Vodacom Group Limited

Reviewed Annual Results

and cash dividend distribution

For the year ended
31 March 2024

Further together

Shameel Joosub

Vodacom Group CEO commented:

Our acquisition of Egypt contributed significantly to the 29.1% increase in Group service revenue, supported by a resilient performance in our largest market, South Africa. A 6.4% increase in net profit showcased the robustness of our strategy and our execution track-record of adapting to changes in our operating environments, despite elevated global economic pressures.

In a year when we celebrate our 30th anniversary, we also surpassed the 200 million customer mark. These are two particularly gratifying milestones in Vodacom's history. Our customer base is evenly split across our segments, which include South Africa, Egypt, International business and Safaricom, showcasing the breadth of our footprint, which covers more than half a billion people across the continent. In aggregate, our new services, which include digital and financial, fixed and IoT, reached a contribution of 20.0% of Group service revenue, as we also advanced our product diversification. Financial services is the key driver of our new services and a meaningful enabler of our purpose to connect for a better future. This is evidenced by the 11.8% increase in financial service customers to 78.9 million, as we now process an impressive US$381.2 billion in annual transaction value.

A combination of start-up losses in Ethiopia, higher finance and energy costs, the impact of absorbing inflationary pressures, and weaker exchange rates across markets, including the recent devaluation of the Egyptian pound, contributed to the 10.8% decline in headline earnings of 846 cents per share (cps). Reflective of our dividend policy of paying at least 75% of headline earnings, the Board declared a dividend per share of 590cps for the year. Nonetheless, we expect that our efforts to diversify the Group's footprint and product mix will unlock strong returns over the medium term.

Despite the economic backdrop, we remain committed to spending 13% to 14.5% of our overall revenue on capital expenditure that ultimately results in an enhanced customer experience through sustained investments in technology and network infrastructure. This has and will continue to enhance network resilience through the acceleration of 5G coverage, our rural coverage programme to help bridge the digital divide and keeping customers connected despite, the power challenges across key markets.

In South Africa, service revenue growth of 2.6% was largely on the back of new services, the consumer contract segment and prepaid mobile data. This was partly offset by pressure in Vodacom Business, as a shift away from 'Work From Home' policies saw corporate customers recalibrating their spend.

New services in South Africa were up 11.2% and contributed R10.2 billion, or 16.6% of service revenue. The 7.9% service revenue increase from financial services to R3.2 billion was largely driven by our insurance business and payments, while Airtime Advance remained an important enabler of digital inclusion.

The traction and transaction volume growth that our VodaPay super-app continues to attract is particularly pleasing having ended the period with 10.4 million downloads and 5.8 million registered users, reflecting an increase of 83.0% and 79.4%, respectively.

From an infrastructure investment perspective, we spent R11.1 billion to support network resilience, leverage our new spectrum assets and enhance our IT platforms to maintain our competitive edge and remain South Africa's most reliable network. Our proposed purchase of a joint venture stake in South African fibre company Maziv will enable affordable access to connectivity in some of the most vulnerable parts of the country through an ambitious fibre roll-out programme, assisting in narrowing the country's digital divide. The transaction is subject to a review by the Competition Tribunal with hearings due to commence on 20 May 2024, during which Vodacom will showcase the strong public interest and pro-competitive advantages that the transaction would have on the fibre market, and the country as a whole.

Egypt now services 48.3 million customers, an increase of 6.2%, and contributes one quarter of Group revenue supported by excellent customer engagement in connectivity, mobile and fixed price adjustments, and excellent growth in its financial services platform, Vodafone Cash. A 10.9% increase in data customers contributed to a 41.8% jump in data traffic while the local currency 107.4% increase in financial services revenue was supported by our one-app strategy resulting in customer growth of 52.1% to 8.2 million and strong growth in transaction values to over EGP1 trillion in the year.

We are encouraged by the meaningful steps taken by Egypt's government to support economic growth through foreign direct investment and foreign exchange liquidity. Pleasingly, the dividend declared by Egypt to the Group in the first half of the financial year was repatriated to South Africa in March 2024.

Our International business in DRC, Lesotho, Mozambique and Tanzania produced a reported 13.1% increase in service revenue, supported by foreign exchange tailwinds, a 21.4% increase in M-Pesa revenue, and a 30.5% rise in data revenue. Tanzania delivered strong double-digit growth, DRC's service revenue growth improved in the second half, while Mozambique's performance disappointed with a service revenue decline of 12.5%. We expect recent regulatory reforms in Mozambique will meaningfully improve our prospects in that market.

Across the four markets, M-Pesa revenue grew 21.4%, contributing 26.5% of International business service revenue. This was boosted by a strong performance in Tanzania while new growth areas such as lending and savings products continue to gain traction across the portfolio as we facilitated loans worth R16.9 billion, more than doubling year-on-year.

Safaricom delivered an excellent performance in Kenya with service revenue accelerating in the second half to end the year with growth of 13.4%, boosted by double-digit growth in mobile data and M-Pesa revenue. M-Pesa transaction volumes increased 34.8%, showcasing the scale of the business. Despite start-up costs associated with operations in Ethiopia, Safaricom has confirmed that its roll-out is on track in Africa's second most populous country.

Of the many purpose-led initiatives that we led over the past year, I am particularly proud of m-mama, Code like a Girl and Je Suis Cap. With the support of partners like USAID and the Vodafone Foundation, these initiatives are expanding across our markets to change lives. Alongside these programmes our Tech for Good solutions are key enablers of inclusion and address challenges across critical industries, including healthcare, education and agriculture.

Looking ahead, we're focussed on delivering the final year of our Vision 2025 targets, while at the same time developing the Group's next strategic phase to support our TechCo transition, where we will anchor our business on imperatives such as amplifying our commitment to purpose and customers, excelling at simplicity and innovating for growth so that we deliver sustainable growth.

Core to this strategy will be accelerating mobile and fixed connectivity, scaling handset financing and the roll-out of innovative digital and financial services in all our markets. We will also seek to expand our partnerships across Africa to power Vodacom's growth, drive infrastructure sharing to increase rural and fibre connectivity and expand the reach of our Tech for Good solutions.

While the global economic outlook is uncertain, we are encouraged by the recent macro reforms in Egypt and Kenya. Building on this momentum, our portfolio of products positions us to deliver on our purpose and capture the structural growth opportunities across our markets, while also supporting an upgraded outlook for Group service revenue growth. Delivering on this outlook will require an unwavering focus to deliver our strategy, to meet our business objectives and to serve our customers.

Highlights

Group revenue of
R151 billion
was up 26.4%, positively impacted by the acquisition of Egypt^.

Group service revenue growth was
29.1%,
and including Egypt on a pro-forma basis was
9.2%.

Group EBITDA growth of
24.3%
or 7.8% on a pro-forma basis.

Group free cashflow generation of
R18.2 billion
supported lower leverage of 0.9x net debt to EBITDA.

Serve a combined
203.1 million
customers across the Group, including Safaricom on a 100% basis.

78.9 million
financial services customers, including Safaricom on a 100% basis, transacting US$1.1 billion per day.

Financial services revenue increased 32.2% to
R13.0 billion,
contributing 10.8% to Group service revenue.

Full year dividend of
590cps, consistent with our policy.

Certain financial information presented in this results announcement constitutes pro-forma financial information in terms of the JSE Listings Requirements. The applicable criteria on the basis of which this pro-forma financial information has been prepared is set out in the supplementary information on pages 48 to 55. The pro-forma financial information includes:

* Normalised growth, which presents performance on a comparable basis. This adjusts for trading foreign exchange, foreign currency fluctuation on a constant currency basis (using the current year as the base) and excludes the impact of merger, acquisition and disposal activities, at a constant currency basis where applicable, to show a like-for-like comparison of results.
Amounts marked with an * in this document represent normalised growth as defined above.
All growth rates quoted are year-on-year and refer to the year ended 31 March 2024 compared to the year ended 31 March 2023, unless stated otherwise.

^ Vodafone Egypt Telecommunications SAE (Egypt) was consolidated from 8 December 2022, representing the effective date of the transaction. Results comparable with our medium-term targets or pro-forma results have been presented for the Group as if the effective date of the Egypt acquisition was 1 April 2022, thus showing the segment's financial information on a full year basis.

Growth rates for Safaricom Plc (Safaricom) are in local currency and year-on-year, unless otherwise stated. Safaricom results announcements are available at: www.safaricom.co.ke/investor-relations-landing/reports/financial-report/financial-results.

Group statutory performance measures

	Year ended 31 March		% change
Rm	**2024**	**2023**	**Reported**
Revenue	**150 594**	119 170	**26.4**
Service revenue	**120 897**	93 650	**29.1**
Net profit from associates and joint ventures	**2 197**	2 607	**(15.7)**
Operating profit	**35 337**	29 252	**20.8**
Net profit	**19 262**	18 111	**6.4**
Net debt to EBITDA	**0.9**	1.1	**(0.2x)**
Earnings per share (cents)	**842**	948	**(11.2)**
Headline earnings per share (cents)	**846**	948	**(10.8)**
Total dividend per share (cents)	**590**	670	**(11.9)**

Group additional performance measures

	Year ended 31 March		% change
Rm	**2024**	**2023**	**Reported**
EBITDA	**56 116**	45 144	**24.3**
EBITDA margin (%)[1]	**37.3**	37.9	**(0.6ppts)**
Capital expenditure[2]	**20 422**	16 490	**23.8**
Capital intensity (%)[2]	**13.6**	13.8	**(0.2ppts)**
Operating free cash flow[3]	**30 305**	25 111	**20.7**
Free cash flow[3]	**18 209**	18 524	**(1.7)**
Financial services revenue[4]	**13 033**	9 856	**32.2**

In the table below we provide a reconciliation of Group reported to pro-forma metrics. The pro-forma^ metrics are comparable with our medium-term targets and show the results on a constant currency basis, including Egypt as if the effective date of the acquisition was 1 April 2022. The pro-forma analysis is provided to assist with understanding the Group's like-for-like performance, as Egypt was consolidated from 8 December 2022.

	Year ended 31 March					
	2024	**2023**	**% change**	**2024**	**2023**	**% change**
Rm	Service revenue			EBITDA		
Consolidated Group	**120 897**	**93 650**	**29.1**	**56 116**	**45 144**	**24.3**
Foreign exchange rate impact – trading	–	–		1 599	709	
Foreign exchange rate impact – translation	–	1 292		–	487	
Egypt pro-forma adjustment	–	15 733		–	7 194	
Group pro-forma (target comparable)	**120 897**	**110 675**	**9.2**	**57 715**	**53 534**	**7.8**

Notes:
1. EBITDA margin is EBITDA as a percentage of revenue.
2. Detail relating to capital expenditure is on page 17. Capital intensity is capital expenditure as a percentage of revenue.
3. A reconciliation of operating free cash flow and free cash flow is set out on page 55.
4. The combination of South Africa financial services revenue, Egypt financial services revenue and International M-Pesa revenue.

^ Egypt was consolidated from 8 December 2022, representing the effective date of the transaction. Target comparable or 'pro-forma' results have been presented for the Group as if the effective date of the Egypt acquisition was 1 April 2022 on a constant currency basis. Egypt's pro-forma EBITDA adjusts for a trading foreign exchange loss of R1 389 million (FY2023: R967 million).

Strategic overview

Purpose-led business model

This year we simplified and evolved our purpose to focus on 'Empowering People' and 'Protecting the Planet' in a digital society. This evolution from our previous three-pillar Purpose approach reflects the importance of creating a digital society that is inclusive and sustainable. Further, we remain focused on the delivery of our Social Contract with stakeholders to ensure that we make meaningful contributions to digital and financial inclusion. We added over 2 300 4G sites in the year and increased our financial service customers to 78.9 million, including Safaricom. We also sustained our progress on gender empowerment in FY2024, with 39% representation of women in senior management roles.

Beyond our initiatives in connectivity, financial services and gender inclusion in our workforce, we leverage digital inclusion to empower people. Our Code like a Girl programme to promote women empowerment through technological inclusion has reached almost 16 000 young women in Africa. Additionally, our National Relay Service in South Africa promotes digital inclusion for persons with disabilities, while in DRC our Je Suis Cap (I Am Capable) programme helped 1 450 women living with a disability to become M-Pesa agents. For the planet, we have committed to net zero for scope 1 and 2 by 2035 and submitted our ambition for verification in terms of the Science Based Targets initiative.

We partner with governments and other stakeholders to provide innovative solutions enabled by technology. Our Tech for Good solutions are key enablers of inclusion and address challenges across critical industries, including healthcare, education and agriculture. Notable initiatives in healthcare include our stock monitoring solution in South Africa, to Tanzania's m-mama for maternal and neonatal emergencies, to digitalising Universal Health Insurance in Egypt. Our digital education solutions facilitate access to quality educational resources for more than 4 million learners in our markets. Our subsidiary, Mezzanine, has developed several solutions for the agricultural sector to help small-scale farmers prosper, leverage IoT to enhance data-driven decision-making for commercial farms, facilitate the distribution of subsidies to smallholder farmers and improve access to loans and insurance. These, and our many other purpose-led programmes, will be detailed in our ESG report to be published in June 2024.

Pleasingly, our progress and reporting on ESG was again recognised by leading rating agencies in FY2024, including Sustainalytics which considers Vodacom a low ESG risk. We retained our ESG leader AAA rating from MSCI. We were also proud that Vodacom was recognised for leadership in addressing climate change and was awarded an A$^-$ rating in the latest CDP climate change assessment. Leveraging our commitment to inclusion we originated a new R2.0 billion sustainability linked loan in the year, having been the first South African telco to raise an ESG loan in 2019.

Positioned for improved returns

Our multi-product strategy, called the System of Advantage, aims to deliver diversified, differentiated offerings to our customers, further strengthening and growing our relationships with them. The resilience of our strategy was tested again in the current financial year as we faced high inflation and interest rates, energy cost inflation and uncertainty, and foreign exchange rate volatility. Despite the pressures associated with this economic cycle, we continued to invest in and execute on our strategy, such that we are well positioned to deliver attractive returns over the medium-term with a portfolio of market leading assets across Africa.

Building on the strong commercial momentum of FY2024, we have upgraded our Group service revenue target from mid-to-high to high single digit growth. Our Group EBITDA growth and capital intensity prospects for the medium-term remain unchanged, as follows:

- Group service revenue growth of high single digit growth;
- Group EBITDA growth of high single digit growth; and
- Group capital expenditure of 13.0% – 14.5% as a percentage of Group revenue.

These targets are on average, over the next three years, and are on a normalised basis in constant currency, based on prevailing economic conditions, but excluding spectrum purchases, exceptional items and any other merger and acquisition activity. The targets do not account for potential hyperinflation adjustments. Egypt is included in the base year (FY2024) at the prevailing exchange rate of ZAR/EGP of 2.6.

Group service revenue and EBITDA growth within target range

	Year ended 31 March					
	2024	2023	% change	2024	2023	% change
Rm	Service revenue			EBITDA		
Consolidated Group	**120 897**	**93 650**	**29.1**	**56 116**	**45 144**	**24.3**
Foreign exchange rate impact – trading	–	–		1 599	709	
Foreign exchange rate impact – translation	–	1 292		–	487	
Egypt pro-forma adjustment	–	15 733		–	7 194	
Group pro-forma (target comparable)	**120 897**	**110 675**	**9.2**	**57 715**	**53 534**	**7.8**

Group service revenue grew 29.1% to almost R120.9 billion, positively impacted by the acquisition of Egypt. On a pro-forma basis (comparable with the medium-term targets), Group service revenue growth was 9.2%, at the higher end of our medium-term range. This reflected strong growth from Egypt of 31.6% in local currency, consistent with inflation levels in the market, and good growth in Group new services. In aggregate, our new services, which include digital and financial, fixed and IoT amounted to R24.2 billion and contributed 20.0% of Group service revenue, up from 18.7% in the prior year.

Group EBITDA increased 24.3% to R56.1 billion, representing an EBITDA margin of 37.3%. The EBITDA result was impacted by foreign exchange rate losses of R1.6 billion, as a result of Egypt's March 2024 devaluation, and higher energy costs across the Group. Adjusting for the impact of the foreign exchange losses, the Group EBITDA margin was 38.3%.

On a pro-forma basis, Group EBITDA growth was 7.8% in the year, accelerating to within our target range of high-single digit growth in the second half period. Egypt, with pro-forma EBITDA growth of 39.5%, was the key driver of the Group result. Egypt's performance was supported by excellent revenue growth and cost containment. South Africa EBITDA grew 0.7% impacted by slower prepaid and Vodacom Business revenue growth and higher network costs. International business EBITDA growth was 8.2%, or 1.4%* on a normalised basis, as excellent results in Tanzania were offset by pressure in Mozambique.

Headline earnings per share (HEPS) declined 10.8% to 846 cents per share (cps). The decline was attributable to foreign exchange rate losses (56 cps), start-up losses in Ethiopia (21 cps), higher finance costs (91 cps) and a prior year deferred tax asset recognised in Tanzania (15 cps). Despite inflationary pressures, Egypt posted net income growth of 53.7% in local currency, highlighting the assets growth trajectory and scope for strong rand returns over the medium term. Separately, the Board declared a final dividend per share of 285cps, which reflects our dividend policy of at least 75% of headline earnings.

We generated operating free cash flow of R30.3 billion, up 20.7%, having invested R20.4 billion into capital expenditure, a further R6.2 billion applied to lease payments and R0.2 billion absorbed into working capital. Capital expenditure increased 23.8% with the inclusion of Egypt. Our Group free cash flow, which captures our cash interest, tax and minority dividends, was R18.2 billion and declined 1.7%. The result was impacted by the phasing of Safaricom dividends, which positively impacted the prior year free cash flow by R1.0 billion. Adjusting for this phasing impact, Group free cash flow grew 4.0%. In the year, the Group also invested in spectrum in the DRC and settled the final R2.2 billion tranche of the South African spectrum acquired in the March 2022 auction.

Leading African FinTech operator

Financial services revenue

	Year ended 31 March		% change		
Rm	2024	2023	Reported	Normalised*	Pro-forma^
South Africa	3 187	2 954	7.9	7.9	
Egypt	1 947	398	>100.0		107.3^
International	7 899	6 504	21.4	13.1	
Consolidated Group	13 033	9 856	32.2	11.6	19.9^
Safaricom (100% basis)[1]	18 008	16 449	9.5	19.5	

Financial services revenue reached R13.0 billion, up 32.2% and on a pro-forma basis was up 0.1%. In South Africa, growth of 7.9% was driven by our insurance business, as we continued to scale new growth opportunities such as VodaPay. Egypt's financial services revenue doubled in local currency and was supported by growth in users and volumes of transactions. Normalised M-Pesa revenue in International business grew 13.1%* in the period and 11.4%* in the fourth quarter. New financial services such as loans and merchant offerings contributed two-thirds of M-Pesa revenue growth, consistent with our strategy to expand the ecosystem.

Our financial services strategy is supported by a dual-sided ecosystem across consumers and merchants, bringing these segments together through exceptional and personalised experiences relating to entertainment, e-commerce, payments, savings, investments, lending and insurance services. As key drivers of this strategy, our super-apps – VodaPay, Vodafone Cash and M-Pesa – integrate our own products and services with the best offerings from our partners. Looking ahead, we will replicate Egypt's successful one-app strategy across our other markets by combining our telecommunication apps into the super-apps.

Alongside the super-app roll out, our active merchant base continued to scale meaningfully in South Africa and across our International business. Our merchant base in South Africa extended to over 10 000, while across our International business, we doubled M-Pesa merchants to 395 000. We also see an exciting opportunity for merchant services in Egypt, and expect to build out new merchant capabilities and other financial services in FY2025 by leveraging the Group's product roadmap.

Our mobile money platforms, including Safaricom, processed US$381.2 billion of transaction value over the last twelve months, representing clear leadership in the African FinTech space. The mobile money transactions reached 33.7 billion, up an impressive 34.3%.

Note:
1. The Group's effective interest of 34.94% in Safaricom is accounted for as an investment in associate. Results represent 100% of Safaricom and are for information purposes only.

Competition Tribunal to hear merits of Maziv acquisition

On 10 November 2021, the Group announced a major step forward in scaling our fibre offering in South Africa. Through the announced acquisition of an initial 30% stake in Maziv (Proprietary) Limited (Maziv), a joint venture that will house fibre assets of Vodacom South Africa and Community Investment Ventures Holdings (Pty) Limited (CIVH), we intend to gain exposure to highly attractive and fast-growing businesses and South Africa's largest open access fibre players including Dark Fibre Africa (Proprietary) Limited (DFA) and Vumatel (Proprietary) Limited (Vumatel). With our capital injection and strategic support, we believe the transaction will further accelerate the growth of fibre in South Africa to foster economic development and help bridge South Africa's digital divide.

In October 2022, ICASA approved the transaction subject to licence conditions such as open-access. In August 2023, the Competition Commission announced its recommendation to the Competition Tribunal to prohibit the transaction.

The next regulatory step is for the transaction to be presented to the Competition Tribunal, where the full merits of the transaction will be reviewed for final approval. Looking forward to the Competition Tribunal hearing from 20 May 2024, Vodacom intends to showcase the strong public interest and pro-competitive advantages that the transaction would have on the fibre market, and the country as a whole.

Operational review

South Africa

Summary financial information

	Year ended 31 March		% change
Rm	2024	2023	Reported
Service revenue	**61 621**	60 038	**2.6**
EBITDA	**32 808**	32 569	**0.7**
Operating profit	**20 125**	20 881	**(3.6)**
Capital expenditure	**11 115**	11 171	**(0.5)**

South Africa service revenue grew 2.6% to R61.6 billion and reflected ongoing macroeconomic challenges. The growth was supported by new services, consumer contract segment and prepaid mobile data. New services such as financial and digital services, fixed and IoT were up 11.2% and contributed R10.2 billion, or 16.6% of South Africa's service revenue. Mobile prepaid data growth of 11.6% was supported by network resilience coupled with big data-led personalised offers. Revenue reached R88.3 billion, up 4.2%, and was driven by strong equipment sales as our 36 month contracts provided customers the opportunity to upgrade handsets more affordably. In the fourth quarter, as anticipated, customer service revenue growth improved to 2.3% (3Q: 1.5%). Service revenue growth was 0.7% in the quarter and reflected a decline in other service revenue as a result of pressure on wholesale revenue.

Mobile contract customer revenue increased by 3.9% to R23.5 billion, supported by good growth in our consumer segment. The consumer segment performance benefited from a contract price increase in the first quarter, which was coupled with an additional data allocation of 20% to support our value commitment to customers. Mobile contract ARPU of R301 was up 1.3% with price increases partly offset by pressure in Vodacom Business, as corporate customers recalibrated spend for a return to office. We added 125 000 contract customers reaching a base of 6.8 million, up 1.9%. In the fourth quarter, mobile contract customer revenue grew 5.0% supported by sequential improvement in Vodacom Business.

Prepaid mobile customer revenue increased 1.7% to R26.4 billion. Our world-class customer value management capabilities helped contain pressure on voice revenue, while driving higher customer engagement and revenue in the data segment. We added 7.3 million prepaid customers in the year to reach 44.9 million customers. The strong growth in customers, which included some low ARPU additions during the year, impacted prepaid ARPU growth, which declined 5.2% to R55. In the fourth quarter net adds were just 0.4 million as we churned low value customers added in the third quarter. Service revenue in the fourth quarter declined 0.1% as we lapped a strong comparative in the prior year quarter.

Data traffic increased 36.2% and was supported by smartphone penetration and network availability, with data customers reaching 28.8 million, up 12.8%. Smart devices were up by 8.4% to 31.8 million, while 4G and 5G devices increased by 15.2% to 24.4 million. The average usage per smart device increased by 26.0% to 3.8GB per month. Prepaid mobile data revenue increased by 11.6% to R12.7 billion and was up 6.2% in the quarter. Data traffic growth in the fourth quarter moderated to 27.2%, as we lapped a strong prior year comparative associated with elevated levels of loadshedding.

Note:
1. Including Bitstream, which refers to where we act as an internet service provider (ISP) to fibre wholesalers.

Fixed service revenue was up 18.4%, excluding wholesale transit. The result was supported by good customer adoption of fibre and project-based revenue. Our homes and businesses connected reached 190 000[1], while our own fibre passed almost 166 000 homes and businesses. In the quarter, fixed service revenue excluding wholesale transit grew by 9.7%.

Service revenue generated from financial services was up 7.9% to R3.2 billion. Revenue growth was driven by our insurance, payments and lending marketplace businesses. Our Airtime Advance remained an important enabler of digital inclusion and represents 45.7% of total prepaid recharges. Insurance revenue increased by 13.8%, supported by policy growth of 4.5% to 2.7 million. Our super-app, VodaPay, ended the period with 10.4 million downloads and 5.8 million registered users. Managed alongside financial services, our digital services had a strong year with revenue of R1.6 billion, up 13.6%.

Vodacom Business service revenue decreased by 0.8% to R17.3 billion, with pressure on wholesale revenue. Excluding wholesale revenue, Vodacom Business service revenue was up 3.4% for the year. Cloud, hosting and security supported growth, with revenue for this segment up 38.5%.

EBITDA grew by 0.7% impacted by pressure on prepaid service revenue and higher network operating costs. The EBITDA margin moderated by 1.2ppts to 37.2%, and was impacted by growth of lower margin equipment revenue, Cloud reseller margins and higher network and payroll costs. Payroll costs were up 16.9% on a reported basis as a result of lower capitalised overheads, which from a cash perspective was offset by capital expenditure savings. Operating profit declined 3.6% as a result of higher depreciation and amortisation.

We invested R11.1 billion in our network to support network resilience, leverage our new spectrum assets and enhance our IT platforms to maintain our competitive edge and remain South Africa's most reliable network and network NPS leader. Looking ahead into FY2025, we expect the macroeconomic outlook to remain subdued. To mitigate this impact we expect to continue scaling new services, implement 'more for more' price adjustments and accelerate cost saving initiatives. We expect that these initiatives will support improved EBITDA growth prospects.

Egypt

Summary financial information

	Reported (Rm)		Pro-forma information (EGPm)^[1]		
	Year ended 31 March		Year ended 31 March		% change
Rm	2024	2023	2024	2023	Reported
Service revenue	**30 179**	7 976	**51 432**	39 073	**31.6**
EBITDA	**13 067**	2 859	**21 279**	16 020	**32.8**
EBITDA excluding trading FX impact	**14 456**	3 477	**24 627**	17 652	**39.5**
Operating profit	**8 774**	1 710	**14 004**	9 493	**47.5**
Capital expenditure	**4 617**	1 225	**7 792**	5 953	**30.9**

Egypt delivered service revenue of R30.2 billion, contributing 25.0% of the Group. In the fourth quarter, service revenue was up 40.5% in local currency, accelerating from 29.1% in the third quarter. Growth was supported by strong customer engagement in connectivity, mobile and fixed price adjustments, and excellent growth in Vodafone Cash. We are encouraged by the meaningful steps taken by the government to support economic growth through foreign direct investment and foreign exchange liquidity. Pleasingly, the dividend declared by Egypt to the Group in first half of FY2024 was repatriated to South Africa in March 2024.

Egypt ended the period with 48.3 million customers, up 6.2%. ARPU growth of 24.6% reflected price adjustments and strong commercial traction supported by extensive utilisation of big data and analytics. Data traffic was up 41.8% supported by data customer growth of 10.9% to 29.1 million. Smartphones on the network were up 7.0% to 33.1 million. In the fourth quarter, mobile data revenue growth accelerated to 48.1%.

Growing financial services is a key priority for the Group and Egypt. Financial services revenue for Egypt was R1.9 million (EGP3.3 billion) in the year, accounting for 6.5% of service revenue. In local currency Vodafone Cash revenues more than doubled, with growth accelerating to 107.4% in the fourth quarter. Revenue was supported by customer growth of 52.1% to 8.2 million and strong growth in transaction values, which exceeded EGP1 trillion in the year. The strong growth in customers was supported by our one-app strategy, where we leverage the scale of our mobile customer base to drive Vodafone Cash penetration. Transaction value growth was accelerated by new use cases and an increase of mobile wallet limits during the year.

Egypt contributed R13.1 billion to Group EBITDA, or 23.3%. The reported EBITDA margin of 40.2% was impacted by foreign exchange losses on working capital balances as the Egyptian pound depreciated against major currencies in the fourth quarter. Excluding this impact, local currency EBITDA growth was 39.5% at a margin of 44.5%^, reflecting excellent cost control in a high inflation environment and growth in Vodafone Cash, including fee income on deposits. Operating profit growth was 47.5% in local currency, while net income was up 53.7% as Egypt mitigated the foreign exchange losses on working capital through limited growth in depreciation and amortisation charges and higher net finance income.

Capital investment was R4.6 billion and represented a capital intensity ratio of 14.2%. We continued to deploy 2 600 MHz spectrum and roll out new sites. We expect to retain a similar capital intensity into FY2025, despite the currency devaluation in March 2024. Further, we expect the business to sustain strong service revenue and EBITDA in FY2025.

Note:
1. For information purposes only.

International business

Summary financial information

	Year ended 31 March		% change	
Rm	**2024**	**2023**	**Reported**	**Normalised***
Service revenue	**29 858**	26 395	**13.1**	**5.0**
EBITDA	**10 973**	10 145	**8.2**	**1.4**
Operating profit	**4 230**	4 541	**(6.8)**	**(13.2)**
Capital expenditure	**4 694**	4 067	**15.4**	

Service revenue for our International business increased 13.1% (5.0%*) to R29.9 billion, supported by strong growth in data and M-Pesa and foreign exchange translation tailwinds. Our purpose-led focus on digital and financial inclusion was reflected in reported data revenue growth of 30.5% and M-Pesa revenue growth of 21.4%. From a market perspective, we delivered double-digit local currency growth in Tanzania, while DRC's service revenue growth improved in the second half. Mozambique's performance was disappointing with service revenue declining in the year, however recent regulatory reforms on pricing should meaningfully improve the market's prospects. In the fourth quarter, International business service revenue growth was 9.1% (5.4%*).

Customers were up 7.7% to 54.1 million, supported by strong commercial execution. Price transformation and pressure on consumer spend were evident in voice revenue, which declined 1.6% (-7.8% in local currency). Data revenue was R8.0 billion, up 30.5% (21.9%*), and contributed 26.7% of service revenue. We added 1.7 million data customers to end at 24.2 million customers. Data traffic growth of 44.0% was supported by 14.4% smartphone user growth to reach a penetration of 35.2%. We have piloted a new daily repayment model for handset financing in DRC, Mozambique and Tanzania – a product we believe can be scaled to support digital inclusion over the medium-term.

M-Pesa revenue was up 21.4% (13.1%*) to R7.9 billion, contributing 26.5% of International service revenue. Growth was supported by a strong performance in Tanzania. New growth areas such as lending and savings products continue to gain traction across the portfolio, contributing more than 70% of the growth. Loans facilitated across our International business more than doubled to R16.9 billion. To grow and diversify the M-Pesa ecosystem, we also accelerated our merchant strategy, more than doubling the number of active merchants to 395 000.

International business EBITDA was R11.0 billion and grew by 8.2% (1.4%*) reflecting foreign exchange translation tailwinds. EBITDA margins were 35.6% and 1.7ppt lower than the prior year period. The margin outcome reflects a change in the country mix within the segment, with Tanzania EBITDA growth outpacing the other markets. Tanzania EBITDA margins were flat at 30.8%. Operating profit declined by 6.8%, impacted by higher depreciation, spectrum amortisation and Ethiopia start-up losses associated with Vodacom's (direct) 5.7% stake in the consortium.

Capital expenditure increased by 15.4% to R4.7 billion, representing an intensity ratio of 15.2%. We accelerated investment into 4G coverage and performance. From a coverage perspective we added 1 271 new 4G sites, representing growth of 22.1%, which is expected to support revenue growth. We also continued to invest in our transmission networks to enhance our network lead in all our markets. Looking ahead, we will leverage the spectrum assets we secured in the DRC, Mozambique and Tanzania in FY2023 and FY2024 to enhance customer experience. Looking ahead to FY2025, we expect International business performance to improve through the year as regulatory reforms in Mozambique reset the asset's outlook.

Safaricom

Summary financial information (100% basis)[1]

	Year ended 31 March		% change
Rm	**2024**	**2023**	**Reported**
Service revenue	**43 142**	41 503	**3.9**
EBITDA	**20 949**	19 635	**6.7**
Capital expenditure	**11 916**	13 477	**(11.6)**
Of which Kenya:			
Service revenue	**42 417**	41 418	**2.4**
EBITDA	**24 034**	22 490	**6.9**
Capital expenditure	**6 077**	5 680	**7.0**

	Year ended 31 March		% change
KShs m	**2024**	**2023**	**Reported**
Service revenue	**335 353**	295 692	**13.4**
EBITDA	**163 293**	139 862	**16.8**
Capital expenditure	**93 541**	96 132	**(2.7)**
Of which Kenya:			
Service revenue	**329 806**	295 181	**11.7**
EBITDA	**186 982**	160 352	**16.6**
Capital expenditure	**47 293**	40 366	**17.2**

Safaricom delivered an excellent performance in Kenya and confirmed that Ethiopia delivered on important milestones in its first full financial year since launch. Service revenue increased 13.4%, with the Kenyan business delivering double-digit growth, above its multi-year trend. EBITDA for Safaricom increased 16.8% supported by margin expansion in Kenya. Safaricom's net profit attributable to equity shareholders was up 1.2% (-7.5%, before hyperinflation), a particularly encouraging result given that Ethiopia losses were guided to have peaked in the year. As an associate of the Group, Safaricom contributed R2.7 billion to Group operating profit, decreasing 4.6%. This result was impacted by foreign exchange translation headwinds.

Service revenue in Kenya was up 11.7 %, and accelerated to 14.8% in the second half of the year. A key driver of the result was M-Pesa, where revenue growth was 19.4% (22.1% in the second half), supported by the strong take-up of the super-app and merchants. The volume of M-Pesa transactions grew 34.8%, off a large base, to 28.4 billion. Safaricom, together with M-Pesa Africa, leveraged global partnerships and technological innovation to enhance our global payments offering and launch 'Mali' our first wealth product in the market. These growth vectors will be leveraged into our other markets.

Kenyan mobile data revenue grew 18.0%, accelerating from the prior year. The growth was supported by accelerated adoption of integrated bundles associated with Safaricom's 'Make Ur Bundle' campaign, which allows customers to select a preferred price point, validity and a mix of data and voice. Voice revenue in Kenya declined 1.7%, but the rate of decline improved in the second half of the year. Fixed service and wholesale transit revenue grew 12.0% to KShs 15.1 billion (R1.9 billion), supported by 31.1% growth in consumer revenue. FTTH customers grew 27.0% to 248 574, while homes passed exceeded 560 000. The mobile data and fixed growth was supported by capital expenditure in Kenya of KShs 47.3 billion, equating to an 13.8% capital intensity ratio.

EBITDA for Kenya was up 16.6%, with margins improving 2.8ppt to 54.7%, supported by an excellent revenue performance. The cost base pressures associated with foreign exchange weakness and higher energy costs were offset by cost control initiatives.

Safaricom Ethiopia reached 4.4 million customers, with on-air sites reaching 2 400 and total sites built up to 2 800. Including the greenfield mobile roll-out in Ethiopia, capital expenditure for Safaricom was KShs 93.5 billion (R11.9 billion). In February 2024, Ethiopia hosted an investor day in Addis Ababa where it showcased the build out of its distribution, network, M-Pesa, brand and people. Ethiopia also provided a medium-term outlook of scaling towards 15 to 20 million customers and >4 000 sites.

Note:
1. The Group's effective interest of 34.94% in Safaricom is accounted for as an investment in associate. Results represent 100% of Safaricom and is for information purposes only. Growth rates are in local currency unless otherwise stated. Safaricom's results are available at www.safaricom.co.ke/investor-relations-landing/reports/financial-report/financial-results.

Regulatory matters

ICASA – Assignment of High Demand Spectrum (HDS)

An auction for high demand spectrum was concluded on 17 March 2022 and Vodacom secured 110 MHz of High Demand Spectrum (HDS) including 2 x 10 MHz in the 700 MHz spectrum band, 80 MHz in the 2 600 MHz spectrum band, and 10 MHz in the 3 500 MHz spectrum band, for an amount of R5.4 billion. The spectrum licence was effective on 1 July 2022 and Vodacom paid R3.2 billion in the first half of the prior financial year for this spectrum. The outstanding amount was paid on 30 October 2023, with the spectrum fully available for use.

South Africa – Maziv acquisition

On 10 November 2021, the Group announced an investment into the joint venture Maziv that will house the material fibre network assets of Vodacom South Africa and CIVH. The operating companies of Maziv include DFA and Vumatel. During October 2022, ICASA approved the transaction subject to the incorporation of conditions relating to the provision of open-access network services, along with limitations on ownership and control, into DFA's licences. In August 2023, the Competition Commission advised the Competition Tribunal that the transaction not be recommended. The next regulatory step is for the transaction to be presented to the Competition Tribunal where the full merits of the transaction will be reviewed for final approval. The Competition Tribunal hearing is set for May 2024.

South Africa – 'Please Call Me'

In line with a 2016 Constitutional Court order, Vodacom's CEO determined reasonable compensation to Kenneth Nkosana Makate, a former employee of Vodacom, for a "buzz idea" which was developed and launched by Vodacom as a free service to its customers in 2001. Mr Makate rejected this determination and brought an application to the Gauteng Division of the High Court of South Africa ("High Court") to have the CEO's determination judicially reviewed and set aside. On 8 February 2022, the High Court set aside the CEO's determination and ordered him to reconsider the settlement offered to Mr Makate. Vodacom launched an application for leave to appeal against the judgment on 25 February 2022 and order of the High Court. On 6 February 2024, the Supreme Court ("SCA") handed down its judgment. On 27 February 2024 Vodacom lodged an application at the Constitutional Court for leave to appeal against the Supreme Court of Appeal's judgment and order. We await a response from the Constitutional Court. For additional detail please refer to note 10.3 "Kenneth Makate (Mr Makate) vs Vodacom (Pty) Limited (Vodacom)".

Outlook and medium-term targets

Vodacom is a purpose-led company, and we connect for a better future. We remain focused on strong governance and our purpose pillars of empowering people and planet, as we look ahead to the final year of our business strategy, 'Vision 2025' powered by our System of Advantage. We believe that this integrated approach, and our Social Contract[1] with stakeholders, will support balanced economic progress across the markets in which we operate and provide us with compelling growth opportunities.

Our strategy, which comprises ten connected elements, sets out to deliver exceptional value to our customers. We implement our strategy through our System of Advantage, which is designed to grow with our customers as we strive to be a strategic partner of choice and an integral part of their lives, homes and offices. Building on the strong commercial momentum of FY2024, we upgrade our Group service revenue target from mid-to-high to high single digit growth. Our Group EBITDA growth and capital intensity prospects for the medium term remain unchanged, as follows:

- Group service revenue growth of high single digit growth;
- Group EBITDA growth of high single digit growth; and
- Group capital expenditure of 13.0% – 14.5% as a % of Group revenue.

In the year ahead, we will focus on 'finishing strong' to meet our Vision 2025 targets while also developing the Group's next strategic phase to support our TechCo transition. We expect to anchor our business on four imperatives to deliver sustainable growth: amplifying our commitment to purpose and customers, excelling at simplicity, innovating for growth and continuing our TechCo transformation. Core to this strategy will be accelerating mobile and fixed connectivity, scaling handset financing and the roll-out of our innovative digital and financial services in all our markets. We will also intend to expand our partnerships across Africa to power Vodacom's growth, drive infrastructure sharing to increase rural and fibre connectivity and expand the reach of our Tech for Good solutions.

Note:

1 Our Social Contract is the the vehicle through which we foster and renew our stakeholders' trust by demonstrating fairness in our operations, show leadership in innovation to uplift the communities in which we operate, and bolster our reputation as a purpose-led organisation.

Financial review

Summary financial information

	Year ended 31 March		% change	
Rm	**2024**	**2023**	**Reported**	**Normalised***
Revenue	**150 594**	119 170	**26.4**	**4.5**
Service revenue	**120 897**	93 650	**29.1**	**3.4**
EBITDA	**56 116**	45 144	**24.3**	**0.2**
Net profit from associates and joint ventures	**2 197**	2 607	**(15.7)**	**(16.8)**
Operating profit	**35 337**	29 252	**20.8**	**(4.5)**
Net profit	**19 262**	18 111	**6.4**	
Capital expenditure	**20 422**	16 490	**23.8**	
Operating free cash flow[1]	**30 305**	25 111	**20.7**	
Free cash flow[1]	**18 209**	18 524	**(1.7)**	
Net debt	**49 876**	48 310	**3.2**	
Earnings per share (cents)	**842**	948	**(11.2)**	
Headline earnings per share (cents)	**846**	948	**(10.8)**	
Contribution margin[2] (%)	**61.7**	61.4	**0.3ppts**	
EBITDA margin (%)	**37.3**	37.9	**(0.6ppts)**	
Operating profit margin (%)	**23.5**	24.5	**(1.0ppts)**	
Effective tax rate (%)	**31.5**	27.6	**3.9ppts**	
Net profit margin (%)	**12.8**	15.2	**(2.4ppts)**	
Capital intensity (%)	**13.6**	13.8	**(0.2ppts)**	
Net debt/EBITDA (times)	**0.9**	1.1	**(0.2x)**	

Service revenue

	Year ended 31 March		% change		
Rm	**2024**	**2023**	**Reported**	**Normalised***	**Pro-forma^**
South Africa	**61 621**	60 038	**2.6**	**2.6**	
Egypt	**30 179**	7 976	**>100.0**		**31.6^**
International	**29 858**	26 395	**13.1**	**5.0**	
Corporate and eliminations	**(761)**	(759)			
Group service revenue	**120 897**	93 650	**29.1**	**3.4**	**9.2^**
Safaricom[3]	**43 142**	41 503	**3.9**	**13.4**	

Group service revenue increased 29.1% to R120.9 billion, boosted by the inclusion of Egypt. Excluding Egypt, service revenue was up 5.9%, while on a normalised basis service revenue increased 3.4%* supported by growth in new services. Our new services which include digital, financial, fixed and IoT amounted to R24.2 billion in aggregate and contributed 20.0% of Group service revenue. Financial services delivered service revenue of R13.0 billion, up 19.9%^ on a pro-forma basis, and contributed 10.8% of consolidated service revenue.

Notes:
1. A reconciliation of operating free cash flow and free cash flow is on page 55.
2. Contribution margin is contribution profit as a percentage of revenue. Contribution profit is revenue less direct expenses.
3. The Group's effective interest of 34.94% in Safaricom is accounted for as an investment in associate. Results represent 100% of Safaricom and are for information purposes only.

In South Africa, service revenue increased 2.6% to R61.6 billion, supported by growth in consumer contract, mobile prepaid data and new services. Financial services revenue amounted to R3.2 billion, up 7.9%. New services in aggregate were up 11.2% and contributed R10.2 billion, or 16.6%, of South Africa's service revenue.

In Egypt, service revenue increased 31.6% in local currency supported by strong growth in data, financial services and fixed line services. Financial services revenue doubled and contributed 6.5% to service revenue.

Our International business reported service revenue growth of 13.1% to R29.9 billion, while normalised growth was 5.0%*. The normalised growth was supported by M-Pesa and data revenue. M-Pesa and data revenue comprised 26.5% and 26.7% of International business service revenue, respectively.

Safaricom service revenue, which we do not consolidate, grew 13.3% in local currency.

Total expenses[1]

	Year ended 31 March		% change	
Rm	2024	2023	Reported	Normalised*
South Africa	**55 609**	52 195	**6.5**	**6.5**
Egypt	**19 396**	5 405	**>100.0**	
International	**20 245**	17 228	**17.5**	**8.3**
Corporate and eliminations	**(581)**	(271)		
Group total expenses	**94 669**	74 557	**27.0**	**6.6**

Group total expenses increased 27.0% to R94.7 billion. Excluding Egypt, total expenses increased 8.9% (6.6%*). In South Africa, expenses increased 6.5% to R55.6 billion. The rate of growth in South Africa reflects higher equipment costs of sales associated with the higher equipment revenue and pressure on network operating costs. International business expenses increased 17.5% (8.3%*) to R20.2 billion, as incremental cost initiatives were implemented to manage costs around the rate of inflation.

EBITDA

	Year ended 31 March		% change		
Rm	2024	2023	Reported	Normalised*	Pro-forma^
South Africa	**32 808**	32 569	**0.7**	**0.8**	
Egypt	**13 067**	2 859	**>100.0**		**0.4^**
International	**10 973**	10 145	**8.2**	**1.4**	
Corporate and eliminations	**(732)**	(429)			
Group EBITDA	**56 116**	45 144	**24.3**	**0.2**	**7.8^**
Safaricom[2]	**20 949**	19 635	**6.7**	**16.8**	

Group EBITDA increased 24.3% to R56.1 billion at a margin of 37.3%. Excluding Egypt, Group EBITDA was up 1.8% (0.2%*). South Africa EBITDA grew 0.7% to R32.8 billion. South Africa EBITDA margins decreased 1.2% ppts to 37.2% reflecting strong growth in low margin equipment revenue. Egypt contributed R13.1 billion or 23.3% of Group, with an EBITDA margin of 40.2%. Group EBITDA was impacted by a foreign exchange loss of R1.4 billion associated with the devaluation of the Egyptian pound in the fourth quarter. EBITDA in our International business increased 8.2% to R11.0 billion, positively impacted by foreign exchange translation tailwinds.

Notes:
1. Excluding depreciation, amortisation and impairments.
2. The Group's effective interest of 34.94% in Safaricom is accounted for as an investment in associate. Results represent 100% of Safaricom and are for information purposes only.

Operating profit

	Year ended 31 March		% change		
Rm	**2024**	**2023**	**Reported**	**Normalised***	**Pro-forma^**
South Africa	**20 125**	20 881	**(3.6)**	**(3.6)**	
Egypt	**8 774**	1 710	**>100.0**		**47.5^**
International	**4 230**	4 541	**(6.8)**	**(13.2)**	
Safaricom	**2 686**	2 815	**(4.6)**	**(2.2)**	
Corporate and eliminations	**(478)**	(695)			
Group operating profit	**35 337**	29 252	**20.8**	**(4.5)**	**5.9^**

Group operating profit increased 20.8% to R35.3 billion, supported by EBITDA growth but impacted by the expected start-up losses in Ethiopia. On a pro-forma basis, operating profit increased 5.9%*, supported by Egypt.

In South Africa, operating profit declined 3.6% to R20.1 billion as depreciation and amortisation outpaced EBITDA growth. Higher depreciation and amortisation in South Africa was associated with our investment into energy resilience and new spectrum. Egypt contributed R8.8 billion to Group operating profit, and was up 47.5% in local currency. International business operating profit decreased 6.8% (-13.2%*) to R4.2 billion, as a result of higher depreciation and amortisation.

On a rand reported basis, Safaricom contributed R2.7 billion to the Group's operating profit, declining 4.6% year-on-year. The decline was attributable to foreign exchange rate movements and Ethiopia start-up losses.

Net finance charges

	Year ended 31 March		% change
Rm	**2024**	**2023**	**23/24**
Finance income	**1 416**	857	**65.2**
Finance costs	**(8 163)**	(5 569)	**46.6**
Net finance costs	**(6 747)**	(4 712)	**43.2**
Net (loss)/gain on remeasurement and disposal of financial instruments	**(454)**	464	**(197.8)**
Net finance charges	**(7 201)**	(4 248)	**69.5**

Net finance charges increased 69.5% to R7.2 billion, as a result of higher net debt, higher average cost of debt and a material change in the remeasurement and disposal of financial instruments related to foreign exchange rate movements. The average cost of debt (including leases) increased from 8.6% to 10.5% year-on-year, reflecting the increase in South African Reserve Bank interest rates. Excluding leases, the average cost of debt increased from 7.7% to 9.9%.

Taxation

The tax expense of R8.9 billion was up 28.5% as a result of including Egypt for the full year compared with four months in the period year. Excluding Egypt, the rest of the Group's tax expense increased 4.8%. The effective tax rate was 31.5%, higher than the prior year as a result of withholding tax on the Egypt dividend, an increase in non-deductible finance costs in the DRC and the non-deductibility of the finance costs associated with the purchase of Egypt and funding of Ethiopia. In the prior year, the effective tax rate was decreased by 1ppt due to the initial recognition of a deferred tax asset in Tanzania.

Earnings

	Year ended 31 March		% change
	2024	**2023**	**23/24**
Earnings per share (EPS) (cents)	**842**	948	**(11.2)**
Headline earnings per share (HEPS) (cents)	**846**	948	**(10.8)**
Weighted average number of ordinary shares outstanding for the purpose of calculating EPS and HEPS (million)	**1 934**	1 769	**9.3**

EPS and HEPS both decreased 11.2% and 10.8%, respectively. EPS and HEPS were impacted by start-up losses in Ethiopia, higher finance costs and foreign exchange losses.

Owned capital expenditure[1]

	Year ended 31 March		% change
Rm	**2024**	**2023**	**23/24**
South Africa	**11 115**	11 171	**(0.5)**
Egypt	**4 617**	1 225	**>100.0**
International	**4 694**	4 067	**15.4**
Corporate and eliminations	**(4)**	27	
Group capital expenditure	**20 422**	16 490	**23.8**
Group capital intensity (%)	**13.6**	13.8	**(0.2ppts)**

The Group's capital expenditure was R20.4 billion, representing 13.6% of revenue. Excluding Egypt, Group capital expenditure was down 4.2%. In South Africa, capital expenditure was directed at improving capacity and resilience of the network, and increasing 5G roll-out. We have 99.1% (FY23: 98.5%) 4G population coverage and have extended our 5G sites to 2 300. Egypt invested R4.6 billion on growing and strengthening the network to support increased demand. Across our International business, the focus remained on increasing both coverage and capacity as well as continuing the 4G roll-out.

Note:

1. Owned capital expenditure, excluding spectrum, licences and capitalised right-of-use (ROU) assets. Right-of-use (ROU) asset additions were R6 000 million (FY23: R4 033 million) for the Group, of which R3 609 million (FY23: R3 255 million) for South Africa and R1 559 million (FY23: R599 million) in International.

Statement of financial position

Property, plant and equipment increased R0.4 billion to R74.6 billion and intangible assets increased R0.3 billion to R27.9 billion. Net capital additions of R28.8 billion offset the depreciation and amortisation charge of R22.8 billion and foreign exchange revaluation impact of R5.3 billion.

	Year ended 31 March		
Rm	2024	2023	Movement
Bank and cash balances	23 710	22 054	1 656
Bank overdrafts	(2 197)	(1 323)	(874)
Current borrowings	(11 741)	(8 327)	(3 414)
Non-current borrowings	(59 540)	(60 687)	1 147
Other financial instruments	(108)	(27)	(81)
Net debt[1]	(49 876)	(48 310)	(1 566)
Net debt/EBITDA (times)	0.9	1.1	

Net debt of R49.9 billion increased as a result of the spectrum payments of R3.4 billion in the year, which included the final R2.2 billion tranche in South Africa. Group net debt to EBITDA improved to 0.9 times, with the increase in net debt offset by higher Group EBITDA.

Cash flows[2]

Free cash flow

	Year ended 31 March		% change
Rm	2024	2023	23/24
EBITDA	56 116	45 144	24.3
Working capital	205	868	(76.4)
Capital expenditure[3]	(20 422)	(16 490)	(23.8)
Disposal of property, plant and equipment	153	89	71.9
Lease liability payments	(6 226)	(4 952)	(25.7)
Other	479	452	6.0
Operating free cash flow	30 305	25 111	20.7
Tax paid	(8 112)	(7 361)	(10.2)
Finance income received	1 271	871	45.8
Finance costs paid	(5 944)	(3 918)	(51.7)
Net dividends (paid) / received from associates and paid to non-controlling shareholders	689	3 821	(82.0)
Free cash flow	18 209	18 524	(1.7)
Spectrum payments	(3 391)	(4 286)	20.9
Free cash flow (after spectrum payments)	14 818	14 238	4.1

Operating free cash flow increased 20.7% on a reported basis and increased 1.5%, excluding Egypt. From operating free cash flow we paid tax of R8.1 billion. We incurred higher net finance costs but were a net receiver of dividends from associates after payments to non-controlling shareholders. The year-on-year decrease in net dividends received reflects a dividend paid to the minority shareholder of Egypt, equating to R1.6 billion, and phasing of Safaricom dividends. In the prior year, due to an earlier dividend payment, we received two interim dividends from Safaricom. The additional Safaricom interim dividend in the prior year equated to R1.0 billion. Adjusting for this impact, free cash flow grew 4.0%.

Notes:
1. Debt includes interest-bearing debt, non-interest-bearing debt, capitalised leases and bank overdrafts.
2. For the reconciliation of cash generated from operations to free cash flow, refer to page 55.
3. Capital expenditure comprises the purchase of property, plant and equipment and intangible assets, other than licence and spectrum payments.

Dividends

Declaration of final dividend number 30 – payable from income reserves

Notice is hereby given that a gross final dividend number 30 of 285 cents per ordinary share in respect of the financial year ended 31 March 2024 has been declared payable on Monday, 24 June 2024 to shareholders recorded in the register at the close of business on Friday, 21 June 2024. The number of ordinary shares in issue at the date of this declaration is 2 077 841 204. The ordinary dividend will be subject to a local dividend withholding tax rate of 20% which will result in a net final dividend to those shareholders not exempt from paying dividend withholding tax of 228 cents per ordinary share.

Last day to trade shares cum dividend	Tuesday, 18 June 2024
Shares commence trading ex-dividend	Wednesday, 19 June 2024
Record date	Friday, 21 June 2024
Payment date	Monday, 24 June 2024

Share certificates may not be dematerialised or rematerialised between Wednesday, 19 June 2024 and Friday, 21 June 2024, both days inclusive.

On Monday, 24 June 2024, the final dividend will be electronically transferred into the bank accounts of all certificated shareholders where this facility is available. Shareholders who hold dematerialised shares will have their accounts at their CSDP or broker credited on Monday, 24 June 2024.

Vodacom Group Limited tax reference number is 9316/041/71/5.

Dividend policy

Following the acquisition of Egypt in the previous financial year, the company instituted a policy of paying dividends of at least 75% of Vodacom Group headline earnings. At this level of payout, Vodacom offers one of the highest dividend pay-out policies on the JSE. Additionally, the policy provides scope for the Group to invest within its 13.0% to 14.5% capital intensity target, de-lever the balance sheet and accommodate the upstreaming and dividend pay-out profiles of Safaricom and Egypt.

For and on behalf of the Board

Sakumzi Justice Macozoma	**Shameel Aziz Joosub**	**Raisibe Morathi**
Chairman	Chief Executive Officer	Chief Financial Officer

Midrand
10 May 2024

Independent auditor's review report

To the shareholders of Vodacom Group Limited

We have reviewed the condensed consolidated financial statements of Vodacom Group Limited set out on pages 21 to 39, contained in the accompanying report, which comprises the condensed consolidated statement of financial position as at 31 March 2024, and the condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the year then ended, and selected explanatory notes.

Directors' responsibility for the condensed consolidated financial statements

The directors are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board, IAS 34 Interim Financial Reporting, the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee and Financial Pronouncements, as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of condensed consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the condensed consolidated financial statements

Our responsibility is to express a conclusion on these condensed consolidated financial statements. We conducted our review in accordance with International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information performed by the Independent Auditor of the Entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of condensed consolidated financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these condensed consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated financial statements of Vodacom Group Limited for the year ended 31 March 2024 are not prepared, in all material respects, in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board, IAS 34 Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa.

Ernst & Young Inc.

Ernst & Young Inc.
Director – Warren Kinnear
Registered Auditor
Chartered Accountant (SA)
102 Rivonia Road, Sandton
Johannesburg, South Africa

10 May 2024

Condensed consolidated income statement

for the year ended 31 March 2024

Rm	Notes	2024 Reviewed	2023 Audited[1]
Revenue	3	**150 594**	119 170
Direct expenses		**(57 700)**	(45 942)
Staff expenses		**(10 136)**	(7 746)
Publicity expenses		**(2 156)**	(1 936)
Net credit losses on financial assets		**(846)**	(864)
Other operating expenses		**(23 830)**	(18 069)
Depreciation and amortisation		**(22 786)**	(17 968)
Net profit from associates and joint ventures		**2 197**	2 607
Operating profit		**35 337**	29 252
Net (loss)/gain on disposal of subsidiaries		**(13)**	4
Finance income		**1 416**	857
Finance costs		**(8 163)**	(5 569)
Net (loss)/gain on remeasurement and disposal of financial instruments		**(454)**	464
Profit before tax		**28 123**	25 008
Taxation		**(8 859)**	(6 897)
Net profit		**19 264**	18 111
Attributable to:			
Equity shareholders		**16 292**	16 767
Non-controlling interests		**2 972**	1 344
		19 264	18 111

Cents	Notes	2024 Reviewed	2023 Audited[1]
Basic earnings per share	4	**842**	948
Diluted earnings per share	4	**827**	921

Note:
1. The results of Vodafone Egypt have been consolidated from the acquisition date of 8 December 2022.

Condensed consolidated statement of comprehensive income

for the year ended 31 March 2024

Rm	2024 Reviewed	2023 Audited[1]
Net profit	**19 264**	18 111
Other comprehensive income		
Foreign currency translation differences, net of tax[2]	**(451)**	2 985
Share of foreign currency translation differences, net of tax, of associates and joint ventures accounted for using the equity method[2]	**1 732**	565
Mark-to-market of financial assets held at fair value through other comprehensive income, net of tax[2]	**350**	216
Mark-to-market gains recognised through profit or loss on disposal of financial assets held at fair value through other comprehensive income, net of tax[2]	**(279)**	(276)
Total comprehensive income	**20 616**	21 601
Attributable to:		
Equity shareholders	**19 317**	21 207
Non-controlling interests	**1 299**	394
	20 616	21 601

Notes:
1. The results of Vodafone Egypt have been consolidated from the acquisition date of 8 December 2022.
2. Other comprehensive income can subsequently be recognised in profit or loss on the disposal of foreign operations or financial assets held at fair value through other comprehensive income.

Condensed consolidated statement of financial position

as at 31 March 2024

Rm	Notes	2024 Reviewed	2023 Audited
Assets			
Non-current assets		**169 886**	162 527
Property, plant and equipment		**74 643**	74 241
Intangible assets		**27 924**	27 643
Financial assets		**743**	800
Investment in associates and joint ventures		**58 334**	52 573
Trade and other receivables		**4 458**	3 700
Finance receivables		**2 658**	2 348
Tax receivable		**468**	674
Deferred tax		**658**	548
Current assets		**70 727**	65 788
Financial assets		**1 414**	958
Mobile financial deposits		**11 126**	9 832
Inventory		**2 321**	2 156
Trade and other receivables		**28 154**	27 992
Finance receivables		**3 293**	2 508
Tax receivable		**709**	288
Bank and cash balances		**23 710**	22 054
Total assets		**240 613**	228 315
Equity and liabilities			
Fully paid share capital		**89 918**	89 918
Treasury shares		**(17 131)**	(17 055)
Retained earnings		**47 457**	43 524
Other reserves		**(27 480)**	(30 441)
Equity attributable to owners of the parent		**92 764**	85 946
Non-controlling interests		**11 064**	11 481
Total equity		**103 828**	97 427
Non-current liabilities		**65 524**	66 502
Borrowings	8	**59 540**	60 687
Trade and other payables		**464**	552
Provisions		**1 592**	1 406
Deferred tax		**3 928**	3 857
Current liabilities		**71 261**	64 386
Borrowings	8	**11 741**	8 327
Trade and other payables		**42 585**	41 392
Mobile financial payables		**11 126**	9 832
Provisions		**614**	830
Tax payable		**2 984**	2 665
Dividends payable		**14**	17
Bank overdraft		**2 197**	1 323
Total equity and liabilities		**240 613**	228 315

Condensed consolidated statement of changes in equity

for the year ended 31 March 2024

Rm	Note	Equity attributable to owners of the parent	Non-controlling interests	Total equity
31 March 2023 – Audited		**85 946**	**11 481**	**97 427**
Adoption of IFRS 17 insurance contracts		**11**	**–**	**11**
1 April 2023		**85 957**	**11 481**	**97 438**
Total comprehensive income		**19 317**	**1 299**	**20 616**
Dividends		**(12 370)**	**(1 805)**	**(14 175)**
Repurchase and sale of shares		**(438)**	**–**	**(438)**
Share-based payments		**430**	**–**	**430**
Proceeds on subsidiary share issue[1]		**–**	**103**	**103**
Share of changes in subsidiary holdings of associate	11.2	**(132)**	**(14)**	**(146)**
31 March 2024 – Reviewed		**92 764**	**11 064**	**103 828**
31 March 2022 – Audited		79 437	6 029	85 466
Adoption of IAS 29 by associate entity	11.2	1 953	212	2 165
1 April 2022		81 390	6 241	87 631
Total comprehensive income		21 207	394	21 601
Dividends		(13 127)	(569)	(13 696)
Shares issued on acquisition of subsidiary		32 845	–	32 845
Acquisition of subsidiary under common control		(36 137)	5 105	(31 032)
Repurchase and sale of shares		(377)	–	(377)
Share-based payments		438	–	438
Proceeds on subsidiary share issue[1]		–	242	242
Changes in subsidiary holdings		(293)	68	(225)
31 March 2023 – Audited		85 946	11 481	97 427

Note:
1. Non-controlling interests' share of proportionate additional share capital contributions into 10T Holdings (Pty) Limited.

Condensed consolidated statement of cash flows

for the year ended 31 March 2024

Rm	Notes	2024 Reviewed	2023 Audited[1]
Cash flows from operating activities			
Cash generated from operations	9	**57 123**	48 312
Tax paid		**(8 112)**	(7 361)
Net cash flows from operating activities		**49 011**	40 951
Cash flows from investing activities			
Additions to property, plant and equipment and intangible assets		**(22 325)**	(20 175)
Proceeds from disposal of property, plant and equipment and intangible assets		**178**	89
Acquisition of subsidiary (net of cash and cash equivalents acquired)[2]		**(376)**	(9 221)
Investment in associate and joint venture	11.2	**(457)**	(321)
Loan to joint venture		**–**	(116)
Dividends received from associate		**2 493**	4 390
Finance income received		**1 271**	871
Net movement in mobile financial deposits		**(1 046)**	(2 353)
Other investing activities		**(461)**	132
Net cash flows utilised in investing activity		**(20 723)**	(26 704)
Cash flows from financing activities			
Borrowings incurred		**18 182**	19 662
Borrowings repaid		**(21 700)**	(11 935)
Finance costs paid		**(7 667)**	(5 341)
Dividends paid - equity shareholders		**(12 374)**	(13 136)
Dividends paid - non-controlling interests		**(1 805)**	(569)
Repurchase of shares		**(531)**	(510)
Proceeds on sale of shares		**93**	133
Proceeds on subsidiary share issue[3]		**103**	242
Changes in subsidiary holdings		**–**	(273)
Net cash flows utilised in financing activities		**(25 699)**	(11 727)
Net increase in cash and cash equivalents		**2 589**	2 520
Cash and cash equivalents at the beginning of the period		**20 732**	16 658
Effect of foreign exchange rate changes		**(1 808)**	1 553
Cash and cash equivalents at the end of the period		**21 513**	20 731

Notes:
1. Vodafone Egypt has been consolidated from the acquisition date of 8 December 2022.
2. Final cash payment for the acquisition of Vodafone Egypt.
3. Non-controlling interests' share of proportionate additional share capital contributions into 10T Holdings (Pty) Limited.

Notes to the condensed consolidated financial statements

for the year ended 31 March 2024

1 Basis of preparation

These condensed consolidated financial statements have been prepared in accordance with the framework concepts, the recognition and measurement criteria of the IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and International Accounting Standard (IAS 34) Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, and Financial Pronouncements as issued by Financial Reporting Standards Council, the JSE Limited Listings Requirements and the requirements of the Companies Act of South Africa. They have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value or at amortised cost, and are presented in South African rand, which is the parent Company's functional and presentation currency.

The material accounting policies and methods of computation are consistent in all material respects with those applied in the previous year, except as disclosed in Note 2. The material accounting policies are available for inspection at the Group's registered office and online at www.vodacom.com.

The preparation of these condensed consolidated financial statements was supervised by the Chief Financial Officer, RK Morathi (CA) SA, M.Phil., H.Dip Tax.

The financial information has been reviewed by Ernst & Young Inc., whose unmodified review report is presented on page 20.

2 Change in accounting policies

The Group adopted the new, revised or amended accounting pronouncements as issued by the IASB, which were effective and applicable to the Group from 1 April 2023, none of which had any material impact on the Group’s financial results for the period. The Group has not early adopted any new, revised or amended accounting pronouncements, that are not yet effective and the Group is not expecting these pronouncements to have a material impact on the financial results of the Group.

Full details on changes in accounting policies will be disclosed in the Group's consolidated financial statements for the year ended 31 March 2024, which will be available online at www.vodacom.com.

Rm	2024 Reviewed	2023 Audited*
3 Segment analysis		
External customer segment revenue	**150 594**	119 170
South Africa	**87 870**	84 322
Egypt	**32 502**	8 252
International	**30 187**	26 539
Corporate and eliminations	**35**	57
Safaricom[1]	**44 902**	43 607
Inter-segment revenue	**–**	–
South Africa	**434**	393
Egypt	**–**	–
International	**656**	626
Corporate and eliminations	**(1 090)**	(1 019)

Notes:

1. The Group has a 34.94% effective interest in Safaricom Plc (Safaricom) through its subsidiary Vodafone Kenya Limited, which the Group equity accounts for as an investment in an associate at 39.93%. Due to the significance of this investment, and the information available for review by the chief operating decision maker, Safaricom is presented as a separate segment. The above results represent 100% of the results of Safaricom.

* Vodafone Egypt was acquired during the previous financial year. Due to the significance of this investment, and the information available for review by the chief operating decision maker, Vodafone Egypt is presented as a separate segment. The results of Vodafone Egypt have been consolidated from the acquisition date of 8 December 2022.

3 **Segment analysis** continued

Revenue is further disaggregated into product type below.

Rm	South Africa	Egypt	International	Corporate and elimination	Total	Safaricom[1]
31 March 2024 – reviewed						
Mobile contract revenue	**23 486**	**4 934**	**2 694**	**(11)**	**31 103**	**6 698**
Mobile prepaid revenue	**26 386**	**19 014**	**24 367**	**1**	**69 768**	**31 940**
Customer service revenue	**49 872**	**23 948**	**27 061**	**(10)**	**100 871**	**38 638**
Mobile interconnect	**1 763**	**2 887**	**1 202**	**(367)**	**5 485**	**1 097**
Fixed service revenue	**4 595**	**1 774**	**1 377**	**(302)**	**7 444**	**1 924**
Other service revenue	**5 391**	**1 570**	**218**	**(82)**	**7 097**	**1 483**
Service revenue[2]	**61 621**	**30 179**	**29 858**	**(761)**	**120 897**	**43 142**
Equipment revenue	**18 890**	**209**	**492**	**(8)**	**19 583**	**1 332**
Non-service revenue	**6 566**	**2 114**	**348**	**(286)**	**8 742**	**429**
Revenue from contracts with customers	**87 077**	**32 502**	**30 698**	**(1 055)**	**149 222**	**
Interest income recognised as revenue	**593**	–	**21**	–	**614**	**
Other revenue[3]	**634**	–	**124**	–	**758**	**
Revenue	**88 304**	**32 502**	**30 843**	**(1 055)**	**150 594**	**44 903**

Notes:

1. The Group has a 34.94% effective interest in Safaricom Plc (Safaricom) through its subsidiary Vodafone Kenya Limited, which the Group equity accounts for as an investment in an associate at 39.93%. Due to the significance of this investment, and the information available for review by the chief operating decision maker, Safaricom is presented as a separate segment. The above results represent 100% of the results of Safaricom.
2. Includes financial services revenue of R3 187 million for South Africa, R1 947 million for Egypt, R7 899 million for International, and R18 008 million for Safaricom.
3. Other revenue largely represents lease revenues recognised under IFRS 16 "Leases".

** Not reviewed by the chief operating decision maker.

3 **Segment analysis** continued

Rm	South Africa	Egypt*	International	Corporate and elimination	Total	Safaricom[1]
31 March 2023 – audited						
Mobile contract revenue	22 596	1 304	2 174	(10)	26 064	5 763
Mobile prepaid revenue	25 944	4 889	21 635	–	52 468	31 237
Customer service revenue	48 540	6 193	23 809	(10)	78 532	37 000
Mobile interconnect	1 676	871	1 207	(410)	3 344	1 133
Fixed service revenue	4 101	498	1 220	(297)	5 522	1 890
Other service revenue	5 721	414	159	(42)	6 252	1 480
Service revenue[2]	60 038	7 976	26 395	(759)	93 650	41 503
Equipment revenue	17 695	53	430	(11)	18 167	1 586
Non-service revenue	6 430	223	326	(192)	6 787	518
Revenue from contracts with customers	84 163	8 252	27 151	(962)	118 604	**
Interest income recognised as revenue	485	–	14	–	499	**
Other revenue[3]	67	–	–	–	67	**
Revenue	84 715	8 252	27 165	(962)	119 170	43 607

Notes:

1. The Group has a 34.94% effective interest in Safaricom Plc (Safaricom) through its subsidiary Vodafone Kenya Limited, which the Group equity accounts for as an investment in an associate at 39.93%. Due to the significance of this investment, and the information available for review by the chief operating decision maker, Safaricom is presented as a separate segment. The above results represent 100% of the results of Safaricom.
2. Includes financial services revenue of R2 954 million for South Africa, R6 504 million for International, R398 million for Egypt and R16 449 million for Safaricom.
3. Other revenue largely represents lease revenues recognised under IFRS 16 “Leases”.

* The results of Vodafone Egypt have been consolidated from the acquisition date of 8 December 2022. Due to the significance of this investment, and the information available for review by the chief operating decision maker, Vodafone Egypt is presented as a separate segment.

** Not reviewed by the chief operating decision maker.

3 Segment analysis continued

Rm	2024 Reviewed	2023 Audited
EBITDA[1]	**56 116**	45 144
South Africa	**32 808**	32 569
Egypt*	**13 067**	2 859
International	**10 973**	10 145
Corporate and eliminations	**(732)**	(429)
Safaricom[2]	**20 949**	19 635
Operating profit	**35 337**	29 252
South Africa	**20 125**	20 881
Egypt*	**8 774**	1 710
International	**4 230**	4 541
Corporate and eliminations[3]	**2 208**	2 120
Safaricom[2]	**8 142**	9 727

Notes:
1. EBITDA is operating profit excluding depreciation, amortisation and gains/losses on disposal of owned assets and excluding share of results of equity accounted associates and joint ventures, impairment losses, restructuring costs arising from discrete restructuring plans, other income and expense and significant items that are not considered by management to be reflective of the underlying performance of the Group.
2. The Group has a 34.94% effective interest in Safaricom Plc (Safaricom) through its subsidiary Vodafone Kenya Limited, which the Group equity accounts for as an investment in an associate at 39.93%. Due to the significance of this investment, and the information available for review by the chief operating decision maker, Safaricom is presented as a separate segment. The above results represent 100% of the results of Safaricom, including the depreciation and amortisation impact of net fair value adjustments on tangible and intangible assets recognised on acquisition of Safaricom, and Safaricom's net loss from associates and joint ventures.
3. Includes net profit from associates and joint ventures.

* The results of Vodafone Egypt have been consolidated from the acquisition date of 8 December 2022. Due to the significance of this investment, and the information available for review by the chief operating decision maker, Vodafone Egypt is presented as a separate segment.

3 Segment analysis continued

Rm	2024 Reviewed	2023 Audited
Reconciliation of segment results		
EBITDA[1]	**56 116**	45 144
Depreciation and amortisation	**(22 786)**	(17 968)
Net loss on disposal of property, plant and equipment and intangible assets	**(117)**	(35)
Net profit from associates and joint ventures	**2 197**	2 607
Vodafone Egypt acquisition costs	**–**	(260)
Other	**(73)**	(236)
Operating profit[2]	**35 337**	29 252
Total assets	**240 613**	228 315
South Africa	**100 518**	97 172
Egypt	**23 642**	26 150
International	**54 904**	53 613
Corporate and eliminations	**61 549**	51 380
Safaricom[3,4]	**116 473**	92 909
Total liabilities	**(136 785)**	(130 888)
South Africa	**(78 277)**	(75 064)
Egypt	**(14 012)**	(15 582)
International	**(34 553)**	(32 297)
Corporate and eliminations	**(9 943)**	(7 945)
Safaricom[3,4]	**(51 556)**	(40 710)

Notes:
1. EBITDA is operating profit excluding depreciation, amortisation and gains/losses on disposal of owned assets and excluding share of results of equity accounted associates and joint ventures, impairment losses, restructuring costs arising from discrete restructuring plans, other income and expense and significant items that are not considered by management to be reflective of the underlying performance of the Group.
2. For a reconciliation of operating profit to net profit for the year, refer to the condensed consolidated income statement on page 21.
3. The Group has a 34.94% effective interest in Safaricom Plc (Safaricom) through its subsidiary Vodafone Kenya Limited, which the Group equity accounts for as an investment in an associate at 39.93%. Due to the significance of this investment, and the information available for review by the chief operating decision maker, Safaricom is presented as a separate segment. The above results represent 100% of the results of Safaricom, including the net fair value adjustments on tangible and intangible assets, excluding goodwill, that arose on acquisition.
4. For the financial reporting period ended 31 March 2023 a reclassification of R1 265 million took place between the Safaricom total segment assets and liabilities. The reclassification had no impact on earnings nor on any amounts presented in the statement of financial position.

Cents	2024 Reviewed	2023 Audited
4 Per share calculations		
4.1 Earnings and dividends per share		
Basic earnings per share	**842**	948
Diluted earnings per share	**827**	921
Headline earnings per share	**846**	948
Diluted headline earnings per share	**830**	922
Dividends per share	**635**	770

Million	2024 Reviewed	2023 Audited
4.2 Weighted average number of ordinary shares outstanding for the purpose of calculating		
Basic and headline earnings per share	**1 934**	1 769
Diluted earnings and diluted headline earnings per share	**1 970**	1 820
4.3 Ordinary shares for the purpose of calculating dividends per share:		
430 cents per share declared on 13 May 2022		1 836
340 cents per share declared on 11 November 2022		1 836
330 cents per share declared on 12 May 2023	**2 078**	
305 cents per share declared on 10 November 2023	**2 078**	

Vodacom Group Limited acquired 4 583 774 (2023: 3 366 930) shares in the market during the year at an average price of R111.50 (2023: R142.96) per share for the Group's forfeitable share plan. The Innovator Trust, a structured entity consolidated by the Group in terms of IFRS 10: Consolidated Financial Statements, also purchased 187 100 (2023: 223 670) shares at an average price of R106.20 (2023: R129.84) per share. Share repurchases did not exceed 1% of Vodacom Group Limited's issued share capital.

Dividend per share calculations are based on a dividend paid of R13 194 million (2023: R14 136 million) of which R64 million (2023: R69 million) was offset against the forfeitable share plan reserve, R6 million (2023: R7 million) expensed as staff expenses and R98 million (2023: R119 million) paid to Wheatfields Investments 276 (Pty) Limited, a wholly-owned subsidiary holding treasury shares on behalf of the Group. An amount of R727 million (2023: R881 million) was paid to YeboYethu Investment Company (RF) (Pty) Limited, a special purpose vehicle holding shares in Vodacom Group Limited on behalf of broad-based black economic empowerment participants, of which R89 million (2023: R89 million) was paid out as a trickle dividend to participants. R20 million (2023: R22 million) was paid to The Innovator Trust. The Group declared a final dividend in respect of the year ended 31 March 2024 after the reporting period (Refer to Note 12).

Rm	2024 Reviewed	2023 Audited

4 Per share calculations continued

4.4 Headline earnings reconciliation

Rm	2024 Reviewed	2023 Audited
Earnings attributable to equity shareholders for basic and diluted earnings per share	**16 292**	16 767
Adjusted for:		
Net loss on disposal of property, plant and equipment and intangible assets[1]	**103**	33
Net loss/(profit) on disposal of subsidiaries	**13**	(4)
	16 408	16 796
Tax impact of adjustments	**(31)**	(9)
Non-controlling interests' share in adjustments	**(17)**	(14)
Headline earnings for headline- and diluted headline earnings per share[2]	**16 360**	16 773

Notes:

1. Includes attributable share of net profit on disposal of property, plant and equipment and intangible assets of associates and joint ventures of R14 million (2023: R2 million).
2. This disclosure is a requirement of the JSE Limited. It has been calculated in accordance with Circular 1/2023 as issued by SAICA.

5 Related parties

The amounts disclosed in Notes 5.1 and 5.2 include significant balances and transactions with the Group's parent, entities in its group as well as with its associates and joint ventures.

Rm	2024 Reviewed	2023 Audited
5.1 Balances with related parties		
Borrowings (including accrued finance cost)	**39 240**	36 985
5.2 Transactions with related parties		
Dividends declared	**(8 589)**	(8 552)
Dividends from associate	**2 375**	3 032
Finance costs	**(3 578)**	(2 358)

5.3 Directors and key management personnel

AI Dimitrova, a non-executive director, resigned from the Board on 15 September 2023. S Sood, a non-executive director, resigned from the Board on 5 October 2023. JH Reiter was appointed as a non-executive director of the Board with effect from 6 October 2023. GS Kamath was appointed as a non-executive director of the Board with effect from 15 March 2024.

Rm	2024 Reviewed	2023 Audited
6 Capital commitments		
Capital expenditure contracted for but not yet incurred	**3 671**	8 362

Included in capital commitments in the prior financial year was a commitment of R2 186 million relating to spectrum acquisition. This commitment was settled in the current year.

Rm	2024 Reviewed	2023 Audited
7 Capital expenditure incurred		
Capital expenditure additions including software[1]	**20 422**	16 490

Note:
1. Excludes acquisition of spectrum.

8 Borrowings

Borrowing facilities from Standard Bank of South Africa to the value of US$27.5 million and MZN1 050 million totalling R797 million in aggregate, bearing interest at 6 month Libor plus 3.30% and Mozambique prime rate less 2% respectively, were refinanced on the maturity date of 31 May 2023 for an additional 3 year term. These facilities were refinanced with a US$100 million facility available for utilisation in US$50 million (Facility A) and in MZN for up to US$50 million equivalent (Facility B). There was no cash flow exchange on the capital amount on the refinance. Aggregate drawdowns of R384 million equivalent and repayments of R313 million equivalent were subsequently made against this facility. The facilities bear interest at the secured overnight financing rate (SoFR) plus 3% and Mozambique prime rate less 4% respectively, and have a repayment date of 31 May 2026. All financial assets and liabilities subject to Libor have now been transitioned to SoFR. There was no significant impact on the transition from Libor to SoFR. The Group is keeping abreast of developments relating to interest rate benchmark reform for the Group’s Jibar exposure, as and when communicated by the relevant financial authorities.

Preference shares to the value of R4 654 million that were issued to ABSA Bank Limited, Depfin Investments (Pty) Limited and FirstRand Bank Limited in order to finance the Group's BBBEE transaction were refinanced. These preference shares had a dividend rate of 68% of First National Bank Limited's prime overdraft lending rate (prime) and had a maturity date of 14 September 2023 which was subsequently extended in the prior financial year to 14 September 2024. The remaining R3 479 million capital was refinanced on 31 August 2023. The new holders of the preference shares post refinance are FirstRand Bank Limited, ABSA Bank Limited and Momentum Metropolitan Holdings (MMH). The preference shares have a dividend rate of 67% of prime and a maturity date of 31 August 2028. The preference shares are secured by the shares that YeboYethu Investment Company (RF) (Pty) Limited, a wholly owned subsidiary of YeboYethu Limited, holds in Vodacom Group Limited, with a share cover ratio to debt of two times cover. The cash in- and outflow on the transaction on redemption from exiting shareholders and issue of new preference shares to new holders was R917 million.

The Group drew down R2 200 million on 31 October 2023 against an existing facility from Vodafone Investments Luxembourg s.a.r.l which bears interest at 3 months Jibar + 1.34% and is repayable on 31 October 2028.

8 **Borrowings** continued

On 30 January 2024, the Group repaid a R2 000 million sustainability linked term facility from The Standard Bank of South Africa Limited. The loan was replaced on 31 January 2024 with two new sustainability linked term facilities of R500 million each at 3 month Jibar + 1.25% from China Construction Bank Corporation and Investec Bank Limited, repayable on 31 January 2027, and a sustainability linked loan from Old Mutual Life Assurance Company (South Africa) Limited for R1 000 million at 3 month Jibar + 1.48% repayable on 31 January 2031. These loans are linked to selected sustainability performance targets focusing on key performance indicators related to gender diversity and financial inclusion and work off the basis of a sustainability margin adjustment which may be adjusted either upwards or downwards, dependent on the achievement of the specified key performance indicators.

Included in borrowings repaid and borrowings incurred in the statement of cash flows are cash outflows and cash inflows of R12 980 million (2023: R5 862 million[1]) and R12 271 million (2023: R4 458 million[1]) respectively relating to cash movements on committed borrowing facilities of Vodafone Egypt. Also included in borrowings repaid is repayments on lease liabilities of R4 492 million (2023: R3 404 million[1]) which are classified as borrowings and repayment of R646 million spectrum debt.

The Group ensures that adequate funds are available to meet its expected and unexpected financial commitments through undrawn borrowing facilities. At the reporting date the Group had undrawn rand-denominated borrowing facilities of R10 396 million (2023: R13 022 million) and undrawn foreign-denominated borrowing facilities of R6 335 million (2023: R7 240 million) available to manage its liquidity. The Group intends to re-finance short term borrowings of R6 530 million at maturities ranging between June 2024 and December 2024.

Note:
1. Vodafone Egypt has been consolidated from the acquisition date of 8 December 2022.

9 Cash flows from operating activities

Rm	2024 Reviewed	2023 Audited
Profit before tax	**28 123**	25 008
Adjusted for:		
Net loss/(profit) on disposal of subsidiaries	**13**	(4)
Finance income	**(1 416)**	(857)
Finance costs	**8 163**	5 569
Net loss/(gain) on remeasurement and disposal of financial instruments	**454**	(464)
Operating profit	**35 337**	29 252
Adjusted for:		
Depreciation and amortisation	**22 786**	17 968
Net loss on disposal of property, plant and equipment and intangible assets	**117**	35
Net credit losses on financial assets	**846**	864
Share-based payment	**415**	481
Net profit from associates and joint ventures	**(2 197)**	(2 607)
Other	**13**	–
Cash flows from operations before working capital changes	**57 317**	45 993
Increase in inventory	**(315)**	(106)
Increase in trade and other receivables	**(5 205)**	(4 777)
Increase in mobile financial payables, trade and other payables and provisions	**5 326**	7 202
Cash generated from operations	**57 123**	48 312

10 Contingent liabilities

10.1 Tax matters

The Group is regularly subject to an evaluation by tax authorities of its direct and indirect tax filings, the most significant of which are capital allowances, withholding taxes, customs duty and transfer pricing in certain jurisdictions. The consequence of such reviews is that disputes may arise with tax authorities over the interpretation or application of certain tax rules to the Group's business. The tax laws are in some instances ambiguous and subject to a broad range of interpretations. To address and manage this tax uncertainty, good governance is fundamental to the Group's business sustainability. All major tax positions taken are subject to review by executive management and are reported to the Board. The Group has support from external advisors with regards to the positions taken in respect of the significant tax matters which confirms the application and interpretation of the tax legislation. The Group has considered all matters in dispute with the relevant tax authorities and has accounted for any exposure identified, if required. The Group has not disclosed all the details in respect of the open tax disputes as these matters are still under the dispute resolution process. These disputes may not necessarily be resolved in a manner that is favourable to the Group.

10 **Contingent liabilities** continued

10.2 Legal contingencies

The Group is currently involved in various legal disputes across its different jurisdictions and has, in consultation with its legal advisors, assessed the possible outcomes in these cases and has determined that adequate provision has been made in respect of all these cases as at 31 March 2024.

10.3 Kenneth Makate (Mr Makate) vs Vodacom (Pty) Limited (Vodacom)

Mr Makate, a former employee of Vodacom, started legal proceedings in 2008 claiming compensation for a business idea that led to the development of a service known as "Please Call Me" (PCM). In July 2014, the Gauteng High Court (the High Court) ruled that Mr Makate had proven the existence of a contract, but that Vodacom was not bound by that contract because the responsible director did not have authority to enter into such an agreement on Vodacom's behalf. The High Court and Supreme Court of Appeal (the SCA) turned down Mr Makate's application for leave to appeal in December 2014 and March 2015, respectively.

In April 2016, the Constitutional Court of South Africa (the Constitutional Court) granted leave to appeal and upheld Mr Makate's appeal. It found that Vodacom is bound by the agreement and ordered the parties to negotiate, in good faith, and agree a reasonable compensation amount payable to Mr Makate or, in the event of a deadlock, for the matter to be referred to Vodacom Group's Chief Executive Officer (the CEO) for determination. Mr Makate's application for the aforementioned order to be varied from the determination of an amount to a compensation model based on a share of revenue was dismissed by the Constitutional Court. In accordance with the Constitutional Court order, and after negotiations failed, the CEO issued his determination on 9 January 2019. However, the CEO's award of R47million was rejected by Mr Makate who subsequently brought an application in the High Court for judicial review against the CEO's determination and award.

The High Court, in a judgment delivered on 8 February 2022, set aside the CEO's determination and ordered him to reassess the amount employing a set criteria which would have resulted in the payment of a higher compensation amount, for the benefit of Mr. Makate, than that determined by the CEO. Vodacom appealed against the judgment and the order of the High Court to the SCA. The SCA heard the appeal on 9 May 2023 and its judgment was handed down on 6 February 2024. A majority of three judges, with a minority of two judges dissenting, dismissed the appeal and ruled that Mr Makate is entitled to be paid 5% - 7.5% of the total revenue of the PCM product from March 2001 to the date of the judgment, plus interest.

On 27 February 2024, Vodacom applied for leave to appeal the judgment and order of the SCA to the Constitutional Court, resulting in the suspension of the operation of the judgment and order of the SCA. Mr Makate is opposing Vodacom's application for leave to appeal. Vodacom is challenging the SCA's judgment and order on various grounds including, but not limited to: the SCA ignoring the evidence placed before it on the computation of the quantum of compensation payable to Mr Makate; and the SCA issuing orders that are legally unenforceable.

The CEO's determination in 2019 amounted to R47 million. The minority judgment of the SCA raised Mr Makate's compensation to approximately R186 million, while the SCA majority judgment would entitle Mr Makate to a minimum compensation amount of R29 billion. Consequently, the range of the possible compensation outcomes in this matter is very wide.

The amount ultimately payable to Mr Makate is uncertain and will depend on the determination of the Constitutional Court to grant Vodacom's application for leave to appeal and if granted, on the success of Vodacom's appeal against the judgment and order of the SCA, on the merits of the case. Vodacom is continuing to challenge the level of compensation payable to Mr Makate and a provision immaterial to the financial statements has been recorded.

11 Other matters

11.1 Independent Communications Authority of South Africa (ICASA) assignment of high demand spectrum (HDS)

On 17 March 2022, the Group secured spectrum for an amount of R5 382 million. The spectrum licence was effective from 1 July 2022 and the Group paid R3 196 million in the prior year for this spectrum. The outstanding amount was paid to ICASA on 30 October 2023, with the spectrum fully available for use.

11.2 Global Partnership for Ethiopia B.V.

The Group continues to invest in Safaricom Telecommunications Ethiopia PLC (Safaricom Ethiopia), which is operating in a hyperinflationary environment. The financial impact of IAS 29, Financial Reporting in Hyperinflationary Economies (IAS 29) resulted in an increase in Investment in associates and joint ventures of R2.2 billion (2023: R2.3 billion). During August 2023, the International Finance Corporation (IFC) entered into the consortium in Ethiopia via a new issue of shares to the IFC, resulting in them holding a 7.25% equity interest, thus diluting the interests of the original consortium members' equity shareholding. The Group's holding, excluding its indirect interest via its shareholding in Safaricom PLC diluted from a holding of 6.19% to 5.74%. In addition, the Group has an indirect interest via its shareholding in Safaricom PLC. Safaricom PLC's 55.71% effective interest in Safaricom Ethiopia diluted to 51.67%. The Group continues to exercise significant influence over Safaricom Ethiopia and therefore the investment is equity accounted as an associate.

11.3 MAZIV (Pty) Limited (MAZIV)

On 10 November 2021, the Group announced an investment into a joint venture incorporated as Maziv (Pty) Limited (Maziv) that will house the material fibre network assets of Vodacom South Africa and Community Investment Ventures Holdings (Pty) Limited. The operating companies of Maziv include Dark Fibre Africa (Proprietary) Limited (DFA) and Vumatel (Proprietary) Limited. During October 2022, ICASA approved the transaction subject to the incorporation of conditions relating to the provision of open-access network services, along with limitations on ownership and control, into DFA's licences. In August 2023, the Competition Commission advised the Competition Tribunal that the transaction not be recommended. The next regulatory step is for the transaction to be presented to the Competition Tribunal where the full merits of the transaction will be reviewed. The Competition Tribunal hearing is set for May 2024.

12 Events after the reporting period

The Board is not aware of any matter or circumstance arising since the end of the reporting period, not otherwise dealt with herein, which significantly affects the financial position of the Group or the results of its operations or cash flows for the period, other than the following:

12.1 Dividend declared after the reporting date and not recognised as a liability

A final dividend of R5 922 million (285 cents per ordinary share) for the year ended 31 March 2024, was declared on 10 May 2024, payable on 24 June 2024 to shareholders recorded in the register at the close of business on 21 June 2024. The net dividend after taking into account dividend withholding tax for those shareholders not exempt from dividend withholding tax is 228.00000 cents per share. This is in line with the Group's dividend policy to pay dividends of at least 75% of the Group's headline earnings.

13 Fair value

The carrying amounts of financial assets at amortised cost, mobile financial deposits, trade and other receivables, bank and cash balances, bank overdraft, mobile financial payables, licence and spectrum fees payable, and trade and other payables approximate their fair value due to short-term maturity.

The aggregate fair value, if determinable, of interest bearing borrowings (excluding leases) with a carrying amount of R55 847 million (2023: R53 902 million) amounts to R55 865 million (2023: R53 977 million). Fair value is based on level two of the fair value hierarchy. Estimated interest rates for fixed interest rate financial liabilities are calculated with reference to the applicable zero coupon yield curves at the reporting date, as published by Bloomberg. Where the fair value could be determined by using the discounted cash flow method (with a discount rate based on market-related interest rates) the discount rate varied between 9.46% and 9.62% (2023: 9.16% and 9.84%) for rand-denominated borrowings.

13.1 Fair value hierarchy

The table below sets out the valuation basis of financial instruments measured at fair value:

Rm	2024 Reviewed	2023 Audited
Level one[1]		
Financial assets at fair value through profit or loss		
Unit trust investments	**440**	403
Level two[2]		
Financial assets at fair value through other comprehensive income		
Finance receivables[3]	**5 951**	4 856
Financial assets and liabilities at fair value through profit or loss		
Derivative financial assets[4]	**25**	69
Derivative financial liabilities[4]	**(133)**	(96)
	6 283	5 232

Notes:

1. Level one classification is used when the valuation is determined using quoted prices in an active market for identical assets or liabilities that the entity can access at the valuation date.
2. Level two classification is used when valuation inputs used to determine fair value are observable for the asset/(liability), either directly as prices or indirectly when derived from prices.
3. The Group provides financing to customers to acquire devices at an additional contractual charge which is included in finance receivables. The business model under IFRS 9 for finance receivables has been determined to be "hold to collect and sell". Finance receivables are valued using a market approach, with cash flows discounted at the 24-month weighted average credit risk adjusted risk free rate at which finance receivables are sold across multiple financial institutions.
4. The fair value of foreign exchange forward contracts and firm commitment assets and liabilities are determined with reference to quoted market prices for similar instruments, being the mid forward rates and spot rates respectively, as at the reporting date.

Supplementary information

Operating results for the year ended 31 March 2024

Rm	South Africa	% 23/24	Egypt^	International	% 23/24	Corporate/ Eliminations	Group	% 23/24	Safaricom[1]	% 23/24
Mobile contract revenue	23 486	3.9	4 934	2 694	23.9	(11)	31 103	19.3	6 698	16.2
Mobile prepaid revenue	26 386	1.7	19 014	24 367	12.6	1	69 768	33.0	31 940	2.3
Customer service revenue	49 872	2.7	23 948	27 061	13.7	(10)	100 871	28.4	38 638	4.4
Mobile interconnect	1 763	5.2	2 887	1 202	(0.4)	(367)	5 485	64.0	1 097	(3.2)
Fixed service revenue	4 595	12.0	1 774	1 377	12.9	(302)	7 444	34.8	1 924	1.8
Other service revenue	5 391	(5.8)	1 570	218	37.1	(82)	7 097	13.5	1 483	0.2
Service revenue	61 621	2.6	30 179	29 858	13.1	(761)	120 897	29.1	43 142	3.9
Equipment revenue	19 012	6.8	209	513	15.5	(8)	19 726	7.9	1 332	(16.0)
Non-service revenue	7 671	11.5	2 114	472	44.8	(286)	9 971	37.8	429	(17.2)
Revenue	88 304	4.2	32 502	30 843	13.5	(1 055)	150 594	26.4	44 903	3.0
Direct expenses	(37 365)	4.4	(11 805)	(9 296)	17.8	766	(57 700)	25.6		
Staff expenses	(5 345)	16.9	(1 348)	(2 511)	18.1	(932)	(10 136)	30.9		
Publicity expenses	(1 021)	(14.3)	(518)	(598)	(3.5)	(19)	(2 156)	11.4		
Net credit gains/(losses) on financial instruments	(845)	8.5	(142)	142	<(200)	(1)	(846)	(2.1)		
Other operating expenses	(11 033)	12.1	(5 583)	(7 983)	21.2	769	(23 830)	31.9		
Depreciation and amortisation	(12 570)	8.0	(4 332)	(5 879)	13.3	(5)	(22 786)	26.8		
Net profit/(loss) from associates and joint ventures	–		–	(488)	134.6	2 685	2 197	(15.7)		
Operating profit	20 125	(3.6)	8 774	4 230	(6.8)	2 208	35 337	20.8	8 142	(16.3)
EBITDA	32 808	0.7	13 067	10 973	8.2	(732)	56 116	24.3	20 949	6.7
EBITDA margin (%)	37.2		40.2	35.6			37.3		46.7	
Included in service revenue:										
Financial services revenue	3 187	7.9	1 947	7 899	21.4	–	13 033	32.2	18 008	9.5

Note:

1. The Group's effective interest of 34.94% in Safaricom is accounted for as an investment in associate. Results represent 100% of Safaricom and are for information purposes only. The above results represent 100% of the results of Safaricom, including the net fair value adjustments on tangible and intangible assets, excluding goodwill, that rose on acquisition.

Operating results for the year ended 31 March 2023

Rm	South Africa	Egypt	International	Corporate/ Eliminations	Group	Safaricom[1]
Mobile contract revenue	22 596	1 304	2 174	(10)	26 064	5 763
Mobile prepaid revenue	25 944	4 889	21 635	–	52 468	31 237
Customer service revenue	**48 540**	**6 193**	**23 809**	**(10)**	**78 532**	**37 000**
Mobile interconnect	1 676	871	1 207	(410)	3 344	1 133
Fixed service revenue	4 101	498	1 220	(297)	5 522	1 890
Other service revenue	5 721	414	159	(42)	6 252	1 480
Service revenue	**60 038**	**7 976**	**26 395**	**(759)**	**93 650**	**41 503**
Equipment revenue	17 796	53	444	(11)	18 282	1 586
Non-service revenue	6 881	223	326	(192)	7 238	518
Revenue	**84 715**	**8 252**	**27 165**	**(962)**	**119 170**	**43 607**
Direct expenses	(35 807)	(3 017)	(7 889)	771	(45 942)	
Staff expenses	(4 572)	(329)	(2 127)	(718)	(7 746)	
Publicity expenses	(1 192)	(104)	(620)	(20)	(1 936)	
instruments	(779)	(78)	(7)	–	(864)	
Other operating expenses	(9 845)	(1 877)	(6 585)	238	(18 069)	
amortisation	(11 639)	(1 137)	(5 188)	(4)	(17 968)	
associates and joint ventures	–	–	(208)	2 815	2 607	
Operating profit	**20 881**	**1 710**	**4 541**	**2 120**	**29 252**	**9 727**
EBITDA	32 569	2 859	10 145	(429)	45 144	19 635
EBITDA margin (%)	38.4	34.6	37.3		37.9	45.0
Included in service revenue:						
Financial services revenue	2 954	398	6 504	–	9 856	16 449

Note:

1. The Group's effective interest of 34.94% in Safaricom is accounted for as an investment in associate. Results represent 100% of Safaricom and are for information purposes only.

South Africa key telecom indicators for the quarter ended

	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023	% change 23/24
Customers[1] (thousand)	**51 654**	51 256	47 256	44 812	**44 230**	**16.8**
Prepaid	**44 851**	44 415	40 473	38 088	**37 552**	**19.4**
Contract	**6 803**	6 841	6 783	6 724	**6 678**	**1.9**
Data customers[2] (thousand)	**28 786**	27 655	25 803	25 967	**25 519**	**12.8**
Internet of Things connections[3] (thousand)	**8 248**	8 017	7 953	8 048	**7 490**	**10.1**
Traffic[4] (millions of minutes)	**15 199**	16 120	16 417	15 653	**15 958**	**(4.8)**
Outgoing	**12 034**	13 227	13 587	12 920	**13 128**	**(8.3)**
Incoming	**3 165**	2 893	2 830	2 733	**2 830**	**11.8**
MOU per month[5]	**97**	109	118	117	**120**	**(19.2)**
Prepaid	**90**	104	113	112	**112**	**(19.6)**
Contract	**146**	146	153	149	**166**	**(12.0)**
Total ARPU[6] (rand per month)	**82**	89	94	94	**94**	**(12.8)**
Prepaid	**49**	55	59	58	**58**	**(15.5)**
Contract	**301**	299	303	300	**295**	**2.0**

South Africa key telecom indicators for the year ended

	31 March		% change
	2024	2023	23/24
Traffic[4] (millions of minutes)	**63 388**	66 831	**(5.2)**
Outgoing	**51 768**	55 338	**(6.5)**
Incoming	**11 620**	11 493	**1.1**
MOU per month[5]	**110**	124	**(11.3)**
Prepaid	**104**	116	**(10.3)**
Contract	**148**	173	**(14.5)**
Total ARPU[6] (rand per month)	**90**	93	**(3.2)**
Prepaid	**55**	58	**(5.2)**
Contract	**301**	297	**1.3**

Notes:
1. Customers are based on the total number of mobile customers using any service during the last three months. This includes customers paying a monthly fee that entitles them to use the service even if they do not actually use the service and those customers who are active whilst roaming.
2. Data customers are based on the number of unique users generating billable data traffic during the month. Also included are users on integrated tariff plans, or who have access to corporate APNs, and users who have been allocated a revenue generating data bundle during the month. A user is defined as being active if they are paying a contractual monthly fee for this service or have used the service during the reported month.
3. Internet of Things (IoT) connections is the remote wireless interchange between two or more predefined devices or a central station without direct relationship with an end customer, in order to support a specific business process or product.
4. Traffic comprises total traffic registered on Vodacom's mobile network including bundled minutes, promotional minutes and outgoing international roaming calls but excluding national roaming calls, incoming international roaming calls and calls to free services.
5. Minutes of use (MOU) per month is calculated by dividing the average monthly minutes (traffic) during the period by the average monthly customers during the period.
6. Total ARPU is calculated by dividing the sum of the customer and incoming revenue for the period by the average monthly active customers during the period. Prepaid and contract ARPU only includes the revenue generated from Vodacom mobile customers.

Egypt key telecom indicators for the quarter ended

	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023	% change 23/24
Closing customers[1] (thousand)	**48 335**	47 752	47 022	46 222	**45 493**	**6.2**
Prepaid	**42 763**	42 310	41 703	41 015	**40 358**	**6.0**
Contract	**5 572**	5 442	5 319	5 207	**5 135**	**8.5**
90-day customers[2] (thousand)	**46 691**	46 043	45 556	44 629	**44 031**	**6.0**
Data customers[3] (thousand)	**29 118**	28 909	28 154	27 096	**26 264**	**10.9**
ARPU[4] (local currency per month)	**90**	82	79	73	**68**	**32.4**
Prepaid ARPU	**82**	74	71	65	**61**	**34.4**
Contract ARPU	**159**	148	139	131	**124**	**28.2**

Notes:
1. A customer is defined as a Subscriber Identity Module (SIM), or in territories where SIMs do not exist, a unique mobile telephone number which has access to the network for any purpose (including data only usage) except telemetric applications.
2. Customers are based on the total number of mobile customers using any service during the last three months. This includes customers paying a monthly fee that entitles them to use the service even if they do not actually use the service and those customers who are active whilst roaming.
3. Data customers are based on the number of unique users generating billable data traffic during the month. Also included are users on integrated tariff plans, or who have access to corporate APNs, and users who have been allocated a revenue generating data bundle during the month. A user is defined as being active if they are paying a contractual monthly fee for this service or have used the service during the reported month.
4. ARPU is calculated by dividing the average total service revenue by the average monthly closing customers during the period.

International business key telecom indicators for the quarter ended

	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023	% change 23/24
Customers[1] (thousand)	**54 109**	53 749	53 684	51 679	**50 228**	**7.7**
Tanzania	**19 563**	19 126	18 502	17 316	**16 735**	**16.9**
DRC	**21 343**	21 444	21 784	21 853	**21 040**	**1.4**
Mozambique	**11 658**	11 580	11 867	10 880	**10 742**	**8.5**
Lesotho	**1 545**	1 599	1 531	1 630	**1 711**	**(9.7)**
Data customers[2] (thousand)	**24 169**	24 072	23 810	23 048	**22 485**	**7.5**
Tanzania	**10 065**	9 951	9 745	9 214	**8 748**	**15.1**
DRC	**7 164**	6 818	7 136	7 139	**7 209**	**(0.6)**
Mozambique	**6 099**	6 336	6 101	5 853	**5 696**	**7.1**
Lesotho	**841**	967	828	842	**832**	**1.1**
MOU per month[3]						
Tanzania	**266**	292	302	281	**265**	**0.4**
DRC	**23**	22	22	21	**24**	**(4.2)**
Mozambique	**109**	110	100	98	**93**	**17.2**
Lesotho	**68**	73	66	60	**56**	**21.4**
Total ARPU[4] (rand per month)						
Tanzania	**40**	42	43	43	**40**	**–**
DRC	**47**	47	45	44	**43**	**9.3**
Mozambique	**39**	43	45	50	**47**	**(17.0)**
Lesotho	**63**	66	60	55	**52**	**21.2**
Total ARPU[4] (local currency per month)						
Tanzania (TZS)	**5 376**	5 611	5 690	5 415	**5 238**	**2.6**
DRC (US$)	**2.5**	2.5	2.4	2.4	**2.4**	**4.2**
Mozambique (MZN)	**132**	148	154	173	**168**	**(21.4)**

International business key telecom indicators for the year ended

	31 March		% change
	2024	**2023**	**23/24**
MOU per month[3]			
Tanzania	**285**	275	**3.6**
DRC	**22**	29	**(24.1)**
Mozambique	**105**	103	**1.9**
Lesotho	**67**	63	**6.3**
Total ARPU[4] (rand per month)			
Tanzania	**42**	39	**7.7**
DRC	**46**	48	**(4.2)**
Mozambique	**44**	53	**(17.0)**
Lesotho	**61**	51	**19.6**
Total ARPU[4] (local currency per month)			
Tanzania (TZS)	**5 523**	5 328	**3.7**
DRC (US$)	**2.5**	2.8	**(10.7)**
Mozambique (MZN)	**151**	199	**(24.1)**

Notes:
1. Customers are based on the total number of mobile customers using any service during the last three months. This includes customers paying a monthly fee that entitles them to use the service even if they do not actually use the service and those customers who are active whilst roaming.
2. Data customers are based on the number of unique users generating billable data traffic during the month. Also included are users on integrated tariff plans, or who have access to corporate APNs, and users who have been allocated a revenue generating data bundle during the month. A user is defined as being active if they are paying a contractual monthly fee for this service or have used the service during the reported month.
3. Minutes of use (MOU) per month is calculated by dividing the average monthly minutes (traffic) during the period by the average monthly customers during the period.
4. Total ARPU is calculated by dividing the sum of the customer and incoming revenue for the period by the average monthly active customers during the period.

Safaricom key telecom indicators for the year ended

	31 March		% change
	2024	**2023**	**22/23**
Closing customers[1] (thousand)	**49 018**	45 892	**6.8**
Data customers[2] (thousand)	**24 295**	20 504	**18.5**
ARPU[3] (local currency per month)	**584**	572	**2.0**

Notes:
1. A customer is defined as a Subscriber Identity Module (SIM), or in territories where SIMs do not exist, a unique mobile telephone number which has access to the network for any purpose (including data only usage) except telemetric applications.
2. Data customers are based on the number of unique users generating billable data traffic during the month.
3. ARPU is calculated by dividing the average total service revenue by the average monthly customers during the period.

Financial services key indicators

Active customers[1] for the quarter ended

Thousand	31 Mar 2024	30 Sep 2023	31 Mar 2023	% change 23/24
South Africa	**15 318**	13 715	**13 896**	**10.2**
Egypt	**8 213**	6 682	**5 398**	**52.1**
International M-Pesa	**22 405**	20 976	**19 229**	**16.5**
Tanzania	**10 169**	9 311	**8 197**	**24.1**
DRC	**5 537**	4 628	**4 147**	**33.5**
Mozambique	**5 769**	6 126	**5 808**	**(0.7)**
Lesotho	**930**	911	**1 077**	**(13.6)**
Consolidated Group	**45 936**	41 373	**38 523**	**19.2**
Safaricom M-Pesa (100% basis)	**33 000**	32 135	**32 105**	**2.8**
Total	**78 936**	73 508	**70 628**	**11.8**

Mobile wallet value of transactions for the last twelve-month period ended

US$m	31 Mar 2024	30 Sep 2023	31 Mar 2023	% change 23/24
Egypt	**35 860**	24 838	**–**	**–**
International business	**74 877**	72 658	**68 263**	**9.7**
Safaricom (100% basis)	**270 420**	273 139	**296 576**	**(8.8)**
Total	**381 157**	370 635	**364 839**	**4.5**

Merchants & agents

	Year ended 31 March		% change
Thousand	2024	2023	23/24
Merchants			
International business	**395**	196	**101.5**
Safaricom	**640**	607	**5.4**
Agents			
International business	**352**	291	**21.0**
Safaricom	**265**	262	**1.1**

Note:
1. Financial services customers are based on the number of unique customers who have generated revenue to financial services during the last month.

International business financial review per country

	Year ended 31 March		% change
	2024	**2023**	**23/24**
Revenue (local currency)			
Tanzania (TZSm)	**1 278 216**	1 073 018	**19.1**
DRC (US$000)	**662 808**	619 163	**7.0**
Mozambique (MZNm)	**23 259**	26 368	**(11.8)**
Lesotho (LSLm)	**1 309**	1 204	**8.7**
Service revenue (local currency)			
Tanzania (TZSm)	**1 258 334**	1 053 762	**19.4**
DRC (US$000)	**651 468**	609 375	**6.9**
Mozambique (MZNm)	**22 226**	25 407	**(12.5)**
Lesotho (LSLm)	**1 231**	1 152	**6.9**
EBITDA (local currency)			
Tanzania (TZSm)	**394 179**	329 398	**19.7**
DRC (US$000)	**255 372**	238 808	**6.9**
Mozambique (MZNm)	**9 169**	11 774	**(22.1)**
Lesotho (LSLm)	**451**	421	**7.1**

Historical financial review

Revenue for the quarter ended

Rm	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023	31 Dec 2022	30 Sep 2022
South Africa	**22 236**	22 798	21 863	21 406	**21 612**	21 915	20 920
Egypt	**9 235**	8 399	7 793	7 075	**6 376**	1 876	^
International	**7 664**	8 027	7 712	7 440	**7 017**	7 126	6 984
Corporate and eliminations	**(258)**	(303)	(237)	(254)	**(253)**	(212)	(247)
Group revenue	**38 877**	38 921	37 131	35 667	**34 752**	30 705	27 657

Revenue YoY % change for the quarter ended

	Reported				Normalised*
%	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2024
South Africa	**2.9**	4.0	4.5	5.6	**2.9**
Egypt	**44.8**	^	^	^	**58.2**
International	**9.2**	12.6	10.4	23.2	**5.5**
Group revenue	**11.9**	26.8	34.3	36.9	**3.5**

Service revenue for the quarter ended

Rm	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023	31 Dec 2022	30 Sep 2022
South Africa	**15 263**	15 689	15 606	15 064	**15 160**	15 393	14 989
Egypt	**7 926**	7 941	7 468	6 844	**6 155**	1 821	^
International	**7 408**	7 719	7 481	7 250	**6 788**	6 975	6 778
Corporate and eliminations	**(167)**	(232)	(181)	(182)	**(180)**	(191)	(192)
Group	**30 430**	31 117	30 374	28 976	**27 923**	23 998	21 575

Service revenue YoY % change for the quarter ended

	Reported				Normalised*
%	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2024
South Africa	**0.7**	1.9	4.1	3.9	**0.7**
Egypt	**28.8**	^	^	^	**40.6**
International	**9.1**	10.7	10.4	23.8	**5.4**
Group	**9.0**	29.7	40.8	43.8	**2.3**

Financial services revenue

	Year ended 31 March		% change		
Rm	2024	2023	Reported	Normalised*	Pro-forma^
South Africa	**3 187**	2 954	7.9	**7.9**	
Egypt	**1 947**	398	>200		**107.3^**
International	**7 899**	6 504	21.4	**13.1**	
Tanzania	**3 452**	2 610	32.3	**27.7**	
DRC	**2 528**	1 801	40.4	**26.9**	
Mozambique	**1 726**	1 926	(10.4)	**(18.7)**	
Lesotho	**193**	167	15.6	**15.6**	
Consolidated Group	**13 033**	9 856	32.2		**19.9^**
Safaricom[1]	**18 008**	16 449	9.5	**19.5**	

Note:

1. The Group's effective interest of 34.94% in Safaricom is accounted for as an investment in associate. Results represent 100% of Safaricom and are for information purposes only.

Exchange rates

	Average YTD			Closing YTD		
	31 March		% change	31 March		% change
	2024	2023	23/24	2024	2023	23/24
US$/ZAR	**18.73**	17.00	**10.2**	**18.94**	17.74	**6.8**
EUR/ZAR	**20.31**	17.69	**14.8**	**20.45**	19.28	**6.1**
ZAR/MZN	**3.41**	3.77	**(9.5)**	**3.37**	3.60	**(6.4)**
ZAR/TZS	**132.03**	137.63	**(4.1)**	**135.32**	131.89	**2.6**
ZAR/EGP	**1.71**	1.33	**28.6**	**2.50**	1.74	**43.7**
ZAR/KES	**7.78**	7.13	**9.1**	**6.96**	7.47	**(6.8)**

	Average QTD				Closing QTD			
	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023
US$/ZAR	**18.88**	18.74	18.64	18.66	**18.94**	18.29	18.84	18.89
EUR/ZAR	**20.50**	20.17	20.27	20.31	**20.45**	20.20	19.95	20.61
ZAR/MZN	**3.38**	3.41	3.43	3.43	**3.37**	3.49	3.39	3.38
ZAR/TZS	**134.43**	133.84	133.10	126.77	**135.32**	137.19	132.97	127.84
ZAR/EGP	**1.89**	1.65	1.66	1.66	**2.50**	1.69	1.64	1.64
ZAR/KES	**7.92**	8.11	7.74	7.36	**6.96**	8.59	7.87	7.44

Pro-forma financial information

The presentation of the pro-forma financial information and related reconciliations as detailed below on pages 48 – 55, is the responsibility of the directors of Vodacom Group Limited.

- 'Normalised' results have been presented to assist the user in understanding the underlying growth trends and adjusts for:
  - the impact of trading foreign exchanges;
  - the impact of foreign currency translation on a constant currency basis; and
  - the merger, acquisition and disposal activities during the current year and on a constant currency basis in the prior year, where applicable.
- 'Operating free cash flow' and 'free cash flow' has been presented to provide users with relevant information and measures used by the Group to assess performance.
- 'Pro-forma' results have been presented for the Group as if the effective date of the Egypt acquisition was 1 April 2022, thus showing the segment's financial information on a full year basis.

Collectively, the 'pro-forma financial information'.

The pro-forma financial information has been prepared for illustrative purposes only and may not fairly present the financial position, changes in equity, and results of operations or cash flows of Vodacom Group Limited. The pro-forma financial information is presented in accordance with the JSE Listings Requirements and the SAICA Guide on pro-forma Financial Information. This pro-forma financial information for the year ended 31 March 2024 as presented in Table A, Table E, Table F and Table G, as well as the constant currency information, along with the respective notes, has been reported/reviewed on by Ernst & Young Inc. The independent auditor's reports theron are available online at: www.vodacom.com.

TABLE A: Reconciliation of normalised values for the year ended 31 March 2024

Rm	Reported results[1]	Foreign exchange: Trading FX[2]	Foreign exchange: Translation FX[3]	Mergers, Acquisitions & Disposals[4]	Normalised*
Revenue					
Group	**150 594**	–	–	(32 502)	**118 092**
International	**30 843**	–	–	–	**30 843**
South Africa	**88 304**	–	–	–	**88 304**
Egypt	**32 502**	–	–	–	**32 502**
Service revenue					
Group	**120 897**	–	–	(30 179)	**90 718**
International	**29 858**	–	–	–	**29 858**
South Africa	**61 621**	–	–	–	**61 621**
Egypt	**30 179**	–	–	–	**30 179**
Financial services revenue					
Group	**13 033**	–	–	(1 947)	**11 086**
International (M-Pesa)	**7 899**	–	–	–	**7 899**
Tanzania	**3 452**	–	–	–	**3 452**
DRC	**2 528**	–	–	–	**2 528**
Mozambique	**1 726**	–	–	–	**1 726**
Egypt	**1 947**	–	–	–	**1 947**
Total expenses					
Group	**94 669**	(1 599)	–	(18 007)	**75 063**
International	**20 245**	(170)	–	–	**20 075**
South Africa	**55 609**	(44)	–	–	**55 565**
Egypt	**19 396**	(1 389)	–	–	**18 007**
EBITDA					
Group	**56 116**	1 599	–	(14 456)	**43 259**
International	**10 973**	170	–	–	**11 143**
South Africa	**32 808**	44	–	–	**32 852**
Egypt	**13 067**	1 389	–	–	**14 456**
Net profit from associates and joint ventures					
Group	**2 197**	(31)	–	–	**2 166**
Safaricom	**2 685**	(14)	–	–	**2 671**
Operating profit					
Group	**35 337**	1 568	–	(10 163)	**26 742**
International	**4 230**	153	–	–	**4 383**
South Africa	**20 125**	44	–	–	**20 169**
Egypt	**8 774**	1 389	–	–	**10 163**

TABLE B: Reconciliation of normalised values for the year ended 31 March 2023

		Foreign exchange			
Rm	**Reported[1]**	**Trading FX[2]**	**Translation FX[3]**	**Mergers, Acquisitions & Disposals[4]**	**Normalised***
Revenue					
Group	**119 170**	–	1 339	(7 452)	**113 057**
International	**27 165**	–	2 129	–	**29 294**
South Africa	**84 715**	–	10	–	**84 725**
Egypt	**8 252**	–	(800)	–	**7 452**
Service revenue					
Group	**93 650**	–	1 292	(7 207)	**87 735**
International	**26 395**	–	2 054	–	**28 449**
South Africa	**60 038**	–	7	–	**60 045**
Egypt	**7 976**	–	(769)	–	**7 207**
Financial services revenue					
Group	**9 856**	–	439	(357)	**9 938**
International (M-Pesa)	**6 504**	–	480	–	**6 984**
Tanzania	**2 610**	–	94	–	**2 704**
DRC	**1 801**	–	191	–	**1 992**
Mozambique	**1 926**	–	196	–	**2 122**
Egypt	**398**		(41)		**357**
Total expenses					
Group	**74 557**	(709)	868	(4 291)	**70 425**
International	**17 228**	(42)	1 347	–	**18 533**
South Africa	**52 195**	(42)	17	–	**52 171**
Egypt	**5 404**	(618)	(496)	–	**4 291**
EBITDA					
Group	**45 144**	709	487	(3 169)	**43 171**
International	**10 145**	42	802	–	**10 988**
South Africa	**32 569**	42	(7)	–	**32 604**
Egypt	**2 859**	618	(308)		**3 169**
Net profit from associates and joint ventures					
Group	**2 607**	177	(182)	–	**2 602**
Safaricom	**2 814**	125	(207)	–	**2 732**
Operating profit					
Group	**29 252**	886	(40)	(2 090)	**28 008**
International	**4 541**	93	414	–	**5 048**
South Africa	**20 881**	42	(9)	–	**20 913**
Egypt	**1 710**	618	(237)	–	**2 090**

TABLE C: Reconciliation of normalised growth for the year ended 31 March 2024

The reconciliation below presents the normalised growth which has been adjusted for trading foreign exchange gains/losses as well as foreign exchange translations, mergers, acquisitions and disposals where applicable, tax related adjustments where applicable, all at a constant currency rate to show a like-for-like comparison of results.

		Foreign exchange			
%	% change[5]	Trading FX[2] ppts	Translation FX[3] ppts	Mergers, Acquisitions & Disposals[4]	Normalised* % change
Revenue					
Group	**26.4**	–	(1.1)	(20.8)	**4.5**
International	**13.5**	–	(8.2)	–	**5.3**
South Africa	**4.2**	–	–	–	**4.2**
Service revenue					
Group	**29.1**	–	(1.4)	(24.3)	**3.4**
International	**13.1**	–	(8.1)	–	**5.0**
South Africa	**2.6**	–	–	–	**2.6**
Financial services revenue					
Group	**32.2**	–	(4.5)	(16.2)	**11.6**
International (M-Pesa)	**21.4**	–	(8.3)	–	**13.1**
Tanzania	**32.3**	–	(4.6)	–	**27.7**
DRC	**40.4**	–	(13.5)	–	**26.9**
Mozambique	**(10.4)**	–	(8.3)	–	**(18.7)**
Total expenses					
Group	**27.0**	(1.2)	(1.1)	(18.1)	**6.6**
International	**17.5**	(0.8)	(8.4)	–	**8.3**
South Africa	**6.5**	–	–	–	**6.5**
EBITDA					
Group	**24.3**	2.0	(1.1)	(25.0)	**0.2**
International	**8.2**	1.3	(8.1)	–	**1.4**
South Africa	**0.7**	0.1	–	–	**0.8**
Net profit from associates and joint ventures					
Group	**(15.7)**	(8.2)	7.2	–	**(16.8)**
Safaricom	**(4.6)**	(4.8)	7.2	–	**(2.2)**
Operating profit					
Group	**20.8**	2.4	0.1	(27.8)	**(4.5)**
International	**(6.8)**	1.1	(7.4)	–	**(13.2)**
South Africa	**(3.6)**	–	–	–	**(3.6)**

TABLE D: Reconciliation of normalised growth for the quarter ended

31 March 2024 **Rm**	**Reported**[1]	**Translation FX**[3]	**Mergers, Acquisitions & Disposals**[4]	**Normalised***
Revenue				
Group	**38 877**	–	(9 235)	**29 642**
International	**7 664**	–	–	**7 664**
Egypt	**9 235**	–	–	**9 235**
Service revenue				
Group	**30 430**	–	(7 926)	**22 504**
International	**7 408**	–	–	**7 408**
Egypt	**7 926**	–	–	**7 926**
Financial services revenue				
International	**1 999**	–	–	**1 999**

31 March 2023 **Rm**	**Reported**[1]	**Translation FX**[3]	**Mergers, Acquisitions & Disposals**[4]	**Normalised***
Revenue				
Group	**34 752**	(289)	(5 837)	**28 626**
International	**7 016**	248	–	**7 264**
Egypt	**6 376**	(539)	–	**5 837**
Service revenue				
Group	**27 924**	(277)	(5 639)	**22 008**
International	**6 791**	238	–	**7 029**
Egypt	**6 155**	(516)	–	**5 639**
Financial services revenue				
International	**1 733**	62	–	**1 795**

31 March 2024 **%**	**% change**[6]	**Translation FX**[3] **ppts**	**Mergers, Acquisitions & Disposals**[4]	**Normalised* % change**
Revenue				
Group	**11.9**	0.7	(9.1)	**3.5**
International	**9.2**	(3.7)	–	**5.5**
Egypt	**44.8**	13.4	–	**58.2**
Service revenue				
Group	**9.0**	0.9	(7.6)	**2.3**
International	**9.1**	(3.7)	–	**5.4**
Egypt	**28.8**	11.8	–	**40.6**
Financial services revenue				
International	**15.3**	(3.9)	–	**11.4**

TABLE E: Reconciliation of Egypt pro-forma numbers (Egyptian pound)

31 March 2024 EGPm	Reported results[1]	Trading FX[2]	Mergers, Acquisitions & Disposals[4]	Pro-forma*	Pro-forma* % change
Revenue	**55 381**	–	–	**55 381**	**37.2**
Service revenue	**51 432**	–	–	**51 432**	**31.6**
Financial services revenue	**3 330**	–	–	**3 330**	**107.3**
EBITDA	**21 279**	–	–	**21 279**	**32.8**
EBITDA (excl. foreign exchange losses)	**21 279**	3 348	–	**24 627**	**39.5**
Operating profit	**14 004**	–	–	**14 004**	**47.5**
Capex	**7 792**	–	–	**7 792**	**30.9**

31 March 2023 EGPm	Reported results[1]	Trading FX[2]	Mergers, Acquisitions & Disposals[4]	Pro-forma*
Revenue	**13 463**	–	26 891	**40 354**
Service revenue	**13 011**	–	26 062	**39 073**
Financial services revenue	**650**	–	956	**1 606**
EBITDA	**4 644**	–	11 376	**16 020**
EBITDA (excl foreign exchange losses)	**4 644**	1 632	11 376	**17 652**
Operating profit	**2 781**	–	6 712	**9 493**
Capex	**1 995**	–	3 958	**5 953**

TABLE F: Reconciliation of Group and Egypt pro-forma numbers (South African rand)

31 March 2024 Rm	Reported results[1]	Trading FX[2]	Mergers, Acquisitions & Disposals[4]	Pro-forma*	Pro-forma* % change
Egypt					
Service revenue	**30 179**	–	–	**30 179**	**31.6**
EBITDA	**13 067**	1 389	–	**14 456**	**39.5**
Group					
Operating profit	**35 337**	1 568	(1 389)	**35 516**	**5.9**

31 March 2023 Rm	Reported results[1]	Trading FX[2]	Translation FX[3]	Mergers, Acquisitions & Disposals[4]	Pro-forma*
Egypt					
Service revenue	**7 976**	–	(769)	15 733	**22 940**
EBITDA	**2 859**	618	(308)	7 194	**10 363**
Group					
Operating profit	**29 252**	886	(40)	3 438	**33 536**

Notes:

1. The financial information relating to revenue, service revenue, financial services revenue, total expenses, EBITDA, operating profit and net profit from associates and joint ventures are extracted without adjustment from the summary condensed consolidated financial statements for the year ended 31 March 2024.
2. Trading foreign exchange adjustments (FX) are foreign exchange gains/losses on foreign denominated monetary assets and liabilities resulting from trading activities of entities within the Group, which is included with other operating expenses as per the condensed consolidated income statement.
3. The Group's presentation currency is the South African rand. Our International businesses utilise a number of functional currencies, for example the United States dollar, Tanzanian shilling, Mozambican metical, and Egyptian pound. Translation foreign exchange (FX) arises from the translation of the results, at average rates, of subsidiaries' functional currencies to Vodacom's presentation currency, being rand. For year-end purposes, IFRS monthly results are translated at the prevailing average monthly exchange rate and the translated value is accumulated for the year. For the pro-forma financial information for the year ended 31 March 2023, these exchange variances are eliminated by applying the average rate for the year ended 31 March 2024 (which is derived by dividing the individual subsidiary's translated rand value with the functional currency for the period as applicable to each specified line item) to the 31 March 2023 numbers, thereby giving a user a view of the performance, which excludes exchange variances. The effective translation rates for pro-forma financial information are similar to those used for IFRS purposes. The prevailing exchange rates for the current and comparative periods are disclosed on page 48.
4. For tables A, B, C and D mergers, acquisitions and disposals adjust for the start-up operating and finance costs associated with the Group's direct and indirect exposure in Safaricom Telecommunications Ethiopia Plc (Ethiopia) and separately, the impact of consolidating Egypt Telecommunications SAE (Egypt) from 8 December 2022. The Group, excluding its indirect interest via its shareholding in Safaricom, has an effective interest of 6.2% in Ethiopia. In addition, the Group has indirect exposure through Safaricom's 55.7% effective interest in the consortium. For table E and F, Egypt results, which have been obtained from the management accounts, have been presented as if the effective date of the Egypt acquisition was 1 April 2022, thus showing the segment's financial information on a full year basis at constant currency.
5. The percentage change relates to the year-on-year percentage growth calculated as the percentage change between the year-to-date ended 31 March 2024 and year-to-date 31 March 2023 value.
6. The percentage change relates to the quarter to date year-on-year percentage growth calculated as the percentage change between the quarter-to-date 31 March 2024 and the quarter-to-date 31 March 2023 values.

* Normalised growth presents performance on a comparable basis. This adjusts for trading foreign exchange, foreign currency fluctuation on a constant currency basis (using the current year as the base) and excludes the impact of merger, acquisition and disposal activities, at a constant currency basis where applicable, to show a like-for-like comparison of results.

TABLE G: Reconciliation of operating free cash flow and free cash flow

	Year ended 31 March	
Rm	**2024**	**2023**
Cash generated from operations[1]	**56 893**	48 500
Cash capital expenditure[2]	**(19 367)**	(16 301)
Lease liability payments[3]	**(6 226)**	(4 952)
Movement in amounts due to M-Pesa account holders[4]	**(995)**	(2 136)
Operating free cash flow	**30 305**	25 111
Tax paid[1]	**(8 112)**	(7 361)
Finance income received[5]	**1 271**	871
Finance costs paid[5]	**(5 944)**	(3 918)
Net dividends (paid) / received from associates and paid non-controlling shareholders[6]	**689**	3 821
Free cash flow	**18 209**	18 524
Spectrum net payments	**(3 391)**	(4 286)
Free cash flow after spectrum payments	**14 818**	14 238

The reconciliation presents the reconciliation of cash generated from operators to free cash flow. Free cash flow excludes the movement in amounts due to M-Pesa account holders and held on their behalf. Management excludes these balances to present a view of the true commercial cash conversion in the operation.

Notes:

1. Extracted from the summary condensed consolidated statement of cash flows for the year ended 31 March 2024 and adjusted for spectrum-related finance costs of R10 million and the merger and acquisition costs of R197 million.
2. Extracted without adjustment from the summary condensed consolidated statement of cash flows for the year ended 31 March 2024.
3. Lease liability payments includes interest on lease liabilities of R1 733 million (FY23: R1 547 million).
4. Movements included in cash generated from operations relate to money held on behalf of M-Pesa customers, which is not available for use by the Group.
5. This represents the finance costs paid of R7 677 million (FY23: R5 465 million), as extracted from the summary condensed consolidated statement of cash flows for the year ended 31 March 2024, net of interest on lease liabilities of R1 733 million (FY23: R1 547 million) and adjusted for spectrum-related finance costs of R10 million.
6. This represents net dividend paid to non-controlling shareholders of R1 804 million (FY23: R569 million) and dividends received from associates of R2 493 million (FY23: R4 390 million).

Additional financial and operational measures

This announcement contains certain financial (i.e. Vodacom Business service revenue and EBITDA) and operational (i.e. customers, ARPUs and number of employees) measures which are presented in addition to the financial information disclosed in the consolidated financial statements for the year ended 31 March 2024 which have been prepared in terms of IFRS. The Group's management believes these measures provide valuable additional information in understanding the performance of the Group or the Group's businesses because they provide measures used by the Group to assess performance. However, this additional information presented is not uniformly defined by all companies, including those in the Group's industry. Accordingly, it may not be comparable with similarly titled measures and disclosures by other companies. Additionally, although these measures are important in the management of the business, they should not be viewed in isolation or as replacements for or alternatives to, but rather as complementary to, the consolidated financial statements for the year ended 31 March 2024. The financial measures have been extracted from the management accounts upon which the consolidated financial statements for the year ended 31 March 2024 are based, the quality of which management is satisfied with. Refer to page 17 for details relating to capital expenditure and the supplementary information on pages 48 to 55 for a reconciliation thereof to the reported results included in this announcement.

Trademarks

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Forward-looking statements

This announcement which sets out the results for Vodacom Group Limited for the year ended 31 March 2024 and contains 'forward-looking statements', which have not been reviewed or reported on by the Group's auditors, with respect to the Group's financial condition, results of operations and businesses and certain of the Group's plans and objectives. In particular, such forward-looking statements include, but are not limited to, statements with respect to: expectations regarding the Group's financial condition or results of operations including the confirmation of the Group's targets; expectations for the Group's future performance generally; expectations regarding the operating environment and market conditions and trends; intentions and expectations regarding the development, launch and expansion of products, services and technologies; growth in customers and usage; expectations regarding spectrum licence acquisitions; expectations regarding adjusted EBITDA, capital additions, free cash flow, and foreign exchange rate movements; and expectations regarding the integration or performance of current and future investments, associates, joint ventures, non-controlled interests and newly acquired businesses.

Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words as 'will', 'anticipates', 'aims', 'could', 'may', 'should', 'expects', 'believes', 'intends', 'plans' or 'targets' (including in their negative form). By their nature, forward-looking statements are inherently predictive, speculative and involve risk and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future. There are several factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These factors include, but are not limited to, the following: changes in economic or political conditions in markets served by operations of the Group; greater than anticipated competitive activity; higher than expected costs or capital expenditures; slower than expected customer growth and reduced customer retention; changes in the spending patterns of new and existing customers; the Group's ability to expand its spectrum position or renew or obtain necessary licences; the Group's ability to achieve cost savings; the Group's ability to execute its strategy in fibre deployment, network expansion, new product and service roll-outs, mobile data, Vodacom Business and broadband; changes in foreign exchange rates, as well as changes in interest rates; the Group's ability to realise benefits from entering into partnerships or joint ventures and entering into service franchising and brand licensing; unfavourable consequences to the Group of making and integrating acquisitions or disposals; changes to the regulatory framework in which the Group operates; the impact of legal or other proceedings; loss of suppliers or disruption of supply chains; developments in the Group's financial condition, earnings and distributable funds and other factors that the Board takes into account when determining levels of dividends; the Group's ability to satisfy working capital and other requirements; changes in statutory tax rates or profit mix; and/or changes in tax legislation or final resolution of open tax or non-tax legal issues.

All subsequent written or oral forward-looking statements attributable to the company, to any member of the Group or to any persons acting on their behalf are expressly qualified in their entirety by the factors referred to above. No assurances can be given that the forward-looking statements in this document will be realised. Subject to compliance with applicable law and regulations, Vodacom does not intend to update these forward-looking statements and does not undertake any obligation to do so.

Corporate information

Vodacom Group Limited

(Incorporated in the Republic of South Africa)
Registration number: 1993/005461/06
(ISIN: ZAE000132577 Share Code: VOD)
(ISIN: US92858D2009 ADR code: VDMCY)
(Vodacom)

Directors

SJ Macozoma (Chairman), MS Aziz Joosub (CEO), RK Morathi (CFO), KS Kamath[1], P Klotz[2], P Mahanyele-Dabengwa, NC Nqweni, JWL Otty[3], JH Reiter[2], KL Shuenyane, CB Thomson, LS Wood[3] (Alternate F Bianco[4])

1. Indian 2. Swedish 3. British 4. Italian

Registered Office

Vodacom Corporate Park,
082 Vodacom Boulevard,
Midrand 1685
(Private Bag X9904, Sandton 2146)

Transfer Secretary

Computershare Investor Services (Proprietary) Limited
(Registration number 2004/003647/07)
Rosebank Towers
15 Biermann Avenue
Rosebank 2196
South Africa
(Private Bag X9000, Saxonwold 2132, South Africa)

Sponsor

Nedbank Corporate and Investment Banking, a division of Nedbank Limited

ADR Depository Bank

JP Morgan Chase Bank

Company Secretary

K Robinson

Investor Relations

JP Davids

Media Relations

B Kennedy