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" or "Vodacom Group" or "the Group")

19 May 2025

Vodacom Group reviewed annual results and cash dividend declaration for the year ended 31 March 2025

Highlights

- Upgraded medium-term target of double-digit EBITDA growth*.
- Group revenue of R152.2 billion was up 1.1% (10.9%*), despite significant foreign exchange headwinds.
- Group service revenue declined 0.1% in rands, but increased 11.2%* on a normalised basis, above our medium-term target.
- Financial services revenue increased 7.6% (17.6%*) to R14.0 billion, contributing 11.6% to Group service revenue.
- Group EBITDA declined 1.1% to R55.5 billion, but grew 7.8%* on a normalised basis.
- Serve a combined 211.3 million customers and 87.7 million financial services customers, including Safaricom on a 100% basis.
- HEPS of 857cps, reflecting strong growth in the second half.
- Full year dividend of 620cps, up 5.1%.

Group statutory performance measures

	Year ended 31 March		% change	
Rm	2025	2024	Reported	Normalised*
Revenue	**152 227**	150 594	**1.1**	**10.9**
Service revenue	**120 734**	120 897	**(0.1)**	**11.2**
Net profit from associates and joint ventures	**2 724**	2 197	**24.0**	**42.2**
Operating profit	**35 791**	35 337	**1.3**	**10.9**
Net profit attributable to equity holders	**16 598**	16 292	**1.9**	
Net debt to EBITDA	**0.9**	0.9	**–**	
Earnings per share (cents)	**859**	842	**2.0**	
Headline earnings per share (cents)	**857**	846	**1.3**	
Total dividend per share (cents)	**620**	590	**5.1**	

Group additional performance measures

	Year ended 31 March		% change	
Rm	2025	2024	Reported	Normalised*
EBITDA	**55 511**	56 116	**(1.1)**	**7.8**
EBITDA margin (%)[1]	**36.5**	37.3	**(0.8ppts)**	
Capital expenditure[2]	**20 294**	20 422	**(0.6)**	
Capital intensity (%)[2]	**13.3**	13.6	**(0.3ppts)**	
Operating free cash flow[3]	**29 938**	30 338	**(1.3)**	
Free cash flow[3]	**18 187**	18 243	**(0.3)**	
Financial services revenue[4]	**14 024**	13 033	**7.6**	**17.6**
Return on capital employed (ROCE)[5]	**23.5**	23.1	**0.4ppts**	

Notes:
1. EBITDA margin is EBITDA as a percentage of revenue.
2. Detail relating to capital expenditure is contained in the full announcement. 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 in the full announcement.
4. The combination of South Africa financial services revenue, Egypt financial services revenue and International M-Pesa revenue.
5. ROCE (before tax) is calculated by dividing adjusted statutory operating profit by the average of total assets less current liabilities.

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:

* 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), hyperinflation accounting 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 2025 compared to the year ended 31 March 2024, unless stated otherwise.

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.

Shameel Joosub, Vodacom Group CEO commented

As we draw the curtain on our Vision 2025 strategy, I am immensely proud of the progress we have made over the past five years in delivering on our targets. This was achieved despite a challenging macroeconomic environment marked by a global health crisis, currency volatility, geopolitical tensions, inflationary pressures and protracted energy disruptions in South Africa. Through it all, our purpose - connecting people for a better future - has remained our true north, gathering a momentum of its own across each of the markets where we operate.

Over the five-year period, we significantly expanded geographic and product diversification resulting in the number of customers using our networks, increasing from 115.5 million (FY2020) to 211.3 million (FY2025), while financial services customers rose from 53.2 million to 87.7 million, including Safaricom, over the same period.

That said, we will not be resting on our laurels and now seek to ensure we deliver against our Vision 2030 ambitions, which include growing our customer base to 260 million and financial services customer base to 120 million. While cementing our leadership in all forms of connectivity, we expect our Group service revenue contribution from beyond mobile to increase to 30% from 21% today. As part of Vision 2030, we upgrade our medium-term targets for Group service revenue and EBITDA from high single-digit to double-digit growth.

Given significant currency volatility, I am particularly impressed with the strong finish the Group produced in the last six months, supporting the confidence we communicated in November last year that the organisation is poised for a stronger second half performance. Group service revenue grew by a robust 11.2%* on a normalised basis, highlighting the resilience of our diversified portfolio and our strong commercial execution. We closed the year with 8.2 million additional customers across our footprint – a 4.0% increase that underscores our relentless focus on customer-centricity, network reliability and digital inclusion.

Recent currency market stability, particularly in Egypt, bodes well for the Group's performance in the foreseeable future. So too does the resilient performance in South Africa and the outstanding, continued growth in Egypt and Tanzania. As one might expect, our businesses in Mozambique and DRC have been impacted by post-election tensions and conflict in eastern DRC respectively. With momentum behind peace efforts in both countries, we are hopeful of improved prospects into FY2026.

We remain particularly encouraged by the strong performance in Egypt, which delivered a stellar 45.2% increase in local currency service revenue, buoyed by increased uptake of Vodafone Cash and the growing demand for mobile and fixed connectivity. With over 50 million customers and a significant improvement in net promoter scores, Egypt now accounts for 23.0% of Group service revenue. The return to currency stability is expected to underscore a more positive macroeconomic trajectory.

Our South African business demonstrated continued resilience, achieving service revenue growth of 2.3%, led by a recovery in the prepaid segment, sustained data traffic growth of over 36.4%, and the increasing contribution of our beyond mobile services. These services – encompassing financial and digital services, fixed and IoT – contributed R11.2 billion, or 17.8% of South Africa's service revenue.

The successful execution of seasonal campaigns, combined with an industry leading response to power grid stability, supported an increase in EBITDA of 2.3% in South Africa, while we invested R11.6 billion to further enhance network resilience and spectrum efficiency. Consistent with our Group-wide focus on sharing, we have approached the Competition Commission in South Africa to advance meaningful sharing opportunities with MTN South Africa, under the provisions of government's Energy Users Block Exemption regulation.

Our International business, spanning across DRC, Lesotho, Mozambique and Tanzania, achieved 7.1%* normalised service revenue growth. Tanzania was the standout performer, delivering service revenue growth of 20.5% and EBITDA growth of 25.2% in shillings. Lesotho and DRC grew service revenue by 10.4% and 8.2% respectively, in local currency, showcasing good commercial momentum. While we remain hopeful of a recovery in Mozambique and sustained resolution in DRC, we are actively supporting our people and communities in the affected regions, including through our Foundation initiatives.

M-Pesa continues to solidify its leadership as Africa's largest mobile money platform. Across our markets, M-Pesa processed over US$450.8 billion in transaction value over the year, reflecting an 18.3% increase. Revenue from financial services grew 17.6% on a normalised basis, accounting for 11.6% of Group service revenue. Additionally, Safaricom reported R22.6 billion of financial services revenue. These results underscore the growing demand for payments, savings, lending and merchant solutions across our footprint.

In Ethiopia, we recorded a 103.2% increase in our customer base to 8.8 million, driven by growing demand for connectivity and a promising commercial trajectory. Service revenue in local currency increased 238.9%, with strong ARPU growth adding to the customer gains. As the second most populous country in Africa, Ethiopia remains integral to our long-term growth ambitions, and we are encouraged by the market's response to our entry and the regulatory strides being made.

Safaricom delivered an excellent performance in Kenya, with service revenue up 10.5% in shillings, supported by strong data and M-Pesa growth. While a currency devaluation in Ethiopia impacted Group earnings in the first half of the financial year, Safaricom delivered a strong recovery in the second half, contributing to Group earnings growth for the full year.

From a financial perspective, the Group reported headline earnings per share (HEPS) of 857cps, up 1.3%, reflecting a strong second half performance. In line with our dividend policy of paying out at least 75% of HEPS, the Board has declared a final dividend of 335 cps, bringing the total dividend for the year to 620 cps.

While we were disappointed by the decision by the Competition Tribunal to prohibit our proposed acquisition of a stake in Maziv, we have lodged an appeal with the Competition Appeal Court. Given that fibre is a critical enabler of inclusive economic growth, we remain steadfast in our belief that this transaction holds significant public interest and pro-competitive benefits.

Over the past five years, we continued to invest significantly in infrastructure and expect to spend more than R20.0 billion in capital expenditure in the new financial year – reinforcing our commitment to connectivity, digital inclusion and economic empowerment. We are particularly proud of our Tech for Good and purpose-led initiatives like m-mama, Code Like a Girl, Techstart and Je Suis Cap, which continue to transform lives across Africa, and have our sights firmly focused on upskilling one million young people to help bridge the digital skills gap.

We are laying the groundwork for the Group's next phase – Vision 2030 – which will remain anchored in our purpose with the next chapter defined by:

- Empowering people; protecting the planet and maintaining trust (our purpose pillars)
- Elevating customer experience
- Innovating for growth
- Investing in strategic enablers for growth and efficiency

Despite current financial market turbulence, we are confident in the structural growth opportunity that Africa represents. Our leading market positions combined with a diversified portfolio that leverages a best-in-class digital and financial ecosystem positions us well to capture this opportunity and continue making a meaningful impact across the continent.

Declaration of final dividend number 32 – payable from income reserves

Notice is hereby given that a gross final dividend number 32 of 335 cents per ordinary share in respect of the year ended 31 March 2025 has been declared payable on Monday, 23 June 2025 to shareholders recorded in the register at the close of business on Friday, 20 June 2025. 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%. Accordingly, for those shareholders not exempt from paying dividend withholding tax, the net ordinary dividend will be 268 cents per ordinary share.

Last day to trade shares cum dividend	Tuesday, 17 June 2025
Shares commence trading ex-dividend	Wednesday, 18 June 2025
Record date	Friday, 20 June 2025
Payment date	Monday, 23 June 2025

Share certificates may not be dematerialised or rematerialised between Wednesday, 18 June 2025 and Friday, 20 June 2025, both days inclusive.

On Monday, 23 June 2025, 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, 23 June 2025.

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

Dividend policy

The company has 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 payout 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 payout 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

16 May 2025

This short-form announcement is the responsibility of the directors and is only a summary of the information in the full announcement and does not contain full or complete details. Any investment decision should be based on the full announcement that has been published on the JSE's cloudlink at **https://senspdf.jse.co.za/documents/2025/jse/isse/VOD/FY25SENS.pdf** and is also available on our website www.vodacom.com.
Copies of the full announcement may be requested by contacting Investor Relations on telephone: +27 (0) 11 653 5000 or email: **vodacomir@vodacom.co.za.** The condensed consolidated annual financial statements of Vodacom Group in the full announcement for the year ended 31 March 2025 were reviewed by the Group's auditors Ernst & Young Inc, who have expressed an unmodified review report. The review report is available in the full announcement.

Sponsor
Investec Bank Limited