



Airtel Africa plc
Results for year
ended
31 March 2024

9 May 2024



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Forward-looking statements

This document contains certain forward-looking statements regarding our intentions, beliefs or current expectations concerning, amongst other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the economic and business circumstances occurring from time to time in the countries and markets in which the Group operates.

These statements are often, but not always, made through the use of words or phrases such as "believe," "anticipate," "could," "may," "would," "should," "intend," "plan," "potential," "predict," "will," "expect," "estimate," "project," "positioned," "strategy," "outlook," "target" and similar expressions.

It is believed that the expectations reflected in this document are reasonable, but they may be affected by a wide range of variables that could cause actual results to differ materially from those currently anticipated.

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Among the key factors that could cause actual results to differ materially from those projected in the forward-looking statements are uncertainties related to the following: the impact of competition from illicit trade; the impact of adverse domestic or international legislation and regulation; changes in domestic or international tax laws and rates; adverse litigation and dispute outcomes and the effect of such outcomes on Airtel Africa's financial condition; changes or differences in domestic or international economic or political conditions; the ability to obtain price increases and the impact of price increases on consumer affordability thresholds; adverse decisions by domestic or international regulatory bodies; the impact of market size reduction and consumer down-trading; translational and transactional foreign exchange rate exposure; the impact of serious injury, illness or death in the workplace; the ability to maintain credit ratings; the ability to develop, produce or market new alternative products and to do so profitably; the ability to effectively implement strategic initiatives and actions taken to increase sales growth; the ability to enhance cash generation and pay dividends and changes in the

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No statement in this communication is intended to be, nor should be construed as, a profit forecast or a profit estimate and no statement in this communication should be interpreted to mean that earnings per share of Airtel Africa plc for the current or any future financial periods would necessarily match, exceed or be lower than the historical published earnings per share of Airtel Africa plc.

Financial data included in this document are presented in US dollars rounded to the nearest million. Therefore, discrepancies in the tables between totals and the sums of the amounts listed may occur due to such rounding. The percentages included in the tables throughout the document are based on numbers calculated to the nearest \$1,000 and therefore minor rounding differences may result in the tables. Growth metrics are provided on a constant currency basis unless otherwise stated. The Group has presented certain financial information on a constant currency basis. This is calculated by translating the results for the current financial year and prior financial year at a fixed 'constant currency' exchange rate, which is done to measure the organic performance of the Group. Growth rates for business and product segments are provided in constant currency as this better represents the underlying performance of the business.

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All numbers are reported currency numbers unless indicated differently. All figures are in USD (\$) amounts, unless stated otherwise. The growth numbers are provided on constant currency basis unless stated differently.



**Strategic focus
underpins strong
execution**

- ✓ Sustained revenue momentum reflecting strong growth outlook
- ✓ Margin resilience despite macro-economic volatility
- ✓ Continued investment to support future growth opportunities
- ✓ De-risking balance sheet through continued localisation of debt
- ✓ Value creation for all stakeholders
- ✓ Dividend policy reiterated and \$100m buyback commenced

Highlights reflecting success of strategy over the year

 OPERATING PERFORMANCE	 FINANCIAL PERFORMANCE	 INVEST FOR GROWTH	 SUSTAINABILITY
152.7 million customers, up 9% supported by 17.8% and 20.7% growth in data and mobile money customers - ARPU growth¹ of 10.7%, despite inflationary pressure on consumers - Continued network investment with 95% of sites now on 4G - FY'24 mobile money transaction value of over \$112bn¹, +38.2% year on year	- Group revenue¹ growth of 20.9%. Significant currency headwinds impacted reported trends - Resilient EBITDA margin of 48.8% despite inflationary pressures and FX volatility - Strong cash position at Holdco, and reduced US dollar exposure lowers impact of future FX movements \$100m buyback launched, and final dividend of 3.57 cents per share, growing by 9%	- A focussed investment strategy to maximise returns and support growth 32.7% increase in data capacity across our network with investment in both rural and urban infrastructure - Optimal utilisation of recent spectrum acquisitions drives enhanced customer experience - Launch of data centre and fibre business, reflecting future opportunity	- Provided free access to the internet to around 1.7m schoolchildren under our five-year \$57m UNICEF partnership - Published 'Our journey towards a net zero future' detailing our Scope 1, 2 and 3 decarbonisation strategy - Bridging the digital divide in Rwanda by launching the most affordable 4G smartphone to over 1 million people - Enhanced disclosure of standalone ESG policies, particularly a Code of business ethics for partners and suppliers
Strong operating performance highlights resilience of the business model, enabling continued investment into future growth opportunities			

Navigating volatile times through strong execution

Operating environment

Macro-economic and geopolitical

- High inflation, particularly in Nigeria, resulted in increased pressure on consumer spend
- Elevated political risk in certain Francophone markets

Cost inflation

- Operating costs exposed to increased inflation and currency weakness across many markets
- Nigerian energy price inflation intensified over the year

FX volatility

- Sustained pressure on currencies across key markets, resulting in a decline in reported currency revenues, despite strong constant currency growth
- Significant Nigerian naira and Malawian kwacha devaluation

Airtel Africa response

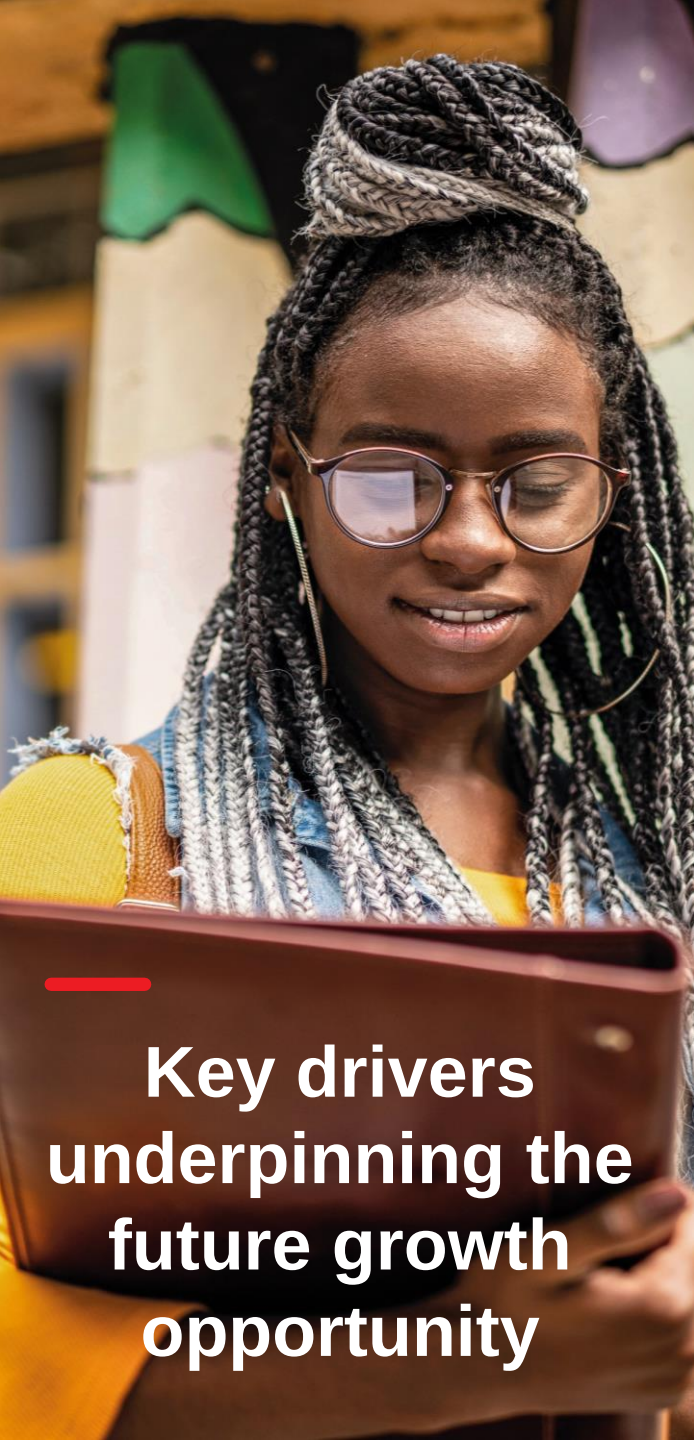
- Focus on customer experience by improving network quality and simplifying the customer journey
- Customer focussed pricing strategy to provide affordable services applying a 'more-for-more' principle

- Laser focus on cost optimisation initiatives to achieve resilient margins
- Sweating the existing assets, and collaborating with partners (incl. TowerCos) to limit inflationary pressures

- Execute strategy to accelerate constant currency revenue growth to limit the impact on earnings
- De-risked the balance sheet through upstreaming (net cash at HoldCo), and reduced US dollar exposure

**Operational and
strategic review**





Key drivers underpinning the future growth opportunity



Offering an essential service to 637 million people across Africa

Providing a reliable, best-in-class experience with customer needs at the centre



Attractive demography, with fast growing and young population*

2.7% population growth, with a median age of 16.8 years



Underpenetrated market with significant addressable market opportunity

Approximately 49% unique SIM penetration across footprint and limited access to banking services



Unique range of affordable services supports multiple growth engines

Enabling increased digital and financial inclusion through provision of voice, data and mobile money services



Strong track record of execution

25 consecutive quarters of double-digit revenue and EBITDA growth¹



De-risked capital structure

Strong upstreaming, net cash position at HoldCo and over 83% of OpCo debt in local currency

*Population growth is based on 2023 estimates from IMF and median age is based on UN population estimates. Total population is based on World Bank estimates

1: Growth rates in constant currency

Growth algorithm continues to support underlying momentum

Invest for the future

Capex spend of \$737m
87%+ allocated towards growth

Customer growth drives higher penetration

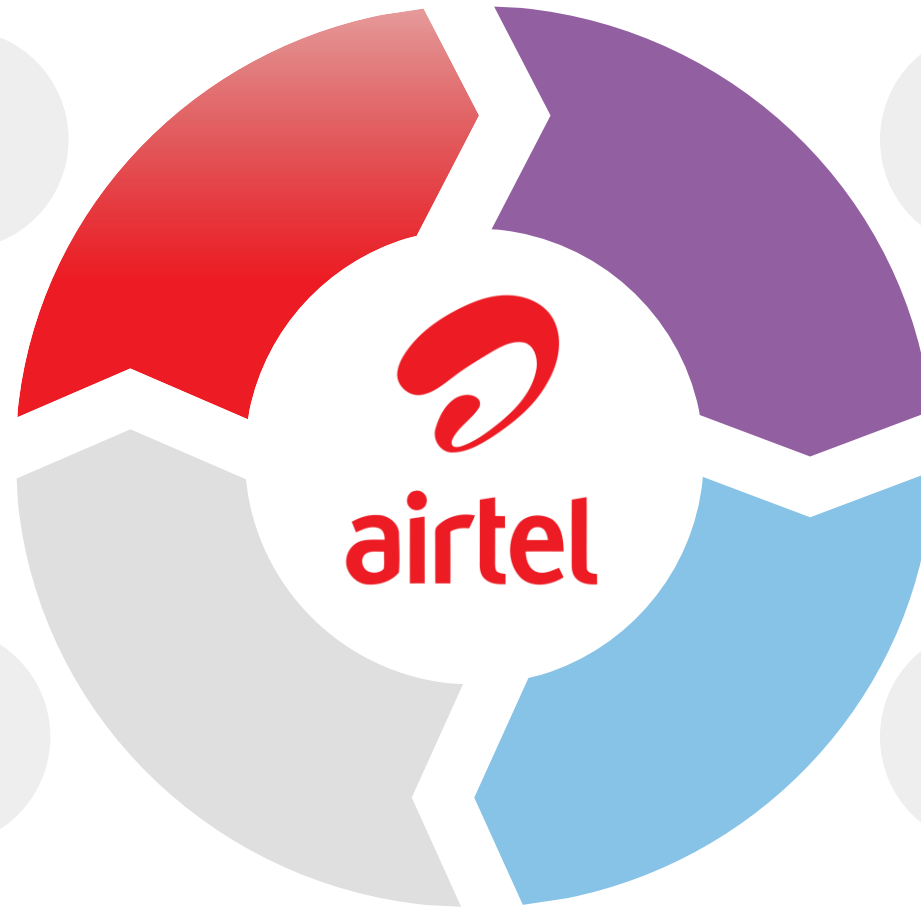
9.0% growth in customers
17.8% growth in data customers
20.7% growth in mobile money customers

Efficiencies and operating leverage drives resilient EBITDA margins

EBITDA margins of 48.8%
Increasing 14 bps¹ over the year

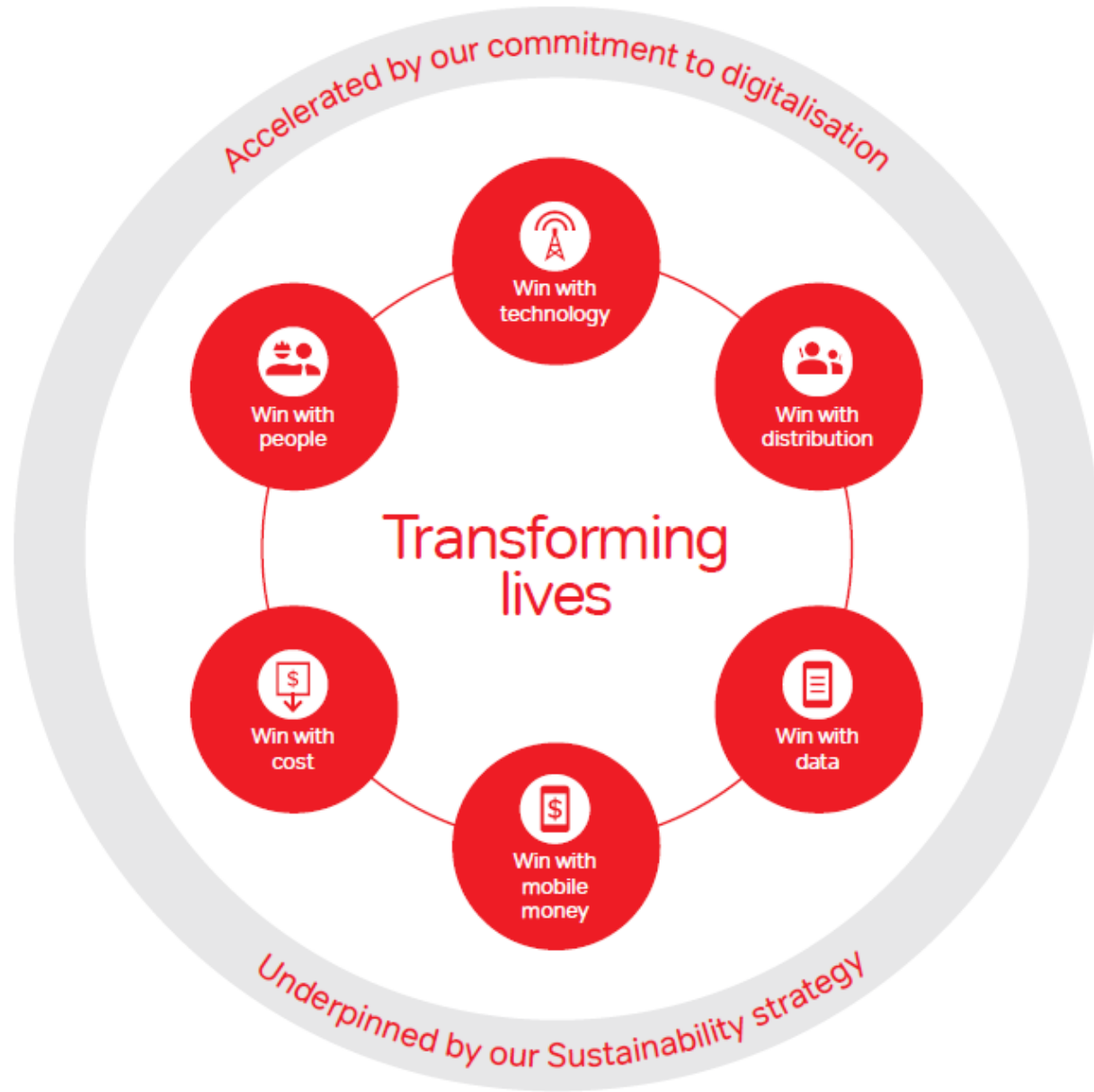
Increasing ARPU as usage increases

ARPU growth of 10.7%
Data ARPU growing by 7.3%
Mobile money ARPU up by 8.6%





Our six-pillar strategy for growth



'Win with' strategy



Win with technology

Create a leading, modern network that can provide the data capacity to meet rapidly growing demand and enhance connectivity and digitalisation in all our markets.

- More than **2,950+** additional sites deployed, reaching **34,534** sites in total
- **921** new sites added in rural areas
- Added **4,300+** more sites to 4G (**95.0%** of sites now on 4G)
- Added approximately **5,000**km of fibre to reach a total of **75,400+** km
- Partnering with Meta to land 2Africa submarine cable in **four** of our key markets.
- Data capacity increased by **32.7%** to **31,700+** TB per day, with peak hour data utilisation at **53.0%**
- 5G ready in 5 OPCOs (Nigeria, Uganda, Zambia, Tanzania & Kenya). In total **1,000+ 5G** sites operational



Win with distribution

Continue to invest in and expand distribution network to get closer to the customer. Reduce friction and enhance scale to improve quality of customers and simplify the customer experience.

- **29,300+** exclusive distribution channels of Airtel Money Branches, Mini-shops and Kiosks added, reaching a total of **109,000+**
- **169,700+** multi-brand outlets added, reaching a total of almost **1.9 million**
- **19.6%** growth in customer activating outlets, to **363,800+**
- **9.0%** growth in customer base, to **152.7 million**

'Win with' strategy



Win with data

Being the leading 4G provider, offering competitive, transparent data products across consumer and enterprise segments. A clear focus on customer experience to provide a competitive advantage when appealing to new customers

- **95.0%** of sites are now on 4G, an increase of **15.2%** in the year
- **17.8%** increase in data customer base to **64.4 million**, now constituting **42.1%** of our total customer base
- **42.3%** growth in 4G customer base, with **58.6%** of our data customers now on 4G
- **45.5%** growth in total data usage to **3,934 billion MB**
- **20.8%** increase in data usage per customer per month
- 4G data usage per customer per month at **8.5 GB**, up **17.2%**
- 4G data usage **contributes 80.8%** of total data usage



Win with mobile money

Providing affordable and accessible financial services across our markets with a reliable and scalable platform and a strong distribution network. Enabling the expansion of the digital fintech ecosystem and merchant network

- Exclusive infrastructure network² increased by **37%** to over **109k**.
- Multi-brand agents in our network increased by **53.1%**
- **20.7%** increase in Airtel Money customer base, to **38.0 million**
- **38.2%** growth in transaction value¹ to **\$112.3bn**
- Transaction value per customer¹ up **13.1%**

1. Growth in constant currency.

2. Exclusive infrastructure network includes Airtel Money Branches, Kiosks and mini-shops.

'Win with' strategy



Win with cost

Consistently challenge the 'norm' and focus on driving increased efficiencies, leveraging our scale across the continent. Flexibility to adapt to changing circumstances and drive improving returns

- Resilient EBITDA margins of **48.8%** despite significant currency headwinds
- Increased proportion of digital recharges across the customer base
- Roll out of new energy efficient sites and conversion of off-grid sites to on-grid to reduce diesel consumption
- Collaborations with TowerCo partners to reduce US dollar exposure and energy cost volatility
- EBITDA margins increase by **450bps** over the last 4 years
- Return on capital of **23.0%**, a decline of only 31bps despite significant currency devaluation



Win with people

Providing an environment that encourages focused and results oriented people with a growth mindset, whilst ensuring respectful and inclusive values across the Group

- **28.3%** women in workforce, up from 26% in prior year
- **28.5%** women in ExCo across our OpCos
- **43** different nationalities across the group
- Sustained employee engagement programme through enhanced training and development to improve productivity
- Supporting talent development through 'African Mobility' and 'Women for Tech' programmes
- Development of retention schemes, flexible pay mix and strong performance management cycle



Strategy in action: Zambia



100% of sites **4G enabled**
provides compelling offering to
customer base and supports
market position



Affordable and **reliable**
data offerings supports
48.5% growth in data traffic



9m customers, up **12%**
resulting in **59.8%** bilateral
market share ¹



\$27bn transaction value in
Airtel Money, equating to
~**100%** of **Zambian GDP**



39% increase in active agent
network as distribution focus
continues



35% CAGR growth in
revenues over the last five years



¹ Market share is bilateral customer market share versus primary competitor as of 31st December 2023



Strategy in
action: DRC



A **2.2x increase** in Airtel Money agents



Promoting self-recharge services and leveraging mobile services **distribution** platform for Airtel Money services



Airtel Money customer base up **1m** to over **3.6m**



Agent interaction to build loyalty and awareness of product offerings



1.4m customer additions as distribution focus drives increased mobile services adoption



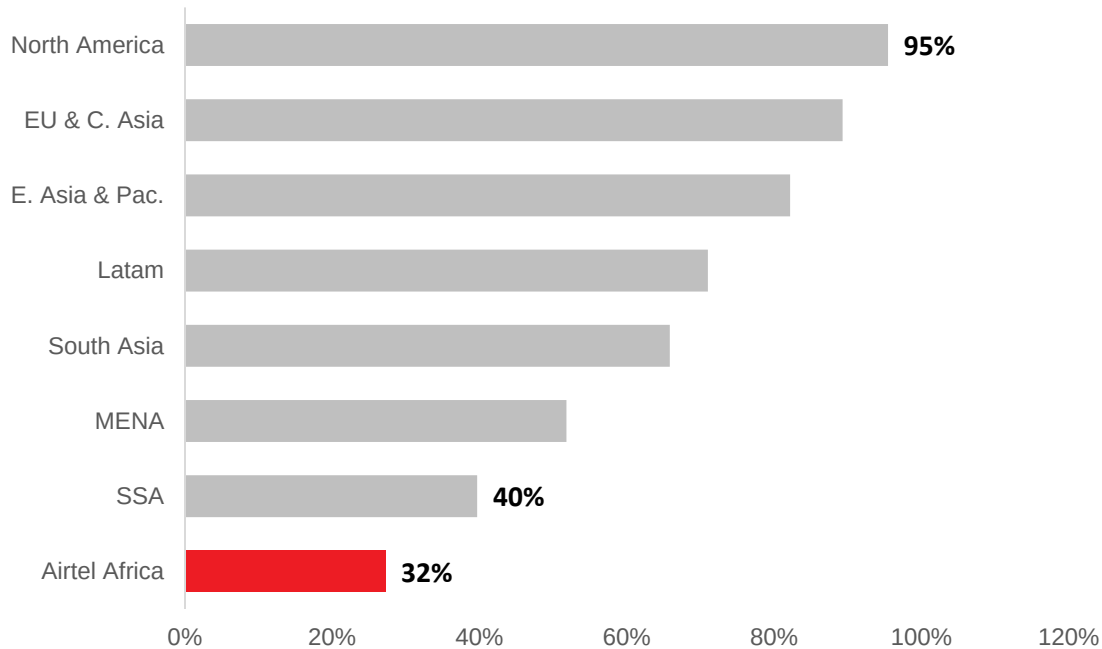
31% growth in Airtel Money revenue



Mobile money: Financial inclusion levels suggest significant opportunity

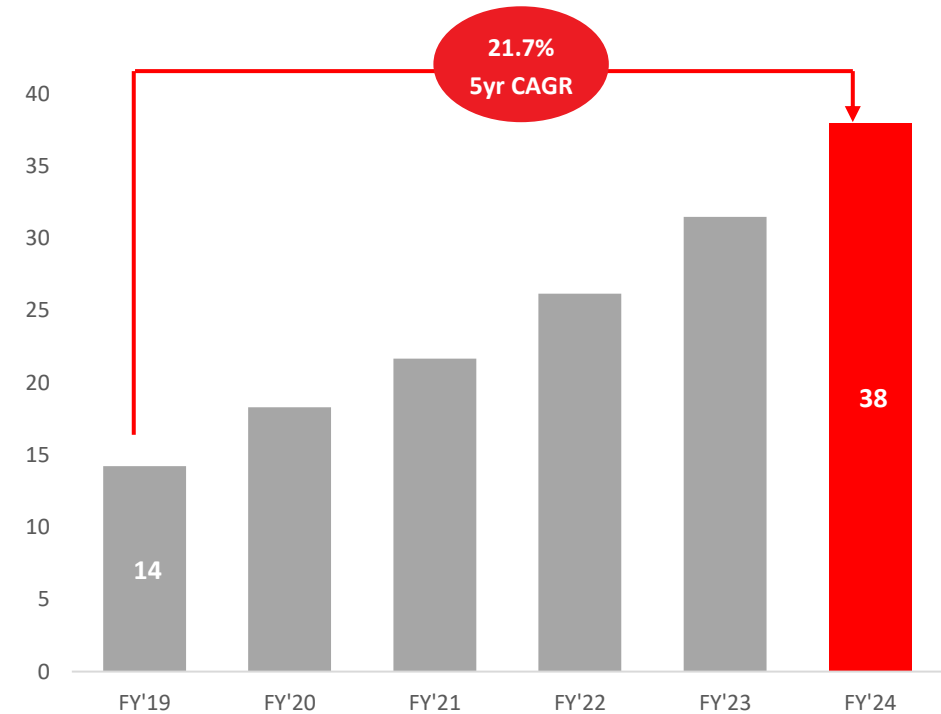
Financial inclusion remains very low vs global context

% of adults with a financial institution account¹



Supporting sustained, strong subscriber momentum

Airtel Money customer base (m)



1. World Bank Global Findex Database (2021)

MENA: Middle East and North Africa

SSA: sub-Saharan Africa

Mobile money: Solving the challenges of traditional banking services

Key barriers to driving higher financial inclusion across African markets

Trust of brand – Limited options

Brand trust built over many years. Financial institutions have under-invested in branding

Limited access to banking infrastructure

Restricted investment into branch network. Limited ability to access services

Difficult KYC requirements

Stringent documentation required to open a bank account

Limited use cases

Transactions limited based on limited branch infrastructure

Airtel Money provides solutions to drive higher financial inclusion

Brand trust built up over numerous years

Airtel Africa brand known and trusted by 153 million customers across its 14 markets

Significant distribution network

Leveraging telecoms distribution networks enables Airtel Money to reach unbanked population

Simple onboarding and efficient KYC processes

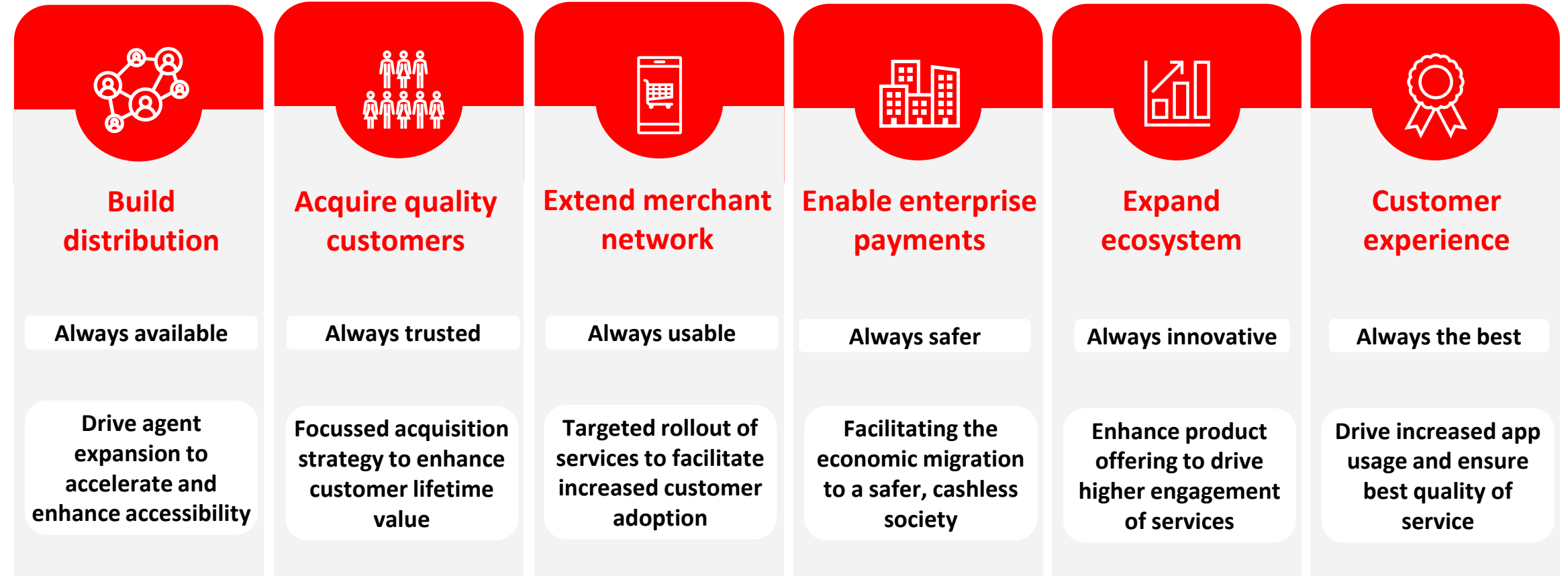
Regulation allows for simplified KYC processes to onboard a new user

Instant payments and multiple use cases

Transactions are instant, with a wide-ranging ecosystem for multiple use cases

Designed to provide affordable services to consumers across Africa by targeting micro transactions in a cost-efficient manner. Supported by a high level of compliance and stringent corporate governance framework

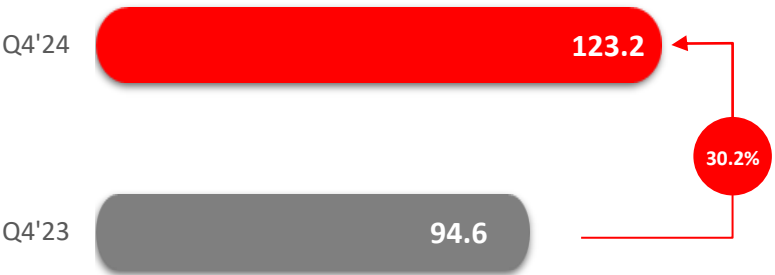
Mobile money: Strategic priorities to enable financial inclusion



Underpinned by a reliable and scalable IT platform and a robust compliance, regulatory and risk management culture

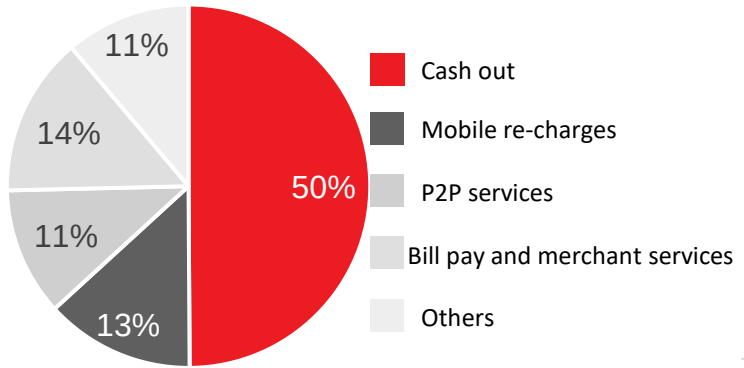
Mobile money: a diversified business, with broad ecosystem of products

Annualised transaction value (\$bn)



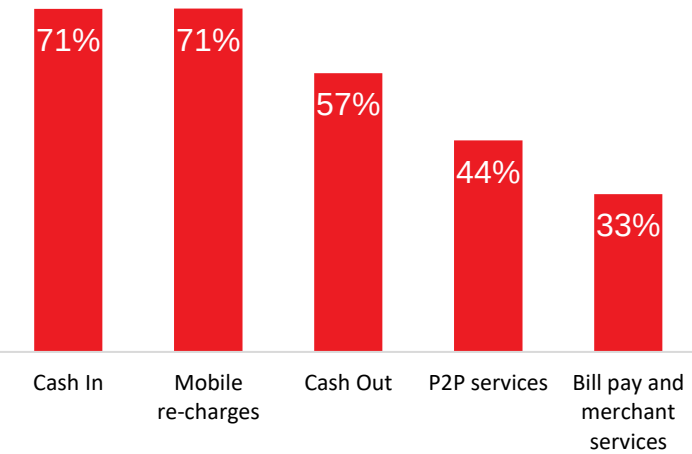
Note: In constant currency

Revenue contribution %



Note: Revenue contribution is for FY'24 in constant currency.

Users as % of Airtel Money customers



Partner ecosystem



A man with short dark hair, wearing glasses and a blue button-down shirt, is sitting at a wooden desk. He is holding a black smartphone to his ear with his right hand and looking towards a laptop on the left. A white mug is on the desk in front of him. The background is a bright, slightly out-of-focus interior space with a white shelf holding some objects.

Financial review

Performance across key metrics

Customers

152.7m

+9.0% YoY

(FY'23: 140.0m)

Revenue

\$4,979m

+20.9% YoY

(FY'23: \$5,255m)

EBITDA

\$2,428m

+21.3% YoY

(FY'23: \$2,575m)

OFCF

\$1,691m

(7.4%) YoY

(FY'23: \$1,827m)

Leverage

1.4x

Flat YoY

(FY'23: 1.4x)

Dividend per share

\$5.95c

+9% YoY

(FY'23: \$5.45c)

Significant events impacting FY'24 financial results

Material currency headwinds

Nigerian naira devaluation to NGN1,303 over the year

- On 14 June 2023, the Central Bank of Nigeria (CBN) abolished segmentation and introduced the 'willing buyer/willing seller' model at the I&E window. In June 2023, the naira devalued from 465 per US dollar to close at 752 per US dollar.
- Continued market forces saw the naira devalue further to 952 per US dollar by December 2023.
- On 29 January 2024, the FMDQ Securities Exchange amended the computation for the NAFEX rate. This contributed to a further devaluation, with the naira closing at 1,303 per US dollar on 31 March 2024.

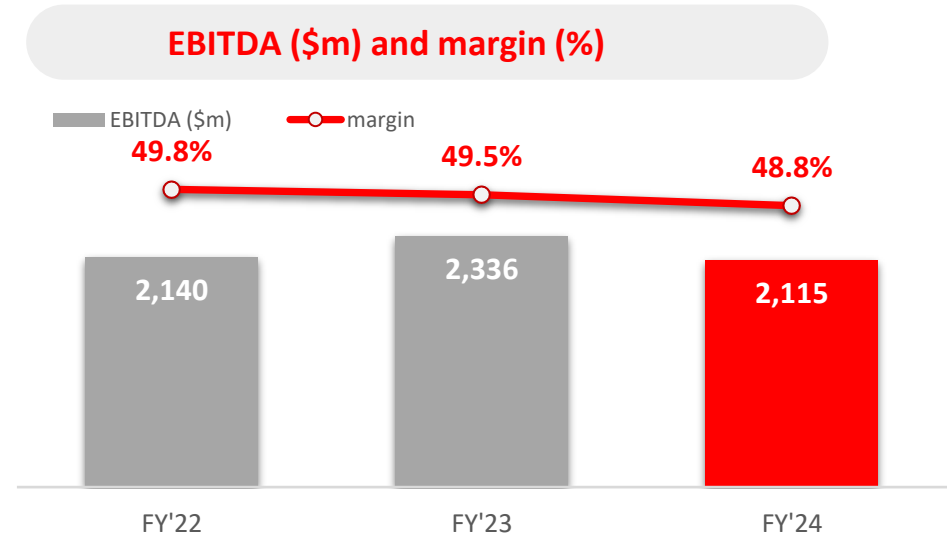
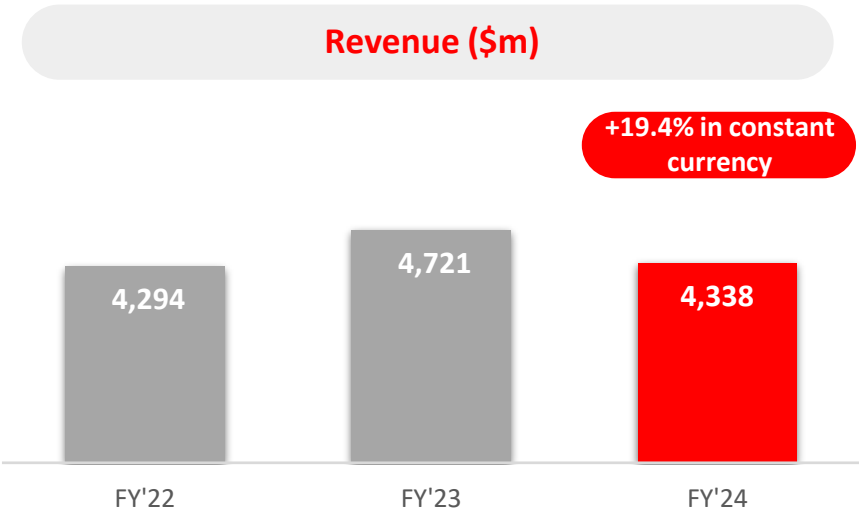
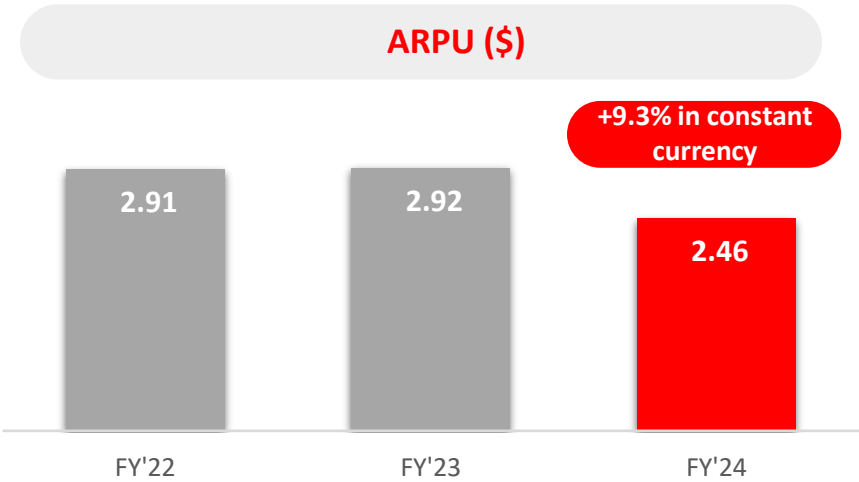
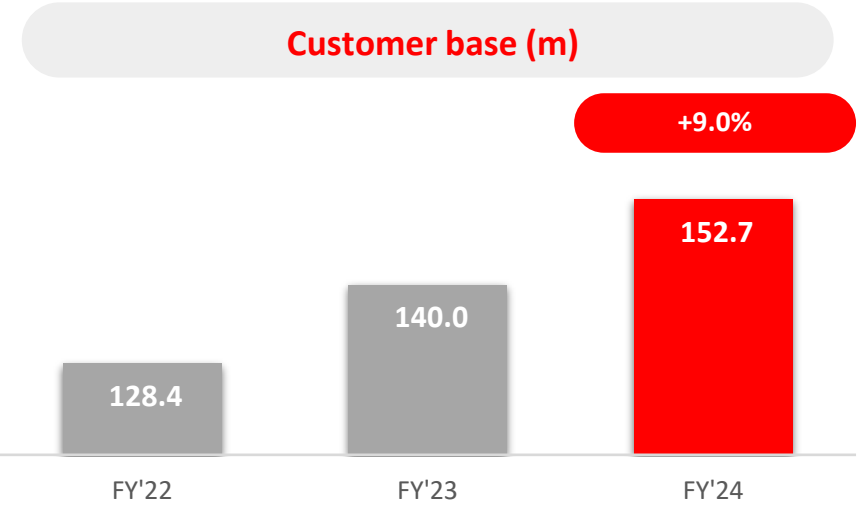
Malawi kwacha devaluation to MWK1,700

- In November 2023, the Reserve Bank of Malawi adjusted the selling rate from MWK1,180 per US dollar to MWK1,700 with effect from 9 November 2023

Impact on reported currency results

- Reported currency revenue and EBITDA in FY'24 negatively impacted by **\$1,042 and \$554m** respectively as a result of the naira devaluation
- Group EBITDA margin **impacted by 70bps** as a result of a lower contribution from Nigeria following the devaluation
- **FX losses of \$1,070m** reflecting the revaluation of US dollar liabilities and derivatives, out of which \$770m treated as an exceptional item
- **FCTR loss of \$0.9bn** including \$0.75bn on goodwill.
- Exceptional FX loss of **\$37m** was recorded relating to the Malawi devaluation reflecting the revaluation of US dollar liabilities.

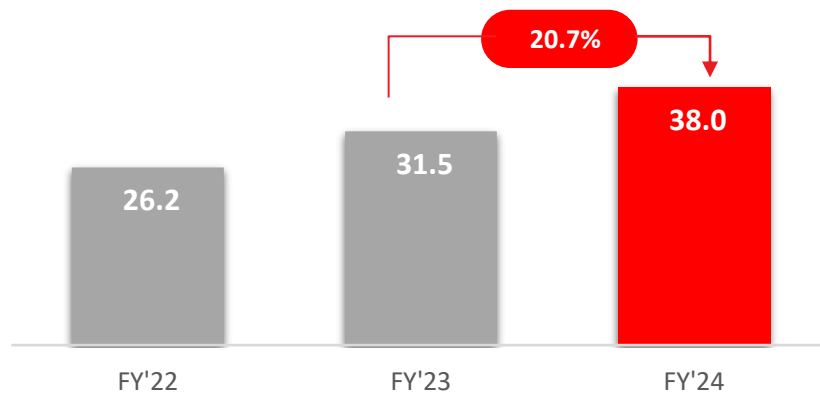
Mobile services: Trends supported by sustained customer and ARPU growth



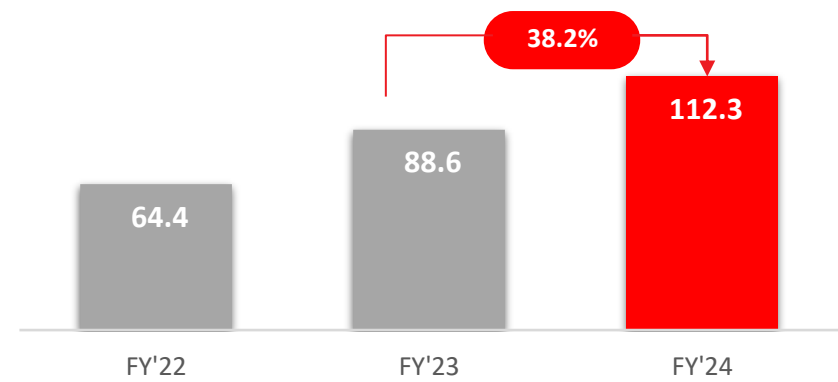
Note: Growth rates are in constant currency unless otherwise stated.

Mobile Money: Revenue growth supported by increased adoption of services

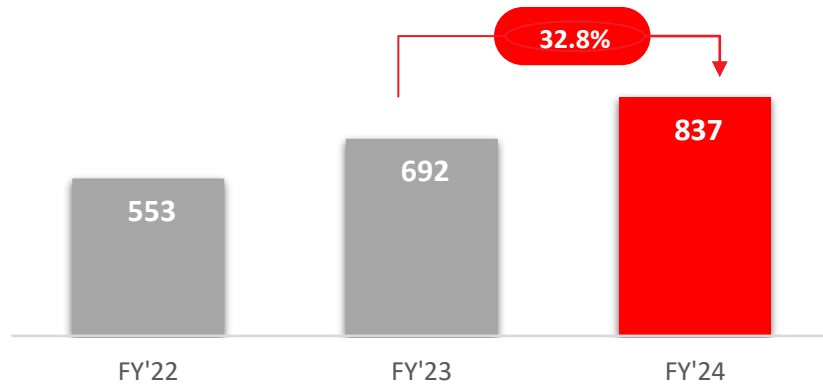
Customer base (m)



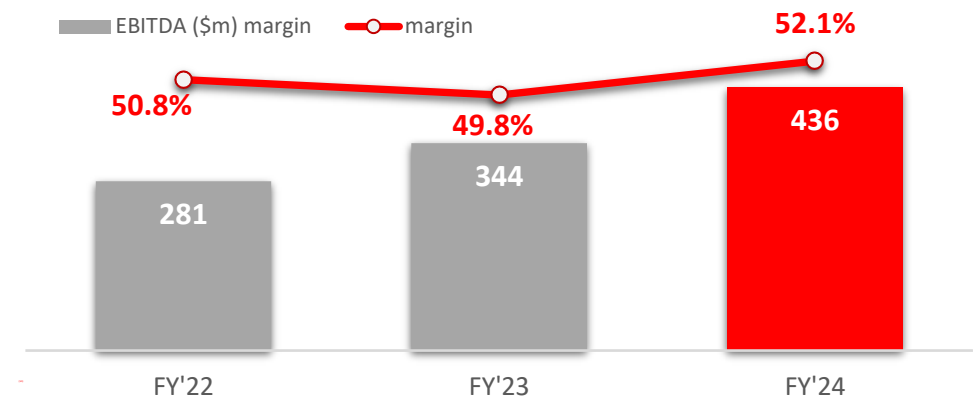
Transaction value (\$bn)

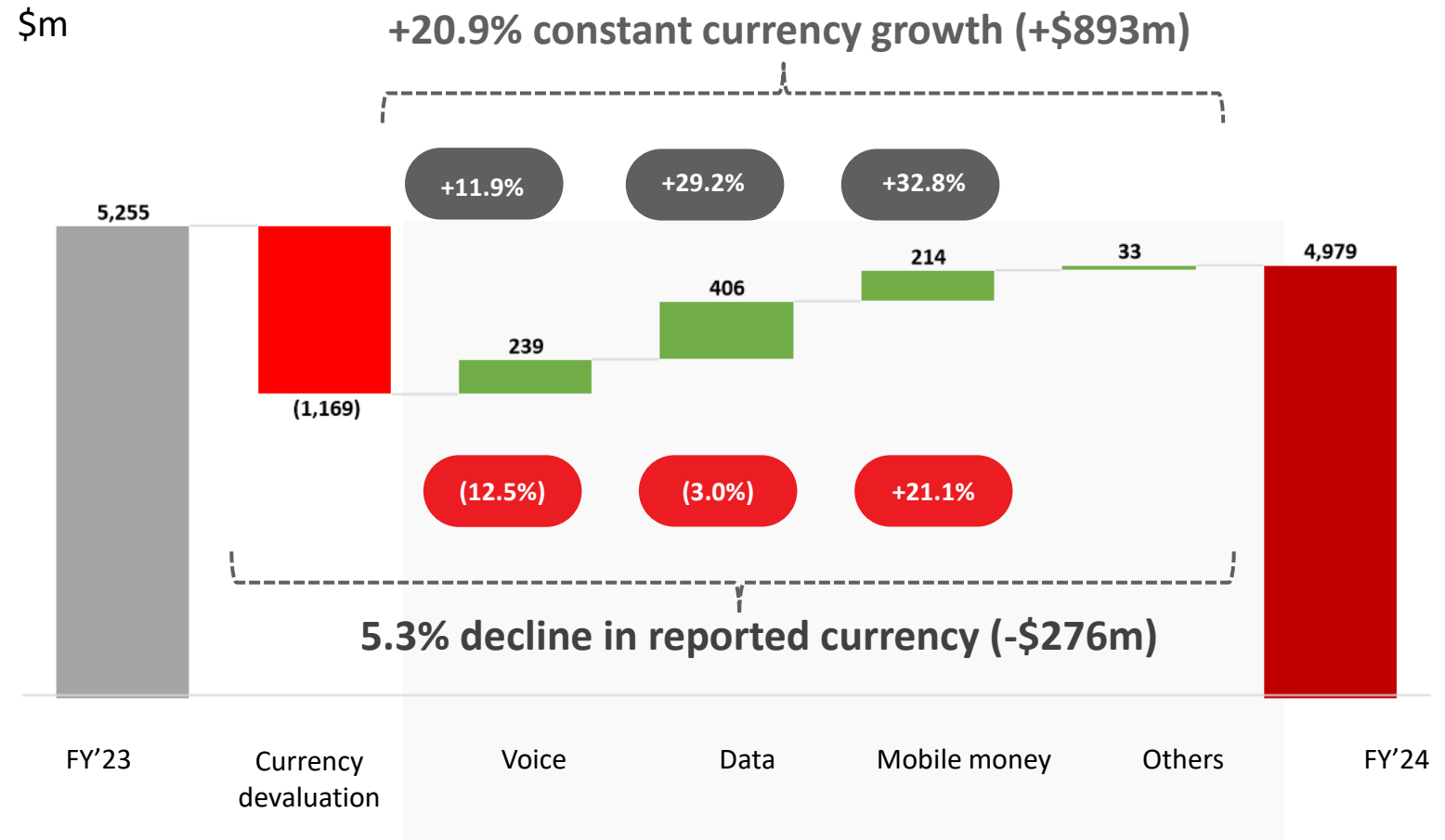


Revenue (\$m)



EBITDA (\$m) and margin (%)



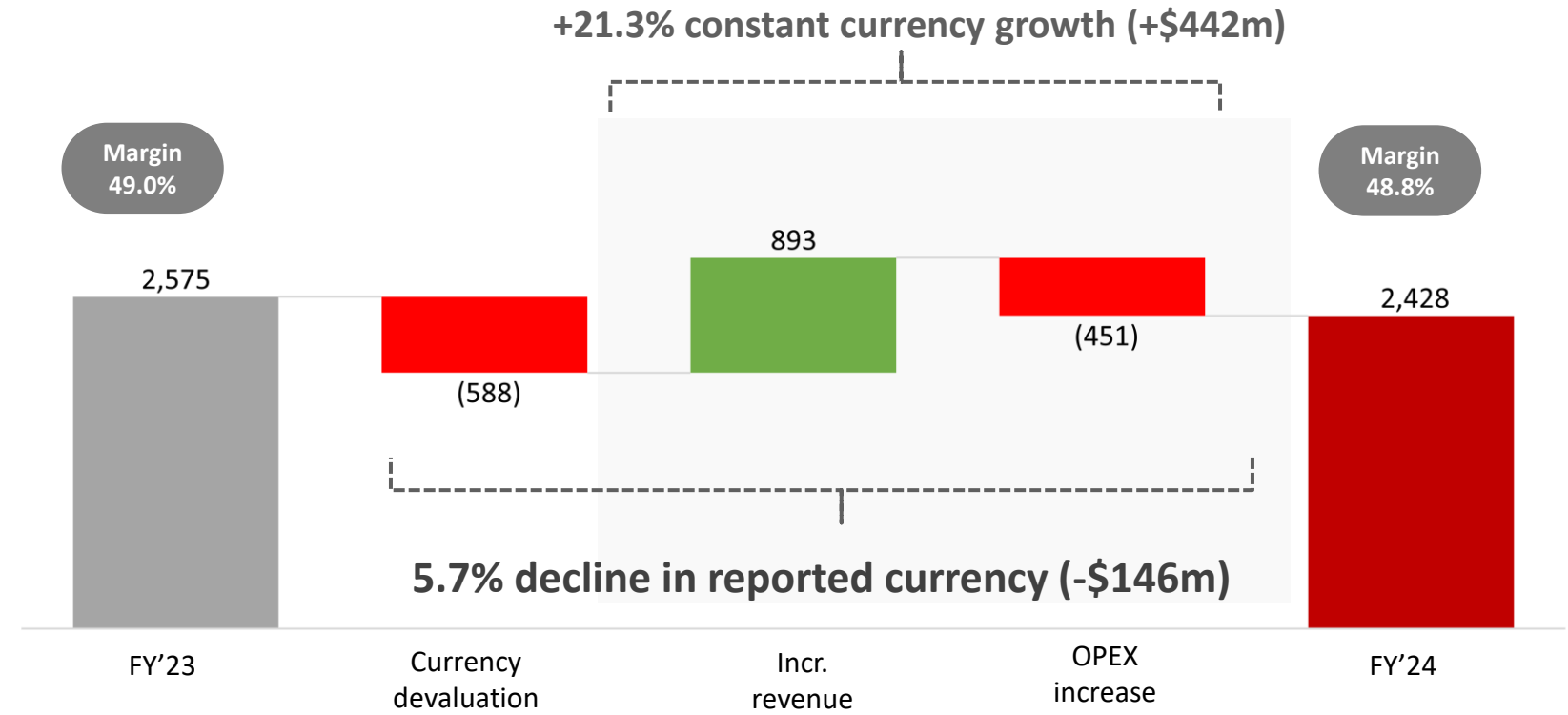


Currency devaluation sensitivities for revenues: On a 12-months basis -

- 1% USD appreciation across all currencies in our OpCos would have a negative impact of \$45m - \$47m on revenues.
- Our largest exposure is to the Nigerian naira where 1% USD appreciation would have a negative impact of \$10m- \$11m on revenues.

**Double digit
revenue growth
across voice, data
and mobile money**

\$m



Currency devaluation sensitivities for EBITDA: On a 12-months basis -

- 1% USD appreciation across all currencies in our OpCos would have a negative impact of \$21m - \$22m on EBITDA.
- Our largest exposure is to the Nigerian naira where 1% USD appreciation would have a negative impact of \$5m- \$6m on EBITDA.

EBITDA growth of
21.3% in constant
currency, with
resilient margins of
48.8%

Nigeria: Sustained momentum despite FX and inflationary challenges

- Voice revenue grew by 19.6% driven by both customer base growth of 5.3% and voice ARPU growth of 13.2%
- Data revenue grew by 32.1% in constant currency, driven by a strong growth in 4G adoption. Data ARPU increased 14% over the period
- Total revenue increased by 25.9% while reported currency revenues declined due to sharp devaluation in Nigeria Naira
- EBITDA margins increased 202bps over the year, driven by strong constant currency revenue growth, supported by continued opex efficiencies. Diesel prices increased sharply in Q4'24

Data customer base

27.4m

+14.9% YoY

Voice revenue

\$711m

+19.6% YoY

Data revenue

\$654m

+32.1% YoY

Total revenue

\$1,504m

+25.9% YoY

EBITDA

\$805m

+30.8% YoY

EBITDA margin

53.5%

+202 bps YoY

East Africa: Strong growth across the base, with 36% growth in mobile money

- Voice revenue growth of 14.8% driven by a combination of both customer and ARPU growth.
- Data revenue growth led by continued expansion of 4G infrastructure and 5G rollout in 4 markets.
- Expansion of the distribution network and sustained demand for a range of products and services, drove mobile money revenue up 36.0% in the period
- Total revenue increased 24.6% reflecting the sustained demand, affordability and resilience of the revenue despite inflationary pressures.
- Resilient EBITDA margins of 53.3%, despite the impact of rising energy costs in many markets.

Voice revenue

\$851m

+14.8% YoY

Data revenue

\$621m

+31.0% YoY

Mobile money revenue

\$635m

+36.0% YoY

Total revenue

\$2,125m

+24.6% YoY

EBITDA

\$1,134m

+23.8% YoY

EBITDA margin

53.3%

(31) bps YoY

Francophone Africa: Growth impacted by geo-political and inflationary headwinds

- Voice revenue flat as customer growth was offset by ARPU pressure resulting from increased inflationary pressures on consumer spend.
- Data revenue growth driven by customer growth of 16% and increased usage as 4G network expansion continues.
- Total revenue increased by 10.3% despite political instability and inflationary headwinds in key markets.
- EBITDA margin at 46.0%, declined partly due to one-time opex benefits in prior period.

Voice revenue

\$622m

+0.4% YoY

Data revenue

\$459m

+22.9% YoY

Mobile money revenue

\$200m

+22.3% YoY

Total revenue

\$1,350m

+10.3% YoY

EBITDA

\$620m

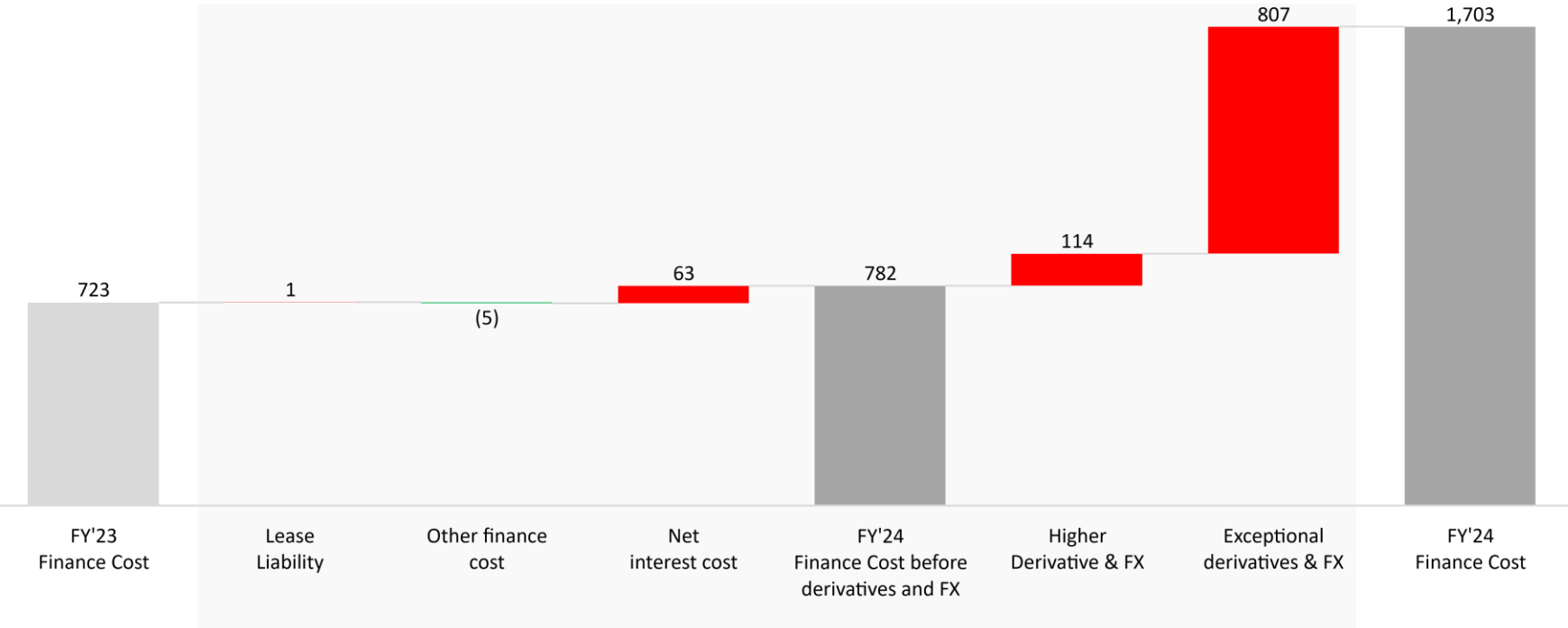
+8.1% YoY

EBITDA margin

46.0%

(97) bps YoY

\$m

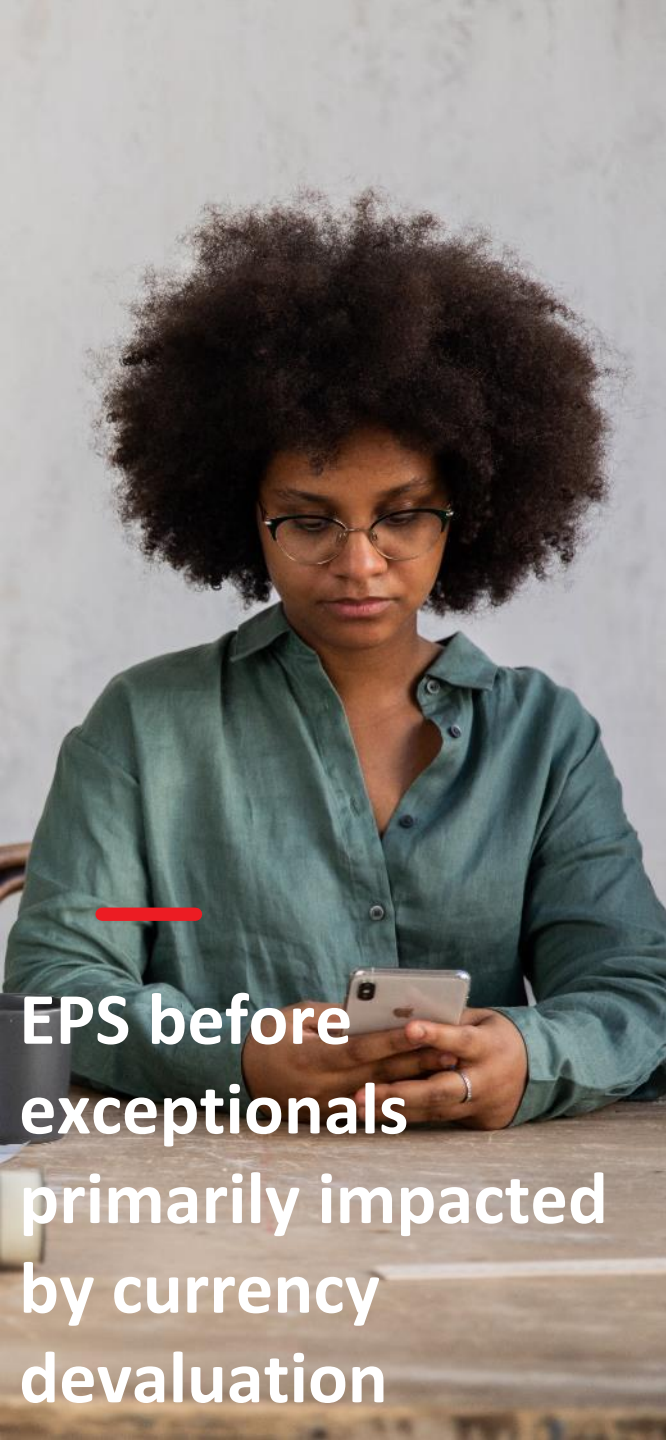


Increase in net interest cost is largely driven by higher local currency debt at OpCos at a higher interest rate.

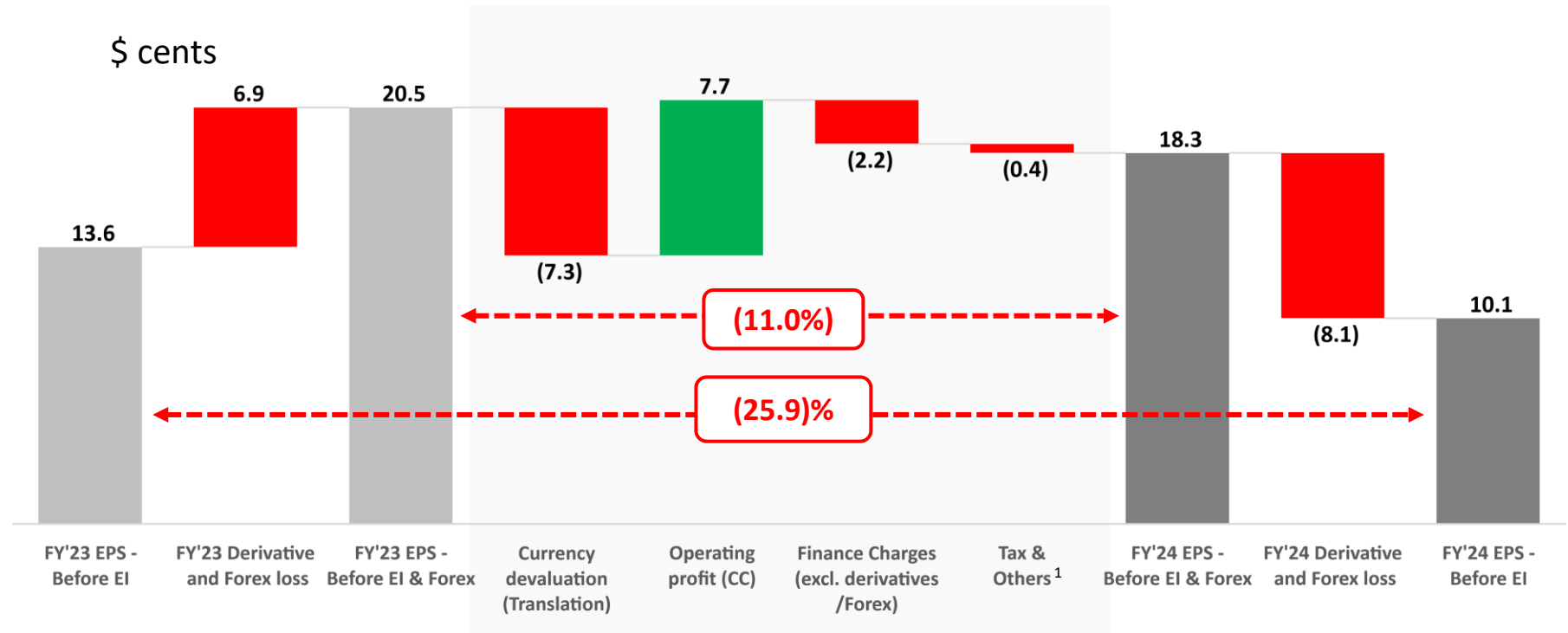
- 1% of USD appreciation across all currencies in our OpCos would have a negative impact of \$21m - \$23m on foreign exchange loss (excluding derivatives).
- Our largest exposure is to Nigerian naira where 1% USD appreciation would have a negative impact of \$8.5m - \$10.5m on foreign exchange loss (excluding derivatives).



Finance costs
impacted by higher
derivative and
foreign exchange
losses



EPS before
exceptionals
primarily impacted
by currency
devaluation

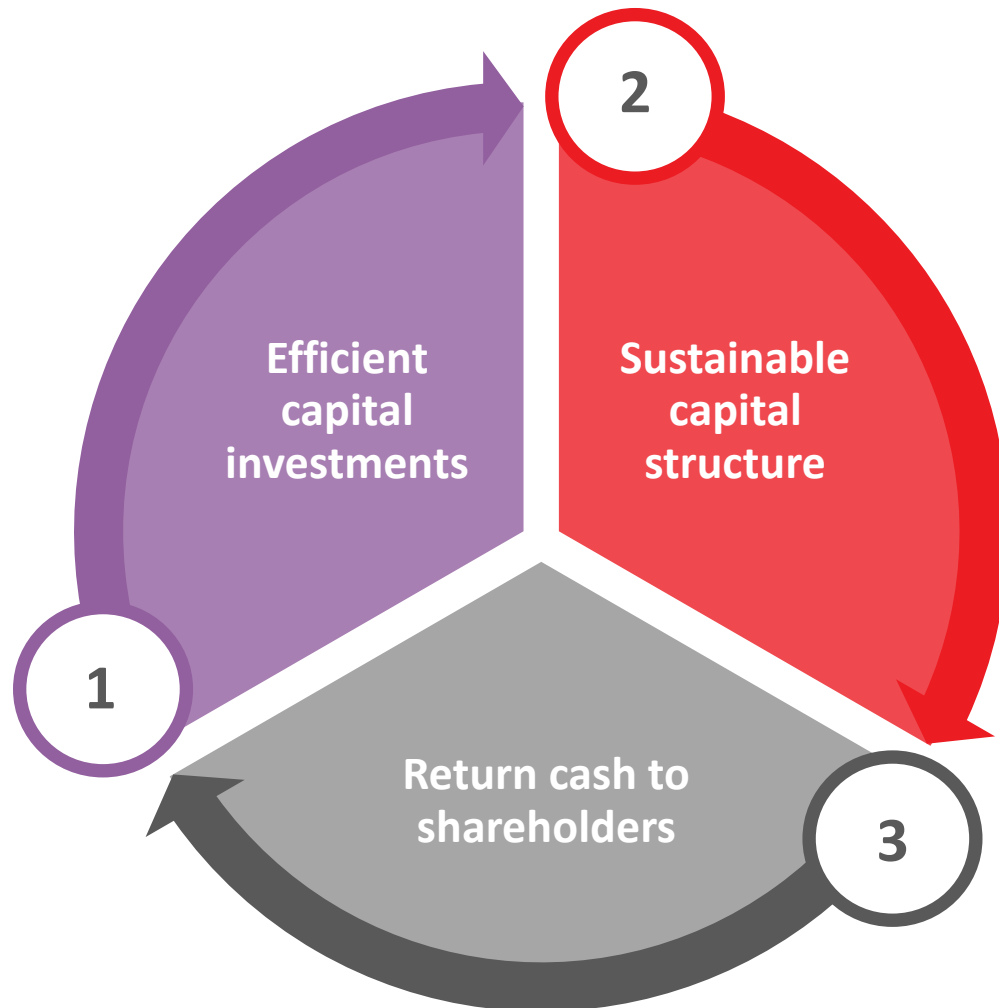


- EPS before exceptional items was 10.1 cents (declined by 25.9% from 13.6 cents in the prior year).
- Exceptional derivative and foreign exchange losses in the current period has further negatively impacted pre-exceptional EPS by 14.5 cents. Hence, basic EPS for the current period was negative 4.4 cents.
- 1% of USD appreciation across all currencies in our OpCos would have a negative impact of \$21m - \$23m on foreign exchange loss (excluding derivatives).
- Our largest exposure is to Nigerian naira where 1% USD appreciation would have a negative impact of \$8.5m - \$10.5m on foreign exchange loss (excluding derivatives).

Notes:

1. Others includes a change in minority shareholder PAT and profit/(loss) on joint ventures.

A balanced and transparent capital allocation policy



1

Group capex (excluding spectrum) of \$737m lower than our guidance for the year, due to focussed capex deployment and deferral in data centre investments. Capex (excluding spectrum) guidance for FY'25 of \$725-\$750m.

2

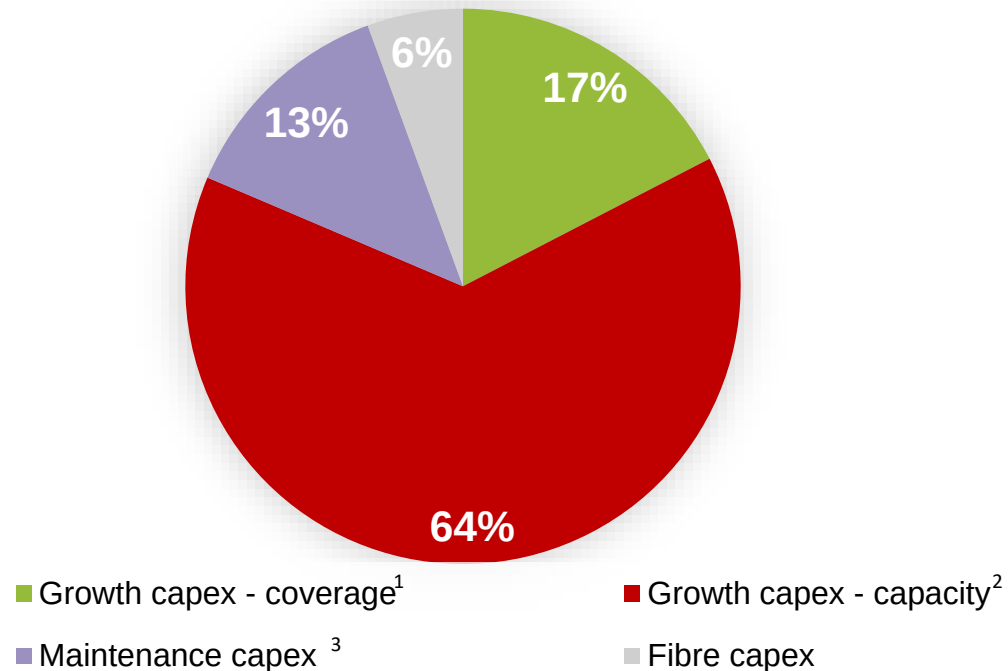
Net debt/EBITDA of 1.4x, flat YoY. Continued focus on strengthening the balance sheet.

3

Progressive dividend policy aims to grow the dividend annually by a mid-to-high single digit percentage. The Board has recommended a final dividend of 3.57 cents per share, making a total dividend of 5.95 cents per share for FY'24, growing 9%. First tranche of \$100m buyback launched on 1 March 2024.

Continuing to invest for future growth opportunities

Capital expenditure in FY'24 (\$737m)



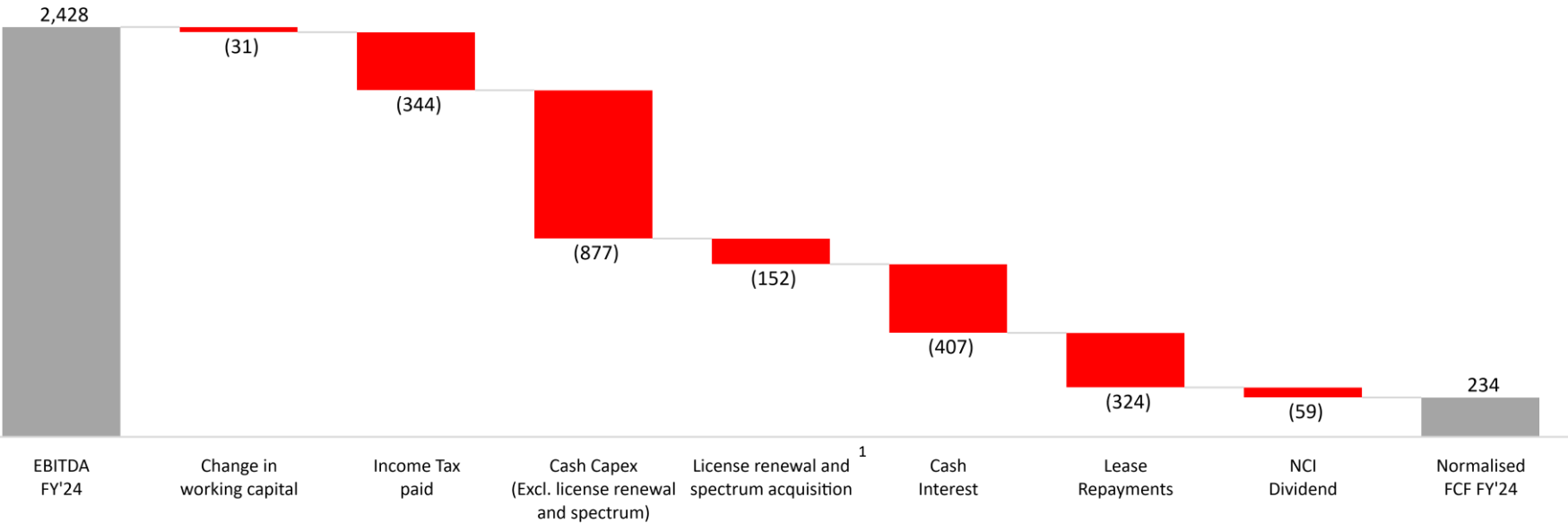
Investing to support future growth

- Total capital expenditure of \$737m, marginally lower from prior period.
- 87%+ of capex investment is towards growth initiatives, targeting enhanced network capacity, increased coverage and ensuring reliable connectivity.
- Data capacity increased by 32.7% to 31,700+ TB per day, with peak hour data utilization at 53.0%
- 95.0% of sites upgraded to 4G.
- Rolled out around 5,000 km of fibre over the last year resulting in 75,400+ km of total fibre deployment.

Notes:

1. Growth capex – Coverage includes new sites for additional population coverage, distribution expansion and enterprise.
2. Growth capex – Capacity includes new sites and transmission for capacity enhancement and IT capex.
3. Maintenance capex mainly includes core network and replacement capex.

\$m



Normalized free cashflow is defined as cash from operations (excl. mobile money wallet balance) less cash interest, cash tax, lease repayments, capex (tangible & intangible) and payouts to non controlling interests in subsidiaries. However, it does not include one-off transaction impacts like significant acquisitions & disposals and other non operating transactions.

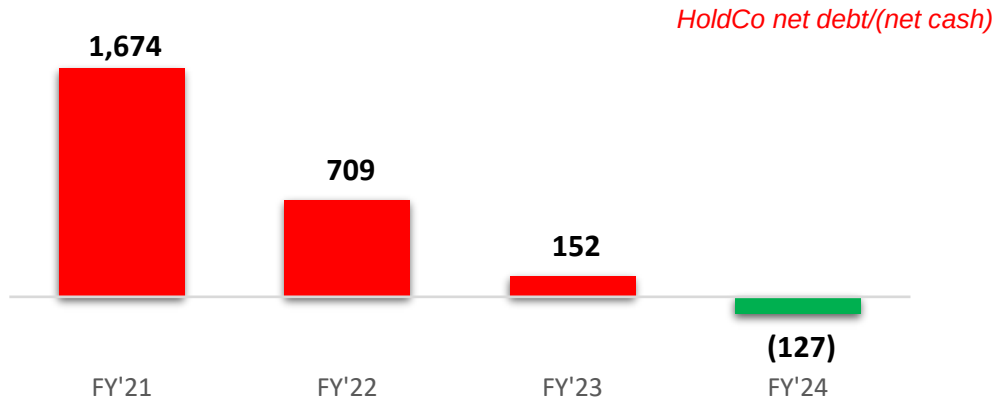
Note:

1. License renewal and spectrum acquisition includes \$127m of spectrum renewal for 2100 MHz license in Nigeria.

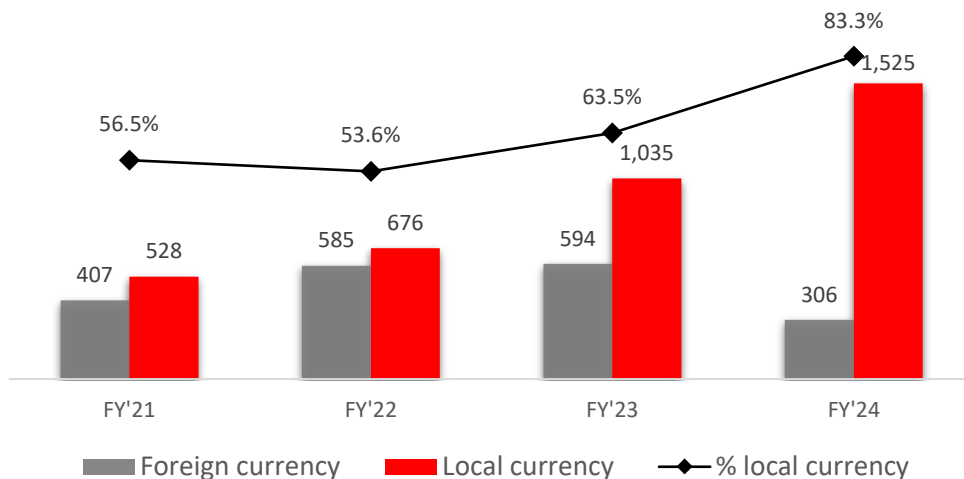
Positive normalised
free cash flow despite
foreign exchange
headwinds

Localising debt and de-risking balance sheet with net cash at HoldCo

HoldCo now in a net cash position



Localisation of OpCo debt continues



Notes: Leverage is calculated as gross debt (including lease liabilities) less cash and cash equivalents (including deposits with banks) divided by the last 12 months Group EBITDA.

Balance sheet strength maintained despite investments

	As of Mar 31, 2024		As of Mar 31, 2023	
	\$m	Times	\$m	Times
OpCo Debt:	1,831	0.7x	1,629	0.6x
- Foreign Currency	306	0.1x	594	0.2x
- Local Currency	1,525	0.6x	1,035	0.4x
Less: OpCo Cash and cash equivalent	(288)	(0.1x)	(304)	(0.1x)
OpCo Net Debt	1,543	0.6x	1,325	0.5x
HoldCo Debt:	550	0.2x	550	0.2x
Less: HoldCo Cash and cash equivalent	(677)	(0.3x)	(398)	(0.2x)
HoldCo Net Debt	(127)	(0.1x)	152	0.1x
Group Net Debt (Excl. lease liabilities)	1,416	0.5x	1,477	0.6x
Lease liabilities	2,089	0.9x	2,047	0.8x
Group net Debt (Incl. lease liabilities)	3,505	1.4x	3,524	1.4x

- Cash at HoldCo was \$677m at the end of the period, resulting in a net cash position at HoldCo. The Group is fully geared to repay the HoldCo debt of \$550m when due in May 2024 using this cash.
- The weighted average interest rate was 10.1% versus 7.7% in the prior year, largely due to increase in base rate and increase in local currency OpCo debt.
- Over 83% of OpCo debt in local currency, up from 64% in the prior year. 58% of lease liabilities are US dollar denominated.
- Leverage was flat from previous year.

Currency devaluation impact to near-term outlook

Naira devaluation impact on results

- The staggered devaluation of the naira during the year means the full impact of the entire naira devaluation has not been reflected in FY'24 results
- If the closing rate of 1,303 NGN/USD were to be used to consolidate the results of the Group for the year ended 31 March 2024:
 - Reported revenue would have declined by 16.7% to \$4,376m,
 - EBITDA would have declined 18.3% to \$2,104m
- Q4'24 EBITDA margins of 46.5% largely reflects the latest FX and inflationary environment

Initiatives to limit future impact

- Focussed distribution expansion to capture significant untapped demand and support revenue growth
- Continue investing in network and drive improved customer experience. Enhance consumer and enterprise offerings to seize additional growth opportunity
- Work with partners to reduce US dollar exposure and stringent cost focus, particularly energy costs
- Judicious approach to capital investment to secure highest return on investment
- Reduce exposure of balance sheet to US dollar to limit FX devaluation impact

Conclusion





Summary and outlook



The growth opportunity that exists across our markets remains compelling, and we remain focused on delivering against this opportunity.

We will continue to focus on margin improvement from the recent levels as we progress through the year.

Q&A

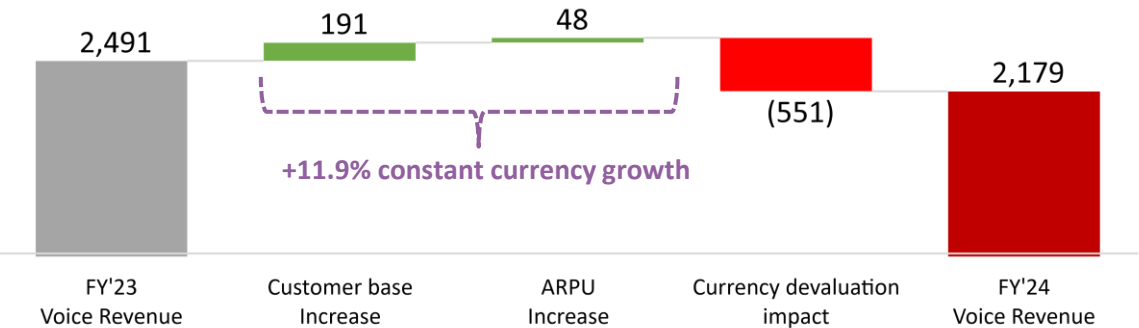


Appendix

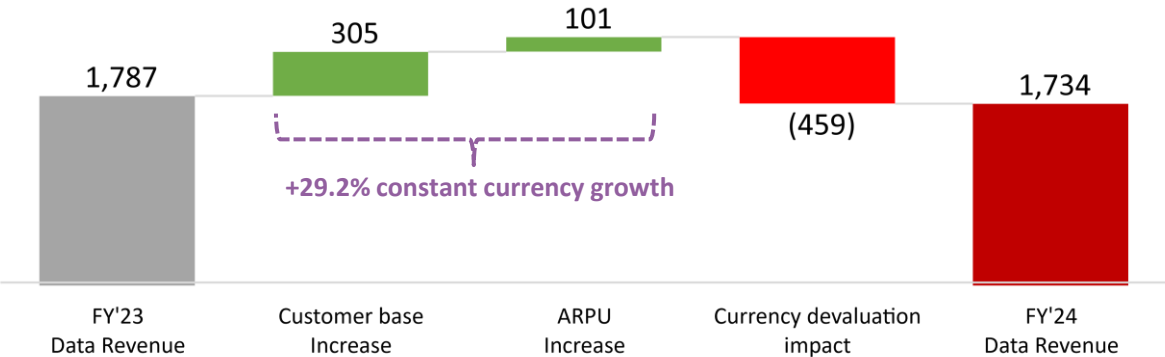


Growth by service segment waterfalls

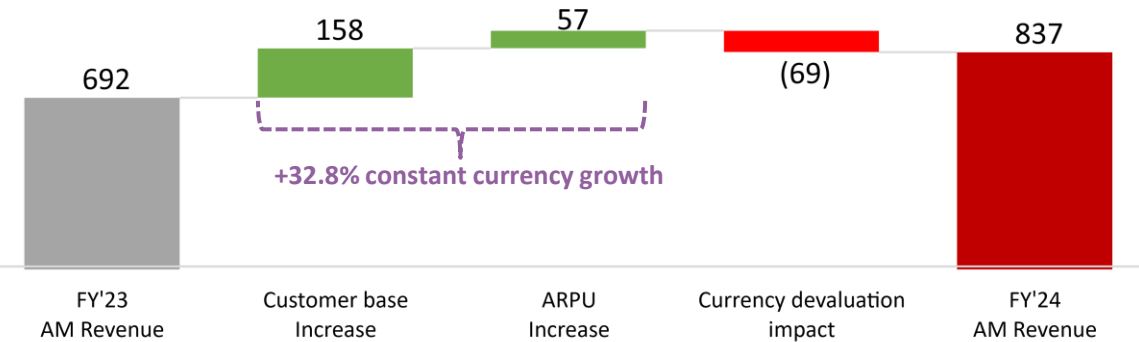
Voice revenue (\$m)



Data revenue (\$m)



Mobile money revenue (\$m)



Effective tax rate

Description	Unit of measure	Full-year ended			Full-year ended		
		Mar-24			Mar-23		
		Profit before taxation	Income tax expense	Tax rate %	Profit before taxation	Income tax expense	Tax rate %
Reported effective tax rate (after EI)	\$m	(63)	26	(41.1%)	1,034	284	27.4%
Exceptional Items	\$m	807	258		-	161	
Reported effective tax rate (before EI)	\$m	744	284	38.3%	1,034	445	43.0%
Adjusted for:							
Foreign exchange rate movement for loss making entity and/or non-DTA operating companies & holding companies	\$m	57	-		106	-	
One-off adjustment and tax on permanent differences	\$m	-	24		5	(1)	
Effective tax rate (ETR)	\$m	801	308	38.4%	1,145	444	38.8%

Finance cost and forex

Description	FY'24	FY'23	Change
	\$m	\$m	\$m
Interest on debt	224	152	72
Interest income	(38)	(29)	(9)
Net interest cost	186	123	63
Interest on lease liabilities	195	194	1
Other Finance Charges	63	68	(5)
Finance Charges (Excluding derivative and FOREX)	444	385	59
Derivative and FOREX (gain)/loss	452	338	114
Total Finance Charges (Excluding exceptional Items)	896	723	173
Exceptional Items	807	-	807
Total Finance Charges (Including exceptional Items)	1,703	723	980

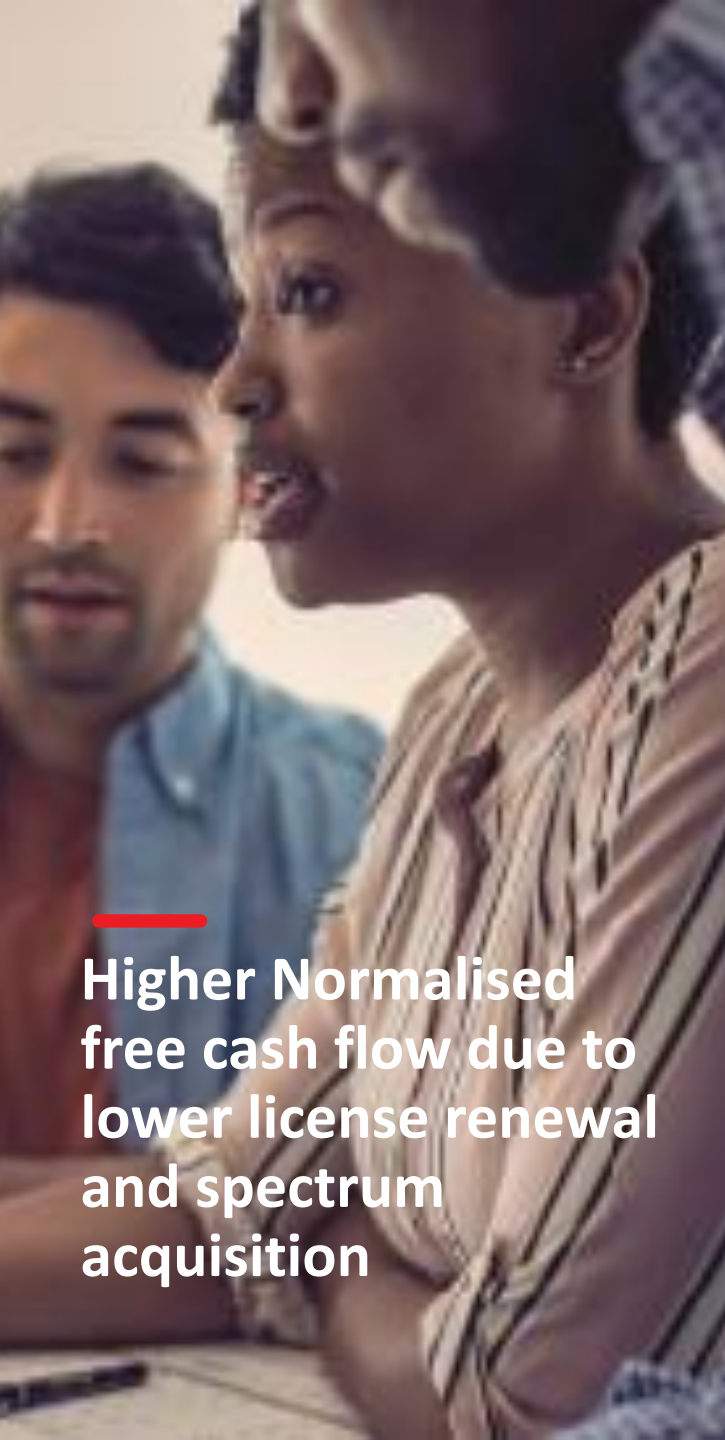
Total finance charges were higher by \$980 m, mainly due to:

- **Increase in net interest cost by \$63m**, primarily due to higher local currency debt at OpCos at a higher interest rate.
- **Derivatives and forex losses at \$452m**, \$114m higher compared to prior period.

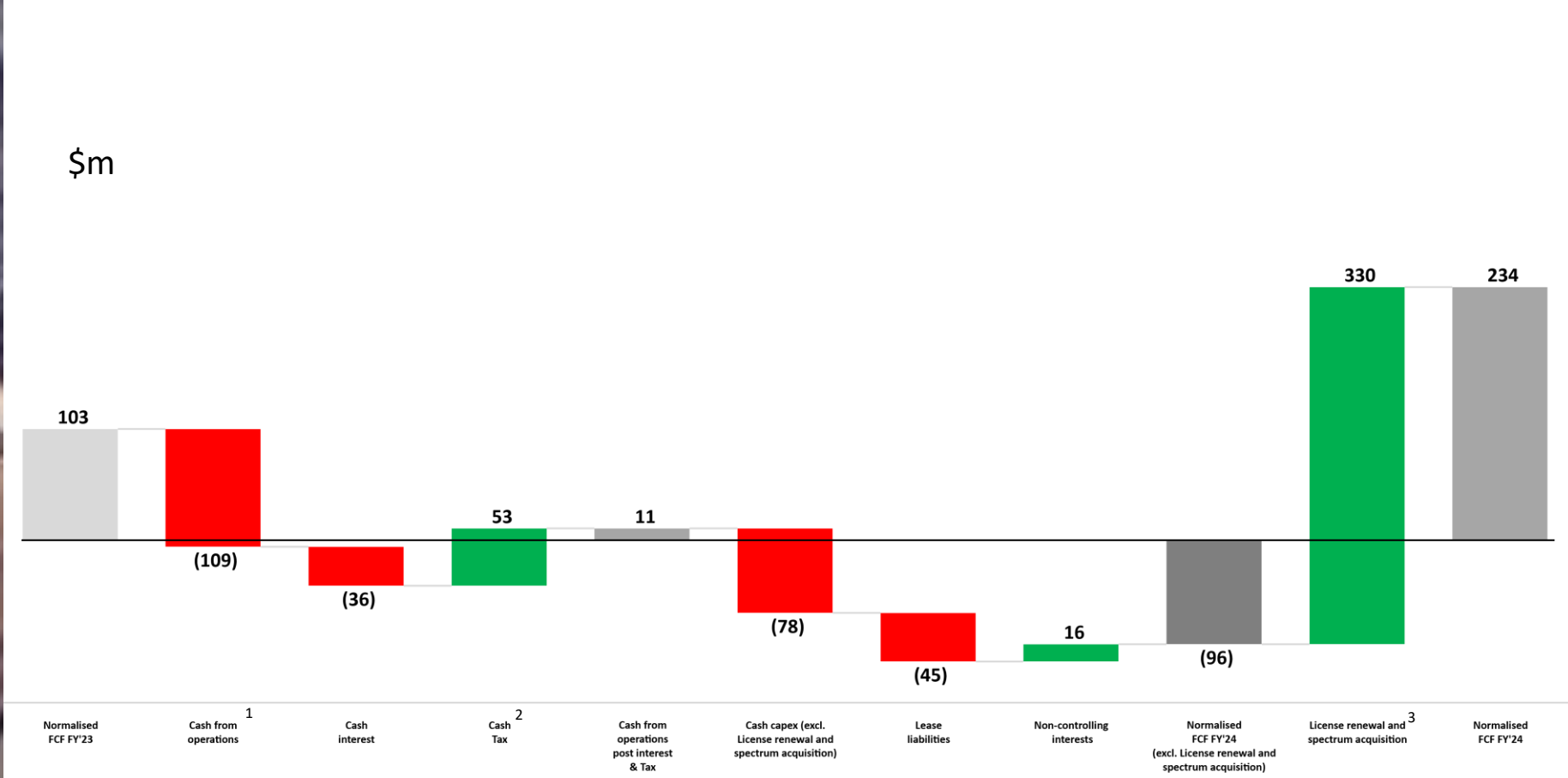
Exceptional Items of \$807m in current period is primarily related to naira devaluation .

Currency devaluation sensitivities for finance costs: On a 12-months basis

- 1% of USD appreciation across all currencies in our OpCos would have a negative impact of \$21m - \$23m on foreign exchange loss (excluding derivatives).
- Our largest exposure is to Nigerian naira where 1% USD appreciation would have a negative impact of \$8.5m - \$10.5m on foreign exchange loss (excluding derivatives).



Higher Normalised free cash flow due to lower license renewal and spectrum acquisition



Normalized free cashflow is defined as cash from operations (excl. mobile money wallet balance) less cash interest, cash tax, lease repayments, capex (tangible & intangible) and payouts to non controlling interests in subsidiaries. However, it does not include one-off transaction impacts like significant acquisitions & disposals and other non operating transactions.

Note:

1. Cash from operations is net cash generated from operations before taxes during the year (excluding increase/(decrease) in mobile money wallet balance). It is lower primarily due to lower EBITDA in current period on account of currency devaluation.
2. Cash tax paid is lower by \$53m mainly due to higher withholding tax on dividends by subsidiaries in previous period and Naira devaluation impact on tax payments.
3. License renewal and Spectrum acquisition is lower by \$330m due to higher spectrum acquisitions in Nigeria (\$317m), DRC, Tanzania, Zambia and Kenya in prior period partially offset by spectrum renewal of 2100 MHz license in Nigeria of \$127m in current period.

Currency effects – historical trends

Currency	Historical Trends				CAGR Deval/(Appr.)		
	Mar 2019	Mar 2021	Mar 2023	Mar 2024	1-year	3-year	5-year
Nigerian Naira	360.5	407.7	461.4	1,303.3	182.5%	47.3%	29.3%
Uganda Shilling	3,715.8	3,663.0	3,780.0	3,890.0	2.9%	2.0%	0.9%
Tanzania Shilling	2,312.3	2,319.0	2,341.0	2,580.0	10.2%	3.6%	2.2%
Zambian Kwacha	12.2	22.1	21.4	24.9	16.4%	4.1%	15.4%
Malawi Kwacha	730.6	786.3	1,026.4	1,733.9	68.9%	30.2%	18.9%
Kenyan Shilling	100.8	109.6	132.2	131.8	(0.3%)	6.3%	5.5%
Rwandan Franc	903.3	994.4	1,103.3	1,290.0	16.9%	9.1%	7.4%
CFA	584.3	559.4	601.7	607.3	0.9%	2.8%	0.8%
Madagascar Ariary	3,586.4	3,805.0	4,332.2	4,373.2	0.9%	4.7%	4.0%
Seychelles Rupee	13.7	21.1	13.9	14.3	2.9%	(12.0%)	1.0%

Note: based on closing exchange rates