

Vodacom Group Limited Fact Sheet

Further together

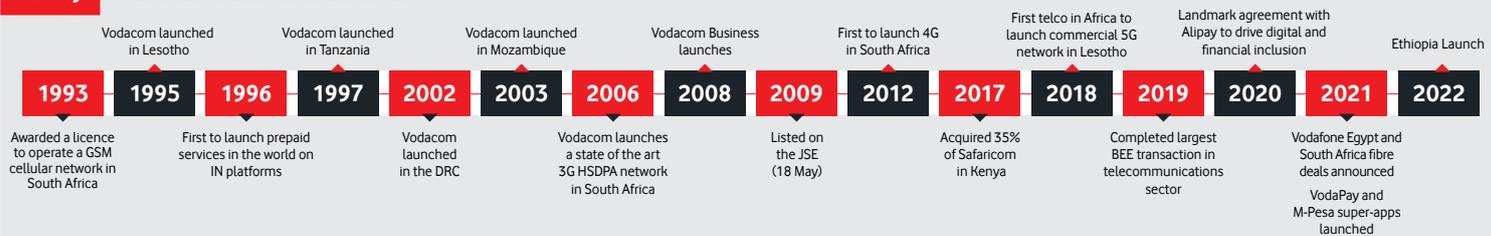


as at 30 September 2022

Vodacom is a leading and purpose-led African connectivity, digital and financial services company. The Group, including Safaricom, serves 133 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 Ethiopia. Our population reach across our markets is over 400 million people¹. This is expected to increase to over half a billion once we complete the Vodafone Egypt transaction. Through Vodacom Business Africa (VBA), we offer business-managed services to enterprises in 48 countries. Vodacom is majority-owned by Vodafone (60.5% holding), one of the world's largest communications companies by revenue.

1. Total population including Kenya and Ethiopia.

History Consistent track record of innovation



Key people



Sakumzi Justice Macozoma (65) 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 and a director at Volkswagen South Africa. He is the former chairman of the Presidents Big Business Working Group, Business Leadership South Africa, Business Trust, SA Tourism, Council of Wits University and Council of Higher Education. Saki was appointed to the Vodacom Group Board in July 2017 and appointed chairman in July 2020.



Mohamed Shameel Aziz Joosub (51) 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.



Raisibe Morathi (52) 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.

Non-executive Board members:

Sakumzi Justice Macozoma, Anna Dimitrova, Clive Bradney Thomson, Phuthi Mahanyele-Dabengwa, Nomkhitha Cylda Nqweni, Khumo Lesego Shuenyane, Leanne Susan Wood, (Alternate Francesco Bianco), John William Lorimer Otty, Sunil Sood, Pierre Klotz

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)
Sitho Mdlalose (Managing Director: Vodacom South Africa)
Sean Bennett (Group Chief Mergers and Acquisitions and Business Development)
Peter Ndegwa (Chief Executive Officer: Safaricom)

Key financials

Group statutory performance measures

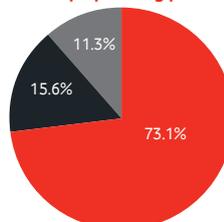
Rm	Six months ended 30 September		% change	
	2022	2021	Reported	Normalised*
Revenue	53 713	49 856	7.7	5.0
Service revenue	41 729	38 915	7.2	3.9
Net profit from associates and joint ventures	1 466	1 644	(10.8)	5.1
Operating profit	13 268	14 058	(5.6)	(5.1)
Net profit	8 072	8 873	(9.0)	
Earnings per share (cents)	457	504	(9.3)	
Headline earnings per share (cents)	457	505	(9.5)	
Interim dividend per share (cents)	340	420	(19.0)	

Group additional performance measures

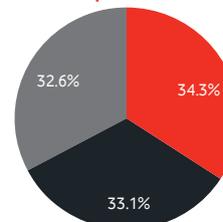
Rm	Six months ended 30 September		% change	
	2022	2021	Reported	Normalised*
EBITDA	20 200	20 076	0.6	(1.8)
EBITDA margin (%) ¹	37.6	40.3	(2.7ppt)	
Capital expenditure	7 599	6 920	9.8	
Capital intensity (%) ²	14.1	13.9	0.2ppt	
Operating free cash flow	4 806	6 458	(25.6)	
Free cash flow	2 028	4 456	(54.5)	
Financial services revenue ³	4 414	3 704	19.2	10.7

Contribution % as at 30 September 2022

Group operating profit



Group customers



Medium-term targets

- Mid-single digit Group service revenue growth
- Mid-to-high-single digit Group EBITDA growth
- 13.0% – 14.5% of Group capital expenditure 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, excluding spectrum purchases, exceptional items and any merger and acquisition activity such as Vodafone Egypt and CIVH.

Notes:

- EBITDA margin is EBITDA as a percentage of revenue.
- Capital intensity is capital expenditure as a percentage of revenue.
- The combination of South Africa 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 on pages 49 to 53.

The *pro-forma* financial information includes:

* Normalised growth, which presents performance on a comparable basis. This adjusts for foreign currency fluctuation on a constant

currency basis (using the current year as 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 six months ended 30 September 2022 compared to the six months ended 30 September 2021, unless stated otherwise.

Our strategy

Africa's leading communications company

- 01 Footprint strengthened
- 02 Secure leadership in mobile and fixed

A leading African TechCo with a clear system of advantage

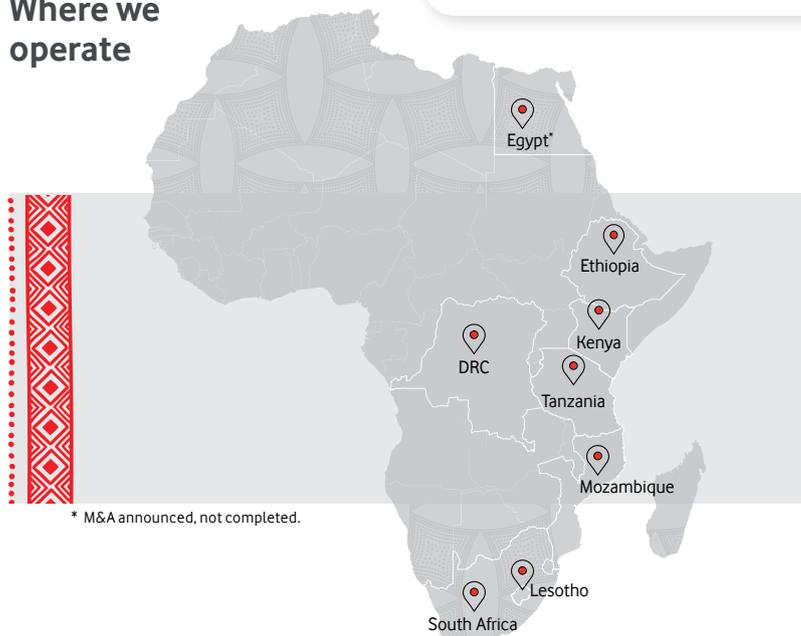
Diversify and differentiate with our digital ecosystem

- 03 Scale financial and digital services
- 04 Digital partner of choice for enterprises
- 05 World-class loyalty and customer experience
- 06 Personalisation through customer value management (CVM) and Big Data

Optimised, future-ready TechCo

- 07 Optimise assets through sharing
- 08 Technology leadership in network and IT
- 09 TechCo organisation and culture
- 10 Trusted brand and reputation

Where we operate



* M&A announced, not completed.



31 January 2023

3Q23 Results

15 May 2023

FY23 Results

20 July 2023

Vodacom Group

AGM

Ticker symbol

VOD

ADR code

VDMCY

Stock exchange

JSE Limited

Shares in issue

1 835 864 961

Free float

20.11%

Transfer agent

Computershare



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facebook.com/vodacom

	South Africa	Tanzania	DRC	Mozambique	Lesotho	Kenya (Safaricom)	Ethiopia (Safaricom)
Ownership	100%	75%	51%	85%	80%	34.94%*	6.2% ^a (direct)
Population¹ (estimate)	60.8 million	63.3 million	95.2 million	33.1 million	2.2 million	56.2 million	20.8 million
Customers	45.5 million	16.0 million	16.1 million	10.0 million	1.8 million	43.2 million	0.18 million
ARPU² (local currency per month)	R91	TZS5 257	US\$3.1	MZN219	LSL49	KES566	
Licence expiry period	2041	2031	2028 2032/2038 ³	2038	2036	2022 - 2037 ⁵	2036
Coverage	2G	99.9%	92.9%	56.2%	73.5%	96.0%	97.0%
	3G	99.9%	66.7%	38.2%	73.2%	97.0%	96.0%
	4G	98.4%	50.4%	30.7%	73.6%	76.7%	97.0%
Smartphone penetration	62.3%	32.4%	22.8%	51.4%	63.5%	44.4%	
Points of presence – formal⁴	8 844	120 365	30 210	78 698	10 792	–	
Points of presence – informal⁴	57 435	26 436	435 117	21 967	3 804	–	
Number of employees	5 439	575	572	769	239	4 436	

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%.

1. The Bureau of Economic Research for SA and Fitch Solutions for all other countries (Extraction date: October 2022).

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. Formal points of presence include Vodacom owned and franchised shops, service providers and private outlets, retailers that purchase directly from Vodacom, M-Pesa agents and ATMs. Informal points of presence include super dealers, territory and data dealers, street vendors/ freelancers, informal resellers and Virtual Top Ups. As at 31 March 2022.

5. Licence period based on spectrum band rather than technology.

6. The Group, excluding its indirect interest via its shareholding in Safaricom, has an effective interest of 6.2% in Safaricom Telecommunications Ethiopia Plc STEP. In addition, the Group has indirect exposure through Safaricom's 55.7%. This implies an overall look-through stake of 25.7%.

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.