Vodacom Tanzania Public Limited Company

Interim condensed consolidated financial results

for the period ended 30 September 2026



Contents

Introduction

Chief Executive Officer's review 1
Highlights 3
Summary financial information 3
Operating and financial review 4

Quarterly report

Unaudited condensed statement of profit or loss and other comprehensive income 9
Unaudited condensed statement of financial position 10
Unaudited condensed statement of changes in equity 12
Unaudited condensed statement of cash flows 13

Interim condensed consolidated financial statements

Statement of directors' responsibilities 15
Report on review of the interim condensed consolidated financial statements 16
Condensed consolidated statement of profit or loss and other comprehensive income 17
Condensed consolidated statement of financial position 18
Condensed consolidated statement of changes in equity 20
Condensed consolidated statement of cash flows 21
Notes to the interim condensed consolidated financial statements 22

Supplementary information 31

Corporate information 33



Chief Executive Officer's review

PHILIP BESIIMIRE

We delivered a strong first-half performance, reflecting disciplined execution of our strategy and sustained demand for our connectivity, financial and digital services.



Continued investment in our network and IT platforms is improving customer experience, strengthening resilience and creating capacity for future growth. Guided by our purpose of connecting Tanzanians for a better future, we remain focused on delivering meaningful value for our customers, communities and stakeholders, supported by the commitment of our people and the strength of our partnerships.

Strong revenue growth and benefits from our cost transformation programme underpinned improved profitability and cash generation. This demonstrates the growing scale, diversification and earnings capacity of our business.

Delivering on our purpose

Our purpose, centred on empowering people, protecting the planet and maintaining trust, continues to guide our actions as we expand access to digital financial services and reliable connectivity.

M-Pesa remains key to empowering people through **financial inclusion**. During the year, we continued to deepen our reach beyond traditional transfers and withdrawals, with more individuals and businesses choosing to save, invest and access credit securely through M-Pesa.

M-Koba, offered in partnership with Tanzania Commercial Bank (TCB), continues to demonstrate how digital financial services can strengthen financial inclusion and resilience. Funds deposited in M-Koba increased by more than 50%, while users increased by more than 40% to nearly two million. We are complementing this growth with practical support for underserved communities. During the period, hundreds of thousands of groups – mainly women – benefited from savings and financial literacy training through our customer empowerment programme.

Our **digital lending services** continued to expand access to timely working capital and short-term liquidity for customers, agents and merchants. During the period, we disbursed more than TZS2 trillion to nearly seven million borrowers, an increase of 22.7%. More than half of these disbursements supported hundreds of thousands of small and medium enterprises, helping businesses manage liquidity and pursue growth opportunities.

Digital payments maintained strong momentum as more businesses and institutions adopted M-Pesa for everyday transactions. Our merchant platform now serves a multitude of businesses, with average monthly payment values increasing by more than 40% to TZS2.7 trillion and transaction volumes growing by 38.0%. Government revenue collected through more than 900 M-Pesa collection accounts increased by 27.8%, demonstrating the growing role of our platform in enabling convenient, secure and efficient digital payments.

We continued to advance **digital inclusion** by expanding access to digital learning and skills. Through our partnership with the Tanzania Institute of Education, 184 connected Teacher Resource Centres and the zero-rated national Learning Management System are supporting more than 123 000 teachers with digital resources and ICT capabilities. Our Connected Schools programme continued to provide connectivity and ICT facilities to 256 public schools, while DigiTruck equipped more than 500 students with digital and coding skills during the period. Cumulative participation in the programme has now exceeded 7 200 learners across 16 regions, with girls representing 48% of participants.

Sustaining commercial momentum

We sustained strong commercial momentum, with our customer base[1] increasing by 17.0% to 29.2[2] million. Data and M-Pesa customers grew by 13.9% and 14.1%, respectively, while a 15.3% increase in smartphone users supported data traffic growth of 19.2%. M-Pesa transaction values and volumes both increased by nearly 40%, reflecting deeper customer engagement and growing adoption of lending, savings and payment services.

Investing for growth and customer experience

We invested TZS246.0 billion in our network and technology infrastructure during the first half. This investment supported the continued modernisation of our radio access network, expansion of our 4G and 5G coverage, and additional capacity across supporting infrastructure. In April, we commissioned our new state-of-the-art M-Pesa platform built in the prior year. Together, these investments are strengthening network capacity and resilience, improving service quality and delivering a better customer experience, while positioning the business for future growth.

Half-year financial performance

We delivered strong financial performance, with **service revenue** increasing by 20.8% to TZS1.1 trillion, driven largely by M-Pesa and data. **EBITDA** increased by 33.1%, with the margin expanding by 4.2 percentage points to 39.5%, supported by revenue growth and disciplined cost management. **Net profit after tax** increased by 182.7% to TZS117.8 billion, while **operating free cash flow** grew by 64.3% to TZS90.3 billion, strengthening our capacity to invest and deliver shareholder returns.

Outlook

We enter the second half with strong momentum and confidence in our ability to deliver sustainable, profitable growth. We will continue to grow our customer and revenue base, deepen adoption of M-Pesa and digital services, expand our enterprise business and realise returns from our network and technology investments.

Strong demand, a diversified revenue base and disciplined execution position us to sustain earnings and cash flow growth. While remaining mindful of competitive and macroeconomic pressures, we will continue to invest for the future and deliver attractive returns to shareholders.

We are confident that the operating environment will continue to be supportive of the business and sector in general. We continue to actively engage Government and regulatory bodies to ensure our strategic priorities are aligned with the Government's own digital strategy.

Pamoja Tunaweza



Philip Besiimire

[1] In this report, unless otherwise specified, customers are reported in accordance with Vodacom Group definition of a customer.

[2] Based on TCRA definition of customers, as at 30 June 2026, Vodacom had 38.6 million total subscribers, 20.6 million mobile data customers and 35.3 million mobile money service (M-Pesa) subscribers – latest TCRA report, for the quarter to June 2026.

Highlights

Customer base increased **17.0%** to 29.2 million, with strong growth in data and M-Pesa customers

Net profit after tax increased 182.7% to **TZS117.8 billion**

Service revenue increased 20.8% to **TZS1.1 trillion**

EBITDA increased 33.1%, margin up **4.2 pp** to 39.5%

Invested **TZS246.0 billion** in network and technology infrastructure

Net profit margin expanded by 6.3 pp to **10.9%**

Operating free cash flow increased 64.3% to **TZS90.3 billion**

Summary financial information

	Six months ended 30 September		
TZS m	**2026**	2025	**% YoY**
Service revenue	**1 067 343**	883 866	**20.8**
Revenue	**1 077 677**	905 333	**19.0**
EBITDA	**425 770**	319 822	**33.1**
Operating profit	**239 012**	105 334	**126.9**
Net profit after tax	**117 785**	41 662	**182.7**
Operating free cash flow	**90 267**	54 932	**64.3**
Free cash flow	**52 329**	24 901	**110.1**
Capital expenditure	**246 017**	150 837	**63.1**
Earnings per share ('EPS') (shillings)	**52.54**	18.56	**183.0**
Contribution margin (%)	**69.9**	69.2	**0.7ppts**
EBITDA margin (%)	**39.5**	35.3	**4.2ppts**
Operating profit margin (%)	**22.2**	11.6	**10.6ppts**
Net profit margin (%)	**10.9**	4.6	**6.3ppts**
Capital intensity (%)	**22.8**	16.7	**6.1ppts**

Operating and financial review

	Six months ended 30 September		
TZS m	**2026**	2025	**% YoY**
Mobile voice revenue	**174 499**	165 324	**5.5**
M-Pesa revenue	**443 349**	351 191	**26.2**
Mobile data revenue	**319 210**	256 205	**24.6**
Digital & VAS revenue	**32 024**	23 594	**35.7**
Mobile incoming revenue	**28 493**	26 848	**6.1**
Messaging revenue	**22 845**	20 479	**11.6**
Fixed revenue	**30 263**	25 857	**17.0**
Other service revenue	**16 661**	14 368	**16.0**
Service revenue	**1 067 343**	883 866	**20.8**
Non-service revenue	**10 335**	21 467	**(51.9)**
Revenue	**1 077 677**	905 333	**19.0**
Direct expenses	**(319 290)**	(275 883)	**(15.7)**
Operating expenses	**(326 986)**	(306 662)	**(6.6)**
Staff expenses	**(47 731)**	(45 676)	**(4.5)**
Publicity expenses	**(23 550)**	(23 464)	**(0.4)**
Tower lease and maintenance expenses	**(83 342)**	(73 440)	**(13.5)**
Other operating expenses	**(172 363)**	(164 082)	**(5.0)**
Depreciation and amortisation	**(186 864)**	(214 871)	**13.0**
Net credit losses on financial assets	**(5 526)**	(2 583)	**(113.9)**
Operating profit	**239 011**	105 334	**126.9**
EBITDA	**425 770**	319 822	**33.1**
EBITDA Margin	**39.5%**	35.3%	**4.2ppts**

Revenue

Service revenue increased by 20.8% to TZS1 067.3 billion, reflecting broad-based growth across all revenue streams, a 17.0% increase in customers to 29.2 million and higher ARPU. Services beyond connectivity contributed 47.6% of service revenue, up nearly 2 percentage points, demonstrating the continued diversification of our revenue base. **Second-quarter** service revenue increased by 19.9%, maintaining strong momentum.

Within **connectivity services**, customer growth, targeted commercial execution and continued network investment supported higher usage and revenue. **Mobile voice revenue** increased by 5.5% to TZS174.5 billion, driven by higher traffic, partly offset by a 3.4% decline in the average price per minute amid competitive pressure. **Second-quarter** voice revenue increased by 4.5%, as a nearly 9% increase in minutes more than offset an almost 4% decline in the average price per minute.

Mobile data revenue increased by 24.6% to TZS319.2 billion, supported by a 13.9% increase in data customers and a 15.3% increase in smartphone users. These gains drove strong data traffic growth reflecting continued demand for connectivity and deeper customer engagement. **Second-quarter** data revenue remained robust, growing 23.1%, supported by sustained customer growth and strong growth in data traffic.

Digital and value-added services revenue increased by 35.7% to TZS32.0 billion, reflecting continued growth in customer adoption and usage of digital services. **Second-quarter** revenue increased by 31.9%, a maintained strong momentum supported by deeper engagement across our digital propositions.

Fixed revenue increased by 17.0% to TZS30.3 billion, supported by continued demand for enterprise connectivity and fixed data services. **Second-quarter** revenue growth remained strong at 10.9%, reflecting sustained customer demand and continued expansion of our fixed connectivity portfolio.

M-Pesa revenue increased by 26.2% to TZS443.3 billion, supported by a 14.1% increase in customers and strong growth in transaction activity. Revenue growth was increasingly diversified across payments, lending and savings services, reflecting deeper customer engagement and the continued expansion of the M-Pesa ecosystem. Transaction values and volumes both increased by nearly 40%, demonstrating growing adoption and usage across the platform. **Second-quarter** M-Pesa revenue grew 26.5%, reflecting continued strong growth in customers and increasing diversification across payments, lending and savings services.

Expenses and profitability

Disciplined cost management and continued benefits from our cost-transformation programme supported operating leverage during the period. Total direct and operating expenses increased by 11.0%, moderated by the non-recurrence of prior-year radio access network modernisation costs. On an underlying basis, expenses increased by 15.3%, reflecting growth-related costs, contractual escalations, inflation and foreign exchange pressures, partly offset by savings from cost-transformation initiatives. **Second quarter** total expenses increased by 13.1%.

Direct expenses increased by 15.7% to TZS319.3 billion, remaining below service revenue growth. This reflected continued optimisation of distribution costs through our cost-transformation programme. **Second quarter** direct expenses increased by 15.6%.

Operating expenses increased by 6.7% to TZS327.1 billion, with the reported movement moderated by the non-recurrence of prior-year network-modernisation costs. Excluding these costs and foreign exchange impact, underlying operating expenses increased by 12.6%. The increase reflected continued investment to support business growth, higher network-related costs, contractual escalations and inflationary adjustments, partly offset by cost-transformation savings. **Second quarter** operating expenses increased by 10.7%.

EBITDA increased by 33.1% to TZS425.8 billion, with the EBITDA margin expanding by 4.2ppts to 39.5%, supported by strong service revenue growth and improved cost efficiency. Excluding prior-year network-modernisation costs and foreign exchange impact, underlying EBITDA increased by 26.6%, with the margin expanding by 2.4ppts. **Second quarter** EBITDA increased by 30.0%. On a comparable basis, EBITDA grew by 27.6%, with the margin expanding by 2.5ppts.

Operating profit increased by 126.9% to TZS239.0 billion, with the operating profit margin expanding by 10.6ppts to 22.2%. Reported performance benefited from a 13.0% reduction in depreciation and amortisation to TZS186.9 billion, reflecting prior-year accelerated depreciation on equipment replaced under the network-modernisation programme. Excluding network-modernisation costs and foreign exchange impact, underlying operating profit increased by 31.0%, with the margin expanding by 2.1ppts, supported by strong underlying EBITDA growth. Underlying depreciation and amortisation increased by 21.1%, consistent with the larger asset base following continued investment.

Capital expenditure

Capital expenditure increased by 58.9% to TZS246.0 billion, reflecting continued investment in network modernisation, coverage and capacity expansion, and IT infrastructure. This investment supported customer growth, rising data demand and service resilience. During the period, we expanded our combined 4G and 5G footprint, supporting an increase of more than 30% in 4G data traffic.

Net finance charges

TZS m	Six months ended 30 September 2026	2025	% YoY
Interest income from M-Pesa cash balances	**35 869**	26 208	**36.9**
Interest income from cash investments	**7 787**	6 831	**14.0**
Finance Income	**43 656**	33 039	**32.1**
Finance cost of M-Pesa cash balances	**(35 674)**	(26 066)	**(36.9)**
Finance cost - lease liability	**(62 080)**	(48 628)	**(27.7)**
Other finance cost	**(2 189)**	(1 499)	**(46.0)**
Finance cost	**(99 943)**	(76 193)	**(31.2)**
Net loss on foreign currency translations	**(4 090)**	4 036	**<(200)**
Net finance cost	**(60 377)**	(39 118)	**(54.3)**

Net finance costs increased by 54.3% to TZS60.4 billion, mainly reflecting higher lease-liability interest and an adverse year-on-year movement in foreign currency translation.

Excluding matched M-Pesa trust account items, net finance costs increase was primarily due to a 27.7% rise in lease-liability interest to TZS62.1 billion, reflecting tower lease renewals and new tower lease contracts associated with the rollout of 4G sites. Net finance costs were also affected by a TZS4.1 billion foreign currency translation loss, compared with a TZS4.0 billion gain in the prior period.

Finance income increased by 32.1% to TZS43.7 billion, supported by higher average cash balances and improved investment returns. Interest earned on M-Pesa cash balances held in trust accounts increased by 36.9%, while interest income from cash investments increased by 14.0%. In line with the regulatory framework, the corresponding finance cost on M-Pesa trust-account balances increased by 36.9%, broadly offsetting the related income.

Taxation

The tax charge increased by 147.8% to TZS60.8 billion, reflecting higher profit before tax and adjustments arising from the finalisation of prior-year tax returns. The effective tax rate was 34.1%, above the statutory rate.

Statement of financial position

Total property and equipment and intangible assets increased by 25.4% to TZS1 835.4 billion, reflecting continued investments.

Property and equipment (PPE) increased by 35.3% to TZS1 530.0 billion, driven by investment in network and IT infrastructure and a 40.0% increase in right-of-use assets to TZS807.8 billion. Gross invested PPE cost rose by 7.6% to TZS1 952.6 billion, supporting capacity, resilience and future growth.

Intangible assets decreased by 8.1% to TZS305.5 billion, as investment was more than offset by higher amortisation charges during the period, including the accelerated amortisation of certain licences following a reassessment of their useful economic lives under the network modernisation programme.

Net debt

TZS m	Six months ended 30 September 2026	2025	% YoY
Cash and cash equivalents	**392 095**	298 010	**31.6**
Lease liability	**(972 626)**	(686 254)	**(41.7)**
Other financial liabilities	**(28 755)**	(35 796)	**19.7**
Net debt	**(609 286)**	(424 040)	**(43.7)**
Net debt to EBITDA (times)	**(1.4)**	(1.3)	**(0.1)**

Net debt increased by 43.7% to TZS609.3 billion, primarily reflecting a 41.7% increase in lease liabilities to TZS972.6 billion, driven by tower lease renewals and new tower leases associated with the rollout of 4G sites. This was partly offset by a 31.6% increase in cash and cash equivalents to TZS392.1 billion and a 19.7% reduction in other financial liabilities.

The higher cash balance was supported by a 38.5% increase in cash generated from operations, underpinned by stronger operating performance and disciplined working-capital management. The reduction in other financial liabilities mainly reflected the settlement of matured spectrum obligations and amounts payable under the Government fibre consortium agreement.

The net debt-to-EBITDA ratio was 1.4 times, compared with 1.3 times in the prior period, with strong EBITDA growth supporting a broadly stable leverage position.

Cash flow[1]

TZS m	Six months ended 30 September 2026	2025	% YoY
EBITDA	**425 770**	319 822	**33.1**
Working capital	**7 334**	(14 655)	**150.0**
Capital expenditure	**(246 017)**	(150 837)	**(63.1)**
Lease payments	**(106 046)**	(99 441)	**(6.6)**
Other cash flows	**9 226**	43	**>200%**
Operating free cash flow	**90 267**	54 932	**64.3**
Net finance cash inflow	**18 270**	(97)	**>200**
Tax paid	**(56 208)**	(29 934)	**(87.8)**
Free cash flow	**52 329**	24 901	**110.1**

Operating free cash flow increased by 64.3% to TZS90.3 billion, supported by 33.1% growth in EBITDA and a working-capital inflow. This performance more than offset a 58.9% increase in capital expenditure and a 6.6% increase in lease payments, reflecting continued investment in the modernisation and expansion of our network and IT infrastructure. Other cash flows primarily relate to grants received to subsidise network rollout in areas covered through collaboration with the Government.

[1] For the reconciliation of cash generated from operations to free cash flow, refer to page 31.

Free cash flow increased by 110.1% to TZS52.3 billion, supported by stronger operating free cash flow and an improvement in net finance-related cash flows, partly offset by an 87.8% increase in tax paid. The improvement in net finance-related cash flows reflected higher interest received and timing differences in interest distributions on M-Pesa trust-account balances between the current and prior periods.

Outlook

We enter the second half of the year with strong commercial and financial momentum. Our priorities remain sustaining growth across M-Pesa, data, digital, fixed and enterprise services; preserving positive operating leverage through disciplined cost management; progressively realising returns from our investment programme; and maintaining strong cash conversion.

We remain committed to responsible operations, with continued focus on environmental stewardship, data privacy and inclusive growth. While mindful of competitive, regulatory and macroeconomic developments, we remain well positioned to execute our strategy with agility.

Supported by our diversified growth drivers and disciplined strategy execution, we expect to deliver **low double-digit service revenue growth** over the medium term, while maintaining **capital expenditure at 13.0% to 16.0% of revenue**.

These targets represent averages over the next three years and assume a stable currency, regulatory and macroeconomic environment. They exclude spectrum purchases, exceptional items and merger and acquisition activity.

For and on behalf of the Board



David Tarimo
Chairman



Philip Besiimire
Chief Executive Officer



Hilda Bujiku
Finance Director

28 October 2026

Vodacom Tanzania Public Limited Company

Quarterly report

for the quarter ended 30 September 2026

Issued pursuant to section 53 of Dar es Salaam Stock Exchange PLC Rules 2022

Vodacom Tanzania Public Limited Company
(Incorporated in the United Republic of Tanzania)
Registration number: 38501
Stock Exchange (DSE) registration number ISIN: TZ1996102715
Stock name: VODA

Unaudited condensed statement of profit or loss and other comprehensive income

for the quarter ended 30 September 2026

	GROUP		COMPANY	
TZS m	**Quarter 2 Sep 2026**	Quarter 2 Sep 2025	**Quarter 2 Sep 2026**	Quarter 2 Sep 2025
Revenue	**562 383**	469 476	**355 253**	305 597
Direct expenses	**(167 085)**	(144 525)	**(77 894)**	(72 339)
Operating expenses	**(148 293)**	(123 807)	**(117 348)**	(99 809)
Staff expenses	**(23 476)**	(23 117)	**(16 398)**	(16 617)
Publicity expenses	**(12 847)**	(11 699)	**(6 500)**	(6 331)
Tower lease and maintenance costs	**(44 323)**	(37 452)	**(44 323)**	(37 452)
Other operating expenses	**(83 597)**	(83 673)	**(55 893)**	(65 790)
Net gain/(loss) on foreign currency transactions	**46**	7 852	**(270)**	7 250
Depreciation and amortisation	**(95 392)**	(109 386)	**(94 355)**	(108 013)
Net credit losses on financial assets	**(2 545)**	(721)	**(2 558)**	(724)
Operating profit	**133 164**	66 755	**57 062**	5 581
Finance income	**22 511**	17 336	**1 690**	1 787
Finance costs	**(50 710)**	(39 542)	**(32 445)**	(25 320)
Net (loss)/gain on foreign currency transactions	**(1 266)**	3 745	**(1 022)**	5 122
Profit before tax	**103 699**	48 294	**25 285**	(12 830)
Income tax (expense)/credit	**(33 260)**	(15 139)	**(9 508)**	3 390
Net profit/(loss)	**70 439**	33 155	**15 777**	(9 440)
Attributable to:				
Equity shareholders	**70 384**	33 112	**–**	–
Non-controlling interests	**55**	43	**–**	–

Unaudited condensed statement of financial position

as at 30 September 2026

TZS m	GROUP		COMPANY	
	Quarter 2 Sep 2026	Quarter 2 Sep 2025	**Quarter 2 Sep 2026**	Quarter 2 Sep 2025
Assets				
Non-current assets	**2 070 771**	1 669 588	**2 043 702**	1 640 358
Goodwill	**1 639**	1 639	**–**	–
Property and equipment	**722 097**	553 618	**719 826**	549 121
Right of use assets	**807 753**	577 107	**807 753**	577 107
Intangible assets	**305 527**	332 449	**293 830**	312 945
Capacity prepayments	**131 251**	105 853	**131 251**	105 853
Trade and other receivables	**20 709**	16 582	**11 329**	14 024
Income tax receivables	**27 731**	35 336	**26 590**	34 298
Deferred tax assets	**52 968**	45 908	**51 527**	45 414
Other Investments	**1 096**	1 096	**1 096**	1 096
Investment in subsidiary	**–**	–	**500**	500
Current assets	**2 005 969**	1 576 242	**398 139**	338 679
Capacity prepayments	**18 849**	21 870	**18 849**	21 870
Inventories	**11 480**	5 935	**11 480**	5 935
Trade and other receivables	**131 784**	141 960	**136 431**	146 973
Government grant receivables	**7 911**	8 918	**7 911**	8 918
Income tax receivables	**46 166**	35 045	**46 166**	31 517
Mobile financial deposits	**1 397 684**	1 064 504	**–**	–
Cash and cash equivalents	**392 095**	298 010	**177 302**	123 466
Total assets	**4 076 740**	3 245 830	**2 441 841**	1 979 037
Equity and liabilities				
Share capital	**112 000**	112 000	**112 000**	112 000
Share premium	**442 435**	442 435	**442 435**	442 435
Capital contribution	**27 698**	27 698	**27 698**	27 698
Retained earnings	**460 211**	330 706	**296 809**	207 594
Equity attributable to the owners of the parent	**1 042 344**	912 839	**878 942**	789 727
Non-controlling interest	**153**	111	**–**	–
Total equity	**1 042 497**	912 950	**878 942**	789 727

Unaudited condensed statement of financial position continued

TZS m	GROUP		COMPANY	
	Quarter 2 Sep 2026	Quarter 2 Sep 2025	**Quarter 2 Sep 2026**	Quarter 2 Sep 2025
Non current liabilities	**926 549**	644 272	**926 549**	644 272
Lease liabilities	**901 536**	610 009	**901 536**	610 009
Other financial liabilities	**8 386**	24 254	**8 386**	24 254
Provisions	**16 627**	10 009	**16 627**	10 009
Current liabilities	**2 107 694**	1 688 608	**636 350**	545 038
Lease liabilities	**71 090**	76 245	**71 090**	76 245
Other financial liabilities	**20 369**	11 053	**20 369**	11 053
Trade and other payables	**533 261**	464 426	**465 933**	408 221
Derivative financial liabilities	**–**	487	**–**	487
Mobile financial payables	**1 397 684**	1 064 504	**–**	–
Income tax payables	**4 760**	22 566	**–**	–
Government grants	**7 357**	852	**7 357**	852
Provisions	**19 263**	2 839	**17 691**	2 588
Dividend payables	**53 910**	45 636	**53 910**	45 592
Total liabilities	**3 034 243**	2 332 880	**1 562 899**	1 189 310
Total equity and liabilities	**4 076 740**	3 245 830	**2 441 841**	1 979 037

Unaudited condensed statement of changes in equity

for the quarter ended 30 September 2026

TZS m	Share capital	Share premium	Capital contribution	Retained earnings	Equity attributable to owners of Parent	Non controlling Interest	Total
GROUP							
At 1 July 2026	**112 000**	**442 435**	**27 698**	**443 385**	**1 025 518**	**98**	**1 025 616**
Total comprehensive income for the period	**–**	**–**	**–**	**70 384**	**70 384**	**55**	**70 439**
Transaction with owners:							
Dividend declared	–	–	–	**(53 558)**	**(53 558)**	–	**(53 558)**
At 30 September 2026	**112 000**	**442 435**	**27 698**	**460 211**	**1 042 344**	**153**	**1 042 497**
At 1 July 2025	112 000	442 435	27 698	342 842	924 975	68	925 043
Total comprehensive income for the period	–	–	–	33 112	33 112	43	33 155
Transaction with owners:							
Dividend declared	–	–	–	(45 248)	(45 248)	–	(45 248)
At 30 September 2025	112 000	442 435	27 698	330 706	912 839	111	912 950
COMPANY							
At 1 July 2026	**112 000**	**442 435**	**27 698**	**334 590**	**–**	**–**	**916 723**
Total comprehensive income for the period	**–**	**–**	**–**	**15 777**	**–**	**–**	**15 777**
Transaction with owners:							
Dividend declared	**–**	**–**	**–**	**(53 558)**	**–**	**–**	**(53 558)**
At 30 September 2026	**112 000**	**442 435**	**27 698**	**296 809**	**–**	**–**	**878 942**
At 1 July 2025	112 000	442 435	27 698	262 282	–	–	844 415
Total comprehensive income for the period	–	–	–	(9 440)	–	–	(9 440)
Transaction with owners:							
Dividend declared	–	–	–	(45 248)	–	–	(45 248)
At 30 September 2025	112 000	442 435	27 698	207 594	–	–	789 727

Unaudited condensed statement of cash flows

for the quarter ended 30 September 2026

	GROUP		COMPANY	
TZS m	**Quarter 2 Sep 2026**	Quarter 2 Sep 2025	**Quarter 2 Sep 2026**	Quarter 2 Sep 2025
Cash flow from operating activities				
Cash generated from operations	**274 005**	236 282	**207 430**	147 974
Income taxes paid	**(30 960)**	(10 790)	**(11 507)**	(7 918)
Net cash generated from /(used in) operating activities	**243 045**	225 492	**195 923**	140 056
Cash flow from investing activities				
Additions to property and equipment and intangible assets	**(106 412)**	(90 217)	**(106 412)**	(90 217)
Asset acquisition	**–**	(4 339)	**–**	–
Proceeds from sale of property and equipment	**43**	–	**43**	–
Acquisition of a subsidiary	**–**	–	**–**	(4 339)
Finance income received	**4 060**	3 107	**1 690**	1 787
Cash held in restricted deposits	**(62 583)**	(54 876)	**–**	–
Interest received from M-Pesa deposits	**18 451**	14 229	**–**	–
Net cash used in investing activities	**(138 059)**	(128 081)	**(96 297)**	(88 754)
Cash flow from financing activities				
Dividends paid	**(204)**	94	**(128)**	94
Payment of lease liabilities – principal	**(14 799)**	(14 313)	**(14 799)**	(14 313)
Payment of lease liabilities – interest	**(31 453)**	(24 244)	**(31 453)**	(24 244)
Settlement of derivative financial liabilities	**(1 780)**	(592)	**(1 780)**	(592)
Principal payment of other financial liabilities	**(512)**	(822)	**(512)**	(822)
Principal repayment of spectrums licence payables	**(6 683)**	–	**(6 683)**	–
Interest repayment of spectrum licence payables	**(783)**	–	**(783)**	–
Interest payment on other financial liabilities	**(119)**	(164)	**(119)**	(164)
Interest paid to M-Pesa customers	**(16 318)**	(21 988)	**–**	–
Net cash used in financing activities	**(72 651)**	(62 029)	**(56 257)**	(40 041)
Net decrease in cash and cash equivalents	**32 335**	35 382	**43 369**	11 261
Cash and cash equivalents at the beginning of the quarter	**362 230**	268 057	**135 344**	116 257
Effects of exchange rate changes on cash and cash equivalents held in foreign currencies	**(978)**	(5 429)	**(734)**	(4 052)
Cash and cash equivalents at the end of the quarter	**393 587**	298 010	**177 979**	123 466

These quarterly financial statements have been prepared using accounting policies that are consistent with those adopted in the preceding audited annual financial statements.

The quarterly unaudited condensed consolidated and separate financial statements were approved and authorised for issue by the Board of Directors on 28 October 2026 and were signed on its behalf by:



Philip Besiimire
Chief Executive Officer



Hilda Bujiku
Finance Director

Issued pursuant to Section 53 of the Dar es Salaam Stock Exchange Rules 2022.

Interim condensed consolidated financial statements

Statement of directors' responsibilities	15
Review report of the independent auditor	16
Condensed consolidated statement of profit or loss and other comprehensive income	17
Condensed consolidated statement of financial position	18
Condensed consolidated statement of changes in equity	20
Condensed consolidated statement of cash flows	21
Notes to the interim condensed consolidated financial statements	22



Statement of directors' responsibilities

The Directors are responsible for the preparation, integrity and fair presentation of the interim condensed consolidated financial statements of Vodacom Tanzania Public Limited Company (the "Company") and its subsidiaries (the "Group") for the period ended 30 September 2026. These financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (IAS 34), the recognition and measurement requirements of International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), the requirements of the Tanzanian Companies Act, No. 12 of 2002, and the Dar es Salaam Stock Exchange (DSE) Rules, 2022. The Directors are also responsible for safeguarding the assets of the Group and for implementing appropriate measures to prevent and detect fraud, errors and other irregularities.

The interim condensed consolidated financial statements have been reviewed by the Group's independent auditor, Ernst & Young (EY), which was granted unrestricted access to all relevant financial records and supporting information, including minutes of meetings of shareholders, the Board of Directors and its committees. The Directors are satisfied that all representations made to the auditor during the course of the review were appropriate and complete. The independent auditor's review report is presented on page 16.

The Directors are of the opinion that the interim condensed consolidated financial statements have been prepared, in all material respects, in accordance with the basis of preparation set out in Note 2. The Directors further acknowledge their responsibility for maintaining adequate accounting records and for designing, implementing and maintaining effective internal controls to ensure that the interim condensed consolidated financial statements are free from material misstatement, whether arising from fraud or error. In preparing these financial statements, the Directors have adopted the going concern basis of accounting.

The interim condensed consolidated financial statements were approved by the Board of Directors on 28 October 2026 and signed on its behalf by:



Philip Besiimire
Chief Executive Officer



Hilda Bujiku
Finance Director

Shape the future
with confidence

Emst & Young
EY House
Plot No. 162/1, Mzinga Way
14111 Oysterbay
PO. Box 2475
Dar es Salaam, Tanzania

Tel: +255 22 2924040/41/42
Fax: +255 22 2924043
E-mail: info.tanzania@tz.ey.com
www.ey.com
TIN: 100-149-222
VRN: 10-007372-Z

Report on review of the interim condensed consolidated financial statements

To the directors of Vodacom Tanzania Public Limited Company

We have reviewed the accompanying interim condensed consolidated financial statements of Vodacom Tanzania Public Limited Company (the "Company") and its subsidiaries (together, the "Group") which comprise the condensed consolidated statement of financial position as at 30 September 2026, and the related consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six-months period then ended, and selected material accounting policy information as set out from page 17 to 30. The directors are responsible for the preparation of the interim condensed consolidated financial statements in accordance with, and containing the information required by the International Accounting Standard 34 'Interim Financial Reporting' ("IAS 34") and the framework concepts and the measurement and recognition requirements of IFRS, the requirements of the Companies Act No. 12 of 2002, and the requirements of the Dar es Salaam Stock Exchange PLC Rules, 2022.

Our responsibility is to express a conclusion on the interim condensed consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of financial information performed by the independent auditor of the entity'. A review of financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements as at 30 September 2026 and for the six months period then ended, have not been prepared, in all material respects, in accordance with the basis of preparation described in Note 2 to the interim condensed consolidated financial statements.

Dr Neema Kiure
Partner (FCPA 1227)
For and on behalf of Ernst & Young
Certified Public Accountants
Dar es Salaam, Tanzania

5 November 2026

Condensed consolidated statement of profit or loss and other comprehensive income

for the period ended 30 September 2026

TZS m	Notes	Six months ended September 2026 Reviewed	September 2025 Reviewed
Revenue	4	**1 077 677**	905 333
Direct expenses		**(319 290)**	(275 883)
Staff expenses		**(47 731)**	(45 676)
Publicity expenses		**(23 550)**	(23 464)
Other operating expenses[1]		**(255 705)**	(237 522)
Depreciation and amortisation		**(186 864)**	(214 871)
Net credit losses on financial assets		**(5 526)**	(2 583)
Operating profit		**239 011**	105 334
Finance income		**43 656**	33 039
Finance costs		**(99 943)**	(76 193)
Net (loss)/gain on foreign currency transactions		**(4 090)**	4 036
Profit before tax		**178 634**	66 216
Income tax expense	5	**(60 849)**	(24 554)
Profit for the period		**117 785**	41 662
Other comprehensive income		**–**	–
Total comprehensive income for the period		**117 785**	41 662
Attributable to:			
Equity shareholders		**117 680**	41 583
Non-controlling interests		**105**	79
		117 785	
Basic and diluted earnings per share (TZS)	6	**52.54**	18.56

[1] The amount includes tower lease and maintenance expenses TZS 83,342 million (September 2025: TZS 73,440 million).

Condensed consolidated statement of financial position

as at 30 September 2026

TZS m	September 2026 Reviewed	March 2026 Audited
Assets		
Non-current assets	**2 070 771**	1 717 833
Property and equipment[2]	**1 529 850**	1 165 159
Intangible assets	**305 527**	333 193
Capacity prepayments	**131 251**	115 271
Goodwill	**1 639**	1 639
Income tax receivables[3]	**27 731**	35 336
Trade and other receivables	**20 709**	15 717
Deferred tax assets	**52 968**	50 422
Other investments	**1 096**	1 096
Current assets	**2 005 969**	1 782 633
Capacity prepayments	**18 849**	20 398
Inventories	**11 480**	3 725
Trade and other receivables	**131 784**	115 379
Government grant receivables	**7 911**	10 777
Income tax receivables[3]	**46 166**	40 988
Mobile financial deposits[4]	**1 397 684**	1 226 148
Cash and cash equivalents	**392 095**	365 218
Total assets	**4 076 740**	3 500 466

[2] The increase mainly reflects continued network and IT modernization investments, alongside growth in right-of-use assets from lease renewals and new contracts.

[3] These are deposits made with the tax authority in relation to disputed corporate tax assessments.

[4] The increase is driven by the M-Pesa ecosystem growth.

Condensed consolidated statement of financial position continued

TZS m	Notes	September 2026 Reviewed	March 2026 Audited
Equity and liabilities			
Share capital		**112 000**	112 000
Share premium		**442 435**	442 435
Capital contribution		**27 698**	27 698
Retained earnings		**460 211**	396 089
Equity attributable to the owners of the parent		**1 042 344**	978 222
Non-controlling interest		**153**	125
Total equity		**1 042 497**	978 347
Non-current liabilities		**926 549**	669 545
Lease liabilities[5]		**901 536**	641 143
Other financial liabilities		**8 386**	16 096
Provisions	7	**16 627**	12 306
Current liabilities		**2 107 694**	1 852 574
Lease liabilities		**71 090**	99 662
Other financial liabilities		**20 369**	18 601
Mobile financial payables[4]		**1 397 684**	1 226 148
Trade and other payables		**533 261**	487 012
Dividend payables[6]		**53 910**	876
Income tax payables		**4 760**	–
Government grant		**7 357**	3 961
Provisions	7	**19 263**	16 314
Total liabilities		**3 034 243**	2 522 119
Total equity and liabilities		**4 076 740**	3 500 466

The interim condensed consolidated and separate financial statements were approved and authorised for issue by the Board of Directors on 28 October 2026 and were signed on its behalf by:



Philip Besiimire
Chief Executive Officer



Hilda Bujiku
Finance Director

[5] The increase reflects higher lease liabilities resulting from lease renewals and new contracts.
[6] The balance relates to dividends declared from 2026 profits, with the increase mainly attributable to the timing of dividend payments.

Condensed consolidated statement of changes in equity

for the period ended 30 September 2026

TZS m	Share capital	Share premium	Capital contribution	Retained Earnings	Equity attributable to owners of Parent	Non controlling Interest	Total
Six month period ended 30 September 2026 (Reviewed)							
1 April 2026	**112 000**	**442 435**	**27 698**	**396 089**	**978 222**	**125**	**978 347**
Total comprehensive income for the period	**–**	**–**	**–**	**117 680**	**117 680**	**105**	**117 785**
Transactions with owners:							
Dividend declared	**–**	**–**	**–**	**(53 558)**	**(53 558)**	**(77)**	**(53 635)**
At 30 September 2026	**112 000**	**442 435**	**27 698**	**460 211**	**1 042 344**	**153**	**1 042 497**
Six month period ended 30 September 2025 (Reviewed)							
1 April 2025	112 000	442 435	27 698	334 371	916 504	–	916 579
Total comprehensive income for the period	–	–	–	41 583	41 583	–	41 662
Transactions with owners:							
Dividend declared	–	–	–	(45 248)	(45 248)	–	(45 291)
At 30 September 2025	112 000	442 435	27 698	330 706	912 839	–	912 950

Condensed consolidated statement of cash flows

for the period ended 30 September 2026

TZS m	Note	Six months ended September 2026 Reviewed	Six months ended September 2025 Reviewed
Cash flow from operating activities			
Cash generated from operations	10	**574 617**	414 810
Income tax paid		**(56 208)**	(29 934)
Net cash flow generated from operating activities		**518 409**	384 876
Cash flows used in investing activities			
Additions to property and equipment and intangible assets		**(230 841)**	(137 893)
Asset acquisition		**–**	(4 339)
Proceeds from disposals of property and equipment		**101**	43
Government grant received		**9 125**	4 015
Finance income received		**7 787**	6 831
Net movement in mobile financial deposits		**(171 536)**	(141 269)
Interest received from M-Pesa deposits		**35 869**	26 208
Net cash flow used in investing activities		**(349 495)**	(246 404)
Cash flow used in financing activities			
Dividend paid		**(601)**	68
Principal payment of other financial liabilities		**(951)**	(857)
Interest payment of other financial liabilities		**(245)**	(352)
Settlement of derivative financial liabilities		**(1 875)**	(686)
Withholding taxes on shareholders' loan		**–**	(799)
Principal payment on spectrum licence payables		**(6 683)**	–
Interest payment on spectrum licence payables		**(783)**	–
Payment of lease liabilities – principal		**(43 965)**	(50 813)
Payment of lease liabilities – interest		**(62 080)**	(48 628)
Interest paid to M-Pesa customers		**(23 266)**	(31 299)
Net cash flow used in financing activities		**(140 449)**	(133 366)
Net increase in cash and cash equivalents		**28 465**	5 106
Cash and cash equivalents at the beginning of the period		**365 577**	298 467
Effects of exchange rate changes on cash and cash equivalents held in foreign currencies		**(454)**	(5 563)
Cash and cash equivalents at the end of the period		**393 588**	298 010

Notes to the interim condensed consolidated financial statements

for the period ended 30 September 2026

1. General information

Vodacom Tanzania Public Limited Company (the "Company") and its subsidiaries (together, the "Group") are incorporated and domiciled in Tanzania. The Company is a limited liability company and its shares are listed and traded on the Dar es Salaam Stock Exchange. The principal activities of the Group are disclosed in the Directors' Report issued with the latest audited consolidated and separate financial statements. The address of the Company's registered office is disclosed under the Corporate Information issued with the latest audited consolidated and separate financial statements.

2. Basis of preparation

These interim condensed consolidated financial statements for the six months ended 30 September 2026 have been prepared in accordance with, and containing the information required by the International Accounting Standard 34 Interim Financial Reporting ("IAS 34") and the framework concepts and the measurement and recognition requirements of IFRS.

The interim condensed consolidated financial statements have been prepared on the historical cost basis, except where otherwise stated. Amounts in the financial statements are stated in Tanzanian Shillings (TZS), rounded to the nearest million (TZS m), except when otherwise indicated.

The interim condensed consolidated financial statements do not include all the information and disclosures required for audited annual financial statements and should be read in conjunction with the Group's audited annual consolidated financial statements for the year ended 31 March 2026. The explanatory notes in these interim condensed consolidated financial statements disclose the events and transactions that update the relevant information presented in the latest audited annual consolidated financial statements.

The significant accounting policies and methods of computation are consistent in all material respects with those disclosed in the latest audited consolidated financial statements as applied in the previous year and interim period, except where otherwise indicated as disclosed in Note 3.

3. Changes in accounting policies

The Group adopted the new, revised or amended accounting pronouncements as issued by the IASB, which were effective and applicable to the Group from 1 April 2026, none of which had any material impact on the Group's financial results for the period. The Group has not early adopted any new, revised or amended accounting pronouncements, that are not yet effective.The group continues to assess the impact of IFRS 18 Presentation and Disclosure in Financial Statements, which is expected to impact the presentation of the Group's financial statements, particularly the consolidated income statement and the presentation of certain performance measures. Apart from IFRS 18, the Group does not expect other new standards and amendments that are not yet effective to have a material impact on its financial results.

4. Revenue

TZS m	Six months ended September 2026 Reviewed	Six months ended September 2025 Reviewed
Major products/service lines		
Customer service revenue[7]	**995 480**	819 712
Mobile interconnect	**28 493**	26 848
Fixed service revenue	**30 263**	25 857
Other service revenue	**13 107**	11 449
Service revenue	**1 067 343**	883 866
Equipment revenue	**6 624**	9 061
Other non-service revenue	**3 229**	11 919
Revenue from contracts with customers	**1 077 196**	904 846
Interest income recognised as revenue	**481**	487
Revenue	**1 077 677**	905 333
Revenue is further disaggregated by revenue stream as follows:		
Mobile voice revenue	**174 499**	165 324
M-Pesa revenue	**443 349**	351 191
Mobile data revenue	**319 212**	256 205
Digital & VAS revenue	**32 022**	23 594
Mobile incoming revenue	**28 493**	26 848
Messaging revenue	**22 845**	20 479
Fixed revenue	**30 263**	25 856
Other service revenue[7]	**16 660**	14 369
Service revenue	**1 067 343**	883 866
Non-service revenue	**10 334**	21 467
Revenue	**1 077 677**	905 333

Equipment revenue and other non-service revenue are recognised at a point in time while the service revenue are recognised over time.

[7] Comprises of mobile contract revenue and mobile prepaid revenue.

5. Income tax expense

TZS m	September 2026 Reviewed	September 2025 Reviewed
Expected income tax expense at the Tanzania statutory tax rate 30%	**53 590**	19 865
Adjusted for:		
Non-deductible expenditure[8]	**2 258**	3 707
Net non-taxable gaming income	**23**	(1)
Prior year adjustment – Holding Company	**1 141**	(1 255)
Prior year adjustment – Subsidiary Company	**–**	67
Withholding tax from – Subsidiary Company	**3 837**	2 171
Income tax expense	**60 849**	24 554
Effective tax rate	**34.06%**	37.08%

6. Earnings and dividends per share

Profit per share calculations are based on the earnings which are attributable to the shareholders and the number of ordinary shares outstanding as shown below:

	September 2026 Reviewed	September 2025 Reviewed
Basic and diluted earnings per share (TZS)	**52.54**	18.56
Earnings attributable to the owners of the parent (TZS m)	**117 680**	41 583
Number of ordinary shares outstanding	**2 240 000 300**	2 240 000 300
Dividend declared during the period/year (TZS m)	**53 558**	45 248

The Annual General Meeting (AGM) held on 20 August 2026 approved a final dividend of TZS 23.91 per share for the financial year ended 31 March 2026. The total dividend approved amounted to TZS 53,558 million, representing 50% of net profit after tax for FY2026 and was in line with the Company's dividend policy. The dividend was subsequently paid to shareholders on 15 October 2026.

[8] Non deductible expenditure includes charitable donations, penalties and fines.

7. Provisions

The Group is currently involved in various legal/regulatory proceedings and has, in consultation with its legal counsel, assessed the outcome of these proceedings to have the total probable exposure indicated below. Other provisions are disclosed below.

TZS m	30 September 2026 Reviewed	30 September 2025 Reviewed
At 1 April	**28 620**	13 684
Site restoration obligation	**13 246**	7 973
Legal	**1 180**	1 177
Indirect tax assessments	**14 194**	4 534
Additions/charge to profit or loss		
Site restoration obligation	**3 596**	1 421
Site restoration obligation – interest accrued	**809**	615
Legal	**1 320**	4
Indirect tax assessments	**1 855**	38
	7 580	2 078
Released to profit or loss		
Legal	**(310)**	–
Indirect tax assessments	**–**	(2 914)
	(310)	(2 914)
At 30 September/31 March	**35 890**	12 848
Site restoration obligation	**17 651**	10 009
Legal	**2 190**	1 181
Indirect tax assessments	**16 049**	1 658
Comprising of:		
Non-current		
Site restoration obligation	**16 627**	10 009
	16 627	10 009
Current		
Legal	**2 190**	1 181
Indirect tax assessments	**16 049**	1 658
	19 263	2 839

8. Capital expenditure and commitments

During the period, the Group invested TZS 246,017 million in capital expenditure (September 2025: TZS 150,837 million).

The Investment focused on network modernisation, coverage and capacity expansion, and IT infrastructure to support customer growth, rising data demand and service resilience. We also expanded our 4G and 5G footprint supporting growth in 4G data traffic. Our network modernisation programme progressed as planned, with more than 1 000 sites modernised across the country.

The Group's capital commitments is as presented below:

TZS m	**September 2026 Reviewed**	September 2025 Reviewed
Capital expenditure contracted for but not yet incurred (including property and equipment and intangible assets)	**99 632**	81 734

9. Related parties

The Group's related parties are its ultimate parent, immediate parent, subsidiaries, other related companies including sister companies, and key management personnel including directors.

TZS m	**September 2026 Reviewed**	September 2025 Reviewed
Balances with related parties		
Trade and other receivables		
Vodafone Group Plc (Ultimate Parent)	**5 283**	3 815
Vodacom Group Limited (Immediate Parent)	**5 361**	1 925
	10 644	5 740
Trade and other payables		
Vodafone Group Plc (Ultimate Parent)	**(28 951)**	(21 369)
Vodacom Group Limited (Immediate Parent)	**(50 284)**	(40 876)
M-Pesa Africa	**(7 880)**	(6 278)
	(87 115)	(68 523)

The amounts due from/to related parties are interest free. All the balances due from/to related parties are due on demand and are unsecured.

9. Related parties continued

Transactions with related parties

TZS m	September 2026 Reviewed	September 2025 Reviewed
Vodafone Group Plc and its subsidiaries		
Revenue	**7 100**	5 235
Direct expenses	**(436)**	(1 693)
Other operating expenses	**(7 550)**	(8 754)
	(886)	(5 212)
Vodacom Group Limited subsidiaries – Mozambique, DRC, Mauritius and Lesotho		
Revenue	**506**	13
Direct expenses	**(367)**	(254)
Other operating expenses	**(2 486)**	(4 572)
	(2 347)	(4 813)
Vodacom Group Limited – South Africa		
Revenue	**1 574**	1 983
Direct expenses	**(1 080)**	(1 114)
Other operating expenses	**(20 769)**	(9 930)
	(20 275)	(9 061)
Compensation for key management personnel		
Short-term employee benefits	**(4 215)**	(5 339)
Share based compensation	**(384)**	(287)
Long-term employee benefits	**(743)**	(261)
	(5 342)	(5 887)
Non-executive directors		
Non-executive directors fees	**(970)**	(924)
Executive directors		
Short-term employee benefits	**(1 932)**	(2 224)
Long-term employee benefits	**(572)**	(37)
	(2 504)	(2 261)

10. Cash generated from operations

TZS m	September 2026 Reviewed	September 2025 Reviewed
Profit before tax	**178 634**	66 216
Adjusted for:		
Financing income	**(43 656)**	(33 039)
Financing costs	**99 943**	76 193
Net loss/(gain) on foreign currency transaction	**4 090**	(4 036)
Operating profit	**239 011**	105 334
Adjusted for:		
Depreciation and amortisation	**186 864**	214 871
Net credit loss on financial assets	**5 526**	2 583
Net credit losses on cash and cash equivalents	**1 134**	–
Amortisation of capacity prepayments	**13 497**	10 258
A gain on disposal of property, equipment	**(100)**	(41)
Increase/(decrease) in provision for inventory	**901**	491
Gain on disposal of lease liability and right of use asset	**(7)**	(342)
Increase/(decrease) in legal and tax provisions	**6 461**	(1 451)
Cash flow from operations before working capital changes	**453 287**	331 703
Payment of capacity contracts	**(18 337)**	(40 327)
(Increase)/decrease in inventory – gross	**(8 656)**	(2 126)
Increase in trade and other receivables	**(36 514)**	(50 758)
Increase in trade, mobile financial and other payables	**184 837**	176 318
Cash generated from operations	**574 617**	414 810

11. Contingent liabilities

Tax matters

The Group's future tax charge, effective tax rate and profit before tax could be affected by several factors including tax reforms conducted in Tanzania and the resolution of open tax disputes with the Tanzania Revenue Authority ("TRA" or the "tax authority") and/or tax courts. The Group is committed to act with integrity and transparency in all tax matters including a policy of full transparency to the tax authority and the payment of all taxes due under the relevant tax laws in Tanzania. The Group is regularly subject to audits and examination by the tax authority of its direct and indirect tax filings. The consequence of such reviews is that in some instances, disputes can arise with the tax authority over the interpretation or application of certain tax rules where these tax laws are 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.

The major tax positions taken are thus subject to review by management and reported to the Board. The Group has obtained advice from external experts in respect of significant tax matters in support of the application and interpretation of the relevant tax legislation.The Group has considered all matters in dispute with the tax authority and has accounted for any identified exposure where appropriate

Litigation and other claims contingencies

The Group is currently involved in various legal proceedings and has, in consultation with its legal counsel, assessed the possible/probable outcome of these proceedings. Following this assessment, the Group's management has determined that adequate provision has been made in respect of these legal proceedings as at period end.

The Group is subject to claims under contracts signed with other parties. Disputes can arise with other parties over the interpretation or application of contractual provisions. These disputes may not necessarily be resolved in a manner that is favourable to the Group, and the resolution of the disputes could result in an obligation to the Group. Management has assessed that no provision for claims is warranted as at period end.

12. Segments

In order to identify operating segments, management identifies components that engage in business activities from which they may earn revenues and incur expenses; whose operating results are regularly reviewed by the Group Executive Committee; and for which discrete financial information is available.

Based on management's assessment, the Group has one operating and reportable segment. Accordingly, separate segment information is not presented, as the information for the reportable segment is the same as that presented in these interim condensed consolidated financial statements.

In addition, the Group operates within a single geographical area, the United Republic of Tanzania. Accordingly, no separate geographical information is presented. No single external customer accounts for 10% or more of the Group's revenue.

13. Fair value

During the period, the group entered into Forward Exchange Contracts (FEC) in a bid to mitigate the volatility in the foreign exchange market. As at 30 September 2026, the fair value adjustments recorded under net loss on foreign currency transactions is TZS 1875 million (2025: TZS 1173 million). The fair value of the FECs are determined with reference to quoted market prices for similar instruments, being the mid forward rates and spot rates and fall within level two of the fair value hierarchy under IFRS 13. The Group does not have any other financial instruments that required to be measured at fair value subsequent to initial recognition. The carrying amounts of the Group's financial instruments reasonably approximate their fair values due to the short-term nature of the instruments.

14. Events after the reporting period

The Board evaluated events and transactions occurring after 30 September 2026 up to the date on which the interim condensed consolidated financial statements were authorised for issue.

The Board is not aware of any matters or circumstances arising after the reporting period that require adjustment to, or material disclosure in, these interim condensed consolidated financial statements.

Supplementary information

Reconciliation of operating free cash flow and free cash flow

TZS m	Six month ended 30 September 2026	2025	% Change
Cash generated from operations[1]	**574 617**	414 810	**38.5**
Government grant received	**9 125**	4 015	**127.3**
Additions to property and equipment and intangible assets[2]	**(230 841)**	(117 983)	**(95.7)**
Payment of lease liabilities – Principal	**(43 965)**	(50 813)	**13.5**
Interest paid on lease liabilities	**(62 080)**	(48 628)	**(27.7)**
Amounts owed to MPESA account holders[3]	**(156 690)**	(146 512)	**(6.9)**
Proceeds from sale of property and equipment	**101**	43	**134.9**
Operating free cash flow	**90 267**	54 932	**64.3**
Tax paid	**(56 208)**	(29 934)	**(87.8)**
Finance income received	**7 787**	6 831	**14.0**
Interest received from M-Pesa deposits	**35 869**	26 208	**36.9**
Interest paid to M-Pesa customers	**(23 266)**	(31 299)	**25.7**
Net interest paid on Foreign Exchange Contracts (FEC)	**(1 875)**	(686)	**(173.7)**
Net interest paid on tax liabilities	**–**	(799)	**100.0**
Interest on license debt	**(245)**	(352)	**30.4**
Free cash flow	**52 329**	24 901	**110.1**

Non-IFRS information

The auditor's report does not necessarily cover all of the information contained in this announcement, which sets out the Interim consolidated financial results of Vodacom Tanzania Public Limited Company ('the Company') and its subsidiaries (together 'the Group') for the six months ended 30 September 2026. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's work they should obtain a copy of that report together with the accompanying financial information from the registered office of the Company. This announcement contains certain non-IFRS financial measures which have not been reviewed or reported on by the Group's auditors. The Group's management believes these measures provide valuable additional information in understanding the performance of the Group or the Group's businesses because they provide measures used by the Group to assess performance. However, this additional information presented is not uniformly defined by all companies, including those in the Group's industry. Accordingly, it may not be comparable with similarly titled measures and disclosures by other companies. Additionally, although these measures are important in the management of the business, they should not be viewed in isolation or as replacements for or alternatives to, but rather as complementary to, the comparable IFRS measures. Refer to the 'Operating and financial review' section of this announcement for details relating to service revenue, EBITDA and earnings per share.

Trademarks

Vodafone, the Vodafone logo, M-Pesa, Connected Farmer, Vodafone Supernet, Vodafone Mobile Broadband, Vodafone WebBox, Vodafone Passport, Vodafone live!, Power to You, Vodacom, Vodacom 4 Less and Vodacom Change the World are trademarks of Vodafone Group Plc (or have applications pending). M-Kulima, M-Koba, Tuzo Points, Songesha and Wakala Songesha are trademarks of Vodacom Tanzania Public Limited. We also have an application pending for the registration of M-Wekeza. M-Pawa is jointly registered by Vodacom Tanzania PLC and NCBA Bank (formerly Commercial Bank of Africa (T) Limited). Other products and company names mentioned herein may be the trademarks of their respective owners.

1 Extracted without adjustment from the interim condensed consolidated statement of cash flows for the period ended 30 September 2026.
2 For the period ending September 2025, this amount excludes TZS19.9 billion payment for the first instalment of the spectrum acquired during that financial year.
3 Relates to money held on behalf of M-Pesa customers, which is not available for use by the Company.

Forward-looking statements

This announcement, which sets out the consolidated Interim results of the Group for the six months ended 30 September 2026, contains 'forward-looking statements', which have not been reviewed or reported on by the Group's auditors, with respect to the Group's financial condition, results of operations and businesses and certain information relating to the Group's plans and objectives. In particular, such forward-looking statements include statements relating to: The Group's future performance; future capital expenditures, acquisitions, divestitures, expenses, revenues, financial conditions, dividend policy, and future prospects; business and management strategies relating to the expansion and growth of the Group; the effects of regulation of the Group's business by the government in the country in which it operates; the Group's expectations as to the launch and roll out dates for products, services or technologies; expectations regarding the operating environment and market conditions; growth in customers and usage; and the rate of dividend growth by the Group.

Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words as "will", "anticipates", "aims", "could", "may", "should", "expects", "believes", "intends", "plans" or "targets" (including in their negative form). By their nature, forward-looking statements are inherently predictive, speculative and involve risk and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These factors include, but are not limited to, the following: changes in economic or political conditions in markets served by operations of the Group; greater than anticipated competitive activity; higher than expected costs or capital expenditures; slower than expected customer growth and reduced customer retention; changes in the spending patterns of new and existing customers; the Group's ability to expand its spectrum position or renew or obtain necessary licences; the Group's ability to achieve cost savings; the Group's ability to execute its strategy in fibre deployment, network expansion, new product and service roll-outs, mobile data, Enterprise, 4G and 5G network expansion; changes in foreign exchange rates, as well as changes in interest rates; the Group's ability to realise benefits from entering into partnerships or joint ventures and entering into service franchising and brand licensing; unfavourable consequences to the Group of making and integrating acquisitions or disposals; changes to the regulatory framework in which the Group operates; the impact of legal or other proceedings; loss of suppliers or disruption of supply chains; developments in the Group's financial condition, earnings and distributable funds and other factors that the Board takes into account when determining levels of dividends; the Group's ability to satisfy working capital and other requirements; changes in statutory tax rates or profit mix; and/or changes in tax legislation or final resolution of open tax issues. All subsequent written or oral forward-looking statements attributable to the Company, to any member of the Group or to any persons acting on their behalf are expressly qualified in their entirety by the factors referred to above. No assurances can be given that the forward-looking statements in this document will be realised. Subject to compliance with applicable law and regulations, the Company does not intend to update these forward-looking statements and does not undertake any obligation to do so.

Corporate information

Vodacom Tanzania Public Limited Company

(Incorporated in the United Republic of Tanzania)
Registration number: 38501
(ISIN: TZ1996102715 Share Code: VODA)

Directors

D Tarimo[1] (Chairman), P Besiimire (CEO)[2],
H Bujiku (FD)[3], K Mutooni[4], K Motlana[5], M Ikongo[3],
M Mbungela[5], J Nkini-Iwisi[3], R Morathi[5], H Ammar[6],
M Abdallah[6], D Kastelic[7]

1. British 2. Ugandan 3. Tanzanian 4. Kenyan
5. South African 6. Egyptian 7. Slovenian

Company secretary

Caroline Mduma

Registered office

15th Floor, Vodacom Tower,
Ursino Estate, Plot 23, Bagamoyo Road,
P.O. Box 2369, Dar es Salaam, Tanzania.

Transfer secretary

CSD & Registry Company Limited ('CSDR')
1st Floor, Exchange Tower,
NHC Morocco Square
P.O. Box 70081, Dar es Salaam, Tanzania.

Sponsoring licenced dealing member

Orbit Securities Company Limited

External communications

Zuweina Farah

Investor Relations

Albert Maneno, Neema Munuo
investorrelations@vodacom.co.tz
https://vodacom.co.tz/about-us


vodacom