Vodacom Group Limited
(Incorporated in the Republic of South Africa)
(Registration number 1993/005461/06)
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("Vodacom" or "Vodacom Group" or "the Group")

27 July 2026

Trading update for the quarter ended 30 June 2026 (the quarter) (short form announcement)

Highlights

- Group revenue grew 5.9% (11.4%*) to R42.4 billion, impacted by translation effects from the stronger rand.
- Group service revenue grew 6.3%, with normalised growth accelerating to 12.6%* and tracking favourably against our medium-term target.
- South Africa service revenue increased 2.0%, supported by an improved prepaid performance.
- Egypt grew service revenue 32.8%* in local currency, with Egypt financial services revenue up 73.0%.
- International business service revenue increased by 4.1% in rands, with normalised growth of 14.0%*.
- Group financial services revenue increased by 17.8% to R4.5 billion, while normalised growth accelerated to 27.0%*.
- Transacted US$547.9 billion through our mobile money platforms, including Safaricom, over the last twelve months.
- Safaricom transaction completed, effective 30 June 2026, with medium-term guidance upgraded, Vision 2030 ambitions enhanced and the dividend policy updated.

	Quarter ended 30 June		YoY % change	
Rm	2026	2025	Reported	Normalised*
Group revenue	**42 404**	40 028	**5.9**	**11.4**
South Africa	**22 872**	22 520	**1.6**	**1.6**
Egypt	**11 094**	9 346	**18.7**	**36.3**
International	**8 625**	8 427	**2.3**	**12.1**
Group service revenue	**34 287**	32 258	**6.3**	**12.6**
South Africa	**16 105**	15 793	**2.0**	**2.0**
Egypt	**9 827**	8 495	**15.7**	**32.8**
International	**8 472**	8 137	**4.1**	**14.0**

Notes:
The quarterly information has not been audited or reviewed by Vodacom's external auditors. All growth rates quoted are year on year and refer to the quarter ended 30 June 2026 compared to the quarter ended 30 June 2025.
Certain financial information presented in this trading update 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 trading update. The pro forma financial information is presented as:
* 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 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.
The pro forma financial information has not been audited or reviewed or otherwise reported on by external auditors.
Amounts marked with an * in this trading update represent normalised growth as defined above.

Shameel Joosub, Vodacom Group CEO commented

This quarter marked a defining moment for Vodacom with the completion of our acquisition of a controlling stake in Safaricom, increasing our shareholding from 35% to 55%, effective 30 June. This strategically important transaction represents a major milestone in our Vision 2030 journey, significantly enhancing the Group's scale, diversification and long-term growth prospects. We are now entering a new phase of growth, supported by a more balanced portfolio, broader earnings drivers and increased exposure to some of Africa's most attractive opportunities in connectivity, digital services and financial inclusion. Reflecting this stronger growth profile, we have upgraded our medium-term EBITDA and operating free cash flow growth targets from double-digit to early-teens growth.

In addition to these upgraded targets, the strength of our diversified portfolio and sustained operational momentum across the business gives us the confidence to raise our Vision 2030 Group revenue ambition from more than R200 billion to more than R300 billion. The transaction also materially expands the scale of our financial services footprint, increasing the contribution of financial services to Group service revenue from 13% to more than 22%, further reinforcing our leadership in African fintech.

Our first-quarter performance highlights the benefits of our diversification strategy, with strong contributions from Egypt and our International business reinforcing the resilience and balance of our portfolio. Group revenue increased 5.9% to R42.4 billion and service revenue rose 6.3% to R34.3 billion, supported by excellent growth in financial services revenue, which increased 17.8%. While the strength of the rand created translation headwinds, the robust underlying local currency performance across our markets underscores the structural momentum within the business.

Normalised Group service revenue growth of 12.6% remains on track to deliver our medium-term ambition of double-digit growth. Egypt once again delivered an exceptional performance, achieving service revenue growth of 32.8% in local currency, supported by our investments into spectrum and network. South Africa delivered a stable performance with service revenue growth of 2.0%. Pleasingly, our South Africa prepaid segment returned to growth in the quarter, reflecting the positive impact of the actions we have taken to improve value and simplify propositions. Our International business continued its good momentum into the first quarter, with normalised service revenue increasing 14.0%*, supported by strong contributions from Tanzania, DRC and Lesotho.

Beyond mobile services remained a key growth driver, contributing R7.8 billion, equivalent to 22.8% of Group service revenue. Financial services remains the largest component of beyond mobile and a key strategic growth engine. Including Safaricom, we process an impressive US$547.9 billion of mobile wallet transaction value annually, up 19.1%. In fixed, we advanced our strategy in South Africa by investing a further R0.8 billion into Maziv to support the completion of the Herotel transaction. We believe that Maziv is well positioned to accelerate fibre reach in South Africa, fostering economic development and helping bridge South Africa's digital divide.

Our purpose, and the tangible impact we create in the communities we serve, continue to inspire and energise us. During the quarter, we advanced innovation and inclusion through initiatives such as the UN Global Compact SDG Innovation Accelerator, empowering young professionals to develop scalable solutions to pressing social and environmental challenges. In Tanzania, we launched Africa's first mobile money tap-to-pay solution, enabling more than 22 million M-Pesa customers to make seamless contactless payments directly from their mobile wallets. In DRC, we leveraged anonymised mobile data analytics to support Ebola preparedness efforts and strengthen public health planning, while in Ethiopia we partnered with government and development agencies to create sustainable livelihood opportunities for vulnerable youth. Together, these initiatives demonstrate how we are harnessing technology to expand inclusion, improve lives and contribute meaningfully to the long-term development of the communities we serve.

From a portfolio perspective, the consolidation of Safaricom represents a fundamental step-change in Vodacom's scale, diversification and growth profile. The Group will operate with a more balanced and diversified portfolio, with meaningful earnings contributions across four segments: a cash generative South African operation, alongside higher-growth businesses in Safaricom, Egypt and our International business. As our earnings mix increasingly shifts towards faster-growing markets and beyond-mobile services, we have a greater opportunity to reinvest capital at higher rates of growth and attractive returns, while continuing to strengthen the balance sheet. This is reflected in the Group's upgraded medium-term growth targets for EBITDA and operating free cashflow. Against this enhanced growth trajectory, the Board has reviewed our capital allocation framework to ensure flexibility and an appropriate balance between investing in network infrastructure, scaling digital and financial services, progressive deleveraging and delivering attractive shareholder returns. Accordingly, the Board has decided to update the dividend policy to a payout of at least 65% of headline earnings. At this revised payout level, we expect to grow the dividend per share for FY2027, based on our current growth trajectory and the prevailing economic conditions.

Following the completion of milestone transactions, Maziv and Safaricom, Vodacom has shaped its strategy for the future. Our focus now shifts to unlocking the full potential of our portfolio through disciplined execution, innovation and capital allocation. Guided by Vision 2030, we are well positioned to deliver sustainable growth and attractive returns. I am confident that the actions we are taking today will create long-term value for shareholders while advancing our purpose of connecting people for a better future.

This short-form trading update is the responsibility of the directors and is only a summary of the information in the full trading update and does not contain full or complete details. Any investment decision should be based on the full trading update that has been published on the JSE's cloudlink at **https://senspdf.jse.co.za/documents/2026/jse/isse/VOD/1Q27SENS.pdf** and is also available on our website www.vodacom.com.
Copies of the full trading update may be requested by contacting Investor Relations on telephone: +27 (0) 11 653 5000 or email: **vodacomir@vodacom.co.za.**

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