

# Vodacom Group Annual results

for the year ended  
31 March 2021

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This presentation also contains forward-looking statements which are subject to risks and uncertainties because they relate to future events. These forward-looking statements include, without limitation, statements in relation to the Group's projected financial results. Some of the factors which may cause actual results to differ from these forward-looking statements are discussed on slide 41 of this presentation.

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### Purpose

We connect for a better future



#### Digital society

- Affordable internet for all
- Digital solutions that transform lives
- Financial inclusion



#### Inclusion for all

- Diversity (incl women)
- Education ecosystem (incl youth)
- SMEs



#### Planet

- Energy mix, water, waste
- Biodiversity

**R2 billion**

**Revenue impact**  
Free M-Pesa peer-2-peer

**Vaccine pledge**

**Financial assistance**  
mVacciNation platform

**R3 billion**

**Revenue impact**  
Data price cut in South Africa

**15.5 million**

**ConnectU customers**  
Zero-rated for social benefit

## Highlights

Results reflect growth of new services, investment in growth

8.3%  
7.4%\*

**Revenue**

R98.3 billion

5.8%  
4.7%\*

**Service revenue**

R77.6 billion

R13.3bn

**Capex**

13.5% intensity

4.5%  
3.6%\*

**EBITDA**

R39.3 billion

123.7m

**Customers<sup>1</sup>**

7.1% growth

57.7m

**Financial services  
customers<sup>1</sup>**

12.9% growth

3.7%  
4.9%#

**HEPS**

980cps

825cps

**DPS**

5.1% growth

1. Including Safaricom at 100%.

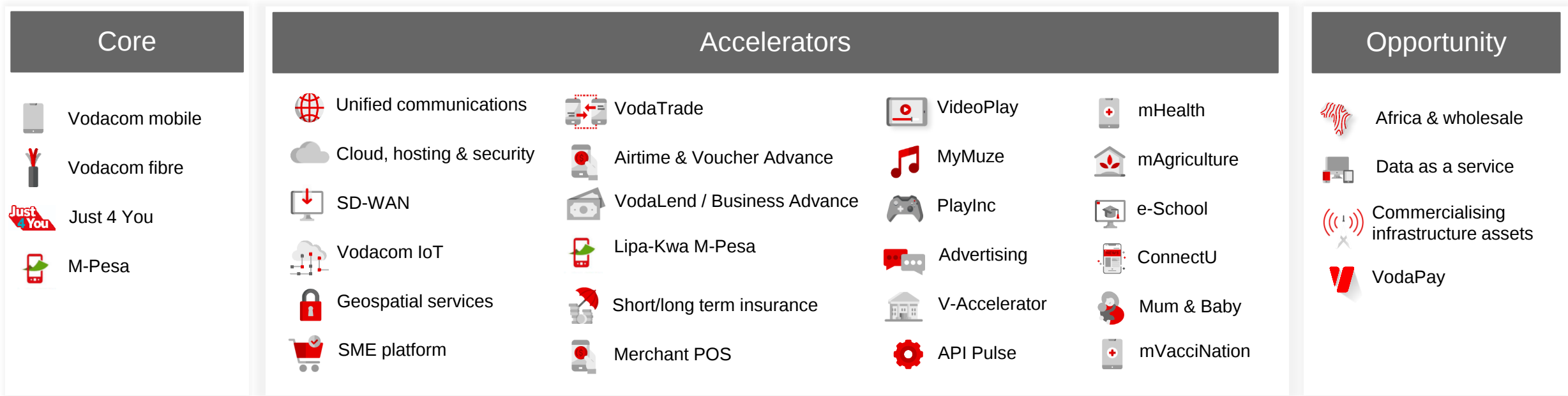
\* Normalised growth presents performance on a comparable basis. This adjusts for trading foreign exchange, foreign currency fluctuation on a constant currency basis (using the current period as base) and excludes the impact of merger, acquisition and disposal activities, at a constant currency basis where applicable, to show a like-for-like comparison of results.

# Excluding the impact of P&L movements related to the remeasurement and disposal of financial instruments.



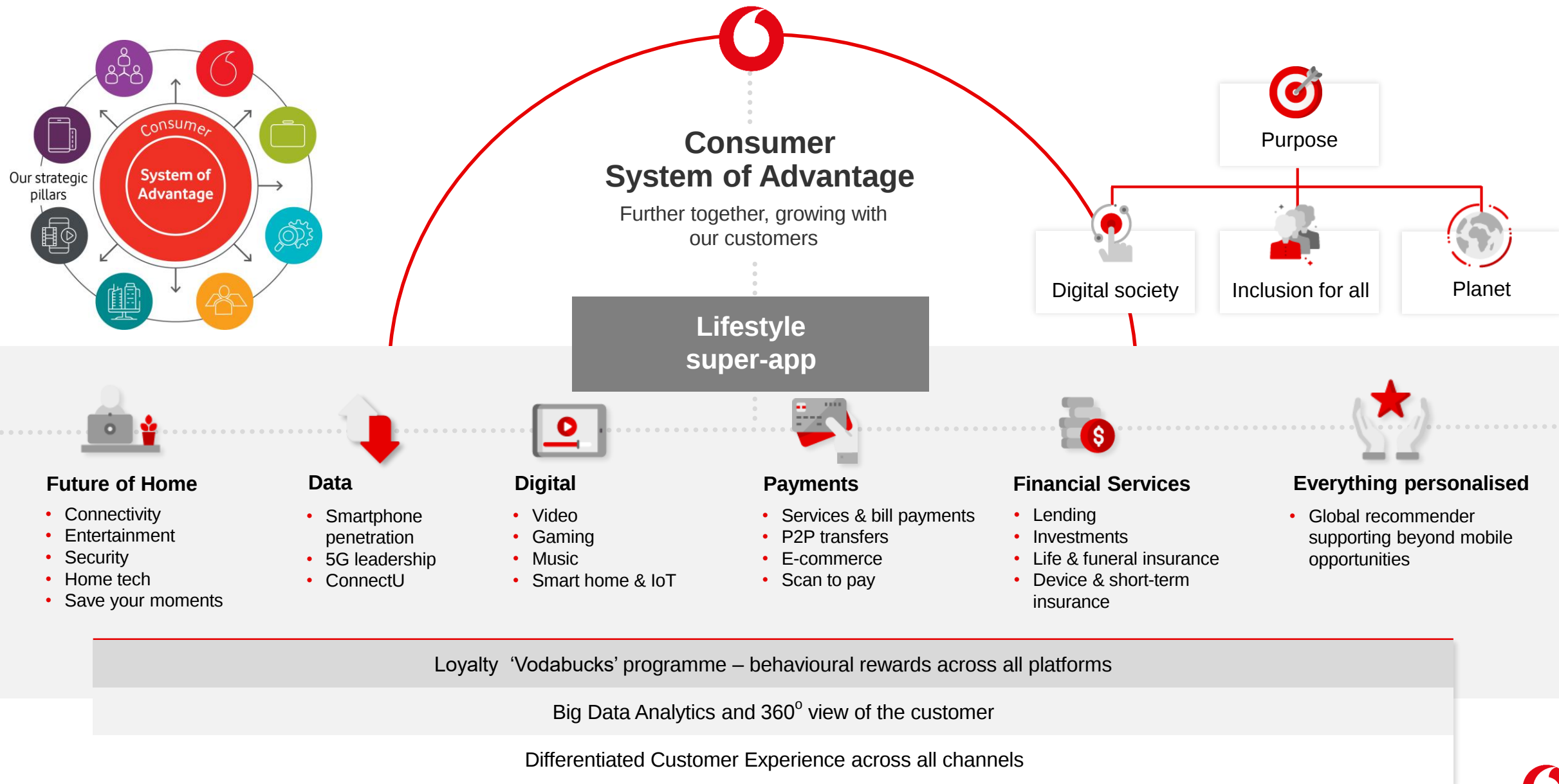
# Ecosystem approach

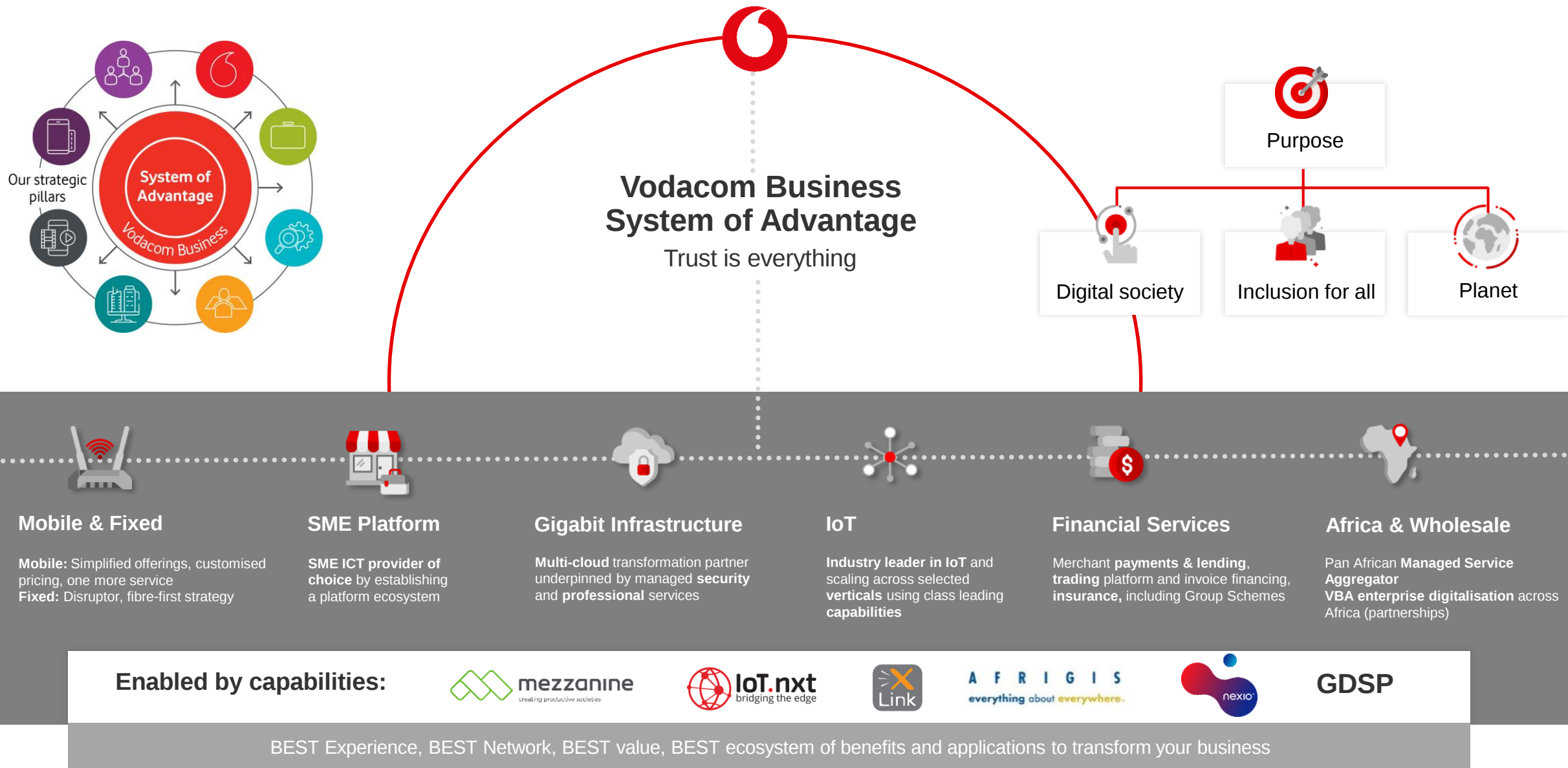
Capturing more opportunities across our System of Advantage



## VodaBucks rewarding loyalty









### Towers

- Reduce costs through sharing
- Create TowerCo
- Enhance last mile opportunities
- Assess options to increase long-term ROCE



### Scalable platforms

- BI driving investment
- ROCE mindset
- Scale by design, build for scale



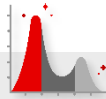
### Create scale in fibre

- Retail & wholesale scale
- Build, buy or partner
- Compliment with FWA



### M&A & partnerships

- 1 + 1 = 3
- Partnership with global tech
- Selective M&A
- Explore opportunities across infra assets, incl data centres



### Secure spectrum

- Opportunistic M&A
- Roaming deals



### Cost optimisation

- IoT.next for energy optimisation
- Shared services
- Shared platforms
- RPA & chatbots

### Infra stats



14 635 SA mobile sites



98% self provided high capacity backhaul in SA



146 401 SA homes passed with fibre



7 000 sqm of SA data centre space



8 295 International mobile sites

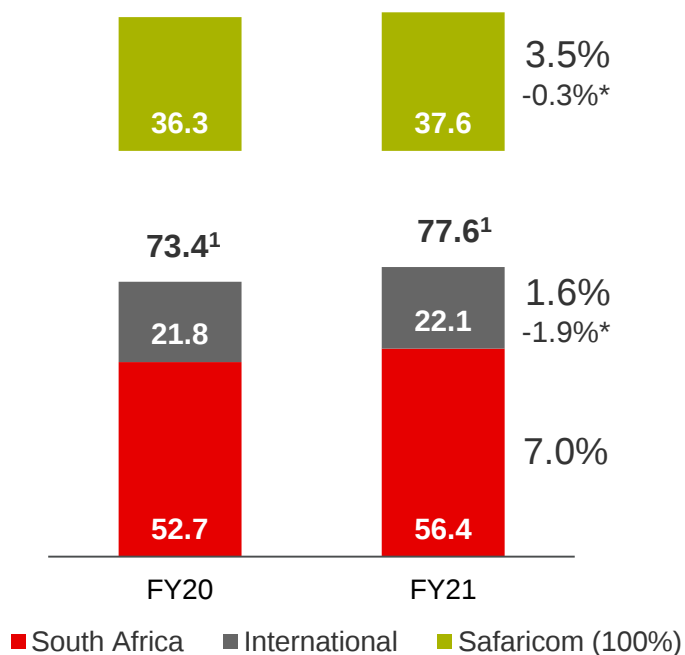


23 International data centres

Accelerated TechCo capabilities underpinned by Big Data and Advanced Analytics

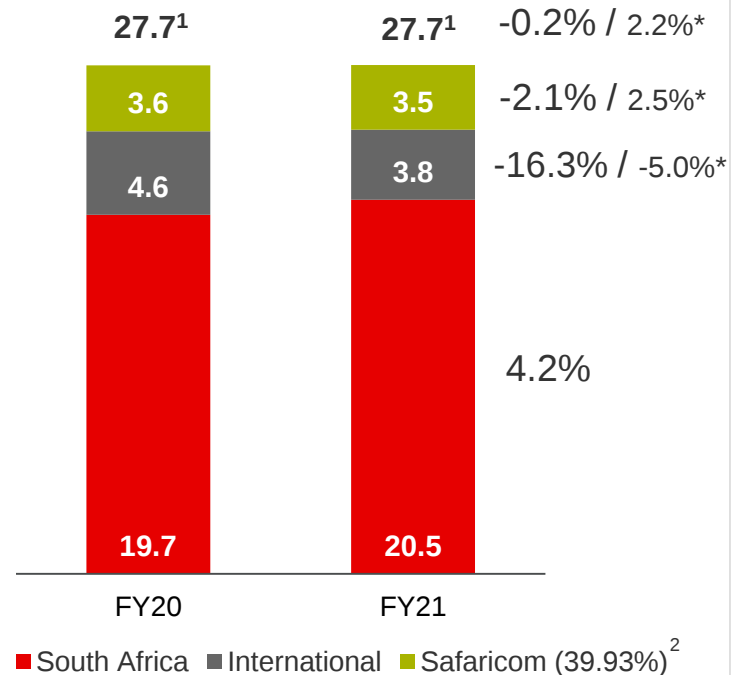
### Group service revenue

R billion / growth



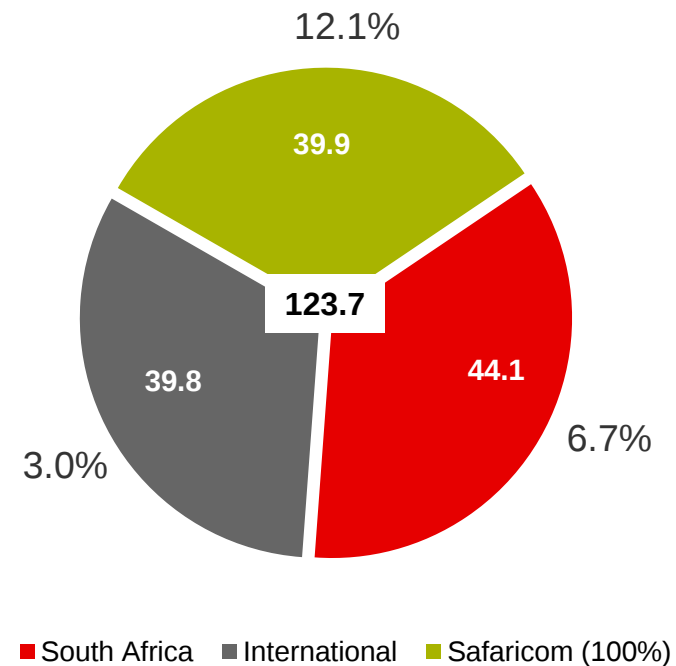
### Group operating profit

R billion / growth



### Group customers

Millions / growth



1. Including corporate and eliminations.

2. Vodafone Kenya Limited (VKL), an associate holding, owns 39.93% of Safaricom. Vodacom Group Limited owns 87.5% of VKL, giving Vodacom an effective holding of 34.94% in Safaricom.

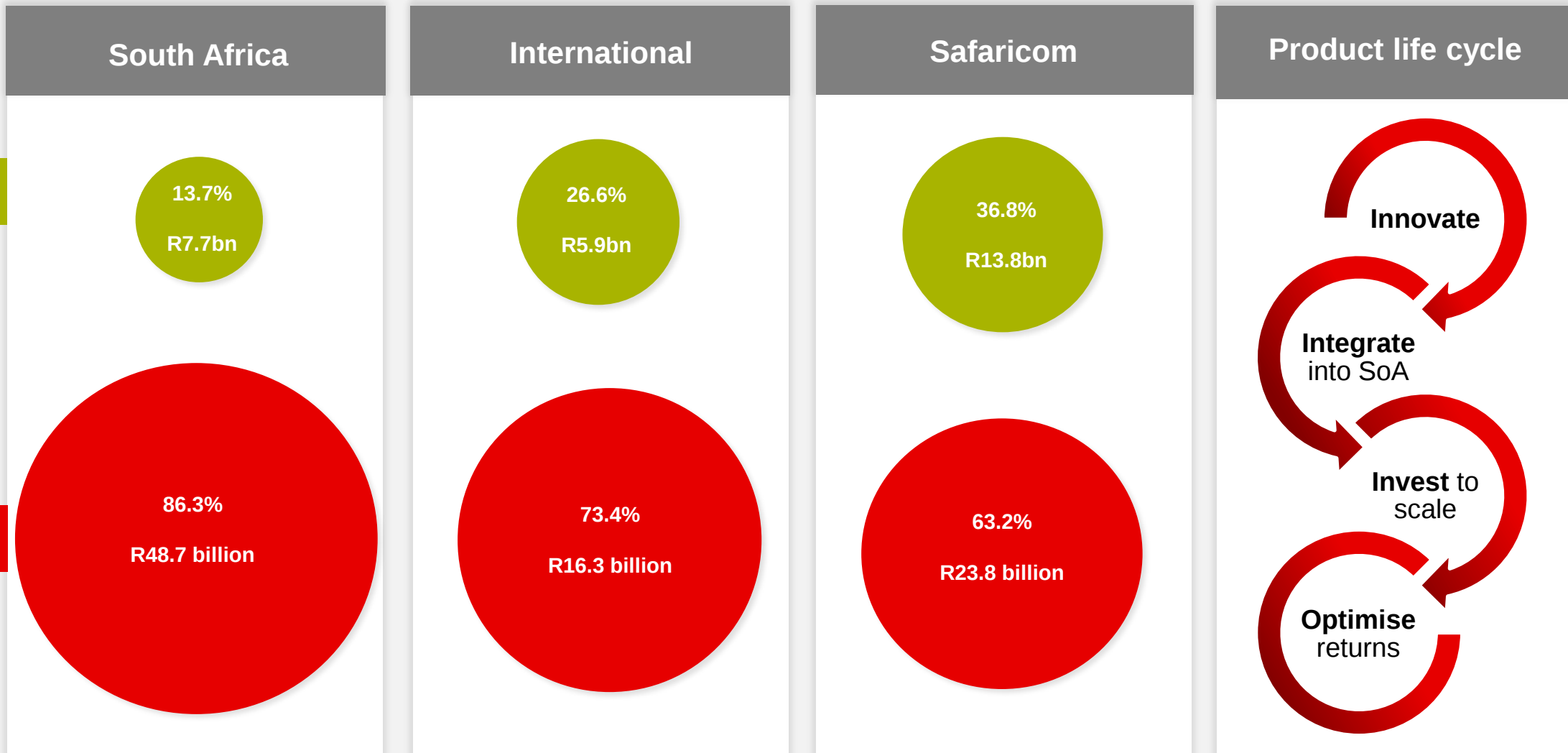
\* Normalised growth presents performance on a comparable basis. This adjusts for trading foreign exchange, foreign currency fluctuation on a constant currency basis (using the current period as base) and excludes the impact of merger, acquisition and disposal activities, at a constant currency basis where applicable, to show a like-for-like comparison of results.



### Beyond mobile

- Financial services
- Digital services
- IoT
- Fixed

### Core mobile



 New services revenue as % of service revenue

 Core mobile revenue as % of service revenue



## 100% basis (incl SF)

**58 million**  
financial services customers

■ SA ■ IB M-Pesa ■ SF M-Pesa

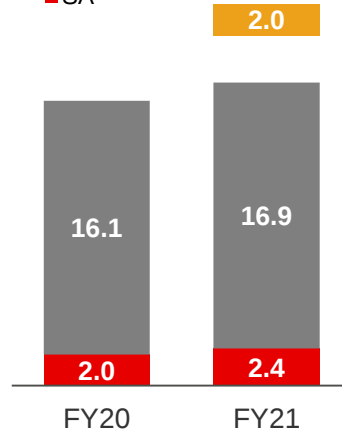


R billion

**50% penetration**

**R19.3bn / \$1.3bn**  
financial services revenue

■ M-Pesa free P2P impact  
■ M-Pesa (IB + SF)  
■ SA

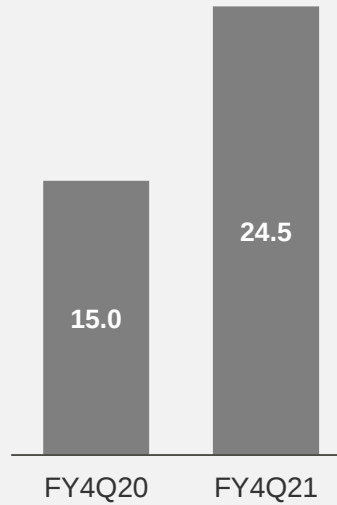


R billion

**17% of SR**

**\$24.5bn**  
M-Pesa monthly transactions

■ M-Pesa (IB + SF)



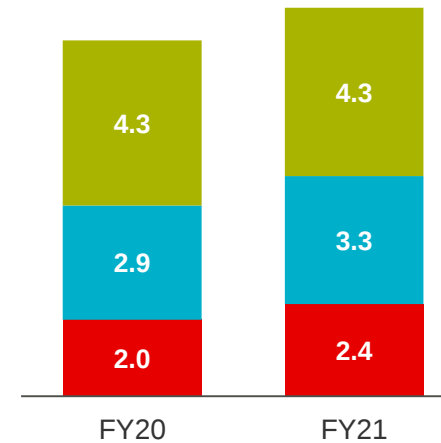
\$ billion

**64% YoY growth**

## Proportionate basis (excl minorities, incl associates)<sup>1</sup>

**R10.0bn / \$680 million**  
financial services revenue

■ SA ■ IB M-Pesa ■ SF M-Pesa



R billion

**12% of SR**

**R4.4bn / \$290 million**  
financial services PBT<sup>1</sup>

■ SA ■ M-Pesa (IB + SF)



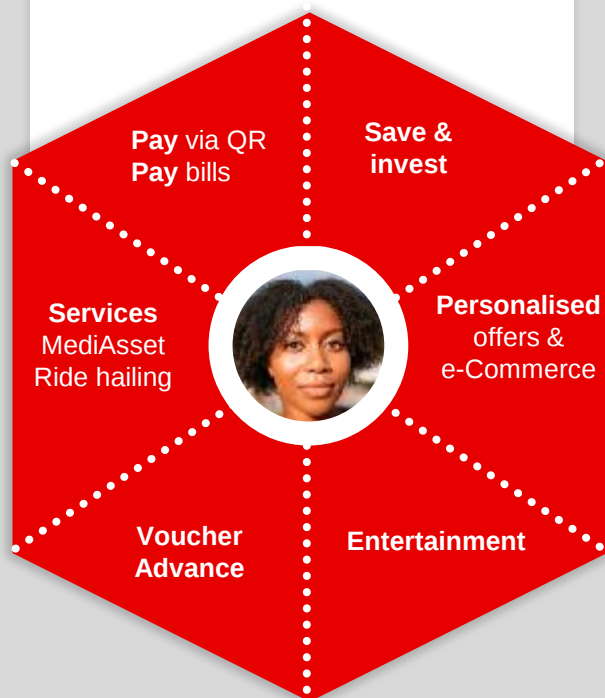
%

**17% of Group  
c.40% PBT margin**

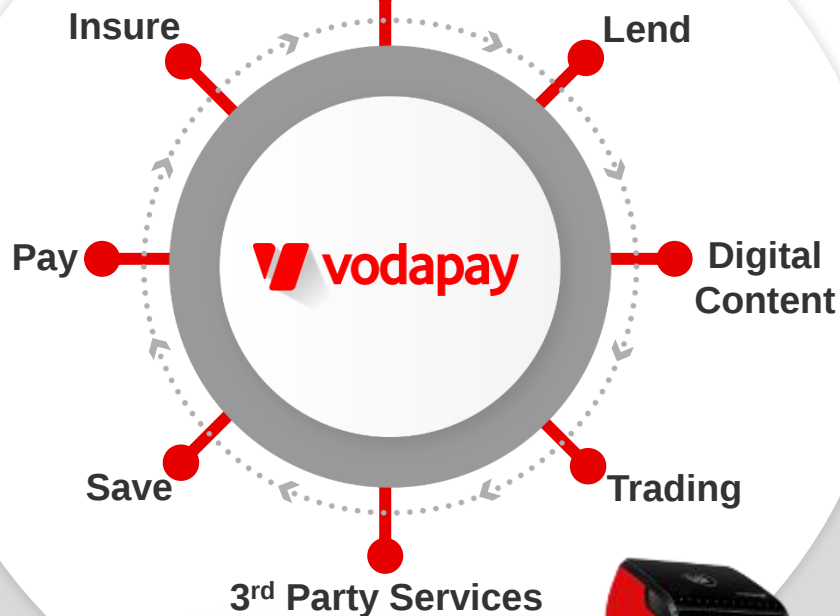
1. M-Pesa Safaricom not reported. PBT margin based on International. Actual results may differ from this illustration.  
SA = South Africa; IB = International; SF = Safaricom  
Service revenue and PBT are based on the closing exchange rate of R14.77 to the US\$.

### Consumer

We will provide consumers with **exceptional experiences**, through seamless, engaging personalised journeys

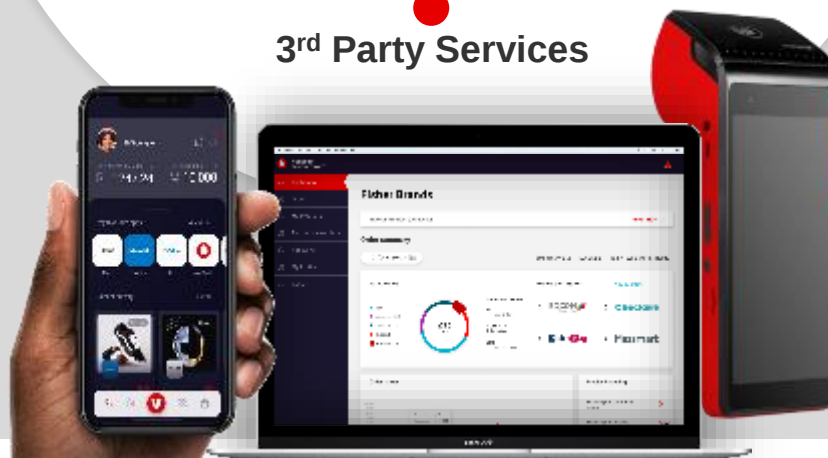
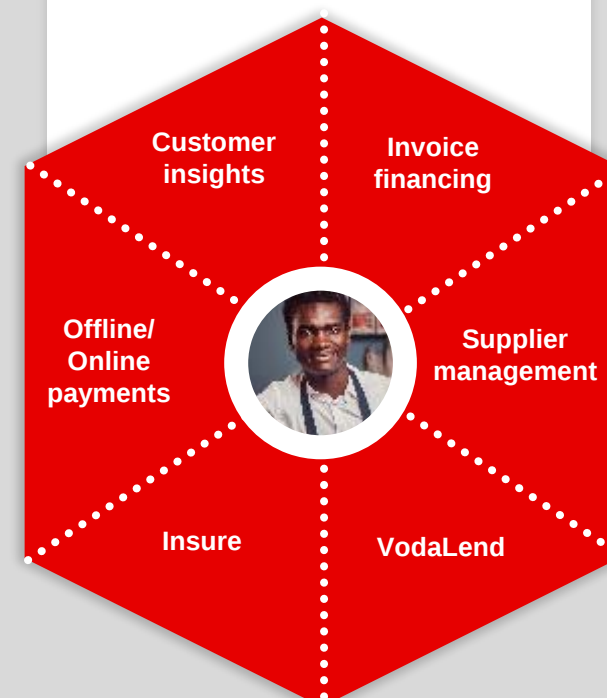


### e-Commerce



### Merchant

We will offer merchants leading platform **capabilities, payment** services and new ways to access and engage customers



### Ambition

Build the largest fintech platform in Africa



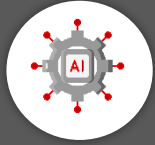
The preferred payment platform for **Consumers** with services to enable a digital lifestyle

A **true business partner** to create a seamless end-to-end experience to accelerate digital transformation

Powered by state of the art, common technical platforms



Next Generation Tech



AI, Big Data & AML



Open API



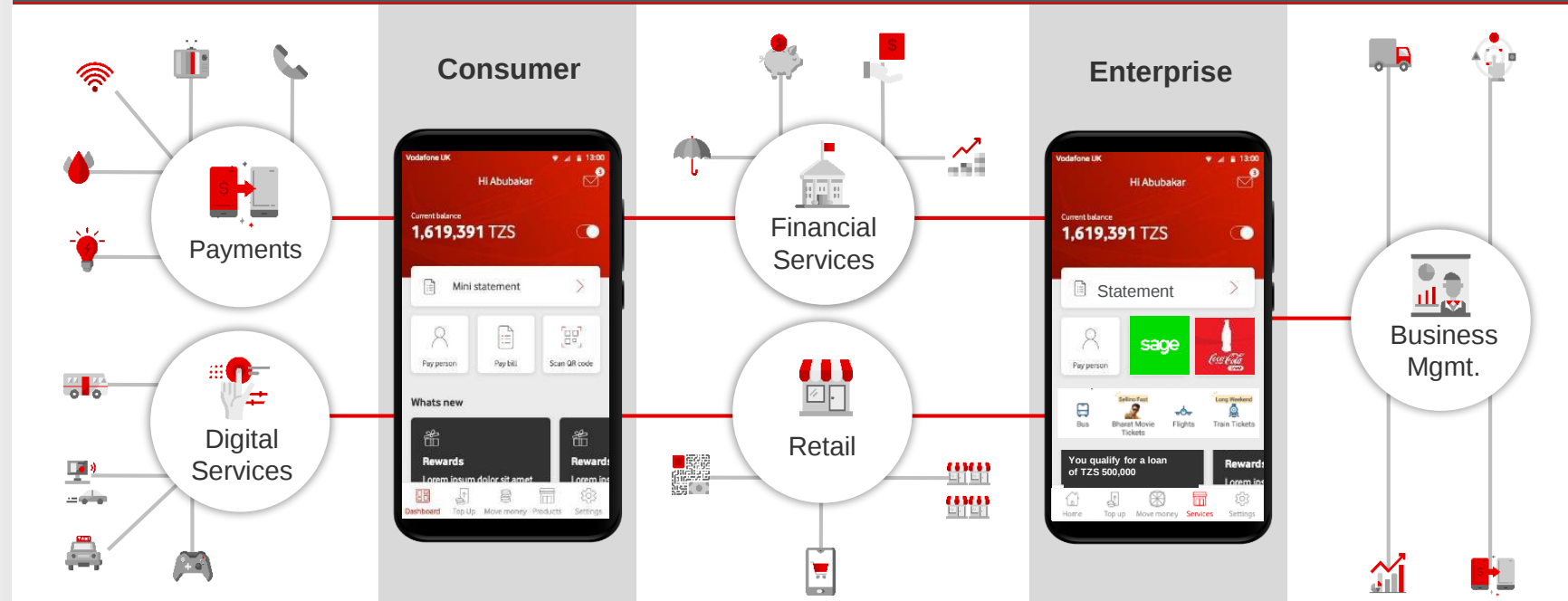
Single Point of Integration



Cloud enabled

### Fintech platform

We are building a fully fledged **lifestyle super-app** with mini apps capabilities, exposing the best merchants and partners offers to the broadest customer base



| Key indicator                         | FY21   | Reported % change |
|---------------------------------------|--------|-------------------|
| Revenue (Rm)                          | 76 737 | 10.3              |
| Service revenue (Rm)                  | 56 405 | 7.0               |
| Vodacom Business service revenue (Rm) | 15 867 | 11.3              |
| EBITDA (Rm)                           | 30 745 | 5.7               |
| Active smart devices ('000)           | 23.2   | 9.5               |
| Average GB per smart device           | 2.1    | 38.9              |

### Key milestones

**Service revenue** growth underpinned by customer service revenue growth of 6.9%

### Key growth drivers

- Vodacom Business customers up 11.0%
- Financial Services grew 18.9%
- Prepaid up 8.5%

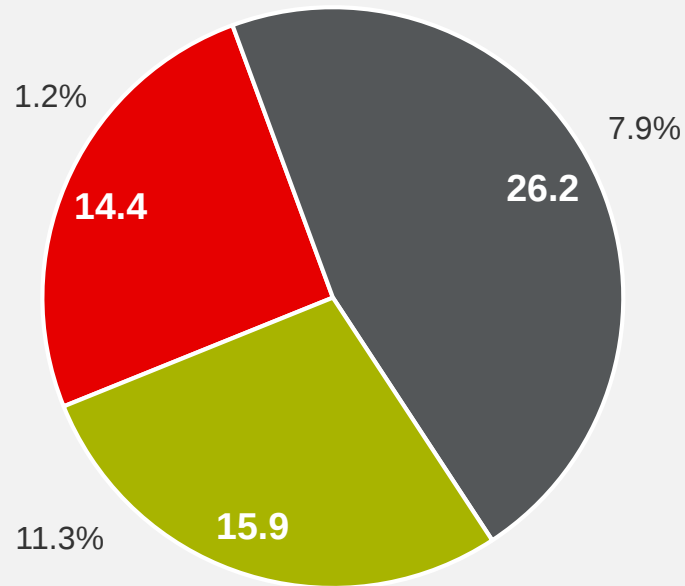
### Regulatory update

- ITA on hold
- CompCom settled; price cuts implemented April '20 and April '21



### Service revenue contribution by segment

R billion / growth



- Consumer contract service revenue
- Prepaid service revenue
- Enterprise & wholesale service revenue



### New services contribution to service revenue

|                                    | Rm           | % contribution to service revenue | YoY % change |
|------------------------------------|--------------|-----------------------------------|--------------|
| IoT revenue <sup>1</sup>           | 1 068        | 1.9                               | 32.5         |
| Fixed service revenue <sup>2</sup> | 2 712        | 4.8                               | 17.7         |
| Digital lifestyle services         | 1 561        | 2.8                               | 4.6          |
| Financial services                 | 2 372        | 4.2                               | 18.9         |
| <b>Total new services revenue</b>  | <b>7 713</b> | <b>13.7</b>                       | <b>16.9</b>  |



1. Growth adjusted for the reclassification of IoT revenue from other service revenue to customer revenue of R215 million in the current financial year (FY20: R88 million). The reclassification did not impact overall service revenue.
2. Excluding wholesale transit revenue of R844 million (FY20: R884 million).



## Highlights

## International – M-Pesa and data revenue growth exit FY21 in double digits

| Key indicator                  | FY21   | Reported<br>% change | Normalised*<br>% change |
|--------------------------------|--------|----------------------|-------------------------|
| Service revenue (Rm)           | 22 146 | 1.6                  | -1.9                    |
| Data revenue <sup>1</sup> (Rm) | 4 160  | 11.8                 | 6.5                     |
| M-Pesa revenue (Rm)            | 4 513  | 13.0                 | 5.8                     |
| EBITDA (Rm)                    | 8 784  | 1.2                  | -2.2                    |
| Customers ('000)               | 39 750 | 3.0                  |                         |
| M-Pesa customers ('000)        | 16 148 | 9.6                  |                         |

### Key milestones

#### Robust M-Pesa outlook

- 4Q normalised M-Pesa revenue growth was 21.0%
- M-Pesa transaction value growth accelerated from +15.5% in 1Q to +34.5% in 4Q

#### Data growth accelerates

- Data customers up 3.3% to 20.6 million
- Smartphone users up 8.0% to 11.0 million
- 4Q normalised data revenue growth +11.0%

1. Excluding integrated packages.

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| Key indicator           | FY21<br>(KES'bn) | FY21<br>(Rm) | LC %<br>change | ZAR %<br>change |
|-------------------------|------------------|--------------|----------------|-----------------|
| Service revenue         | 250.4            | 37 600       | -0.3           | 3.5             |
| Data revenue            | 44.8             | 6 717        | 11.5           | 14.4            |
| M-Pesa revenue          | 82.6             | 12 391       | -2.1           | 1.7             |
| EBITDA                  | 134.1            | 20 125       | -2.8           | 0.9             |
| Data customers ('000)   | 20 044           |              | 2.2            |                 |
| M-Pesa customers ('000) | 28 307           |              | 13.6           |                 |

### Key milestones

#### M-Pesa lead growth recovery

- Service revenue 4Q21: 6.4% vs 1Q21: -8.4%

#### FTTH

- Customers grew 31.5% to 137k due to work-and-learn from home

#### 4G device users

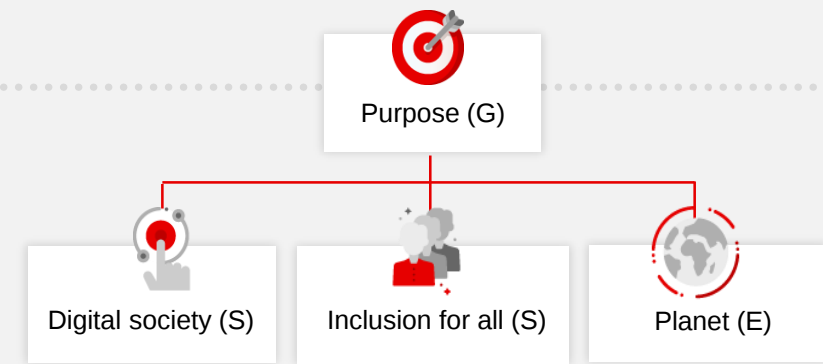
- Using more than up 45.5% to 4.7m (using > 1GB per month)

#### Ethiopia

- Consortium approach, bid submitted



# To connect for a better future



## Environment



Reducing the amount of GHG emissions



Our IoT solutions help governments, businesses and civil society to address environmental issues

## Governance

Purpose driven outcomes  
Doing what's right

Board structure of 12

- 5 Independent, NED
- 5 Non-executive
- 2 Executive

Approval of the remuneration policy @ AGM in July 2020 was 98.86%

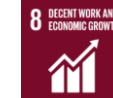
## Social



We provide mobile health solutions, support vaccination programmes, improve medicine stock control and increase awareness of health issues



Vodacom leverages digital solutions to provide affordable and quality education to learners



We are committed to connecting people and 'things' to the internet



We provide women with access to life-enhancing services



We are committed to removing barriers to mobile connectivity



We pursue an active social agenda to accelerate socio-economic transformation and a better future for all

## COVID-19 six point plan – purpose in action

- Expanding and future-proofing the network infrastructure
- Accelerate support to governments (Health, Education)
- Enhance digital accessibility and literacy for the most vulnerable
- Enable digital adoption for business and SMEs
- Support strategies for the “new normal” through targeted digital adoption
- Drive financial inclusion

MSCI  
ESG RATINGS



CCC B BB BBB A AA AAA

LAST UPDATE: March 05, 2021



# Financial Review



# Group income statement

Strong execution, resilient results

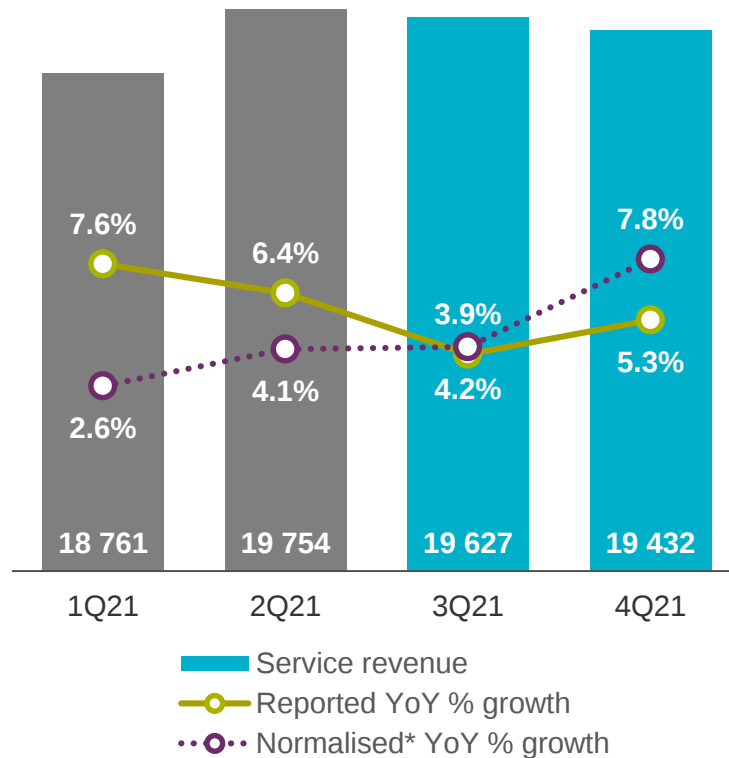
| R million                                    | FY21          | FY20          | Reported<br>% change | Normalised*<br>% change |
|----------------------------------------------|---------------|---------------|----------------------|-------------------------|
| <b>Revenue</b>                               | <b>98 302</b> | <b>90 746</b> | <b>8.3</b>           | <b>7.4</b>              |
| <b>Service revenue</b>                       | <b>77 574</b> | <b>73 354</b> | <b>5.8</b>           | <b>4.7</b>              |
| <b>EBITDA</b>                                | <b>39 299</b> | <b>37 610</b> | <b>4.5</b>           | <b>3.6</b>              |
| Depreciation and amortisation                | (15 117)      | (13 955)      | 8.3                  |                         |
| Net profit from associate and joint ventures | 3 501         | 4 149         | -15.6                | 3.9                     |
| <b>Operating profit</b>                      | <b>27 652</b> | <b>27 711</b> | <b>-0.2</b>          | <b>2.2</b>              |
| Net loss on disposal of subsidiaries         | (70)          | (819)         | -91.5                |                         |
| Net finance charges                          | (3 801)       | (3 834)       | -0.9                 |                         |
| <b>Profit before tax</b>                     | <b>23 781</b> | <b>23 058</b> | <b>3.1</b>           |                         |
| Taxation                                     | (6 710)       | (6 414)       | 4.6                  |                         |
| <b>Net profit</b>                            | <b>17 071</b> | <b>16 644</b> | <b>2.6</b>           |                         |
| <b>Attributable to:</b>                      |               |               |                      |                         |
| Equity shareholders                          | 16 581        | 15 944        | 4.0                  |                         |
| Non-controlling interests                    | 490           | 700           | -30.0                |                         |
| <b>EPS (cents)</b>                           | <b>978</b>    | <b>939</b>    | <b>4.2</b>           |                         |
| <b>HEPS (cents)</b>                          | <b>980</b>    | <b>945</b>    | <b>3.7</b>           |                         |
| Weighted average shares in issue (million)   | 1 695         | 1 697         | -0.1                 |                         |

\* Normalised growth presents performance on a comparable basis. This adjusts for trading foreign exchange, foreign currency fluctuation on a constant currency basis (using the current period 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.



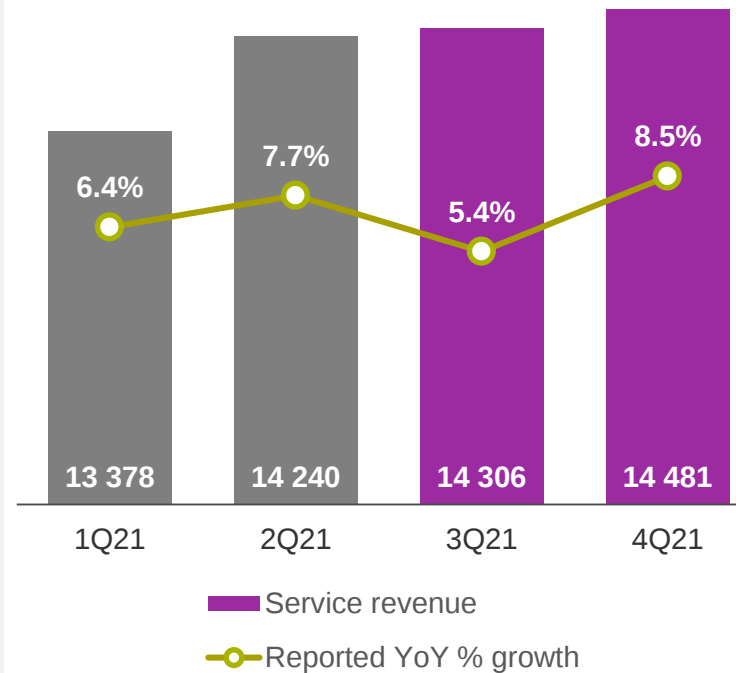
### Group

R million / %



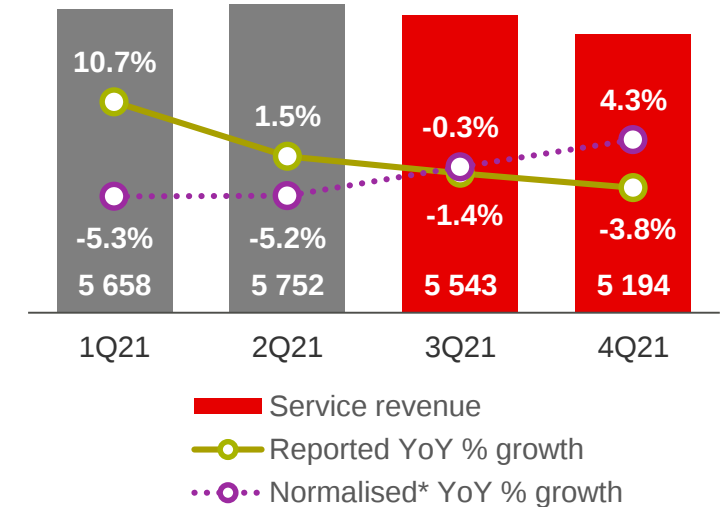
### South Africa

R million / %



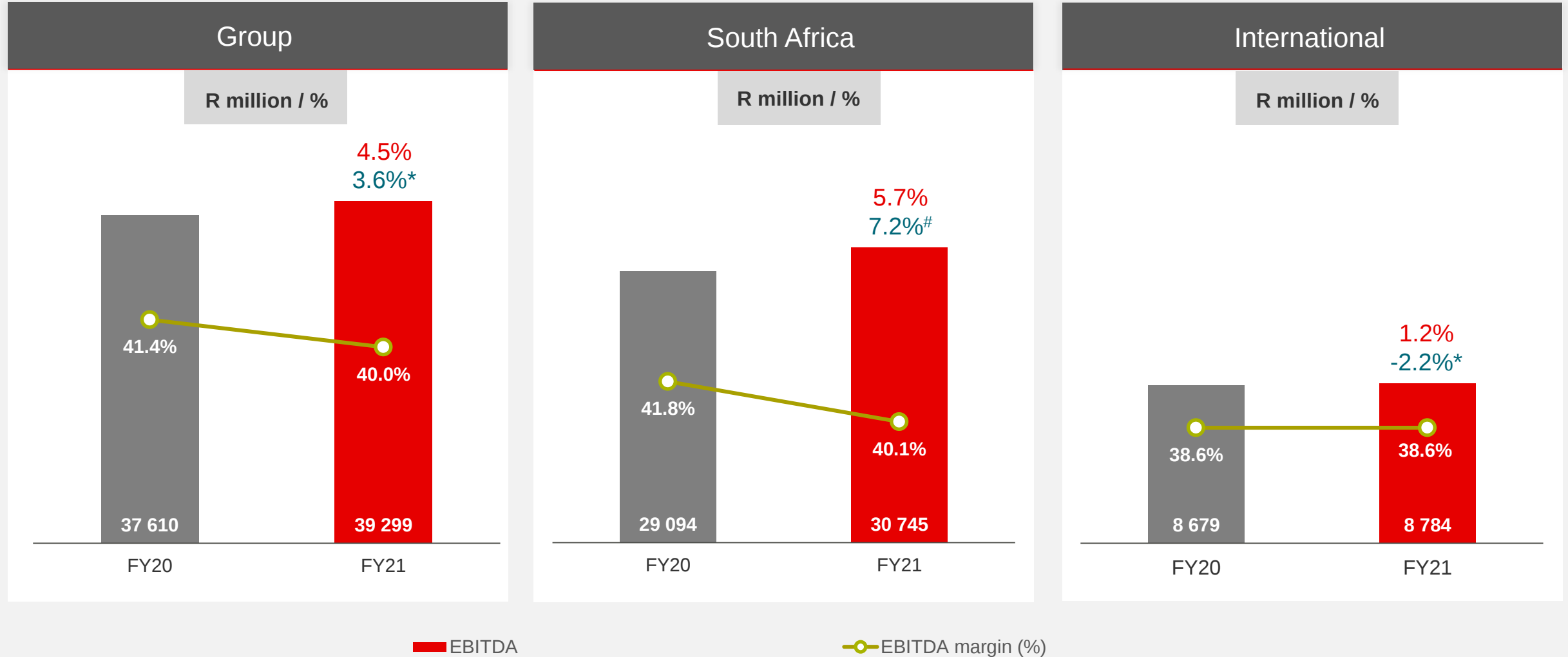
### International

R million / %



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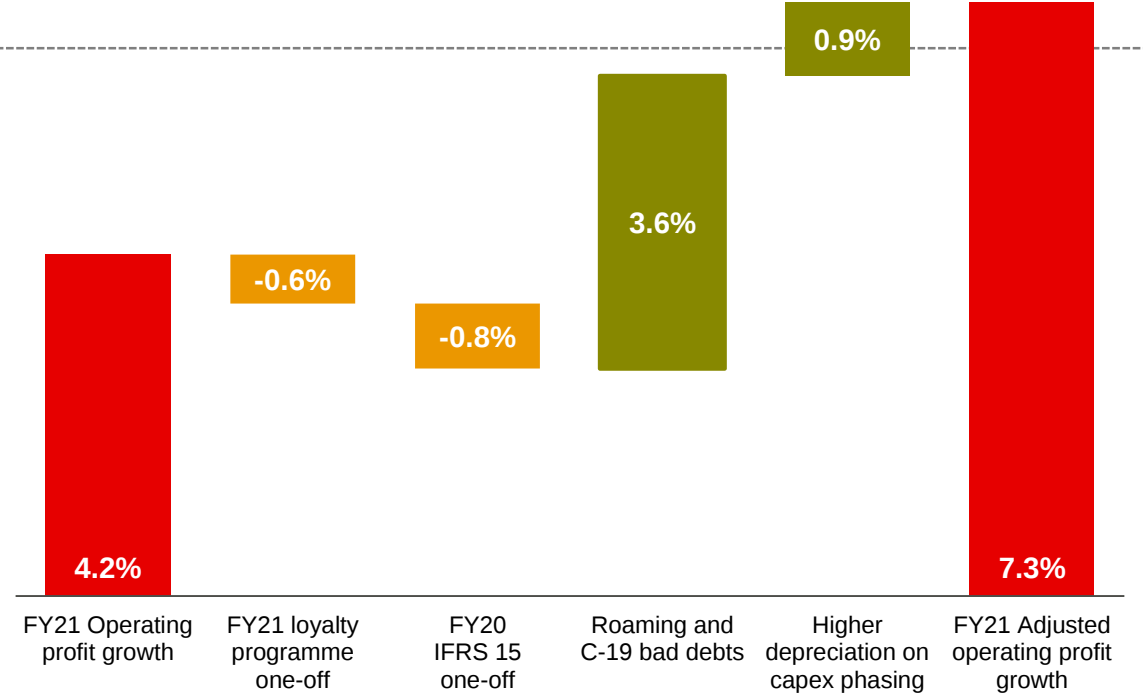
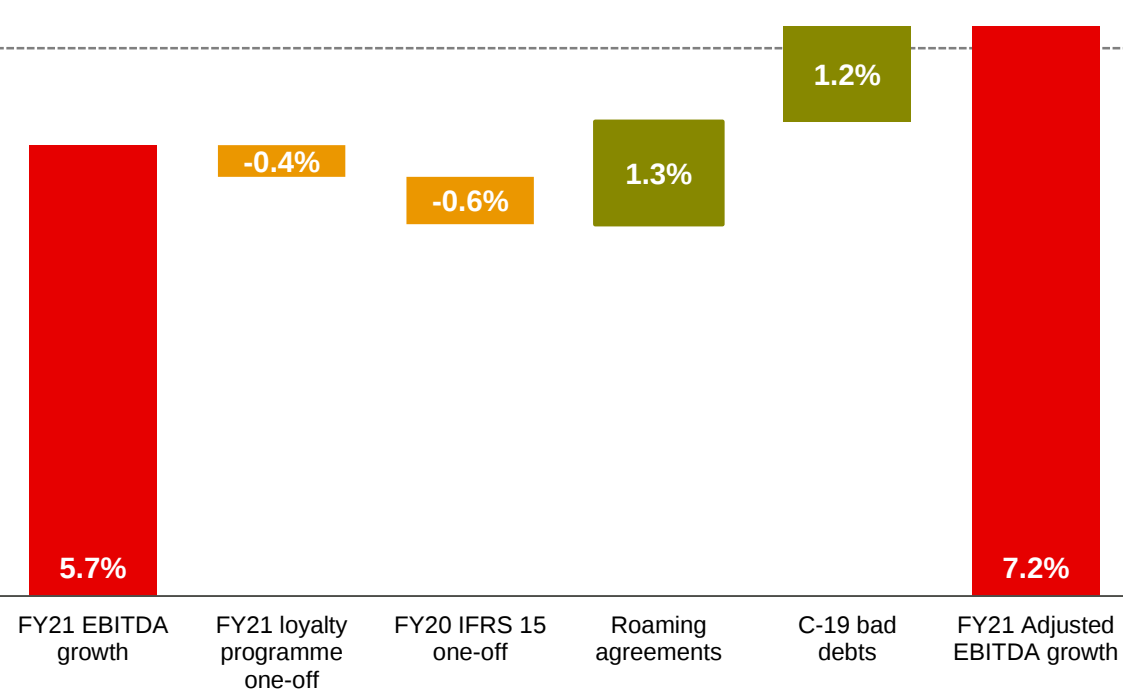
# Excluding the impacts of IFRS 15 adjustment in prior period, loyalty programme, roaming deals and COVID-19 related bad debt in the current period.



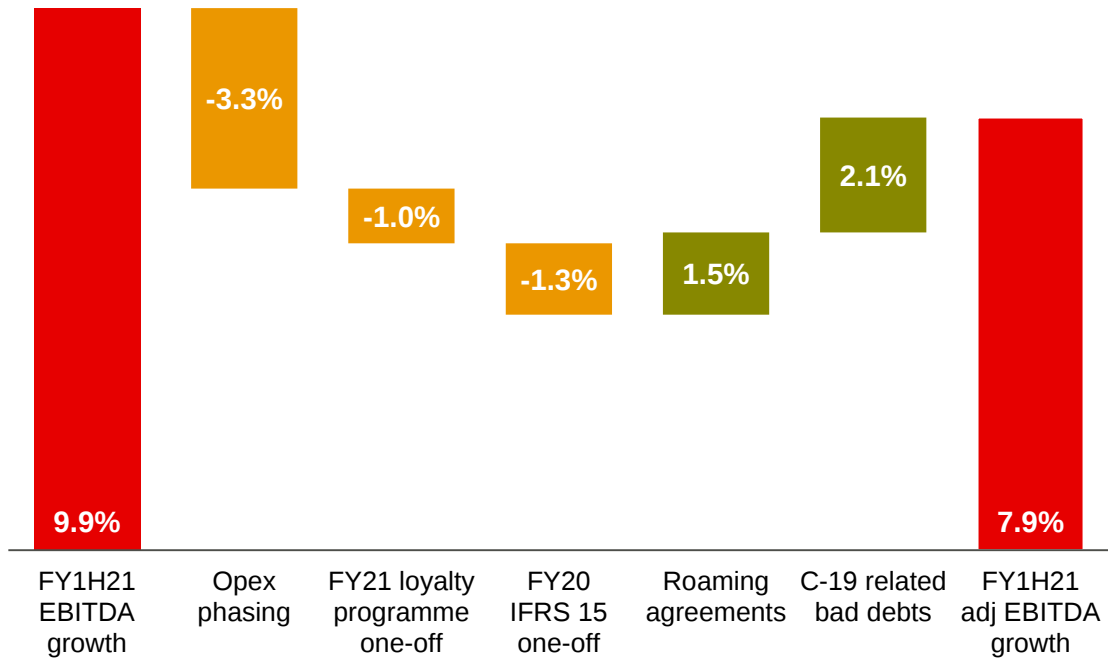
### EBITDA

### Operating profit

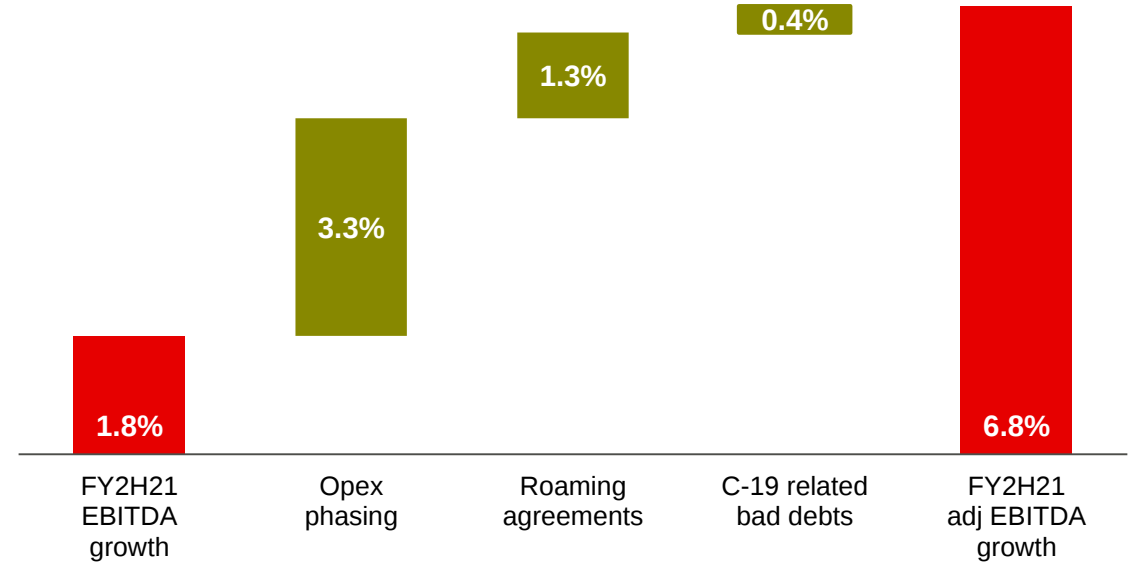
Service revenue  
growth +7.0%



### 1H21 EBITDA growth

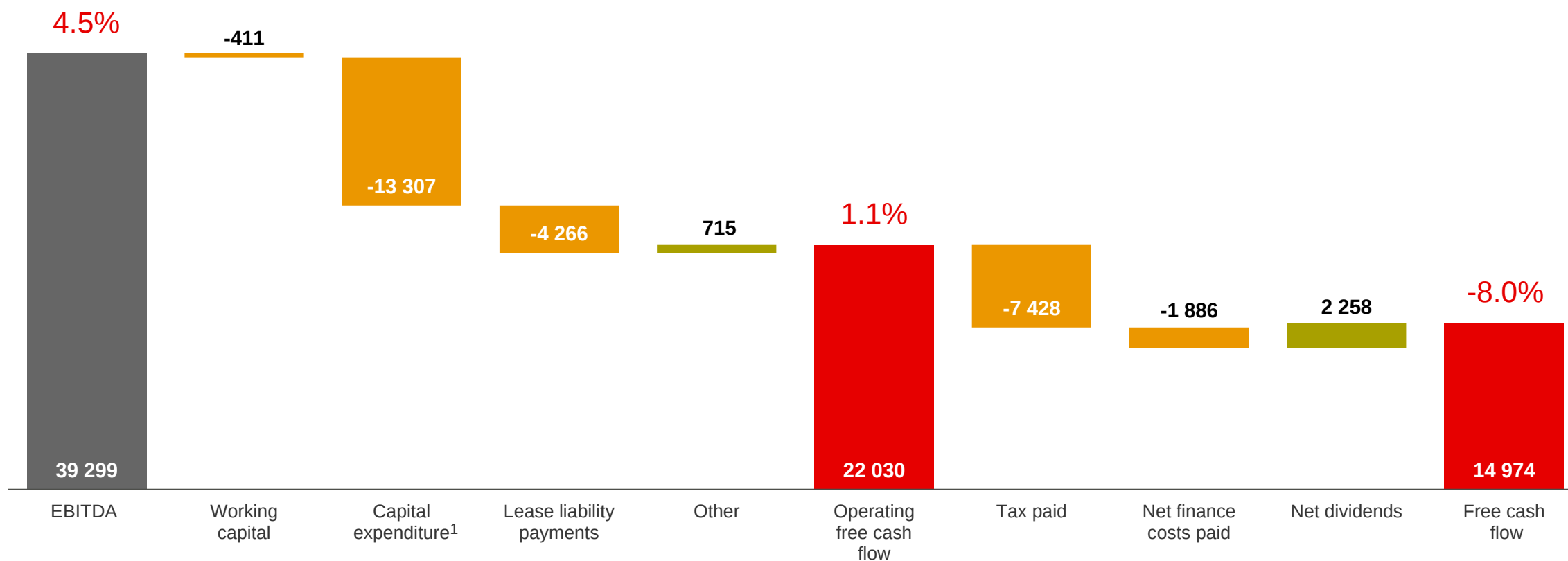


### 2H21 EBITDA growth



## Group free cash flow

R million

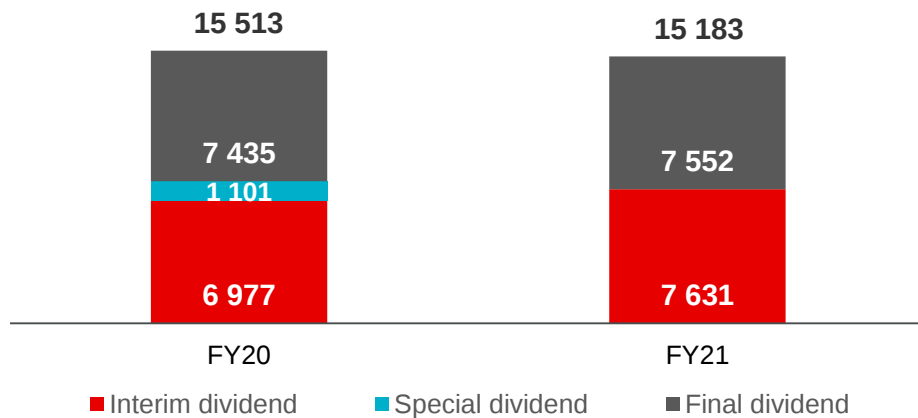


1. Capital expenditure comprises the purchase of property, plant and equipment and intangible assets, other than license and spectrum payments. Purchases of customer bases are excluded from capital expenditure.



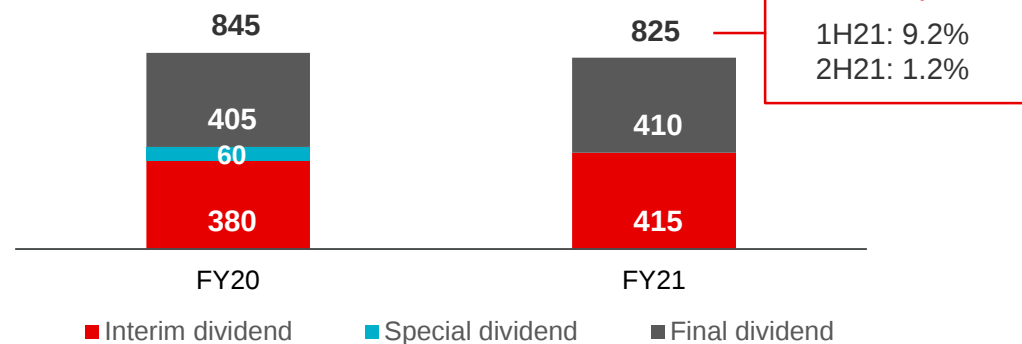
### Total dividend declared

R million / %



### Total dividend per share declared

Cents



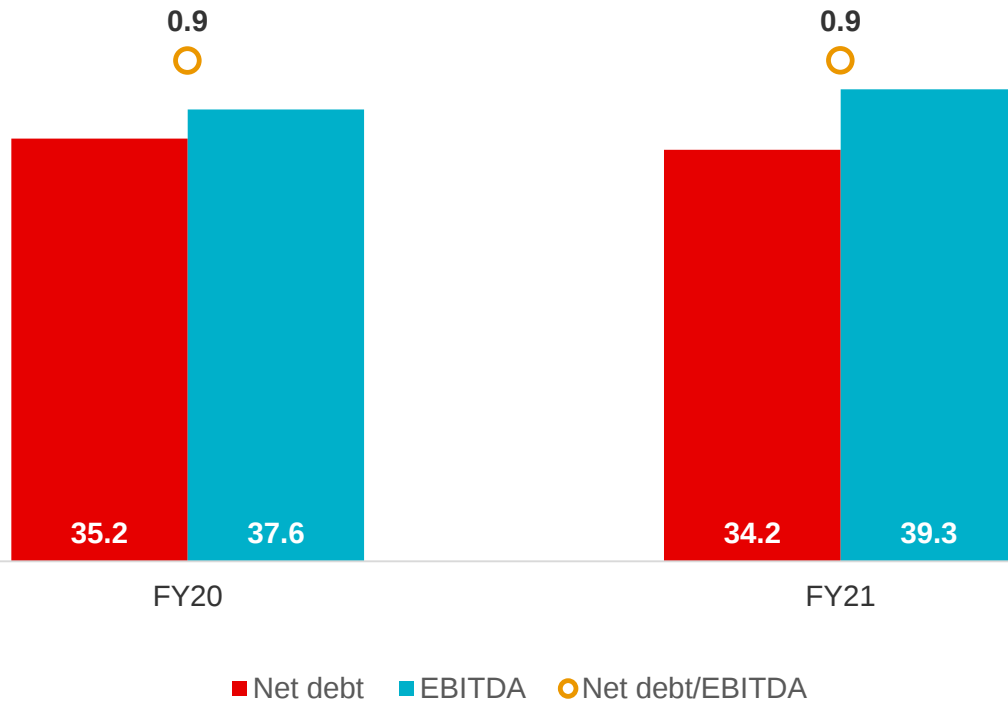
### Dividend policy and interim dividend calculation

|                                                                  |                      |                |
|------------------------------------------------------------------|----------------------|----------------|
| 90% of pre-Safaricom FY2H21 headline earnings                    | R6 848 million @ 90% | R6 163 million |
| Flow through of Safaricom cash dividend (net of withholding tax) | R2 778 million @ 50% | R1 389 million |
| Final dividend declared                                          |                      | R7 552 million |
| Number of shares                                                 |                      | 1 836 million  |
| Final dividend per share                                         |                      | 410cps         |



### Net debt/EBITDA

R billion / times



- Conservative balance sheet gearing

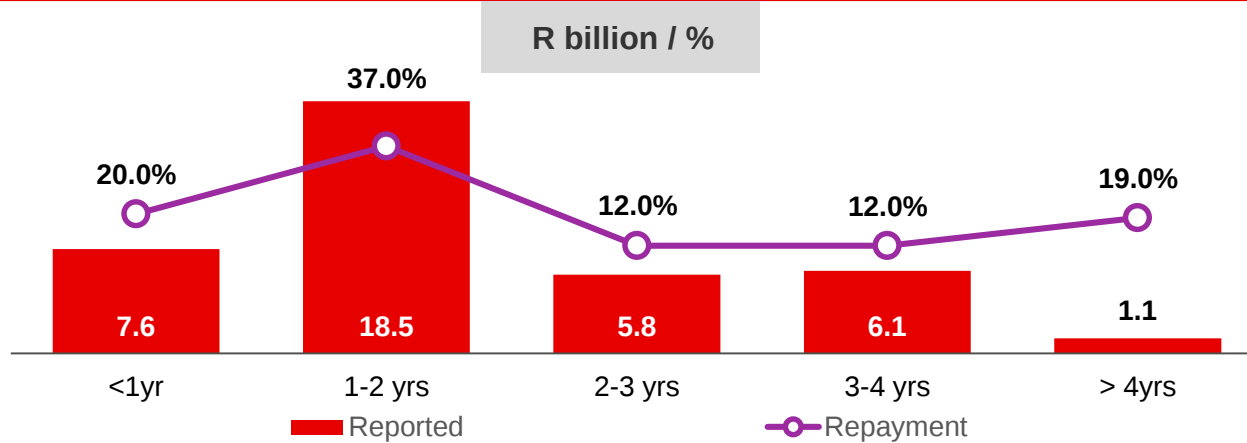
- Net debt/EBITDA maintained at 0.9x

- Our internal leverage threshold of 1.5x net debt/EBITDA provides flexibility

- Net debt/EBITDA (excl leases) reduced from 0.7x (FY20) to 0.6x (FY21)



### Maturity profile



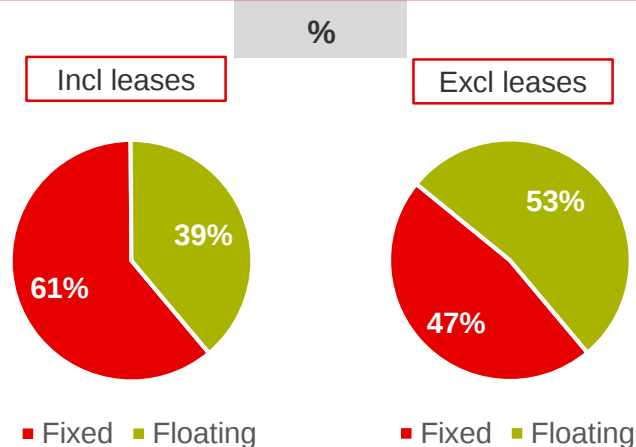
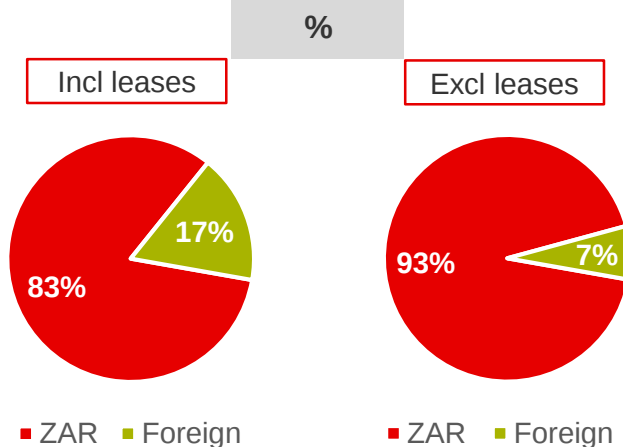
- Short-term debt maturities skewed to ZAR denominated Vodafone Term Loans

- Payment profile spread over 5 years

- Low foreign denominated debt exposure – limited currency risk

- Fixed and floating debt provides protection and upside to lower interest rates

- R4 billion unutilised committed facilities before pandemic – doubled to R8 billion



# Medium-term targets and FY22 outlook

## Targets

### Group service revenue growth

Mid-single digit

### Group operating profit growth

Mid-to-high-single digit

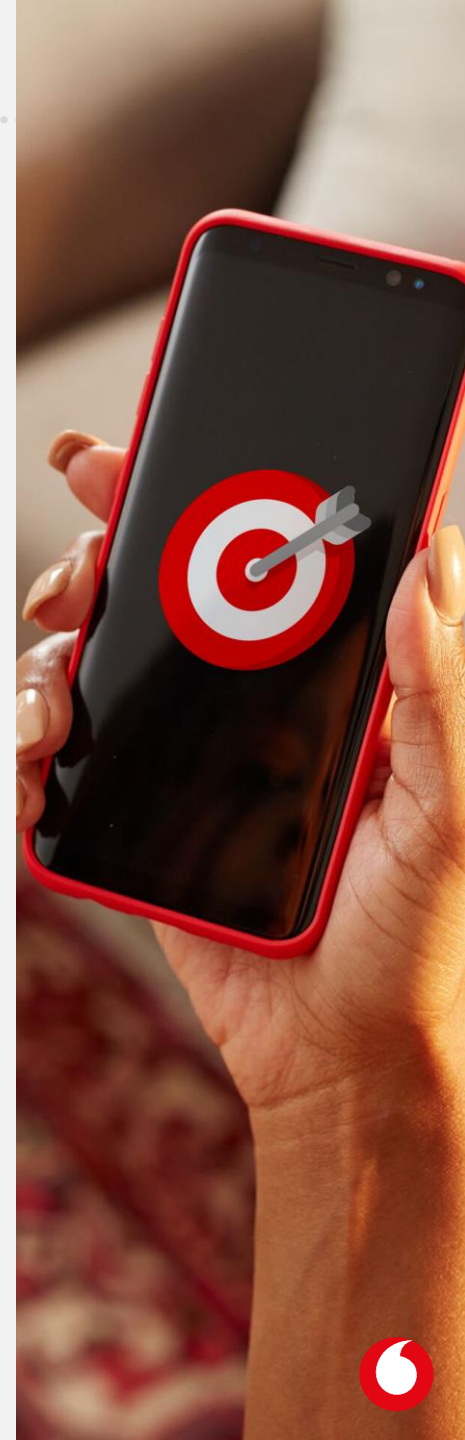
### Group capital intensity ratio

13.0% to 14.5% of Group revenue

## FY22 Outlook

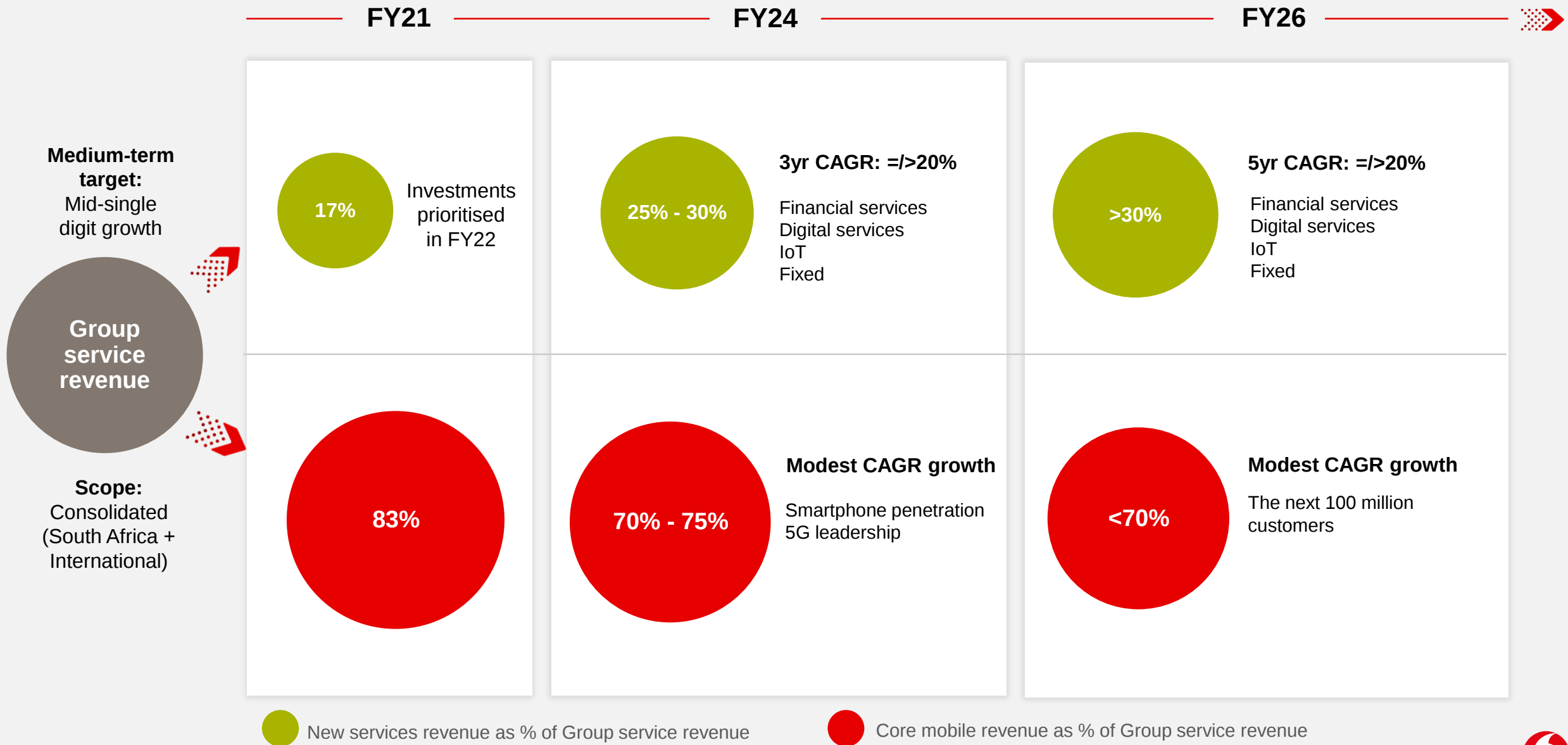
- **South Africa:** SR growth consistent with medium-term Group target
  - **International:** Clear improvement in SR growth rate vs FY21, supported by M-Pesa recovery
- 
- **South Africa:** OP growth impacted by phasing of growth in FY1H21 / FY2H21
  - **International:** OP growth above Group target
  - **Group:** FY22 growth rate to accelerate into FY23/24
- 
- **Group:** Targeting mid-to-high end of capital intensity range

These targets are on average, over the next three years and are on a normalised basis in constant currency, excluding spectrum purchases, exceptional items and any merger and acquisition activity.

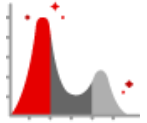


# New services contribution

Gaining momentum, pivoting to TechCo



# Priorities



**Spectrum**



**COVID-19**  
Supporting recovery



**Platform**  
acceleration



**Digital**  
Vodacom



**Financial Services**  
growth

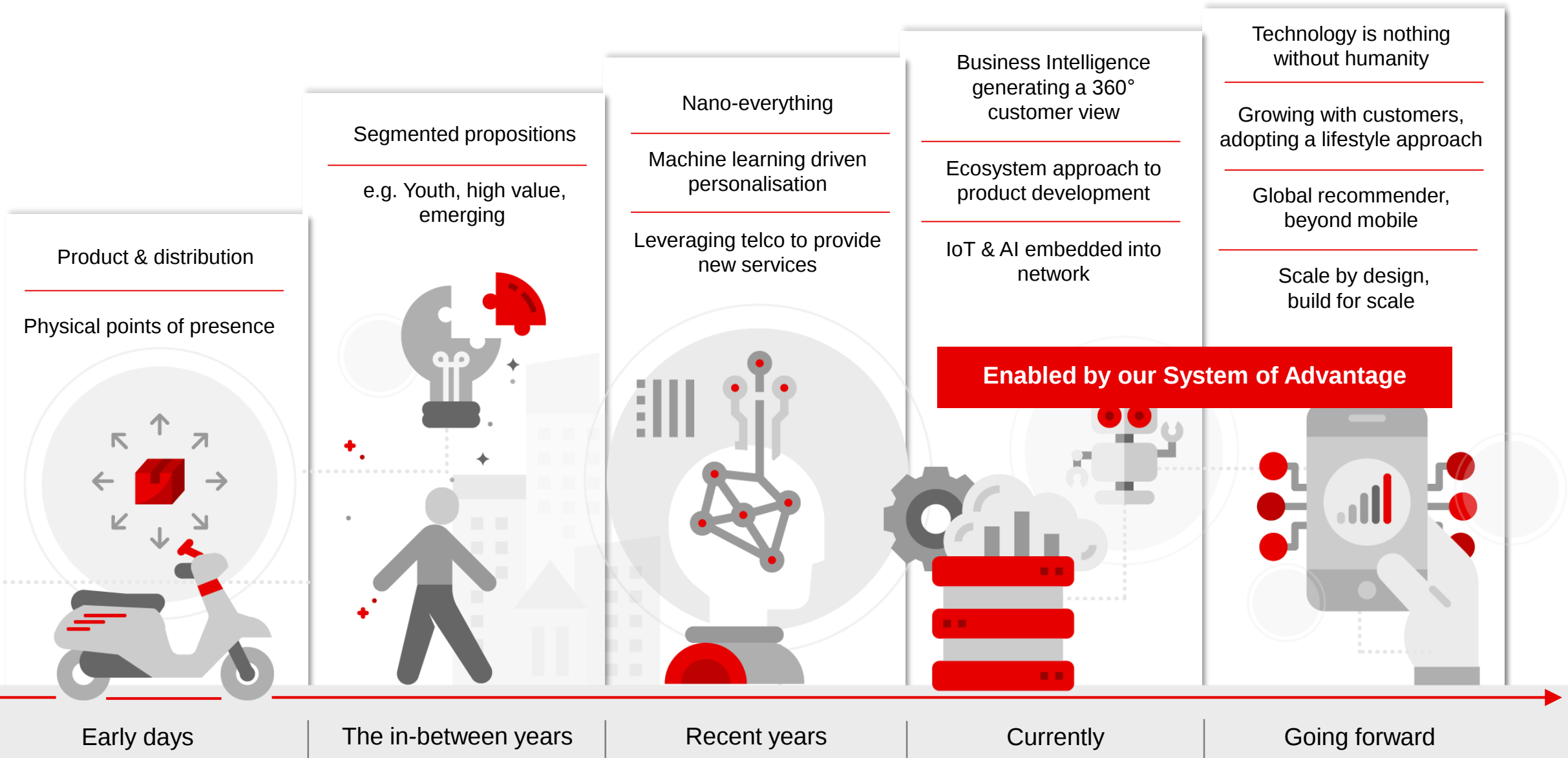


**Data**  
monetisation



# Appendix – additional slides





## International

20.4%

contribution to  
service revenue

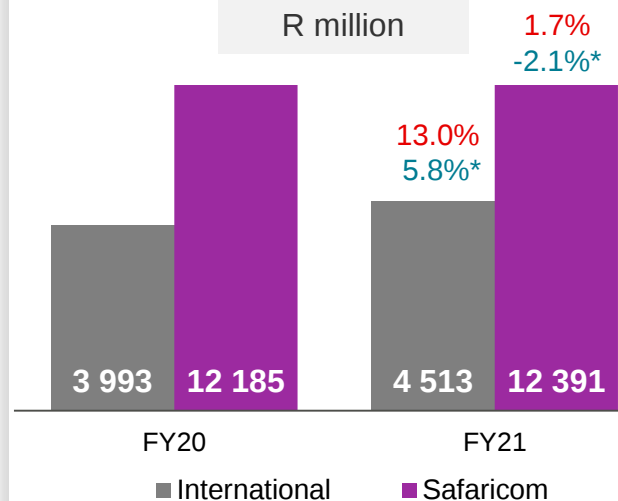
47.4%

of customers  
using M-Pesa

**M-Pesa customers up**  
9.6% to 16.1 million

## M-Pesa revenue

R million



## Safaricom

33.0%

contribution to  
service revenue

70.9%

of customers  
using M-Pesa

**M-Pesa customers up**  
13.6% to 28.3 million

## Tanzania

1.8 million monthly Songesha customers

## Nano lending

\$3.3 billion in loans granted<sup>1</sup>

## Safaricom

5.9 million monthly Fuliza customers

## Merchant

Apps launched in Kenya in Tanzania

## Merchants<sup>1</sup>

328 thousand active merchants

## Safaricom

74.8% YoY merchant growth

## International

239 thousand active agents

## Platform<sup>1</sup>

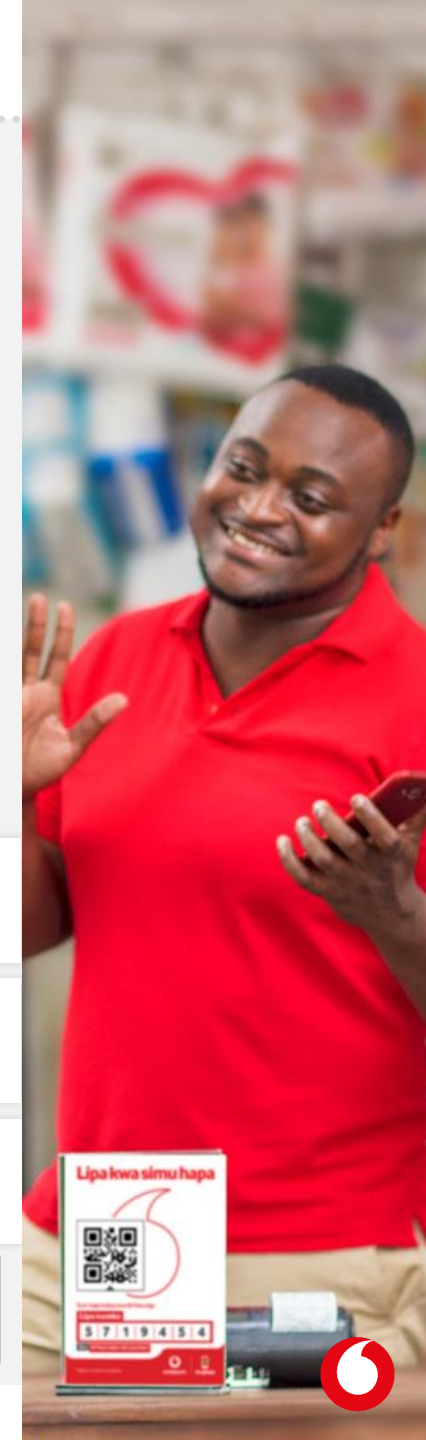
\$24.5 billion value processed

## Safaricom

248 thousand active agents

1. Including Safaricom (100%)

\* Normalised growth presents performance on a comparable basis. This adjusts for trading foreign exchange, foreign currency fluctuation on a constant currency basis (using the current period 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.



# Vodacom SA's Social Contract

Delivering economic value for society, government, business & our customers

1



Expand & future-proof our **network infrastructure**

- R10.1 billion invested in FY21
- 99.9% 3G coverage
- 97.3% 4G coverage
- Launched 190 5G sites using temporary spectrum
- 93.7% of the rural population is covered by the 4G network

2



Accelerate support to **Governments** (eHealth, eEducation)

- Stock Visibility solution used in 5 935 health facilities
- 3 500 facilities used SVS to monitor stock levels of PPE for COVID-19
- 1.8 million active users of Mum & Baby
- 1.25 million users of e-School
- mVacciNation helped the National Department of Health to administer COVID-19 vaccinations.

3



Enhance **digital accessibility & literacy** for most vulnerable

- 4.2 million low cost devices accessed by customers
- 681 girls trained on coding skills.
- Affordable access to 15.5 million users through ConnectU
- Zero-rating education, health & social development sites
- Further reduced the 1GB bundle, by 14% from R99 to R85

4



Promote widespread **digital adoption for business**

- Faster supplier payment terms for SMEs (R1.1 billion in FY21)
- Extended loans to SMEs through VodaLend
- Unlimited data offers and special packages to SMEs
- VodaTrade enables SMEs to trade with bigger business partners

5



Support **exit strategies** through targeted digital adoption

- mVacciNation successfully deployed in SA and will be offered to other AU member states in a partnership with AUDA-NEPAD and the Africa CDC.
- Procurement of cold-chain storage facilities will be used for current and future inoculation programmes.

6



For Africa: Enable cashless payments & **financial inclusion**

- 10.8 million users of airtime advance
- 2.1 million insurance policy holders
- The VodaLend Voucher Advance, allows customers to buy food and appliances on credit.
- VodaPay 2.0 (super-app in partnership with Alipay) will be launched in 2021



### Group net finance charges

| R million                                                       | FY21           | FY20           | % change     |
|-----------------------------------------------------------------|----------------|----------------|--------------|
| Finance income                                                  | 767            | 884            | -13.2        |
| Finance cost                                                    | (4 190)        | (4 702)        | -10.9        |
| <b>Net finance costs</b>                                        | <b>(3 423)</b> | <b>(3 818)</b> | <b>-10.7</b> |
| Net loss on remeasurement and disposal of financial instruments | (378)          | (16)           | >200.0       |
| <b>Net finance charges</b>                                      | <b>(3 801)</b> | <b>(3 834)</b> | <b>(0.9)</b> |
| <b>Average cost of debt (%)</b>                                 | <b>6.4</b>     | <b>7.7</b>     |              |

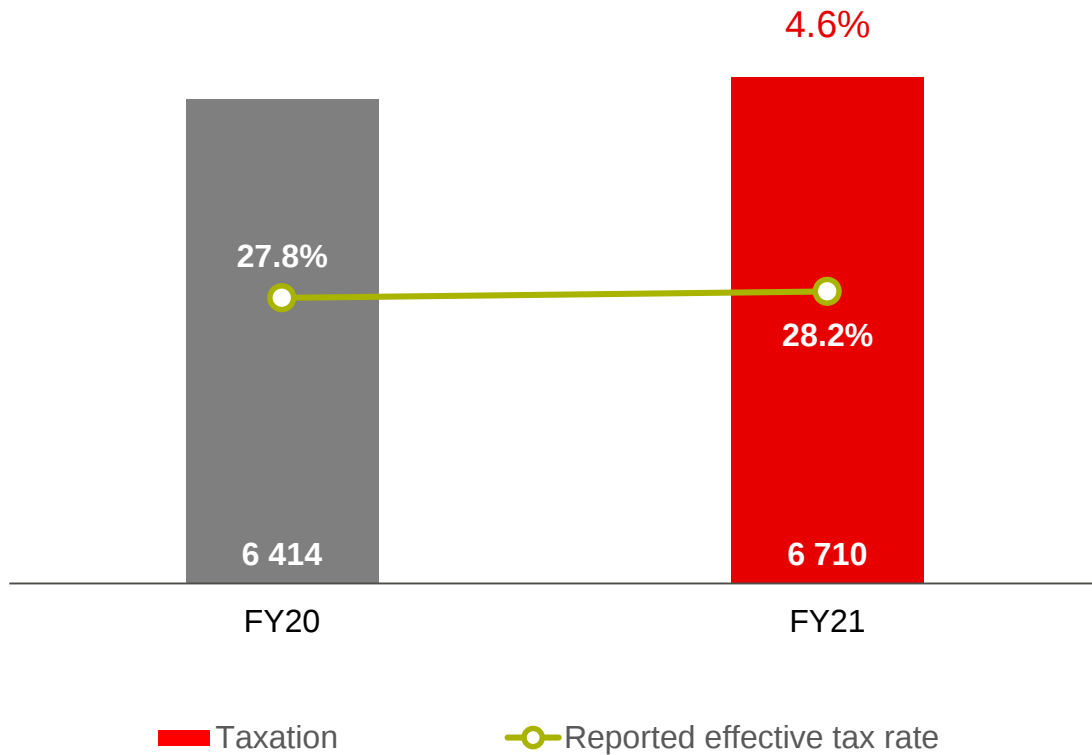
### Group net debt

| R million                         | FY21            | FY20            |
|-----------------------------------|-----------------|-----------------|
| Cash balances including overdraft | 15 209          | 16 191          |
| Current borrowings                | (9 634)         | (3 707)         |
| Non-current borrowings            | (39 741)        | (47 988)        |
| Other financial instruments       | (83)            | 324             |
| <b>Net debt</b>                   | <b>(34 249)</b> | <b>(35 180)</b> |
| <b>Net debt/EBITDA (times)</b>    | <b>0.9</b>      | <b>0.9</b>      |



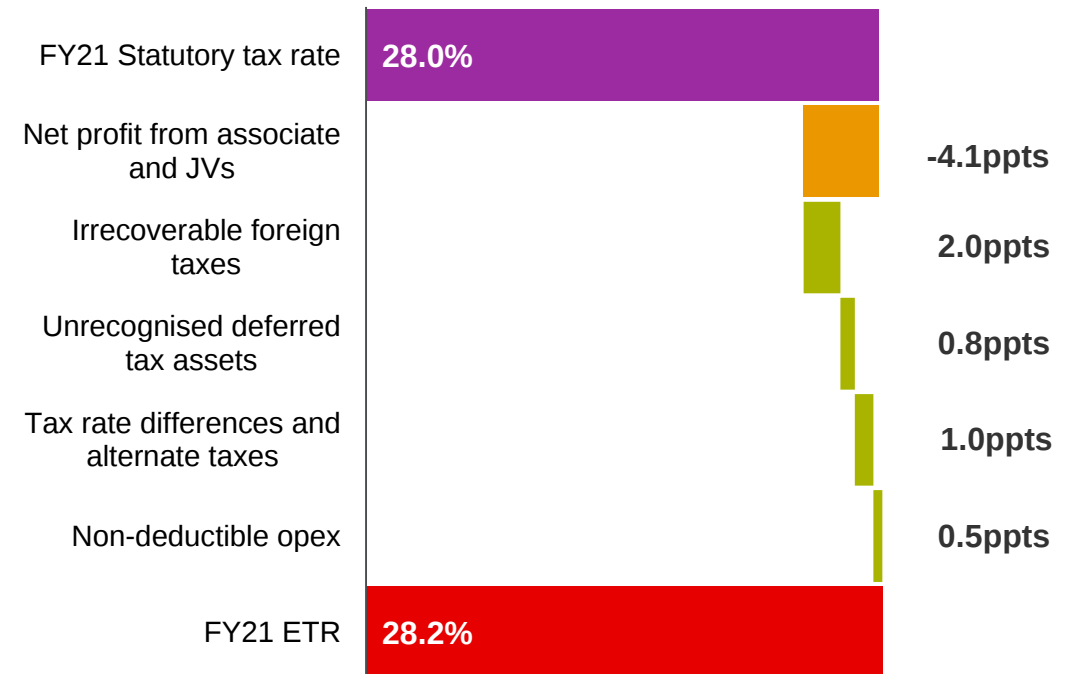
## Group tax charge and effective tax

R million / %



## Reconciliation of SA tax rate to effective tax rate

%



## Country data

|                                                 | South Africa    | Tanzania           | DRC                                  | Mozambique       | Lesotho         | Kenya                       |
|-------------------------------------------------|-----------------|--------------------|--------------------------------------|------------------|-----------------|-----------------------------|
| <b>Population<sup>‡</sup> (million)</b>         | 59.3            | 59.7               | 89.6                                 | 31.3             | 2.1             | 53.8                        |
| <b>GDP per capita<sup>‡</sup> (USD)</b>         | 83 866          | 1 159              | 536                                  | 437              | 1 112           | 1 848                       |
| <b>GDP growth estimate<sup>‡</sup> 2020 (%)</b> | -7.0            | 3.0                | -1.6                                 | -1.3             | -9.1            | 0.1                         |
| <b>Ownership (%)</b>                            | 100             | 75                 | 51                                   | 85               | 80              | 34.94 <sup>¢</sup>          |
| <b>Licence expiry period</b>                    | 2029            | 2031               | 2026/2028/<br>2032/2038 <sup>µ</sup> | 2038             | 2036            | 2022/2024/2026 <sup>∞</sup> |
| <b>Customers (thousand)</b>                     | 44 061          | 14 861             | 15 180                               | 7 979            | 1 731           | 39 902                      |
| <b>ARPU (rand/month)</b>                        | 95 <sup>Δ</sup> | 37 <sup>Δ</sup>    | 45 <sup>Δ</sup>                      | 57 <sup>Δ</sup>  | 59 <sup>Δ</sup> | 83 <sup>β</sup>             |
| <b>ARPU (local currency/month)</b>              | 95 <sup>Δ</sup> | 5 259 <sup>Δ</sup> | 2.8 <sup>Δ</sup>                     | 250 <sup>Δ</sup> | 59 <sup>Δ</sup> | 551.3 <sup>β</sup>          |
| <b>Minutes of use per month</b>                 | 136             | 194                | 33                                   | 135              | 70              | n/a                         |

<sup>‡</sup> The Bureau of Economic Research for SA and Fitch Solutions for all other countries (Extraction date: April 2021).

<sup>‡</sup> GDP per capita is in ZAR for South Africa.

<sup>¢</sup> 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%.

<sup>µ</sup> 2026 (wimax licence), 2028 (2G licence), 2032 (3G licence) and 2038 (4G licence).

<sup>∞</sup> 2022 (3G licence), 2024 (2G licence), 2026 (4G licence)

<sup>Δ</sup> Total ARPU is calculated by dividing the sum of the customer and incoming revenue for the period by the average monthly active customers during the period.

<sup>β</sup> Total ARPU is calculated by dividing the average total service revenue by the average monthly customers during the period.



## Impact of foreign exchange

### Revenue

|               | YoY% growth |             |
|---------------|-------------|-------------|
| FY21          |             |             |
|               | Reported    | Normalised* |
| South Africa  | 10.3        | 10.3        |
| International | 1.1         | -2.4        |
| Group         | 8.3         | 7.4         |

### Average YTD exchange rates

|         | YoY% growth |           |
|---------|-------------|-----------|
|         | FY21        | FY20      |
|         |             | % changed |
| USD/ZAR | 16.36       | 14.79     |
| ZAR/MZN | 4.43        | 4.27      |
| ZAR/TZS | 142.57      | 155.93    |
| EUR/ZAR | 19.04       | 16.42     |
| ZAR/KES | 6.67        | 6.93      |

### Service revenue

|               | YoY% growth |             |
|---------------|-------------|-------------|
| FY21          |             |             |
|               | Reported    | Normalised* |
| South Africa  | 7.0         | 7.0         |
| International | 1.6         | -1.9        |
| Group         | 5.8         | 4.7         |

### EBITDA

|               | YoY% growth |             |
|---------------|-------------|-------------|
| FY21          |             |             |
|               | Reported    | Normalised* |
| South Africa  | 5.7         | 5.6         |
| International | 1.2         | -2.2        |
| Group         | 4.5         | 3.6         |

\* Normalised growth presents performance on a comparable basis. This adjusts for trading foreign exchange, foreign currency fluctuation on a constant currency basis (using the current period 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.



# Definitions

## Customers

Customers are based on the total number of mobile customers using any service during the last three months. This includes customers paying a monthly fee that entitles them to use the service even if they do not actually use the service and those customers who are active whilst roaming.

## Data customers

Data customers are based on the number of unique users generating billable data traffic during the month. Also included are users on integrated tariff plans, or who have access to corporate APNs, and users who have been allocated a revenue generating data bundle during the month. A user is defined as being active if they are paying a contractual monthly fee for this service or have used the service during the reported month.

## M-Pesa customers

M-Pesa customers are based on the number of unique users who have generated revenue related to M-Pesa during the last month.

## ARPU

Total ARPU is calculated by dividing the sum of the customer and incoming revenue for the period by the average monthly active customers during the period.

## EBITDA

Earnings before interest, taxation, depreciation and amortisation, impairment losses, profit/loss on disposal of investments, property, plant and equipment, and intangible assets, profit/loss from associate and joint venture, restructuring cost and BEE income/charge.

## Free cash flow

Cash generated from operations less additions to property, plant and equipment and intangible assets, proceeds on disposal of property, plant and equipment and intangible assets, tax paid, net finance charges paid and net dividends received/paid and movements in amounts due to M-Pesa account holders.

## South Africa

Vodacom (Pty) Limited, a private limited liability company duly incorporated in accordance with the laws of South Africa and its subsidiaries, joint ventures and SPV's.

## International

International comprises the segment information relating to the non-South African-based cellular networks in Tanzania, the Democratic Republic of Congo, Mozambique and Lesotho as well as the operations of Vodacom International Limited (Mauritius) and Vodacom Business Africa Group (Pty) Limited and its subsidiaries.

## MOU

Minutes of use per month is calculated by dividing the average monthly minutes (traffic) during the period by the average monthly active customers during the period.

## Normalised growth (\*)

Normalised growth presents performance on a comparable basis. This adjusts for trading foreign exchange, foreign currency fluctuation on a constant currency basis (using the current period 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.

## Operating free cash flow

Cash generated from operations less additions to property, plant and equipment and intangible assets other than licence and spectrum payments and purchases of customer bases, net of proceeds on disposal of property, plant and equipment and intangible assets, other than license and spectrum payments and disposals of customer bases and movements in amounts due to M-Pesa account holders.

## HEPS

Headline earnings per share.



# Forward-looking statement

This presentation which sets out the annual results for Vodacom Group Limited for the year ended 31 March 2021 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.



## More information

Visit our website for more information  
<http://www.vodacom.com>

### 2021 upcoming dates



|                        |                  |
|------------------------|------------------|
| Integrated report live | 15 June 2021     |
| Annual general meeting | 19 July 2021     |
| 1Q22 results           | 29 July 2021     |
| 1H22 results           | 15 November 2021 |

