



**Airtel Africa plc**

**Results for full year ended  
31 March 2023**

11 May 2023

# Disclaimer

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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.

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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.

**Key highlights**





**Execution of  
strategic priorities  
reflected in strong  
operating  
performance**

- ✓ Strong revenue growth as 'win-with' strategy continues to deliver
- ✓ Margin resilience despite inflationary pressures
- ✓ Continuing to invest for future growth
- ✓ De-risk balance sheet and maintain capital discipline
- ✓ Creating value for all stakeholders

# Delivering strategically, operationally, financially and sustainably



## STRATEGIC



## OPERATIONAL



## FINANCIAL



## SUSTAINABILITY

- Focused investments to enhance network coverage, with spectrum acquisitions across 6 OpCos

- Launch of mobile money services in Nigeria (SmartCash)

- Strong progress on fibre rollout with encouraging revenue generation opportunity

- Acquired land in Kenya and Nigeria to build global standard data centres

- Customers base 140m, +9.0%. Mobile money customers base 31.5m, +20.4%

- ARPU increased to \$3.3, up 7.4% in constant currency

- 90.3% of sites now on 4G, with massive MIMO rollout and selective 5G deployment

- Annualised mobile money transaction value over \$102bn<sup>1</sup> in Q4'23, +53.5% year on year

- Group revenue<sup>1</sup> growth accelerating to 18.6% in Q4'23, with 17.6% growth in FY'23

- Resilient underlying EBITDA<sup>1</sup> margin at 49.0%

- Early repayment of \$450m HoldCo bond in July 2022

- Total dividend of 5.45 cents per share, growing 9%

- Inaugural sustainability report published in October '22

- UNICEF partnership, with \$57m funding over 5 years, including in-kind contributions

- Net zero journey continues with Scope 1&2 emissions reductions plans

- First sustainability-linked loan facility announced in August 2022

1: Growth rates and transaction value in constant currency

# Delivering on our objectives despite challenging economic environment

## Operational backdrop

### Macroeconomic pressures

Discretionary spend impacted by inflationary pressures

### Inflationary challenges

Rising energy costs a key driver of operating cost increase

### Currency volatility

6.1% average devaluation in FY'23, with 8.9% average devaluation in Q4'23

### FX liquidity and rising rates

Limited availability of \$, particularly in Nigeria

## Operational performance

### Strong execution of our strategy

Resilient sector and strong execution delivers strong revenue growth

### EBITDA margin stability

Opex optimization through contract renegotiations and other initiatives.

### Resilient financial trends

Double-digit reported and constant currency revenue growth

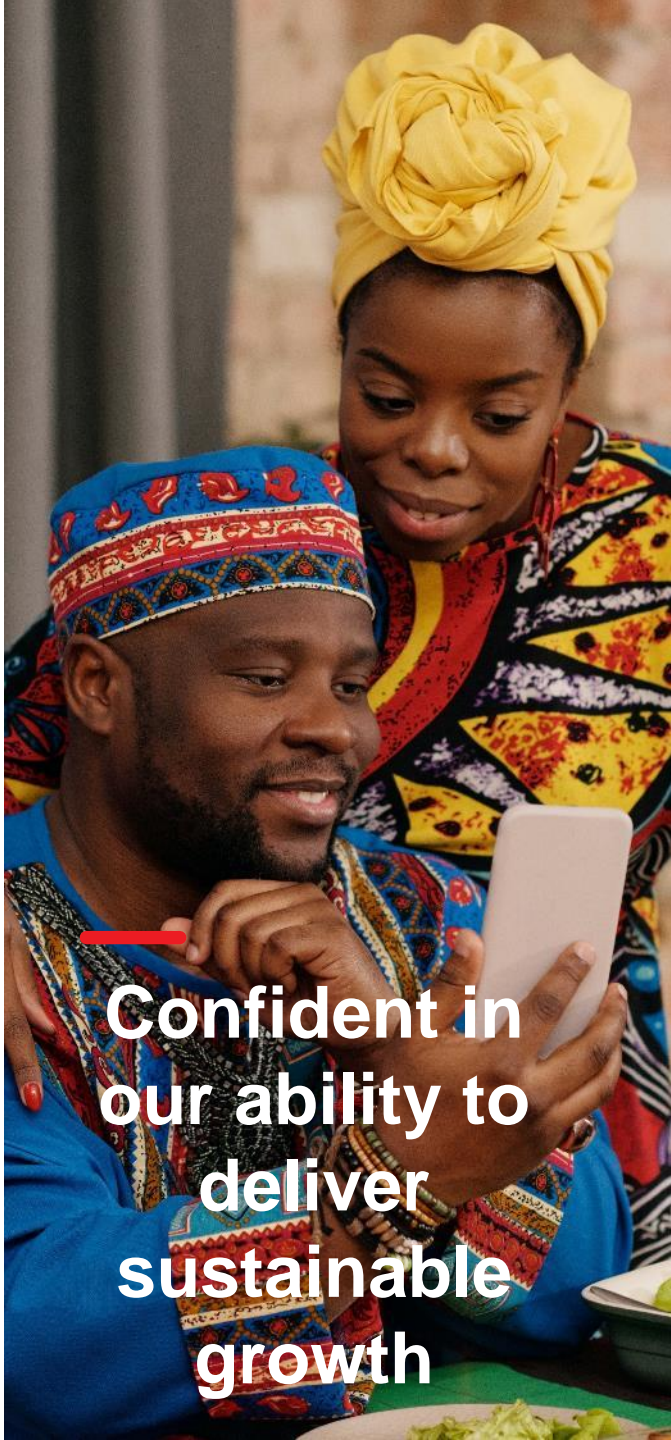
### Upstreaming & Holdco debt reduction

Strong upstreaming of \$1bn and de-risking of balance sheet

Note: Average devaluation is the difference between constant currency and reported currency revenue growths.



**Operational  
and strategic  
review**



**Confident in  
our ability to  
deliver  
sustainable  
growth**



### **Fast growing and young population**

2.7% population growth, 40mn people entering workforce in SSA this year



### **Low penetration of addressable market**

47% unique SIM penetration across footprint, and low banking penetration



### **Low adoption of key services suggests considerable growth**

Usage of voice and data very low in global context. Mobile money provides additional opportunity



### **Clear and focused 'win-with' strategy**

Consistent strategic direction embedded across the group

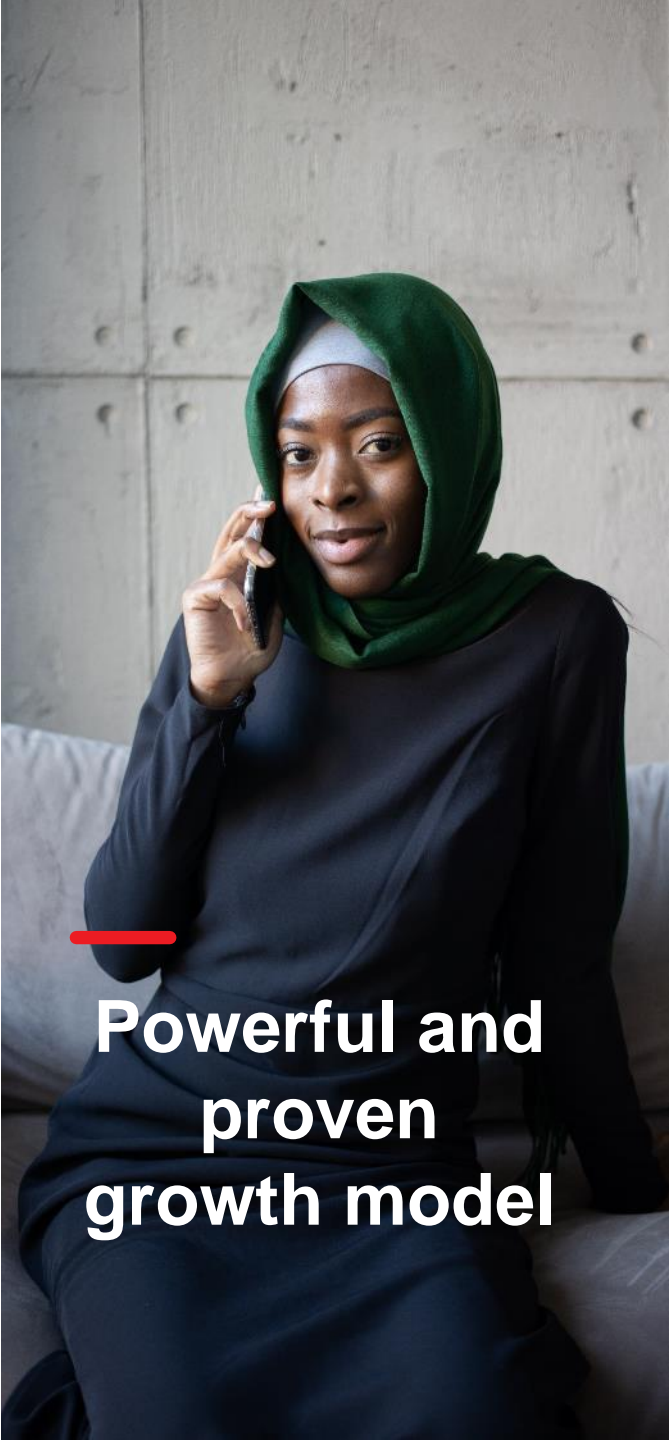


### **Execution mindset embedded in company culture**

21 consecutive quarters of double-digit revenue and underlying EBITDA growth<sup>1</sup>

1: Growth rates in constant currency

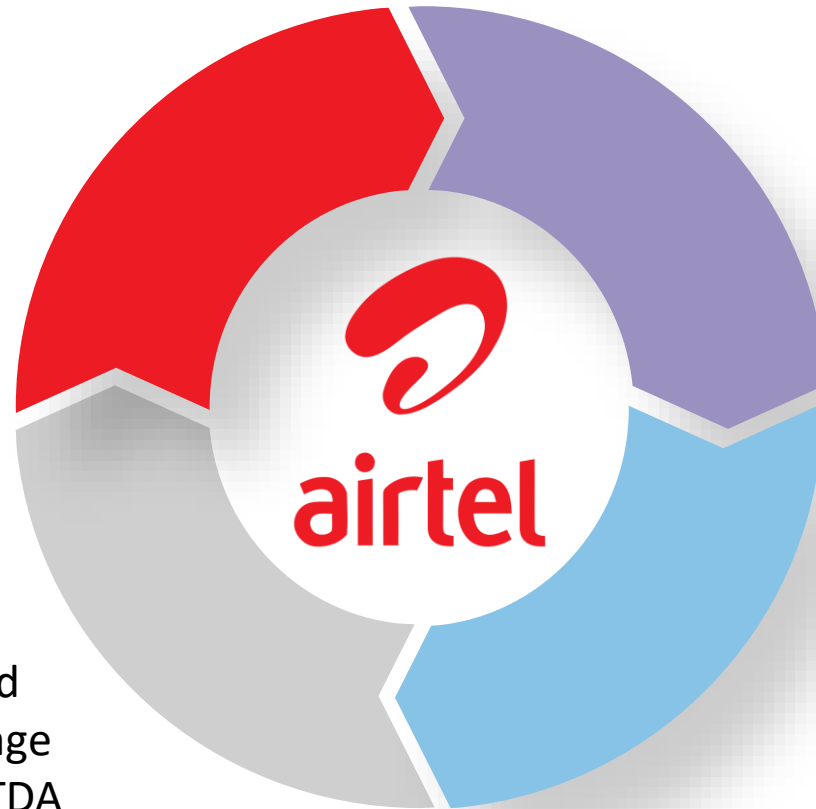




**Powerful and  
proven  
growth model**

Invest for  
the future

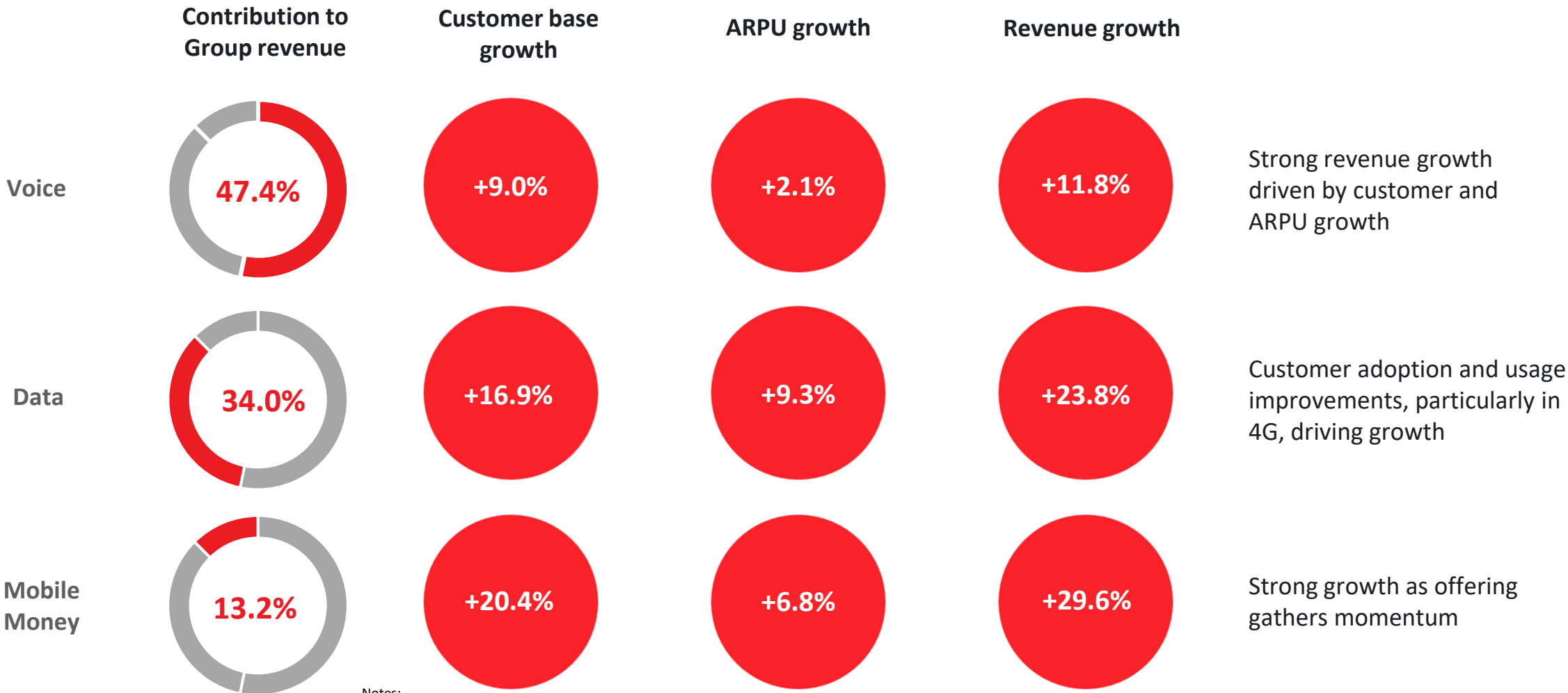
Customer  
Growth



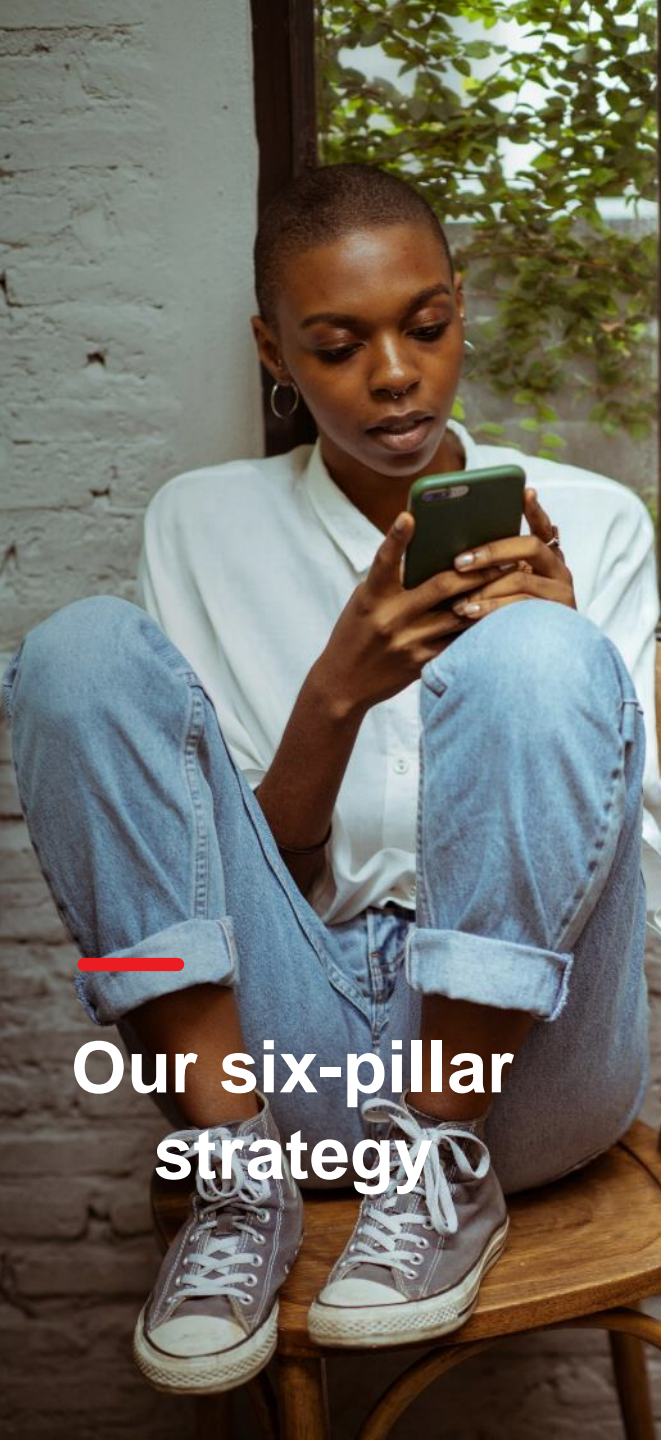
Efficiencies and  
operating leverage  
sustain high EBITDA  
profitability

Increasing  
ARPU

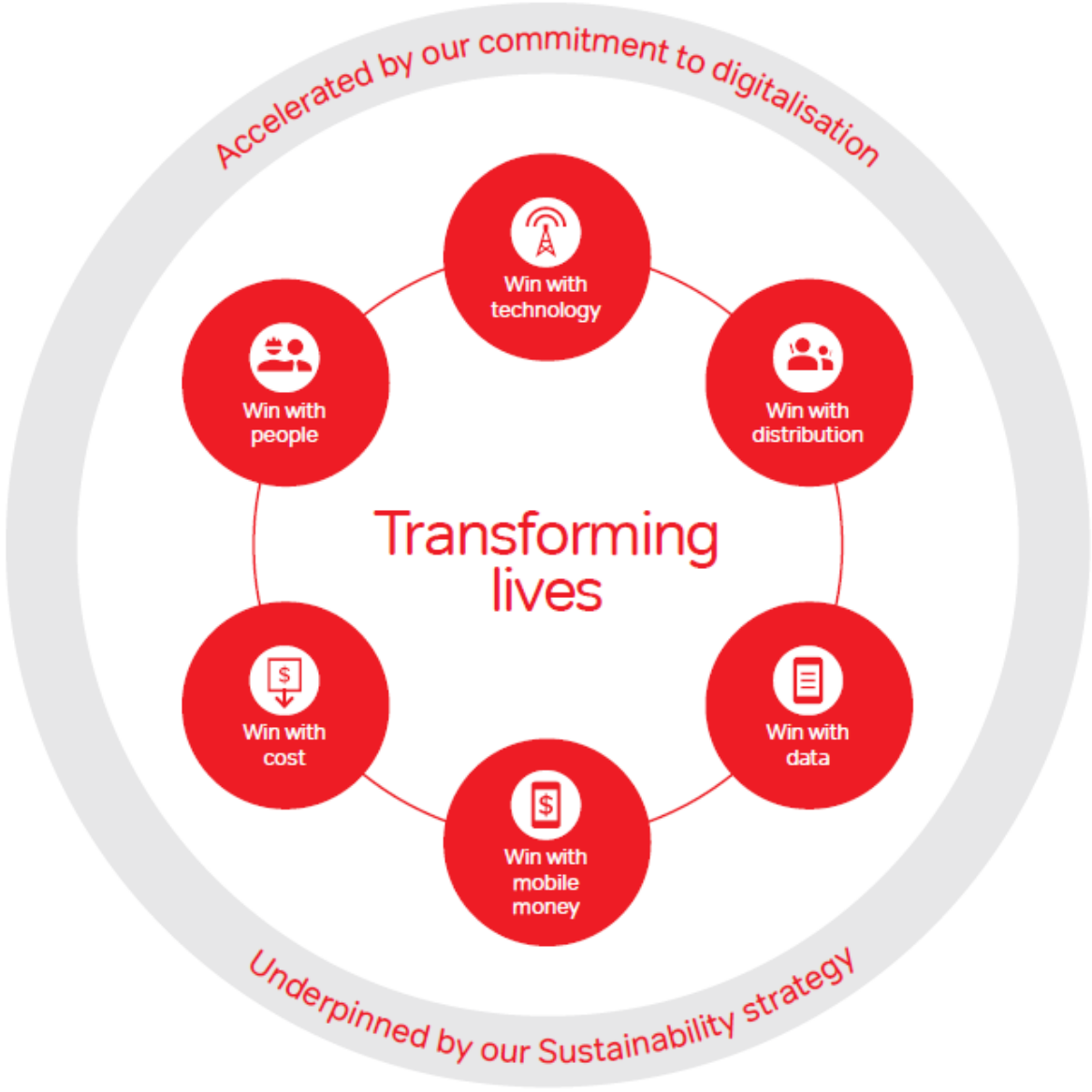
# Sustained growth across voice, data and mobile money services



Notes:  
 1. All financial growth rates are presented in constant currency.  
 2. Revenue contribution in reported currency (contribution will not add to 100% due to other revenue and eliminations).



Our six-pillar strategy

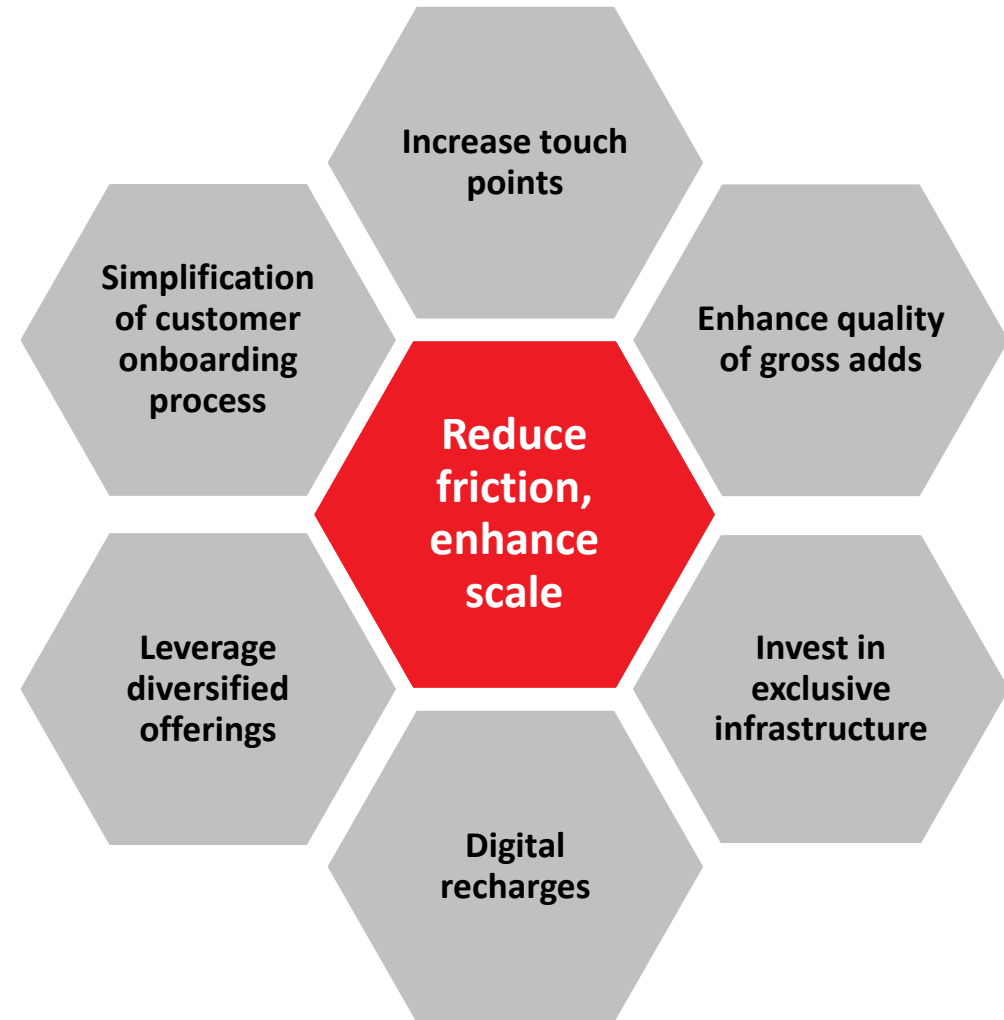




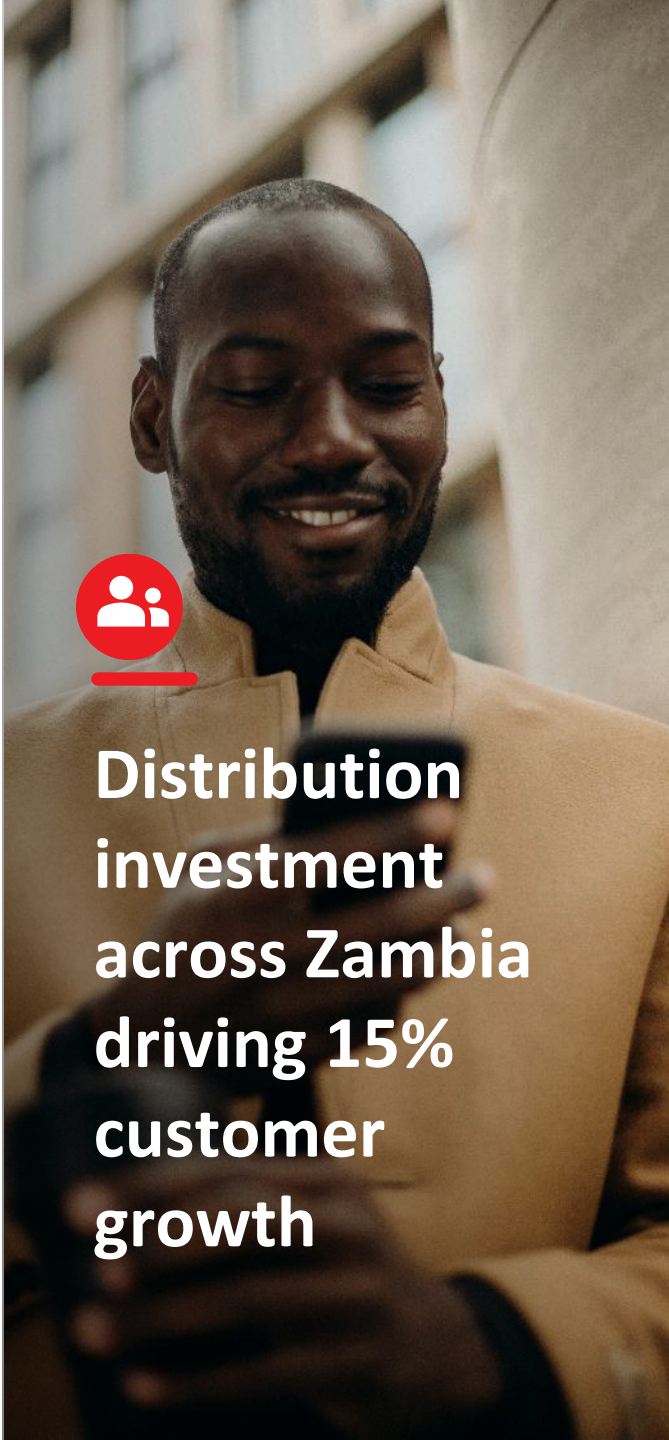
## Win with distribution

- **10,500+** exclusive distribution channels of Airtel Money Branches, Mini-shops and Kiosks added, reaching a total of **79,500+**.
- **160,000+** multi-brand outlets added, reaching a total of almost **1.8 million**
- **21.0%** growth in customer activating outlets, to **304,000+**
- **9.0%** growth in customer base, to **140 million**
- **100%** of customers onboarded through digital KYC application

We have continued to expand our distribution network to get closer to customers and developing our infrastructure to drive customer growth and increased usage



**Underpinned by brand attractiveness**



**Distribution investment across Zambia driving 15% customer growth**



**Brand awareness and reward structure** to enhance distribution network



**Agent interaction** to build loyalty and awareness of product offerings



**Partnering** with mobile money agents, ensuring float availability



**189,000+** distribution touchpoints across Zambia, up **39.5%**



**117,000** Airtel money agents, up **47.5%**



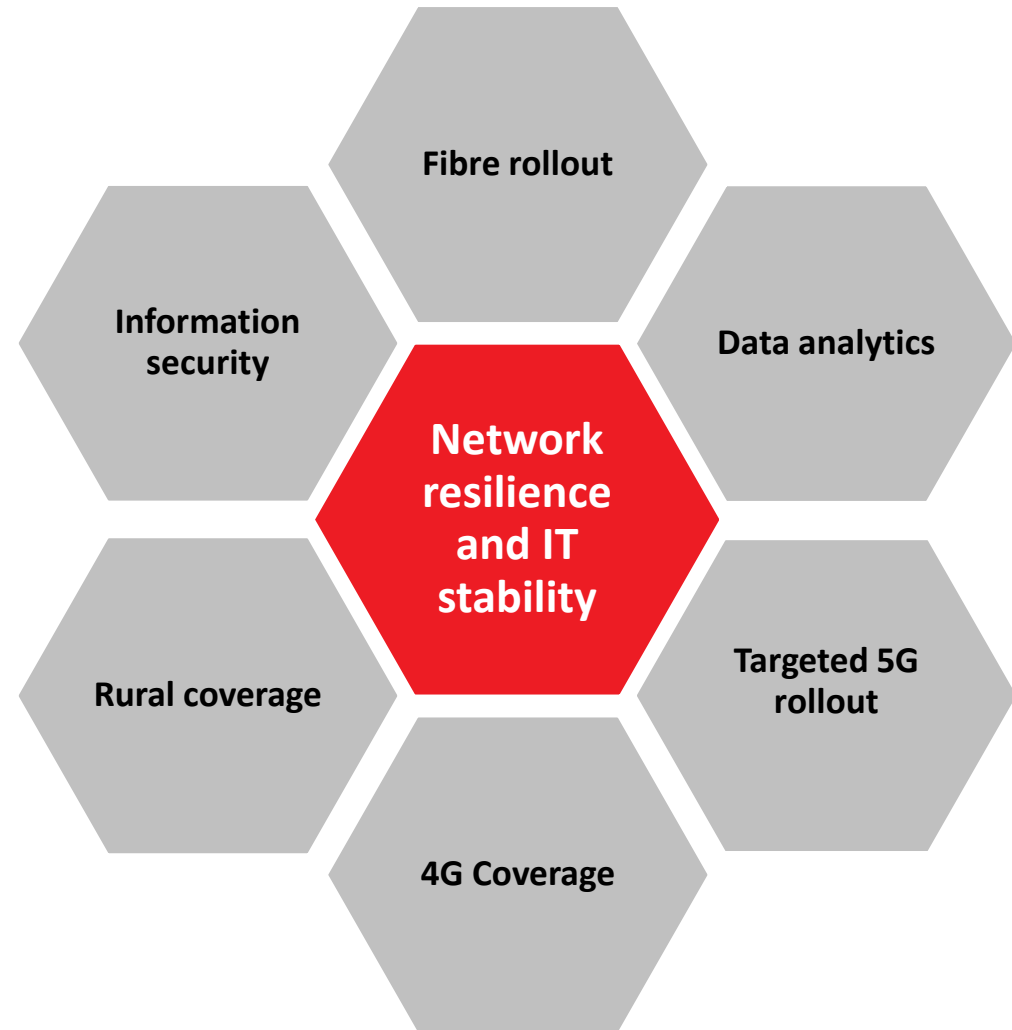
**15.1%** growth in customers, and a **32.4%** increase in revenues



## Win with technology

- **1,100** new sites added in rural areas
- More than **2,700** additional sites deployed, reaching **31,546** sites in total
- Added **3,200+** more sites to 4G (**90.3%** of sites now on 4G)
- Added incremental **6k+** km of fibre (**70.5k+** km of fibre)
- Data capacity increased by **41.2%** to **23,900+** TB per day, with peak hour data utilisation at **47.4%**
- 5G ready in 3 OPCOs (Nigeria, Kenya and Zambia) including Massive MIMO. In total **300+ 5G** ready sites

Airtel Africa Group now boasts network uptime availability of 99.61%, and achieved coverage of around 6.5 million more population, reaching population coverage of 79.45%



**Underpinned by process automation and digitisation**



27.8% growth in data revenues supported by increased capacity in Nigeria



Acquired 4G and 5G spectrum in Dec'22 for **\$317m**



**160+ 5G ready sites** by 31 March 2023



Added **over 1,000 km** of fibre infrastructure to ensure reliability



Massive MIMO deployment to **boost 4G coverage** and capacity



Data capacity increased by **27.5% to 11,400+ TB**



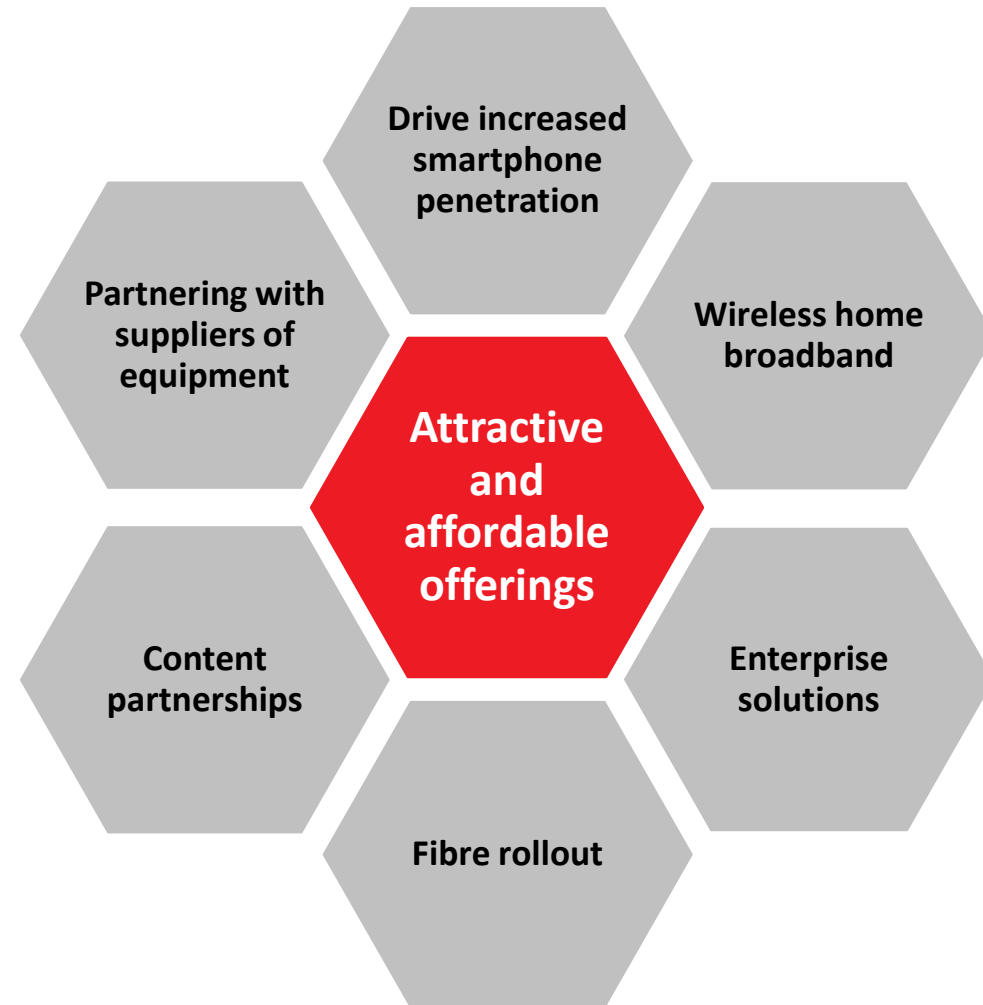
Peak hour data utilisation rate at **50%** supporting strong customer experience



## Win with data

- **90.3%** of sites are now on 4G, an increase of **2.7%** in the year
- **16.9%** increase in data customer base to **54.6 million**, now constituting **39.0%** of our total customer base
- **46.3%** growth in total data usage to **2.58 million TB**
- **29.1%** increase in data usage per customer per month
- Q4'23 4G data usage per customer per month at **7.6 GB**, up **29.6%**
- Q4'23 4G data usage contributes **77%** of total data usage, up **6.9** percentage points
- Total bundle revenue contributions to data revenue at **94.7%**

Being the leading 4G provider, and offering competitive, transparent data bundles, gives us a competitive advantage when appealing to new customers.



Underpinned by targeted solutions for customers





Transparent, affordable data offerings in the DRC support a **37.5% growth in 4G customers**



Continued **4G coverage expansion** and enhanced distribution



**Competitive pricing** in challenging inflationary environment



**280+ 4G sites** added over the last year



**4G customer base growth of 37.5%** to 1.9m



Total data usage in the DRC increased **63% to 183.2m GB**



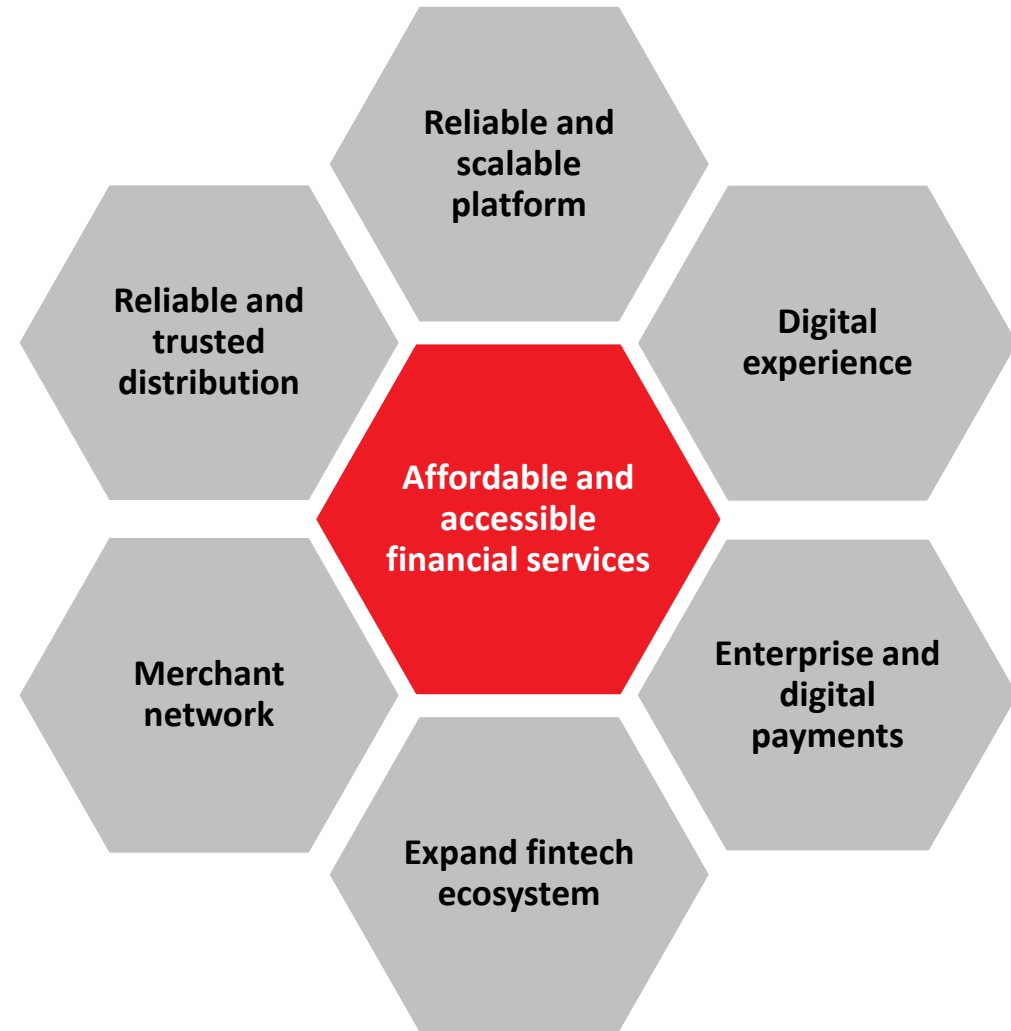
Data revenue growth of **32.7%**



# Win with mobile money

- Airtel Money branches and kiosks increased by **11.5% and 10.8%** respectively.
- Multi-brand agents in our network increased by **44.1%**
- **20.4%** increase in Airtel Money customer base, to **31.5 million**
- **41.3%** growth in transaction value<sup>1</sup> to **\$90.7bn**
- Transaction value per customer<sup>1</sup> up **16.4%**
- Q4'23 Annualised transaction value<sup>1</sup> over **\$102bn**

Driving continued growth in mobile money ARPU (**\$1.97**, from \$1.91) and mobile money revenue (**\$692m**, from \$553m)



**Underpinned by the ambition to drive increased financial inclusion**

1: Transaction value and transaction value per customer in constant currency



Uganda ‘quick-loan’ product diversifies our product offering



Launch of ‘**quick-loan**’ product for customers with insufficient funds



Appeal to **micro-traders** who buy stock in morning and repay after trading hours



Demand has reached **\$7.9m per month** by March 2023



**Instant loan** to cover payment shortfall subject to personalised credit limit



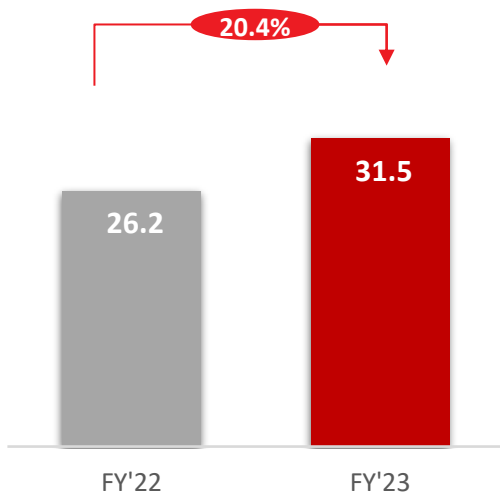
Strong customer engagement with **over 866,000** loans taken up



Airtel Money revenue growth in Uganda of **20.5%** in FY’23

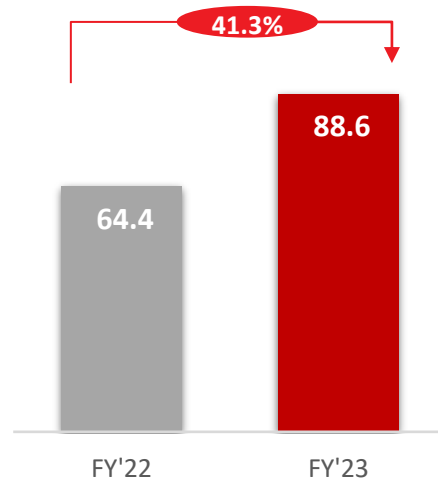
# Mobile Money: Strong revenue growth and high margins

Customer base (m)



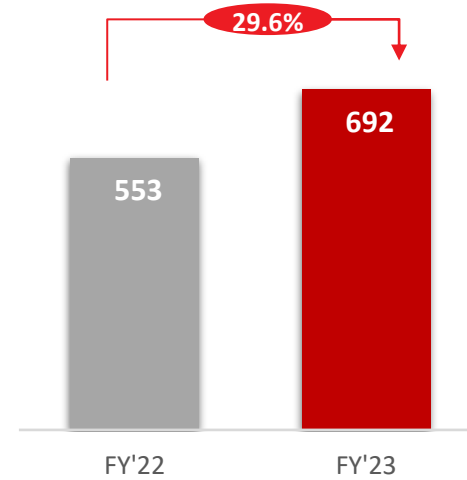
Driving financial inclusion through innovative offerings, and broadening distribution

Transaction value (\$bn)



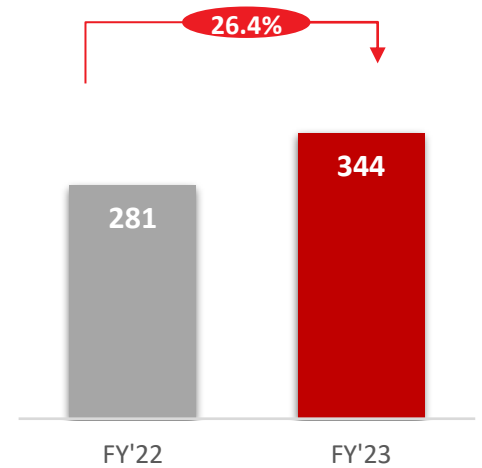
Developing the ecosystem drives increased use cases

Revenue (\$m)



Continued user adoption drives strong revenue growth

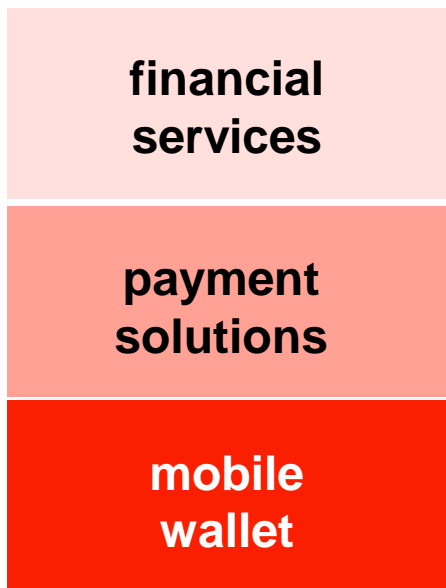
EBITDA (\$m)



Strong EBITDA growth and high margins of 49.8%

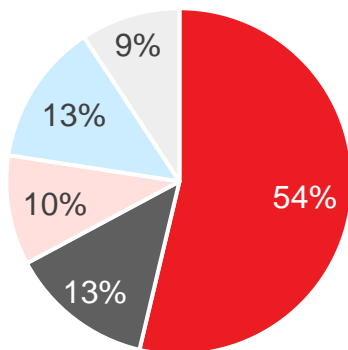


# Mobile money: a diversified business, with rapidly evolving ecosystem



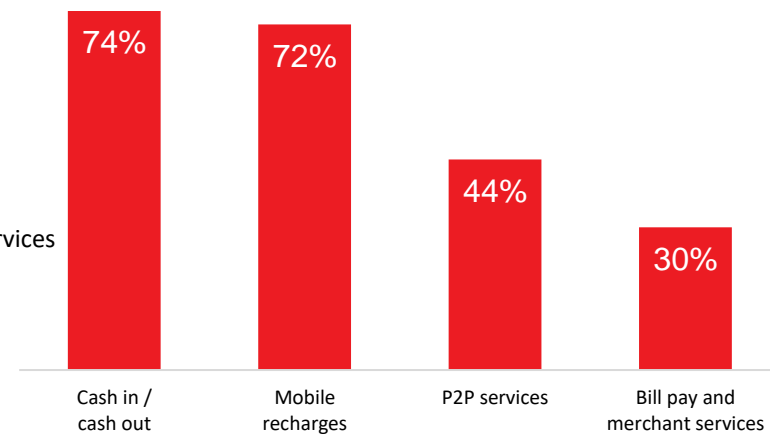
## User activities and revenue contribution

Revenue contribution% (FY'23)



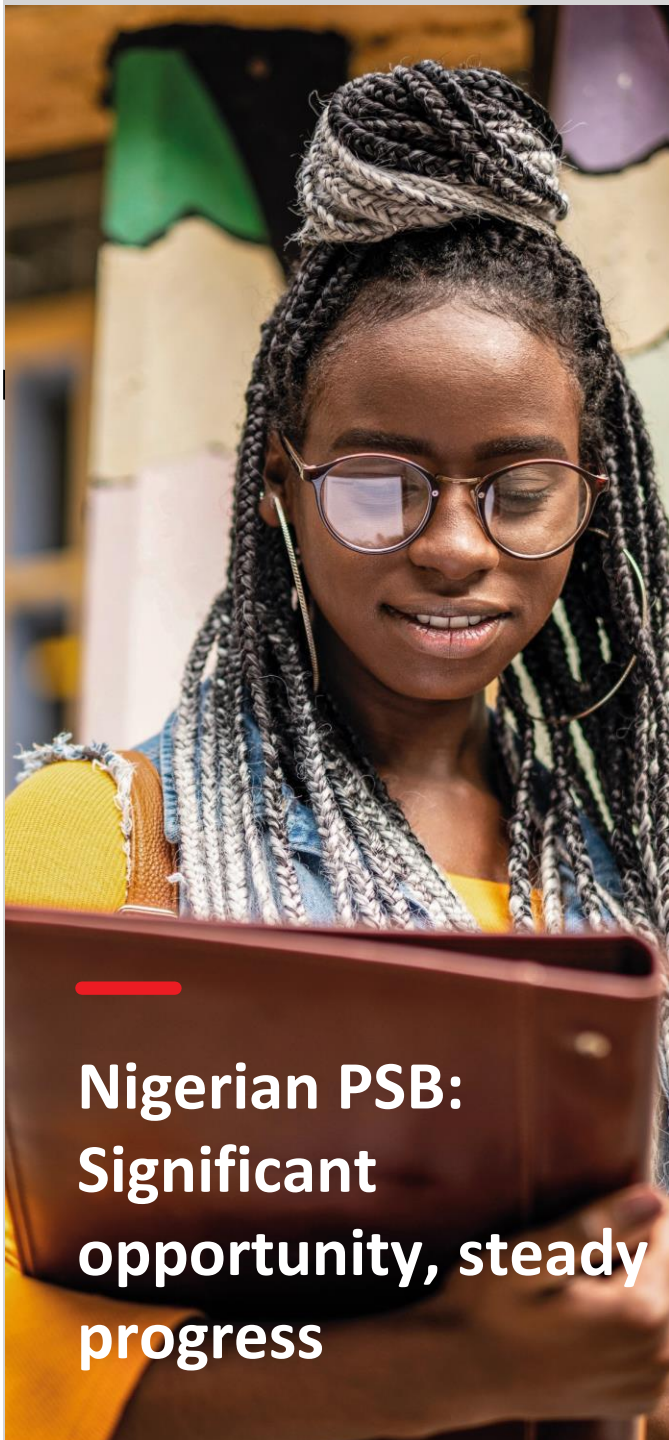
- Cash in / cash out
- Mobile re-charges
- P2P services
- Bill pay and merchant services
- Others

Users as % of AM customers (FY'23)



## Partner ecosystem





**Nigerian PSB:  
Significant  
opportunity, steady  
progress**



### Opportunity

- Population<sup>(1)</sup> of 213m, growing 2.4% a year
- 116m Population (>15 years)
- Unbanked <sup>(2)</sup> population of 55%
- Existing mobile services customer base of 48.4m.



### Agent network build

- USSD and agent App live
- Scaling sales team
- 52,000+ agents deployed
- Multi-brand agent partnership



### Product build

- App and USSD live
- Across network functionality
- Integration to NIBSS
  - Billers live
  - On-boarding journey eased



### Customer activations

- GSM customer conversions gathering momentum
- 12m wallets opened
- 600,000+ active customers
- Canvassers program initiated

**Data sources:** <sup>(1)</sup> Population figures sourced from UN 2022 estimate. Adult population defined as 18-65 years. <sup>(2)</sup> Banking penetration data sourced from 'Worldbank', age >15 years.



## Win with people

- **Diversity:**
  - **26%** women in workforce, level with prior year
  - **29%** women in ExCo at OpCo level
  - Employees from **39** nationalities
- **Talent development and feedback:**
  - Delivered key functional and leadership training through accelerated on-demand learning programmes, improving productivity and overall performance
  - Bi-annual employee engagement:
    - survey achieved **91%** response rate, with overall engagement score of **81%**, up **2pp**
- **Win with reward:**
  - Development of retention schemes, flexible pay mix and pay for performance philosophy



**Underpinned by a Strong Governance Framework**

# Our sustainability highlights in FY'23



## Our business

- 48.5% 4G penetration of our data customer base with 90.3% of our sites now on 4G.
- To keep customers' data secure, we now hold certification in 'Information Security Management System' (ISO 27001), and 'Business Continuity Management System' (ISO 22301), covering all mobile communication and mobile money operations in all our markets
- Membership of the Joint Audit Cooperation (JAC) to implement and enhance vendor compliance with our ESG criteria.



## Our people

- 81% employee engagement score, a 2% improvement from the previous score.
- Improved career mobility through a range of online and in-person training and development programmes.
- 'Women in tech' programme launched in October 2022 to accelerate career advancement for top female talent.
- 27.5% female representation across our 14 OpCos and a 31% diversity percentage on our Board of directors.



## Our community

- UNICEF partnership launched across 6 of our markets providing educational resources, free of charge, to more than 250,000 children in 2022/23.
- First private sector company in Africa to partner with UNICEF, with a \$57m financial and in-kind investment over a five-year partnership in 13 markets.
- Driving digital inclusion with 36.3% smartphone penetration, up 2.1% in 2022/23.



## Our environment

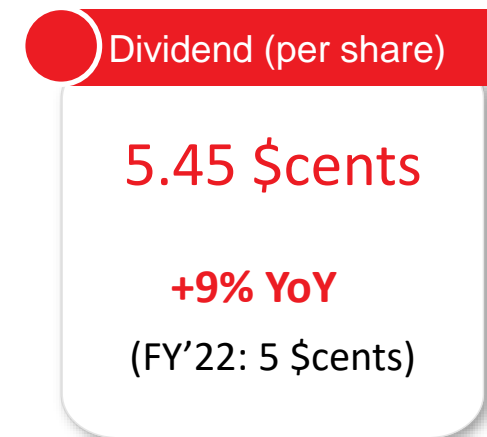
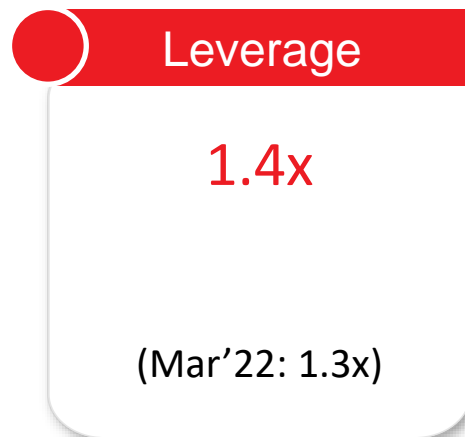
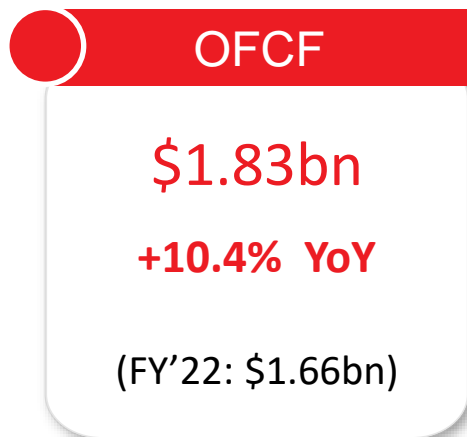
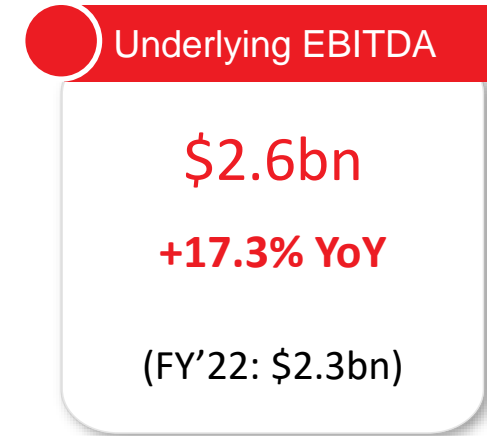
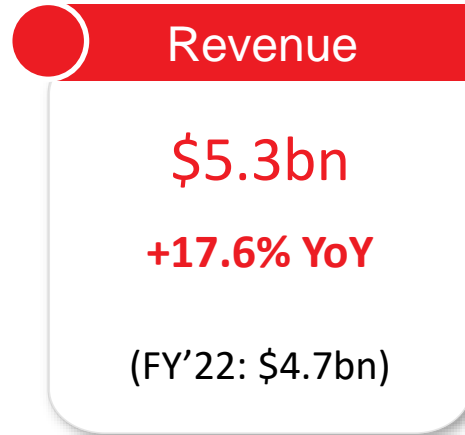
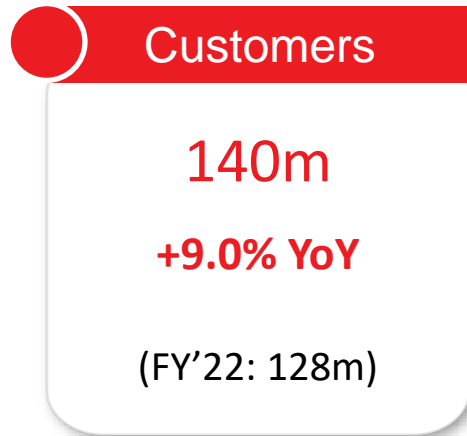
- Published our Scope 1, 2 and 3 GHG baseline emissions in October 2022.
- Identified detailed decarbonisation initiatives and developed a feasibility model to support our 2050 net zero ambition.
- Working together with the Carbon Trust, developed detailed plans to enable a 60%+ reduction in Scope 1 and 2 emissions intensity by 2032.
- Consultation with Tier one partners, accounting for 78% of total Scope 3 emissions, to engage on decarbonisation commitments.



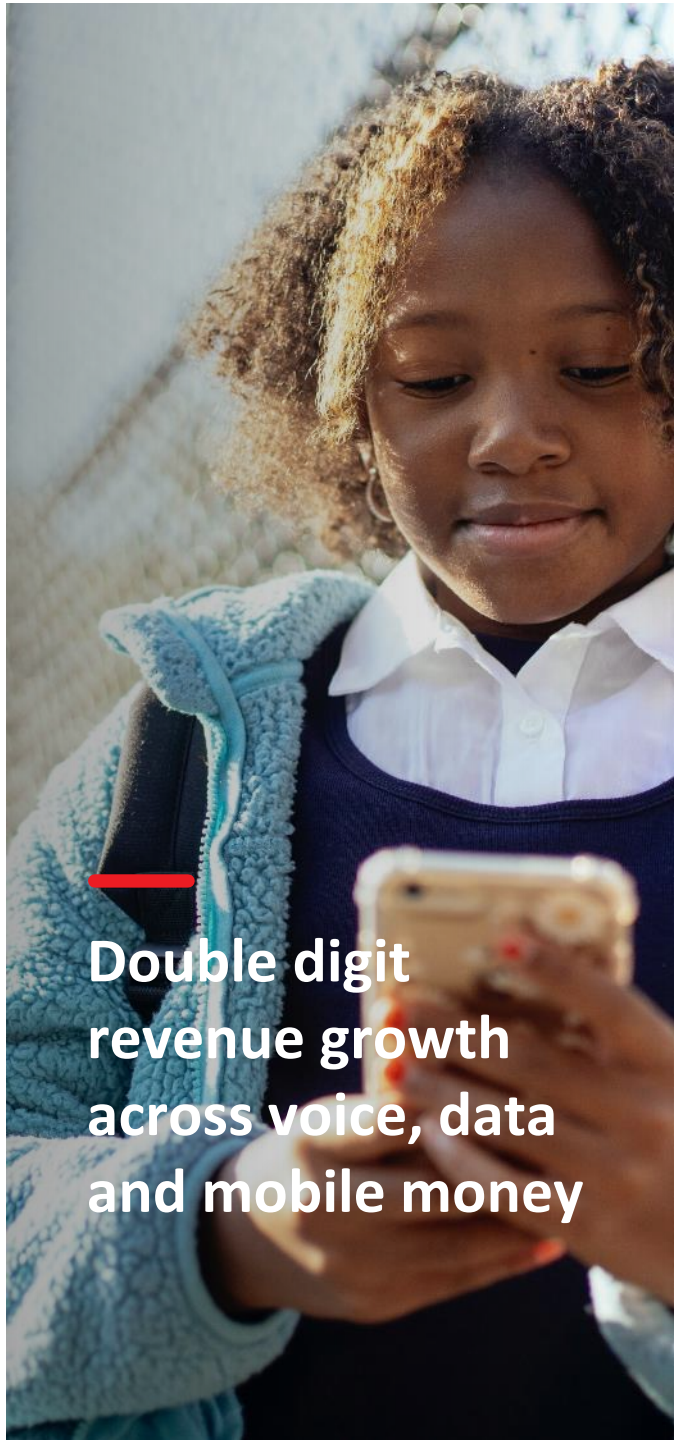
A woman with her hair in a bun, wearing a bright red blazer, is smiling warmly at the camera. In the background, a man in a dark shirt is seated at a desk, focused on his work with multiple computer monitors. The office environment is bright and professional.

**Financial review**

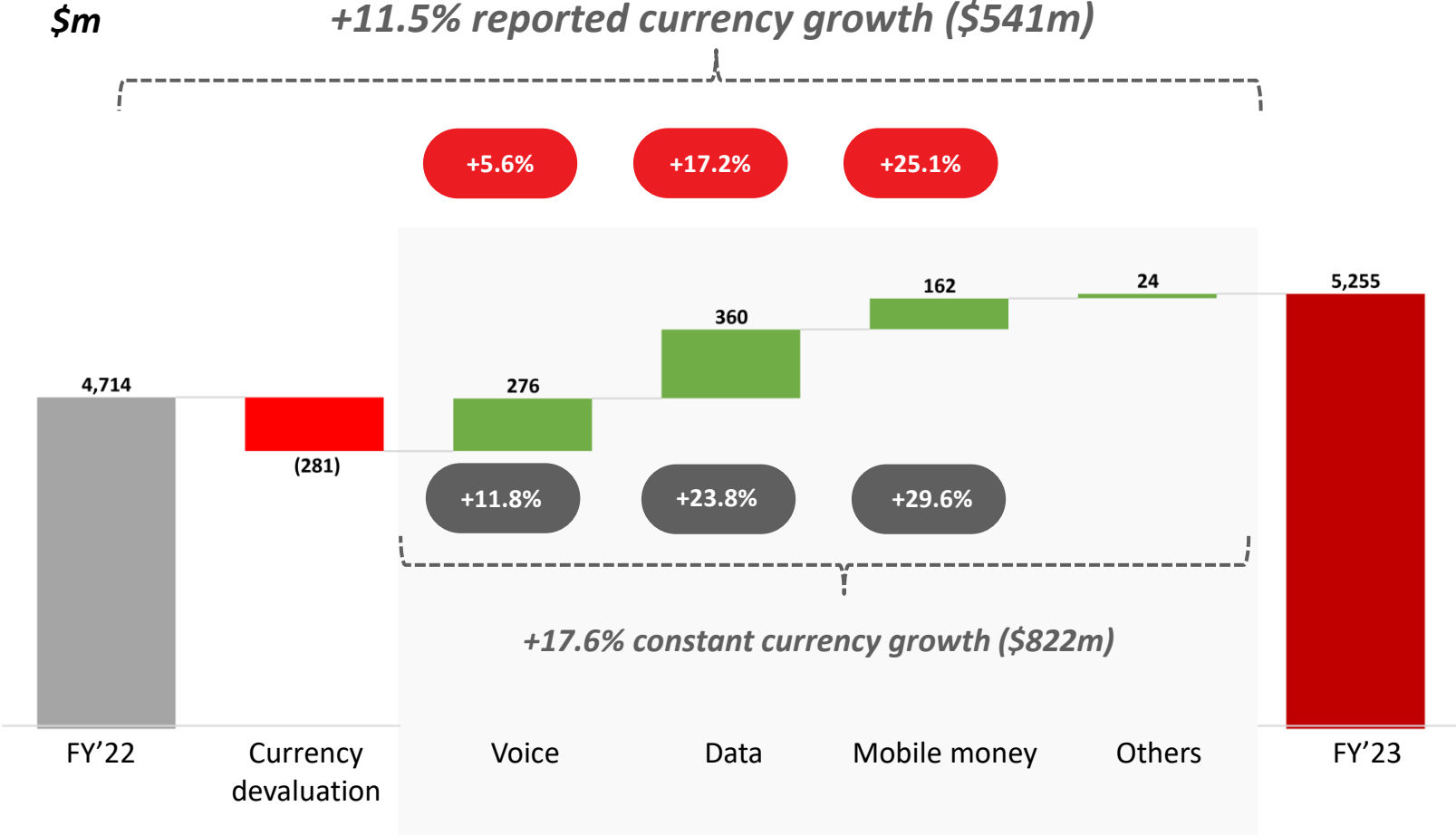
## Performance across key metrics



Notes:  
 1. All financial growth rates (except OFCF) are presented in constant currency. OFCF growth is on reported currency.

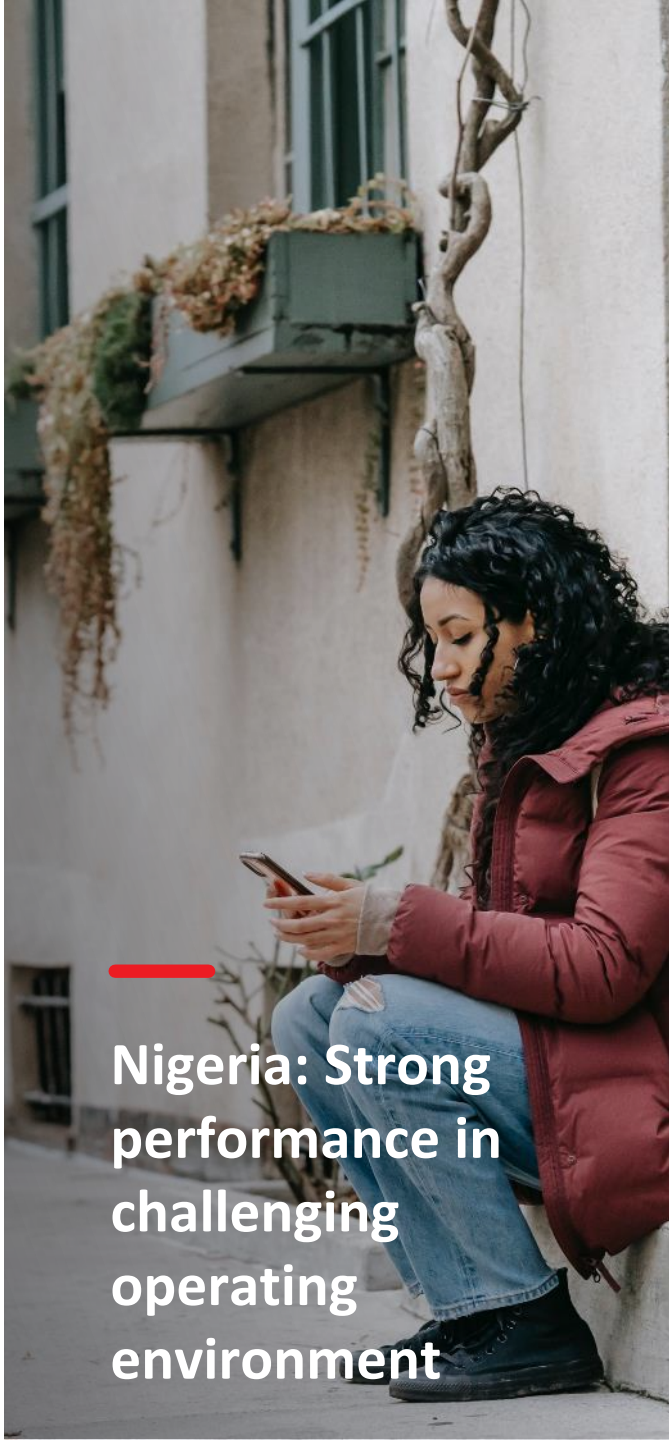


Double digit revenue growth across voice, data and mobile money



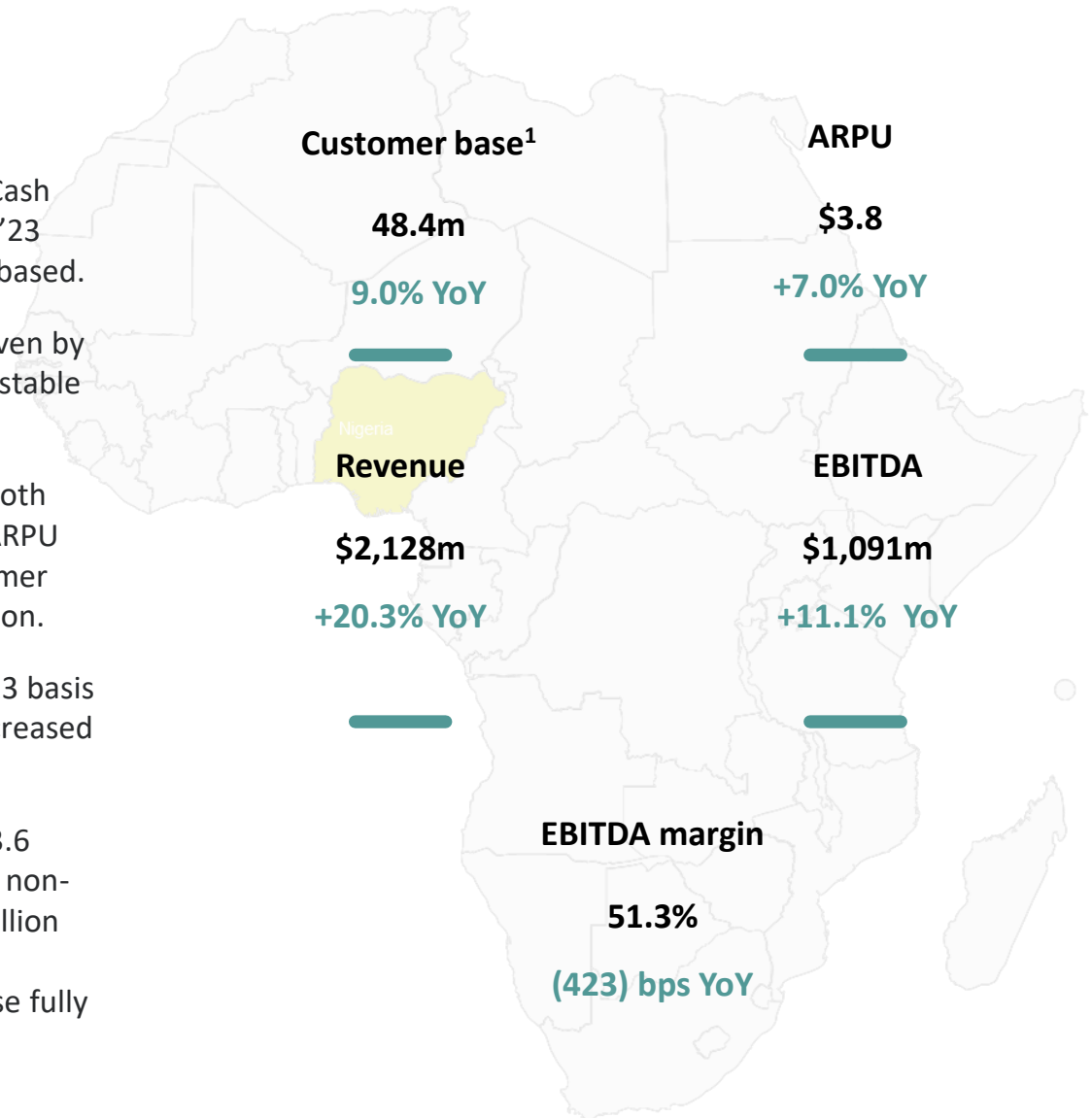
**Currency devaluation sensitivities for revenues: On a 12 months basis,**

- 1% currency devaluation across all currencies in our OpCos would have a negative impact of \$51m on revenues.
- Our largest exposure is to the Nigerian naira where 1% devaluation would have a negative impact of \$22m on revenues.

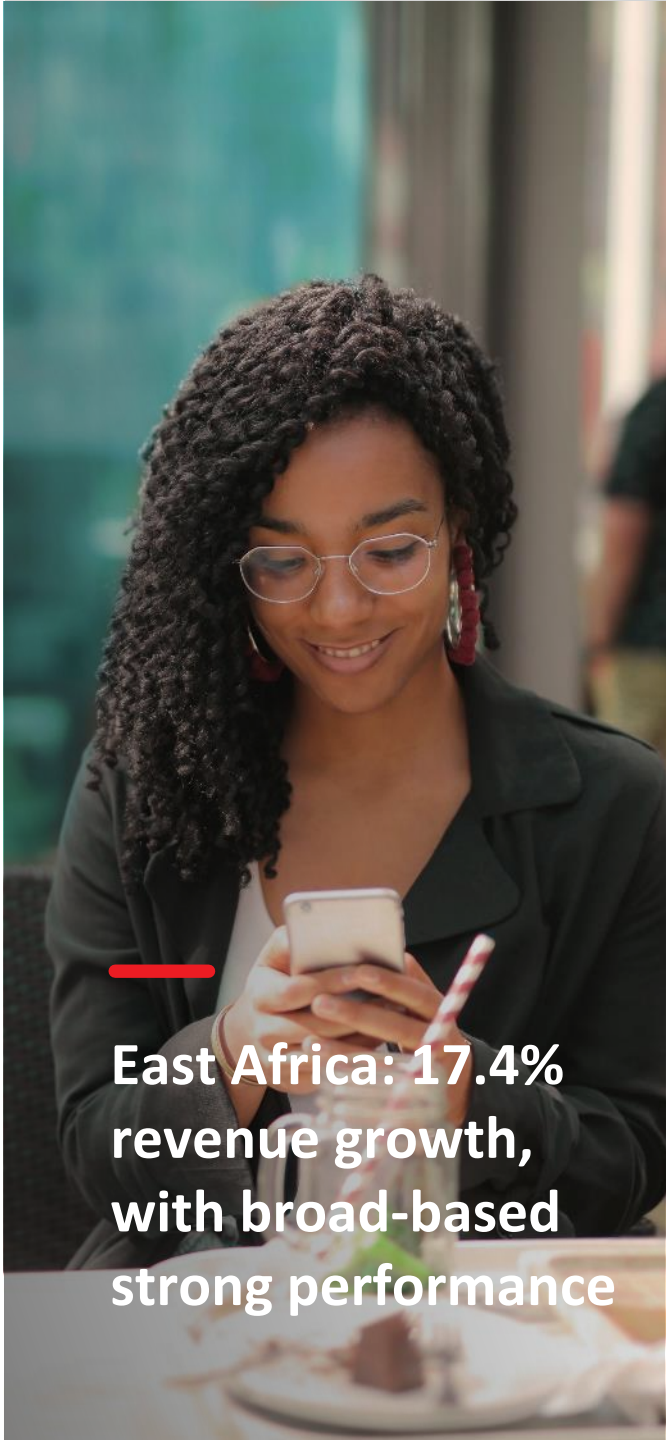


**Nigeria: Strong performance in challenging operating environment**

- **Revenue grew 20.3%** driven by a combination of both voice and data. Cash shortages in the country impacted Q4'23 revenues with 50% of recharges cash based.
- **Voice revenue grew 13.4%** largely driven by customer base growth of 9.0%. ARPU stable despite NIN impact.
- **Data revenue grew 27.8%** driven by both customer base growth of 17.3% and ARPU growth of 9.9%. Data usage per customer grew 24.8% given 4G network expansion.
- **EBITDA margin of 51.3%**, a drop of 423 basis points due to rising fuel prices and increased inflation.
- **NIN-SIM update:** Voice services for 13.6 million customers were barred due to non-submission of NIN information. 6.4 million customers (47%) have subsequently submitted their NINs with 26% of those fully verified.

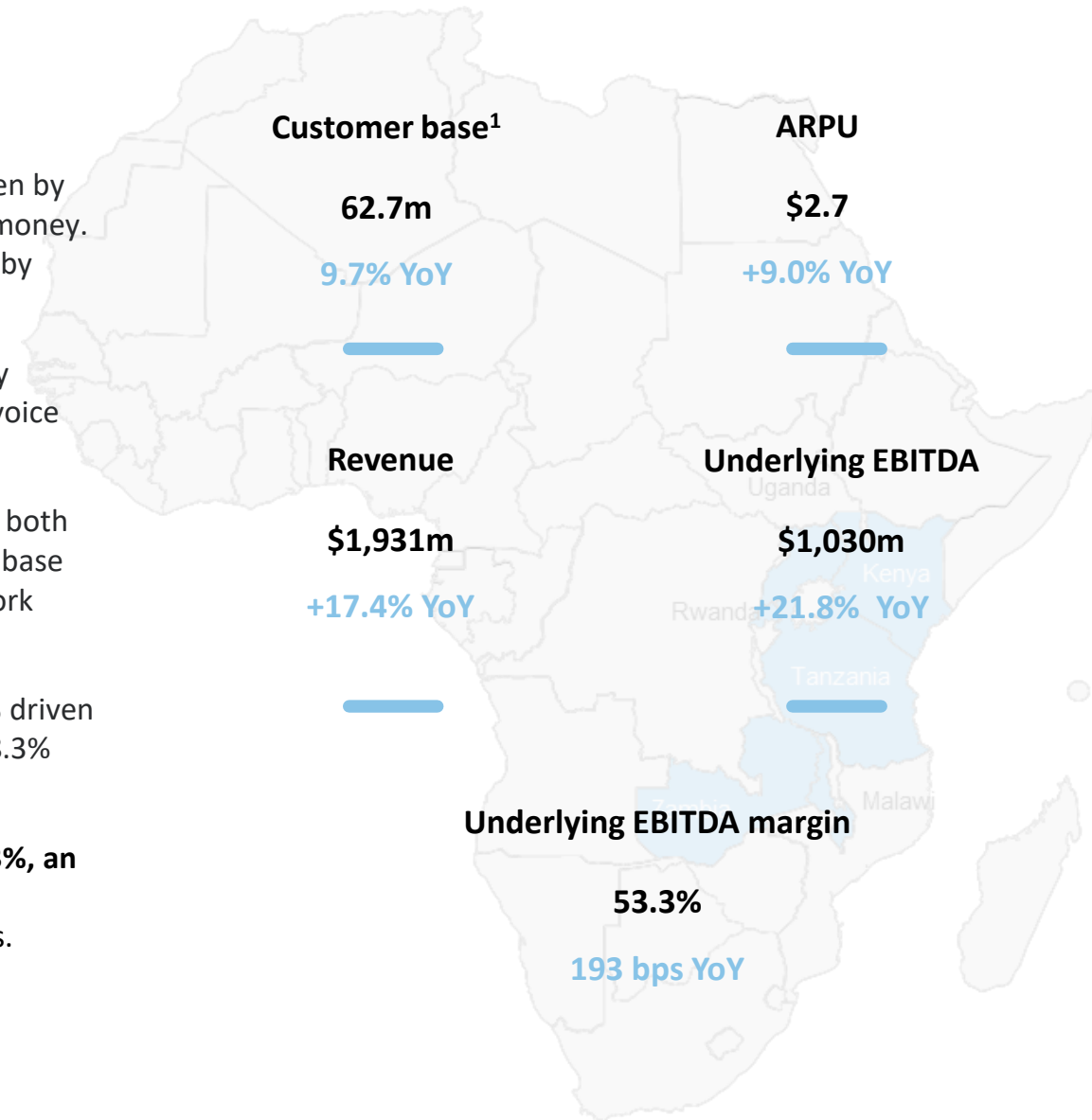


Notes: Growth in constant currency unless otherwise stated.  
 1. Customer base as at 31 March 2023.



**East Africa: 17.4% revenue growth, with broad-based strong performance**

- **Revenue grew 17.4%** driven by driven by all services; voice, data and mobile money. (revenue in reported currency grew by 12.5%).
- **Voice revenue grew 12.2%** driven by customer base growth of 9.7% and voice ARPU growth of 4.0%.
- **Data revenue grew 22.8%** driven by both ARPU growth of 9.2% and customer base growth of 19.9% given our 4G network expansion across the region.
- **Mobile Money revenue grew 32.6%** driven by both customer base growth of 18.3% and ARPU growth of 9.7%.
- **Underlying EBITDA margin was 53.3%**, an increase of 193 basis points through revenue growth and cost efficiencies.



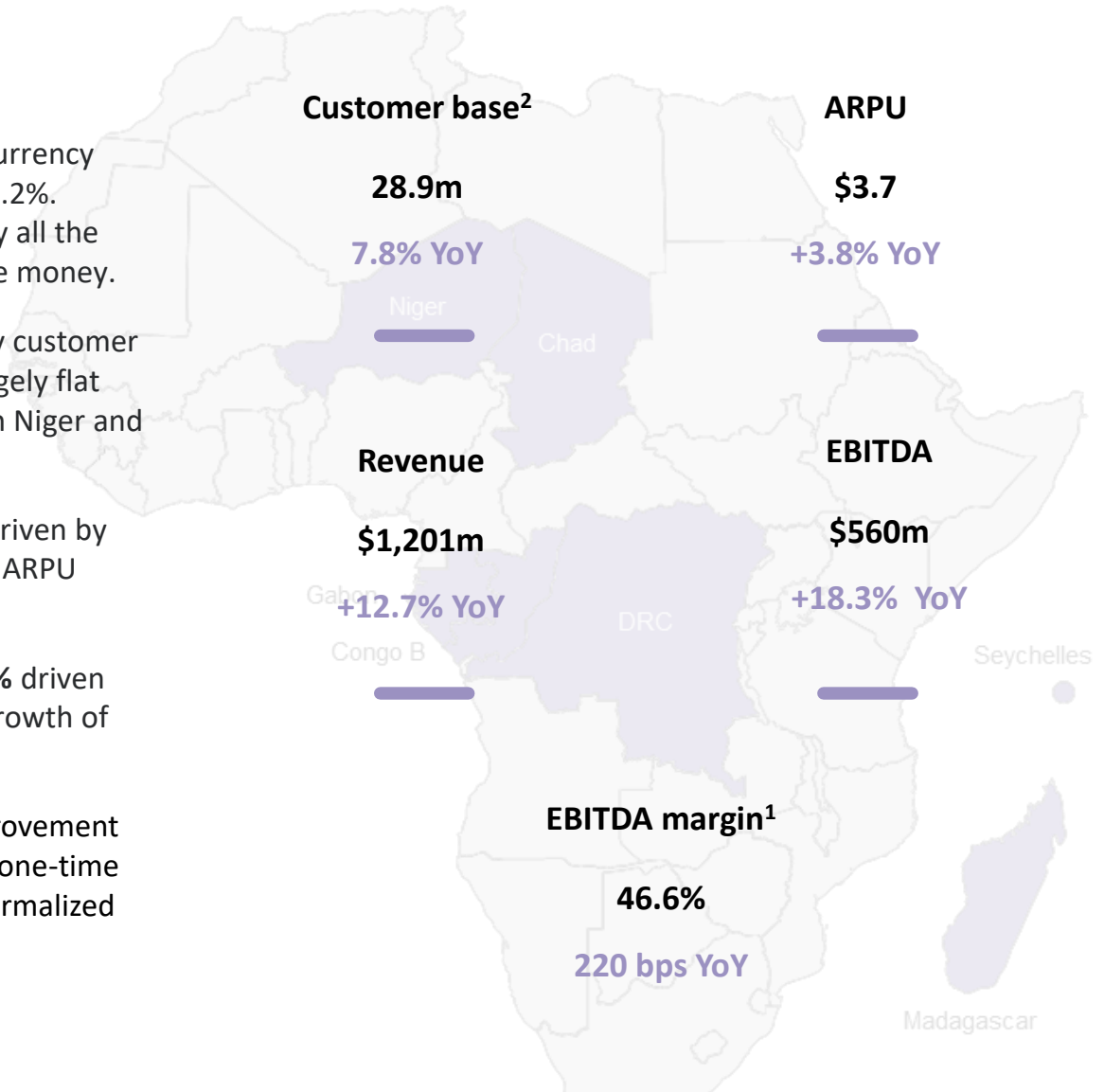
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1. Customer base as at 31 March 2023.



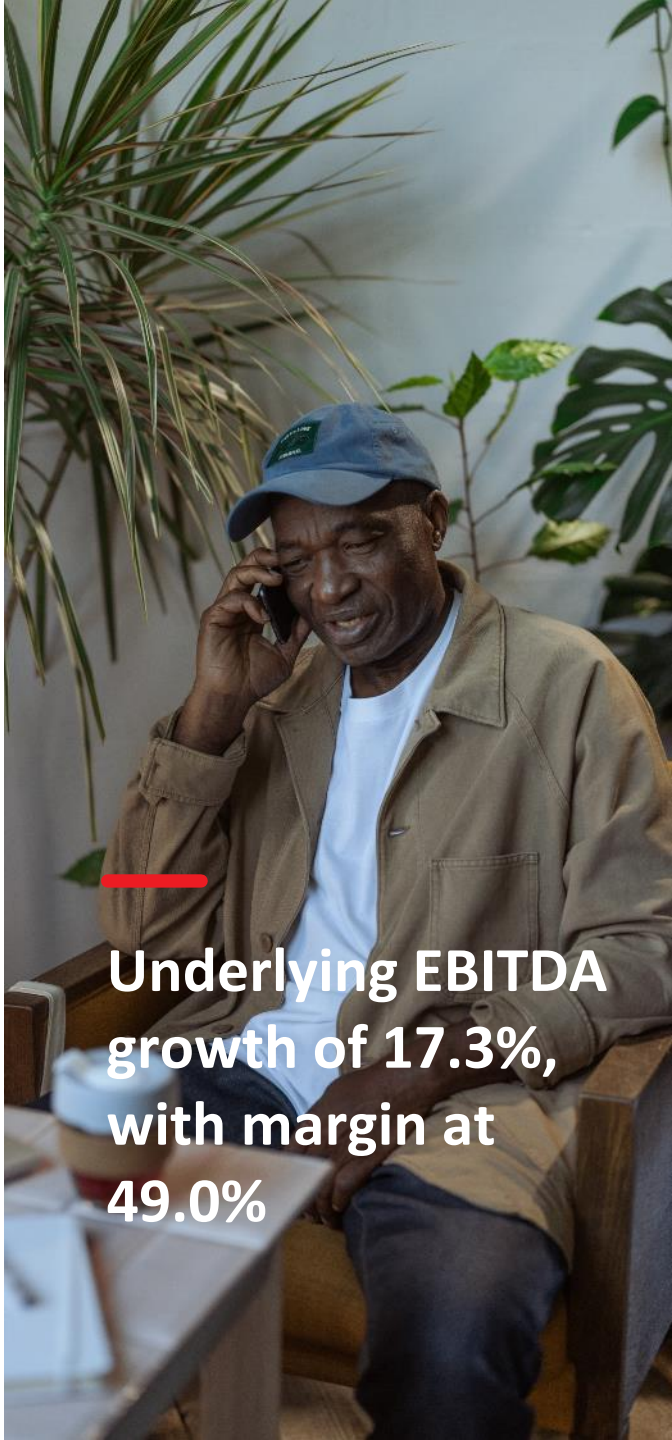
**Francophone Africa:  
Encouraging growth  
across all metrics**

- **Revenue grew 12.7%** in constant currency with reported currency growth of 6.2%. Constant currency growth driven by all the key services; voice, data and mobile money.
- **Voice revenue grew 8.8%** driven by customer base growth of 7.8% with ARPU largely flat due to interconnect rate declines in Niger and Congo Brazzaville.
- **Data revenue grew 16.2%** largely driven by customer base growth of 9.4% and ARPU growth of 7.8%.
- **Mobile money revenue grew 20.3%** driven predominantly by customer base growth of 17.9%.
- **EBITDA margin was 46.6%**, an improvement of 220 basis points. Adjusting for a one-time opex benefit in current year, the normalized margin was 45.0%.

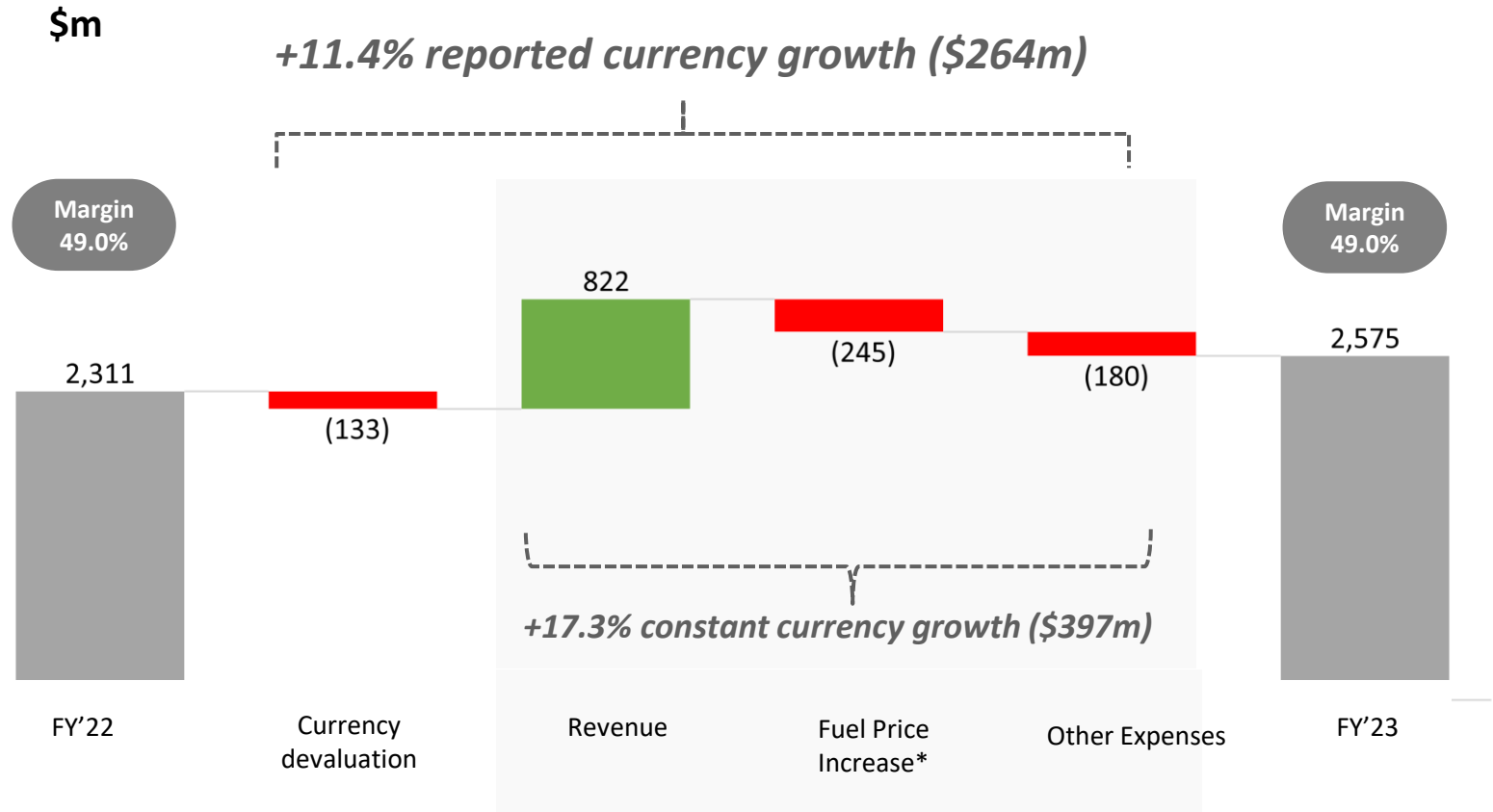


Notes: Growth in constant currency unless otherwise stated.

1. Current year had one-time opex benefit of \$19m in first half of the year. Normalized FY'23 EBITDA margin was 45.0%.
2. Customer base as at 31 March 2023.



**Underlying EBITDA growth of 17.3%, with margin at 49.0%**



\*Out of \$245m impact of fuel price increase, \$215m is contributed by Nigeria

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

- 1% currency devaluation across all currencies in our OpCos would have a negative impact of \$31m on EBITDA.
- Our largest exposure is to Nigerian naira where 1% devaluation would have a negative impact of \$12m on EBITDA.

Note: Expenses includes interconnect costs, airtel money commissions, regulatory charges and handset costs.

# Strong track record in driving efficiencies – Win with cost

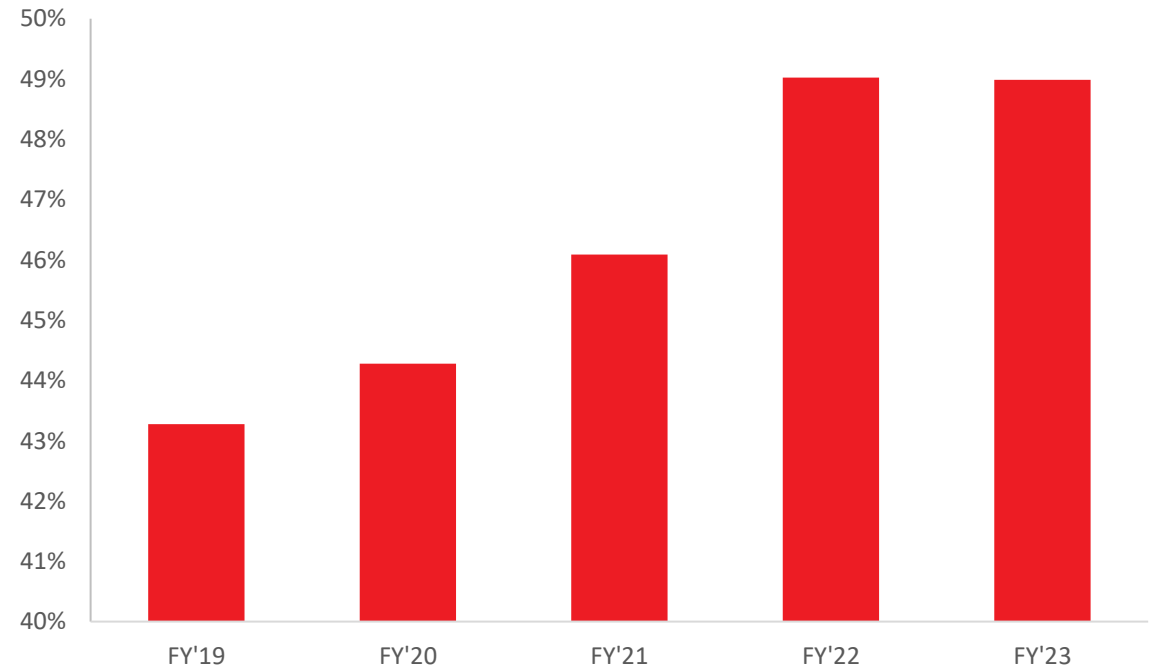
Operating leverage driven by real revenue growth

Offline to online distribution

Churn reduction

Sweating the existing assets and costs for additional revenues

Underlying EBITDA margin: Scale and efficiencies drive improvements



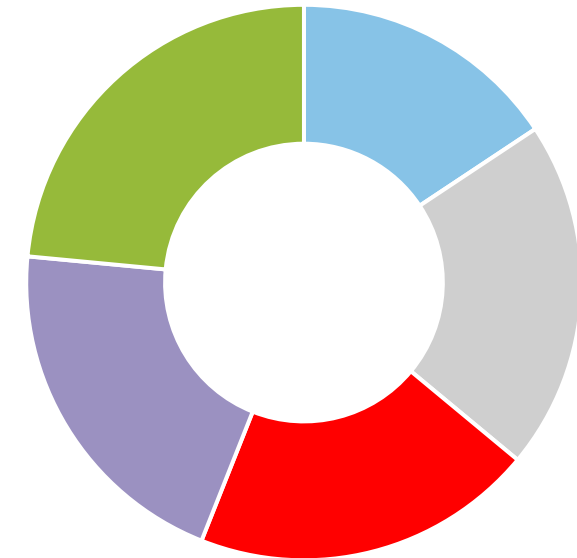


# Finance costs impacted by significant currency movements in the year

\$m



Foreign exchange and derivative losses (\$338m)<sup>2</sup>

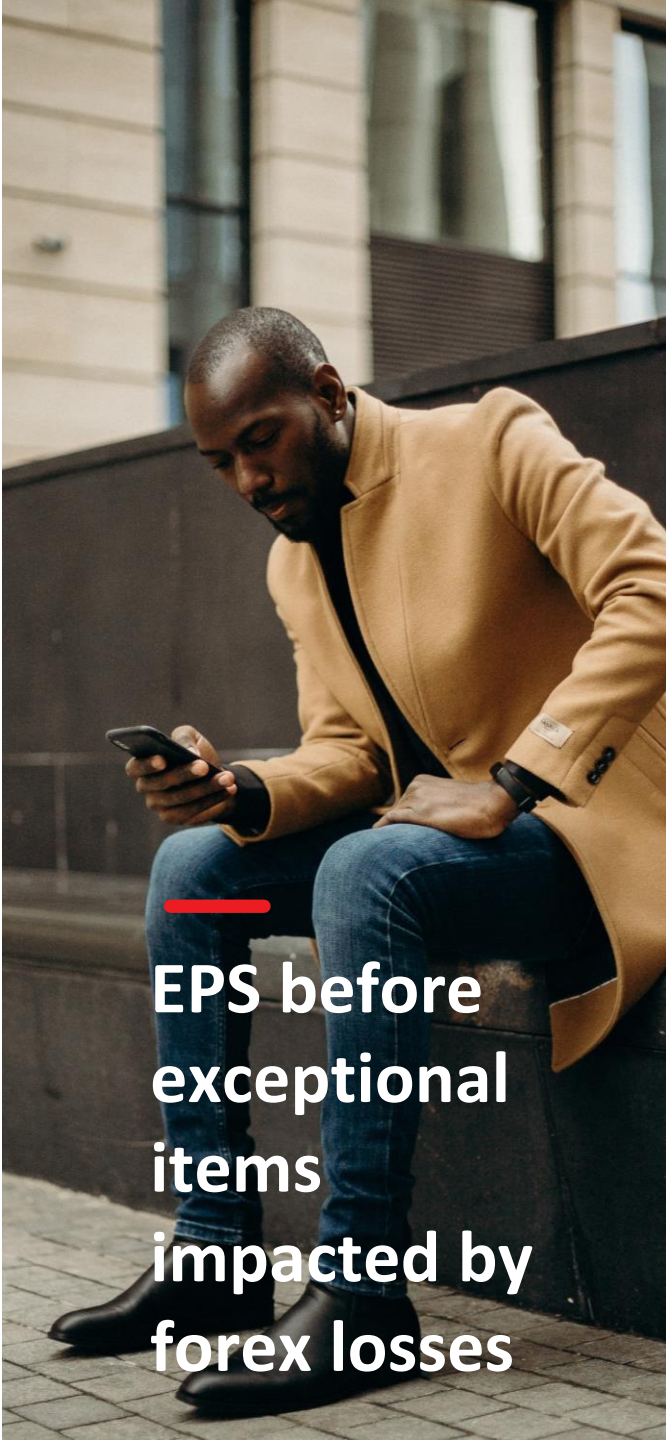


- Shareholder liabilities
- Lease liabilities
- Derivatives & other
- Market debt
- Creditors

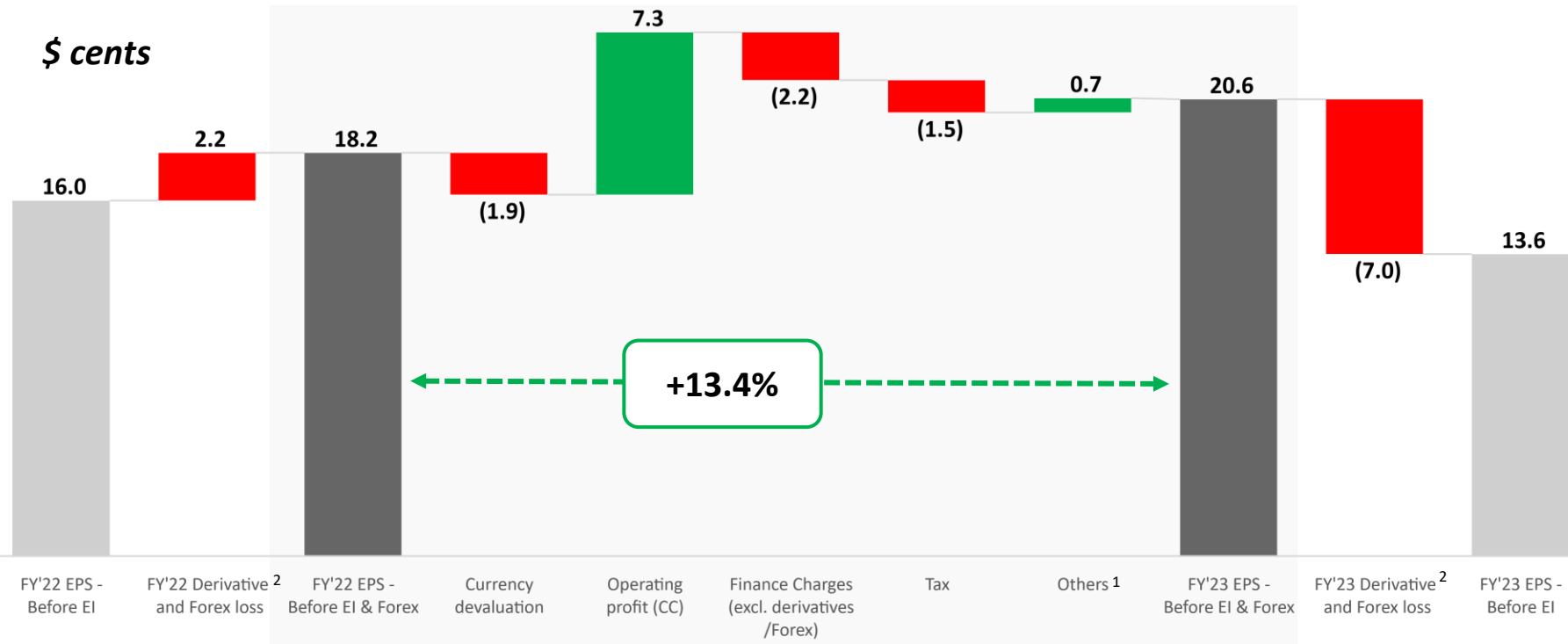
### Currency devaluation sensitivities for finance costs: On a 12 months basis,

- 1% currency devaluation across all currencies in our OpCos would have a negative impact of \$23m on finance costs (excluding derivatives).
- Our largest exposure is to Nigerian Naira where 1% devaluation would have a negative impact of \$7m on finance costs (excluding derivatives).

Notes:  
 1. FY'23 Net finance cost (excl. FX) is before incremental Forex and Derivative losses of \$245m.  
 2. FY'23 forex and derivative losses was \$338m as compared to \$93m in prior period. Hence, incremental loss was \$245m.



**EPS before exceptional items impacted by forex losses**

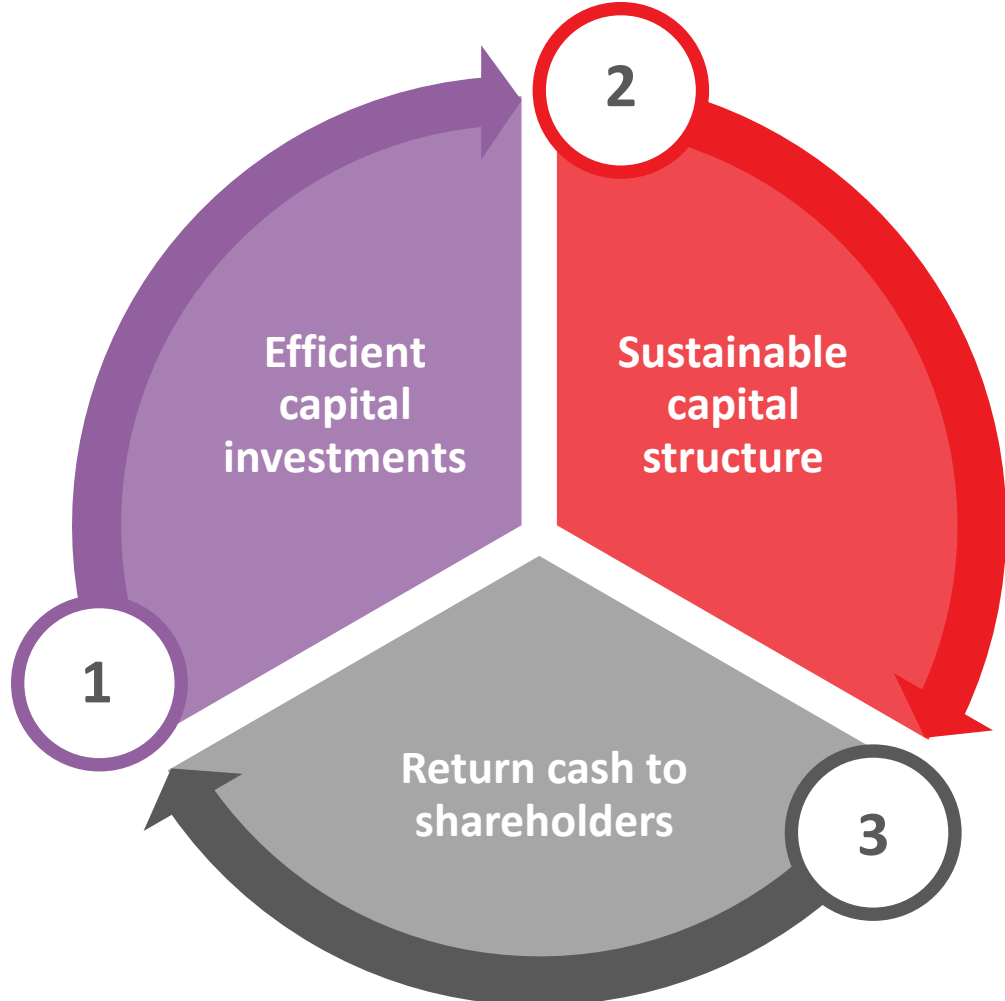


- EPS before exceptional items was 13.6 cents (lower by 2.4 cents from 16.0 cents in the prior year) which was impacted by higher foreign exchange and derivative losses of \$245m (impact of 7.0 cents). Operating EPS before EI and derivative and exchange loss was 20.6 cents (up 13.4%).
- 1% of currency devaluation across all currencies in our OpCos would have a negative impact of \$23m on finance costs (excluding derivatives).
- Our largest exposure is to Nigerian naira where 1% devaluation would have a negative impact of \$7m on finance costs (excluding derivatives).

Notes:

1. Others includes a change in minority shareholder PAT and profit/(loss) on joint ventures.
2. Derivative and Forex loss is net of benefit received on tax on account of lower PBT.

# Our transparent and balanced capital allocation policy



- 1

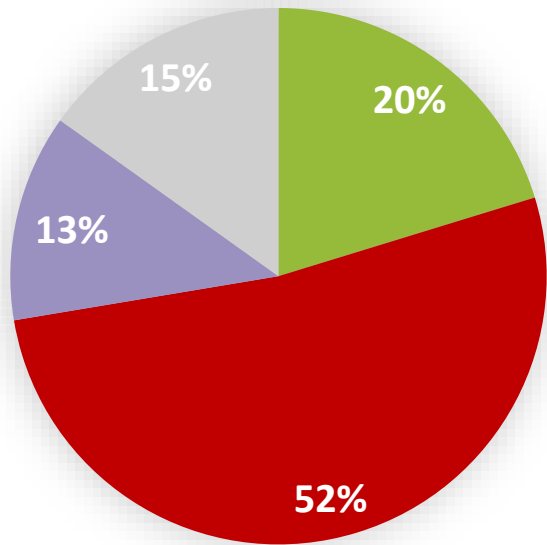
Group capex (excluding spectrum) of \$748m in-line with our guidance for the year. Capex outlook (excluding spectrum) of \$800-\$825m for FY'24.
- 2

Net debt / Underlying EBITDA of 1.4x  
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 3.27 cents per share making a total dividend of 5.45 cents per share in FY'23, growing 9% during the year

# Continuing to invest for future growth opportunities

## Capital expenditure in FY'23 (\$748m)



- Growth Capex - Coverage <sup>1</sup>
- Growth Capex - Capacity <sup>2</sup>
- Maintenance Capex <sup>3</sup>
- Fiber Capex

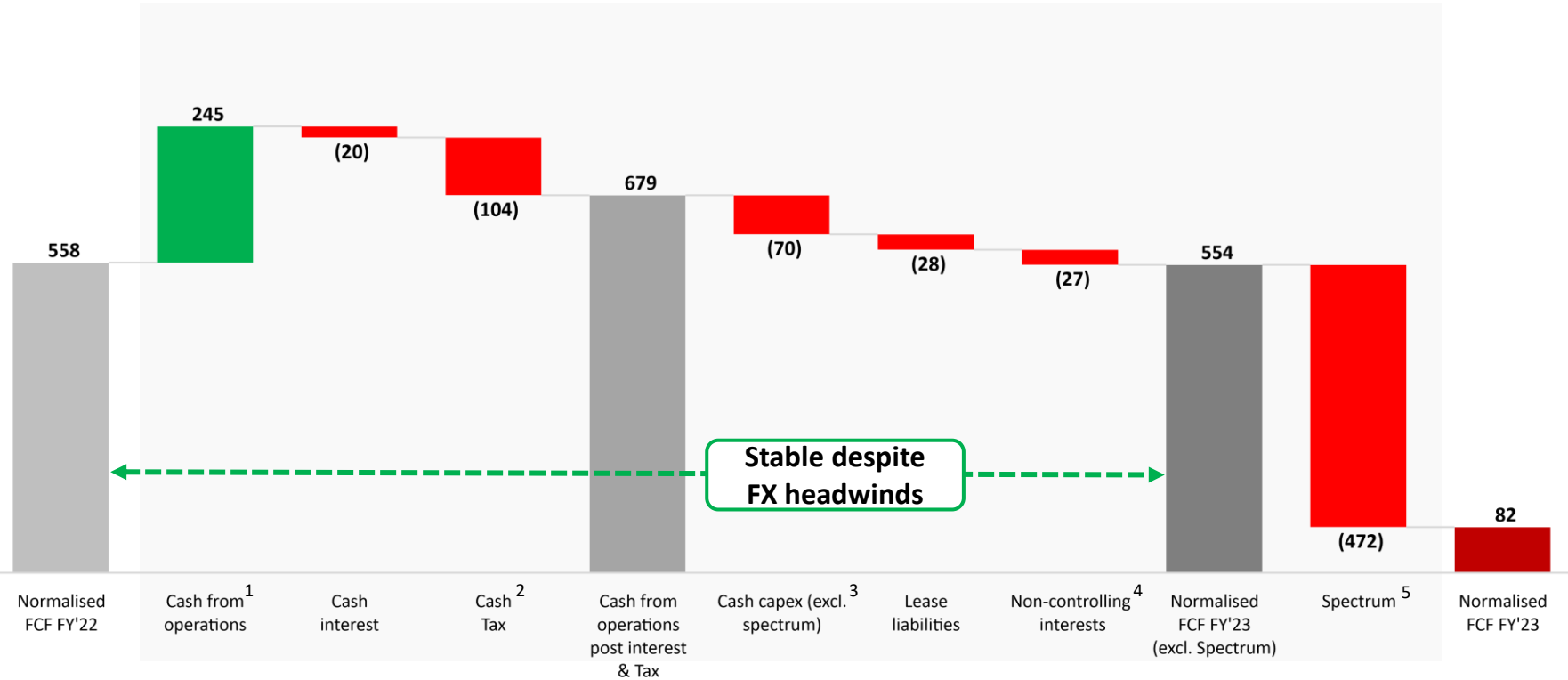
## Investing for future growth

- Total capital expenditure of \$748m, up 14.0%
- 87% of capex investment is towards growth initiatives which is targeted to enhance network capacity, increase coverage and ensure reliable connectivity
- Increased data capacity by 41.2% to almost 24k Tb/day, with only 35.9% capacity utilization in the network (with peak-hour utilisation of 47.4%)
- 90.3% of sites upgraded to 4G
- Rolled out 6,000+km of fibre over the last year resulting in 70,500+km of total fibre deployment
- Spectrum acquisition in Nigeria, Kenya, DRC, Zambia, Tanzania and the Seychelles with an investment of \$500m.
- Investment of \$18m in data centres, including land acquisition in Nigeria.

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.

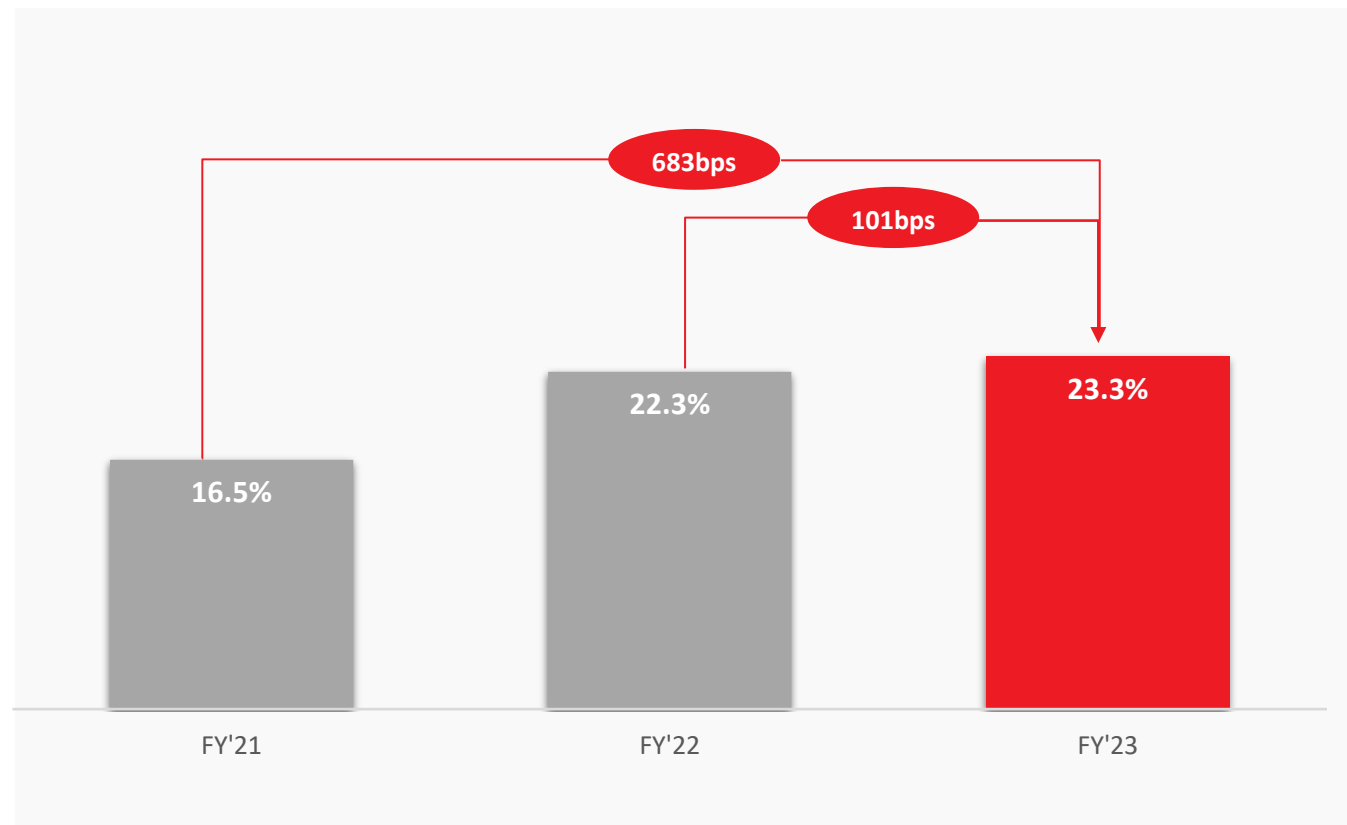
Note:

1. Cash from operations is net cash generated from operations before taxes during the year (excluding increase/(decrease) in mobile money wallet balance), contributed by higher operating profit generated during the period.
2. Cash tax paid is higher by \$104m due to higher tax payments on the increased profits and withholding tax on dividends by subsidiaries.
3. Cash capex (excl. spectrum) is higher due to continued investment for future growth, as well as an increased spend related to the PSB launch in Nigeria. The higher spend is in-line with our capital expenditure guidance for the year.
4. Higher non-controlling interests was largely due to dividend payments to minority shareholders in AMC BV.
5. Spectrum is higher by \$472m due to spectrum investment of \$500m (out of which \$482m has been paid in FY'23) in Nigeria, Kenya, DRC, Zambia and Tanzania.

Normalised Free cash flow impacted by higher investments for future growth



Capital efficiency drives rising RoCE<sup>1</sup>

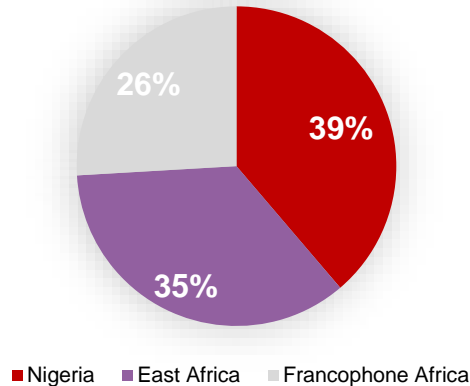


- Strong operational trends underpinned by efficient capital deployment across all markets
- RoCE continues on a positive trajectory reflecting strong management execution as well as continued traction in mobile money
- Rising returns key to driving long-term value creation for all stakeholders

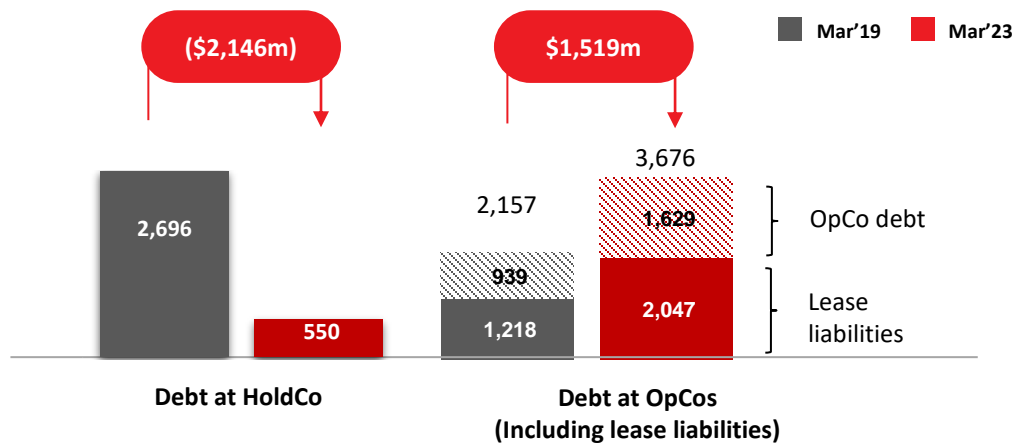
1: Return on Capital Employed (RoCE): Underlying LTM EBIT / average capital employed (refer APM section of press release for detailed definition)

# HoldCo debt reduction, localising debt and \$1bn of upstreaming

## Cash upstream diversified across the regions



## Reducing Holdco Debt



## Balance sheet strength maintained despite investments

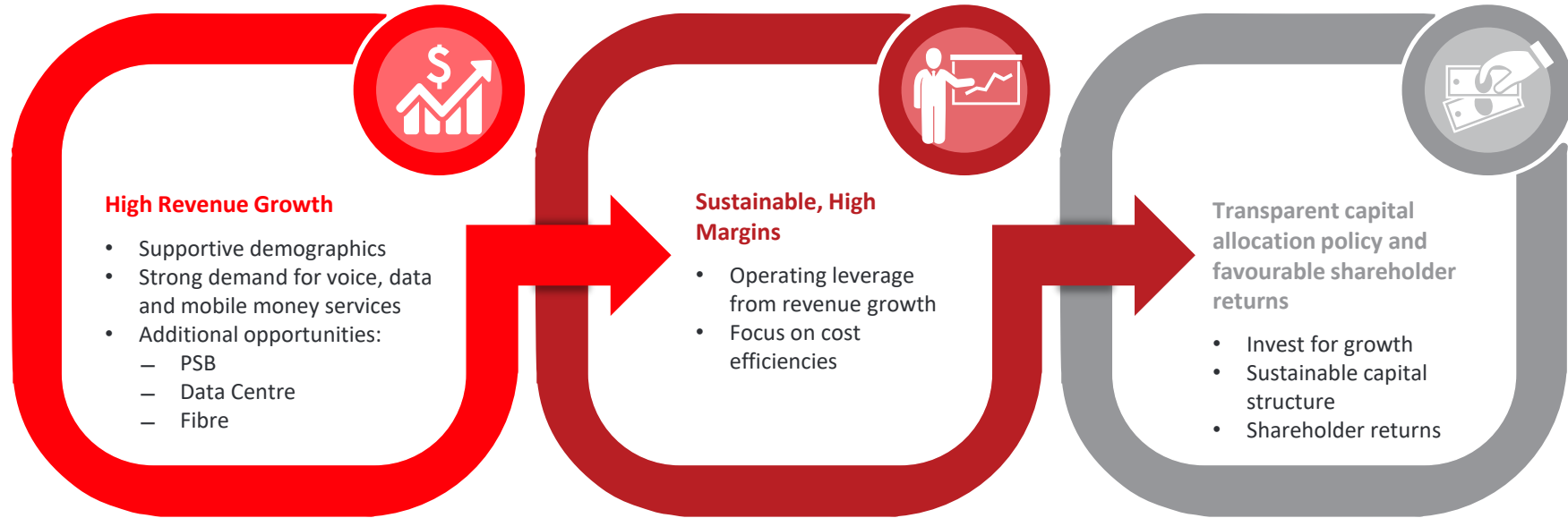
	As of Mar 31, 2023		As of Mar 31, 2022	
	\$m	Times	\$m	Times
<b>Foreign Currency:</b>	<b>1,144</b>	<b>0.5x</b>	<b>1,585</b>	<b>0.7x</b>
- Holdco	550	0.2x	1,000	0.4x
- OpCos	594	0.3x	585	0.3x
<b>Local Currency:</b>	<b>1,035</b>	<b>0.4x</b>	<b>676</b>	<b>0.3x</b>
- OpCos	1,035	0.4x	676	0.3x
<b>Gross Market Debt</b>	<b>2,179</b>	<b>0.9x</b>	<b>2,261</b>	<b>1.0x</b>
<b>Cash and cash equivalents</b>	<b>702</b>	<b>0.3x</b>	<b>980</b>	<b>0.4x</b>
- Holdco	398	0.2x	291	0.1x
- OpCos	304	0.1x	689	0.3x
<b>Net debt (Excl. lease liabilities)</b>	<b>1,477</b>	<b>0.6x</b>	<b>1,281</b>	<b>0.6x</b>
Lease Liabilities	2,047	0.8x	1,660	0.7x
<b>Net debt (Incl. lease liabilities)</b>	<b>3,524</b>	<b>1.4x</b>	<b>2,941</b>	<b>1.3x</b>

- Net debt increase primarily driven by increased lease liabilities.
- Excluding lease liabilities, leverage remained stable despite higher spectrum payments by \$472m.
- OpCo market debt increased by 29% to over \$1.6bn in-line with our strategy to push down debt to the Opco level.
- Currently 48% of lease liabilities are pegged to the US\$ (and payable in local currency), down from 56% in the prior year. The remainder are based in local currency.
- The weighted average interest rate was 7.7% versus 5.6% in the prior year, due to increases in the base rate, increase in local currency OpCo debt and the repayment of HoldCo bond, which had lower rate.

# Conclusions



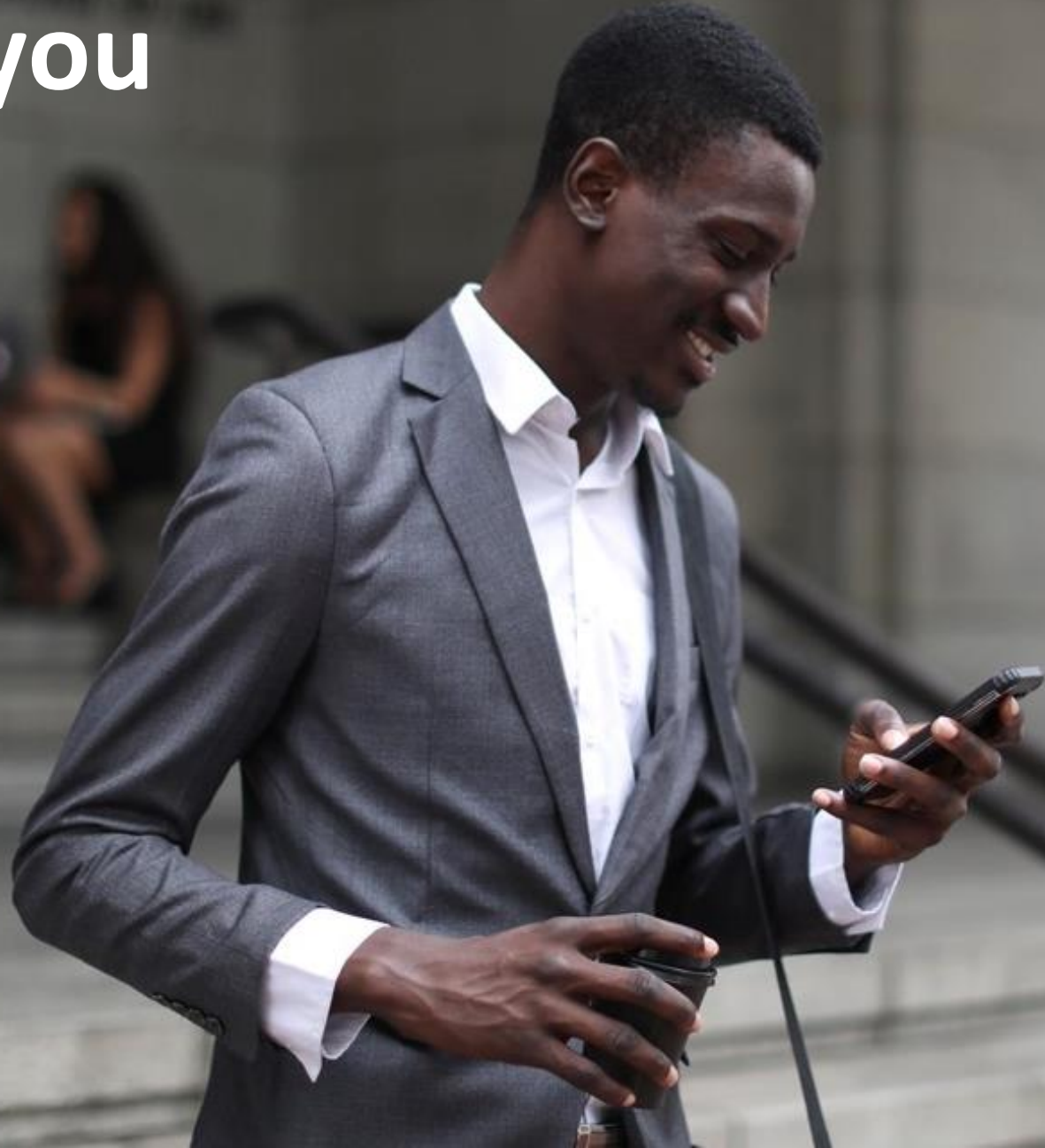




Summary and outlook

These results continue to demonstrate the effectiveness of our strategy, sound execution and resilience of our business despite the uncertain macro-economic environment. We are well positioned to deliver against the growth opportunities these markets offer, with a continued focus on margin resilience.

**Thank you**



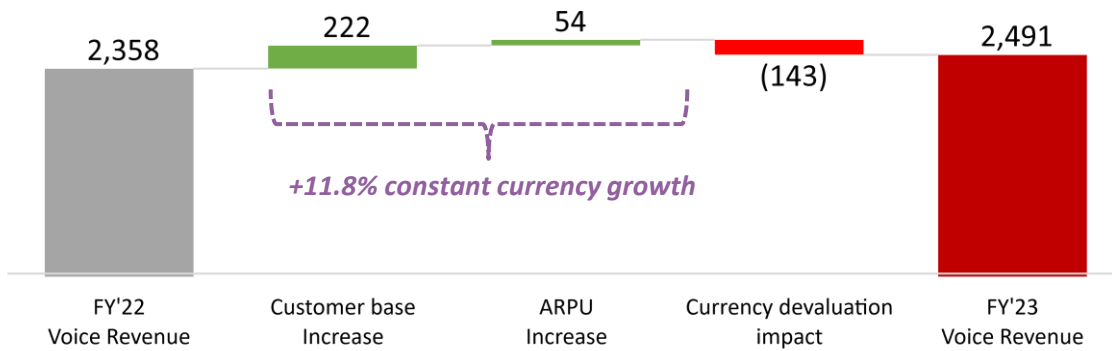
**Q&A**

# Appendix

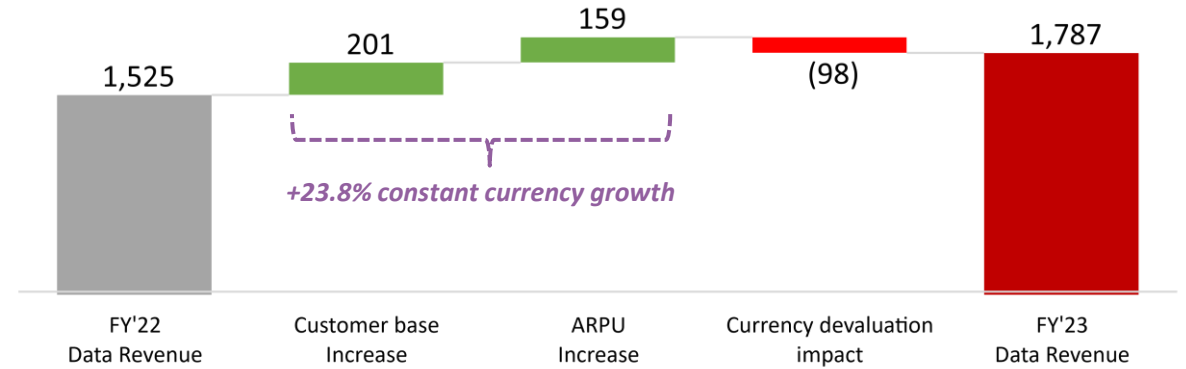


# Growth by service segment waterfalls

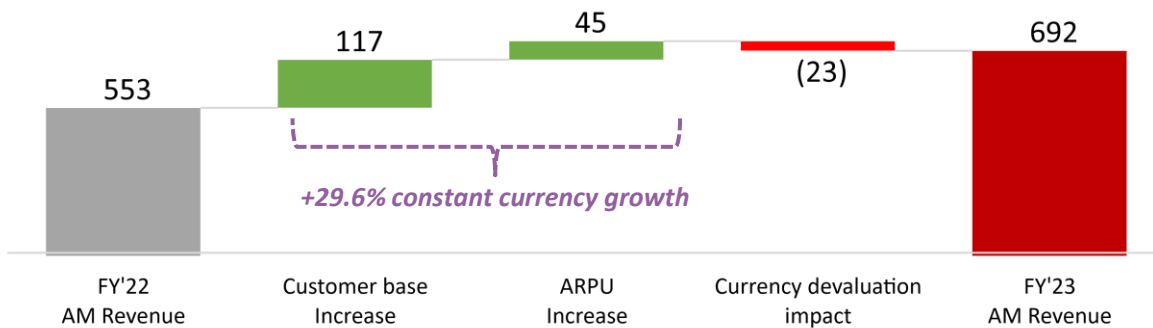
## Voice revenue (\$m)



## Data revenue (\$m)



## Mobile money revenue (\$m)



## Effective tax rate

Description	Unit of measure	Year ended			Year ended		
		Mar-23			Mar-22		
		Profit before taxation	Income tax expense	Tax rate %	Profit before taxation	Income tax expense	Tax rate %
<b>Reported effective tax rate</b>	<b>\$m</b>	<b>1,034</b>	<b>284</b>	<b>27.4%</b>	<b>1,224</b>	<b>469</b>	<b>38.3%</b>
<b>Adjusted for:</b>							
Exceptional Items	\$m	-	161		(60)	2	
Foreign exchange rate movement for loss making entity and/or non-DTA operating companies & holding companies	\$m	106	-		50	-	
One-off adjustment and tax on permanent differences	\$m	4	(1)		(12)	(2)	
<b>Effective tax rate (ETR)</b>	<b>\$m</b>	<b>1,144</b>	<b>444</b>	<b>38.8%</b>	<b>1,202</b>	<b>469</b>	<b>39.0%</b>

## Finance cost & forex

Description	FY'23	FY'22	Change
	\$m	\$m	\$m
Interest on gross debt and other financial liabilities	362	310	52
Interest income	(29)	(19)	(10)
<b>Net Interest Cost</b>	<b>333</b>	<b>291</b>	<b>42</b>
Other Finance Charges	52	19	33
<b>Finance Charges (Excluding derivative and FOREX)</b>	<b>385</b>	<b>310</b>	<b>75</b>
Derivative and FOREX (gain)/loss	338	93	245
<b>Total Finance Charges (Excluding exceptional Items)</b>	<b>723</b>	<b>403</b>	<b>320</b>
Exceptional Items	0	19	(19)
<b>Total Finance Charges (Including exceptional Items)</b>	<b>723</b>	<b>422</b>	<b>301</b>

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

- 1% currency devaluation across all currencies in our OpCos would have a negative impact of \$23m on finance costs (excluding derivatives).
- Our largest exposure is to Nigerian Naira where 1% devaluation would have a negative impact of \$7m on finance costs (excluding derivatives).

### Total finance charges were higher by \$320m, mainly due to:

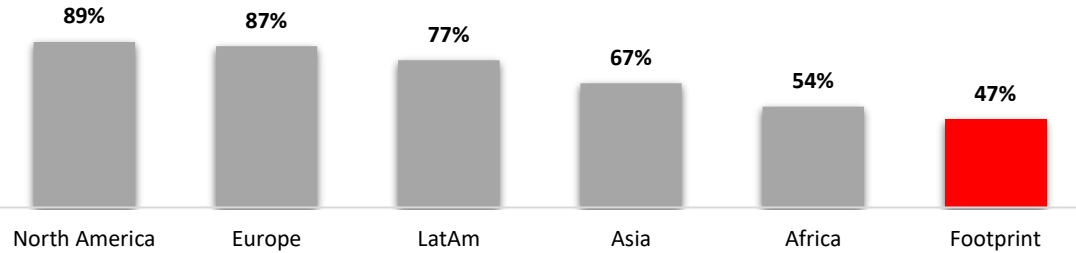
- **Net interest costs were higher by \$42m**, primarily due to higher interest on leased liabilities by \$46m. Interest cost on market debt was broadly flat.
- **Other finance charges were higher by \$33m**, primarily due to bond pre-payment charges and reversal of interest on WHT on IUC provision in Tanzania in prior period.
- **Derivatives and forex losses were higher by \$245m**, as a result of higher foreign exchange losses of \$178m and higher derivative losses of \$67m. The higher foreign exchange losses arose from the restatement of balance sheet liabilities following certain currency devaluations across most of our OpCos, including a loss of \$82m on devaluation of the Nigerian Naira, and other devaluation losses of \$96m mainly arising from the Kenyan and Ugandan Shilling and Malawian and Zambian Kwacha.

**Exceptional Items of \$19m in prior period** is bond pre-payment charges.

# Voice: coverage and distribution facilitates growth opportunity

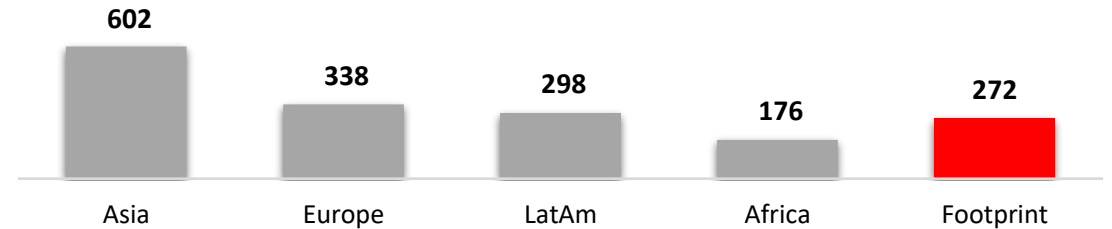
## Unique SIM penetration highlights the opportunity

(as at Dec 21)<sup>1</sup>



## Comparable usage across footprint very low

Voice usage per customer in mins<sup>2</sup>  
(per month)



## Investment into coverage and distribution

- Young and growing population
- Increased network coverage to 79.5%
- Significant scope for penetration growth
- 79,500+ exclusive distribution channels
- 304,000+ customer activating outlets
- 9.0% growth in customer base

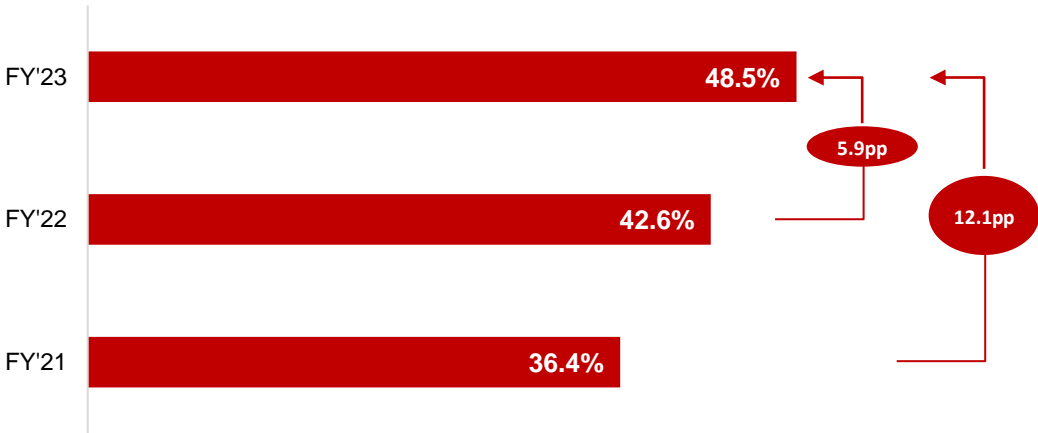
## Initiatives to drive future growth

- Low and increasing voice usage
- Bundled offerings
- Segmented offers
- Loyalty through weekly and monthly bundles
- Top-up / recharge
- 16.0% voice traffic growth

<sup>(1)</sup>Unique subscriber estimates based on WCIS data while population estimates for unique user % is from UN <sup>(2)</sup> Footprint benchmarking data is for 14 countries of Airtel operation. Voice usage per customer from WCIS (for Q3'21 excluding footprint). For footprint, it is for FY'23.

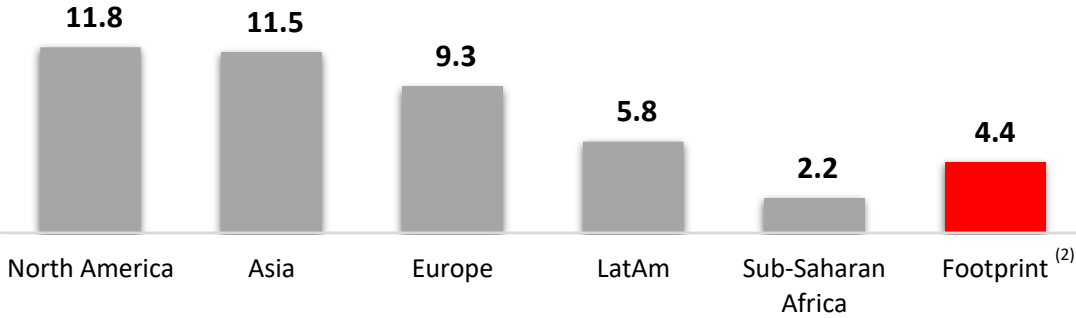
# Data: Network investment and affordable offerings to drive demand

## 4G penetration of total data customers



## Data usage remains low in a global context

Data usage per customer in GB<sup>1</sup> (per month)



## Network investment remains a priority

- Modernised network – 97.4% of sites on single RAN
- Deployed >3,200+ additional 4G sites
- 41.2% increase in data capacity
- Peak hour data utilisation at 47.4%
- 90.3% of sites on 4G
- 33% increase in 4G customers

## Innovation to capture latent demand

- Substantial opportunity for data usage growth
- Customised offerings
- Investment into exclusive channels
- Enterprise opportunity
- Transparent affordable bundles
- 46.3% data traffic growth

<sup>(1)</sup> Data usage per customer is from <https://www.statista.com/> <sup>(2)</sup> Footprint data for Airtel Africa as at FY'23.



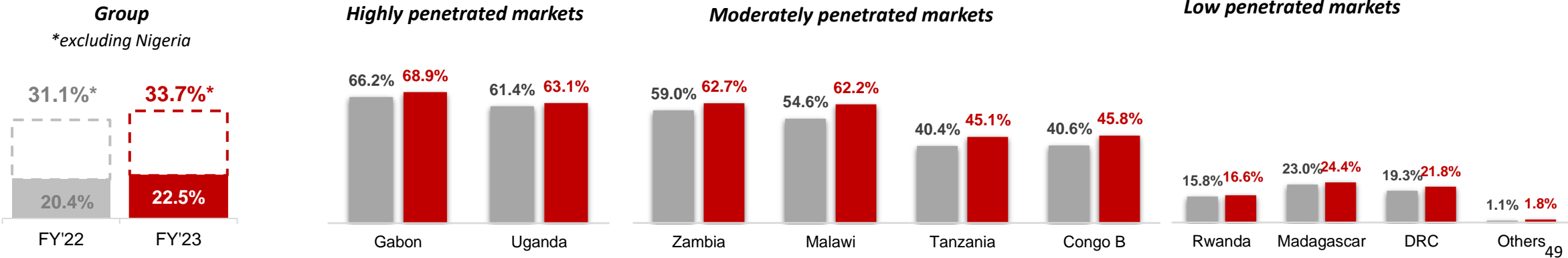
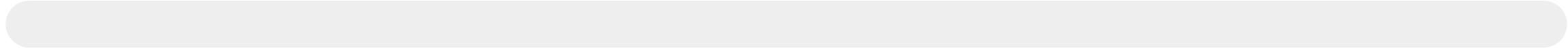
# Mobile money: driving financial inclusion and developing the ecosystem

## Core focus to drive future uptake

- Safety
- Assured availability float and cash
- Ease and convenience
- Trust that it works
- Deposit and withdrawals
- Money transfers

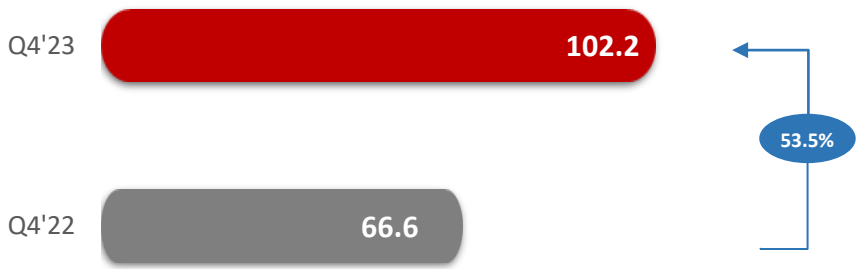
## Developing ecosystem of financial services

- Bill /merchant payments
- Bank to wallet & wallet to bank
- Bulk transfers - gov't to public (G2P) and B2C
- International money transfer
- Top-up / recharge
- Micro loans and savings



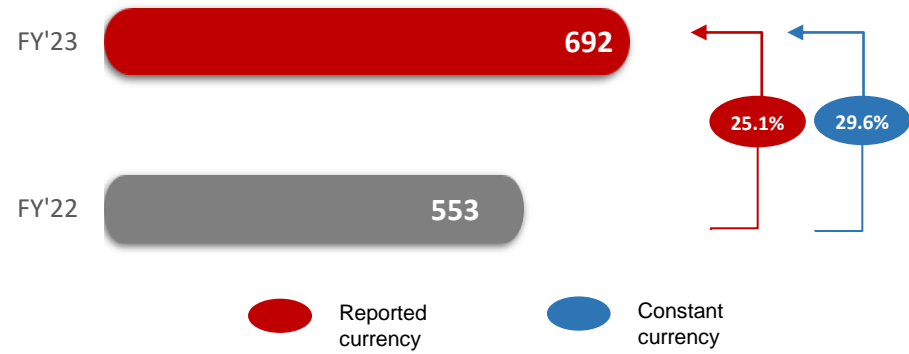
# Mobile money: customer usage continues to gain traction

## Annualized transaction value<sup>1</sup> (\$bn)



<sup>1</sup>In constant currency

## Mobile money revenue growth



● Reported currency    ● Constant currency

## Developing the ecosystem

- Increasing services on offer
- Expansion of our agents and merchant ecosystem
- Additional 1,850 Airtel Money branches
- Focus on reliability of the platform

## Shift to digital drives higher revenues

- Shift in consumer behaviour towards digital
- 6.8% increase in constant currency ARPU
- Higher contributions from cash and merchant transactions
- 20.4% increase in active customers

## Currency effects – historical trends

Currency	Historical Trends				CAGR Deval/(Appr.)		
	Mar 2018	Mar 2020	Mar 2022	Mar 2023	1-year	3-year	5-year
NGN	360.0	385.3	415.2	461.4	11.1%	6.2%	5.1%
UGX	3,690.5	3,795.0	3,590.0	3,780.0	5.3%	(0.1%)	0.5%
TZS	2,259.3	2,313.0	2,320.0	2,341.0	0.9%	0.4%	0.7%
ZMK	9.5	17.9	18.1	21.4	18.6%	6.1%	17.7%
MWK	725.4	733.2	816.7	1,026.4	25.7%	11.9%	7.2%
KES	101.0	104.5	115.0	132.2	15.0%	8.2%	5.5%
RWF	856.9	952.2	1,016.9	1,103.3	8.5%	5.0%	5.2%
CFA	533.4	594.3	587.6	601.7	2.4%	0.4%	2.4%
MGA	3,205.4	3,770.0	4,035.0	4,332.2	7.4%	4.7%	6.2%
SCR	13.5	13.7	14.4	13.9	(3.3%)	0.5%	0.7%

Note: based on closing exchange rate