

Vodacom Group Limited

Fact sheet

as at 30 September 2023

Vodacom is a leading and purpose-led African connectivity, digital and financial services company. The Group, including Safaricom, serves 196.2 million customers spanning across the consumer and enterprise segments. From our roots in South Africa, we have grown our business to include operations in Tanzania, the DRC, Mozambique, Lesotho, Kenya and more recently Ethiopia and Egypt. Our population reach across our markets exceeds 500 million people. Through Vodacom Business Africa (VBA), we offer business-managed services to enterprises in 47 countries. Vodacom is majority-owned by Vodafone (65.1% holding), one of the world's largest communications companies by revenue.

1. Total population including Kenya, Ethiopia and Egypt.



History

Consistent track record of innovation

1993	1995	1996	1997	2002	2003	2006	2008	2009	2012	2017	2018	2019	2020	2021	2022	2023
Awarded a licence to operate a GSM cellular network in South Africa		First to launch prepaid services in the world on IN platforms		Vodacom launched in the DRC		Vodacom launches a state of the art 3G HSDPA network in South Africa		Listed on the JSE (18 May)		Acquired 35% of Safaricom in Kenya		Completed largest BEE transaction in telecommunications sector		South Africa fibre deals announced		M-Pesa launch in Ethiopia
Vodacom launched in Lesotho	Vodacom launched in Tanzania	Vodacom launched in Mozambique	Vodacom launched in Lesotho	Vodacom launched in Tanzania	Vodacom launched in Mozambique	Vodacom Business launches	First to launch 4G in South Africa	First telco in Africa to launch commercial 5G network in Lesotho	First to launch 4G in South Africa	First telco in Africa to launch commercial 5G network in Lesotho	Landmark agreement with Alipay to drive digital and financial inclusion	Landmark agreement with Alipay to drive digital and financial inclusion	Landmark agreement with Alipay to drive digital and financial inclusion	Ethiopia launched	Ethiopia launched	Ethiopia launched

Key people

Chairman of the Board

Mr Sakumzi (Saki) Macozoma is a prominent businessman in South Africa. He is the chairman of Safika Holdings and Tshipi é Ntle and Ntsimbintle Mining. Saki is a former board member of Volkswagen South Africa, a former chairman of Liberty Life Holdings and deputy chairman of the Standard Bank Group. He is the past president of Business Leadership South Africa. Saki was appointed to the Vodacom Group Board in July 2017 and appointed chairman in July 2020.



Sakumzi Justice Macozoma

Group Chief Executive Officer

Shameel is a former CEO of Vodafone Spain. He was previously the Managing Director of Vodacom South Africa and a Director of the Vodacom Group Board from 2000 until 2010 prior to his secondment to Vodafone Spain. Shameel joined Vodacom in March 1994 after completing his accounting training contract and has been Managing Director of a number of Vodacom companies since 1998. He was re-appointed to the Vodacom Group Board in September 2012 after his return from Spain.



Mohamed Shameel Aziz Joosub

Group Chief Financial Officer

Raisibe was appointed as the Chief Financial Officer and Executive Director of Vodacom Group with effect 1 November 2020. She joined Vodacom from the Nedbank Group where she had been the Group Chief Financial Officer since September 2009. She has a cumulative 26 years' experience in Financial Services in various large corporates in South Africa, including Nedbank Group, Sanlam Group and the Industrial Development Corporation.



Raisibe Morathi

Non-executive Board members:

Sakumzi Justice Macozoma, Phuthi Mahanyele-Dabengwa, Nomkhitha Cylda Nqweni, Khumo Lesego Shuenyane, Clive Bradney Thomson, Joakim Rieter, Pierre Klotz, Leanne Susan Wood, (Alternate Francesco Bianco) and John William Lorimer Otty.

Executive committee:

Mohamed Shameel Aziz Joosub (Group Chief Executive Officer), Raisibe Morathi (Group Chief Financial Officer), Dejan Kastelic (Group Chief Technology Officer), Matimba Mbungela (Group Chief Human Resources Officer), Nkateko Nyoka (Group Chief Legal and Compliance Officer), Stephen Chege (Group Chief External Affairs Officer), Mariam Cassim (Group Chief Financial and Digital Services Officer), Diego Gutierrez (Group Chief International Business Officer), Sean Bennett (Group Chief Mergers and Acquisitions and Business Development), Murielle Loriloux (Group Chief Officer Commercial and Strategy), Sitho Mdlalose (Managing Director: Vodacom South Africa), Peter Ndegwa (Chief Executive Officer: Safaricom), Mohamed Abdallah (Chief Executive Officer: Vodafone Egypt)

Key financials

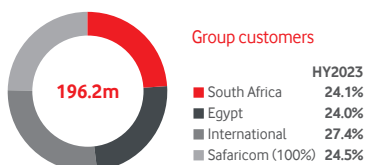
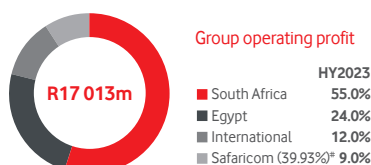
Group statutory performance measures

Rm	Six months ended 30 September		% change	
	2023	2022	Reported	Pro-forma ^A
Revenue	72 798	53 713	35.5	9.0
Service revenue	59 350	41 729	42.2	9.0
Net profit from associates and joint ventures	1 348	1 466	(8.0)	
Operating profit	17 013	13 268	28.2	
Net profit	9 968	8 072	23.5	
Earnings per share (cents)	434	457	(5.0)	
Headline earnings per share (cents)	438	457	(4.2)	
Total dividend per share (cents)	305	340	(10.3)	

Group additional performance measures

Rm	Six months ended 30 September		% change	
	2023	2022	Reported	Pro-forma ^A
EBITDA	27 286	20 200	35.1	5.5
EBITDA margin (%) ¹	37.5	37.6	(0.1ppt)	
Capital expenditure ²	9 542	7 599	25.6	
Capital intensity (%) ²	13.1	14.1	(1.0ppt)	
Operating free cash flow ³	7 168	4 806	49.1	
Free cash flow ³	(181)	2 028	(108.9)	
Financial services revenue ⁴	6 176	4 414	39.9	20.0

Contribution % as at 30 September 2023



Medium-term targets

Mid-to-high single digit Group service revenue growth

High single digit Group EBITDA growth

13.0% – 14.5% of Group capital intensity as a % 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, including Vodafone Egypt¹ on a *pro-forma* basis but excluding spectrum purchases, exceptional items and any other merger and acquisition activity.

¹ Vodafone Egypt included in FY23 on a *pro-forma* basis at an exchange rate of ZAR/EGP: 1.7; based on service revenue of EGP23.7 billion, EBITDA of EGP10.3 billion and capital expenditure of EGP3.6 billion.

Notes:

- EBITDA margin is EBITDA as a percentage of revenue.
- Detail relating to capital expenditure is on page 17 in the announcement. Capital intensity is capital expenditure as a percentage of revenue.
- A reconciliation of operating free cash flow and free cash flow is set out on page 53 in the announcement.
- The combination of South Africa financial services revenue, Egypt financial services revenue and International M-Pesa revenue.

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 in the full announcement.

The *pro-forma* financial information includes:

^A Vodafone 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 Vodafone Egypt acquisition was 1 April 2022, thus showing the segment's financial information on a full interim period basis.

All growth rates quoted are year-on-year and refer to the six months ended 30 September 2023 compared to the six months ended 30 September 2022, unless stated otherwise.

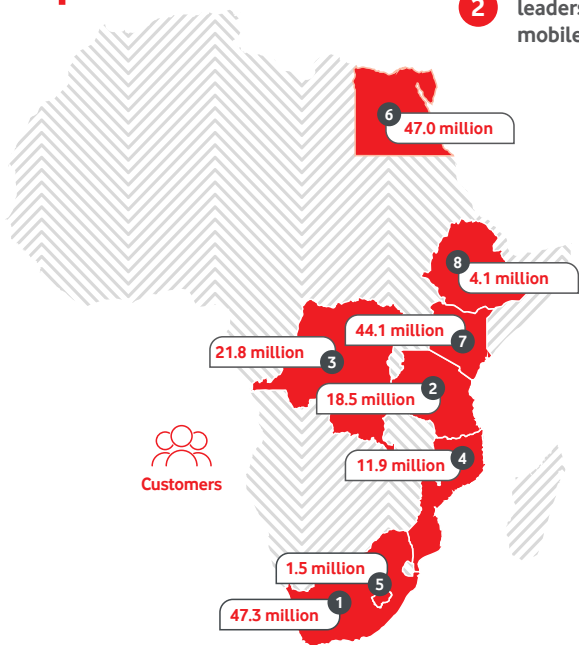
Our System of Advantage

1 Africa's leading communications company

2 Diversify and differentiate with our digital ecosystem

3 Optimised, future-ready TechCo

Where we operate



- 1** Footprint strengthened
- 2** Secure leadership in mobile and fixed

- 3** Scale financial and digital services
- 4** Digital partner of choice for enterprises
- 5** World-class loyalty and customer experience
- 6** Personalisation through CVM and Big Data

- 7** Optimise assets through sharing
- 8** Technology leadership in network and IT
- 9** TechCo organisation and culture
- 10** Trusted brand and reputation

2024 Investor Relations Calendar

3Q24 results: **02 February 2024**

FY24 results: **13 May 2024**

AGM: TBC

1Q25 results: **24 July 2024**

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- [@vodacom](https://twitter.com/vodacom)
- facebook.com/vodacom

Ticker symbol	ADR code	Stock exchange	Number of shares in issue	Free float	Transfer agent
VOD	VDMCY	JSE Limited	2 077 841 204	17.0%	Computershare

	1	2	3	4	5	6	7	8
	South Africa	Tanzania	DRC	Mozambique	Lesotho	Egypt	Kenya (Safaricom)	Ethiopia (Safaricom)
Ownership	100%	75%	51%	85%	80%	55%	34.94%*	5.7%**
Population¹ (million)	61.3	67.4	102.3	33.9	2.3	112.7	55.1	126.5
Real GDP growth¹ (%)	0.6	5.5	6.5	6.5	0.7	3.7	5.2	6
Customers (thousand)	47 256	18 502	21 785	11 867	1 531	47 022	44 115	4 125
ARPU² (local currency per month)	R94 (HY23: R91)	TZS 5 557 (HY23: TZS 5 257)	US\$2.4 (HY23: US\$3.1)	MZN 163 (HY23: MZN 219)	LSL 57 (HY23: LSL 49)	EGP 79 (HY23: EGP 65)	KES 563 (HY23: KES 566)	KES 109
Licence expiry period	2041	2031	2028/ 2032/2038 ³	2038	2036	2031	2032/ 2024/2026 ⁴	2036
Coverage (%)	2G	99.9	94.4	63.0	78.4	96.7	99.3	96.7
	3G	98.4	75.7	42.9	86.5	98.0	97.9	96.8
	4G	98.8	63.4	35.1	86.6	94.0	97.8	96.7
	5G	38.4	-	-	-	-	-	-
Data customers (thousand)	25 803	9 745	7 136	6 101	828	28 154	22 773	2 306
Smartphone penetration	63.3%	36.6%	21.2%	48.3%	68.2%	73.7%	44.3%	
NPS	2nd	1st	1st	1st	2nd	1st	2nd	
Network NPS	1st	1st	1st	1st	2nd	1st	1st	
Number of employees	5 357	594	501	795	251	5 625	5 539	925

Notes:

Vodacom Group Limited owns 87.5% of Vodafone Kenya Ltd, which in turn holds 39.93% of Safaricom Plc, giving Vodacom an effective holding in Safaricom of 34.94%.

** The Group, excluding its indirect interest via its shareholding in Safaricom PLC, has an effective interest of 5.7% in Ethiopia. In addition, the Group has indirect exposure through Safaricom PLC's 51.7% effective interest in Ethiopia.

1. The Bureau of Economic (BER) for SA and Fitch Solutions for all other countries (extraction date: September 2023).
2. Total ARPU is calculated by dividing the average monthly service revenue by the average total monthly customers during the period.
3. 2028 (2G licence), 2032 (3G licence), 2038 (4G licence).
4. 2032 (3G licence), 2024 (2G licence), 2026 (4G licence).

Forward-looking statement

This factsheet 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 statements relating to: the Group's future performance; future capital expenditures, acquisitions, divestitures, expenses, revenues, financial conditions, dividend policy, and future prospects; business and management strategies relating to the expansion and growth of the Group; the effects of regulation of the Group's businesses by governments in the countries in which it operates; the Group's expectations as to the launch and roll out dates for products, services or technologies; expectations regarding the operating environment and market conditions; growth in customers and usage; and the rate of dividend growth by the Group.

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 a number of 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, Enterprise 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 issues.

All subsequent oral or written forward-looking statements attributable to the Group or any member thereof or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statements above and below. Vodacom expressly disclaims any liability in respect of the content of any forward looking statement and also expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein or to reflect any change in their expectations with regard thereto or any change in events, conditions or circumstances on which any such forward looking statement is based.