



SAFARICOM PLC

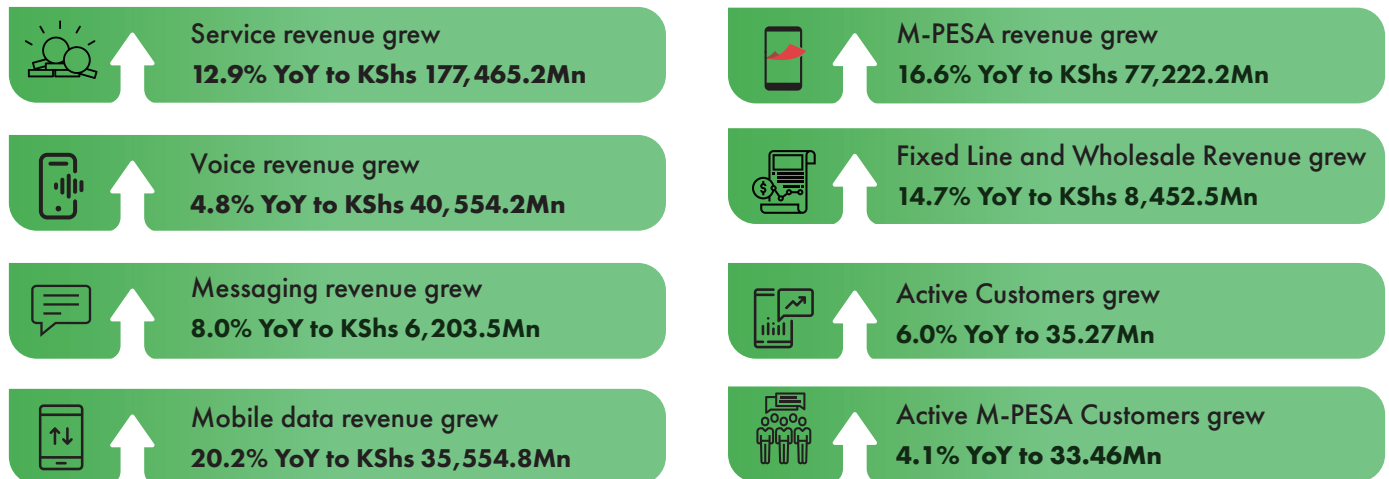
RESULTS BOOKLET

**UNAUDITED RESULTS FOR
THE SIX MONTHS ENDED
30TH SEPTEMBER 2024**

UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 30TH SEPTEMBER 2024

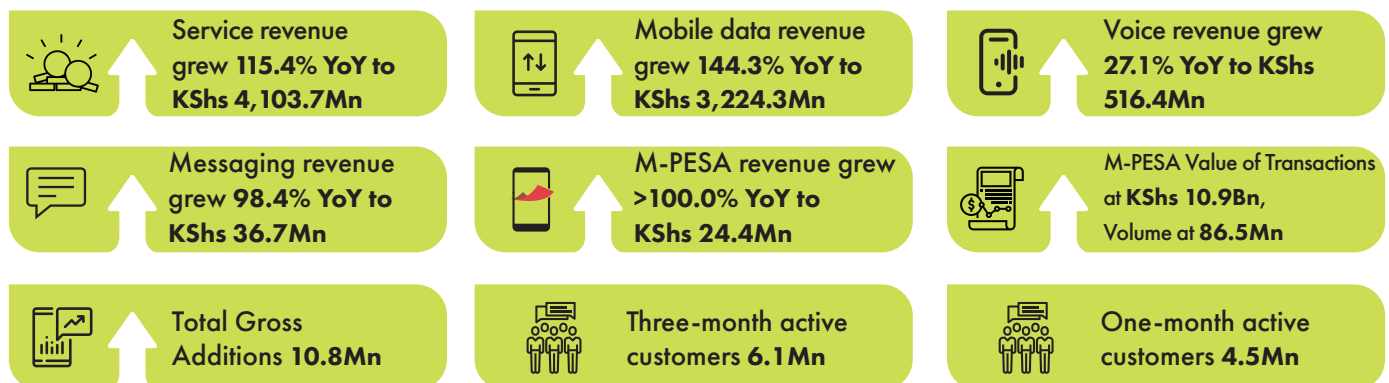
Key Highlights of our HY25 Performance

Safaricom Kenya Performance

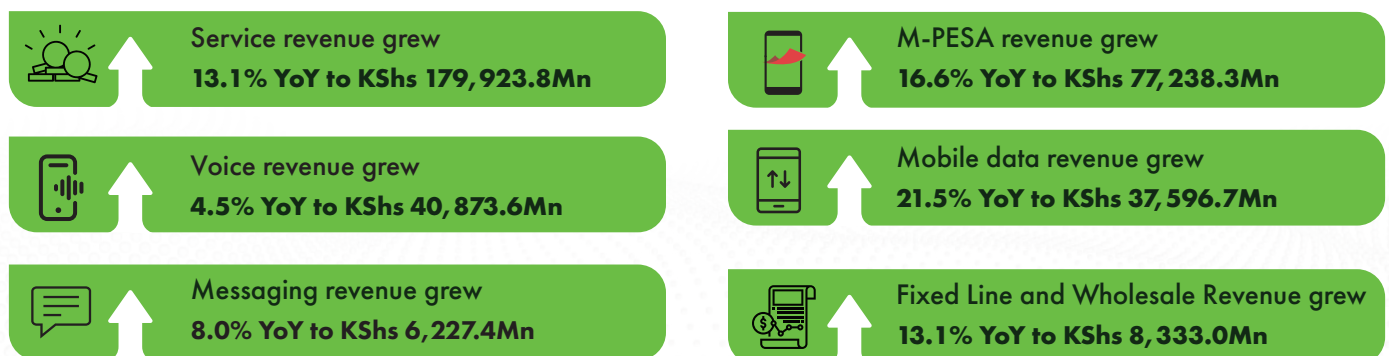


Safaricom Telecommunications Ethiopia (STE) Performance

(excl. IAS29 and Birr depreciation impact)



Safaricom Group Performance



Peter Ndegwa, Safaricom PLC CEO commented:

Operating Environment

This fiscal year marks the start of the new strategy which is linked to our vision of being Africa's Purpose-led Techo by year 2030. I am proud of the achievements of the first half of this financial year despite the tough headwinds. We operated under an extremely difficult period in both Kenya and Ethiopia, leading to an accelerated pressure on our customers spending power. This pressure is largely driven by global and local macroeconomic factors and political and social upheaval exerting pressure on consumer wallets.

Despite these challenges, I am encouraged by the resilience and commitment displayed by my colleagues who were able to deliver for our customers while maintaining shareholder value. We remain committed to Transforming Lives and positively impacting our communities as we gear up for our silver jubilee in the next one year. We have made great strides and delivered strong growth as we execute our first mission towards our new 5-year vision.



Purpose and ESG

We remain deeply rooted in the societies we operate in, driven by our purpose of transforming lives. Our commitment to the society remains at the core of our operations.

During this period, our M-PESA and Safaricom Foundations continued to impact lives through various projects and partnerships. M-PESA Foundation continued to take healthcare close to the people through the bi-weekly medical camps. During the reporting period, 35,178 people were directly reached in 11 counties. People accessed general doctor consultation, child health consultation, women health services, fistula screening, dental and eye service and non communicable diseases screening and referrals. The Foundations also restored the dignity of 470 women with fistula in 14 counties.

As a sign of market confidence, we secured another KShs 15 billion Sustainability Linked Loan, bringing the total loan facility to KShs 30 billion having announced the closure of a similar amount in the last year. This funding will be channeled towards strategic and significant investments in technology and services which will enable us to unlock our ability to transform lives by elevating our ESG objectives. We supported Team Kenya in the Paris 2024 Olympics and Paralympics through sponsorship of our athletes and teams and provision of financial wellness training. We are so proud of Team Kenya and our podium finishers for their continuing efforts to put Kenya on the map.

Digitizing Societies

By 2030, we want to be known as the tech and financial services partner of choice for enterprises and the public sector through innovative and secure technology solutions. To this end, we have partnered with different Government institutions and other key stakeholders to accelerate the digitization and access of public services.

Through our platforms, we are enabling our customers to access e-services for business and government services. As a purpose-led tech organization, this support to the country, best portrays our commitment to purpose of transforming lives as we engage the government to serve Kenyans in areas such as health, credit, women empowerment, agriculture amongst others. During this period, we continued to collaborate with the Governments of Ethiopia and Kenya to build digital and connectivity infrastructure, enhance financial services technology as well as enhance provision of public services.

Safaricom @24

On 23 October 2024, we marked our 24 years of existence. We have kicked-off a year-long journey towards our silver jubilee. We look back at the achievements and lives that have been transformed and celebrate our customers for choosing us as their connectivity, digital and financial services providers. Reflecting on the success of Chapa Dimba, we will continue to support sports at various levels bringing communities together to cheer for their favourite teams and players in football, golf, basketball, among others. We will also be acknowledging our partners who have supported our growth and helped in our promise to provide superior customer experiences. We look forward to the next 25 years of transforming not just in Africa but the world.

Ethiopia

Our network currently covers 46% of the population and we are working to meet our license obligation of 55% cover by June 2025. Despite the impact of foreign exchange regime reforms, we remain optimistic about the commercial success of this venture even as we increase our customer acquisition efforts and continue to innovate to deliver value to our customers. We are also growing M-PESA penetration in Ethiopia by expanding our products propositions to ease payments and improve the general financial well-being of our customers.

Safaricom Ethiopia's purpose is Transforming lives for a digital Ethiopia. We have embedded ourselves in the communities in which we operate supporting them in various initiatives such as, rebuilding of Ashewa market in Dire Dawa that was ravaged by fire.

We recently supported schools in various parts of the country with free internet connectivity and supported various sports and music concerts across the country that resonate with Ethiopians. We have also joined the national green legacy initiative to support the country to build a greener and more sustainable Ethiopia through tree growing programs.

FY25 Guidance

We have once again delivered a strong performance for the first half year of the financial year 2025 despite facing a very challenging period. We have now defined the next 5-year vision of being Africa's leading purpose-led technology company by 2030 as we complete our 5-year strategy cycle this financial year.

We remain committed in protecting our shareholder value by achieving a strong performance in Kenya, which is a stronghold for the Group, and making great milestones in Ethiopia. In Ethiopia, we are encouraged by the strong commercial momentum despite the impact of foreign exchange regime reforms. As we look ahead, we are confident that we will deliver value to our shareholders and customers. In line with the performance momentum in half one and the expected impact of FX regime reforms in Ethiopia and the prevailing macro volatilities, we hereby revise our FY25 Guidance.

The revised Group EBIT is expected to be in the range of KShs 94 - 100Bn from the initial guidance of KShs 103 - 109Bn and Group Capex to be KShs 80 - 86Bn from an initial guidance of KShs 73 - 79Bn. EBIT guidance for Kenya is expected to be in the range of KShs 155 - 158Bn upgraded from KShs 149 - 152Bn and Ethiopia EBIT loss in the range of KShs 61 - 58Bn. Capex guidance for Kenya remains unchanged in the range of KShs 52 - 55Bn.

Guidance numbers are not inclusive of IAS 29 impact. Safaricom Ethiopia guidance is given based on September closing rates. A 10% change in currency would impact EBIT by KShs 8.5Bn subject to the balance sheet movements in the period, the phasing of the rates year to go and the rate for USD/KES that informs the translation rate for consolidation.

Looking forward

As we forge ahead, we continue to innovate and expand our product propositions to explore new growth areas even as we protect our 'core.' We continue to leverage technology as a catalyst to accelerate growth while ensuring sustainability of our investments and our business. By the end of this year, we want to embed customer first tech capabilities within our systems and network, with our customers enjoying a seamless digital first experience.

Dilip Pal, Safaricom PLC CFO commented:

Business Review – Group

We are pleased with our performance in HY25 despite the various challenges that faced the operating environment including floods, economic disruptions and impact of foreign exchange regime reforms of Ethiopian currency. Our Group Service revenue grew 13.1% YoY to KShs 179.9Bn in HY25 mainly supported by M-PESA, Mobile Data and Fixed Data. Overall Group customers grew 7.8% YoY to 52.01Mn while one-month active customers grew by 10.8% YoY to 39.75Mn. Safaricom Kenya's overall market share stood at 65.4% as at June 2024.

In Ethiopia, the Ethiopian Birr depreciated by 106%. As of 30 September 2024, the Birr's value against the US Dollar was 118.99, a significant decrease from 57.69 in June 2024. The impact of currency depreciation is incorporated in these consolidated financial statements.



Business Review – Kenya

Voice and Messaging

Voice revenue grew 4.8% YoY to KShs 40.55Bn driven by increased usage with minutes of use per subscriber rising 7.6% YoY to 198.31 while active customers grew 10.6% to 28.46Mn. We are leveraging on Customer Value Management (CVM) initiatives to stimulate usage. During the period, rate per minute declined by 9.9% YoY to KShs 1.15. Messaging revenue grew 8.0% YoY to KShs 6.20Bn benefiting from the campaigns such as Chat Ibambe which has boosted usage and performance. Voice and messaging revenue now account for 26.4% of service revenue.

M-PESA

M-PESA revenue recorded a strong growth of 16.6% YoY to KShs 77.22Bn driven by 13.1% YoY growth in ARPU to KShs 389.27. Chargeable transactions per one-month active customers increased by 25.6% YoY to 37.37. One-month active customers grew by 4.1% to 33.46Mn while M-PESA agents rose by 2.4% YoY to 266.07k.

We have seen great performance in new products like Pochi la Biashara and Merchant overdraft products as we continue to support our SMEs in our ecosystem. The number of Pochi tills more than doubled to 869.02k while merchant overdraft customers grew 72.9% YoY to 52.27k. Total M-PESA transaction value rose 10.7% YoY to KShs 20.85Trn while volumes grew 30.6% YoY to 17.09Bn. M-PESA now accounts for 43.5% of service revenue.

Mobile Data

Mobile data revenue recorded a double-digit growth of 20.2% YoY to KShs 35.55Bn driven by 13.5% YoY growth in ARPU to 263.25. The growth has also been fueled by increase in customers, device penetration, provision of the right content to encourage usage, personalized offers through data and analytics and our CVM initiatives. One-month active mobile data customers grew by 10.5% YoY to 28.83Mn. Data usage per chargeable subscriber rose by 9.8% YoY to 4.12GBs while distinct bundle users went up by 10.2% YoY to 20.76Mn customers.

We continue to drive the penetration of 4G-enabled mobile devices through our device financing program in addition to cheaper 4G devices assembled through our East Africa Device Assembly Limited Kenya (EADAK) factory launched on 30 October 2023. The number of smart phones on our network grew by 15.7% YoY to 24.72Mn. 4G devices rose by 33.5% YoY to 19.22Mn with 50.3% customers using more than 1GB while 5G devices increased by 64.1% YoY to 836.55k. Mobile data now accounts for 20.0% of Service Revenue.

Fixed service and Wholesale transit

Fixed service and wholesale transit revenue grew by 14.7% YoY to KShs 8.45Bn supported by increased connections and initiatives to encourage uptake like the family share plan. Consumer revenue rose 23.0% YoY to KShs 3.71Bn while Enterprise revenue grew by 8.9% YoY KShs 4.75Bn. We have increased internet speeds for our home and business customers to meet the growing needs of individual and enterprise customers. Our broadband position remains strong with our market share rising to 36.4% as at June 2024 ~ Communications Authority. FTTH and fixed enterprise now account for 4.8% of service revenue.

FTTH customers grew 17.8% YoY to 262.85k. FTTH penetration rose to 65.4% with homes connected growing 30.9% YoY to 419.16k while homes passed increased by 22.9% YoY to 640.78k. Fixed Enterprise customers grew by 20.8% YoY to 66.16k.

EBITDA, EBIT & Net Income

Earnings Before Interest Tax, Depreciation and Amortisation (EBITDA) increased by 13.7% YoY to KShs 102.9Bn while Earnings Before Interest and Tax (EBIT) grew 18.0% YoY to KShs 79.2Bn in the period.

Net income grew 14.1% YoY to KShs 47.50Bn supported by robust performance across all service lines which has been driven by sustained growth in customers, usage and ARPU.

Business Review – Ethiopia

Revenue Performance on underlying basis (excluding IAS 29 impact)

Voice and Messaging

Voice revenue grew by 27.1% YoY to KShs 516.4Mn driven by increased usage and growing number of customers as we continue to accelerate rollout. One-month active voice customers rose by 63.8% YoY to 3.57Mn driven by increased usage and growth of quality net customer additions. Voice usage increased with minutes of use growing 52.2% YoY to 97.15. Messaging revenue grew by 98.4% YoY to 36.7Mn with one-month active SMS customers at 1.87Mn and SMS per subscriber at 18.52.

Mobile Data

Mobile Data revenue more than doubled from KShs 1.32Bn in HY24 to KShs 3.22Bn in HY25 supported by great usage levels, customer growth, coupled with our strong data offering, a reliable 4G network and increased smart phone penetration initiatives. Mobile data continues to be a key growth driver in Ethiopia. One-month active customers more than doubled in the period from 1.4Mn as at HY24 to 3.50Mn. Usage per subscriber remains strong doubling to 6.56GB thus uplifting ARPU by 10.8% YoY to KShs 199.91.

M-PESA

M-PESA revenue closed the half year at KShs 24.4Mn with 8.31 Mn registered customers. Active M-PESA agents stood at 3.16k while active Lipa na M-PESA merchants increased to 6.66k. We continue to add more use cases with volume and value transacted at 86.50Mn and KShs 10.94Bn respectively.

Detailed financials for the Group including separate disclosures of our Kenya and Ethiopia business operations are included in this booklet for your review.

1. Key Performance Indicators

a) Kenya Business

Key Performance Indicators

	HY25	HY24	% Change
Total customers (Mn)	45.94	44.12	4.1%
90-day active total customer ARPU*	655.87	593.32	10.5%
One month active customers (Mn)	35.27	33.27	6.0%
One month active customer ARPU*	849.85	785.76	8.2%
Churn (%)	29.56%	34.49%	4.9ppt
Voice			
One month active voice customers (Mn)	28.46	25.73	10.6%
One month active voice customer ARPU*	239.84	250.10	(4.1%)
M-PESA			
Number of M-PESA agents	266,071	259,730	2.4%
Lipa na M-PESA active merchants	658,669	658,351	0.0%
One month active M-PESA customers (Mn)	33.46	32.13	4.1%
One month active M-PESA ARPU*	389.27	344.05	13.1%
Chargeable Transaction per One Month active Customers	37.37	29.87	25.6%
Number of Pochi tills	869,023	405,210	>100.0%
Merchant Overdraft Customers	52,272	30,229	72.9%
Timiza Active Customers	99,485	88,479	12.4%
M-PESA Visa Card Active Customers	172,908	84,087	>100.0%
Mali Active Customers	132,684	109,130	21.6%
Value transacted (KShs Trn)**	20.85	18.83	10.7%
Volume transacted (Bn) **	17.09	13.09	30.6%
Mobile Data			
One month active mobile data customers (Mn)	28.83	26.09	10.5%
Distinct Bundle Users (Mn)	20.76	18.84	10.2%
One month active chargeable mobile data customers (Mn)	23.50	21.34	10.1%
Data customers using >1GB (Mn)	10.87	9.16	18.6%
MBs per chargeable Mobile Data subscriber	4,120.13	3,752.60	9.8%
One month active chargeable data ARPU*	263.25	231.94	13.5%
Messaging			
One month active Messaging customers (Mn)	20.92	20.82	0.5%
One month active Messaging customer ARPU*	48.46	45.85	5.7%
Fixed Service			
FTTH Home Customers	262,854	223,191	17.8%
FTTH ARPU*	2,421	2,345	3.2%
Penetration rate (home passed/homes connected)	65.4%	61.4%	4.0ppt
Fixed Enterprise customers	66,156	54,745	20.8%
of which LTE	23,544	29,013	(18.9%)
Fixed Enterprise ARPU*	10,778	11,032	(2.3%)
of which LTE	3,395	3,286	2.4%
Base Stations			
2G base stations	6,730	6,456	4.2%
3G base stations	6,727	6,453	4.2%
4G base stations	6,672	6,388	4.4%
5G base stations	1,497	513	119.8%

*Average Revenue Per User (ARPU) is in KShs

** Includes Fuliza, Timiza, Virtual Card, Merchant Overdraft & Term Loan and Bloom

b) Safaricom Telecommunications Ethiopia (STE)

Key Performance Indicators	HY25	HY24	% Change
90-day active customers (Mn)	6.07	4.12	47.3%
90-day active total customer ARPU*	140.97	108.94	29.4%
One month active customers (Mn)	4.48	2.58	73.6%
One month active customer ARPU*	186.99	154.01	21.4%
Voice			
90-day active total customers (Mn)	5.17	3.71	39.4%
One month active voice customers (Mn)	3.57	2.18	63.8%
One month active voice customer ARPU*	30.10	37.91	(20.6%)
M-PESA**			
Number of M-PESA agents (k)	29.2	16.5	77.2%
Number of merchants (k)	87.8	12.4	>100.0%
Registered M-PESA customers (Mn)	8.31	1.16	>100.0%
Value transacted (KShs Bn)	10.94	2.3	>100.0%
Volume transacted (Mn)	86.50	1.95	>100.0%
Mobile Data			
90-day active total customers (Mn)	4.90	2.31	>100.0%
One month active mobile data customers (Mn)	3.50	1.43	>100.0%
One month active chargeable mobile data customers (Mn)	3.50	1.43	>100.0%
MBs per chargeable Mobile Data subscriber***	6,718.85	3,062.35	>100.0%
One month active chargeable data ARPU*	196.76	180.35	9.1%
Messaging			
90-day active total customers (Mn)	3.15	1.96	60.7%
One month active Messaging customers (Mn)	1.87	0.83	>100.0%
One month active Messaging customer ARPU*	7.13	4.60	55.0%
Base Stations			
2G/3G/4G base stations	3,008	2,057	46.2%

*Average Revenue Per User (ARPU) is in KShs excluding hyperinflationary impact. Conversion of ETB to KShs at an average exchange rate of KShs 1.903 to ETB in HY25 (HY24: 2.564).

**M-PESA was switched on from 15 August 2023 and the results thereof represent one and a half months performance to HY24.

***To convert to GBs, divide by 1,024, bringing the HY25 consumption to 6.6GB.

2. Consolidated statement of comprehensive income

KShs Mns	Notes	Group		Company	
		HY25	HY24	HY25	HY24
Voice revenue		40,873.6	39,109.6	40,554.2	38,685.6
Messaging revenue		6,227.4	5,764.6	6,203.5	5,745.5
Mobile data revenue		37,596.7	30,949.8	35,554.8	29,585.4
M-PESA revenue		77,238.3	66,239.4	75,555.2	64,738.0
Mobile incoming revenue		3,865.8	4,075.7	3,751.4	3,943.2
Other mobile service revenue		5,789.0	5,626.5	5,706.0	5,614.8
Mobile service revenue		171,590.8	151,765.6	167,325.1	148,312.4
Fixed line and wholesale transit revenue		8,333.0	7,370.3	8,452.5	7,370.3
Service revenue		179,923.8	159,135.9	175,777.6	155,682.7
Handset revenue and other revenue		7,813.3	3,839.0	7,587.7	2,944.4
Other income		1,684.8	1,641.9	1,862.1	1,963.8
Total revenue		189,421.9	164,616.8	185,227.4	160,590.9
Direct costs	5.a	(49,512.6)	(44,398.7)	(47,495.9)	(40,988.8)
Expected credit loss (ECL) on financial assets		(4,589.7)	(2,804.1)	(4,776.9)	(2,974.2)
Contribution margin		135,319.6	117,414.0	132,954.7	116,627.9
Contribution margin %		71.4%	71.3%	71.8%	72.6%
Other operating expenses	5.b	(60,248.9)	(37,741.1)	(31,780.9)	(27,185.2)
Earnings before interest, tax, depreciation and amortisation (EBITDA)		75,070.7	79,672.9	101,173.8	89,442.6
EBITDA margin %		39.6%	48.4%	54.6%	55.7%
Depreciation & amortisation		(32,866.2)	(38,226.1)	(23,701.0)	(23,320.3)
Operating profit (EBIT)		42,204.5	41,446.8	77,472.8	66,122.3
Operating profit margin %		22.3%	25.2%	41.8%	41.2%
Net finance cost		(10,914.0)	(7,121.3)	(7,561.9)	(5,747.2)
Share of associate & joint venture loss		(871.7)	(412.5)	(915.8)	(412.5)
Dividend income		-	-	2,251.0	-
Hyperinflationary monetary gain		3,440.4	13,027.4	-	-
Profit before income tax		33,859.2	46,940.4	71,246.1	59,962.6
Income tax expense		(23,847.1)	(19,753.1)	(23,185.9)	(19,353.5)
Profit after tax		10,012.1	27,187.3	48,060.2	40,609.1
Attributable to:					
Equity holders of the parent		28,117.2	34,164.6	48,060.2	40,609.1
Non-controlling interests		(18,105.1)	(6,977.3)	-	-
Profit for the period		10,012.1	27,187.3	48,060.2	40,609.1
Basic and diluted earnings per share (EPS) *		0.70	0.85	1.20	1.01
Profit for the period		10,012.1	27,187.3	48,060.2	40,609.1
Other comprehensive income/(loss) for the period:					
<i>Items that will subsequently be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of foreign operations **		(148,241.0)	19,670.1	-	-
Other comprehensive income/ (loss) for the period		(148,241.0)	19,670.1	-	-
Total comprehensive income for the period		(138,228.9)	46,857.4	48,060.2	40,609.1
Attributable to:					
Equity holders of the parent		(48,482.3)	44,328.5	48,060.2	40,609.1
Non-controlling interests		(89,746.6)	2,528.9	-	-
Total comprehensive income for period		(138,228.9)	46,857.4	48,060.2	40,609.1

* EPS is calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of ordinary shares issued in the year.

** These components of other comprehensive income do not attract any tax.

3. Consolidated statement of financial position

(KShs Mns) As at	Group		Company	
	30-Sep-24	31-Mar-24	30-Sep-24	31-Mar-24
Non-current assets				
Deferred income tax	18,087.0	15,644.5	18,078.0	15,605.0
Property and equipment	237,776.7	277,041.3	160,347.4	149,598.2
Indefeasible rights of use	1,860.6	2,001.7	1,860.6	2,001.7
Investment properties	935.0	935.0	935.0	935.0
Intangible assets	103,047.0	194,280.7	21,652.9	21,841.4
Right of use assets	36,494.8	59,455.7	18,509.8	18,968.1
Investment in subsidiaries	-	-	117,864.3	98,779.6
Investment in associates and joint venture	7,365.0	3,542.5	7,240.3	3,461.9
Restricted cash	941.2	1,019.9	941.2	1,019.9
Deferred restricted cash asset	349.2	431.9	349.2	431.9
Contract assets	1,941.8	1,607.9	1,169.4	954.1
Loans receivable from joint venture	-	2,661.3	-	2,661.3
Loan receivable from subsidiary	-	-	486.5	485.4
	408,798.3	558,622.4	349,434.6	316,743.4
Current assets				
Inventories	2,192.4	4,526.0	1,582.6	2,639.0
Trade and other receivables	37,047.7	48,119.0	29,454.0	28,079.9
Net cash and cash equivalents	29,101.0	22,868.2	19,556.8	19,072.1
Restricted cash - letter of credit	400.0	1,563.4	-	-
Contract assets	5,323.0	5,202.0	5,049.5	4,748.8
Mobile financial deposit	262.0	263.3	-	-
Current income tax	-	-	-	7.9
	74,326.1	82,541.9	55,642.9	54,547.7
Total assets	483,124.4	641,164.3	405,077.5	371,291.1
Equity				
Share capital	2,003.3	2,003.3	2,003.3	2,003.3
Share premium	2,200.0	2,200.0	2,200.0	2,200.0
Retained earnings	163,757.3	134,314.0	219,701.0	171,640.5
Other reserves	(12,625.4)	61,789.3	-	-
Proposed dividend	-	26,042.5	-	26,042.5
Equity attributable to equity holders of the parent	155,335.2	226,349.1	223,904.3	201,886.3
Non-controlling interests	34,337.7	109,398.8	-	-
Total equity	189,672.9	335,747.9	223,904.3	201,886.3
Non current liabilities				
Borrowings	68,826.7	63,093.2	46,199.7	36,110.8
Lease liabilities	43,999.0	48,474.3	18,583.9	18,409.1
Payables and accrued expenses	15,936.9	19,458.6	-	-
Provisions	4,531.1	5,087.0	3,820.3	3,629.7
Contract liabilities	1,776.7	1,481.2	1,776.7	1,481.2
Financial guarantees liability	-	-	854.8	1,062.7
	135,070.4	137,594.3	71,235.4	60,693.5
Current Liabilities				
Current income tax	1,626.7	193.1	1,806.3	-
Dividend Payable	1,075.3	6,649.2	1,075.3	6,649.2
Borrowings	38,772.8	45,053.6	36,311.0	41,555.8
Lease Liabilities	5,723.7	6,411.0	5,139.6	5,163.1
Payables and accrued expenses	96,743.4	94,919.5	51,979.0	41,822.5
Provisions	2,938.9	2,938.9	2,938.9	2,938.9
Mobile financial deposit	262.0	263.3	-	-
Contract liabilities	11,238.3	11,393.5	10,687.7	10,581.8
	158,381.1	167,822.1	109,937.8	108,711.3
Total liabilities	293,451.5	305,416.4	181,173.2	169,404.8
Total Equity and Liabilities	483,124.4	641,164.3	405,077.5	371,291.1

4. Statement of cash flows

KShs Mns	Group		Company	
	HY25	HY24	HY25	HY24
Cash flows from operating activities				
Cash generated from operations	100,786.2	54,404.1	101,993.6	77,986.1
Interest received	1,690.1	965.6	1,415.0	890.1
Income tax paid	(24,856.0)	(23,366.8)	(23,844.7)	(21,447.1)
Net cash generated from operating activities	77,620.3	32,002.9	79,563.8	57,429.1
Cash flows from investing activities				
Purchase of property and equipment	(22,258.0)	(26,574.7)	(21,334.7)	(21,362.7)
Proceeds from disposal of property and equipment	17.8	97.7	21.8	68.7
Acquisition of intangible assets	(1,213.5)	(23,644.7)	(1,213.5)	(3,167.0)
Investment in other financial assets	-	28.6	-	-
Movement in restricted cash	1,047.9	206.4	149.8	196.5
Loans to joint ventures & subsidiaries	-	(1,075.0)	(90.1)	(1,075.0)
Loans repayments from joint ventures	239.5	-	239.5	-
Investment in associates and joint ventures	(2,270.0)	(71.7)	(2,270.0)	-
Investment in subsidiaries	-	-	(19,084.7)	(19,768.3)
Net cash used in investing activities	(24,436.3)	(51,033.4)	(43,607.3)	(45,107.7)
Cash flows from financing activities				
Dividends paid	(31,616.7)	(25,060.5)	(31,616.4)	(25,060.5)
Repayment of lease liabilities - principal	(3,712.1)	(2,693.8)	(2,555.6)	(3,161.1)
Repayment of lease liabilities - interest	(870.1)	(1,948.5)	-	-
Interest paid on borrowings	(7,172.7)	(5,748.5)	(6,131.9)	(5,088.7)
Proceeds from borrowings	20,984.6	31,751.2	15,000.0	23,593.4
Repayment of borrowings	(10,828.2)	(13,047.9)	(10,171.1)	(7,865.2)
Capital contribution from NCI shareholders	11,401.9	29,164.4	-	-
Net cash generated (used in)/from financing activities	(21,813.3)	12,416.4	(35,475.0)	(17,582.0)
Net increase/(decrease) in cash and cash equivalents	31,370.7	(6,614.1)	481.5	(5,260.7)
Movement in cash and cash equivalents				
At start of year	22,868.2	22,098.7	19,075.2	18,063.2
Net foreign exchange differences	4,133.1	3,701.2	-	-
Net monetary gain on cash and cash equivalents	(29,271.0)	1,273.0	-	-
Increase/ (decrease) in cash and cash equivalents	31,370.7	(6,614.1)	481.5	(5,260.7)
Closing cash and cash equivalents	29,101.0	20,458.8	19,556.7	12,802.5

5. a Direct costs

KShs Mns	Group		Company	
	HY25	HY24	HY25	HY24
M-PESA commissions	(18,541.0)	(18,259.0)	(18,301.9)	(18,032.8)
Airtime commissions	(3,919.0)	(3,945.5)	(3,301.5)	(3,360.6)
License fees	(7,000.3)	(5,796.9)	(6,920.4)	(5,416.7)
Interconnect and roaming costs	(3,669.8)	(4,179.8)	(3,285.4)	(3,590.2)
Handset costs	(6,047.6)	(3,186.5)	(5,857.1)	(2,337.2)
Customer acquisition and retention	(6,055.5)	(5,846.4)	(5,560.1)	(5,078.6)
Promotions and value-added services costs (Voice & SMS)	(3,280.7)	(2,776.4)	(3,277.6)	(2,772.1)
Other direct costs	(998.8)	(408.2)	(991.8)	(400.6)
Totals	(49,512.6)	(44,398.7)	(47,495.8)	(40,988.8)

5. b Other operating expenses

KShs Mns	Group		Company	
	HY25	HY24	HY25	HY24
Repairs and maintenance	(165.6)	(141.1)	(165.0)	(136.6)
Operating lease costs - buildings*	(40.0)	(82.9)	(18.3)	(25.5)
Operating lease costs - sites*	(1,499.6)	(1,076.3)	(1,498.4)	(1,071.3)
Auditor's remuneration	(104.1)	(41.6)	(52.0)	(26.1)
Computer maintenance	(2,051.7)	(1,729.1)	(1,394.0)	(1,233.1)
Consultancy and legal fees	(493.3)	(369.2)	(342.3)	(181.8)
Employee benefits expense	(13,831.0)	(14,081.0)	(12,114.7)	(10,584.5)
Net foreign exchange losses, other than on borrowings and cash and cash equivalent	(22,557.2)	(24.9)	(110.5)	(698.6)
Office administration	(411.0)	(336.5)	(349.9)	(271.0)
Other operating expenses	(4,349.8)	(4,320.3)	(3,187.0)	(2,579.7)
Sales and advertising	(2,466.9)	(2,525.1)	(2,408.6)	(1,745.4)
Network operating costs	(11,644.1)	(12,013.7)	(9,655.6)	(8,146.5)
Travel and accommodation	(461.4)	(789.9)	(311.6)	(285.5)
Inventory storage costs	(173.2)	(209.6)	(173.2)	(199.7)
Totals	(60,248.9)	(37,741.1)	(31,780.9)	(27,185.2)

*Relates to non-lease components of the lease e.g. service charges, VAT disallowed on payments of leases. The cost is excluded from the measurement of the lease liability as provided for in IFRS 16.

6. Geographical Markets Performance

i) Income Statement for Group, Kenya and Ethiopia*

KShs Mns	Safaricom Kenya	Safaricom Ethiopia	Safaricom Plc Group	Safaricom Kenya %YoY	Safaricom Plc Group % YoY
Voice revenue	40,554.2	319.4	40,873.6	4.8%	4.5%
Messaging revenue	6,203.5	23.9	6,227.4	8.0%	8.0%
Mobile data revenue	35,554.8	2,042.0	37,596.7	20.2%	21.5%
M-PESA revenue	77,222.2	16.0	77,238.3	16.6%	16.6%
Mobile incoming revenue	3,751.4	139.2	3,865.8	(4.9%)	(5.2%)
Other mobile service revenue	5,726.6	62.3	5,789.0	1.9%	2.9%
Mobile Service Revenue	169,012.7	2,602.7	171,590.8	12.8%	13.1%
Fixed line and wholesale transit revenue	8,452.5	18.6	8,333.0	14.7%	13.1%
Service revenue	177,465.2	2,621.3	179,923.8	12.9%	13.1%
Handset revenue and other revenue	7,587.7	225.6	7,813.3	>100.0%	>100.0%
Other income	1,685.0	(0.1)	1,684.8	3.9%	2.6%
Total revenue	186,737.9	2,846.9	189,421.9	15.4%	15.1%
Direct costs	(47,742.6)	(1,932.9)	(49,512.6)	15.7%	11.5%
Provision for expected credit loss (ECL) on receivables	(4,606.1)	(27.8)	(4,589.7)	64.3%	63.7%
Contribution margin	134,389.2	886.1	135,319.6	14.2%	15.3%
Contribution margin %	72.0%	32.8%	71.4%	(0.8ppts)	0.1ppts
Total operating costs	(31,467.8)	(28,781.1)	(60,248.9)	15.7%	59.6%
Operating costs- % of total revenue	16.9%	1,065.0%	31.8%	0.1ppts	8.9ppts
Earnings before interest, tax, depreciation and amortisation (EBITDA)	102,921.5	(27,895.0)	75,070.7	13.7%	(5.8%)
EBITDA margin %	55.1%	(10.3%)	39.6%	(0.8ppts)	(8.8ppts)
Depreciation, impairment & amortisation	(23,732.4)	(9,133.8)	(32,866.2)	1.5%	(14.0%)
Operating profit (EBIT)	79,189.1	(37,028.8)	42,204.5	18.0%	1.8%
Operating profit margin %	42.4%	(13.7%)	22.3%	0.9ppts	(2.9ppts)
Net finance cost	(6,975.0)	(3,939.0)	(10,914.0)	31.2%	53.3%
Share of associate & Joint Venture loss	(871.7)	0.0	(871.7)	>100.0%	>100.0%
Hyperinflationary monetary gain	-	3,440.4	3,440.4	0.0%	(73.6%)
Profit before income tax	71,342.4	(37,527.4)	33,859.2	16.2%	(27.9%)
Income tax expense	(23,847.1)	0.0	(23,847.1)	20.7%	20.7%
Profit after tax	47,495.3	(37,527.4)	10,012.1	14.1%	(63.2%)
Attributable to:					
Equity holders of the parent	47,495.3	(19,390.4)	28,117.2	14.1%	(17.7%)
Non-controlling interests	0.0	(18,137.0)	(18,105.1)	0.0%	>100.0%
Profit for the period	47,495.3	(37,527.4)	10,012.1	14.1%	(63.2%)

*Safaricom Kenya in the table above refers to the Kenya region with all subsidiaries in Kenya consolidated therein, while Safaricom Ethiopia numbers relate to STE (Which consolidates M-PESA) and GPE, which together are known as Vodafamily adjusted for hyperinflationary impact. Safaricom Group column consolidates Safaricom Kenya and Vodafamily. Intercompany eliminations relating to all subsidiaries under the group are reflected at group level.

Safaricom Telecommunications Ethiopia (STE) Plc Costs

i. Direct Costs

KShs Mns	HY25	HY24
M-PESA commissions	(14.8)	(20.9)
Airtime commissions	(617.5)	(584.9)
License fees	(60.3)	(317.0)
Interconnect and roaming costs	(547.2)	(613.8)
Handset costs	(190.4)	(849.3)
Customer acquisition and retention	(495.4)	(767.8)
Promotions and value-added services costs (Voice & SMS)	(0.8)	0.0
Other direct costs	(6.5)	(3.4)
Totals	(1,932.9)	(3,156.9)

ii. Operating Costs

KShs Mns	HY25	HY24
Operating lease costs - buildings*	(21.7)	(57.4)
Operating lease costs - sites*	(1.3)	(5.1)
Auditor's remuneration	(49.1)	(5.8)
Computer maintenance	(657.8)	(483.6)
Consultancy	(132.9)	(23.8)
Employee benefits expense	(1,641.8)	(3,417.9)
Net foreign exchange losses, other than on borrowings and cash and cash equivalent	(22,875.6)	460.0
Office administration	(56.5)	(62.5)
Other operating expenses	(877.1)	(1,461.7)
Repairs and maintenance	(0.2)	(3.7)
Sales and advertising	(349.6)	(1,024.9)
Network operating costs	(1,988.2)	(3,866.6)
Travel and accommodation	(129.2)	(487.8)
Inventory storage costs	(0.1)	(10.0)
Totals	(28,781.1)	(10,450.7)

* Relates to non-lease components of the lease e.g. service charges, VAT disallowed on payments of leases. The cost is excluded from the measurement of the lease liability as provided for in IFRS 16.

7. Net Debt

KShs Mns as at	Group		Company	
	30-Sep-24	31-Mar-24	30-Sep-24	31-Mar-24
Cash and cash equivalents	29,101.0	22,868.2	19,556.8	19,072.1
Borrowings				
Short term borrowings	(38,772.8)	(45,053.6)	(36,311.0)	(41,555.8)
Long term borrowings	(68,826.7)	(63,093.2)	(46,199.7)	(36,110.8)
Total net debt	(78,498.5)	(85,278.6)	(62,953.9)	(58,594.5)

8. Free cash flow- Safaricom Kenya

KShs Mns	HY25	HY24
EBITDA	102,921.4	90,494.4
Net Working Capital Changes	11,567.8	(6,370.4)
Other Cash flow movements		
Movement in;		
RoU assets and lease liabilities	(2,830.8)	(2,501.6)
Gain on lease terminations	(261.2)	(186.9)
Gain (Loss) on PPE disposal	(20.0)	(89.4)
Operating cash flow	111,377.2	81,346.1
Capital Additions	(30,771.6)	(24,443.0)
Proceeds from disposal of Property, Plant & Equipment	21.8	97.7
Operating free cash flow	80,627.5	57,000.8
Net Interest paid/received	(4,455.4)	(4,010.1)
Net taxation payable	(24,856.0)	(23,366.8)
Free cash flow	51,316.2	29,623.9

9. Supplementary Information

The foregoing information was extracted from the Group's financial statements for the six months ended 30 September 2024.

a) Basis of preparation

These interim consolidated financial statements for the six months ended 30 September 2024 have been prepared in accordance with International Accounting Standards (IAS) 34, Interim Financial Reporting and the framework concepts and the measurement and recognition requirements of IFRS. The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2024.

The preparation of the financial statements in conformity with International Financial Reporting Standards (IFRSs) requires the use of certain critical accounting estimates. It also requires the management to exercise its judgement in the process of applying the Group's accounting policies.

b) Measurement basis

The measurement basis used is the historical cost basis adjusted for the effects of inflation where entities operate in hyperinflationary economies except for investment property that has been measured at fair value. The financial statements have been adjusted for the effects of inflation for Safaricom Telecommunication Ethiopia Plc as the Ethiopian economy has been declared hyperinflationary on or after 31 December 2022.

Under the historical cost basis, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation or, in some cases, at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

c) Translation of foreign operations

The results, cash flows and financial position of Group entities which are not accounted for as entities operating in hyperinflationary economies and that have a functional currency different from the presentation currency of the Group are translated into the presentation currency as follows:

- Assets and liabilities, including goodwill and fair value adjustments arising on acquisition, are translated at rates of exchange ruling at the reporting date
- Specific transactions in equity are translated at rates of exchange ruling at the transaction dates
- Income and expenditure and cash flow items are translated at weighted average exchange rates for the period or translated at exchange rates at the date of the transaction, where applicable; and
- Foreign exchange translation differences are recognised in Other Comprehensive Income (OCI) and accumulated in the foreign currency translation reserve (FCTR), except to the extent the difference is allocated to non-controlling interests.

The results, cash flows and financial position of the Group entities, which are accounted for as entities operating in hyperinflationary economies and that have functional currencies different from the presentation currency of the Group are translated into the presentation currency of its immediate parent at rates of exchange ruling at the reporting date. As the presentation currency of the Group is that of a non-hyperinflationary economy, comparative amounts are not adjusted for changes in the price level or exchange rates in the current financial year.

An entity may have a monetary item that is receivable from a foreign operation. An item for which settlement is neither planned nor likely to occur in the foreseeable future is, in substance, a part of the entity's net investment in that foreign operation. On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to other comprehensive income and accumulated in the foreign currency translation reserve.

d) Hyperinflation

The financial statements of the Group entities whose functional currencies are the currencies of hyperinflationary economies are adjusted in terms of the measuring unit current at the end of the reporting period.

The carrying amounts of non-monetary assets and liabilities are adjusted to reflect the change in the consumer price index from the date of acquisition to the end of the reporting period. On initial application of hyperinflation, prior period gains and losses are recognised directly in equity.

An impairment loss is recognised in profit or loss if the restated amount of a non-monetary item exceeds its estimated recoverable amount. Gains or losses on the net monetary position are recognised in profit or loss. All items recognised in the income statement are restated by applying the change in the consumer price index from the dates when the items of income and expenses were initially earned or incurred.

At the beginning of the first period of application, the components of equity, except retained earnings, are restated by applying a consumer price index from the dates the components were contributed or otherwise arose. These restatements are recognised directly in equity as an adjustment to opening retained earnings. Restated retained earnings are derived from all other amounts in the restated statement of financial position. If on initial application of hyperinflation accounting the restated value of the non-monetary assets exceed their recoverable amount, the amount in excess of the recoverable amount is recorded as a reduction in retained earnings.

At the end of the first period and in subsequent periods, all components of equity are restated by applying a consumer price index from the beginning of the period or the date of contribution, if later. All items in the statement of cash flows are expressed in terms of the consumer price index at the end of the reporting period.

The Ethiopian economy has been classified as hyperinflationary. Accordingly, the income statement, cash flows and financial position of the Group's subsidiary; Safaricom Telecommunication Ethiopia Plc have been expressed in terms of the measuring unit current at the reporting date.

e) Gain on monetary position

The consumer price indices (CPI) used in the restatement of the balances are indicated on the table below:

Month	Consumer price index
Opening CPI - April 2024	452.8
Closing CPI – September 2024	476.3
Movement	(23.5)

The financial statements have been adjusted for the effects of inflation for Safaricom Telecommunication Ethiopia PLC and Safaricom M-PESA Mobile Financial Services Plc as the Ethiopian economy was declared hyperinflationary on or after 31 December 2022.

The gain in monetary position as a result of translating the financial statements as at 30 September 2024 was KShs 3,440.4 million, (30 September 2023: KShs 13,027.4 million)

Management has restated all balance sheet amounts that are not expressed in terms of the measuring unit current at the balance sheet date. Monetary items were not restated, because they represent money held, to be received or to be paid. Monetary items are therefore already expressed in current purchasing power at the reporting date.

	Monetary * ETB' Mn	Non-monetary * ETB' Mn	Total * ETB' Mn
30 September 2024			
Assets	36,676.1	164,498.4	201,174.5
Liabilities	(106,394.0)	(507.9)	(106,901.9)
	(69,717.9)	163,990.5	94,272.6
Equity			158,878.6
Retained earnings			(67,781.3)
			91,097.3
Net monetary gain (ETB)			3,175.3
Exchange rate (USD/KES)			128.9
Exchange rate (USD/ETB)			118.9
Exchange rate (KES/ETB)			1.083
Hyperinflationary monetary gain as at 30 September 2024 (KShs Mn)			3,440.4

*Ethiopian Birr (ETB) is the national currency of the Federal Democratic Republic of Ethiopia.

Use of Closing rate

IAS 29 requires that financial statement for entities operating in hyperinflation economy are translated using the closing rates. The impact of using the closing rate (in place of average rates) on P&L items is a gain of KShs 19,967.3 million.

The overall impact on income statement:

Details	30 Sep 2024 (KShs Mn)
(a) Loss on restatement of profit and loss items (application of CPIs)	(6,281.1)
(b) Impact of using closing rate on P&L items	19,967.3
(c) Net monetary position - gain	3,440.4
Net IAS 29 Impact on net income	17,126.6

f) Reforms to the foreign exchange regime in Ethiopia

The National Bank of Ethiopia (NBE) on 29 July 2024 announced a reform of the foreign exchange regime with immediate effect. The Foreign Exchange Directive No. FXD/01/2024 introduced major policy changes, allowing forex rates to be determined through negotiations between banks and customers. This marked a significant shift from prior practices and aimed to consolidate fragmented forex regulations and liberalize the financial sector.

The policy changes addressed the 13 elements below;

- Shift to a market-based exchange regime
- End of surrender requirements to the NBE
- Removal of import restrictions
- Improvement of retention rules for exporters
- Removal of rules governing banks' allocation of foreign exchange
- Introduction of non-bank foreign exchange bureaus
- Removal of restrictions on franco-valuta imports
- Simplification of rules governing foreign currency accounts
- Allowance for residents to open foreign currency accounts
- Removal of interest rate ceilings
- Opening of Ethiopia's securities market to foreign investors
- Granting of special foreign exchange privileges to companies within special economic zones
- Relaxation of various rules on the amount of foreign currency cash notes travellers may carry when travelling in and out of Ethiopia

The following are the envisaged benefits of the FX regime reforms, amongst others;

- Addresses FX liquidity issues and aligns rates with market dynamics, improving economic stability
- Facilitates the import of goods, lowering costs and increasing product availability
- Attracts foreign investment, increasing capital inflows and supporting financial market development

Safaricom Ethiopia has put in measures to mitigate as follows:

- Renegotiation of foreign currency denominated contracts including the leases.
- Onboarding local suppliers for certain products and services. E.g. the sites contractors for civil and power connections.
- Reduction of our expatriates base.
- Increase prices in line with the industry response.

Impact of the reforms to the foreign exchange regime in Ethiopia

The Ethiopian Birr has depreciated by 106% since the Ethiopian Central Bank implemented a floating exchange rate regime. The Birr's value against the US dollar was at 118.99 on September 30th, 2024, from 57.693 in June 2024.

The impact of the reforms of the foreign exchange regime is primarily attributable to the revaluation of foreign-denominated monetary assets and liabilities, with significant drivers being the lease liabilities and IFC loan.

The net impact on Safaricom Ethiopia's performance is as follows;

HY25 Performance	ETB Mn	KES Mn
Net Income before Birr depreciation & IAS 29	(11,205.5)	(20,819.4)
Total FX Impact	(22,864)	(33,835)
Net Income post Birr depreciation excl. IAS 29	(34,069.2)	(54,653.9)
Net Income post Birr depreciation excl. IAS 29 (excl. Minority Interest)	(17,603.6)	(28,239.7)

g) Normalised growth

The table below represents normalised growth, which presents performance on a comparable basis. This adjusts for foreign currency fluctuation on a constant currency basis (using the current year as base), to show a like-for-like comparison of results. We believe that normalised growth, which is not intended to be a substitute for, or superior to reported growth, provides useful and necessary information to investors and other interested parties for the following reasons:

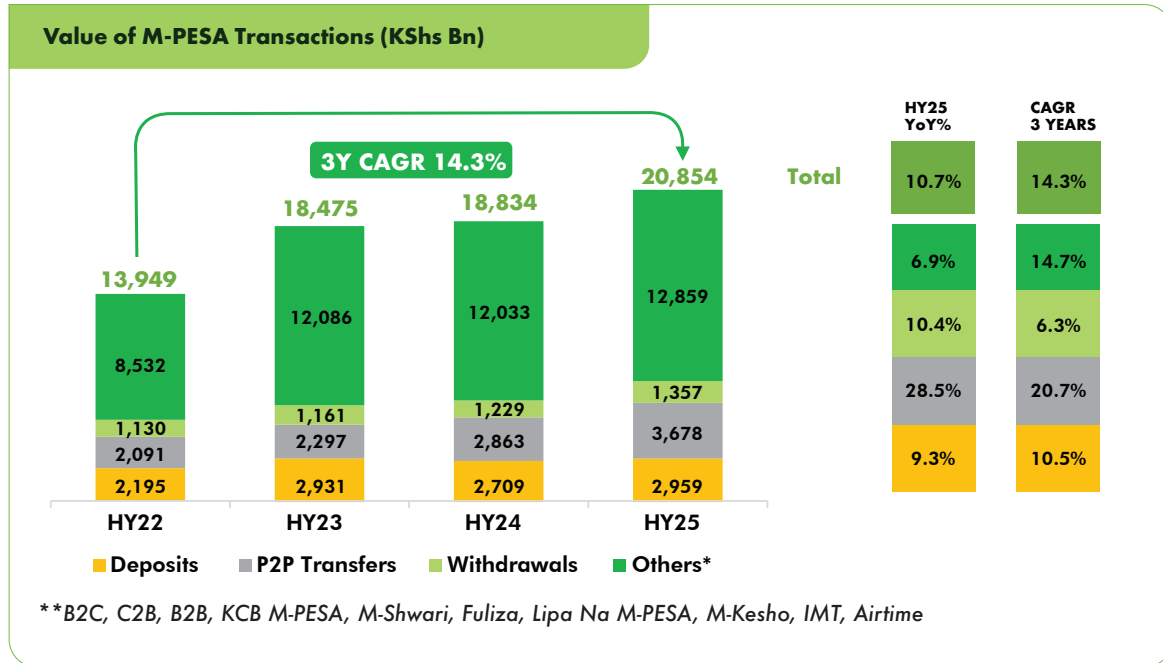
- It provides additional information on underlying growth of the business without the effect of certain factors unrelated to the operating performance of the business;
- It is used for internal performance analysis; and
- It facilitates comparability of underlying growth with other companies, although the term normalised is not a defined term under IFRS and may not, therefore, be comparable with similarly titled measures reported by other companies.

	Group HY25			
	Reported (KShs Bn)	YoY% Reported	YoY% excl. impact of FX regime reforms & IAS 29	YoY% Constant Currency excl. impact of FX regime reforms & IAS 29
Service Revenue	179.9	13.1%	14.0%	14.5%
EBIT	42.2	1.8%	31.9%	17.5%
Net Income excl. minority interest	28.1	(17.7%)	21.7%	10.3%

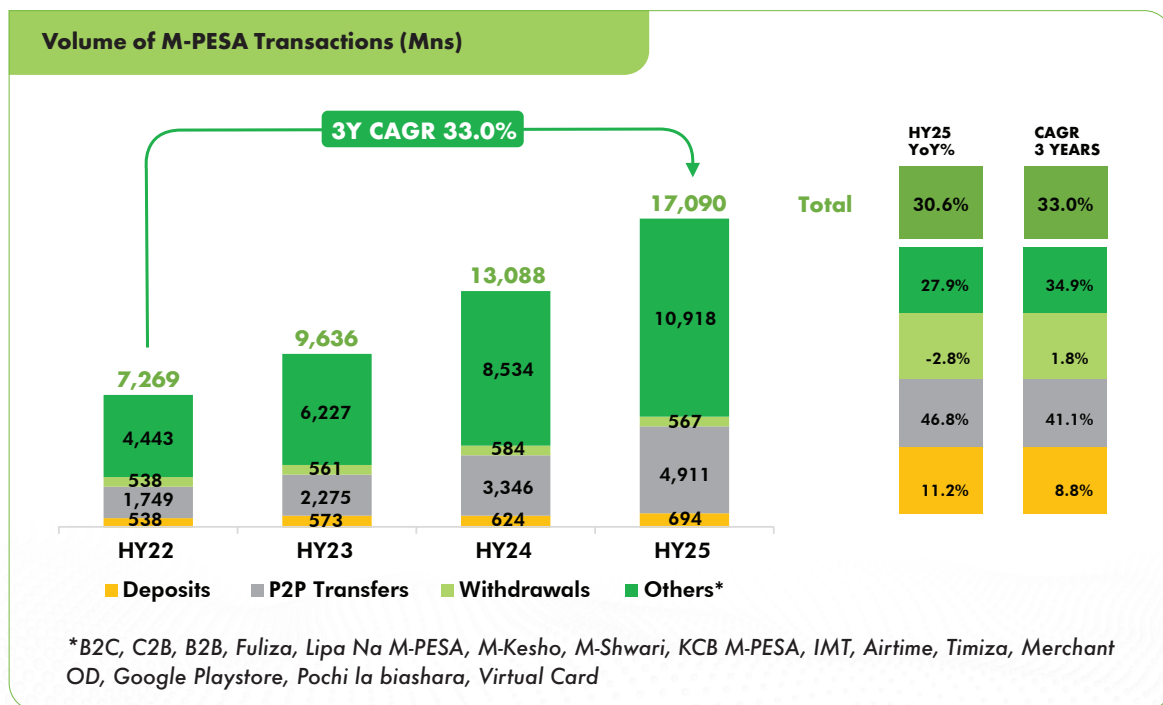
h) M-PESA

Additional M-PESA KPIs

i. M-PESA value of transactions (KShs Bn)



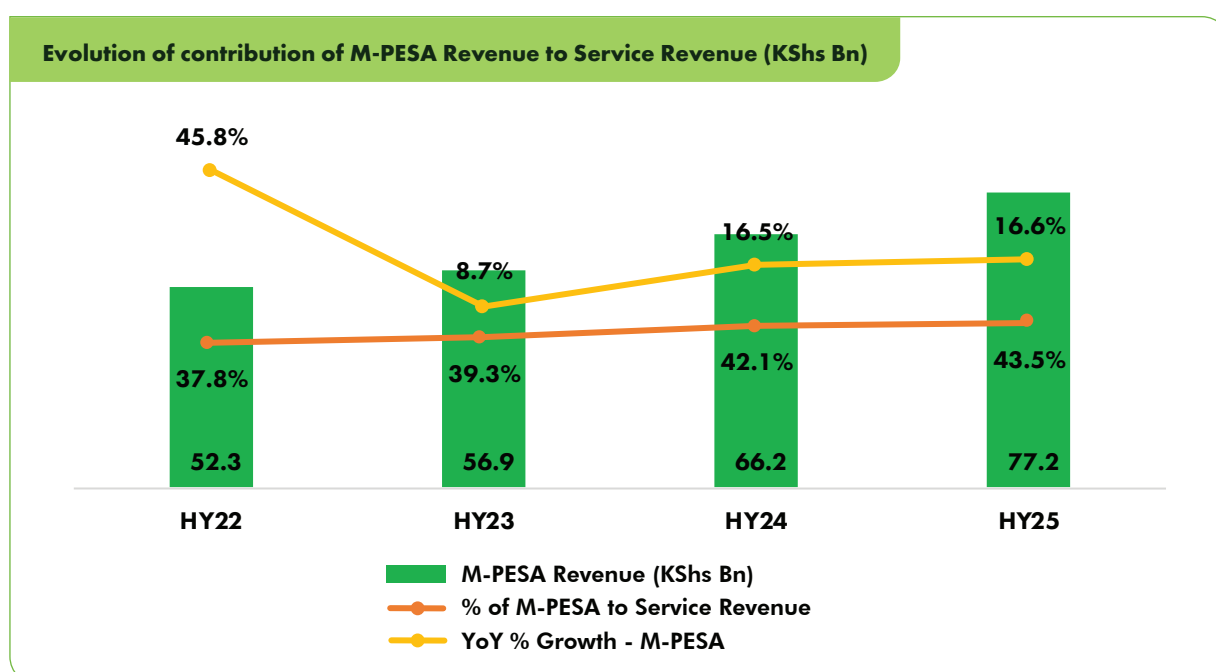
ii. M-PESA volume of transactions (Mn)



*HY24 and HY23 value and volume numbers have been adjusted to include Fuliza, Timiza, Merchant OD, Merchant Term Loan, Virtual Card and Bloom

iii. M-PESA Revenue contribution, profile mix and customer evolution

KShs Bn	HY22	HY23	HY24	HY25	% Change HY25	% Contribution to Growth HY25
Consumer Payments (Transfers & Withdraw-	35.50	37.89	43.01	48.56	12.9%	8.4%
Business Payments (C2B, B2C, B2B, LNM)	11.18	12.58	17.64	22.77	29.1%	7.8%
Global Payments (Remittances, AliExpress)	1.14	1.42	1.56	1.87	20.3%	0.5%
Financial Services (Lending and Savings)	4.51	4.97	4.03	4.01	(0.3%)	(0.02%)
Total	52.33	56.86	66.23	77.22	16.6%	16.6%



M-PESA usage continues to grow as we accelerate new growth areas

Velocity in the M-PESA ecosystem continues to grow driven by our FinTech solutions including payments, lending and savings and international remittances. In HY25, the total value of M-PESA transactions grew 10.7% YoY to KShs 20.9Trn while total volume of M-PESA transactions grew 30.6% YoY to 17.1Bn.

We continue to leverage on our digital platforms and solutions such as M-PESA Super App for end-to-end excellent customer experience. We now have 9.6Mn Consumer App sign-ins, 3.6Mn Active Consumers and over 1.5Mn downloads on the business App.

iv. Lending value and revenue trends

	HY25	HY24	% Change
Fuliza			
Value of disbursements (KShs Bn)	450.0	419.2	7.3%
Value or Repayment (KShs Bn)	453.8	400.8	13.2%
Repayment vs Disbursal rate	100.9%	95.6%	5.2ppt
Average Ticket Size (KShs)	236.2	260.7	(9.4%)
Revenue (KShs Bn)	1.9	2.0	(3.9%)
Distinct Customers (Mn)	7.5	7.5	(0.0%)
KCB M-PESA			
Value of disbursements (KShs Bn)	27.2	23.1	17.6%
Value or Repayment (KShs Bn)	26.5	21.7	22.3%
Repayment vs Disbursal rate	97.4%	93.7%	3.7ppt
Average Loan (KShs)	6,948	5,484	26.7%
Revenue (KShs Bn)	0.4	0.4	21.3%
One month active KCB M-PESA customers (Mn)	4.6	3.4	34.2%
M-Shwari			
Value of disbursements (KShs Bn)	48.9	52.3	(6.6%)
Value or Repayment (KShs Bn)	48.0	43.0	11.5%
Repayment vs Disbursal rate	98.2%	82.3%	15.9ppt
Average Loan (KShs)	10,170	9,688	5.0%
Revenue (KShs Bn)	1.1	1.2	(7.4%)
One month active M-Shwari customers (Mn)	6.7	6.0	10.6%
Timiza			
Active Customers (k)	99.5	88.5	12.4%
Volume transacted (Mn)	1.2	0.9	29.8%
Value of disbursements (KShs Bn)	12.8	10.2	25.9%
Revenue (KShs Bn)	0.2	0.1	44.3%
Merchant OD			
Customers (k)	52.3	30.2	72.9%
Volume (Mn)	5.9	3.5	65.3%
Value of disbursements (KShs Bn)	23.6	12.3	91.5%
Revenue (KShs Bn)	0.2	0.1	80.9%

Fuliza

In partnership with Kenyan lenders, NCBA and KCB Bank, the Group operates Overdraft (OD) facility dubbed "Fuliza", a product that enables customers to access unsecured line of credit by overdrawing on M-PESA to cover short-term cash-flow shortfalls subject to an applicable pre-determined limit. Fuliza is underwritten by Kenyan lenders, NCBA and KCB Bank.

M-Shwari and KCB M-PESA

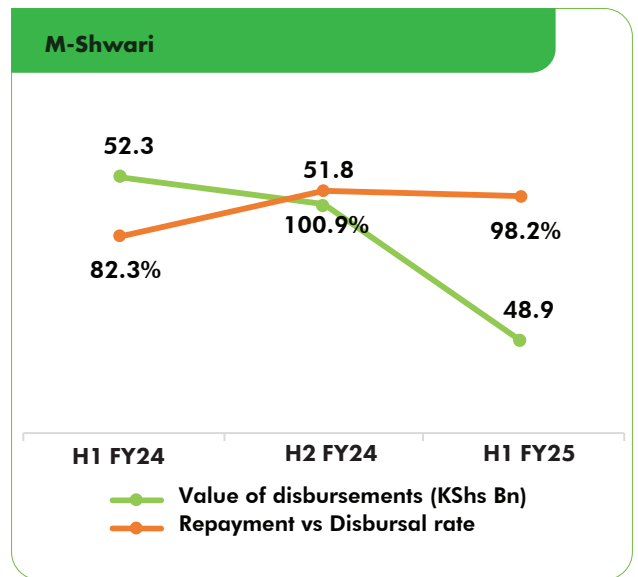
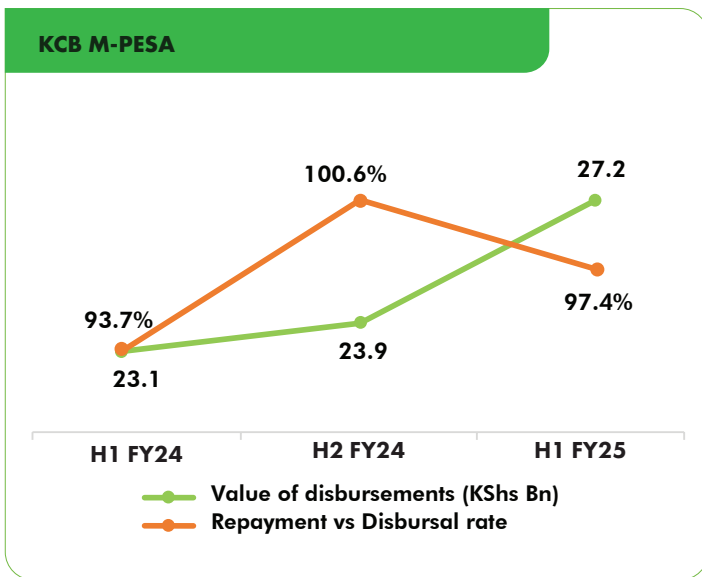
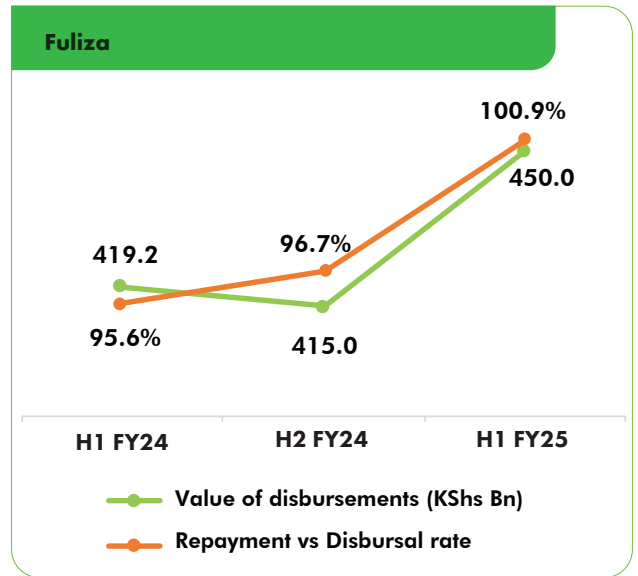
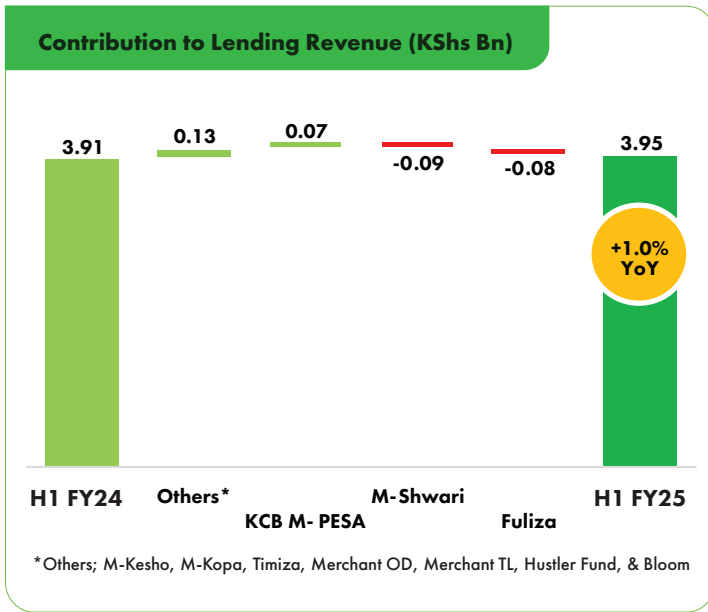
Safaricom partnered with NCBA and KCB Bank Kenya Limited to offer Mshwari and KCB-M-PESA micro lending services respectively. These services enable customers to save as little as KShs 1 (USD 0.01) and get loans from KShs 50 to KShs 1 million.

Overdraft facility for businesses (Merchant OD)

Is a loan product offered by Safaricom in partnership with KCB Bank Kenya (KCB). The service advances an overdraft of up to KShs 400,000 depending on the business' limit. The overdraft is offered at a 2% one off fee and a tiered daily access fee after the 24-hour free period.

Timiza

In partnership with ABSA Kenya, Timiza is a wallet solution that offers easy banking and instant loans to customers. Through *848# or the Timiza app customers are able to get an instant loan, save, send money, pay bills, purchase airtime, and get insurance with Timiza.



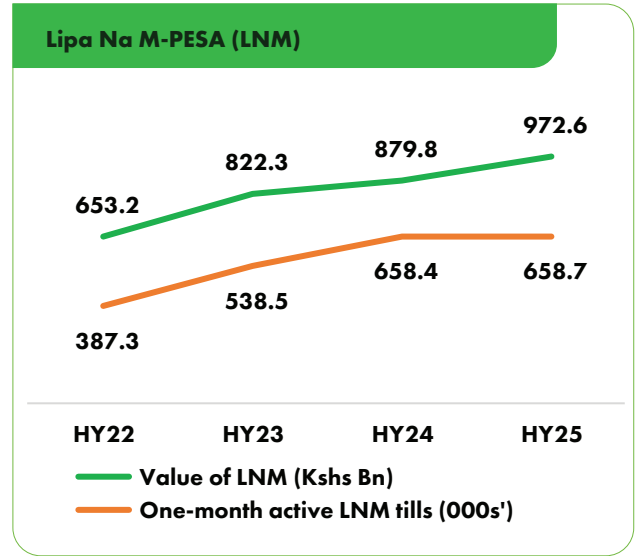
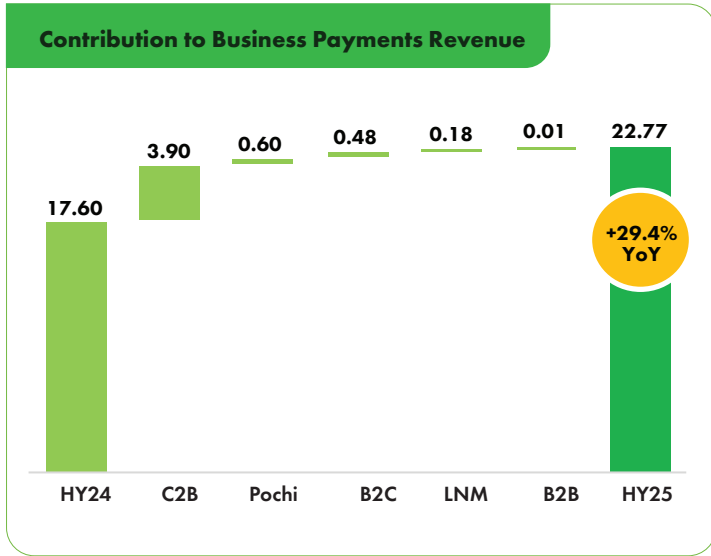
v. Other M-PESA new growth areas

	HY25	HY24	% Change
Lipa Na M-PESA			
Active Tills (k)	658.7	658.4	0.05%
Volume (Mn)	1,458.6	1,182.5	23.4%
Value (KShs Bn)	972.6	879.8	10.5%
Revenue (KShs Bn)	3.7	3.5	5.2%
Pochi			
Pochi tills (k)	869.0	405.2	>100.0%
Volume (Mn)	557.6	158.0	>100.0%
Value (KShs Bn)	78.5	24.0	>100.0%
Revenue (KShs Bn)	0.9	0.3	>100.0%
M-PESA Visa Card			
Active Customers (k)	172.9	84.1	>100.0%
Volume transacted (Mn)	2.9	2.3	26.2%
Value transacted (KShs Bn)	4.0	6.2	(35.2%)
Revenue (KShs Bn)	0.2	0.1	>100.0%
Mali			
Active Customers (k)	132.7	109.1	21.6%
Assets Under Management (KShs Bn)	1.3	3.0	>100.0%
Revenue (KShs Bn)	0.01	0.01	86.4%
Insurance			
LMM Policies issued	117.0	-	>100.0%
Gross premium written for LMM devices (KShs Mn)	22.0	-	>100.0%
Sum Assured (KShs Mn)	975.0	-	>100.0%

vi. Business Payments performance

Payments	Value (KShs Bn)			Volume (Mn)			Revenue (KShs Bn)			
	HY25	HY24	% YoY	HY25	HY24	% YoY	HY25	HY24	% YOY	% Contribution to growth
B2C	2,469.91	2,108.31	17.2%	459.57	330.48	39.1%	2.19	1.71	28.0%	2.7%
C2B*	3,477.16	2,959.14	17.5%	3,387.91	2,459.67	37.7%	15.82	11.93	32.7%	22.1%
B2B	125.07	93.12	34.3%	13.92	4.63	200.4%	0.21	0.20	6.0%	0.1%
LNМ	972.62	879.83	10.5%	1,458.62	1,182.50	23.4%	3.69	3.50	5.2%	1.0%
Pochi	78.52	24.04	226.6%	557.61	157.98	253.0%	0.86	0.26	229.8%	3.4%
Totals	7,123.28	6,064.45	17.5%	5,877.64	4,135.26	42.1%	22.77	17.60	29.1%	29.1%

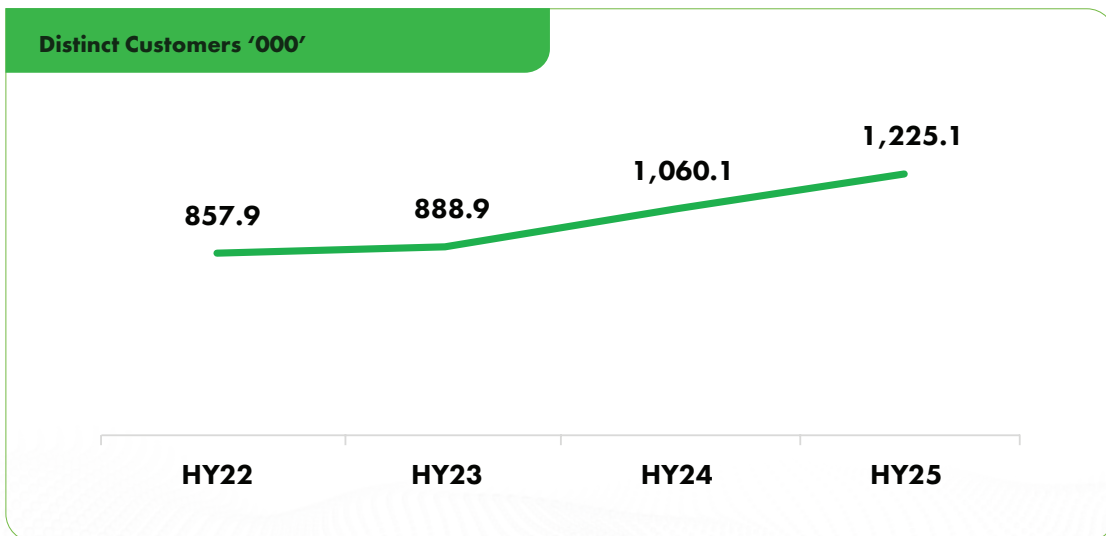
*HY24 Value and Volume numbers have been adjusted to exclude AliPay, Timiza and Virtual Card



vii. M-PESA Global (International Money Transfer)

Launched in FY19, M-PESA Global service enables M-PESA registered customers to send and receive money from countries across the world. M-PESA Global service remittance partnerships include: Western Union, MoneyGram, Ria, WorldRemit, Wave, Remitly among others.

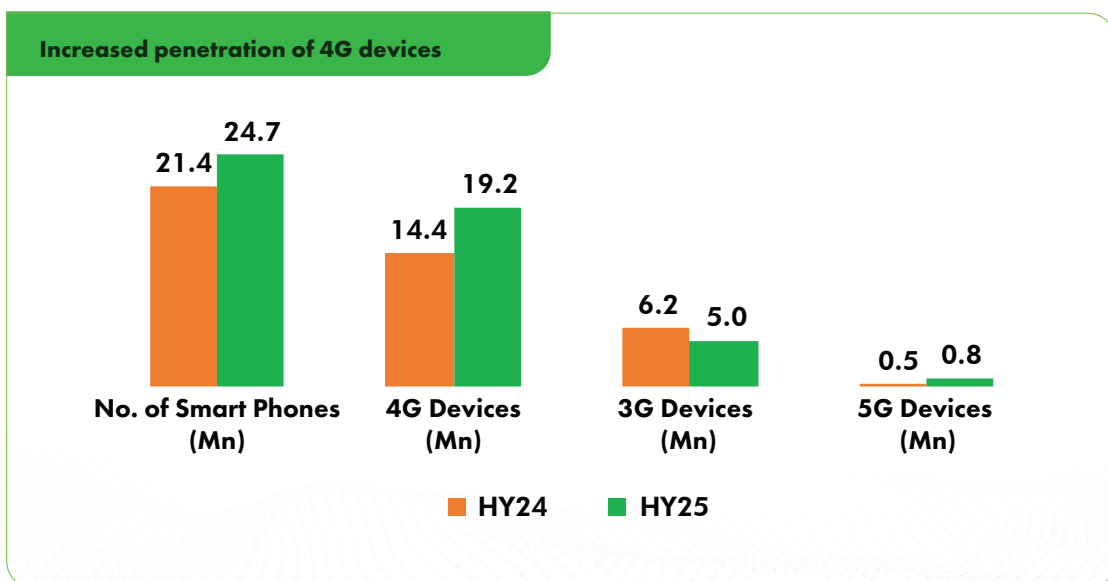
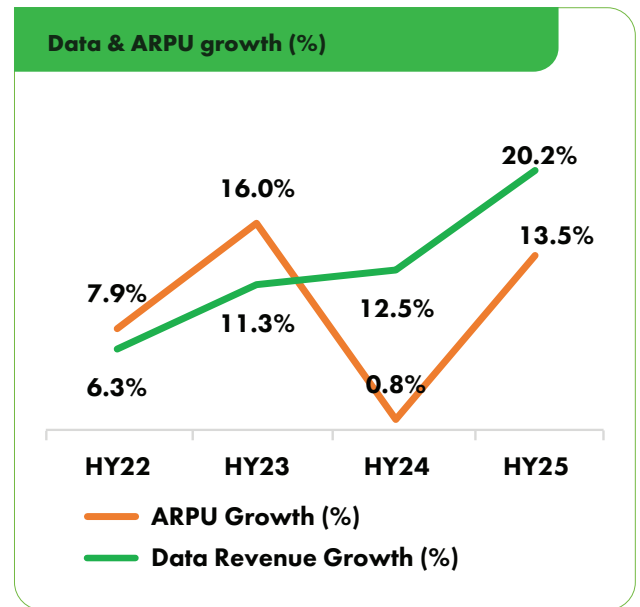
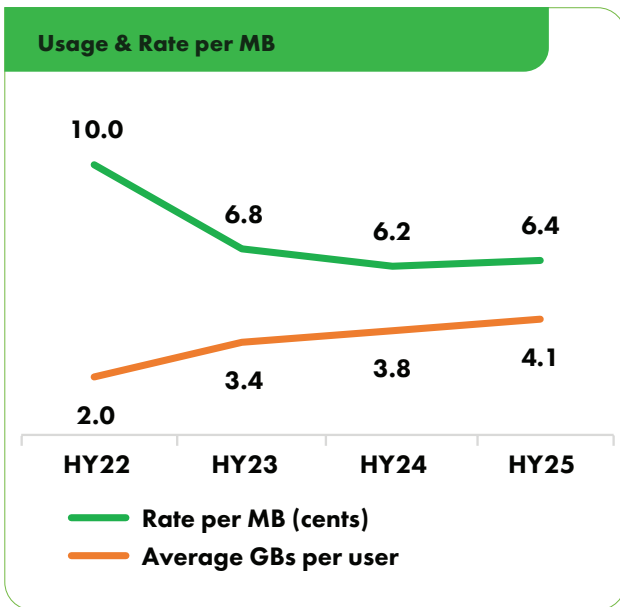
	Value (KShs Bn)			Volume (Mn)			Revenue (KShs Bn)		
	HY25	HY24	% YoY	HY25	HY24	% YoY	HY25	HY24	% YoY
M-PESA Global	266.02	254.58	4.5%	20.60	17.92	14.9%	1.67	1.49	11.5%



i) Mobile Data

Additional Mobile Data KPIs

	Smart Phone Devices (Mn)			Mobile Data ARPU (KShs)			Mobile Data Revenue (KShs Bn)		
	HY25	HY24	% YoY	HY25	HY24	% YoY	HY25	HY24	% YoY
Mobile Data	24.72	21.37	15.7%	263.25	231.94	13.5%	35.55	29.59	20.2%



Glossary

i. Description of M-PESA Profile

Item	Description
Transfers (P2P)	This represents customer deposits in the M-PESA e-wallet that can be funded by direct cash deposits at agent level or through person to person (P2P) transfers.
M-PESA Agents	M-PESA Agents include Safaricom authorized dealers, operating one or more outlets around Kenya, retailers with a substantial distribution network like petrol stations, distributors, supermarkets, registered SMEs and selected Banks and Micro-Finance Institutions. Their key tasks include; registering M-PESA customers, depositing cash into registered customers' M-PESA wallets, processing cash withdrawals for registered and non-registered M-PESA customers and compliance with Safaricom AML & KYC Policy and business practices.
Withdrawals/ Cash out	Withdrawal is the removal of e-money from M-PESA e-wallet to cash through M-PESA agents.
Deposits/ Cash in	Customers fund their M-PESA e-wallet through M-PESA agents or directly from their bank accounts.
Payments	
C2B, B2C and B2B	Customer to Business (C2B) or Business to Customer (B2C) are mainly bank transfers while Business to Business (B2B) is for business transactions. These together with LNM transactions form the payments channels in the M-PESA ecosystem.
Lipa Na M-PESA (LNM)	LNM is a platform that enables merchants to transact using a till number to collect payments from customers. LNM has two major use cases; <ul style="list-style-type: none"> • Buy Goods - mainly used for one-off payments to merchants, this is done 'on the go', mainly face to face but can also be done remotely. • Billers - This is the paybill option/C2B of LNM which mostly happens remotely/online and is mainly used for repetitive transactions done on utility payments to government agencies, SACCOs, electricity & water providers and hospitals.
Pochi la Biashara	Pochi La Biashara, translated to 'Business Wallet' in English, is a product that allows M-PESA registered customers who own informal businesses such as; food vendors, kiosk owners, boda-boda operators, second hand clothes dealers, etc. to receive and separate business funds from personal funds on their M-PESA line.
Savings and Lending	
M-Shwari	M-Shwari is a micro-lending/savings product in partnership with NCBA (a tier 1 Kenyan Bank). The M-Shwari Loan Account is a micro-credit product which allows customers to borrow money or to complement their savings towards an investment or enterprise. The M-Shwari Deposit Account is a micro-savings product which allows customers to securely store their money for a specific purpose or for unexpected events.
KCB-M-PESA	KCB M-PESA is a savings and loan service in partnership with KCB Bank (a tier 1 Kenyan bank) that enables M-PESA customers to save as little as KShs 1, and access credit from KShs 1,000. The KCB M-PESA loan account is a micro-credit product which gives customers access to loans for an emergency or to fund a project or an enterprise.

Fuliza	<p>In partnership with Kenyan lenders, NCBA and KCB Bank, the Group operates an Overdraft (OD) facility dubbed 'Fuliza', a product that enables customers to access unsecured line of credit by overdrawing on M-PESA to cover short-term cash-flow shortfalls subject to an applicable pre-determined limit. Fuliza is available to all M-PESA customers, however the awarding of limits will depend on the customer's credit scoring and how long they have been using M-PESA.</p> <p>Customers who 'opt in' on Fuliza are charged a one-off access fee and daily maintenance fees on unpaid loan amounts based on a pre-determined matrix.</p>
Timiza	<p>In partnership with ABSA Kenya, Timiza is a wallet solution that offers easy banking and instant loans to customers. Through *848# or the Timiza app customers are able to get an instant loan, save, send money, pay bills, purchase airtime, and get insurance with Timiza.</p>
Overdraft facility for businesses (Merchant OD)	<p>Merchant OD is a loan product offered by Safaricom in partnership with KCB Bank Kenya (KCB). The service enables business owners on Lipa Na M-PESA to complete payments even with insufficient funds in their till. The service applies when making transactions from a Lipa Na M-PESA Business Till to other Till Numbers and PayBill Numbers, when sending money to an individual, and when withdrawing to the nominated number or at an Agent. The service advances an overdraft of up to KShs 400,000 depending on the business' limit. The overdraft is offered a 2% one off fee and a tiered daily access fee after the 24-hour free period.</p>
M-Kopa	<p>M-KOPA provides solar home systems that innovatively integrate machine-to-machine technology (M2M) with a micro-payment solution. The system includes embedded GSM technology for monitoring and metering usage, while its pay-as-you-go service carries the advantage of no large initial cash outlay.</p> <p>After an initial deposit, customers pay daily instalments via a mobile money service (M-PESA) until paying off the balance. Once this repayment is complete, customers own the unit outright. Importantly, this solution is cheaper and healthier than the alternative, kerosene lamps for rural households with no electricity.</p> <p>M-KOPA solar is currently available in 750 outlets nationwide in Kenya through the Safaricom distribution network.</p>
IMT	
International Money Transfer (IMT)	<p>M-PESA Global Safaricom Plc through its fully owned subsidiary, Safaricom Money Transfer Services Limited (SMTSL), operates remittance services that allows customers to send and receive money to a beneficiary through registered mobile phone numbers in partnership with third party International Money Remittance (IMT) providers. Revenue is earned from transaction fees charged to customers for international money transfers (inbound and outbound).</p> <p>M-PESA global enables M-PESA registered customers to send and receive money:</p> <ol style="list-style-type: none"> 1. To East Africa: Rwanda, Tanzania & Uganda. 2. Globally: To millions of Bank accounts and over 500,000 Western Union locations globally. 3. Through PayPal: Access funds quickly and shop around the world with PayPal mobile money service with M-PESA. <p>M-PESA GlobalPay Virtual VISA Card M-PESA GlobalPay Virtual VISA Card is a Partnership between M-PESA and VISA. The virtual card is linked to your M-PESA wallet and enables you to make payments to international online merchants for goods and services using your card details.</p> <p>The M-PESA GlobalPay virtual VISA card is only used to facilitate payments on global websites such as Amazon and Netflix. For local sites eg. Jumia, customers will continue to use Lipa na M-PESA, Buy goods option.</p> <p>AliPay Partnership Safaricom partnered with AliPay to integrate M-PESA as a payment method on AliExpress e-commerce.</p>

E-Commerce	
Paypal Partnership	<p>Safaricom, PayPal and TransferTo announced a collaboration on 9 April 2018 for a new service that allows movement of funds between M-PESA and PayPal accounts.</p> <p>Qualifying M-PESA customers in Kenya can link their PayPal accounts to their M-PESA wallets, enabling them to easily and securely buy goods and services from merchants around the globe.</p>
Smart Lifestyle Channels	
M-PESA Consumer App	<p>The M-PESA App for consumers delivers the suite of M-PESA solutions to our consumers in a customer centric approach. This has redesigned the M-PESA customer experience journey to reduce demand in Call Centre and simplify multiple payments.</p> <p>It serves as a one stop shop for all SMEs needs including instant Lipa Na M-PESA sign up through the Merchant App, increased access to market to achieve scale through SME Marketplace and integration of third party services through Mini Apps.</p>
M-PESA Business/ Merchants Transacting Till (Buy Goods)	<p>The M-PESA Business till is an enhancement of the existing Lipa Na M-PESA Buy Goods till that enables business owners to collect payments on the till and use the money collected to make other transactions directly from their till.</p> <p>The M-PESA for Business till is ideal for businesses in retail, such as supermarkets, restaurants, hardware, pharmacies, boutiques, salons etc. that collect money from customers regularly as part of their business. The product can be accessed via USSD *234*2# or via app M-PESA for Business App.</p>
M-PESA Business App	<p>M-PESA for Business App allows merchants and businesses to better visualize their payment collections and spend, see full statements and transact directly from their M-PESA Business till using the App. The App provides users a faster and simpler payment experience. Its an alternative to the USSD service *234# Option 2.</p>
M-PESA Bill Manager	<p>This is a service that allows customers to save and pay bills in one transaction, memorizing all paybills and account numbers and better still, a way for them to be reminded of the bill payment due dates. The service is available to all M-PESA registered customers and can be accessed by dialling *234# then selecting M-PESA Products followed by Bill Manager.</p>
Insurance	<p>Safaricom Insurance Agency Limited is a fully licensed Agency and subsidiary of Safaricom PLC through which we are offering insurance services. We launched operations in August 2024 and since then, we have launched embedded insurance on devices sold through our channels.</p>
Other Disclosures	
Chargeable transactions	<p>These are transactions via M-PESA which are charged a certain fee based on the available rate cards for the different array of products available under M-PESA. These would include; transfers, withdrawals, payments to merchants via Lipa Na M-PESA and paybills, transfers o/from banks and lending/credit related transactions.</p> <p>The non-chargeable transactions include deposits into M-PESA wallet at agent level and transactions relating to organisations transferring money to different M-PESA wallets within the ecosystem.</p>

Abbreviation

ARPU	Average revenue per user
CAGR	Compound Annual Growth Rate
Churn	Total gross customer disconnections in the period divided by the average total customers in the period
CVM	Customer Value Management
2G	Second-generation Technology
3G	Third-generation Technology
4G	Fourth-generation Technology
FTTH	Fibre to the Home
Bn	Billion
LNМ	Lipa na M-PESA
LTE	Long-Term Evolution
Mn	Million
MTR	Mobile Termination Rate
MSMEs	Micro Small and Medium Enterprises
IFRS	International Financial Reporting Standards
IoT	Internet of Things
MB	Megabyte
Ppt	Percentage points
SMS	Short Message Service
ROU	Rights of Use
Trn	Trillion
AML	Anti-money Laundering
KYC	Know Your Customer

Corporate Information

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