

# Lesaka

RMB Morgan Stanley Banks and  
Insurance Showcase

June 2025



# Framing Lesaka's Significant Opportunity



Ali Mazanderani  
Executive Chairman

## Deep and Relevant Fintech Leadership

- Fintech entrepreneur & investor with significant investment & operating experience in emerging markets
- Appointed Executive Chairman of Lesaka in February 2024
- Current: Co-founder & Chairman of Teya, a pan-European Fintech
- Current: Non-Executive Director of Thunes and Kushki
- Prior: Non-Executive Director StoneCo (Brazil) & Network Holdings (UAE)
- Prior: Partner at Actis, a London based emerging market private equity firm (invested in & built fintechs to multi billion-dollar valuations & exits)
- Prior: Advised private equity & corporate clients for OC&C Strategy Consultants (London) & served as lead strategy consultant for First National Bank (Johannesburg)



actis



Thunes.



stone<sup>CO.</sup>

network >

# Lesaka's Right to Win

Three takeaways from  
today's presentation

## Southern Africa amongst the most attractive fintech opportunities in the world

- Large addressable market
- Fast growth rates
- Attractive trends and tailwinds
  - Digitization of commerce
  - Fragmented market & participants
  - Real unaddressed pain points

## Lesaka is uniquely positioned to capture this opportunity

- Proprietary multifaceted strategy & business model to capture market
- Diversified to address consumer & business fintech volumes
- Advantaged capabilities & solutions to win, retain & grow client base

## Our plan is already underway and showing results

- New management team in place & aligned
- Successful launch on new initiatives & strategic acquisitions
- Track record of improving financial performance
- Strong continued outlook for 2025-2026

# Agenda

Lesaka is the true entry point of scale for Southern African fintech

- 1 Africa's Fintech Opportunity is Amongst the Fastest Growing Globally
- 2 Disruptions & Continued Digitization of Commerce is Inevitable
- 3 Africa's Evolution is Expected to Follow in a Proven Global Development Pathway
- 4 Lesaka's Existing & Integrated Ecosystem is Uniquely Positioned to Capture Outsized Market Gains
- 5 Our Clear Strategy, Implemented by a Deeply Experienced Executive Team, Adds Confidence To Growth
- 6 Consistent Execution on Strategy is Translating into a Track Record of Improved Financial Performance
- 7 Conclusion

# Africa's Fintech Opportunity is Amongst the Fastest Growing Globally

Lesaka is uniquely positioned to capture this opportunity

We see continued market share gains into our serviceable addressable market expanding ~3x in 5 years

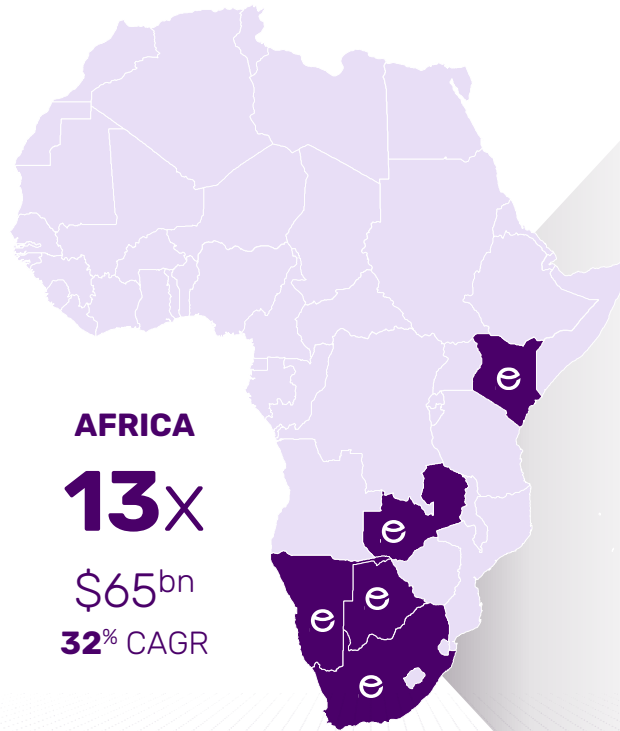


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## Fintech Revenue Growth

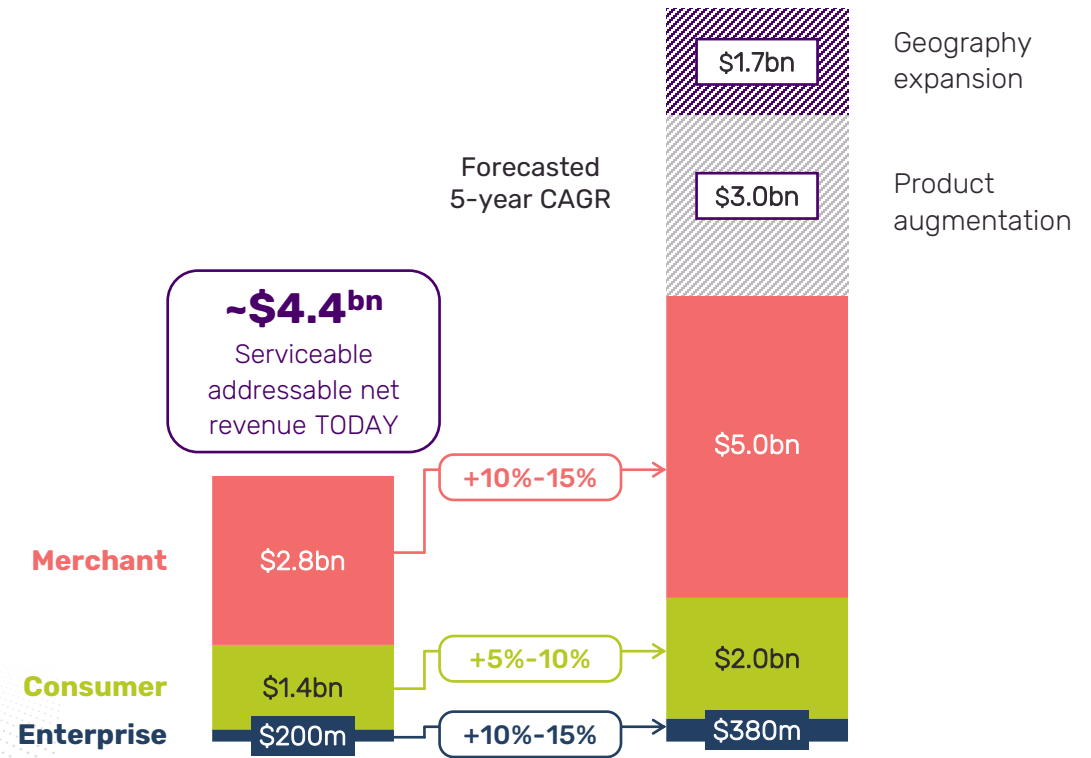
2021 to 2030

Growth Multiple (x)    2030 Revenue (\$bn)



The 5 markets we operate in provide a base to benefit from Africa's immediate & longer-term tailwinds

**~\$12.0bn**  
Serviceable addressable net revenue in 5 years

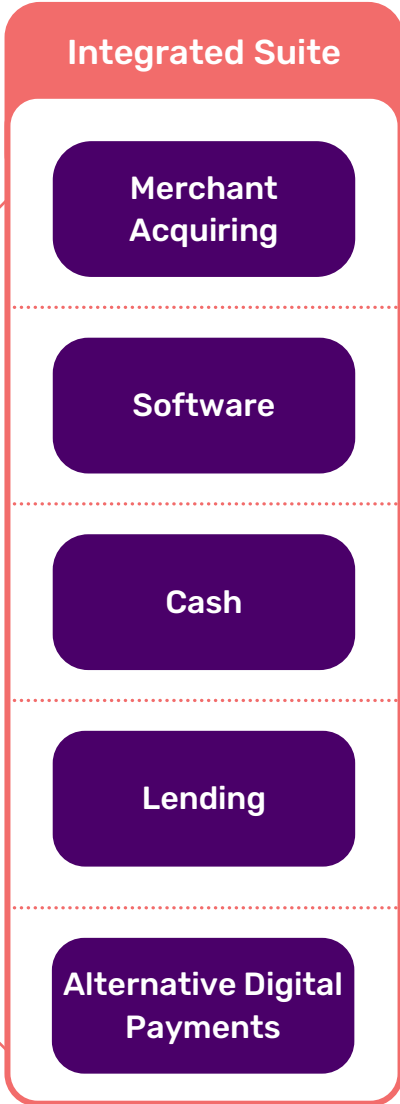
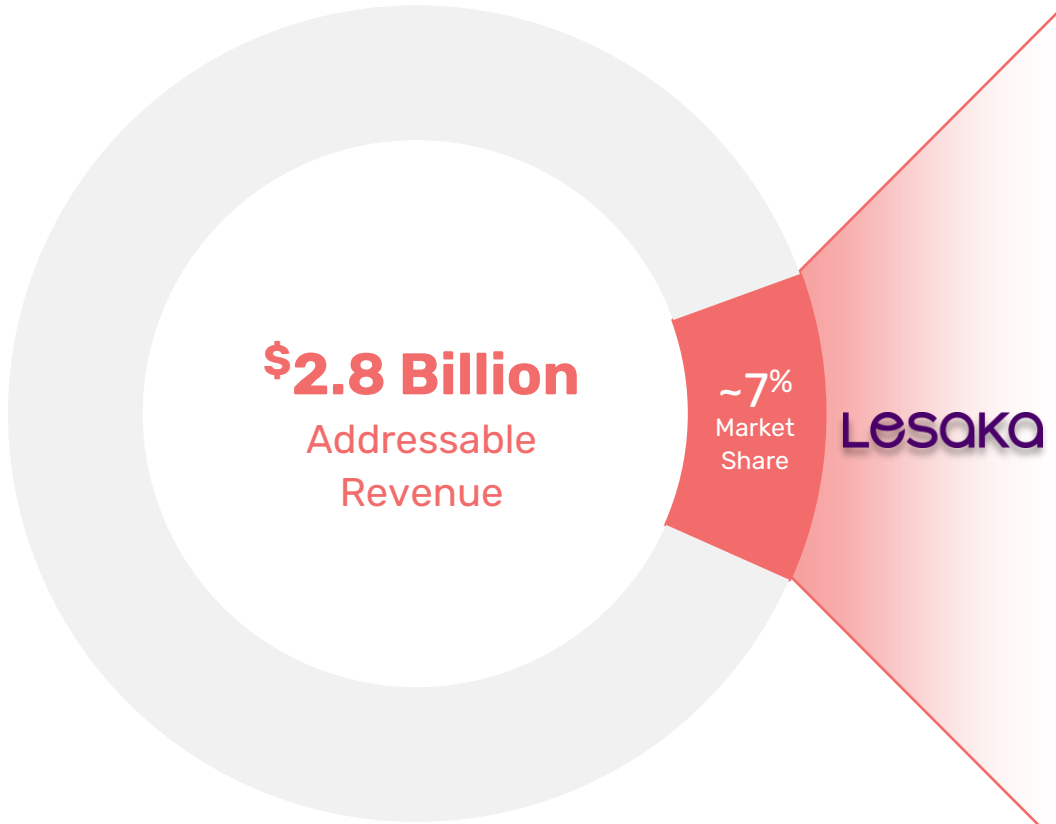


Our estimated market share showcases significant runway potential in a fragmented operating sector

Sources: BCG Global Fintech Analysis 2023, Global Data Analytics (2024), McKinsey & Company – The Future of Payments in Africa (September 2022), BDO Fintech in Africa (June 2024), Genesis Analytics (2024), IMF Database (2024), Management Estimates & Company Information (2024). Merchant division aggregates both Micro-Merchant & Merchant pillars whereby the revenue pool associated with Alternative Digital Payments within Micro-Merchant are represented on a net revenue basis

# Merchant Division

## Revenue Opportunity Today



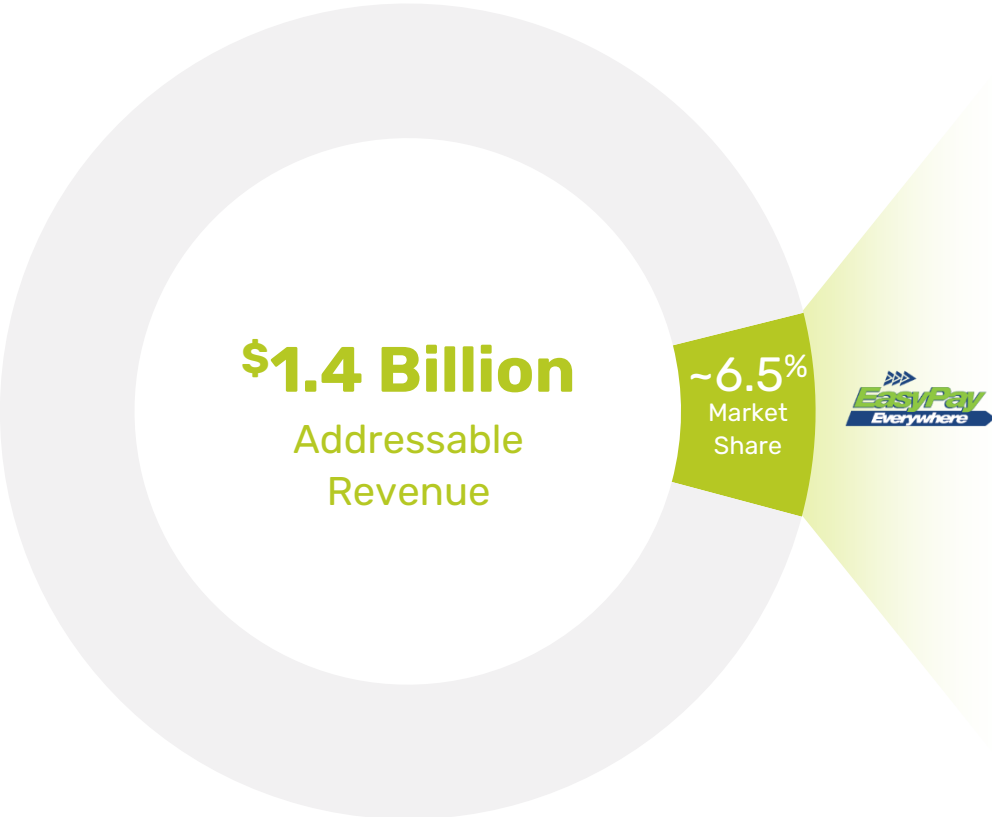
**Sources & Notes**

Global Data Analytics (2024), Genesis Analytics commissioned by Lesaka (2024), South African Reserve Bank Interchange Rate (2021), IFC MSME Opportunity in South Africa (2019), Electrum Value Added Services in South Africa (2020), Company Information (2024), Peer Company Public Quarterly Results (2024). Market sizing analysis has aggregated the Merchant and Micro-Merchant divisions. Alternative digital payments represents the following sub-products: Prepaid solutions and supplier payments on a net revenue basis.



# Consumer Division

## Revenue Opportunity Today



**Integrated Suite**

- Transactional Accounts
- Lending
- Insurance
- Payouts

### Highly Fragmented Ecosystem of Alternative Providers

NEDBANK, TymeBank, Standard Bank, absa, Postbank, CAPITEC BANK, FNB, Tsheleka, capfin, FINBOND, Owiekfin, supreme finance, atlas finance, ASSUPOL, Emerald Life, AFRICAN UNITY INSURANCE, Sanlam 1life, CAPITEC BANK, achievement awards group, UWIN IWIN INTERNATIONAL, PayCentral, FNB

# Enterprise Division

## Revenue Opportunity Today



**Integrated Suite**

- Bill payments
- Utility Payments
- Hardware Security Modules
- POS management & Switching

### Highly Fragmented Ecosystem of Alternative Providers

**pay@**    **unipay**    **OZOW**  
your payment partner    Convenience • Reliable • Secure

**CIGICELL**    **Syntell**    **ideal Prepaid**    **R&A**    **Citiq Prepaid**    **UTILITIES WORLD**  
ADDING REVENUE FOR AGENTS/STREETS    SMART BILLING MANAGEMENT SOLUTIONS

**iPay**    **THALES**    **FUTUREX**  
Payments made easy

**TRANSACTION JUNCTION**    **ALTRON FINTECH**    **ACI Worldwide**    **AFRICAN RESONANCE**

**Sources & Notes**  
 South African Local Government Association (2024), Statista (2024), South African Treasury (2024), Grand View Research (2024), Company Information (2024). Bill payments is a representation of the non-bank bill collection market.

# Disruption & Continued Digitization of Commerce is Inevitable

Southern Africa's growth potential is anchored on 3 secular themes

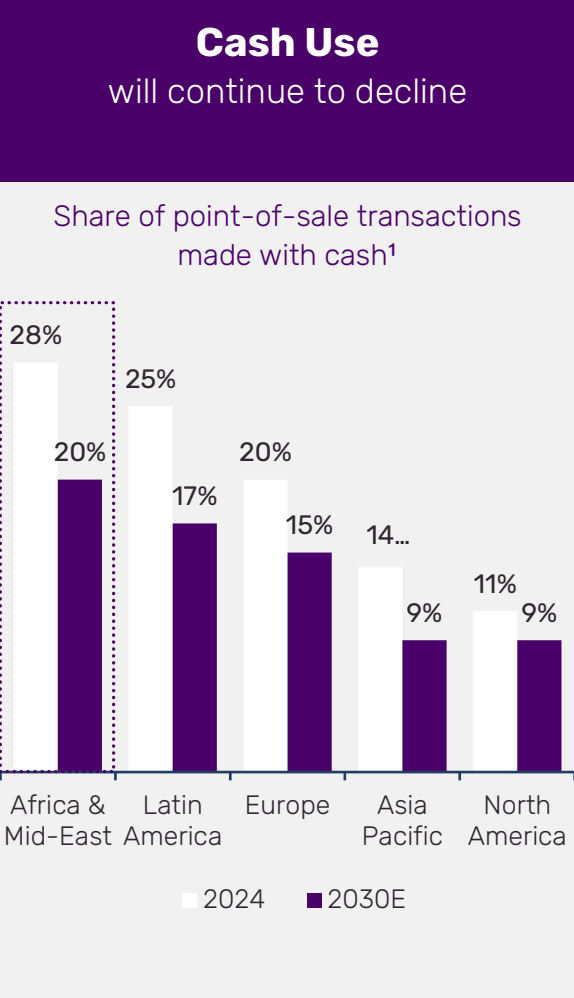


2

1

2

3



### Disruption in South Africa

will follow global trends

Top 10 merchant acquirers in africa<sup>3</sup>

Banks	Total card volume (\$m)	Merchant outlets
Absa	29 694	80 074
First National Bank	22 955	65 705
Nedbank	20 350	58 870
Standard Bank	14 502	64 555
Capitec	2 799	39 113
Mauritius Commercial Bank	2 085	19 812
Equity Bank	1 552	43 845
Firstbank	748	12 600
Co-operative Bank	254	18 787
Millenium BIM	211	7 420

**\$95bn**  
Total card volume (US\$)

**Southern African market is currently highly fragmented**

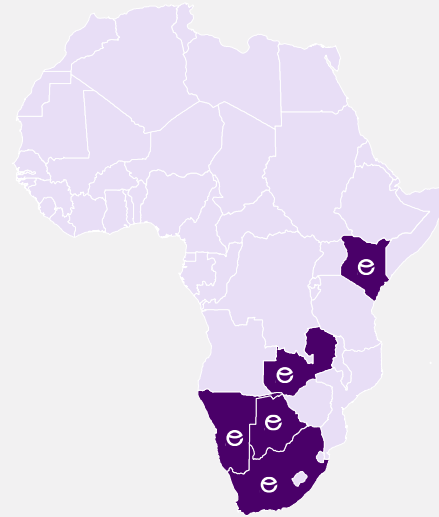
Notes:  
 1. Worldpay Global Payments Report 2025 (10<sup>th</sup> Edition).  
 2. Nilson Report #1250, estimated using share of total transactions.  
 3. Nilson Report #1266, includes Mastercard, Visa and other debt, credit and prepaid cards.

# Africa's Evolution is Expected to Follow a Proven Global Pathway

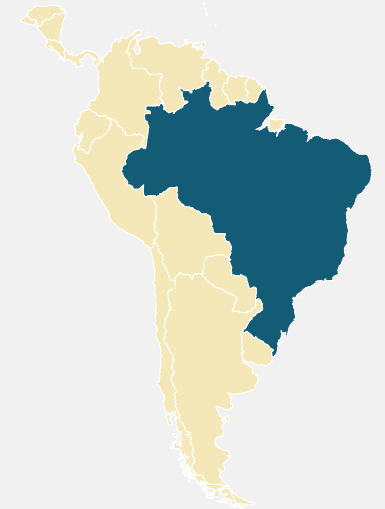
Southern Africa is positioned to be the "Next Brazil" – with more favorable market dynamics & opportunities when it comes to its payment landscape

3

## Lesaka's Current & Adjacent Anglophone Markets



## Brazil



Total population <sup>1</sup>	~ <b>250</b> million	< A market of similar scale >	<b>215</b> million
Market share of loans by top 5 banks <sup>2</sup>	~ <b>90%</b> (South Africa)	< Greater bank concentration >	<b>72%</b> → <b>67%</b> (2017) (2023)
Market share of loans by major fintechs <sup>2</sup>	< <b>1%</b> (South Africa)	< Significantly less fintech competition >	< <b>5%</b> → < <b>20%</b> (2017) (2023)
Share of cash payments <sup>3</sup>	~ <b>56%</b> (South Africa)	< Significant runway for digitization of cash >	< <b>6%</b>

Notes:

1. PRB World Population Data

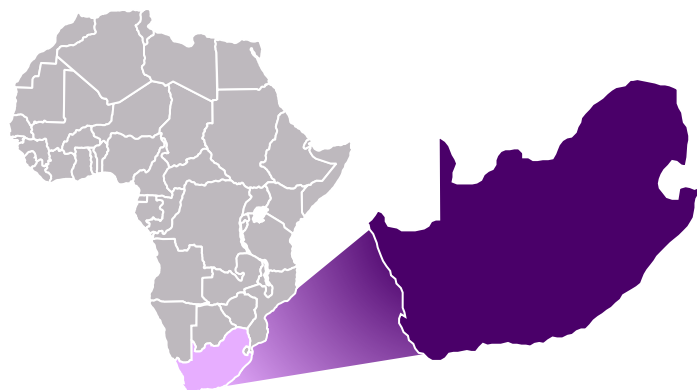
2. Using market share by total asset value as a proxy for South Africa: JP Morgan Research (12 July 2024) "Latin American Banks: Market Share & Credit Bible"; UBS Research (28 May 2024) "Brazilian Banks Side-by-Side"; The Prudential Authority (South African Reserve Bank); Company Estimates.

3. South African Reserve Bank Payments Study Report 2023; Morgan Stanley "The End of Growth" – forecasts digital payments penetration of personal consumption to be at 94% for 2024E.



## For Example: South Africa

With Real **Pain Points**  
Legacy Providers Are  
Not Equipped to Address



### Consumer Market



× **Poor Customer Experience**

Consumers travel a long distance to visit a bank's branch & wait long hours to open an account to receive their grants

× **Limited Access to Financial Services**

Grant recipients, in particular, do not have access to formal credit & can only borrow from informal micro-lenders

× **Excessive Charges**

Consumers often face expensive charges with opaque pricing structure & terms that are difficult to understand

× **Low Smartphone Penetration & Usage**

Lower LSM consumers do not often have access to smartphones & need physical help & presence to navigate any banking activities

### Business Market



× **Limited Access to Digital Payments**

A small portion of the Micro merchant base can accept digital payments, relying mostly on cash transactions to grow their business

× **Limited Access to Growth Capital**

SMB merchants have typically experienced limited access to formal credit, while Micro merchants have no access to formal channels of credit

× **Poor Cash Management Solutions**

With 50% of the transactions conducted in cash in S. Africa, merchants bear significant costs & risks managing cash every day

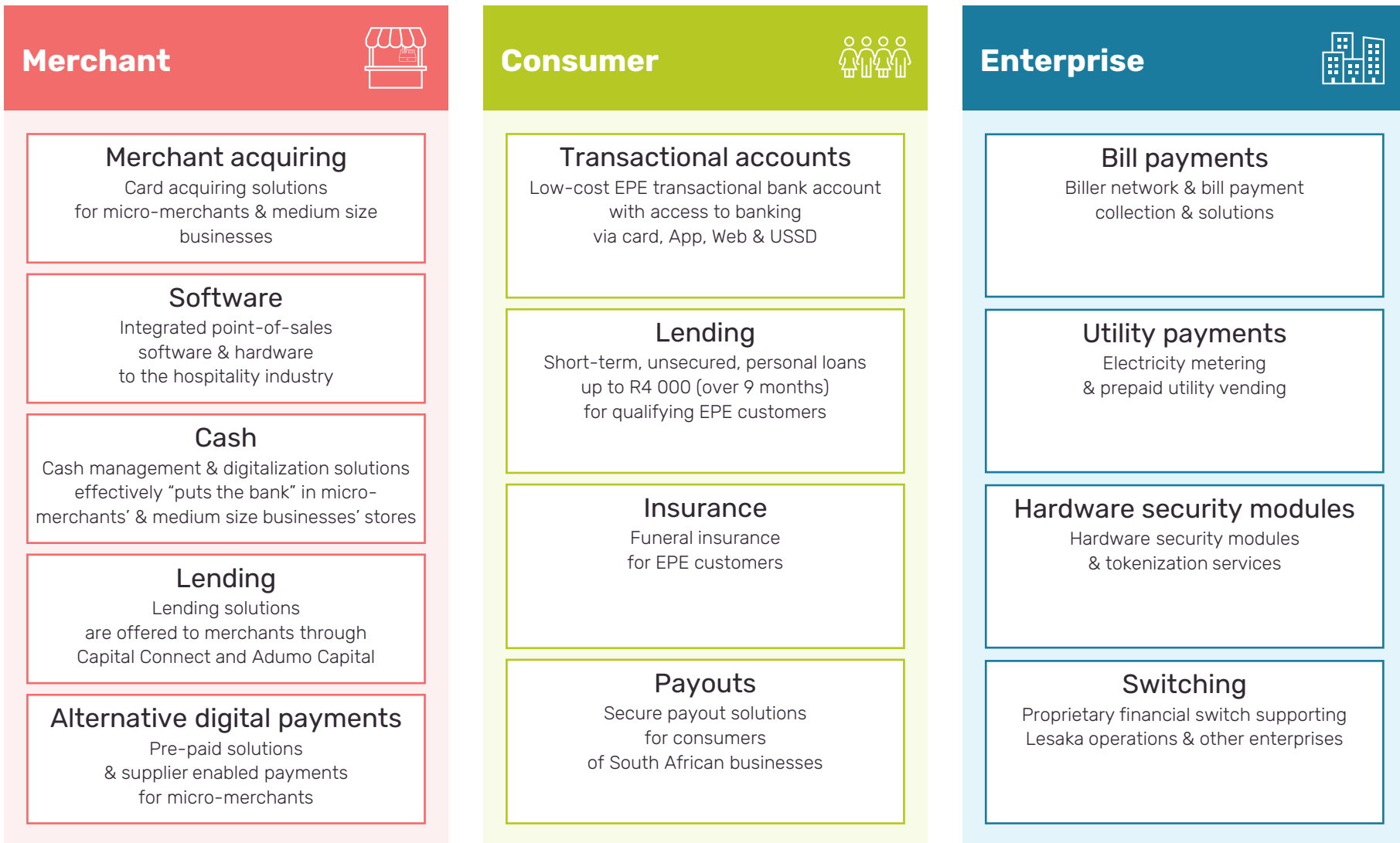
× **Lack of Holistic Offering**

Some digital providers are tackling specific market gaps but there is no platform that can offer a complete set of merchant solutions

# Lesaka's Existing & Integrated Ecosystem is Uniquely Positioned to Capture Outsized Market Gains

Diversified to truly address end-user pain points, with advantaged capabilities & solutions to win, retain & grow base

4



# Experienced Executive Team Aligned To Drive Vision

Record of success & deep expertise in fintech & Africa

5



**Ali Mazanderani**  
Executive Chairman



**Dan Smith**  
Group CFO



**Lincoln Mali**  
CEO Southern Africa



**Naeem Kola**  
Group COO



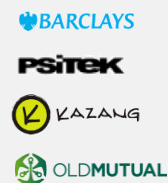
**Steven Heilbron**  
Head of Corp. Dev.



**George Roussos**  
CEO - Consumer



**Martin Wright**  
CEO - Micro Merchant



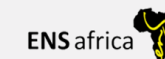
**Paul Kent**  
CEO - Merchant



**Basie Kok**  
CEO - Enterprise



**Monique Maree**  
Group General Counsel



**Denzel Landie**  
Group CRO



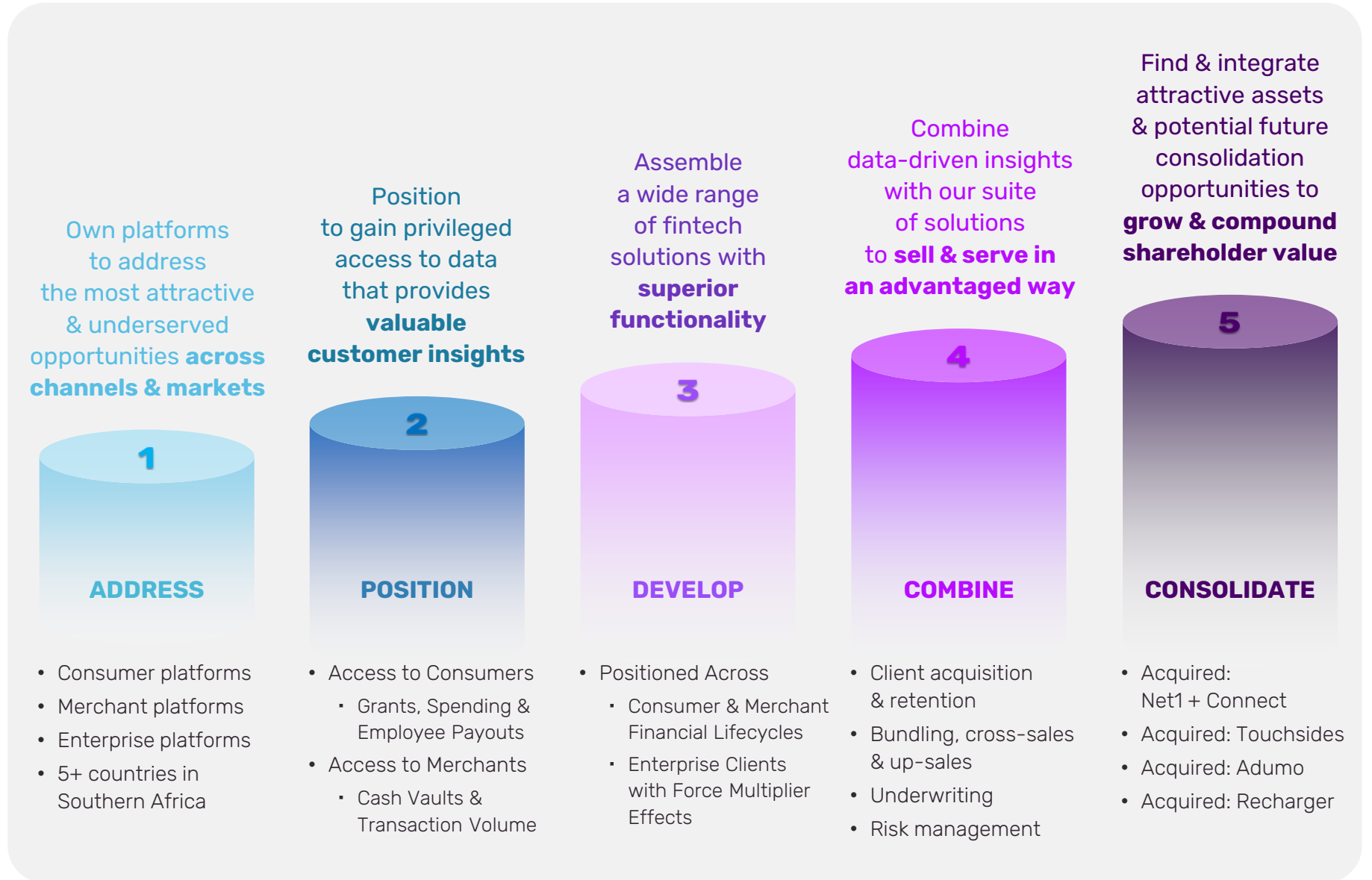
**Nomaxabiso Teyise**  
Head of HR



# Our Clear Strategy, Implemented by a Deeply Experienced Executive Team, Adds Confidence to Growth

Strategy has been carefully designed to address & win fintech opportunities across diversified channels & markets

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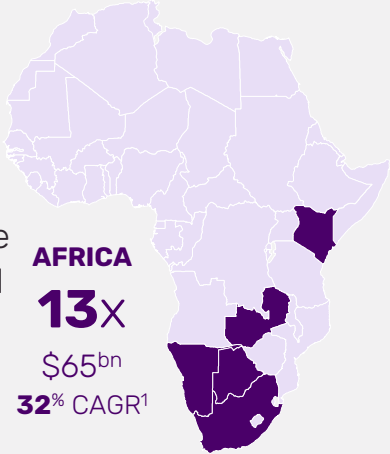
# Lesaka Has the Right Ingredients to Compound Value

... providing one of the best opportunities to generate differentiated shareholder returns in fintech & Southern Africa



**5** **1 Multiple levers** of growth

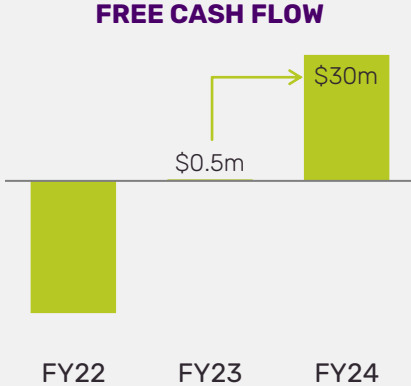
Uniquely positioned to tap into Africa, projected to be the fastest growing region in the world for fintech, through our comprehensive suite of solutions & curated Southern Africa presence



AFRICA  
**13X**  
\$65<sup>bn</sup>  
32% CAGR<sup>1</sup>

**2 Strong** cash flow generation

Unlocking more growth & earnings with a stable cost base, generating increasing levels of free cash flow to fuel re-investment in the business



**FREE CASH FLOW**


Fiscal Year	Free Cash Flow
FY22	Negative
FY23	\$0.5m
FY24	\$30m

**3 Significant** untapped synergies

Meaningful potential for synergies on the top-line (e.g. joint sales) & bottom-line (cost sharing) to improve profitability at the Lesaka Group level

**SYNERGIES**

**LESAKA**

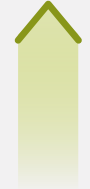


connect  
adumo  
RECHARGER PREPAID METERS

**4 Substantial** compounding upside

As we continue to scale & gain more market share away from the legacy providers, we can compound our valuation more easily than competitors

**MARKET CAP<sup>2</sup>**



**\$400<sup>m</sup>**  
Lesaka

Notes:  
 1. BCG Global Fintech Analysis 2023  
 2. Company market capitalization as at 28 March 2025

**Consistent Execution on Strategy is Translating into a Track Record of Improved Financial Performance...**

# Unpacking How This Has Translated into Results

6



Dan Smith

Group CFO

## Dan Smith – Extensive Financial and Investment expertise

- Seasoned finance executive, investment banker & investor – with a strong track record of maximising shareholder value
- Appointed Group CFO for Lesaka in October 2024
- Prior: Partner at Value Capital Partners, a constructivist investor, working closely with Lesaka over past 4 years
- Prior: Non-executive director on JSE-listed companies including ADvTECH (education), PPC (infrastructure) & The Hospitality Property Fund (property)
- Prior: Worked in South Africa & the UK in investment banking, capital markets and M&A across Africa, Europe & Asia
- Chartered Accountant (South Africa)



# Lesaka's Evolution to Today

Building the Lesaka platform over the last four years to deliver on vision set out in 2020

6

## Appointment of executive leadership team

2021-2024



Executive leadership structure implemented to deliver on the strategy of creating the leading fintech platform in Southern Africa – Lesaka.

## Breakout of Consumer Division

2022



Repositioned consumer offering and built new distribution model. Fundamentally transformed this division into a customer & sales focused business.

## Transformation of Merchant Division

2022



Acquisition of the Connect Group expanded Lesaka's merchant offering, footprint, addressable market & growth trajectory.

## Scaling the Merchant Division

2024



Acquisition of the Adumo Group significantly enhancing our technology platform, adding customers, solutions, & meaningful scale. The augmentation of product offerings broadens our value proposition & allows for cross-sell opportunities.

## Augmenting the Enterprise Division offering

2025



Acquisition of Recharger providing an entry point into the South African private utilities space while augmenting the Enterprise division's alternative payment offering.

# Purposeful Capital Allocation

We have, and continue to, accelerate our growth through strategic acquisitions, optimizing our funding with debt and equity issuances within clear parameters

6

## Disciplined Principles

- Strategic Focus: Won't "Buy" Our Growth
- Focus on EBITDA Accretive Deals
- Target 2.0x Leverage
- Balanced Funding

## Funding Advantage

- NASDAQ Shares Provide a Currency

Positioned as the "Natural Consolidator" in Africa

## Path to target leverage ratio

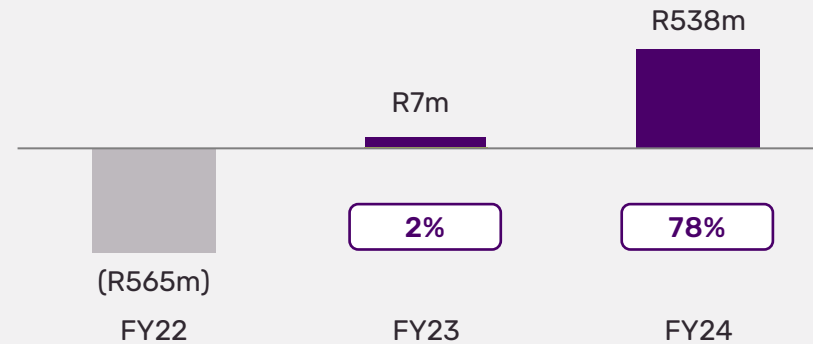
In millions of ZAR	FY25 Q2
Debt	(3 762)
Cash on hand	1 142
Listed securities held for sale <sup>1</sup>	802
<b>Net debt</b>	<b>(1 818)</b>
LTM Group Adjusted EBITDA	754
<b>Net debt to Group Adjusted EBITDA<sup>2</sup></b>	<b>2.4x</b>

R2.4bn  
Connect Group acquisition funding

R665m  
Adumo Group acquisition funding

**Debt refinance completed in February 2025**

## Net Cashflow from Operating Activities



Net Cashflow to Group Adjusted EBITDA (%)

**Free Cash Flow conversion improving**

Notes:

1. Investment in Mobikwik, a non-core asset, at December 31 2024.

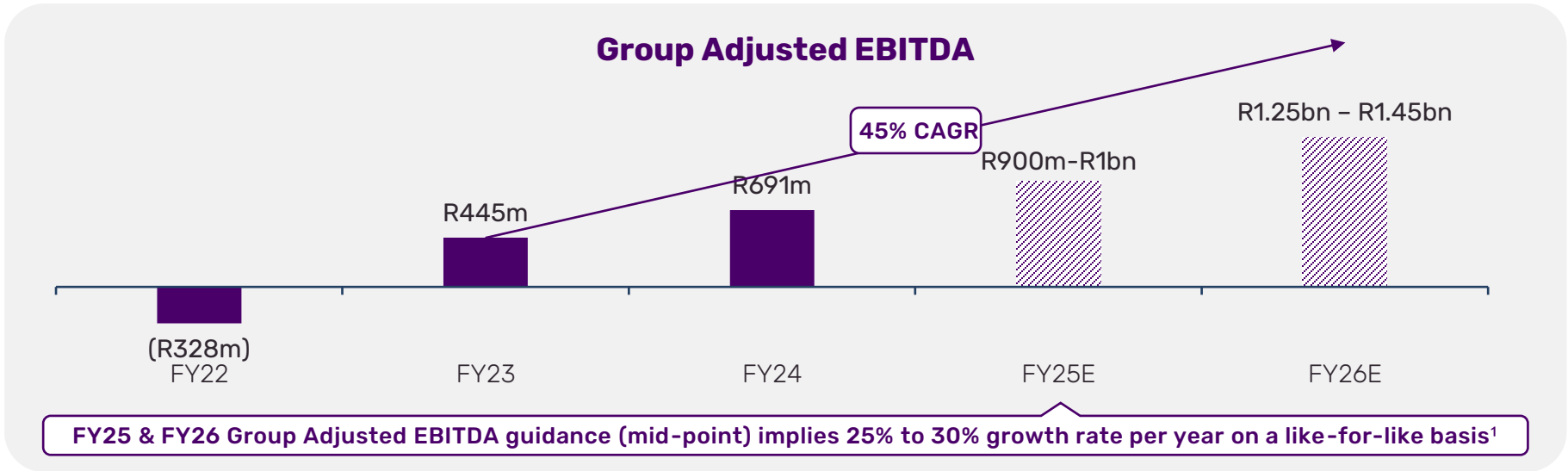
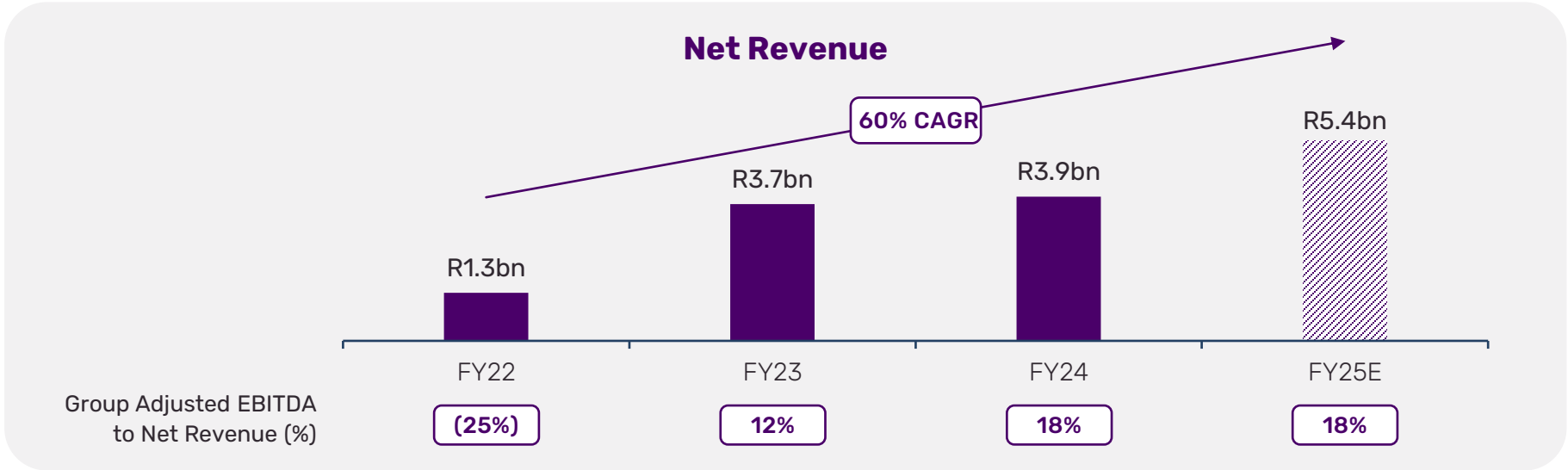
Group Adjusted EBITDA and Net Revenue are non-GAAP measures. Refer to the appendix for a full reconciliation of non-GAAP measures.



# Our Plan is Working & Producing Strong Results

Our strategies are just starting to ramp up...

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Notes:

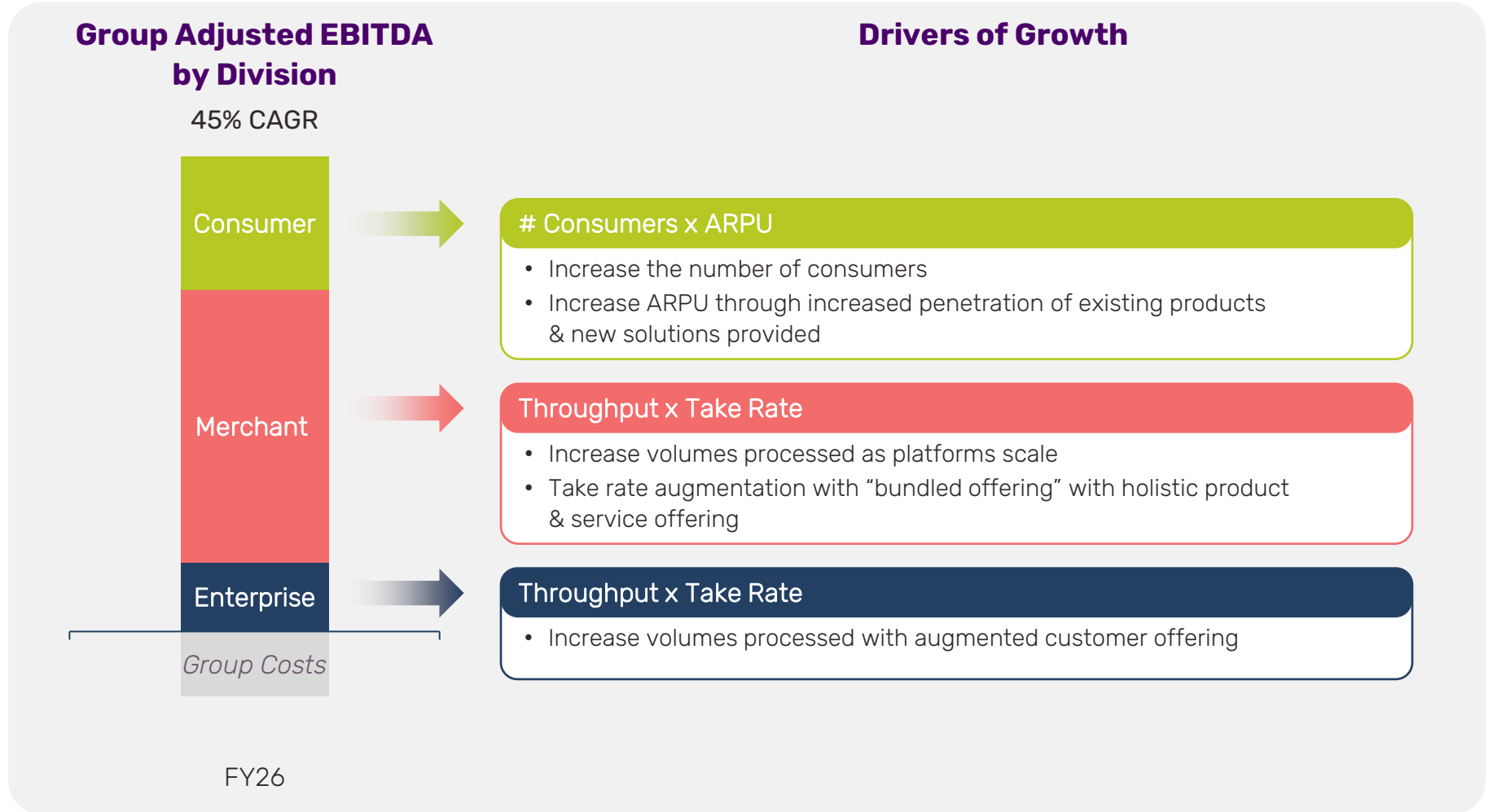
1. Excluding Adumo and the allocation of interest expense charges directly related to the consumer loan book. Group Adjusted EBITDA and Net Revenue are non-GAAP measures. Refer to the appendix for a full reconciliation of non-GAAP measures. Guidance is as of February 5th, 2025. Nothing herein should be construed as reaffirming, disaffirming or updating such guidance.



# The Pathway to Growth

Across divisions, our business model to drive growth can be simplified into a few specific measures

6



Notes: Guidance is as of February 5th, 2025. Nothing herein should be construed as reaffirming, disaffirming or updating such guidance.



# Conclusion

7

## 4 Takeaways

Lesaka has the right ingredients to compound value



# Conclusion

7

Our challenge to all staff is to incorporate the 5 key takeaway's in day-to-day business

1

We are one Lesaka, not siloed businesses

2

Customer experience must be everyone's business

3

We sell solutions, not individual products

4

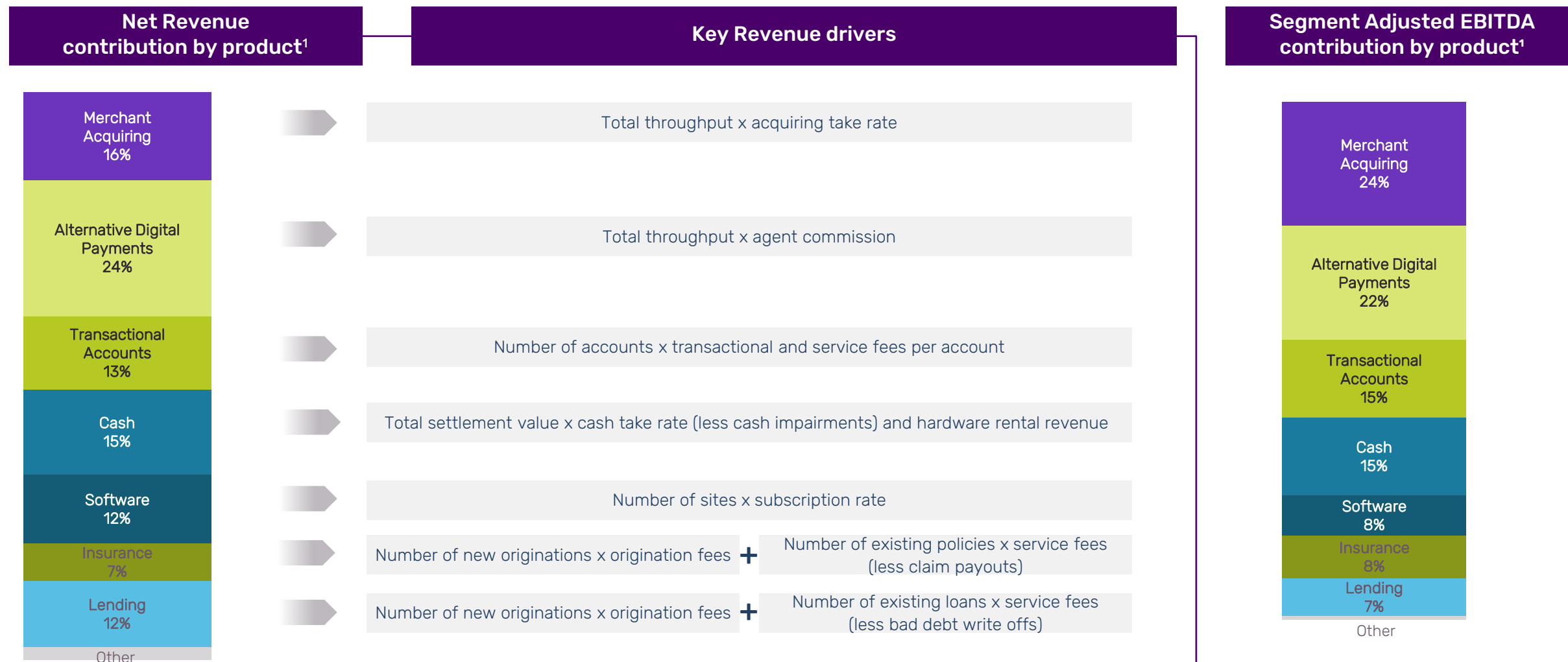
We sell on value, not on price

5

We play to win, not to participate

# **Extracts | FY25 Q3 & FY25 Q2 Results Presentations**

# Diversified product suite offering – Q2 FY25



1. Net Revenue and Segment Adjusted EBITDA are non-GAAP measures. Segment Adjusted EBITDA is before group costs. Refer to Appendix for reconciliation of non-GAAP measures.

Contribution by Product based on Q2 FY25 performance. Contribution by product may not sum to 100% due to rounding and aggregation of legacy businesses under 'Other'.

2. Alternative digital payments represents the following sub-products: Prepaid solutions, supplier payments, bill payments and utility payments.

# Lesaka

## FY25 Q3

Results Presentation

May 8, 2025



Lesaka

# Key Developments & Financial Performance



## Key developments for FY25 Q3

1

### Consumer outperformance



- Record performance in the Consumer division – gaining momentum greater than our market share
- Highest number of account enrolments, lending and insurance originations in any quarter

2

### Recharger acquisition



- Completed acquisition on 3 March 2025
- Augmentation of Enterprise offering
- 1 month of EBITDA contribution to Lesaka's Enterprise division

3

### Optimizing key divisions



- Re-aligning strategic direction within Merchant and Enterprise divisions
- Focus on optimization for greater focus, efficiency and scalability

4

### Group debt refinance



- Completed the R4.5bn refinance of Group's debt facilities
- Optimized facilities with capacity for expansionary growth

5

### Mobikwik stake



- Contractual lock up ends in June, 2025
- Exploring path to monetisation

6

### Staff ESOP Plan



- Launched our ESOP plan for employees (excluding executives and senior leadership) – who now hold an effective 3% of issued shares

# FY25 Q3 | Continuation of our strong & consistent performance

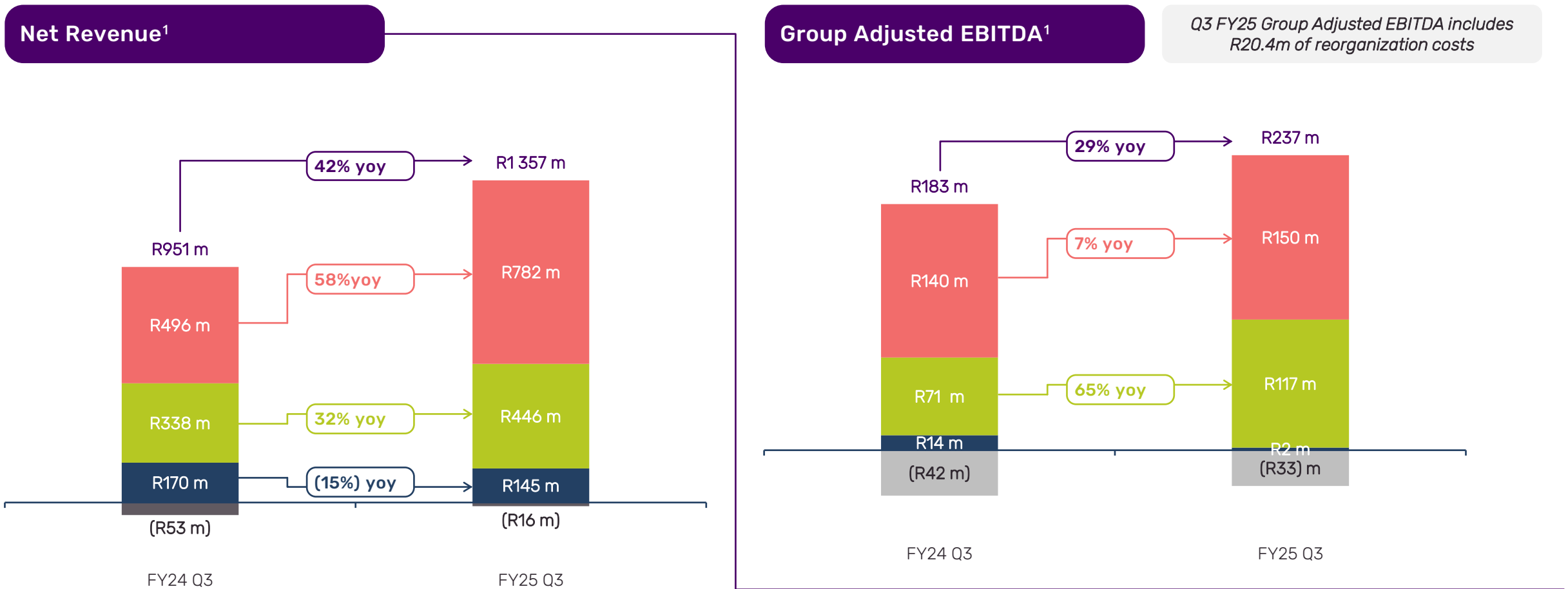
Financial period Ended March 31	FY25 Q3	FY24 Q3	Growth
Revenue	R2 510 million	R2 610 million	▼ 4%
Net Revenue <sup>1</sup>	R1 357 million	R951million	▲ 43%
Group Adjusted EBITDA <sup>1</sup>	R237 million	R183 million	▲ 29%
Fundamental earnings <sup>1</sup>	R58 million	R29 million	▲ 98%
Fundamental earnings per share <sup>1</sup>	R0.72	R0.45	▲ 60%
Net debt / Group Adjusted EBITDA <sup>2</sup>	2.8 times	2.6 times	Increased by 8%

"R" = South African Rands. ZAR.

1. Group Adjusted EBITDA, Net Revenue, Fundamental earnings and Fundamental earnings per share are non-GAAP measures. Refer to Appendix for a reconciliation of non-GAAP measures.

2. Net Debt to Group Adjusted EBITDA ratio is a non-GAAP measure, calculated as net debt at quarter end divided by Group Adjusted EBITDA (based on the last-twelve months (LTM) actual Group Adjusted EBITDA). Refer to calculation on slide 10.

# Net Revenue and Group Adjusted EBITDA for FY25 Q3



● Inter-company eliminations ● Lesaka ● Merchant ● Consumer ● Enterprise ● Group costs

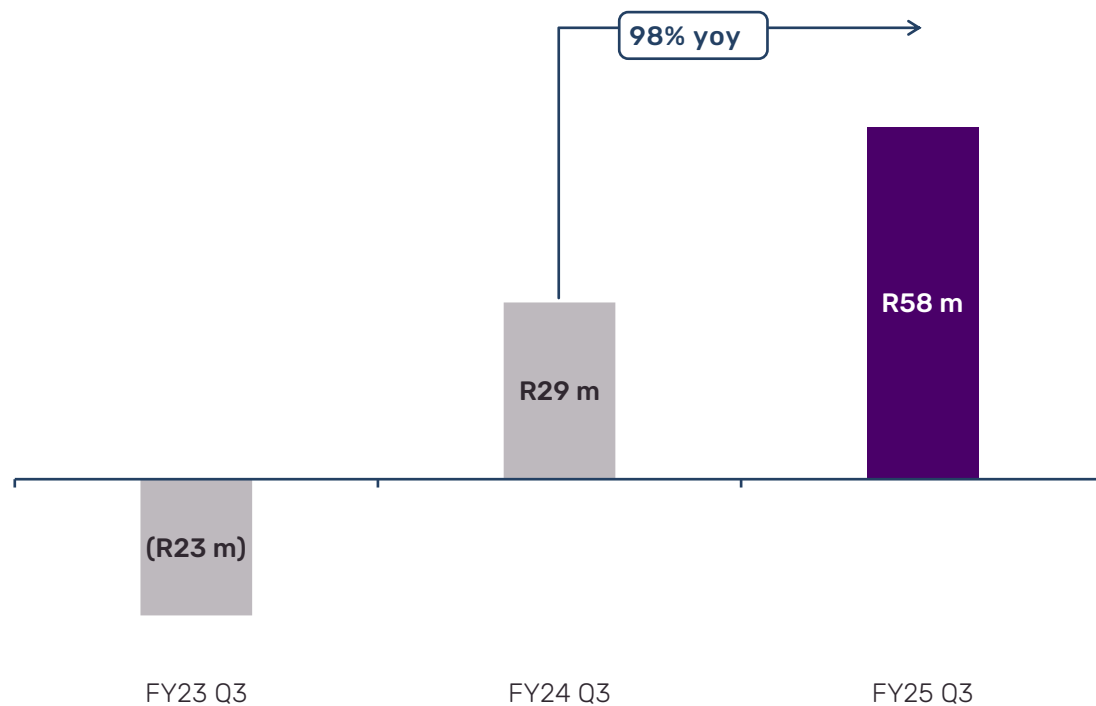
1. Net Revenue and Group Adjusted EBITDA are non-GAAP measures. Refer to Appendix for reconciliation of non-GAAP measures.

2. Includes R17.0m of interest expense charges directly related to Consumer loan book funding, compared to FY24 Q3 which did not include a loan book funding allocation.

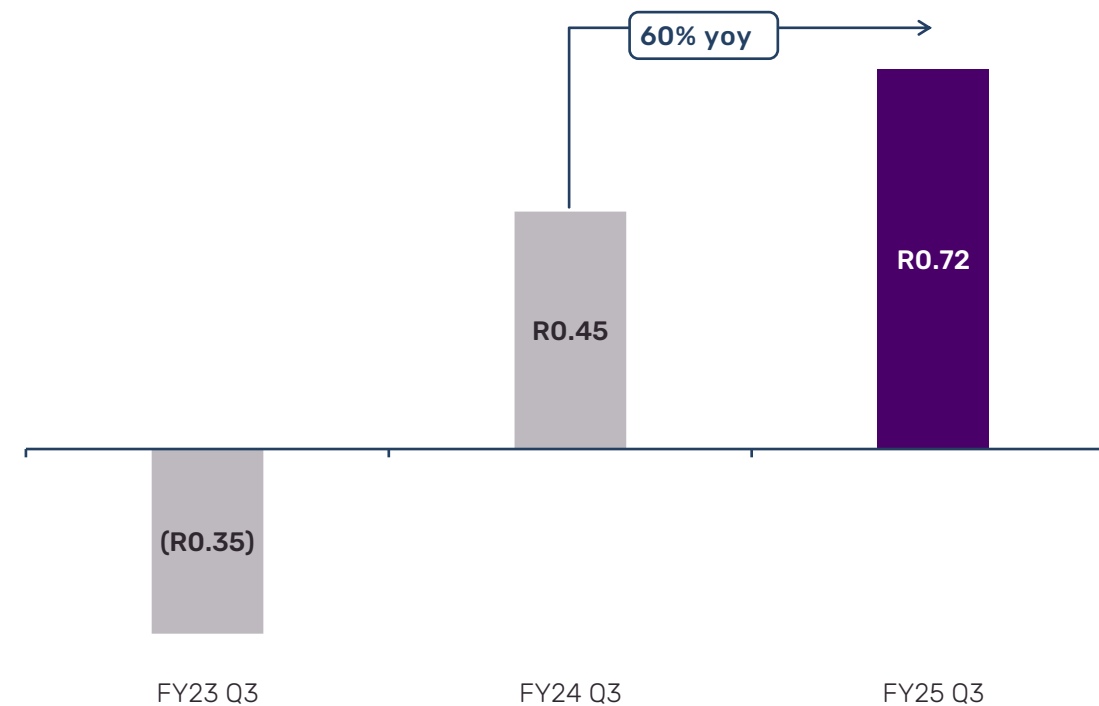
# Fundamental earnings for the quarter

Continued growth momentum

Fundamental<sup>1</sup> earnings (loss) (ZAR) for the quarter



Fundamental<sup>1</sup> earnings (loss) per share (ZAR) for the quarter



1. Fundamental earnings (loss) and fundamental earnings (loss) per share are non-GAAP measures. Refer to Appendix for a full reconciliation of non-GAAP measures. Items adjusted for comprises: Change in fair value of equity securities (net), intangible asset amortization (net), stock-based compensation charges, transaction costs, indirect taxes provision release, net loss on disposal of equity-accounted investments, income recognized related to closure of legacy businesses, and other items.

# Strong growth in operating cash flows

Investing in growth - with a path to reduced gearing

Summary Group cash flow (Rm)	FY24 Q4	FY25 Q1	FY25 Q2	FY25 Q3
Cash generated from business operations <sup>1</sup>	211	196	269	277
Interest paid	(86)	(58)	(76)	(52)
<b>Net cash generated from operations</b>	<b>125</b>	<b>138</b>	<b>193</b>	<b>225</b>
Cash (utilized) generated in working capital <sup>2</sup>	89	(193)	(81)	156
Movement in loan book funding	(54)	(28)	(149)	(217)
<b>Net cash generated (utilized) from operations after loan book funding</b>	<b>160</b>	<b>(83)</b>	<b>(37)</b>	<b>164</b>
Bulk ADP purchases (funded from short-term facilities)	-	9	(69)	41
Other receivables (payables)	(56)	1	(58)	(9)
<b>Net cash provided by (used in) operating activities</b>	<b>104</b>	<b>(73)</b>	<b>(164)</b>	<b>196</b>

Net debt position (Rm)	FY24 Q4	FY25 Q1	FY25 Q2	FY25 Q3
Debt	(2 773)	(2 722)	(3 762)	(4 005)
Cash on hand	1 074	854	1 142	1 303
Listed securities held for sale <sup>3</sup>	N/A	N/A	802	406
<b>Net debt position</b>	<b>(1 699)</b>	<b>(1 868)</b>	<b>(1 819)</b>	<b>(2 296)</b>
Group Adjusted EBITDA (Last-twelve months actual)	691	710	754	807
<b>Net debt to Group Adjusted EBITDA ratio<sup>4</sup></b>	<b>2.5X</b>	<b>2.6X</b>	<b>2.4X</b>	<b>2.8X</b>

- Cash generated from business operations increased to R277 million
- Interest paid on bank borrowings decreased to R52 million with the R4.5 billion debt refinance concluded in Feb 2025
- Cash generated in working capital was R156 million impacted by:
  - Timing of transaction processing at quarter end (Merchant and Enterprise)
  - Reduced inventory levels and a focus on working capital management
- Offset by a R217 million outflow in funding the growth of the Consumer and Merchant loan books
- Kazang bulk ADP purchases in the prior quarter unwound this quarter resulting in a R41 million inflow
- We settle our provisional tax payments in Q2 and Q4 however, this quarter we paid provisional taxes related to entities recently acquired, not yet aligned to the Group's tax year end
- Net cash of R196 million provided by operating activities compares to R164m of net cash used in FY25 Q2 and R73 million used in FY25 Q1

**2.8x** Net debt to EBITDA ratio<sup>4</sup>

vs.

**2.0x** Medium term target net debt to EBITDA ratio<sup>4</sup>

1. Operating cash flow before interest paid, tax paid, working capital related items and movement in loan book funding.

2. Working capital includes accounts receivable, accounts payable, vendor wallets, settlement balances and inventory.

3. Investment in Mobikwik, a non-core asset, at March 31 2024 of \$22.11m translated at closing exchange rate of ZAR18.35 to USD = R406 million.

4. Net Debt to Group Adjusted EBITDA ratio is a non-GAAP measure. calculated as net debt at specific date divided by the last-twelve months (LTM) Group Adjusted EBITDA at quarter end.

# Group Debt Refinance

Evolution of an improved risk profile and integration of the Group

1

## Optimising facility mix and tenor

Restructuring has resulted in a simpler and more cost-effective debt facility structure



### 7 different debt facilities restructured into 4:

- Senior Term Facility A: ZAR 2.1 bn – 4 year bullet
- Senior Term Facility B: ZAR 1.0 bn – 4 year amortizing
- General Banking Facility: ZAR 700 m
- Senior RCF: Up to ZAR 2.1 bn

Weighted average cost: **10.7% p.a.**  
(prev: 12.0%)

2

## Financial flexibility

Increased headroom with flexibility to fund growth



Available headroom as at Q3 FY25: **c. ZAR 300 m**

Senior RCF: Enable capacity as we repay Senior Term Facility A

3

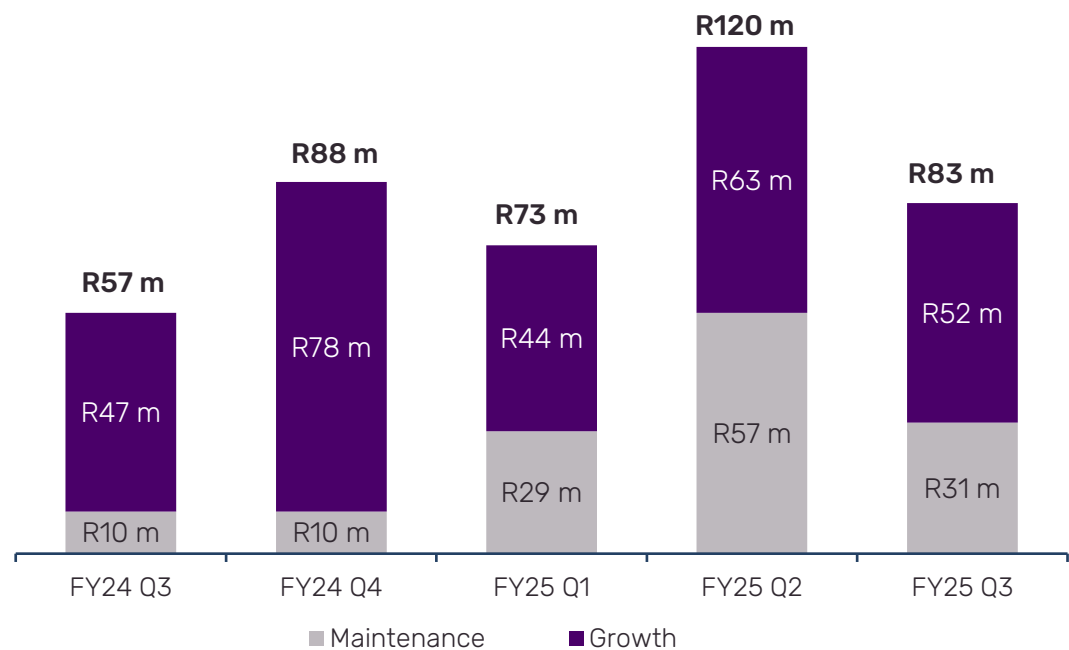
## Diversified funding partners

Supportive of our growth



# Capital expenditures – investing for growth

	FY24 Q3	FY24 Q4	FY25 Q1	FY25 Q2	FY25 Q3
Capex (Rm)	(57)	(88)	(73)	(120)	(83)
Group Adjusted EBITDA (Rm)	183	190	168	212	237
Capex as a % of Group Adjusted EBITDA	31%	46%	44%	57%	35%



Growth capex primarily driven by:

- R22 m | Cash vaults
  - Rolled out new Smart Safe product
- R18 m | Capitalised development costs
  - Payment Switch development in Enterprise Division
  - Onboarding engine within Kazang
- R12 m | Merchant acquiring devices
  - POS device expansion across Kazang & Adumo



Maintenance capex primarily driven by:

- R10 m | POS devices across Kazang & Adumo
- R6 m | Cash vaults

Capex includes intangible assets related to software development costs.

# US GAAP Income Statement for the quarter (FY25 Q3, FY24 Q3)

For the quarter ended March 31	ZAR'000			\$'000		
	FY25 Q3	FY24 Q3	% Growth YoY	FY25 Q3	FY24 Q3	% Growth YoY
<b>Average exchange rate for conversion from ZAR to \$</b>	<b>R18.40</b>	<b>R18.88</b>	(2.5%)	<b>R18.40</b>	<b>R18.88</b>	(2.5%)
<b>Revenue</b>	<b>2 510 061</b>	<b>2 609 913</b>	(4%)	<b>135 670</b>	<b>138 194</b>	(2%)
<b>Expense</b>	<b>(2 499 136)</b>	<b>(2 594 921)</b>	(4%)	<b>(135 101)</b>	<b>(137 400)</b>	(2%)
Cost of goods sold. IT processing. servicing & support	(1 688 015)	(2 036 881)	(17%)	(91 233)	(107 854)	(15%)
Selling. general and administration	(632 841)	(436 746)	45%	(34 217)	(23 124)	48%
Depreciation and amortization	(155 919)	(109 379)	43%	(8 429)	(5 791)	46%
Transaction costs related to Adumo and Recharger acquisitions and certain compensation costs	(22 361)	(11 915)	88%	(1 222)	(631)	93%
<b>Operating income (loss)</b>	<b>10 925</b>	<b>14 992</b>	(27%)	<b>569</b>	<b>794</b>	(28%)
Change in fair value in equity securities	(373 784)	-	n/m	(20 421)	-	n/m
Interest income	11 944	11 861	1%	645	628	3%
Interest expense	(106 923)	(86 504)	24%	(5 777)	(4 581)	26%
<b>Loss before income taxes</b>	<b>(457 838)</b>	<b>(59 651)</b>	<b>667%</b>	<b>(24 984)</b>	<b>(3 159)</b>	<b>691%</b>
Income tax benefit (expense)	53 650	(17 575)	n/m	2 934	(931)	(415%)
<b>Net loss before earnings from equity-accounted investments</b>	<b>(404 188)</b>	<b>(77 226)</b>	<b>423%</b>	<b>(22 050)</b>	<b>(4 090)</b>	<b>439%</b>
Earnings (loss) from equity-accounted investments	220	811	(73%)	12	43	(72%)
<b>Net loss</b>	<b>(403 968)</b>	<b>(76 415)</b>	<b>429%</b>	<b>(22 038)</b>	<b>(4 047)</b>	<b>445%</b>
Income attributable to non-controlling interest	(369)	-	n/m	(20)	-	n/m
<b>Net loss attributable to Lesaka</b>	<b>(404 337)</b>	<b>(76 415)</b>	<b>429%</b>	<b>(22 058)</b>	<b>(4 047)</b>	<b>445%</b>

	ZAR	ZAR	% Growth YoY	USD	USD	% Growth YoY
<b>Earnings (loss) per share</b>						
Basic loss per share attributable to Lesaka shareholders	(5.02)	(1.19)	321%	(0.27)	(0.06)	350%
Diluted loss per share attributable to Lesaka shareholders	(4.97)	(1.13)	339%	(0.27)	(0.06)	350%
Fundamental <sup>1</sup> earnings (loss) per share attributable to shareholders	0.72	0.45	60%	0.04	0.02	100%

1. Fundamental earnings (loss) per share is a non-GAAP measure. Refer to Appendix for a full reconciliation of non-GAAP measures.

# Segmental EBITDA analysis for the quarter (FY25 Q3, FY24 Q3)

For the quarter ended March 31	ZAR'000			\$'000		
	FY25 Q3	FY24 Q3	% Growth YoY	FY25 Q3	FY24 Q3	% Growth YoY
<b>Average exchange rate for conversion from ZAR to \$</b>	<i>R18.40</i>	<i>R18.88</i>	(2.5%)	<i>R18.40</i>	<i>R18.88</i>	(2.5%)
<b>Revenue</b>						
Merchant	1 905 817	2 111 386	(10%)	103 001	111 801	(8%)
Consumer	445 845	338 170	32%	24 096	17 904	35%
Enterprise	174 565	213 856	(18%)	9 444	11 322	(17%)
<b>Total segment revenue</b>	<b>2 526 227</b>	<b>2 663 412</b>	(5%)	<b>136 541</b>	<b>141 027</b>	(3%)
<i>Intersegment eliminations<sup>1</sup></i>	<i>(16 166)</i>	<i>(53 499)</i>	<i>(70%)</i>	<i>(871)</i>	<i>(2 833)</i>	<i>(69%)</i>
<b>Total revenue</b>	<b>2 510 061</b>	<b>2 609 913</b>	<b>(4%)</b>	<b>135 670</b>	<b>138 194</b>	<b>(2%)</b>
<b>Segment Adjusted EBITDA<sup>2,3</sup></b>						
Merchant	149 858	140 091	7%	8 103	7 420	9%
Consumer	117 144	70 988	65%	6 333	3 757	69%
Enterprise	2 384	13 716	(83%)	133	725	(82%)
Group costs	(32 623)	(41 529)	(21%)	(1 772)	(2 199)	(19%)
<b>Group Adjusted EBITDA<sup>2,3</sup></b>	<b>236 763</b>	<b>183 266</b>	<b>29%</b>	<b>12 797</b>	<b>9 703</b>	<b>32%</b>
Once-off items (Refer to Appendix)	(42 276)	(17 124)	147%	(2 306)	(907)	154%
Stock-based compensation charges	(46 222)	(39 482)	17%	(2 497)	(2 090)	19%
Depreciation and amortization (excluding PPA <sup>4</sup> amortization)	(63 935)	(42 093)	52%	(3 455)	(2 229)	55%
*PPA <sup>4</sup> amortization	(91 984)	(67 286)	37%	(4 974)	(3 562)	40%
Interest adjustment	16 479	-	n/m	890	-	n/m
*Unrealized gain (loss) FV for currency adjustments	2 100	(2 289)	(192%)	114	(121)	(194%)
<b>Operating income</b>	<b>10 925</b>	<b>14 992</b>	<b>(27%)</b>	<b>569</b>	<b>794</b>	<b>(28%)</b>
Interest income	11 944	11 861	1%	645	628	3%
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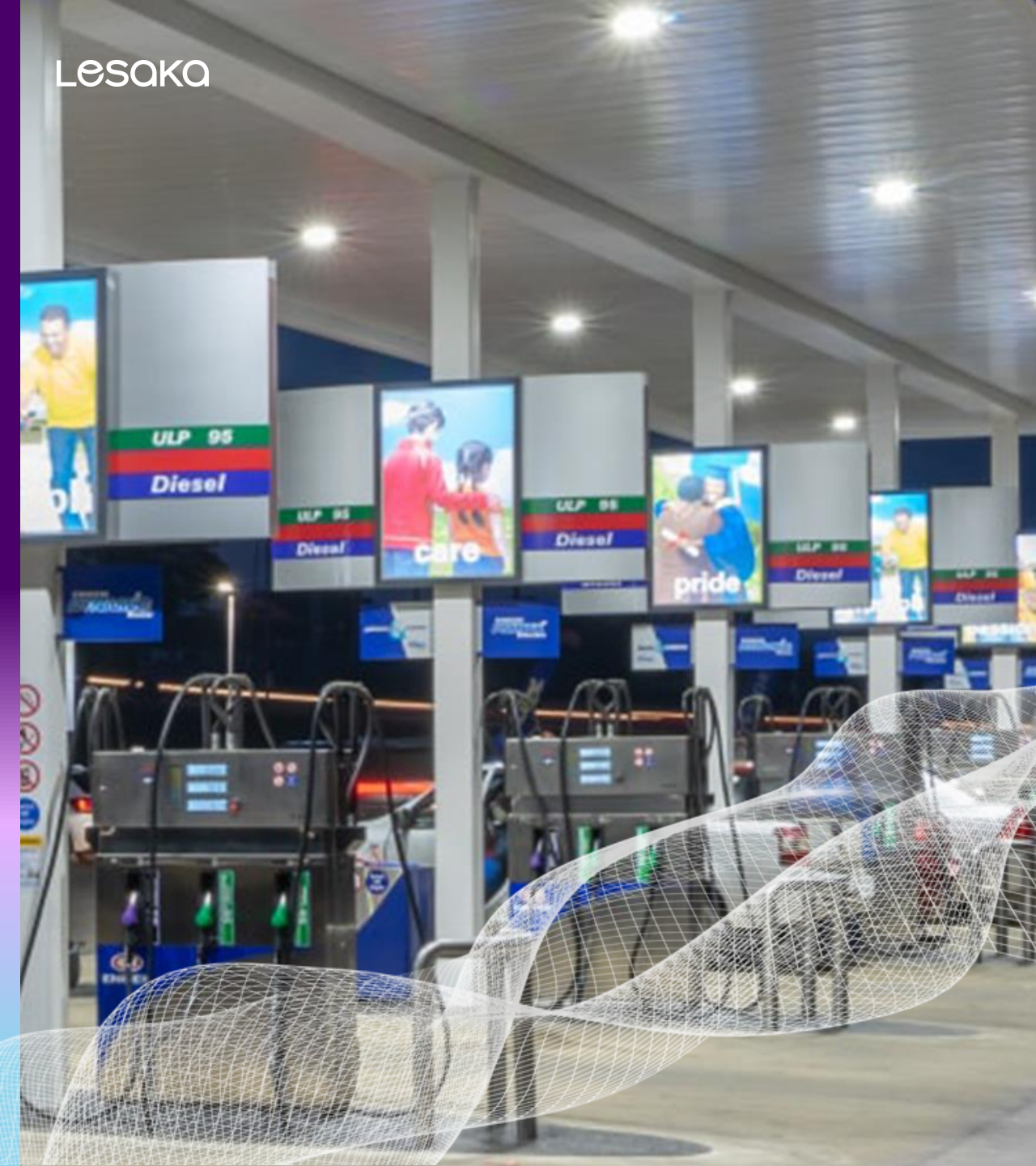
1. Intersegment revenue eliminations, mainly related to intersegment revenue generated by the ATM business in the Merchant Division.

2. Effective from fiscal 2025, all lease charges are allocated to the Company's operating segments, whereas in fiscal 2024 the Company presented certain lease charges on a separate line outside of its operating segments. Prior period information has been represented to include the lease charges which were previously reported on a separate line in the Company's Consumer and Merchant operating segments.

3. Refer to Appendix for reconciliation of non-GAAP measures including Net Revenue, Segment Adjusted EBITDA and Group Adjusted EBITDA. Segment Adjusted EBITDA is before group costs.

4. Purchase Price Allocation ("PPA"). Non-cash, non-operational charges.

LESAKA



# Merchant Division



# Holistic offering & innovative solutions for merchants of any size

Within one payment ecosystem enabling merchants to compete and grow

## For merchants with real pain points

- Limited access to Digital Payments
- Limited access to growth capital
- Poor cash management solutions
- Lack of holistic offering

## Lesaka is strategically positioned to benefit from secular tailwinds<sup>1</sup>

- Cash use will continue to decline
- Significant volumes remain “un-disrupted” & ripe for penetration
- Market share will continue to shift from banks to non-bank providers
- SA’s informal economy is highly cash-driven & continues to grow



1. Nilsen Report #1266 (June 2024). Refer to slide 8 of Lesaka’s FY25 Q1 results presentation for additional information. \$90bn translated at R18.50 to \$1.

2. BCG SA Informal Market Insights April 2024. Genesis Analytics. GG Alcock 2024.

# Merchant Division | Q3 KPIs | Merchant acquiring & Software

Merchant Net Revenue **R782 million** ▲ 58% yoy

Merchant EBITDA **R150 million** ▲ 7% yoy

## Core products

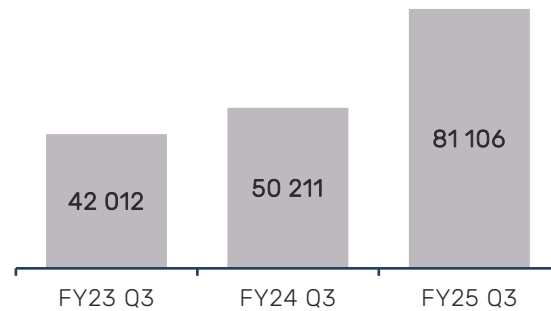
Merchant acquiring<sup>1</sup>



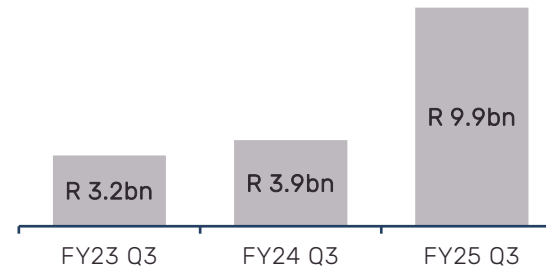
Software



### Points of presence (number)



### Throughput (Rbn)



GAAP sites in field<sup>1</sup>  
FY25 Q3 | 9 640



ARR  
>70%



ARPU<sup>2</sup>  
~R3 360



1. Points of presence is defined as all acquiring enabled point-of-sale devices and online based stores. Points of presence also includes payment lanes which may be non-acquiring enabled but earn revenue in a fixed fee model. All throughput volume are based on acquiring enabled by Lesaka only.  
 2. Includes Humble.  
 3. ARPU is calculated on a revenue per site basis, as monthly figure based on a 3-month rolling average for the quarter ending March 31, 2025.

# Merchant Division | Q3 KPIs | Cash & Lending

Merchant Net Revenue **R782 million** ▲ 58% yoy

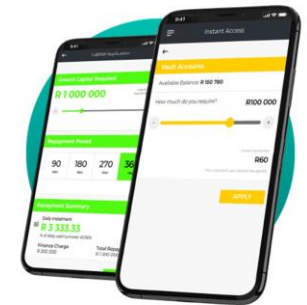
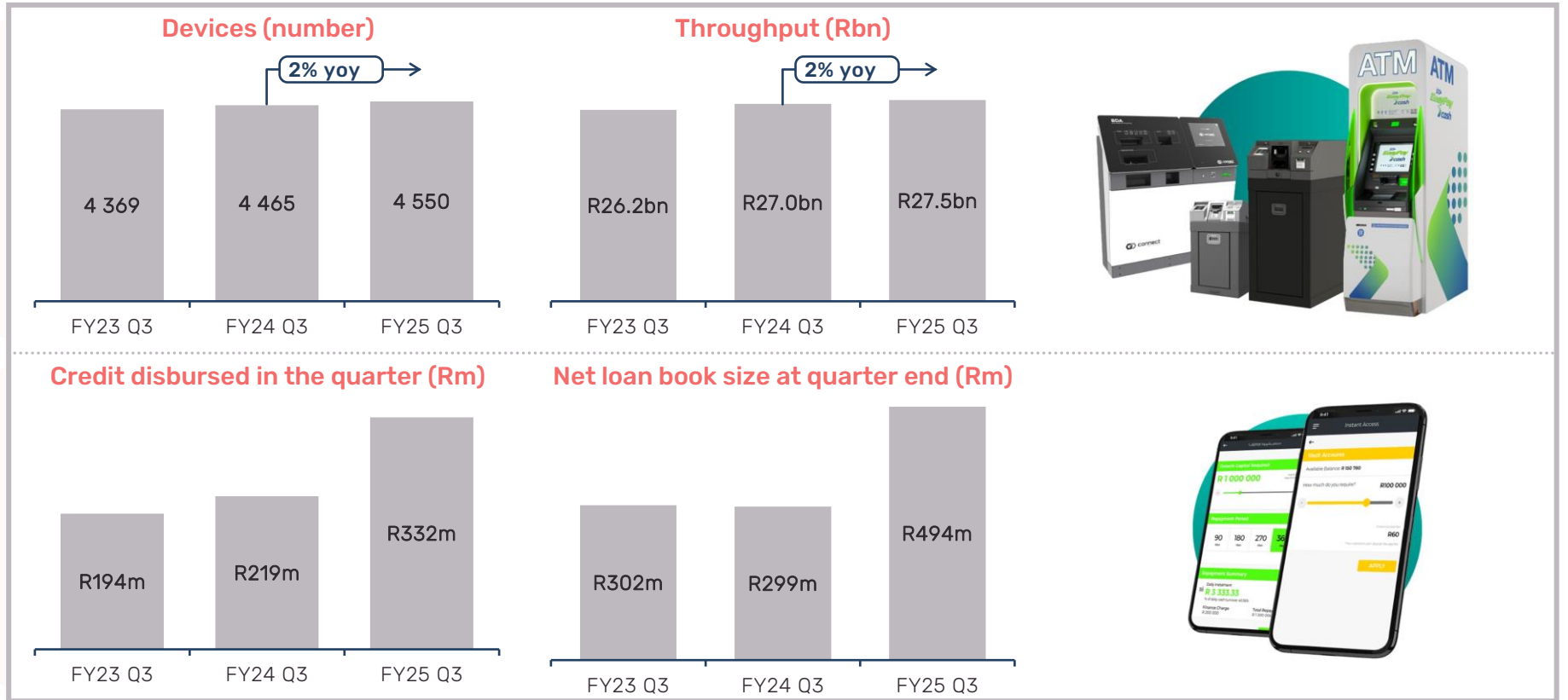
Merchant EBITDA **R150 million** ▲ 7% yoy

## Core products

Cash



Lending<sup>1</sup>



1. Our lending solutions are offered to merchants through Capital Connect and Adumo Capital, a joint venture with Retail Capital, a division of Tyme Bank, for Merchant Cash Advance (MCA), with a 50:50 profit share. Amounts reflected above includes 100% of Adumo Capital's credit disbursed and net loan book.

# Merchant Division | Q3 KPIs | Alternative Digital Payments

Merchant Net Revenue **R782 million** ▲ 58% yoy

Merchant EBITDA **R150m** ▲ 7% yoy

ARPU<sup>1</sup> **~R920**, ▲ 8% yoy

## Core products

Alternative Digital Payments<sup>2</sup>

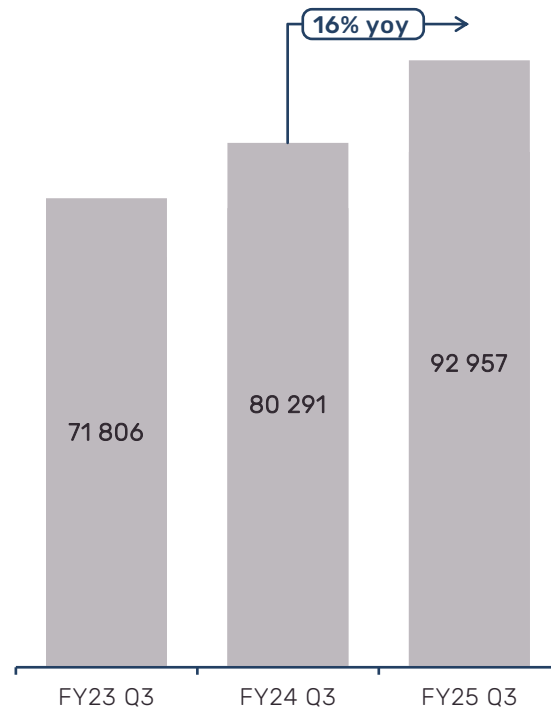
Pre-paid solutions<sup>2</sup>



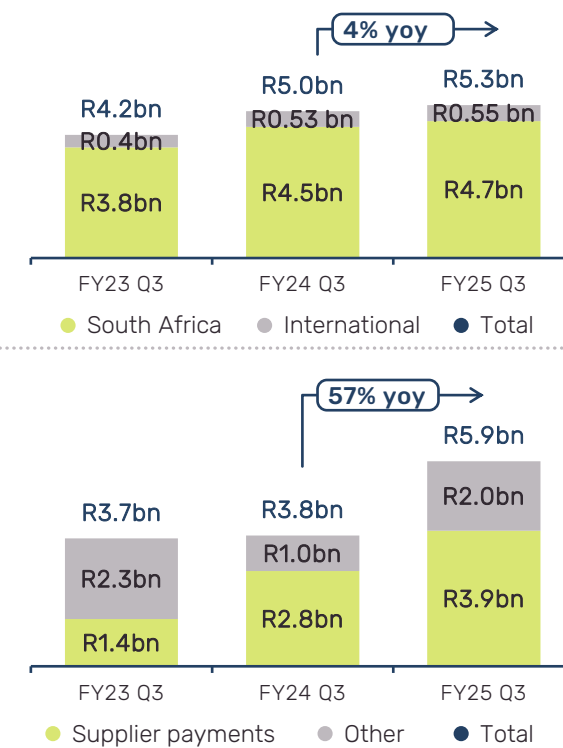
Supplier enabled payments<sup>2</sup>



Devices (number)



Throughput (Rbn)



## Pay suppliers

Stock up!



1. ARPU is calculated on a net revenue per device basis, as monthly figure based on a 3-month rolling average for the quarter ending March 31, 2025.

2. Alternative digital payments represents the following sub-products: Prepaid solutions (airtime, electricity and gaming) and supplier enabled payments (predominantly supplier payments, with "other" representing a mix of international money transfers ("IMT"), bill payments, satellite/digital television offerings).

Lesaka

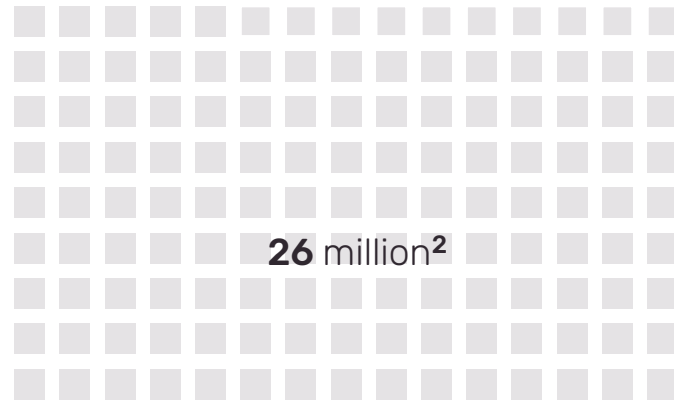
# Consumer Division



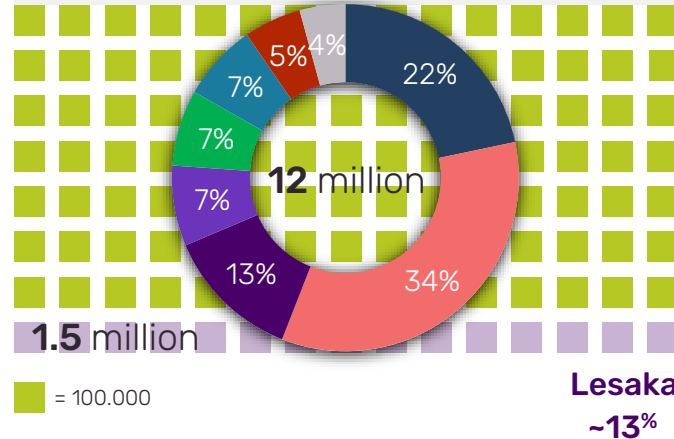
# South Africa remains underpenetrated with huge addressable opportunities

## Consumer market

### Number of consumers LSM 1 to 6



### 90% of grant recipients need cash immediately



- Post Bank
- Capitec
- Lesaka
- FirstRand Bank
- Nedbank
- Standard Bank
- ABSA
- Other

With real pain points legacy providers are not equipped to address

- Poor customer experience
- Limited access to financial services and formal credit
- Excessive charges - opaque pricing structure and terms that are difficult to understand
- Low smartphone penetration & usage
  - Lower LSM consumers do not often have access to smartphones and data, and need physical help & presence to navigate any banking activities



Consumer Division addressable market | **R25bn** per year<sup>1</sup>  
 EasyPay Everywhere's estimated market share based on Revenue | **~6.5%**<sup>1</sup>

#### Notes:

1. Managements best estimate based on 100% product cross sell. Refer to Q2 FY25 Investor Quarterly Report for full sources and additional notes.
2. Total number of consumers in the Living Standards Measure (LSM) 1-6. **Source:** IFC. Genesis Analytics. Finscope.
3. There are ~12m permanent grant beneficiaries in South Africa. **In addition**, ~9.0m people receive the R350 Social Relief of Distress (SRD) grant each month. **Source:** South African Social Security Agency ("SASSA") at 31 March 2025. Lesaka's has 1.7m Easy Pay Everywhere (EPE) customers, of which **~1.5 million are permanent grant customers**. 1.5 million out of 12 million equates to 13%. This excludes Adumo Payout customers.

Q3: Revenue **R446m** ▲ **32%** yoy

Q3: EBITDA **R117m** ▲ **65%** yoy

Total consumers<sup>1</sup> **1.9 million+**

ARPU<sup>2</sup> **R106**  
(FY24 Q3: R90 | FY23 Q3: R78)

## Core products



Transactional accounts<sup>3</sup>

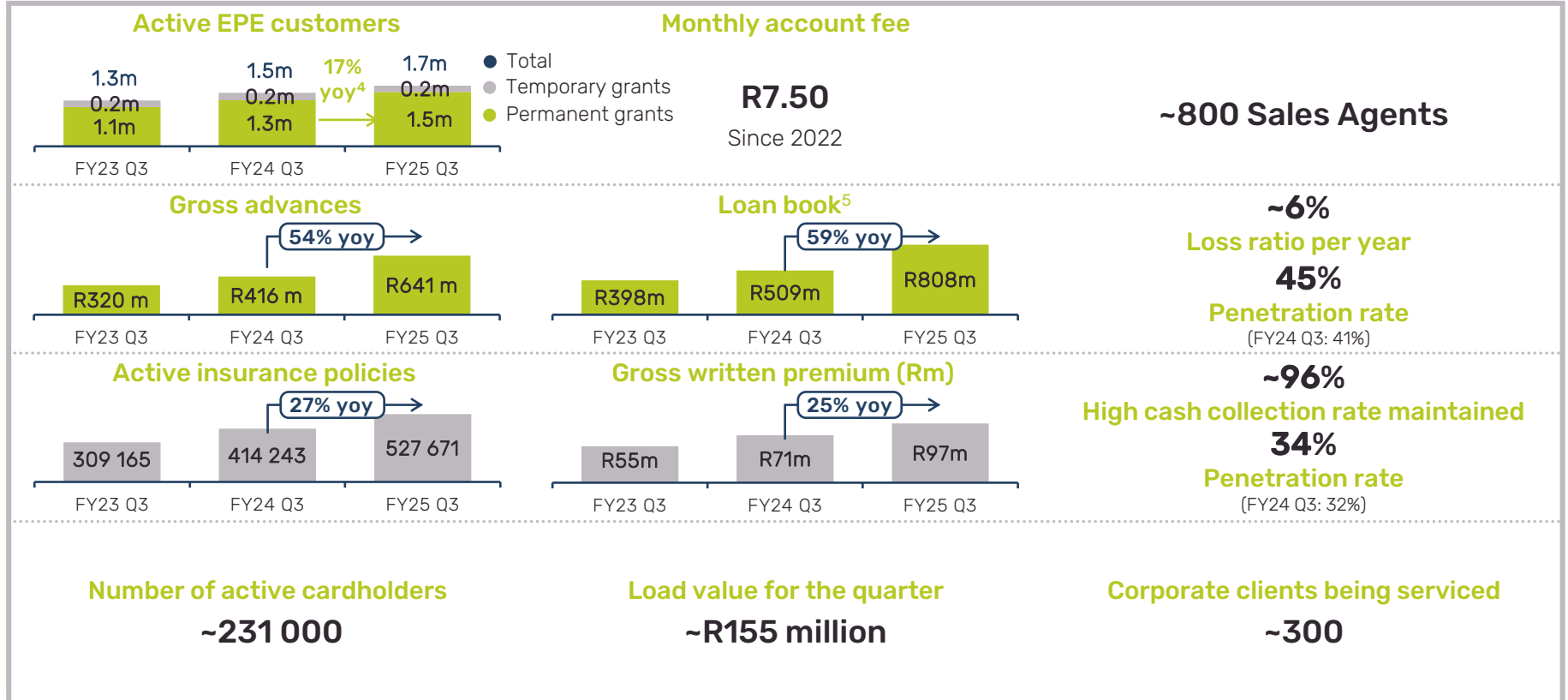
Lending

Insurance

Payouts

Improving unit economics with significant opportunity to expand:

More penetration of existing products & new solutions provided to consumers e.g. Bill pay, remittances



1. Includes permanent and temporary grant base and APO cardholders.

2. Average revenue per customer per month (weighted per product) as of March 31 (permanent grant beneficiaries).

2. Source: South African Social Security Agency ("SASSA") at 31 March 2025. Lesaka has 1.6m Easy Pay Everywhere (EPE) customers, of which ~1.5 million are permanent grant customers.

3. YoY growth for the permanent grant base.

4. Loan book before allowances.

# Growth in EPE base | Continued momentum in cross selling & upselling initiatives

Products and service channels designed to meet our customers' needs

## Momentum in driving customer acquisition

For the quarter



Gross EPE account activations<sup>1</sup>

**+124 000**

FY25 Q3

(FY25 Q2 | + 99 000)

(FY24 Q3 | + 97 000)

(FY23 Q3 | + 39 000)

Net EPE account activations<sup>1</sup>

**+89 000**

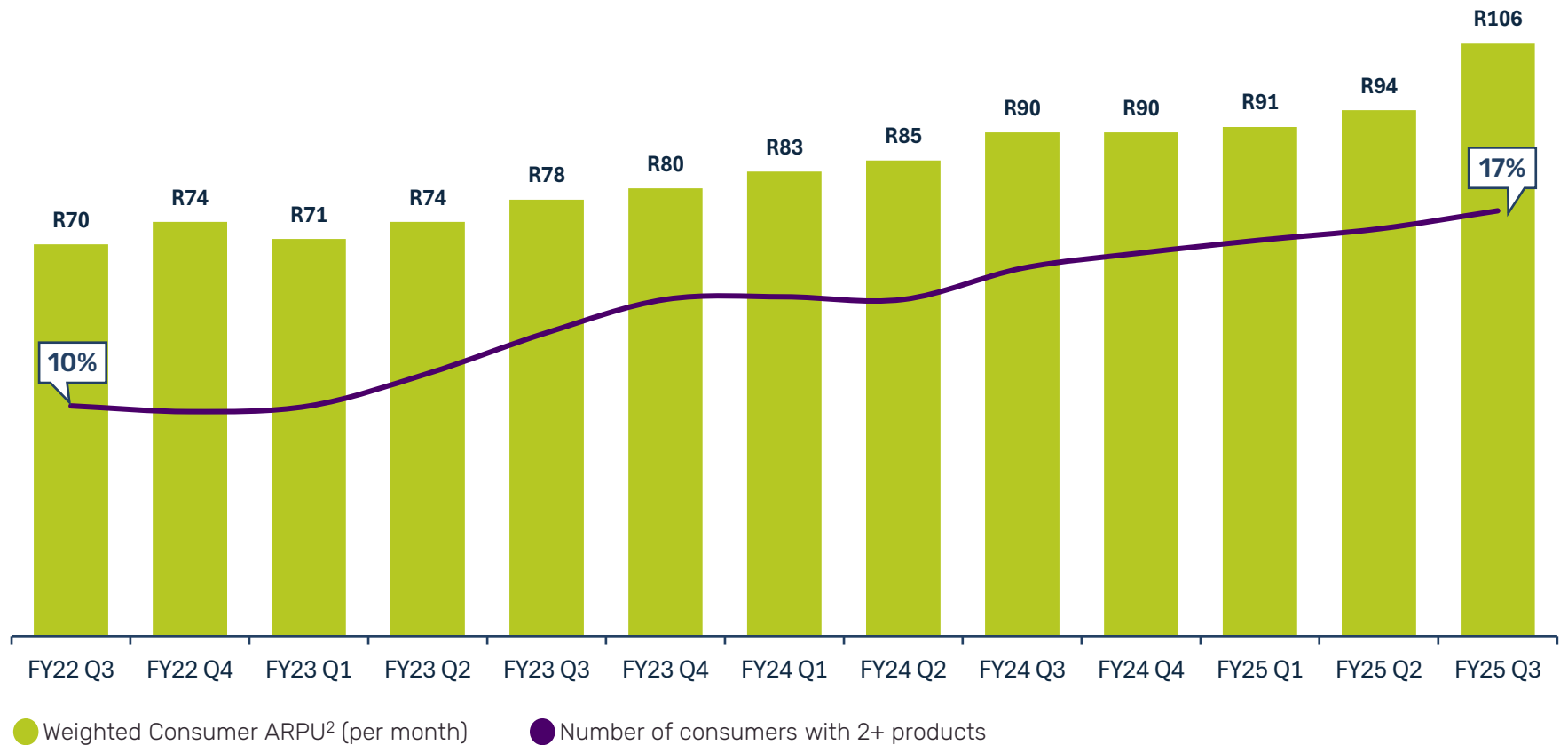
FY25 Q3

(FY25 Q2 | + 65 000)

(FY24 Q3 | +58 000)

(FY23 Q3 | +1 000)

## Consistent ARPU<sup>2</sup> evolution driven by strong customer acquisition and momentum in cross selling



1. Source: SASSA statistical reports portal (2024) | Permanent grant customers per SASSA's monthly Social Assistance report (March 31, 2025).

2. Average revenue per customer per month (weighted per product) as of March 31, 2025 (permanent grant beneficiaries)

# Repositioned EasyPay Everywhere brand

Digital strategy and optimally located points of presence

## Delivery against strategic focus areas

1. ✔  
Grow active EPE

---

2. ✔  
Increase ARPU<sup>1</sup>

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3. ✔  
Optimize costs

---

4. ✔  
Continue enhancing product & improving service delivery

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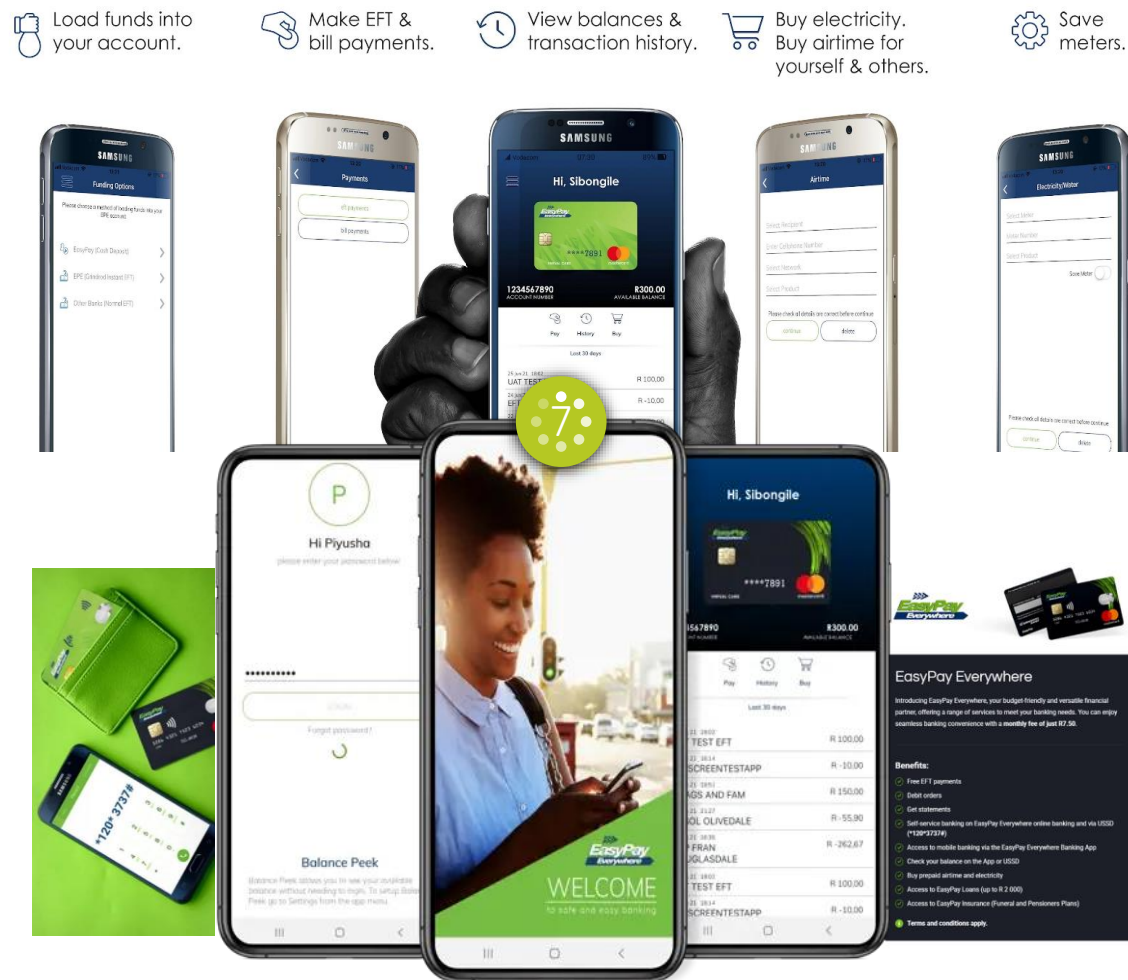
5. ✔  
Drive cross sell and upsell

---

6. ✔  
Alternative distribution channels  
- Pop-up kiosks

---

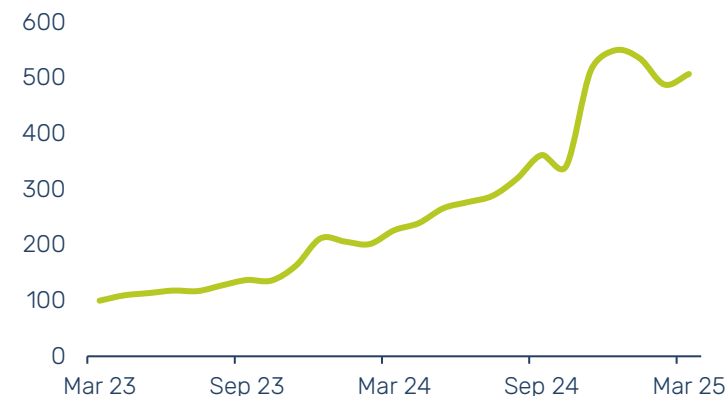
7. ⋯  
Launching new products  
- Loans & digital



- Load funds into your account.
- Make EFT & bill payments.
- View balances & transaction history.
- Buy electricity. Buy airtime for yourself & others.
- Save meters.

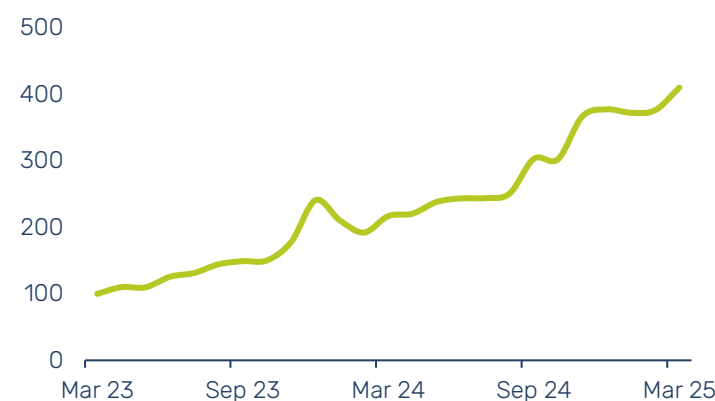
## USSD usage

(Indexed to 100)



## Unique contact numbers

(Indexed to 100)



1. Average revenue per customer per month (weighted per product) as of March 31, 2025 (permanent grant beneficiaries).

Lesaka

# Enterprise



770+ enterprises: 620+ billers, 150+ corporate clients<sup>1</sup>

Enterprise net revenue **R146 million** ▼ 15%

Enterprise EBITDA **R2m** | FY24 Q3: R14m

## Core products

Bill payments



Utility payments

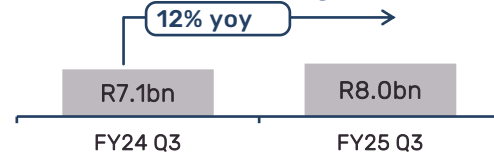
Hardware Security Modules



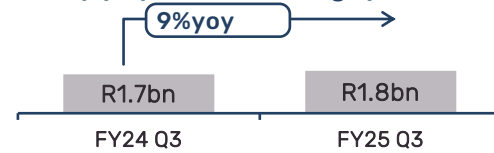
Switching

Advanced technology services to help enterprises engage and transact more efficiently with their customers

### Bill payments throughput (Rbn)



### Utility payments throughput<sup>2</sup> (Rbn)



Registered prepaid electricity meters ~500 000



ARR ~40%

HSM hardware, software and consulting services

Transactions in FY25 Q3 ~2.2 million

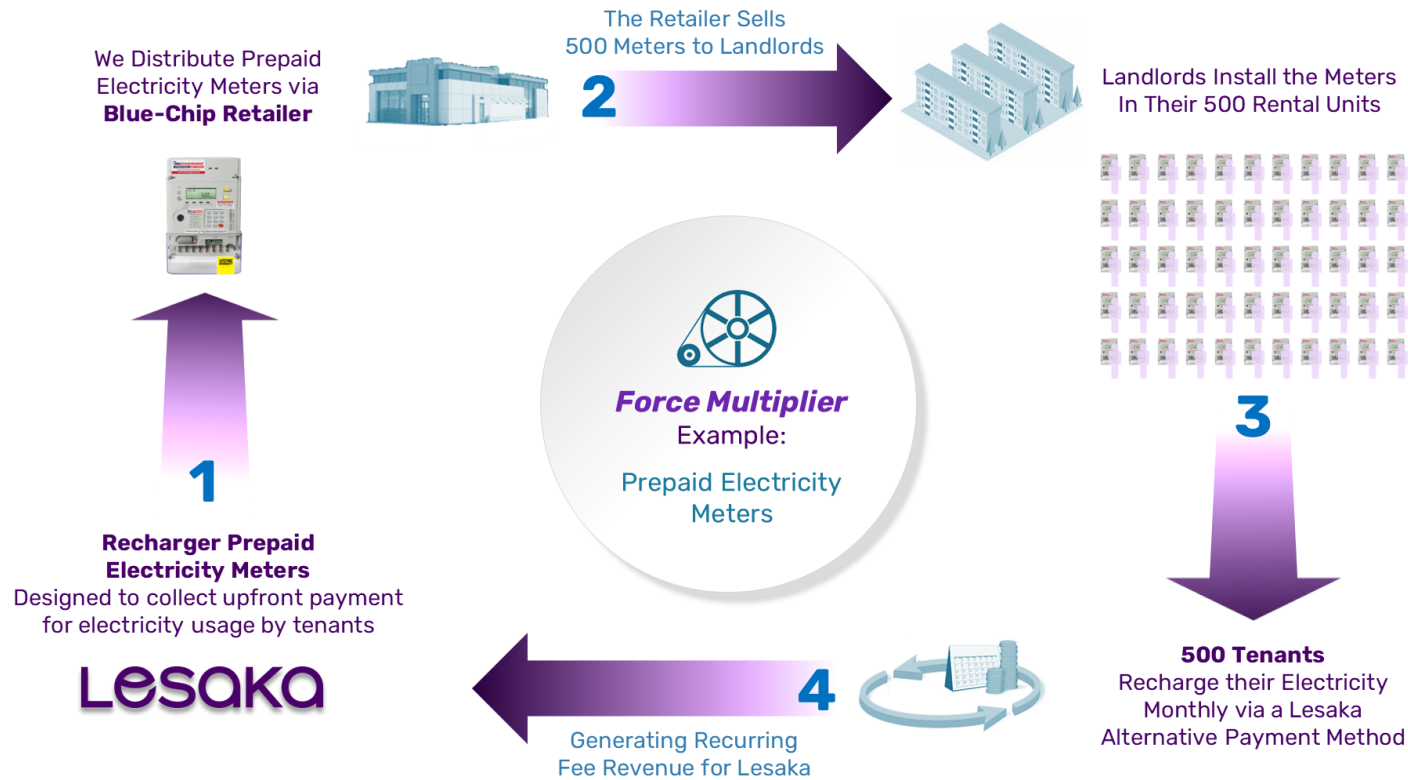
Investment into strategically important asset with scale



1. Including large-scale corporate organizations (Banks, mobile network operators ("MNOs"), municipalities and others).

2. Inclusive of R116 million attributable to Recharger utility payments, the impact of which is not included in the prior period comparative.

## Business Model



**500k+** Registered Meters<sup>1</sup> ▲ 18% y-o-y

**R1.3bn+** Electricity Throughput Vended<sup>1</sup> ▲ 28% y-o-y

**250k+** Active Meters<sup>1</sup> ▲ 15% y-o-y

**95%** ARR<sup>2</sup>

*Vending of prepaid electricity tokens provides for highly recurring revenue with high degrees of predictability*

1. Based on Company Information as at March 31, 2025.  
2. ARR is defined as the annual recurring revenue



# Outlook



Management has provided its outlook regarding net revenue and Group Adjusted EBITDA, which are non-GAAP financial measures and excludes certain revenue and charges. Management has not reconciled these non-GAAP financial measures to the corresponding GAAP financial measures because guidance for the various reconciling items is not provided. Management is unable to provide guidance for these reconciling items because they cannot determine their probable significance, as certain items are outside of the company's control and cannot be reasonably predicted since these items could vary significantly from period to period. Accordingly, reconciliations to the corresponding GAAP financial measure is not available without unreasonable effort.

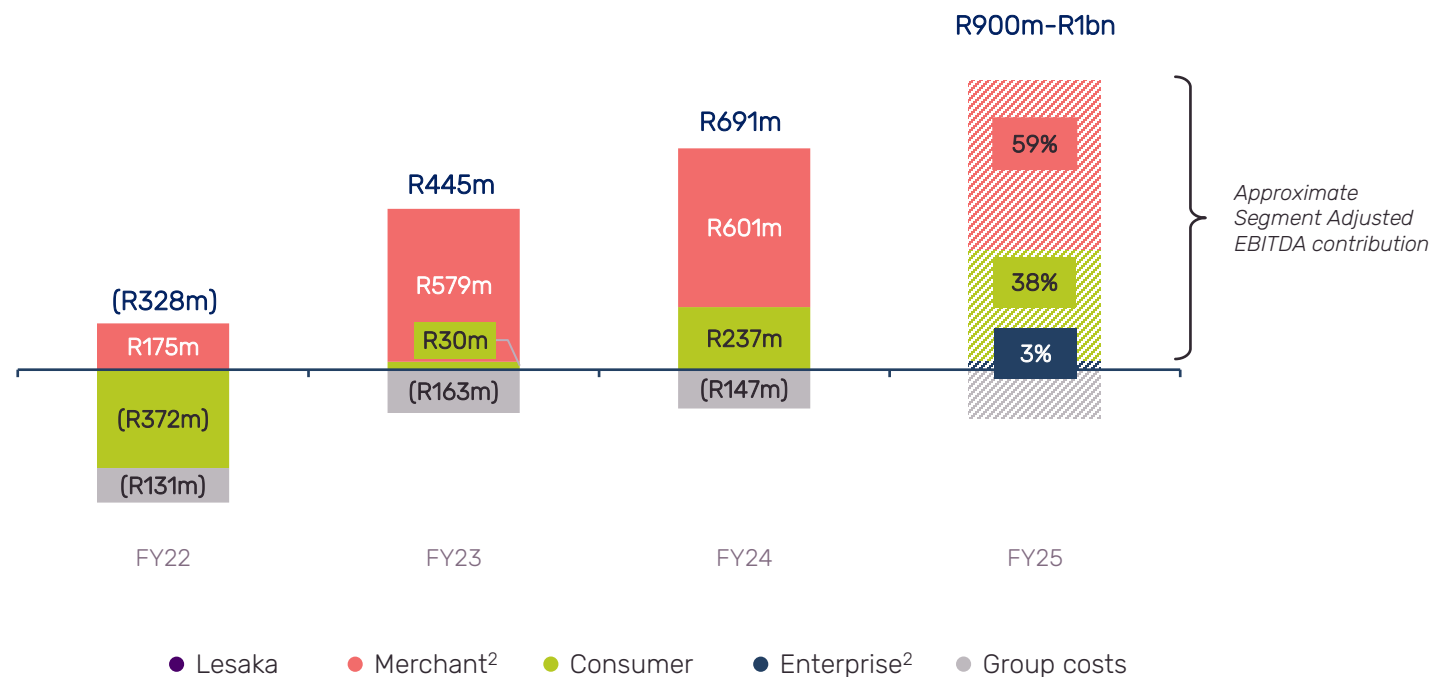
# Reaffirming our FY25 Guidance

## FY25 Guidance

	FY24 Actual	FY25 Guidance
Revenue	R10.6bn	R10.0bn - R11.0bn
Net Revenue <sup>1</sup>	R3.9bn	R5.2bn - R5.6bn
Group Adjusted EBITDA	R691m	R900m - R1.0bn

FY25 guidance **excludes** the impact of unannounced mergers and acquisitions that we may conclude

## Group Adjusted EBITDA Evolution FY22 to FY25



1. Net Revenue eliminates the effect of changes in revenue mix between agency and principal sales of airtime.

2. In FY23 and FY24 Enterprise Division was included in the Merchant Division.

Group Adjusted EBITDA is a non-GAAP measure. Refer to Appendix for a reconciliation of non-GAAP measures including a full reconciliation of Net income to Segment Adjusted EBITDA and Group Adjusted EBITDA. Implied growth rates and CAGR calculations done to the midpoint of guidance ranges for forecasted values. Group Adjusted EBITDA represents Segment Adjusted EBITDA after deducting group costs.

# FY26 Guidance

## Additional FY26 Guidance Metrics

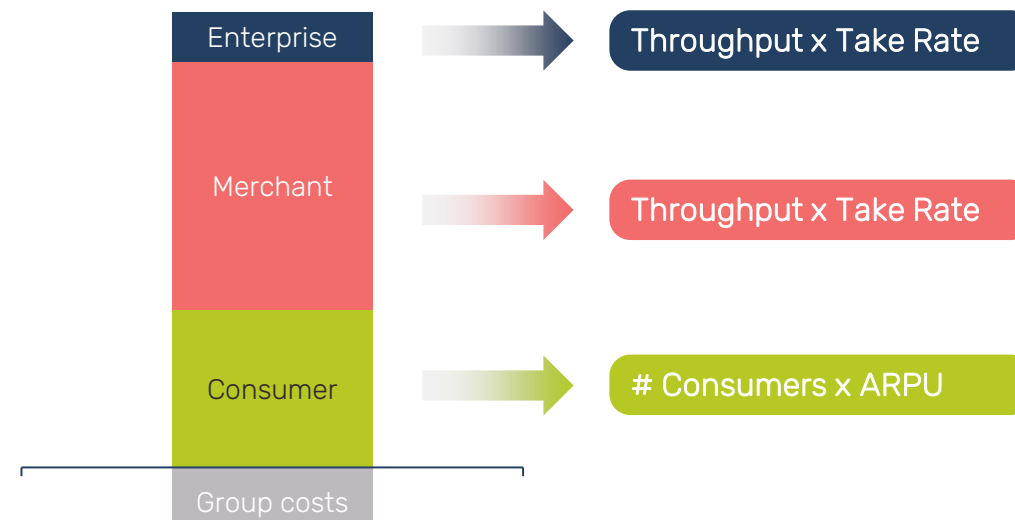
### FY26 Guidance

	FY26 Guidance	FY25 to FY26 Implied Growth from Midpoint to Midpoint
Revenue	R11.4 bn – R12.2 bn	12%
Net Revenue <sup>1</sup>	R6.4 bn – R 6.9bn	23%
Group Adjusted EBITDA	R1.25bn – R1.45bn	42%
Net Income	Positive	N/A

FY26 guidance excludes the impact of unannounced mergers and acquisitions that we may conclude

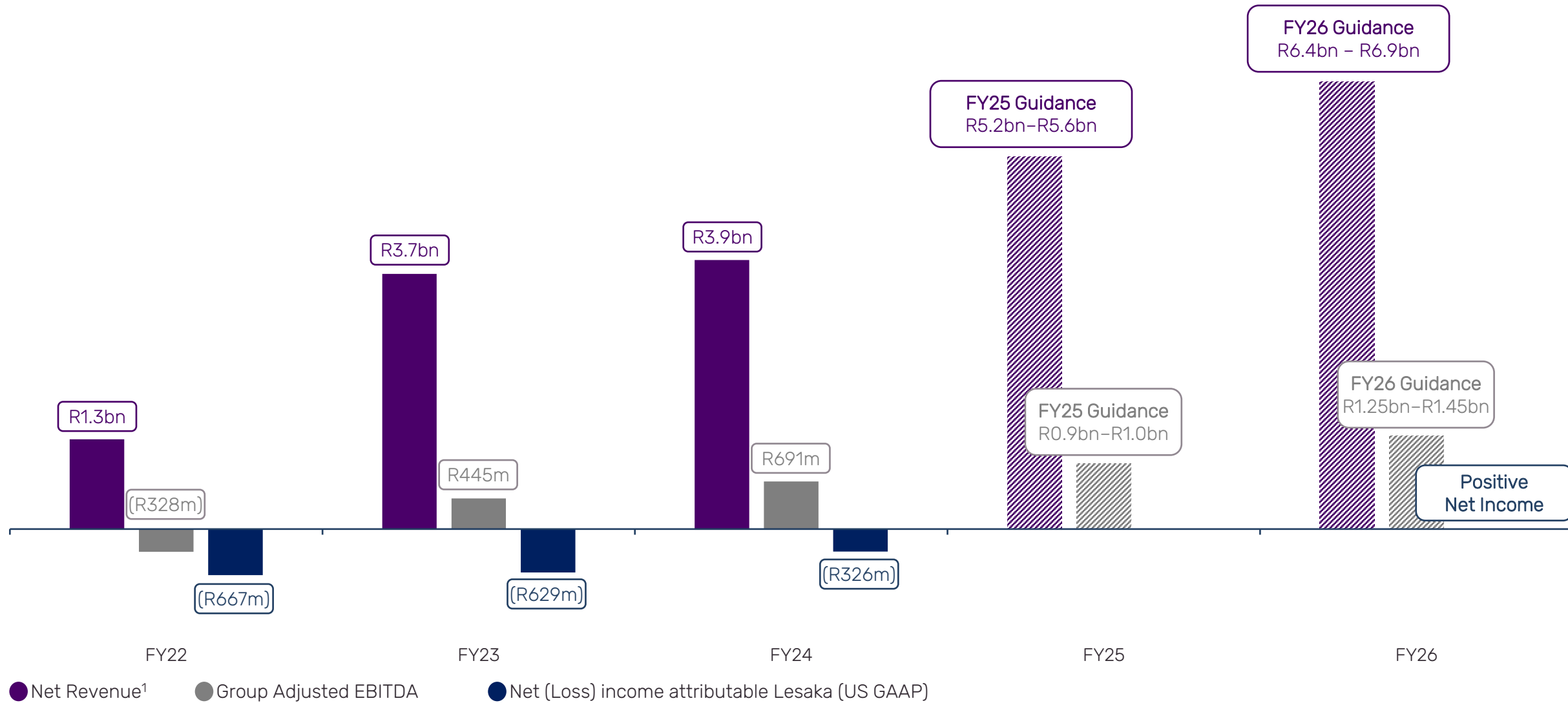
FY26 Group Adjusted EBITDA:  
R1.25bn – R1.45bn

Drivers of Growth



1. Net Revenue eliminates the effect of changes in revenue mix between agency and principal sales of airtime.

# Our evolution from FY22 to FY26

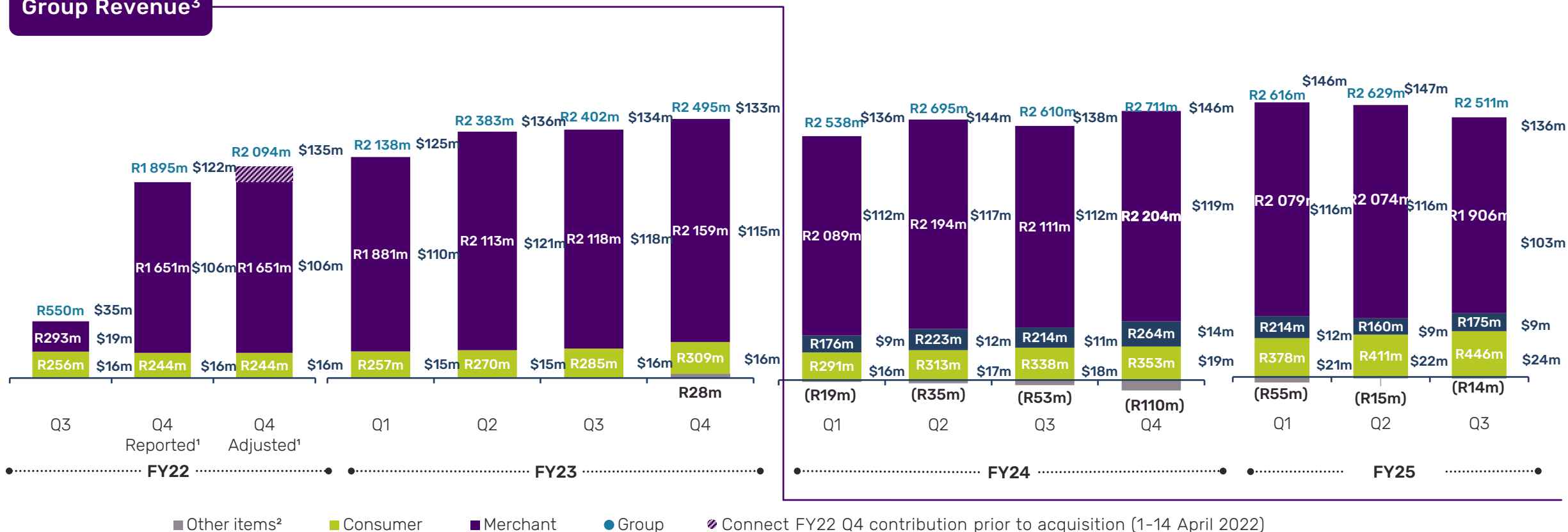


<sup>1</sup> Net Revenue eliminates the effect of changes in revenue mix between agency and principal sales of airtime.

# Group Revenue | Quarterly

Consistent execution | Continue to deliver on both growth and profitability

## Group Revenue<sup>3</sup>



R15.61	R15.56	R15.56	R17.13	R17.52	R17.93	R18.74	R18.71	R18.71	R18.88	R18.47	R17.72	R17.85	R18.40
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USD/ZAR exchange rate

1. FY22 Q4 reported includes Pre-existing Lesaka for the full quarter and Connect Group from April 14, 2022 to June 30, 2022.  
 FY22 Q4 adjusted includes an estimate of additional revenue and EBITDA that would have been reported if the Connect Group was acquired at the start of FY22 Q4, 01 April 2022.  
 2. Other items in FY24 Q1 & Q2: Intersegment revenue eliminations, mainly related to the ATM business. FY23 Q4: Income not allocated to the operating segments.  
 3. Enterprise Division is included in the Merchant Division revenue.  
 Sums may not add due to rounding.

# Net Revenue | Quarterly

Consistent execution | Continue to deliver on both growth and profitability

## Group Net Revenue<sup>3</sup>

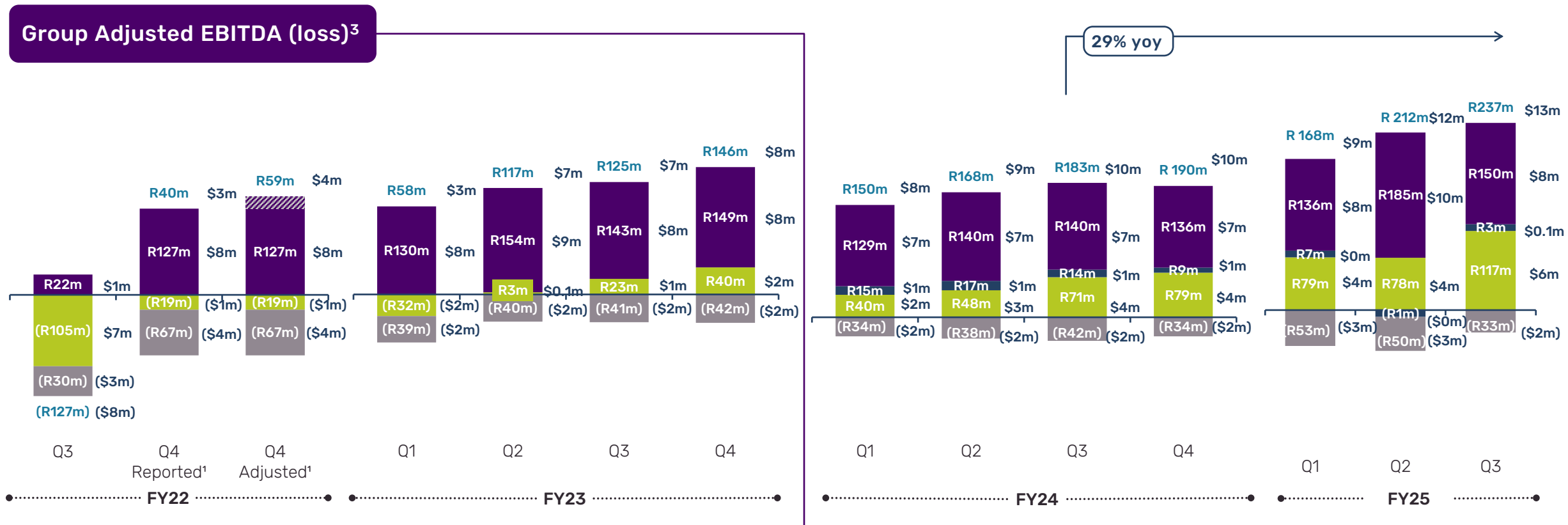


USD/ZAR exchange rate

Sums may not add due to rounding.

# Group Adjusted EBITDA (loss) Quarterly

Consistent execution | Continue to deliver on both growth and profitability



■ Consumer Segment Adj. EBITDA ■ Merchant Segment Adj. EBITDA ■ Group costs Group Adj. EBITDA ● Connect FY22 Q4 contribution prior to acquisition (1-14 April 2022)

R15.61	R15.56	R15.56	R17.13	R17.52	R17.93	R18.74	R18.71	R18.71	R18.88	R18.47	R17.72	R17.85	R18.40
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USD/ZAR exchange rate

Growth rates reflected on a ZAR basis.

1. FY22 Q4 reported includes Pre-existing Lesaka for the full quarter and Connect Group from April 14, 2022 to June 30, 2022.

FY22 Q4 adjusted includes an estimate of additional revenue and EBITDA that would have been reported if the Connect Group was acquired at the start of FY22 Q4, 01 April 2022.

Segment Adjusted EBITDA is a defined term and is before Group Costs. Refer to Appendix for a full reconciliation of Net income to EBITDA.

3. FY23 Enterprise Division is included in the Merchant Division EBITDA.

Sums may not add due to rounding.

# Disaggregation of Revenue

Group	Third quarter ended 31 March			Second quarter ended 31 December	
	Q3 2025	Q3 2024	Q3 2023	Q2 2025	Q2 2024
<b>Group revenue</b>	<b>2 510 061</b>	<b>2 609 913</b>	<b>2 402 288</b>	<b>2 629 200</b>	<b>2 694 506</b>
Processing fees	898 985	661 688	609 305	924 319	673 772
Technology products	126 963	34 055	82 845	167 835	60 233
Telecom products and services	1 127 415	1 655 637	1 495 997	1 223 767	1 722 960
Lending revenue	150 669	117 653	90 591	132 113	104 574
Interest from customers	42 501	29 329	27 884	30 982	27 208
Insurance revenue	95 660	60 026	46 336	87 192	54 234
Account holder fees	33 139	29 465	25 445	31 613	28 119
Other	34 729	22 060	23 885	31 379	23 406
<b>Consumer revenue</b>	<b>445 845</b>	<b>338 170</b>	<b>284 686</b>	<b>410 686</b>	<b>312 767</b>
Processing fees	140 307	119 995	115 445	140 818	115 600
Technology products	537	151	5 344	1 164	225
Telecom products and services	481	1 568	126	412	973
Lending revenue	150 669	117 653	90 591	132 113	104 574
Interest from customers	9 325	-	-	2 149	-
Insurance revenue	95 660	60 026	46 336	87 192	54 234
Account holder fees	33 139	29 465	25 445	31 613	28 119
Other	15 727	9 312	1 399	15 225	9 042
<b>Merchant revenue</b>	<b>1 895 377</b>	<b>2 093 374</b>	<b>1 961 828</b>	<b>2 063 366</b>	<b>2 177 168</b>
Processing fees	637 071	414 418	388 690	679 288	430 385
Technology products	108 483	10 614	49 760	145 435	10 430
Telecom products and services	1 098 181	1 627 606	1 476 469	1 193 656	1 696 898
Interest from customers	33 176	29 329	27 884	28 833	27 208
Other	18 466	11 407	19 025	16 154	12 247
<b>Enterprise revenue</b>	<b>168 839</b>	<b>178 369</b>	<b>155 774</b>	<b>155 148</b>	<b>204 571</b>
Processing fees	121 607	127 275	105 170	104 213	127 787
Technology products	17 943	23 920	27 741	21 336	49 578
Telecom products and services	28 753	26 463	19 402	29 699	25 089
Other	536	1 341	3 461	-	2 117

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