

Vodacom Group Limited

# Consolidated and separate financial statements

For the year ended 31 March 2026

Further together



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## Director's statement of responsibility

The directors are responsible for the preparation, integrity and fair presentation of the consolidated financial statements of Vodacom Group Limited, its subsidiaries, joint ventures, associates and special purpose entities (the Group) and the separate financial statements of Vodacom Group Limited (the Company).

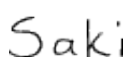
The consolidated and separate financial statements have been audited by the independent accounting firm Ernst & Young Inc. which was given unrestricted access to all financial records and related data, including minutes of meetings of shareholders, the Board and committees of the Board. The directors believe that all representations made to the independent auditors during their audit were valid and appropriate. The report of the auditors is presented on pages 2 to 6.

The consolidated and separate financial statements for the year ended 31 March 2026 presented on pages 17 to 114 have been prepared in accordance with IFRS<sup>®</sup> Accounting Standards as issued by the International Accounting Standards Board (IASB), the Financial Reporting Guides as issued by the South African Institute of Chartered Accountants (SAICA) Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the requirements of the Companies Act of 2008 ('the Companies Act'), as amended. They are based on appropriate accounting policies which have been consistently applied apart from adoption of new accounting standards and which are supported by reasonable and prudent judgements, including judgements involving estimations. The going concern basis has been adopted in preparing the consolidated and separate financial statements. The directors have no reason to believe that the Group and the Company will not be a going concern in the foreseeable future based on forecasts and available cash resources.

In terms of section 5.9 of the JSE Listings Requirements, the directors, whose names are stated below, hereby confirm that:

- the financial statements set out on pages 17 to 114 fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
- to the best of our knowledge and belief no facts have been omitted or untrue statements made that would make the financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer;
- the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies; and
- we are not aware of any fraud involving directors.

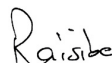
The consolidated and separate financial statements were approved by the Board on 5 June 2026 and are signed on its behalf by:



**SJ Macozoma**  
Chairman



**MS Aziz Joosub**  
Chief Executive Officer



**RK Morathi**  
Chief Financial Officer

## Certificate by the Company Secretary

In terms of section 88(2)(e) of the Companies Act, as amended, I certify that, to the best of my knowledge and belief, Vodacom Group Limited has lodged with the Registrar of Companies for the financial year ended 31 March 2026, all such returns and notices as are required of a public company in terms of the Companies Act, and that all such returns and notices are true, correct and up to date.



**KE Robinson**  
Company Secretary  
5 June 2026



# Independent auditor's report

## To the shareholders of Vodacom Group Limited

### Report on the audit of the consolidated and separate financial statements

#### Opinion

We have audited the consolidated and separate financial statements of Vodacom Group Limited and its subsidiaries ('the Group') and company set out on pages 17 to 114, which comprise of the consolidated and separate statements of financial position as at 31 March 2026, and the consolidated and separate income statements and statements of comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the group and company as at 31 March 2026, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the group and company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) as applicable to audits of financial statements of public interest entities, and other independence requirements applicable to performing audits of financial statements of the group and company and in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits of the group and company and in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette Number 49309 dated 15 September 2023 (EAR Rule) we report:

#### Final Materiality

The ISAs recognise that:

- misstatements, including omissions, are considered to be material if the misstatements, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements;
- judgments about materiality are made in light of surrounding circumstances, and are affected by the size or nature of a misstatement, or a combination of both; and
- judgments about matters that are material to users of the financial statements consider users as a group rather than as specific individual users, whose needs may vary greatly.

The amount we set as materiality represents a quantitative threshold used to evaluate the effect of misstatements to the financial statements as a whole based on our professional judgment. Qualitative factors are also considered in making final determinations regarding what is material to the financial statements.

#### Group Final Materiality:

We determined final materiality for the Group to be R1.85 billion, which is based on 5% of Profit Before Tax. We have identified Profit Before Tax as the most appropriate basis as we typically believe that profit companies are evaluated by users on their ability to generate earnings.

#### Company Final Materiality:

We determined final materiality for the standalone company to be R670 million, which is based 0.5% of Total assets. We have identified that a capital-based measure was the most appropriate due to the nature of the Company being an investment holding company and which is a prominent metric utilised by users of the financial statements against which to evaluate the capital growth and the performance of investments. Our review of information provided to users by the entity confirms our view.

### Group Audit Scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for each component within the Group. Taken together, this enables us to form an opinion on the consolidated financial statements. We take into account the size and risk profile of the components in the Group. In addition, we further consider the organisation of the Group and effectiveness of Group wide controls, changes in the business environment, and other factors such as our experience in prior years and recent internal audit results when assessing the level of work to be performed at each component of the Group. Our process focuses on identifying and assessing the risk of material misstatements of the Group financial statements as a whole including, with respect to the consolidation process.

In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the primary audit engagement team, or by component auditors under our instruction.

In selecting components, we perform risk assessment activities across the Group and its components to identify risks of material misstatement. We then identify how the nature and size of the account balances at the components contribute to those risks and thus determine which account balances require an audit response. We then consider for each component the degree of risk identified (whether pervasive or not) and the number of accounts requiring audit responses to assign either a full or specific scope (including specified procedures) to each component. We involved component auditors in this risk assessment process.

In our assessment of the residual account balances not covered by the audit procedures, we considered whether these could give rise to a risk of material misstatement of the Group financial statements. This assessment included performing overall analytical procedures at Group level.

Of the 5 components selected, we identified:

- 5 components ("full scope components") which were selected based on the pervasiveness of risk in those components and for which we therefore performed procedures on what we considered to be the entire financial information of the component.

At Group level we also tested the consolidation process.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

In terms of the EAR Rule, we are required to report the outcome of audit procedures or key observations with respect to the key audit matters and these are included below.

The key audit matters apply equally to the audit of the consolidated and separate financial statements.



Key audit matter description	How the matter was addressed in the audit
<p><b>Significant acquisitions in the year – acquisition of 30% of Maziv (associate)</b></p> <p>The Group's acquisition of 30% of Maziv, the holding company for Vumatel and Dark Fibre Africa, followed a complex competition process and conditional approvals.</p> <p>This required significant judgement in:</p> <ul style="list-style-type: none"> <li>(i) determining whether the Group has significant influence (associate) or joint control;</li> <li>(ii) establishing the initial recognition at cost under IAS 28, including fair value measurement of any non-cash consideration contributed and basis differences to be tracked for equity accounting;</li> <li>(iii) assessing impairment indicators for the investment; and</li> <li>(iv) crafting complete, entity-specific disclosures about the transaction and applicable conditions.</li> </ul> <p>The acquisitions described above are material to the Group's strategy and financial statements and involved complex accounting analyses, high estimation uncertainty (including fair-value measurements) and significant judgements (control vs significant influence, identification and measurement of identifiable intangibles, goodwill, and measurement-period adjustments). The transactions also carry heightened disclosure requirements and public-interest sensitivity. Accordingly, this area required significant auditor attention and the involvement of senior members of the engagement team and valuation specialists throughout the audit.</p> <p>Given the size and strategic importance of the investment, this area required significant auditor attention and therefore was considered to be a key audit matter. Refer to page 52 - Note 12 Investments in associates and joint ventures, page 22 - Material Accounting Policy and page 48 – Note 9 Property, Plant and Equipment.</p>	<p>Our procedures included, amongst others, the following:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding of the transaction and evaluated the design and implementation of key processes and controls relevant to the accounting for the transaction, including management's processes for identifying assets and liabilities, determining valuations and recording journal entries.</li> <li>• We reviewed management's detailed technical accounting papers and supporting analyses relating to the transaction, including the classification of the investment under IAS 28, the initial recognition of the investment at cost, the accounting for non cash consideration contributed, and the identification and tracking of basis differences, with the support of EY technical accounting specialists.</li> <li>• We reviewed and assessed the net asset value calculations prepared by management, including validation of the underlying balances as at the transaction date, and reviewed the consolidation journals to assess the completeness and accuracy of the accounting entries recorded.</li> <li>• With the assistance of EY valuation specialists, we evaluated the work performed by management's valuation specialists, assessed the appropriateness of valuation methodologies applied, and evaluated the reasonableness of key assumptions used.</li> <li>• With the assistance of EY valuation specialists, we performed recalculations and sensitivity analyses over selected key inputs to assess the impact of changes in assumptions on the valuation outcomes within accepted valuation ranges.</li> <li>• We evaluated management's accounting treatment for the disposal of assets and the related sale and leaseback arrangements, including assessing whether the transactions met the requirements of IFRS 15 and IFRS 16, and reviewed the determination of incremental borrowing rates and the assessment of market related lease terms.</li> <li>• We evaluated management's impairment assessment relating to the investment in the associate to assess whether impairment indicators existed and whether the conclusions reached were supported by available evidence.</li> <li>• We evaluated management's assessment of the tax consequences arising from the transaction, including the appropriateness of the accounting treatment adopted.</li> <li>• We assessed the completeness, accuracy and adequacy of the related disclosures in the consolidated financial statements in accordance with applicable IFRS requirements.</li> </ul>
<p><b>Key Observations – Significant acquisitions of 30% of Maziv (associate)</b></p> <p>Based on the procedures performed over the significant acquisition of 30% of Maziv (associate), we identified areas of discussions with management and after resolution we were able to conclude on our procedures.</p>	

Key audit matter description	How the matter was addressed in the audit
<p><b>Revenue recognition – occurrence, completeness and accuracy of recorded revenue given the complexity of products, systems and IFRS 15: Revenue from contracts with customers</b></p> <p>The occurrence, accuracy and completeness of amounts recorded as revenue is an inherent industry risk due to the complexity of billing systems, accounting for new products and plans – including multiple element arrangements – and the combination of products sold and tariff structure changes during the year.</p> <p>The application of the revenue recognition accounting standard IFRS 15: Revenue from contracts with customers, requires the use of multiple complex accounting systems and tools which is compounded by the significant number of low monetary revenue transactions that is accounted for on an annual basis.</p> <p>The Group uses various information technology ('IT') applications and an enterprise resource planning system ('ERP') to automate the accounting related to the revenue recognition. The various IT applications automate certain basic calculations for revenue recognition, such as the collection, rating and billing of revenue events, and the allocation of total transaction price to performance obligations based on the pre-determined standalone selling price allocation method.</p> <p>In addition, certain information required for revenue recognition is the culmination of data obtained from customer relationship systems, systems collecting and verifying event records, rating systems, billing systems, and ultimately recording of transaction into the ERP system.</p> <p>We test numerous interfaces and reconciliation controls included into this process. IT dependent manual controls requires a significant amount of testing over system reports utilized in performing these controls.</p> <p>We therefore consider revenue and the audit of the related systems to be a key audit matter in our current year audit due to the significant amount of time involved in auditing revenue which is driven by auditing the different processes in line with the revenue recognition accounting standard IFRS 15: Revenue from contracts with customers, as well as the extent of involvement required from our internal IT audit specialists to test the various IT applications and ERP system.</p> <p>Refer to page 36 – Critical accounting judgements including those involving estimations: Revenue recognition and presentation, page 37 – Revenue recognition and presentation and page 38 to 42 – Note 1 Segment Analysis.</p>	<p>Our procedures included, amongst others, the following:</p> <ul style="list-style-type: none"> <li>• We updated our understanding on what type of transactions are included in each account making up all significant revenue streams, including changes in the revenue process such as new applications, interfaces, or changes in processing of data when compared to the prior period. This was confirmed through completion of a process walkthrough;</li> <li>• We discussed with management whether there were any changes to the application of the revenue recognition accounting policy and any new revenue recognition methods adopted, during the year;</li> <li>• We discussed with management whether there were any changes to the existing revenue arrangements, amendments to standard contracts and tariffs or new types of agreements and customer propositions and understood how these have impacted the recognition of revenue;</li> <li>• We understood and verified management's controls over the transfer of revenue information between the multiple systems involved in recording revenue. This included verifying the controls in place over the authorisation of rate changes and a review of the new products recorded in the billing systems;</li> <li>• We involved our internal specialists to verify the IT general and key application controls of the relevant usage, rating, and billing environments, as well as to assess the relevant revenue reports utilised for completeness purposes;</li> <li>• We verified controls over the transfer of data from the billing applications to the general ledger to confirm accuracy;</li> <li>• We performed analytical review procedures over significant revenue streams where expectations could be set, and assessed reasonability by determining the drivers that result in changes year on year to establish detailed monthly and annual expectations. Where movements were outside our precision level set, we performed substantive audit procedures;</li> <li>• We selected and verified a sample of revenue contracts and assessed, in line with the requirements of IFRS 15: Revenue from contracts with customers, that contracts with customers were valid, that performance obligations were agreed by the customer and that revenue was appropriately recognised and allocated to its relevant performance obligations; and</li> <li>• We verified the input data to the billing systems, including verifying the billing reports for completeness and accuracy.</li> </ul>
<p><b>Key Observations - Revenue recognition – occurrence, completeness and accuracy of recorded revenue given the complexity of products, systems and IFRS 15: Revenue from contracts with customers</b></p> <p>Based on the procedures performed over revenue recognition, we did not identify any significant matters requiring further consideration in concluding on our procedures.</p>	

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the 114-page document titled "Vodacom Group Limited Consolidated and separate financial statements for the year ended 31 March 2026", and the 115-page document titled "Integrated report" for the year ended 31 March 2026, and the 33-page document titled "Remuneration report" for the year ended 31 March 2026, which includes the Directors' Report, Report of the Audit, Risk and Compliance Committee and the Certificate by the Company Secretary as required by the Companies Act of South Africa. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## Independent auditor's report continued

### Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the group and company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and company or to cease operations, or have no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group and company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and/or the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Ernst & Young Inc. has been the auditor of Vodacom Group Limited for seven years.

*Ernst & Young Inc.*

#### **Ernst & Young Inc.**

Director – Warren Kinnear  
Registered Auditor  
Chartered Accountant (SA)  
102 Rivonia Road, Sandton  
Johannesburg, South Africa

5 June 2026

# Director's report

for the year ended 31 March

## Nature of business

Vodacom Group Limited (the Company) is an investment holding company. Its principal subsidiaries, associates and joint ventures are engaged in the provision of a wide range of communications products and services including but not limited to voice, messaging, converged services, broadband, data connectivity, mobile financial services and other value added services.

There have been no material changes to the nature of the Group's business and structure from the prior year.

## Financial results

Earnings attributable to equity holders of the Group for the year ended 31 March 2026 were R20 647 million (2025: R16 598 million) representing basic earnings per share of 1 069 cents (2025: 859 cents).

Full details on the financial position and results of the Group are set out in these consolidated financial statements.

## Dividends

### Dividend distribution

An ordinary dividend of R13 818 million (2025: R11 844 million) was declared and paid during the year. Details of the final dividend in respect of the year ended 31 March 2026 are included under Events after the reporting period in this directors' report.

Rm	2026	2025
285 cents per share declared on 10 May 2024		5 922
285 cents per share declared on 8 November 2024		5 922
335 cents per share declared on 16 May 2025	6 961	
330 cents per share declared on 7 November 2025	6 857	
	13 818	11 844

### Dividend policy

The Company intends to pay as much of its consolidated after tax profits as will be available after retaining such sums and repaying such borrowings owing to third parties as shall be necessary to meet the requirements reflected in the budget and business plan, taking into account monies required for investment opportunities. There is no assurance that a dividend will be paid in respect of any financial period and any future dividends will be dependent upon the consolidated operating results, financial condition, investment strategy, capital requirements and other factors. There is no fixed date on which entitlement to dividends arises and the date of payment will be determined by the Board or shareholders at the time of declaration, subject to the JSE Listings Requirements.

The Company's dividend policy is to pay out dividends of at least 75% of the Group's headline earnings.

The Company declared dividends of 735 cents (2025: 620 cents) per share for the year ended 31 March 2026.

## Share capital

The authorised and issued share capital are as follows:

### Stated capital

- Authorised – 4 000 000 000 ordinary shares of no par value; and
- Issued – 2 077 841 204 (2025: 2 077 841 204) ordinary shares of no par value, with stated capital amounting to R89 918 million (2025: R89 918 million).

Full details of the authorised and issued share capital of the Company may be found in Note 17.

### Repurchase of shares

Shareholders approved a special resolution granting a general authority for the repurchase of ordinary shares by the Group, to a maximum of 5.0% (2025 5.0%) of shares in issue, at the annual general meeting held on Tuesday 22 July 2025, subject to the JSE Listings Requirements and the provisions of the Companies Act, as amended. Any shares that may be repurchased for the time being shall be in connection with awards made in the normal course in respect of the Group's forfeitable share plan. Approval to renew this general authority will be sought at the forthcoming annual general meeting on Tuesday 21 July 2026.

Treasury shares that are held by Wheatfields Investments 276 (Pty) Limited (Wheatfields), a wholly-owned subsidiary, do not carry any voting rights. YeboYethu Investment Company (RF) Limited and the Innovator Trust are consolidated as structured entities and the Vodacom Group Limited shares held by these entities are recognised as treasury shares on consolidation.



## Share capital continued

### Forfeitable share plan (FSP)

During the year the Group allocated 3 936 062 (2025: 5 511 544) shares to eligible employees under its FSP and no restricted shares were allocated during the current and prior years. Further details may be found in the Remuneration report as well as in Note 18.

### Shareholder analysis

The Group's shareholder analysis as at 31 March 2026 was as follows:

Shareholder spread	Number of shareholdings	%	Number of shares	%
1 – 100 shares	18 928	39.06	496 212	0.02
101 – 1 000 shares	23 338	48.16	7 688 073	0.37
1 001 – 10 000 shares	4 722	9.74	13 325 446	0.64
10 001 – 50 000 shares	971	2.00	20 357 191	0.98
50 001 – 100 000 shares	170	0.35	12 170 474	0.59
100 001 – 1 000 000 shares	266	0.55	85 288 823	4.10
1 000 001 shares and above	69	0.14	1 938 514 985	93.30
	<b>48 464</b>	<b>100.00</b>	<b>2 077 841 204</b>	<b>100.00</b>
<b>Distribution of shareholders</b>				
Holding Companies	2	–	1 352 606 124	65.10
Retirement Benefit Funds	344	0.71	16 274 483	0.78
Custodians	182	0.38	114 626 495	5.52
Private Companies	581	1.20	119 450 523	5.76
Individuals	43 802	90.39	38 315 987	1.84
Collective Investment Schemes	420	0.87	53 499 367	2.57
Wholly owned subsidiaries <sup>1</sup>	1	–	15 421 231	0.74
Trusts	2 436	5.03	9 883 458	0.48
Insurance Companies	44	0.09	4 270 841	0.21
Organs of State	31	0.06	249 187 844	12.00
Stockbrokers & Nominees	32	0.07	78 473 764	3.78
Scrip Lending	12	0.02	2 146 541	0.10
Public Companies	11	0.02	262 935	0.01
Foundations & Charitable Funds	84	0.17	1 002 112	0.05
Other Corporations	180	0.37	11 311 658	0.54
Close Corporations	123	0.25	922 396	0.04
Medical Aid Funds	8	0.02	303 369	0.01
Treasury	1	–	67 287	–
Investment Partnerships	67	0.14	27 959	–
Unclaimed Assets	101	0.21	58 452	–
Hedge Funds	1	–	999 527	0.05
Depository Receipt	1	–	8 728 851	0.42
	<b>48 464</b>	<b>100.00</b>	<b>2 077 841 204</b>	<b>100.00</b>

**Note:**

1. This constitutes holdings by 1 beneficial shareholder via 2 separate accounts.

**Share capital continued**

Shareholder analysis continued

Non-public and public shareholders	Number of shareholdings	%	Number of shares	%
Non-public shareholders	42	0.09	1 606 341 849	77.31
Directors and associates	23	0.05	4 086 968	0.20
Treasury	1	–	67 287	–
Wholly-owned subsidiary	1	–	15 421 231	0.75
Strategic holdings (more than 10.0%)	15	0.04	234 160 239	11.27
Holding companies	2	–	1 352 606 124	65.10
Public shareholders	48 422	99.91	471 499 355	22.69
	<b>48 464</b>	<b>100.00</b>	<b>2 077 841 204</b>	<b>100.00</b>
<b>Geographical holdings by owner</b>				
South Africa <sup>1</sup>	46 610	96.18	1 449 651 416	69.77
United Kingdom	140	0.30	37 461 942	1.80
United States	118	0.24	135 875 581	6.54
Netherlands	16	0.03	388 342 437	18.69
Other	1 580	3.25	66 509 828	3.20
	<b>48 464</b>	<b>100.00</b>	<b>2 077 841 204</b>	<b>100.00</b>

Beneficial shareholders holding 5% or more of the issued capital	Total shareholding	% of shares in issue
Vodafone Investments SA (Pty) Limited	967 170 100	46.55
Vodafone International Holdings B.V.	385 436 024	18.55
YeboYethu Investment Company (RF) Pty Limited	114 451 180	5.51
Government Employees Pension Fund	234 160 239	11.27
	<b>1 701 217 543</b>	<b>81.88</b>

Share price performance	2026	2025
Opening price 1 April	R 127.00	R 99.65
Closing price 31 March	R 144.32	R 125.45
Closing high for the year	R 164.97	R 126.48
Closing low for the year	R 108.57	R 85.44
Number of shares in issue	2 077 841 204	2 077 841 204
Volume traded during the year	411 269 782	380 344 362
Ratio of volume traded to shares issued (%)	19.79	18.30

**Note:**

1. Includes direct shareholding held by Vodafone Investments SA (Pty) Limited of 967 170 100 shares, a South African entity, and Vodafone International Holdings B.V. of 385 436 024 shares, a European entity. The ultimate shareholder, being Vodafone Group Plc, is registered in the United Kingdom.



## Borrowings

During the year ended 31 March 2026, the Group actively managed its funding profile through a combination of refinancing, new debt issuance and scheduled repayments, with a continued focus on extending maturities, diversifying funding sources and optimising funding costs.

Significant refinancing during the year included the refinancing of R6 billion of term loans previously held with Vodafone Investments Luxembourg s.a.r.l. Of this amount, R4 billion was refinanced on a like-for-like basis with Vodafone Investments Luxembourg s.a.r.l. with no cash flow impact, while the remaining R2 billion was refinanced through new term loan facilities with Bank of China and Investec Bank Limited. These facilities are denominated in South African rand, carries all-in interest rates of approximately 7.9% and extended the final maturities to November 2028 and November 2030 respectively.

The Group also continued to manage and rationalise the funding of its African operating entities. Vodacom Congo (RDC) SA repaid a US\$100 million facility and entered into new term loan facilities totalling US\$225 million, including a US\$200 million facility with a maturity in April 2028 and a US\$25 million facility maturing in November 2026. These facilities were structured to support ongoing operational and capital requirements.

New borrowings were also incurred by Vodacom Mozambique, S.A. through term loan facilities with Standard Bank of South Africa Limited, including US dollar-denominated facilities with a nominal value of U\$70 million, as well as a Mozambican metical-denominated facility of MT1.9 billion, both these facilities have a final maturity in April 2029.

In addition, the Group issued preference shares to the value of R7 928 million to Standard Bank of South Africa Limited, ABSA Bank Limited, Depfin Investments (Pty) Ltd, Rapvest Investments (Pty) Ltd and Rand Merchant Bank for the acquisition of Maziv (Pty) Limited (Note 12). These instruments provide long-term, flexible funding aligned to the Group's capital structure objectives.

The Group continues to closely monitor developments relating to interest rate benchmark reform in South Africa, specifically the planned transition from the Johannesburg Interbank Average Rate (JIBAR) to the South African Rand Overnight Index Average (ZARONIA), which is scheduled for cessation on 31 December 2026. An assessment of the impact on JIBAR-linked exposures, contractual terms and risk management processes is ongoing to ensure an orderly transition in line with regulatory and market developments.

## Capital expenditure and commitments

Details of the Group's capital expenditure are set out in Notes 9 and 10, and commitments are set out in Note 25.

## Holding company and ultimate holding company

The Group is ultimately controlled by Vodafone Group Plc which owns 65.10% of the issued shares through Vodafone Investments SA (Pty) Limited and Vodafone International Holdings B.V.

Vodafone Group Plc is incorporated and domiciled in the United Kingdom.

## Directorate and secretary

In terms of the memorandum of incorporation, N Benabdallah, having been appointed as a director of the Board with effect from 1 April 2026 after the last annual general meeting of the company and KL Shuenyane, CB Thomson, P Klotz, LS Wood are obliged to retire by rotation, at this annual general meeting in accordance with the provisions of the Company's memorandum of incorporation. All retiring directors are eligible and available for re-election.

The directors' profiles appear in the 'Notice of annual general meeting' included in the integrated report.

## Director's report continued

### Directorate and secretary continued

As at the date of this report, the directors of the Company were as follows:

#### Independent non-executive

SJ Macozoma (Chairman), P Mahanyele-Dabengwa, NC Nqweni, KL Shuenyane, CB Thomson.

#### Non-executive

N Benabdallah<sup>\*</sup>, GS Kamath<sup>•</sup>, P Klotz<sup>\*</sup>, JH Reiter<sup>\*</sup>, LS Wood<sup>^</sup> (alternate JEP Ludlow<sup>^</sup>).

#### Executive

MS Aziz Joosub (Chief Executive Officer), RK Morathi (Chief Financial Officer).

The Company Secretary is KE Robinson and her business and postal addresses appear on the Corporate information sheet included in the integrated report.

\* Swedish, <sup>•</sup> Italian, <sup>^</sup> British, <sup>•</sup> Indian.

### Number of shares held by directors

	2026	2025
	Direct	Direct
<b>Executive director</b>		
MS Aziz Joosub	1 981 962	1 858 859
RK Morathi	542 390	424 780
<b>Non-executive directors</b>		
GS Kamath	12 354	12 354
<b>Independent non-executive directors</b>		
KL Shuenyane	1 977	1 977
	<b>2 538 683</b>	<b>2 297 970</b>

There are no indirect holdings and there have been no changes in beneficial interests that occurred between the end of the reporting period and the date of this report.

### Audit, Risk and Compliance Committee (ARC Committee)

The ARC Committee discharged all of those functions delegated to it in terms of its mandate, section 94(7) of the Companies Act, and the JSE Listings Requirements. Further details on the role and function of the ARC Committee may be found in the Risk management report included in the integrated report as well as in the report of the ARC Committee on pages 12 to 17. Messrs CB Thomson, KL Shuenyane and NC Nqweni, members of the ARC Committee, are considered financial experts.

The auditors' business and postal address appear on the Corporate information sheet included in the integrated report.

### Competence, appropriateness and experience of the Company Secretary

In compliance with JSE Listings Requirements, the Board has considered and is satisfied that Ms Robinson, the Company Secretary, is competent, has the relevant qualifications and experience and maintains an arm's length relationship with the Board. In evaluating these qualities, the Board has considered the prescribed duties and responsibilities of a company secretary which includes the Companies Act, JSE Listings Requirements and governance requirements as set out in King IV.

### Other matters

Refer to Note 31 of the consolidated financial statements for further information on other matters.

### Events after the reporting period

#### Dividend declared after the reporting date and not recognised as a liability

A final dividend of R8 415 million (405 cents per ordinary share) for the year ended 31 March 2026, was declared on 8 May 2026, payable on 22 June 2026 to shareholders recorded in the register at the close of business on 19 June 2026. The net dividend after taking into account dividend withholding tax for those shareholders not exempt from dividend withholding tax is 324.00000 cents per share. The dividend withholding tax rate of 20% may be reduced where the shareholder is tax resident in a foreign jurisdiction which has a Double Tax Convention with South Africa and meets the requirements for a reduced tax rate.

#### Other matters

The Board is not aware of any matter or circumstance arising since the end of the reporting period, not otherwise dealt with in the consolidated financial statements, which significantly affect the financial position of the Group as at 31 March 2026 or the results of its operations or cash flows for the year then ended.



# Report of the Audit, Risk and Compliance Committee

## Auditors

At the annual general meeting on Tuesday 21 July 2026 shareholders will be requested to re-appoint EY as the Group's auditors for the 2026 financial year and it will be noted that Mr W Kinnear will be the individual registered auditor who will undertake the audit.

The Group's Audit, Risk and Compliance Committee (ARC Committee) operates within a Board-approved mandate, which is set out in its charter. In line with the Companies Act, as amended. The members of the ARC Committee are all independent non-executive directors and were appointed by shareholders at the annual general meeting held on Tuesday 22 July 2025.

### The ARC Committee's responsibilities include the following:

- Reviewing the Group's consolidated interim results, reviewed annual results, integrated report and financial statements
- Monitoring compliance with statutory requirements and the JSE Listings Requirements
- Reporting to the Board on the quality and acceptability of the Group's accounting policies and practices, including, without limitation, critical accounting policies and practices
- Providing oversight of the effectiveness of the CFO and the finance function
- Providing oversight of the integrated reporting process
- Considering the appointment and/or termination of the external auditors, including their audit fee, independence and objectivity and determining the nature and extent of any non-audit services
- Reviewing and confirming that the Head of Internal Audit and the internal audit function are independent and have delivered assurance in accordance with an authoritative internal audit standard
- Approving the internal audit plan for the year
- Receiving and dealing appropriately with any complaints, internally and externally, relating either to the accounting practices and internal audit or to the content or auditing of all entities within the Group's financial statements or related matters
- Reviewing and monitoring the management and reporting of tax-related matters
- Monitoring the effectiveness of the risk management systems and processes and assessing the Group's most significant risks
- Monitoring the design and implementation of the internal financial controls, compliance and combined assurance
- Ensuring that that should any significant weaknesses in internal financial controls exist, these are effectively addressed
- Monitoring the technology, data and information governance framework and associated risks
- Monitoring the effectiveness of the processes to create awareness and develop an understanding of relevant legislation and regulation to ensure compliance by management

### Focus areas:

- Unstable economic and market conditions
- Impact of the conflict in the Middle East
- Compliance and controls in financial services
- Risk and compliance transformation in financial services
- Risk maturity across the Group
- Resilience in cyber security and governance of AI
- Technology strategy and investment
- Funding in respect of current investment activities
- Hyperinflationary environments
- Taxation matters

### Key stakeholders:

- Investors and shareholders
- Employees
- Government and regulators
- Suppliers
- Customers
- Communities
- Strategic and business partners
- Media

## Membership

### Members: CB Thomson (Chairman), NC Nqweni, KL Shuenyane

The Chief Executive Officer; Chief Financial Officer; Vodafone representatives; Financial Director: Vodacom South Africa; Financial Director: Vodafone Egypt; Financial Director: Vodacom International markets; Chief Officer: External Affairs; Chief Officer: Legal, Risk and Compliance; Group Executive: Risk and Security; Chief Officer: Technology; Managing Executive: Group Finance; Managing Executive: Compliance; Managing Executive: Internal Audit; Managing Executive: Group Treasury; Head of Ethics and external audit representative, attend ARC Committee meetings by invitation.

The Chairman of the board is not a member of the ARC Committee and attends by invitation.

The internal and external auditors have unlimited access to the Chairman of the ARC Committee. The internal audit department reports directly to the ARC Committee and is also responsible to the Chief Financial Officer on day-to-day administrative matters.

Five ARC Committee meetings and one teleconference meeting is scheduled per financial year. Additional ARC Committee meetings may be convened when necessary. One dedicated risk workshop is held annually.

Attendance for the year ended 31 March 2026 was as follows:

Name of director	Special		Special workshop	Special		Special	Special	
	13 May 2025	6 June 2025		1 October 2025	30 October 2025		6 November 2025	8 December 2025
CB Thomson	✓	✓	✓	✓	✓	✓	✓	✓
NC Nqweni	✓	✓	✓	✓	✓	✓	✗	✓
KL Shuenyane	✓	✓	✓	✓	✓	✓	✓	✓

The current members, who are all independent non-executive directors, are all considered financial experts.

## Statutory duties

In terms of Section 94(7) of the Companies Act, the ARC Committee discharged all of those functions delegated to it in terms of the ARC Committee mandate, the Companies Act and the JSE Listings Requirements. In the year, the ARC Committee:

- Considered and satisfied itself that the external auditors are independent and considered the JSE partner's accreditation report
- Nominated the external auditors for appointment for the 2026 financial year
- Reviewed the nature of non-audit services that were provided by the external auditors during the year
- Determined the fees paid to the external auditors for the 2026 financial year
- Confirmed the payment of non-audit services which the external auditors performed during the year under review
- Considered the appropriateness of the firm and partner in respect of the external auditor as required by JSE Listings Requirements
- Approved the external audit plan for the year
- Received quarterly reports from the external auditors, including any reportable matters and findings
- Approved the internal audit plan for the year
- Monitored and provided oversight of the internal audit function
- Held separate meetings with management and the external auditors to discuss any reserved matters
- Ensured the ARC Committee complied with the membership criteria as set out in the Companies Act
- Considered the appropriateness and experience of the Chief Financial Officer as required by the JSE Listings Requirements
- Reviewed the consolidated and separate financial statements of Vodacom Group Limited
- Reviewed the appropriateness of any amendments to accounting policies and internal financial controls
- Monitored Vodacom's tax management and reporting. Further details of this may be found in the governance report included in the integrated report [\[8\]](#)
- Monitored Vodacom's technology governance framework and processes including that of data and information security. Further details of this may be found in the governance report included in the integrated report [\[8\]](#)
- Reviewed the integrated reporting process

The ARC Committee is satisfied that it has fulfilled its responsibilities in accordance with its charter for the reporting period. Adherence by the committee to its charter was assessed by internal audit and no material exceptions were noted.

## Application of King V and the transition from King IV

The Group applies the principles of King IV and is in the process of incorporating King V into the organisation. While King V will apply to the Group from the next financial year, the Board has commenced the process of reviewing the principles and preparing the organisation to apply the principles of King V. The King Codes constitute the primary corporate governance codes in South Africa and apply to all types of entities.



### Significant matters considered in relation to the consolidated and separate financial statements and how these were addressed by the ARC Committee

After discussion with management and the external auditor, being Ernst & Young Inc. (EY), the ARC Committee concurred with the key audit matters as set out in EY's report on the audit of the consolidated financial statements for the year ended 31 March 2026.

After reviewing the presentation and reports from management and consulting, where necessary, with EY, the ARC Committee was satisfied that the consolidated financial statements appropriately address the critical judgements and key estimates pertaining to the key audit matters contained in EY's audit report on pages 2 to 6, in respect of both amounts and disclosure. The ARC Committee noted that both the consolidated and separate financial statements were presented fairly in all material respects.

The ARC Committee continued to monitor the integration of Vodafone Egypt into the Group's financial reporting, as well as the financial effects of other significant M&A matters.

### External audit

The ARC Committee has primary responsibility for overseeing the relationship with, and performance of, the external auditor. This includes making the recommendation on the appointment, re-appointment and removal of the external auditor, assessing their independence on an ongoing basis and for negotiating the audit fee.

### Auditor appointment and tenure of the audit firm

At the 2025 annual general meeting, EY was re-appointed as the Group's independent external auditor, to hold office until the 2026 annual general meeting. It is noted that the individual registered auditor who undertook the audit during the financial year ended 31 March 2026 was Warren Kinnear.

### Audit risk

At the start of the audit cycle for each financial year the ARC Committee receives a detailed audit plan from EY, detailing their audit scope, planning materiality and their assessment of significant and elevated risk areas sensitive to fraud, error or judgement. The audit risk identification process is considered a key factor in the overall effectiveness of the external audit process, and the significant key risks for the 2026 financial year are encapsulated in their report on the audit of the consolidated financial statements for the year ended 31 March 2026.

The detailed audit plan was reviewed by the ARC Committee to ensure the external auditor's areas of audit focus remain appropriate.

### Working with the auditor

At the 2025 annual general meeting, EY was re-appointed as the Group's independent external auditor. Mr Kinnear was appointed to assume the role of individual registered auditor for the 2026 financial year.

### Effectiveness of the external audit process

The ARC Committee reviewed the quality of the external audit process and considered the performance of EY, taking into account a range of factors they considered relevant to audit quality, as well as feedback from EY on their performance against their own objectives and independent reviews thereof. Based on this review, the ARC Committee concluded that there had been appropriate focus on the primary areas of audit risk and that EY had applied robust challenge and scepticism throughout the audit.

### Independence and objectivity

In its assessment of the independence of the auditor, the ARC Committee receives details of any relationships between the Group and EY that may have a bearing on their independence and receives confirmation that they are independent of the Group within the meaning of the JSE Listings Requirements. As one of the ways in which it seeks to protect the independence and objectivity of the external auditor, the ARC Committee has a policy governing the engagement of the external auditor to provide non-audit services. This precludes EY from providing certain services such as valuation work or the provision of accounting services and also sets a presumption that EY should only be engaged for non-audit services where there is no legal or practical alternative supplier. Other fees paid to EY for the external audit of Safaricom PLC and subsidiaries, a material associate, amounted to R16 million (2025: R12 million).

### Non-audit services policy

Per the Group's policy for non-audit services, the external auditors may only be considered as a supplier for such service where:

- There is no other alternative supplier for these services;
- Where there is no other commercially viable alternative; or
- Where the non-audit service is related to and would add value to the external audit.

The nature and extent of such services contracted for during the financial year include:

- Review of responses to regulators/others R2 246 000 (2025: R1 448 000)
- ESG limited sustainability assurance R1 017 000 (2025: R925 000)

### Internal audit

Internal controls comprise systematic measures, policies, procedures and business rules adopted by management to provide reasonable assurance that assets are safeguarded; error is prevented and detected and accounting records are accurate and complete. The internal audit function is governed by the internal audit charter, as approved by the ARC Committee. The internal audit function serves management and the Board by performing independent evaluations of the adequacy and effectiveness of the Group's internal controls, financial reporting mechanisms and records, information systems and operations.

The ARC Committee approves the annual audit plan prior to the start of each financial year and receive updates from the head of internal audit on audit activities, progress against the approved Group audit plan and scope, the results of any unsatisfactory audits and the action plans and timelines to address these areas. The ARC Committee plays a major role in setting the internal audit annual objectives and the Chairman of the ARC Committee meets with the head of internal audit on a quarterly basis to discuss the team's activities and any significant issues arising from their work. The level of skill and experience of the internal auditors are presented to the ARC Committee on an annual basis.

### Effectiveness of the Chief Audit Executive and arrangements of the internal audit

Ms J Naidoo, the Managing Executive: Internal Audit, performs the role of head of internal audit and Chief Audit Executive as defined by King IV. In accordance with King IV requirements, the ARC Committee has concluded that Ms J Naidoo possesses the appropriate expertise and experience to meet the responsibilities of this position and that the internal audit function is adequately resourced with technically competent individuals, and that it is effective.

### Design and implementation of internal financial control

The internal audit department assessed the key internal financial controls by using the internal financial controls model. Key controls assessed were based on the financial statement account balances that are deemed quantitatively and qualitatively significant to the Group. The key controls in place to mitigate the risk of material misstatement of these balances in the financial statements were reviewed as at 31 December 2025. Based on the review performed nothing has come to our attention that would indicate a material breakdown of internal financial controls. The internal financial controls reviewed appeared to be adequately designed and operating as intended, with plans in place to address areas where improvement is required.

### Compliance with section 404 of the US Sarbanes-Oxley Act

Vodafone Group Plc (Vodafone) is required to comply with section 404 of the Sarbanes-Oxley Act (SOX) owing to its listing on the NASDAQ stock exchange. In conjunction with the Group's South African SOX compliance programme, management identified the processes, systems and controls that had to be aligned with SOX requirements and subjected them to design-and-operating-effectiveness testing. Following the disposal of Vodafone's operations in Italy and Spain during the year, Vodafone Egypt (and Vodafone's operations in Turkey) were brought into scope of section 404 of SOX, on a limited-scope basis, to ensure that all material entities remain covered by both external and internal audit procedures. Vodafone Egypt completed its initial SOX readiness and testing cycle, and no material weaknesses were identified. Management has therefore concluded that, overall, the Vodafone Group's internal controls over financial reporting were effective as at 31 March 2026.

### Risk management

Reviews of the Group's governance functions, that includes the risk management programmes, business continuity and forensic services are performed by the Group's Risk Management Committee, which reports to the ARC Committee through the Chief Risk Officer. The top principal risks that can prevent the Group from achieving its strategic goals in the medium-term to long-term are reviewed twice a year by the ARC Committee and reported to the Board. These principal risks include both business related as well as macro strategic risks. All principal risks are currently managed within the board approved risk appetite statements. The key focus areas, risk appetite and further details of the Group's principal risks are reported in the risk management report included in the Group's integrated report and the governance report.

The internal audit department has conducted an assessment on the effectiveness of the risk management function in accordance with the approved risk management framework and current practices in place to assess risks. The methodology and processes within the Risk management function has remained consistent for the year under review. Nothing has come to our attention that indicates that the risk management methodology and processes are not effective as at 31 March 2026.

The ARC Committee has satisfied itself that the risk management function operates effectively.

### Combined assurance

The Group assessed risks based on principal risks. This is a high level category of risks, made up of macro and sub risks. The current combined assurance model in place is representative of how the risks are currently being managed across the lines of assurance. Vodacom Group Internal Audit has implemented a coordinated structure for planning, executing and reporting on internal audit, compliance and risk activities. The ARC committee is satisfied that the Group has optimised the assurance obtained from the three lines of assurance in accordance with the approved combined assurance model and that the model is effective in achieving the following objectives:

- coordinates assurance and reporting to provide management and the Board with a clear view of assurance coverage across the principal risks
- effective risk mitigation
- an acceptable level of residual risks

The ARC approved the Combined Assurance Framework, which sets out a structured approach to coordinating the activities of various assurance functions across Vodacom, in order to deliver deeper insights on governance, risk and control measures. The framework seeks to:

- align the activities of all assurance providers
- ensure that there is adequate and effective assurance coverage
- optimise and drive efficiencies in the assurance activities
- promote collaboration among assurance providers
- provide clear guidelines on roles and responsibilities on combined assurance
- set out processes and methodologies for conducting assurance activities



### Effectiveness of the finance function

In accordance with King IV requirements, the ARC Committee has, following its bi-annual assessment, concluded that the finance function is resourced with appropriately skilled and technically competent individuals, and that it is effective.

Processes within the finance function are well designed and embedded with an effective control environment. However, given the level of transformation and change that the business is experiencing, there is still room for improvement on digitisation, process automation, communication and evolving into an insightful business partner.

### Effectiveness of the design and implementation of financial controls

In alignment with King IV, the ARC Committee has satisfied itself that the following areas have been appropriately addressed:

- Financial reporting risk
- Internal financial controls
- Fraud risk as it relates to financial reporting
- Information technology and legal risk as it relates to financial reporting

### Compliance activities

The ARC Committee is responsible for the oversight of the Group's compliance programme and held a number of deep dive sessions on compliance related matters in the year. These focused on:

- changes to the compliance and the control environment
- the control environment for financial services risk and compliance
- the establishment and maintenance of an effective Legal Compliance Programme to be familiar with laws and regulations that apply to respective local markets including compliance-related assurance and monitoring function to help evaluate on-going compliance with our compliance-related applicable laws
- the results from the annual policy compliance review which tests the extent to which local markets and other entities within the Group are compliant with our high risk policies
- the results of the use of Speak Up channels in place to enable employees, contractors and suppliers to raise concerns about possible irregularities in financial reporting or other issues and the outputs of any resulting investigations
- the methodology for fraud reporting and investigations into known or suspected fraudulent activities by both third parties and employees

### Appropriateness and experience of Chief Financial Officer

The ARC Committee confirms that it is satisfied that RK Morathi, the current Chief Financial Officer, possesses the appropriate expertise and experience to meet the responsibilities of this position. The ARC Committee also confirmed that it is satisfied that the Chief Financial Officer is adequately supported by the Group finance function, which is constituted by suitably skilled individuals who can deliver the Group's financial reporting obligations.

### Integrated report

The ARC Committee has overseen the integrated reporting process, reviewed the report and has recommended the 2026 integrated report and consolidated and separate financial statements for approval by the Board on 5 June 2026.



**CB Thomson**  
Chairman

Audit, Risk and Compliance Committee

## Consolidated income statement

for the year ended 31 March

Rm	Notes	2026	2025
<b>Revenue</b>	1	<b>167 652</b>	152 227
Direct expenses		<b>(64 262)</b>	(59 340)
Staff expenses		<b>(11 082)</b>	(10 435)
Publicity expenses		<b>(2 257)</b>	(1 914)
Net credit losses on financial assets		<b>(1 897)</b>	(2 096)
Other operating expenses		<b>(24 020)</b>	(23 407)
Depreciation and amortisation	9, 10	<b>(24 285)</b>	(21 934)
Impairment losses		<b>–</b>	(34)
Net profit from associates and joint ventures	12	<b>4 259</b>	2 724
<b>Operating profit</b>	3	<b>44 108</b>	35 791
Finance income	4	<b>2 061</b>	1 460
Finance costs	5	<b>(8 333)</b>	(8 093)
Net loss on remeasurement and disposal of financial instruments	6	<b>(676)</b>	(385)
<b>Profit before tax</b>		<b>37 160</b>	28 773
Taxation	7	<b>(10 423)</b>	(8 882)
<b>Net profit</b>		<b>26 737</b>	19 891
<b>Attributable to:</b>			
Equity shareholders		<b>20 647</b>	16 598
Non-controlling interests		<b>6 090</b>	3 293
		<b>26 737</b>	19 891

Cents	Notes	2026	2025
Basic earnings per share	8	<b>1 069</b>	859
Diluted earnings per share	8	<b>1 039</b>	845



## Consolidated statement of comprehensive income

for the year ended 31 March

Rm	2026	2025
<b>Net profit</b>	<b>26 737</b>	19 891
<b>Other comprehensive income</b>		
Foreign currency translation differences, net of tax <sup>1</sup>	<b>(7 957)</b>	(2 140)
Share of foreign currency translation differences, net of tax, of associates and joint ventures accounted for using the equity method <sup>1,2</sup>	<b>(640)</b>	(5 061)
Mark-to-market of financial assets held at fair value through other comprehensive income, net of tax <sup>1</sup>	<b>221</b>	278
Mark-to-market gains recognised through profit or loss on disposal of financial assets held at fair value through other comprehensive income, net of tax <sup>1</sup>	<b>(259)</b>	(277)
<b>Total comprehensive income</b>	<b>18 102</b>	12 691
<b>Attributable to:</b>		
Equity shareholders	<b>13 694</b>	10 394
Non-controlling interests	<b>4 408</b>	2 297
	<b>18 102</b>	12 691

### Notes:

- Other comprehensive income can subsequently be recognised in profit or loss on the disposal of foreign operations or financial assets held at fair value through other comprehensive income.
- The movement in foreign currency translation reserve relates to translation of Safaricom's operations in Ethiopia. The movement in the prior period was driven by the devaluation of the Ethiopian Birr in the first half of the 2025 financial year.

# Consolidated statement of financial position

as at 31 March

Rm	Notes	2026	2025
<b>Assets</b>			
<b>Non-current assets</b>		<b>189 930</b>	174 325
Property, plant and equipment	9	83 733	81 138
Intangible assets	10	33 410	29 881
Financial assets	11	318	377
Investment in associates and joint ventures	12	62 619	53 819
Trade and other receivables	13	5 420	4 747
Finance receivables	14	3 024	2 882
Tax receivable		481	434
Deferred tax	7	925	1 047
<b>Current assets</b>		<b>86 503</b>	75 656
Financial assets	11	1 552	1 472
Mobile financial deposits	15	17 390	13 732
Inventory	16	2 112	2 287
Trade and other receivables	13	29 986	28 536
Finance receivables	14	3 411	3 276
Tax receivable		843	654
Bank and cash balances	24	31 209	25 699
<b>Total assets</b>		<b>276 433</b>	249 981
<b>Equity and liabilities</b>			
Fully paid share capital	17	89 918	89 918
Treasury shares	17	(17 287)	(17 210)
Retained earnings		60 641	52 941
Other reserves		(40 718)	(33 630)
Equity attributable to owners of the parent		92 554	92 019
Non-controlling interests		14 681	11 633
<b>Total equity</b>		<b>107 235</b>	103 652
<b>Non-current liabilities</b>		<b>90 414</b>	70 332
Borrowings	19	84 096	64 040
Trade and other payables	20	586	386
Provisions	22	1 646	1 654
Deferred tax	7	4 086	4 252
<b>Current liabilities</b>		<b>78 784</b>	75 997
Borrowings	19	8 781	11 620
Trade and other payables	20	46 181	44 057
Mobile financial payables	15	17 390	13 732
Provisions	22	935	838
Tax payable		4 109	3 649
Dividends payable		15	13
Bank overdraft	24	1 373	2 088
<b>Total equity and liabilities</b>		<b>276 433</b>	249 981



# Consolidated statement of changes in equity

for the year ended 31 March

Rm	Notes	Fully paid share capital	Treasury shares	Share-based payment reserve <sup>1</sup>	Retained earnings	Fair value reserve <sup>2</sup>	Change of interests in subsidiaries	Profit on sale of treasury shares	Foreign currency translation reserve	Common control reserve	Equity attributable to owners of the parent	Non-controlling interests	Total equity
<b>31 March 2024</b>		89 918	(17 131)	2 927	47 457	181	(3 702)	61	9 190	(36 137)	92 764	11 064	103 828
Total comprehensive income		–	–	–	16 598	–	–	–	(6 204)	–	10 394	2 297	12 691
Net profit		–	–	–	16 598	–	–	–	–	–	16 598	3 293	19 891
Other comprehensive income	7	–	–	–	–	–	–	–	(6 204)	–	(6 204)	(996)	(7 200)
Dividends	8	–	–	–	(11 114)	–	–	–	–	–	(11 114)	(1 805)	(12 919)
Repurchase and sale of shares	17	–	(415)	–	–	–	–	(17)	–	–	(432)	–	(432)
Share-based payment		–	336	71	–	–	–	–	–	–	407	–	407
Share-based payment vesting		–	336	(336)	–	–	–	–	–	–	–	–	–
Share-based payment expense	8, 18	–	–	407	–	–	–	–	–	–	407	–	407
Proceeds on subsidiary share issue		–	–	–	–	–	–	–	–	–	–	77	77
<b>31 March 2025</b>		<b>89 918</b>	<b>(17 210)</b>	<b>2 998</b>	<b>52 941</b>	<b>181</b>	<b>(3 702)</b>	<b>44</b>	<b>2 986</b>	<b>(36 137)</b>	<b>92 019</b>	<b>11 633</b>	<b>103 652</b>
Total comprehensive income		–	–	–	20 647	(37)	–	–	(6 916)	–	13 694	4 408	18 102
Net profit		–	–	–	20 647	–	–	–	–	–	20 647	6 090	26 737
Other comprehensive income	7	–	–	–	–	(37)	–	–	(6 916)	–	(6 953)	(1 682)	(8 635)
Dividends	8	–	–	–	(12 947)	–	–	–	–	–	(12 947)	(1 343)	(14 290)
Repurchase and sale of shares	17	–	(462)	–	–	–	–	5	–	–	(457)	–	(457)
Share-based payment		–	385	46	–	–	–	–	–	–	431	–	431
Share-based payment vesting		–	385	(385)	–	–	–	–	–	–	–	–	–
Share-based payment expense	8, 18	–	–	431	–	–	–	–	–	–	431	–	431
Proceeds on subsidiary share issue and changes in subsidiary holdings <sup>3</sup>		–	–	–	–	–	(13)	–	–	–	(13)	–	(13)
Share of changes in subsidiary holdings of associate	12	–	–	–	–	–	(173)	–	–	–	(173)	(17)	(190)
<b>31 March 2026</b>		<b>89 918</b>	<b>(17 287)</b>	<b>3 044</b>	<b>60 641</b>	<b>144</b>	<b>(3 888)</b>	<b>49</b>	<b>(3 930)</b>	<b>(36 137)</b>	<b>92 554</b>	<b>14 681</b>	<b>107 235</b>

## Notes:

1. Includes the broad-based black economic empowerment reserve of R2 712 million (2025: R2 712 million) and other employee share-based payment scheme reserves of R330 million (2025: R286 million).
2. This reserve relates to the IFRS 9 Expected Credit Loss allowance on finance receivables, as well as fair value adjustments on finance receivables and fair value adjustments of pension fund reserves in the DRC.
3. Purchase of Yebo Yethu RF Limited shares by the Innovator Trust from members of the Siyanda employee trust.

# Consolidated statement of cash flows

for the year ended 31 March

Rm	Notes	2026	2025
<b>Cash flows from operating activities</b>			
Cash generated from operations	23.1	65 837	60 865
Tax paid		(9 818)	(8 066)
<b>Net cash flows from operating activities</b>		<b>56 019</b>	52 799
<b>Cash flows from investing activities</b>			
Additions to property, plant and equipment and intangible assets		(23 246)	(24 690)
Proceeds from disposal of property, plant and equipment and intangible assets		445	115
Investment in associate and joint venture <sup>1</sup>	12	(8 382)	(784)
Dividends received from associate	12	3 173	2 664
Finance income received		1 936	1 367
Net movement in mobile financial deposits		(4 542)	(3 110)
Other investing activities		(31)	224
<b>Net cash flows utilised in investing activities</b>		<b>(30 647)</b>	(24 214)
<b>Cash flows from financing activities</b>			
Borrowings incurred	23.2	19 206	24 445
Borrowings repaid	23.2	(14 228)	(29 225)
Finance costs paid	23.2	(7 618)	(7 805)
Dividends paid – equity shareholders		(12 953)	(11 114)
Dividends paid – non-controlling interests		(1 343)	(1 805)
Repurchase of shares		(539)	(522)
Proceeds on sale of shares		82	90
Changes in subsidiary holdings <sup>2</sup>		(13)	77
<b>Net cash flows utilised in financing activities</b>		<b>(17 406)</b>	(25 859)
Net decrease in cash and cash equivalents		7 966	2 726
Cash and cash equivalents at the beginning of the year	24	23 611	21 513
Effect of foreign exchange rate changes		(1 741)	(628)
<b>Cash and cash equivalents at the end of the year</b>		<b>29 836</b>	23 611

**Notes:**

1. Acquisition of Maziv (Pty) Limited of R8 073 million and additional investments in Safaricom Telecommunications Ethiopia Plc. of R309 million.
2. In the current year, changes in subsidiary holdings relates to the purchase of Yebo Yethu RF Limited shares by the Innovator Trust from members of the Siyanda employee trust. The prior year inflow mainly related to proceeds from non-controlling interests' share of proportionate additional share capital contributions into 10T Holdings (Pty) Limited.



# Notes to the consolidated and separate financial statements

for the year ended 31 March

## Basis of preparation

The consolidated and separate financial statements of the Group and Company respectively have been prepared in accordance with the IFRS<sup>®</sup> Accounting Standards as issued by the International Accounting Standards Board (IASB) and comply with the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the requirements of the South African Companies Act.

The preparation of the consolidated and separate financial statements in conformity with the IFRS accounting standards as issued by the International Accounting Standards Board (IASB) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the reporting date and the reported amounts of revenue and expenses during the reporting period. For disclosure of the Group's and Company's critical accounting judgements and estimates, see Critical accounting judgements and estimates on pages 33 to 38. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The consolidated and separate financial statements are presented in South African rand, which is the parent company's functional and presentation currency.

The material accounting policies are consistent in all material respects with those applied in the previous year, there have been no material changes in judgements or estimates of amounts reported in prior reporting periods.

## Cessation of hyperinflationary accounting – Ethiopia

Effective 30 June 2025, Ethiopia is no longer classified as a hyperinflationary economy for the purposes of IAS 29 Financial Reporting in Hyperinflationary Economies (IAS 29). This assessment is based on inflation data and economic indicators, including the IMF World Economic Outlook (April 2025), which reflect a sustained decline in inflationary pressures below the thresholds typically associated with hyperinflation.

As a result, the Group's associate operating in Ethiopia has discontinued the application of IAS 29 from this date. Financial statements are now prepared under the historical cost convention in accordance with IFRS, without inflationary restatements. In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, this change does not constitute a change in accounting policy and comparative information has not been restated.

## Material accounting policies

### Accounting convention

The consolidated and separate financial statements are prepared on a historical cost basis, except for certain financial instruments which are measured at fair value or at amortised cost.

### Investment in associates, joint ventures and subsidiaries

Investments in associates, joint ventures and subsidiaries are accounted for in the separate financial statements of the Company at cost less accumulated impairment. Cost includes the purchase price and other costs directly attributable to the acquisition. Investments are not subsequently remeasured but rather subject to impairment testing.

## Consolidation

### Basis of consolidation

The consolidated financial statements incorporate the financial statements of Vodacom Group Limited, its subsidiaries, joint arrangement, associates and structured entities up to 31 March 2026.

### Business combinations

Acquisitions of subsidiaries are accounted for in the consolidated financial statements using the acquisition method. The cost of the acquisition is measured at the aggregate fair values of assets given, liabilities incurred, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the Group's previously held equity interest in the acquiree, if any, over the net acquisition-date amounts of identifiable assets acquired and liabilities assumed.

Acquisitions of associates and joint ventures under common control are accounted for using the acquisition method. Acquisitions of subsidiaries under common control are accounted for using the pooling of interest method. The pooling of interest method is applied prospectively with a corresponding reset of the acquiree's historical equity reserves within another component of the Group's equity. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given up to the sellers, liabilities incurred by the Group from the sellers and equity instruments issued by the Group in exchange for control over the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

The assets and liabilities of the acquiree are reflected at their combination date carrying amounts recognised within the controlling party's consolidated financial statements, thus no adjustments are made to reflect fair values, or recognise any new assets or liabilities, at the date of the combination. The Group also recognises the controlling party's pre-existing goodwill linked to the previous acquisition of the acquiree and non-controlling interest's proportional share of the acquiree's net assets as recognised within the controlling party's consolidated financial statements as at the combination date. The difference between the consideration transferred and the acquired net assets, pre existing goodwill and non-controlling interests as at the combination date is reflected within equity.

## Consolidation continued

### Business combinations continued

Where applicable, the consideration transferred includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Changes in fair value that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Changes in fair value that do not qualify as measurement period adjustments are adjusted prospectively, with the corresponding gain or loss being recognised in profit or loss.

Components of non-controlling interests that are current ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured at the acquisition date at either:

- Fair value; or
- The non-controlling interests' proportionate share of the acquiree's identifiable net assets.

The choice of measurement basis is made on an acquisition-by-acquisition basis.

All other components of non-controlling interests are measured at their acquisition-date fair values, unless another measurement basis is required by IFRS.

The difference between the proceeds and the carrying amount of the net assets and liabilities disposed of, adjusted for any related carrying amount of goodwill, is recognised as the profit or loss on disposal of subsidiaries. The same principle applies to a joint arrangement.

### Accounting for subsidiaries

A subsidiary is an entity directly or indirectly controlled by the Group. Control is achieved where the Group has existing rights that give it the current ability to direct the activities that affect the subsidiary's returns and exposure or rights to variable returns from the entity.

The results of subsidiaries are consolidated from the date control is obtained by the Group up to the date on which the Group ceases to have such control. Where necessary, adjustments are made to the financial statements of subsidiaries to align their accounting policies with those of the Group. Where control is lost, any interest retained by the Group is remeasured to fair value. The profit or loss on disposal is calculated as the difference between:

- The aggregate of the fair value of the consideration received and the fair value of any retained interest; and
- The previous carrying amounts of the assets, including goodwill, and liabilities of the subsidiary, reduced by any non-controlling interests.

All intra-group transactions, balances, and income and expenses, are eliminated on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling interest's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

### Transactions with non-controlling interests

In transactions with non-controlling interests that do not result in a change in control, the difference between the fair value of the consideration paid or received and the amount by which the non-controlling interest is adjusted is recognised in equity.

### Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but does not convey control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The Group's interest in associates and joint ventures are accounted for applying the equity method from the date on which the Group has significant influence or joint control, respectively up to the date on which the Group ceases to have such influence or joint control.

Under the equity method, investments in associates or joint ventures are carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate or joint venture, less any impairment in the value of the investment. Losses of an associate or joint venture in excess of the Group's interest therein are not recognised. Additional losses are provided for, and a liability is recognised, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate or joint venture recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment.

The Group's share of intra-group unrealised profits or losses, between Group companies and joint ventures and associates are eliminated upon equity accounting of these entities.



## Operating segments

The Group discloses its operating segments according to the entity components regularly reviewed by the Group Executive Committee. The components comprise of operating segments located in South Africa, Egypt, Kenya and our other African operations which are aggregated in the International segment.

Segment information is prepared in conformity with the measure that is reported to the Group Executive Committee and has been reconciled to the consolidated financial statements. The measure reported by the Group is in accordance with the material accounting policies adopted for preparing and presenting the consolidated financial statements.

The segment assets and liabilities comprise all assets and liabilities that are employed by and are directly attributable to the segment, or can be allocated to the segment on a reasonable basis.

Capital expenditure in property, plant and equipment and intangible assets are allocated to their related segments.

## Foreign currencies

### Transactions and balances

The consolidated and separate financial statements are presented in South African rand, which is the parent company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded at the foreign exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the respective functional currency of the entity at the rates prevailing at the reporting date. Exchange differences on the settlement or translation of monetary assets and liabilities identified as being part of operating activities are included in operating profit, while exchange differences on the settlement or translation of monetary assets and liabilities which are not considered as being part of operating activities are included in net gain/loss on remeasurement and disposal of financial instruments in profit or loss in the period in which they arise.

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items measured at historical cost in a foreign currency are not retranslated. When a gain or loss on a non-monetary item is recognised directly in other comprehensive income, any exchange component of that gain or loss is recognised directly in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

### Foreign operations

For the purpose of presenting consolidated financial statements, the assets and liabilities of entities with a functional currency other than rand are expressed in rand using exchange rates prevailing on the reporting date. Income and expense items and cash flows are translated at the foreign exchange rates on the transaction dates or the average exchange rates for the period and exchange differences arising are recognised directly in other comprehensive income. On disposal of a foreign operation, the cumulative amount previously recognised in other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

Exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, being monetary items receivable from or payable to foreign entities for which settlement is neither planned nor likely to occur in the foreseeable future, are recognised in other comprehensive income. Taxation on the foreign currency translation reserve relates only to monetary items that form part of the Group's net investment in foreign operations.

### Lack of exchangeability

When determining the spot exchange rate, the Group assesses whether a currency is exchangeable at the measurement date. A currency is not exchangeable to another currency if an entity is able to obtain no more than an insignificant amount of the other currency at the measurement date for the specified purpose.

If there is a lack of exchangeability, the Group estimates a closing rate that reflects the rate at which an orderly transaction would occur between market participants at the measurement date. This estimate considers observable inputs such as parallel market rates, recent transactions, and other relevant economic data.

Where there is lack of exchangeability, foreign currency monetary items are translated using this estimated rate when it is materially different to the reporting rates and any resulting differences are recognised in profit or loss in accordance with IAS 21.

## Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment loss, if any. Land is not depreciated and is stated at cost less accumulated impairment losses, if any.

Land and buildings in which the Group occupies more than 25.0% of the floor space or for which the primary purpose is the service and connection of customers are classified as property, plant and equipment. Assets under construction are carried at cost, less any impairment loss. Depreciation of these assets commences when the assets are ready for their intended use.

The cost of property, plant and equipment includes directly attributable costs incurred in the acquisition and installation of such assets, as well as the present value of the estimated cost of dismantling, removal or site restoration costs if applicable, so as to bring the assets to the location and condition necessary for them to be capable of operating in the manner intended by management.

The cost of small parts that do not meet the definition of property, plant and equipment, as well as repairs and maintenance costs are recognised in profit or loss as incurred.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful life and ceases at the earlier of the date the asset is classified as held for sale or the date it is derecognised. Depreciation is not ceased when assets are idle. Useful lives, residual values and depreciation methods are reviewed on an annual basis with the effect of any changes in estimate accounted for on a prospective basis.

Property, plant and equipment acquired in exchange for non-monetary assets is measured at fair value unless the exchange transaction lacks commercial substance or the fair value of neither the asset received nor the asset given up is reliably measurable. If the acquired item is not measured at fair value, its cost is measured at the carrying amount of the asset given up.

The difference between the proceeds and the carrying amount of an item of property, plant and equipment is recognised as profit or loss on disposal.

## Government grants

The Group may be entitled to receive grants from national or regional government which are primarily for the purpose of purchasing property, plant and equipment (capital grants).

Government grants are recognised when there is reasonable assurance that the Group will comply with any condition on which payment or retention of the grant is dependent and the grant will be paid.

It is the Group's policy to deduct capital grants from the cost of the assets acquired which will result in the depreciation expense for the related assets being reduced during the useful life of the related assets.

In the event that a capital grant becomes repayable, the cost of the related assets is increased by the amount of the repayment, and the cumulative depreciation that would have been recognised in profit or loss had the repaid amount not originally been recorded will be recognised immediately in profit or loss.

Government grants related to income are recognised in profit or loss on a systematic basis over the periods in which the Group recognises the related costs as expenses, for which the grant is intended to compensate.

## Intangible assets

### Intangible assets with an indefinite useful life

Goodwill is initially recognised at cost and subsequently stated at cost less accumulated impairment losses, if any. Goodwill is not amortised.

Goodwill is denominated in the currency of the acquired entity and revalued to the closing rate at each reporting date.

### Intangible assets with finite useful lives

Intangible assets with finite useful lives are stated at cost, less accumulated amortisation and accumulated impairment losses, if any.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life, and commences when the intangible asset is available for use and ceases at the earlier of the date the asset is classified as held for sale or the date it is derecognised.

Useful lives and amortisation methods are reviewed on an annual basis, with the effect of any changes in estimate accounted for on a prospective basis.

The Group's intangible assets with finite useful lives are as follows:

- Licences;
- Trademarks, patents and other;
- Customer bases; and
- Computer software.

Expenditure incurred to develop, maintain and renew internally generated trademarks and patents is recognised as an expense in the period it is incurred.

Computer software that is not considered to form an integral part of any hardware equipment is recorded as an intangible asset.

The difference between the proceeds and the carrying amount of an intangible asset is recognised as the profit or loss on disposal.



### Impairment of non-financial assets

An impairment loss is recognised immediately in profit or loss if the recoverable amount of an asset is less than its carrying amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows from continuing use and ultimate disposal of the asset are discounted to their present value using a post-tax methodology that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

The carrying amount of cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined and therefore includes liabilities where relevant to ensure comparability.

Assets that do not generate cash inflows largely independent of those from other assets are grouped at the lowest levels for which there are separately identifiable cash flows, known as cash-generating units. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, limited to the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior periods. A reversal of an impairment loss is recognised immediately in profit or loss. Goodwill impairment losses are not reversible in subsequent periods.

### Intangible assets with an indefinite useful life and intangible assets not yet available for use

Goodwill and intangible assets not yet available for use are tested annually for impairment and when events or changes in circumstances indicate that the carrying amounts may not be recoverable.

### Property, plant and equipment, intangible assets with finite useful lives and equity accounted investments

Carrying amounts of property, plant and equipment, intangible assets with finite useful lives and equity accounted investments are reviewed annually in order to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amounts of the assets are estimated in order to determine the extent, if any, of the impairment loss.

### Financial instruments

Financial assets and liabilities, in respect of financial instruments, are recognised on the statement of financial position when the Group or Company becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at fair value, including transaction costs except for those classified as at fair value through profit or loss which are initially measured at fair value, excluding transaction costs.

The fair value of a financial instrument on initial recognition is normally the transaction price unless the fair value is evident from observable market data.

### Financial assets, excluding derivative financial instruments

Financial assets are recognised and derecognised on trade date where the purchase or sale of the financial asset is under a contract whose terms require delivery of the instrument within the time frame established by the market concerned.

Subsequent to initial recognition, these instruments are measured as follows:

- Financial assets that are debt instruments, are classified based on how they are managed by the business and the nature of their contractual cash flows.
- Debt securities held for trading purposes, or whose cash flows do not solely represent payments of principal and interest are stated at fair value, with gains and losses arising from changes in fair value included in profit or loss.
- Equity securities are also stated at fair value, with gains and losses arising from changes in fair value recognised in profit or loss.
- Where finance receivables are sold to a third party from time to time these portfolios are recorded at fair value through other comprehensive income, as the business model is to "hold to both collect contractual cash flows and sell".
- All other investments, including trade receivables, are held to collect contractual interest and principal repayments and are stated at amortised cost using the effective interest method, less any impairment.

### Trade and other receivables, including financial assets stated at amortised cost

Trade and other receivables mainly consist of amounts owed to the Group and Company by customers and amounts that we pay to our suppliers in advance. Derivative financial instruments with a positive market value are reported within Note 13 in the consolidated financial statements and Note 11 in the separate financial statements as are contract assets which represent an asset for accrued revenue in respect of goods or services delivered to customers for which a trade receivable does not yet exist and finance lease receivables, recognised where the Group acts as a lessor.

Trade receivables represent amounts owed by customers where the right to receive payment is conditional only on the passage of time. Trade receivables that are recovered in instalments from customers over an extended period are discounted at market rates and interest revenue is accreted over the expected repayment period. Other trade receivables do not carry any interest and are stated at their nominal value. The carrying value of all trade receivables are recorded at amortised cost. The carrying values of trade receivables, contract asset and finance lease receivables are reduced by allowances for lifetime estimated credit losses. Estimated future credit losses are first recorded on the initial recognition of a receivable. Irrecoverable amounts are based on the ageing of the receivable balances and historical experience, individual balances are written off when management deems them not to be collectible.

## Financial instruments continued

### Impairment of financial assets

Impairment of financial assets carried at amortised cost, with the exception of trade and other receivables, contract assets and finance lease receivables amounts to the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. For trade and other receivables, contract assets and finance lease receivables, the amount of the impairment loss is the irrecoverable amount estimated by management based on assumptions about risk of default and expected loss rates (Note 30.4.2.1).

The carrying amount is reduced directly by the impairment loss, with the exception of trade receivables, contract assets and finance lease receivables, where the carrying amount is reduced through the use of an allowance account.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed, either directly or by adjusting the allowance account, through profit or loss. The carrying amount of the financial asset at the date the impairment loss is reversed will not exceed what the amortised cost would have been had the impairment loss not been recognised.

Held to collect and sell financial assets carried at fair value through other comprehensive income (finance receivables), incur impairment as the difference between the asset's carrying amount and the present value of estimated future cash flows.

Cash at banks as well as loan receivables classified and measured at amortised cost are considered to have low credit risk with the expected credit loss mitigated through the Group's and Company's credit risk management policy.

### Financial liabilities, excluding derivative financial instruments, and equity instruments

Financial liabilities and equity instruments issued are classified according to the substance of the contractual arrangements entered into and the applicable definitions. An equity instrument is any contract that evidences a residual interest in the assets of the Group or Company after deducting all of its liabilities and includes no obligation to deliver cash or other financial asset.

Equity instruments issued are recorded at the proceeds received, net of direct issuance costs. Own equity instruments that are reacquired (treasury shares) are recognised at cost, including transaction costs, and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's or Company's own equity instruments. Any difference between the carrying amount and the consideration on resale is recognised in equity.

### Group

Financial liabilities are initially recognised at fair value. Subsequent to initial measurement, these instruments are measured as follows:

- Borrowings are subsequently stated at amortised cost, using the effective interest rate method. Any difference between the proceeds net of transaction costs and the settlement or redemption of borrowings is recognised over the term of the borrowings.
- Trade and other payables (excluding liabilities created by statutory requirements, revenue charged in advance, deferred revenue and reduced subscriptions) as well as dividends payable are not interest bearing and are subsequently stated at their nominal values.

### Company

- Borrowings can subsequently be stated at amortised cost, using the effective interest rate method or subsequently measured at fair value through profit and loss, with changes in fair value recognised in the income statement as they occur. Any difference between the proceeds net of transaction costs and the settlement or redemption of borrowings is recognised over the term of the borrowings.
- Trade and other payables (excluding liabilities created by statutory requirements, revenue charged in advance, deferred revenue and reduced subscriptions) as well as dividends payable are not interest bearing and are subsequently stated at their nominal values.

### Derivative financial instruments

Exposure to the financial risks of changes in foreign exchange rates and interest rates, are managed using derivative financial instruments. The Group's and Company's principal derivative financial instruments are foreign exchange forward contracts.

The use of derivative financial instruments is governed by policies approved by the Board, which provide written principles consistent with the Group's and Company's risk management strategy. Derivative financial instruments are not used for speculative purposes.

Derivative financial instruments are initially measured at fair value on contract date and are subsequently remeasured to fair value at each reporting date. Changes in fair value are recorded in profit or loss as they arise unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in profit or loss depends on the nature of the hedge relationship. Changes in values of all derivatives of a financing nature are included within remeasurement and disposal of financial instruments in profit or loss.



## Financial instruments continued

### Hedge accounting

Certain foreign exchange forward contracts are designated primarily as fair value hedges, and in limited circumstances cash flow hedges, to hedge exposure to variability in fair value that is attributable to changes in foreign exchange rates.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are immediately recognised in profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. For unrecognised firm commitments, the change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in profit or loss and included in the line item relating to the hedging instrument. The initial carrying amount of the asset or liability that results from the entity meeting the firm commitment is adjusted to include the cumulative change in the fair value of the firm commitment attributable to the hedged risk that was recognised in the statement of financial position. For recognised hedged assets or liabilities, the change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in profit or loss in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging relationship is revoked, when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting.

The Company also designates certain forward exchange contracts, entered into in order to hedge against foreign exchange movements relating to cash considerations payable at a future date, as cash flow hedges. The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income within the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit or loss. The amount recognised in other comprehensive income will remain within the cash flow hedge reserve, with subsequent reclassification to profit or loss on the derecognition or impairment of the hedged asset.

### Financial guarantees in the parent company

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value. The fair value of a financial guarantee contract is the present value of the difference between the net contractual cash flows required under a debt instrument, and the net contractual cash flows that would have been required without the guarantee.

Subsequently at each reporting period the financial guarantee contract is measured at the higher of the amount initially recognised less cumulative adjustments relating to amortisation; and expected credit loss. Refer to Note 14 and Note 21.3.3 of the separate financial statements for details on credit risk related to financial guarantees.

### Offset

Where a legally enforceable right of offset exists for recognised financial assets and liabilities, and there is an intention to settle the liability and realise the asset simultaneously, or to settle on a net basis, all related financial effects are offset.

## Leases

### As a lessee

When an asset is leased, a 'right of use asset' is recognised for the leased item and a lease liability is recognised for any lease payments due at the lease commencement date. The right of use asset is initially measured at cost, being the present value of the lease payments paid or payable, plus any initial direct costs incurred in entering the lease as well as estimated dismantling costs, less any lease incentives received. Right of use assets are disclosed as part of property, plant and equipment.

Right of use assets are depreciated on a straight-line basis from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. The lease term is the non-cancellable period of the lease plus any periods for which it is 'reasonably certain' that any extension options will be exercised or any termination options will not be exercised (see below). The useful life of the asset is determined in a manner consistent to that for owned property, plant and equipment. If right of use assets are considered to be impaired, the carrying value is reduced to the recoverable amount.

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date and are usually discounted using the incremental borrowing rates of the applicable Group entity (the rate implicit in the lease is used if it is readily determinable). Lease payments included in the lease liability include:

- fixed payments and in-substance fixed payments during the term of the lease;
- variable lease payments that depend on an index or a rate;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option;
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease;
- amounts expected to be payable by the lessee under residual value guarantees;

Lease liabilities are disclosed as part of borrowings.

After initial recognition, the lease liability is recorded at amortised cost using the effective interest method. It is remeasured when:

- there is a change in the residual value guarantee;
- there is a change in future lease payments arising from a change in an index or rate (e.g. an inflation related increase);
- the assessment of the lease term changes;
- lease modifications occur that are not treated as separate leases.

Any change in the lease liability as a result of these changes also results in a corresponding change in the right of use asset.

Neither the short term nor low value expedient options in IFRS 16 are applied. For a contract that is, or contains a lease, lease components within the contract are accounted for as a lease separately from non-lease components of the contract.

## Leases continued

### As a lessor

Where the Group or Company is a lessor, it is determined at inception whether the lease is a finance or an operating lease. When a lease transfers substantially all the risks and rewards of ownership of the underlying asset then the lease is a finance lease; otherwise, the lease is an operating lease.

Where the Group or Company is an intermediate lessor, the interest in the head lease and the sub-lease is accounted for separately and the lease classification of a sub-lease is determined by reference to the right of use asset arising from the head lease. Income from operating leases are recognised on a straight-line basis over the lease term. Profit or loss from finance leases, arising on derecognition of the leased asset, are recognised in full at lease commencement.

Lease income is recognised as other revenue for transactions that are part of ordinary activities (primarily leases of handsets or other equipment to customers or leases of wholesale access to the Group's fibre and cable networks and provision of space on its tower assets to other operators). The principles in IFRS 15 are used to allocate the consideration in contracts between any lease and non-lease components. Lease income is recognised as a credit in operating expenses for transactions that are not part of ordinary activities (primarily leases or sub leases of surplus assets).

## Inventory

Inventory is stated at the lower of cost and net realisable value. Cost is determined by the first-in, first-out method and comprises direct materials and those overheads that have been incurred in bringing the inventories to their present location and condition.

## Cash and cash equivalents

Cash and cash equivalents measured at amortised cost comprises of cash on hand and call deposits, net of bank overdrafts, all of which are available for use by the Group or Company unless otherwise stated.

## Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of a past event, it is probable that the obligation will be required to be settled and a reliable estimate of the amount of the obligation can be made. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value using a pre-tax discount rate, where the effect of the time value of money is material.

## Taxation

Taxation represents the sum of current tax and deferred tax.

Tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to other comprehensive income or directly to equity, in which case the tax is also recognised directly in other comprehensive income or in equity.

Tax assets and liabilities are offset when there is a legally enforceable right to set off tax assets against tax liabilities and when they relate to income taxes levied by the same tax authority on either the same taxable entity or on different taxable entities which intend to settle the tax assets and liabilities on a net basis.

### Current tax

Current tax payable or receivable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated and separate income statement because some items of income or expense are taxable or deductible in different years or may never be taxable or deductible. Current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the reporting date.

### Deferred tax

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. It is accounted for using the liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that the deductible temporary difference will reverse in the foreseeable future and taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition, other than in a business combination, of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax liabilities are not recognised to the extent they arise from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates and joint arrangements, except where the Group or Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax asset for the carry forward of unused tax losses and tax credits is only recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses and tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in the probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at tax rates that are expected to apply in the period when the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the reporting date.

Exchange differences arising from the translation of foreign tax assets and liabilities of foreign entities, where the functional currency is different to the local currency, are classified as a deferred tax expense or income.



## Revenue recognition and presentation

### Group

#### Revenue recognition

When an agreement is entered with a customer, goods and services deliverable under the contract are identified as separate performance obligations ('obligations') to the extent that the customer can benefit from the goods or services on their own and that the separate goods and services are considered distinct from other goods and services in the agreement. Where individual goods and services do not meet the criteria to be identified as separate obligations they are aggregated with other goods and/or services in the agreement until a separate obligation is identified. The obligations identified will depend on the nature of individual customer contracts, but might typically be separately identified for mobile handsets, other equipment provided to customers and services provided to customers such as mobile and fixed line communication services. Where goods and services have a functional dependency (for example, a fixed line router can only be used with the Group's services) this does not, in isolation, prevent those goods or services from being assessed as separate obligations.

The Group determines the transaction price to which it expects to be entitled to in return for providing the promised obligations to the customer based on the committed contractual amounts, net of sales taxes and discounts. Where indirect channel dealers, such as retailers, acquire customer contracts on behalf of the Group and receive commission, any commissions that the dealer is compelled to use to fund discounts or other incentives to the customer are treated as payments to the customer when determining the transaction price and consequently are not included in contract acquisition costs.

The transaction price is allocated between the identified obligations according to the relative standalone selling prices of the obligations. The standalone selling price of each obligation deliverable in the contract is determined according to the prices that the Group would achieve by selling the same goods and/or services included in the obligation to a similar customer on a standalone basis; where standalone selling prices are not directly observable, estimation techniques are used maximising the use of external inputs. See "Critical accounting judgements and estimates" for details.

Revenue is recognised when the respective obligations in the contract are delivered to the customer and cash collection is considered probable. Revenue for the provision of services, such as mobile airtime and fixed line broadband, are recognised when the Group provides the related service during the agreed service period. Revenue for device sales to end customers are generally recognised when the device is delivered to the end customer.

For device sales made to intermediaries such as indirect channel dealers, revenue is recognised if control of the device has transferred to the intermediary and the intermediary has no right to return the device to receive a refund; otherwise revenue recognition is deferred until sale of the device to an end customer by the intermediary or the expiry of any right of return.

When the Group has control of goods or services prior to delivery to a customer, then the Group is the principal in the sale to the customer. As a principal, receipts from, and payments to, customers and suppliers are reported on a gross basis in revenue and operating costs. If another party has control of goods or services prior to transfer to a customer, then the Group is acting as an agent for the other party and revenue in respect of the relevant obligations is recognised net of any related payments to the supplier, recognised revenue represents the margin earned by the Group. See "Critical judgements and estimates" for details".

When revenue recognised in respect of a customer contract exceeds amounts received or receivable from a customer at that time a contract asset is recognised; contract assets will typically be recognised for handsets or other equipment provided to customers where payment is recovered by the Group via future service fees. If amounts received or receivable from a customer exceed revenue recognised for a contract, for example if the Group receives an advance payment from a customer, a contract liability is recognised.

When contract assets or liabilities are recognised, a financing component may exist in the contract; this is typically the case when a handset or other equipment is provided to a customer up-front but payment is received over the term of the related service agreement, in which case the customer is deemed to have received financing. If a significant financing component is provided to the customer, the transaction price is reduced and interest revenue is recognised over the customer's payment period using an interest rate reflecting the relevant central bank rates and customer credit risk.

#### Other income

Dividends from investments are recognised when the Group's right to receive payment has been established.

Interest is recognised on a time proportion basis with reference to the principal amount receivable and the effective interest rate applicable.

#### Presentation: gross versus net

Where the Group's role in a transaction is that of principal, revenue is recognised on a gross basis. This requires revenue to comprise the gross value of the transaction billed to the customer, after trade discounts and sales taxes, with any related administrative fees charged as an operating cost.

Where the Group's role in a transaction is that of an agent, revenue is recognised on a net basis, with revenue representing the margin earned.

#### Contract-related costs

When costs directly relating to a specific contract are incurred prior to recognising revenue for a related obligation, and those costs enhance the ability of the Group to deliver an obligation and are expected to be recovered, then those costs are recognised on the statement of financial position as fulfilment costs and are recognised as expenses in line with the recognition of revenue when the related obligation is delivered.

The direct and incremental costs of acquiring a contract including, for example, certain commissions payable to staff or agents for acquiring customers on behalf of the Group, are recognised as contract acquisition cost assets in the statement of financial position when the related payment obligation is recorded. Costs are recognised as an expense in line with the recognition of the related revenue that is expected to be earned by the Group; typically this is over the customer contract period as new commissions are payable on contract renewal. Certain amounts payable to agents are deducted from revenue recognised.

## Revenue recognition and presentation continued

### Company

The Company recognises revenue from management services as the management services are rendered over the duration of the contractual term and in accordance with terms and conditions of the contract concluded with the customer. Payment is generally due within 60 days from invoicing.

Dividends from investments are recognised when the Company's right to receive payment has been established.

Interest is recognised on a time proportion basis with reference to the principal amount receivable and the effective interest rate applicable.

### Commissions

Intermediaries are given cash incentives by the Group to connect new customers and upgrade existing customers.

For intermediaries who do not purchase products and services from the Group, such cash incentives are accounted for as an expense. Cash incentives to intermediaries who purchase products and services from the Group are also accounted for as an expense if:

- The Group receives an identifiable benefit in exchange for the cash incentive that is separable from sales transactions to that intermediary; and
- The Group can reliably estimate the fair value of that benefit.

Cash incentives that do not meet these criteria are recognised as a reduction of the related revenue.

Distribution incentives paid to service providers and dealers for exclusivity are deferred and expensed over the contractual relationship period.

### Expenses

Expenses are recognised as they are incurred. Prepaid expenses are deferred and recognised in periods to which they relate.

### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of those assets.

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. The portion of exchange differences to be capitalised is estimated based on interest rates on similar borrowings in the entity's functional currency. Foreign exchange gains and losses are assessed cumulatively over the construction period.

Other borrowing costs are expensed as they are incurred.

### Employee benefits

#### Post-employment benefits

The Group and Company contributes to defined contribution funds for the benefit of employees and these contributions are expensed as they fall due. The Group and Company is not liable for contributions to the medical aid of retired employees.

#### Short-term and long-term benefits

The cost of all short-term employee benefits, such as salaries, employee entitlements to leave pay, bonuses, medical aid and other contributions, are expensed in the period in which the employee renders the related service.

Long-term employee benefits payable to eligible employees are expensed in the period in which the employee renders the related service.

#### Share-based payments

The Group and Company has share-based payment compensation plans for certain eligible employees.

#### Equity-settled share-based payments

Equity-settled share-based payments are measured at the grant date fair value of the equity instruments granted, and are expensed on a straight-line basis over the vesting period, with a corresponding increase in equity. The annual expense is based on management's estimate of the shares that will eventually vest, adjusted for the effect of non-market vesting conditions.

#### Cash-settled share-based payments

Cash-settled share-based payment liabilities are initially measured at fair value and subsequently remeasured to fair value at each reporting date as well as at the date of settlement, with any changes in fair value recognised in profit or loss. The expense is recognised on a straight-line basis over the vesting period, with a corresponding increase in the liability.

### Broad-based black economic empowerment (BBBEE) transaction

Where equity instruments are issued to a BBBEE partner at less than fair value, these are accounted for as share-based payments.

The difference between the fair value of the equity instruments issued and the consideration received is accounted for as an expense in profit or loss on the transaction date, with a corresponding increase in equity. No service or other conditions exist for BBBEE partners. A restriction on the BBBEE partner to transfer the equity instrument subsequent to its vesting is not treated as a vesting condition, but is factored into the fair value determination.



## New accounting pronouncements

### New accounting pronouncements adopted on 1 April 2025

The Group adopted the following new policy on 1 April 2025 to comply with an amendment to IFRS.

- Amendments to IAS 21 'Lack of Exchangeability'.

The Effects of Changes in Foreign Exchange Rates was amended to introduce guidance on determining an appropriate exchange rate when a currency is not exchangeable. The Group assessed exchangeability across all its markets and concluded that, except for Mozambique, no other jurisdictions were subject to a lack of exchangeability within the scope of the amendment.

In Mozambique, a lack of exchangeability was identified only in respect of certain specified purposes, as more than an insignificant amount of foreign denominated currency (USD) could be obtained without a significant administrative delay. Based on the Group's assessment, the exchange rates used for translation did not differ materially from the estimated rates determined in accordance with the amended IAS 21 guidance.

Where exchangeability was assessed as lacking for those specified purposes, management estimated a spot exchange rate that reflects the rate at which an orderly transaction would have occurred at the measurement date.

In estimating the spot exchange rate, management:

- Identified whether there are alternative exchange mechanisms legally accessible to the entity at the measurement date, including indirect settlement methods;
- considered observable rates from recent orderly transactions undertaken by similar market participant.

Accordingly, for these specified purposes, the reporting rates were used for translation. Based on the Group's assessment, the exchange rates used for translation did not differ materially from the estimated rates determined in accordance with the amended IAS 21 guidance. As a result, the impact of adopting this amendment was immaterial.

Management continues to monitor developments in foreign currency availability and reassesses exchangeability at each measurement date in accordance with IAS 21.

### New accounting pronouncements to be adopted on 1 April 2026

The following amendments have been issued by the IASB and are effective on or after 1 January 2026:

- Amendments to IFRS 9 and IFRS 7 'Amendments to the Classification and Measurement of Financial Instruments';
- Amendments to IFRS 9 and IFRS 7 'Contracts Referencing Nature-dependent Electricity'; and
- Annual Improvements to IFRS Accounting Standards (Volume 11).

The amendments are not currently expected to have a material impact on the Group's financial reporting on adoption. However, the IFRS 9 and IFRS 7 amendments relating to 'Classification and Measurement of Financial Instruments' and 'Contracts Referencing Nature-dependent Electricity' may result in additional disclosures within the Group's financial reporting.

### New accounting pronouncements to be adopted on 1 April 2027

The Group and Company's has not yet adopted the following pronouncements, which have been issued by the IASB:

- IFRS 18 'Presentation and Disclosure in Financial Statements';
- IFRS 19 'Subsidiaries without Public Accountability: Disclosures'; and
- Amendments to IAS 21 'Translation to a Hyperinflationary Presentation Currency'.

With the exception of IFRS 18, none of the newly issued standards or amendments are expected to have a material impact on the Group's financial reporting upon adoption. IFRS 18 is expected to have a material impact on the Group's financial reporting, particularly the Group's consolidated income statement and the presentation of certain performance measures; the Group is undertaking a detailed assessment of the impacts.

### Critical accounting judgements including those involving estimations

The Group and Company prepare the consolidated and separate financial statements in accordance with IFRS as issued by the IASB, the application of which often requires management to make judgements when formulating the Group's and Company's financial position and results. Judgements, including those involving estimations, made in the process of applying the Group's and Company's accounting policies are discussed below. Management considers these judgements to have a material effect on the consolidated and separate financial statements.

The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience, current and expected economic conditions. Although estimates are based on management's best knowledge of current events and actions they may undertake in the future, actual results ultimately may differ from these estimates. Accounting estimates and the underlying assumptions are reviewed on an ongoing basis.

The discussion below should also be read in conjunction with the disclosure of material accounting policies, which is provided on page 23.

Management has presented its critical accounting judgements and associated disclosures to the Audit, Risk and Compliance Committee who has recommended them to the Board.

### Investment in subsidiaries, associates and joint ventures

Judgement is required in the assessment of whether the Group and Company has control or significant influence in terms of the variability of returns from involvement in the investee, the ability to use power to affect those returns and the significance of the investment in the investee. The Group and Company classified its investments considering this assessment of control or significant influence (consolidated financial statements Notes 12 and 28 and separate financial statements Note 7).

The Group assessed its broad-based black economic empowerment transactions, to determine whether the Group has control over the entities it has partnered with in the transactions, resulting in the consolidation of these entities.

### Fair value judgement of assets transferred as consideration

The assets transferred as non-cash consideration in exchange for shares in the Maziv (Pty) Limited, were measured at fair value at the transaction date, representing the cost of the investment. Determining fair value required judgement due to the absence of observable market prices for similar assets. Management applied valuation techniques considered appropriate to the nature of the assets, including replacement cost and income-based approaches, which required judgement in selecting key assumptions such as replacement costs, asset lives, forecast cash flows and discount rates. The fair value reflects the assumptions applied in the valuation and their interaction. Refer to Note 12 for Acquisition of Maziv (Pty) Limited.

### Intangible assets with finite useful lives

Intangible assets with finite useful lives include licences, customer bases, computer software, trademarks, patents and other. These assets arise from both separate purchases and from acquisitions as part of business combinations. Where intangible assets are received for no cash consideration, the assets are recognised at zero value and no deferred gain is recognised.

The relative size of the Group's intangible assets with finite useful lives makes the judgements surrounding the estimated useful lives critical to the Group's financial position and performance.

At 31 March 2026, intangible assets with finite useful lives amounted to R29 593 million (2025: R25 943 million) and represented 10.7% (2025: 10.4%) of the Group's total assets.

### Estimation of useful lives

The useful lives used to amortise intangible assets relate to the future performance of the assets acquired and management's judgement of the period over which economic benefits will be derived from the assets. The residual values of intangible assets are assumed to be zero.

The basis for determining the useful lives for the various categories of intangible assets is as follows:

#### Licences

The estimated useful life is, generally, the term of the licence, unless there is a presumption of renewal at a negligible cost. The licence term reflects the period over which the Group will receive economic benefits. For technology-specific licences with a presumption of renewal at a negligible cost, the estimated useful life reflects the Group's expectation of the period over which the Group will continue to receive economic benefits from the licence.

#### Trademarks, patents, wavelengths and other

The estimated useful life represents management's view of the expected period over which the Group will receive economic benefits from the trademarks, patents, wavelengths and other intangible assets.



**Intangible assets with finite useful lives continued****Estimation of useful lives continued****Customer bases**

The estimated useful life principally reflects management's view of the average economic life of the customer base and is assessed by reference to, inter alia, customer churn rates or obtained through an independent actuarial valuation. An increase in churn rates may lead to a reduction in the estimated useful life and an increase in the amortisation charge.

**Computer software**

For computer software licences, the useful life represents management's view of the expected period over which the Group or Company will receive benefits from the software, but not exceeding the licence term. For unique software products controlled by the Group, the life is based on historical experience with similar products as well as anticipation of future events, which may impact the life, such as changes in technology.

The estimated useful lives of intangible assets with finite useful lives are as follows:

Years	2026	2025
Licences	8–30	8–30
Trademarks, patents, wavelengths and other	5–20	5–20
Customer bases	1–8	1–8
Computer software	3–10	3–10

Historically, changes in useful lives have not resulted in material changes to the Group's or Company's amortisation charge.

**Property, plant and equipment**

Property, plant and equipment also represent a significant proportion of the Group's asset base, being 30.3% (2025: 32.5%) of the Group's total assets. Therefore, the estimates and assumptions made to determine their carrying amounts and related depreciation are critical to the Group's financial position and performance.

**Estimation of useful lives and residual values**

The depreciation charge for an asset is derived using estimates of its expected useful life and expected residual value, which are reviewed annually. Management's estimates of useful life have a material impact on the amount of depreciation recorded in the year, but there is not considered to be a significant risk of material adjustment to the carrying values of property, plant and equipment in the year to 31 March 2026 if these estimates were revised.

Management determines the useful lives and residual values for assets when they are acquired, based on experience with similar assets and taking into account other relevant factors such as any expected changes in technology.

The estimation of useful lives is based on certain indicators such as historical experience with similar assets as well as anticipation of future events, which may impact the lives, such as changes in technology. The useful lives will also depend on the future performance of the assets as well as management's judgement of the period over which economic benefits will be derived from the assets.

Network infrastructure is only depreciated over a period that extends beyond the expiry of the associated licence under which the operator provides telecommunications services if there is a reasonable expectation of renewal or an alternative future use for the asset.

The estimated useful lives of depreciable property, plant and equipment are as follows:

Years	2026	2025
Buildings, included in land and buildings	17–50	17–50
Network infrastructure and equipment	3–30	3–25
Other assets	1–15	1–15

Historically, changes in useful lives and residual values have not resulted in material changes to the Group's depreciation charge.

**Change in useful lives**

During the current financial year, the Group reviewed the estimated useful lives and residual values of property, plant, and equipment. The review resulted in an increase in the average useful life, effective from 1 January 2026, across certain asset categories. South Africa was the most impacted market, with a 20% extension applied specifically to network infrastructure assets. This extension of useful lives resulted in a reduction in the Group's depreciation charge of R456.1 million.

**Modernisation of Radio Access Network in Tanzania**

During the year the Group implemented a Radio Access Network modernisation initiative which entails replacement of legacy radio equipment and installation of new modernised radios, which necessitated a reassessment of the expected useful lives of the old equipment. As a result of this change in estimate, depreciation expense increased by R742 million.

### Impairment reviews

Management undertakes an annual impairment test for goodwill and intangible assets not yet available for use. For assets with finite useful lives, impairment testing is performed if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Impairment testing is an area involving management judgement, requiring assessment as to whether the carrying amounts of assets can be supported by the higher of their fair value less costs of disposal and value in use.

Parties with the requisite expertise are used to determine the fair value less costs of disposal of assets.

Value in use is calculated as the net present value of future cash flows derived from assets using cash flow projections which have been discounted at appropriate discount rates. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's expectations of:

- Growth in EBITDA, calculated as earnings before interest, taxation, depreciation, amortisation, impairment losses, BBBEE charge, profit/(loss) on disposal of property, plant and equipment and intangible assets;
- Timing and quantum of future capital expenditure;
- Long-term growth rates; and
- The selection of appropriate discount rates to reflect the risks involved.

Details of the basis for determining values assigned to key assumptions are provided in Note 2 of the consolidated financial statements.

The Group and Company prepares and annually approves formal five-year management plans for its operations, which are used in the value in use calculations.

Changing the assumptions selected by management, in particular the discount rate and growth rate assumptions used in the cash flow projections, could significantly affect the impairment evaluation and consequently its results.

As a large owner of infrastructure and consumer of energy, the Group has exposure to the climate change related risks such as energy cost increases, asset damage and service disruption. The long range plans used in the Group's impairment testing include forecast energy costs and other costs that are embedded in the planning process to deliver the Group's carbon reduction targets. The long range plans also include capital expenditure in relation to the Group's extensive and ongoing network maintenance programme, and support the Group's use of durable and energy efficient infrastructure. Climate change, therefore, is not expected to have a material impact on the outcome of the Group's impairment testing.

The recoverable amounts of the Company's equity investments in subsidiaries, associates and joint ventures are based on value in use calculations with an appropriate risk adjusted discount rate being applied. A summary of the Company's carrying amounts of these investments are set out in Note 7 of the separate financial statements.

The review includes a sensitivity analysis of the key assumptions related to the cash flow projections as disclosed in Note 2 of the consolidated financial statements.



## Critical accounting judgements and key sources of estimation relating to leases

### Lease identification

Whether the arrangement is considered a lease or a service contract depends on the analysis by management of both the legal form and substance of the arrangement between the Group and the counter-party to determine if control of an identified asset has been passed between the parties; if not, the arrangement is a service arrangement. Control exists if the Group obtains substantially all of the economic benefit from the use of the asset, and has the ability to direct its use, for a period of time. An identified asset exists where an agreement explicitly or implicitly identifies an asset or a physically distinct portion of an asset which the lessor has no substantive right to substitute.

The scenarios requiring the greatest judgement include those where the arrangement is for the use of fibre or other fixed telecommunication lines. Generally, where the Group has exclusive use of a physical line it is determined that the Group can also direct the use of the line and therefore leases will be recognised. Where the Group provides access to fibre or other fixed telecommunication lines to another operator on a wholesale basis the arrangement will generally be identified as a lease, whereas when the Group provides fixed line services to an end-user, generally control over such lines is not passed to the end-user and a lease is not identified.

The impact of determining whether an agreement is a lease or a service contract depends on whether the Group is a potential lessee or lessor in the arrangement and, where the Group is a lessor, whether the arrangement is classified as an operating or finance lease. The impacts for each scenario are described below where the Group is potentially:

- A lessee. The judgement impacts the nature and timing of both costs and reported assets and liabilities. A lease results in depreciation and interest being recognised and an asset and a liability being reported; the interest charge will decrease over the life of the lease. A service contract results in operating expenses being recognised evenly over the life of the contract and no assets or liabilities being recorded (other than trade payables, prepayments and accruals).
- An operating lessor. The judgement impacts the nature of income recognised. An operating lease results in lease income being recognised whilst a service contract results in service revenue. Both are recognised evenly over the life of the contract.
- A finance lessor. The judgement impacts the nature and timing of both income and reported assets. A finance lease results in the lease income being recognised at commencement of the lease and an asset (the net investment in the lease) being recorded.

### Lease term

Where leases include additional optional periods after an initial lease term, significant judgement is required in determining whether these optional periods should be included when determining the lease term. The impact of this judgement is significantly greater where the Group is a lessee. As a lessee, optional periods are included in the lease term if the Group is reasonably certain it will exercise an extension option or will not exercise a termination option; this depends on an analysis by management of all relevant facts and circumstances including the leased asset's nature and purpose, the economic and practical potential for replacing the asset and any plans that the Group has in place for the future use of the asset. Where a leased asset is highly customised (either when initially provided or as a result of leasehold improvements) or it is impractical or uneconomic to replace then the Group is more likely to judge that lease extension options are reasonably certain to be exercised. Where extension options are included the greater the value of the right of use asset and lease liability that will be recognised. The normal approach adopted for lease term by asset class is described below.

The lease terms can vary significantly by type and use of asset and geography. In addition, the exact lease term is subject to the non-cancellable period and rights and options in each contract. In most instances the Group has options to renew or extend leases for additional periods after the end of the lease term which are assessed using the criteria below. Taking into account lease extensions and termination options, lease terms are judged to be the longer of the minimum lease term and:

- Between 5 and 10 years for land and buildings (excluding retail), with terms at the top end of this range if the lease relates to assets that are considered to be difficult to exit sooner for economic, practical or reputational reasons;
- To the next contractual lease break date for retail premises (excluding breaks within the next 12 months);
- Where leases are used to provide internal connectivity the lease term for the connectivity is aligned to the lease term or useful economic life of the assets connected;
- The customer service agreement length for leases of local loop connections or other assets required to provide fixed line services to individual customers; and
- Where there are contractual agreements to provide services using leased assets, the lease term for these assets is generally set in accordance with the above principles or for the lease term required to provide the services for the agreed service period.

Lease terms are reassessed if a significant event or change in circumstances occurs relating to the leased assets that is within the control of the Group; such changes usually relate to commercial agreements entered into by the Group, or business decisions made by the Group. Where such changes change the Group's assessment of whether it is reasonably certain to exercise options to extend, or not terminate leases, then the lease term is reassessed and the lease liability is remeasured. Refer to Note 9, Note 10 and Note 19 within the consolidated financial statements for the Group's right of use assets and lease liability carrying amounts respectively, to which the lease significant estimates and judgments are relevant.

## Financial instruments

The fair value of financial instruments, excluding derivative instruments, not traded in active, liquid and organised financial markets is determined using a variety of valuation methods and assumptions that are based on market conditions and risks existing at the reporting date, including independent appraisals and discounted cash flow methods.

The recognition of mobile financial deposits (Note 15), is dependent on the consideration of various factors to determine whether the Group controls these assets. These factors include the regulatory environment in the relevant countries of operation, the contractual arrangements entered into, together with risk and reward exposure. All of the Group's material subsidiaries provide mobile money services.

### BBBEE transaction

The fair value of the BBBEE transaction was measured using the Monte Carlo option pricing valuation model. Refer to Note 18 of the consolidated financial statements for assumptions used.

### Forfeitable share plan

The share-based payment expense relating to awards of performance shares to the Group's and Company's executive directors and selected employees is based on the achievement of financial performance and customer targets. The probability of these financial performance targets being achieved is estimated using the Monte Carlo simulation model. Refer to Note 18.1 of the consolidated financial statements and Note 11 of the separate financial statements.

### Direct and indirect tax liabilities

The Group's and Company's total direct and indirect taxation liabilities necessarily involves judgements, including those involving estimations, in respect of certain matters where the tax impact is uncertain until a conclusion has been reached with the relevant tax authority or, as appropriate, through a formal legal process. Use is made of in-house tax experts when assessing uncertain tax positions and seeks the advice of external professional advisors where appropriate.

Tax provisions are recognised for uncertain tax positions when the Group has a present obligation as a result of a past event and it is probable that there will be a future outflow of economic benefits from the Group. Tax provisions are measured using the most likely outcome. The final resolution of uncertain tax positions may give rise to material profits, losses and/or cash flows.

The complexity of the Group's structure, considering its geographic presence, makes the degree of judgement more challenging. The resolution of issues is not always within the Group's control and it is often dependent on the efficiency of the legal processes in the relevant tax jurisdictions in which the Group operates. Issues can, and often do, take many years to resolve. Payments in respect of tax liabilities for an accounting period result from payments on account and on the final resolution of open items. As a result, there can be substantial differences between the taxation charge in the consolidated and separate income statement and tax payments.

Significant items on which the Group has exercised judgement include various matters disclosed in Note 26 of the consolidated financial statements. Due to the inherent uncertainty surrounding the outcome of these items, eventual resolution could differ from the accounting estimates and therefore impact the Group's results and cash flows.

### Recognition of deferred tax assets

The recognition of deferred tax assets, particularly in respect of tax losses and tax credits, is based upon whether it is probable that there will be sufficient and suitable taxable profits in the relevant legal entity or tax group against which to utilise the assets in the future. Management therefore exercises judgement in assessing the future financial performance of the particular entity or tax group in which the deferred tax asset is to be recognised. Refer to Note 7.4 of the consolidated financial statements and Note 5.2 of the separate financial statements.

### Pillar Two - Global minimum tax

Legislation implementing the Organisation for Economic Co-operation and Development's (OECD) Pillar Two global anti-base erosion (GloBE) model rules – the Global Minimum Tax Act – was enacted in December 2024 in South Africa and is effective for tax years beginning from 1 January 2024.

The law provides for an income inclusion rule (IIR) payable by qualifying South African tax resident multinational enterprise (MNE) groups on income from constituent entities (CEs) in foreign jurisdictions where the GloBE effective tax rate is below 15% and a domestic minimum top-up tax (DMTT) on the profits of foreign inbound MNEs with low-taxed CEs in South Africa. The Group's current year tax charge includes no current tax charge relating to Pillar Two income taxes. The Group has applied the temporary exception under IAS 12 in relation to the accounting for deferred taxes arising from the implementation of the Pillar Two rules.

### Revenue recognition and presentation

#### Revenue recognition

Revenue recognition under IFRS 15 is significantly more complex than under previous reporting requirements and necessitates the collation and processing of very large amounts of data and the increased use of management judgements and estimates to produce financial information. The most significant critical accounting judgements and key sources of estimation uncertainty are disclosed below.

#### Determination of standalone selling price

Where the Group doesn't sell equivalent goods or services in similar circumstances on a standalone basis it is necessary to estimate the standalone price. When estimating the standalone price the Group maximises the use of external inputs; methods for estimating standalone prices include determining the standalone price of similar goods and services sold by the Group, observing the standalone prices for similar goods and services when sold by third parties or using a cost-plus reasonable margin approach (which is sometimes the case for handsets and other equipment). Where it is not possible to reliably estimate standalone prices due to lack of observable standalone sales or highly variable pricing, which is sometimes the case for services, the standalone price of an obligation may be determined as the transaction price less the standalone prices of other obligations in the contract. The standalone price determined for obligations materially impacts the allocation of revenue between obligations and impacts the timing of revenue when obligations are provided to customers at different times – for example, the allocation of revenue between handsets, which are usually delivered up-front, and services which are typically delivered over the contract period. However, there is not considered to be a significant risk of material adjustment to the carrying value of contract-related assets or liabilities in the 12 months after the reporting date if these estimates were revised.



## Revenue recognition and presentation continued

### Gross versus net presentation

When the Group has control of goods or services when they are delivered to a customer, then the Group is the principal in the sale to the customer; otherwise the Group is acting as an agent. Whether the Group is considered to be the principal or an agent in the transaction depends on analysis by management of both the legal form and substance of the agreement between the Group and its business partners; such judgements impact the amount of reported revenue and operating expenses (see above) but do not impact reported assets, liabilities or cash flows. Scenarios requiring judgement to determine whether the Group is a principal or an agent include, for example, those where the Group delivers third-party branded services (such as premium music or television content) to customers.

### Provisions and contingent liabilities

The Group exercises judgements in measuring and recognising provisions and the exposure to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities (Note 26 of the consolidated financial statements and Note 17 of the separate financial statements). Judgements, including those involving estimations, are necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement.

### Foreign operations






The Group exercises judgements in determining whether monetary items receivable from or payable to foreign entities form part of the Group's net investment in foreign operations. Judgements, including those involving estimations, are necessary in assessing whether settlement of the monetary items receivable or payable is likely to occur in the foreseeable future.

## 1 Segment analysis

The Group's reportable segments are business units that offer comparable communication business products and services, which are separately managed since the businesses are located in South Africa and other countries.

Corporate comprises the holding companies of the Group which do not relate to specific operating segments as well as structured entities consolidated by the Group. South Africa comprises the information relating to the South African-based cellular network and other business segments. Egypt comprises the information relating to the Egyptian-based cellular network and other business segments. International comprises the segment information relating to the non-South African-based cellular networks in Tanzania, Mozambique, Lesotho and the Democratic Republic of Congo as well as the operations of M-Pesa Africa Limited, Vodacom International Limited and Vodacom Business Africa.

Safaricom comprises the Group's interest in its associate, Safaricom PLC. Due to the significance of this investment, and the information available for review by the chief operating decision maker, it is presented as a separate segment.

	CONSOLIDATED OPERATING SEGMENTS				ASSOCIATE (SEPARATE SEGMENT)	
	<b>SOUTH AFRICA</b>  SA cellular network Other business segments	<b>EGYPT</b>  Egypt cellular network Other business segments	<b>INTERNATIONAL</b>  Tanzania • Mozambique Lesotho • DRC M-Pesa Africa • VIL • VBA	<b>CORPORATE</b>  Holding companies Structured entities	<b>SAFARICOM</b>  Associate: Safaricom PLC Presented separately due to significance and CODM information availability	
Rm						
					<b>2026</b>	2025
<b>Reconciliation of segment results</b>						
EBITDA <sup>1</sup>					<b>62 626</b>	55 511
Depreciation and amortisation					<b>(24 285)</b>	(21 934)
Insurance recoveries <sup>2</sup>					<b>173</b>	–
Net profit on disposal of property, plant and equipment and intangible assets <sup>3</sup>					<b>1 239</b>	100
Impairment losses					<b>–</b>	(34)
Impairment of right of use assets					<b>(37)</b>	–
Net profit from associates and joint ventures <sup>4</sup>					<b>4 259</b>	2 724
Other					<b>133</b>	(576)
<b>Operating profit</b>					<b>44 108</b>	35 791

#### Notes:

- EBITDA is operating profit excluding depreciation, amortisation and gains/losses on disposal of owned assets and excluding share of results of equity accounted associates and joint ventures, impairment losses, restructuring costs arising from discrete restructuring plans, other income and expense and significant items that are not considered by management to be reflective of the underlying performance of the Group.
- During the year, Vodafone Egypt had a fire incident for which it recognised expected reimbursement where insurance recoveries are receivable, net of the carrying amount written off.
- The increase mainly relates to profit realised on the transfer of fibre assets as part of the acquisition of Maziv (Pty) Limited (Note 12).
- The movement was driven by the devaluation of the Ethiopian birr in the first half of the prior financial year and improved operational performance in Ethiopia as well as other components.

## 1 Segment analysis continued

Rm	South Africa	Egypt	International <sup>1</sup>	Corporate	Eliminations	Total	Safaricom <sup>2</sup>
<b>2026</b>							
<b>Segment revenue (including inter-segment)</b>	<b>92 622</b>	<b>41 358</b>	<b>34 984</b>	<b>127</b>	<b>(1 439)</b>	<b>167 652</b>	<b>56 975</b>
Total segment revenue	96 423	41 358	36 825	132	–	174 738	
Intra-segment revenue	(3 801)	–	(1 841)	(5)	(1 439)	(7 086)	
Inter-segment revenue	(385)	–	(987)	(67)	1 439	–	
<b>External customer segment revenue</b>	<b>92 237</b>	<b>41 358</b>	<b>33 997</b>	<b>60</b>	<b>–</b>	<b>167 652</b>	<b>56 975</b>
<b>Operating profit</b>	<b>20 500</b>	<b>15 264</b>	<b>4 874</b>	<b>3 685</b>	<b>(215)</b>	<b>44 108</b>	<b>17 711</b>
<b>EBITDA</b>	<b>33 001</b>	<b>18 628</b>	<b>12 088</b>	<b>(863)</b>	<b>(228)</b>	<b>62 626</b>	<b>29 358</b>
<b>Net finance (charges)/ income<sup>3</sup></b>	<b>(4 956)</b>	<b>93</b>	<b>1 542</b>	<b>14 934</b>	<b>(18 561)</b>	<b>(6 948)</b>	<b>2 656</b>
<b>Taxation</b>	<b>(4 393)</b>	<b>(3 705)</b>	<b>(1 872)</b>	<b>(398)</b>	<b>(55)</b>	<b>(10 423)</b>	<b>6 509</b>
<b>Other material items included in segment profit or loss:</b>							
Depreciation and amortisation	(13 909)	(3 552)	(6 803)	(18)	(3)	(24 285)	*
Direct expenses	(39 421)	(15 463)	(9 930)	–	552	(64 262)	*
Other operating expenses	(10 994)	(4 436)	(9 468)	341	537	(24 020)	*
Net credit losses on financial assets	(1 335)	(274)	(288)	–	–	(1 897)	*
Net profit from associates and joint ventures	–	–	–	4 259	–	4 259	*
<b>Total assets</b>							
Total assets include the following measures of segment assets:							
117 879	42 531	64 806	143 965	(92 748)	276 433	86 570	
Additions to property, plant and equipment and intangible assets <sup>4</sup>	19 046	12 324	8 277	51	(272)	39 426	*
Non-current assets other than financial instruments and deferred taxation	69 517	23 344	31 076	102	1 548	125 587	*
<b>Total liabilities</b>							
Reportable segment liabilities	(93 727)	(22 321)	(47 769)	(24 073)	18 692	(169 198)	(43 531)

## Notes:

- The material geographical regions included in the International segment are the United Republic of Tanzania, the Republic of Mozambique, the Democratic Republic of the Congo and the Kingdom of Lesotho. (Note 28).
  - The Group has a 34.94% effective interest in Safaricom PLC (Safaricom) through its 87.5% held subsidiary Vodafone Kenya Limited, which the Group equity accounts for as an investment in an associate at 39.93%. Due to the significance of this investment, and the information available for review by the chief operating decision maker, Safaricom is presented as a separate segment. The above results represent 100% of the results of Safaricom, including the impact of net fair value adjustments on tangible and intangible assets.
  - Net gain on remeasurement and disposal of financial instruments included.
  - Includes lease extension and acquisition of spectrum. (Note 9 and 10).
- \* Not reviewed by the chief operating decision maker.

## 1 Segment analysis continued

Rm	South Africa	Egypt	International <sup>1</sup>	Corporate	Eliminations	Total	Safaricom <sup>2</sup>
<b>2025</b>							
Segment revenue (including inter-segment)	90 738	30 751	32 276	71	(1 609)	152 227	54 626
Total segment revenue	93 907	30 751	34 642	76	–	159 376	
Intra-segment revenue	(3 169)	–	(2 366)	(5)	(1 609)	(7 149)	
Inter-segment revenue	(419)	–	(1 145)	(45)	1 609	–	
External customer segment revenue	90 319	30 751	31 131	26	–	152 227	54 626
Operating profit	20 547	10 254	2 915	2 520	(445)	35 791	12 239
EBITDA	33 567	13 447	9 456	(767)	(192)	55 511	24 152
Net finance (charges)/ income <sup>3</sup>	(5 019)	(64)	1 489	13 750	(17 174)	(7 018)	3 161
Taxation	(4 279)	(2 415)	(1 767)	(422)	1	(8 882)	6 021
Other material items included in segment profit or loss:							
Depreciation and amortisation	(12 938)	(3 185)	(5 803)	(14)	6	(21 934)	*
Direct expenses	(38 735)	(11 323)	(9 907)	–	625	(59 340)	*
Other operating expenses	(10 690)	(4 129)	(9 352)	339	425	(23 407)	*
Net credit losses on financial assets	(1 408)	(111)	(577)	–	–	(2 096)	*
Net profit from associates and joint ventures	–	–	–	2 724	–	2 724	*
Total assets							
Total assets include the following measures of segment assets:	103 448	30 174	59 537	145 034	(88 212)	249 981	95 127
Additions to property, plant and equipment and intangible assets <sup>4</sup>	15 656	7 736	9 951	56	(219)	33 180	*
Non-current assets other than financial instruments and deferred taxation	67 623	17 507	31 600	70	1 847	118 647	*
Total liabilities							
Reportable segment liabilities	(79 982)	(16 630)	(41 585)	(25 613)	17 481	(146 329)	(48 296)

**Notes:**

- The material geographical regions included in the International segment are the United Republic of Tanzania, the Republic of Mozambique, the Democratic Republic of the Congo and the Kingdom of Lesotho. (Note 28).
  - The Group has a 34.94% effective interest in Safaricom PLC (Safaricom) through its 87.5% held subsidiary Vodafone Kenya Limited, which the Group equity accounts for as an investment in an associate at 39.93%. Due to the significance of this investment, and the information available for review by the chief operating decision maker, Safaricom is presented as a separate segment. The above results represent 100% of the results of Safaricom, including the impact of net fair value adjustments on tangible and intangible assets.
  - Net gain on remeasurement and disposal of financial instruments included.
  - Includes lease extension and acquisition of spectrum. (Note 9 and 10).
- \* Not reviewed by the chief operating decision maker.

**1 Segment analysis continued****Revenue disaggregation**

Rm	South Africa	Egypt	International <sup>1</sup>	Corporate	Eliminations	Total	Safaricom <sup>2</sup>
<b>2026</b>							
Mobile contract revenue	25 237	5 784	3 137	–	(12)	34 146	8 476
Mobile prepaid revenue	26 728	23 574	27 996	–	–	78 298	41 342
Customer service revenue	51 965	29 358	31 133	–	(12)	112 444	49 818
Mobile interconnect	1 809	2 448	944	–	(238)	4 963	1 266
Fixed service revenue	5 464	2 364	1 348	–	(257)	8 919	2 530
Other service revenue	5 131	1 915	247	–	(58)	7 235	1 900
Service revenue	64 369	36 085	33 672	–	(565)	133 561	55 514
Equipment revenue	19 783	183	309	–	(7)	20 268	911
Other non service revenue	7 105	5 071	857	132	(872)	12 293	550
Revenue from contracts with customers	91 257	41 339	34 838	132	(1 444)	166 122	56 975
Interest income recognised as revenue	634	19	18	–	–	671	*
Other <sup>3</sup>	731	–	128	–	–	859	*
<b>Revenue</b>	<b>92 622</b>	<b>41 358</b>	<b>34 984</b>	<b>132</b>	<b>(1 444)</b>	<b>167 652</b>	<b>56 975</b>
<b>Included in service revenue:</b>							
Financial services revenue <sup>4</sup>	3 718	3 147	9 901	–	–	16 766	24 495

Rm	South Africa	Egypt	International <sup>1</sup>	Corporate	Eliminations	Total	Safaricom <sup>2</sup>
<b>2025</b>							
Mobile contract revenue	24 377	4 379	2 764	–	(11)	31 509	8 058
Mobile prepaid revenue	27 311	17 671	25 101	–	–	70 083	38 878
Customer service revenue	51 688	22 050	27 865	–	(11)	101 592	46 936
Mobile interconnect	1 792	2 312	1 148	–	(285)	4 967	1 152
Fixed service revenue	5 064	1 831	1 382	–	(264)	8 013	2 363
Other service revenue	4 476	1 517	237	–	(68)	6 162	1 738
Service revenue	63 020	27 710	30 632	–	(628)	120 734	52 189
Equipment revenue	19 406	174	602	–	(9)	20 173	1 845
Other non service revenue	7 020	2 867	886	71	(972)	9 872	592
Revenue from contracts with customers	89 446	30 751	32 120	71	(1 609)	150 779	*
Interest income recognised as revenue	644	–	19	–	–	663	*
Other <sup>3</sup>	648	–	137	–	–	785	*
<b>Revenue</b>	<b>90 738</b>	<b>30 751</b>	<b>32 276</b>	<b>71</b>	<b>(1 609)</b>	<b>152 227</b>	<b>54 626</b>
<b>Included in service revenue:</b>							
Financial services revenue <sup>4</sup>	3 440	2 221	8 363	–	–	14 024	22 648

**Notes:**

- The material geographical regions included in the International segment are the United Republic of Tanzania, the Republic of Mozambique, the Democratic Republic of the Congo and the Kingdom of Lesotho. (Note 28).
  - The Group has a 34.94% effective interest in Safaricom Plc (Safaricom) through its 87.5% held subsidiary Vodafone Kenya Limited, which the Group equity accounts for as an investment in an associate at 39.93%. Due to the significance of this investment, and the information available for review by the chief operating decision maker, Safaricom is presented as a separate segment. The above results represent 100% of the results of Safaricom.
  - Other revenue largely represents lease revenues recognised under IFRS 16 "Leases".
  - Financial services revenue comprises income generated from the Group's digital and mobile financial service offerings, including mobile money, payments and associated transaction-based services.
- \* Not reviewed by the chief operating decision maker.

**1 Segment analysis continued**

**Revenue disaggregation continued**

The Group had no revenue that relates to performance obligations satisfied or partially satisfied in previous financial years.

The total future revenue from the Group's contracts with customer with performance obligations not satisfied at 31 March 2026 is R39 847 million (2025: R40 845 million) of which R25 243 million (2025: R25 738 million) is expected to be recognised within the next year, R11 197 million (2025: R11 589 million) in the following 12 months and the remaining R3 384 million (2025: R3 518 million) beyond 24 months.

Rm	2026	2025
<b>2 Impairment</b>		
Goodwill impairment testing		
Carrying amount of goodwill is as follows:		
Vodacom (Pty) Limited	3 155	3 155
Vodafone Egypt Telecommunications S.A.E. (Vodafone Egypt)	531	651
Other <sup>1</sup>	131	132
	<b>3 817</b>	<b>3 938</b>

**Note:**

1. This constitutes the aggregate carrying amount of goodwill allocated across multiple cash-generating units of which the amounts so allocated to each cash-generating unit is insignificant compared to the total carrying amount of goodwill.

The recoverable amount of all cash-generating units that were tested for impairment, are based on value in use calculations.

**Key assumptions used in value in use calculations**

The key assumptions, applicable to the Vodacom (Pty) Limited cash-generating unit, on which management has based all its cash flow projections for the period covered by the most recent five-year forecasts are:

Key assumptions	Basis for determining values assigned to key assumptions
Forecast capital expenditure	The cash flow forecasts for capital expenditure are based on past experience, benchmarks in similar markets and include the ongoing normal capital expenditure, excluding additions to right of use assets, required to roll out networks to provide voice and data products and services, roll out fixed services, beyond mobile services and to meet the population coverage requirements in terms of licences. Capital expenditure includes cash outflows for the purchase of property, plant and equipment and computer software.
Forecast EBITDA	Forecast EBITDA has been based on past experience adjusted for the following: <ul style="list-style-type: none"> <li>customer revenue growth driven by new customers using our services, growth in the usage of existing customer and price ups, with pressure on prepaid pricing from increased competition.</li> <li>data traffic which is expected to benefit from increased usage from new and existing customers and increase in active smart devices; however this will be partially offset by some pricing transformation, regulatory pressures and competitor activity.</li> <li>reduced national roaming revenue due to contract renegotiations.</li> <li>fixed-line revenue growth expectations as a result of continued focus in growing our market share, as well as continued expansion of fixed services to enterprise businesses; and</li> <li>margins which are expected to be under pressure due to increasing competitive environment and investment in new growth areas, to be partly offset by cost management and efficiency improvements.</li> </ul>
Long-term growth rate	For businesses where the five-year management plans are used for the Group's value in use calculations, a long-term growth rate into perpetuity has been determined as the lower of: <ul style="list-style-type: none"> <li>a combination of the average long-term real GDP rate and CPI forecast for the country of operation; and</li> <li>the five-year compound annual growth rate in EBITDA estimated by management.</li> </ul>

**2 Impairment (continued)****Key assumptions used in value in use calculations (continued)**

Key assumptions	Basis for determining values assigned to key assumptions
Risk adjusted discount rate used in adjusted present value calculations	The discount rate applied to the cash flows of each of the Group's operations is based on the capital asset pricing model. Inputs include the risk-free rate for 10-year bonds issued by the government in the respective market, if available, adjusted for a risk premium to reflect the risk associated with investing in equities, as well as an adjustment for the systematic risk of the specific Group operating company. In making this adjustment, inputs required are the equity market risk premium (that is the increased return required over and above a risk-free rate by an investor who is investing in the market as a whole), the beta, applied to reflect the risk of the specific Group operating company relative to the market as a whole and where necessary, a company specific risk premium. In determining the risk adjusted discount rate, management has applied an adjustment for the systematic risk to each of the Group's operations determined using a beta based on comparable listed mobile telecommunications companies and, where available and appropriate, across a specific territory. Management has used a forward-looking equity market risk premium that takes into consideration both studies by independent economists, the observed long-term market average equity market risk premium, and the market risk premiums typically used by investment banks in evaluating acquisition proposals.

	Vodacom (Pty) Limited %
<b>2026</b>	
Long-term growth rate <sup>1</sup>	6.1
Pre-tax risk adjusted discount rate <sup>2,3</sup>	12.0
<b>2025</b>	
Long-term growth rate	6.0
Pre-tax risk adjusted discount rate <sup>3</sup>	14.5

**Notes:**

- The long-term growth rate considers a combination of the average long-term real GDP rate and CPI forecast for the country of operation.
- The risk adjusted discount rate is lower due to an decrease in the risk free rate for the year.
- This represents the appropriate pre-tax discount rate derived from post-tax discount rate adjusted to reflect the specific amount and timing of the future tax cash flows.

**Sensitivity to changes in key assumptions**

Vodacom (Pty) Limited is the only cash-generating unit for which the carrying amount of goodwill allocated to those units are significant in comparison with the Group's total carrying amount of goodwill.

Management believes that no reasonable possible change in any of the aforementioned key assumptions used in the Vodacom (Pty) Limited valuation would cause the carrying amount of the cash-generating unit to which a significant amount of goodwill has been allocated, to exceed its recoverable amount.

Rm	2026	2025
<b>3 Operating profit</b>		
The operating profit has been arrived at after (charging)/crediting:		
Income from sub-leasing right of use assets	183	174
Gain on finance leases	–	2
Net gain on disposal of property, plant and equipment and intangible assets <sup>1</sup>	1 412	100
Auditor's remuneration – other services	(3)	(2)
Auditor's remuneration – audit fees <sup>2</sup>	(120)	(116)
Professional fees for consultancy services	(339)	(306)
Net foreign exchange loss <sup>3</sup>	(167)	(459)

**Notes:**

- Includes a profit on disposal R1 625 million relating to the assets for shares contribution in the acquisition of 30% investment in associate Maziv (Refer Note 12).
- Auditor remuneration consists of the aggregate fees billed for the annual audit and review of the Group and Company's consolidated and separate financial statements and the annual audit of the subsidiaries respective financial statements. This includes remuneration billed for related services, that only an external auditor can reasonably provide and are related to the performance of the audit or review of the relevant financial statements.
- The loss is attributable to exchange rate fluctuations in major currencies, reflecting the inherent volatility in the Group's currency exposure. (Note 30.4.1.1 in the notes to the consolidated financial statements).

Direct expenses include customer acquisition and retention related expenses, interconnect expenses, commissions, converged solutions expenses and various other direct expenses. Other operating expenses include network operational expenses and all administrative expenses.



Rm	2026	2025
<b>4 Finance income</b>		
Interest income		
Banks	1 406	887
Loans receivable	54	71
Tax authorities	2	5
M-Pesa interest	547	450
Other	52	47
	<b>2 061</b>	<b>1 460</b>

Interest income on financial assets not at fair value through profit or loss calculated using the effective interest method, amounted to R2 009 million (2025: R1 408 million).

Rm	2026	2025
<b>5 Finance costs</b>		
Interest expense		
Borrowings	(5 234)	(5 575)
Lease liability interest	(2 451)	(2 028)
Tax authorities	(67)	–
M-Pesa interest	(394)	(302)
Other	(187)	(188)
	<b>(8 333)</b>	<b>(8 093)</b>

Interest expense on financial liabilities not at fair value through profit or loss, calculated using the effective interest method amounted to R8 079 million (2025: R7 904 million).

Rm	2026	2025
<b>6 Net loss on remeasurement and disposal of financial instruments</b>		
Net loss on derivatives	(145)	(211)
Net loss on translation of foreign denominated assets and liabilities	(535)	(158)
Impairment remeasurement of loans receivable	4	(16)
	<b>(676)</b>	<b>(385)</b>

Rm	2026	2025
<b>7 Taxation</b>		
<b>7.1 Income tax expense</b>		
South African current tax	(4 457)	(4 111)
Current year	(4 473)	(4 128)
Adjustments in respect of prior years	16	17
Foreign current tax	(6 007)	(4 826)
Current year	(5 171)	(3 385)
Adjustments in respect of prior years	(74)	(580)
Withholding tax	(762)	(861)
<b>Total current tax</b>	<b>(10 464)</b>	<b>(8 937)</b>

7

Rm	2026	2025
<b>Taxation continued</b>		
<b>Total current tax</b> carried over	(10 464)	(8 937)
Deferred tax on origination and reversal of temporary differences:		
South African deferred tax	(17)	(172)
Current year	(56)	(167)
Adjustments in respect of prior years	39	(5)
Foreign deferred tax	58	227
Current year	73	224
Adjustments in respect of prior years	(15)	3
<b>Total deferred tax</b>	41	55
<b>Total income tax expense</b>	(10 423)	(8 882)
<b>Components of deferred tax credited/(charged) to profit and loss</b>		
Capital allowances	457	(14)
Foreign exchange	(358)	(227)
Tax losses	285	(139)
Provisions and deferred income	(156)	422
Other	(187)	13
	41	55
<b>Factors affecting tax expense for the year</b>		
The table below discloses the differences between the expected income tax expense at the South African statutory tax rate and the Group's total income tax expense:		
Expected income tax expense on profit before tax at the South African statutory tax rate.	(10 033)	(7 769)
Adjusted for:		
Non-deductible operating expenditure	(708)	(410)
Non-deductible finance costs	(651)	(753)
Re-measurements, impairments and fair value adjustments	(113)	(5)
Non-deductible depreciation and amortisation	(25)	(78)
Net movement in unrecognised deferred tax asset	(197)	21
Net irrecoverable foreign taxes	(851)	(877)
Effect of taxation of associates and joint ventures reported within operating profit	1 150	735
Other taxes	(1)	–
Controlled foreign company tax charge	(17)	(4)
Adjustments in respect of prior years	(34)	(566)
Tax incentives	67	69
Effect of different statutory tax rates of jurisdictions other than South Africa	774	594
Non-taxable income	216	161
<b>Total income tax expense reconciliation</b>	(10 423)	(8 882)

The effective tax rate of the Group decreased from 30.9% in the prior year to 28.0%. This is due to the increase in the share of the after tax profits from associates and joint ventures included in profit before tax.

The Group is subject to the Global Minimum Top-Up Tax under Pillar Two legislation effective from 1 April 2024 in South Africa. The top-up tax relates to the Group's operations in the United Arab Emirates and Mauritius, where the statutory tax rate is 9% and 15% respectively. A top-up tax is levied on Vodacom Fintech Services in the United Arab Emirates under the United Arab Emirates Qualified Domestic Minimum Top-Up Tax rules. Vodacom International Limited in Mauritius has an effective tax rate of 23% due to the irrecoverable withholding taxes incurred in other tax jurisdictions on its taxable income and will accordingly not be subject to top-up tax in Mauritius. The Group did not have to recognise a current or deferred tax charge in the current year (2025:R nil) related to the top-up tax in respect of Vodacom Fintech Services.



Rm	2026	2025
<b>7 Taxation continued</b>		
<b>7.2 Other comprehensive income, net of tax</b>		
Foreign currency translation differences, net of tax	(7 957)	(2 140)
Share of foreign currency translation differences, net of tax, of associates and joint ventures accounted for using the equity method	(640)	(5 061)
Mark-to-market of financial assets held at fair value through other comprehensive income, net of tax	221	278
Mark-to-market of financial assets held at fair value through other comprehensive income	316	353
Taxation	(95)	(75)
Mark-to-market gains recognised through profit or loss on disposal of financial assets held at fair value through other comprehensive income, net of tax	(259)	(277)
Mark-to-market gains recognised through profit or loss on disposal of financial assets held at fair value through other comprehensive income	(355)	(352)
Taxation	96	75
	<b>(8 635)</b>	<b>(7 200)</b>
<b>7.3 Tax charged directly to other comprehensive income</b>		
Deferred tax	1	–
<b>7.4 Deferred tax</b>		
Analysed in the statement of financial position, after offset of balances within companies, as follows:		
Deferred tax assets	925	1 047
Deferred tax liabilities	(4 086)	(4 252)
	<b>(3 161)</b>	<b>(3 205)</b>
<b>Components</b>		
Gross deferred tax assets and liabilities, before offset of balances within companies, are as follows:		
Capital and finance lease allowances	(2 647)	(3 144)
Deferred tax assets	5 225	4 610
Deferred tax liabilities	(7 872)	(7 754)
Foreign exchange	(434)	(86)
Deferred tax assets	29	4
Deferred tax liabilities	(463)	(90)
Tax losses	455	179
Deferred tax assets	455	179
Provisions and deferred income	(334)	(126)
Deferred tax assets	1 456	1 650
Deferred tax liabilities	(1 790)	(1 776)
Other	(201)	(28)
Deferred tax assets	486	543
Deferred tax liabilities	(687)	(571)
	<b>(3 161)</b>	<b>(3 205)</b>
<b>Reconciliation of net deferred tax balance</b>		
1 April	(3 205)	(3 270)
Foreign currency translation differences	2	10
Charged to profit or loss	41	55
Charged directly to other comprehensive income	1	–
<b>31 March</b>	<b>(3 161)</b>	<b>(3 205)</b>

Rm	2026	2025
<b>7 Taxation continued</b>		
<b>7.5 Factors affecting the tax charge in future years</b>		
Total estimated tax losses	4 279	2 513
Utilised to reduce net temporary differences	(1 685)	(648)
<b>Estimated unused tax losses</b>	<b>2 594</b>	<b>1 865</b>

If a deferred tax assets were to be recognised for the unused tax losses, the Group's net deferred tax liability of R3 161 million (2025: R3 205 million) would reduce by R693 million (2025: R343 million) to R2 468 million (2025: R2 862million). Currently no deferred tax asset is recognised for these losses as the Group does not have sufficient evidence of future taxable income against which these tax losses can be utilised.

The gross amounts and expiry dates of deductible temporary differences, estimated unused tax losses and unused tax credits, for which no deferred tax asset is recognised, are as follows:

Rm	Total
<b>2026</b>	
Unused tax losses that will expire within 5 years	149
Estimated unused unlimited tax losses	2 445
<b>2025</b>	
Estimated unused unlimited tax losses	1 865

Cents	2026	2025
<b>8 Earnings and dividends per share</b>		
Basic earnings per share	1 069	859
Diluted earnings per share	1 039	845
Headline earnings per share	1 053	857
Diluted headline earnings per share	1 023	843
Paid dividends per share	665	570

### 8.1 Earnings per share

Earnings per share calculations are based on earnings and the weighted average number of ordinary shares outstanding as set out below:

Rm	2026	2025
<b>8.1.1 Headline earnings reconciliation</b>		
Earnings attributable to equity shareholders for basic and diluted earnings per share	20 647	16 598
Adjusted for:		
Insurance recoveries <sup>1</sup>	(173)	–
Net profit on disposal of property, plant and equipment and intangible assets <sup>2</sup>	(1 236)	(111)
Impairment losses	–	34
Impairment of right of use assets	37	–
	<b>19 275</b>	<b>16 521</b>
Tax impact of adjustments	989	28
Non-controlling interests' share in adjustments	71	12
<b>Headline earnings for headline- and diluted headline earnings per share<sup>3</sup></b>	<b>20 335</b>	<b>16 561</b>

#### Notes:

- During the year, Vodafone Egypt had a fire incident for which it recognised expected reimbursement where insurance recoveries are receivable, net of the carrying amount written off.
- Includes attributable share of net loss on disposal of property, plant and equipment and intangible assets of associates and joint ventures of R3 million (2025: R11 million profit). The increase mainly relates to profit realised on the transfer of fibre assets as part of the acquisition of Maziv (Pty) Limited (Note 12).
- This disclosure is a requirement of the JSE Limited. It has been calculated in accordance with Circular 1/2023 as issued by SAICA.

## 8 Earnings and dividends per share continued

### 8.1.2 Reconciliation of weighted average number of ordinary shares outstanding

Number of shares	2026	2025
Basic and headline earnings per share	1 931 466 175	1 931 938 877
Dilutive effect of potential ordinary shares <sup>1</sup>	56 216 196	32 780 533
<b>For diluted earnings and diluted headline earnings per share</b>	<b>1 987 682 371</b>	<b>1 964 719 410</b>
<b>Note:</b>		
1. Effect of shares held under the forfeitable share plan (Note 18.1.1) and BBBEE transaction (Note 18.1.5).		
<b>8.2 Dividends per share</b>		
Shares for dividends per share		
285 cents per share declared on 10 May 2024		2 077 841 204
285 cents per share declared on 8 November 2024		2 077 841 204
335 cents per share declared on 16 May 2025	2 077 841 204	
330 cents per share declared on 7 November 2025	2 077 841 204	

Vodacom Group Limited acquired 3 936 062 (2025: 5 511 544) shares in the market during the year at an average price of R136.92 (2025: R94.72) per share for the Group's forfeitable share plan. Share repurchases did not exceed 1% of Vodacom Group Limited's issued share capital.

Dividend per share calculations are based on a dividend paid of R13 818 million (2025: R11 844 million) of which R86 million (2025: R69 million) was offset against the forfeitable share plan reserve, R2 million (2025: R3 million) expensed as staff expenses and R103 million (2025: R88 million) paid to Wheatfields Investments 276 (Pty) Limited, a wholly-owned subsidiary holding treasury shares on behalf of the Group. An amount of R761 million (2025: R652 million) was paid to YeboYethu Investment Company (RF) (Pty) Limited, a special purpose vehicle holding shares in Vodacom Group Limited on behalf of broad-based black economic empowerment participants, of which R102 million (2025: R101 million) was paid out as a trickle dividend to participants. R22 million (2025: R18 million) was paid to The Innovator Trust. The Group declared final dividend in respect of the year ended 31 March 2026 after the reporting period (Refer to Note 23).

## 9 Property, plant and equipment

Rm	2026	2025
Property, plant and equipment (excluding right of use assets)	64 656	63 817
Right of use assets	19 077	17 321
	<b>83 733</b>	<b>81 138</b>

Rm	Land and buildings	Network infrastructure & equipment	Other assets	Total
<b>31 March 2024</b>	3 653	57 557	644	61 854
Cost	6 153	129 517	2 147	137 817
Accumulated depreciation and impairment losses	(2 500)	(71 960)	(1 503)	(75 963)
Additions	156	14 772	499	15 427
Disposals	–	(57)	–	(57)
Foreign currency translation differences	(41)	(1 188)	(4)	(1 233)
Depreciation	(131)	(11 811)	(254)	(12 196)
Transfers and other	(99)	207	(86)	22
<b>31 March 2025</b>	3 538	59 480	799	63 817
Cost	5 759	139 740	1 887	147 386
Accumulated depreciation and impairment losses	(2 221)	(80 260)	(1 088)	(83 569)

## 9 Property, plant and equipment continued

Rm	Land and buildings	Network infrastructure & equipment	Other assets	Total
<b>31 March 2025</b>	<b>3 538</b>	<b>59 480</b>	<b>799</b>	<b>63 817</b>
Cost	5 759	139 740	1 887	147 386
Accumulated depreciation and impairment losses	(2 221)	(80 260)	(1 088)	(83 569)
Additions	147	17 647	463	18 257
Disposals <sup>1</sup>	–	(2 178)	(1)	(2 179)
Foreign currency translation differences	(55)	(2 250)	(12)	(2 317)
Depreciation	(128)	(12 417)	(307)	(12 852)
Transfers and other	13	(98)	15	(70)
<b>31 March 2026</b>	<b>3 515</b>	<b>60 184</b>	<b>957</b>	<b>64 656</b>
Cost	5 783	140 908	2 203	148 894
Accumulated depreciation and impairment losses	(2 268)	(80 724)	(1 246)	(84 238)

**Note:**

1. Mainly related to the assets for shares contribution in the acquisition of 30% investment in associate Maziv (Refer Note 12).

Included in the carrying amount of mainly network infrastructure & equipment assets, are assets in the course of construction, which are not depreciated, with a cost of R1 577 million (2025: R950 million).

Certain of the Group's operations received government grants to advance universal access to communications by constructing telecommunication infrastructure. Unfulfilled conditions relate to the completion of the asset.

In the current year, directly attributable staff expenses of R1 974 million (2025: R1 809 million) were capitalised.

### Right of use assets

Rm	Land and building: Right of use	Network infrastructure & equipment: Right of use	Total
<b>31 March 2024</b>	<b>11 344</b>	<b>1 445</b>	<b>12 789</b>
Additions	4 589	1 864	6 453
Extensions <sup>1</sup>	221	3 100	3 321
Modification and termination	(316)	(111)	(427)
Foreign currency translation differences	(252)	(1)	(253)
Depreciation	(3 568)	(1 074)	(4 642)
Category transfers and other	140	(60)	80
<b>31 March 2025</b>	<b>12 158</b>	<b>5 163</b>	<b>17 321</b>
Additions	4 156	5 745	9 901
Modification and termination	(856)	(918)	(1 774)
Foreign currency translation differences	(851)	200	(651)
Depreciation	(2 360)	(3 360)	(5 720)
<b>31 March 2026</b>	<b>12 247</b>	<b>6 830</b>	<b>19 077</b>

**Note:**

1. The Group extended and modified certain tower- and office leases in the DRC and Tanzania in the prior year, resulting in an increase in lease liabilities and right of use assets.

Refer to Note 25.2 for the future lease payments committed, but not yet commenced.



**9 Property, plant and equipment continued****Right of use assets continued****Acquisition of Maziv (Pty) Limited (Maziv) and sale and lease back of network infrastructure & equipment**

Refer to Note 12 for detail on the acquisition of Maziv (Pty) Limited.

As part of the transaction, certain fibre assets were sold to Maziv and subsequently leased back by the Group. The sale and leaseback arrangements were assessed in accordance with IFRS 16 Leases. Any gain recognised on disposal was limited to the portion relating to rights transferred to Maziv.

The table below presents the recognition of the sale and lease back.

Rm	Note	Total
Initial right of use asset		1 424
Impact of sale and lease back to the right of use asset and profit on disposal of assets		(241)
<b>Net right of use asset</b>		<b>1 183</b>
<b>Lease liability</b>	18	<b>1 424</b>

**10 Intangible assets**

Rm	Goodwill	Licences	Trademark, patents and other	Customer bases	Computer software	Wavelength	Total
<b>31 March 2024</b>	4 004	13 879	2	335	9 489	215	27 924
Cost	13 530	20 195	246	2 762	22 162	221	59 116
Accumulated amortisation and impairment losses	(9 526)	(6 316)	(244)	(2 427)	(12 673)	(6)	(31 192)
Additions	–	3 112	–	–	4 867	–	7 979
Foreign currency translation differences	(66)	(545)	–	–	(164)	–	(775)
Amortisation	–	(1 138)	(2)	(50)	(3 893)	(13)	(5 096)
Transfers and other	–	2	–	–	(152)	(1)	(151)
<b>31 March 2025</b>	<b>3 938</b>	<b>15 310</b>	<b>–</b>	<b>285</b>	<b>10 147</b>	<b>201</b>	<b>29 881</b>
Cost	13 235	22 341	218	2 744	23 989	220	62 747
Accumulated amortisation and impairment losses	(9 297)	(7 031)	(218)	(2 459)	(13 842)	(19)	(32 866)
Additions	–	5 880	–	–	5 301	87	11 268
Disposals	–	(18)	–	–	(21)	(65)	(104)
Foreign currency translation differences	(121)	(1 463)	*	–	(376)	–	(1 960)
Amortisation	–	(1 302)	–	(42)	(4 357)	(11)	(5 712)
Transfers and other	–	(43)	–	–	80	–	37
<b>31 March 2026</b>	<b>3 817</b>	<b>18 364</b>	<b>–</b>	<b>243</b>	<b>10 774</b>	<b>212</b>	<b>33 410</b>
Cost	12 497	25 596	214	2 708	25 693	242	66 950
Accumulated amortisation and impairment losses	(8 680)	(7 232)	(214)	(2 465)	(14 919)	(30)	(33 540)

**Notes:**

\* Nil net foreign currency translation difference on cost and accumulated amortisation.

Included in the carrying amounts above are assets which are not amortised because they are in the course of development or not yet ready for use, with a cost of R649 million (2025: R3 312 million). Included in the prior year cost of licenses not yet ready for use is the Vodafone Egypt acquired 5G license. On 7 October 2024, Egypt's Ministry of Communications and Information Technology (MCIT), represented by the National Telecommunications Regulatory Authority (NTRA), awarded Vodafone Egypt a 5G licence for US\$150 million. In addition, Vodafone Egypt extended its existing licences for five years from 2034 to 2039 at a cost of US\$17 million. These costs were settled in January 2025.

Rm	2026	2025
<b>11 Financial assets</b>		
<b>Non-current</b>		
Financial asset at amortised cost (Note 11.1.1 and Note 11.1.2)	254	313
Financial assets at fair value through profit and loss (Note 11.2.2)	64	64
	<b>318</b>	377
<b>Current</b>		
Financial asset at amortised cost (Note 11.1.1)	1 031	990
Financial assets at fair value through profit or loss (Note 11.2.1)	521	482
	<b>1 552</b>	1 472
<b>Rm</b>	<b>2026</b>	<b>2025</b>
<b>11.1 Financial assets measured at amortised cost</b>		
<b>11.1.1 Loans receivable</b>		
Loans to VM, SA (Vodacom Mozambique) non-controlling interests	207	260
Loans with a combined nominal value of US\$24.9 million, bearing interest at three-month SoFR +5%, secured by shares in Vodacom Mozambique. During the year the repayment of the loans were extended to 31 March 2030, were advanced to non-controlling interests in Vodacom Mozambique, S.A. on 28 June 2016. During the year the repayment of the loans were extended to 31 March 2030.		
Other loans receivable	128	76
	<b>335</b>	336
<b>11.1.2 Cash held in restricted deposits</b>	<b>950</b>	967
Mainly relates to M-Pesa interest earned by the Group entities on M-Pesa accounts not yet approved for spend by the central bank.		
The carrying amount of financial assets at amortised cost approximates their fair value.		
<b>11.2 Financial assets at fair value through profit or loss</b>		
<b>11.2.1 Unit trust and equity linked notes</b>	<b>521</b>	482
The Group invested in unit trust and equity linked notes. Refer Note 30.2 for fair value hierarchy.		
<b>11.2.2 Unlisted equity investments</b>	<b>64</b>	64
A register with details of the entities and the percentages of share capital and voting power, if different, held in each unlisted investment is available for inspection at the Group's registered office.		
	<b>585</b>	546



## 12

Rm	2026	2025
<b>Investment in associates and joint ventures</b>		
Safaricom PLC	48 823	51 975
Global Partnership for Ethiopia B.V.	508	784
Maziv (Pty) Limited	12 269	–
M-Pesa Africa Limited	982	1 023
Other <sup>1</sup>	37	37
	<b>62 619</b>	<b>53 819</b>

**Note:**

1. Relates to immaterial joint venture, being Number Portability Company (Pty) Limited and Vodafone Egypt's immaterial investments in associate in E-payment solutions companies, being Applications & Payment System Development APSD (Masary) and TBE Egypt for Payment Solutions and Services S.A.E (Bee).

Name of Associate	Principal activity	Country of incorporation or registration	Percentage	
			2026	2025
Safaricom PLC	Network operator	Republic of Kenya	39.93%	39.93%
Global Partnership for Ethiopia B.V.	Network operator	Federal Democratic Republic of Ethiopia	6.02%	5.74%
Maziv (Pty) Limited	Fibre infrastructure	Republic of South Africa	30.00%	–%

Refer to Addendum A for details on direct and indirect shareholding in associates.

Name of Joint venture	Principal activity	Country of incorporation or registration	Percentage	
			2026	2025
M-Pesa Africa Limited	M-Pesa operator	Republic of Kenya	50.00%	50.00%

The Group's associates and joint ventures had no significant contingent liabilities as at 31 March 2026 and 31 March 2025.

There are no significant restrictions on the ability of the associates or joint ventures to transfer funds to the Group in the form of cash dividends or repayment of loans other than the fact that the associates may not declare and/or pay any dividends or make any capital distribution to shareholders without the prior written consent of the existing shareholders.

**Investment in associates****Safaricom PLC (Safaricom)**

The fair value of the Group's 39.93% investment in Safaricom, based on the listed closing share price of KES27.50 (2025: KES18.35) as at 31 March 2026 was R57 958 million (2025: R41 764 million).

The acquisition diversified our financial profile, and positioned the Group as a material financial services provider in Africa, enabling the Group to drive further adoption of the successful mobile money service, M-Pesa, across our operations.

The Group entered into agreements to acquire an additional stake in Safaricom. Refer to Note 31.

**Global Partnership for Ethiopia B.V. (GPE)**

Rm	
<b>Capital investment in GPE</b>	
Investment at cost as at 31 March 2025	1 934
Additional net investment for current year	324
<b>Investment at cost as at 31 March 2026</b>	<b>2 258</b>

## 12 Investment in associates and joint ventures continued

### Investment in associates continued

#### Global Partnership for Ethiopia B.V. (GPE) continued

The Group continues to invest in Safaricom Telecommunications Ethiopia Plc (Safaricom Ethiopia) via GPE. The Group's holding, excluding its indirect interest via its shareholding in Safaricom increased from a holding of 5.74% to 6.02%. In addition, the Group has an indirect interest via its shareholding in Safaricom. Safaricom's 51.67% effective interest in Safaricom Ethiopia increased to 54.17%. The change in holdings reflects Vodafamily's exclusive participation in recent funding. The Group continues to exercise significant influence over Safaricom Ethiopia and therefore the investment is equity accounted as an associate.

#### Acquisition of Maziv (Pty) Limited

During December 2025, the Group acquired a 30% equity interest in Maziv, a South African fibre infrastructure company, following the completion of a series of inter-related agreements with Community Investment Ventures Holdings (Pty) Limited (CIVH). Maziv was established to hold the material fibre network assets of the transaction parties and houses Vumatel (Pty) Limited (Vumatel) and Dark Fibre Africa (Pty) Limited (DFA). Maziv provisions, sells and leases fibre optic infrastructure and related services.

#### Classification and significant judgement

Management exercised judgement in concluding that the Group has significant influence, but not joint control, over Maziv. This assessment is based on the Group's shareholding, representation on the board and participation in relevant policy-making processes, without the requirement for unanimous consent over relevant activities. Accordingly, the investment is classified as an investment in associate and is accounted for using the equity method in accordance with IAS 28 Investments in Associates and Joint Ventures (IAS 28).

#### Consideration transferred

The total consideration transferred by the Group amounted to R12 642 million, comprising:

- cash consideration paid to subscribe for newly issued shares in Maziv; and
- the contribution of certain fibre-related assets and contractual rights into the Maziv structure in exchange for equity interests, in accordance with the relevant sale and subscription agreements.

The consideration transferred was measured at fair value at the transaction date, in accordance with applicable IFRS standards.

#### Accounting for contributed assets and linked arrangements

Certain fibre assets and contractual rights transferred as part of the transaction were assessed individually to determine the appropriate accounting treatment under applicable IFRS standards, including IAS 16 Property, Plant and Equipment, IAS 38 Intangible Assets and IFRS 15 Revenue from Contracts with Customers, where applicable. Where distinct services were identified, revenue was recognised in accordance with IFRS 15.

#### Sale and leaseback of fibre assets

As part of the transaction, certain fibre assets were sold to Maziv and subsequently leased back by the Group. The sale and leaseback arrangements were assessed in accordance with IFRS 16 Leases. The gain recognised on disposal was limited to the portion relating to fibre assets transferred with the intra-group share (30%) of the gain eliminated against the investment in Maziv, in accordance with IAS 28. Refer to Note 9.

#### Investment in Maziv

Following completion of the transaction, the investment in Maziv is recognised as an investment in associate and accounted for using the equity method in accordance with IAS 28. The investment was initially recognised at cost, being the aggregate of the cash consideration, capitalised costs and the fair value of assets and rights transferred.



**12 Investment in associates and joint ventures continued****Investment in associates continued****Acquisition of Maziv (Pty) Limited continued****Non-recurring fair value measurement**

The acquisition of Maziv required the fair value measurement, at the transaction date, of the assets given up as well as the assets acquired and the liabilities assumed. This represents a non-recurring fair value measurement in accordance with IFRS 13.

The fair value of the tangible assets given up and acquired, were determined considering various valuation approaches, including the income approach, the depreciation replacement cost approach and sales comparison approach. For the income approach, the discounted cash flow method and the multi-period excess earnings method (MEEM) were used. The fair value of the intangible assets acquired, were determined using the MEEM and the relief-from-royalty methods.

The valuation methods used are classified within Level 3 of the fair value hierarchy, as they are based on a combination of observable market data and unobservable inputs. Significant inputs applied in the valuations include key assumptions such as forecast cash flows, discount rates, market multiples, royalty rates etc. While the valuation is sensitive to changes in these inputs, management applied judgements considered appropriate in the circumstances in determining the fair value at the measurement date.

**Hero Telecoms (Pty) Limited (Herotel)**

On 22 December 2025, the Competition Tribunal conditionally approved a merger in which Vumatel will acquire control of Herotel, an entity in which Vumatel currently holds a non-controlling stake of 49.96%. On 14 May 2026, ICASA approved the licence transfer application of Herotel to Maziv's subsidiary, Vumatel. As the transaction is now effective, the Group expects to pay at least R0.8 billion into Maziv, subject to a fair market value exercise and consistent with our 30% shareholding in Maziv. Refer to Note 27.

The movement in the carrying amount of the Group's investment in Maziv from the date of acquisition to 31 March 2026 is as follows:

Rm	2026
<b>Reconciliation of investment in Maziv</b>	
Cash consideration	7 930
Capitalised cost	143
Total cash consideration	8 073
Fair value of fibre assets and contractual rights contributed	4 569
<b>Total consideration transferred (initial cost)</b>	<b>12 642</b>
Group's share of Maziv's net identifiable assets at acquisition date	6 360
Goodwill arising on acquisition	6 282

Cash flows arising from the transaction are presented within investing activities in the consolidated statement of cash flows.

**12 Investment in associates and joint ventures** continued

Rm	Associates				
	Safaricom PLC		Global Partnership for Ethiopia B.V. <sup>1</sup>		Maziv
	2026	2025	2026	2025	2026
<b>Reconciliation of carrying amount:</b>					
Opening carrying amount of investment	51 975	55 930	784	1 827	–
Additional investment at cost	–	–	324	484	12 642
Profit/(loss) from associates	4 565	3 301	(368)	(404)	53
Groups share of net profit/(loss) for the period	5 144	3 908	(368)	(404)	68
Adjustment up to 31 March <sup>2</sup>	–	–	–	–	23
Depreciation and amortisation on assets fair valued at acquisition, net of tax	(579)	(607)	–	–	(38)
Dividends	(3 117)	(2 718)	–	–	–
Other comprehensive income and effect of movement in exchange rates including the effect of hyperinflation	(4 600)	(4 538)	(232)	(1 123)	–
Elimination of intra-group share (30%) gain made on sale of assets to Maziv	–	–	–	–	(426)
<b>Closing carrying amount of investment</b>	<b>48 823</b>	<b>51 975</b>	<b>508</b>	<b>784</b>	<b>12 269</b>
<b>Summarised income statement</b>					
Revenue	56 975	54 626	2 028	1 122	2 019
Operating and other expenses	(27 581)	(30 640)	(4 215)	(5 896)	(671)
Depreciation and amortisation	(9 610)	(9 574)	(2 750)	(2 884)	(529)
<b>Operating profit/(loss)</b>	<b>19 784</b>	<b>14 412</b>	<b>(4 937)</b>	<b>(7 658)</b>	<b>819</b>
Net finance charges	(2 656)	(2 929)	(1 229)	(959)	(450)
Net monetary gain	–	1 577	–	1 577	–
<b>Profit/(loss) before tax</b>	<b>17 128</b>	<b>13 060</b>	<b>(6 166)</b>	<b>(7 040)</b>	<b>369</b>
Taxation	(7 131)	(6 673)	(36)	–	(148)
<b>Net profit/(loss)</b>	<b>9 997</b>	<b>6 387</b>	<b>(6 202)</b>	<b>(7 040)</b>	<b>221</b>
<b>Attributable to:</b>					
Equity shareholders	12 883	9 787	(3 685)	(4 044)	227
Non-controlling interests	(2 886)	(3 400)	(2 517)	(2 996)	(6)
Group's share of profit/(loss) for the year	5 144	3 908	(368)	(404)	68
Adjustment up to 31 March <sup>2</sup>	–	–	–	–	23
Depreciation impact on net fair value adjustments on tangible and intangible assets	(579)	(607)	–	–	(38)
<b>Share of net profit/(loss) from associates and joint ventures</b>	<b>4 565</b>	<b>3 301</b>	<b>(368)</b>	<b>(404)</b>	<b>53</b>

**Notes:**

- The Group's effective interest of 6.02% (2025: 5.74%) in Global Partnership for Ethiopia B.V is equity accounted for via an associate Vodafamily Ethiopia Holdings Company Limited (10% shareholding), who's functional currency is the Kenyan Shilling.
- Summarised financial information presented with regard to the Group's interest in Maziv is as per the latest available management accounts at 28 February 2026. Preparation of financial statements at 31 March 2026 by Maziv was impracticable. Appropriate adjustments have been made to the Group's interest and share of results for the effects of significant transactions and events that occurred for the one month up to the reporting date.



## 12 Investment in associates and joint ventures continued

Rm	Associates				
	Safaricom PLC		Global Partnership for Ethiopia B.V. <sup>1</sup>		Maziv
	2026	2025	2026	2025	2026
<b>Summarised statement of comprehensive income</b>					
Net profit/(loss)	9 997	6 387	(6 202)	(7 040)	221
Other comprehensive income/(loss)					
Foreign currency translation differences, net of tax	(2 397)	(21 479)	(2 397)	(21 479)	–
<b>Total comprehensive income/(loss)</b>	<b>7 600</b>	<b>(15 092)</b>	<b>(8 599)</b>	<b>(28 519)</b>	<b>221</b>
<b>Attributable to:</b>					
Equity shareholders	11 675	(1 351)	(4 524)	(14 764)	227
Non-controlling interests	(4 075)	(13 741)	(4 075)	(13 755)	(6)
Group's share of other comprehensive income	(501)	(1 919)	(140)	(534)	–
Difference in accounting policy choice – Recognising hyperinflation through other comprehensive income	–	(2 040)	–	(568)	–
<b>Share of other comprehensive income from associates and joint ventures</b>	<b>(501)</b>	<b>(3 959)</b>	<b>(140)</b>	<b>(1 102)</b>	<b>–</b>
<b>Summarised statement of financial position</b>					
Non-current assets	57 865	61 306	20 339	26 380	39 477
Current assets	10 511	11 932	2 528	3 142	1 872
<b>Total assets</b>	<b>68 376</b>	<b>73 238</b>	<b>22 867</b>	<b>29 522</b>	<b>41 349</b>
Non-current liabilities	(19 969)	(19 378)	(9 508)	(10 056)	(17 731)
Current liabilities	(17 853)	(22 050)	(5 096)	(5 663)	(2 382)
<b>Total liabilities</b>	<b>(37 822)</b>	<b>(41 428)</b>	<b>(14 604)</b>	<b>(15 719)</b>	<b>(20 113)</b>
<b>Equity</b>	<b>(30 554)</b>	<b>(31 810)</b>	<b>(8 263)</b>	<b>(13 803)</b>	<b>(21 236)</b>
<b>Total equity and liabilities</b>	<b>(68 376)</b>	<b>(73 238)</b>	<b>(22 867)</b>	<b>(29 522)</b>	<b>(41 349)</b>
<b>Net asset value attributable to:</b>					
Equity shareholders	26 766	25 244	4 972	8 040	21 178
Non-controlling interests	3 788	6 568	3 291	5 763	58
Group's share of net asset value	10 688	10 080	497	804	6 353
Adjustment up to 31 March <sup>2</sup>	–	–	–	–	23
Goodwill	33 426	36 095	–	–	6 282
Impact of net fair value adjustments on tangible and intangible assets.	4 709	5 800	–	–	37
Other	–	–	11	(20)	–
Elimination of intra-group share (30%) gain made on sale of assets to Maziv	–	–	–	–	(426)
<b>Closing carrying amount of investment</b>	<b>48 823</b>	<b>51 975</b>	<b>508</b>	<b>784</b>	<b>12 269</b>
Cash and cash equivalents within current assets	3 551	4 267	1 049	1 638	443
Bank overdrafts	–	–	–	–	(96)
Non-current financial liabilities excluding trade and other payables and provisions	(18 125)	(15 699)	(8 227)	(7 044)	(17 450)
Current financial liabilities excluding trade and other payables, bank overdrafts and provisions	(5 110)	(7 310)	(965)	(379)	(551)

**Notes:**

- The Group's effective interest of 6.02% (2025: 5.74%) in Global Partnership for Ethiopia B.V is equity accounted for via an associate Vodafamily Ethiopia Holdings Company Limited (10% shareholding), who's functional currency is the Kenyan Shilling.
- Summarised financial information presented with regard to the Group's interest in Maziv is as per the latest available management accounts at 28 February 2026. Preparation of financial statements at 31 March 2026 by Maziv was impracticable. Appropriate adjustments have been made to the Group's interest and share of results for the effects of significant transactions and events that occurred for the one month up to the reporting date.

**12 Investment in associates and joint ventures continued****Investment in joint venture****M-Pesa Africa Limited**

In the prior year both shareholders subscribed for additional equity shares in M-Pesa Africa Limited of R655 million each. The additional funding will accelerate M-Pesa's growth into new African markets. Safaricom and the Group each hold 50% of the equity shares in the company.

The financial and operating activities of the Group's joint venture are jointly controlled by the participating shareholders. The participating shareholders have rights to the net assets of the joint venture through their equity shareholdings. The joint venture companies have share capital consisting solely of ordinary shares and are all directly held. The country of incorporation or registration of all joint ventures is also their principal place of operation.

Rm	2026	2025
<b>Reconciliation of carrying amount:</b>		
Opening carrying amount of investment	1 023	537
Additional investment at cost	–	655
Profit/(loss) from joint ventures	5	(172)
Effect of movement in exchange rates	(46)	3
<b>Closing carrying amount of investment</b>	<b>982</b>	<b>1 023</b>
<b>Summarised income statement</b>		
Revenue	1 082	941
Operating and other expenses	(489)	(556)
Depreciation and amortisation	(484)	(525)
<b>Operating profit/(loss)</b>	<b>109</b>	<b>(140)</b>
Net finance charges	(28)	(101)
Net monetary gain	–	–
<b>Profit/(loss) before tax</b>	<b>81</b>	<b>(241)</b>
Taxation	(70)	(105)
<b>Net profit/(loss)</b>	<b>11</b>	<b>(346)</b>
<b>Attributable to:</b>		
Equity shareholders	11	(346)
<b>Summarised statement of comprehensive income</b>		
Net profit/(loss)	11	(346)
Other comprehensive income/(loss)		
Foreign currency translation differences, net of tax	*	*
<b>Total comprehensive income/(loss)</b>	<b>11</b>	<b>(346)</b>
<b>Attributable to:</b>		
Equity shareholders	*	*
Non-controlling interests	–	–
Group's share of other comprehensive income	*	*
<b>Share of other comprehensive income from associates and joint ventures</b>	<b>*</b>	<b>*</b>

**Note:**

\* Less than R1 million.



**12 Investment in associates and joint ventures continued**

Rm	Joint venture	
	2026	2025
<b>Summarised statement of financial position</b>		
Non-current assets	2 517	2 935
Current assets	534	476
<b>Total assets</b>	<b>3 051</b>	<b>3 411</b>
Non-current liabilities	(634)	(870)
Current liabilities	(451)	(494)
<b>Total liabilities</b>	<b>(1 085)</b>	<b>(1 364)</b>
<b>Equity</b>	<b>(1 966)</b>	<b>(2 047)</b>
<b>Total equity and liabilities</b>	<b>(3 051)</b>	<b>(3 411)</b>
<b>Net asset value attributable to:</b>	<b>1 966</b>	<b>2 047</b>
Equity shareholders	1 966	2 047
Non-controlling interests	–	–
Group's share of net asset value	982	1 023
<b>Closing carrying amount of investment</b>	<b>982</b>	<b>1 023</b>
Cash and cash equivalents within current assets	203	239
Non-current financial liabilities excluding trade and other payables and provisions	(554)	(830)
Current financial liabilities excluding trade and other payables and provisions	(4)	(10)

**13 Trade and other receivables**

Rm	Notes	2026	2025
Trade receivables		18 676	17 674
Contract assets		5 921	5 828
Deferred customer acquisition costs	13.1	1 686	1 751
Prepayments		5 478	5 075
Value-added tax		476	374
Operating lease receivables		1 511	1 109
Derivative financial assets		77	25
Finance receivables carried at amortised cost		105	61
Receivable from associate		42	34
Net investment in lease	13.2	340	353
Other		1 094	999
		<b>35 406</b>	<b>33 283</b>
<b>Timing</b>			
Non-current		5 420	4 747
Current		29 986	28 536
		<b>35 406</b>	<b>33 283</b>

**13 Trade and other receivables continued**

Rm	2026	2025
<b>Included within derivative financial assets:</b>		
At fair value through profit or loss:		
Fair value hedges:		
Foreign exchange forward contracts	72	24
Firm commitment asset – fair value hedge	5	1
	<b>77</b>	<b>25</b>

The fair value of foreign exchange forward contracts and firm commitment assets are determined with reference to quoted market prices for similar instruments, being the mid forward rates and spot rates, respectively, as at the reporting date. The Group designates certain forward exchange contracts relating to open purchase orders, for mainly capital expenditure and inventory, as fair value hedges to hedge its exposure to variability in the fair value that is attributable to changes in foreign exchange rates. Refer Note 30.2 for fair value hierarchy.

The carrying amount of trade and other receivables approximates the fair value. Generally no interest is charged on trade receivables.

**13.1 Contract-related costs**

The Group's contract-related costs comprise R1 681 million (2025: R1 744 million) relating to cost incurred to obtain customer contracts and R6 million (2025: R6 million) relating to costs incurred to fulfill customer contracts. Amortisation and impairment expenses of R1 480 million (2025: R1 562 million) and R38 million (2025: R20 million) respectively were recognised in operating profit during the year.

**13.2 Net investment in lease**

The maturity profile of the Group's net investment in leases is as follows:

Rm	Within one year	Between one and two years	Between two and three years	Between three and four years	Between four and five years	More than five years	Total
<b>2026</b>							
Undiscounted lease payments receivable	165	105	46	18	7	1	342
Unearned interest income							(2)
<b>Discounted net investment in leases</b>							<b>340</b>
<b>2025</b>							
Undiscounted lease payments receivable	196	86	48	18	4	1	353
Unearned interest income							*
<b>Discounted net investment in leases</b>							<b>353</b>

**Note:**

\* Amounts less than R1 million.

There were no variable payments not included in the Group's net investment in leases. Interest income earned on net investment in leases amounted to R28 million (2025: R26 million).

The Group has a wide range of lessor activities with consumer and enterprise customers, other telecommunication companies and other companies. With consumer and enterprise customers, the Group generates lease income from the provision of handsets, routers and other communications equipment. The Group provides wholesale access to the Group's fibre and cable networks and leases out space on the Group's owned mobile base stations to other telecommunication companies. In addition, the Group sub-leases retail stores to franchise partners in certain markets and leases out surplus assets (for example vacant offices and retail stores) to other companies.

Lessor transactions are classified as operating or finance leases (net investment in leases) based on whether the lease transfers substantially all of the risks and rewards incidental to ownership of the asset. Leases are individually assessed, but generally, the Group's lessor transactions are classified as:

- Operating leases where the Group is lessor of space on owned mobile base stations, provides wholesale access to its fibre and cable networks or provides routers or similar equipment to fixed customers; and
- Finance leases where the Group is sub-lessor of handsets or similar items in back-to-back arrangements or where surplus assets are sublet out for all or substantially all of the remaining head lease term.

The Group sub-leases excess retail and office properties under both operating and finance leases.



**13 Trade and other receivables continued****13.2 Net investment in lease continued**

Future lease payments expected to be received under non-cancellable operating leases comprise:

Rm	Within one year	Between one and two years	Between two and three years	Between three and four years	Between four and five years	More than five years	Total
<b>2026</b>							
Undiscounted receivable amounts	618	507	395	270	58	32	1 880
<b>2025</b>							
Undiscounted receivable amounts	590	460	310	211	101	4	1 676

In respect of operating leases, there were no variable payments that do not depend on an index or a rate in the current year.

**14 Finance receivables**

The Group provides financing to customers to acquire equipment at an additional contractual charge which is included in finance receivables at fair value.

Rm	Within one year	Between one and two years	Between two and three years	Total
<b>2026</b>				
Future minimum payments receivable	3 933	2 367	924	7 224
Unearned finance income	(522)	(219)	(48)	(789)
<b>Present value of minimum payments receivable</b>	<b>3 411</b>	<b>2 148</b>	<b>876</b>	<b>6 435</b>
<b>2025</b>				
Future minimum payments receivable	3 767	2 282	846	6 895
Unearned finance income	(491)	(202)	(44)	(737)
<b>Present value of minimum payments receivable</b>	<b>3 276</b>	<b>2 080</b>	<b>802</b>	<b>6 158</b>

**15 Mobile financial deposits and payables**

Rm	2026	2025
Mobile financial deposits	17 390	13 732
Mobile financial payables	(17 390)	(13 732)

The M-Pesa and VodaPay service allows users to deposit money into an account stored to their cellphone number, to send balances using PIN-secured SMS text messages to other users, including sellers of goods and services, and to redeem deposits for regular money.

Mobile financial deposits are the deposits made by all customers in exchange for electronic mobile money and the unrestricted interest earned on the funds, which will be utilised upon approval if required. This cash is held in restricted accounts with reputable financial institutions, and measured at amortised cost. Upon recognition of the Mobile financial deposits, the Group recognises a corresponding current liability, owed to the Mobile financial customers for the deposits made.

Mobile financial payables due to customers are primarily composed of saving deposits and amounts payable on demand. Deposits due to customers only include financial instruments classified as liabilities at amortised cost. The carrying amount of the deposits and payables approximates fair value.

Rm	2026	2025
<b>Mobile financial deposits and payables per country</b>		
South Africa	52	53
Lesotho	869	644
Mozambique	2 526	2 228
DRC	5 855	4 453
Tanzania	8 088	6 354
<b>Total</b>	<b>17 390</b>	<b>13 732</b>

Notes to the consolidated and separate financial statements for the year ended 31 March continued

Rm	2026	2025
<b>16 Inventory</b>		
Goods held for resale	2 112	2 287
Inventory valuation allowance included above	(221)	(233)

The cost of inventories recognised as an expense during the period amounts to R19 134 million (2025: R18 470 million).

Rm	2026	2025
<b>17 Share capital</b>		
<b>Authorised</b>		
4 000 000 000 ordinary shares with no par value		
<b>Issued</b>		
Fully paid share capital		
2 077 841 204 (2025: 2 077 841 204) ordinary shares with no par value	89 918	89 918
Treasury shares		
146 078 485 (2025: 145 751 882) ordinary shares with no par value	(17 287)	(17 210)
	<b>72 631</b>	<b>72 708</b>

Shares	2026	2025
<b>Movements in the number of ordinary shares outstanding:</b>		
1 April	1 932 089 322	1 934 143 302
Statutory shares in issue	2 077 841 204	2 077 841 204
Treasury shares	(145 751 882)	(143 697 902)
Repurchase of shares <sup>1</sup>	(3 936 062)	(5 511 544)
Forfeited shares sold	593 349	873 824
Vesting of shares	3 016 110	2 583 740
<b>31 March</b>	<b>1 931 762 719</b>	<b>1 932 089 322</b>
Statutory shares in issue	2 077 841 204	2 077 841 204
Treasury shares	(146 078 485)	(145 751 882)
<b>Treasury shares held by:</b>		
Vodacom Group Limited	12 641 875	12 641 875
Subsidiaries and structured entities	133 436 610	133 110 007
	<b>146 078 485</b>	<b>145 751 882</b>

The unissued share capital is under the control of the current shareholders and the directors do not have the authority to issue any unissued shares.

**Note:**

- Forfeitable and restricted shares held by employees are treated as treasury shares since shares awarded under the forfeitable share plan have not fully vested for the purposes of IFRS 2: Share-based Payment until the potential forfeiture period has expired (Note 18). The potential dilutive impact of these shares are taken into account in calculating diluted earnings per share (Note 8).



**18 Other reserves****18.1 Share-based payment reserve**

The following equity-settled share-based payment expense is recognised in profit or loss in terms of IFRS 2: Share-based Payments.

Rm	2026	2025
Share plans (Notes 18.1.1 to 18.1.4)	(491)	(463)

**18.1.1 Forfeitable share plan (FSP) reserve**

This share-based payment arrangement is accounted for as an equity-settled share-based payment transaction.

Under the FSP, awards of performance shares are granted to executive directors and selected employees of the Group. The vesting of these shares is subject to continued employment, and is conditional upon achievement of performance targets, measured over a three-year period, for directors, senior management and other selected employees. The performance conditions are based on targets set around operating free cash flow (60%), Total Shareholder Return (TSR) (20%), Return on Capital Employed (ROCE) (10%) and Environmental Social and Governance (ESG) (10%).

Share awards	2026		2025	
	Weighted average fair value at grant date R	Number of shares	Weighted average fair value at grant date R	Number of shares
Movements in non-vested shares				
1 April	110.83	11 975 704	126.74	9 907 241
Granted <sup>1</sup>	136.92	3 936 062	94.72	5 511 544
Forfeited	116.35	(593 349)	121.74	(875 872)
Vested	130.26	(2 731 730)	133.58	(2 567 209)
<b>31 March</b>	<b>115.41</b>	<b>12 586 687</b>	<b>110.83</b>	<b>11 975 704</b>
Ordinary shares available for utilisation:				
1 April		91 518 659		93 587 122
Granted		(3 936 062)		(5 511 544)
Forfeited		593 349		875 872
Vested		2 731 730		2 567 209
<b>31 March</b>		<b>90 907 676</b>		<b>91 518 659</b>

**Note:**

1. The grant date fair value of awards includes transaction costs that are capitalised to treasury shares.

The fair value of the share awards on grant date were measured using the quoted market price of a Vodacom Group Limited share without adjusting for expected dividends and non-market performance conditions. Market conditions are adjusted for.

**18.1.2 Conditional share plan (CSP)**

This share-based payment arrangement is accounted for as an equity-settled share-based payment transaction.

Under the Vodacom Group Limited 2022 Share Plan, conditional shares are offered to members of the senior leadership team (SLT). Unlike FSPs, CSPs are not registered in the name of the participant, but rather represent a conditional right to receive shares at a future vesting date. The vesting of these shares is subject to continued employment, and is conditional upon achievement of performance targets, measured over a three-year period. The performance conditions are based on targets set around operating free cash flow (60%), Total Shareholder Return (TSR) (20%), Return on Capital Employed (ROCE) (10%) and Environmental Social and Governance (ESG) (10%).

In respect of an award of CSP shares, the remuneration committee may direct the payment of a dividend equivalent, in cash or in shares, on the vesting date. Whenever an ordinary or special dividend is declared between the award date and the settlement date, a number of dividend equivalent shares will be added to the number of CSPs comprising an award (including dividend equivalent shares already included in the award), where the number is determined as the amount of the applicable dividend per share, divided by the market value of the share on the date that the dividend is paid. Any dividend equivalent shares which are awarded are subject to the same conditions applicable to the underlying award, including performance conditions (if applicable) and other vesting conditions.

The weighted average remaining contractual life of the CSP shares in issue as at 31 March 2026 is six months.

**18 Other reserves continued**

**18.1 Share-based payment reserve continued**

**18.1.2 Conditional share plan (CSP) continued**

Share awards	2026		2025	
	Weighted average fair value at grant date R	Number of shares	Weighted average fair value at grant date R	Number of shares
Movements in non-vested shares				
1 April	70.51	1 490 605	54.73	835 944
Granted	123.50	443 595	90.65	574 302
Forfeited	113.90	(122 758)	–	–
Vested	113.90	(209 897)	–	–
Dividend equivalents granted	132.58	81 320	90.65	80 359
<b>31 March</b>	<b>104.65</b>	<b>1 682 865</b>	<b>70.51</b>	<b>1 490 605</b>

The grant date fair value was calculated using the Monte Carlo option pricing model, which is reflective of the underlying characteristics of the CSPs. The following inputs and assumptions were used at the time to determine the fair value at the grant date:

	2026	2025
Grant date	13 June 2025	14 June 2024
Risk-free rate (%) <sup>1</sup>	7.1	7.9
Expected volatility (%) <sup>2</sup>	24.1	22.1
Dividend yield (%) <sup>3</sup>	6.3	8.3
Performance period (option life)	1 April 2025 to 31 March 2028	1 April 2024 to 31 March 2027
Vodacom Group Limited share price at grant date (rand)	135.09	93.80

**Notes:**

1. Determined using the South African swap curve.
2. Determined using historical share prices of Vodacom Group Limited.
3. The dividend yield is calculated over the life of the option using continuous compounding.



**18 Other reserves continued****18.1 Share-based payment reserve continued****18.1.3 Restricted share plan reserve**

This share-based payment arrangement is accounted for as an equity-settled share-based payment transaction.

Executives who have a conditional benefit in terms of their previous service contract have the option to convert a portion or all of their benefit to restricted shares for the purpose of meeting the shareholding guidelines. These shares are subject to the same conditions as those of the underlying conditional benefit.

Share awards	2026		2025	
	Weighted average fair value at grant date R	Number of shares	Weighted average fair value at grant date R	Number of shares
1 April	114.27	664 122	114.19	680 653
Vested	112.03	(284 380)	111.08	(16 531)
<b>31 March</b>	<b>115.94</b>	<b>379 742</b>	<b>114.27</b>	<b>664 122</b>

The fair value of the share awards on grant date were measured using the quoted market price of a Vodacom Group Limited share without adjusting for expected dividends.

**18.1.4 Vodafone performance share plan reserve**

This share-based payment arrangement is accounted for as an equity-settled share-based payment transaction.

Under this plan, awards of shares are granted to executive directors and prescribed officers and certain executive management of the Group. During the current year 3 504 336 (2025: 3 711 276) shares were granted to Group employees, assignees and co-investment participants and 996 652 (2025: 761 521) of the shares issued in prior years vested. The vesting of these shares is subject to continued employment and, for some awards, is conditional upon achievement of performance targets, measured over a three-year period. A charge is recognised based on the fair value of the award on the grant date.

**18.1.5 Broad-based Black Economic Empowerment (BBBEE) transaction**

In the 2019 financial year, the Group's existing Vodacom (Pty) Limited (Vodacom SA) BBBEE transaction (the previous BBBEE transaction) was replaced with a new BBBEE transaction designed to provide liquidity to participants through YeboYethu (RF) Limited (YeboYethu)<sup>1</sup> declaring a special dividend, and the opportunity for Vodacom SA BEE shareholders<sup>2</sup>, and the Vodacom Employee Share Ownership Trust (ESOP) to participate in a growth opportunity by holding their listed YeboYethu shares. The notional vendor funding of the previous BBBEE transaction was settled, after which Royal Bafokeng Holdings (Pty) Limited (RBH) and Thebe Investment Corporation (Pty) Limited (Thebe) (strategic partners) exchanged their remaining shares in Vodacom SA for shares in YeboYethu, and YeboYethu exchanged their remaining shares in Vodacom SA (as well as those obtained from the strategic partners) for shares in Vodacom Group Limited, which are treated as treasury shares on a consolidated level, and are encumbered (Note 18.1.5.4).

Vodacom Group Limited consolidates YeboYethu and the Siyanda Employee Trust (Siyanda) (Note 18.1.5.1).

**Notes:**

1. Consolidated by the Group as a structured entity in terms of IFRS 10: Consolidated Financial Statements.
2. RBH, Thebe and YeboYethu.

The BBBEE transaction meets the requirements of an IFRS 2: Share-based Payment arrangement and is accounted for as equity-settled. The transaction resulted in a once off share-based payment charge, as well as a recurring share-based payment charge for Siyanda, which will be expensed over the vesting period (Note 18.1.5.1). Vodacom Group Limited currently has no intention to settle the BBBEE transaction in cash.

Components of the transaction at inception	Notes	Percentage allocated %	Transaction value Rm	Cash received Rm
Employees: Vodacom Siyanda Employee Trust	18.1.5.1	1.36	3 580	750
Black Public (including ESOP participants)	18.1.5.3	2.33	6 132	1 995
Strategic Partner: RBH	18.1.5.3	1.78	4 687	1 307
Strategic Partner: Thebe <sup>3</sup>	18.1.5.3	0.76	2 008	560
		<b>6.23</b>	<b>16 407</b>	<b>4 612</b>

**Note:**

3. Thebe has subsequently sold its interest in Yebo Yethu. The Group's new strategic partner is Mineworkers Investment Company (Pty) Limited, who hold an 11.33% interest in Yebo Yethu (0.71% of the 6.23% transaction percentage) through MIC Investment Holdings (Pty) Limited.

**18 Other reserves continued****18.1 Share-based payment reserve continued****18.1.5 Broad-based Black Economic Empowerment (BBBEE) transaction continued****Summary of the financial impact of share based payment arrangements**

Rm	2026	2025
<b>Equity-settled share based payment reserve</b>		
Employees (Note 18.1.5.1)	(921)	(921)
Black Public and Business Partners (Note 18.1.5.3)	(535)	(535)
Strategic Partners (Note 18.1.5.3)	(584)	(584)
Innovator Trust	(672)	(672)
	<b>(2 712)</b>	<b>(2 712)</b>

**18.1.5.1 Employees**

Vodacom employees and management participate in ownership of Vodacom Group Limited through Siyanda<sup>1</sup>. Siyanda acquired vested rights to the YeboYethu ordinary shares, subject to certain restrictions. Qualifying employees have been issued units in Siyanda based on a varying percentage of their guaranteed total cost of employment per annum taking into account their employment level, racial and gender classification. The units, representing vested rights to the underlying YeboYethu ordinary shares, have a service condition that will lift in three equal tranches in years 3, 4 and 5 respectively, but only become fully tradeable on the BBBEE Segment of the JSE in equal tranches over a three year period starting from the end of the fifth year of the scheme (i.e. years 6, 7 and 8).

Siyanda will receive dividends as and when declared by YeboYethu, and the trustees will distribute the dividends to the beneficiaries. As at 31 March 2026, 100% (31 March 2025: 92.8%) of units were allocated. Units were allocated to participating employees with an effective date of 1 March 2019, and a grant date for IFRS 2 purposes of 25 March 2019. The first of the three equal tranches vested in March 2022. The second tranche vested in March 2023. The third tranche vested in March 2024. Effective 24 April 2025, the first tranche, representing 33% of Siyanda units, converted into YeboYethu ordinary shares, which were subsequently transferred to Participants.

**Note:**

1. Consolidated by the Group as a structured entity in terms of IFRS 10: Consolidated Financial Statements.

**18.1.5.2 Share rights**

The table below shows the movement in vested share rights related to Siyanda under the BBBEE transaction:

	2026	2025
Movements in vested share rights:		
1 April	10 520 544	10 591 453
Forfeited	(70 909)	(70 909)
<b>31 March</b>	<b>10 449 635</b>	<b>10 520 544</b>

At inception of the BBBEE transaction, Vodacom SA repurchased 114 744 844 (31 813 785 from RBH, 13 634 479 from Thebe, 30 298 842 from YeboYethu and 38 997 738 from ESOP) Vodacom SA A shares from the Vodacom SA BBBEE shareholders for a nominal consideration (R0.00001 per Vodacom SA A share, and R1 147.45 in aggregate) pursuant to the Vodacom SA notional vendor funding transaction terms, upon which the remaining 185 255 156 Vodacom SA A shares became unencumbered consistent with the terms of issue thereof.

**18.1.5.3 Black Public, RBH and Thebe<sup>1</sup>**

Each of RBH and Thebe<sup>1</sup> exchanged their Vodacom SA shares for new YeboYethu ordinary shares in terms of asset-for-share transactions, thereby consolidating all of the Vodacom SA BBBEE shareholders' interests (including the black public) into a single vehicle, being YeboYethu. A new special purpose vehicle, YeboYethu Investment Company (RF) (Pty) Limited (YeboYethu Investment), was created for the purpose of holding YeboYethu's Vodacom Group Limited shares. YeboYethu Investment is a wholly-owned subsidiary of YeboYethu. After the consolidation of YeboYethu's interests in Vodacom SA, YeboYethu exchanged its Vodacom SA shares for YeboYethu Investment shares. YeboYethu Investment in turn exchanged its Vodacom SA shares for 49 689 995 new Vodacom Group Limited shares on a fair market value basis. YeboYethu thereafter raised funding (Note 18.1.5.4) and acquired an additional 64 761 185 shares in Vodacom Group Limited via its wholly owned subsidiary, bringing its holding up to 114 451 180 shares in Vodacom Group Limited. YeboYethu remains listed on the BBBEE Segment of the JSE, and YeboYethu shareholders therefore continue to have the ability to trade their YeboYethu ordinary shares on the JSE. The YeboYethu shares held by Siyanda will only become tradeable by employees on the BBBEE Segment of the JSE as described in Note 18.1.5.1.

**Note:**

1. Thebe has subsequently sold its interest in Yebo Yethu. The Group's new strategic partner is Mineworkers Investment Company (Pty) Limited, who hold an 11.33% interest in Yebo Yethu (0.71% of the 6.23% transaction percentage) through MIC Investment Holdings (Pty) Limited.



**18 Other reserves continued****18.1 Share-based payment reserve continued****18.1.5 Broad-based Black Economic Empowerment (BBBEE) transaction continued****18.1.5.4 Funding**

YeboYethu raised vendor funding and third party financing, in the form of preference shares, in order to subscribe for additional Vodacom Group Limited shares.

**Third party funding**

YeboYethu issued preference shares to the value of R4 654 million. The subscribers to the original Class A preference shares were ABSA Bank Limited, FirstRand Bank Limited and Depfin Investments Proprietary Limited. FirstRand Bank Limited opted to reduce its preference shareholding and Depfin Investments Proprietary Limited elected to exit its preference shareholding. ABSA Bank Limited and Momentum Metropolitan Holdings ('MMH') agreed to subscribe for the preference shares that was redeemed from the aforesaid original preference share subscribers. Finance cost was recognised at a rate of 68% of prime (non tax-deductible) on the outstanding balance of the Class A preference shares. Interest on the Class A preference shares is capitalised monthly and settled semi-annually, subject to a permitted interest roll up to a maximum of 135%. On 31 August 2023, the company refinanced its Class A preference shares at an improved dividend rate of 67% of the prime rate, from the previous rate of 68% as well as extended its redemption date to 31 August 2028. The amount paid to FirstRand Bank Limited and Depfin Investments Proprietary Limited was the outstanding balance as at 31 August 2023 in proportion to the shareholding with the equivalent amount subscribed for by ABSA Bank Limited and MMH. The borrowing is secured by the shares that YeboYethu Investment holds in Vodacom Group, with a target share cover ratio of above three times the debt with a breach occurring at two times share cover. The share cover ratio at 31 March 2026, based on a five day volume-weighted average price of R146.95 (2025: R123.11), was 5.41 (2025: 4.27). The closing balance on this funding as at 31 March 2026 was R3 110 million (2025: R3 300 million) (Note 19).

**Vendor funding**

Vendor funding of R5 252 million was raised in the form of preference shares with a dividend rate of 70% of prime issued by YeboYethu to Vodacom Group Limited (class B preference shares). The closing balance on this funding as at 31 March 2026 was R6 017 million (2025: R5 804 million). The vendor funding eliminates on consolidation.

	Rm	%
<b>Sources of funding</b>		
Economic value of Vodacom discount of subscription price	1 951	11.8
Equity contribution – Vodacom SA BBBEE shareholders	3 862	23.5
Equity contribution by Vodacom Group Limited and employer companies – Siyanda	750	4.6
Class A preference shares from third party funders	4 654	28.2
Class B preference shares from Vodacom Group Limited	5 252	31.9
<b>Total</b>	<b>16 469</b>	<b>100</b>
<b>Uses of funding</b>		
Acquisition of Vodacom Group Limited shares	16 407	99.6
Transaction costs	62	0.4
<b>Total</b>	<b>16 469</b>	<b>100</b>

**18.1.5.5 BBBEE valuation****Equity-settled share based payment transaction**

BBBEE credentials are not separable and cannot be valued other than by reference to the fair value of the equity instruments granted. The share-based payment expense was calculated using the Monte Carlo option pricing model, which is reflective of the underlying characteristics of the BBBEE transaction. The once off share-based payment to YeboYethu shareholders, other than employees, was granted on the date the transaction was approved by the shareholders of YeboYethu. The recurring share-based payment charge for Siyanda was first recognised on the date that the details of awards were communicated to eligible employees. The following assumptions were used at the time to determine the fair value at the respective grant dates:

	Once-off charge	Siyanda
Grant date	17 August 2018	25 March 2019
Risk-free rate (%) <sup>1</sup>	6.4 – 8.6	7.1 – 8.0
Expected volatility (%) <sup>2</sup>	23.0	23.1
Dividend yield (%) <sup>3</sup>	6.7 – 7.8	6.7 – 7.9
Vodacom Group Limited share price at grant date (rand)	126.0	114.0
Weighted average fair value of instruments granted (Rm)	1 119	921

**Notes:**

1. Determined using the South African swap curve.
2. Determined using historical share prices of Vodacom Group Limited.
3. Determined using dividend forecasts up to the 2021 financial year obtained from Bloomberg in conjunction with projected future share prices as at each dividend payment date.

## 19 Borrowings

Rm	2026	2025
<b>Interest bearing borrowings (Note 19.1)</b>		
Non-current	<b>84 096</b>	64 040
Current	<b>8 781</b>	11 620
	<b>92 877</b>	75 660

### 19.1 Interest bearing borrowings

	2026 Rm	2025 Rm	Denominated currency and nominal value		Interest rate	Final maturity
			Million			
<b>Refinanced<sup>1</sup></b>						
Vodafone Investments Luxembourg s.a.r.l.	—	6 053	6 000	ZAR	Fixed 9.00%	28/11/2025
Vodafone Investments Luxembourg s.a.r.l.	<b>2 000</b>	—	2 000	ZAR	Variable 3 months Jibar + 1.30%	24/11/2030
Vodafone Investments Luxembourg s.a.r.l.	<b>2 000</b>	—	2 000	ZAR	Variable 3 months Jibar + 1.30%	24/11/2028
<b>Repaid<sup>2</sup></b>						
Standard Bank of Congo (RDC) SA	—	162	35	USD	Variable 6 months SoFR + 3.75%	5/08/2025
Standard Bank of Congo (RDC) SA	—	1 202	65	USD	Variable 6 months SoFR + 2.15%	5/08/2025
Standard Bank of South Africa Limited	—	1 009	50	USD	Variable 3 months SoFR + 3.30%	31/05/2026
<b>Incurred</b>						
Bank of China <sup>1</sup>	<b>1 000</b>	—	1 000	ZAR	Variable 3 months Jibar + 1.15%	24/11/2030
Investec Bank Limited <sup>1</sup>	<b>1 000</b>	—	1 000	ZAR	Variable 3 months Jibar + 1.18%	24/11/2028
Standard Bank of Congo (RDC) SA	<b>450</b>	—	25	USD	Variable 6 months SoFR + 4.00%	28/11/2026
Standard Bank of Congo (RDC) SA	<b>3 423</b>	—	200	USD	Variable 3 months SoFR + 2.65%	24/04/2028
Standard Bank of South Africa Limited	<b>970</b>	—	70	USD	Variable 6 months SoFR + 3.00%	29/04/2029
Standard Bank of South Africa Limited	<b>509</b>	—	1 900	MOZ	Mozambican Prime Rate less 4%	29/04/2029
Syndicated debt <sup>3</sup>	<b>2 657</b>	—	2 600	ZAR	Variable 3 months SoFR + 1.70%	2/12/2028
Syndicated debt <sup>3</sup>	<b>2 725</b>	—	2 664	ZAR	Variable 3 months SoFR + 2.05%	1/12/2030
Syndicated debt <sup>3</sup>	<b>2 727</b>	—	2 664	ZAR	Variable 3 months SoFR + 2.20%	1/12/2032
<b>Borrowings carried over from prior year</b>						
Banque Misr S.A.E.	<b>1 985</b>	2 890	150	USD	Variable 3 months SoFR + 3.70%	31/01/2030
Syndicated debt <sup>4</sup>	<b>8 000</b>	8 000	8 000	ZAR	Variable 3 months Jibar + 1.7%	7/08/2027
Syndicated debt <sup>4</sup>	<b>3 000</b>	3 000	3 000	ZAR	Variable 3 months Jibar + 2.05%	7/08/2029
Vodafone Investments Luxembourg s.a.r.l.	<b>2 550</b>	2 553	2 530	ZAR	Variable 3 months Jibar + 1.5%	24/11/2031
Vodafone Investments Luxembourg s.a.r.l.	<b>3 550</b>	3 555	3 500	ZAR	Variable 3 months Jibar + 1.3%	26/07/2029
Vodafone Investments Luxembourg s.a.r.l.	<b>504</b>	504	500	ZAR	Variable 3 months Jibar + 1.50%	9/12/2031
Vodafone Investments Luxembourg s.a.r.l.	<b>2 212</b>	2 213	2 200	ZAR	Variable 3 months Jibar + 1.34%	30/03/2027
Vodafone Investments Luxembourg s.a.r.l.	<b>3 015</b>	3 018	3 000	ZAR	Variable 3 months Jibar + 1.34%	24/05/2027
Vodafone Investments Luxembourg s.a.r.l.	<b>3 216</b>	3 220	3 200	ZAR	Variable 3 months Jibar + 1.34%	1/06/2027
Vodafone Investments Luxembourg s.a.r.l.	<b>1 508</b>	1 509	1 500	ZAR	Variable 3 months Jibar + 1.34%	7/06/2027
Vodafone Investments Luxembourg s.a.r.l.	<b>4 032</b>	4 035	4 000	ZAR	Variable 3 months Jibar + 1.34%	28/11/2028
Vodafone Investments Luxembourg s.a.r.l.	<b>5 597</b>	5 608	5 500	ZAR	Variable 3 months Jibar + 1.43%	11/4/2029
<b>Balance carried forward</b>	<b>58 630</b>	48 531				

#### Notes:

- R2 000 million of the R6 000 million was refinanced by borrowings incurred from Bank of China and Investec Bank Limited. There was no cash flow impact on refinancing R4 000 million with Vodafone Investments Luxembourg s.a.r.l.
- Included in borrowings repaid was a cash flow impact of R2 296 million.
- The Group issued preference shares to the value of R7 928 million to Standard Bank of South Africa Limited, ABSA Bank Limited, Depfin Investments (Pty) Ltd, Rapvest Investments (Pty) Ltd and Rand Merchant Bank for the acquisition of Maziv (Pty) Limited (Note 12).
- In the prior year the Group issued preference shares to the value of R11 000 million to Standard Bank of South Africa Limited, ABSA Bank, Nedbank Limited and FirstRand Limited.



**19 Borrowings continued****19.1 Interest bearing borrowings continued**

	<b>2026 Rm</b>	2025 Rm	Denominated currency and nominal value			Interest rate	Final maturity
			Million				
<b>Borrowings carried over from prior year continued</b>	<b>58 630</b>	48 531					
FirstRand Bank Limited	<b>1 000</b>	1 000	1 000	ZAR	Variable 3 months Jibar +	30/11/2028	
Investec Bank Limited <sup>1</sup>	<b>507</b>	507	500	ZAR	Variable 3 months Jibar	31/01/2027	
China Construction Bank Corporation <sup>1</sup>	<b>507</b>	507	500	ZAR	Variable 3 months Jibar	31/01/2027	
Old Mutual Life Assurance Company (South Africa) Limited <sup>1</sup>	<b>1 014</b>	1 015	1 000	ZAR	Variable 3 months Jibar +1.42%	31/01/2031	
ABSA Limited	<b>1 000</b>	1 000	1 000	ZAR	Variable 3 months Jibar +	30/11/2028	
Standard Bank of South Africa Limited	<b>323</b>	167	380	ZAR	Variable 3 months Jibar +	31/05/2027	
Committed facilities	<b>94</b>	52	100	EGP	17.20%-28.25% (2025:27.65%-28.25%)	Within 12 months	
YeboYethu preference shares	<b>3 110</b>	3 300	YeboYethu issued preference shares to the value of R3 492 million to FirstRand Bank Limited, ABSA Bank Limited and Momentum Metropolitan Holdings (MMH) (Note 18). The preference shares have a dividend rate of 67% of prime and a maturity date of 31 August 2028. The preference shares are secured by the shares that YeboYethu Investment Company (RF) (Pty) Limited, a wholly owned subsidiary of YeboYethu Limited, holds in Vodacom Group Limited, with a share cover ratio to debt of two times cover. The share cover ratio at 31 March 2026, based on a five day volume-weighted average price of R146.95 (2025: R123.11), was 5.41(2025: 4.27)				
Lease liability	<b>22 086</b>	19 270	<p>The Group leases buildings for its retail stores, offices and data centers, land on which to construct mobile base stations, space on mobile base stations to place active RAN equipment and network space (primarily rack space or duct space). In addition, the Group leases fibre and other fixed connectivity to provide internal connectivity for the Group's operations and on a wholesale basis from other operators to provide fixed connectivity services to the Group's customers.</p> <p>The Group's general approach to determining lease term by class of asset is described on page 37 under critical accounting judgements and key sources of estimation uncertainty. The Group is not exposed to any future cash outflows relating to extension and termination options not included in the lease liability.</p> <p>Most of the Group's leases include future price increases through fixed percentage increases, indexation to inflation measures on a periodic basis or rent review clauses. Other than fixed percentage increases, the lease liability does not reflect the impact of these future increases unless the measurement date has passed. During the current year, there were no expenses relating to variable lease payments not included in the lease liability.</p> <p>The Group has no liabilities under residual value guarantees and no restrictions or covenants were imposed by leases in the current year.</p> <p>The total cash outflow during the year in relation to leases was R7 354 million (2025: R7 265 million).</p>				
<b>Balance carried forward</b>	<b>88 271</b>	75 349					

**Note:**

- These loans are linked to selected sustainability performance targets focusing on key performance indicators related to gender diversity and financial inclusion and work off the basis of a sustainability margin adjustment which may be adjusted either upwards or downwards, dependent on the achievement of the specified key performance indicators.

**19 Borrowings continued****19.1 Interest bearing borrowings continued**

	<b>2026</b>	2025
	<b>Rm</b>	Rm
<b>Borrowings carried over from prior year</b>	<b>88 271</b>	75 349
continued		
Licence payable	<b>4 365</b>	–
		– Licence and spectrum fees payable are presented as part of debt, reflecting contractual obligations to the regulator. The balance is split between current (R1 800 million) and non-current (R2 565 million) borrowings in line with the agreed settlement profile, with instalments bearing financing charges over the licence term.
Other loans	<b>242</b>	310
	<b>92 878</b>	75 659

The Group continues to closely monitor developments relating to interest rate benchmark reform in South Africa, specifically the planned transition from the Johannesburg Interbank Average Rate (JIBAR) to the South African Rand Overnight Index Average (ZARONIA), which is scheduled for cessation on 31 December 2026. An assessment of the impact on JIBAR-linked exposures, contractual terms and risk management processes is ongoing to ensure an orderly transition in line with regulatory and market developments.

In terms of the memorandum of incorporation of Vodacom Group Limited, the borrowing powers of the Company are unlimited.

Fair value is based on level two of the fair value hierarchy. Estimated interest rates for fixed interest rate financial liabilities are calculated with reference to the applicable zero coupon yield curves at the reporting date, as published by Bloomberg. In the current year the carrying amount of all borrowings approximate their fair value. In the comparative period, where the fair value of the borrowings could be determined by using the discounted cash flow method (with a discount rate based on market-related interest rates) the discount rate was 8.72% for rand-denominated borrowings.

The maturity profile of the Group's lease liabilities is as follows:

Rm	Within one year	Between one and two years	Between two and three years	Between three and four years	Between four and five years	More than five years	Total
<b>2026</b>							
Undiscounted lease payments	6 300	5 228	4 468	3 831	3 137	8 108	31 072
Effect of discounting							(8 986)
<b>Lease liabilities included in borrowings</b>							<b>22 086</b>
<b>2025</b>							
Undiscounted lease payments	5 194	4 540	4 093	3 574	3 018	6 611	27 030
Effect of discounting							(7 760)
<b>Lease liabilities included in borrowings</b>							<b>19 270</b>

Interest rate and currency of lease liabilities:

Currency	Fixed rate	
	<b>2026</b>	2025
South African rand	<b>10 758</b>	7 883
Egyptian pound	<b>665</b>	638
Tanzanian shilling	<b>4 254</b>	4 106
United States dollar	<b>5 995</b>	6 190
Mozambican metical	<b>356</b>	354
Lesotho maloti	<b>58</b>	99
	<b>22 086</b>	19 270



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Rm	2026	2025
<b>Trade and other payables</b>		
Trade payables	19 839	20 828
Contract liabilities	4 291	4 356
Capital expenditure creditors	9 658	6 787
Indirect taxes	1 814	1 586
Accruals	10 181	9 221
Derivative financial liabilities	15	65
Other	969	1 600
	<b>46 767</b>	<b>44 443</b>
<b>Timing</b>		
Non-current	586	386
Current	46 181	44 057
	<b>46 767</b>	<b>44 443</b>
The carrying amount of trade and other payables approximate the fair value.		
<b>Included within derivative financial liabilities:</b>		
Foreign exchange forward contracts	12	57
Firm commitment liability – fair value hedge	3	8
	<b>15</b>	<b>65</b>

The Group designates certain forward exchange contracts (FEC) relating to open purchase orders, for mainly capital expenditure and inventory, as fair value hedges to hedge its exposure to variability in the fair value that is attributable to changes in foreign exchange rates.

The fair value of FEC and firm commitment liabilities are determined with reference to quoted market prices for similar instruments, being the mid forward rates and spot rates, respectively, as at the reporting date.

During the year revenue of R3 708 million (2025: R4 005 million) was recognised relating to the satisfaction of performance obligations that were previously recorded as contract liabilities.

#### Supplier financing arrangements

The Group offers eligible suppliers the opportunity to use supply chain financing (SCF), allowing suppliers that decide to use it to receive payment earlier than the invoice due date. The Group does not provide any financial guarantees to the financial institutions that run the SCF programme and continues to cash settle supplier payables in accordance with contractual terms.

The Group evaluates supplier arrangements against a number of indicators to assess if the payable continues to hold the characteristics of a trade payable or should be classified as borrowings. These indicators include whether the payment terms exceed the shorter of customary payment terms in the industry or 180 days. As at 31 March 2026, none of the payables subject to SCF met the criteria to be reclassified as borrowings.

The Group has a range of payment terms up to 180 days for both SCF and non-SCF invoices. The majority of SCF and non-SCF invoices by value are payable under 30 and 90 days respectively.

Rm	2026	2025
Invoices included in trade payables that are registered for the Group's supply chain financing programme	5 789	6 430
Total invoices drawn down for early payments	3 308	4 474

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#### Post-employments benefits

The Group operates a number of pension plans for the benefit of all its employees throughout the Group, which vary depending on the conditions and practices in the countries concerned. The Group's pension plans are provided through defined contribution schemes. Defined contribution schemes offer employees individual funds that are converted into benefits at the time of retirement. Current contributions to the defined contribution schemes amounted to R477 million (2025: R481 million). South African funds are governed in terms of the Pension Funds Act of 1956. The assets in the funds are held in separate accounts and funds are raised through payments from employees and the Group.

Rm	Employee benefits provisions	Asset retirement obligations provision	Legal and regulatory provisions	Other provisions	Total
<b>22 Provisions</b>					
<b>31 March 2024</b>	62	1 505	489	150	2 206
Provision created	102	28	121	481	732
Provision utilised	–	(182)	–	(453)	(635)
Unwinding of interest	2	187	–	–	189
<b>31 March 2025</b>	<b>166</b>	<b>1 538</b>	<b>610</b>	<b>178</b>	<b>2 492</b>
Provision created	29	162	86	474	751
Provision utilised	(134)	(248)	–	(467)	(849)
Unwinding of interest	1	186	–	–	187
<b>31 March 2026</b>	<b>62</b>	<b>1 638</b>	<b>696</b>	<b>185</b>	<b>2 581</b>

Rm	2026	2025
<b>Timing</b>		
Non-current	1 646	1 654
Current	935	838
	<b>2 581</b>	<b>2 492</b>

### 22.1 Asset retirement obligations provision

In the course of the Group's activities, a number of sites and other assets are utilised which are expected to have costs associated with exiting and ceasing their use. The associated cash outflows are generally expected to occur at the dates of exit of the assets to which they relate, which are long-term and short-term in nature.

The Group's network infrastructure operates on sites where a regulatory, legal or constructive obligation exists requiring the restoration thereof. The increase in the related provision is driven by a increase in cost of restoration, as well as an increase in inflation across all markets in which the Group operates.

## 23 Consolidated statement of cash flows reconciliations

Rm	2026	2025
<b>23.1 Cash generated from operations</b>		
Profit before tax	37 160	28 773
Adjusted for:		
Finance income	(2 061)	(1 460)
Finance costs	8 333	8 093
Net loss on remeasurement and disposal of financial instruments	676	385
Operating profit	44 108	35 791
Adjusted for:		
Depreciation and amortisation	24 285	21 934
Net gain on disposal of property, plant and equipment and intangible assets <sup>1</sup>	(1 239)	(100)
Impairment losses	–	34
Impairment of right of use assets	37	–
Net credit losses on financial assets	1 897	2 096
Share-based payment	492	463
Net profit from associates and joint ventures	(4 259)	(2 724)
Insurance proceeds <sup>2</sup>	(173)	–
Other	(250)	(44)
Cash flows from operations before working capital changes	64 898	57 450
Decrease/(increase) in inventory	87	(24)
Increase in trade and other receivables	(5 661)	(3 582)
Increase in mobile financial payables, trade and other payables and provisions	6 513	7 021
<b>Cash generated from operations</b>	<b>65 837</b>	<b>60 865</b>

#### Notes:

- The increase mainly relates to profit realised on the transfer of fibre assets as part of the acquisition of Maziv (Pty) Limited (Note 10).
- During the year, Vodafone Egypt had a fire incident for which it recognised expected reimbursement where insurance recoveries are receivable, net of the carrying amount written off.

**23 Consolidated statement of cash flows reconciliations** continued

## 23.2 Changes in liabilities arising from financing activities

Rm	Derivative financial liabilities	Borrowings	Other liabilities <sup>1</sup>	Total
<b>31 March 2025</b>	65	75 660	222	75 947
<b>Cash flow movements</b>	(278)	(1 600)	(746)	(2 624)
Settlement of derivatives	(278)	–	–	(278)
Repayment of borrowings <sup>2</sup>	–	(14 228)	–	(14 228)
Proceeds from borrowings raised <sup>2</sup>	–	19 206	–	19 206
Interest paid on borrowings	–	(6 578)	(746)	(7 324)
<b>Non-cash flow movement</b>	228	18 817	672	19 717
Additions, modification, extension and termination of leases	–	8 440	–	8 440
License and spectrum fees payable	–	4 037	–	4 037
Interest accrual	–	7 379	679	8 058
Fair value adjustments	228	–	–	228
Foreign exchange	–	(1 039)	(7)	(1 046)
<b>31 March 2026</b>	15	92 877	148	93 040

**Notes:**

- The 'Other liabilities' column mainly includes the movement of the interest payable to M-Pesa customers as well as interest accrued and paid on bank overdrafts.
- Included in borrowings repaid and borrowings incurred in the statement of cash flows are cash outflows and cash inflows of R4 854 million (2025: R6 505 million) and R3 581 million (2025: R6 014 million) respectively relating to cash movements on committed borrowing facilities of Vodafone Egypt.

Rm	Derivative financial liabilities	Borrowings	Other liabilities <sup>1</sup>	Total
<b>31 March 2024</b>	133	71 281	72	71 486
<b>Cash flow movements</b>	(387)	(11 799)	(457)	(12 643)
Settlement of derivatives	(387)	–	–	(387)
Repayment of borrowings <sup>2</sup>	–	(29 225)	–	(29 225)
Proceeds from borrowings raised <sup>2</sup>	–	24 445	–	24 445
Interest paid on borrowings	–	(7 019)	(457)	(7 476)
<b>Non-cash flow movement</b>	319	16 178	607	17 104
Additions, modification, extension and termination of leases	–	9 478	–	9 478
Interest accrual	–	7 277	617	7 894
Fair value adjustments	319	–	–	319
Foreign exchange	–	(577)	(10)	(587)
<b>31 March 2025</b>	65	75 660	222	75 947

**Notes:**

- The 'Other liabilities' column mainly includes the movement of the interest payable to M-Pesa customers as well as interest accrued and paid on bank overdrafts.
- Included in borrowings repaid and borrowings incurred in the statement of cash flows are cash outflows and cash inflows of R6 505 million (2024: R12 980 million) and R6 014 million (2024: R12 271 million) respectively relating to cash movements on committed borrowing facilities of Vodafone Egypt.

Rm	2026	2025
<b>24 Cash and cash equivalents</b>		
Bank and cash balances	31 209	25 699
Bank overdraft <sup>1</sup>	(1 373)	(2 088)
	<b>29 836</b>	<b>23 611</b>

The carrying amount of cash and cash equivalents normally approximates its fair value due to short-term maturity.

**Note:**

1. Bank overdrafts, excluding those classified as finance activities in the statement of cash flows, are regarded as part of the Group's integral cash.

Rm	2026	2025
<b>25 Commitments</b>		
<b>25.1 Capital commitments</b>		
Capital expenditure contracted for but not yet incurred	5 342	3 674

Capital commitments for property, plant and equipment and computer software will be financed through internal cash generation and bank funding.

Rm	2026	2025
<b>25.2 Lease commitments</b>		
Future payments on leases committed but not yet commenced	2 248	2 766

## 26 Contingent liabilities and legal proceedings

### 26.1 Tax matters

The Group is regularly subject to an evaluation by tax authorities of its direct and indirect tax filings, the most significant of which are capital allowances, withholding taxes, customs duty and transfer pricing in certain jurisdictions. The consequence of such reviews is that disputes may arise with tax authorities over the interpretation or application of certain tax rules to the Group's business. The tax laws are in some instances ambiguous and subject to a broad range of interpretations. To address and manage this tax uncertainty, good governance is fundamental to the Group's business sustainability. All major tax positions taken are subject to review by executive management and are reported to the Board. The Group has support from external advisors with regards to the positions taken in respect of the significant tax matters which confirms the application and interpretation of the tax legislation. The Group has considered all matters in dispute with the relevant tax authorities and has accounted for any exposure identified, if required. The Group has not disclosed all the details in respect of the open tax disputes as these matters are still under the dispute resolution process. These disputes may not necessarily be resolved in a manner that is favourable to the Group.

### 26.2 Legal matters

The Group is currently involved in various legal disputes across its different jurisdictions and has, in consultation with its legal advisors, assessed the possible outcomes and has determined that adequate provision has been made in respect of all these cases as at 31 March 2026.

## 27 Events after the reporting period

The Board is not aware of any matter or circumstance arising since the end of the reporting period, not otherwise dealt with herein, which significantly affects the financial position of the Group or the results of its operations or cash flows for the period, other than the following:

### 27.1 Dividend declared after the reporting period and not recognised as a liability

A final dividend of R8 415 million (405 cents per ordinary share) for the year ended 31 March 2026, was declared on 8 May 2026, payable on 22 June 2026 to shareholders recorded in the register at the close of business on 19 June 2026. The net dividend after taking into account dividend withholding tax for those shareholders not exempt from dividend withholding tax is 324.00000 cents per share.

### 27.2 Hero Telecoms (Pty) Limited (Herotel)

On 14 May 2026, ICASA approved the transfer of Herotel's licence to Maziv's subsidiary, Vumatel. This followed the Competition Tribunal's conditional approval of the transaction on 22 December 2025. As a result, the transaction became effective after the reporting date. The Group is expected to contribute at least R0.8 billion to Maziv, subject to the outcome of a fair value assessment and in line with its 30% shareholding.



## 28 Interest in subsidiaries

Information disclosed below are for subsidiaries of the Group that have material non-controlling interests. The information is based on amounts including inter-company balances.

Name of material subsidiary	Country of incorporation or registration	Percentage shareholding	
		2026	2025
Vodafone Egypt Telecommunications S.A.E. (Vodafone Egypt)	The Arab Republic of Egypt	55.0	55.0
Vodacom Tanzania Public Limited Company and its subsidiaries (Vodacom Tanzania)	The United Republic of Tanzania	75.0	75.0
Vodacom Congo (RDC) SA and its subsidiaries (Vodacom Congo)	The Democratic Republic of the Congo	51.0	51.0
Vodacom Moçambique, S.A and its subsidiaries (Vodacom Mozambique)	The Republic of Mozambique	85.0	85.0
Vodacom Lesotho (Pty) Limited and its subsidiaries (Vodacom Lesotho)	The Kingdom of Lesotho	80.0	80.0

There are no restrictions on any of the subsidiaries ability to access or use assets, and settle liabilities of the Group.

Rm	Vodafone Egypt		Vodacom Tanzania		Vodacom Congo		Vodacom Mozambique		Vodacom Lesotho	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
<b>Statement of financial position</b>										
Non-current assets	23 370	17 532	11 331	10 829	12 815	13 306	6 845	7 122	1 079	1 091
Current assets	19 161	12 642	11 759	9 666	10 309	7 413	5 050	5 857	1 358	1 022
<b>Total assets</b>	<b>42 531</b>	<b>30 174</b>	<b>23 090</b>	<b>20 495</b>	<b>23 124</b>	<b>20 719</b>	<b>11 895</b>	<b>12 979</b>	<b>2 437</b>	<b>2 113</b>
Equity attributable to owners of the parent	(11 105)	(7 439)	(4 849)	(4 781)	6 197	6 687	(4 423)	(4 967)	(942)	(866)
Non-controlling interests <sup>1</sup>	(9 106)	(6 105)	(1 605)	(1 582)	3 902	4 374	(823)	(919)	(236)	(217)
Non-current liabilities	(4 952)	(3 625)	(4 416)	(4 421)	(8 390)	(5 515)	(2 109)	(1 482)	(49)	(95)
Current liabilities	(17 368)	(13 005)	(12 220)	(9 711)	(24 833)	(26 265)	(4 540)	(5 611)	(1 210)	(935)
<b>Total equity and liabilities</b>	<b>(42 531)</b>	<b>(30 174)</b>	<b>(23 090)</b>	<b>(20 495)</b>	<b>(23 124)</b>	<b>(20 719)</b>	<b>(11 895)</b>	<b>(12 979)</b>	<b>(2 437)</b>	<b>(2 113)</b>
<b>Income statement</b>										
Revenue	41 358	30 751	12 754	10 719	14 108	13 039	5 524	5 902	1 640	1 467
Net profit/(loss) attributable to equity shareholders	6 411	4 278	503	518	135	(802)	(200)	42	214	142
Net profit/(loss) attributable to non-controlling interests	5 241	3 497	168	173	130	(771)	(35)	7	53	35
<b>Net profit/(loss) and total comprehensive (loss)/income</b>	<b>11 652</b>	<b>7 775</b>	<b>671</b>	<b>691</b>	<b>265</b>	<b>(1 573)</b>	<b>(235)</b>	<b>49</b>	<b>267</b>	<b>177</b>
<b>Statement of cash flows</b>										
Net cash flows from operating activities	17 098	11 226	6 113	4 617	5 850	5 225	1 809	2 371	710	563
Net cash flows utilised in investing activities	(5 791)	(6 951)	(3 659)	(2 689)	(3 753)	(3 138)	(1 653)	(1 760)	(468)	(340)
Net cash flows utilised in financing activities	(3 404)	(1 216)	(2 015)	(1 346)	(343)	(1 982)	(851)	(345)	(200)	(174)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>7 903</b>	<b>3 059</b>	<b>439</b>	<b>582</b>	<b>1 754</b>	<b>105</b>	<b>(695)</b>	<b>266</b>	<b>42</b>	<b>49</b>

**Note:**

1. Dividends paid to non-controlling interest amounted to R886 million (2025: R1 316 million) for Vodafone Egypt; R80 million (2025: R43 million) for Vodacom Tanzania; Rnil million (2025: R78 million) for Vodacom Mozambique; and R34 million (2025: R30 million) for Vodacom Lesotho.

## 29 Related parties

The Group's related parties are its parent, fellow subsidiaries of the Vodafone Group Plc, joint ventures, associates, pension schemes (Note 21) and key management including directors (Note 29.3).

Rm	2026	2025
<b>29.1 Balances with related parties</b>		
Fellow subsidiaries of the Vodafone Group Plc		
Accounts receivable	120	288
Accounts payable	(1 437)	(1 981)
Borrowings		
Vodafone Investments Luxembourg s.a.r.l. (Note 19) – Fellow subsidiary of Vodafone Group Plc	(30 184)	(32 269)
Associates of Vodacom Group Limited		
Accounts receivable	41	34
Accounts payable	(16)	(34)
<b>29.2 Transactions with related parties</b>		
Fellow subsidiaries of Vodafone Group Plc	(15 118)	(13 866)
Revenue	580	492
Direct expenses	(259)	(91)
Other operating expenses <sup>1</sup>	(3 772)	(3 324)
Finance costs	(2 672)	(3 233)
Dividends declared	(8 995)	(7 710)
Transactions with entities in which related parties have an interest	(6)	(6)
Associates of Vodacom Group Limited	3 124	2 731
Revenue	51	51
Dividends received	3 117	2 718
Direct expenses	(44)	(38)

**Note:**

1. Includes cost relating to brand fees, marketing, insurance, secondment fees, software and head office charges.



29.  
29.3

Rm	2026	2025
<b>Related parties continued</b>		
<b>Directors' remuneration</b>		
Directors		
Executive directors	(145)	(131)
Short-term employee benefits	(76)	(66)
Post-employment benefits <sup>2</sup>	(3)	(3)
Share-based payments	(66)	(62)
Non-executive directors	(16)	(15)
Directors' fees	(16)	(15)
<b>Directors' remuneration payable by the Group</b>	<b>(161)</b>	<b>(146)</b>
Short-term incentives under provided by the Group	8	5
Directors' remuneration incurred by Vodafone Group Plc <sup>1</sup>	(10)	(11)
	<b>(163)</b>	<b>(152)</b>

**Notes:**

1. Includes long-term employee benefits provided for MS Aziz Joosub: R6 million (2025: R7 million) and RK Morathi: R4 million (2025: R4 million).
2. The short-term employee benefits of the prior year have been adjusted to include personal security benefits in accordance with a tax ruling that was received during the current financial year.

Included in the aggregate remuneration above are the following individual remuneration payable by the Group (further details can be found in the remuneration report):

R	Directors' fee	Salary	Retirements contributions	Expense allowances <sup>1</sup>	Short-term incentives (STI) <sup>2</sup>	Remuneration report	Long-term incentives (non-market condition) and other	Total
<b>2026</b>								
<b>Executive directors</b>								
MS Aziz Joosub	–	18 036 762	1 358 628	7 742 922	26 931 084	54 069 396	32 928 970	86 998 366
RK Morathi	–	10 173 482	1 759 158	855 963	12 426 623	25 215 226	15 417 492	40 632 718
<b>Non-executive directors</b>								
SJ Macozoma <sup>®</sup>	4 132 677	–	–	–	–	4 132 677	–	4 132 677
F Bianco*	316 819	–	–	–	–	316 819	–	316 819
SG Kamath*	638 397	–	–	–	–	638 397	–	638 397
P Klotz*	808 557	–	–	–	–	808 557	–	808 557
JEP Ludlow*	534 948	–	–	–	–	534 948	–	534 948
P Mahanyele-Dabengwa <sup>®</sup>	1 247 474	–	–	–	–	1 247 474	–	1 247 474
NC Nqweni <sup>®</sup>	1 140 045	–	–	–	–	1 140 045	–	1 140 045
JWL Otty*	978 716	–	–	–	–	978 716	–	978 716
JH Reiter*	978 716	–	–	–	–	978 716	–	978 716
KL Shuenyane <sup>®</sup>	1 977 077	–	–	–	–	1 977 077	–	1 977 077
CB Thomson <sup>®</sup>	1 593 195	–	–	–	–	1 593 195	–	1 593 195
LS Wood*	1 177 234	–	–	–	–	1 177 234	–	1 177 234
	<b>15 523 855</b>	<b>28 210 244</b>	<b>3 117 786</b>	<b>8 598 885</b>	<b>39 357 707</b>	<b>94 808 477</b>	<b>48 346 462</b>	<b>143 154 939</b>

**Notes:**

\* Fees paid to Vodafone and not the individual director.

<sup>®</sup> All inclusive fee and excludes VAT.

1. Includes personal security benefits, including vehicle depreciation, and mobile phone benefits.
2. STI payable in June 2026, for the year ended 31 March 2026.

Not included in the table above, are long-term incentives with market conditions which are fair valued at grant date and expensed whether they ultimately vest or not. The total current year expense, relating to market conditions for all unvested awards amount to R13.0 million (2025: R16.1 million) and R5.0 million (2025 R6.2 million) respectively for MS Aziz Joosub and RK Morathi, for which there is a possibility that none of the shares will vest in the director.

**29 Related parties continued****29.3 Directors' remuneration continued**

Included in the aggregate remuneration above are the following individual remuneration payable by the Group (further details can be found in the remuneration report):

R	Directors' fee	Salary	Retirements contributions	Expense allowances <sup>1</sup>	Short-term incentives (STI) <sup>2</sup>	Remuneration report	Long-term incentives (non-market condition) and other <sup>4</sup>	Total
<b>2025</b>								
<b>Executive directors</b>								
MS Aziz Joosub	–	17 135 177	1 294 631	7 316 723	21 461 114	47 207 645	28 822 070	76 029 715
RK Morathi	–	9 664 077	1 674 508	1 045 348	8 912 388	21 296 321	11 590 896	32 887 217
<b>Non-executive directors</b>								
SJ Macozoma <sup>@</sup>	3 923 905	–	–	–	–	3 923 905	–	3 923 905
F Bianco*	943 726	–	–	–	–	943 726	–	943 726
SG Kamath*	593 674	–	–	–	–	593 674	–	593 674
P Klotz*	755 237	–	–	–	–	755 237	–	755 237
P Mahanyele-Dabengwa <sup>@</sup>	1 117 258	–	–	–	–	1 117 258	–	1 117 258
NC Nqweni <sup>@</sup>	1 015 257	–	–	–	–	1 015 257	–	1 015 257
JWL Otty*	916 800	–	–	–	–	916 800	–	916 800
JH Reiter*	916 800	–	–	–	–	916 800	–	916 800
KL Shuenyane <sup>@</sup>	1 877 200	–	–	–	–	1 877 200	–	1 877 200
CB Thomson <sup>@</sup>	1 420 765	–	–	–	–	1 420 765	–	1 420 765
LS Wood*	1 105 290	–	–	–	–	1 105 290	–	1 105 290
	14 585 912	26 799 254	2 969 139	8 362 071	30 373 502	83 089 878	40 412 966	123 502 844

**Notes:**

\* Fees paid to Vodafone and not the individual director.

<sup>@</sup> All inclusive fee and excludes VAT.

1. Previously included mobile phone benefit and long service awards. The expense allowance for 2025 has been updated to now also include personal security benefits in accordance with a tax ruling that was received during the current financial year.

2. STI payable in June 2025, for the year ended 31 March 2025.

Not included in the table above, are long-term incentives with market conditions which are fair valued at grant date and expensed whether they ultimately vest or not. The achievement for the market condition was 0% for the 2021 and 2022 awards. This resulted in R5.8 million and R1.7 million being expensed respectively for MS Aziz Joosub and RK Morathi in the current financial year despite shares not accruing to the directors. The total current year expense, relating to market conditions for all unvested awards amount to R16.1 million and R6.2 million respectively for MS Aziz Joosub and RK Morathi, for which there is a possibility that none of the shares will vest in the director.

Rm	2026	2025
<b>30 Financial instruments and risk management</b>		
<b>30.1 Net losses on financial instruments</b>		
Net losses on financial instruments analysed by category, are as follows:		
Financial assets and liabilities at fair value through profit or loss	(156)	(168)
Financial assets and liabilities measured at amortised cost	(4 068)	(4 629)
	(4 224)	(4 797)

**30 Financial instruments and risk management continued****30.2 Carrying amounts of financial instruments and fair value hierarchy**

Valuation basis of financial instruments measured at fair value	Assets					Liabilities		Total carrying amount
	Financial assets measured at amortised cost	Financial assets at fair value through profit or loss	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial liabilities measured at amortised cost	Financial liabilities at fair value through profit or loss		
		Level one <sup>1</sup>	Level two <sup>2</sup>	Level two <sup>2</sup>		Level two <sup>2</sup>		
Carrying amounts of financial instruments analysed by category, are as follows:								
<b>2026</b>	<b>Notes</b>							
Trade and other receivables <sup>3</sup>	13	20 146	–	–	–	–	–	20 146
Contract assets	13	5 921	–	–	–	–	–	5 921
Financial assets measured at amortised cost	11.1	1 285	–	–	–	–	–	1 285
Mobile financial deposits	15	17 390	–	–	–	–	–	17 390
Cash and cash equivalents	24	31 209	–	–	–	–	–	31 209
Finance receivables carried at amortised cost	13	105	–	–	–	–	–	105
Receivable from associate	13	42	–	–	–	–	–	42
Financial assets at fair value through profit or loss	11.2	–	585	–	–	–	–	585
Finance receivables <sup>4</sup>	14	–	–	–	6 435	–	–	6 435
Derivative financial assets <sup>5</sup>	13	–	–	77	–	–	–	77
		<b>76 098</b>	<b>585</b>	<b>77</b>	<b>6 435</b>	–	–	<b>83 195</b>
Mobile financial payables	15	–	–	–	–	(17 390)	–	(17 390)
Trade and other payables <sup>3</sup>	20	–	–	–	–	(38 566)	–	(38 566)
Borrowings excluding leases	19	–	–	–	–	(70 791)	–	(70 791)
Bank overdraft	24	–	–	–	–	(1 373)	–	(1 373)
Derivative financial liabilities <sup>5</sup>	20	–	–	–	–	–	(15)	(15)
		–	–	–	–	<b>(128 120)</b>	<b>(15)</b>	<b>(128 135)</b>
<b>2025</b>								–
Trade and other receivables <sup>3</sup>	13	19 561	–	–	–	–	–	19 561
Contract assets	13	5 828	–	–	–	–	–	5 828
Financial assets measured at amortised cost	11.1	1 303	–	–	–	–	–	1 303
Mobile financial deposits	15	13 732	–	–	–	–	–	13 732
Cash and cash equivalents	24	25 699	–	–	–	–	–	25 699
Finance receivables carried at amortised cost	13	61	–	–	–	–	–	61
Receivable from associate	13	34	–	–	–	–	–	34
Financial assets at fair value through profit or loss	11.2	–	546	–	–	–	–	546
Finance receivables <sup>4</sup>	14	–	–	–	6 158	–	–	6 158
Derivative financial assets <sup>5</sup>	13	–	–	25	–	–	–	25
		<b>66 218</b>	<b>546</b>	<b>25</b>	<b>6 158</b>	–	–	<b>72 947</b>
Mobile financial payables	15	–	–	–	–	(13 732)	–	(13 732)
Trade and other payables <sup>3</sup>	20	–	–	–	–	(35 693)	–	(35 693)
Borrowings excluding leases	19	–	–	–	–	(56 389)	–	(56 389)
Bank overdraft	24	–	–	–	–	(2 088)	–	(2 088)
Derivative financial liabilities <sup>5</sup>	20	–	–	–	–	–	(65)	(65)
		–	–	–	–	<b>(107 902)</b>	<b>(65)</b>	<b>(107 967)</b>

**Notes:**

- Level one classification is used when the valuation is determined using quoted prices in an active market for identical assets or liabilities that the entity can access at the valuation date.
- Level two classification is used when valuation inputs used to determine fair value are observable for the asset/(liability), either directly as prices or indirectly when derived from prices.
- Only includes financial assets and liabilities.
- The Group provides financing to customers to acquire devices at an additional contractual charge which is included in finance receivables. The business model under IFRS 9 for finance receivables has been determined to be "hold to collect and sell". Finance receivables are valued using a market approach, with cash flows discounted at the 24-month weighted average credit risk adjusted risk free rate at which finance receivables are sold across multiple financial institutions.
- The fair value of foreign exchange forward contracts and firm commitment assets and liabilities are determined with reference to quoted market prices for similar instruments, being the mid forward rates and spot rates respectively, as at the reporting date.

**30 Financial instruments and risk management continued****30.4 Financial risk management**

The Group's normal operations, its sources of finance and changing market conditions expose it to various financial risks, which highlights the importance of financial risk management as an element of control. Principal financial risks faced by the Group are foreign currency, interest rate, equity price, credit, liquidity and insurance risk.

The Group's treasury function provides a centralised service to the Group for co-ordinating access to domestic and international financial markets and the managing of foreign currency, interest rate and liquidity risk. The aforementioned risks are managed, subject to the limitations of the local markets and the regulations of the Central Banks of the countries in which the various Group companies operate. Treasury operations are conducted within a framework of policies and guidelines authorised and reviewed annually by the Board.

Where natural hedges do not exist, the Group uses a number of derivative instruments that are transacted for foreign currency and interest rate risk management purposes only. There has been no significant change during the reporting period to the types of financial risks faced by the Group, the measures used to measure them or the objectives, policies and processes for managing them.

The Group has no significant obligation to repay any debt in the short to medium term. The Group continues to monitor its debt exposure between fixed and variable rates (Note 19), to ensure a balanced portfolio in an uncertain and volatile environment.

The Group looks to mitigate risk exposure as best possible and has implemented strategies in order to manage the impact of ratings downgrades through segmented propositions and micro bundles, more relevant data offerings to evolve with customer behaviour, using hedging instruments such as forward contracts, and continuously extending our debt maturity profile to alleviate refinancing and reallocation risk. The Group balances the debt structure between fixed and floating interest rates to protect against upward movement in rates but allowing for participation in downward movements and mitigates revaluation risk on foreign denominated debt by holding the majority of debt in each borrower's local currency.

**30.4.1 Market risk management**

The Group's activities expose it to the risks of fluctuations in foreign currency exchange rates (Note 30.4.1.1), interest rates (Note 30.4.1.2) and equity prices (Note 30.4.1.3).

Market risk exposures are measured using sensitivity analyses, which show how profit post tax and equity post tax would have been affected by changes in the relevant risk variable that were reasonably possible at the reporting date. Sensitivity analyses are for illustrative purposes only as, in practice, market rates rarely change in isolation. Details of changes in the methods and assumptions used in preparing the sensitivity analyses are disclosed in the respective sensitivity analyses.

**30.4.1.1 Foreign currency risk management**

Various monetary items exist in currencies other than the functional currencies of the entities within the Group. The tables below disclose the net currency exposure (net carrying amount of foreign-denominated monetary assets/(liabilities) expressed in the presentation currency of the Group) per functional currency. The Group is mainly exposed to the Euro and United States dollar and to a lesser extent to the Egyptian pound, Congolese franc, Pound sterling, Swiss franc, Australian dollar, Tanzanian shilling, Mozambican metical, Mauritian rupee, Lesotho maloti, Nigerian naira, Zambian kwacha, West African franc, Central African franc, Ghanaian cedi, Kenyan shilling and South African rand which are combined as Other.

Rm	United States dollar		
	Euro	dollar	Other
<b>2026</b>			
<b>Functional currency</b>			
South African rand	(643)	(1 341)	10
Egyptian pound	(335)	(3 203)	(3)
United States dollar	(804)	–	100
Tanzanian shilling	(169)	(146)	24
Mozambican metical	(13)	(67)	–
	<b>(1 964)</b>	<b>(4 757)</b>	<b>131</b>
<b>2025</b>			
<b>Functional currency</b>			
South African rand	(636)	(1 207)	7
Egyptian pound	517	(384)	(3)
United States dollar	(743)	–	(26)
Tanzanian shilling	(170)	(126)	(24)
Mozambican metical	(200)	(1 223)	(75)
	<b>(1 232)</b>	<b>(2 940)</b>	<b>(121)</b>



**30 Financial instruments and risk management continued****30.4 Financial risk management continued****30.4.1 Market risk management continued****30.4.1.1 Foreign currency risk management continued**

The Group's South African operations manages its exposure to fluctuations in foreign currency exchange rates by entering into foreign exchange forward contracts for foreign-denominated transactions. The contracts are entered into to buy and/or sell specified amounts of various foreign currencies in the future at predetermined exchange rates, primarily for the purchase of capital equipment, inventory and to a lesser extent operating expenditure. The Group's policy is generally that entities within the Group borrow funds denominated in their respective functional currencies, however, in those instances where funds are borrowed in foreign-denominated currencies and a forward market exists, exposure to fluctuations in foreign currency exchange rates is managed by entering into foreign exchange forward contracts.

The tables below provide a currency split of the Group's net derivative financial assets and liabilities relating to material open foreign exchange forward contracts at the reporting date:

Rm	2026	2025
<b>Forward contracts to buy foreign currency</b>		
Euro <sup>1</sup>	3	2
Pound sterling <sup>2</sup>	–	–
United States dollar <sup>3</sup>	57	(21)
<b>Net derivative financial asset/(liability)</b>	<b>60</b>	<b>(19)</b>

**Notes:**

Foreign contract values amount to:

1. €85 million (2025: €45million) at an average forward price of R19.94 (2025: R19.90).
2. £nil million (2025: £1 million) at an average forward price of R22.70 (2025: R23.45).
3. US\$128 million (2025: US\$137 million) at an average forward price of R16.60 (2025: R18.64).

Rm	2026	2025
<b>Forward contracts to sell foreign currency</b>		
Euro <sup>1</sup>	–	(1)
United States dollar <sup>2</sup>	–	(6)
Kenyan shilling <sup>3</sup>	–	(7)
<b>Net derivative financial liability</b>	<b>–</b>	<b>(14)</b>

**Notes:**

Foreign contract values amount to:

1. €nil million (2025: €1.6 million) at an average forward price of Rnil (2025: R19.63).
2. US\$2 million (2025: US\$36 million) at an average forward price of R16.92 (2025 R18.44).
3. KES nil million (2025: KES 6 930 million) at an average forward price of Rnil (2025 R0.14).

Of the R60 million net asset (2025: R33 million net liability), R72 million (2025: R24 million) is reported in trade and other receivables and R12 million (2025: R57 million) in trade and other payables.

**30 Financial instruments and risk management continued****30.4 Financial risk management continued****30.4.1 Market risk management continued****30.4.1.1 Foreign currency risk management continued****Foreign currency sensitivity analysis**

The analysis below, expressed in the Group's presentation currency, discloses the Group's sensitivity to the specified percentage change in the material functional currencies against the relevant foreign currencies exposed to. Management's assessment of a reasonable possible change in prevailing non-African and African foreign currency exchange rates is based on estimated interest rate differentials.

The analysis includes outstanding foreign-denominated monetary items only and adjusts their translations, at the reporting date, to the relevant functional currencies with the specified percentage change.

A positive number indicates an increase and a negative number a decrease in profit post tax, where the functional currencies are expected to strengthen against the relevant foreign currencies. For the same percentage weakening the impact would be equal and opposite.

	Euro	United States dollar	Other
<b>2026</b>			
<b>Functional currency</b>			
South African rand (%)	6.9	4.4	0.1 - 7.0
Egyptian pound (%)	0.6	3.0	4.2 - 7.6
United States dollar (%)	2.4	-	1.1 - 4.4
Tanzanian shilling (%)	7.0	4.4	0.1 - 7.6
Mozambican metical (%)	3.6	1.1	3.1 - 4.2
<b>Profit post tax (Rm)</b>	<b>739.5</b>	<b>83.3</b>	<b>(8.2)</b>
<b>2025</b>			
<b>Functional currency</b>			
South African rand (%)	1.6	0.2	1.6 - 12.4
Egyptian pound (%)	11.7	9.7	0.7 - 9.9
United States dollar (%)	1.8	-	0.2 - 10.4
Tanzanian shilling (%)	12.4	10.4	0.6 - 10.6
Mozambican metical (%)	5.7	3.8	4.0 - 6.4
<b>Profit post tax (Rm)</b>	<b>(24.5)</b>	<b>68.1</b>	<b>74.5</b>

Closing exchange rates used at the reporting date are as follows:

	Euro	United States dollar	Pound sterling
<b>2026</b>			
<b>Functional currency</b>			
South African rand	19.7	17.1	22.6
Egyptian pound	62.9	54.6	72.0
United States dollar	1.2	-	1.3
Tanzanian shilling	2 990.0	2 595.0	3 422.2
Mozambican metical	73.6	63.9	84.3
<b>2025</b>			
<b>Functional currency</b>			
South African rand	19.9	18.4	23.7
Egyptian pound	54.6	50.6	65.3
United States dollar	1.1	-	1.3
Tanzanian shilling	2 886.8	2 672.5	3 449.7
Mozambican metical	69.0	63.9	82.5

**30 Financial instruments and risk management continued****30.4 Financial risk management continued****30.4.1 Market risk management continued****30.4.1.2 Interest rate risk management**

The Group is exposed to fair value and cash flow interest rate risk as a result of its fixed and floating rate loans receivable, borrowings, finance receivables, and bank balances. The Group's interest rate profile can be summarised as follows:

Rm	2026	2025
<b>Financial assets</b>		
Fixed rate financial assets	19 417	17 013
Floating rate financial assets	20 381	30 282
	<b>39 798</b>	47 295
<b>Financial liabilities</b>		
Fixed rate financial liabilities	(22 086)	(25 507)
Floating rate financial liabilities	(72 165)	(50 152)
	<b>(94 251)</b>	(75 659)

Included in the fixed rate financial assets above is mobile financial deposits relating to M-Pesa customers for which the Group has an obligation to pay the interest earned on the deposit to the M-Pesa customer, after deducting expenses. The interest payable is included in the fixed rate financial liabilities.

The floating rates which the Group is exposed to, are the South African prime, Jibar, South African money market, SOFR, Lesotho prime, Democratic Republic of Congo Central Bank lending rate and Tanzanian reference treasury bill rates.

The Group continues to monitor developments related to interest rate benchmark reform, particularly with regard to its JIBAR-linked exposures, as announced by relevant financial authorities.

The Group's policy is to maintain an appropriate mix between fixed and floating rate instruments. The Group specifically manages its exposure to interest rate risk relating to interest bearing borrowings through a target ratio of fixed and variable rate borrowings. The Group is targeting to balance the debt structure between fixed and floating interest rates to protect against upward movements in rates but allowing for participation in downward movements. To achieve this ratio, the Group may borrow at fixed rates or enter into approved derivative financial instruments.

**Interest rate sensitivity analysis**

The analysis below, expressed in the Group's presentation currency, discloses the Group's sensitivity to the specified basis point change in the market interest rates exposed to. Management's assessment of a reasonable possible change in market interest rates are based on economic forecasts as published by Bloomberg.

The analysis includes both derivative and non-derivative instruments at the reporting date and in the case of floating rate instruments, the analysis is prepared assuming the amount outstanding at the reporting date was outstanding for the whole year.

A negative number indicates a decrease in profit post tax if interest rates were higher by the specified basis points. If interest rates were lower by the specified basis points, the impact would be equal and opposite. There would be no material impact on equity.

	2026	2025
<b>South African prime, Jibar and South African money market rates</b>		
Basis point increase	25	50
<b>Profit post tax (Rm)</b>	<b>(100)</b>	(83)

A reasonable possible change in the remaining interest rates exposed to, being Jibar, SOFR, Lesotho prime, Democratic Republic of Congo Central Bank lending rate and Tanzanian reference treasury bill rates, would have no material impact on profit post tax.

**30.4.1.3 Equity price risk**

The Group is only exposed to equity price risk to a very small extent and therefore a reasonable possible change in equity prices will not have a material impact on profit post tax.

**30 Financial instruments and risk management continued****30.4 Financial risk management continued****30.4.2 Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The carrying amounts of financial assets, which are net of impairment losses, represent the Group's maximum exposure to credit risk, with the exception of financial guarantees granted where the amount the Group could be required to pay or fund, if called on, represents the Group's maximum exposure. The Group considers its maximum exposure per geographical class, without taking into account any collateral and financial guarantees, to be as follows:

Rm	Credit risk exposure	Non-South African					
		South Africa		Egypt		Other international markets	
		2026	2025	2026	2025	2026	2025
Finance receivables	Limited credit risk*	6 435	6 158	–	–	–	–
Trade receivable	Note 13	13 090	12 085	4 405	4 359	1 181	1 210
Other receivables	Limited credit risk**	1 961	1 463	244	139	299	441
Contract assets	Note 13	5 500	5 454	67	34	354	340
Mobile financial deposits	Limited credit risk*	52	53	–	–	17 338	13 679
Restricted cash	Limited credit risk*	–	–	–	–	950	967
Cash and cash balances	Limited credit risk*	7 577	10 876	12 826	6 652	10 806	8 171
Loans receivable	Limited credit risk*	128	76	–	–	207	260
Derivative financial instruments	Limited credit risk*	77	25	–	–	–	–
<b>Total</b>		<b>34 820</b>	<b>36 190</b>	<b>17 542</b>	<b>11 184</b>	<b>31 135</b>	<b>25 068</b>

**Notes:**

\* Credit risk is limited for loans receivable due to collateral held and for finance receivables, cash and cash equivalents, mobile financial deposits and restricted cash as they are placed with reputable financial institutions. Credit risk relating to investments and derivatives is minimised by limiting the counterparties to major local and international banks, which are closely monitored, and the Group does not expect to incur any losses as a result of non-performance by these counterparties.

\*\* Credit risk is limited for other receivable as the Group does not expect to incur any losses as a result of non-performance by these counterparties.

The Group generally transacts with counterparties rated the equivalent of investment grade and above. This information is supplied by independent rating agencies or credit bureaus, where available. If not available, other publicly available financial information, the financial standing of counterparties, the Group's own trading records or the Group's internal grading system is used for rating the credit quality of counterparties. Contractual arrangements are entered into with network operator customers as determined by regulatory requirements and industry norms. Credit exposure is further controlled by defining credit limits per counterparty which are reviewed and approved by the credit risk department. The Group's exposure and credit ratings of counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. In determining the recoverability of trade receivables, the Group considers changes in credit quality.

The Group consider customers to be in default when the receivable is more than 90 days past due or the customer has failed to honour a repayment arrangement. The default policy and terms are determined by guidance from our credit collection policies and actual customer payment behaviour.

The Group's largest customer, represents 10.2% (2025: 6.8%) of the total trade receivable balance. With the exception of the aforementioned, the credit risk for trade receivables is generally limited due to the customer base being large and unrelated in conjunction with stringent credit approval processes.

The Group has financial assets classified and measured at amortised cost and fair value through other comprehensive income that are subject to the expected credit loss model requirements of IFRS 9.



**30 Financial instruments and risk management continued****30.4 Financial risk management continued****30.4.2 Credit risk continued****Expected credit loss****30.4.2.1 Trade receivables and contract assets**

Customer credit risk is managed by the Group's business units which each have policies, procedures and controls in place relating to customer credit risk management.

Outstanding trade receivables and contract assets are regularly reviewed to monitor any changes in credit risk with concentrations of credit risk considered to be limited given that the Group's customer base is large and unrelated.

**Simplified approach**

The Group applies the simplified approach and records lifetime expected credit losses for trade receivables and contract assets. The expected credit loss model measures the expected credit loss allowance on a customer segment basis which are compiled based on various product and/or customer types using historical cash collection data for periods of at least 24 months wherever possible. The historical loss rates are adjusted to reflect forward-looking information.

**Provision matrix**

For trade receivables the expected credit loss provision is calculated using a provision matrix. ECLs are calculated by applying a loss ratio to the aged balance of trade receivables at each reporting date. The loss ratio is calculated according to the ageing/payment profile of sales by applying historical/proxy write-offs to the payment profile of the sales population. In instances where there was no evidence of historical write offs management used a proxy write-off.

**Forward-looking information consideration**

Historical credit loss rates are adjusted by a forward-looking estimate when there is reason to believe that forward-looking information will have a significant impact. Where relevant forward-looking information can be based on the future projections of macro economics and other available market information, for example changes in interest rates or unemployment rates, or other commercial factors which are expected to have a significant impact when determining future expected credit loss rates. None of the forward-looking information applied by the markets within the expected credit loss models during the current and prior financial period had a material impact on the measurement of the expected credit loss allowances.

Trade receivables and contract assets are written off when each business unit determines there to be no reasonable expectation of recovery and enforcement activity has ceased.

Movements in the allowance for expected credit losses during the year were as follows:

Rm	Trade receivables held at amortised cost		Contract assets	
	2026	2025	2026	2025
1 April	(2 378)	(1 750)	(78)	(259)
Foreign currency translation differences	134	73	1	–
Net charged to the profit or loss	(1 391)	(1 863)	(30)	(9)
Utilised	862	1 162	1	190
<b>31 March</b>	<b>(2 773)</b>	<b>(2 378)</b>	<b>(106)</b>	<b>(78)</b>

Expected credit losses are presented as net credit losses on financial assets within operating profit and subsequent recoveries of amounts previously written off are credited against the same line item.

The average legally agreed credit period on trade receivables is between 0 and 60 days, for all reporting periods, for the South African operations and between 30 and 54 days, for all reporting periods, for the non-South African operations.

The Group holds collateral to the value of R6 106 million (2025: R4 893 million) over certain trade receivables to the gross carrying value of R5 029 million (2025: R2 134 million), which is made up of demand guarantees from financial institutions, exercisable on overdue invoices. The Group did not recognise ECLs on these trade receivables.

As part of the Group's ongoing credit risk management, management frequently assess on a holistic and granular level whether there is any significant changes in the gross carrying amount of financial instruments and their related ECL per risk grading.

The increase in the Group's credit losses allowances is mainly driven by specific debtor provisioning on certain corporate accounts, an increase in customer churn, economic factors leading to consumer pressure, as well as new product launches with high associated credit risk. The Group concluded that other than above mentioned there were no other significant changes that had a material impact on credit risk.

**30 Financial instruments and risk management continued**

**30.4 Financial risk management continued**

**30.4.2 Credit risk continued**

**30.4.2.1 Trade receivables and contract assets continued**

Set out below is the information, per credit rating grades, for the credit risk exposure on the Group's trade receivables and contract assets using a provision matrix:

Rm	South Africa							
	Trade receivables							
	2026				2025			
	Average expected credit loss rate	Gross carrying amount	Expected credit loss allowance	Net carrying amount	Average expected credit loss rate	Gross carrying amount	Expected credit loss allowance	Net carrying amount
Due but not past due	1.2 %	10 674	(123)	10 551	0.9 %	9 352	(80)	9 272
Past due								
<30 days	6.9 %	472	(33)	439	5.5 %	607	(33)	574
30 - 60 days	20.4 %	213	(43)	170	13.6 %	319	(43)	276
61 - 180 days	26.6 %	589	(157)	432	26.1 %	735	(192)	543
+180 days	34.7 %	2 294	(796)	1 498	26.5 %	1 932	(512)	1 420
<b>Total</b>		<b>14 242</b>	<b>(1 152)</b>	<b>13 090</b>		<b>12 945</b>	<b>(860)</b>	<b>12 085</b>

Rm	Contract assets							
	2026				2025			
	Average expected credit loss rate	Gross carrying amount	Expected credit loss allowance	Net carrying amount	Average expected credit loss rate	Gross carrying amount	Expected credit loss allowance	Net carrying amount
Due but not past due	1.6 %	5 588	(88)	5 500	1.3 %	5 525	(71)	5 454

Rm	International market – Egypt							
	Trade receivables							
	2026				2025			
	Average expected credit loss rate	Gross carrying amount	Expected credit loss allowance	Net carrying amount	Average expected credit loss rate	Gross carrying amount	Expected credit loss allowance	Net carrying amount
Due but not past due	1.3 %	3 174	(43)	3 131	1.8 %	3 805	(69)	3 736
Past due								
<30 days	5.0 %	367	(18)	349	5.3 %	209	(11)	198
30 - 60 days	8.9 %	185	(17)	168	15.8 %	138	(22)	116
61- 180 days	19.7 %	518	(102)	416	32.1 %	218	(70)	148
+ 180 days	60.7 %	866	(525)	341	67.8 %	501	(340)	161
<b>Total</b>		<b>5 110</b>	<b>(705)</b>	<b>4 405</b>		<b>4 871</b>	<b>(512)</b>	<b>4 359</b>

Rm	Contract assets							
	2026				2025			
	Average expected credit loss rate	Gross carrying amount	Expected credit loss allowance	Net carrying amount	Average expected credit loss rate	Gross carrying amount	Expected credit loss allowance	Net carrying amount
Due but not past due	1.5 %	68	(1)	67	8.8 %	37	(3)	34

**30 Financial instruments and risk management** continued**30.4 Financial risk management** continued**30.4.2 Credit risk** continued**30.4.2.1 Trade receivables and contract assets** continued

	Other international markets							
	Trade receivables							
	2026				2025			
	Average expected credit loss rate	Gross carrying amount	Expected credit loss allowance	Net carrying amount	Average expected credit loss rate	Gross carrying amount	Expected credit loss allowance	Net carrying amount
Due but not past due	6.2 %	700	(44)	656	8.7 %	727	(63)	664
Past due								
<30 days	23.7 %	132	(31)	101	38.6 %	58	(22)	36
30 - 60 days	17.6 %	223	(39)	184	18.2 %	147	(27)	120
61-180 days	55.0 %	257	(141)	116	62.4 %	159	(99)	60
+ 180 days	84.2 %	786	(662)	124	70.6 %	1 124	(794)	330
<b>Total</b>		<b>2 098</b>	<b>(917)</b>	<b>1 181</b>		<b>2 215</b>	<b>(1 005)</b>	<b>1 210</b>

	Contract assets							
	Contract assets							
	2026				2025			
	Average expected credit loss rate	Gross carrying amount	Expected credit loss allowance	Net carrying amount	Average expected credit loss rate	Gross carrying amount	Expected credit loss allowance	Net carrying amount
Due but not past due	4.3 %	370	(16)	354	1.2 %	344	(4)	340

**30.4.3 Liquidity risk management**

The tables below disclose the maturity profile of the Group's non-derivative financial liabilities and those financial assets used for managing liquidity risk. The amounts disclosed are the future undiscounted contractual cash (outflows)/inflows and therefore differ from both the carrying amount and the fair value. The tables have been drawn up based on the earliest date on which the Group can be required to settle or can require settlement and include both estimated interest and principal cash flows. Estimated interest for floating interest rate financial liabilities is calculated with reference to the applicable zero coupon yield curves, at the reporting date, as published by Bloomberg. The Yebo Yethu Class A preferences shares are not included in the liquidity table below as the contractual payments during the funding term is dependent on available cash resources and subject to interest roll up of a maximum of 135%. The ultimate maturity of the A preferences shares is 31 August 2028. The syndicated debt incurred during the year is not included in the table below.

Rm	0-1 year	2 years	3 years	4 years	5 years	5+ years	Total
<b>2026</b>							
<b>Financial liabilities</b>							
Interest bearing borrowings	(11 264)	(26 783)	(21 673)	(16 731)	(10 534)	(14 194)	(101 179)
Trade and other payables	(38 566)	–	–	–	–	–	(38 566)
Mobile financial payables	(17 390)	–	–	–	–	–	(17 390)
Bank overdraft	(1 373)	–	–	–	–	–	(1 373)
	<b>(68 593)</b>	<b>(26 783)</b>	<b>(21 673)</b>	<b>(16 731)</b>	<b>(10 534)</b>	<b>(14 194)</b>	<b>(158 508)</b>
<b>Financial assets</b>							
Trade and other receivables	20 146	–	–	–	–	–	20 146
Mobile financial deposits	17 390	–	–	–	–	–	17 390
Cash and cash equivalents	31 209	–	–	–	–	–	31 209
	<b>68 745</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>68 745</b>

**30 Financial instruments and risk management** continued**30.4 Financial risk management** continued**30.4.3 Liquidity risk management** continued

Rm	0-1 year	2 years	3 years	4 years	5 years	5+ years	Total
<b>2025</b>							
<b>Financial liabilities</b>							
Interest bearing borrowings	(16 075)	(9 590)	(24 224)	(17 754)	(15 628)	(11 204)	(94 475)
Trade and other payables	(35 693)	–	–	–	–	–	(35 693)
Mobile financial payables	(13 732)	–	–	–	–	–	(13 732)
Bank overdraft	(2 088)	–	–	–	–	–	(2 088)
	(67 588)	(9 590)	(24 224)	(17 754)	(15 628)	(11 204)	(145 988)
<b>Financial assets</b>							
Trade and other receivables	19 561	–	–	–	–	–	19 561
Mobile financial deposits	13 732	–	–	–	–	–	13 732
Cash and cash equivalents	25 699	–	–	–	–	–	25 699
	58 992	–	–	–	–	–	58 992

The tables below disclose the maturity profile of the Group's derivative financial assets and liabilities which include foreign exchange forward contracts. The amounts disclosed are the future undiscounted contractual cash (outflows)/inflows, however, for those derivative financial instruments for which gross settlement has been agreed, the cash outflows are matched in part by cash inflows, which are not reported in the tables below and if reported, the cash flows presented would be substantially lower.

Rm	0-1 year	2 years	3 years	4 years	5 years	Not determinable	Total
<b>2026</b>							
Net settled	(4)	–	–	–	–	–	(4)
Gross settled	(3 753)	–	–	–	–	–	(3 753)
	(3 757)	–	–	–	–	–	(3 757)
<b>2025</b>							
Net settled	(30)	–	–	–	–	–	(30)
Gross settled	(1 737)	–	–	–	–	–	(1 737)
	(1 767)	–	–	–	–	–	(1 767)

The Group ensures that adequate funds are available to meet its expected and unexpected financial commitments through undrawn borrowing facilities. At the reporting date the Group had undrawn rand-denominated borrowing facilities of R9 913 million (2025: R10 053 million) and undrawn foreign-denominated borrowing facilities as below available to manage its liquidity.

	2026		2025	
	Rm	Foreign currency million	Rm	Foreign currency million
Egyptian pound	3 225	10 282	4 497	12 364
United States dollar	1 770	104	820	45
Tanzanian shelling	–	–	516	75 000
Lesotho maloti	50	50	50	50
Mozambican metical	379	1 414	994	3 453

The Group uses bank facilities and the normal operating cycle to manage short-term liquidity. The Group raises funds in bank markets and via loan funding from Vodafone Investments Luxembourg s.a.r.l and ensures a reasonable balance is maintained between the period over which assets generate funds and the period over which the respective assets are funded to manage long-term liquidity. Liquidity on long-term borrowings is managed by maintaining a varied maturity profile thereby minimising refinancing risk.

**30 Financial instruments and risk management continued****30.4.4 Insurance risk management**

The Group is exposed to insurance risk as a result of its asset base as well as its customer commitments and value added services rendered. The Group is adequately covered in terms of its insurance risk profile. The annual financial statements of Vodacom Insurance Company (RF) Limited and Vodacom Life Assurance Company (RF) Limited are available at the registered office of the Group and contain further details of the value-added services and insurance risk.

**30.5 Capital risk management**

The Group finances its operations through a mixture of cash generated from operations, retained earnings, bank and other long-term borrowings. These borrowings together with surplus cash may be loaned internally or contributed as equity to certain subsidiaries.

The capital structure of the Group consists of net debt and equity. The Group manages its capital to ensure that entities within the Group will be able to continue as going concerns while maximising return to shareholders. Capital is monitored on the basis of net debt to EBITDA.

Net debt comprises interest bearing borrowings, non-interest bearing borrowings, derivative financial instruments, bank and cash balances, bank overdrafts and financial guarantees.

EBITDA is operating profit excluding depreciation, amortisation and gains/losses on disposal of owned assets and excluding share of results of equity accounted associates and joint ventures, impairment losses, restructuring costs arising from discrete restructuring plans, other income and expense and significant items that are not considered by management to be reflective of the underlying performance of the Group.

Adjusted equity comprises fully paid share capital, treasury shares, retained earnings and other reserves less trademarks and goodwill.

The Group's strategy is to maintain a net debt to EBITDA multiple of less than two. The Group's overall strategy remains unchanged from prior reporting periods. This internal ratio establishes levels of debt that the Group should not exceed other than for relatively short periods of time and it is reviewed on a semi-annual basis to ensure it is being met. The Group complied with this ratio throughout the year.

The Group is subject to capital requirements in terms of funding agreements entered into (Note 19) as well as capital requirements in relation to M-Pesa activities in certain of its market. All requirements are within the Group's capital risk management strategy parameters.

Rm	2026	2025
Bank and cash balances	29 836	23 611
Borrowings (excluding leases) and derivative financial instruments	(70 729)	(56 430)
Net debt (excluding leases)	(40 893)	(32 819)
Equity	(107 235)	(103 652)
<b>Capital</b>	<b>(148 128)</b>	<b>(136 471)</b>
EBITDA and the net debt to EBITDA multiple at the reporting date is as follows:		
EBITDA	62 626	55 511
<b>Net debt (including leases)/ EBITDA (times)</b>	<b>1.0</b>	<b>0.9</b>

**31 Other matters****Safaricom PLC (Safaricom)**

On 4 December 2025, the Group entered into a series of agreements that, upon completion, are expected to increase the Group's effective interest in Safaricom by 20% and result in Safaricom becoming a subsidiary. The Group will acquire the remaining 12.5% interest in Vodafone Kenya Limited from Vodafone International Holdings B.V., increasing the Group's effective interest in Safaricom to 39.93%. Upon completion of the acquisition by Vodafone Kenya Limited of an additional 15% equity interest in Safaricom from the Government of the Republic of Kenya, the Group is expected to hold an effective interest of approximately 54.93%.

The acquisition constitutes a business combination achieved in stages in terms of IFRS 3 Business Combinations and will be accounted for using the acquisition method. At the acquisition date, the Group's previously held equity interest in Safaricom will be remeasured to fair value, with any remeasurement difference recognised in profit or loss.

The transaction is currently subject to a conservatory order issued by the High Court of Kenya (constitutional division) (the main matter). On 18 May 2026, the Court granted the conservatory order until judgement in the main matter. The main matter, including a stay application (Court of Appeal) in relation to the conservatory order, is scheduled to be heard on 29 June 2026. The transaction will become effective once the conservatory order is lifted, or the judgment in the main matter is favourable for the Group, and all conditions precedent under the transaction agreements have been satisfied.

## Separate income statement

for the year ended 31 March

Rm	Notes	2026	2025
<b>Revenue<sup>1</sup></b>	1	<b>15 862</b>	16 446
Staff expenses		(1 316)	(1 167)
Net credit losses on financial liabilities	14	24	(24)
Other operating expenses	2	(491)	(447)
Finance income	3	1 583	1 451
Finance costs	3	(1 188)	(1 110)
Net (loss)/gain on remeasurement and disposal of financial instruments	4	(694)	65
Impairment reversal/(loss)	7	749	(803)
Depreciation and amortisation		(18)	(14)
<b>Profit before tax</b>		<b>14 511</b>	14 397
Taxation	5	(377)	(402)
<b>Net profit</b>		<b>14 134</b>	13 995

**Note:**

1. Includes interest revenue calculated using the effective interest method of R625 million (2025: R640 million).

## Separate statement of comprehensive income

for the year ended 31 March

Rm	2026	2025
<b>Net profit</b>	<b>14 134</b>	13 995
<b>Total comprehensive income</b>	<b>14 134</b>	13 995



## Separate statement of financial position

as at 31 March

Rm	Notes	2026	2025
<b>Assets</b>			
<b>Non-current assets</b>		<b>118 795</b>	118 744
Property, plant and equipment		13	12
Intangible assets		88	57
Investments	7	111 198	110 446
Financial assets	8	7 494	8 173
Trade and other receivables	9	2	2
Finance lease receivables		–	54
<b>Current assets</b>		<b>15 390</b>	15 615
Trade and other receivables	9	9 306	6 773
Finance lease receivables		55	57
Tax receivable		–	80
Financial assets	8	1 028	–
Cash and cash equivalents	16	5 001	8 705
<b>Total assets</b>		<b>134 185</b>	134 359
<b>Equity and liabilities</b>			
<b>Total equity</b>		<b>112 631</b>	112 268
Fully paid share capital	10	89 918	89 918
Treasury shares	10	(1 478)	(1 406)
Retained earnings		21 706	21 302
Other reserves	11	2 485	2 454
<b>Non-current liabilities</b>		<b>12 680</b>	12 347
Borrowings	12	12 522	12 173
Trade and other payables	13	158	174
<b>Current liabilities</b>		<b>8 874</b>	9 744
Borrowings	12	1 028	29
Trade and other payables	13	7 022	8 723
Financial guarantees	14	789	957
Provisions		3	3
Tax payable		24	23
Dividends payable		8	9
<b>Total equity and liabilities</b>		<b>134 185</b>	134 359

## Separate statement of changes in equity

for the year ended 31 March

Rm	Notes	Other reserves					Retained earnings	Total equity
		Fully paid share capital	Treasury shares	Share-based payment reserve	Cash flow hedging reserve <sup>1</sup>	Profit on sale of treasury shares		
<b>1 April 2024</b>		89 918	(1 353)	2 346	30	43	19 078	110 062
Total comprehensive income		–	–	–	–	–	13 995	13 995
Net profit		–	–	–	–	–	13 995	13 995
Share-based payment vesting	11.1,11.3	–	336	(336)	–	–	–	–
Advanced distribution		–	–	294	–	–	–	294
Share-based payment expense	6,11	–	–	120	–	–	–	120
Repurchase and sale of shares		–	(415)	–	–	(17)	–	(432)
Dividends	6	–	–	–	–	–	(11 771)	(11 771)
<b>31 March 2025</b>		<b>89 918</b>	<b>(1 432)</b>	<b>2 424</b>	<b>30</b>	<b>26</b>	<b>21 302</b>	<b>112 268</b>
Total comprehensive income		–	–	–	–	–	14 134	14 134
Net profit		–	–	–	–	–	14 134	14 134
Share-based payment vesting	11.1,11.3	–	385	(385)	–	–	–	–
Advanced distribution		–	–	323	–	–	–	323
Share-based payment expense	6,11	–	–	93	–	–	–	93
Repurchase and sale of shares		–	(462)	–	–	5	–	(457)
Dividends	6	–	–	–	–	–	(13 730)	(13 730)
<b>31 March 2026</b>		<b>89 918</b>	<b>(1 509)</b>	<b>2 455</b>	<b>30</b>	<b>31</b>	<b>21 706</b>	<b>112 631</b>

**Note:**

1. The other comprehensive income accumulated within the cash flow hedge reserve will subsequently be recognised in profit or loss on the disposal or impairment of the hedged asset.



## Separate statement of cash flows

for the year ended 31 March

Rm	Notes	2026	2025
<b>Cash flows from operating activities</b>			
<b>Cash utilised in operations</b>	15	<b>194</b>	(282)
Finance income received		<b>146</b>	237
Dividends received		<b>13 955</b>	13 851
Finance costs paid		<b>(129)</b>	(604)
Dividends paid – equity shareholders		<b>(13 730)</b>	(11 772)
Tax paid		<b>(301)</b>	(422)
<b>Net cash flows generated from operating activities</b>		<b>135</b>	1 008
<b>Cash flows from investing activities</b>			
Additions to property, plant and equipment and intangible assets		<b>(52)</b>	(60)
Investment in subsidiary	7.1	<b>(203)</b>	(1 704)
Investment in joint venture	7.2	<b>–</b>	(305)
Investment money market movement		<b>(3 662)</b>	244
Repayments of loans granted to related parties		<b>153</b>	–
Loans granted to subsidiary	8	<b>(378)</b>	(550)
Payment of finance lease receivable		<b>66</b>	75
Proceeds from the redemption of subsidiary preference share		<b>1 286</b>	–
<b>Net cash flows utilised in investing activities</b>		<b>(2 790)</b>	(2 300)
<b>Cash flows from financing activities</b>			
Repurchase of shares		<b>(539)</b>	(522)
Sale of shares		<b>83</b>	90
Borrowings incurred	12	<b>–</b>	11 000
Borrowings repaid	12	<b>(554)</b>	(11 000)
<b>Net cash flows utilised in financing activities</b>		<b>(1 010)</b>	(432)
<b>Net decrease in cash and cash equivalents</b>		<b>(3 665)</b>	(1 724)
Cash and cash equivalents at the beginning of the year		<b>8 705</b>	10 467
Exchange loss on cash and cash equivalents		<b>(39)</b>	(38)
<b>Cash and cash equivalents at the end of the year</b>	16	<b>5 001</b>	8 705

# Notes to the separate financial statements

for the year ended 31 March

Rm	2026	2025
<b>1 Revenue</b>		
Management fees - revenue from contracts with customers	963	874
Dividends received	14 274	14 932
Interest on loans receivable from subsidiaries and related party	625	640
	<b>15 862</b>	<b>16 446</b>

Interest revenue on financial assets not at fair value through profit or loss amounted to R625 million (2025: R640 million).

Rm	2026	2025
<b>2 Other operating expenses</b>		
Auditor's remuneration – current year audit fees	(26)	(22)
Consulting and professional fees	(43)	(63)
Net foreign exchange (loss)/gain	(2)	2

Rm	2026	2025
<b>3 Finance income and finance cost</b>		
<b>Interest income</b>		
Banks	136	199
Interest from money market receivable	1 026	1 109
Other finance income	421	143
<b>Total interest income</b>	<b>1 583</b>	<b>1 451</b>

Interest income on financial assets not at fair value through profit or loss amounted to R1 583 million (2025: R1 451 million).

Rm	2026	2025
<b>Finance costs</b>		
Borrowings	(821)	(649)
Interest on money market payable	(365)	(458)
Other finance costs	(2)	(3)
	<b>(1 188)</b>	<b>(1 110)</b>

Interest expense on financial liabilities not at fair value through profit or loss amounted to R1 188 million (2025: R1 110 million).

Rm	2026	2025
<b>4 Net (loss)/gains on remeasurement and disposal of financial instruments</b>		
Net gain/(loss) on derivatives	75	(38)
Mark-to-market (loss)/gain on financial liabilities held at fair value through profit or loss <sup>1</sup>	(1 338)	175
Net gain/(loss) on translation of foreign denominated assets and liabilities <sup>2</sup>	565	(52)
Impairment remeasurement of loans receivable	4	(20)
	<b>(694)</b>	<b>65</b>

**Notes:**

1. Mark-to-market gain on borrowings from Sphinx Investment Holding Company (Pty) Limited (Note 12.2).
2. The Company experienced volatility in exchange rate gains and losses due to the strengthening of the rand against major currencies that the Company is exposed to (Note 21.3.1.1).



Notes to the separate financial statements continued

Rm	2026	2025
<b>5 Taxation</b>		
<b>5.1 Income tax expense</b>		
Withholding tax	(377)	(419)
Current year	(377)	(419)
<b>Total current tax</b>	<b>(377)</b>	<b>(419)</b>
Deferred tax on origination and reversal of temporary differences:		
South African deferred tax	–	17
Current year	–	17
<b>Total deferred tax</b>	<b>–</b>	<b>17</b>
<b>Total income tax expense</b>	<b>(377)</b>	<b>(402)</b>
<b>Components of deferred tax charged to profit or loss</b>		
Capital allowances	(9)	(18)
Foreign exchange	(453)	42
Other	–	40
Tax losses	453	–
Provisions	9	(47)
	–	17
<b>Factors affecting tax expense for the year</b>		
Expected income tax expense on profit before tax at the South African statutory tax rate	(3 918)	(3 887)
Adjusted for:		
Non-deductible operating expenditure	(38)	(41)
Non-deductible finance cost	(150)	(100)
Net non-taxable remeasurements and impairment reversals	(53)	42
Non-deductible expected credit loss on financial liabilities	(7)	(6)
Non-deductible impairment loss	(109)	(217)
Unrecognised deferred tax asset	(99)	32
Irrecoverable foreign taxes: Withholding tax	(377)	(409)
Taxation of controlled foreign company	(16)	(3)
Non-taxable dividend and other income	4 390	4 187
<b>Total income tax expense reconciliation</b>	<b>(377)</b>	<b>(402)</b>

The South African statutory tax rate is 27% (2025: 27%). The effective tax rate is 2.60% (2025: 2.79%).

Rm	2026	2025
<b>5 Taxation continued</b>		
5.2 <b>Deferred tax</b>		
<b>Net deferred tax asset/(liability)</b>	–	–
<b>Components</b>		
Gross deferred taxation before offset of balances:		
Deferred tax asset	460	17
Provisions	7	17
Tax losses	453	–
Deferred tax liability	(460)	(17)
Capital allowance	(7)	(17)
Foreign exchange	(453)	–
	–	–
<b>Reconciliation of net deferred tax balance</b>		
1 April	–	(17)
Charged to profit or loss	–	17
<b>31 March</b>	–	–
5.3 <b>Factors affecting the tax charge in future years</b>		
Estimated unused tax losses and deductible temporary differences	406	94
Effect on deferred tax liability of unrecognised tax losses and deductible temporary differences	110	24

The gross amounts and expiry dates of unused tax losses and deductible temporary differences, for which no deferred tax asset is recognised, are as follows:

Rm	Unlimited	Total
<b>2026:</b> Estimated unused tax losses	406	406
<b>2025:</b> Estimated unused tax losses	94	94

## 6 Dividends per share

Dividends per share calculations are based on a declared dividend of R13 818 million (2025: R11 844 million) and shares of 2 077 841 204 (2025: 2 077 841 204) for the relevant reporting periods. R2 million (2025: R3 million) of the dividend declared was expensed as staff expenses and R86 million (2025: R69 million) was offset against the FSP reserve.

Rm	2026	2025
<b>7 Investments</b>		
7.1 Investment in subsidiaries and indirect investment in associate	110 039	109 497
7.2 Investment in joint venture	949	949
	<b>110 988</b>	<b>110 446</b>
7.1 Investment in subsidiaries and indirect investment in associate		
<b>Vodafone Kenya Limited and indirect investment in Safaricom PLC (Safaricom)</b>	<b>43 131</b>	<b>43 131</b>
On 7 August 2017, the Company acquired 87.5% of Vodafone Kenya Limited from Vodafone International Holdings B.V. (VIHBV). Vodafone Kenya Limited holds a 39.93% stake in Safaricom, the Republic of Kenya's leading integrated communications company. The investment in Vodafone Kenya has been treated as an investment in a subsidiary in terms of IAS 27 Separate financial statements.		
<b>Vodacom (Pty) Limited</b>	<b>10 938</b>	<b>10 938</b>
<b>Egypt Telecommunications S.A.E. (Vodafone Egypt)</b>	<b>43 844</b>	<b>43 844</b>
<b>Vodacom Siyanda Employee Trust (Siyanda)</b>	<b>1 050</b>	<b>1 050</b>
Capital contribution	1 050	1 050
<b>Vodacom International Limited (VIL)</b>	<b>2 395</b>	<b>2 564</b>
Ordinary shares at cost	*	*
Capital contribution	7	7
Preference shares at cost	4 616	5 127
Accumulated impairment	(2 228)	(2 570)
During the current year, VIL redeemed a portion of its preference shares, resulting in a partial reversal of the impairment previously recognised on these shares.		
<b>Vodacom International Holdings (Pty) Limited (VIH)</b>	<b>2 430</b>	<b>2 180</b>
Capitalised financial guarantee	409	266
Ordinary shares at cost	1 704	1 704
Capital contributions (Day one loss)	317	210
During November 2024, the Company made an additional investment in cash in its wholly owned subsidiary, VIH, to support the settlement of the subsidiary's long-term liabilities. This capital investment did not result in any change in ownership interest or control.		
The Company also granted an interest free loan to VIH (Note 8.1). The non-market component is treated as a capital contribution.		
<b>Sphinx Investment Holding Company (Pty) Limited (Sphinx)</b>	<b>522</b>	<b>–</b>
Capitalised financial guarantee	803	803
Accumulated impairment	(281)	(803)
The Company guaranteed preference shares issued by Sphinx, with the fair value at initial recognition recorded as an investment in a subsidiary. As Sphinx's only income comprises loan proceeds used to service and settle the external preference share debt, the investment was fully impaired in the prior year as there was no recoverable amount to support the cost of the investment. This impairment was partially reversed in the current financial year due to recovery of the 8FA loan fair value (Note 12.2).		
<b>Wheatfields Investments 276 (Pty) Limited</b>	<b>*</b>	<b>*</b>
Ordinary shares at cost	*	*
<b>Vodacom UK Limited</b>	<b>489</b>	<b>489</b>
Ordinary shares at cost	*	*
Preference shares at cost	6 505	6 505
Accumulated impairment	(6 016)	(6 016)
<b>Vodacom Tanzania Public Limited Company (Vodacom Tanzania)</b>	<b>5 172</b>	<b>5 172</b>
Ordinary shares at cost	5 017	5 017
Capital contribution	155	155
<b>Vodacom Congo (RDC) SA</b>	<b>264</b>	<b>129</b>
Preference shares at cost	295	295
Accumulated impairment	(295)	(295)
Capitalised financial guarantee <sup>1</sup>	264	129
<b>Balance carried forward</b>	<b>110 235</b>	<b>109 497</b>

**Notes:**

\* Amounts less than R1 million.

- During the year, the Company increased the financial guarantee to Vodacom Congo (RDC) SA, resulting in an increased capitalised financial guarantee recognised in investments and a corresponding increase in the financial guarantee liability (Note 14). The difference relates to amortisation and foreign exchange difference recognised in profit or loss.

Rm	2026	2025
<b>7 Investments continued</b>		
<b>7.1 Investment in subsidiaries and indirect investment in associate continued</b>		
<b>Balance brought forward</b>	<b>110 235</b>	109 497
<b>Vodacom Business Africa Holdings Limited (Guernsey)</b>	–	–
Preference shares at cost	386	386
Accumulated impairment	(386)	(386)
<b>Strand (Pty) Limited</b>	14	–
Ordinary shares at cost	14	–
During the current year, a special purpose vehicle was established through which ordinary shares were issued to raise funding for the acquisition by Vodacom (Pty) Limited of an investment in Maziv (Pty) Limited. See Note 12 in consolidated financial statements.		
<b>Vodacom Business Africa (Mauritius) Limited (VBAM)</b>	–	–
Preference shares at cost	–	74
Accumulated impairment	–	(74)
During the year, preference shares issued by Vodacom Business Africa (Mauritius) Limited were redeemed. This resulted in the reversal of the accumulated impairment loss previously recognised on the investment		
<b>Vodacom Business Africa Group (Pty) Limited (VBA)</b>	–	–
Ordinary shares at cost	355	165
Accumulated impairment	(355)	(165)
The Company subscribed for ordinary equity shares in VBA in the current year. The proceeds from this capital injection were utilised by VBA to subscribe for ordinary shares in VBAM. VBAM subsequently used the subscription proceeds to redeem its preference shares.		
<b>Vodacom Business Africa Group Services Limited</b>	–	–
Preference shares at cost	240	240
Accumulated impairment	(240)	(240)
	<b>110 249</b>	109 497
<b>7.2 Investment in joint venture</b>		
<b>M-Pesa Africa Limited</b>	<b>949</b>	949
During the prior year both shareholders subscribed for additional equity shares in M-Pesa Africa Limited of R655 million each. The additional funding will be used to accelerate M-Pesa's growth into new African markets. Safaricom and the Company each hold 50% of the equity shares in M-Pesa Africa Limited.		
	<b>949</b>	949
<b>Timing</b>		
Non-current	<b>111 198</b>	110 446



Rm	2026	2025
<b>8 Financial assets</b>		
<b>8.1 Loans receivable</b>		
<b>YeboYethu (RF) Limited</b>	<b>6 017</b>	5 804
Related party loan	6 017	5 804
The related party loan with a nominal value of R5 050 million (2025: R5 050 million), bears interest at 70% of the South Africa prime rate. The loan is unsecured and is payable on 13 September 2028.		
<b>Vodacom (Pty) Limited</b>	<b>2 026</b>	2 029
Shareholder loan	2 026	2 029
The shareholder loan with a nominal value of R2 billion was issued in the prior financial year. R1 billion bears interest at a rate of 3 months Jibar + 1.48% and R1 billion bears interest at a rate of 3 month Jibar + 1.25%. Interest is payable quarterly and the capital is payable on or before 31 January 2031.		
<b>Vodacom International Holdings (Pty) Limited</b>	<b>479</b>	340
Shareholder loan	479	550
Day one loss (Note 7.1)	–	(210)
The related party loan is a non-interest bearing loan. The day one loss was treated as a capital contribution (Note 7.1). The loan is unsecured and is payable on 7 August 2029.		
<b>Congolese Wireless Network s.p.r.l.</b>	<b>–</b>	–
Shareholder loan	526	531
Accumulated impairment	(526)	(531)
The loan with a nominal value of US\$11.5 million is unsecured and was payable on 6 July 2014. The loan is currently in default and the South African High Court passed a judgement on 29 October 2019 ordering Congolese Wireless Network s.p.r.l. (CWN) to pay the sum of US\$11.5 million together with interest of US\$7.1 million. CWN was further ordered to pay interest on the US\$18.6 million at 10.0% up to date of payment.		
<b>M-Pesa SA (Pty) Limited</b>	<b>–</b>	–
Shareholder loan	–	–
This loan was converted to equity in the prior year after all shareholder and regulatory approvals were obtained.		
<b>Total financial assets</b>	<b>8 522</b>	8 173
<b>Timing</b>		
Non-current	7 494	8 173
Current	1 028	–
	<b>8 522</b>	8 173

The carrying value of loans receivable and other financial assets approximates their fair values.

Rm	2026	2025
<b>9 Trade and other receivables</b>		
Money market receivable	8 954	6 567
Amounts owed by subsidiaries and related parties	176	104
Prepayments	13	16
Derivative financial instruments	71	1
Other receivables	94	87
	<b>9 308</b>	6 775
<b>Timing</b>		
Non-current	2	2
Current	9 306	6 773
	<b>9 308</b>	6 775

The carrying values of trade and other receivables normally approximates their fair values due to their short-term maturities. Generally no interest is charged on external trade receivables. Intercompany trade receivables are charged interest after 30 days.

Derivative financial instruments are carried at fair value through profit or loss. The fair value of foreign exchange forward contracts is determined with reference to quoted market prices for similar instruments, being the mid forward rates as at the reporting date. These forward exchange contracts are categorised as level two within the fair value hierarchy. Level two classification is used when valuation inputs used to determine fair value are observable for the asset/(liability), either directly as prices or indirectly when derived from prices.

Rm	2026	2025
<b>10 Share capital</b>		
<b>Authorised</b>		
4 000 000 000 ordinary shares with no par value		
<b>Issued</b>		
<b>Fully paid share capital</b>		
2 077 841 204 (2025: 2 077 841 204) ordinary shares with no par value	89 918	89 918
<b>Treasury shares</b>		
12 968 478 (2025: 12 641 875) ordinary shares with no par value	(1 478)	(1 406)
	<b>88 440</b>	88 512

	2026	2025
<b>Movements in the number of ordinary shares outstanding:</b>		
1 April	2 065 199 329	2 067 253 309
Statutory shares in issue	2 077 841 204	2 077 841 204
Treasury shares held by the Company	(12 641 875)	(10 587 895)
Repurchase of shares <sup>1</sup>	(3 936 062)	(5 511 544)
Forfeited shares sold	593 349	873 824
Vesting of shares	3 016 110	2 583 740
<b>31 March</b>	<b>2 064 872 726</b>	2 065 199 329
Statutory shares in issue	2 077 841 204	2 077 841 204
Treasury shares held by the Company	(12 968 478)	(12 641 875)
<b>Treasury shares held by:</b>		
Vodacom Group Limited	12 968 478	12 641 875

The unissued share capital is under the control of the current shareholders and the directors do not have the authority to issue any unissued shares.

**Note:**

- Forfeitable and restricted shares held by employees are treated as treasury shares since shares awarded under the forfeitable share plan have not fully vested for the purposes of IFRS 2: Share-based Payment until the potential forfeiture period has expired (Note 11).

**11 Other reserves**

The following equity-settled share-based payment expense is recognised in profit or loss in terms of IFRS 2: Share-based Payments.

Rm	2026	2025
Share plans (Notes 11.1 and 11.3)	(171)	(172)

**11.1 Forfeitable share plan (FSP) reserve**

This share-based payment arrangement is accounted for as an equity-settled share-based payment transaction.

Under the FSP, awards of performance shares are granted to executive directors and selected employees of the Company. The vesting of these shares is subject to continued employment, and is conditional upon achievement of performance targets, measured over a three-year period, for directors, senior management and other selected employees. The performance conditions are based on targets set around operating free cash flow (60%), Total Shareholder Return (TSR) (20%), Return on Capital Employed (ROCE) (10%) and Environmental Social and Governance (ESG) (10%). The Company is responsible to procure the settlement of the benefits in terms of the FSP to the participants employed by its subsidiaries participating in the scheme (Employer Companies) on award date. The Employer Companies have the obligation to reimburse the Company for such settlement upon the award being made. The up-front reimbursement received from the Employer Companies are treated as an advance distribution received and deferred as a liability (Note 16), which is amortised to zero over the vesting period as the IFRS 2 reserve is recognised. The staff costs relating to the Employer Companies' employees are expensed by each of the individual Employer Companies.

Share awards	2026		2025	
	Weighted average fair value at grant date R	Number of shares	Weighted average fair value at grant date R	Number of shares
Movements in non-vested shares				
1 April	112.53	4 033 940	125.78	3 503 694
Granted <sup>1</sup>	136.86	1 441 801	96.09	1 962 215
Forfeited	115.35	(291 815)	126.75	(464 490)
Vested	131.29	(906 982)	133.69	(967 479)
<b>31 March</b>	<b>115.79</b>	<b>4 276 944</b>	<b>112.53</b>	<b>4 033 940</b>
Ordinary shares available for utilisation:				
1 April		91 518 659		93 587 122
Granted		(3 936 062)		(5 511 544)
Forfeited		593 349		875 872
Vested		2 731 730		2 567 209
<b>31 March</b>		<b>90 907 676</b>		<b>91 518 659</b>

**Note:**

1. The fair value of the share awards on grant date were measured using the quoted market price of a Vodacom Group Limited share without adjusting for expected dividends and non-market performance conditions. Market conditions are adjusted for.

**11 Other reserves continued****11.2 Conditional share plan (CSP)**

This share-based payment arrangement is accounted for as an equity-settled share-based payment transaction.

Under the Vodacom Group Limited 2022 Share Plan, conditional shares are offered to members of the senior leadership team (SLT). Unlike FSPs, CSPs are not registered in the name of the participant, but rather represent a conditional right to receive shares at a future vesting date. The vesting of these shares is subject to continued employment, and is conditional upon achievement of performance targets, measured over a three-year period. The performance conditions are based on targets set around operating free cash flow (60%), Total Shareholder Return (TSR) (20%), Return on Capital Employed (ROCE) (10%) and Environmental Social and Governance (ESG) (10%).

In respect of an award of CSP shares, the remuneration committee may direct the payment of a dividend equivalent, in cash or in shares, on the vesting date. Whenever an ordinary or special dividend is declared between the award date and the settlement date, a number of dividend equivalent shares will be added to the number of CSPs comprising an award (including dividend equivalent shares already included in the award), where the number is determined as the amount of the applicable dividend per share, divided by the market value of the share on the date that the dividend is paid. Any dividend equivalent shares which are awarded are subject to the same conditions applicable to the underlying award, including performance conditions (if applicable) and other vesting conditions. The weighted average remaining contractual life of the CSP shares in issue as at 31 March 2026 is 1.14 years.

Share awards	2026		2025	
	Weighted average fair value at grant date R	Number of shares	Weighted average fair value at grant date R	Number of shares
Movements in non-vested shares				
1 April	70.17	1 283 375	55.27	742 839
Granted	123.50	353 870	90.65	471 335
Forfeited	113.90	(117 398)	–	–
Vested	113.90	(201 332)	–	–
Dividend equivalents granted	132.58	66 979	90.65	69 201
<b>31 March</b>	<b>104.47</b>	<b>1 385 494</b>	70.17	1 283 375

The grant date fair value was calculated using the Monte Carlo option pricing model, which is reflective of the underlying characteristics of the CSPs. The following inputs and assumptions were used at the time to determine the fair value at the grant date:

	2026	2025
Grant date	13 June 2025	14 June 2024
Risk-free rate (%) <sup>1</sup>	7.1	7.9
Expected volatility (%) <sup>2</sup>	24.1	22.1
Dividend yield (%) <sup>3</sup>	6.3	8.3
Performance period (option life)	1 April 2025 to 31 March 2028	1 April 2024 to 31 March 2027
Vodacom Group Limited share price at grant date (rand)	135.09	93.80

**Notes:**

- Determined using the South African swap curve.
- Determined using historical share prices of Vodacom Group Limited.
- Determined using dividend forecasts in conjunction with projected future share prices as at each dividend payment date.

**11.3 Restricted share plan reserve**

This share-based payment arrangement is accounted for as an equity-settled share-based payment transaction.

Executives who have a conditional benefit in terms of their previous service contract have the option to convert a portion or all of their benefit to restricted shares for the purpose of meeting the shareholding guidelines. These shares are subject to the same conditions as those of the underlying conditional benefit. The fair value of the share awards on grant date were measured using the quoted market price of a Vodacom Group Limited share without adjusting for expected dividends.

**11 Other reserves continued****11.3 Restricted share plan reserve continued**

Share awards	2026		2025	
	Weighted average fair value at grant date R	Number of shares	Weighted average fair value at grant date R	Number of shares
1 April	112.78	331 467	112.71	344 417
Vested	110.62	(76 347)	110.17	(12 950)
<b>31 March</b>	<b>113.44</b>	<b>255 120</b>	112.78	331 467

**11.4 Broad-based Black Economic Empowerment (BBBEE) transaction**

In the 2019 financial year, the Company entered into a BBBEE transaction by issuing shares in Vodacom Group Limited. Refer to Note 18.1.5 of the consolidated financial statements on page 60 for details of the transaction.

The BBBEE transaction meets the requirements of an IFRS 2: Share-based Payment arrangement and is accounted for as equity-settled. The transaction resulted in a once off share-based payment charge, as well as a recurring share-based payment charge for Siyanda, which will be expensed over the vesting period. Vodacom Group Limited currently has no intention to settle the BBBEE transaction in cash.

Summary of the financial impact of share based payment arrangements

Rm	2026	2025
<b>Equity-settled share based payment reserve</b>		
Employees	(921)	(921)
Black Public and Business Partners	(550)	(550)
Strategic Partners	(600)	(600)
	<b>(2 071)</b>	(2 071)

**11.4.1 Funding**

YeboYethu raised vendor funding and third party financing, in the form of preference shares, in order to subscribe for additional Vodacom Group shares.

**Third party funding**

The subscribers to the original Class A preference shares were ABSA Bank Limited, FirstRand Bank Limited and Depfin Investments Proprietary Limited. FirstRand Bank Limited opted to reduce its preference shareholding and Depfin Investments Proprietary Limited elected to exit its preference shareholding. ABSA Bank Limited and Momentum Metropolitan Holdings ('MMH') agreed to subscribe for the preference shares that were redeemed from the aforesaid original preference share subscribers. Finance cost were recognised at a rate of 68% of prime (non tax-deductible) on the outstanding balance of the Class A preference shares. Interest on the Class A preference shares accrues daily, is capitalised monthly and is settled semi-annually, subject to a permitted interest roll up to a maximum of 135%. On 31 August 2023, the company refinanced its Class A preference shares at an improved dividend rate of 67% of the prime rate, from the previous rate of 68% as well as extended its redemption date to 31 August 2028. The amount paid to FirstRand Bank Limited and Depfin Investments Proprietary Limited was the outstanding balance as at 31 August 2023 in proportion to the shareholding with the equivalent amount subscribed for by ABSA Bank Limited and MMH. The borrowing is secured by the shares that YeboYethu Investment holds in Vodacom Group, with a target share cover ratio of above three times the debt with a breach occurring at two times share cover. The share cover ratio at 31 March 2026, based on a five day volume-weighted average price of R146.95 (2025: R123.11), was 5.41 (2025: 4.27). The funding is not a liability of the Company and details are provided to assist in understanding the transaction which the Company is responsible for settling to the BEE participants.

**Vendor funding**

The Company provided vendor funding of R5 252 million in the form of preference shares with a dividend rate of 70% of prime issued by YeboYethu to the Company (class B preference shares). (Note 8).

**11.5 Vodafone performance share plan reserve**

This share-based payment arrangement is accounted for as an equity-settled share-based payment transaction.

Under this plan, awards of shares are granted to executive directors and prescribed officers and certain executive management of the Company. During the current year 1 880 658 (2025: 2 116 438) shares were granted to Company employees, assignees and co-investment participants and 550 201 (2025: 521 390) of the shares issued in prior years, vested. The vesting of these shares is subject to continued employment, and, for some awards, is conditional upon achievement of performance targets, measured over a three year period. A charge is recognised based on the fair value of the award on the grant date.

## 12 Borrowings

Rm	2026	2025
<b>Non-current</b>		
Borrowings at amortised cost (Note 12.1)	1 000	2 000
Borrowings at fair value through profit and loss (Note 12.2)	11 522	10 173
<b>Current</b>		
Borrowings at amortised cost (Note 12.1)	1 028	29
	<b>13 550</b>	<b>12 202</b>

### 12.1 Borrowings at amortised cost

	2026 Rm	2025 Rm	Denominated currency and nominal value		Interest rate	Final maturity
<b>Borrowings carried over from prior year</b>						
Investec Bank Limited <sup>1</sup>	507	507	500	ZAR	Variable 3 months Jibar +1.19%	31/01/2027
China Construction Bank Corporation <sup>1</sup>	507	507	500	ZAR	Variable 3 months Jibar +1.19%	31/01/2027
Old Mutual Life Assurance Company (South Africa) Limited <sup>1</sup>	1 014	1 015	1000	ZAR	Variable 3 months Jibar +1.42%	31/01/2031
	<b>2 028</b>	<b>2 029</b>				

The carrying value of loans at amortised cost approximates their fair values.

**Note:**

1. These loans are linked to selected sustainability performance targets focusing on key performance indicators related to gender diversity and financial inclusion and work off the basis of a sustainability margin adjustment which may be adjusted either upwards or downwards, dependent on the achievement of the specified key performance indicators.

In the prior year, the Company refinanced R11 000 million worth of term debt issued by Vodafone Investments Luxembourg with preference share debt issued by The Standard Bank of South Africa Limited (Standard Bank), ABSA Bank Limited, Nedbank Limited and FirstRand Bank Limited. The preference shares were issued by a special purpose vehicle, Sphinx Investment Holding Company (Pty) Limited (Sphinx), a wholly owned subsidiary of the Group. Sphinx then on-lent the proceeds to the Company on the terms outlined in Note 12.2 below.

Fair value is based on level two of the fair value hierarchy. In the current year, the fair value of the borrowings at fair value through profit or loss were calculated based on level three of the fair value hierarchy as outlined in Note 22.2. In terms of the memorandum of incorporation of Vodacom Group Limited, the borrowing powers of the Company are unlimited.

### 12.2 Borrowings at fair value through profit and loss

	2026 Rm	2025 Rm	Denominated currency and nominal value		Participation interest*	Final maturity
<b>Borrowings incurred</b>						
Sphinx Investment Holding Company (Pty) Limited	3 202	2 639	3 000	ZAR	11.8%	07/08/2029
Sphinx Investment Holding Company (Pty) Limited	8 320	7 534	8 000	ZAR	45.1%	07/08/2027
	<b>11 522</b>	<b>10 173</b>	<b>11 000</b>			

**Note:**

\* The amounts borrowed from Sphinx earn interest based on a formula which multiplies the participation interest specified in the table above with the distributions declared by Vodafone Egypt to the Company, excluding extraordinary non-recurring distributions and distributions which are not paid out of profits derived out of the ordinary course of the Vodafone Egypt's business, after the deduction of any withholding taxes. Due to the coupon on the financial liability being a participation percentage of the future declared Vodafone Egypt dividends, representing an embedded derivative expected to modify the underlying cash flows significantly, the borrowing has been designated as a financial liability at fair value through profit or loss. The interest is considered to be an off-market condition due to the related party nature of the transaction. This off-market condition was valued at initial recognition and the day one gain was treated as a deemed dividend from Sphinx (Note 1).

## Notes to the separate financial statements continued

Rm	2026	2025
<b>13 Trade and other payables</b>		
Money market payables	6 068	7 971
Trade and other payables	372	307
Amounts owed to subsidiaries and other related parties	293	176
Derivative financial liabilities	12	9
Advance distributions received from subsidiaries	435	434
	<b>7 180</b>	<b>8 897</b>
<b>Timing</b>		
Non-current	158	174
Current	7 022	8 723
	<b>7 180</b>	<b>8 897</b>

Trade and other payables are carried at amortised cost which normally approximates fair value, due to the short-term maturity.

Derivative financial instruments are carried at fair value through profit and loss. The fair value of foreign exchange forward contracts is determined with reference to quoted market prices for similar instruments, being the mid forward rates as at the reporting date. These forward exchange contracts are categorised as level two within the fair value hierarchy. Level two classification is used when valuation inputs used to determine fair value are observable for the asset/(liability), either directly as prices or indirectly when derived from prices.

## 14 Financial guarantees

Amounts included in the statement of financial position related to financial guarantees due to Group companies are:

Rm	2026		2025	
	Total guarantee provided	Included in statement of financial position	Total guarantee provided	Included in statement of financial position
Financial guarantees – Vodacom (Pty) Limited <sup>4</sup>	(2 280)	–	(280)	–
Financial guarantees – Strand (Pty) Limited <sup>3</sup>	(8 956)	–	–	–
Financial guarantees – Vodacom Congo (RDC) SA <sup>2</sup>	(3 423)	(94)	(1 196)	(16)
Financial guarantees – Vodacom International Holdings (Pty) Limited	(380)	(125)	(380)	(114)
Financial Guarantees – Sphinx Investment Holding Company (Pty) Limited <sup>1</sup>	(11 000)	(570)	(11 000)	(827)
	<b>(26 039)</b>	<b>(789)</b>	<b>(12 856)</b>	<b>(957)</b>

### Notes:

- The Company guaranteed the preference shares issued by Sphinx (Note 12.2). The initial recognition of the guarantee of R803 million was capitalised as an investment, which was subsequently impaired in the prior financial year (Note 7.1). An additional credit loss provision of R24 million was recognised at 31 March 2025. In the current year, the guarantee was amortised through profit or loss and the credit loss provision as well as impairment on the investment was partially reversed due to improvement in the expected future declared Vodafone Egypt dividends (Note 22.2).
- The Company increased the financial guarantee to Vodacom Congo (RDC) SA in the current year this has resulted in the increase in capitalised financial guarantee recognised in Investment (Note 7.1) and an increase in financial guarantee liability, the difference is as a result of the amortisation of financial guarantee recognised in profit or loss.
- In the current year, the Company guaranteed the preference shares issued by Strand (Pty) Limited, a special purpose vehicle used for raising funds for the acquisition of an investment in Maziv (Pty) Limited by Vodacom (Pty) Limited.
- Vodacom (Pty) Limited refinanced its R6 billion loan during the current year (see Note 19 of the Consolidated financial statements), of which R2 billion is backed by the Company's guarantee.

Of the total R26 039 million facility, (2025: R12 856 million), R24 849 million (2025: R12 363 million) is drawn down as at 31 March 2026.

Rm	2026	2025
<b>15 Cash generated from/(utilised in) operations</b>		
Profit before tax	14 511	14 397
Adjusted for:		
Finance income	(1 583)	(1 451)
Finance costs	1 188	1 110
Net (gain)/loss on remeasurement and disposal of financial instruments	694	(65)
Dividend income	(14 274)	(14 932)
Credit loss reversal on financial assets	(24)	24
Share-based payment expense	172	172
Impairment loss/(reversal)	(749)	803
Depreciation and amortisation	18	14
Profit from sale of property plant and equipment	(1)	–
<b>Cash flows (utilised in)/generated from operations before working capital changes</b>	<b>(48)</b>	<b>72</b>
Decrease /(Increase) in trade and other receivables	(87)	66
Increase /(Decrease) in trade and other payables and provisions	329	(420)
<b>Cash generated from/(utilised in) operations</b>	<b>194</b>	<b>(282)</b>

Rm	2026	2025
<b>16 Cash and cash equivalents</b>		
Bank and cash balances	5 001	8 705

The carrying amount of cash and cash equivalents normally approximates its fair value due to short-term maturity.

## 17 Contingent liabilities

### Various legal contingencies

The Company is currently involved in various legal proceedings and has been in consultation with its legal counsel, assessed the outcome of these proceedings. The Company estimated these proceedings to have no financial impact. Following the assessment, the Company's management has determined that no provision is required in respect of these legal proceedings as at 31 March 2026 and 31 March 2025. Litigations, current or pending, are not likely to have a material adverse effect on the Company.

## 18 Post-employment benefits

The Company's pension plans are provided through defined contribution schemes. Defined contribution schemes offer employees individual funds that are converted into benefits at the time of retirement. Current contributions to the defined contribution schemes amounted to R41 million (2025: R37 million). South African funds are governed in terms of the Pension Funds Act of 1956. The assets in the funds are held in separate accounts and funds are raised through payments from employees and the Company.

## 19 Other matters

### Safaricom PLC (Safaricom)

On 4 December 2025, the Group entered into a series of agreements that, upon completion, are expected to increase the Group's effective interest in Safaricom by 20% and result in Safaricom becoming a subsidiary. The Group will acquire the remaining 12.5% interest in Vodafone Kenya Limited from Vodafone International Holdings B.V., increasing the Group's effective interest in Safaricom to 39.93%. Upon completion of the acquisition by Vodafone Kenya Limited of an additional 15% equity interest in Safaricom from the Government of the Republic of Kenya, the Group is expected to hold an effective interest of approximately 54.93%.

The acquisition constitutes a business combination achieved in stages in terms of IFRS 3 Business Combinations and will be accounted for using the acquisition method. At the acquisition date, the Group's previously held equity interest in Safaricom will be remeasured to fair value, with any remeasurement difference recognised in profit or loss.

The transaction is currently subject to a conservatory order issued by the High Court of Kenya (constitutional division) (the main matter). On 18 May 2026, the Court granted the conservatory order until judgement in the main matter. The main matter, including a stay application (Court of Appeal) in relation to the conservatory order, is scheduled to be heard on 29 June 2026. The transaction will become effective once the conservatory order is lifted, or the judgment in the main matter is favourable for the Group, and all conditions precedent under the transaction agreements have been satisfied.

## 20 Events after the reporting period

### Dividend declared after the reporting period and not recognised as a liability

A final dividend of R8 415 million (405 cents per ordinary share) for the year ended 31 March 2026, was declared on 8 May 2026, payable on 22 June 2026 to shareholders recorded in the register at the close of business on 19 June 2026. The net dividend after taking into account dividend withholding tax for those shareholders not exempt from dividend withholding tax is 324.00000 cents per share.



**21 Related parties**

The Company's related parties are its parent, associates, joint venture, pension schemes, subsidiaries, fellow subsidiaries of the Vodafone Group Plc and key management including directors.

Rm	2026	2025
<b>21.1 Balances with related parties</b>		
<b>Accounts receivable</b>		
Fellow subsidiaries of the Vodafone Group Plc	8	5
Subsidiaries of Vodacom Group Limited	170	101
Associates of Vodacom Group Limited	13	12
Joint venture of Vodacom Group Limited	13	8
<b>Money market receivables – subsidiaries of Vodacom Group Limited</b>	<b>8 954</b>	<b>6 567</b>
<b>Finance lease receivable – subsidiaries of Vodacom Group Limited</b>	<b>55</b>	<b>112</b>
<b>Loans receivable</b>		
Subsidiaries of Vodacom Group Limited (Note 8)	<b>8 522</b>	<b>8 173</b>
<b>Accounts payable</b>		
Fellow subsidiaries of the Vodafone Group Plc	<b>(63)</b>	<b>(83)</b>
Subsidiaries of Vodacom Group Limited	<b>(389)</b>	<b>(774)</b>
Associates of Vodacom Group Limited	<b>(3)</b>	<b>(6)</b>
<b>Money market payables – subsidiaries of Vodacom Group Limited</b>	<b>(6 068)</b>	<b>(7 971)</b>
<b>Borrowings</b>		
Subsidiaries of Vodacom Group Limited	<b>(11 522)</b>	<b>(10 173)</b>
<b>21.2 Transactions with related parties</b>		
<b>Fellow subsidiaries of the Vodafone Group Plc</b>	<b>(9 074)</b>	<b>(8 164)</b>
Staff expenses	<b>(19)</b>	<b>(21)</b>
Other operating expenses	<b>(60)</b>	<b>(63)</b>
Finance costs	<b>–</b>	<b>(370)</b>
Dividends declared	<b>(8 995)</b>	<b>(7 710)</b>
<b>Subsidiaries of Vodacom Group Limited</b>	<b>15 311</b>	<b>15 654</b>
Revenue	<b>15 831</b>	<b>15 795</b>
Other operating expenses	<b>(107)</b>	<b>(115)</b>
Staff expenses	<b>(19)</b>	<b>(20)</b>
Finance income	<b>1 413</b>	<b>1 214</b>
Finance costs	<b>(922)</b>	<b>(461)</b>
Dividends declared	<b>(885)</b>	<b>(759)</b>
<b>Associates of Vodacom Group Limited</b>	<b>66</b>	<b>46</b>
Revenue	<b>57</b>	<b>25</b>
Staff recoveries	<b>–</b>	<b>2</b>
Other operating recoveries	<b>9</b>	<b>19</b>
<b>Joint ventures of Vodacom Group Limited</b>		
Finance income	<b>–</b>	<b>4</b>

Refer to Note 29.3 in the Notes to the consolidated financial statements for the year ended 31 March 2026 for detailed disclosure on the Company's directors remuneration.

## Notes to the separate financial statements continued

Rm		2026	2025
<b>22</b>	<b>Financial instruments and risk management</b>		
22.1	<b>Net (loss)/ gains on financial instruments analysed by category, are as follows:</b>		
	Financial assets and liabilities mandatory at fair value through profit or loss	75	(38)
	Financial liabilities designated at fair value through profit or loss	(1 338)	175
	Financial assets held at amortised cost	1 843	2 017
	Financial liabilities held at amortised cost	(2 510)	(563)
		<b>(1 930)</b>	<b>1 591</b>

### 22.2 Carrying amounts of financial instruments and fair value hierarchy

Valuation basis of financial instruments measured at fair value	Notes	Assets		Liabilities			Total carrying amount
		Financial assets measured at amortised cost	Financial assets mandatory at fair value through profit or loss Level two <sup>1</sup>	Financial liabilities measured at amortised cost	Financial liabilities mandatory at fair value through profit or loss Level two <sup>1</sup>	Financial liabilities designated at fair value through profit or loss Level three <sup>2</sup>	
Carrying amounts of financial instruments analysed by category, are as follows:							
<b>2026</b>							
Trade and other receivables <sup>3</sup>	9	324	–	–	–	–	324
Money market	9	8 954	–	–	–	–	8 954
Cash and cash equivalents	16	5 001	–	–	–	–	5 001
Loan receivables	8	8 522	–	–	–	–	8 522
Derivative financial assets <sup>4</sup>	9	–	71	–	–	–	71
		<b>22 801</b>	<b>71</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>22 872</b>
Trade and other payables <sup>3</sup>	13	–	–	(313)	–	–	(313)
Money market	13	–	–	(6 068)	–	–	(6 068)
Borrowings	12	–	–	–	–	(11 522)	(11 522)
Derivative financial liabilities <sup>4</sup>	13	–	–	–	(12)	–	(12)
Financial guarantees	14	–	–	(789)	–	–	(789)
		<b>–</b>	<b>–</b>	<b>(7 170)</b>	<b>(12)</b>	<b>(11 522)</b>	<b>(18 704)</b>
<b>2025</b>							
Trade and other receivables <sup>3</sup>	9	300	–	–	–	–	300
Money market	9	6 567	–	–	–	–	6 567
Cash and cash equivalents	16	8 705	–	–	–	–	8 705
Loan receivables	8	8 173	–	–	–	–	8 173
Derivative financial assets <sup>4</sup>	9	–	1	–	–	–	1
		<b>23 745</b>	<b>1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>23 746</b>
Trade and other payables <sup>3</sup>	9	–	–	(243)	–	–	(243)
Money market	9	–	–	(7 971)	–	–	(7 971)
Borrowings	12	–	–	(2 029)	–	(10 173)	(12 202)
Derivative financial liabilities <sup>4</sup>	13	–	–	–	(9)	–	(9)
Financial guarantees	14	–	–	(957)	–	–	(957)
		<b>–</b>	<b>–</b>	<b>(11 200)</b>	<b>(9)</b>	<b>(10 173)</b>	<b>(21 382)</b>

#### Notes:

- Level two classification is used when valuation inputs used to determine fair value are observable for the asset/(liability), either directly as prices or indirectly when derived from prices.
- Level three classification is used when valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.
- Only includes financial assets and liabilities.
- The fair value of foreign exchange forward contracts and firm commitment assets and liabilities are determined with reference to quoted market prices for similar instruments, being the mid forward rates and spot rates respectively, as at the reporting date.

The fair value of borrowings designated at fair value through profit or loss is determined using a discounted cash flow model, of which the significant inputs are analysed below.



**22 Financial instruments and risk management continued****22.2 Fair value hierarchy continued****Reconciliation of level 3 financial liabilities**

The table below sets out the reconciliation of financial liabilities that are measured at fair value based on inputs that are not based on observable market data (level 3):

Rm	Borrowings 2026
Balance as at 1 April 2025	(10 173)
Mark-to-market gain on financial liabilities held at fair value through profit or loss (Note 4)	(1 349)
<b>Balance as at 31 March 2026</b>	<b>(11 522)</b>

**Description of significant unobservable inputs to valuation:**

Amounts borrowed from Sphinx Investment Holding Company (Pty) Limited (Sphinx) earn a coupon based on a participation percentage of the future declared Vodafone Egypt dividends, and the fair value of the coupon is therefore valued by discounting projected future cash flows based on the Vodafone Egypt long range plan dividend projections (net of 10% withholding tax) translated at the spot rate at valuation date, and discounted at the cost of capital for Vodafone Egypt. The final capital repayment is discounted at the market related borrowing rate for the Company, being the weighted average cost of debt. The coupon cash flows are expected to be settled as the external coupon on the external preference share is settled (Company Note 12 and Group Note 19). These cash flows are projected using the 3 months Jibar swap curve as published by Bloomberg.

The significant unobservable inputs used in the fair value measurements categorised within Level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis as at 31 March 2026 are shown below:

	Valuation technique	Significant unobservable inputs	Rate/Range	Sensitivity of the input to fair value
<b>Borrowings designated at fair value through profit or loss</b>	Discounted cash flow method	Market related discount rate used to discount capital repayment - Company weighted average cost of debt.	7.6% (2025: 7.6%)	25 basis points increase/ (decrease) would result in an increase/ (decrease) in fair value by R41 million (2025: 32 basis points; R76 million).
		Cost of capital for Vodafone Egypt used to discount yield.	20.71% (2025: 28.13%)	260 basis point increase/ (decrease) would result in an increase/ (decrease) in fair value by R54 million (2025: 175 basis points; R59 million).
		Future declared Vodafone Egypt dividends.	N/A	5% increase/ (decrease) would result in an increase/ (decrease) in fair value by R94 million (2025: R59 million).
		3 months Jibar swap curve.	6.59% - 8.02% (2025: 7.3% - 7.7%)	25 basis point increase/ (decrease) would result in an increase/ (decrease) in fair value by R1.6 million (2025: 50 basis points; R3 million).

**22 Financial instruments and risk management continued****22.3 Financial risk management**

The Company's normal operations, its sources of finance and changing market conditions exposes it to various financial risks, which highlights the importance of financial risk management as an element of control. Principal financial risks faced by the Company are foreign currency, interest rate, credit and liquidity risk.

The Company's treasury function provides a centralised service to the Company for co-ordinating access to domestic and international financial markets and the managing of foreign currency, interest rate and liquidity risk. The aforementioned risks are managed, subject to the limitations of the local markets in which the Company operates and the South African Reserve Bank Regulations. Group treasury operations are conducted within a framework of policies and guidelines authorised and reviewed annually by the Board.

**22.3.1 Market risk management**

The Company's activities expose it primarily to the risks of fluctuations in foreign currency exchange rates (Note 22.3.1.1) and interest rates (Note 23.3.1.2).

Market risk exposures are measured using sensitivity analysis which shows how profit post tax and equity post tax would have been affected by changes in the relevant risk variable that were reasonably possible at the reporting date. Sensitivity analysis are for illustrative purposes only as, in practice, market rates rarely change in isolation.

**22.3.1.1 Foreign currency risk management**

Foreign currency risk arises on recognised financial assets and liabilities which are denominated in a currency that is not the entity's functional currency. The Company aims to maintain its foreign currency exposure within internally determined parameters, however, this depends on the market conditions in the geographies where the Company operates. Group treasury reports on the status of foreign currency positions or derivatives to the Group Treasury Committee on a regular basis. Where possible, entities in the Company use forward contracts to hedge their actual exposure to foreign currency.

Various monetary items exist in currencies other than the functional currency. The tables below disclose the net currency exposure (net carrying amount of foreign-denominated monetary assets/(liabilities) expressed in the presentation currency of the Company) per functional currency. The Company is mainly exposed to the Euro, United States dollar, and Pound sterling.

Rm	Euro	United States dollar	Pound sterling	Other	Total
<b>2026</b>					
South African rand (%)	(24)	(9)	(1)	2	(32)
<b>2025</b>					
South African rand (%)	(85)	(6)	(1)	2	(90)

**Foreign currency sensitivity analysis:**

The analysis below, expressed in the Company's presentation currency, discloses the Company's sensitivity to the specified percentage change in its functional currency against the relevant foreign currencies exposed to. Management's assessment of a reasonable possible change in prevailing non-African and African foreign currency exchange rates is based on estimated interest rate differentials.

The analysis includes outstanding foreign-denominated monetary items only and adjusts their translations, at the reporting date, to the Company's functional currency with the specified percentage change.

**Foreign currency sensitivity analysis**

A positive number indicates an increase and a negative number a decrease in profit post tax, where the Company's functional currency are expected to strengthen against the relevant foreign currencies. For the same percentage weakening the impact would be equal and opposite.

	Euro	United States dollar	Pound sterling
<b>2026</b>			
South African rand (%)	6.9	4.4	6.1
<b>Profit/(loss) post tax (Rm)</b>	*	*	*
<b>2025</b>			
South African rand (%)	1.6	0.2	0.1
<b>Profit/(loss) post tax (Rm)</b>	1	*	*

Note:

\* Value below R1 million.



## Notes to the separate financial statements continued

### 22 Financial instruments and risk management continued

#### 22.3 Financial risk management continued

##### 22.3.1 Market risk management continued

##### 22.3.1.1 Foreign currency risk management continued

	2026	2025
The closing exchange rates against the South African rand are:		
Egyptian pound	0.31	0.36
Kenyan shilling	0.13	0.14
Euro	19.7	19.9
Pound sterling	22.6	23.7
United States dollar	17.1	18.4

The tables below provide a currency split of the Company's net derivative financial assets and liabilities relating to material open foreign exchange forward contracts at the reporting date:

Rm	2026	2025
Forward contracts to buy foreign currency		
Euro <sup>1</sup>	3	(1)
Pound sterling <sup>2</sup>	*	*
United States dollar <sup>3</sup>	56	*
<b>Net derivative financial liability</b>	<b>59</b>	<b>(1)</b>

**Notes:**

Foreign contract values amount to:

- €85 million (2025: €4 million) at an average forward price of R19.94 (2025: R20.26). During the prior year a forward exchange contract was entered into in order to hedge the Company against foreign exchange movements relating to the Euro cash consideration payable for the acquisition of Vodafone Egypt Telecommunications SAE.
  - €0.4 million (2025: € 0.5 million) at an average forward price of R22.70 (2025: R23.19).
  - US\$126.8 million (2025: US\$0.5 million) at an average forward price of R16.60 (2025: R18.26).
- \* Value below R1 million.

Rm	2026	2025
Forward contracts to sell foreign currency		
Kenyan shilling <sup>1</sup>	–	(8)
United States dollar <sup>2</sup>	–	–
<b>Net derivative financial liability</b>	<b>–</b>	<b>(8)</b>

**Notes:**

- Foreign contract values amount to KES nil million (2025: KES 6 930 million) at an average forward price of Rnil (2025: R0.14).
- Foreign contract values amount to US \$ 2.4 million (2025: Rnil million) at an average forward price of R16.92 (2025: Rnil).

The R59 million net liability (2025: R8 million), R71 million (2025: R1 million) is reported in trade and other receivables and R12 million (2025: R9 million) in trade and other payables.

**22 Financial instruments and risk management continued****22.3 Financial risk management continued****22.3.1 Market risk management continued****22.3.1.2 Interest rate risk management**

The Company's interest rate profile consists of fixed and floating rate loans receivable and borrowings. The Company is exposed to fair value and cash flow interest rate risk as a result of its interest rate profile and can be summarised as follows:

Rm	2026	2025
<b>Financial assets</b>		
Floating rate financial assets	8 044	7 833
<b>Financial liabilities</b>		
Floating rate financial liabilities	2 028	2 029

The Company's policy is to maintain an appropriate mix between fixed and floating rate instruments. The Company specifically manages its exposure to interest rate risk relating to interest bearing borrowings through a target ratio of fixed and variable rate borrowings. The Company is targeting to balance the debt structure between fixed and floating interest rates to protect against upward movements in rates but allowing for participation in downward movements. To achieve this ratio, the Company may borrow at fixed rates or enter into approved derivative financial instruments.

The floating rates which the Company is exposed to are the South African prime and Jibar.

The Company is keeping abreast of developments relating to interest rate benchmark reform, as and when communicated by the relevant financial authorities. As at 31 March 2026, none of the interest rate benchmarks that the Company is exposed to had transitioned to alternative rates. In addition to the table above, refer to Note 8 and Note 12 for details on financial assets and financial liabilities, respectively, with floating interest rates subject to the IBOR reform.

The analysis below, expressed in the Company's presentation currency, discloses the Company's sensitivity to the specified basis point change in the market interest rates exposed to. The analysis includes non-derivative instruments at the reporting date and in the case of floating rate instruments, the analysis is prepared assuming the amount outstanding at the reporting date was outstanding for the whole year.

A positive number below indicates an increase and a negative number a decrease in profit post tax if interest rates were higher by the specified basis points. If interest rates were lower by the specified basis points the impact would be equal and opposite.

	2026	2025
Basis point increase	25	50
<b>Profit post tax (Rm)</b>	<b>(29)</b>	<b>(48)</b>

**22.3.2 Liquidity risk management**

The Company ensures that adequate funds are available to meet its expected and unexpected financial commitments through undrawn borrowing facilities. At the reporting date the Company had undrawn Rand denominated facilities of R9 826 million (2025: R9 810 million) available to manage its liquidity. The Company uses bank facilities and the normal operating cycle to manage short-term liquidity. The Company raises funds in bank markets and ensures reasonable balance is maintained between the period over which assets generate funds and the period over which the respective assets are funded to manage long-term liquidity.

The Company uses bank facilities to manage short-term liquidity and manages long-term liquidity by raising funds on capital markets. The Company manages liquidity on long-term borrowings by maintaining a varied maturity profile with a cap on the level of debt maturing in any one calendar year therefore minimising refinancing risk.

The table below discloses the maturity profile of the Company's non-derivative financial liabilities and for those financial assets used for managing liquidity risk. The amounts disclosed are the future undiscounted contractual cash (outflows)/inflows which therefore differ from both the carrying amount and the fair value. The tables have been drawn up based on the earliest date on which the Company can be required to settle or can require settlement and include both estimated interest and principal cash flows. Estimated interest for floating interest rate financial liabilities is calculated with reference to the applicable yield curves as at the reporting date, as published by Bloomberg. The YeboYethu (RF) Limited loan receivable is not included in the liquidity table below as the contractual payments receivable during the funding term is dependent on available cash resources. The ultimate maturity of the loan is 13 September 2028.



**22 Financial instruments and risk management continued****22.3 Financial risk management continued****22.3.2 Liquidity risk management continued**

Rm	0-1 year	2 years	3 years	4 years	5 years	More than 5 years	Total
<b>2026</b>							
Financial liabilities							
Interest bearing borrowings	(1 844)	(8 514)	(327)	(3 173)	(1 068)	–	(14 926)
Trade and other payables <sup>1</sup>	(6 238)	–	–	–	–	–	(6 238)
Financial guarantee (Note 14) <sup>2</sup>	(280)	(4 163)	(3 934)	(210)	(4 011)	(3 011)	(15 609)
	<b>(8 362)</b>	<b>(12 677)</b>	<b>(4 261)</b>	<b>(3 383)</b>	<b>(5 079)</b>	<b>(3 011)</b>	<b>(36 773)</b>
Financial assets							
Trade and other receivables <sup>1</sup>	235	–	–	–	–	–	235
Cash and cash equivalents	5 001	–	–	–	–	–	5 001
	<b>5 236</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>5 236</b>
<b>2025</b>							
Financial liabilities							
Interest bearing borrowings	(200)	(1 157)	(9 218)	(86)	(3 903)	(1 072)	(15 636)
Trade and other payables <sup>1</sup>	(8 469)	–	–	–	–	–	(8 469)
Financial guarantee (Note 14) <sup>2</sup>	(1 476)	–	(846)	–	(361)	–	(2 683)
	<b>(10 145)</b>	<b>(1 157)</b>	<b>(10 064)</b>	<b>(86)</b>	<b>(4 264)</b>	<b>(1 072)</b>	<b>(26 788)</b>
Financial assets							
Trade and other receivables <sup>1</sup>	154	–	–	–	–	–	154
Cash and cash equivalents	8 705	–	–	–	–	–	8 705
	<b>8 859</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>8 859</b>

**Notes:**

1. Includes money market payables. Money market receivables are excluded from trade receivables as these assets are not used to manage liquidity of money market payables.
2. In the prior year, the exposure from the issued Sphinx financial guarantee of R11 000 million, in excess of the recognised financial guarantee on the statement of financial position of R827 million (Note 14), is included in the liquidity risk table as part of the undiscounted cash flows relating to interest bearing borrowings from Sphinx. For the current year, the exposure from the issued Sphinx financial guarantee of R11 000 million, in excess of the recognised financial guarantee of R570 million was included.

## 22 Financial instruments and risk management continued

### 22.3 Financial risk management continued

#### 22.3.3 Credit risk management

Loans receivable, money market investments, trade and other receivables, finance lease receivables, cash and cash equivalents and financial guarantees granted potentially expose the Company to credit risk.

The carrying amounts of financial assets listed above, which are net of impairment losses, represent the Company's maximum exposure to credit risk, with the exception of financial guarantees granted where the amount the Company could be required to pay or fund, if called on, represents the Company's maximum exposure. The Company considers its maximum exposure per geographical class without taking into account any collateral, financial guarantees and money market funding activities for the Company, to be R8 522 million (2025: R8 173 million) from South Africa.

The Company provided intercompany money market funding, being the money market receivables of R8 954 million (2025: R6 567 million). These funds net of intercompany money market deposits received, being the money market payables amounting to R6 068 million (2025: R7 971 million) are either invested or funded through money markets held with external banks which forms part of the cash and cash equivalents of R5 001 million (2025: R8 705 million). The credit risk exposure from the money market receivables is considered to be low as it is purely due from related parties and the provision of money market funding by the company is dependent on money market deposits received from the related parties that forms part of the Company's cash and cash equivalents.

The Company only transacts with external counter parties rated the equivalent of investment grade and above as well as related parties. This information is supplied by independent rating agencies or credit bureaus, where available. If not available, other publicly available financial information, the financial standing of counterparties, the Company's own trading records or the Company's internal grading system is used for rating the credit quality of counter parties. Credit exposure is further controlled by defining credit limits per counterparty which are reviewed and approved by the credit risk department. The Company's exposure and credit ratings of counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. In determining the recoverability of trade receivables the Company considers changes in credit quality.

The Company's largest customer, M-pesa S.A (Proprietary) Limited, represents 8.0% (2025: 11.5% Safaricom Kenya) of the total trade receivables. The credit risk exposure from the trade receivables, finance lease receivables and other receivables is considered to be low as it is mainly due from related parties. Credit risk is limited for cash and cash equivalents as they are placed with high credit quality financial institutions.

The Company's strong financial position as at 31 March 2026, and the availability of sufficient funds and committed facilities (Note 22.3.2), will assist to address liquidity risk that may arise in the normal course of business.

The Company has not renegotiated the terms of any of its past due not impaired financial assets to the extent that they were no longer past due or impaired.

### 22.4 Capital risk management

The Company finances its operations through a mixture of cash generated from operations, retained earnings, bank borrowings and other long-term borrowings. These borrowings together with surplus cash may be loaned internally or contributed as equity to certain subsidiaries.

The Company manages its capital to ensure it will be able to continue as a going concern while maximising return to shareholders. Capital is monitored on the basis of solvency and liquidity ratios. The Company's strategy is to maintain a positive solvency and liquidity position. This is achieved through the management of current and non-current borrowings.



# Addendum A

As at 31 March

## Interest in material subsidiaries

The information discloses interests in subsidiaries material to the financial position of Vodacom Group Limited. The interest in ordinary share capital is representative of the voting power except for 'B' ordinary shares where each share entitles the holder to two votes.

RSA – The Republic of South Africa; UK – The United Kingdom of Great Britain; EGP – The Arab Republic of Egypt; LES – The Kingdom of Lesotho; TZN – The United Republic of Tanzania; MZ – The Republic of Mozambique; DRC – The Democratic Republic of the Congo; and MAU – The Republic of Mauritius.

	Country of incorporation	Issued share capital		% Interest in issued share capital	
		2026	2025	2026	2025
<b>Cellular network operators</b>					
<b>Direct</b>					
Vodacom (Pty) Limited	RSA				
Ordinary share capital		<b>R45 337</b>	R45 337	<b>100.0</b>	100.0
A' ordinary share capital		<b>R1 673</b>	R1 673	<b>100.0</b>	100.0
Vodacom Tanzania Public Limited Company	TZN				
Ordinary share capital		<b>TZS112 000 015 000</b>	TZS112 000 015 000	<b>75.0</b>	75.0
Vodafone Egypt Telecommunications S.A.E.	EGP				
Ordinary share capital		<b>EGP1 200 000 000</b>	EGP1 200 000 000	<b>55.0</b>	55.0
<b>Indirect</b>					
Vodacom Lesotho (Pty) Limited	LES				
Ordinary share capital		<b>LSL4 180</b>	LSL4 180	<b>80.0</b>	80.0
Vodacom Moçambique, S.A.	MZ				
Ordinary share capital		<b>MZN2 760 000 000</b>	MZN2 760 000 000	<b>85.0</b>	85.0
Vodacom Congo (RDC) SA	DRC				
Ordinary share capital		<b>US\$1 000 000</b>	US\$1 000 000	<b>51.0</b>	51.0
<b>Service providers</b>					
<b>Direct</b>					
Vodacom UK Limited	UK				
B' ordinary share capital		<b>US\$1</b>	US\$1	<b>100.0</b>	100.0
Preference share capital		<b>US\$710 999 999</b>	US\$710 999 999	<b>100.0</b>	100.0
Vodacom Business Africa Group Services Limited	UK				
Ordinary share capital		<b>£49 567 569</b>	£49 567 569	<b>100.0</b>	100.0
Preference share capital		<b>US\$20 790 572</b>	US\$20 790 572	<b>100.0</b>	100.0
<b>Indirect</b>					
Vodacom UK Limited	UK				
A' ordinary share capital		<b>US\$100</b>	US\$100	<b>100.0</b>	100.0
<b>Other</b>					
<b>Direct</b>					
Vodacom International Limited	MAU				
Ordinary share capital		<b>US\$100</b>	US\$100	<b>100.0</b>	100.0
Preference share capital		<b>US\$584 368 465</b>	US\$646 403 577	<b>100.0</b>	100.0

## Interest in material associates and joint ventures

The Group has an effective 34.94% interest in Safaricom PLC<sup>1</sup> (Note 12 of the consolidated financial statements and Note 7 of the separate financial statements) held indirectly via its subsidiary Vodafone Kenya Limited<sup>1</sup> (VKL), in which the Group has a 87.5% holding.

The Group has an effective interest of 6.02% (2025: 5.74%) in Global Partnership for Ethiopia B.V.<sup>2</sup> (Note 12 of the consolidated financial statements and Note 7 of the separate financial statements) held indirectly via its subsidiary Vodacom International Holdings (Pty) Limited<sup>3</sup>. The Group has representation on the board and participates in policy decision making and consequently has significant influence, and therefore accounts for the investment as an associate.

The Group has a 50% interest in a joint venture, M-Pesa Africa Limited<sup>1</sup> (Note 12 of the consolidated- and Note 7 of the separate financial statements).

The Group has a 30% interest in Maziv (Pty) Limited<sup>3</sup>, which is equity accounted as an associate (Note 12 of the consolidated financial statements).

### Notes:

1. Country of incorporation Republic of Kenya.
2. Country of incorporation Federal Democratic Republic of Ethiopia.
3. Country of incorporation Republic of South Africa.

## Interest in material structured entities

The Group consolidates 100% of YeboYethu (RF) Limited, YeboYethu Investment Company (RF) (Pty) Limited and the Siyanda Employee Trust, material structured entities that form part of the Group's broad-based black economic empowerment transaction (Note 18 of the consolidated financial statements).

