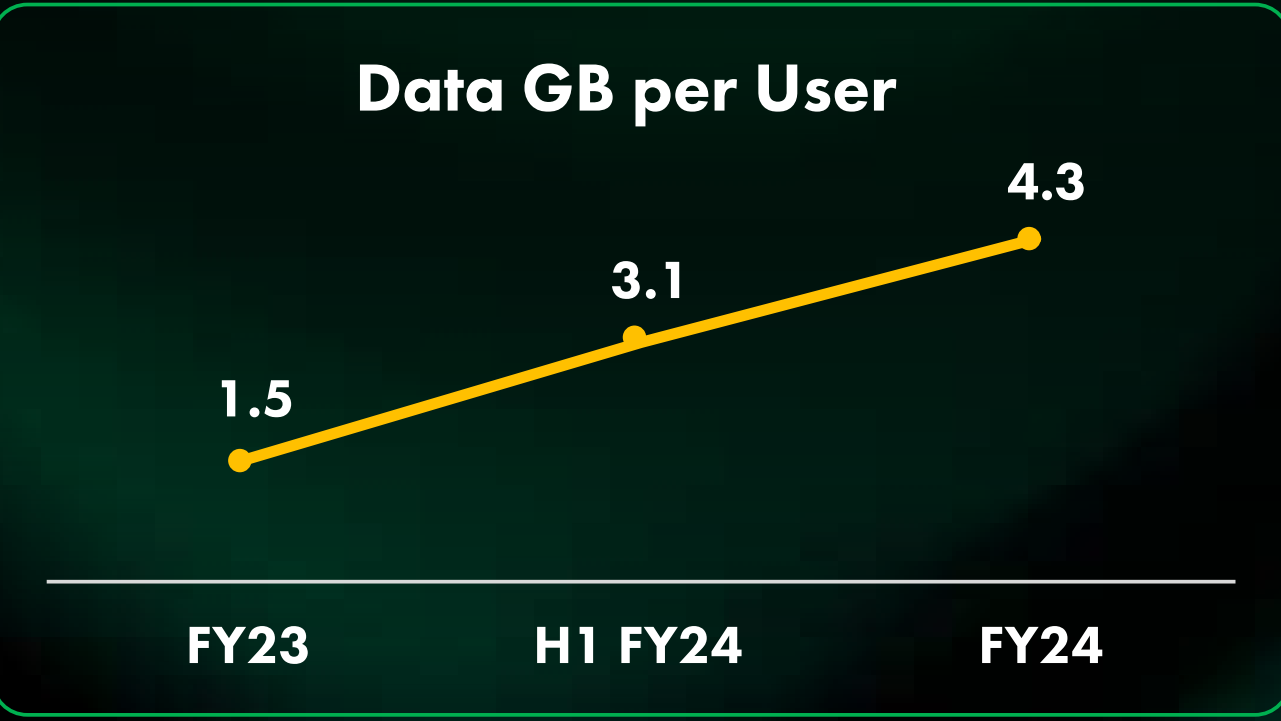
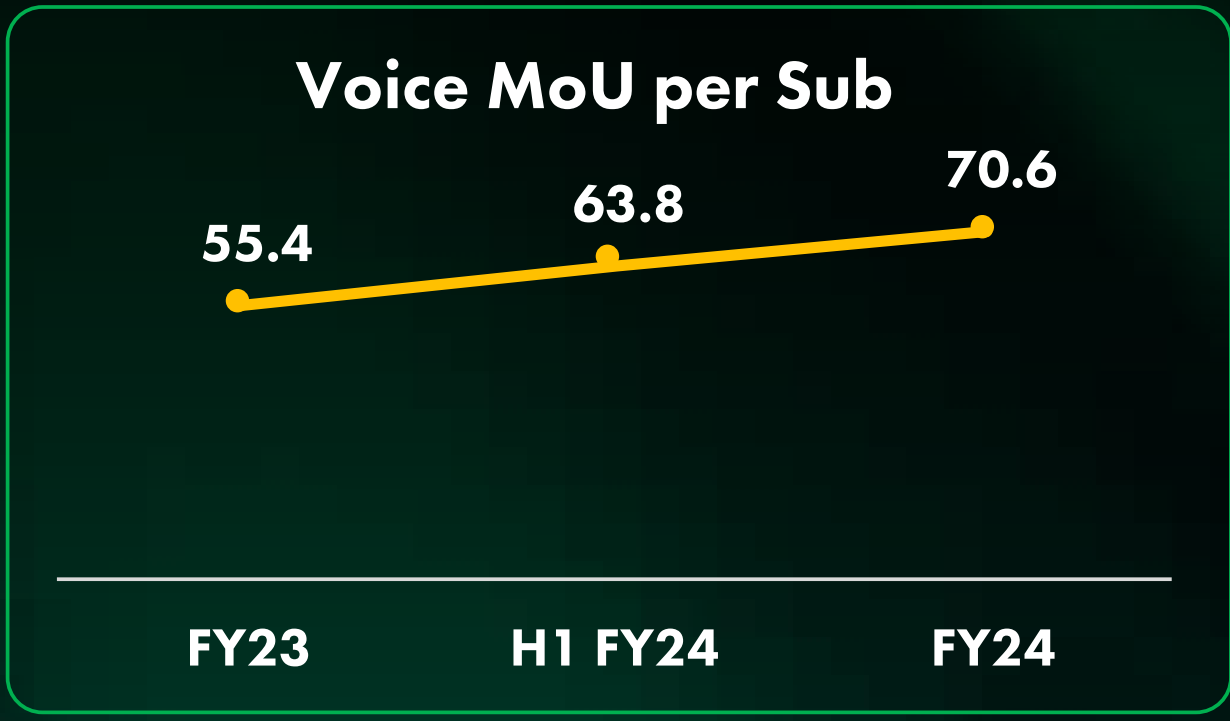
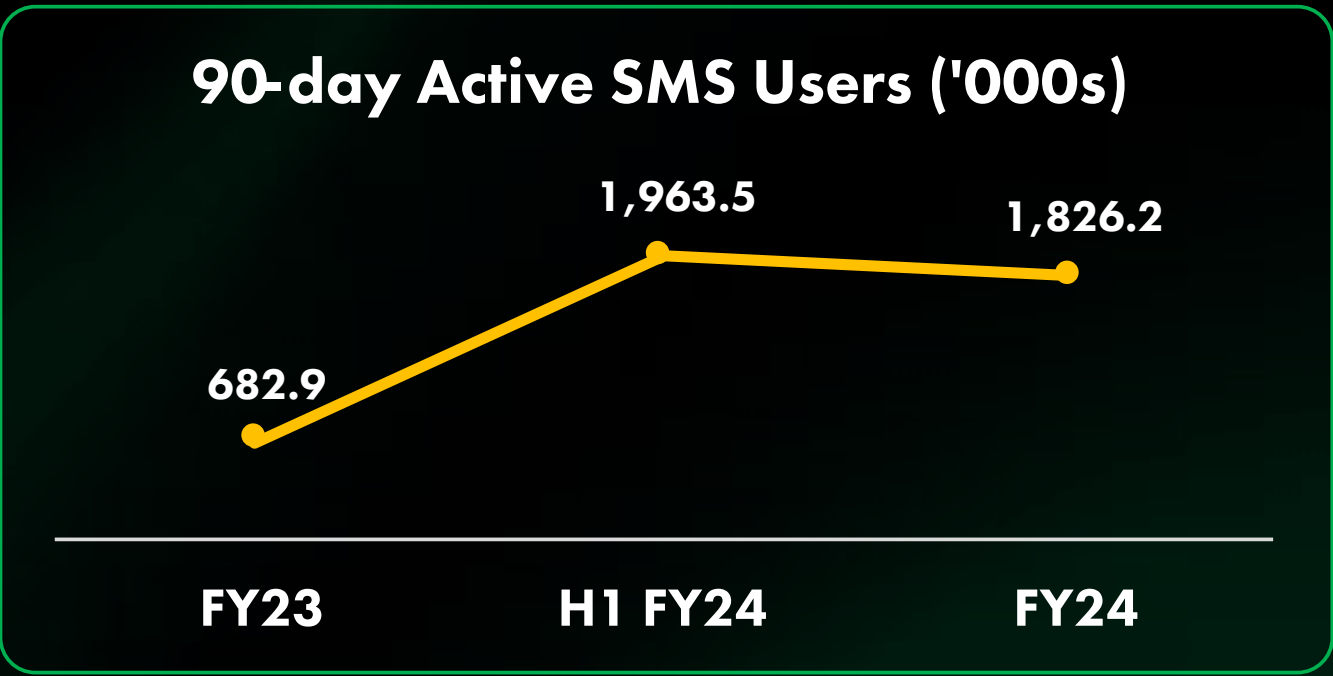
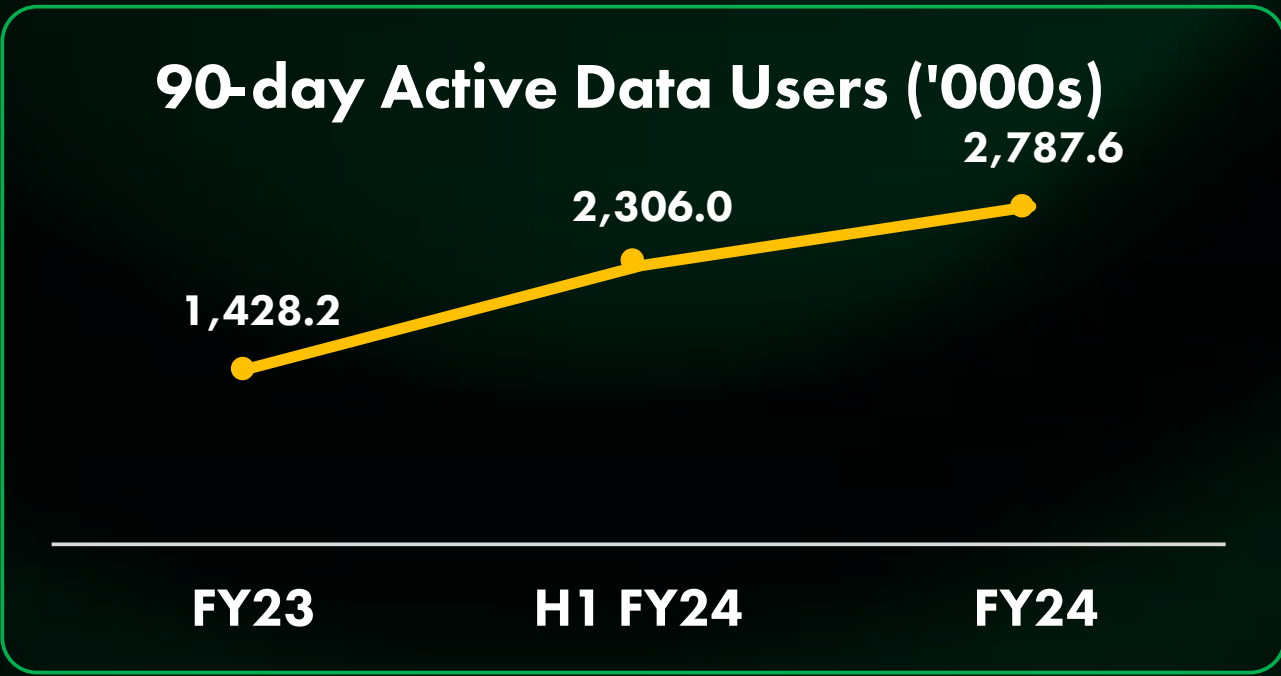
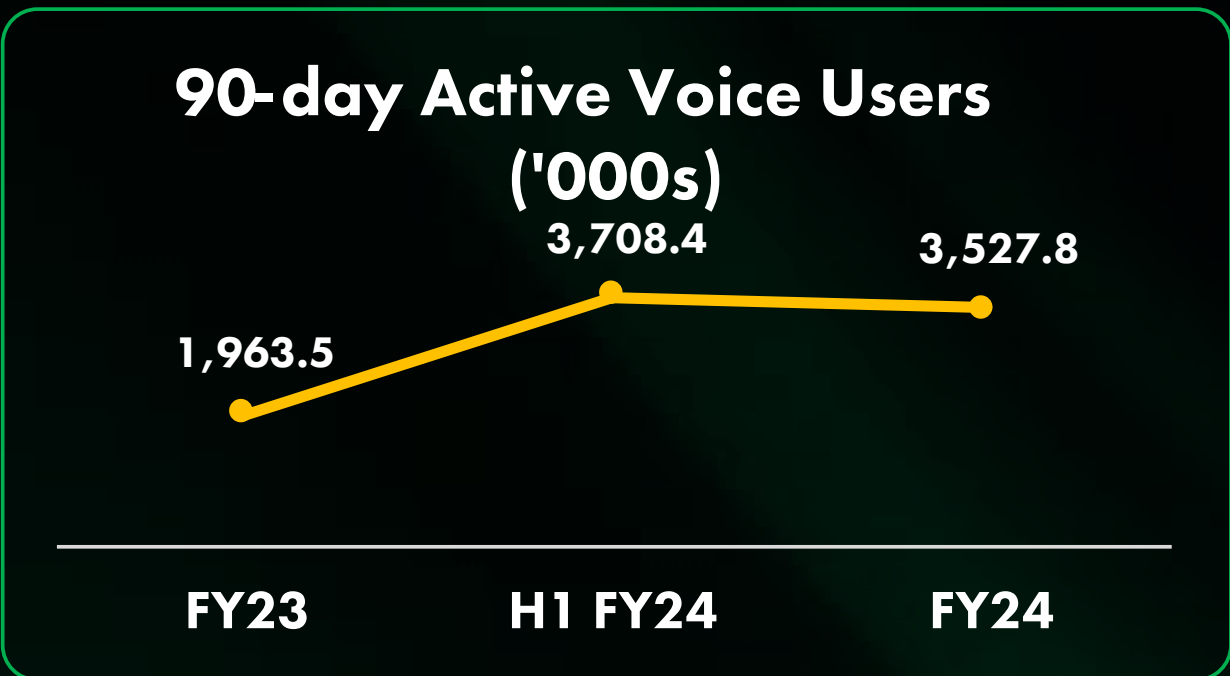
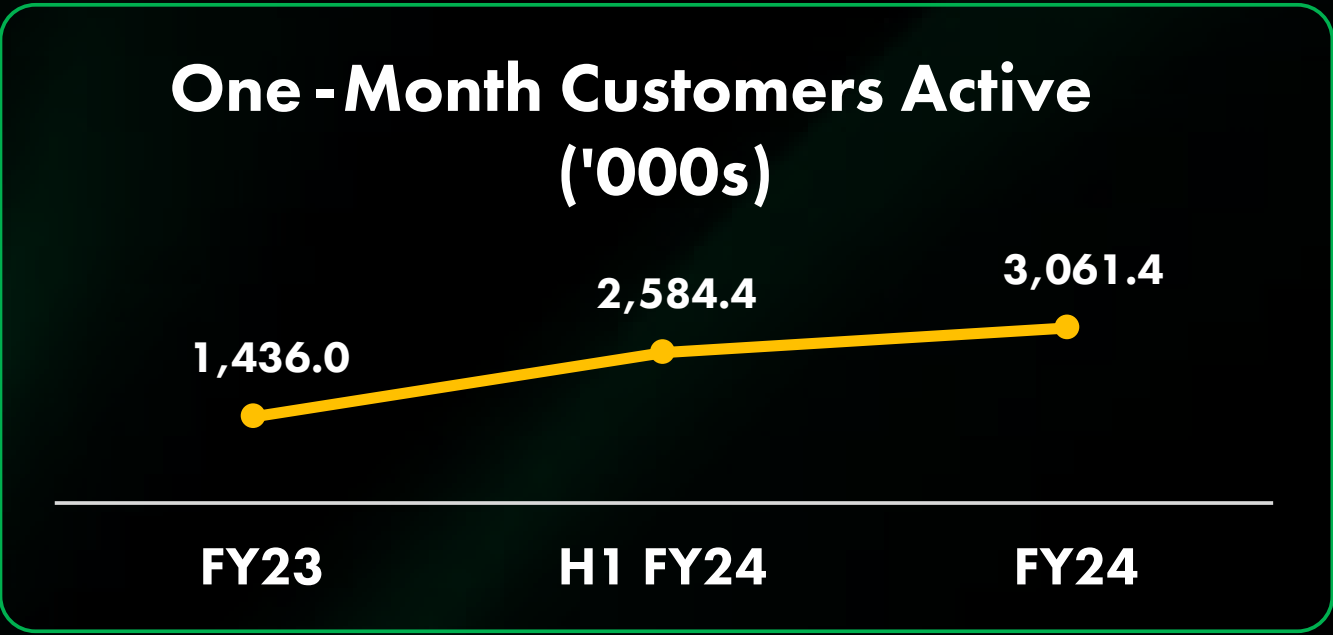
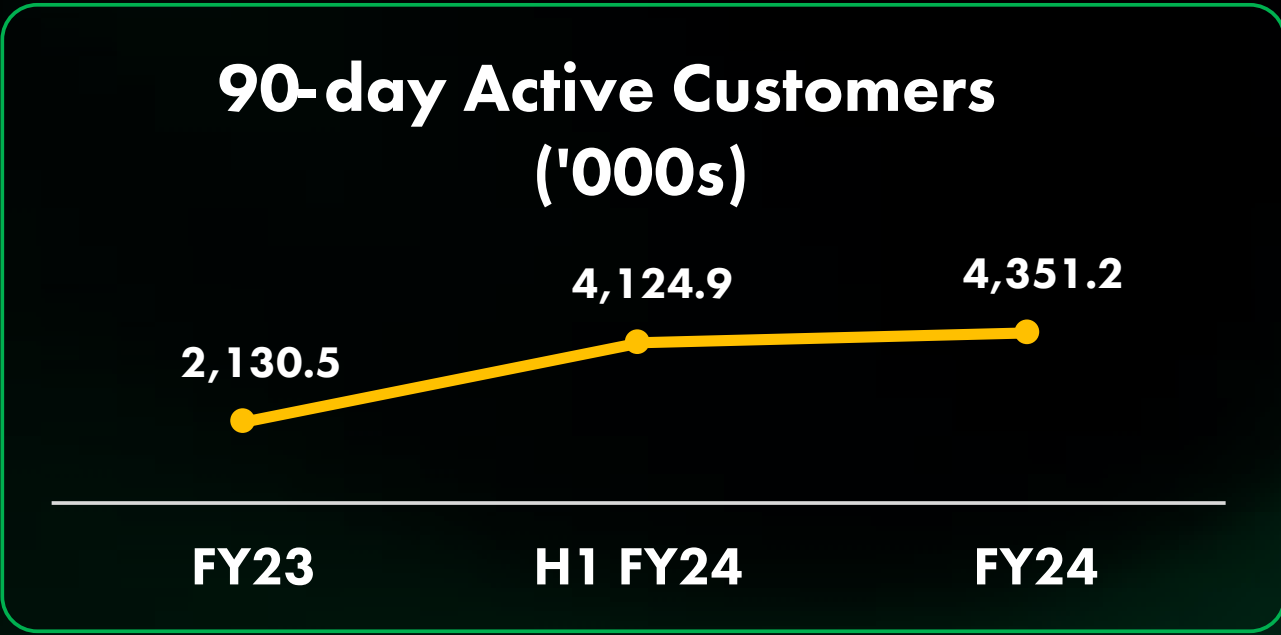
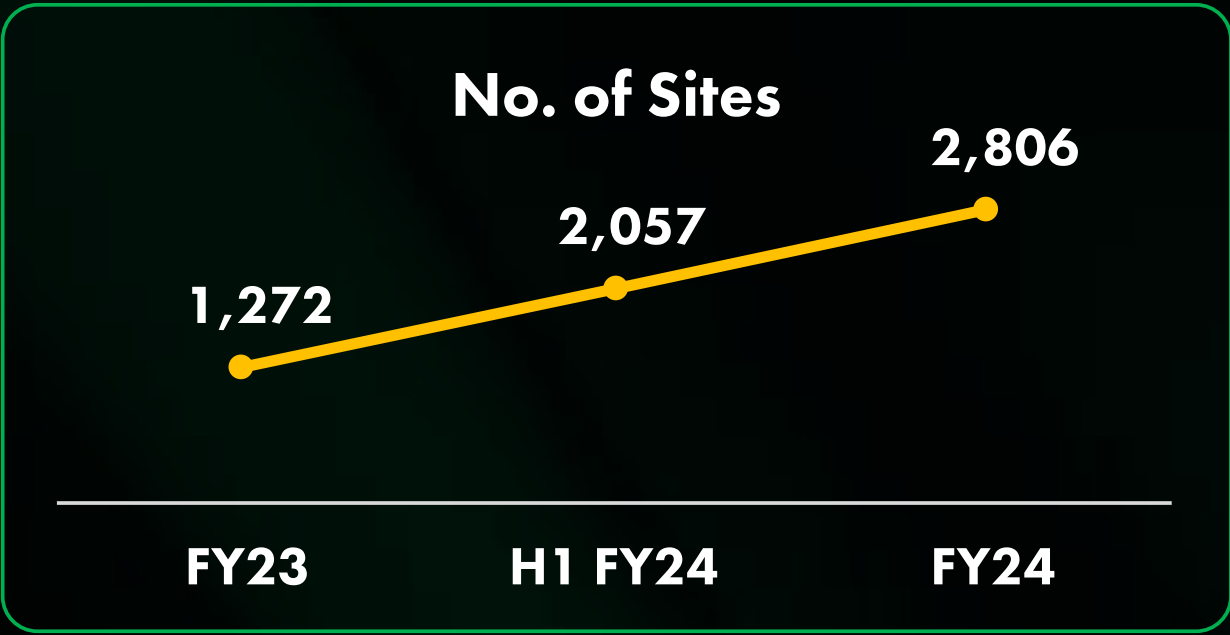
# SERVICE REVENUE | Solid Growth in the 1<sup>st</sup> Full Year Driven by Mobile Data



\*Others – M-PESA Revenue, Messaging Revenue, Fixed Line Wholesale & Transit Revenue and Other Mobile Service Revenue  
 \*\* Exclusive of IAS29  
 \*\*\*7 months of commercial operations



# CUSTOMERS & USAGE | Sustained Growth Momentum





## Capex Investment

5Yr Plan;  
**USD 1.0 - 1.3Bn**  
 (Previously USD 1.5 - 2.0Bn)

3Yr Actual;  
**USD 853Mn**

10Yr Sites Rollout;  
**Target; 8 - 10k (Previously 10 - 12k)**  
**FY24 Actual; 2,806 sites**



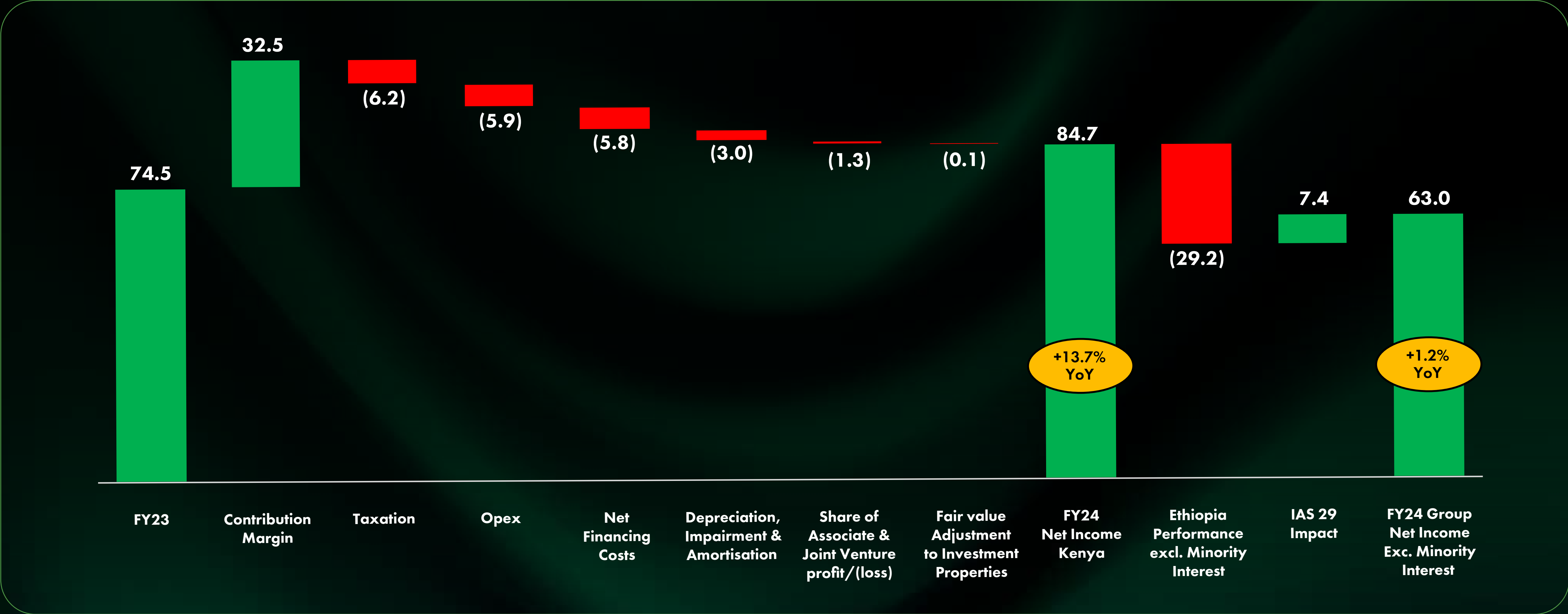
## Funding Status

USD Mn	FY24
Equity cash funding	1,626
Local currency debt funding	134
IFC debt funding	100
<b>Total Funding</b>	<b>1,860</b>

- Total Equity Funding as at FY24 by;
  - Shareholders\*
    - Y1-Y3; **USD 1,626Mn**
  - Safaricom PLC
    - Y1-Y3; **USD 840Mn**
- Deferred vendor payments  
**USD 301Mn**

*\*Shareholders & their respective shareholding of Global Partnership for Ethiopia B.V (GPE), the investment vehicle to Ethiopia; Safaricom PLC (51.67%), Vodacom Group (5.74%), Sumitomo Corporation (25.23%), British International Investment (formerly CDC Group PLC) (10.11%) and IFC (7.25%).*

# GROUP NET INCOME | Return to Growth on the Bottom Line

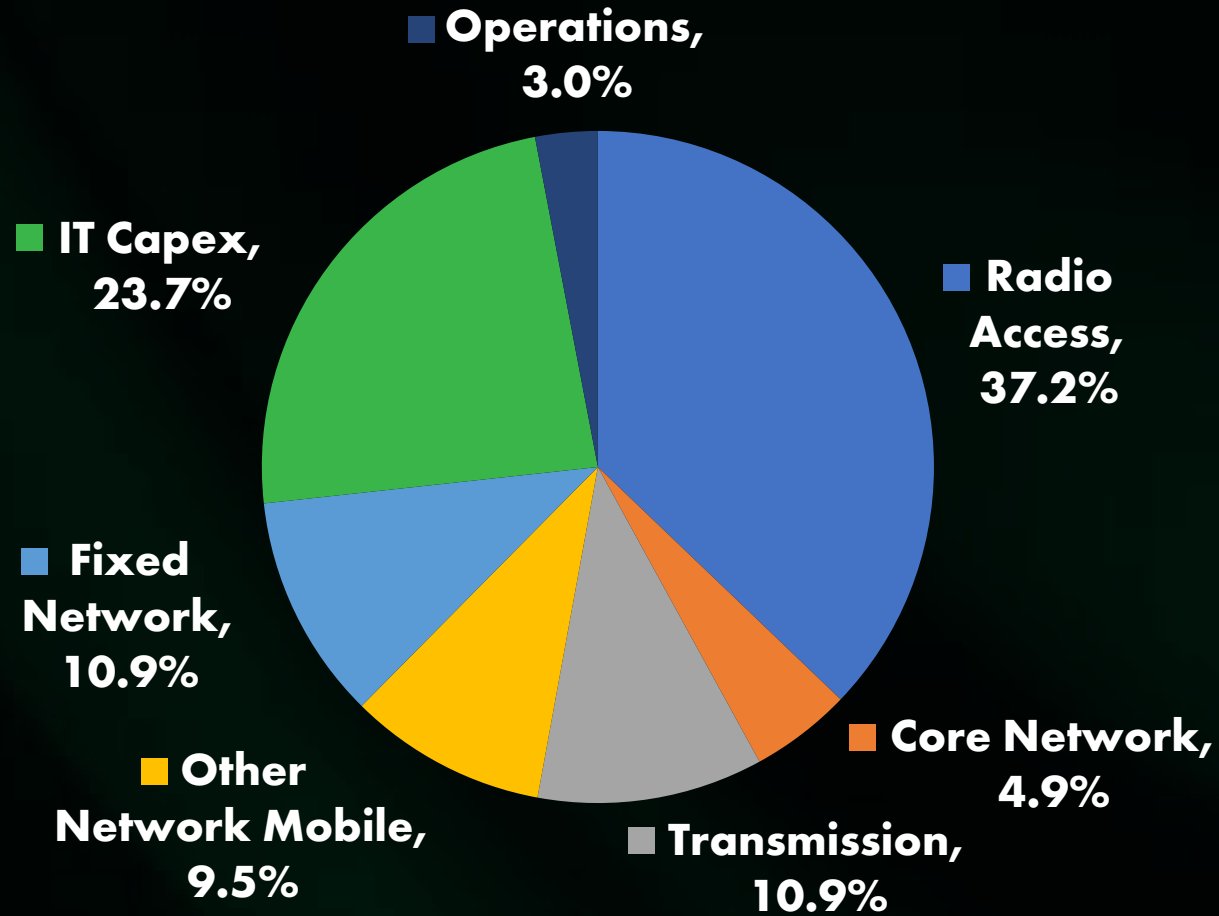


All numbers are in KShs (Bn)

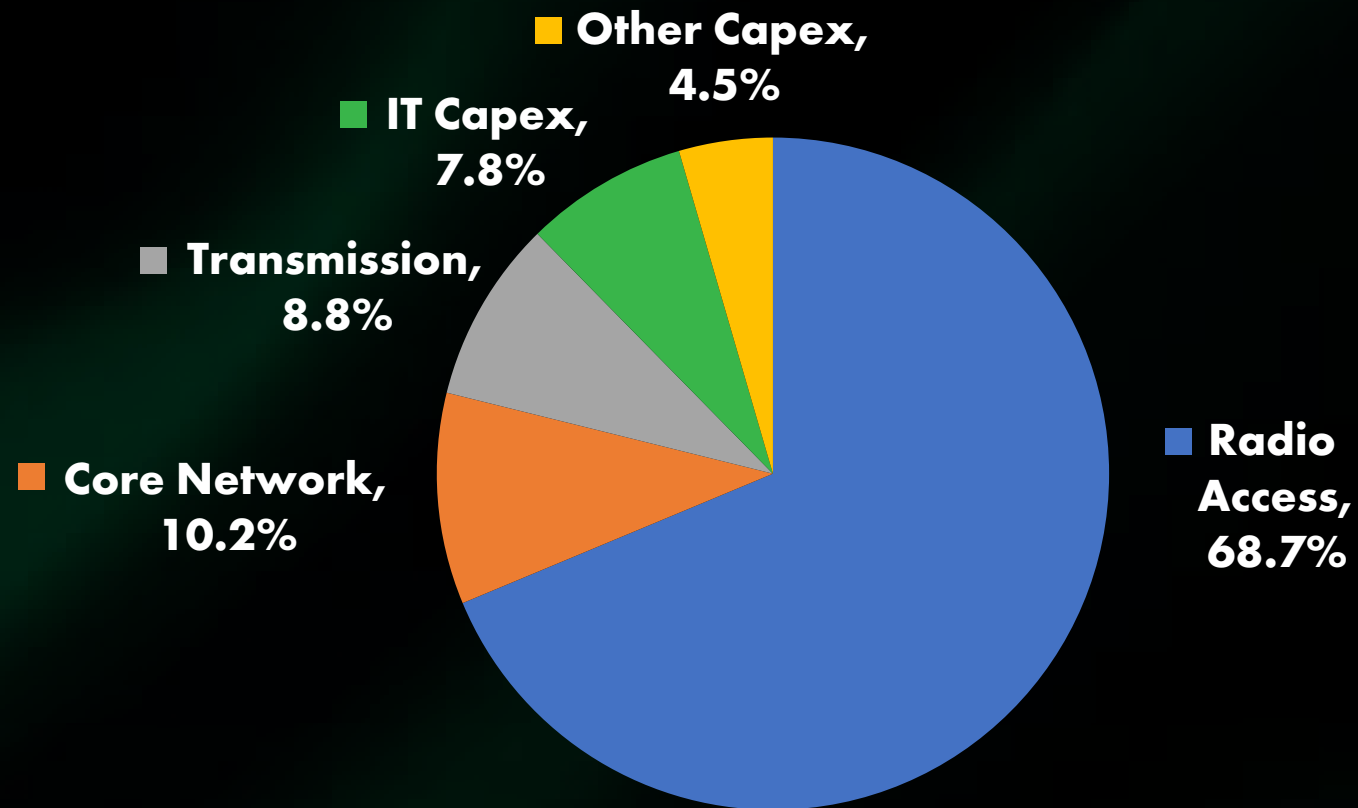


# CAPEX | Sustained Investment to Support Network Expansion in New Growth Areas & Ethiopia

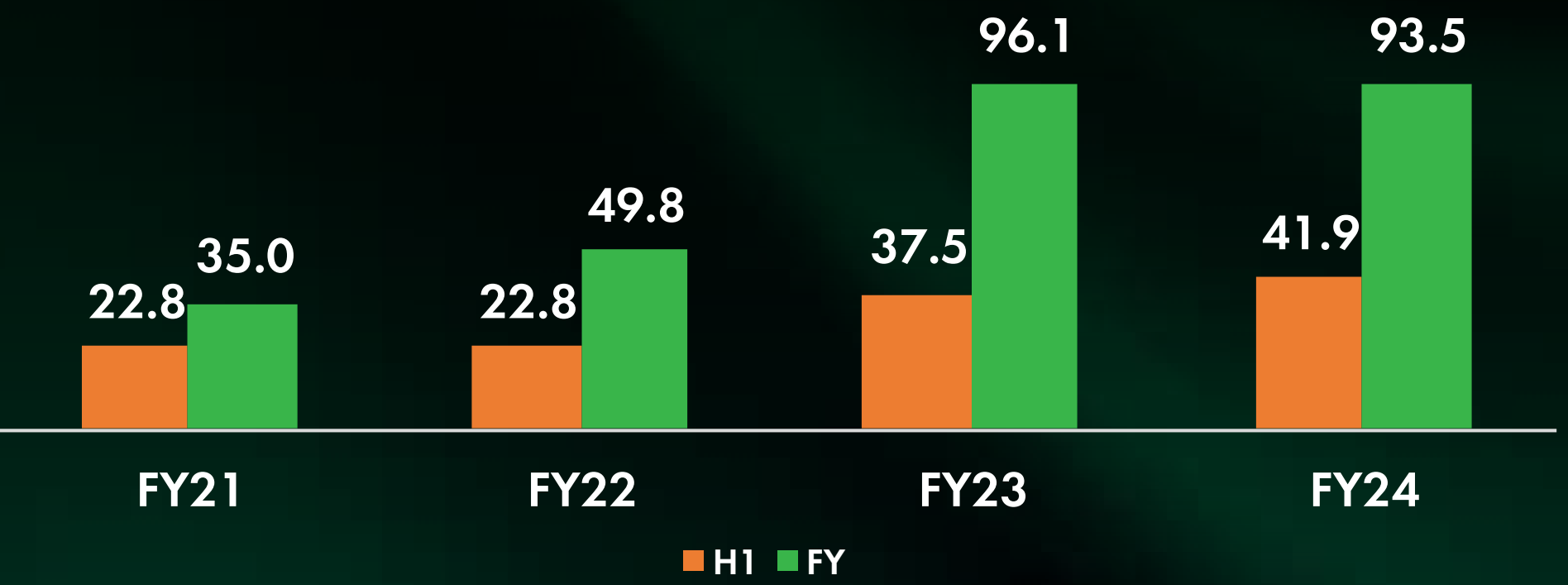
FY24 Capex Split - Kenya



FY24 Capex Split - Ethiopia



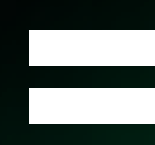
Group Capex (KShs Bn)



**Kenya**  
KShs 47.3Bn  
+17.2% YoY



**Ethiopia**  
KShs 46.2Bn  
-17.1% YoY



**Group**  
KShs 93.5Bn\*  
-2.7% YoY

\*Excludes hyperinflationary impact

## FY24 GROUP PERFORMANCE | Strong Results on Constant Currency Basis

	Kenya	Group Reported	Group Constant Currency
<b>Service Revenue</b>	+11.7%	+13.4%	+13.4%
<b>EBITDA</b>	+16.6%	+16.8%	+19.2%
<b>EBIT</b>	+20.4%	-5.5%	+0.5%
<b>Net Income</b> Excluding Minority Interest	+13.7%	+1.2%	+4.2%

# FY24 GROUP PERFORMANCE

	Safaricom Kenya (KShs Mn)	Safaricom Ethiopia (KShs Mn)	Safaricom Group (KShs Mn)	Safaricom Kenya % YoY	Safaricom Ethiopia % YoY	Safaricom Group % YoY	Group Constant Currency % YoY
<b>Service Revenue</b>	<b>329,805.6</b>	<b>5,758.3</b>	<b>335,353.1</b>	<b>11.7%</b>	<b>&gt;100.0%</b>	<b>13.4%</b>	<b>13.4%</b>
<b>Total Revenue</b>	<b>342,098.0</b>	<b>7,379.9</b>	<b>349,447.2</b>	<b>10.7%</b>	<b>&gt;100.0%</b>	<b>12.4%</b>	<b>12.3%</b>
Direct Costs	(89,824.9)	(7252.7)	(97,046.9)	-0.7%	>100.0%	5.2%	4.9%
<b>Contribution Margin</b>	<b>246,497.4</b>	<b>84.9</b>	<b>246,592.9</b>	<b>15.2%</b>	<b>&gt;100.0%</b>	<b>15.3%</b>	<b>15.2%</b>
Operating costs	(59,515.8)	(23,784.5)	(83,300.3)	11.0%	19.0%	12.4%	8.3%
<b>Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)</b>	<b>186,981.6</b>	<b>(23,699.6)</b>	<b>163,292.6</b>	<b>16.6%</b>	<b>18.8%</b>	<b>16.8%</b>	<b>19.2%</b>
Depreciation & amortisation	(47,051.8)	(35,896.0)	(82,947.8)	6.7%	>100.0%	51.2%	47.5%
<b>Earnings before Interest and Tax (EBIT)</b>	<b>139,929.8</b>	<b>(59,595.6)</b>	<b>80,344.8</b>	<b>20.4%</b>	<b>94.0%</b>	<b>-5.5%</b>	<b>-0.5%</b>
Hyperinflation net monetary gain*	0.0	22,363.2	22,363.2	0.0%	>100.0%	115.4%	115.4%
<b>Profit/ (loss) after tax excluding Minority Interest</b>	<b>84,739.5</b>	<b>(21,748.8)</b>	<b>62,991.7</b>	<b>13.7%</b>	<b>100.0%</b>	<b>1.2%</b>	<b>4.2%</b>
<b>Capex**</b>	<b>47,292.6</b>	<b>46,248.1</b>	<b>93,540.7</b>	<b>17.2%</b>	<b>-17.1%</b>	<b>-2.7%</b>	<b>-9.5%</b>

\*The gain in monetary position is as a result of the Ethiopian economy being declared as hyper-inflationary on and after 31 March 2024.

\*\*Capex numbers exclude hyper-inflationary adjustments. Average ETB/KShs exchange rate is at 2.623.

Safaricom Kenya numbers includes Kenyan subsidiaries. Safaricom Group is net of intercompany eliminations.



An aerial view of a futuristic floating city at sunset. The city consists of several large, interconnected platforms supported by tall, blue, cylindrical pillars. The platforms are illuminated with warm, golden lights, and the water around them is dark blue with white foam from the waves. In the background, there is a coastline with green hills and a few buildings under a sky with soft, orange and yellow clouds.

# OUTLOOK & CONCLUSION



**Strong Kenya performance**



**Gaining commercial progress in Ethiopia**



**M-PESA Launch in Ethiopia**



**Big Data Acceleration**



**Delivered value for our customers**



**Launched device assembly plant**



**Partner in digitizing Kenya**

**DIVIDENDS** | Similar Payout as Last Year

**FY23  
Interim  
Dividend**

**KShs 23.24 Bn**  
KShs 0.58 DPS

**FY23  
Final  
Dividend**

**KShs 24.84 Bn**  
KShs 0.62 DPS

**FY24  
Interim  
Dividend**

**KShs 22.04 Bn**  
KShs 0.55 DPS

**FY24  
Proposed final  
Dividend**

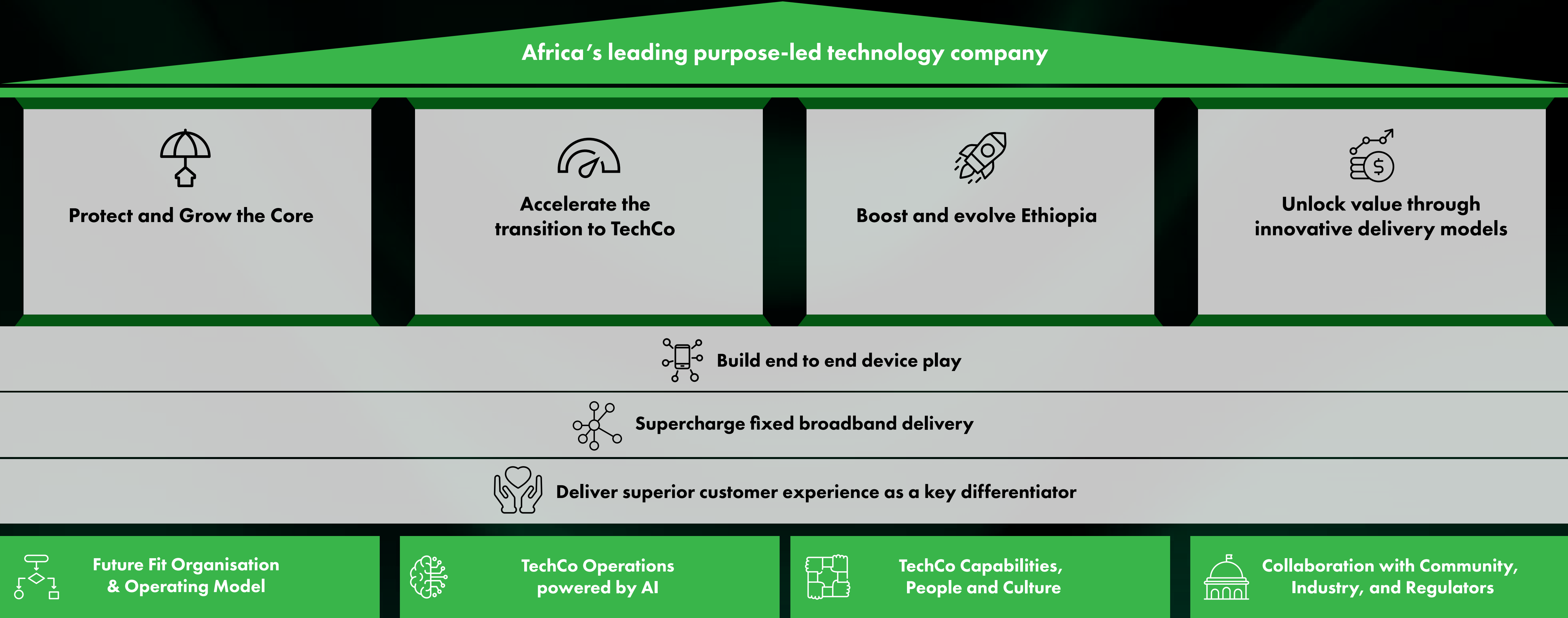
**KShs 26.04 Bn**  
KShs 0.65 DPS

**FY23 KShs 48.08Bn**  
KShs 1.20 DPS

**FY24 KShs 48.08Bn**  
KShs 1.20 DPS



# 2030 Vision | Anchored on Becoming Africa's Leading Purpose-led Tech-company



## Kenya

### **Service revenue profile**

- M-PESA; Double digit growth
- Mobile connectivity; High single digit growth
- Fixed; Double Digit Growth

 **EBITDA Margin;** Stable

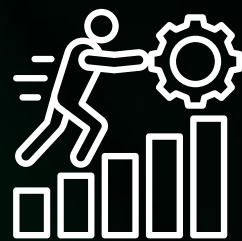
 **Capex;** Stable Capex Intensity

## Ethiopia

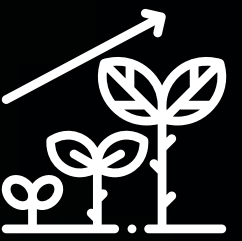
 **EBITDA;** Breakeven in YR4 (FY26)

 **Commercial scale;** 15-20Mn customers

 **Infrastructure scale;** >4,000 sites



**Deliver frictionless digital first customer experience**



**Unlock segment led growth opportunities for the core business**



**Invest in tech capabilities to accelerate path towards TechCo**



**Accelerate Ethiopia commercial execution**



**Scale Best-in-class Fixed Broadband services**



## FY25 GUIDANCE | Safaricom Kenya, Ethiopia & Group

All numbers are in KShs and exclude IAS 29

	Kenya	Ethiopia*	Group
<b>EBIT</b>	149 - 152Bn	(46 - 43)Bn	103 - 109Bn
<b>FY24 Actual</b>	139.9Bn	(45.0)Bn	94.9Bn
<b>Capex</b>	52 - 55Bn	21 - 24Bn	73 - 79Bn
<b>FY24 Actual</b>	47.3Bn	46.2Bn	93.5Bn

### \*Ethiopia Guidance Assumptions

- Mobile customers target of 7 - 10Mn 90-day customers, 2.5 - 4Mn M-PESA 30-day active customers
- Target sites – 3,500 in FY25



THANK YOU!

# Corporate Information

---

## Registrars

Image Registrars Limited  
5th Floor, Absa Plaza, Loita Street  
P.O. Box 928-00100, Nairobi  
Telephone: +254 709 170 000  
Email; Info@image.co.ke  
Website: www.image.co.ke

## Investor Relations

Safaricom House  
Waiyaki Way, Westlands  
P.O. Box 66827-00800, Nairobi  
Telephone: +254 722 00 6218/4233/4746  
Email: investorrelations@safaricom.co.ke  
Website: www.safaricom.co.ke/investor-relations

## Auditors

Ernst & Young  
Kenya Re Towers, Off Ragati Road  
P.O. Box 44286-00100, Nairobi  
Telephone: +254 20 2886000

## Upcoming Updates

### AGM

July 2024

### Safaricom Ethiopia Q1 Update

July 2024

### HY25 Results

November 2024

---

Visit our website for more information

[www.safaricom.co.ke](http://www.safaricom.co.ke)



A large drone is shown in the foreground, flying over a lush green field. It is spraying a fine mist of liquid from two nozzles. In the background, several other smaller drones are visible, also spraying the field. The scene is set against a backdrop of rolling hills and mountains under a soft, golden sunset sky. The overall atmosphere is serene and technologically advanced.

**Simple • Transparent • Honest**  
**FOR YOU**