

VODACOM - 10 NOVEMBER 2025

SHAMEEL JOOSUB

Good afternoon and good morning to those joining the call in the US.

Welcome to the highlights call for our six months ended 30 September 2025.

I am joined by our Group CFO Raisibe Morathi as well as our head of investor relations, JP Davids.

We trust that you enjoyed our video presentation that we screened before this call. The video is available on our website and covers our purpose-led strategy, called Vision 2030, and the performance against our strategic ambitions.

For those not able to watch our presentation, I will take you through some key highlights from this period. We will then move into a Q&A session.

- We had a great start to the financial year, delivering ahead of our double-digit EBITDA growth target, while also reporting excellent return metrics.
- Revenue of R81.6 billion was up 10.9% and was supported by an excellent commercial performance. Customers went up 8.6% to 223 million, with our Vision 2030 target of 260 million customers well within our sights.
- Our financial services business is also rapidly progressing towards our target of 120 million customers by 2030. We reached 94 million financial service customers in the period, up 13.1%.
- We see financial services as a key differentiator for our customers and our investment case. Financial services now makes up around 25% of our profit before tax.
- Our Vision 2030 double-digit growth ambition is supported by product and geographic diversification.
- We operate across eight markets in Africa, but manage the business in four segments.
- Starting in the north with Egypt, which reported another stellar set of results.
 - Critically, as the country's macro conditions have stabilised, we are now converting the local currency growth into stellar rand and euro growth.
 - For example, Egypt contributed R7.8 billion to the Group's operating profit, up 66.5% on a rand basis.
 - This growth is broad-based, across consumer and business mobile, fixed, and Vodafone Cash.
- Shifting a little further south to Safaricom.
 - As an associate, Safaricom contributed R2.1 billion to operating profit, increasing 65.3%.
 - Safaricom's result was supported by an excellent performance in Kenya, with EBITDA margins of 57.3%, up 2.2 percentage points, and lower losses in Ethiopia.
 - Kenya delivered another excellent topline performance, with another standout performance from M-Pesa, which was 14.0% on a very large base.
- Our four markets that make up the International business more than doubling operating profit to R2.1 billion.
 - This result reflected double-digit service revenue growth in DRC, Lesotho and Tanzania.
 - The operating leverage of these assets was also evident in the period, with EBITDA margins recovering to 33.9% from 28.2% in the prior year period.
- Finally, to South Africa, which remains the largest component of operating profit at R8.8 billion.
 - While we delivered growth in consumer contract, Vodacom business and beyond mobile services, it still proved a challenging period for South Africa.

- Pressure on prepaid and a one-off cost weighed on the result.
- We target EBITDA growth in the second half, but expect prepaid to remain challenging in the near term.
- We intend to balance price discipline with an appropriate response to competitive noise in prepaid.
- Before I shift back to the Group metrics, we separately announced last week that the long-running Please Call Me matter has been settled by the parties out of court. The settlement cost was recorded in these results. Both parties are glad that finality has been reached in this regard.
- At a Group level, the strong growth across three of our segments delivered net profit to equity holders of R9.1 billion, with headline earnings per share of 467 cents, up 32.3%.
- Our headline earnings included some one-off impacts in the current and prior year periods. If we iron these out of the results, the underlying growth was in the mid 20s.
- We were also pleased to report healthy balance sheet and return metrics. Return on capital employed increased 3.8ppts to 26.3%.
- With returns in mind, we have a policy of paying at least 75% of headline earnings as a dividend. For the interim period, the Board declared a dividend of 330 cps, up 15.8%.
 - As a reminder, in the prior year period, the Board adjusted the payout ratio to 86% to account for the phasing of Ethiopia losses, which were skewed to the first half.
 - The payout ratio was set to 71% in the second half, to balance this out.
- Shifting from performance to purpose, which is at the heart of Vodacom. Our video sets out the progress we are making on our three purpose pillars of empowering people, protecting the planet and maintaining trust. We have well established hero projects and new initiatives that drive each of these pillars.
- In this period we launched the Maaki program to empower 1 million Egyptian rural women over the next 3 years. This program was created in association with Egypt's Micro, Small and Medium Enterprises Development Agency, the Care Egypt Foundation and Samsung. It is designed to foster digital and financial inclusion by equipping rural women with skills and tools to utilise Vodafone Cash services and engage in digital education.
- Before we move to Q&A, I will make some comments on our outlook.

- We remain well on track with our medium-term targets, with a clear focus on double-digit service revenue and EBITDA growth.
- For the remainder of FY2026, we anticipate an improved performance from South Africa, with strong EBITDA growth from Egypt and International business consistent with our double-digit target.
- We expect capital expenditure to step up in the second half, having spent R9.4 billion in the past six months. We plan to spend R23 billion across our markets in the current financial year.

That concludes my review. Raisibe and I are now ready to answer any questions you may have.

JP DAVIDS

Thank you, Shameel, there are quite a few questions on South Africa to get us going, and we will start with the top line questions, and then move into EBITDA, and other variables. So, we've got Ganesh from Barclays. We've also got Jonathan of Prescient, and Maddie from HSBC all asking questions around prepaid. In short, can we give a little bit of commentary on what played out in the quarter, maybe some colour on some of the ARPU trends we saw in the quarter and how we are thinking about these trends into the coming quarters. So, what is the second quarter telling us about 3Q and 4Q to come.

SHAMEEL JOOSUB

Okay. Thank you, JP. So, I think on prepaid, a couple of things. So firstly, we are seeing a consumer much more under pressure than we've previously seen. So that's the one part. We're seeing consumer wallet impacted by gambling. So we think that's also affecting the consumer wallet. That said, we've also seen some competitive pressures in the half, especially in the second quarter, and what we've had to do is to make sure that we stay competitive, so we've not lost any customers. We've managed to hold on to our customers. ARPU has broadly remained stable. Q1 was 58 rand per sub. ARPU, and Q2 was 57 rand per sub. So the ARPU kind of remained stable, but of course, there was a much more negative result in the, minus 2.9 in the second quarter, contributing to a minus 1.6 over the half.

What we've done to stay competitive is a few folds. So firstly, making sure that the inflow continues to be strong in terms of customers, and balancing out any churn. So, I think from a customer base perspective, the base is growing, not declining. So that's the first point, on prepaid specifically. The second thing is, we've had to improve some of the offers that we're putting out there to make sure that we also staying competitive against some of the competitive offers that have emerged. So the weakness is coming more in voice than it's coming in data, and that's because one of our competitors is throwing in voice, a lot of voice into offers. So, we having to counter that as well in some of our offers. What we pushing for is more transparent offers, so we've used a lot of private pricing previously, so we're moving towards more transparent pricing, especially you'll see it in our LTE bundles as well, but also trying to push more longer term bundles so that we can try and gain, having grown the segment of shorter term bundles, we're now trying to get customers more into longer term bundles, so we can get more of the committed spend, especially where customer is using more than one sim. Some actions have been taken proactively, and some especially, to give an example, in the fixed wireless space, where what we've seen is a very good growth in terms of net adds, gaining of market share. So we've seen, because historically, we were always under indexed in that space, and someone like Telkom had a lot more stability in revenues, because they had a bigger FWA base. What we've now done is to make sure that we're growing so we're seeing four or five points increase in market share from last year to this year, and so that's picking up quite nicely. So we'll continue to grow that segment as well.

JP DAVIDS

Hopefully that also deals with Siphelele's question, from Matrix, around competitive dynamics in prepaid, and Jono from ABSA had had a similar question around SA prepaid. But remaining on South African prepaid, Maddy had a question around the regulatory setup in South Africa. Do you ever see a scenario where South Africa follows markets like Egypt, Tanzania, with price floors.

SHAMEEL JOOSUB

I think it's certainly something worth considering in the industry collectively, have agreed to approach government in terms of having that discussion. And the reason for that, that it's actually creating a lot more stability. And what we're seeing is that the fragmentation in the markets is actually leading to situations, especially in a lot of the developed markets, where you seeing it's curbing, you know, investment back into the networks, into fibre and so on. So, in market consolidation, price floors, or price regulation is actually proven to be very healthy. So we are of course, trying to have more markets on that pricing. Today we have Egypt and Tanzania, and we're currently busy with the DRC in Mozambique, where the regulators are actively considering, and have done studies, and they have come up with the results. So we're looking at implementation there. In South Africa, still early days in terms of the discussions, but certainly something that we'll keep trying for.

JP DAVIDS

Sticking with the top line in South Africa, Maddie and a couple of others, just had a question around the postpaid trends in the quarter. It looked like a little bit of a slowdown quarter on quarter. Any cause for concern there or does the outlook remain broadly unchanged for postpaid?

SHAMEEL JOOSUB

I think broadly, postpaid is going around 5%, there's some deferrals from last year this year that create a little bit of noise in the half yearly results. But, I think the underlying trend is around about 5% on contract, and that will remain stable this year, the previous year, and probably into next year as well.

JP DAVIDS

Shifting to South Africa's EBITDA, and perhaps also EBITDA margin. There's eight different questions being asked of the same nature, but in slightly different ways, which is, can we try and help the participants on the call understand, what 1H would have looked like without the one-off cost in it, and, you know, if we are unable to do that, perhaps provide some colour into the second half of the year, around what South African EBITDA growth, or margins, could look like.

RAISIBE MORATHI

So, as the settlement arrangement is highly confidential, unfortunately we're not able to give you the normalised view excluding that. But I think just looking at where we landed, at EBITDA minus 5.3%, it is quite clear that it's not a number that is earth shattering. I think, we have put that behind us, and the forward look is that we expect our EBITDA growth, to somewhat normalise in the second half of the year, and the EBITDA margin, which is printing somewhere between 36 and 37%, which is back to the trend that we're at, outside of this settlement that we have put behind us now. And in terms of where that is going to come, whilst cautions that the prepaid trend has been quite tough. So, a lot of initiatives that Shameel spoke about, in terms of, improving the trend in the prepaid revenue, but also continue with the journey on our costs. So our cost program is still fairly robust, and that is covering a range of things from the sharing agenda to really managing our day to day headcount costs and all of those everyday costs. And we do believe that our efficiencies will still come through to support the normalisation in the second half.

JP DAVIDS

Thank you, Raisibe. Just before we leave South Africa, or switch tack a little bit, I think Nadim just has a follow up on prepaid, that's Nadim from Standard Bank. Just asking a slightly more specific question around the SA prepaid menu, you know, are you in a process of transforming the South African prepaid menu, to adjust for the current market context. I guess picking up on your discussion around transparency, etc. So maybe just another minute or two on that, and what he's trying to see is, are you trying to drive any specific type of behavioral shift that you'd like to see in the customer.

SHAMEEL JOOSUB

I think it's a couple fold. One is making sure there's more transparent offers versus private pricing. So more making sure that all customers can see all the offers, keeping a lot of the offer static, is the one part, because, you know, you have a percentage of the base that is not private pricing engaged, so you lose out on that part of the customer base who doesn't see it. So that's the one part. And then, of course, creating more competitive structural offers that stretches the customer into weekly, bi monthly, and monthly offers, so that you can actually, you know, get more longevity out of the customer. You'll also see, we've launched things like spend and get, you know, if you spend a certain amount, 120 rand with us, we give you free funeral cover as an example. So that caters for the customer's need, because that same

customer would be buying funeral cover. So, if they spend 120 rand with us for the month, and they can buy whatever packages they want to, then that will unlock free funeral cover. And that's already existing in digital channels with VodaPay and is actually picking up quite nicely in terms of take up.

JP DAVIDS

There are a few questions on the call around the estimate for the settlement for the Please Call Me matter, just to reiterate what Raisibe said, that's a confidential agreement, and we will not be disclosing that number.

Shifting gear to the fibre landscape. We've got a couple of questions there. Kudlakwamadoda Investments, Sinako from there is asking around Herotel and Fibertime scaling very quickly with a coverage in townships, where around a third of the population stays in South Africa, what are our plans for township and rural areas when it comes to fibre connectivity? So that's the first question on fibre. The second question on fibre comes from Funeka from Nedbank, asking just around the sustainable return on investment, on the Maziv deal. So over what period do you expect that you'll generate that sustainable return on investment.

SHAMEEL JOOSUB

So, on the, on fibre generally. So, remember Fibertime and those solutions are out there, but remember Herotel is part of the Maziv transaction. So, remember, Maziv have acquired Herotel with the final piece still at the competition authorities, but they already own 49% that's part of the deal. So that is already part of the Maziv deal, and of course, you had that capability there as well. So, you've got the secondary towns, you've got the townships, and you've got the rural areas that are all covered by the roll out of fibre, and I think the models are very clear. So, we, of course, are cognisant of the fibre time, what they doing as well, and we're doing similar kind of things in Kenya. So, we also seeing a lot of success in connecting multi dwelling units, I would say, at an even lower price per home connected in in Kenya. So, in fact, we were just in an earlier call with staff, showing them, you know, the benefits and the uptake of that service. So, we'll use the learnings from across our markets, to roll out in South Africa, but also into the other markets, as we look to build FibreCo's in each of our markets,

RAISIBE MORATHI

So, in terms of the return on investment. So similar approach that we follow with all M&A, that we would target the return to exceed our cost of capital, which in this case is roughly about 15%, so, and we expect that to take place in the medium term. So, we're quite comfortable that the value add of this investment, both quantitatively and qualitatively, is quite strong.

JP DAVIDS

Shifting out of South Africa for a bit, just one question on international, before we move on to Egypt. And the question on international is really around the margins in the first half from Rohit at City. He's just asking, what are the drivers of that improvement in the first half, and is this level of margin sustainable going forward, that being close to 34% EBITDA margin.

RAISIBE MORATHI

So yes, it is sustainable. We quite pleased to see an improvement in our international business, noting that the prior year was also impacted by the one offs in DRC, which we are glad that we are over that, we are now moving along, and DRC was always a very strong top line growth, and bar, that list of items that we dealt with last year, it is a business that we continue to see some prospects for growth. We've also called out Tanzania, which has really done very well,

supported by a stable macro environment, and also a pricing environment that has a price floors. So, the momentum that we see in Tanzania continues, and we're also doing a network replacement, which is really positioning us very well to be more 4G ready in more sites. So quite exciting.

We're seeing a very nice recovery in Mozambique, from the election disruptions to pricing disruptions that we had in the past. So, whilst we are still in negotiations to see whether or not the price floor can be implemented and implemented the correct way this time around. But nevertheless, we are seeing some operational momentum, where there's less and less of a negative growth. And now we actually ended with a quarter that is a positive growth, so really contributing, and of course, Lesotho also quite stable. So, the sustainability of margin in IB, absolutely, and we do think that there's even room for improvement of that margin going forward.

JP DAVIDS

Moving to Egypt, I'll pick up for Funeka's question from Nedbank, because it's relayed by quite a few people, just around the EBITDA margin in Egypt, at around 46, 47%, excluding, lumps and bumps in the half year. Is this a sustainable medium-term margin, and related to that, you know, what is driving that margin upside, in both Egypt and IB, is it operational leverage, is it cost cutting, you know, what's behind that.

RAISIBE MORATHI

So, there is strong growth, the top line, Egypt still grew in the 40s, in terms of the service revenue. Of course, we had the price increase of 30% in the last quarter, last year. So as we lap that, the last quarter of this financial year, will probably dip into the 20s, but still robust growth, driven by operational momentum, and basically all the different components in the business, being financial services, CBU, Enterprise, and all of that, really doing very, very well, and with the very strong CVM offerings, so the margin of the 47%, that is a bit of an outperform where we expect that margin is sustainable at around mid-40s/45%, thereabouts. But of course, if we can achieve more than that, we'll absolutely be happy. But I do think that expectations at 47% is probably a little bit too high at this point in time, and particularly as we are expecting that the revenue growth will normalise as we lap the price increase. And I've already covered the IB environment, and maybe just one more point on IB, is that before the challenges that we experienced in Mozambique, Mozambique was running at an EBITDA margin of 40%, so there's still a lot of room for Mozambique to improve. So, all of that and all those dynamics, we believe that they do, position us for sustainable EBITDA margins in those two.

JP DAVIDS

A quick follow up there for Shameel, Rohit, just asking, what is the scope for another price increase in Egypt next year.

SHAMEEL JOOSUB

Ja, so I think, I don't think we should pencil in automatic price increases. I think really the devaluation, or, if there's a devaluation, then I think one can then approach government for a price increase. So, but I think given the price floors that we have in that market, you know, you're going to have strong conversion, traffic up, rates steady, and you'll still have a consistent conversion of that into revenue. So, I mean, in the half, traffic was up 22%, so you've still got very strong traffic growth, and therefore you've got strong ARPU growth. In terms of price increases, we also have a mechanism where we do have, what I call natural price increases each year, where we give customers more for more, and that's part of our modus operandi in Egypt, and that also contributes positively to our growth. And what we are seeing is that you'll see us having put a little bit more Capex, into Egypt this year, because we are seeing that revenue

monetised, especially as we're rolling out more 5G sites. So, if we put up a new tower so we are from a capital allocation perspective, also carefully managing where we allocate capital.

JP DAVIDS

There are a couple of questions on financial services. I'll start with the higher level ones, and then I'll get into the more specific ones. So, at a high level, Jono is asking around our appetite to list the financial services business, noting that a couple of our peers appear to be doing that at the moment, and then Jonathan from Prescient is trying to get more colour around the micro lending landscape, and he's trying to get a sense of how these micro loans, such as Fuliza, if they can be perhaps detrimental to voice and data spend, or is it, I guess, a net, net positive for the customer, where you extend these micro loans.

SHAMEEL JOOSUB

Okay, so maybe a couple of things. So, on the financial services side, I think really, really strong growth across all our markets. 477 billion dollars of transactions, up 13%. The way I like to think about it is our take rates about 0.4%, 0.5% per transaction. You can see, R8 billion from Vodacom, R12 billion from Safaricom during the period. So, you know, that's annualising at about a 2.2 billion dollars a year, or over 40 billion rand of revenue coming from Fintech. Now what we're trying to position is, we're not looking to separately list the financial service businesses, because we do see it intricately linked to our value proposition that we're providing to the customer. In fact, we see it more closely linked and then coupling that with loyalty going forward, what we are looking at, and that's why we're giving so much colour on it, is that the positioning for us is that we have something very different to offer from a normal Telco, and, you know, with a 25% contribution coming through, you know, to profit coming through from the Fintech side. What we also doing is we're building centres of excellence, and then using that to basically push through the group. So, an example would be, in South Africa, we have a very big insurance business, and a lot of capabilities and platforms that we built. So now we're using that as a centre of excellence to expand into more markets, with Kenya and Tanzania being the two markets that we'll focus on. So, we're not trying to do everything at once. We also making sure we can pick up on it. And then on the reverse, what we're doing is on international money transfer, we'll do it the other way around, where we'll take it to Egypt, we'll take it to South Africa, we'll take it to Ethiopia and so on. And the same with, we're seeing a lot of benefits coming through now, starting with investments, and it's starting to scale very quickly.

In terms of your question on lending, there's no balance sheet risk on it. We do about 11 billion dollars of loans now, but it's all, the balance sheet risk is taken by the lending institution, and we take a good margin on it, and depending on the type of product, the margins are higher or lower. An example would be overdraft style products have a very, very high margin. In terms of, is it contributing or detracting from airtime. These services have been running for many, many years now, and actually, you know, it hasn't impacted airtime at all. I mean, take a market like Kenya, the market's still growing very, very strongly. But you know, our Fintech services, is sitting at 44% of revenue. So actually, it's beneficial to airtime. So, you would have an airtime advance, or in some of the markets, you could even take a loan then by airtime. So, we see it is actually being complementary, as opposed to detracting from the revenue. Remember, you're not paying for the services through airtime. You're paying for it from your wallet.

JP DAVIDS

There's a specific question on financial services from Nadim, and just really building on that answer you've given Shameel, which is, what are the focus areas for Egypt over the next, sort of, 12 to 24 months, in terms of that financial services ecosystem.

SHAMEEL JOOSUB

I think there's quite a few, and if we take from the learnings from the other markets, Egypt is still very much, still P2P, so that's person to person, payments and money transfer. So, I think growing out the payments ecosystem, growing out the merchants ecosystem, bringing in the lending part, bringing in insurance, bringing in, international money transfers. So, there's a whole host of services, virtual cards, all of these type of things. There's still a myriad of different products that we can still, that we can still grow in Egypt. But I think what's very positive in Egypt is that the base also continues to grow because of the amount of people that are unbanked, and what's happened is, that's why we've got such a large market share in the wallet. The wallets become the trusted part, so remember, there was also a trust element of people, keeping their money, let's say not in banks and so on, and now they're becoming more and more confident in that context. So, you know, that's why we're seeing this big growth that we've seen over the last couple of years.

JP DAVIDS

We have a few group questions, and then we'll come back to South Africa. So first one is from David at New Street Research, just wanted a little bit more colour around that Capex step up in the second half of the year. Where do you intend to deploy more Capex in the second half. Perhaps the next one for Raisibe. It's just a clarification from Maddie, he asked, was the settlement factored into the EPS base when considering dividend per share. So just wanting to know, did, did we adjust for that, yes or no. And then, perhaps again, back to Shameel, Maddie, just asking around whether there's any sort of M&A action to anticipate from our side where we focused from an M&A perspective at the moment.

SHAMEEL JOOSUB

Okay, so, I think from a from a Capex perspective, of course, I mean the obvious one. If you spend R4 billion in South Africa, we have to spend close to 12 billion, so there's R8 billion of the additional spend going to South Africa specifically. So that's the one. And then there's more Capex that we've allocated to both International, and Egypt for the remaining part of the year to make sure that we can continue to take advantage of the growth that we're seeing, specifically in Tanzania, DRC and Egypt.

RAISIBE MORATHI

So, in terms of whether the settlement is coming all the way through to EPS, that is correct, and we did not make any adjustment in terms of considering the dividend.

SHAMEEL JOOSUB

So from an M&A perspective, the big thing for us is, of course, to finally get the approvals on this Maziv transaction that the cash flow and so on, so that we can start to unlock the benefits of that transaction, and the benefits to society in general in South Africa as quickly as possible. So, a little bit frustrating, to be honest, hopefully it will be sought out in the next week or two, but a little bit frustrating that it's taking so long, given that we'd already had conditional approval on the transaction from ICASA, that's the one. And further M&A opportunities a little bit. So, a lot of it will be centred around basically more JVs and these type of things, around fibre, and where the opportunities lie. Where there's an opportunity to do, what we want to do is to do rural coverage in fibre in all markets, and also data centres. So, where there's an opportunity to partner, we will partner. So that's the one part, but these are small size investments. Then, of course, the rest is a little bit, of course, if there's any opportunities for in market consolidation, certainly something that we would consider, and we're kind of keeping our powder dry, in case some opportunities present themselves.

JP DAVIDS

Okay, they're going to be a few more, specific questions now across the portfolio. Let's come back to South Africa. So Preshendran has two, Preshendran from 36One. He asked firstly, around gambling in South Africa, is the gambling data traffic zero rated, or is it paid by the gambling houses, and how do these vouchers work. For example, the ones that are available on VodaPay, perhaps related or unrelated to that. He's just asking around the growth in financial services for Vodacom South Africa. What is driving Vodacom financial services revenue growth at the moment.

SHAMEEL JOOSUB

Okay, so firstly, on gambling. So, the platforms, if they are zero rated, basically, it's done through what we would call reverse billed data. So, we certainly not zero rating any gambling parts, because there's nothing in us, for us to do it. But you can buy reverse build data and then zero rate it. And so some of the gambling houses are doing that, and they are zero rating data across networks, but they paying for it. Secondly, on vouchers. Essentially all we do is we sell vouchers. So we sell food vouchers, we sell fuel vouchers, we sell clothing vouchers, we sell gambling vouchers. So, you know, that's all in the VodaPay store, if you like. And, yes, we have seen a good tick up of that as well. And so clearly, people are buying gambling vouchers. But frankly speaking, if they don't buy it from us, they're buying it from someone else. So, part of the Super App, is having these services available. In terms of financial service in South Africa. So you're seeing, very strong growth coming through in terms of the insurance business. So insurance business is growing in the teens. So that's been a very strong growth for us, and is picking up quite nicely. And we're looking at, how can we take the expertise that we've built, and actually take it to the international markets, and then we're still seeing a good tick up on the payment services, and then, of course, on VodaPay, in terms of things like airtime, that we're selling directly. The, you know, we've more than trebled the amount of airtime, we selling directly versus what we were selling before. So more than 10% of our airtime coming directly through our channels, and by combining the apps, we've actually seen an uplift in terms of the amount of transactions that we're doing, and that's picked up quite nicely.

JP DAVIDS

Jono has a specific question on airtime advance in South Africa, which I will take. He's asking, what proportion of financial services revenue is from airtime advance.

It's not a specific number we give out, but it is well less than half of the number, but unfortunately, not going to get much more out of us than that.

David from New Street wanted to follow up on the competition levels in South Africa, particularly the prepaid space, and after the quarter. So, what are we seeing into, I guess, what we'd call our sort of summer campaign, or summer season.

SHAMEEL JOOSUB

So a couple of things in the summer season. I think, of course, for us, we'll be betting against a very strong comp from last year. Because, of course, it's always a good period for us as we go into the summer period, and we look for an uplift from Q2 to, or from Q3 over Q2, so that's a important part for us. What we have done is basically put out some compelling offers. Going into the summer period, dealing with some of the competitive stuff that we've seen, and so on. And I think part of it, of course, is also, some competitors over reacting and throwing a lot of voice, and that's where the decline actually in prepaid is more coming from the voice side, than it's coming from the data side, and that's because some competitors have thrown in a lot of voice into offers, and then we've had to compensate for that, by improving the offers on our side. So, you know, there's, there's a bit of that playing out into the market, and it's not the MVNOs, so that's the issue that we have there. But I think, as we're going to the summer period, making sure we competitive at the

point of sale, in terms of devices, inflow, the offers itself, utilising the loyalty, driving people towards our app, but also our loyalty programs and so on, is very much part of the summer promotion.

JP DAVIDS

We have one last question on the webcast at the moment. So just as a reminder, if you do have a question, you can pop it into that webcast chat box, and I'll pick it up. The last question, as it currently stands, is from Anup at Moon Capital. He wanted to chat about tower mergers in Egypt. Is there a possibility of tower mergers in Egypt. Just your thoughts around, if there's, you know, anything there to be interested in, and whether we would take part in any sort of tower plays in that market.

SHAMEEL JOOSUB

To be honest, nothing on the cards at this stage, and nothing that we considering, or even looking at in terms of tower mergers. Is there possibilities, sure, depending on who wants to sell their towers, and, you know, is it something that we would consider, I think it would depend on, what is at offer, and effectively, what the benefits are for us, because we have got a high level of sharing in that market. So, one would have to look at it on its merit and see if there's any synergies, opportunities, in terms of whose towers, and what does it look like. At this stage, there isn't really any TowerCo's in the market. There was talk of IHS being licensed a couple of years ago, but actually didn't amount to much, or nothing really happened, but other than that, there's no TowerCo's. It's all owned by the Telco's.

JP DAVIDS

My call for more questions prompted more questions, which is great news. So the first one of these comes from Siphelele, from Matrix, a follow up question. He wanted a bit more colour on our thoughts around the MVNO space in South Africa. And his specific question is, what is our thought around what this market share could look like for the MVNOs in, I guess, in the medium to longer term. So how much market share do we think MVNOs could take. Perhaps just staying with South Africa, let's ask a second one at the same time. Jono has a follow up from Absa. Is there any sense of how long this increased competitive environment in South Africa could go on for. Do we get a sense that this is a couple of quarters, or is this something, you know, we're anticipating, drags into FY27, and thank you, Jono, for acknowledging that's perhaps an unfair question.

SHAMEEL JOOSUB

Ja, so first thing on the MVNO space, and I think always important to remember, MVNOs buy from MNOs, and in this case, an MVNO is buying from an MVNO who's buying from a Telco. So effectively, you know, or if you want to call Cell-C an MVNE if you like, but what we're seeing is that we haven't really seen any change in the customer bases, or in the revenue lines, as it relates, as it goes into the Cell-C numbers, or even into the MTN numbers, where more of the MVNOs are sitting. So, there hasn't really been any change in market shares in that context. So that's point number one. Point number two is always, remember, you're buying from someone, so you have to markup that service. I think what the competitive parts that you're seeing at the moment, you know, that changes the game a lot in terms of also the, let's call it, you'll see some of our competitive offers that are out there for summer, some of the offers that are coming from MTN, of course, from Telkom and so on. So I think that reduces, so whether you like it or not, you've actually reduced the competitive gap, if I can put it that way, between you and what the MVNOs could potentially do. Also, I think when you come up with more transparent offers, you're also reducing that gap further, because you're putting out to all your customers the same price point, whereas on CVM, you maybe have 60, 65% of your base, so 35% of your base weren't CVM engaged, now they're seeing the offer straight up. Those are kind of transitions that were happening, and I think that will make the MVNO case, how should I say, interesting, more difficult, you can choose the adjective that you want

for it, but I think that's really the way I see the MVNO part. And of course, you know, I think where there's a loyalty play, I think that's a different part. And I always say, if the banks want to give the Telco's money, then the Telco's should take it. So, you know, that's different, I think, like what you're seeing with, say, FNB, you know, consistent base, last 12 years, giving to some of the high value customers, better offers, that type of thing, or offers, I would say better offers, but offers, you know, those type of things, you know, I think, are sustainable, but they're also being funded, and they're being funded out of somebody else's wallet. But, if it's a pure price game, I think, when the competitive dynamics, as you see at the moment, we don't sit by and leave it, so we will take the negative, but we also make sure that we will respond. Do I think it bottoms out, yes, I think it does, but honestly, it's not an exact science, so we'll have to see. But I think what we've seen historically is, you go through a few quarters of this, and then you gain stability.

JP DAVIDS

Sinako has a follow up question on voice revenue. It's not clear whether it's in the context of South Africa, or the group, so perhaps we can just provide a lens on both. Just how do we think about voice and voice revenue, the outlook for voice and voice revenue, going forward.

SHAMEEL JOOSUB

So, I think if you look at the group in total, basically, voice now consists of 16.6% of the group's revenue. And that was flattish, so minus 0.2% during the half. So, you can see that structurally it's becoming less, as the other sides are growing much faster. So, it's becoming less and less of an issue. I think, voice will have its challenges. Some markets, of course, voice is still in growth. Example, you know, Egypt, the DRC, Tanzania and so on. And then you have some markets where, you know, like South Africa, where voice is actually in decline, driven by things like OTT voice, but also driven by, you know, where competition have just thrown in, like what we've recently seen, to improve their competitive part, they've just thrown in voice. Of course, MVNOs like that, so you'll know who I'm talking about, one of the big players throwing in voice suddenly, and that's what's caused some of the weakness in voice for all of us.

JP DAVIDS

Adrian from PSG Wealth had a question on what we think the value Optasia brings to Telco operators, just generally, and I guess this would obviously be in the context of Optasia's recent listing.

SHAMEEL JOOSUB

Ja, look, of course, they've been a partner of ours for a long time, you know, they add value on the airtime advance part and so on. And, you know, we've made sure that, you know, we've, let's just say that we have a good deal, let's put it that way, on the one side, and then on the other side, as they increase their new products and offerings, of course, you know, we would look to scale some of that into our markets. So example would be their offering overdraft products in the DRC. So, you know, we partnering with them there. So as some of these products come to market, we will consider it, of course, it's different to airtime advance, because you also then competing with some of the banks, the likes of KCB, and Access bank, and so on in these different markets. So, we look at it on a market by market basis, and you know, if the margins are better and if it opens up a bigger base for us, then we consider it.

JP DAVIDS

Then what looks like our last question for the moment from, Robert at Deutsche Bank, he references some press reports about a breakup at Safaricom by the government, a little while ago. Any update on that, and would you move to increase your stake in that eventuality.

SHAMEEL JOOSUB

So there's no discussions about breaking up Safaricom, I can categorically say, that as I'm on the board, so is Raisibe So there's nothing being envisaged in that respect. In terms of increasing stakes, you know, we look at it in any market where our partners want to sell, we would consider it, and of course, we'd expect that they would talk to us, you know, as we've been partners for a very long time. So in all our markets, I think in that context, if there is a want to sell, I'm sure they'll talk to us.

JP DAVIDS

Thank you, Shameel, thank you Raisibe. We are done with the Q&A. Shameel, did you want to quickly wrap up.

SHAMEEL JOOSUB

Yes, maybe just to say thank you to everybody, and we'll see you on the road shows, but if they have any questions, please reach out to JP. Of course, I think, you know, for us, this was an important half, because it's the first proof point, down to EBITDA and earnings of the 2030 strategy. And very happy that, you know, as someone put it today, I saw one of the headlines, best results in the last 10 years, and I think that's probably accurate. Where it's the highest earnings growth, we've had probably longer than that, in fact, but very, very pleased with the outcome, also very pleased with the underlying growth. And I think, you know, for me, the strategy that we've put together, both from a geographical diversification perspective, is paying dividends, but also from a product diversification with the Fintech, and fibre, and IoT also playing out quite nicely into the numbers. So nice to see that the strategies, you know, is now bearing fruit, because, you know, you lay the foundations, and then you start to see the benefits a year two after you laid those foundations, so, really strong in that respect. So looking forward to a good second half. Thank you.