



# Safaricom PLC

**HY25 INVESTOR PRESENTATION**

**7th November 2024**



**BUSINESS OVERVIEW,  
PURPOSE & STRATEGY  
UPDATE**

**DR. PETER NDEGWA, CHIEF EXECUTIVE OFFICER**



# SAFARICOM @24 | Twenty Four Years of Transforming Lives

ASANTE KWA  
MIAKA  
24

## 24 Years, Pamoja Asante

As we celebrate 24 years of connecting Kenyans, I want to extend my heartfelt gratitude to each and every one of you, our dedicated staff. Your Passion, hard work, and commitment have made Safaricom what it is today.

From connecting Kenyans to empowering communities, your contributions have been invaluable. Your dedication to our customers and your unwavering belief in our mission have inspired us all.

Let's continue to innovate, grow and make a positive impact on the lives of Kenyans. Asante sana for being part of our Safaricom family.

Dr. Peter Ndegwa  
CEO, Safaricom PLC

 **Safaricom**



# KENYA OPERATING ENVIRONMENT | Improving Macros but Fragile Operating Environment

## Macro Tailwinds & Headwinds

### Tailwinds

- Resilient GDP growth; +4.6% in Q2 2024
- Declining inflation rates; 3.6% Sep 2024
- Strengthening Kenyan Shilling

### Headwinds

- Increased fiscal pressure
- High interest rates
- Contractionary monetary policy

## Regulatory & Industry

- Mobile Termination Rate reduction
- Increased taxation
- High energy cost
- Increased regulatory pressure

## Customer Insights

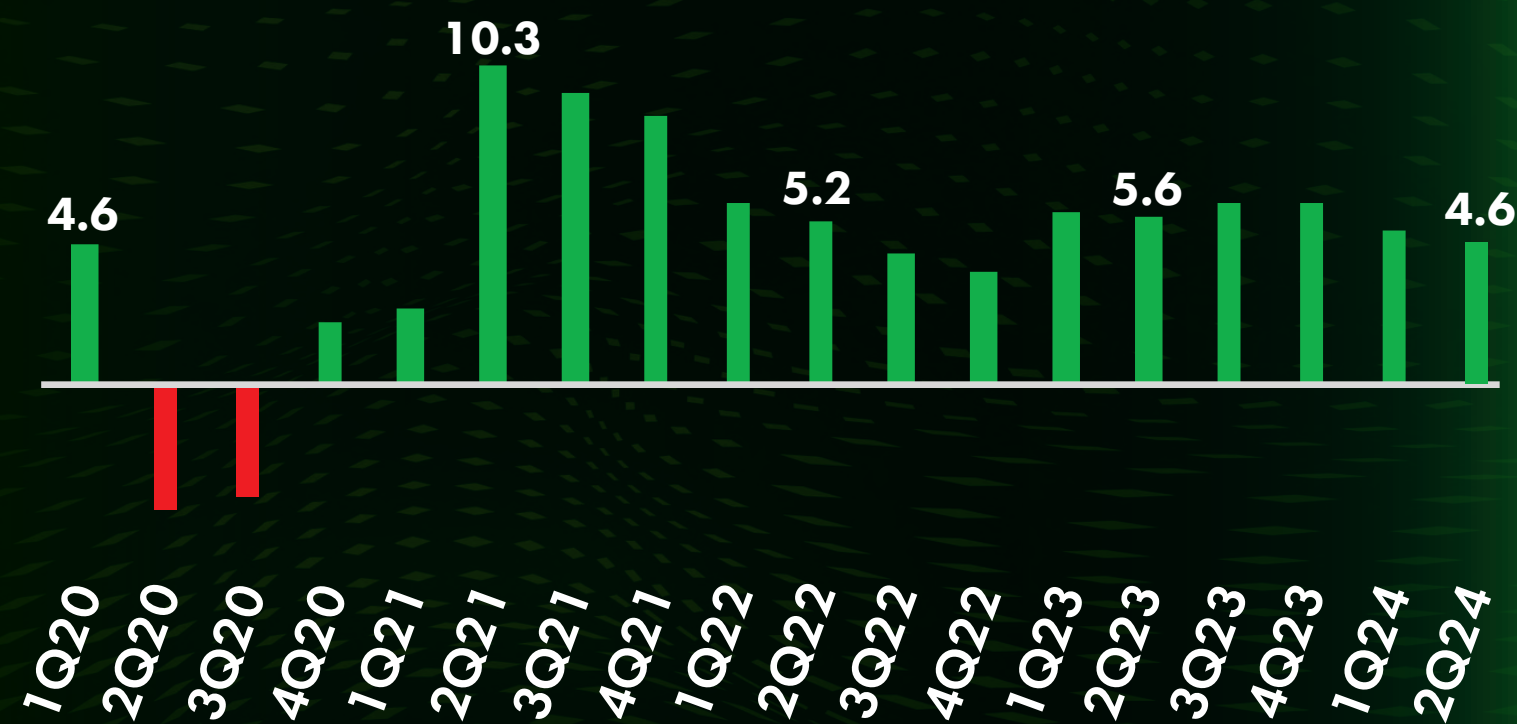
### Tailwinds

- Declining food prices
- Improved fuel prices

### Headwinds

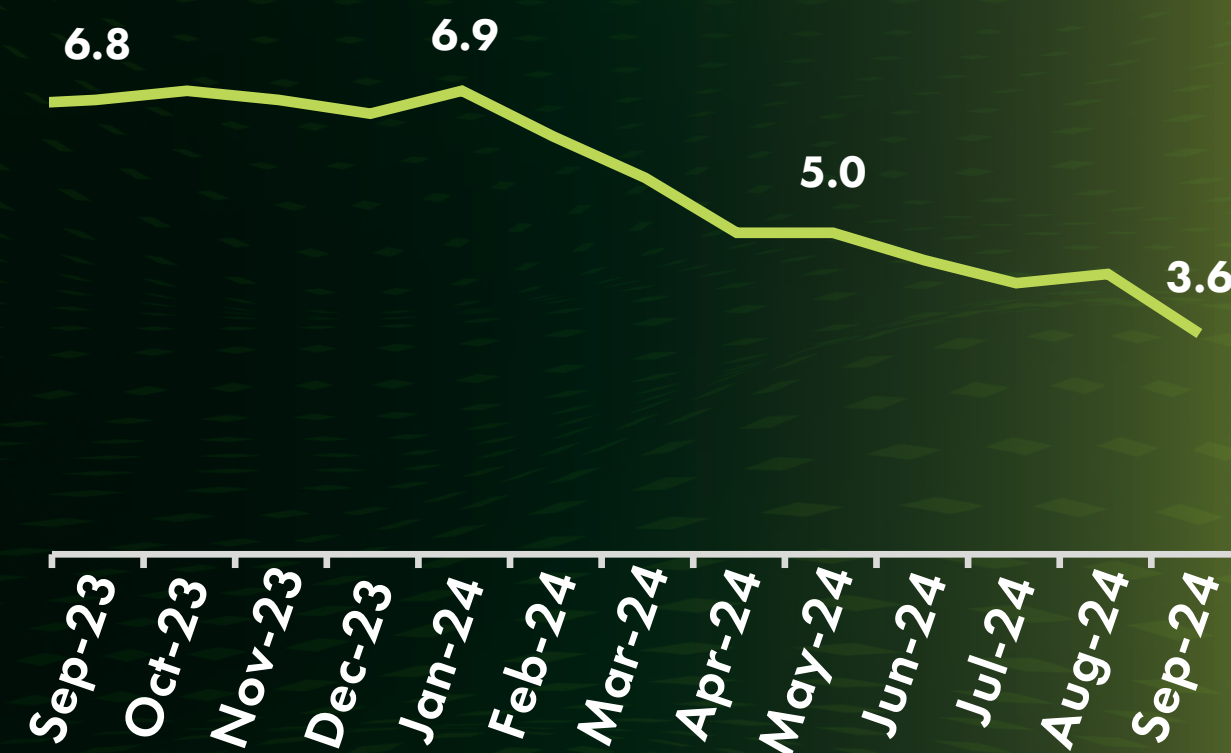
- Disposal incomes under pressure
- High energy tariffs
- Demand for more value

## Recovering But Fragile GDP Growth (%)



Source: KNBS

## Declining Inflation Rate (%)



Source: KNBS

## Strengthening Kenya Shilling (USD/KES)



Source: CBK

# 13<sup>th</sup> SUSTAINABILITY REPORT | We Continue to be a Pioneer on ESG and SDG Agenda



**Accelerating Digital Inclusion**



**Pioneering Sustainable Financing**



**Leveraging Partnerships to Drive Inclusion and Sustainable Development**



# OUR PURPOSE | Driving Societal Value Through Sustainable Financing

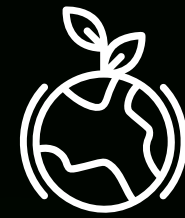
## True Value Assessment (FY24)\*



**Impact on Society**  
**16 times the profit**  
 generated in FY24 of  
 KShs 63.0Bn



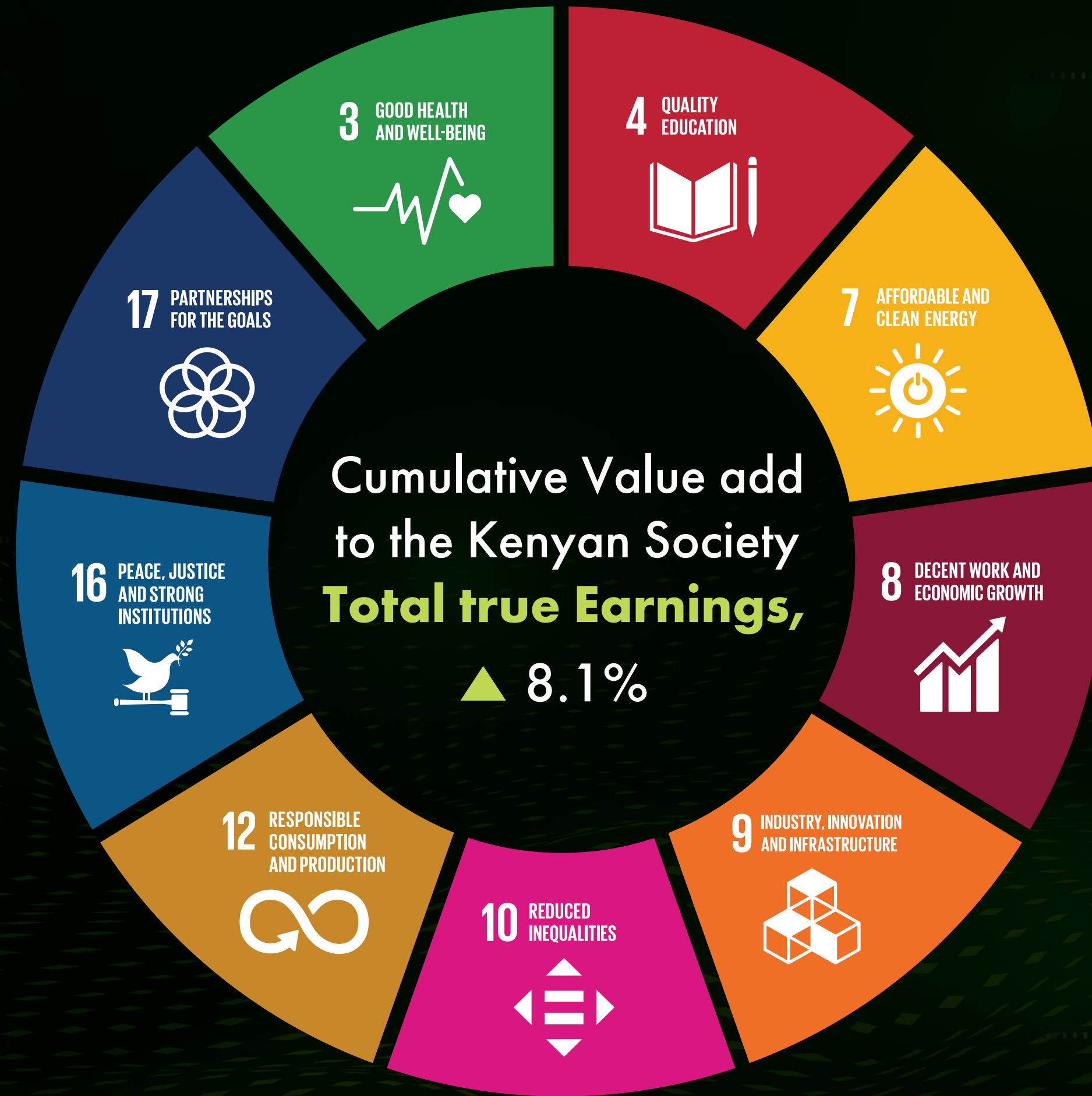
**Economic value added** through  
 operations & taxes  
 KShs 562Bn  
 ▲ 9.5%



**Environmental externalities**  
 KShs 0.9Bn  
 ▲ 16.0%



**Social value added**  
 KShs 348Bn,  
 ▲ 7.2%


















## Partnering for ESG Success

- Obtained an additional **KShs 15Bn** Sustainability-Linked Loan to strengthen our ESG agenda, bringing the total to **KShs 30Bn**.
- UN Global Compact's Forward Faster Initiative

\*For more details, refer to our 2024 Sustainable Business Report.  
 Link <2024-Sustainable-Business-Report>  
 These are the 9 SDGs out of the 17 SDGs prioritised as the most relevant to our business.

# OUR PURPOSE | Delivering on our Commitment to Transform Lives in Kenya

Through the;					
HY25 Highlights;	 <b>2.6Mn</b> Lives Impacted	 Investing <b>KShs 3.5Bn</b>	 In all <b>47</b> Counties		
In various projects in;	 Education	 Health	 Economic Empowerment	 Environment water & livelihoods	 Disaster Response
HY25 Key Initiatives;	 <b>Launched Phase 6 of Ndoto Zetu</b> Supporting 306 projects to impact +900k beneficiaries	 <b>39 schools</b> have been built	 Supported 39k Households <b>response to families affected by floods</b>	 <b>Uzazi Salama programme</b> in Narok & Kilifi, impacting 709k mothers and newborns	 <b>Fistula operations</b> for 470 women in 14 counties

## Tech Enabler of Sports



### Safaricom Chapa Dimba

- The Tournament that swept the Nation
- Over **KShs 400Mn** invested
- **3,353** Teams, **60,354** players engaged in Season 5
- **150** Technical and vocational education and training (TVET) Scholarships awarded to Most Valuable Players (MVPs)



### Athletics

- 2024 Team Kenya Olympics Sponsorship valued at **KShs 35Mn**
- Creating financial health through digital financial literacy programs - Trained Team Kenya Paralympics ahead of the 2024 Olympics Games

## Tech for Good



### Making of a Star Documentary Series



### Ndoto Zetu Philanthropic initiative by Safaricom Foundation



### Safaricom Youth Ochestra/Ghetto Classics



### Tree Planting/ Circular Economy



# OUR STRATEGY | Great Execution Driving Commercial Momentum

FY25 focus is to embed customer-first tech capabilities in order to be Africa's leading purpose-led technology company



## Consumer Business

- Leveraging AI, big data and analytics to deliver personalised integrated propositions.
- Customer segmentation is changing how we engage



## Financial Services Business

- Strengthening the core and expanding reach of our services
- Strategic partnerships driving innovations



## Enterprise & Fixed Business

- Revamped our go-to-market strategies for businesses
- Revolutionizing digital experience with fast data speeds



## Safaricom Ethiopia

- Accelerated commercial momentum
- Reforms of the foreign exchange regime impacting our business



## Certification in Safeguarding Customer Data

- Awarded ISO 27701 Privacy Information Management System certificate by British Standards Institute for our commitment in Data Privacy



## Purpose and Brand

- Scaled up purpose spend and focus; Refreshed customer segmentation



## Public Sector Digitisation

- Digitization Health Ecosystem
- Deepening Financial Inclusion - Hustler Fund
- Agriculture



## East Africa Device Assembly

- 680k Devices assembled and distributed to the market

# OUR BRAND | 24 Years of Unwavering Commitment to Customer Data Privacy

Awarded the **ISO 27701 Privacy Information Management System** certificate following a rigorous review undertaken by British Standards Institute



Recertified and awarded the highest level of the **Payment Card Industry Data Security Standard (PCI DSS) Certification**



# DIGITIZING KENYA | Digitization Partner of Choice for Public Sector



## Digitization Health Ecosystem in Kenya

- Development of **Integrated Healthcare Information Technology System** (IHITS System) to support digitization of public health facilities
- Enhance **universal care access** to deepen access to health financing
- Digitization of health commodities in supply chain **improving drugs safety and availability**
- Drive point of care digitization and health systems interoperability to enable **health data portability**



## Deepening Financial Inclusion

- Inua Jamii - Government Cash Transfer wallet; **300k** beneficiaries enrolled, **KShs 3.3Bn** disbursed, targeting **2Mn** citizens
- Hustler Fund with **22Mn** Customers, **KShs 56.5Bn** disbursed
- Women Empowerment Groups fund; **30k** Active Groups, **2Mn** members, **KShs 0.9Bn** disbursed



## Agri-input Subsidy Programme

- **5.5Mn** Farmers
- **5.4Mn** Fertilizer bags redeemed
- **KShs 17Bn** of subsidy distributed
- **41** Counties covered

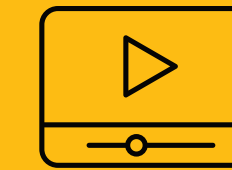
# CONSUMER BUSINESS | Growing the Core Through Customer-centric Actions



Enhanced integrated value propositions




Customer segmentation driving engagement



Enhanced access to affordable content


**ALL YOU NEED IN ONE**  
Enjoy more control with your all-in-one plan



**2,000 MONTHLY PLAN**

- 1,000 minutes
- 17GB
- 2,000 SMS + Free WhatsApp

Visit MySafaricom App or dial \*544#, select 'Go Monthly' and choose your All-in-One bundle.



**SAFARICOM HOOK**



GET HOOK'D WITH  
**1GB FOR KES 20**  
PLUS **FREE 500MB**  
FOR 1HR



**showmax**  
Premier League




**IT'S YOUR STADIUM**  
**ON THE MOVE**

Enjoy Showmax Premier League Mobile + **3GB data** at only

Ksh **450** MONTHLY MOBILE ONLY

Dial \*544\*37# to subscribe

POWERED BY 

# FINANCIAL SERVICES | Building a Sustainable Fintech Ecosystem

## Strengthening Our Core, Expanding Our Reach

- **Growing our distribution;**  
Pochi customers at **869k, +115% YoY,**  
Agents at **266k, +2.4% YoY**
- **Expanding merchant network;**  
LNM merchants at **659k, +4.1%** from March 2024
- **Adoption of QR codes;**  
**18,362** codes rolled out to ease payments journey
- **Empowered 55k** more businesses through OpenAPI
- **Payment Card Industry Data Security Standard (PCI DSS) recertification**



## Driving Innovation Through Strategic Partnerships

- **Credit market place;**  
Merchant Overdraft product, Fuliza - limit refreshes and rescoring of **1.3Mn** customers, uplifting **+400k** borrowing customers
- **Insurance;**  
Safaricom Insurance Agency registered and licensed, **117k** policies issued and a sum assured of **KShs 975Mn**
- **Wealth Management with KShs 3Bn AUM**
- Launched **M-PESA Ratiba** (standing orders) with **1 Mn** Opt-ins, transacted **KShs 336Mn**

**Powered by robust  
technology & platforms**

Enhanced platform  
Stability & Resilience  
**4,000 TPS**

A developer community  
of **93k** enabling a  
digital economy

AI to support data  
analytics and  
customer engagement

# ENTERPRISE BUSINESS | Powering Growth & Innovation for Businesses



## Safaricom Grow for Business

- Launched "Grow with Safaricom Business" initiative, focused on empowering SMEs with affordable, technology-driven solutions. Over 5,000 SMEs joining our knowledge-building forums.
- Opened the first-ever Safaricom Business Retail Shop in Eastleigh specifically targeting SMEs. Over 500 customers have visited the shop



## Customer Segmentation

- We have revamped how we engage our business customers for tailored go-to-market strategies, propositions, and support models; Micro & Small, Mid-market, and Large Enterprise customers



## Integrated Propositions

- Strengthened demand for network security and productivity applications
- Meeting demand for cybersecurity solutions with growing cyber threats
- Continued focus on full-stack security enhancements
- Accelerated affordable and integrated solutions



# FIXED BUSINESS | Enhancing Customer Experience and Driving Value



## Enhanced Customer Experience

Advanced exceptional speeds and value to businesses for productivity and efficiency



## 5G internet for business

Revolutionizing digital experience with fast data speeds



## Accelerating Fibre Roll-out

Deepening home connections to ensure great customer experience

**Business Fibre**

Connect to Kenya's fastest business internet  
**Experience exceptional speed and value**

Free Router   Free Installation   Support 2222

**15 Mbps** KES 2,999   **50 Mbps** KES 5,000   **\*100 Mbps** KES 6,299

Dial **\*485#** to get connected

**Safaricom BUSINESS**

\*Terms and conditions apply

**SAFARICOM**

**5G** POWERING BUSINESSES AND CONNECTING KENYANS.

**Safaricom**

**FEELS GOOD TO UPGRADE**

Enjoy upto 2X speeds on home fibre

VISIT MYSAFARICOM APP OR DIAL \*400# TO CONNECT

UPGRADE UPGRADE UPGRADE UPGRADE

BRONZE	SILVER	GOLD	DIAMOND
<del>10 Mbps</del>	<del>20 Mbps</del>	<del>40 Mbps</del>	<del>100 Mbps</del>
<b>15 Mbps</b>	<b>30 Mbps</b>	<b>80 Mbps</b>	<b>500 Mbps</b>
<b>KSHS 2,999</b>	<b>KSHS 4,100</b>	<b>KSHS 6,299</b>	<b>KSHS 12,499</b>

\*Free Router. No installation cost  
Kenya's fastest home Internet provider

**Safaricom**



# SAFARICOM ETHIOPIA UPDATE



# ETHIOPIA FX REFORMS | Navigating Short-term Hurdles, for Long-term gains

## Macro Environment

### Resilient Fundamentals

- Easing Inflation; 17.5% in Sep 2024
- Expected 2024 GDP growth of 7.9%
- Support package from IMF
- FX regime reforms

## Regulatory/Industry

### Ongoing Efforts to Level the Playing Field

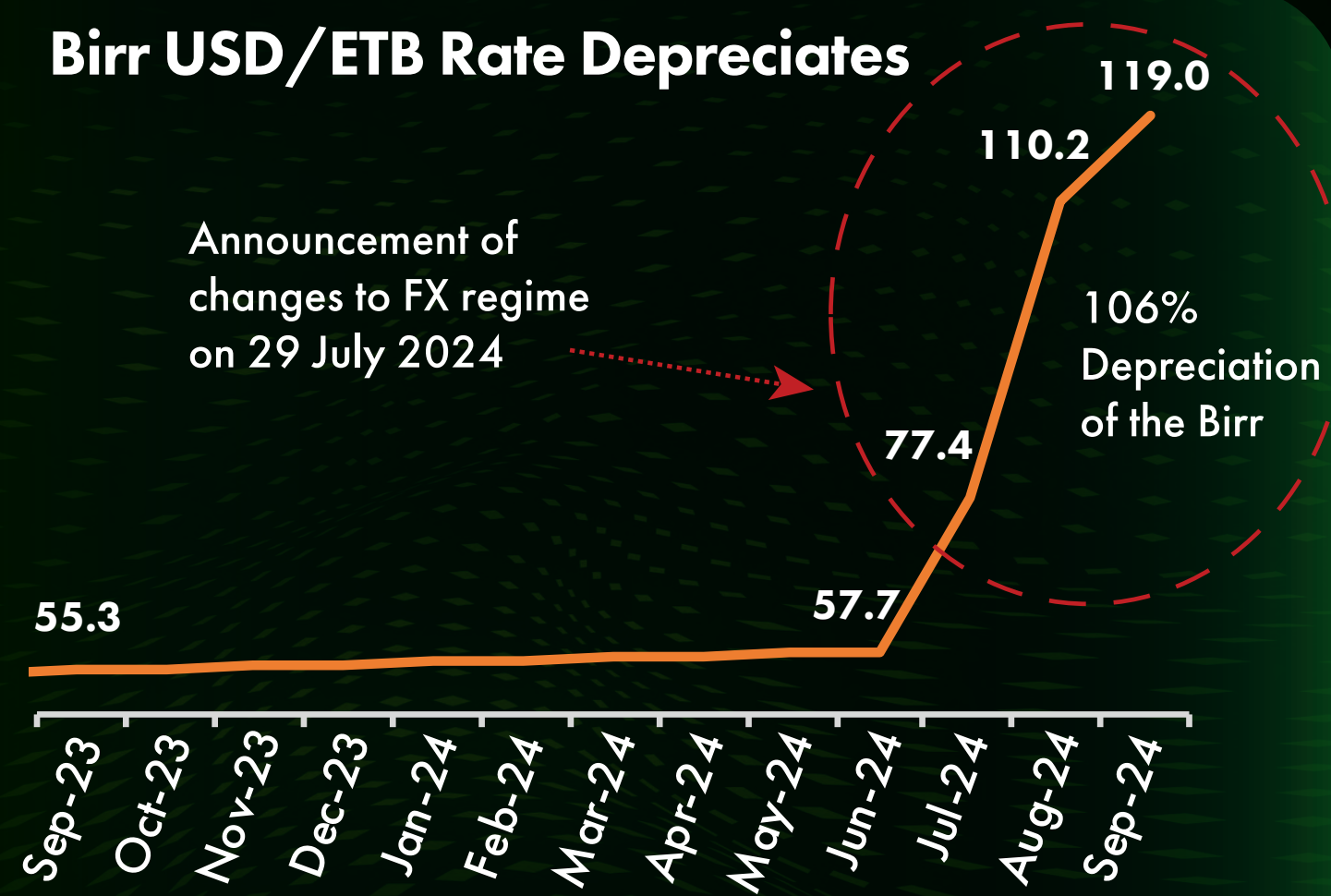
- Mobile Termination Rate reduction
- IPO on 10% privatisation of Ethiotel issued
- Ethiotel declared a Significant Market Player (SMP)

## Political/Security

### Stable but Fragile

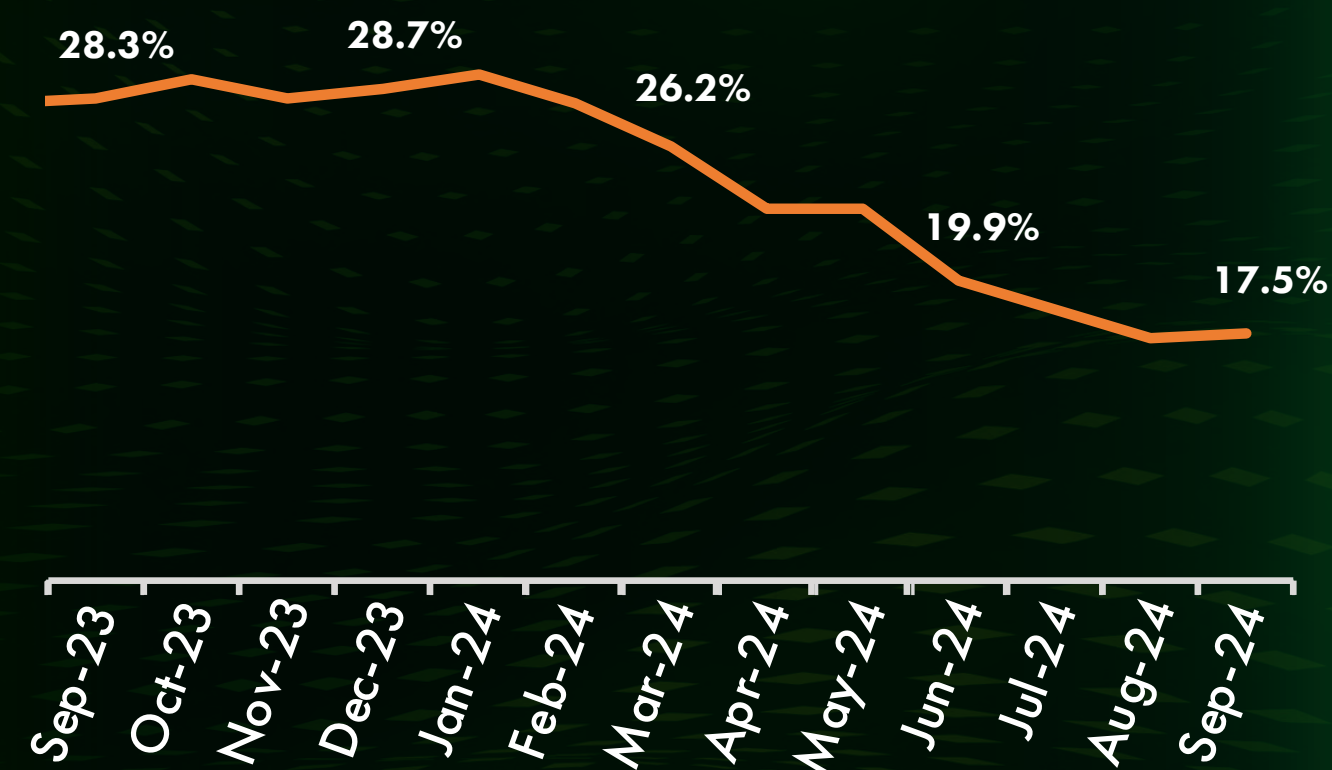
- Stabilizing security situation in Tigray
- Amhara under state of emergency

### Birr USD/ETB Rate Depreciates



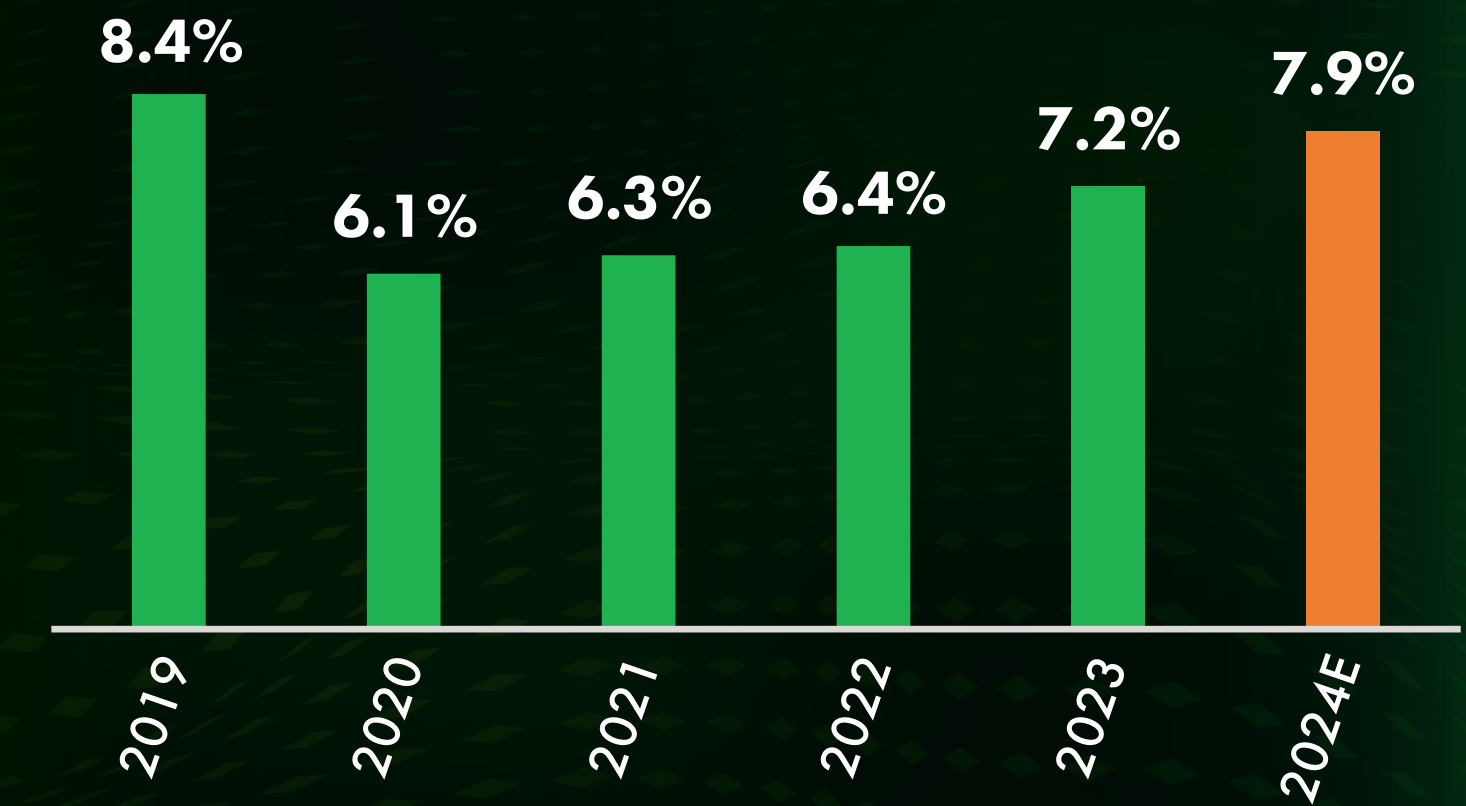
Source: Ethiopia Statistical Service (ESS)

### Inflation Rate Holding as Market Adjusts



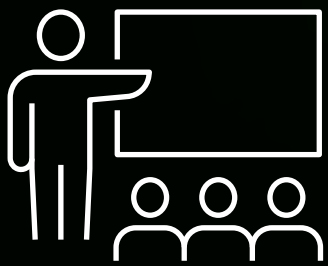
Source: Ethiopia Statistical Service (ESS)

### GDP Growth Rate



Source: Bloomberg, IMF, World Bank

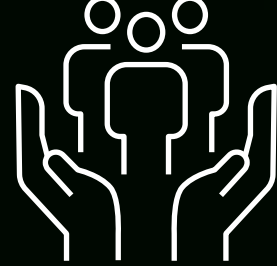
# ETHIOPIA | Transcending our Purpose Beyond Borders



## Empowering Education

(building digital capacity of education institutions and supporting students with school supplies)

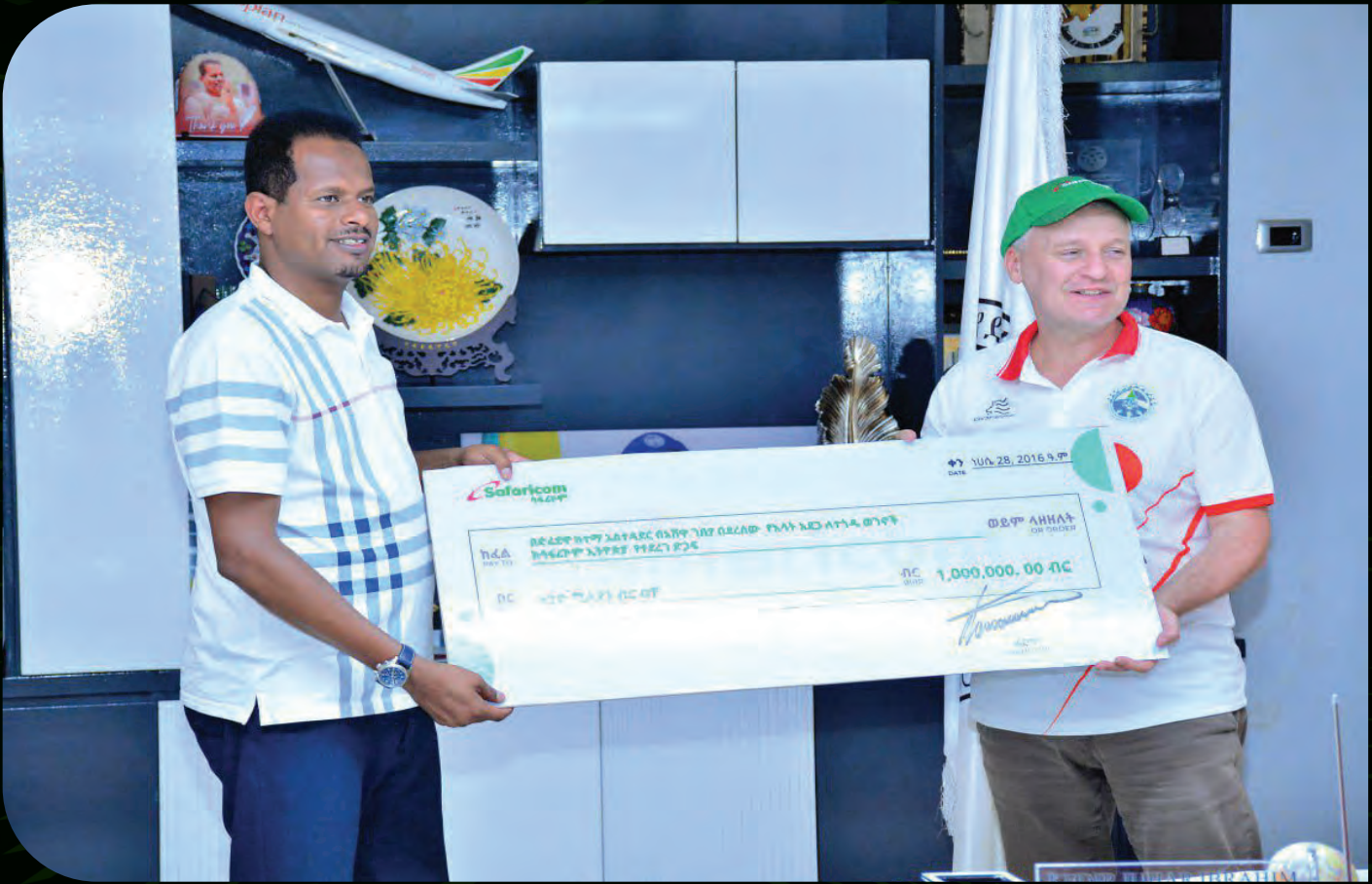
- Donated laptops, routers and 6 months of unlimited data for government high schools
- Exercise books and pens donation for students from low-income households







## Solidarity Response

(responding to natural calamities and request for intervention from stakeholders)

- Gofa Zone landslide
- Ashewa market fire
- Supported the development of Dire Dawa city
- Donations to Haile Minas Academy which sponsors students from underprivileged communities



# ETHIOPIA | Accelerating Commercial Momentum Two Years Since Launch

 <p><b>Customers</b></p>	<p><b>6.1 Mn, +47.3% YoY</b> 90-day Active Customers</p>	<p><b>4.9 Mn, +112.1% YoY</b> 90-day Active Data Customers</p>		<p><b>6.6 GB, +119.4% YoY</b> per Mobile Data User</p>
 <p><b>M-PESA</b></p>	<p><b>8.3 Mn, +616.4% YoY</b> Total Registered M-PESA Customers</p>	<p><b>6.7k</b> Active Merchants</p>	<p><b>3.2k</b> Active Agents</p>	<p><b>KShs 10.9Bn Value</b> <b>and 86.5Mn</b> Volume of M-PESA Transactions</p>
 <p><b>Network</b></p>	<p><b>3,008</b> Network Sites</p>	<p><b>Sites Split</b></p> <p><b>1,648</b>   <b>1,360</b> Own built   Collocated</p>		<p><b>46%</b> Population Coverage</p>
 <p><b>People</b></p>	<p><b>858</b> Permanent Employees</p>	<p><b>92%</b> Ethiopians</p>	<p><b>8%</b> Expats</p>	<p><b>64%</b>   <b>36%</b> Male   Female</p>

# HY25 PERFORMANCE HIGHLIGHTS



# HY25 PERFORMANCE | Robust Underlying Performance for the Group



## Service Revenue



## EBIT



## Net Income

	Service Revenue	EBIT	Net Income
<b>Safaricom Kenya</b>	<b>+12.9% YoY</b> KShs 177.5Bn	<b>+18.0% YoY</b> KShs 79.2Bn	<b>+14.1% YoY</b> KShs 47.5Bn
<b>Group underlying performance including Ethiopia</b>	<b>+14.0% YoY</b> KShs 181.4Bn	<b>+31.9% YoY</b> KShs 61.6Bn	<b>+21.7% YoY</b> KShs 36.7Bn*
<b>Group performance including impact of Birr depreciation</b>	<b>+13.1% YoY</b> KShs 179.9Bn	<b>+1.8% YoY</b> KShs 42.2Bn	<b>-17.7% YoY</b> KShs 28.1Bn*

\*Net Income excluding Minority Interest

# FINANCIAL PERFORMANCE

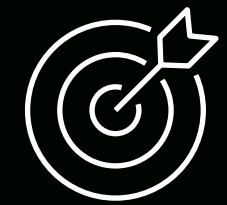
**DILIP PAL, CHIEF FINANCE OFFICER**





# SAFARICOM KENYA PERFORMANCE

# KEY HIGHLIGHTS | Strong Performance for our Kenyan Business



**Service Revenue**



**+12.9% YoY**  
KShs 177.5Bn



**EBITDA**



**+13.7% YoY**  
KShs 102.9Bn



**EBIT**



**+18.0% YoY**  
KShs 79.2Bn



**Net Income**



**+14.1% YoY**  
KShs 47.5Bn



**One Month Active Customers**



**+6.0% YoY**  
35.3Mn



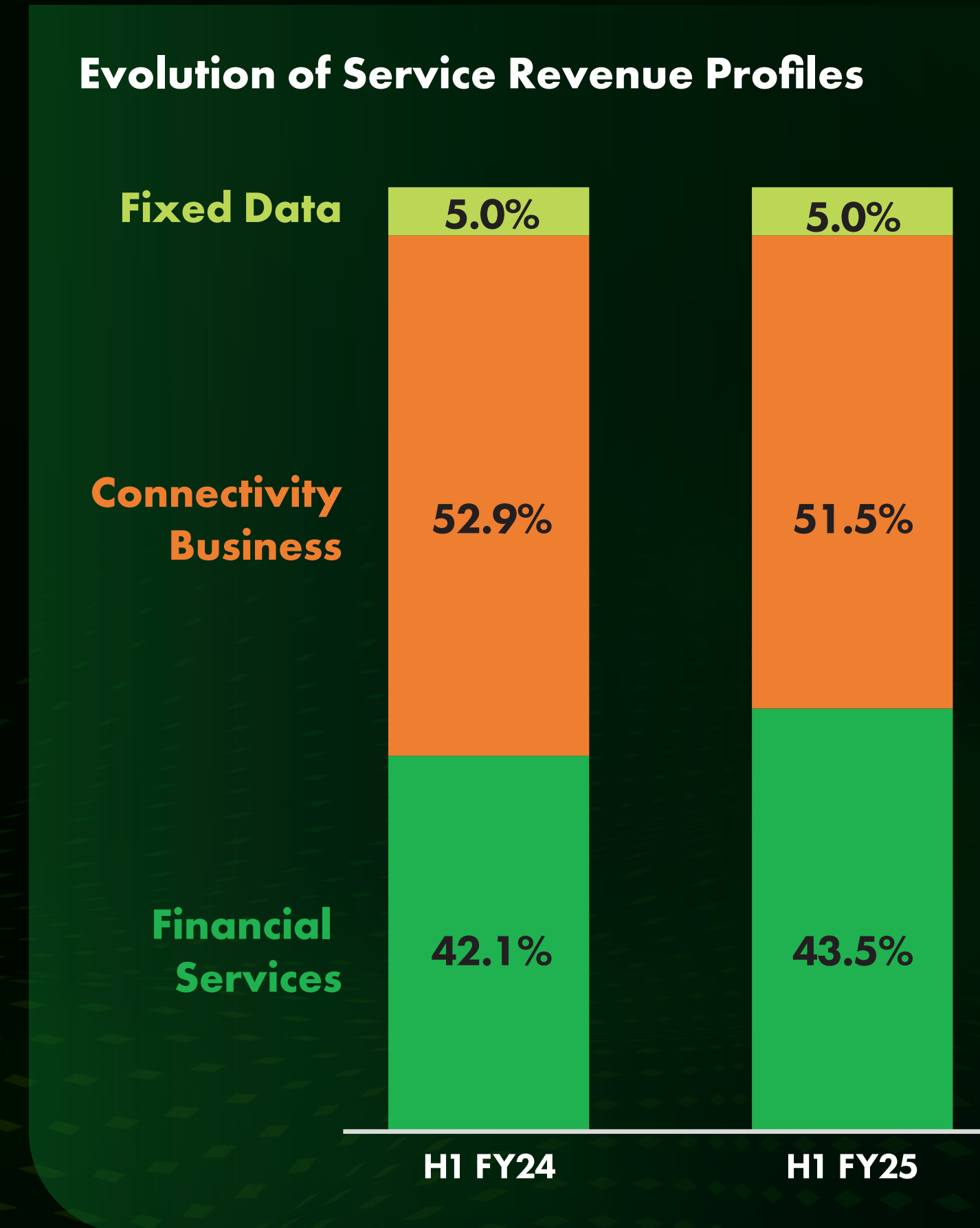
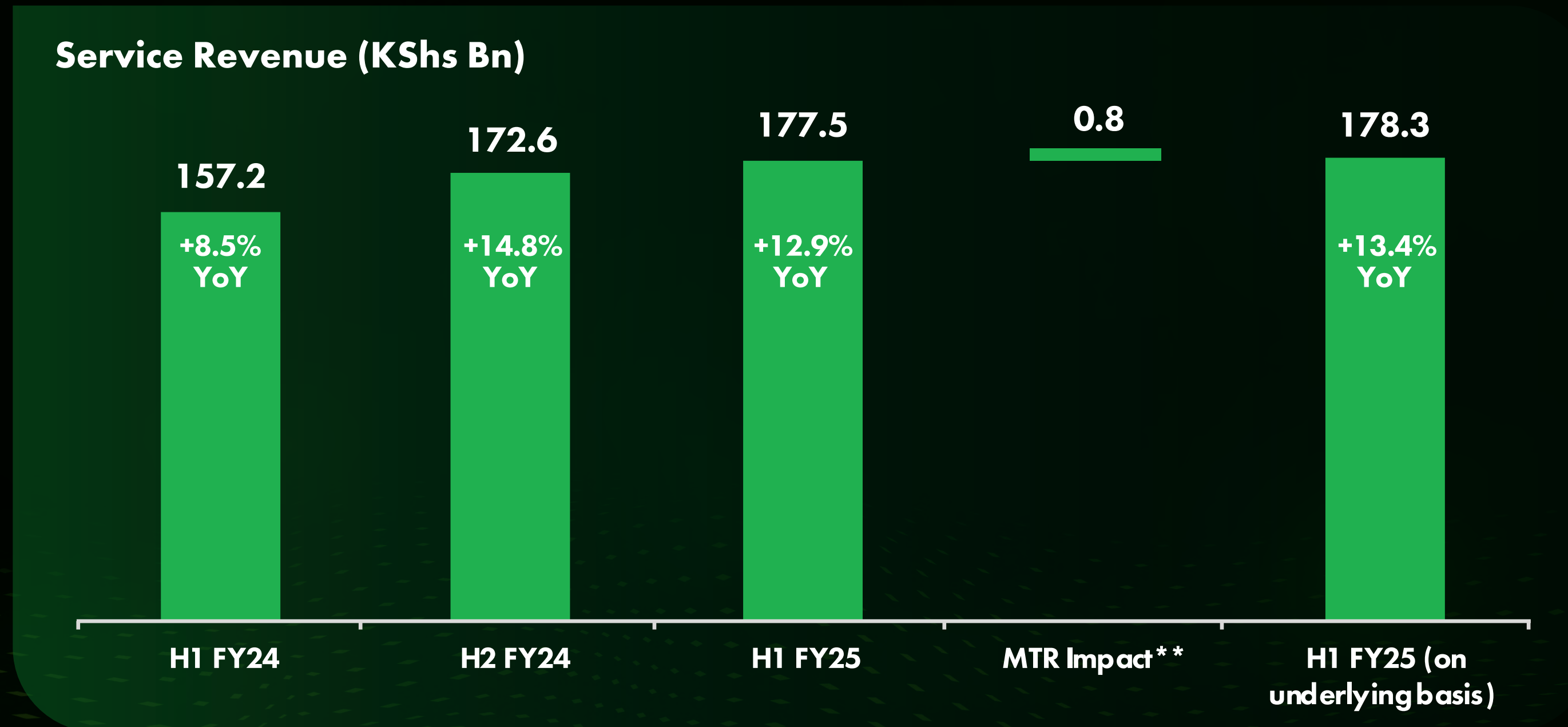
**Operating Free Cash Flow**



**+41.4% YoY**  
KShs 80.6Bn



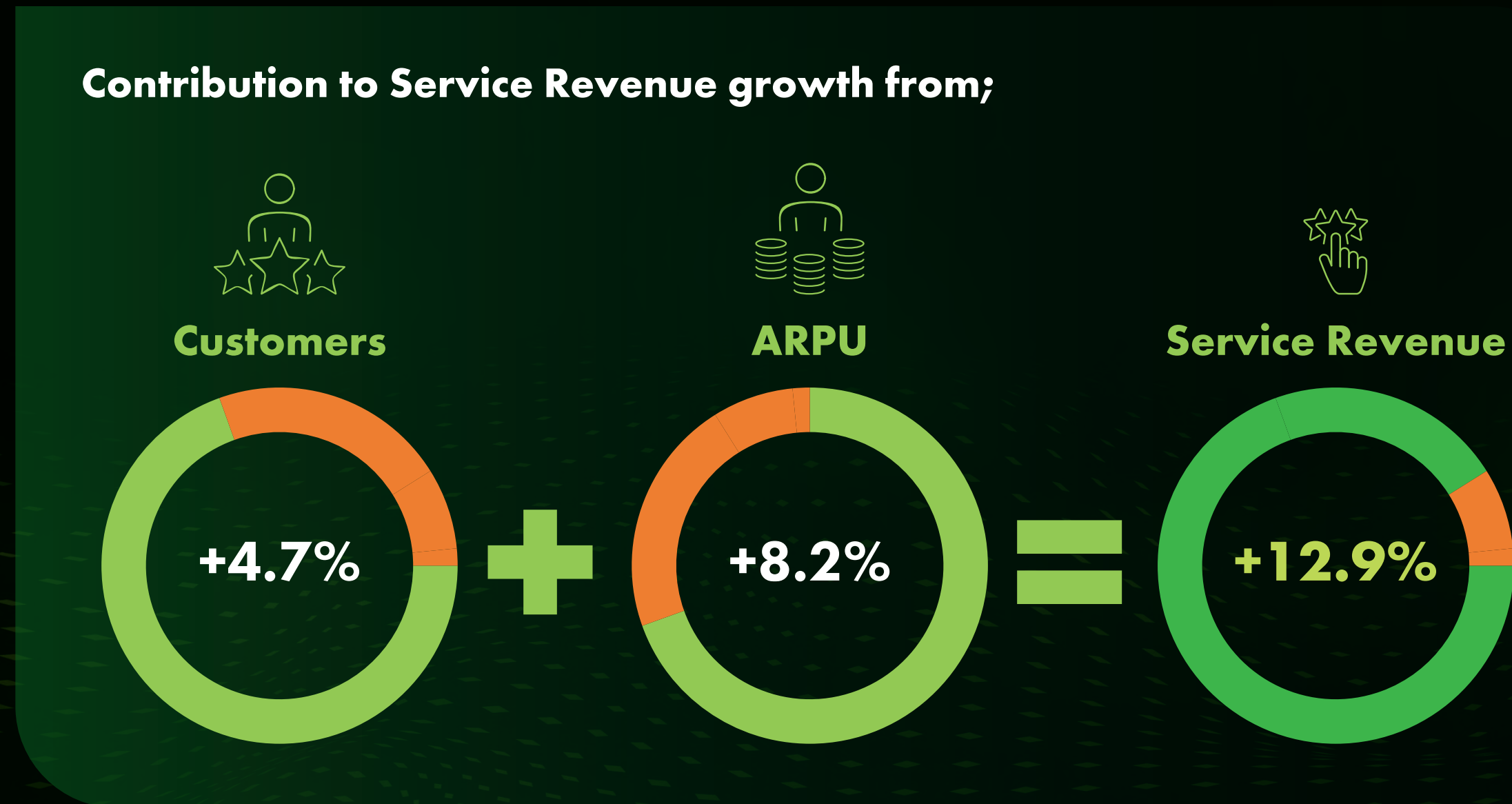
# SERVICE REVENUE | M-PESA and Mobile Data Driving 84% of the Growth



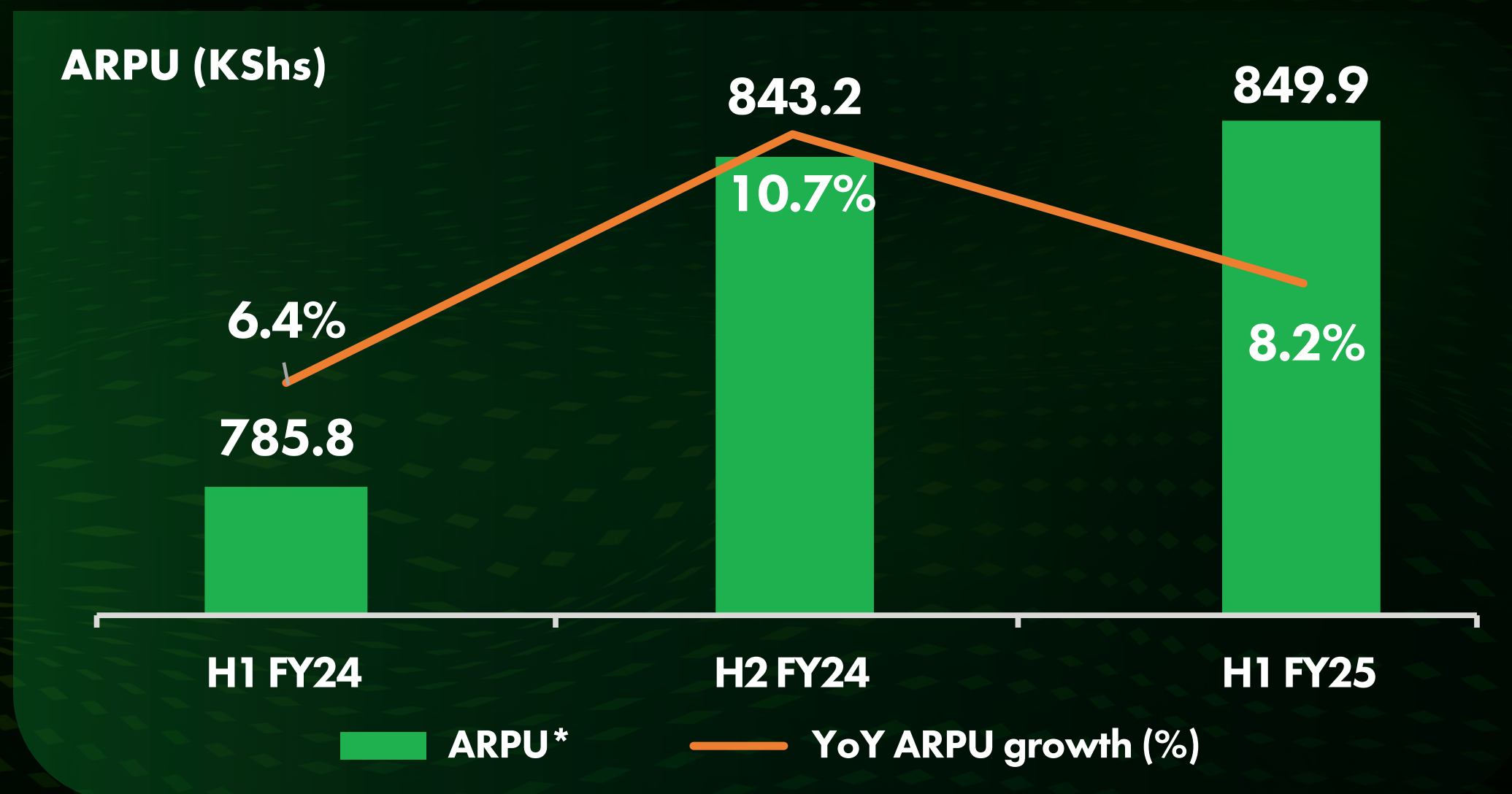
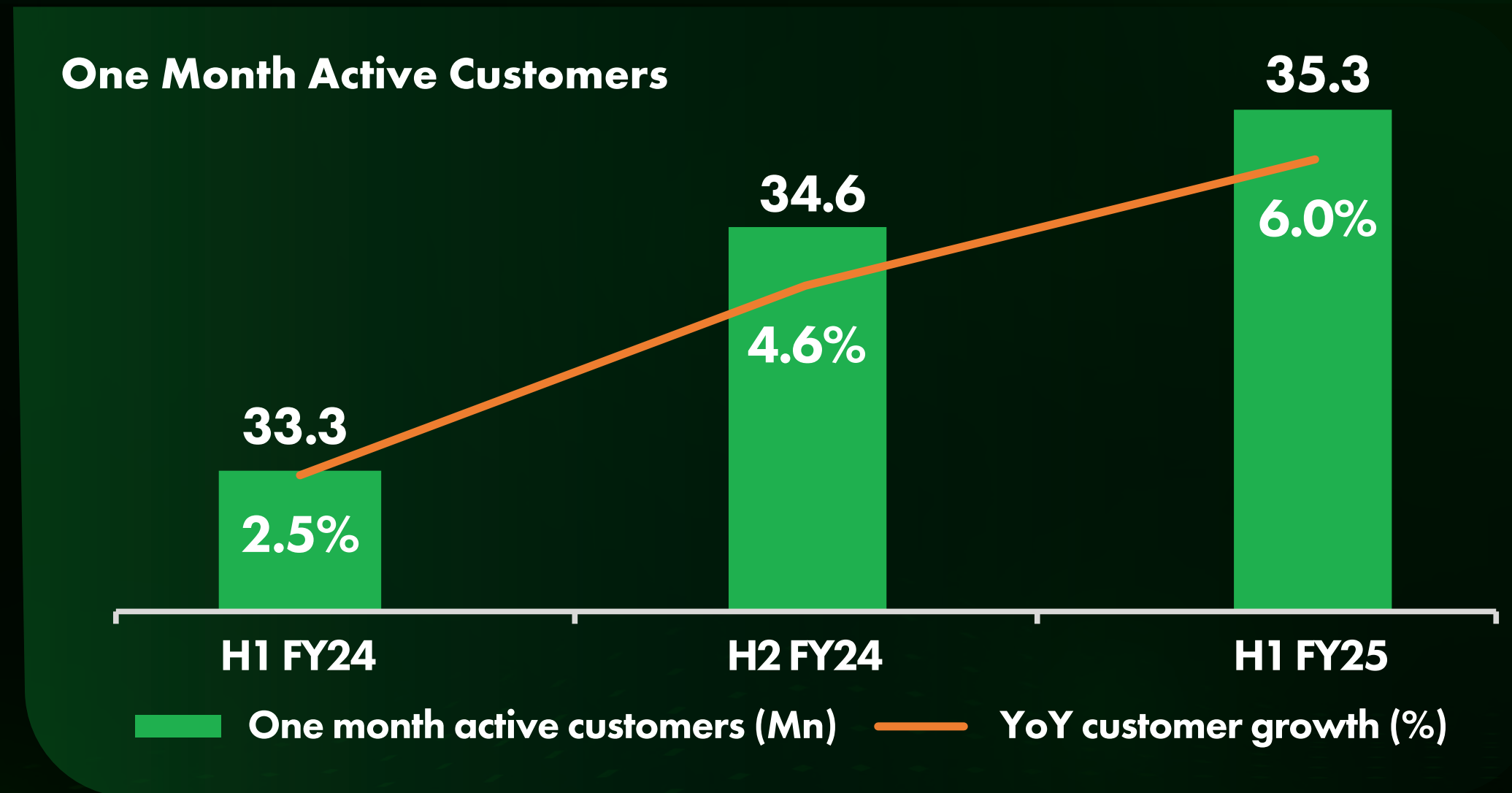
	M-PESA	Mobile Data	Fixed Data	Voice	Others*
	+16.6% YoY	+20.2% YoY	+14.7% YoY	+4.8% YoY	+2.4% YoY
<b>Contribution to growth</b>	<b>+7.0ppts</b>	<b>+3.8ppts</b>	<b>+0.7ppts</b>	<b>+1.2ppts</b>	<b>+0.2ppts</b>

\*Others – Messaging, Voice Incoming, Visitor, Content, IoT and Airtime Credit (Okoa Jahazi)  
 \*\*Mobile Termination Rates (MTR) changes from KShs 0.58 to KShs 0.41 effective 1 March 2024.

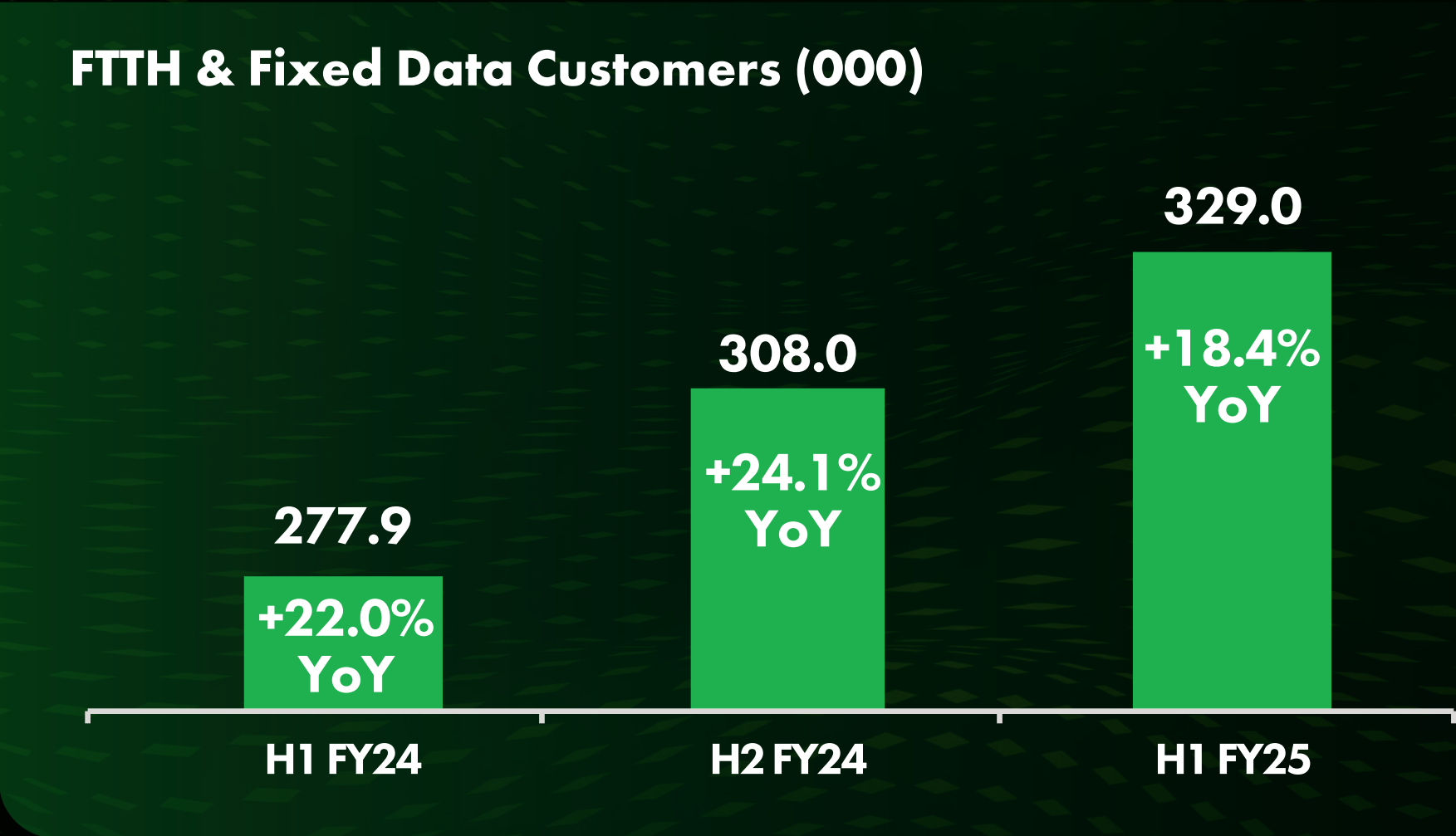
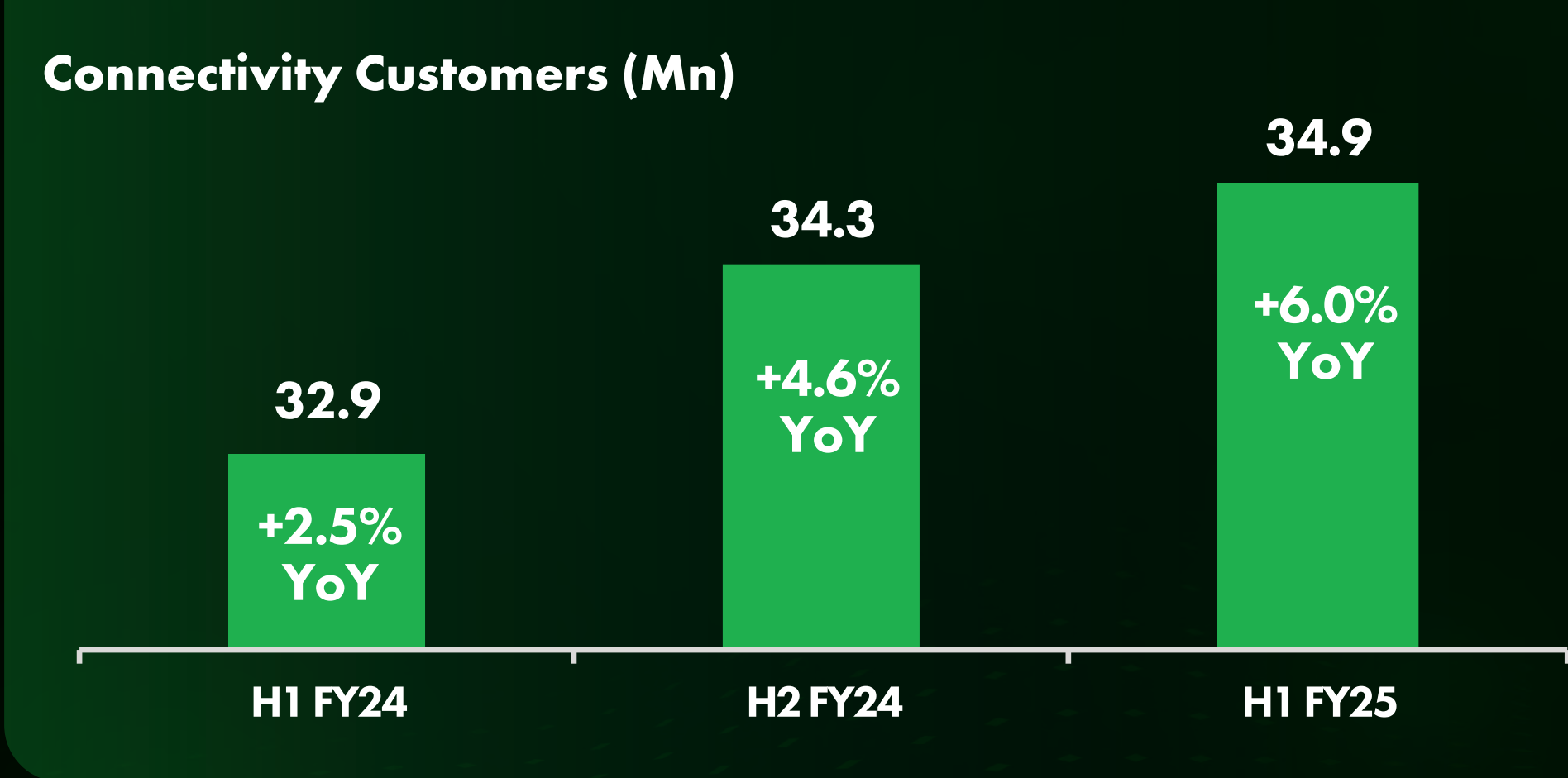
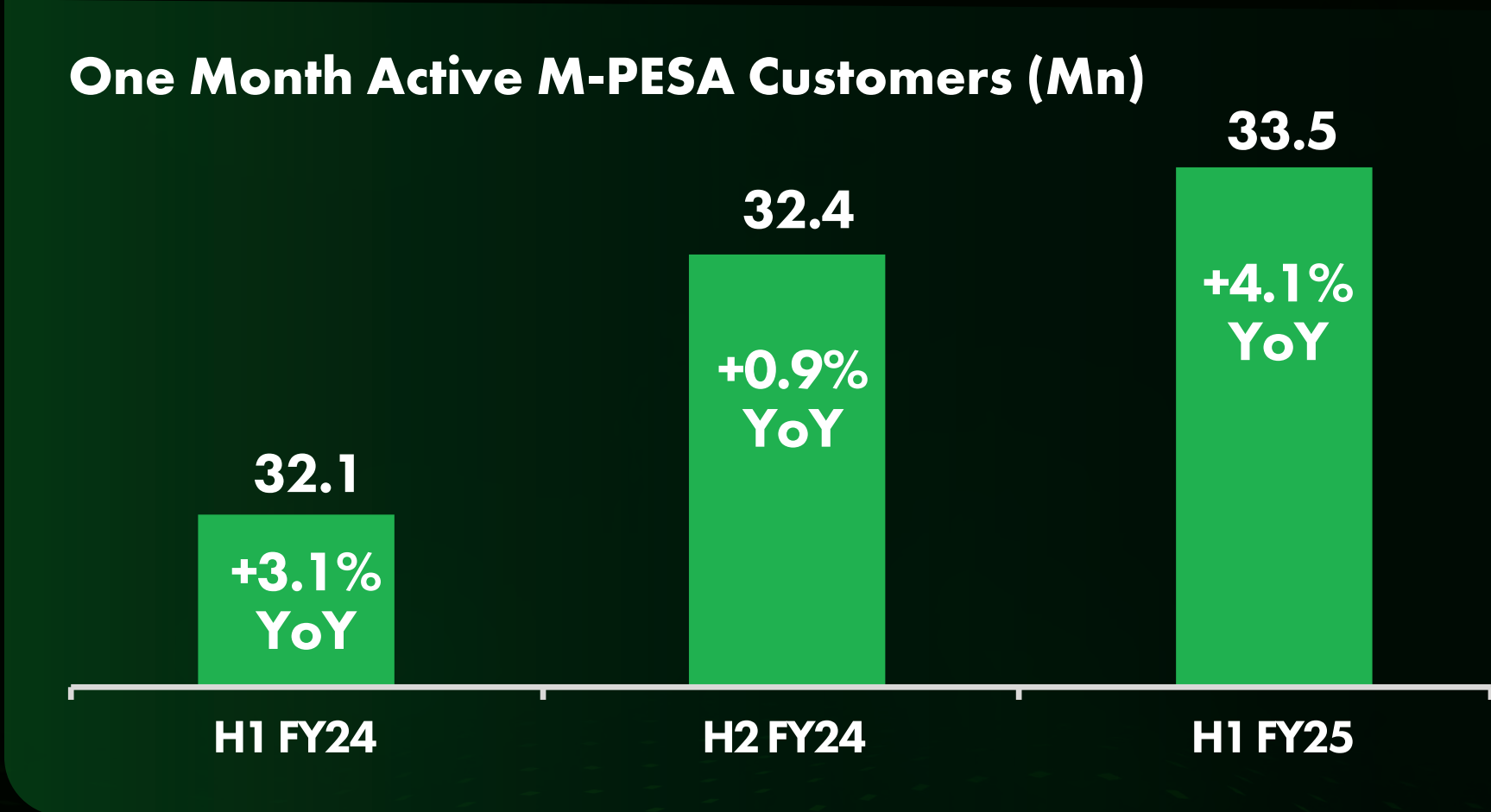
# SERVICE REVENUE | Higher ARPU Driven by Increased Usage Boosting Revenues



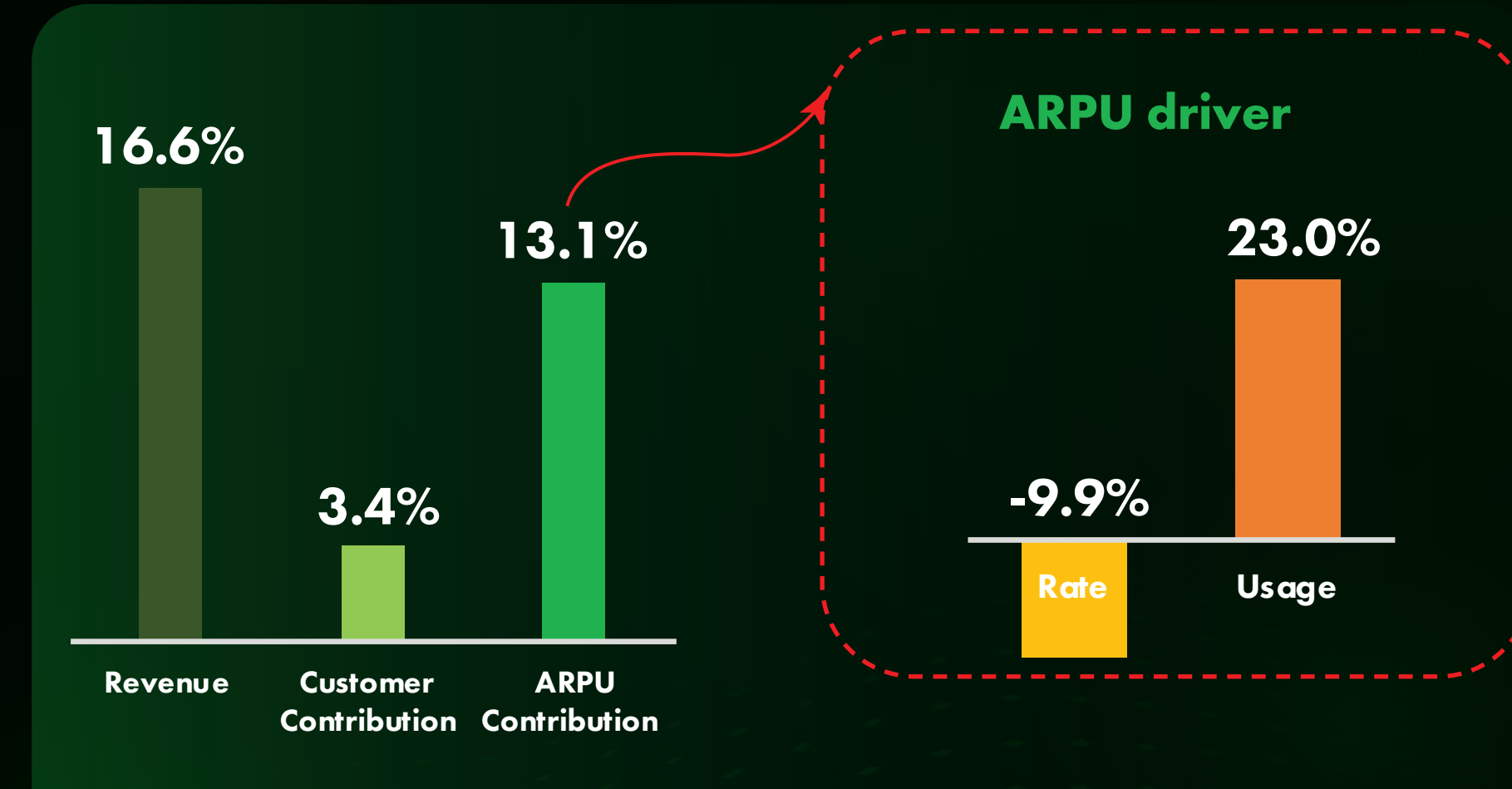
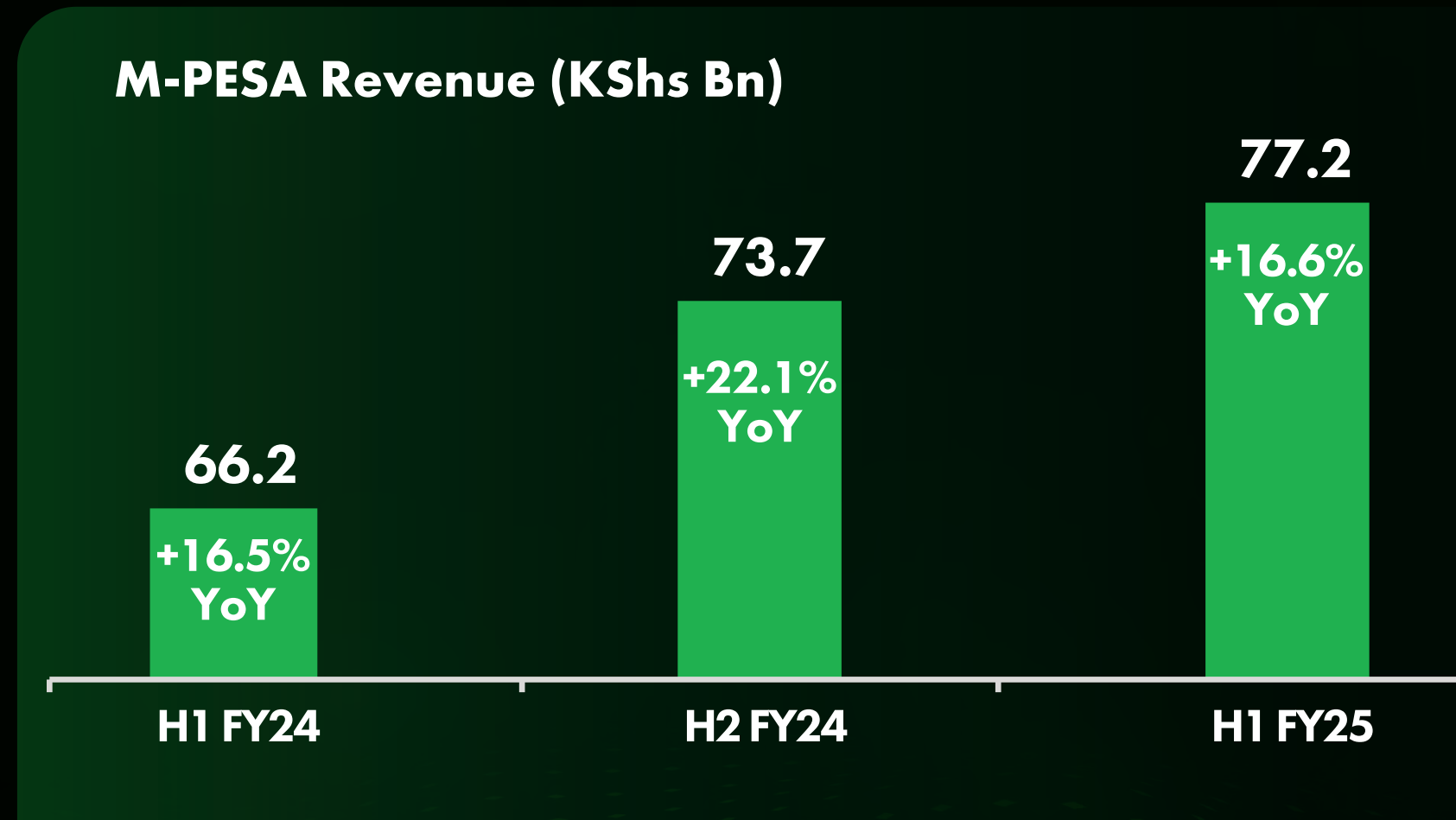
\*Average Revenue per User (ARPU) is based on one month active customers



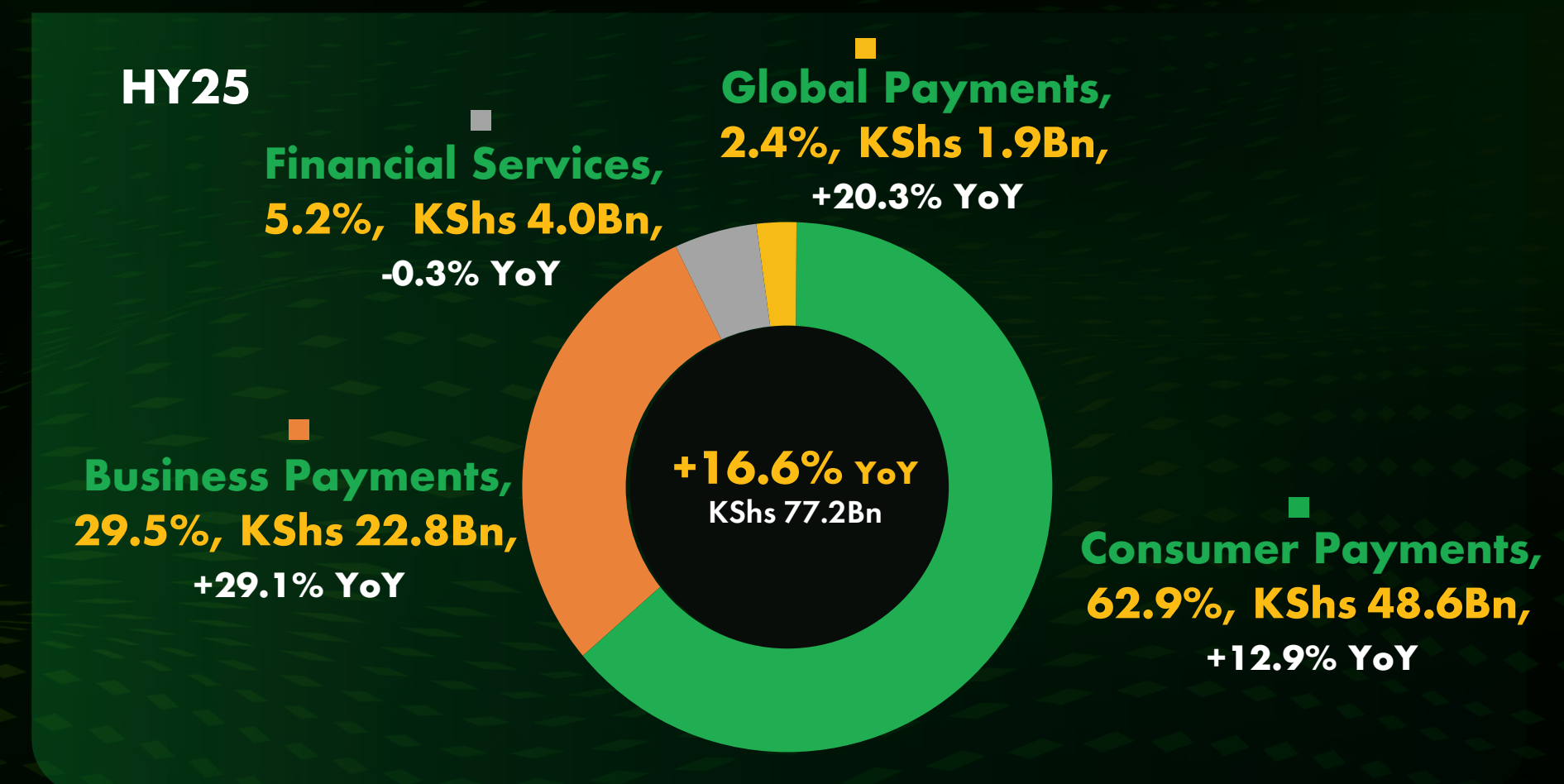
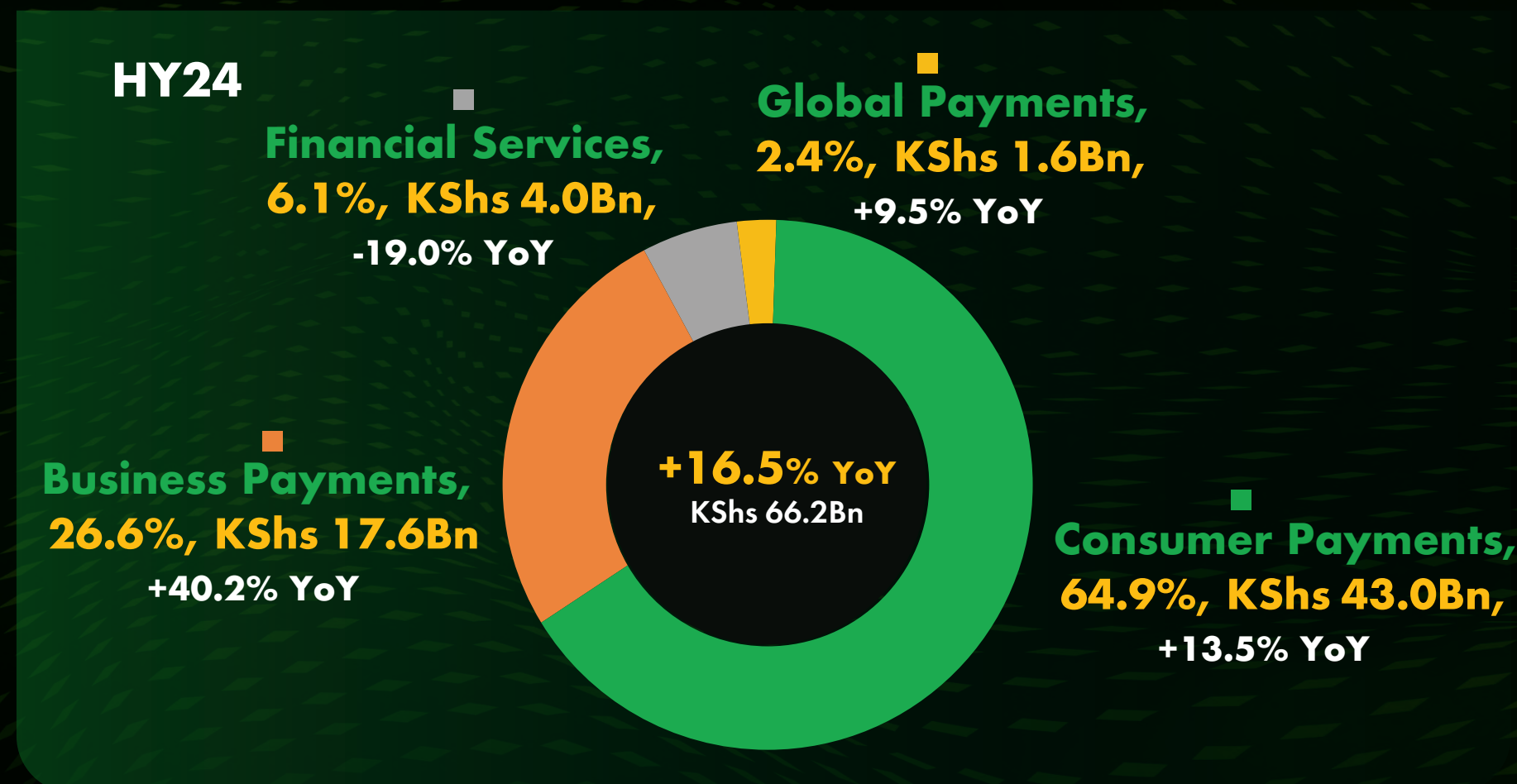
# CUSTOMERS | Accelerated Growth in Active Customers Across all Products



# M-PESA | Double-digit Growth Mainly Driven by Chargeable Transactions

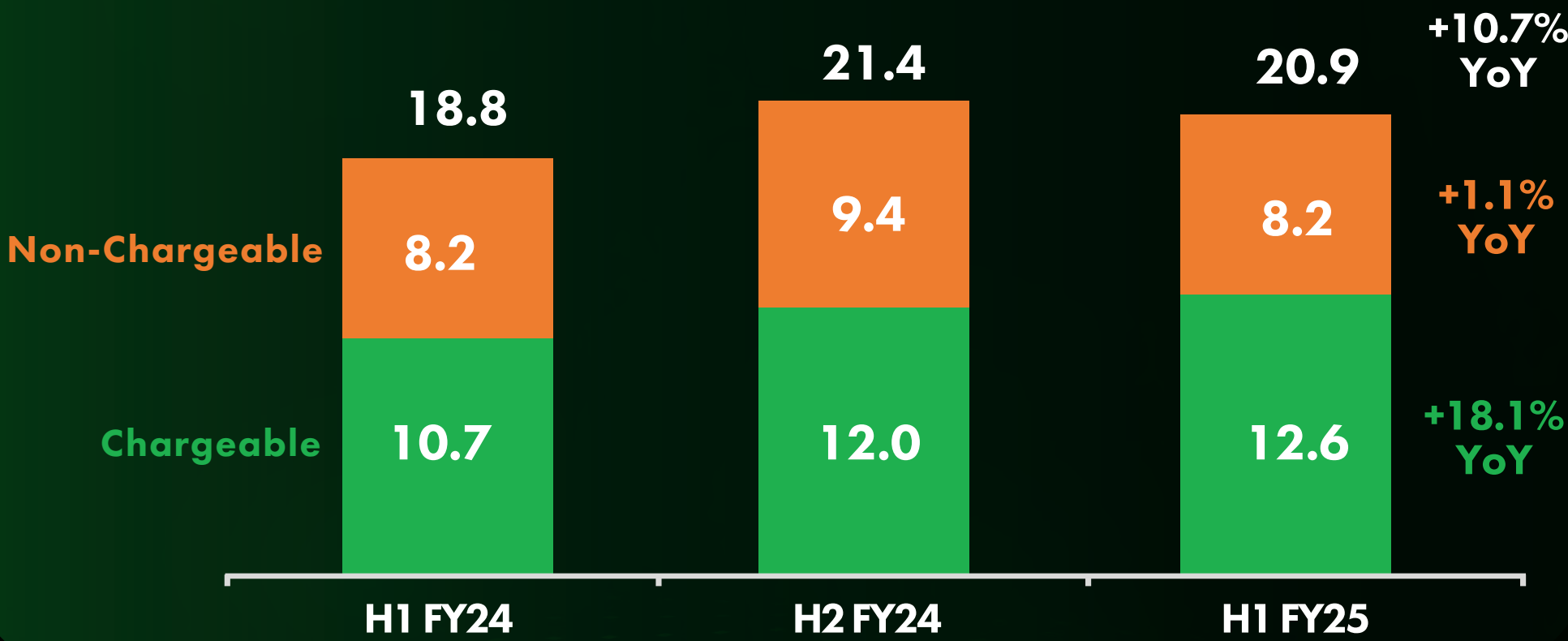


## Contribution to M-PESA Revenue

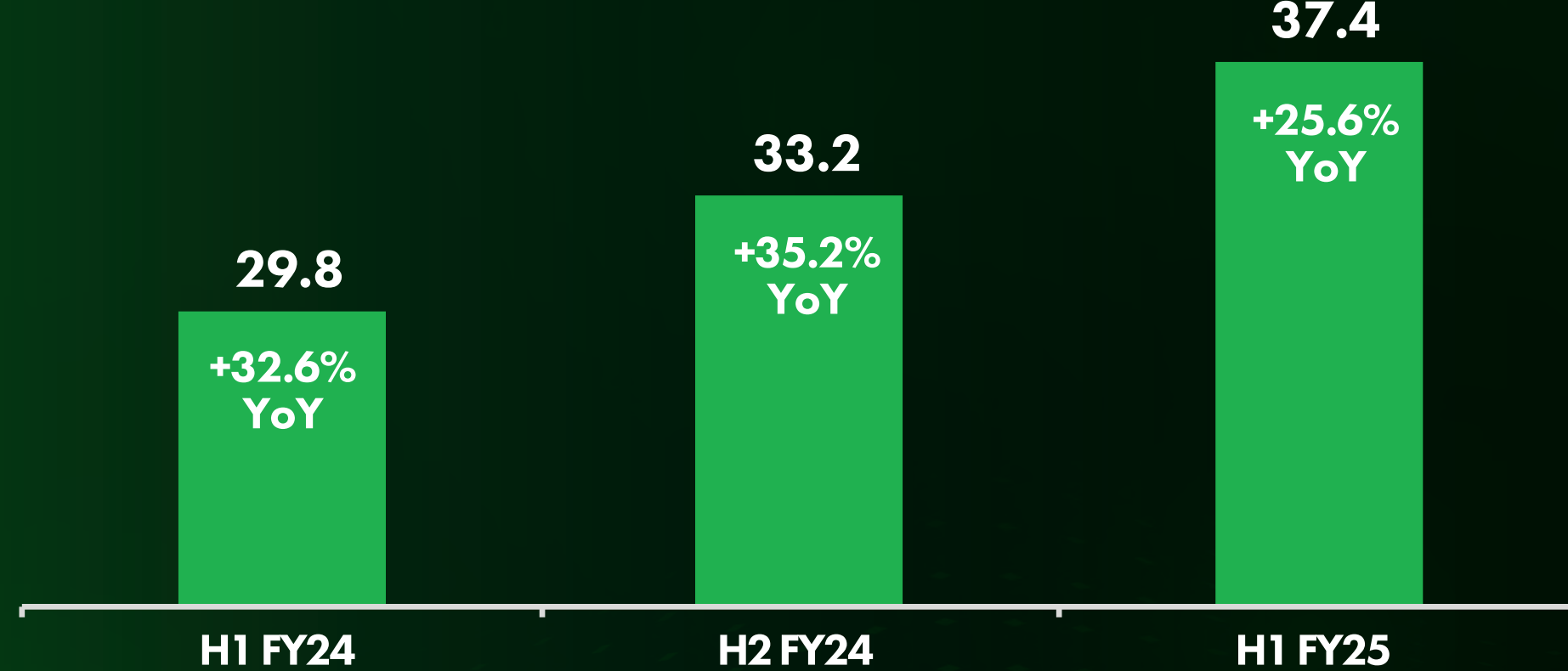


# M-PESA | Solid Growth In Customers And Usage

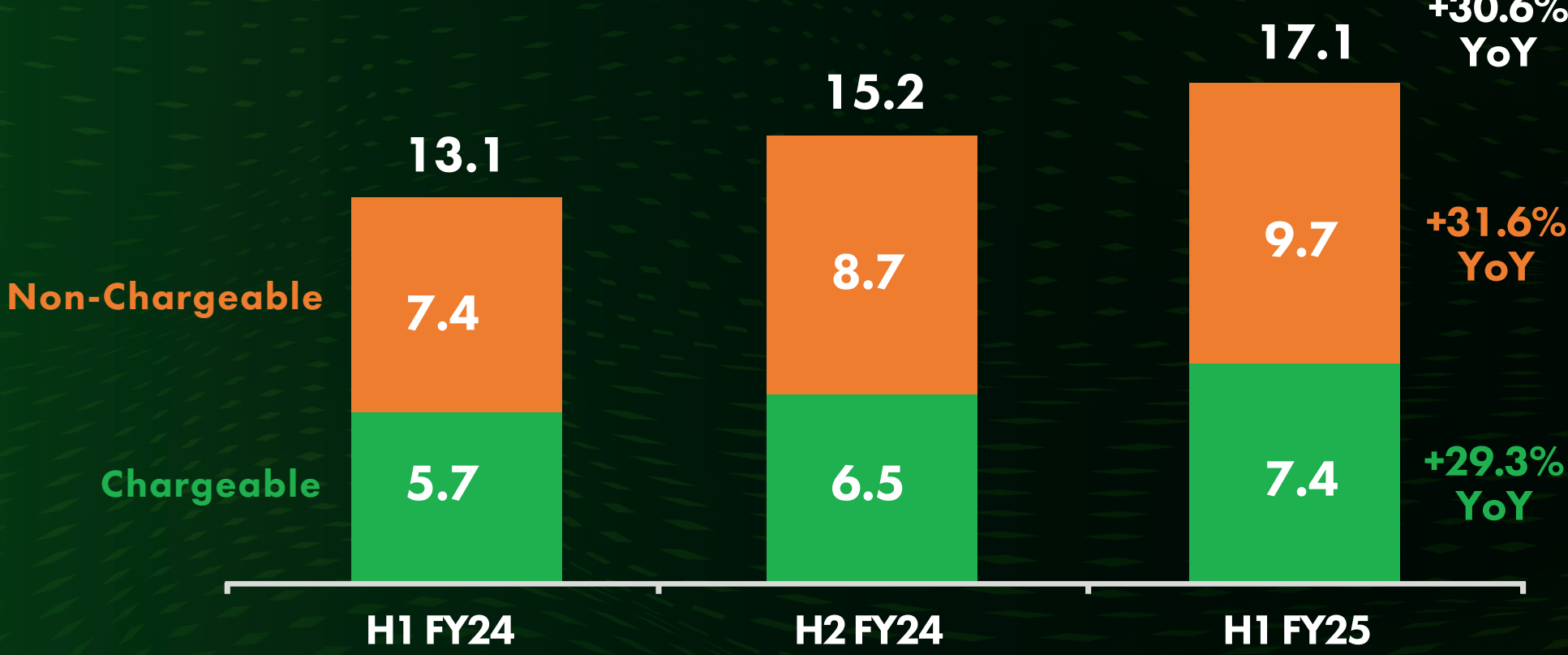
M-PESA Value (KShs Trn)



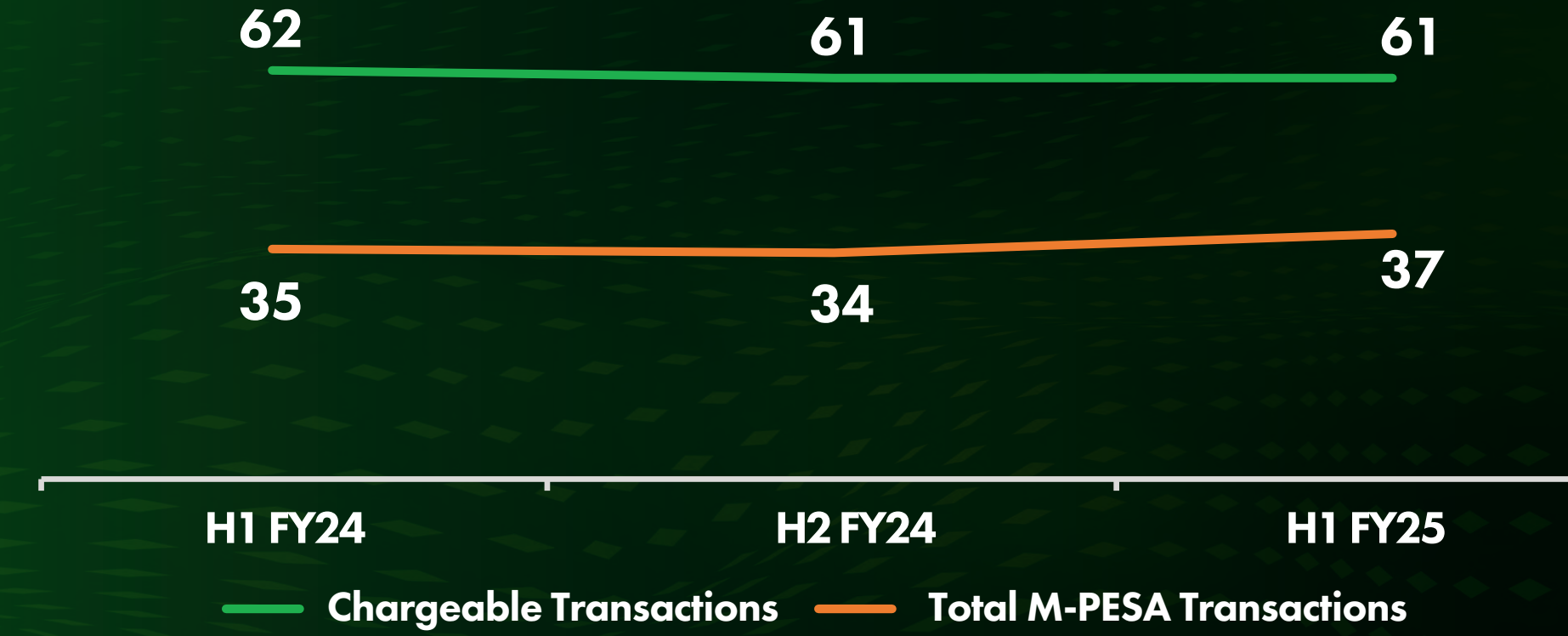
Chargeable Transactions per One Month active customers



M-PESA Volume (KShs Bn)

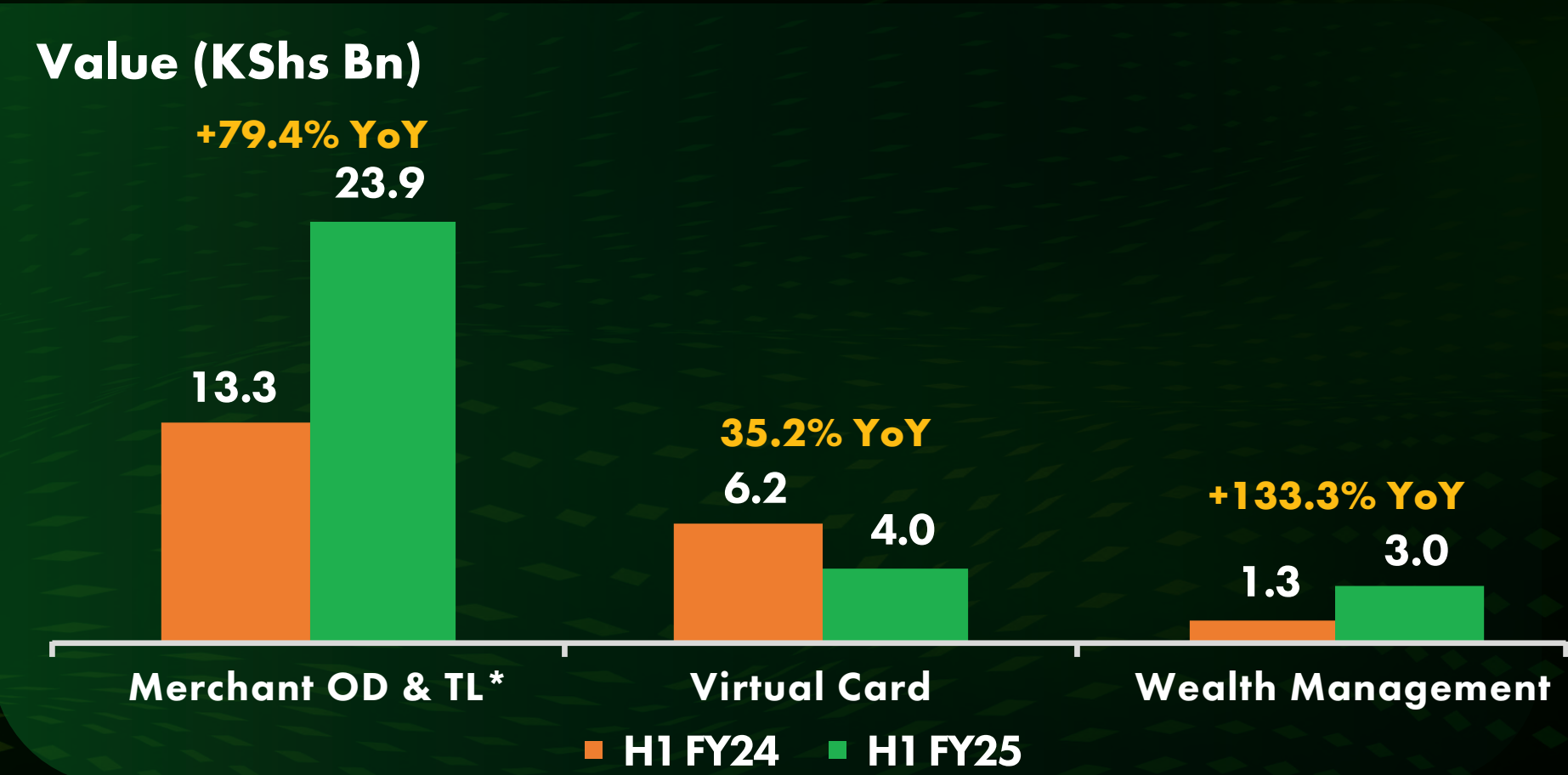
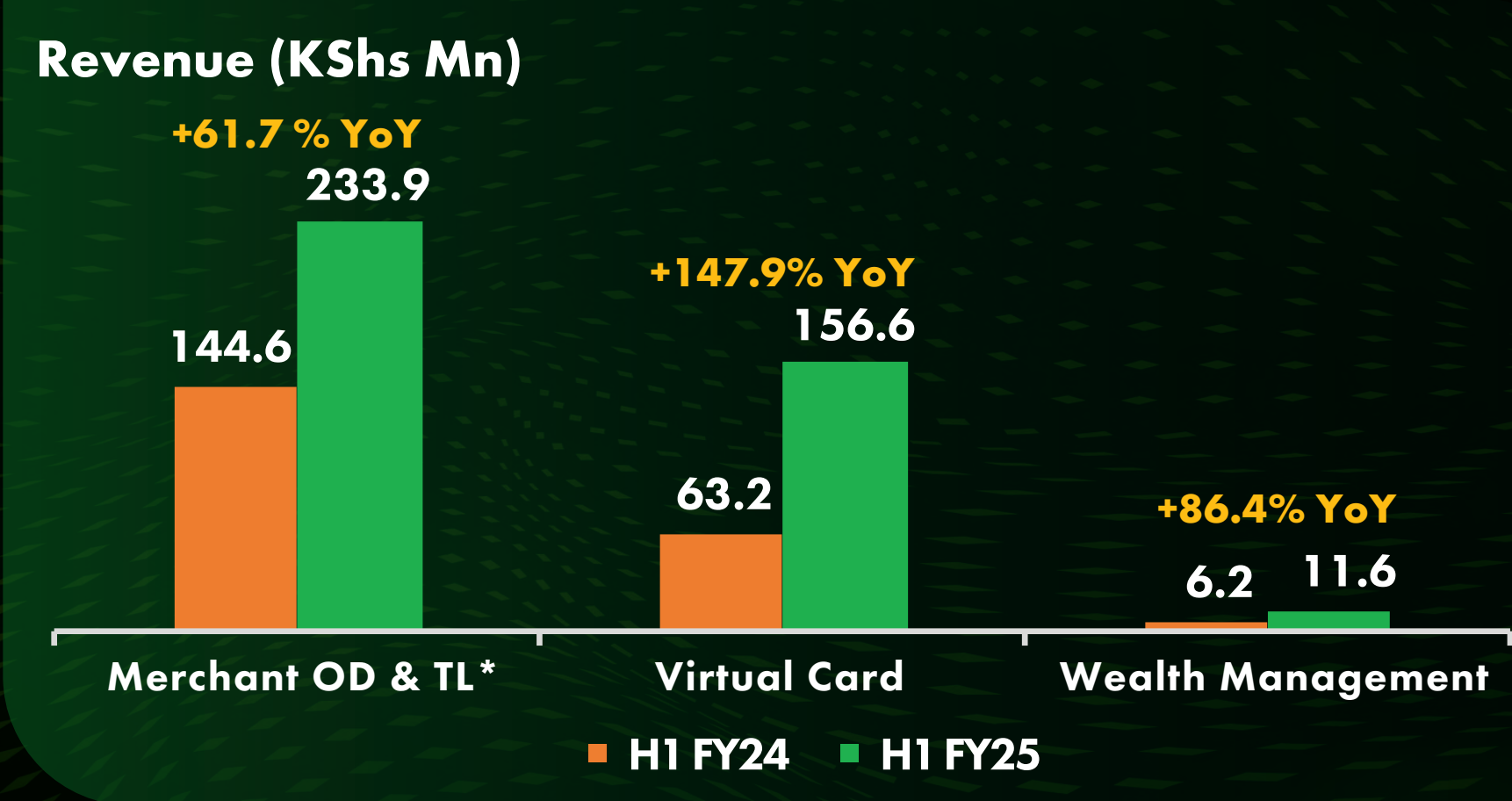
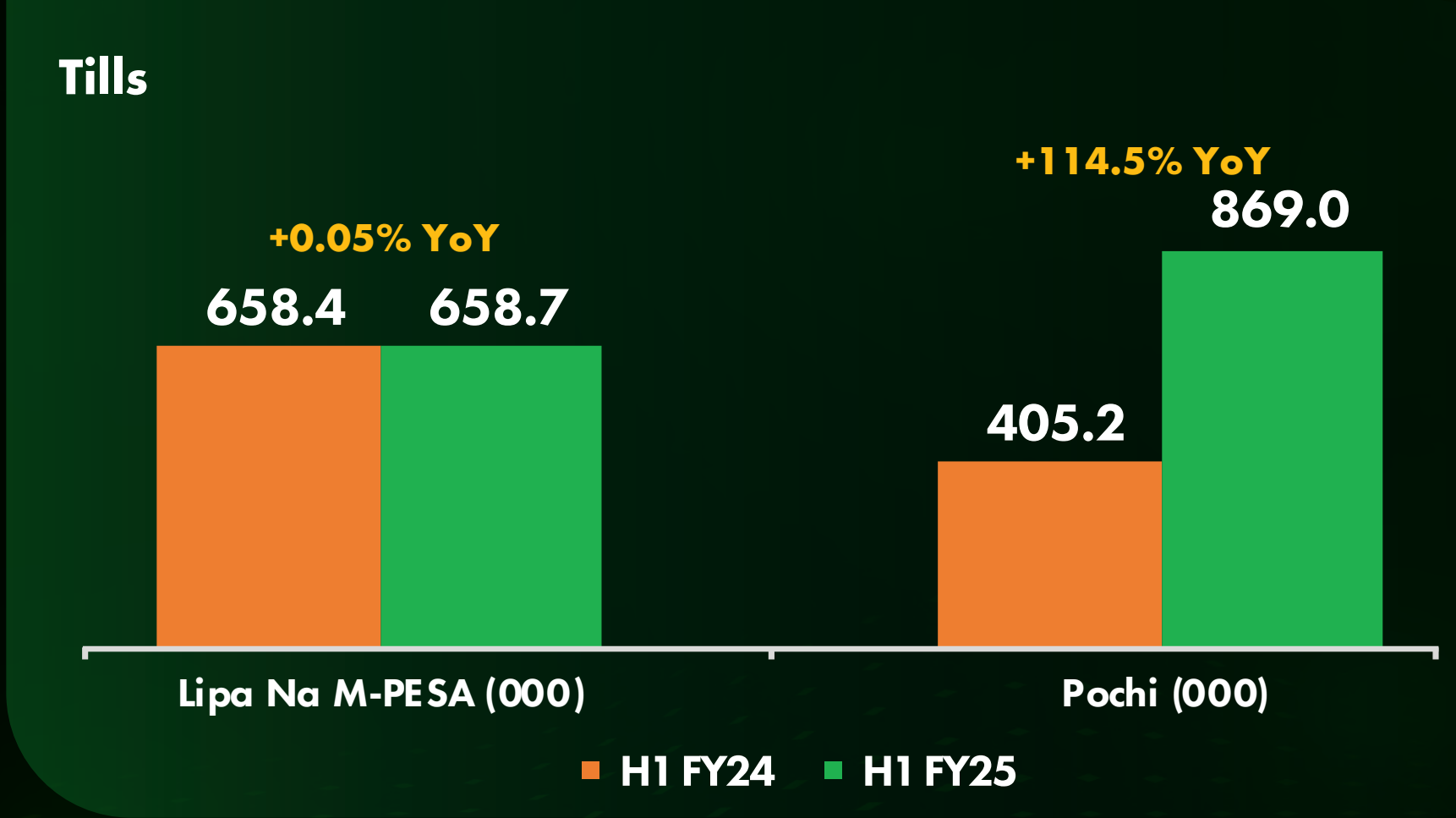
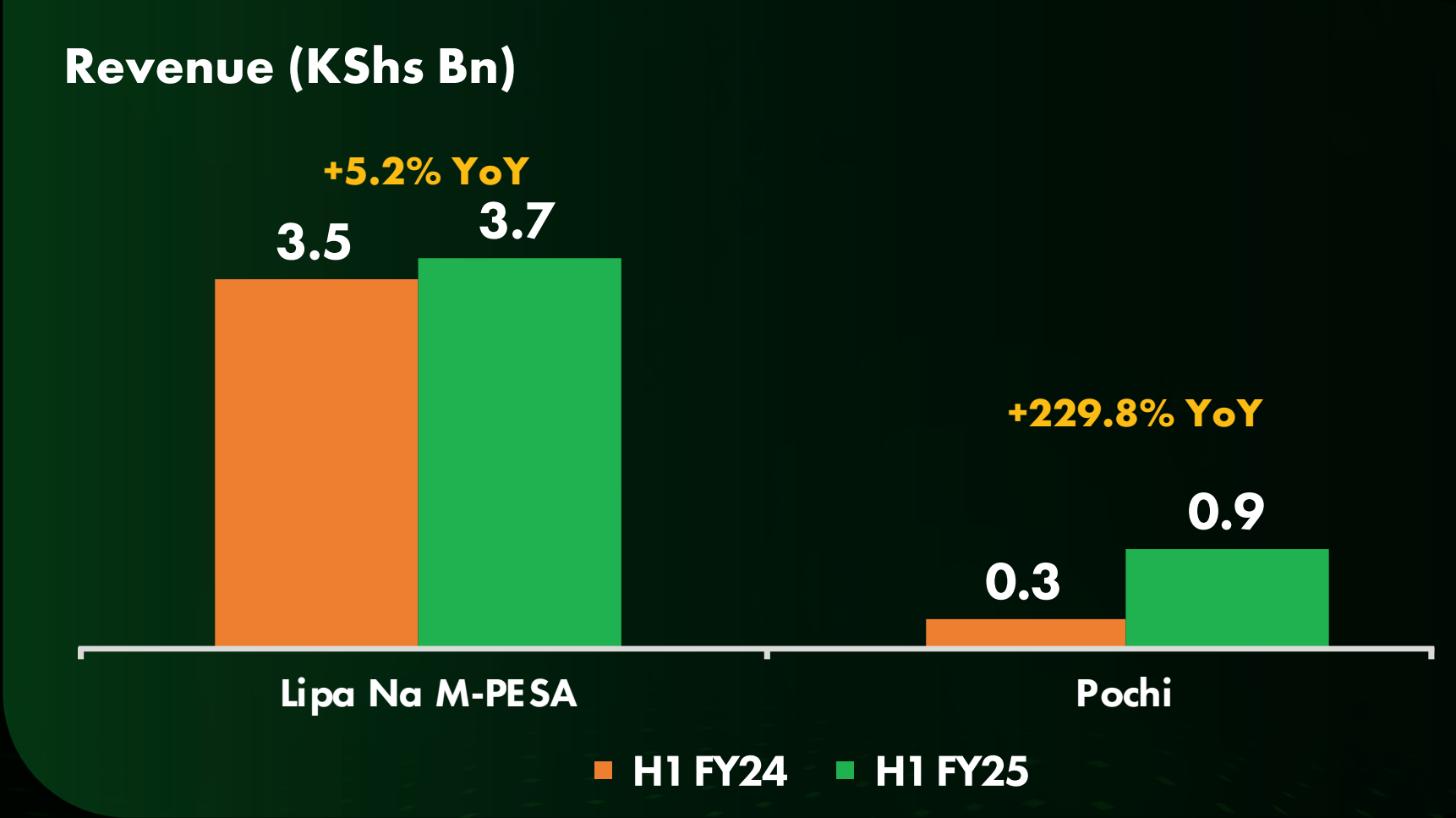


M-PESA Take Rates \*



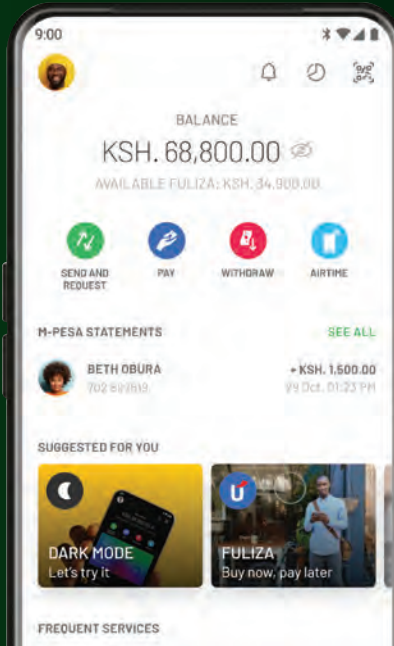
\*All take rate numbers are in basis points (bps).

# M-PESA | Expanding Merchant Network, Lending and Wealth Management



\*Merchant Overdraft and Term Loan

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



## Consumer App

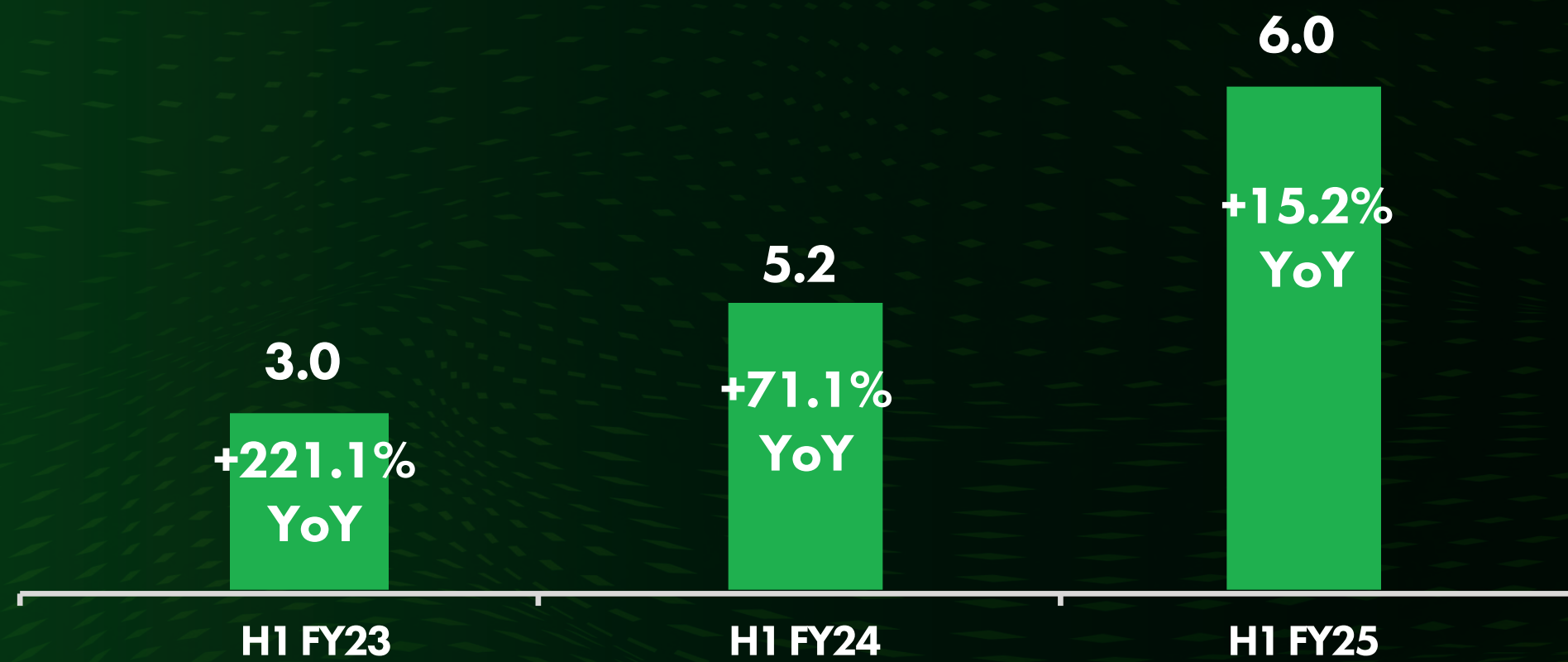
Downloads:	<b>12.1Mn, +41.9% YoY</b>
Active Customers:	<b>3.6Mn, +5.8% YoY</b>
Volumes transacted:	<b>399.7Mn, +8.6% YoY</b>
Value of Transactions:	<b>KShs 1.07Trn, +19.4% YoY</b>
Mini-Apps:	<b>84</b>



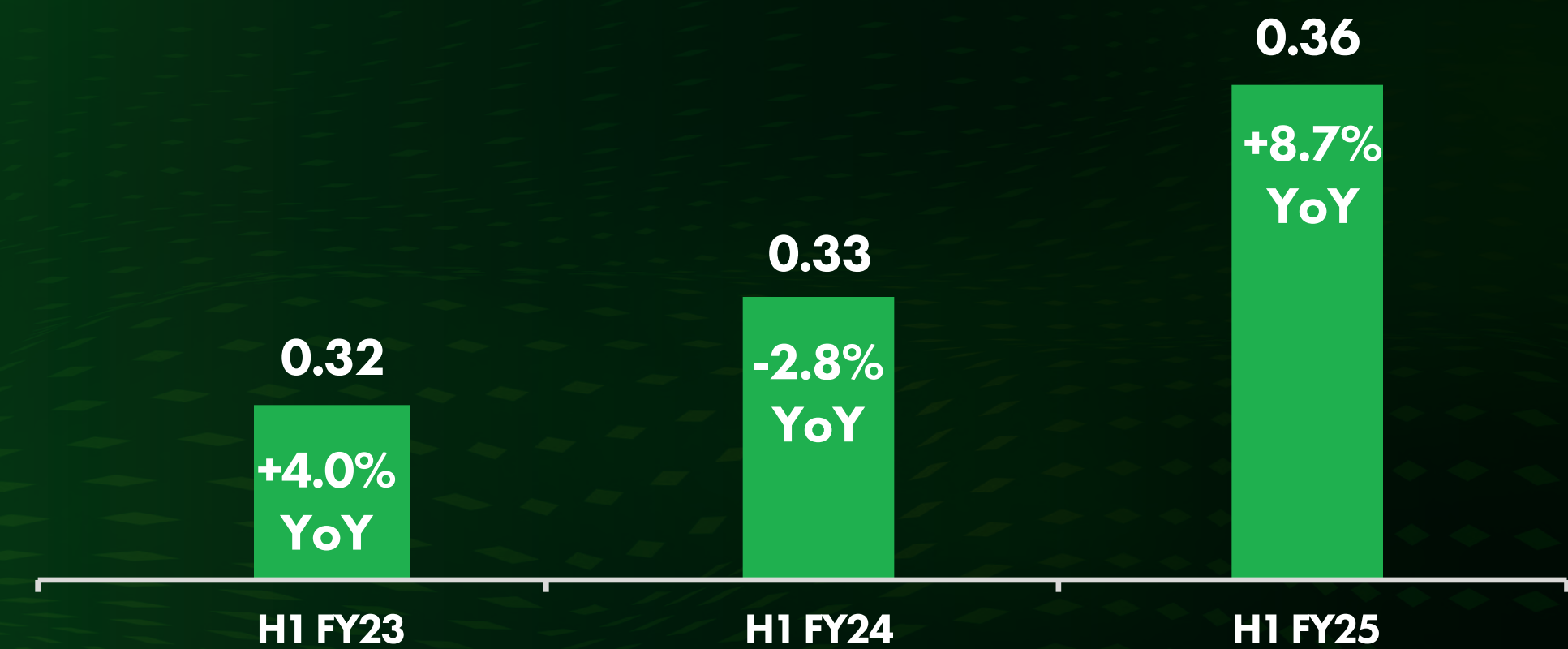
## Business App

Downloads:	<b>5.7Mn, &gt;100.0% YoY</b>
Active Merchants:	<b>268.8k, +89.2% YoY</b>
Volumes transacted:	<b>39.6Mn, +37.1% YoY</b>
Value of Transactions:	<b>KShs 355.6Bn, &gt;100.0% YoY</b>
Mini-Apps:	<b>6</b>

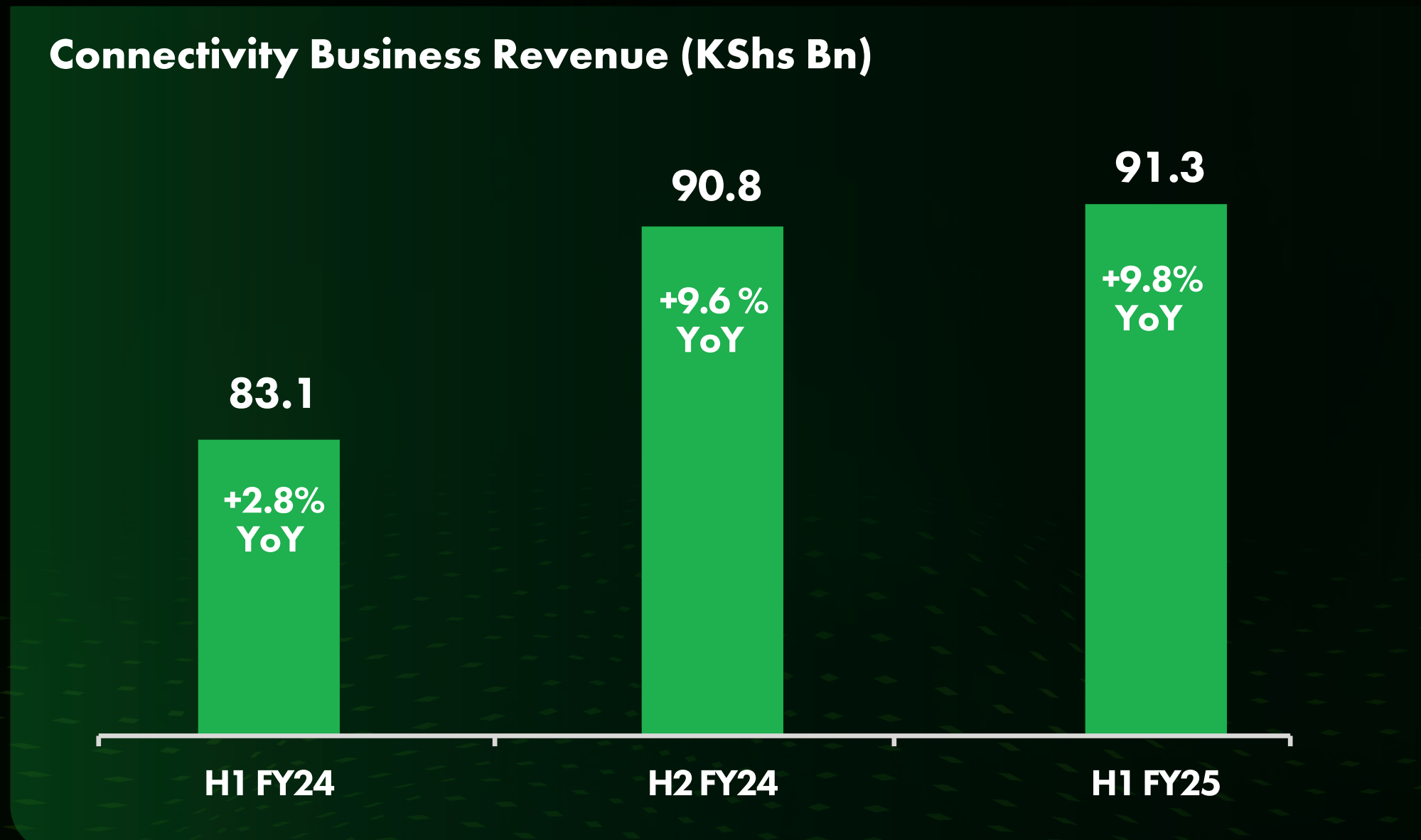
Revenue Generated via the Consumer App (KShs Bn)



Revenue Generated via the Business App (KShs Bn)

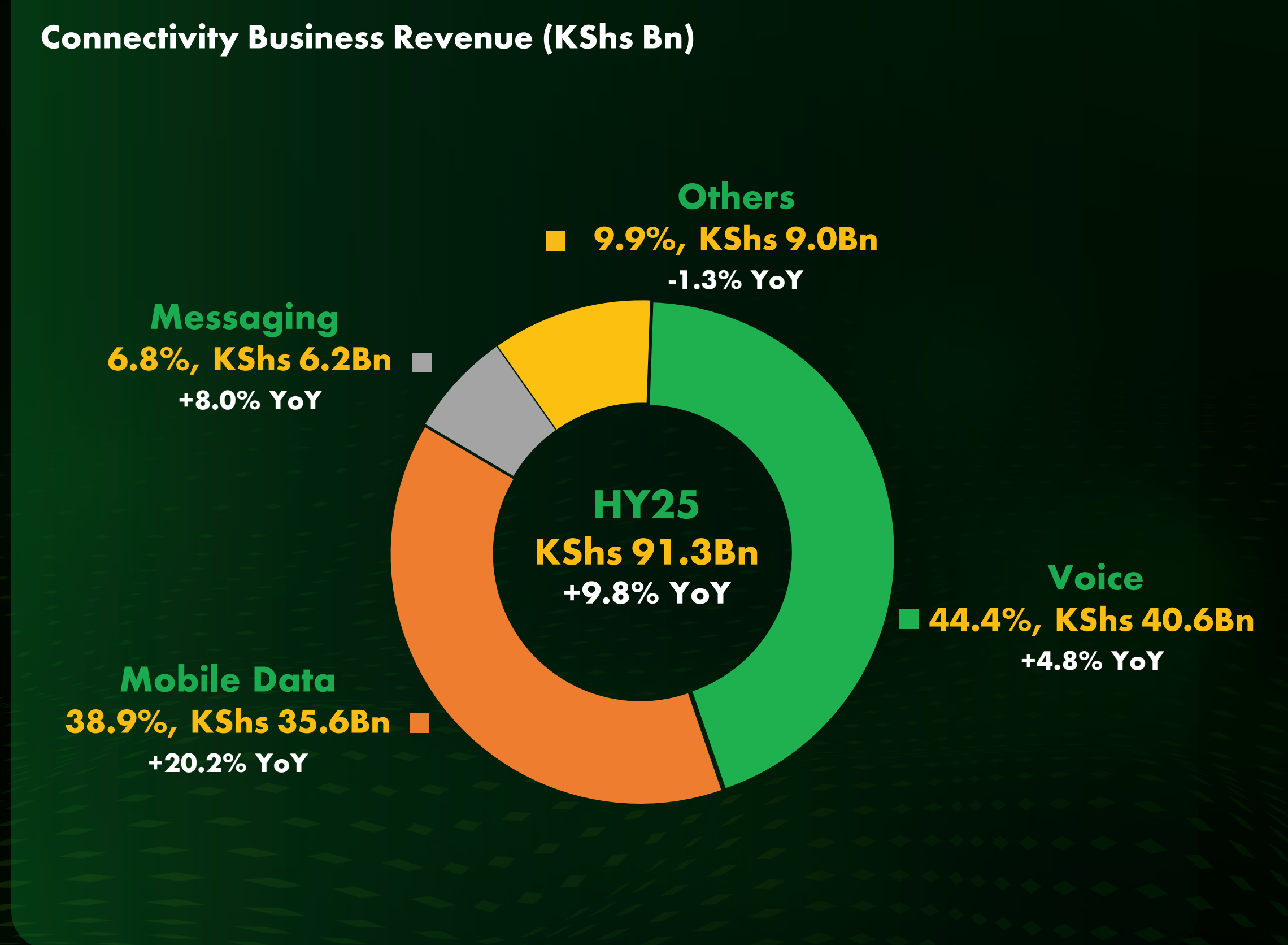


# CONNECTIVITY BUSINESS | Mobile Data Driving Connectivity Growth



**ARPU**  
**KShs 441.7**  
 +5.2% YoY

**Customers**  
**34.9Mn**  
 +6.0% YoY

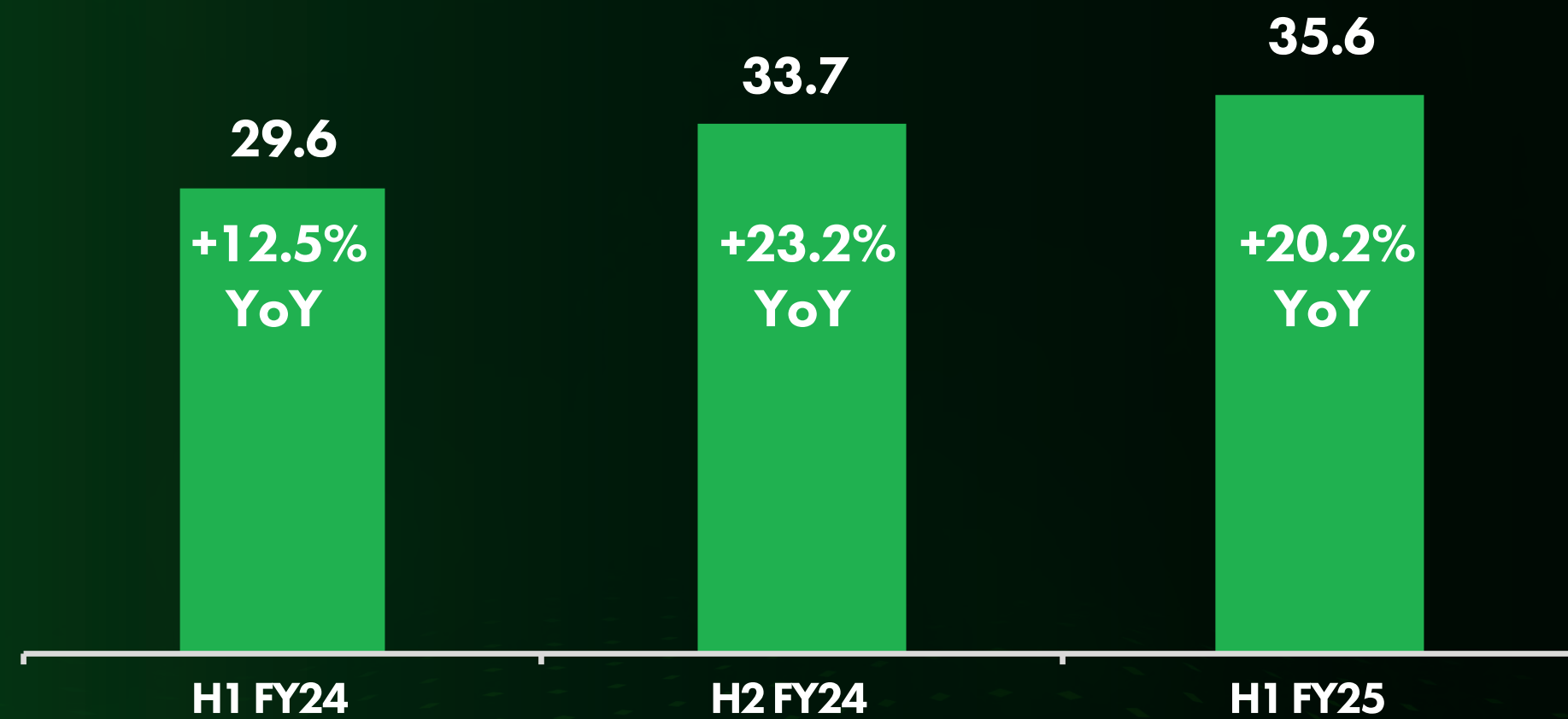


\*Others – Voice Incoming, Visitor, Content and Airtime Credit (Okoa Jahazi)

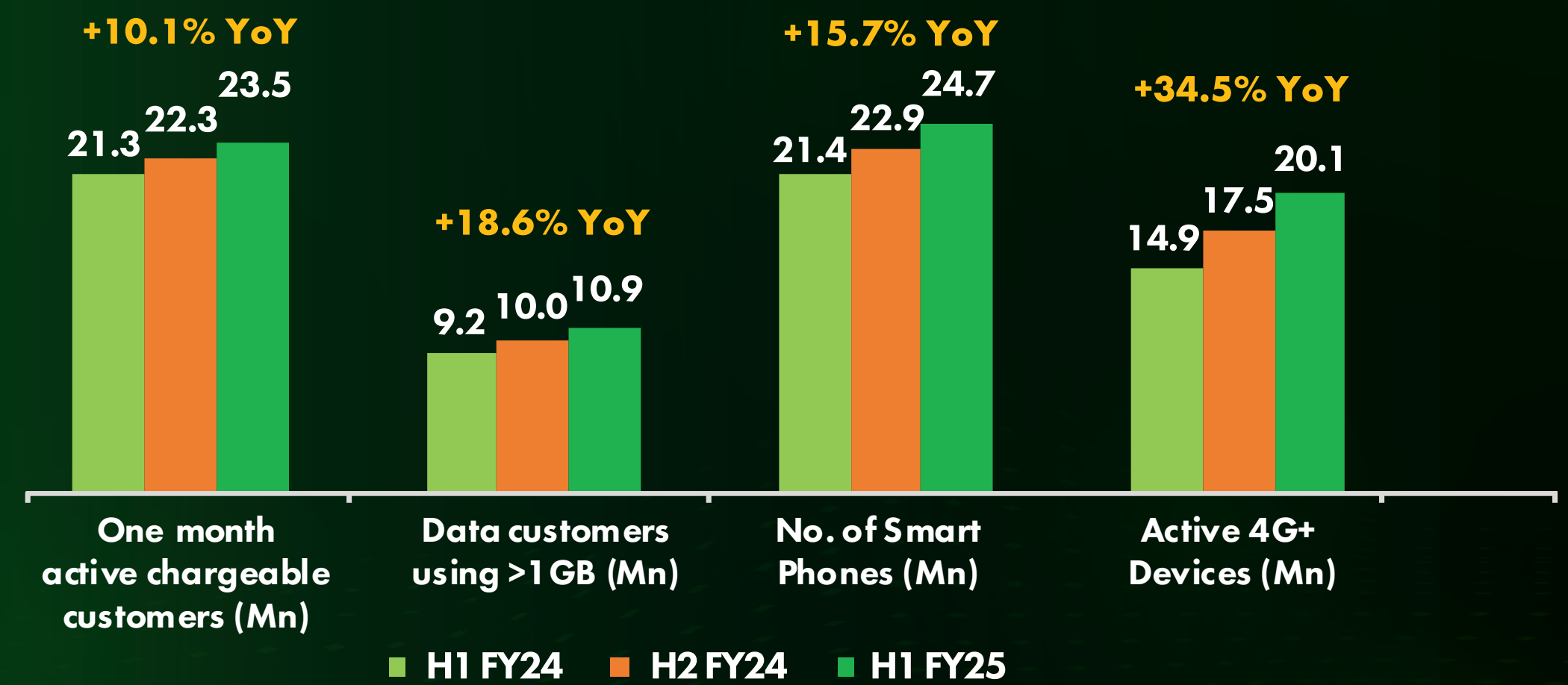


# MOBILE DATA | Excellent Performance Supported by Increased Usage

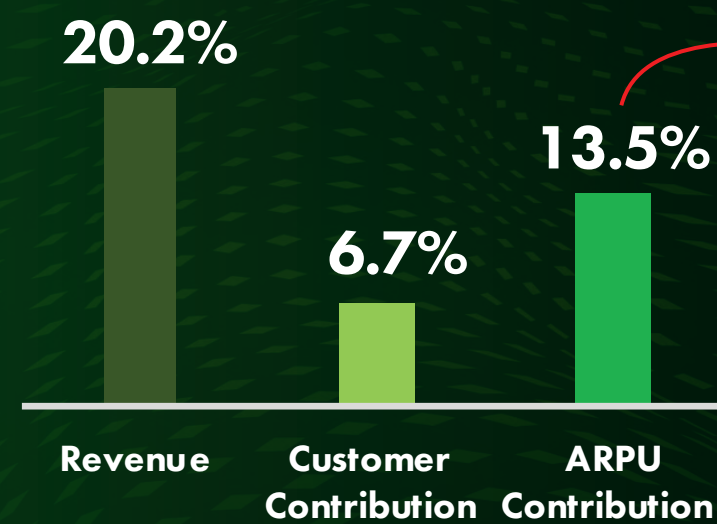
Mobile Data Revenue (KShs Bn)



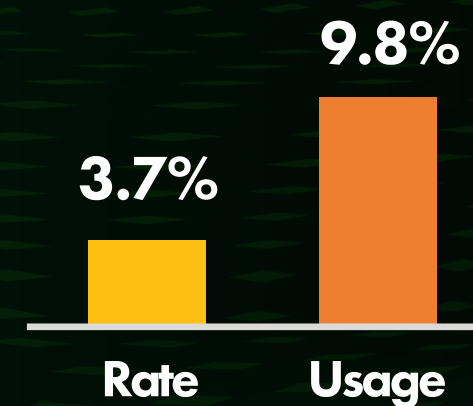
Increased usage as 4G+ traffic continues to grow



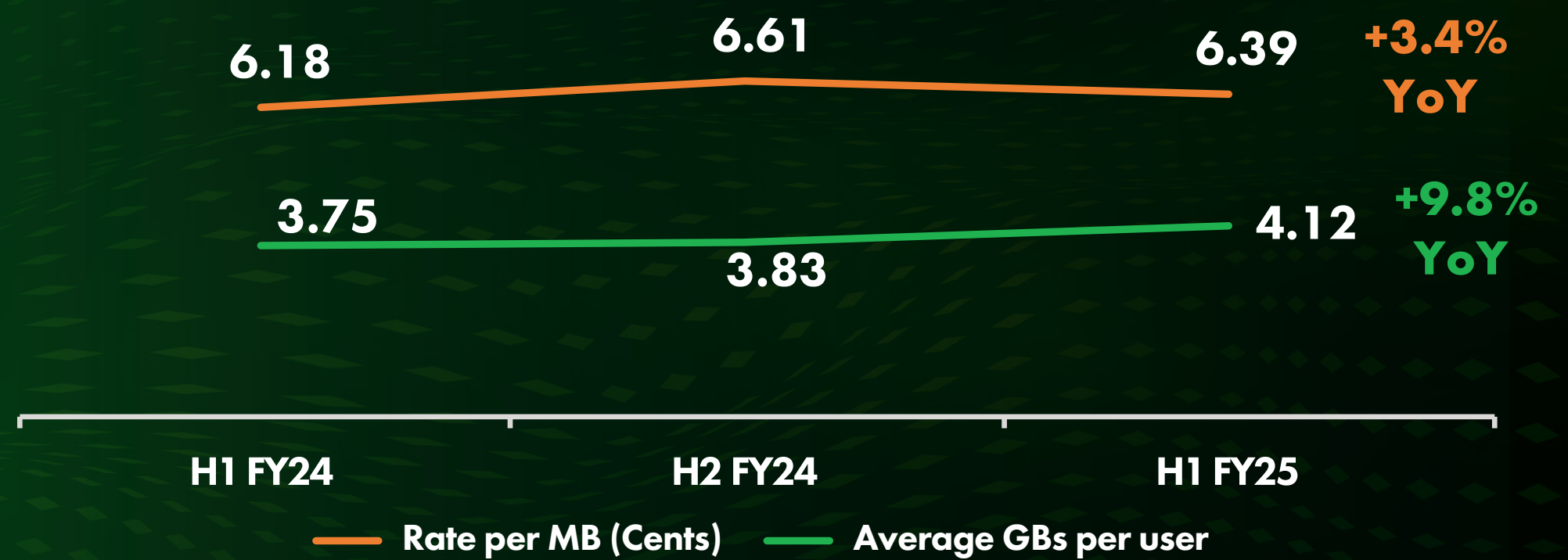
Revenue growth driver



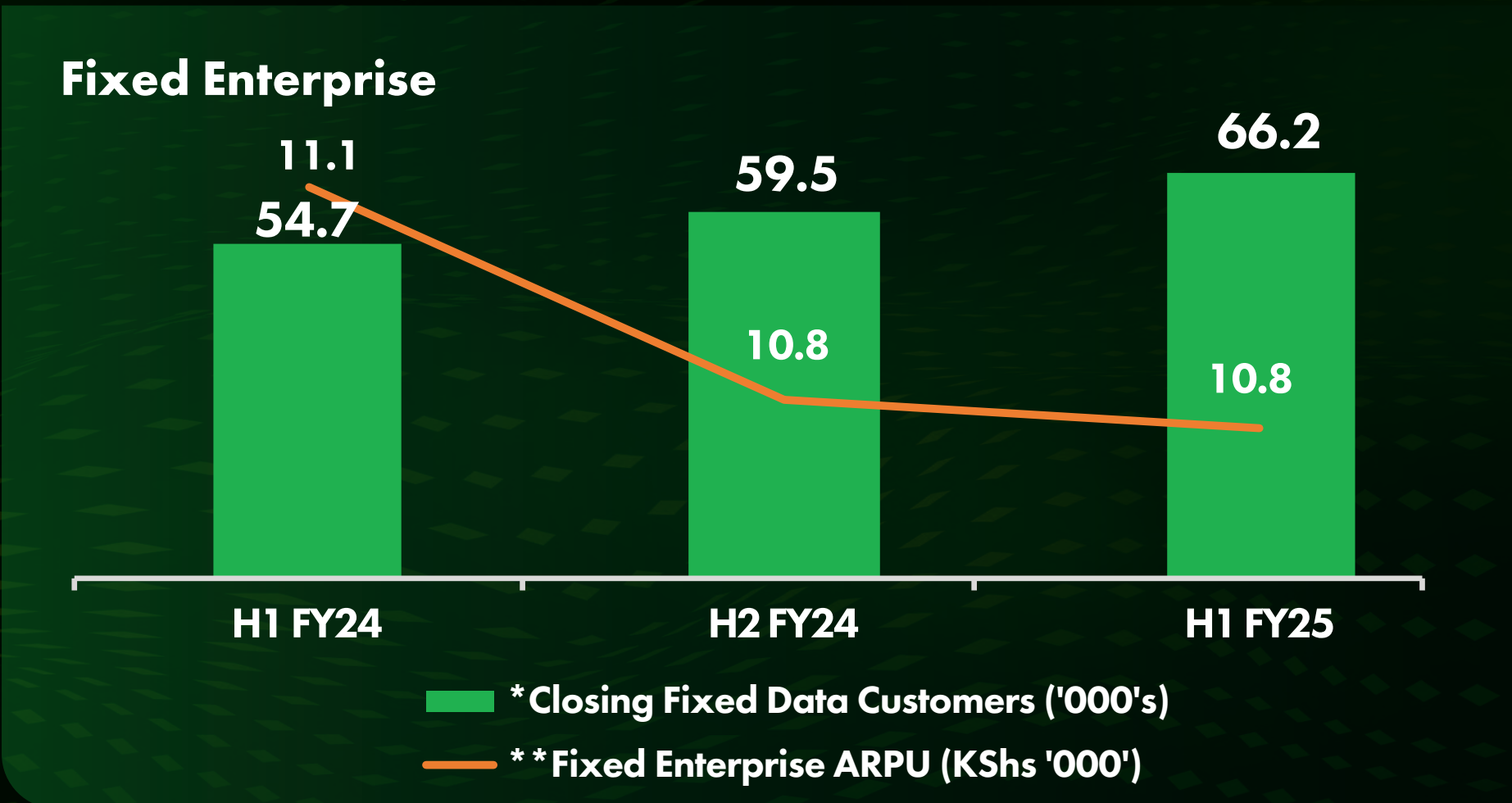
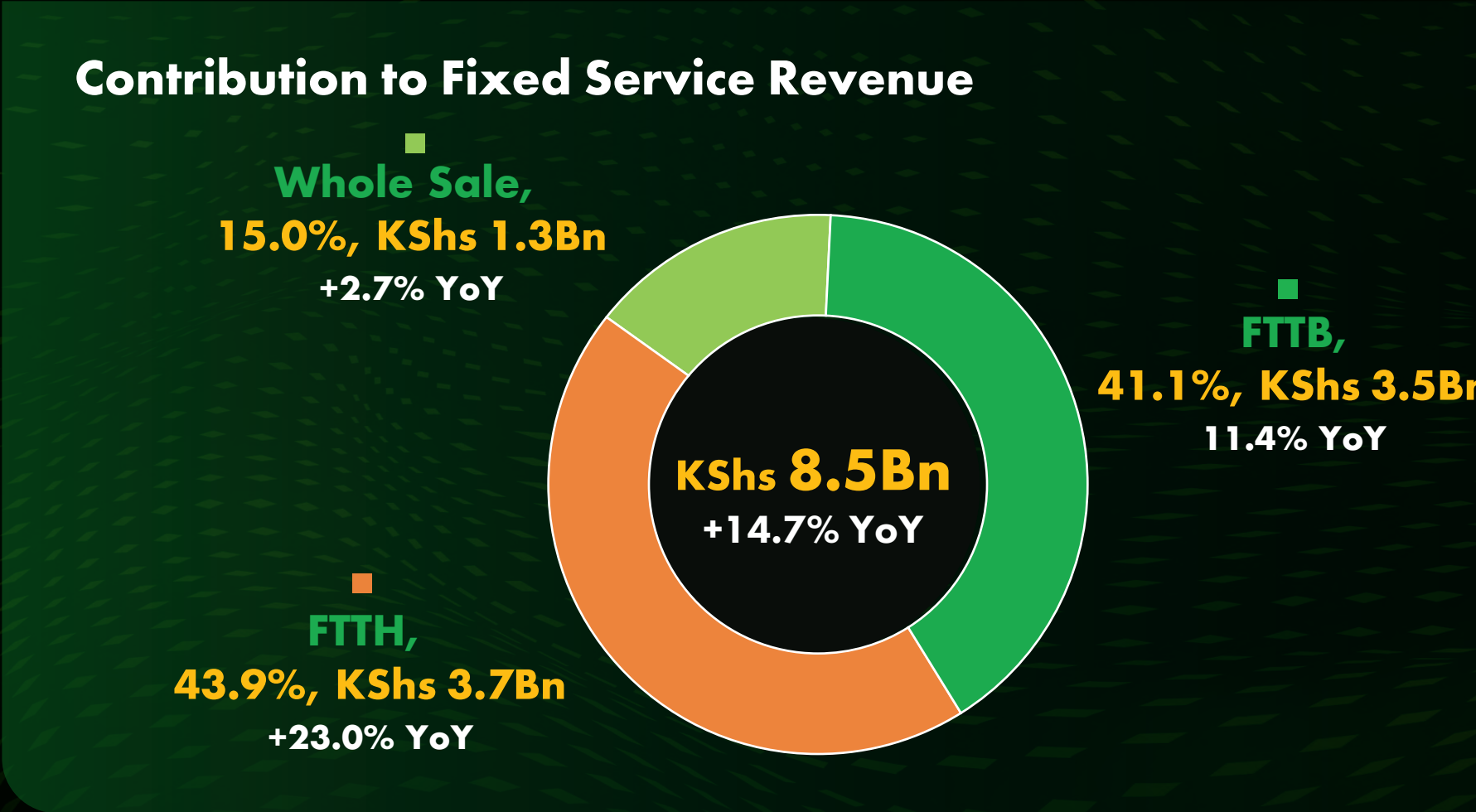
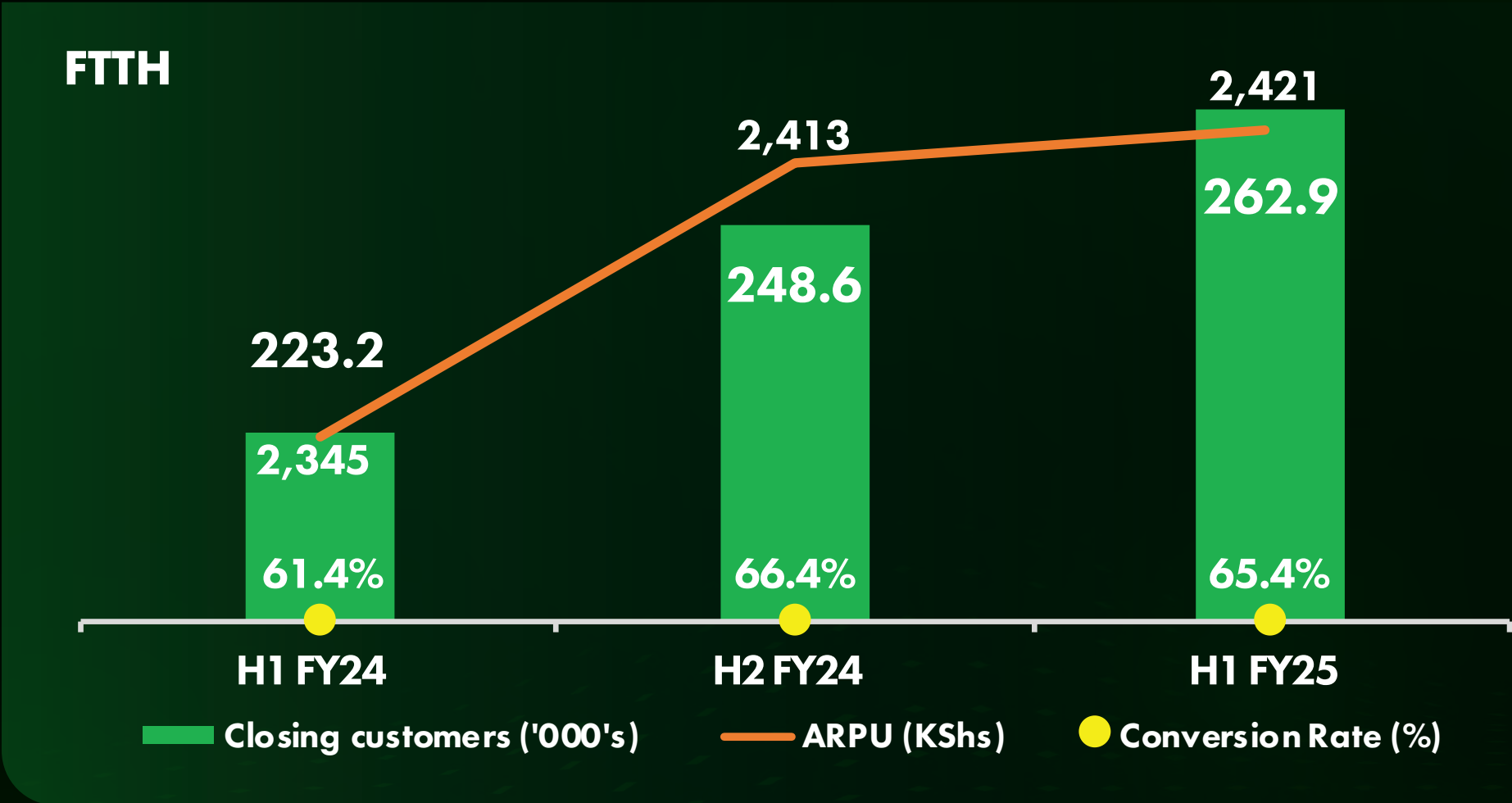
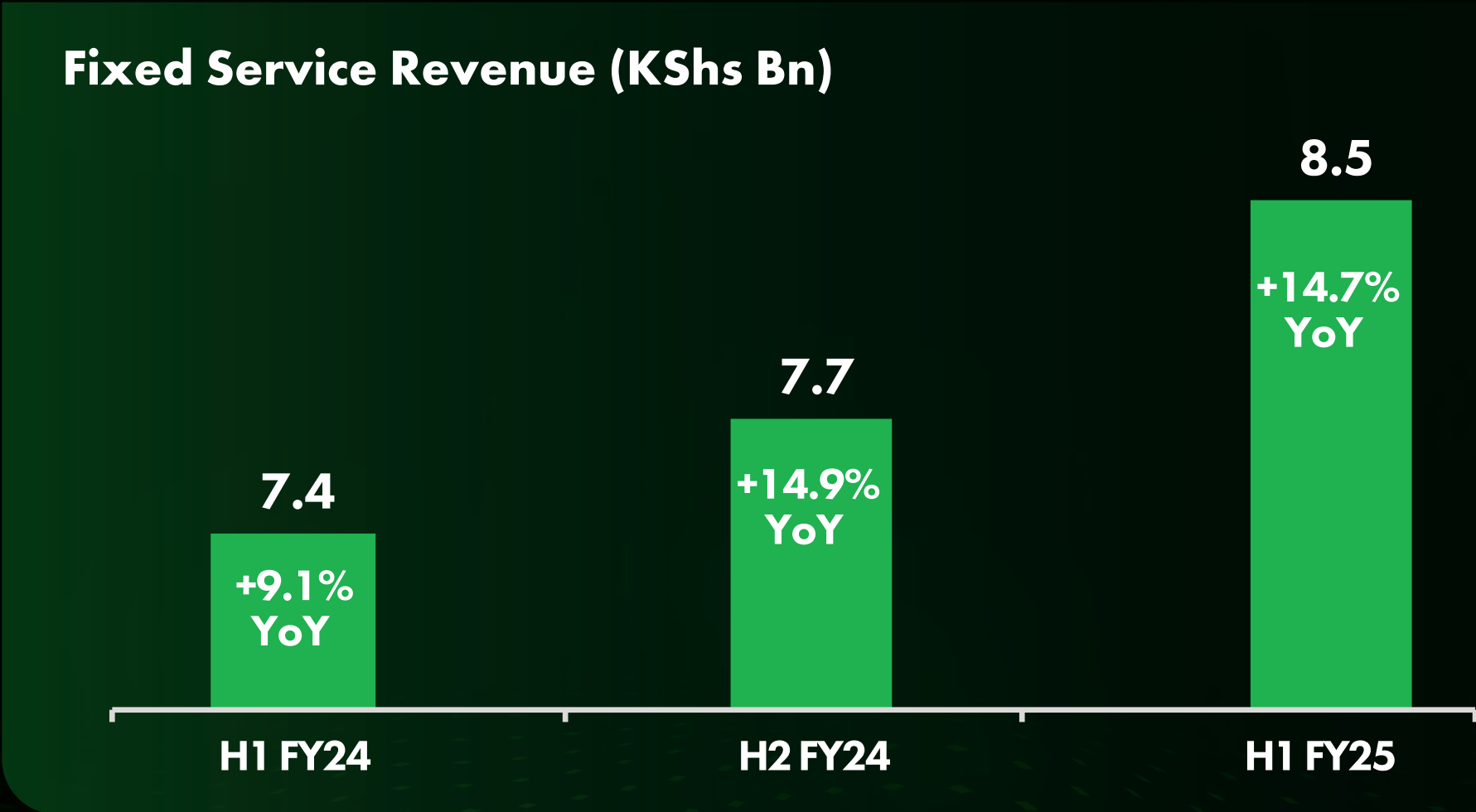
ARPU driver



Usage & Rate per MB

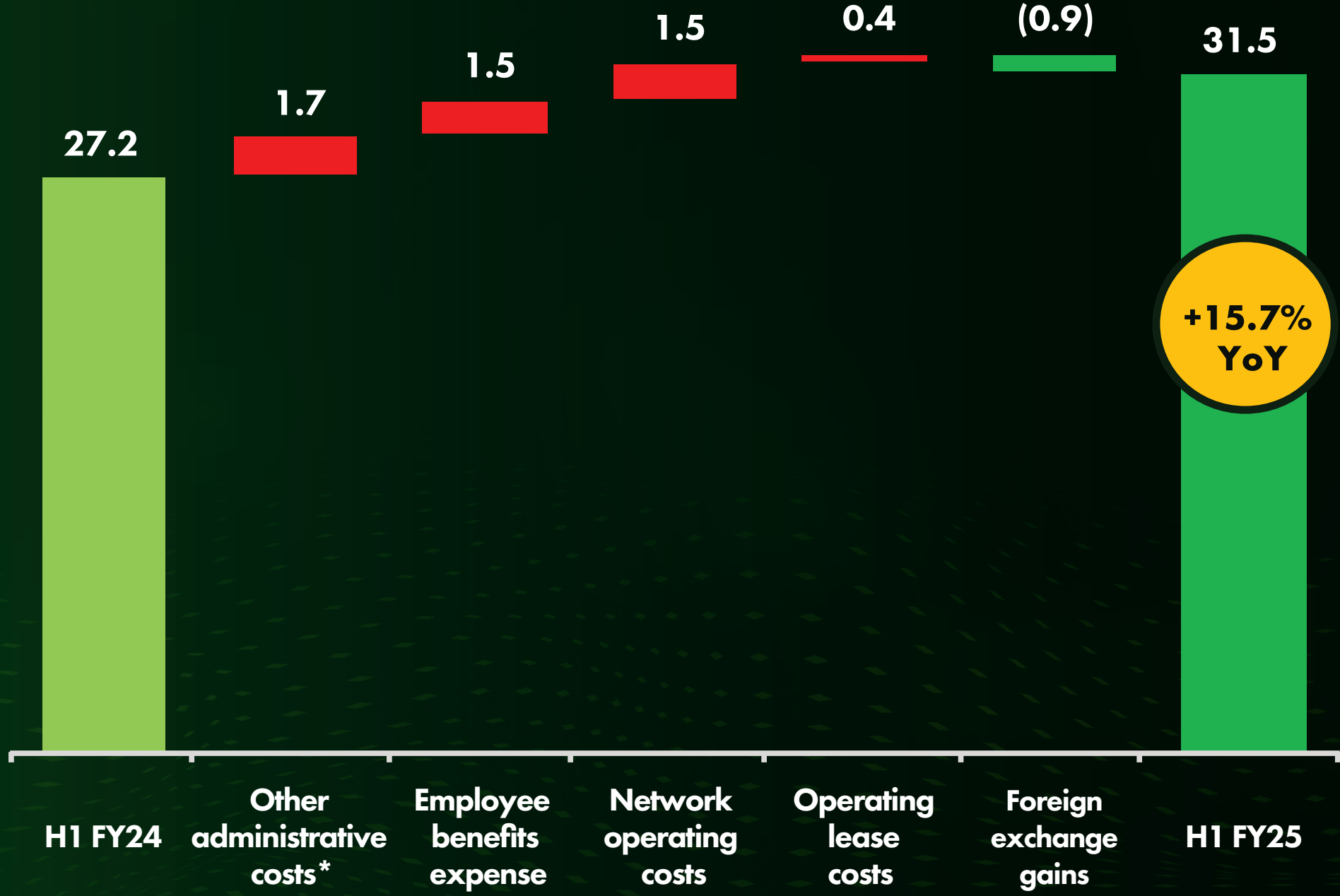


# FIXED SERVICE | Increased Connections Fueling Growth

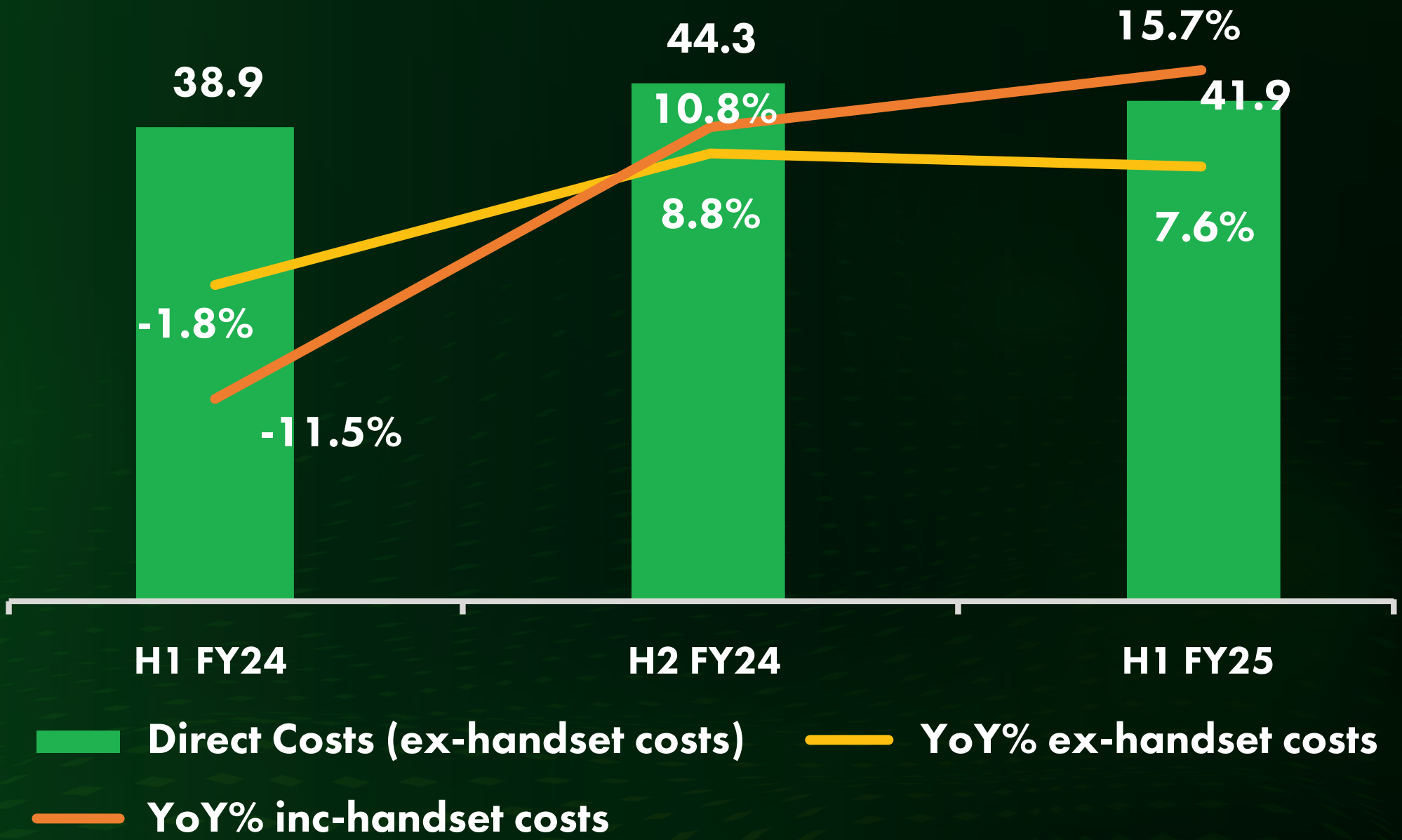


# COSTS | Investing in Futuristic Growth Areas

Operating Costs (KShs Bn)



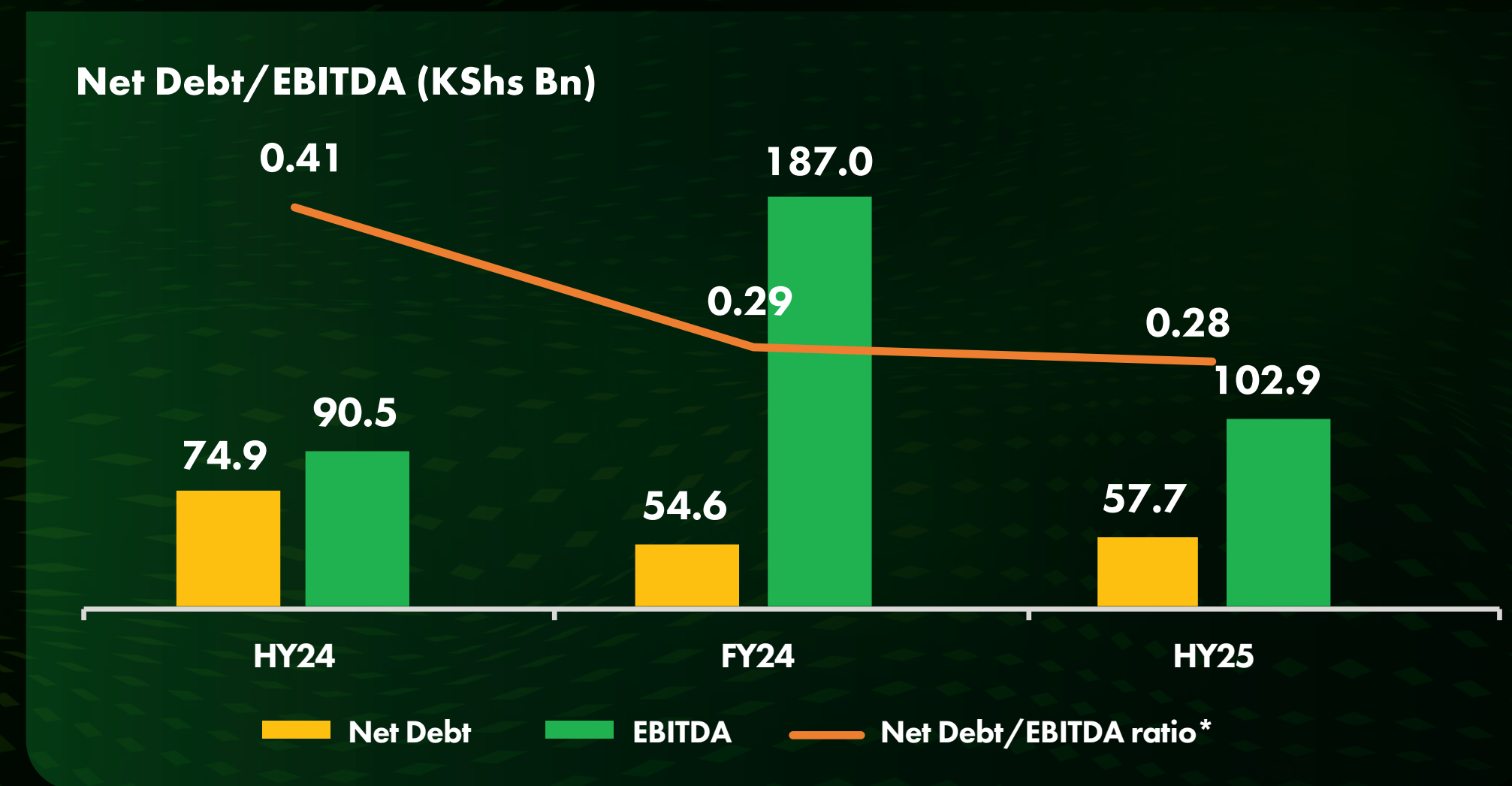
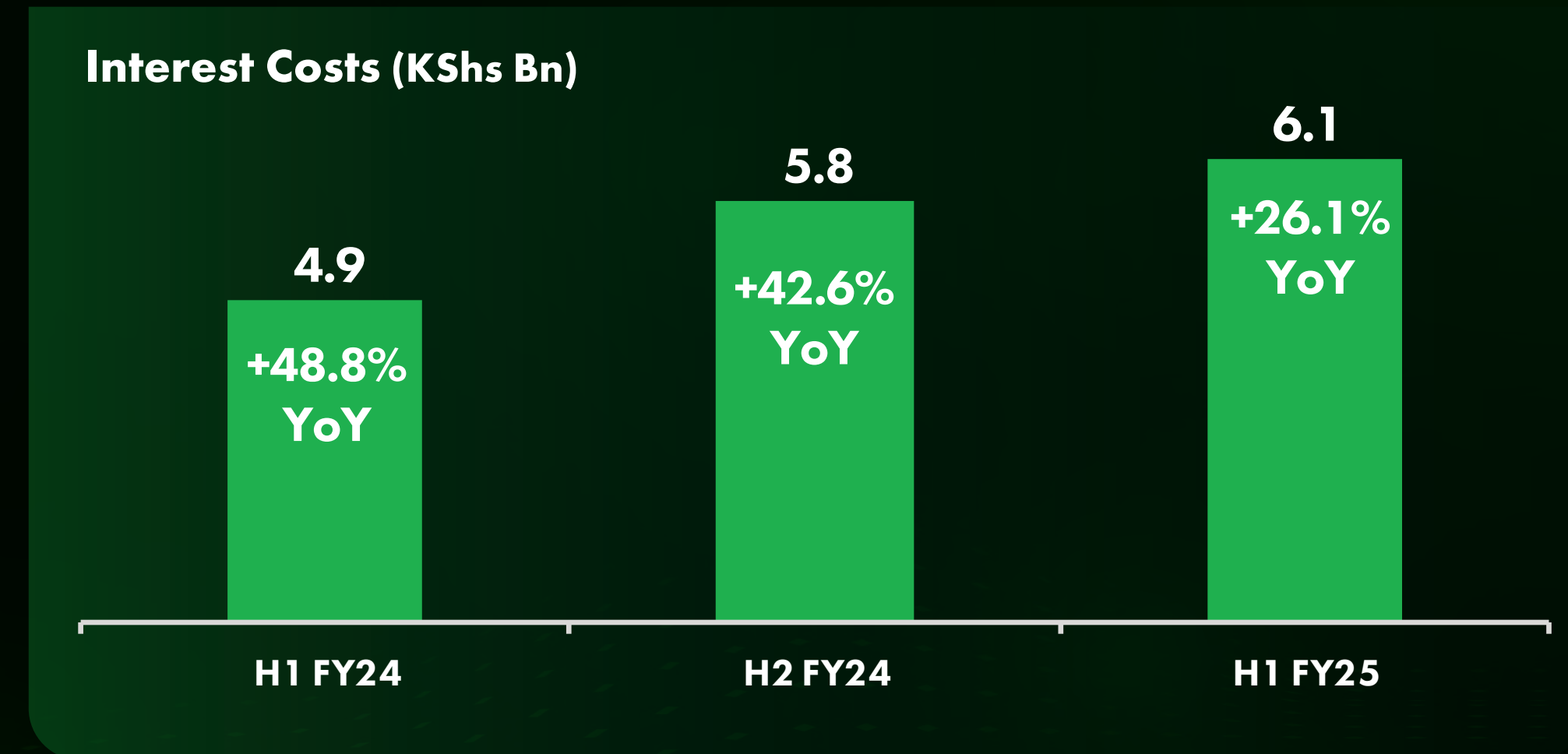
Direct Costs (KShs Bn)



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

# DEBT & FINANCE COSTS | Well Managed Debt Levels Despite High Finance Costs

Net Debt (KShs Bn)			
	HY24	FY24	HY25
Cash & Cash Equivalents	14.9	21.3	23.0
Short term borrowings	(43.7)	(39.8)	(34.5)
Long term borrowings	(46.1)	(36.1)	(46.2)
<b>Net Debt</b>	<b>(74.9)</b>	<b>(54.6)</b>	<b>(57.7)</b>



\*Net Debt/EBITDA ratio is calculated on annualised EBITDA

# FREE CASH FLOW | Strong Cash Flow Position



All numbers are in KShs

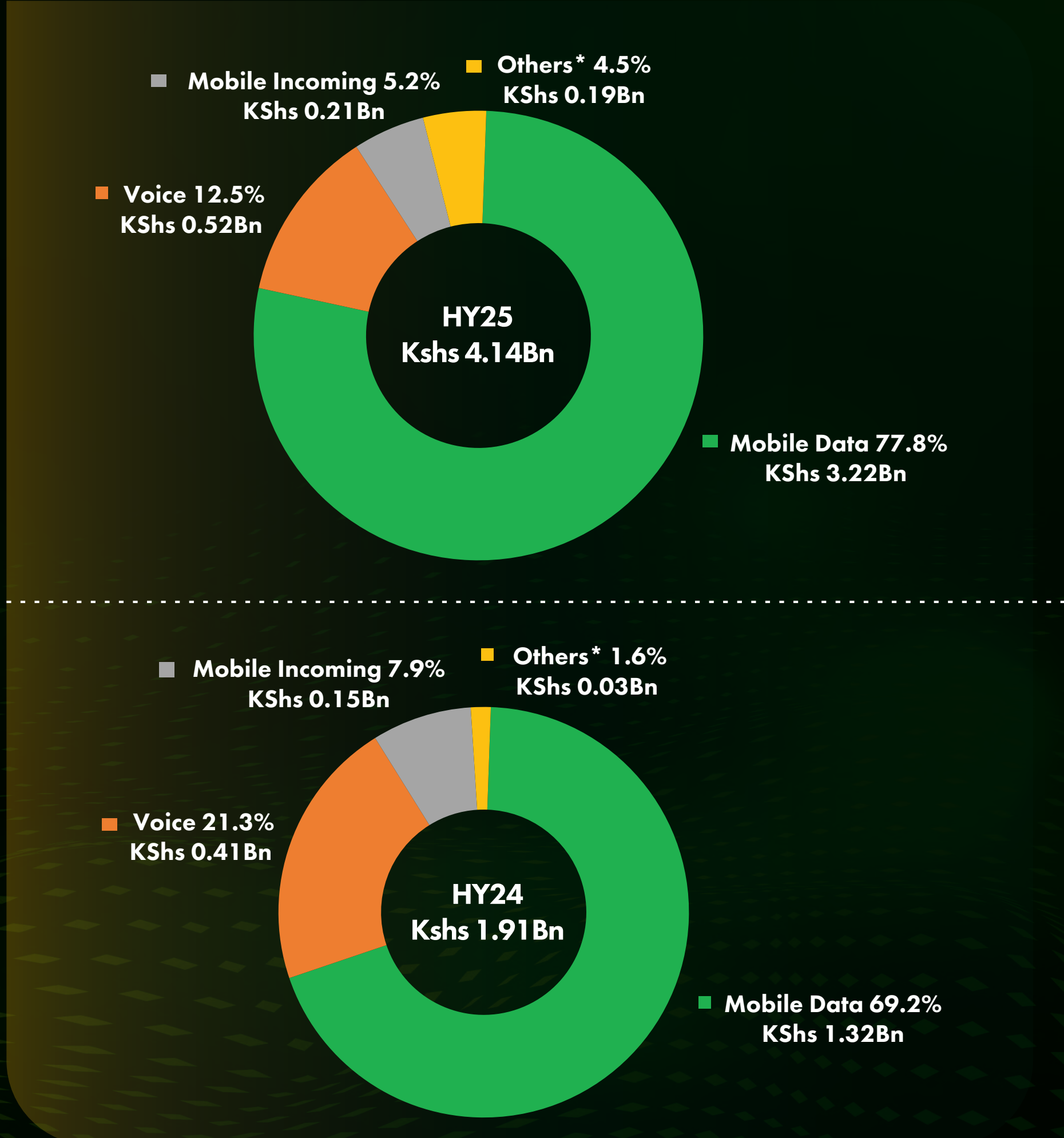
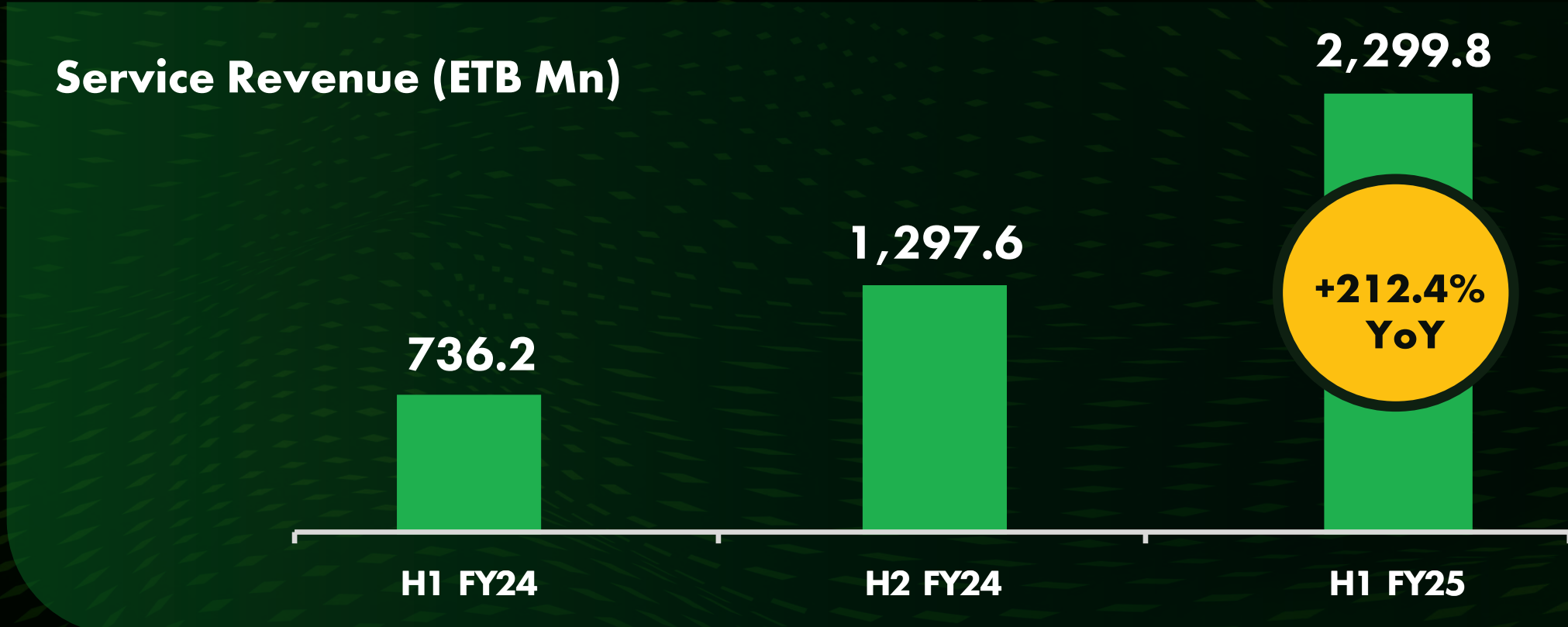
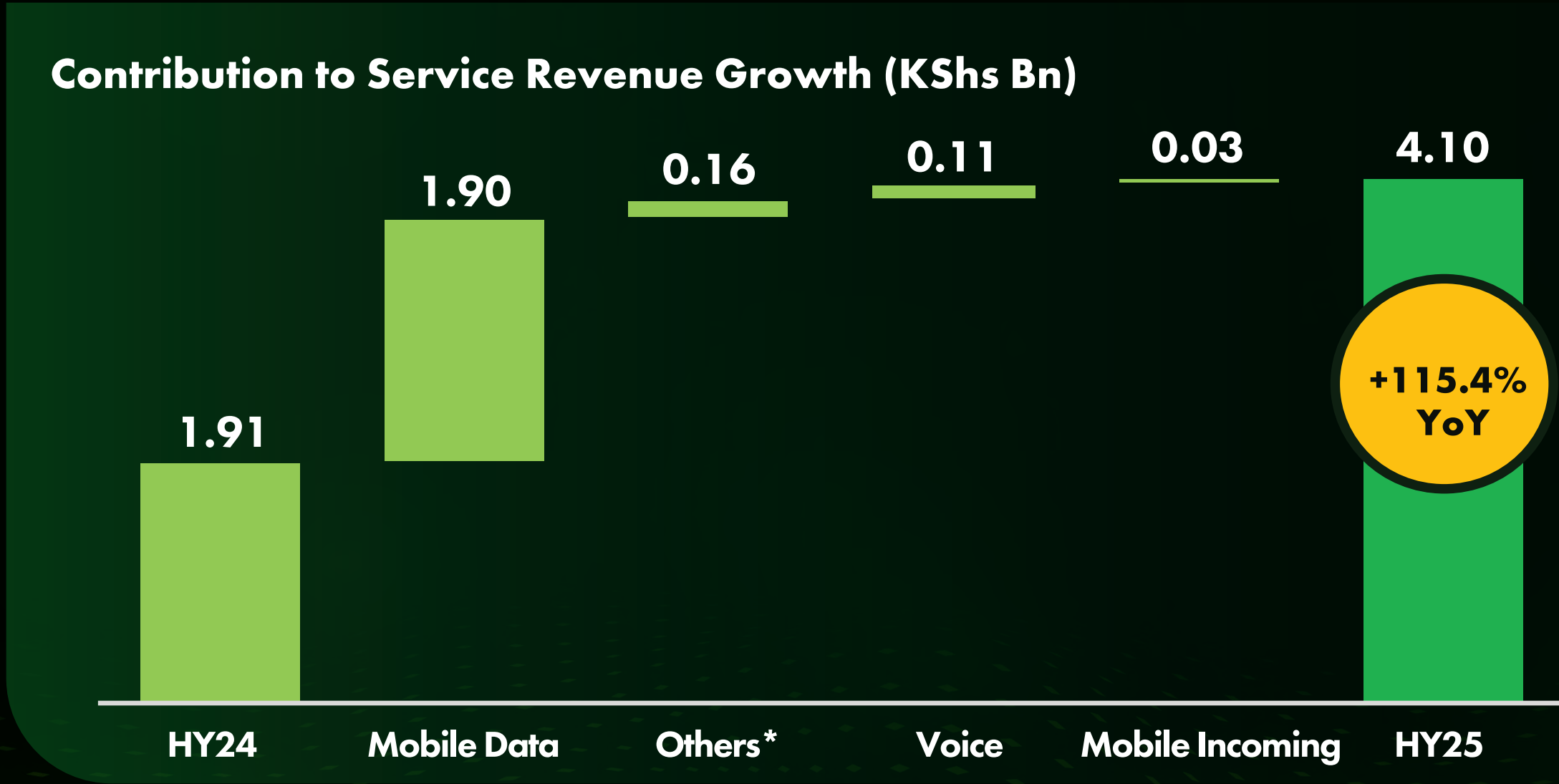
# FINANCIAL KPIs | Stable Margins

	HY22	HY23	HY24	HY25
<b>Contribution Margin %</b>	68.9%	68.6%	72.8%	72.0%
<b>EBITDA Margin %</b>	53.1%	52.2%	55.9%	55.1%
<b>EBIT Margin %</b>	39.8%	38.1%	41.5%	42.4%
<b>OPEX Intensity</b>	15.8%	16.3%	16.8%	16.9%
<b>CAPEX Intensity</b>	13.5%	11.8%	15.1%	16.5%
<b>ROCE</b>	79.2%	56.6%	56.1%	56.4%
<b>Net Debt to EBITDA</b>	0.35	0.41	0.41	0.28



SAFARICOM  
ETHIOPIA  
PERFORMANCE

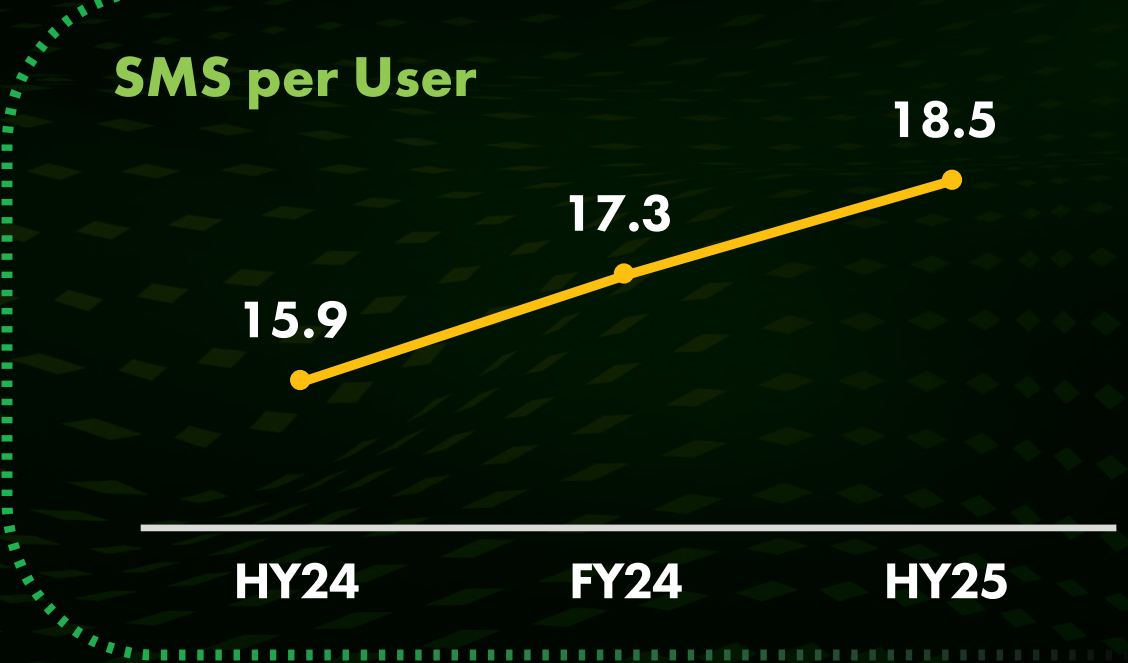
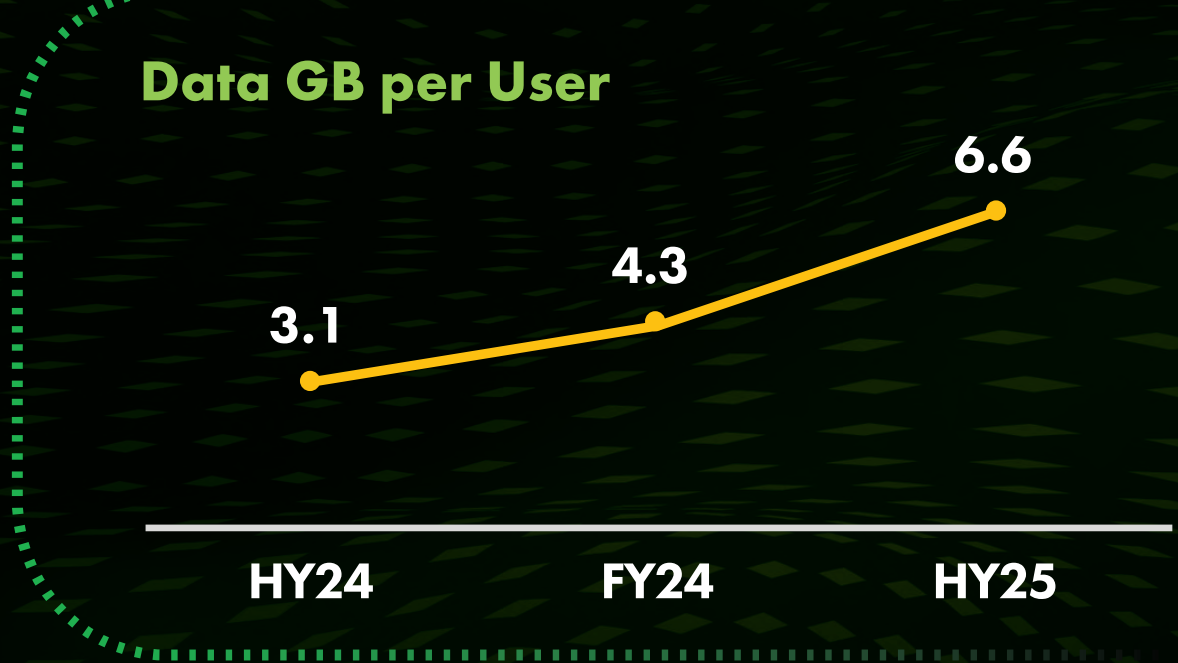
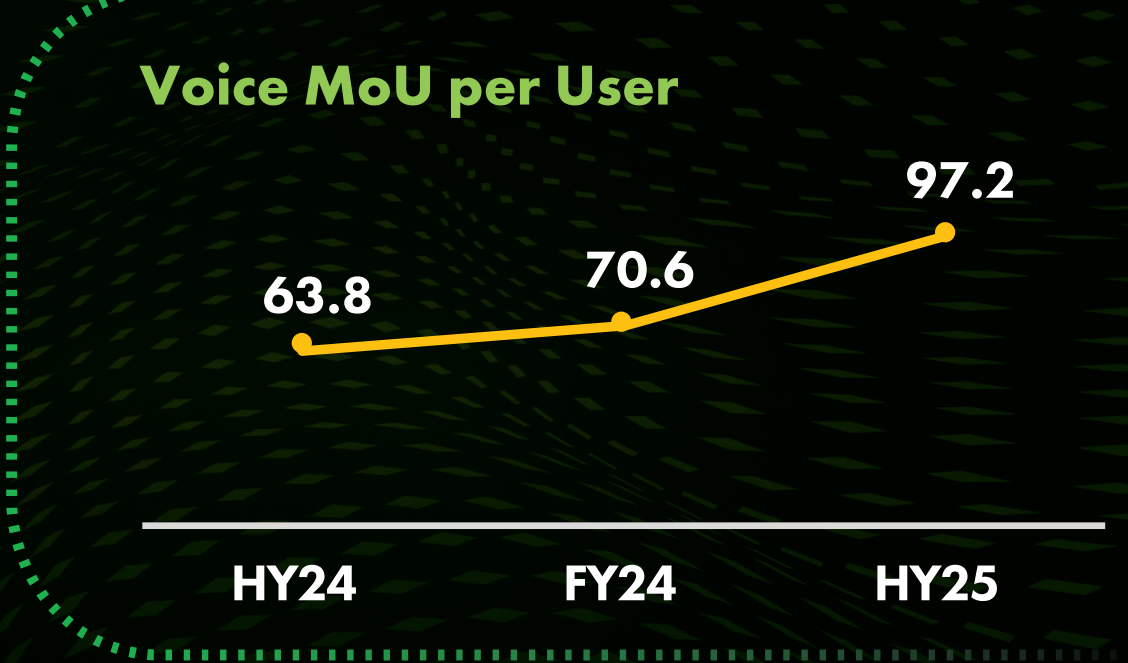
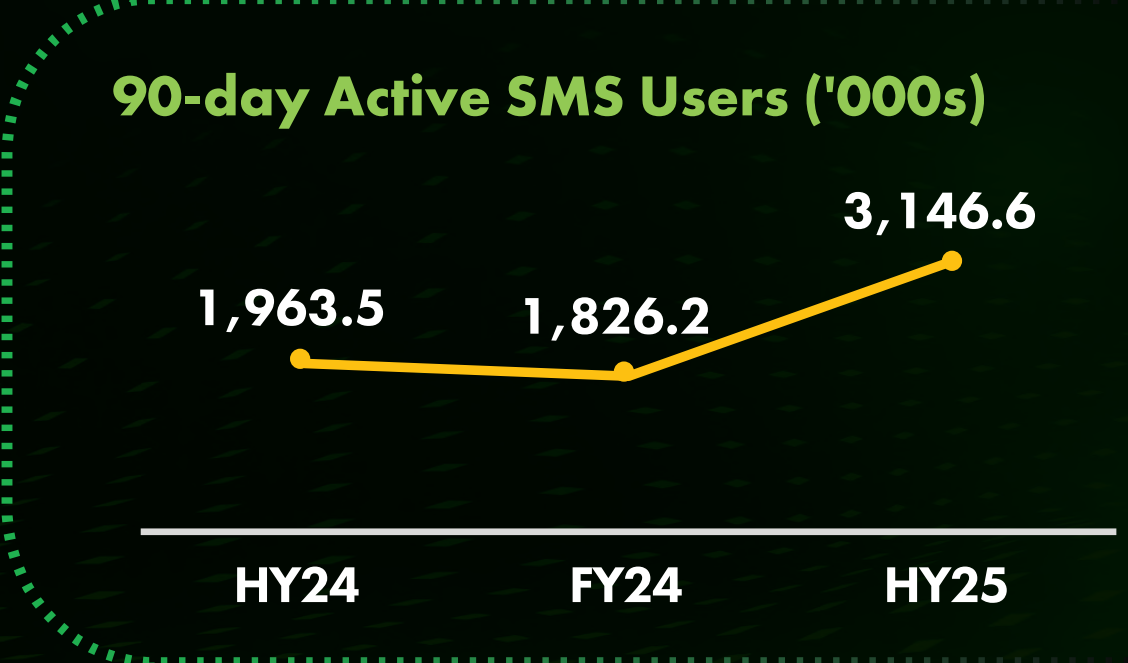
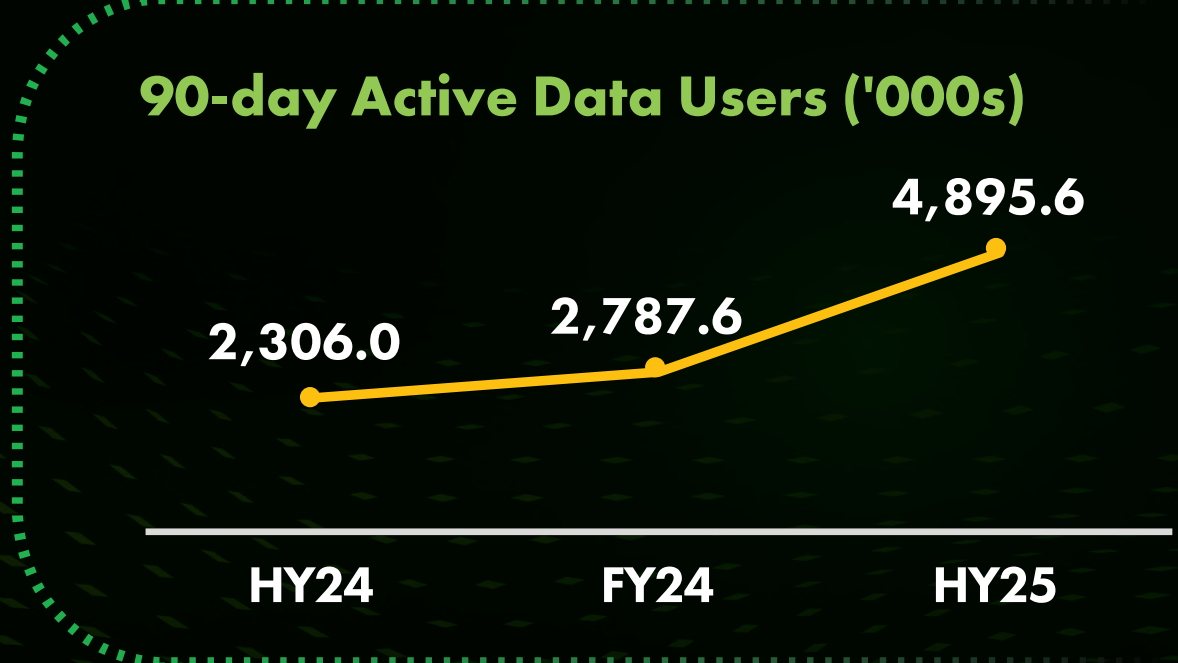
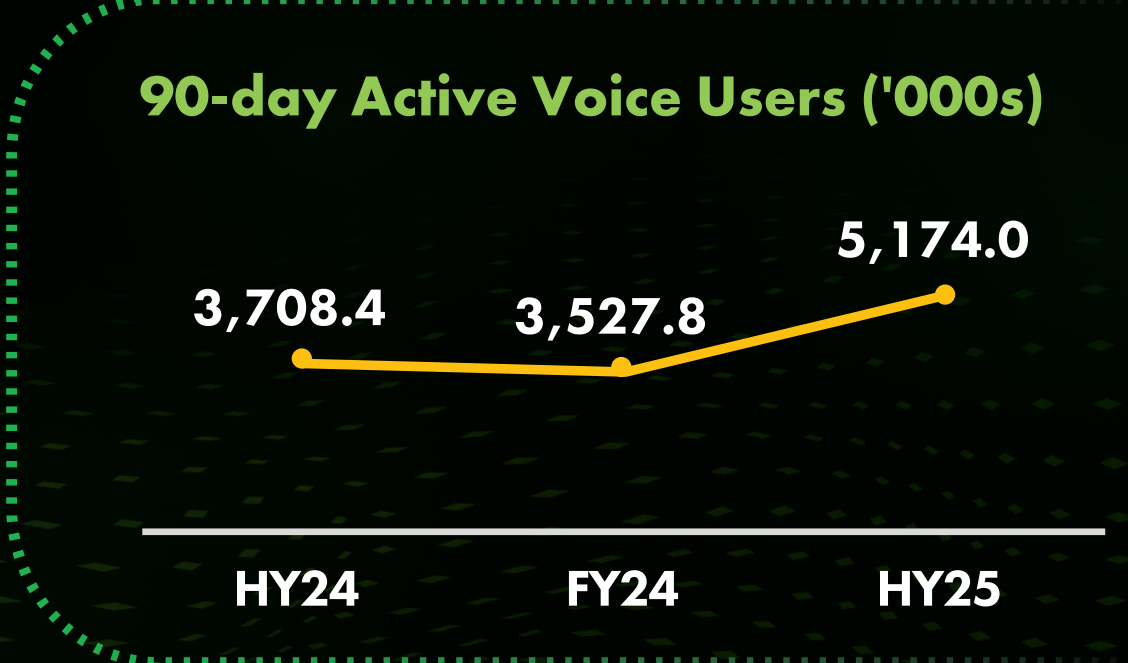
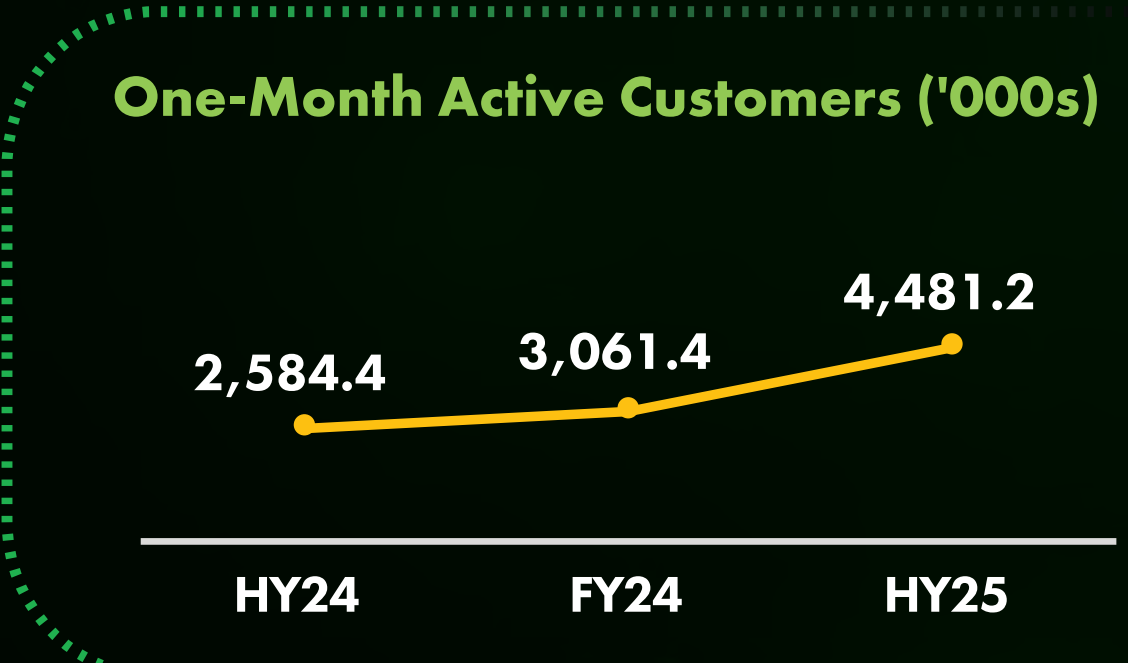
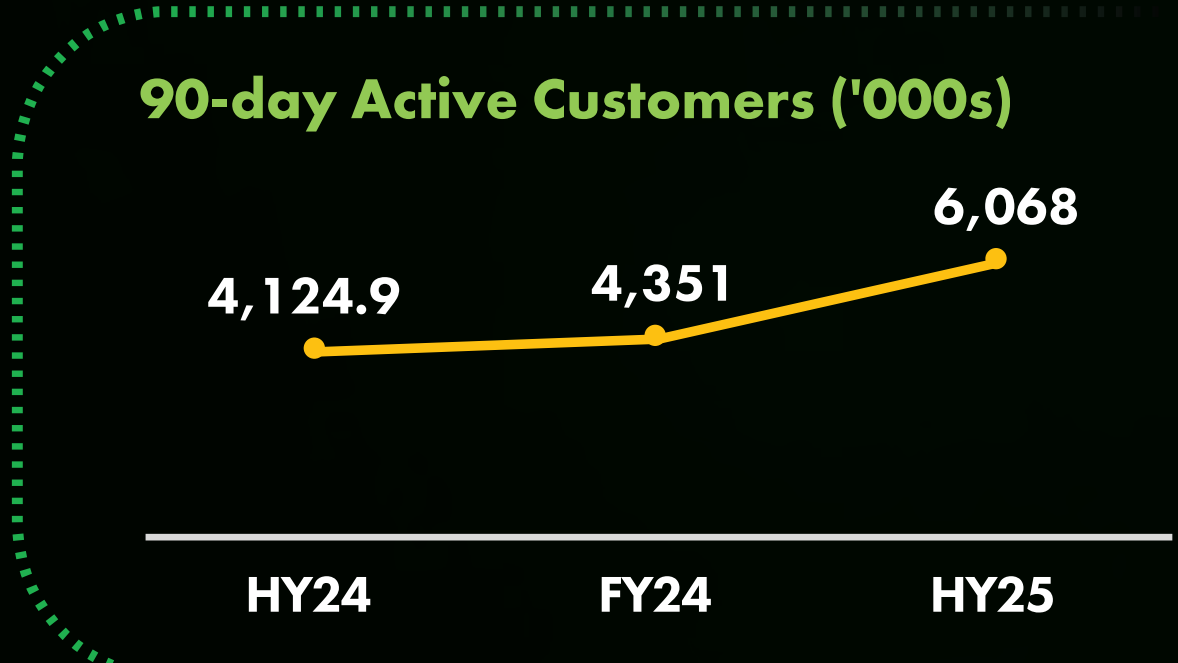
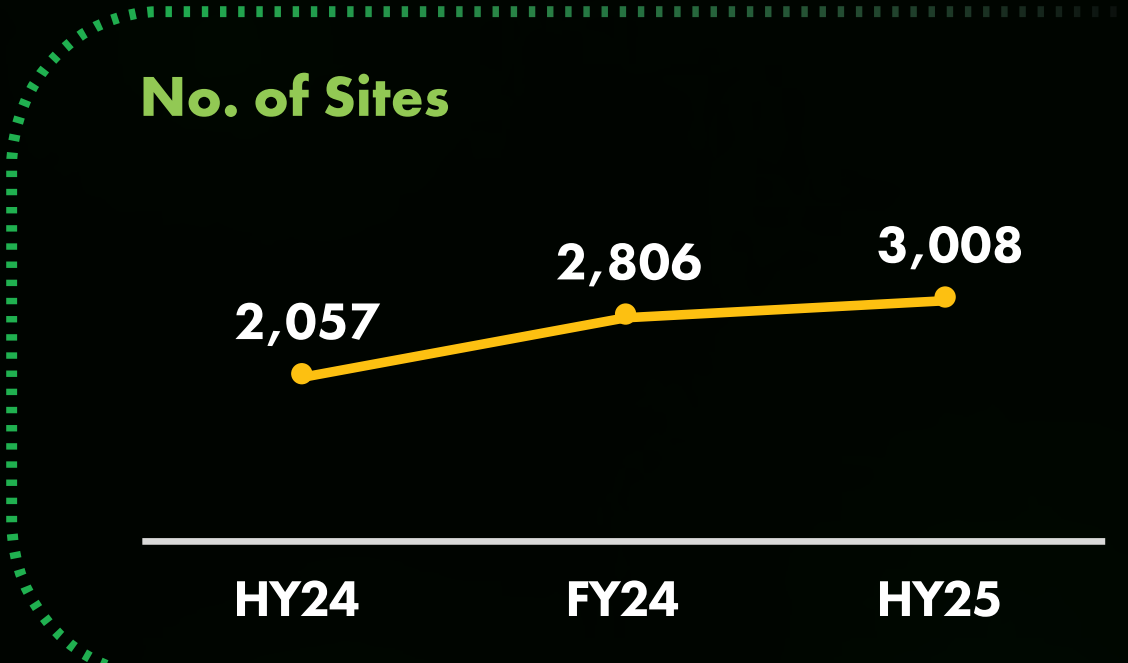
# SERVICE REVENUE | Great Revenue Growth Fueled by Customer Acquisition



\*Others - M-PESA Revenue, Messaging Revenue, Fixed Line Wholesale & Transit Revenue and Other Mobile Service Revenue



# CUSTOMERS & USAGE | Accelerated Momentum in HY25



# FOREIGN EXCHANGE REFORMS | Impact of Depreciation of the Birr in Ethiopia

From **57.69**  
June 2024



To **118.99**  
September 2024

### Impacting;

- Capex creditors
- Lease agreements
- Foreign denominated borrowings

**Birr Depreciation  
Impact**

**KShs 33.8Bn**

**Birr Depreciation  
Impact  
excl. minority interest**

**KShs 17.5Bn**

# ETHIOPIA | Funding Status

USD Mn	As at 30 Sep 2024
Equity funding	1,790*
Local currency debt funding	92
IFC debt funding	100
<b>Total funding</b>	<b>1,982</b>
<b>Deferred vendor payments</b>	<b>223</b>

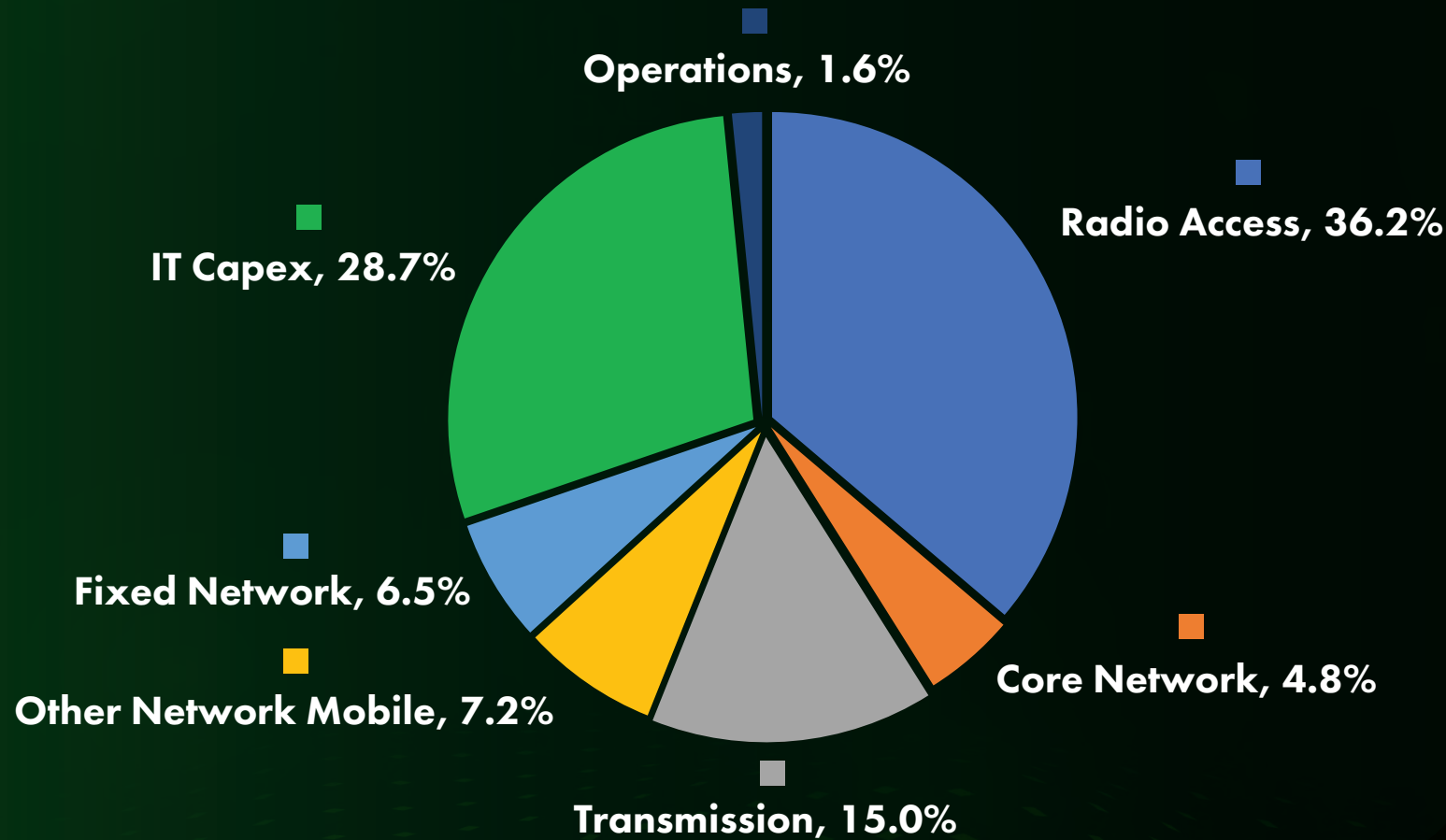
\*Safaricom PLC funding contribution is USD 925Mn  
 Shareholders & their respective shareholding of Global Partnership for Ethiopia B.V (GPE), the investment vehicle to Ethiopia; Safaricom PLC (51.67%), Vodacom Group (5.74%), Sumitomo Corporation (25.23%), British International Investment (formerly CDC Group PLC) (10.11%) and IFC (7.25%).



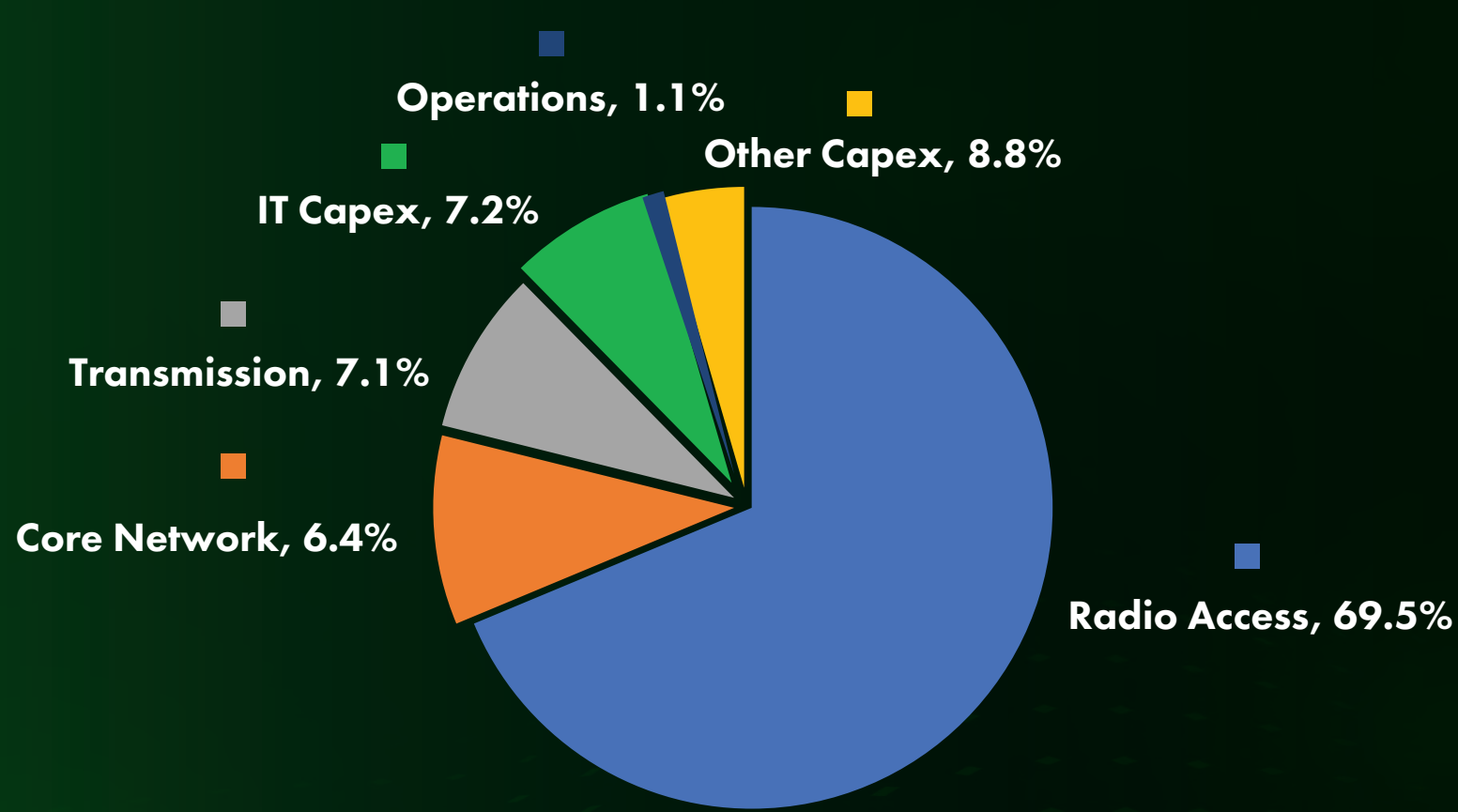
# SAFARICOM GROUP PERFORMANCE

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

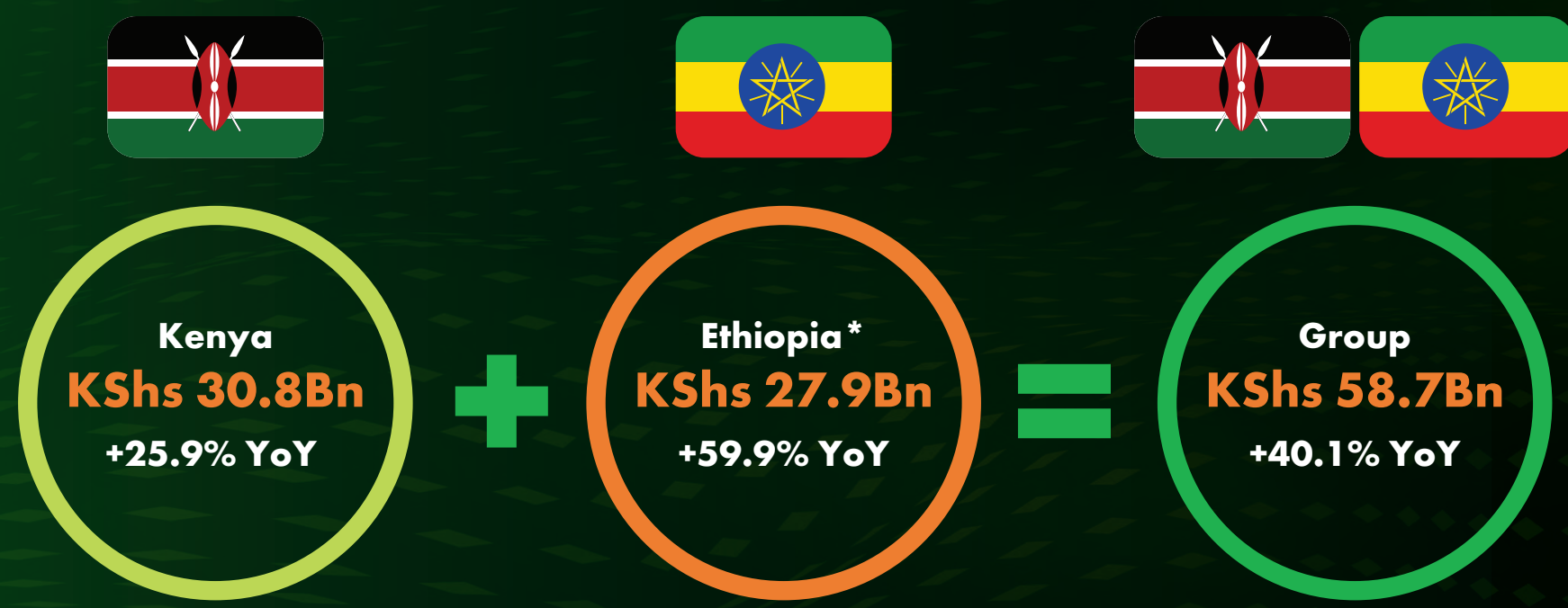
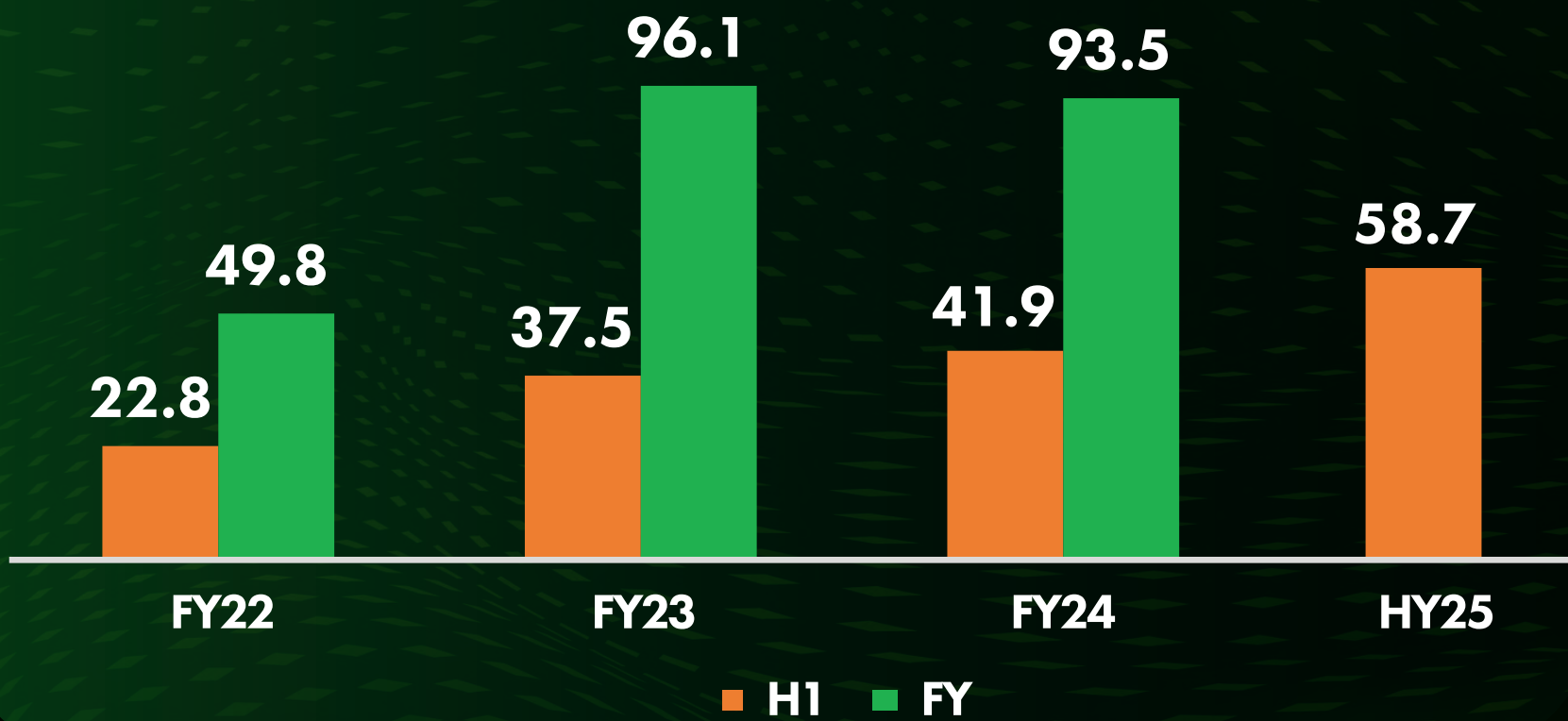
**HY25 Capex Split - Kenya**



**HY25 Capex Split - Ethiopia**

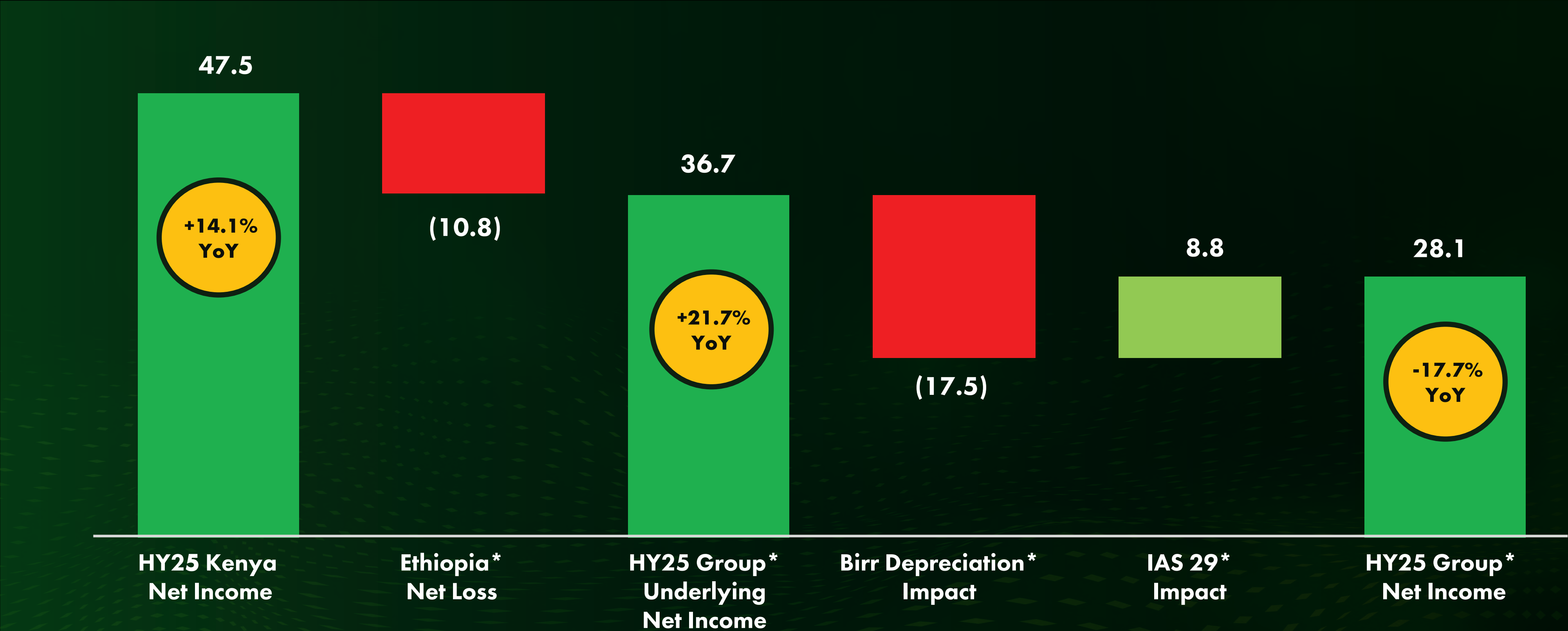


**Group Capex (KShs Bn)**



\*Safaricom Ethiopia Capex includes Birr depreciation impact

# GROUP NET INCOME | Great Underlying Performance Despite Ethiopia Forex Impact



\*Excluding minority interest

# HY25 GROUP PERFORMANCE | Strong Results on Constant Currency Basis

	Kenya	Group Reported	Group Constant Currency*
<b>Service Revenue</b>	+12.9%	+13.1%	+14.5%
<b>EBITDA</b>	+13.7%	-5.8%	+13.9%
<b>EBIT</b>	+18.0%	+1.8%	+17.5%
<b>Net Income</b> Excluding Minority Interest	+14.1%	-17.7%	+10.3%

\*Group % YoY Constant Currency excludes IAS 29 & exchange rate reforms impact

# HY25 GROUP PERFORMANCE

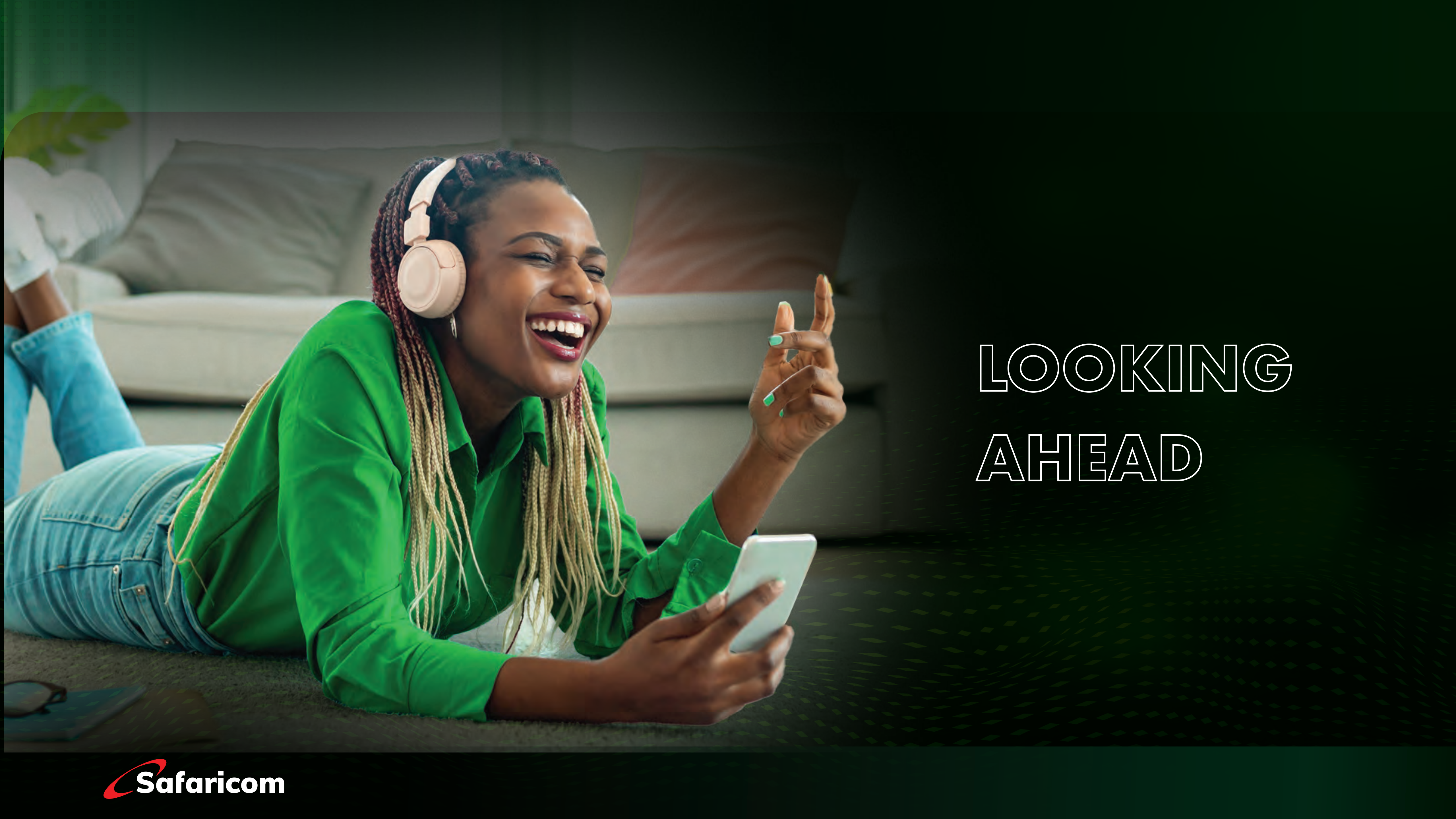
	Safaricom Kenya (KShs Mn)	Safaricom Ethiopia (KShs Mn)	Safaricom Plc Group (KShs Mn)	Safaricom Kenya % YoY	Safaricom Ethiopia % YoY	Safaricom Group % YoY	Group % YoY Constant Currency (excl. IAS 29 & Birr Depreciation impact)
<b>Service Revenue</b>	<b>177,465.2</b>	<b>2,477.6</b>	<b>179,923.9</b>	<b>12.9%</b>	<b>25.4%</b>	<b>13.1%</b>	<b>14.5%</b>
<b>Total Revenue</b>	<b>186,737.9</b>	<b>2,703.1</b>	<b>189,421.9</b>	<b>15.4%</b>	<b>(6.5%)</b>	<b>15.1%</b>	<b>16.7%</b>
Direct Costs	(47,742.5)	(1,789.2)	(49,512.6)	15.7%	(43.3%)	11.5%	19.3%
<b>Contribution Margin</b>	<b>134,389.3</b>	<b>886.1</b>	<b>135,319.6</b>	<b>14.2%</b>	<b>&lt;100.0%</b>	<b>15.2%</b>	<b>15.7%</b>
Operating costs	(31,467.8)	(28,781.1)	(60,248.9)	15.7%	>100.0%	59.6%	(20.1%)
<b>Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)</b>	<b>102,921.5</b>	<b>(27,895.0)</b>	<b>75,070.7</b>	<b>13.7%</b>	<b>&gt;100.0%</b>	<b>(5.8%)</b>	<b>13.9%</b>
Depreciation, impairment & amortisation	(23,732.4)	(9,133.8)	(32,866.2)	1.5%	(38.5%)	(14.0%)	7.9%
<b>Earnings before Interest and Tax (EBIT)</b>	<b>79,189.1</b>	<b>(37,028.8)</b>	<b>42,204.5</b>	<b>18.0%</b>	<b>44.9%</b>	<b>1.8%</b>	<b>17.5%</b>
Hyperinflation net monetary gain*	0.0	3,440.4	3,440.4	0.0%	(73.6%)	(73.6%)	-
<b>Profit/ (loss) after tax excluding Minority Interest</b>	<b>47,495.3</b>	<b>(19,390.4)</b>	<b>28,117.2</b>	<b>14.1%</b>	<b>&gt;100.0%</b>	<b>(17.7%)</b>	<b>10.3%</b>
<b>Capex**</b>	<b>30,771.6</b>	<b>27,907.1</b>	<b>58,678.7</b>	<b>25.9%</b>	<b>59.9%</b>	<b>40.1%</b>	<b>31.2%</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 XX. Safaricom Kenya numbers includes Kenyan subsidiaries. Safaricom Group is net of intercompany eliminations.






LOOKING  
AHEAD

# IN SUMMARY | Outstanding Performance in Kenya, Accelerated Momentum in Ethiopia

 **Strong Kenya performance**

 **Driving societal value through sustainable financing**

 **Customer-centric actions & segmentation driving value**

 **Growing the core and expanding into new services through innovation**

 **Great commercial acceleration in Ethiopia**

 **Mitigation efforts following the FX reforms in Ethiopia**

# FY25 | Strategic Priority Areas in H2



## Continued Customer Focus

Radical simplification of customer journeys; Always On Network; Worry Free Experience; Safeguard Customer Data



## Increased Commercial Intensity

New Growth Areas acceleration; Scale Fixed and Enterprise Business



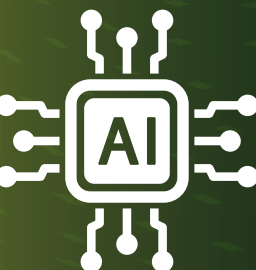
## Grow 4G+ Device Sales

Local Manufacturing; financing; Device Insurance



## Sustain Execution Momentum in Ethiopia

Customer acquisition and retention; Data usage; Viable M-PESA Use Cases



## Democratize Use of AI and other Digital Skills

Accelerate Digital Transformation and Transition into a TechCo

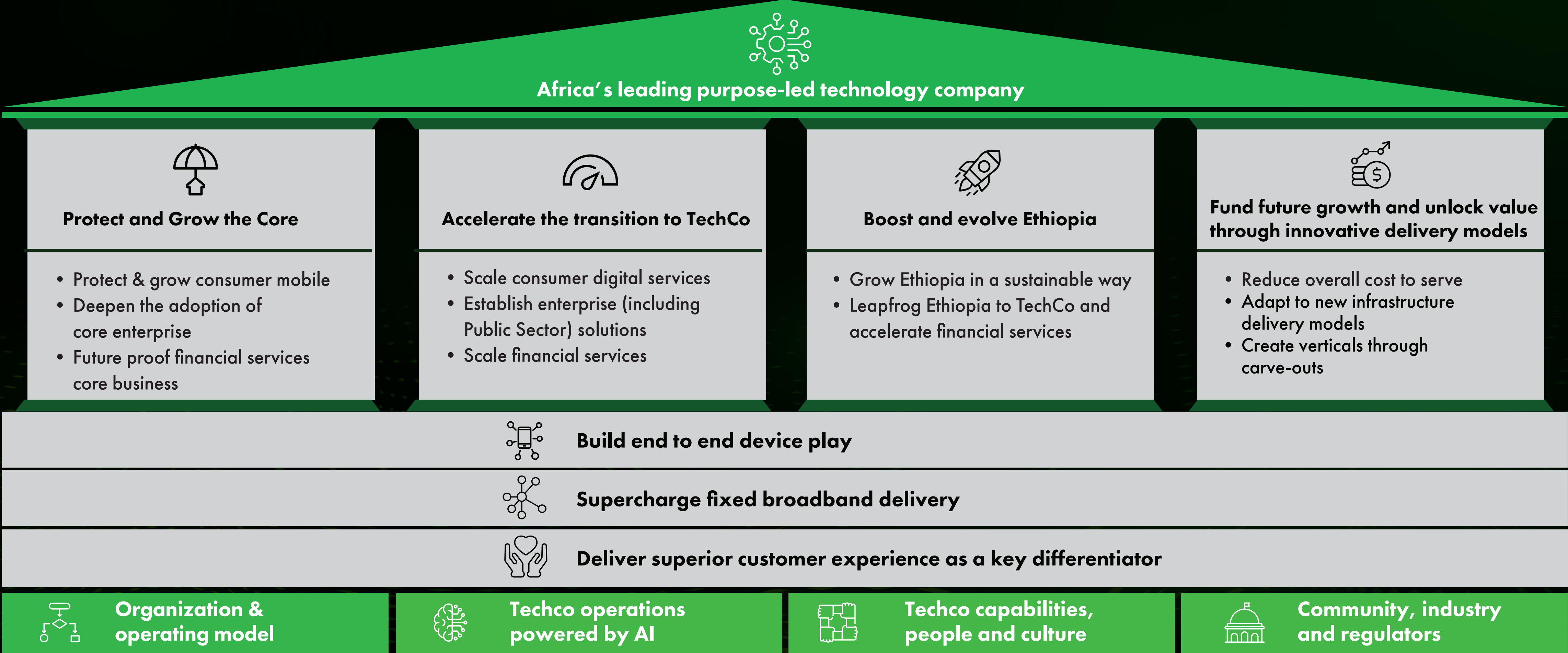


## Public Sector Digitisation

#1 Technology Partner of Choice

Leveraging Safaricom @25 Activities

# Vision 2030 | Anchored on Being Africa's Leading Purpose-led Techco



# Vision 2030 | Scaling Operations for Ethiopia's Digital Future



We have also defined **big bets** for the Ethiopia business for the next 3-5 years

## Big bets



### 4G Network

Best and most reliable 4G network



### Fixed

Fixed broadband for business and homes



### Content

Local content and VAS as a key differentiator



### Financial services

Digital payments

## Enablers



Financing of locally procured 4G devices



Partnerships and wide industry collaboration



Regulatory/stakeholder engagement



Social goodwill and community building

## 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 YR5 (FY27)\*

### 🎯 Commercial scale; 15-20Mn customers

### 🎯 Infrastructure scale; >4,000 sites

### 🎯 Capex Investment 5Yr Plan; USD 1.0-1.3Bn

*\*EBITDA breakeven pushed outward by one year due to impact of Birr Depreciation in Ethiopia*

# FY25 GUIDANCE | Upgraded Kenya and Incorporated Birr Depreciation Impact in Ethiopia

All numbers are in KShs Bn and exclude hyperinflationary impact (IAS 29)

	EBIT		Capex	
	Revised	Initial	Revised	Initial
<b>Kenya</b>	<b>155 - 158</b>	<b>149 - 152</b>	<b>52 - 55</b>	<b>52 - 55</b>
<b>Ethiopia *</b>	<b>(61 - 58)</b>	<b>(46 - 43)</b>	<b>28 - 31</b>	<b>21 - 24</b>
<b>Group</b>	<b>94 - 100</b>	<b>103 - 109</b>	<b>80 - 86</b>	<b>73 - 79</b>

## \* Ethiopia Guidance Assumptions

- Mobile customers target of 7-10Mn 90-day customers, 1Mn M-PESA 30-day active customers
- Target sites 3,300 in FY25
- Safaricom Ethiopia guidance is given based on September closing rates. A 10% change in currency would impact EBIT by KShs c8.5Bn 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.



THANK YOU!

