



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

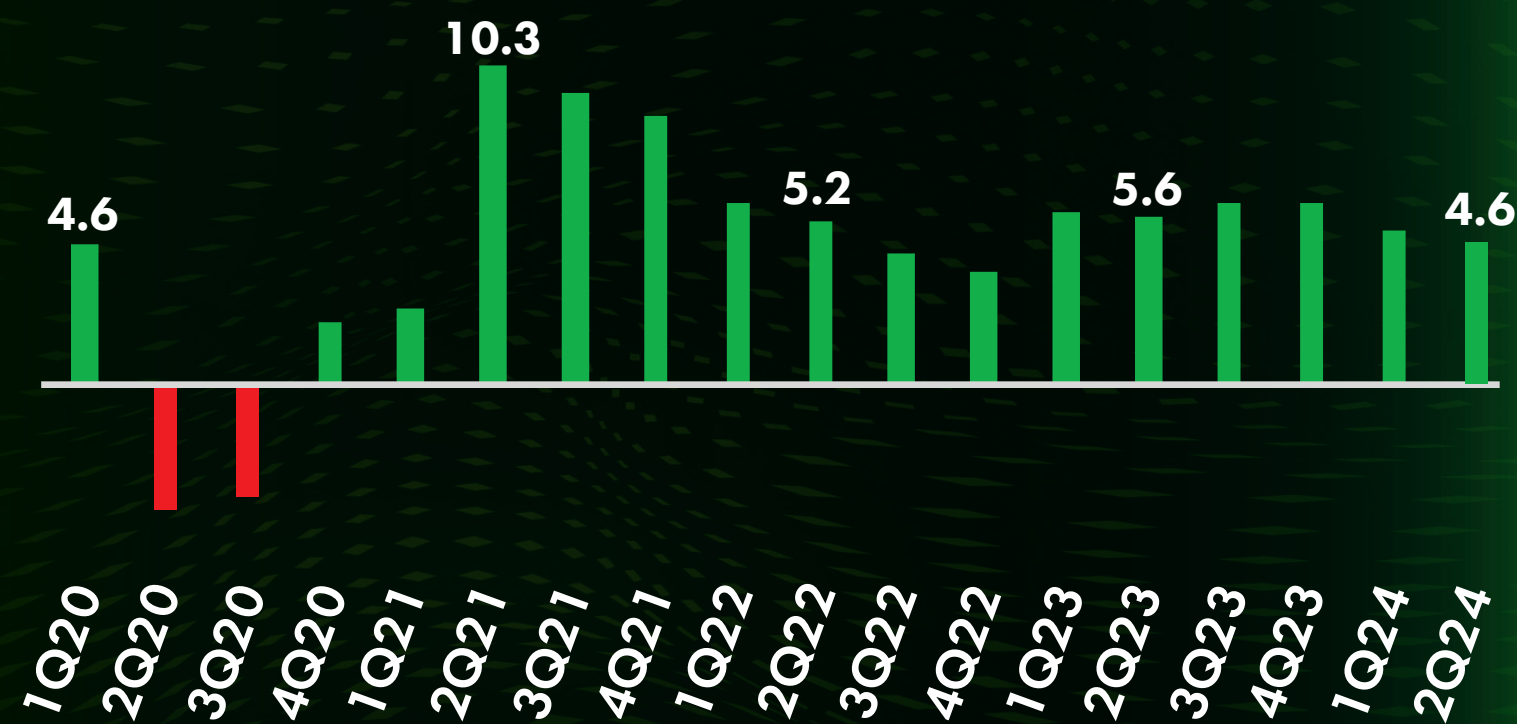
Tailwinds

- Declining food prices
- Improved fuel prices

Headwinds

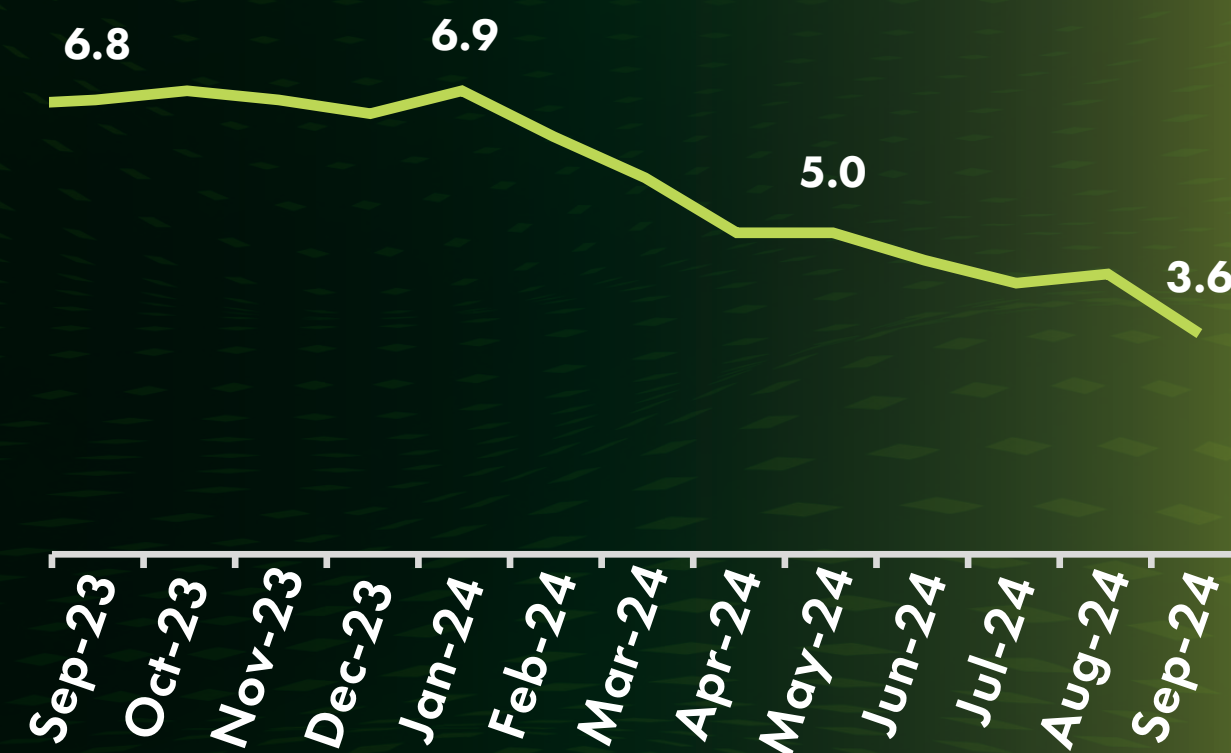
- Disposal incomes under pressure
- High energy tariffs
- Demand for more value

Recovering But Fragile GDP Growth (%)



Source: KNBS

Declining Inflation Rate (%)



Source: KNBS

Strengthening Kenya Shilling (USD/KES)



Source: CBK

13th 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

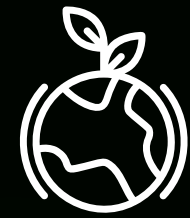


OUR PURPOSE | Driving Societal Value Through Sustainable Financing

True Value Assessment (FY24)*



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



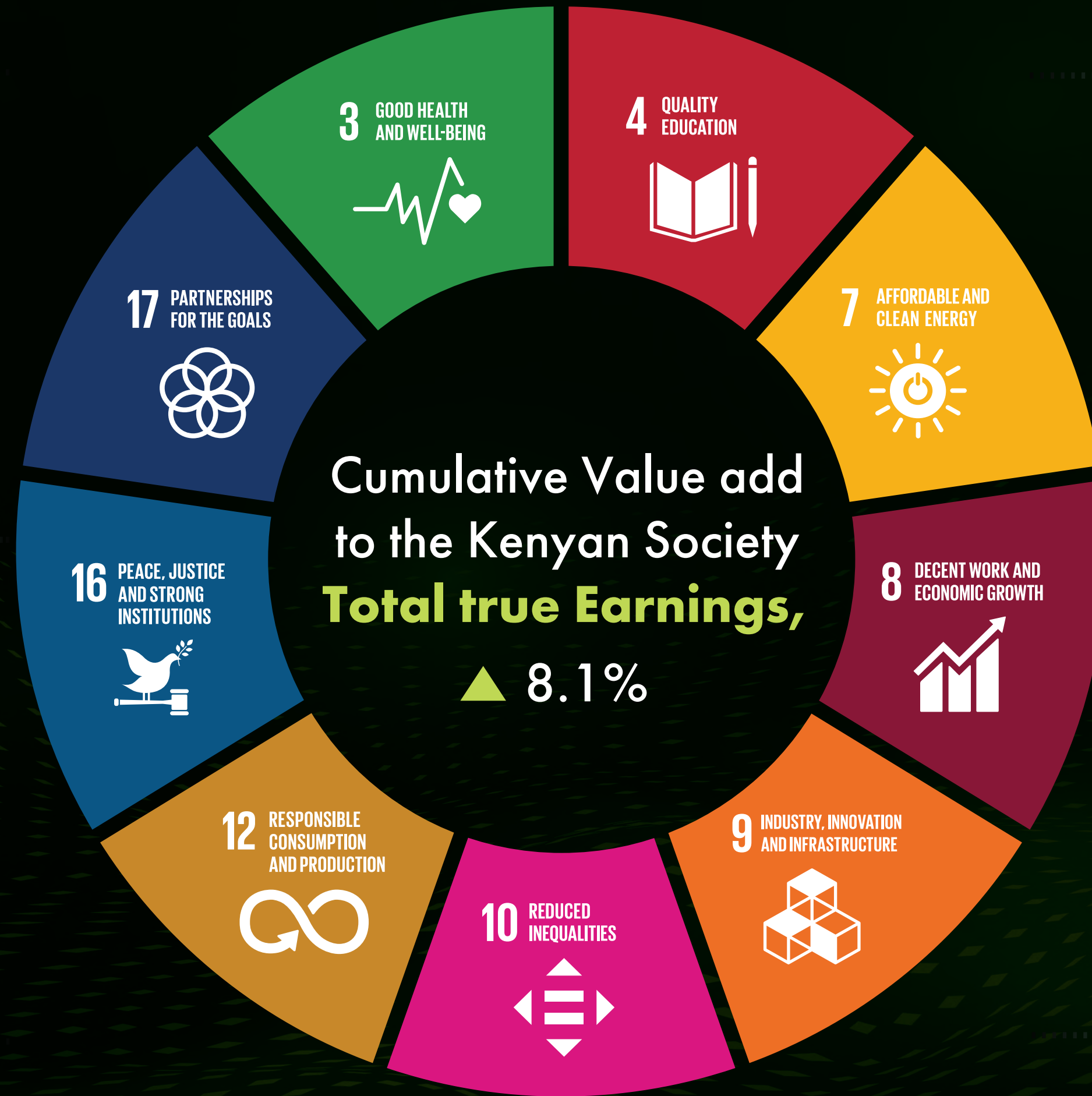
Environmental externalities
 KShs 0.9Bn
 ▲ 16.0%



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



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

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

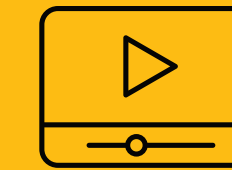
CONSUMER BUSINESS | Growing the Core Through Customer-centric Actions



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

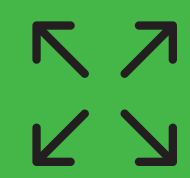
Enjoy Showmax Premier League Mobile + **3GB data** at only

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
10 Mbps	20 Mbps	40 Mbps	100 Mbps
15 Mbps	30 Mbps	80 Mbps	500 Mbps
KSHS 2,999	KSHS 4,100	KSHS 6,299	KSHS 12,499

*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

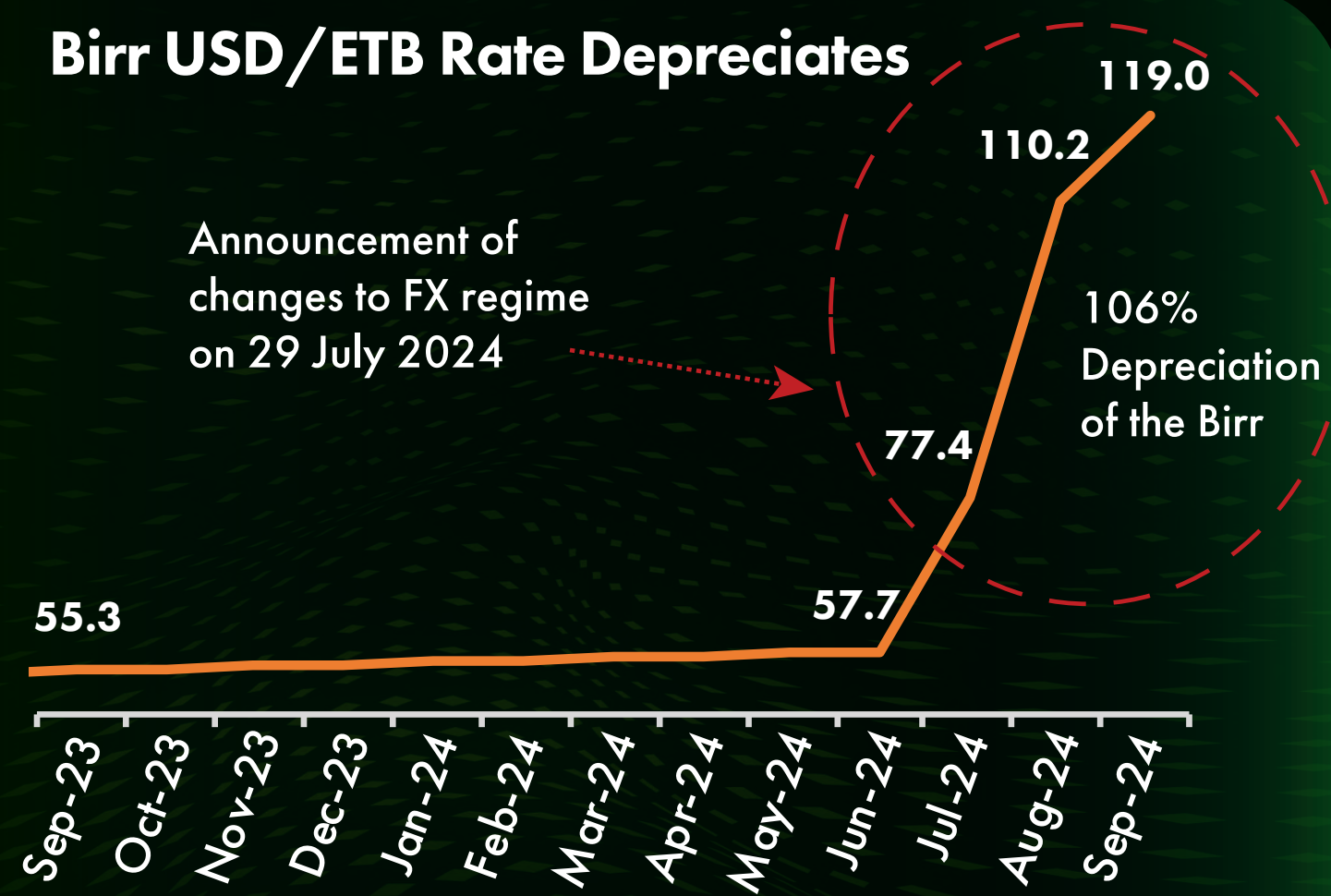
- Mobile Termination Rate reduction
- IPO on 10% privatisation of Ethiotel issued
- Ethiotel declared a Significant Market Player (SMP)

Political/Security

Stable but Fragile

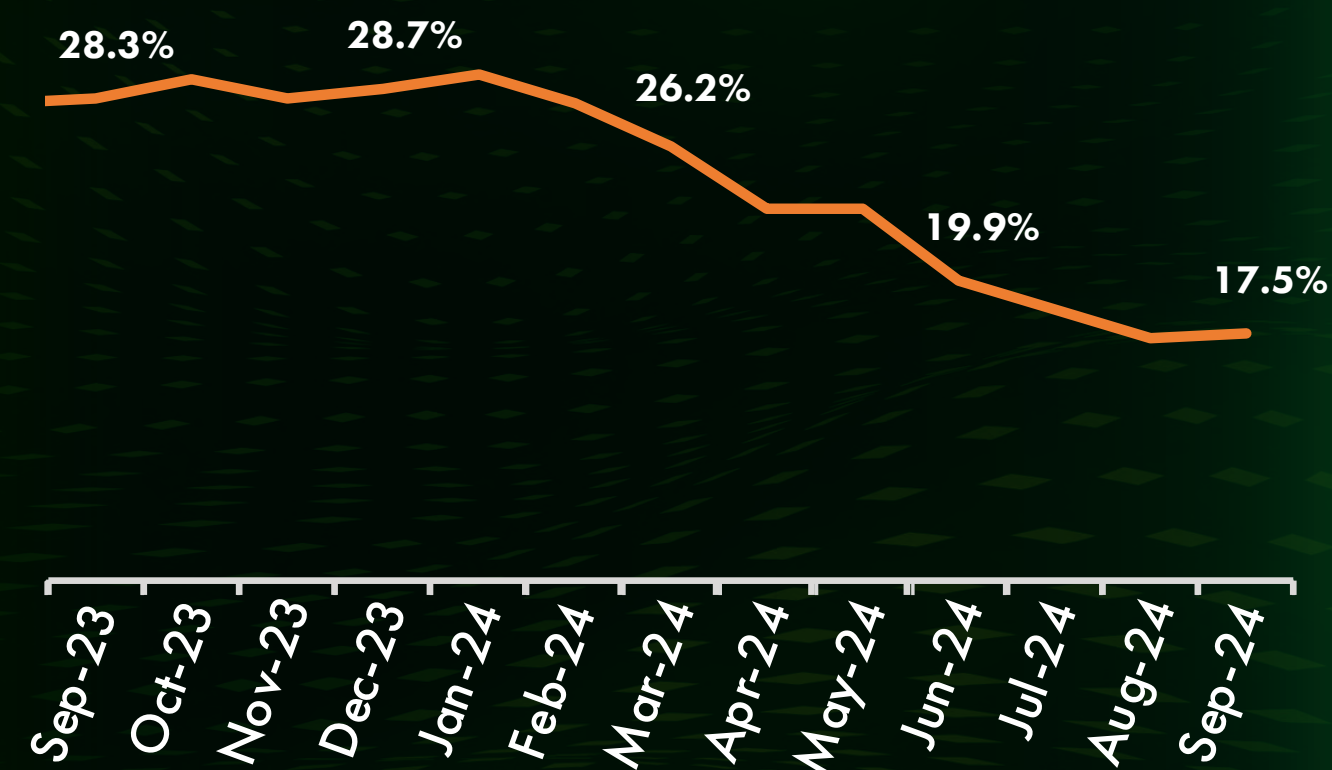
- Stabilizing security situation in Tigray
- Amhara under state of emergency

Birr USD/ETB Rate Depreciates



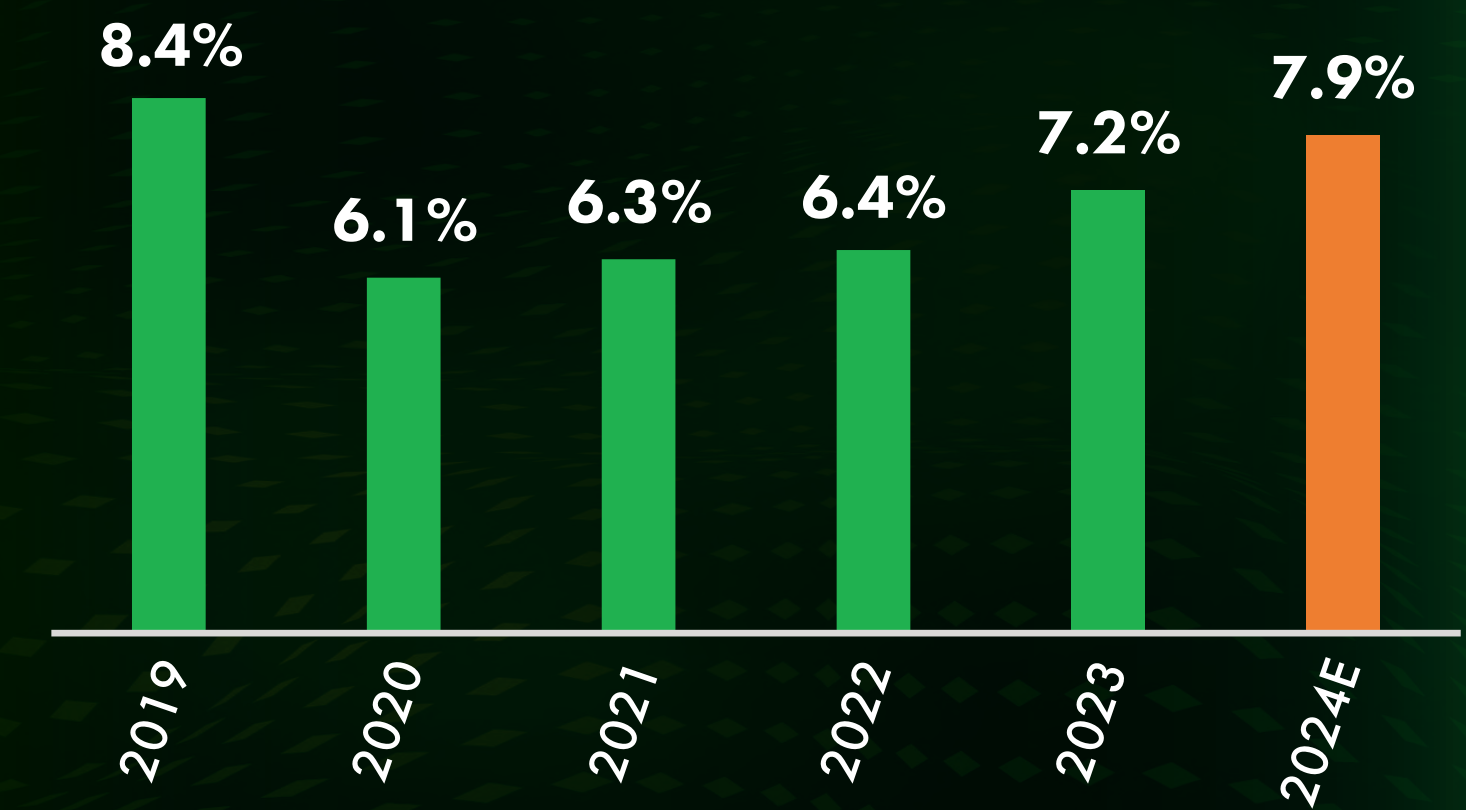
Source: Ethiopia Statistical Service (ESS)

Inflation Rate Holding as Market Adjusts



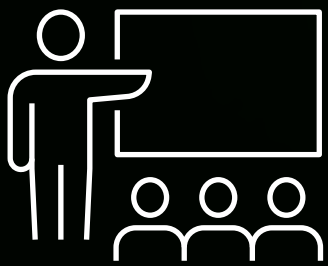
Source: Ethiopia Statistical Service (ESS)

GDP Growth Rate



Source: Bloomberg, IMF, World Bank

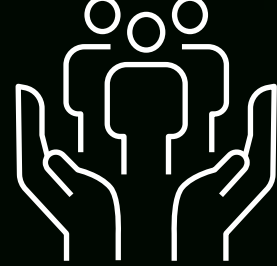
ETHIOPIA | Transcending our Purpose Beyond Borders



Empowering Education

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

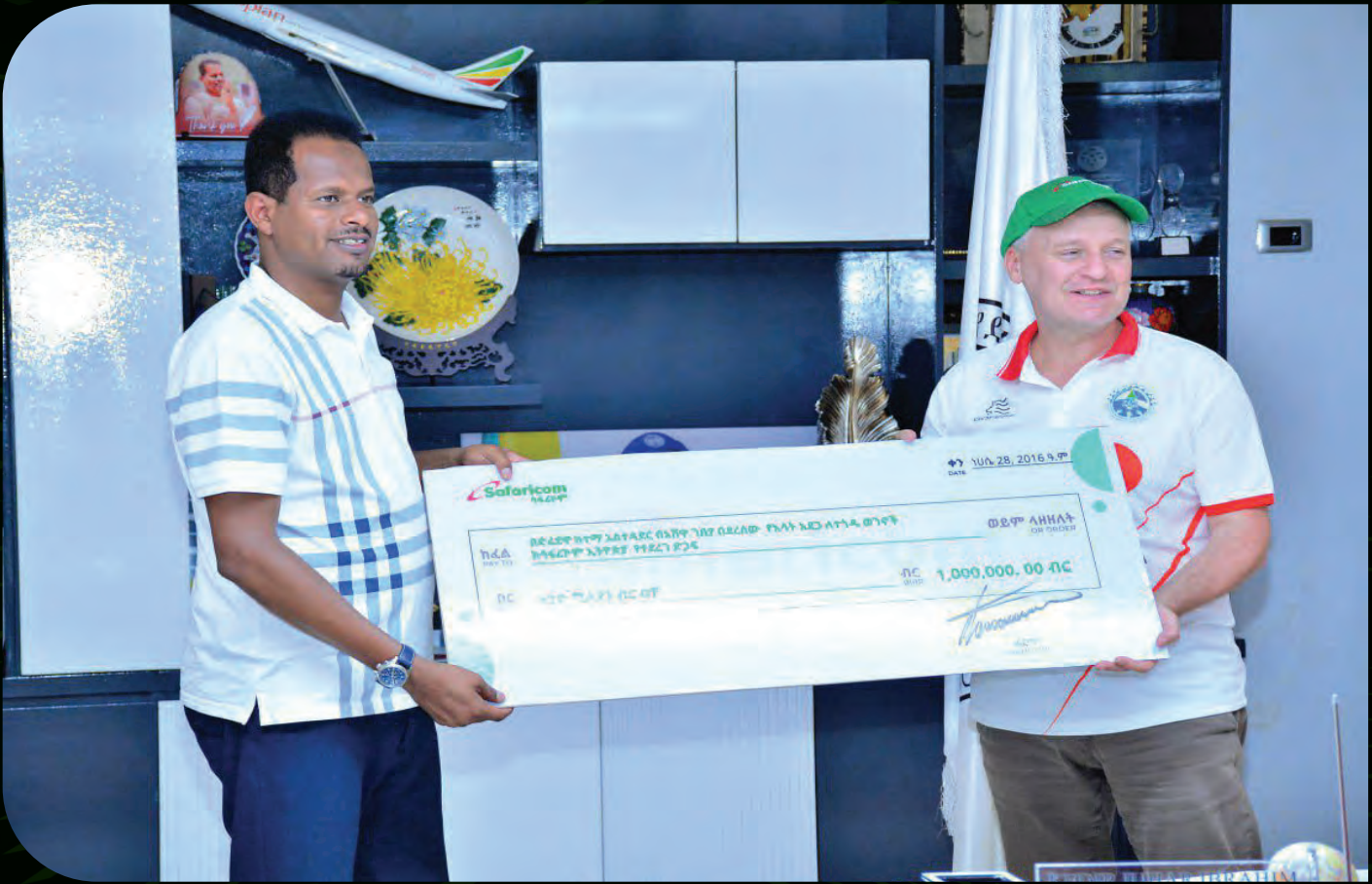
- Donated laptops, routers and 6 months of unlimited data for government high schools
- Exercise books and pens donation for students from low-income households







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

HY25 PERFORMANCE HIGHLIGHTS



HY25 PERFORMANCE | Robust Underlying Performance for the Group



Service Revenue



EBIT



Net Income

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

*Net Income excluding Minority Interest

FINANCIAL PERFORMANCE

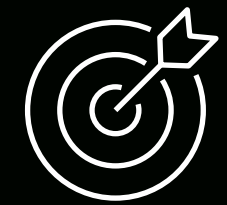
DILIP PAL, CHIEF FINANCE OFFICER





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

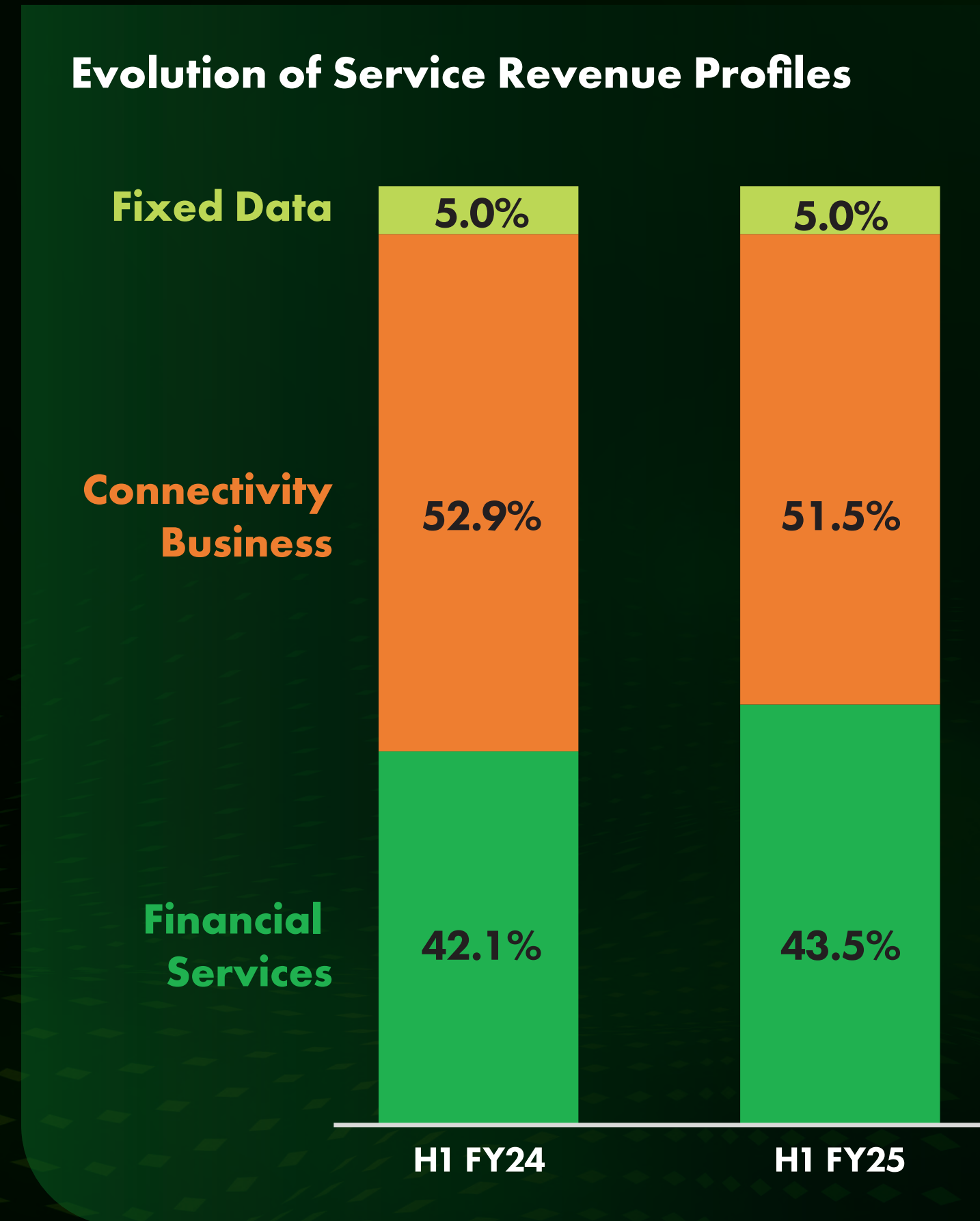
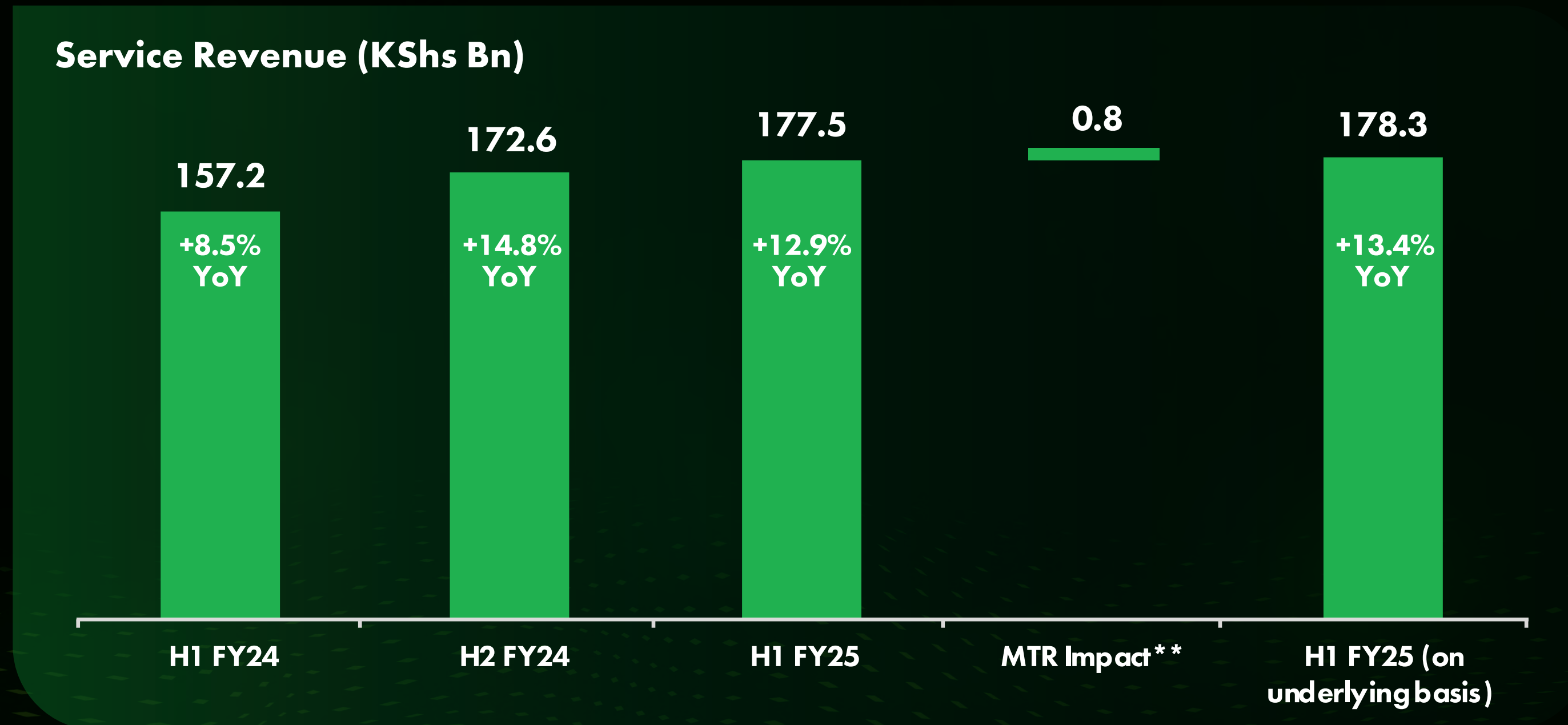


Operating Free Cash Flow



+41.4% YoY
KShs 80.6Bn

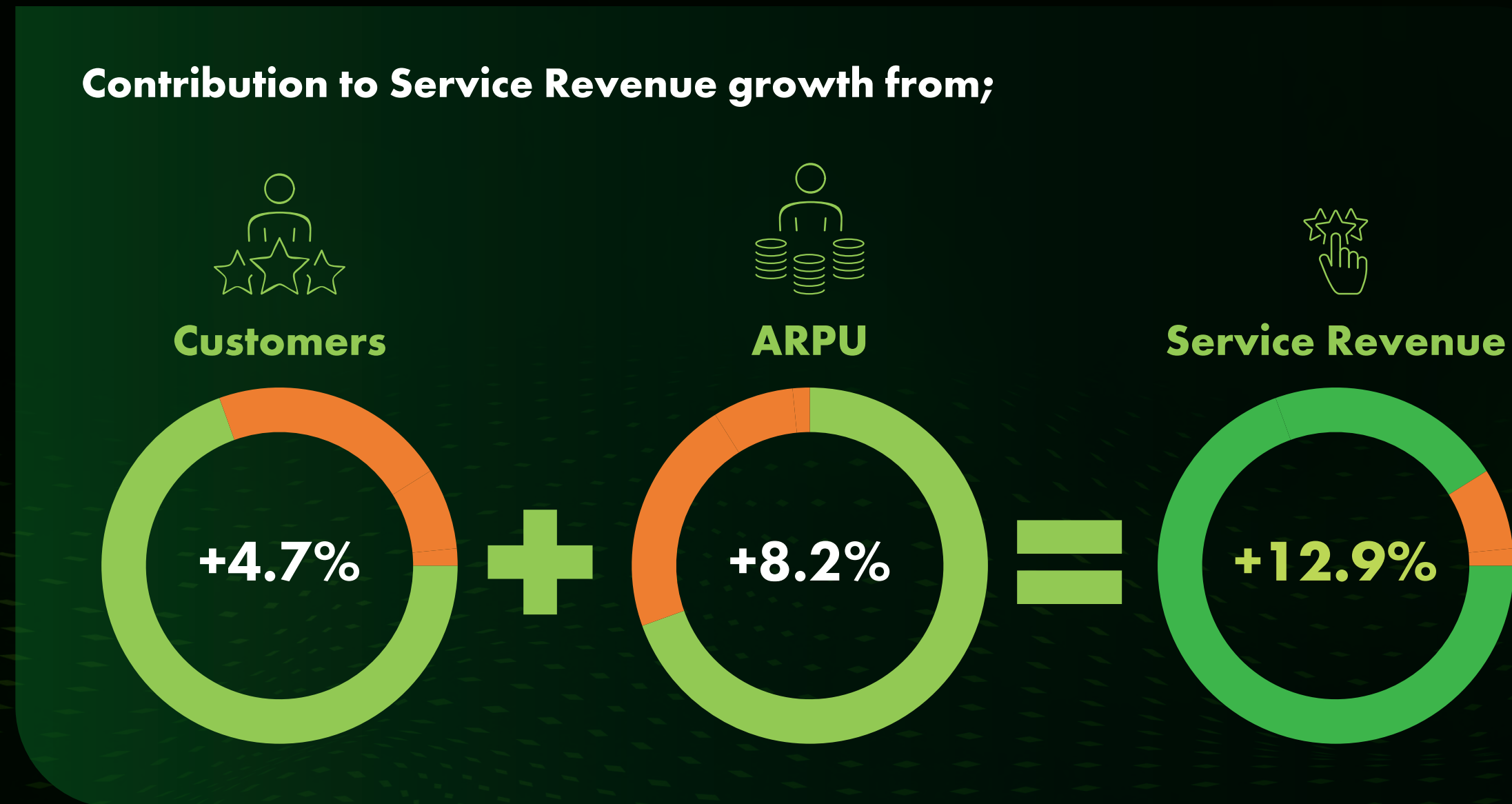
SERVICE REVENUE | M-PESA and Mobile Data Driving 84% of the Growth



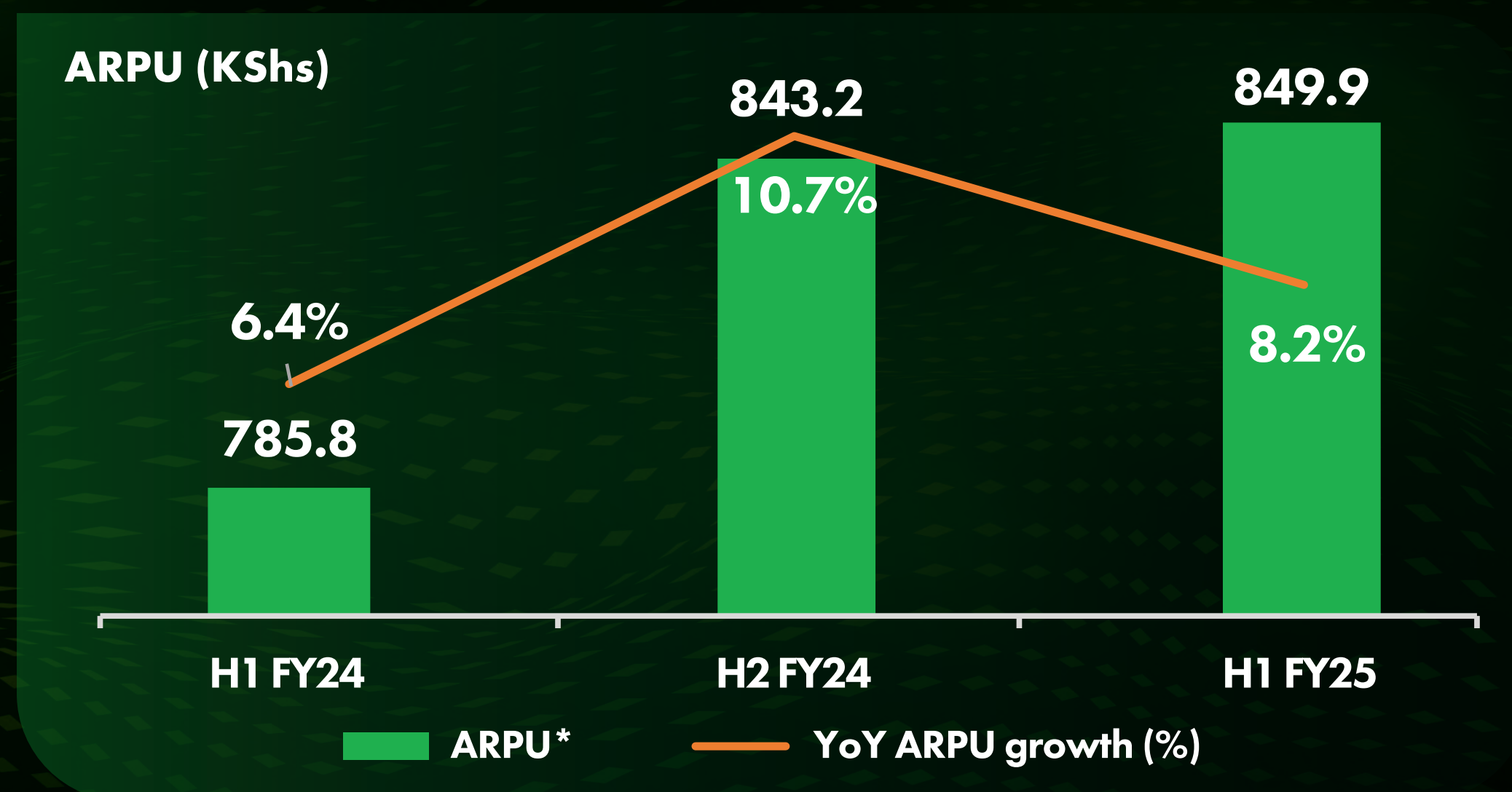
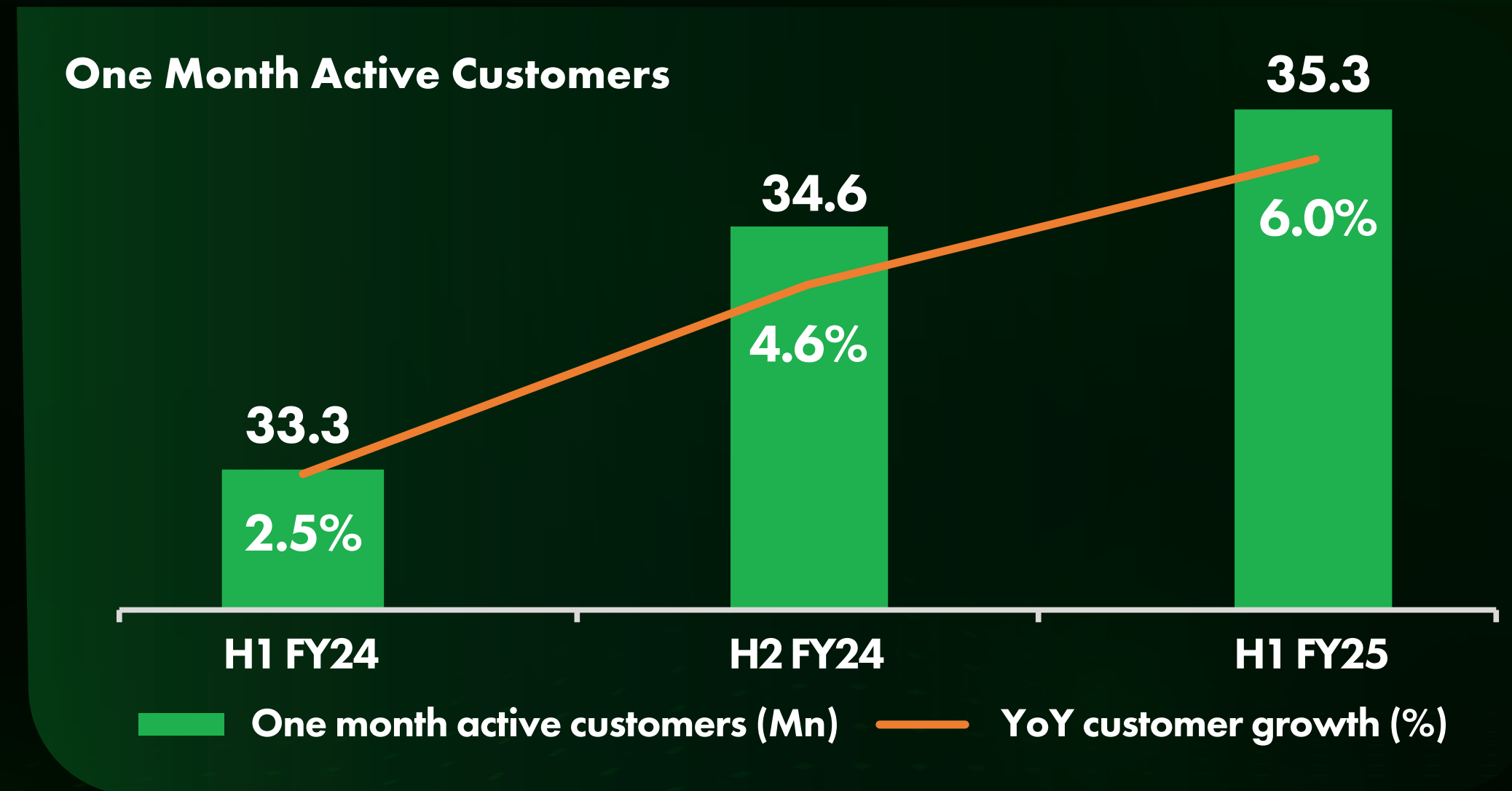
	M-PESA	Mobile Data	Fixed Data	Voice	Others*
	+16.6% YoY	+20.2% YoY	+14.7% YoY	+4.8% YoY	+2.4% YoY
Contribution to growth	+7.0ppts	+3.8ppts	+0.7ppts	+1.2ppts	+0.2ppts

*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.

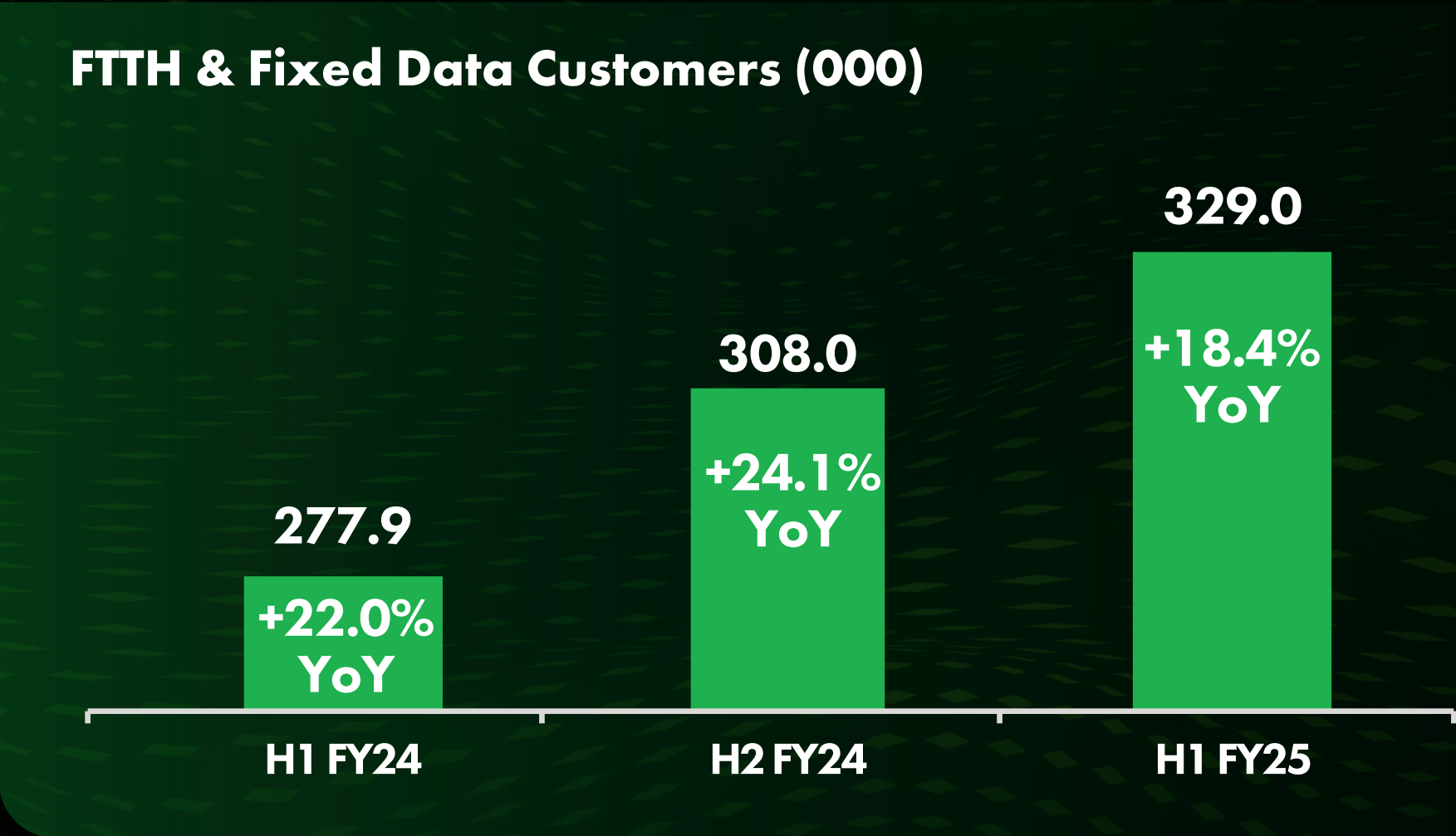
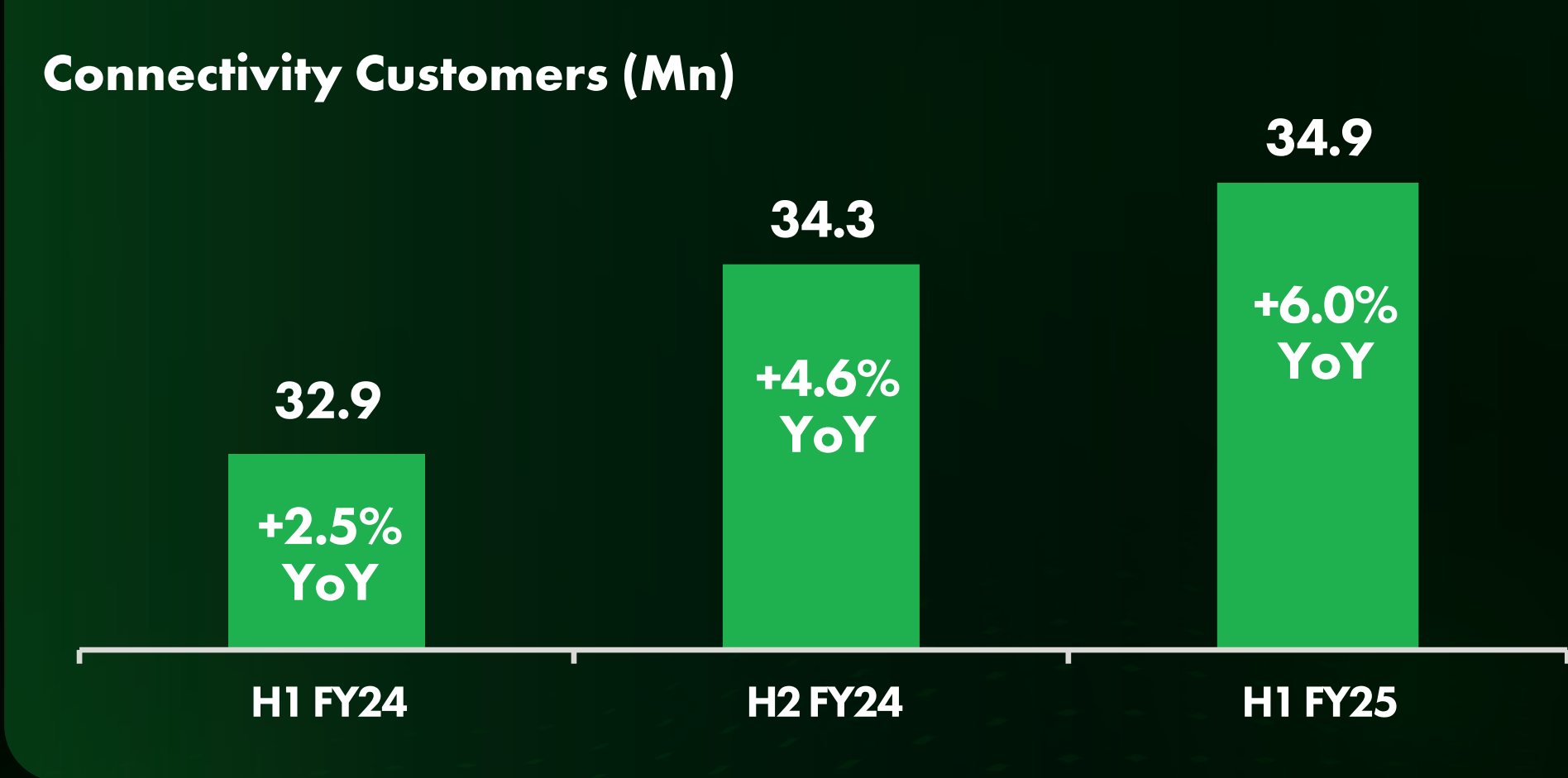
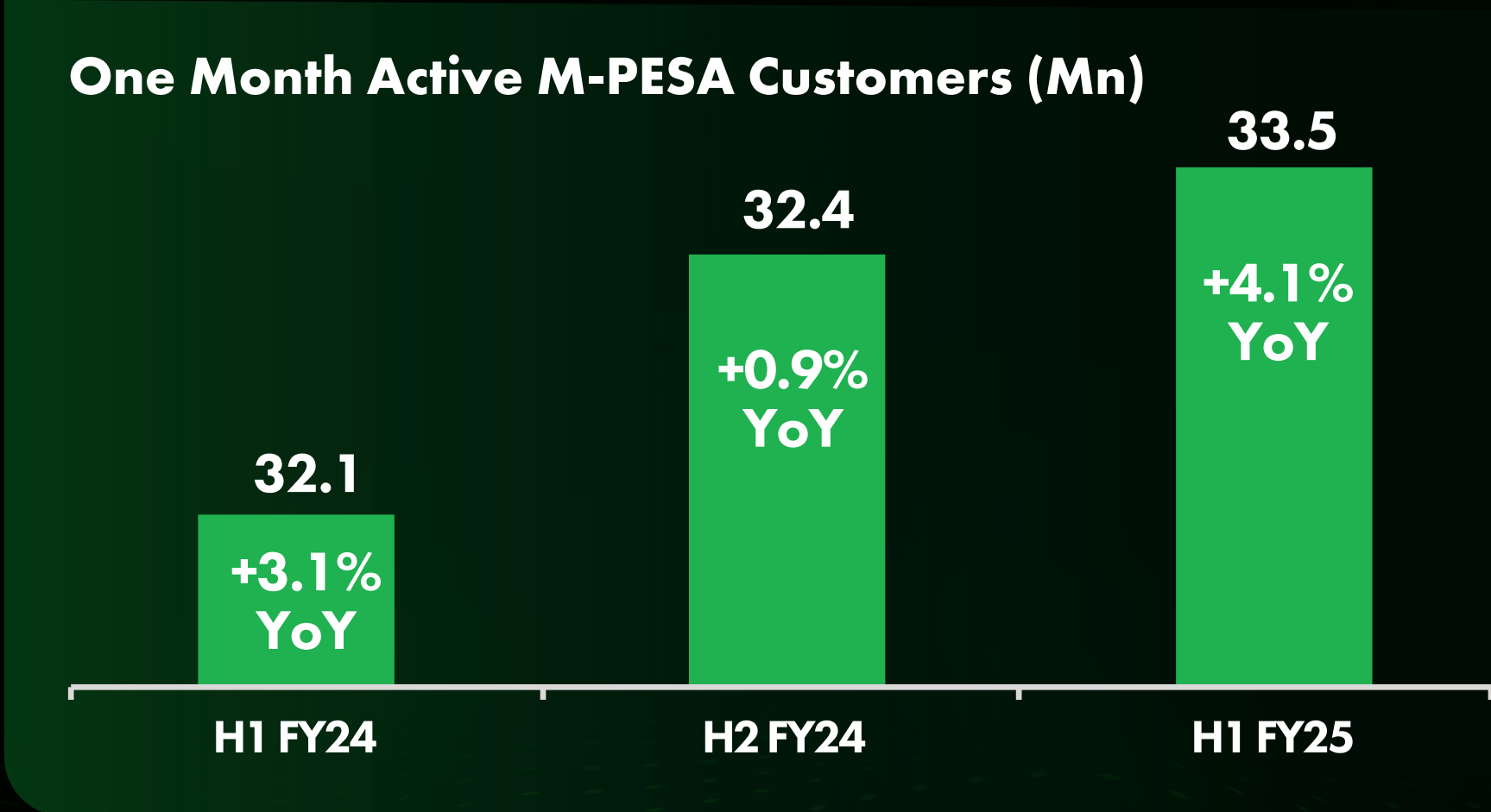
SERVICE REVENUE | Higher ARPU Driven by Increased Usage Boosting Revenues



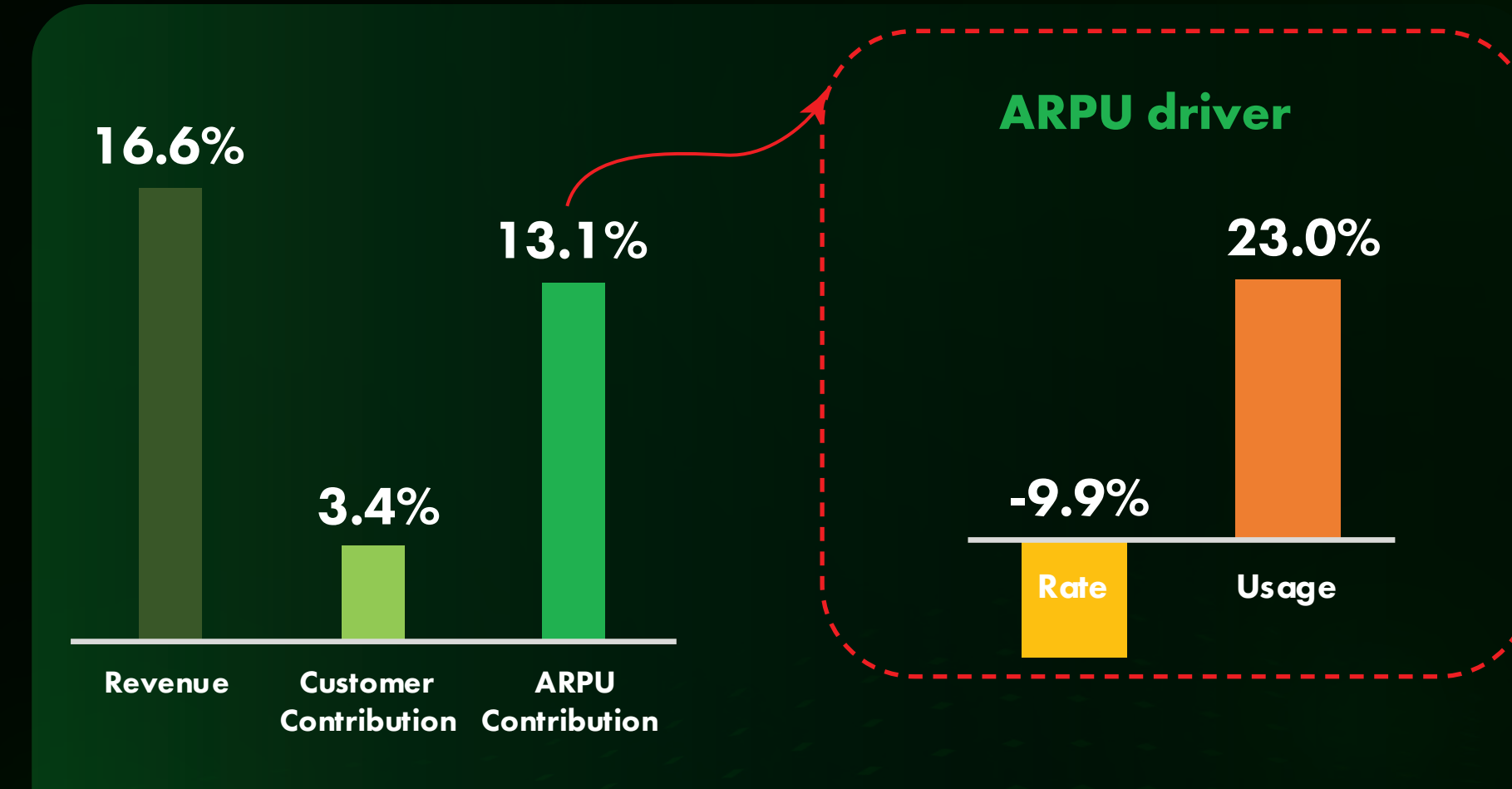
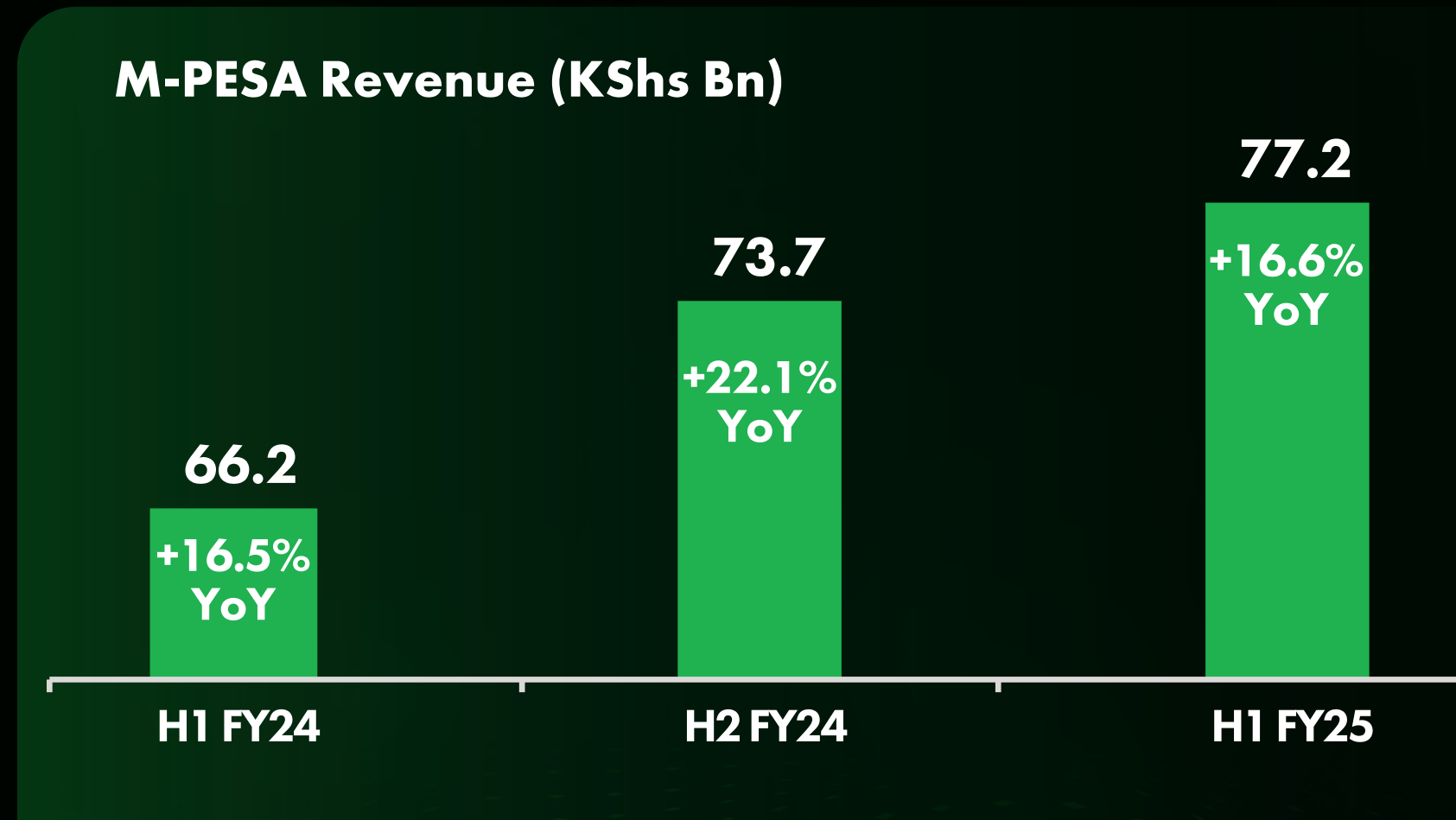
*Average Revenue per User (ARPU) is based on one month active customers



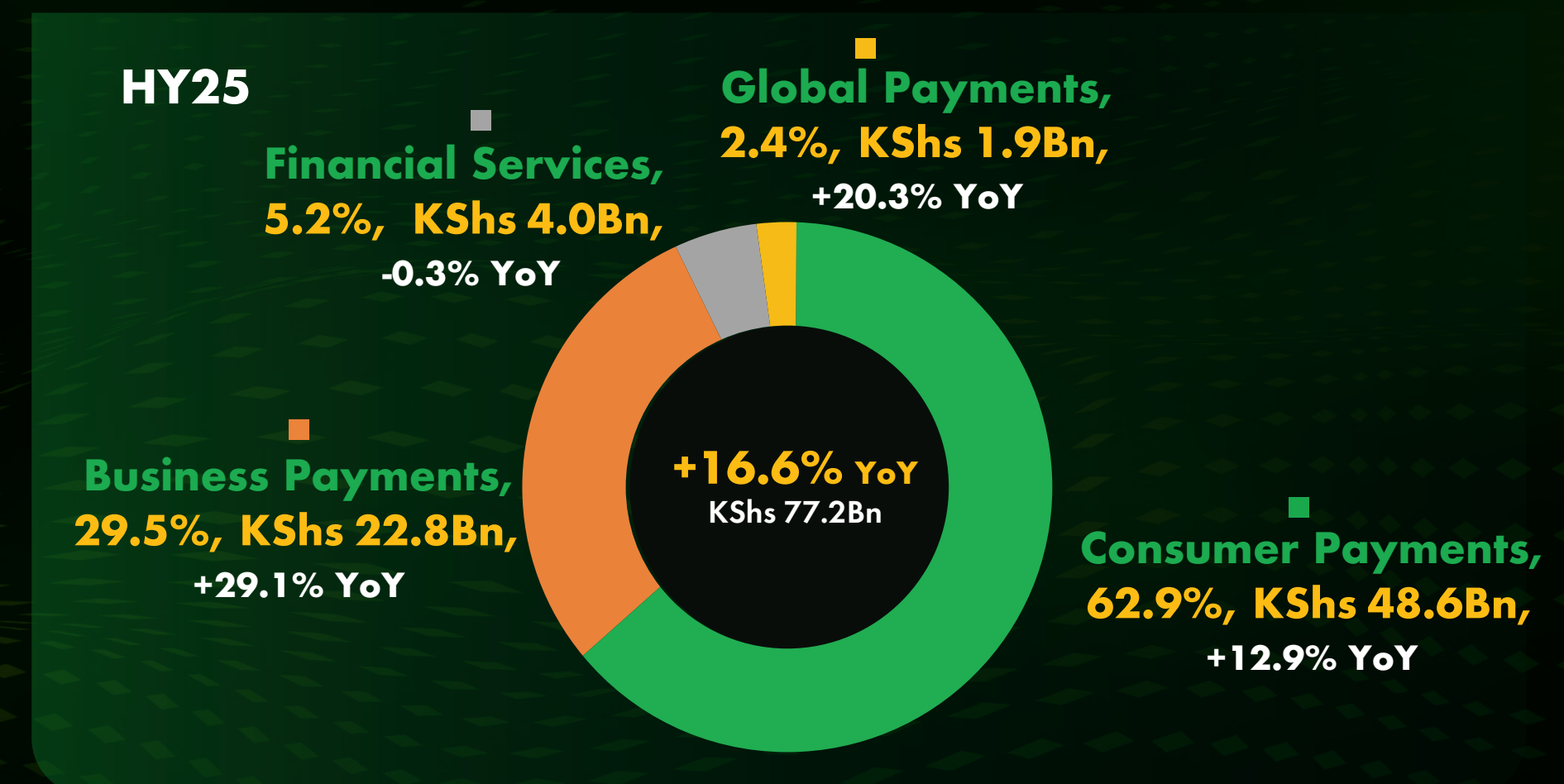
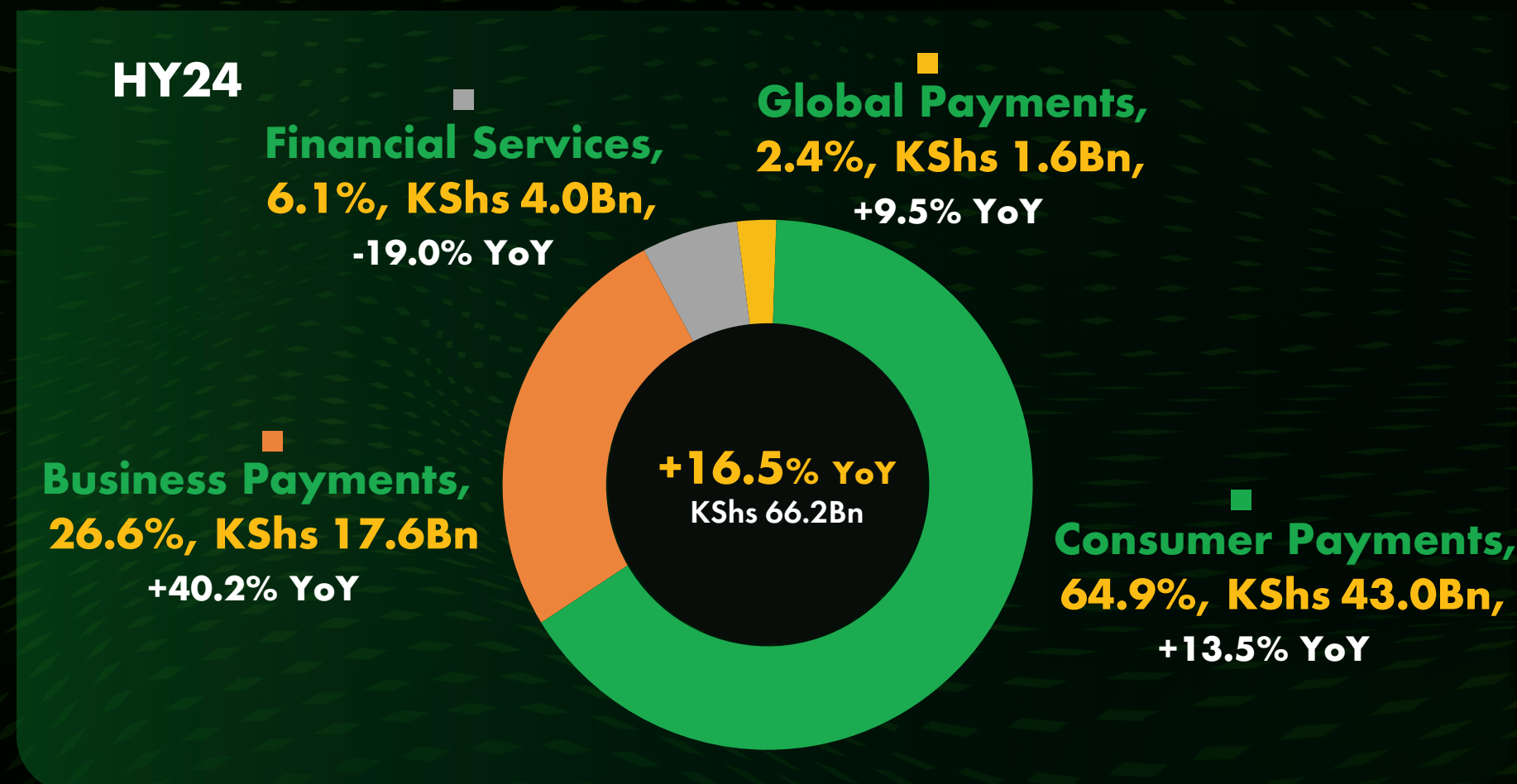
CUSTOMERS | Accelerated Growth in Active Customers Across all Products



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

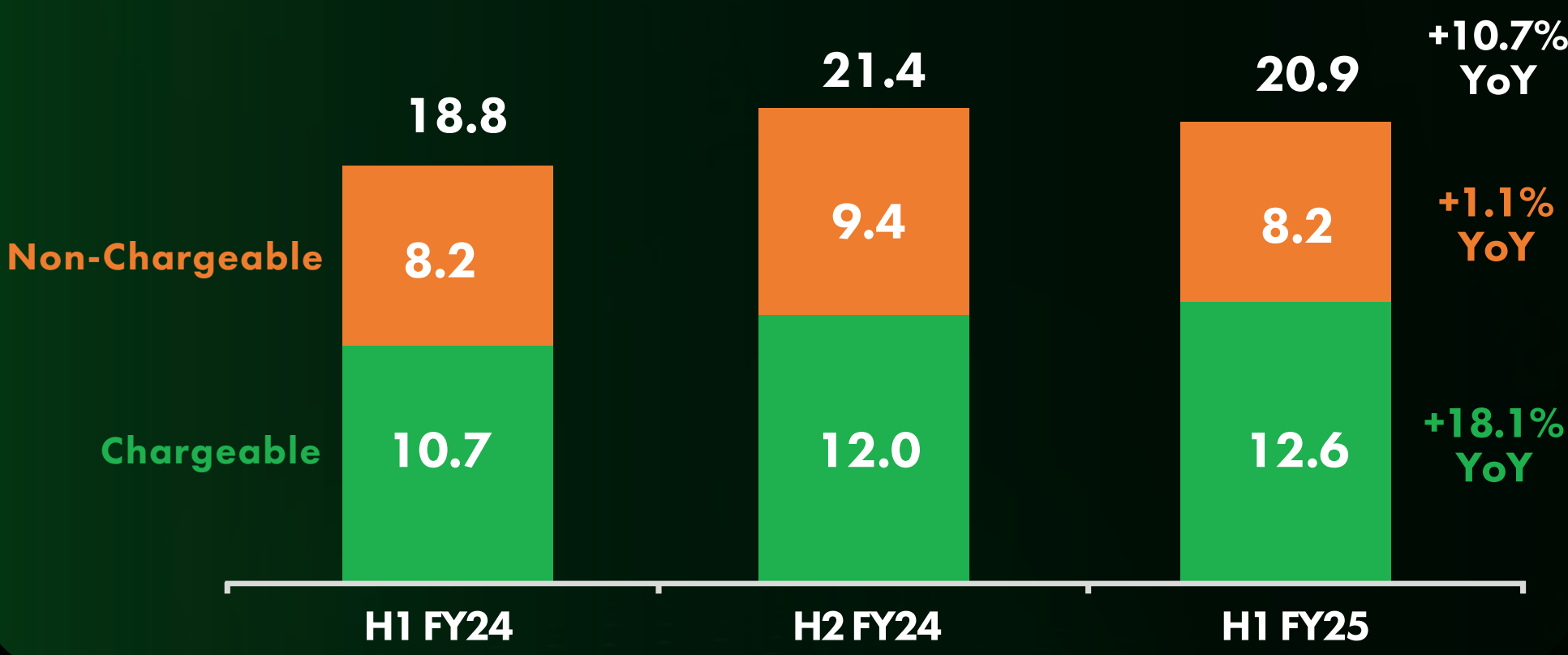


Contribution to M-PESA Revenue

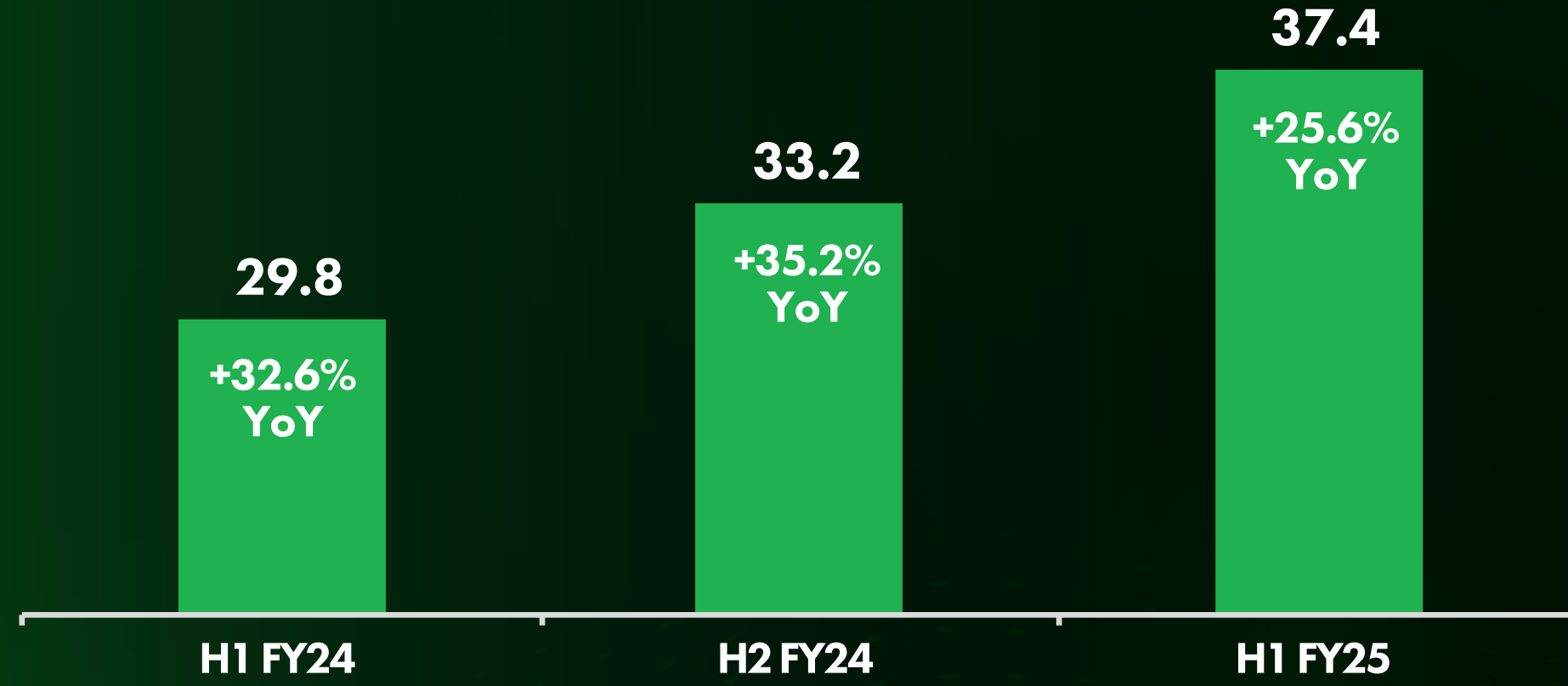


M-PESA | Solid Growth In Customers And Usage

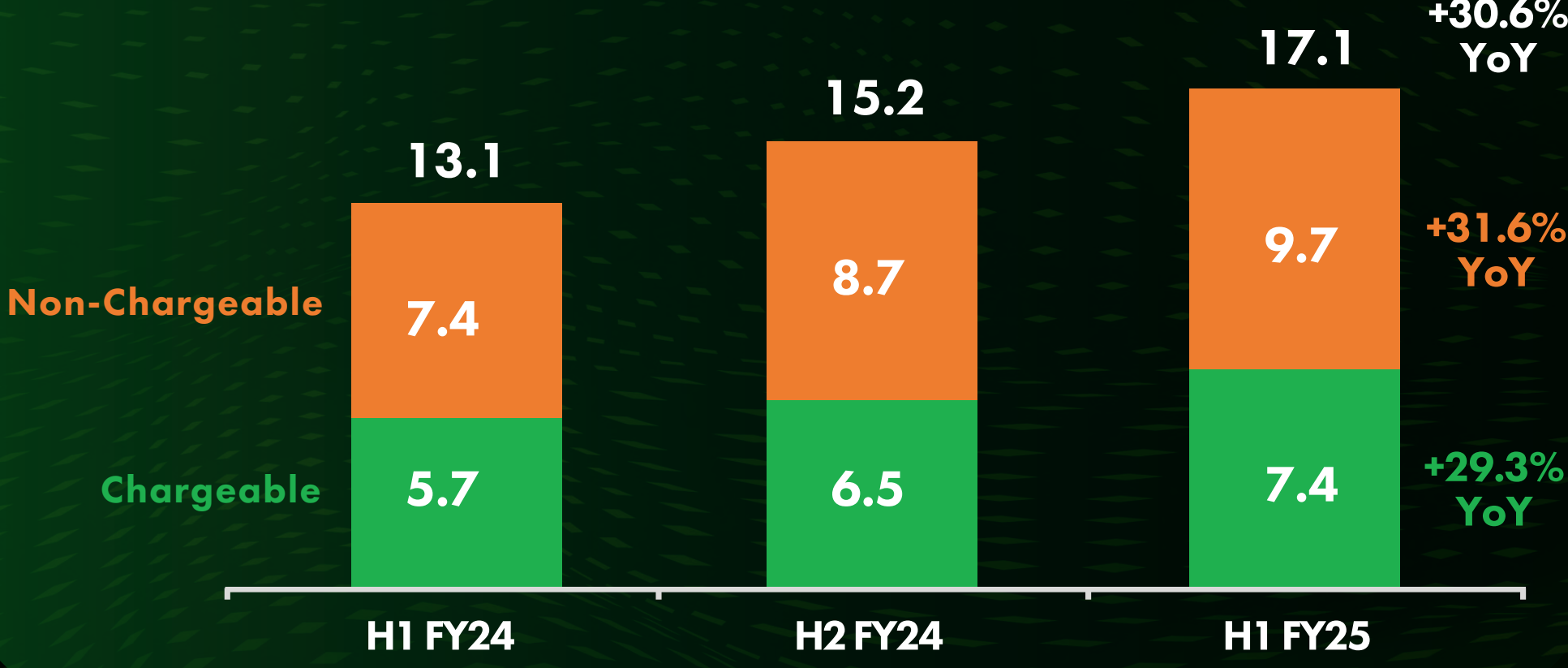
M-PESA Value (KShs Trn)



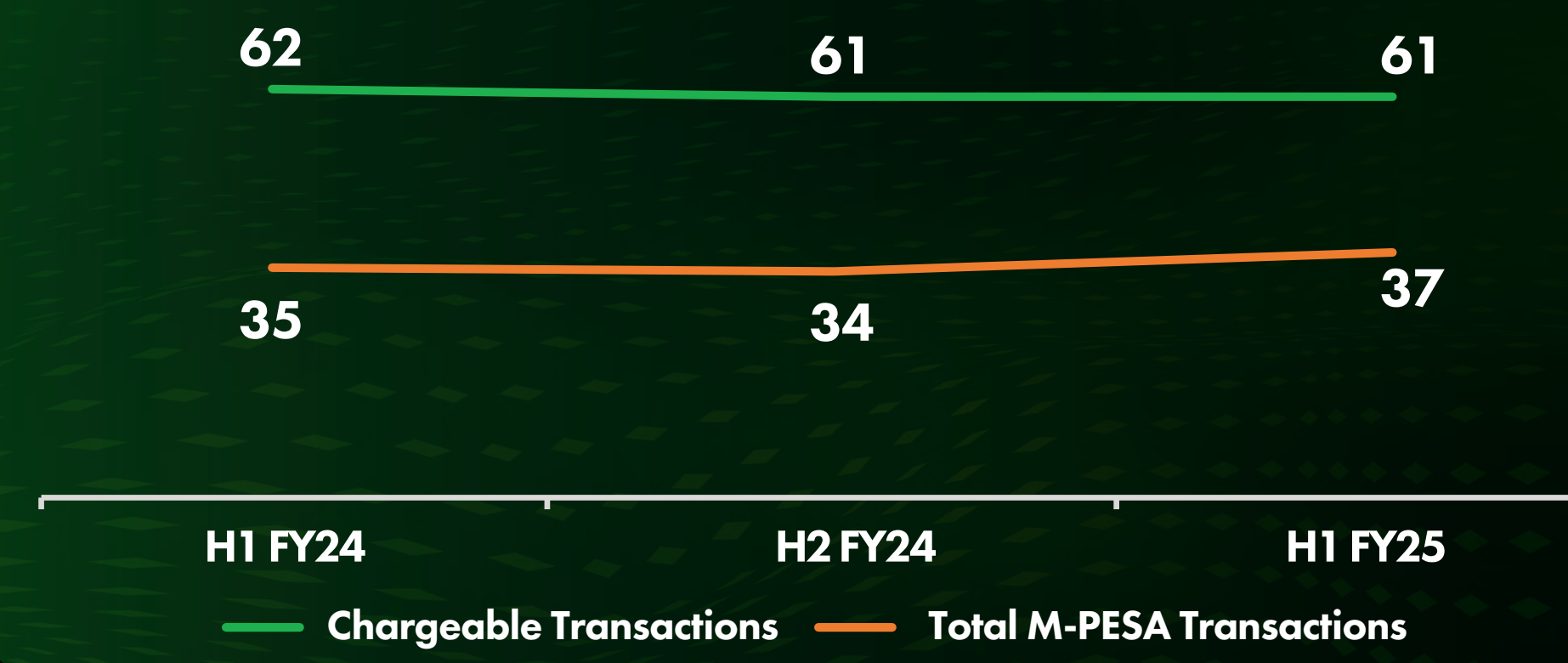
Chargeable Transactions per One Month active customers



M-PESA Volume (KShs Bn)

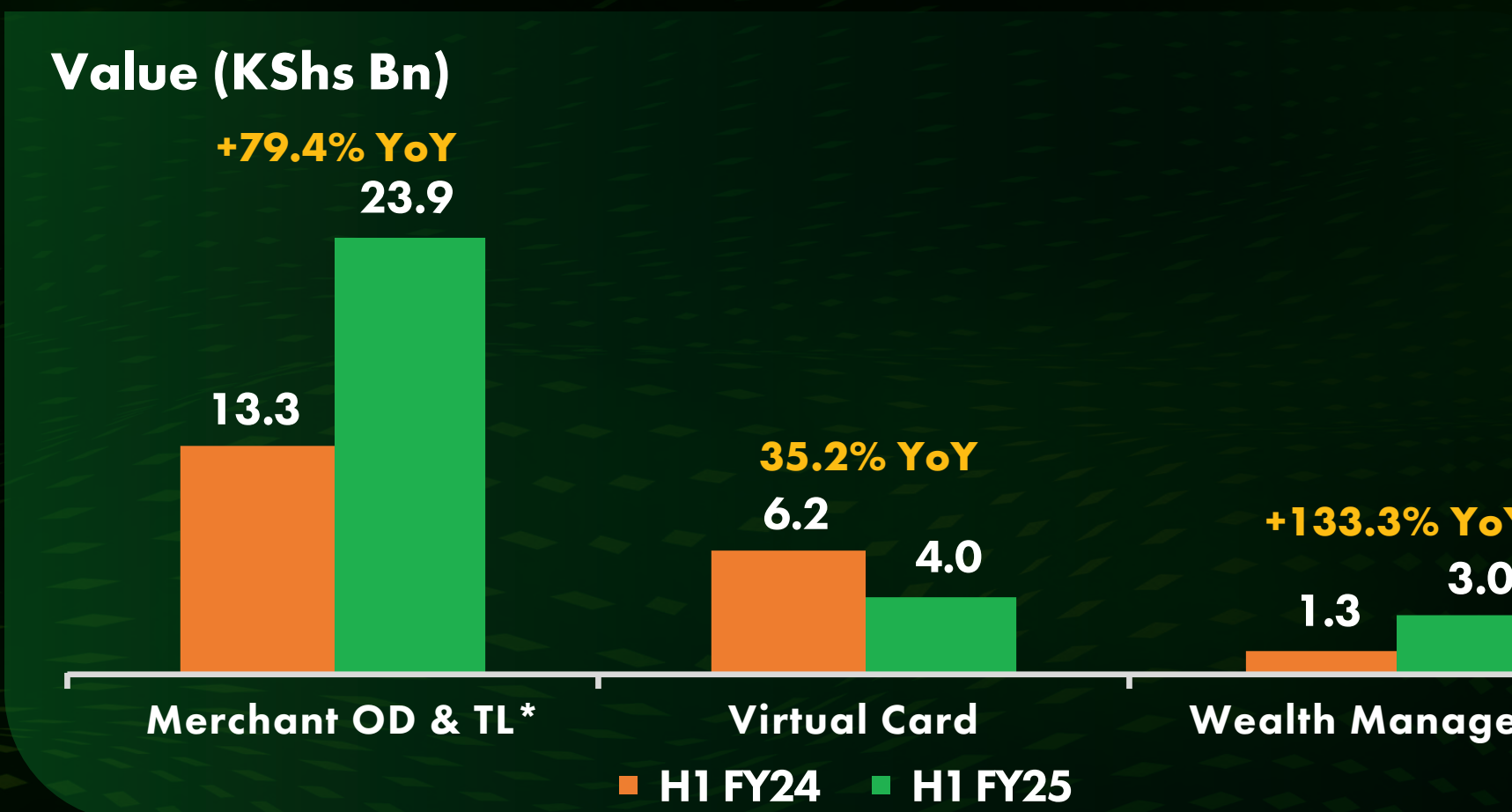
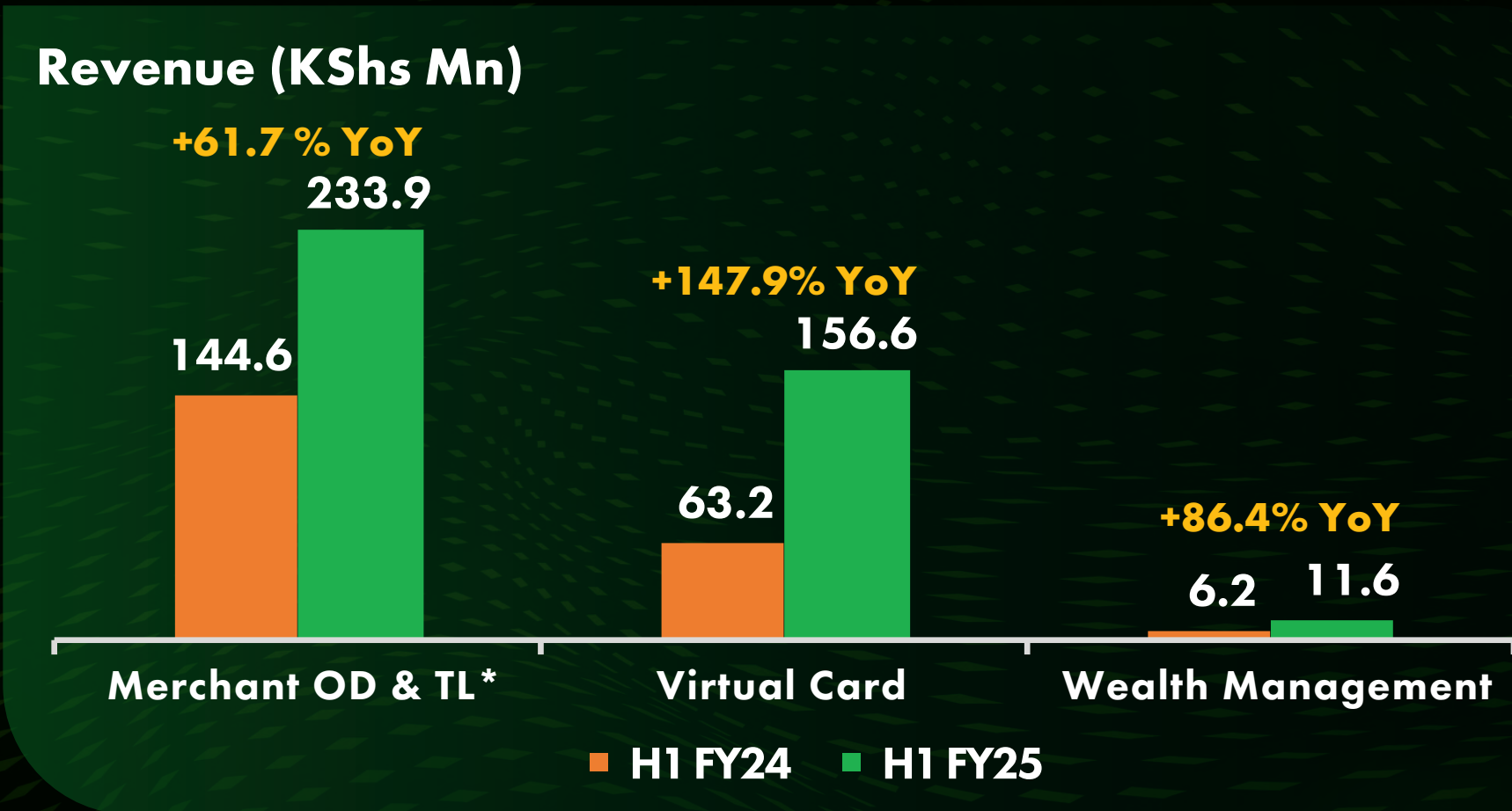
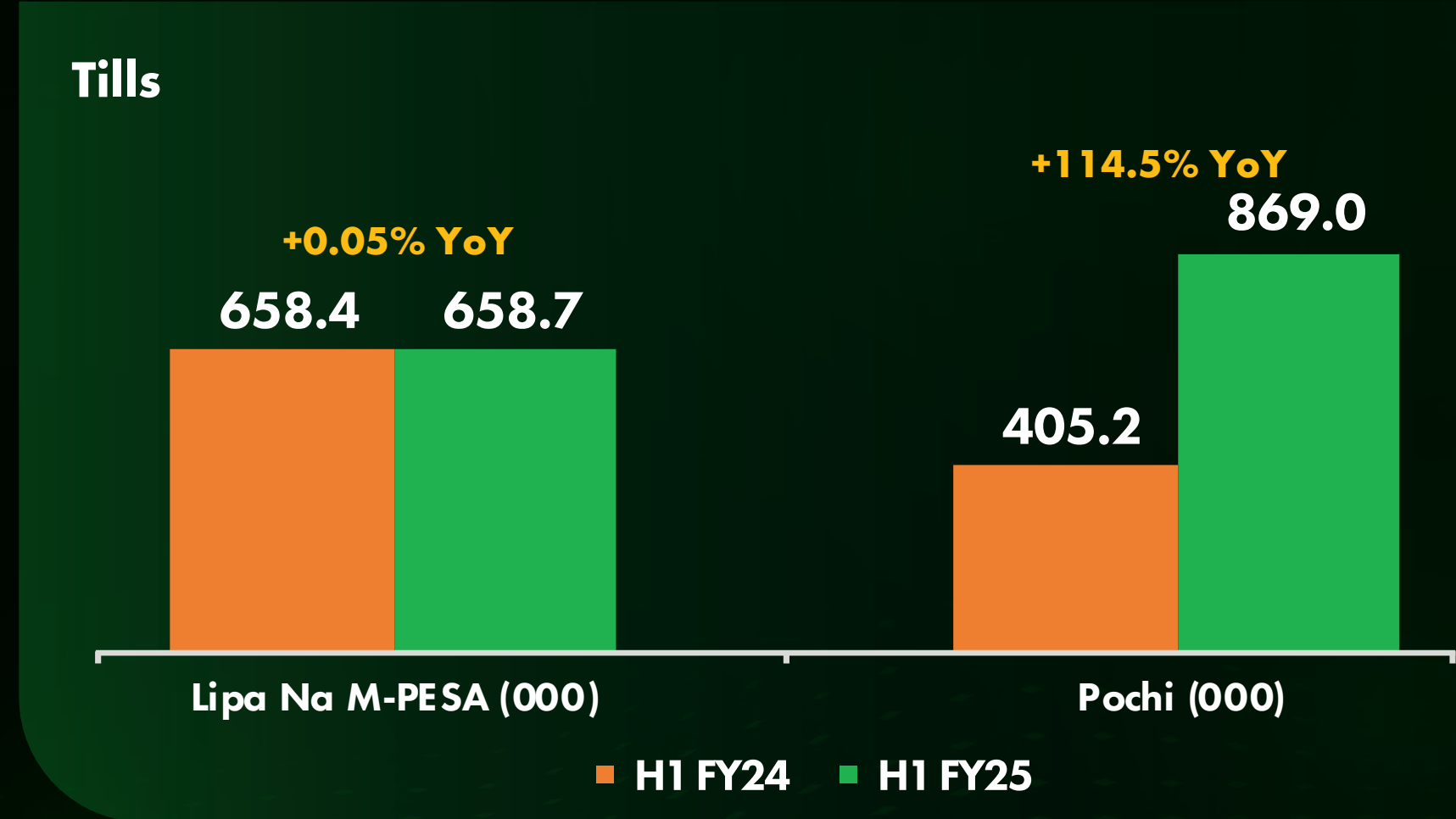
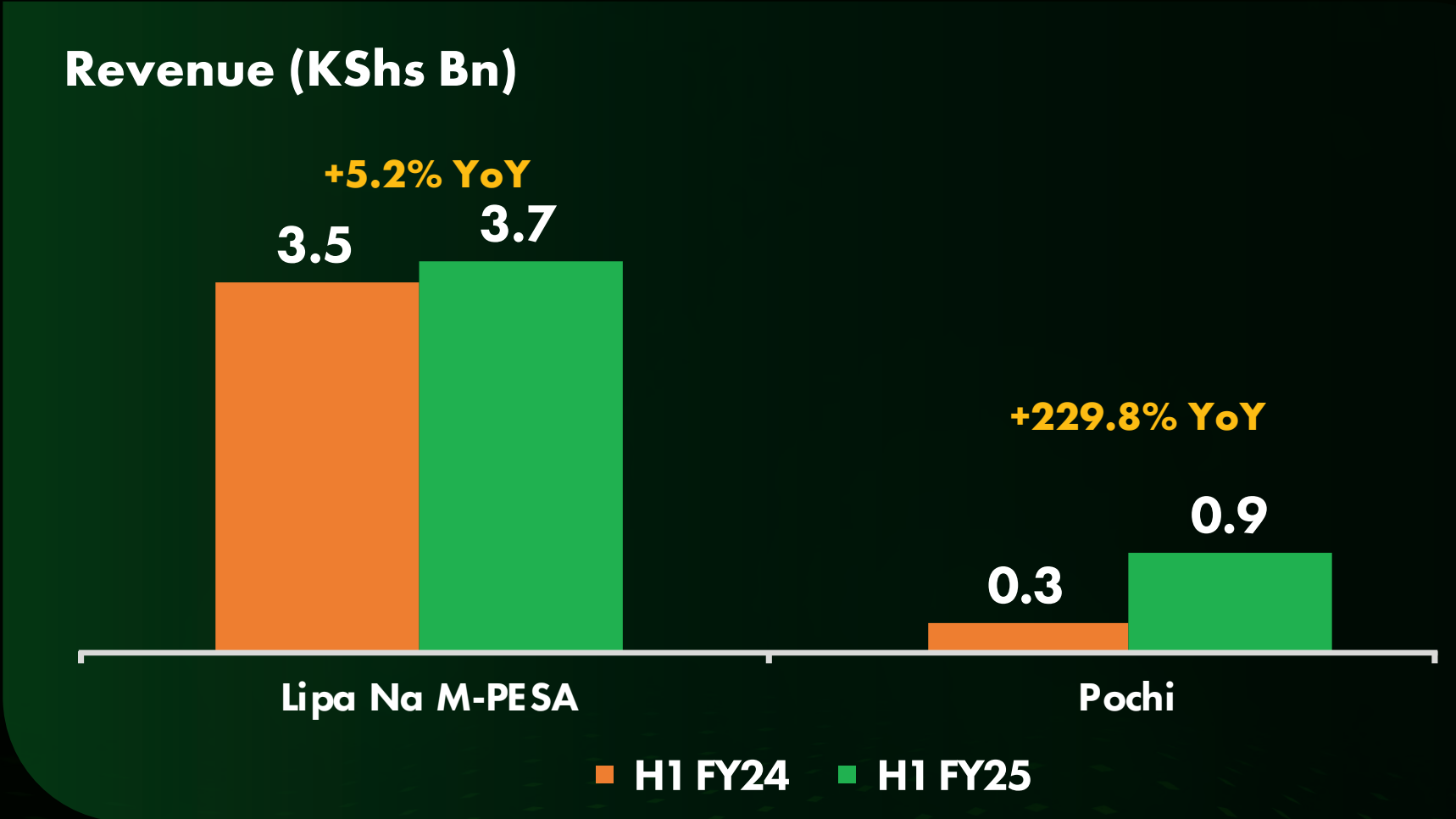


M-PESA Take Rates *



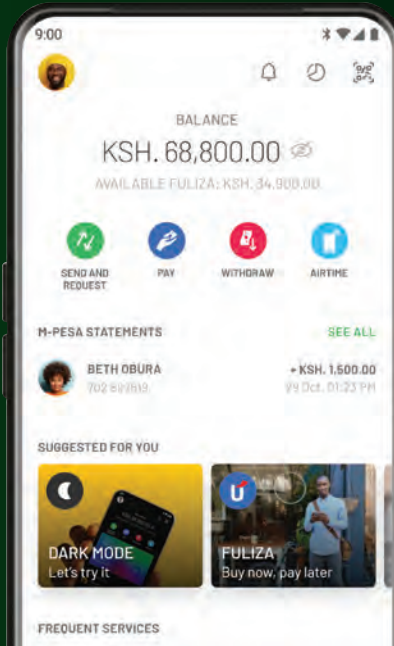
*All take rate numbers are in basis points (bps).

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

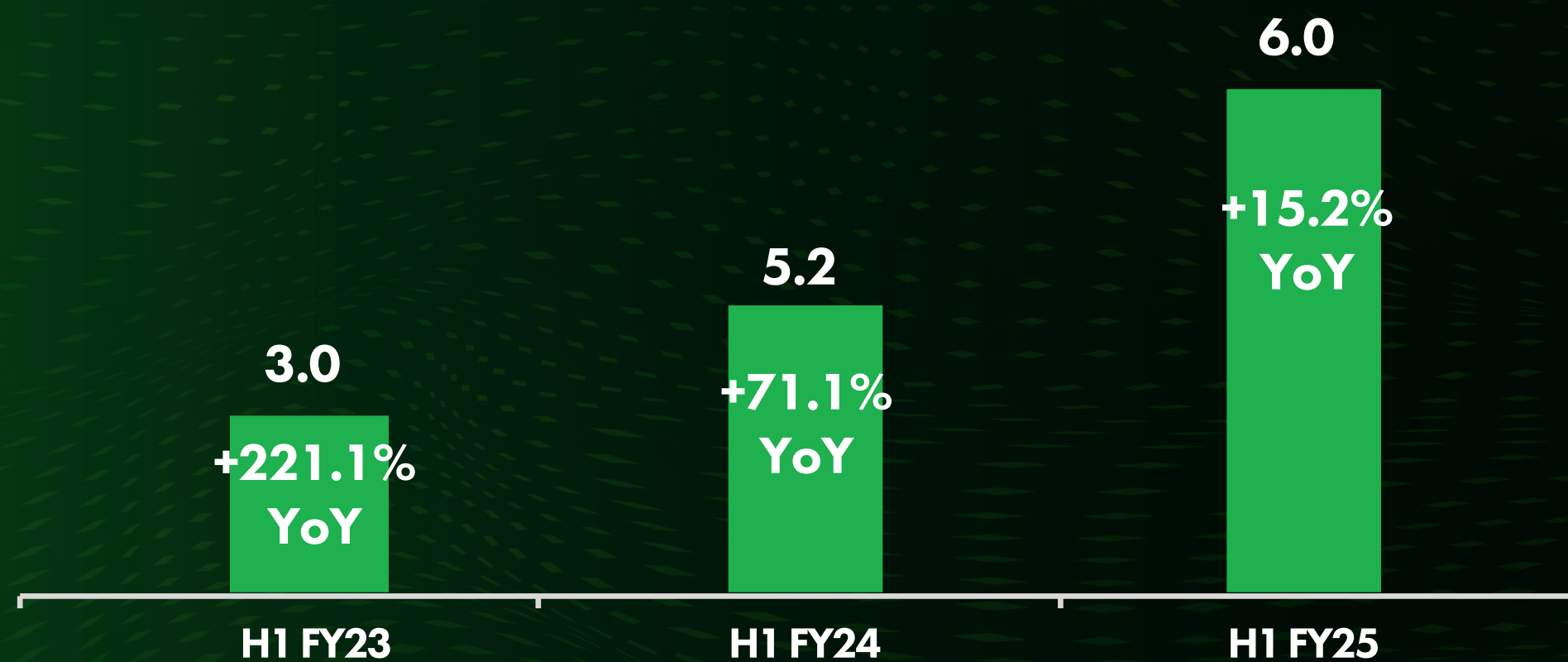
Downloads:	12.1Mn, +41.9% YoY
Active Customers:	3.6Mn, +5.8% YoY
Volumes transacted:	399.7Mn, +8.6% YoY
Value of Transactions:	KSHs 1.07Trn, +19.4% YoY
Mini-Apps:	84



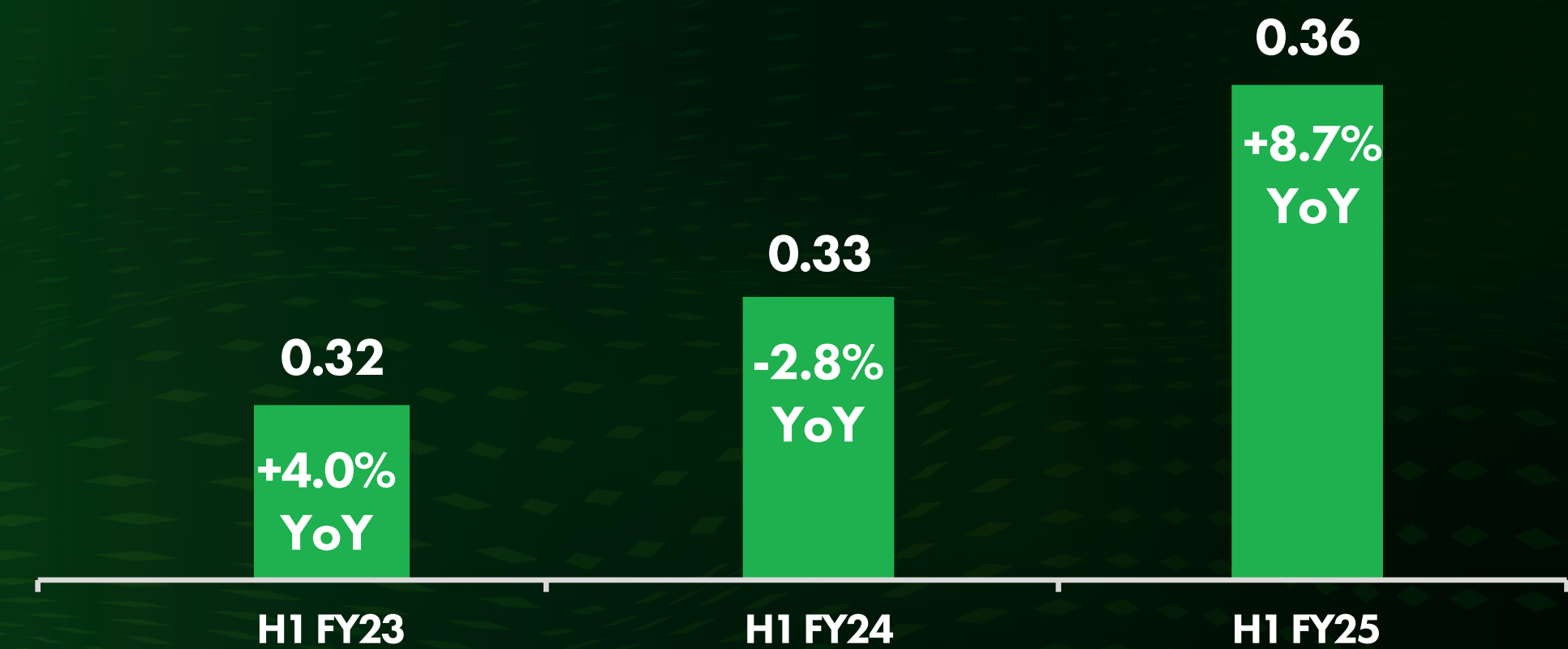
Business App

Downloads:	5.7Mn, >100.0% YoY
Active Merchants:	268.8k, +89.2% YoY
Volumes transacted:	39.6Mn, +37.1% YoY
Value of Transactions:	KSHs 355.6Bn, >100.0% YoY
Mini-Apps:	6

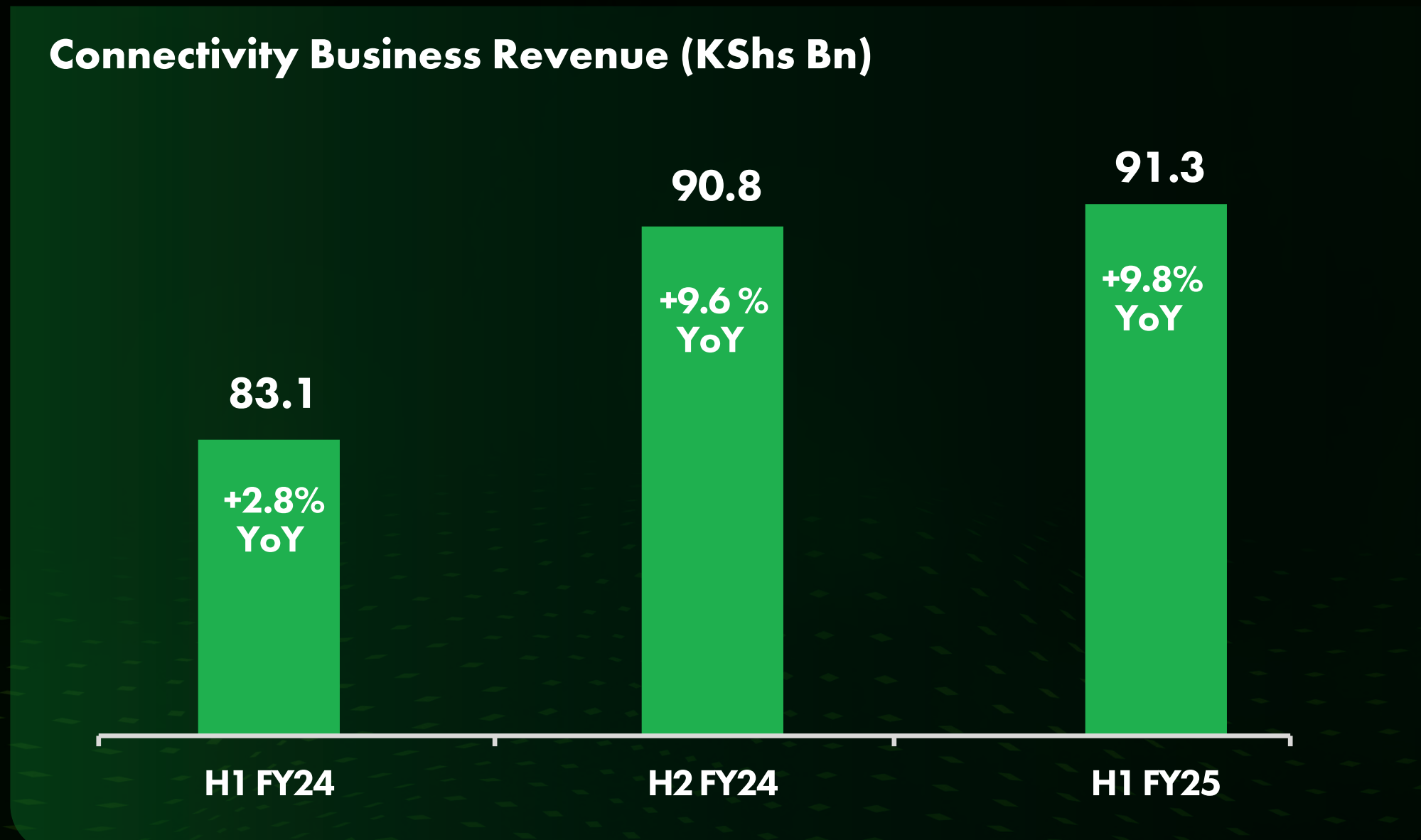
Revenue Generated via the Consumer App (KSHs Bn)



Revenue Generated via the Business App (KSHs Bn)

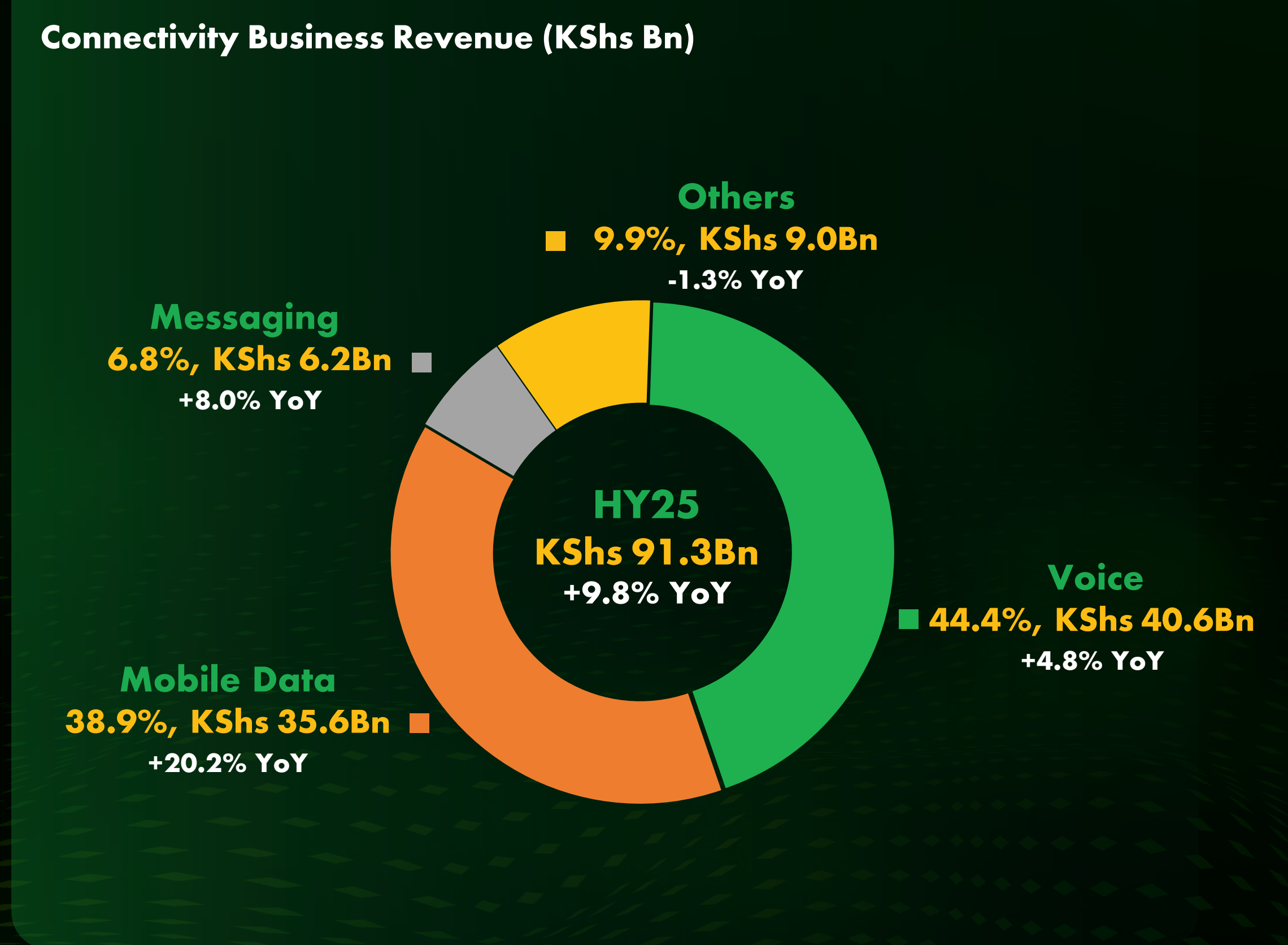


CONNECTIVITY BUSINESS | Mobile Data Driving Connectivity Growth



ARPU
KShs 441.7
 +5.2% YoY

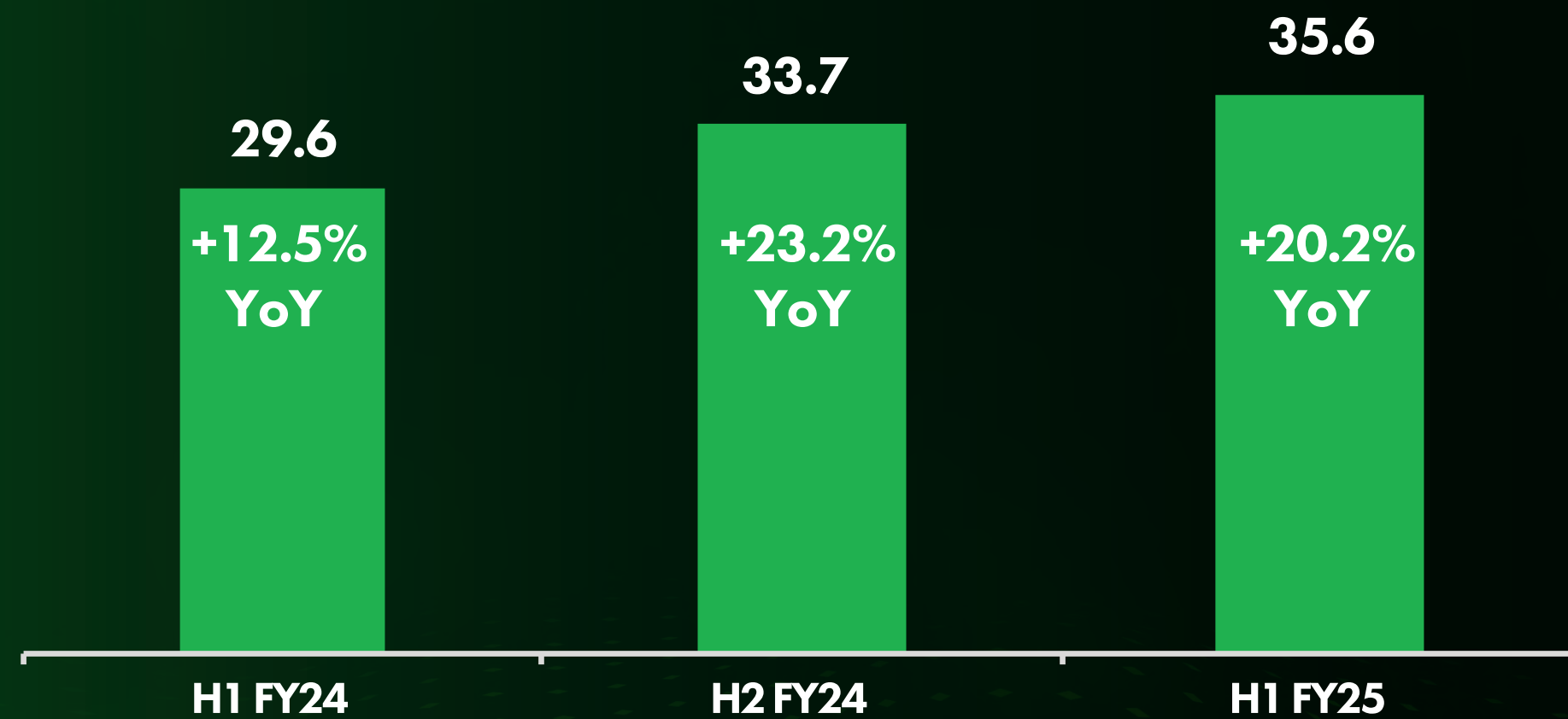
Customers
34.9Mn
 +6.0% YoY



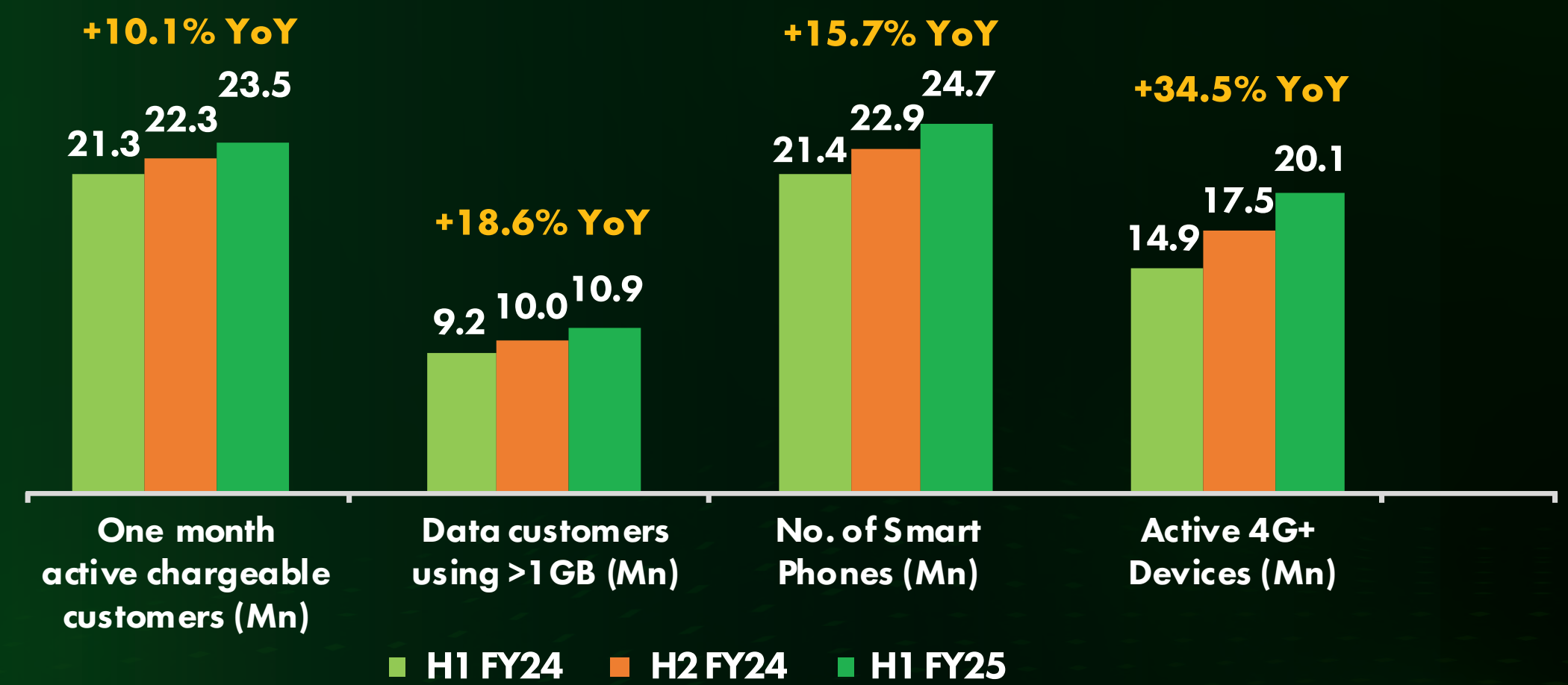
*Others – Voice Incoming, Visitor, Content and Airtime Credit (Okoa Jahazi)

MOBILE DATA | Excellent Performance Supported by Increased Usage

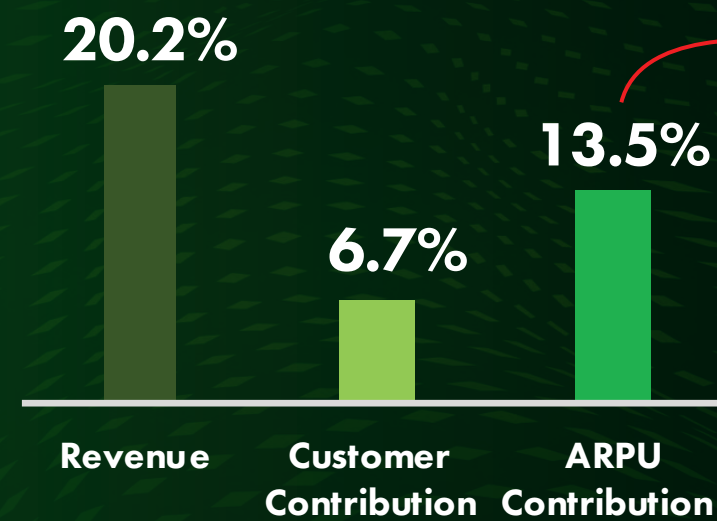
Mobile Data Revenue (KShs Bn)



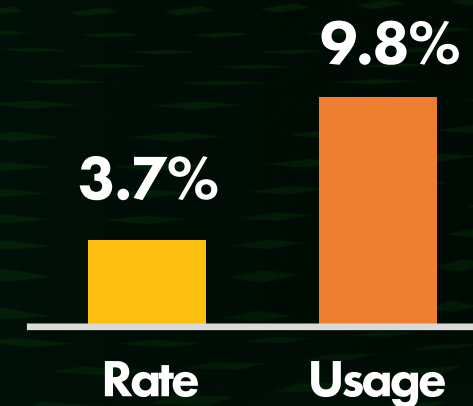
Increased usage as 4G+ traffic continues to grow



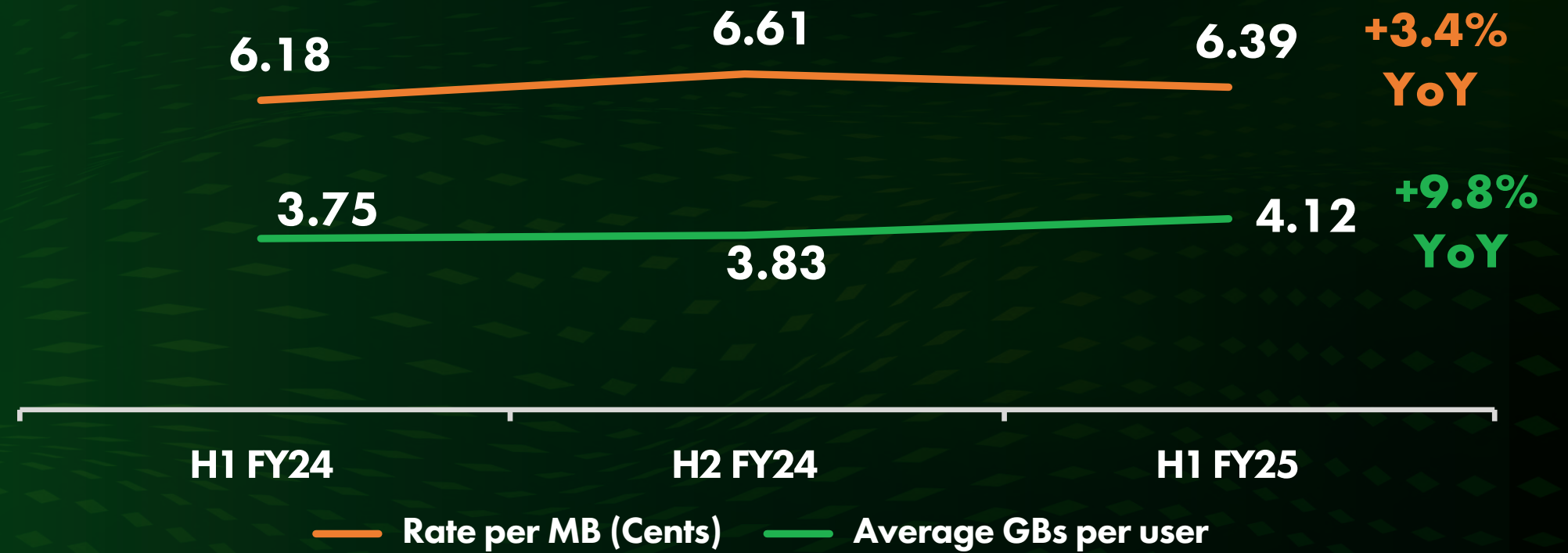
Revenue growth driver



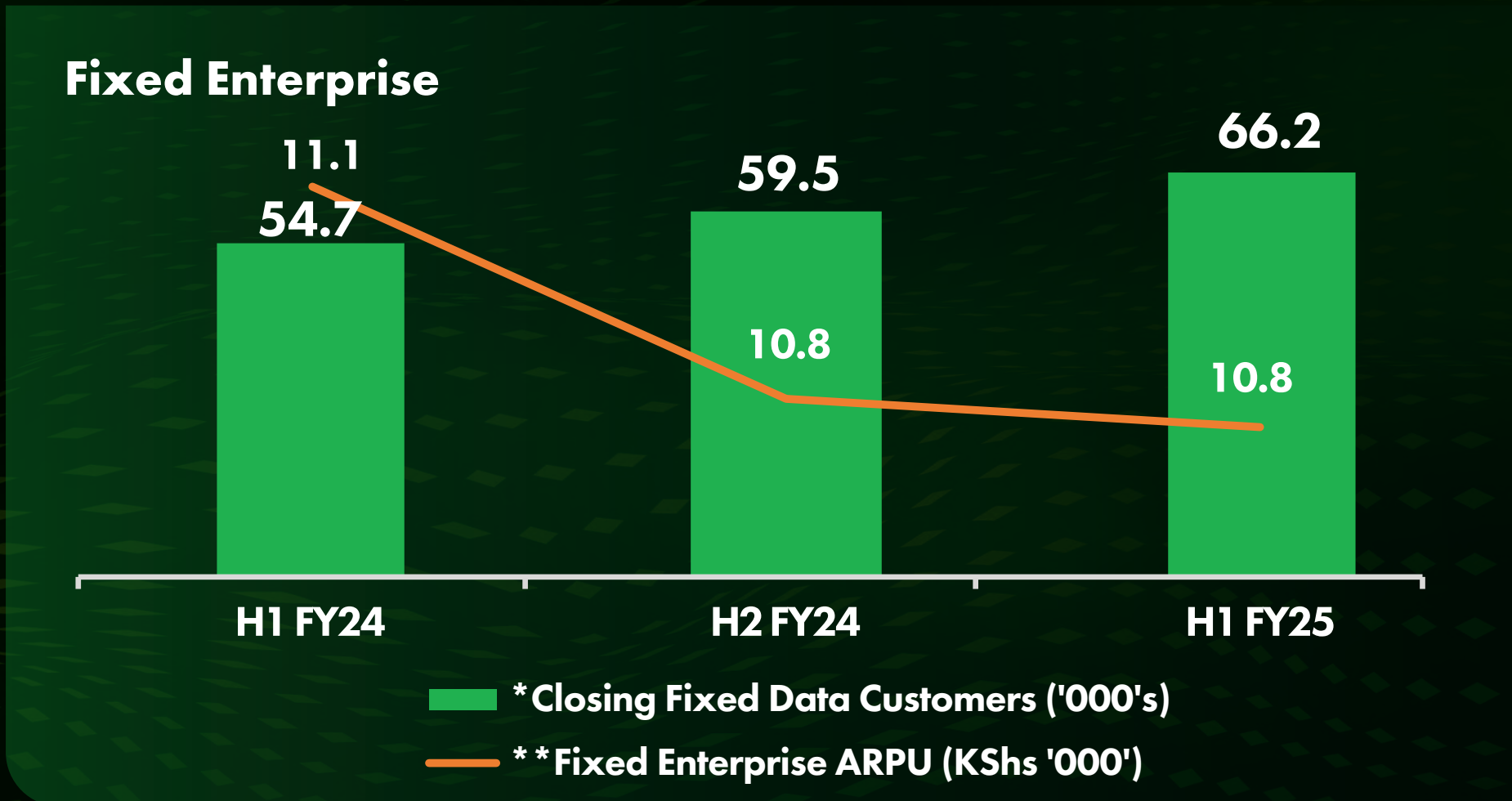
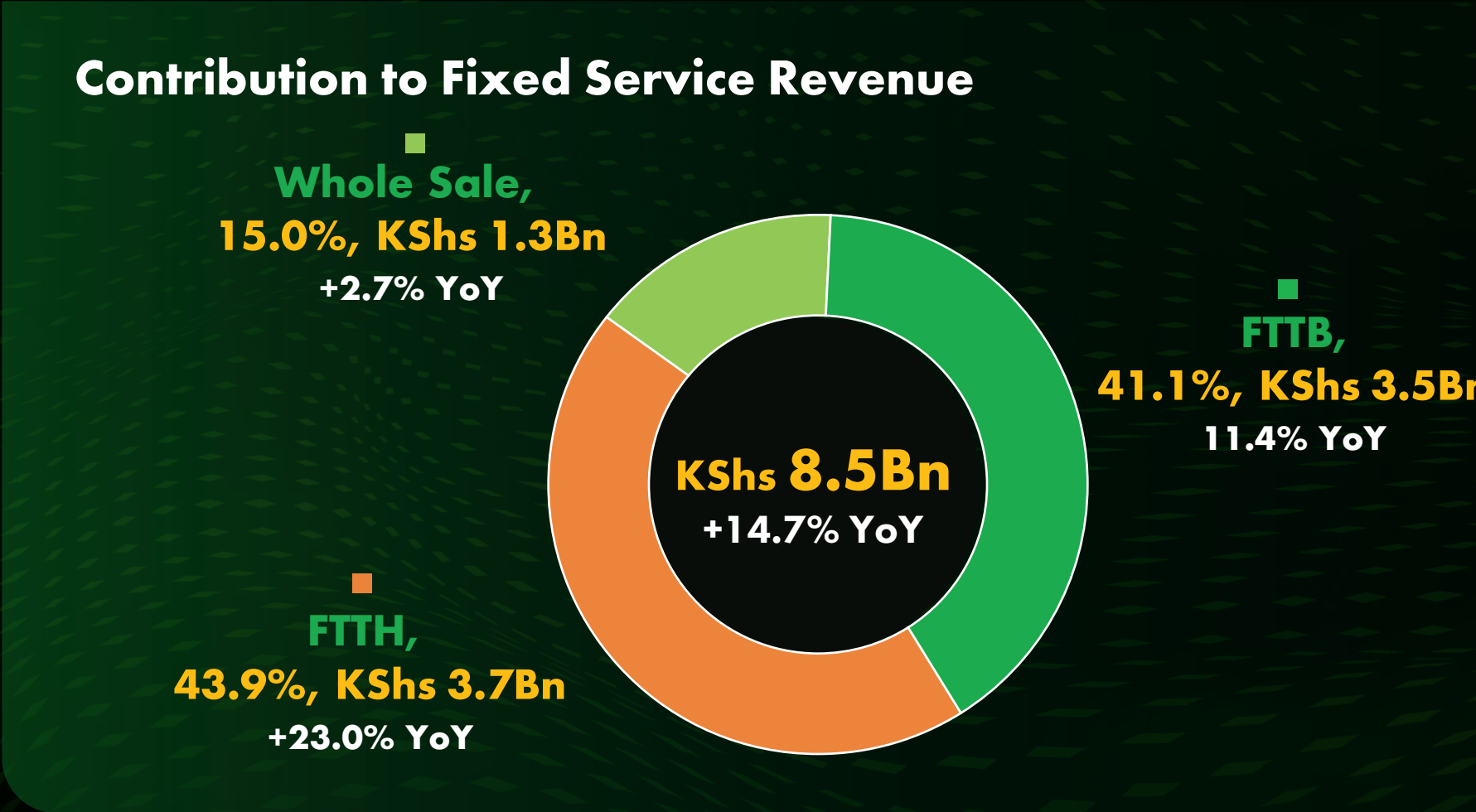
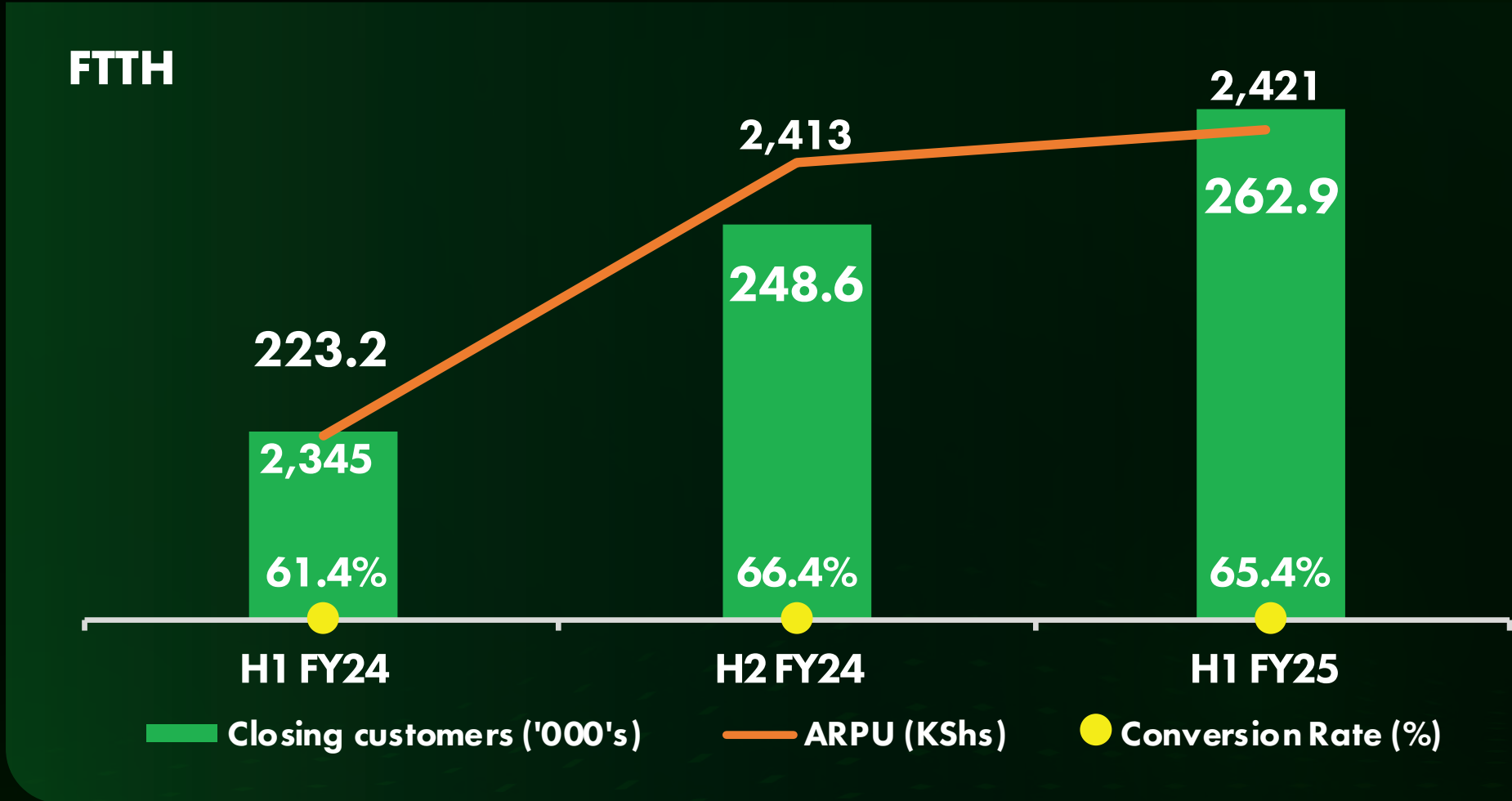
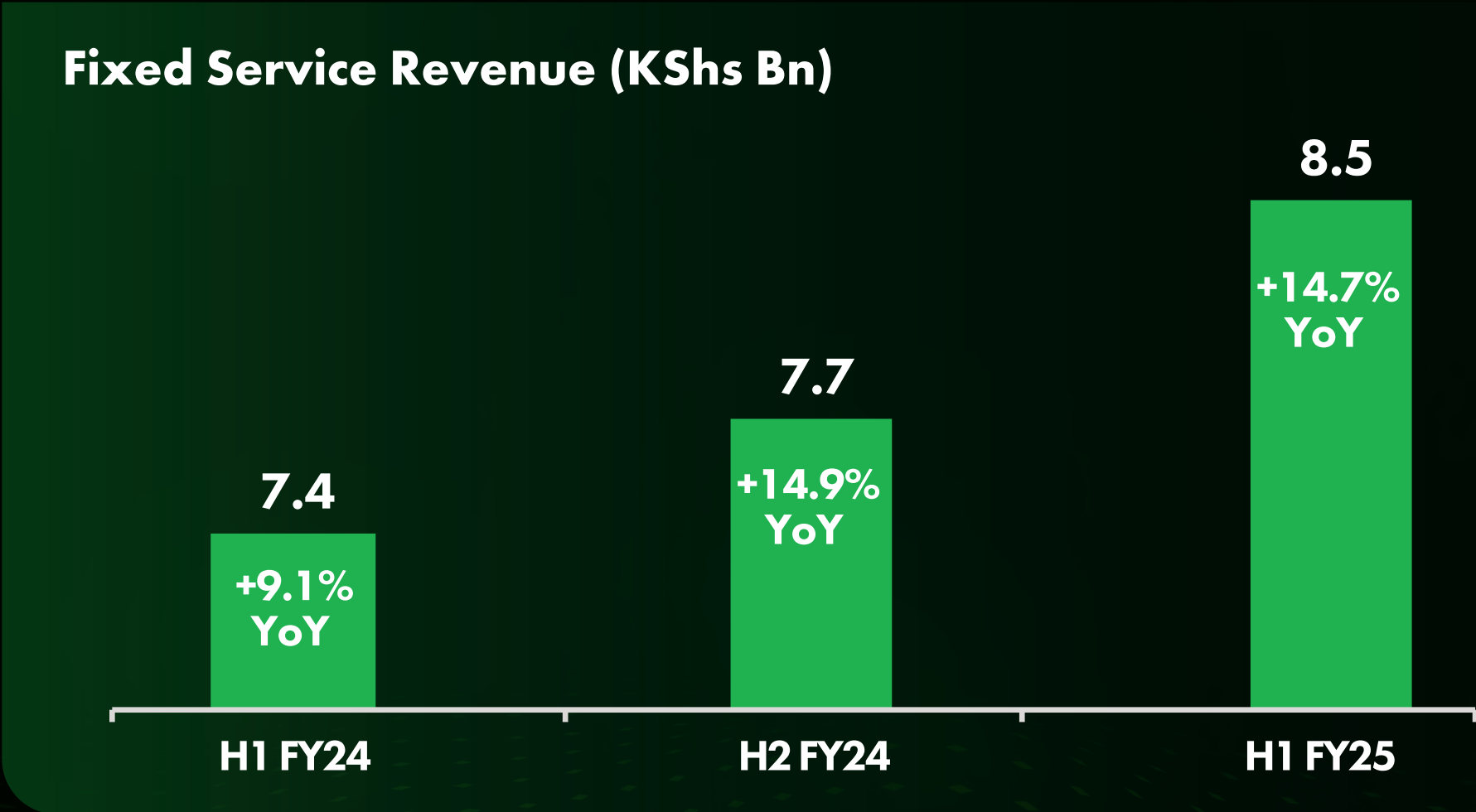
ARPU driver



Usage & Rate per MB

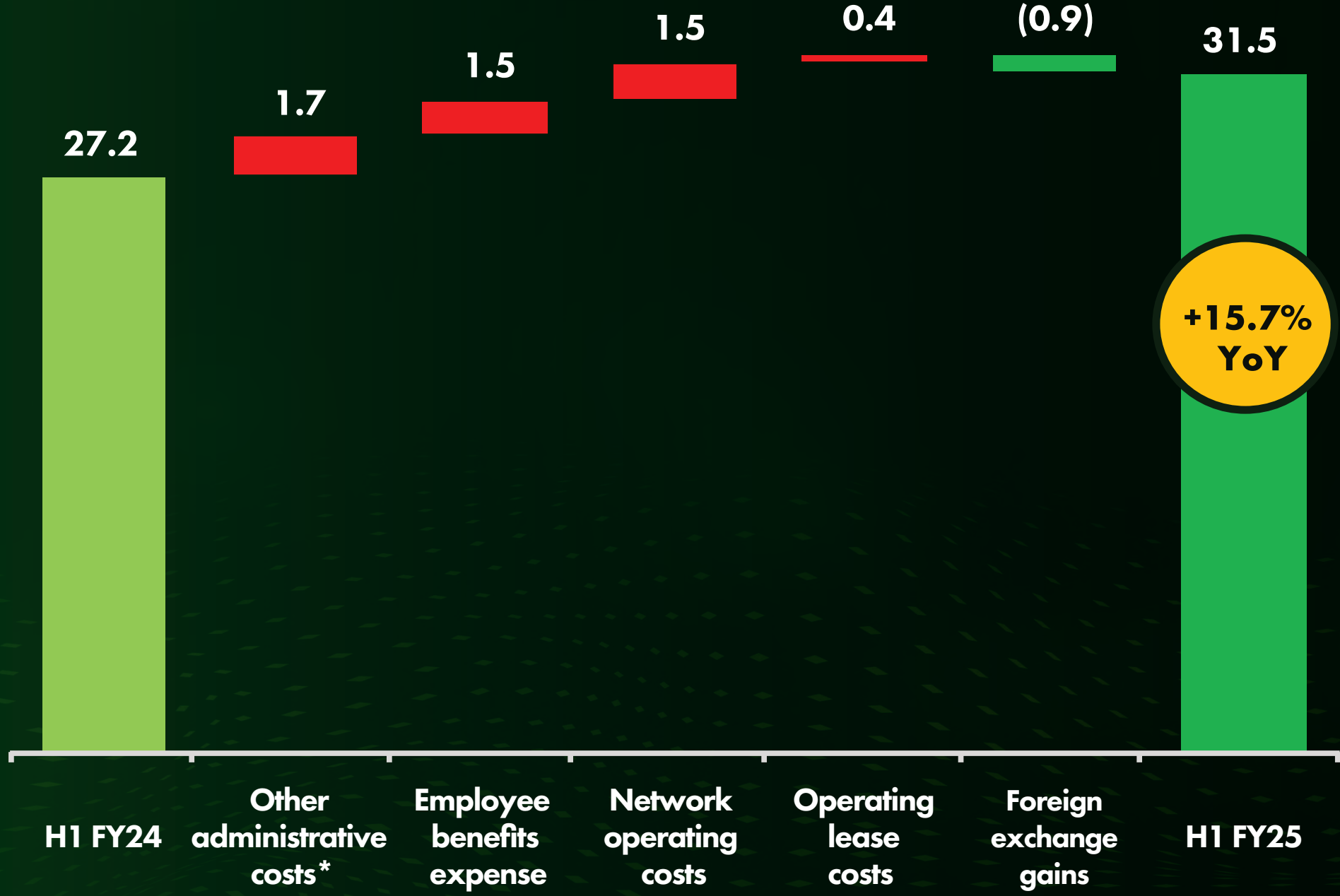


FIXED SERVICE | Increased Connections Fueling Growth

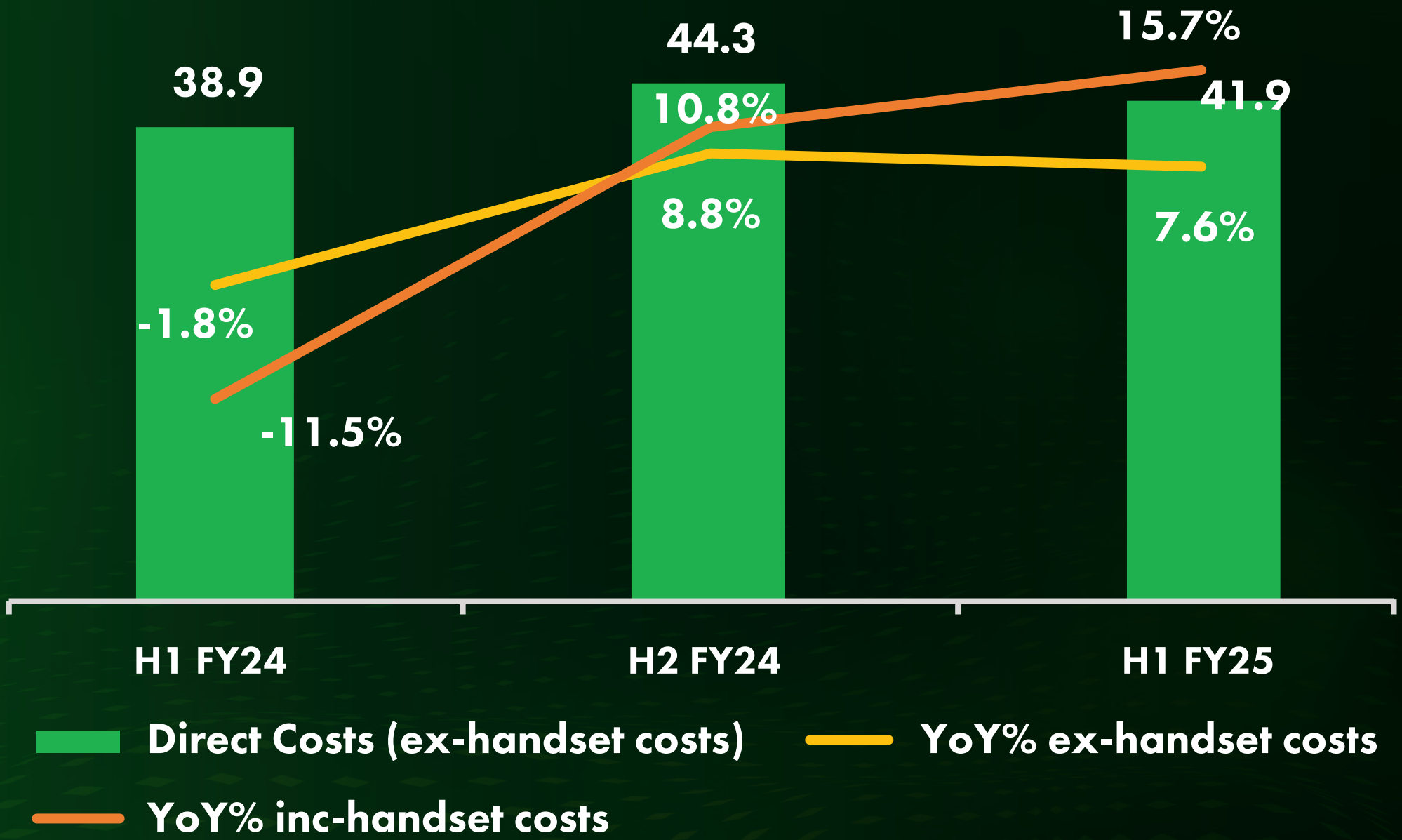


COSTS | Investing in Futuristic Growth Areas

Operating Costs (KShs Bn)



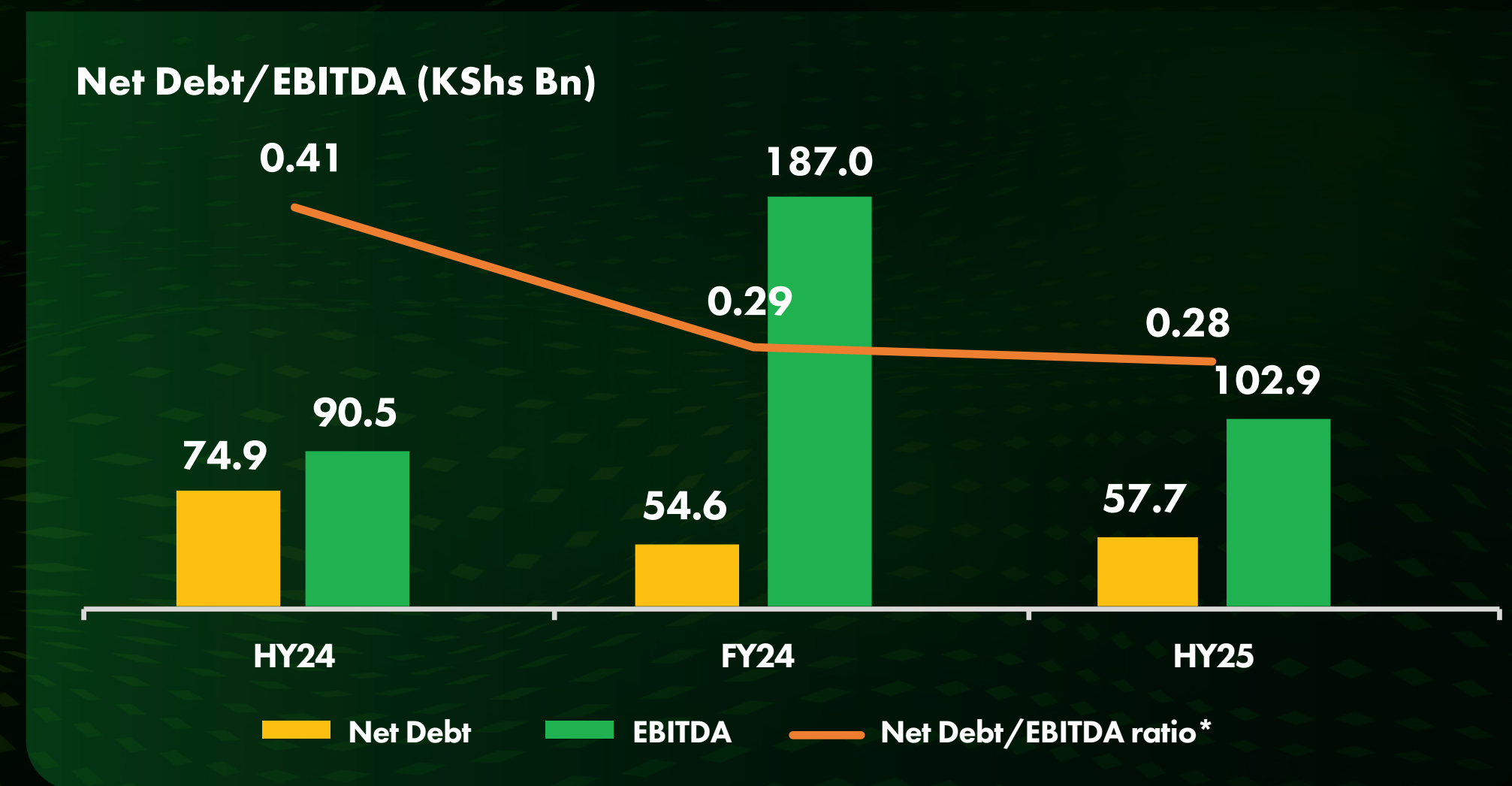
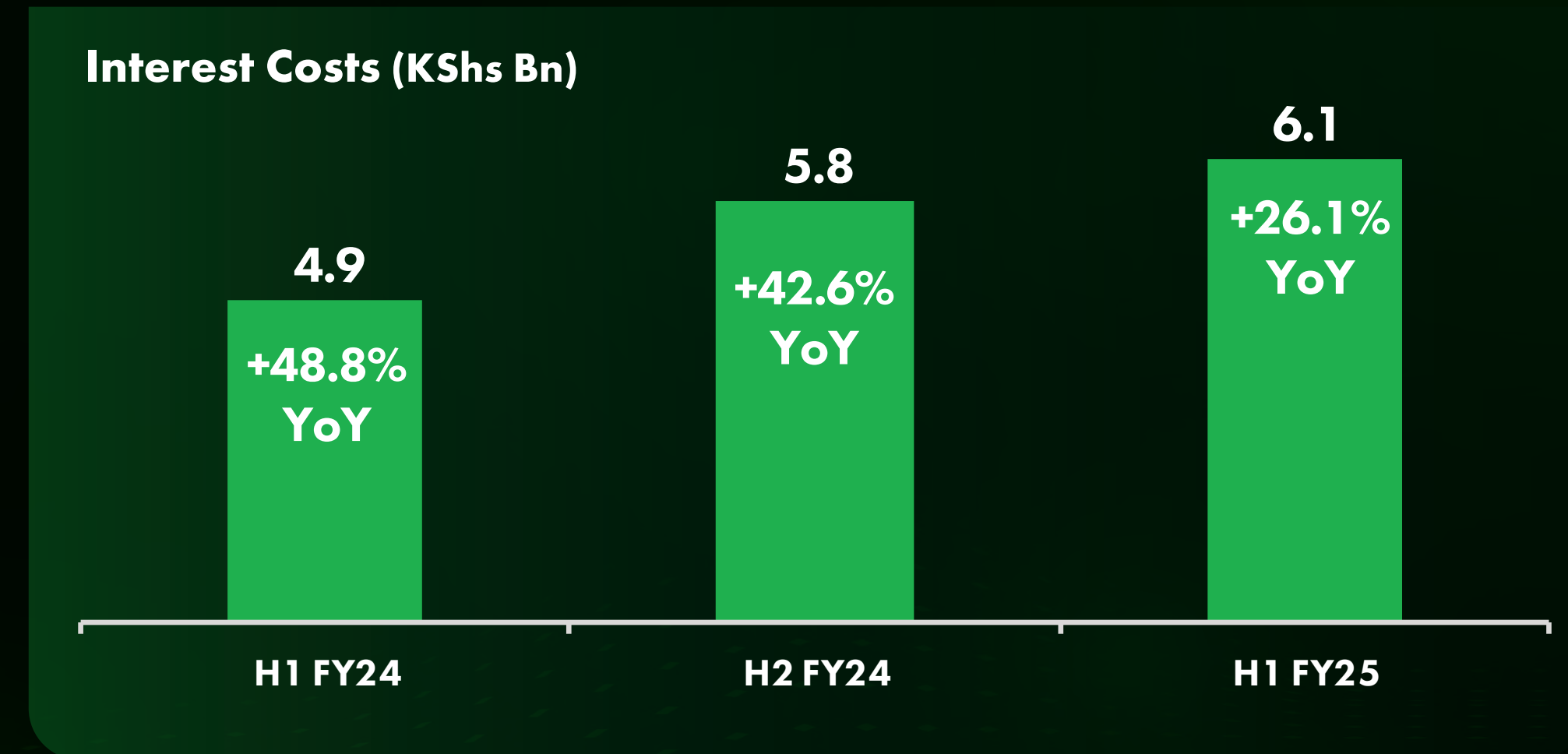
Direct Costs (KShs Bn)



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

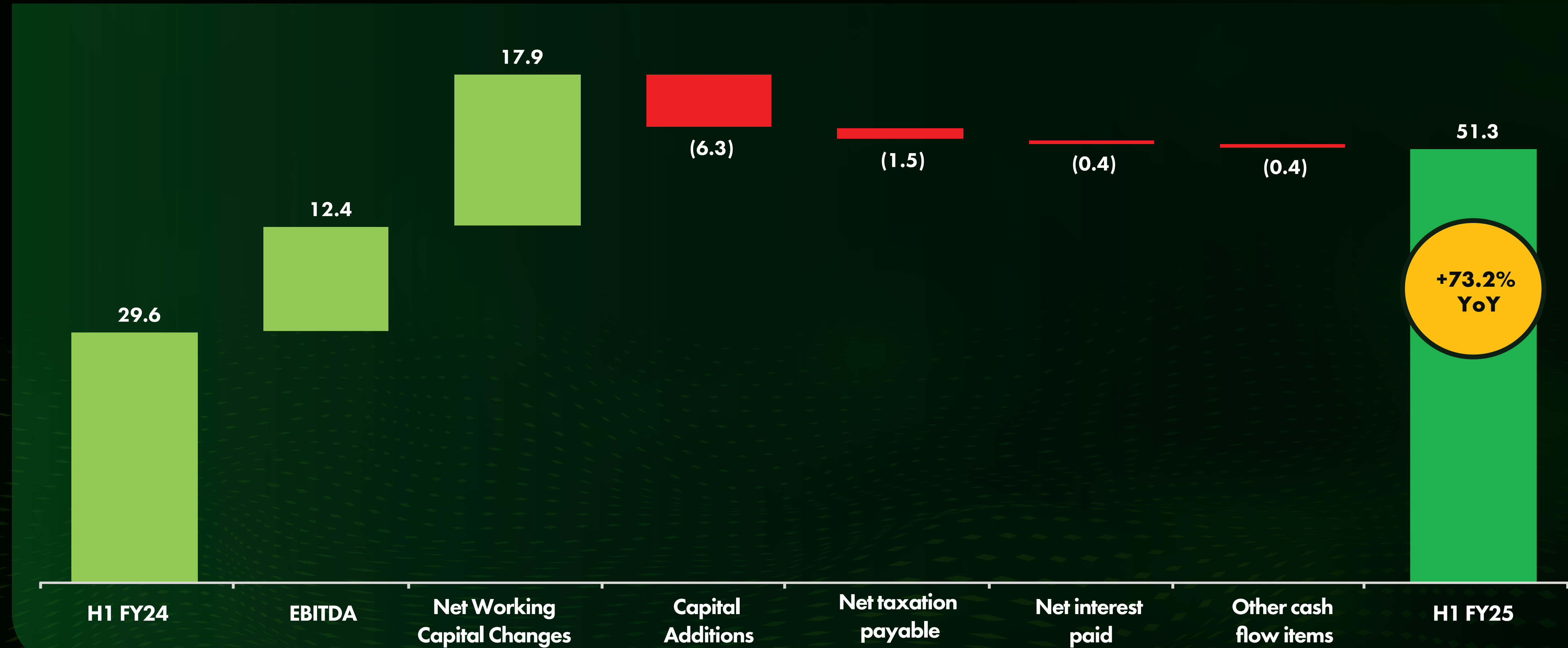
DEBT & FINANCE COSTS | Well Managed Debt Levels Despite High Finance Costs

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)
Net Debt	(74.9)	(54.6)	(57.7)



*Net Debt/EBITDA ratio is calculated on annualised EBITDA

FREE CASH FLOW | Strong Cash Flow Position



All numbers are in KShs

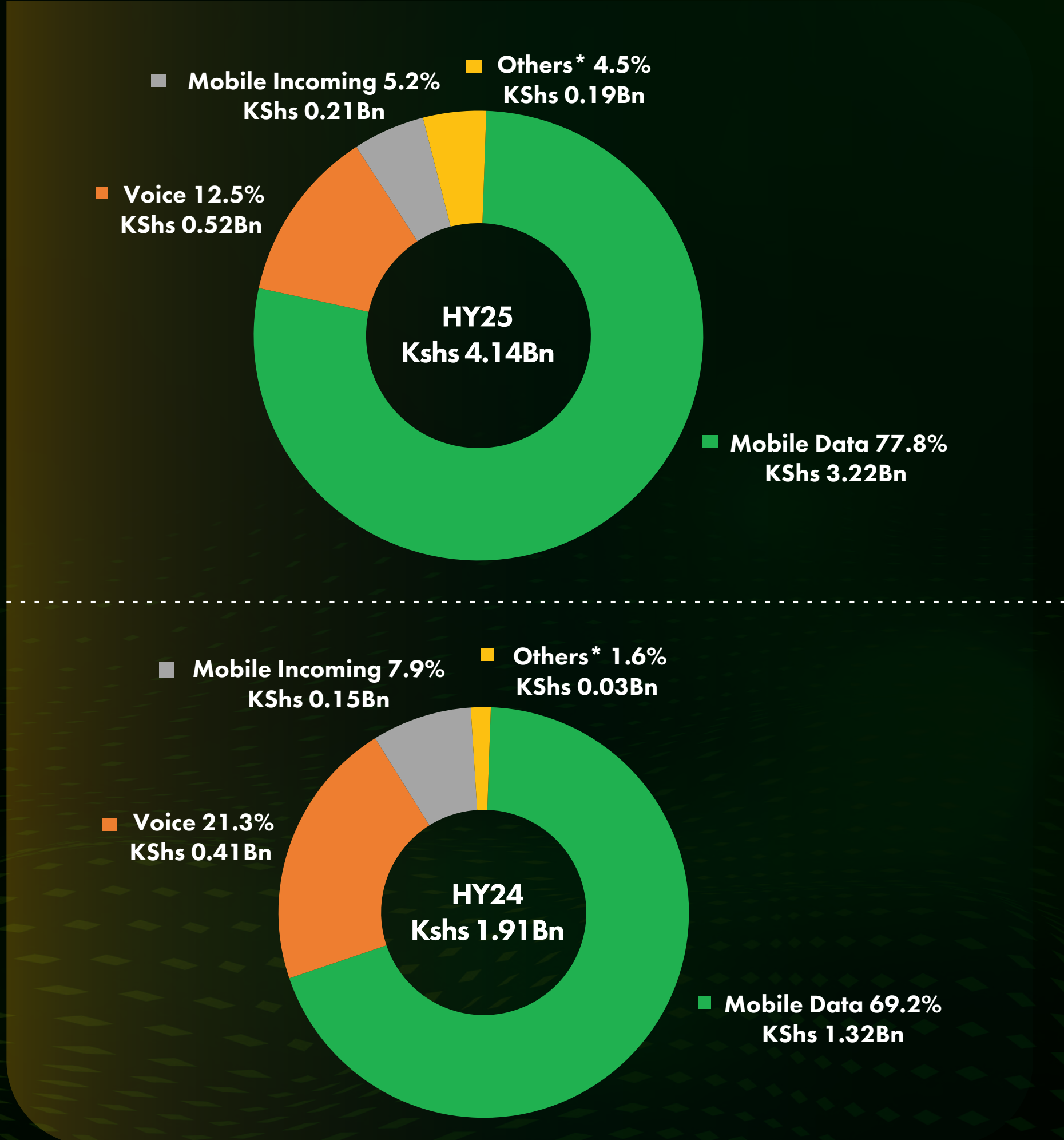
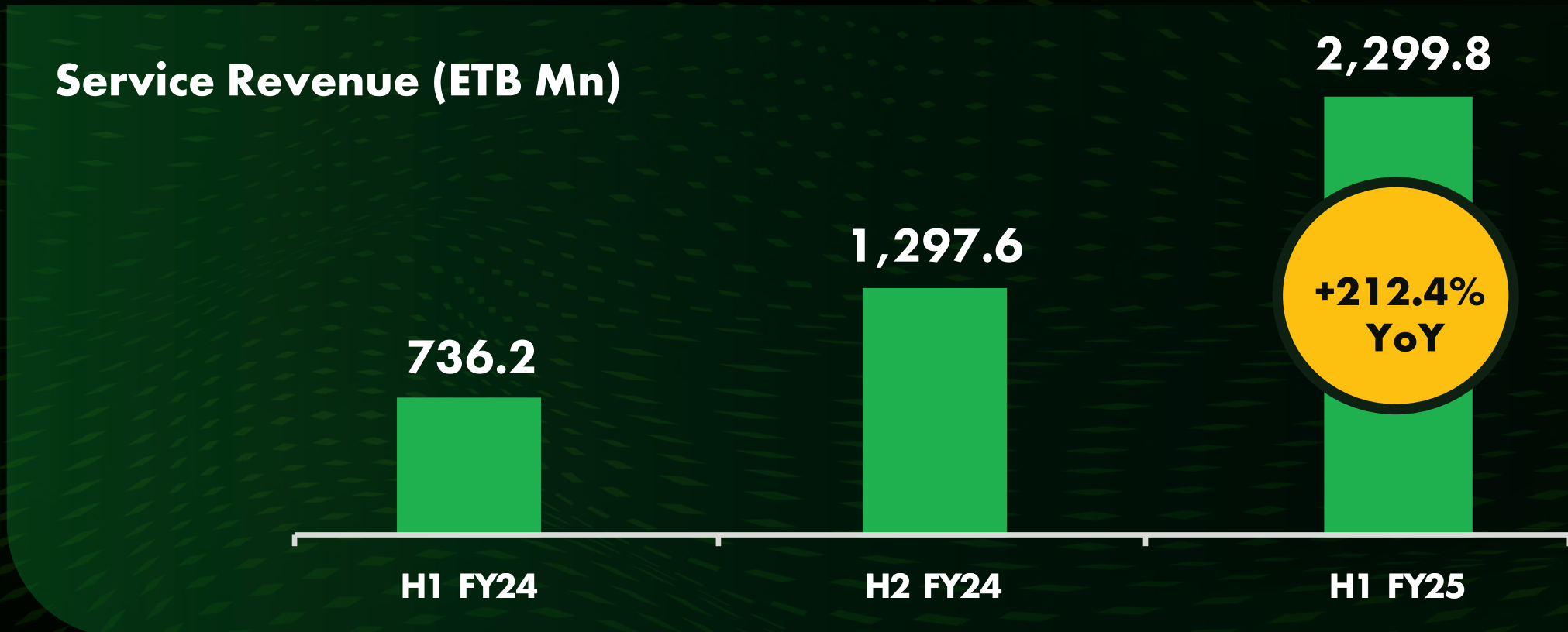
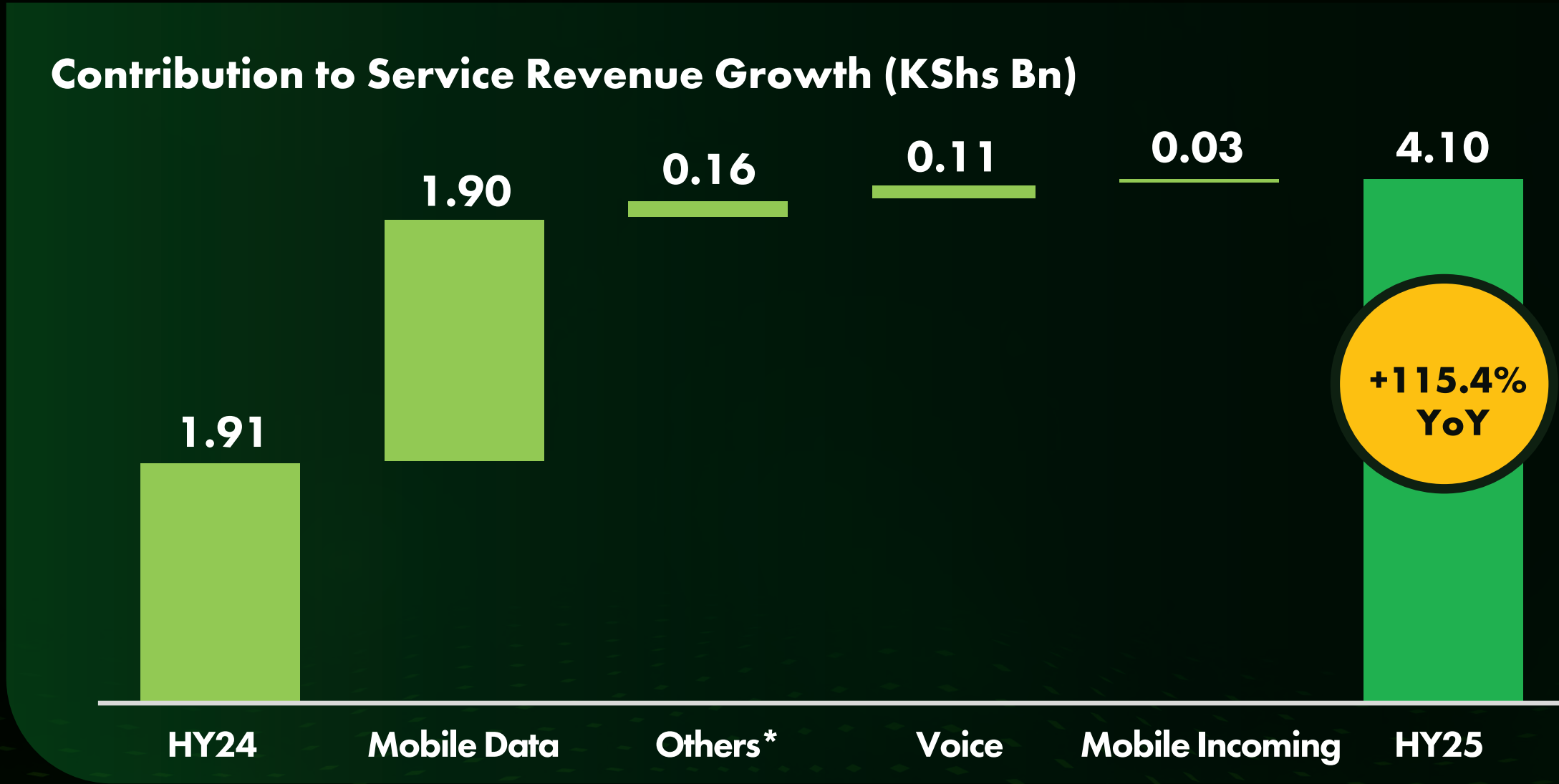
FINANCIAL KPIs | Stable Margins

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



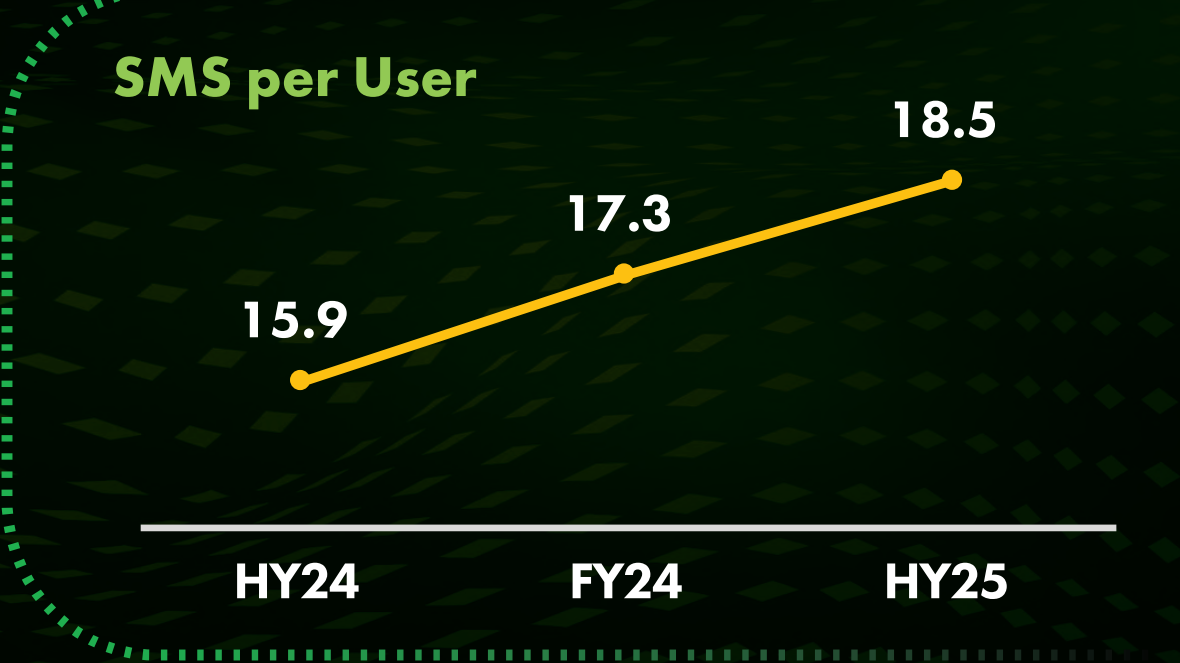
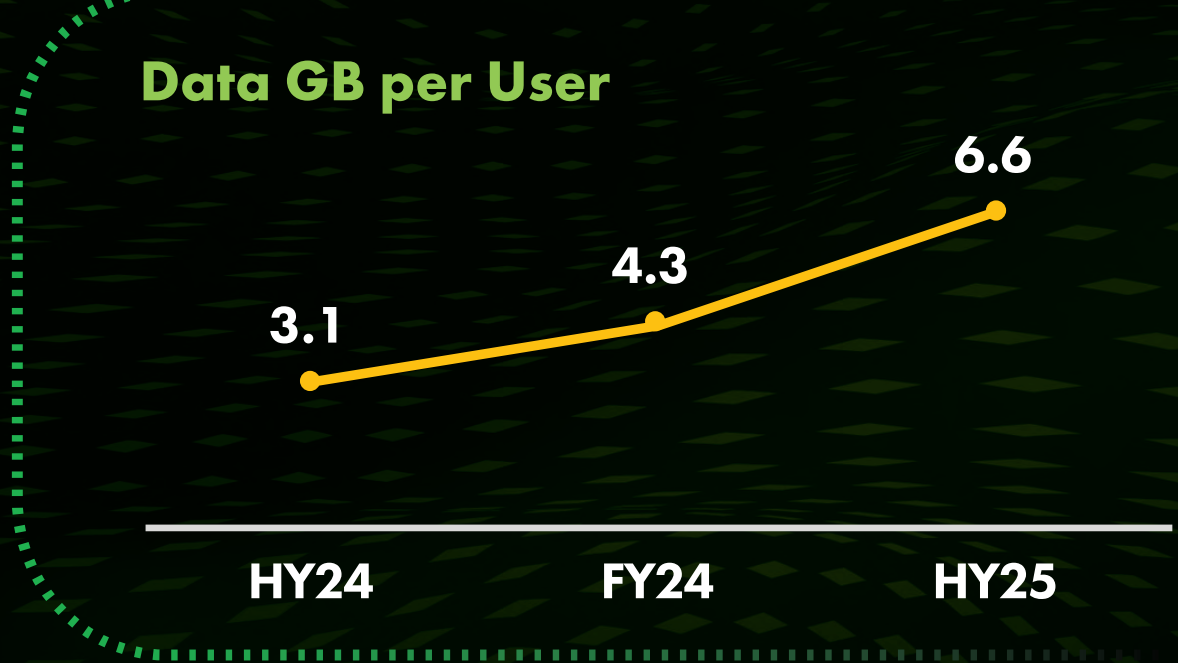
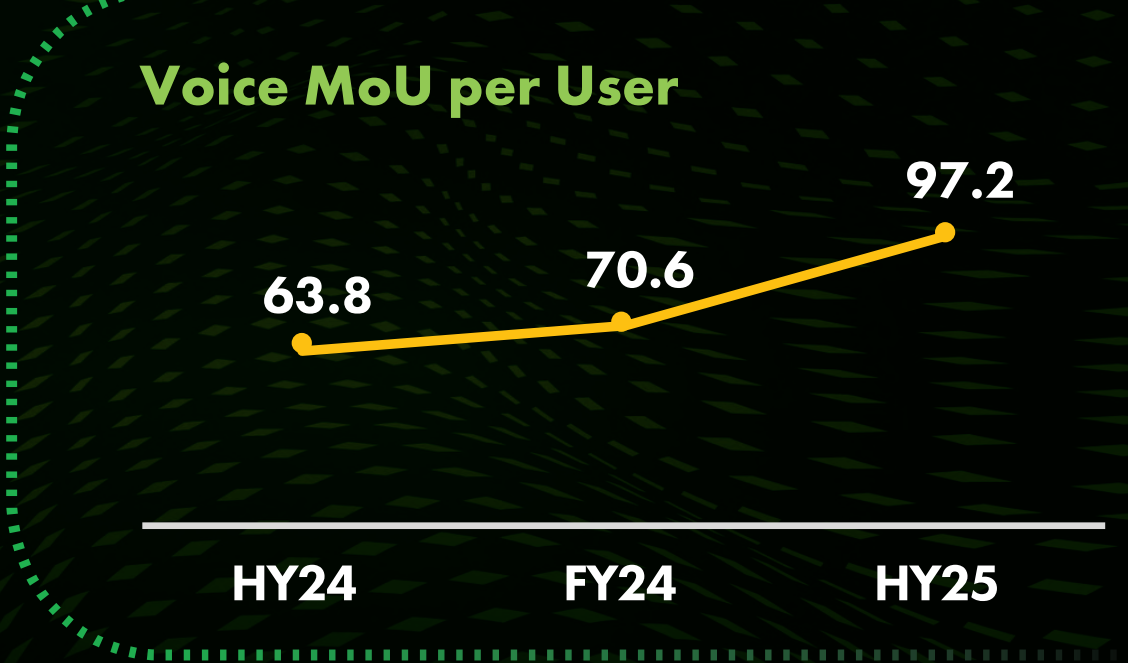
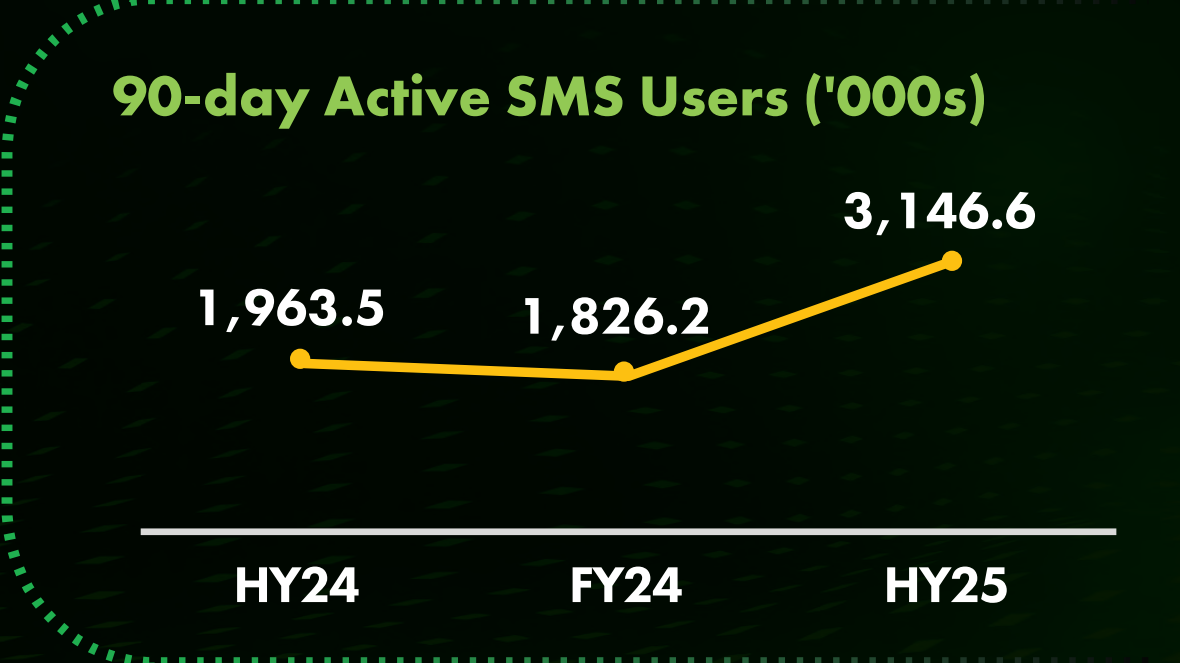
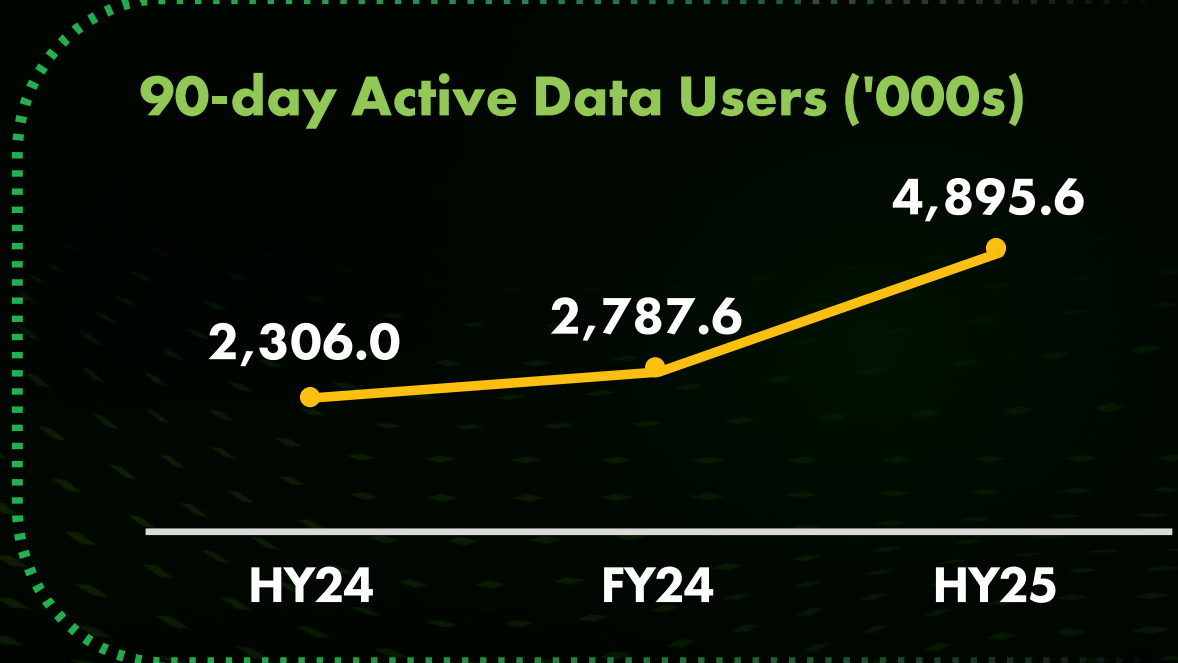
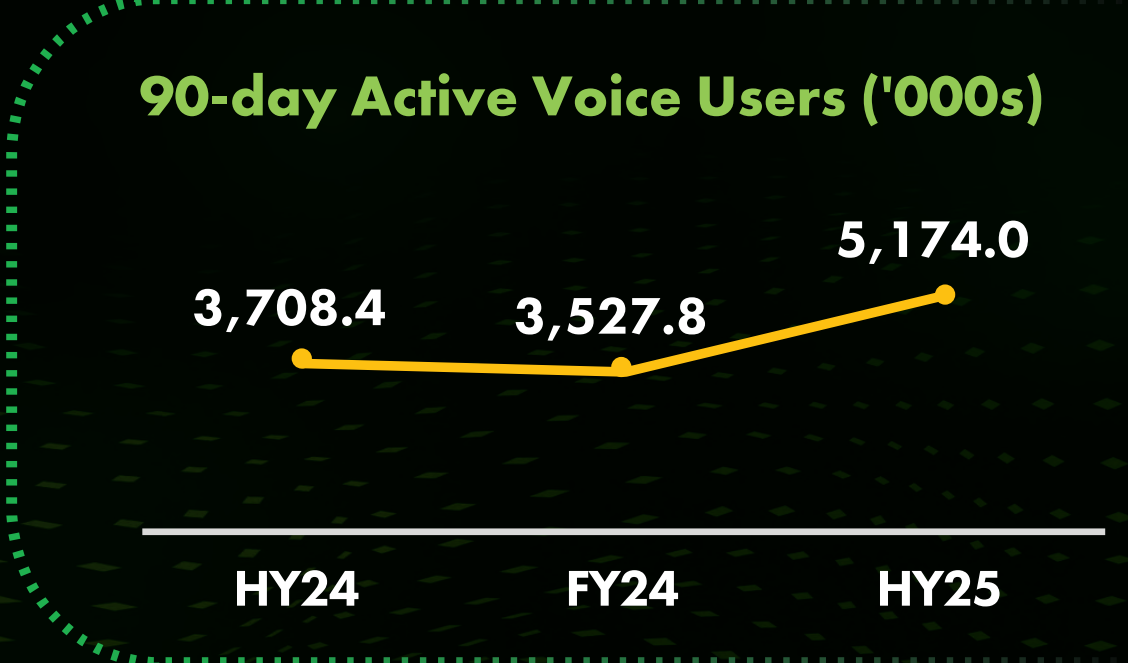
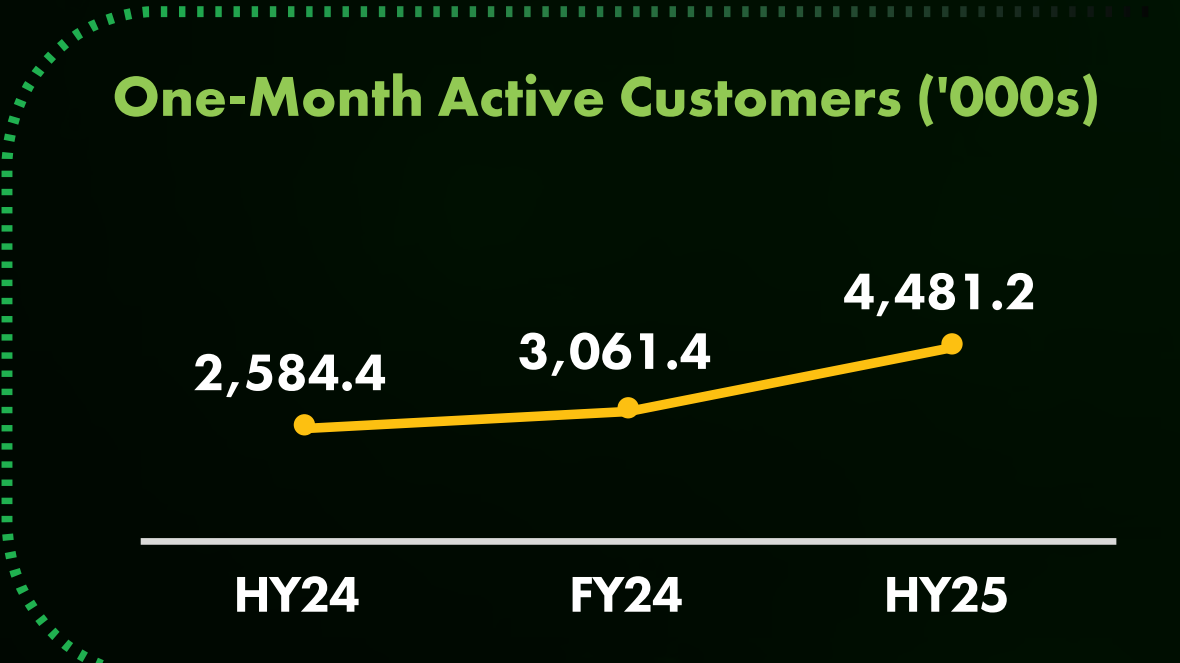
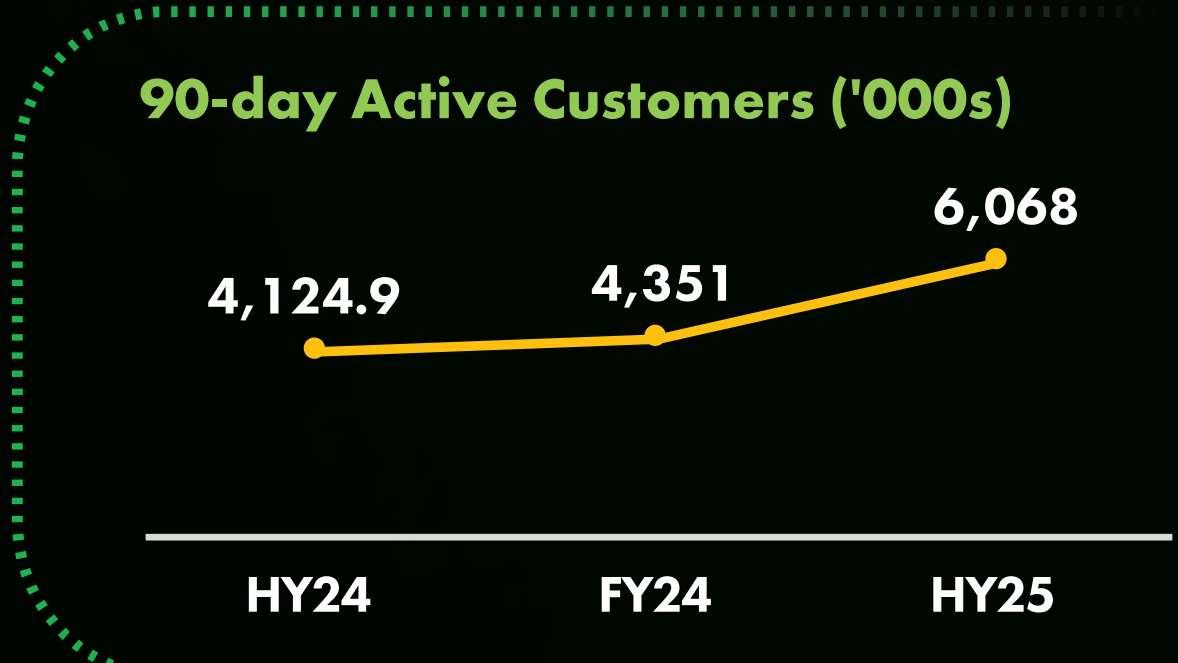
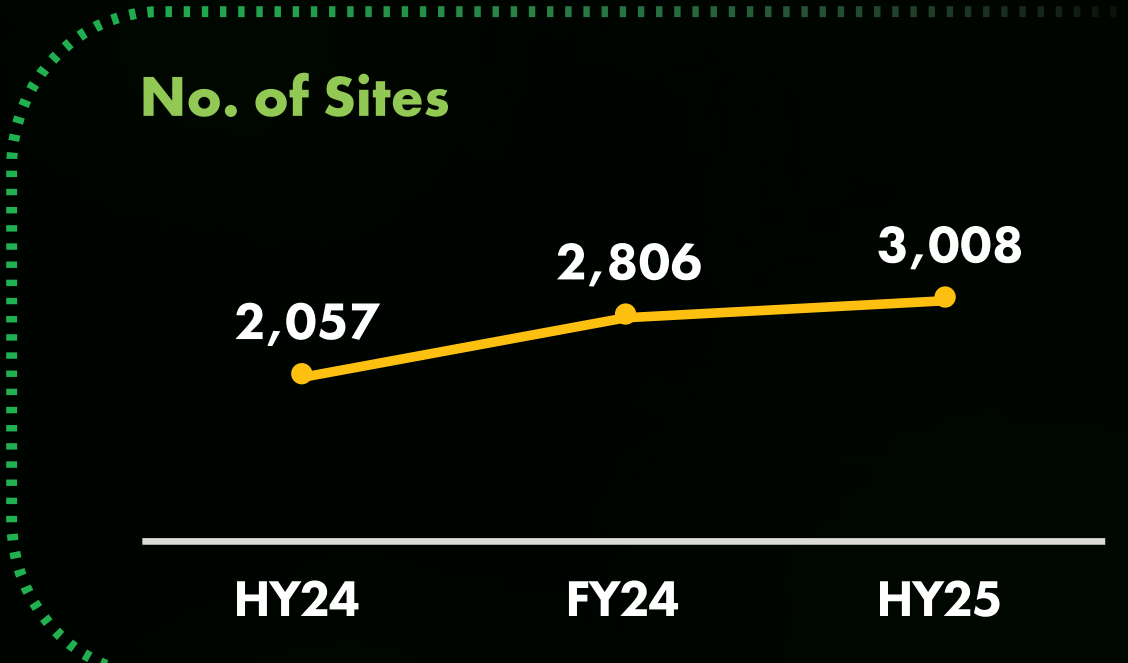
SAFARICOM
ETHIOPIA
PERFORMANCE

SERVICE REVENUE | Great Revenue Growth Fueled by Customer Acquisition



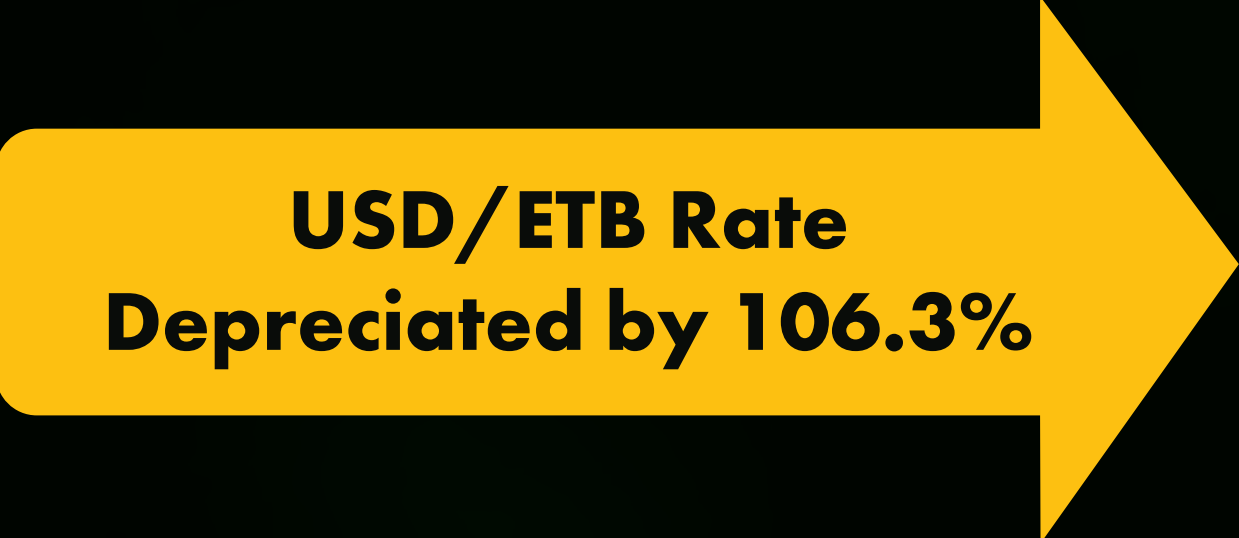
*Others - M-PESA Revenue, Messaging Revenue, Fixed Line Wholesale & Transit Revenue and Other Mobile Service Revenue

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
Total funding	1,982
Deferred vendor payments	223

*Safaricom PLC funding contribution is USD 925Mn

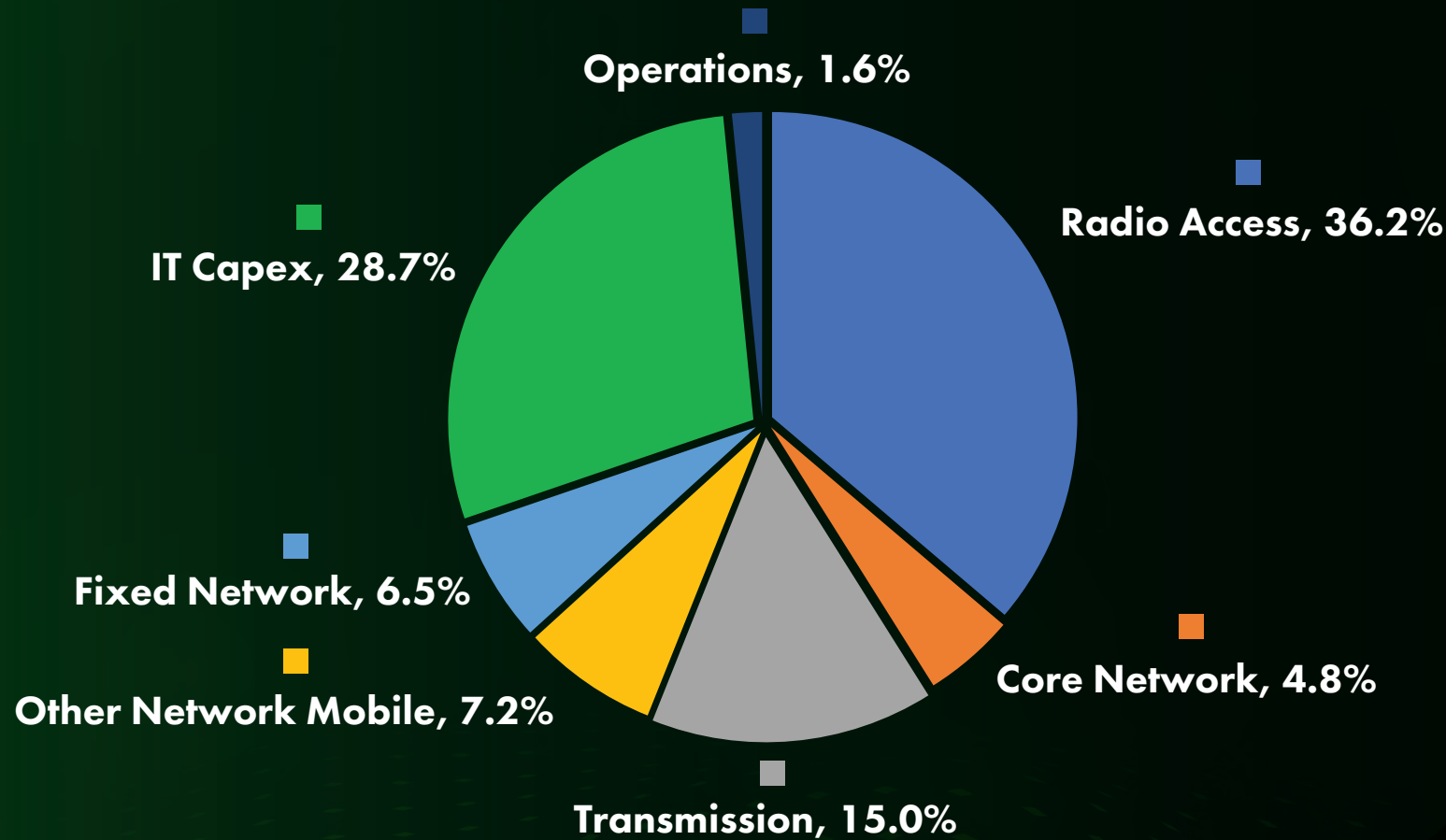
Shareholders & their respective shareholding of Global Partnership for Ethiopia B.V (GPE), the investment vehicle to Ethiopia; Safaricom PLC (51.67%), Vodacom Group (5.74%), Sumitomo Corporation (25.23%), British International Investment (formerly CDC Group PLC) (10.11%) and IFC (7.25%).



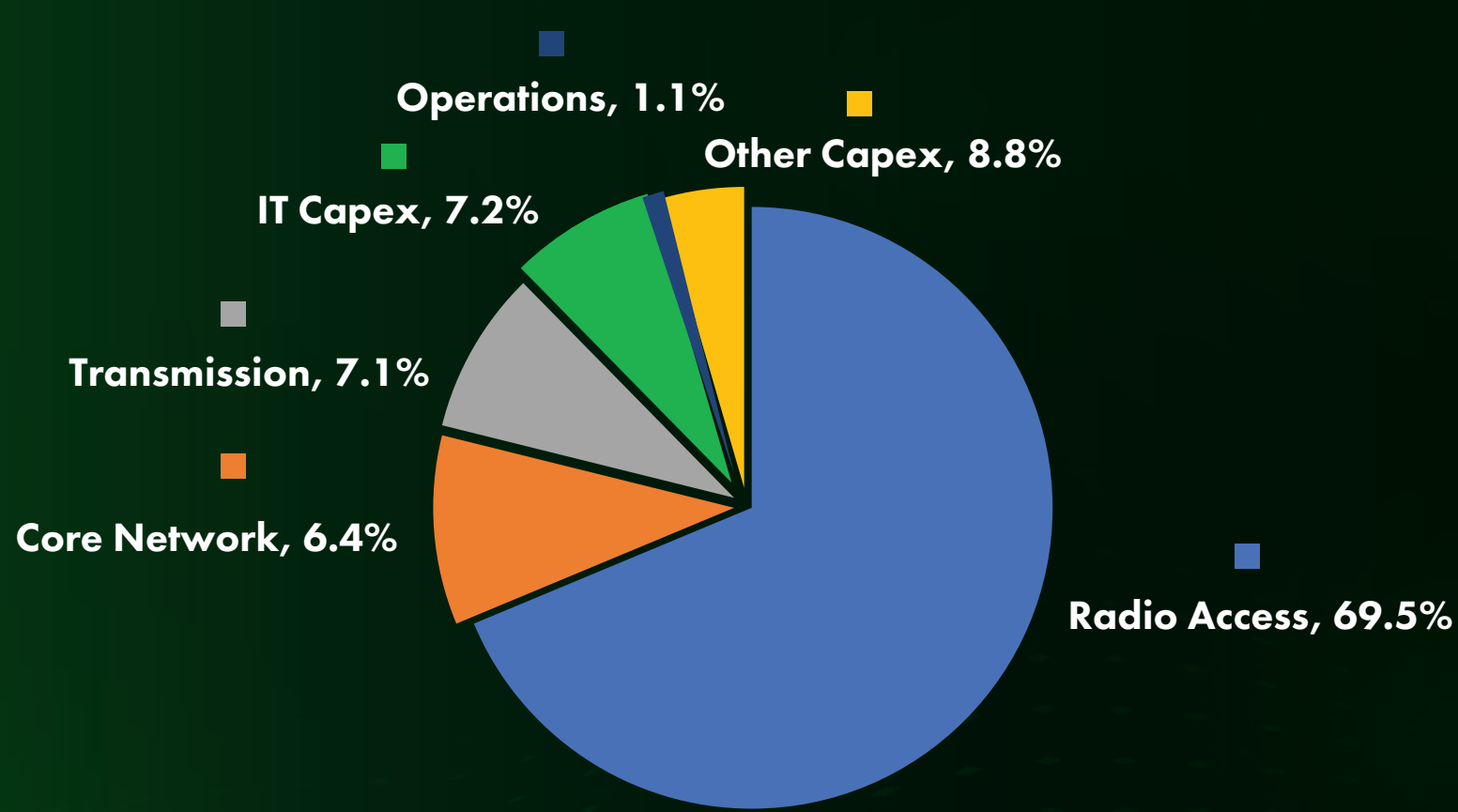
SAFARICOM GROUP PERFORMANCE

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

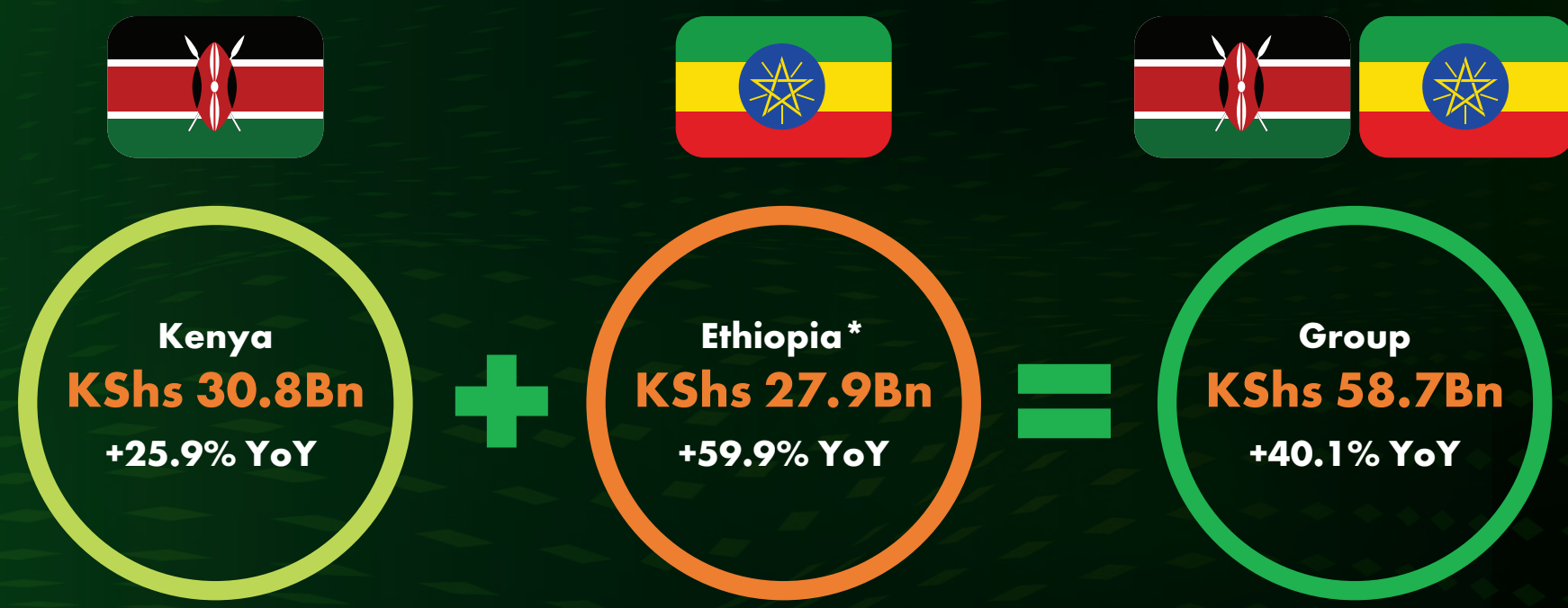
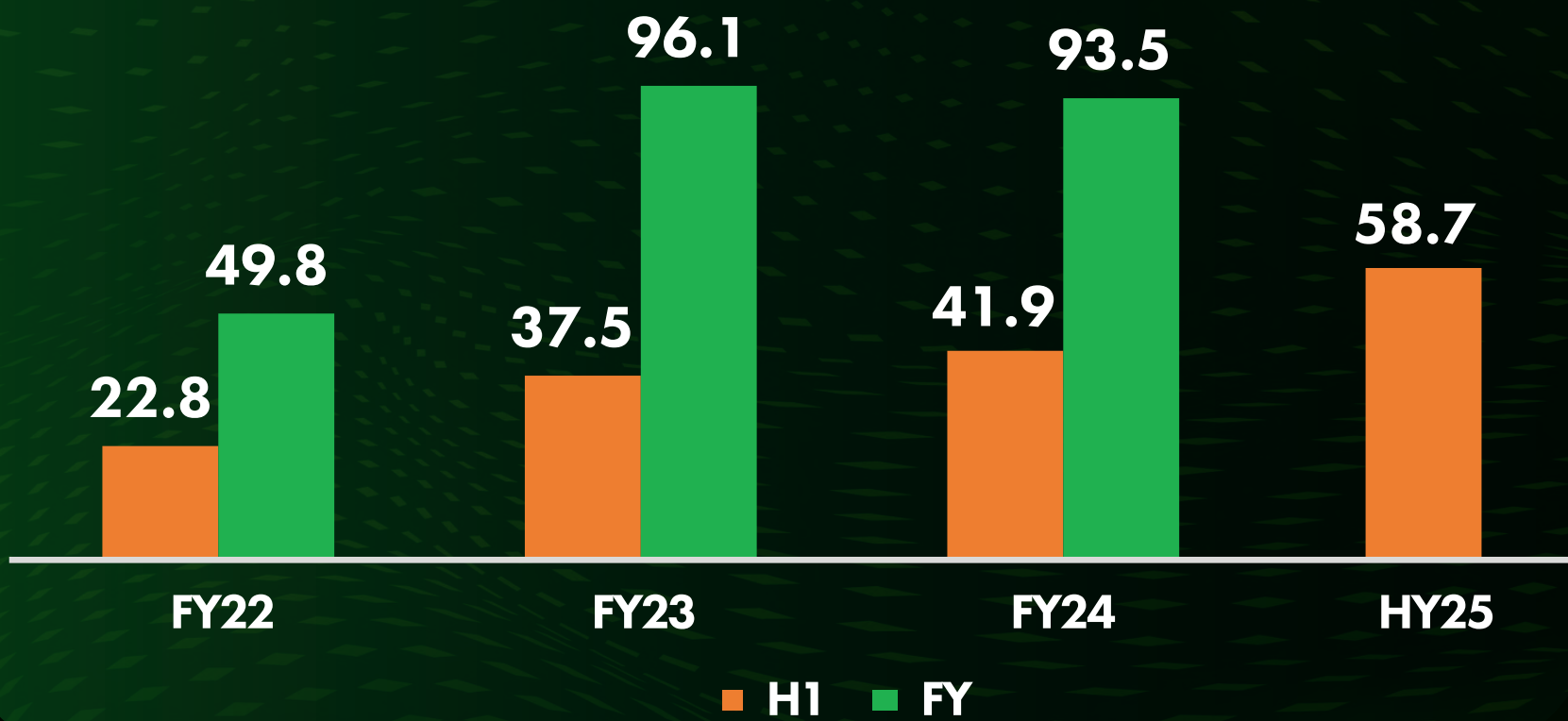
HY25 Capex Split - Kenya



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*
Service Revenue	+12.9%	+13.1%	+14.5%
EBITDA	+13.7%	-5.8%	+13.9%
EBIT	+18.0%	+1.8%	+17.5%
Net Income Excluding Minority Interest	+14.1%	-17.7%	+10.3%

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

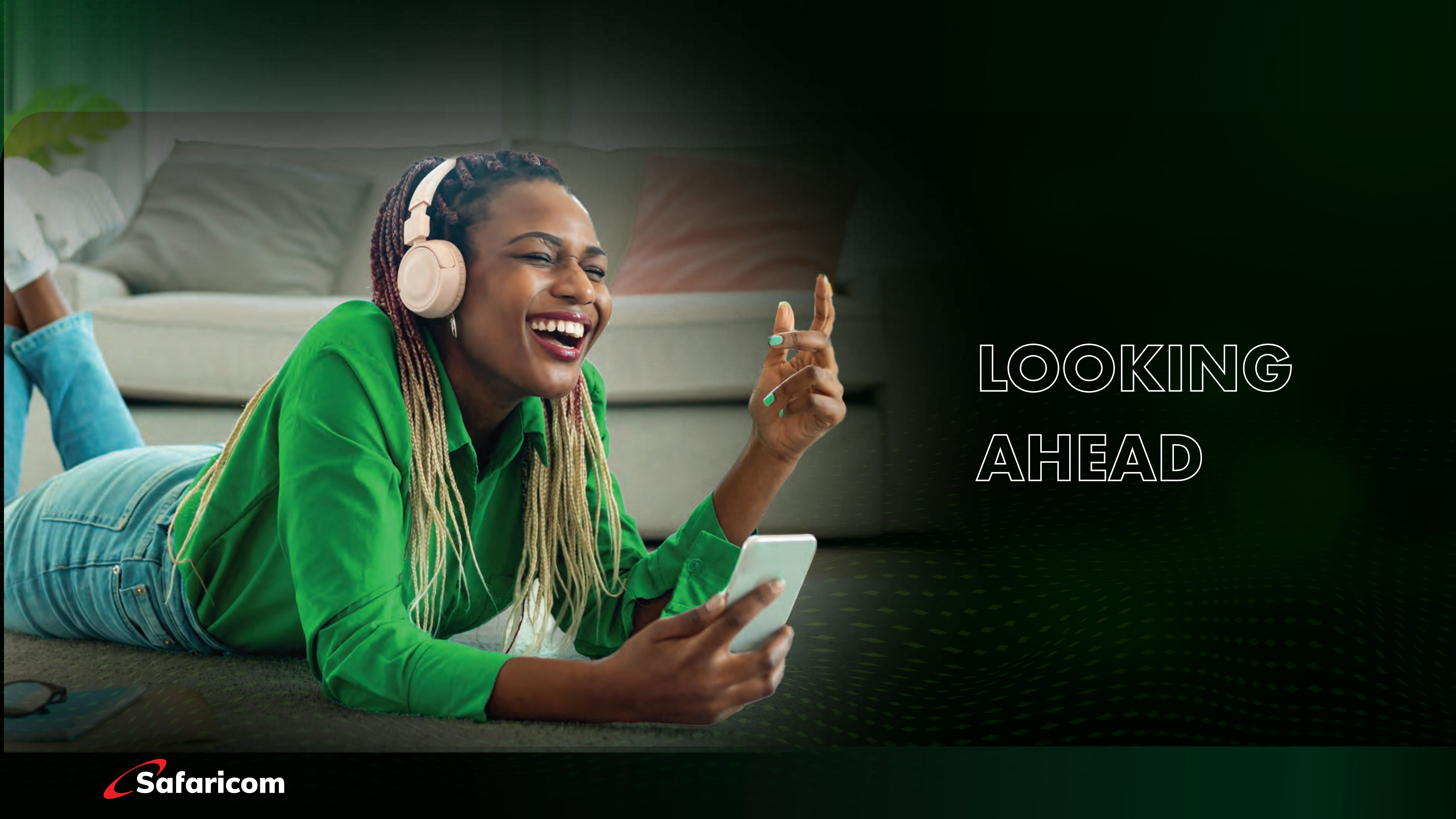
HY25 GROUP PERFORMANCE

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

*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**

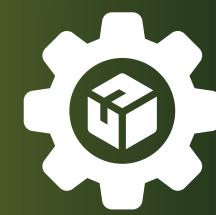
 **Mitigation efforts following the FX reforms in Ethiopia**

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



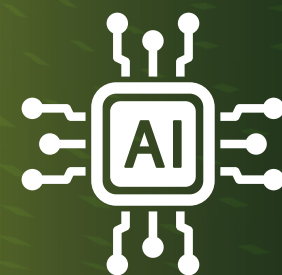
Grow 4G+ Device Sales

Local Manufacturing; financing; Device Insurance



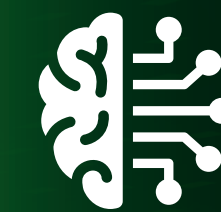
Sustain Execution Momentum in Ethiopia

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

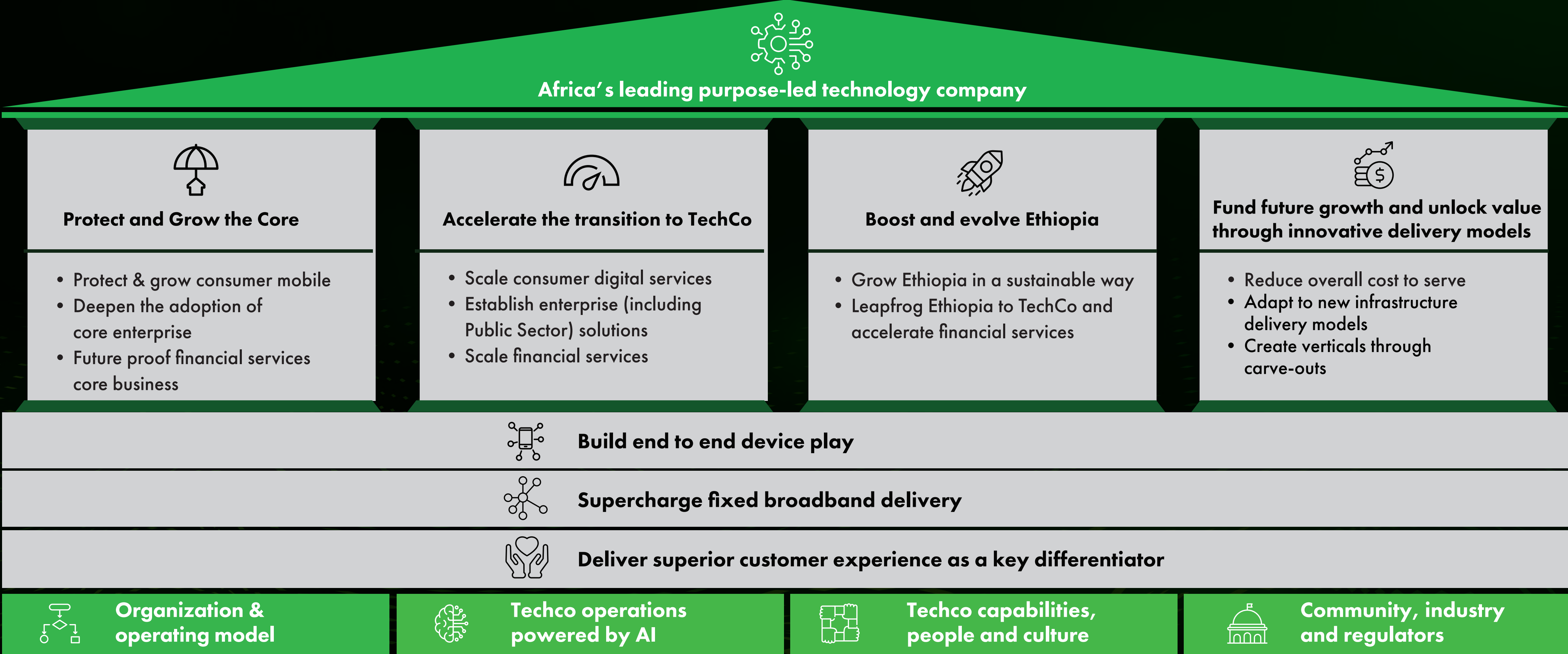


Public Sector Digitisation

#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
Kenya	155 - 158	149 - 152	52 - 55	52 - 55
Ethiopia *	(61 - 58)	(46 - 43)	28 - 31	21 - 24
Group	94 - 100	103 - 109	80 - 86	73 - 79

* 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!

