

Vodacom Tanzania Public Limited Company

Preliminary condensed consolidated financial results

For the year ended 31 March 2026



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VODACOM

Together we can



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Reporting boundary and scope

This report presents the unaudited preliminary condensed consolidated financial results for Vodacom Tanzania Plc and its subsidiaries for the year ended 31 March 2026. The IFRS financial data has been independently reviewed by Ernst & Young (EY), but not audited, so only a review conclusion and not an audit opinion is provided. Non-IFRS metrics like service revenue, EBITDA, and earnings per share are included for additional insight but have not been audited or reviewed. The final integrated annual report, with audit opinion, will be published in August after shareholders' approval in the annual general meeting. Further information can be obtained at the Company's registered office.



Chief Executive Officer's review

PHILIP BESIIMIRE

This year, we celebrated 25 years of committed service to the people of Tanzania. During this time, we pursued a strategy guided by our purpose of connecting Tanzanians for a better future.



It is a great privilege for me to reflect on and account for **what we have accomplished for Tanzanians since our launch in 2000**. These achievements were made possible by the support of our stakeholders, including our customers, our parent company Vodacom Group, Vodafone Group, the Government of Tanzania, regulators, and our business partners.

We started our journey at the dawn of the new millennium with basic connectivity services, and over the period we have grown our network to reach notable milestones:

- We have invested significantly and evolved our network from the basic 2G network, offering limited voice and short message services, to include the latest technologies like 4G and 5G, delivered through thousands of sites across the country.
- Our network now provides access to communication services to 27.7¹ million customers in the country². This is a significant contribution to digitisation of Tanzania as outlined in the government's digitization agenda.
- Our network has expanded to reach more than 95%³ coverage of the Tanzanian population. It is particularly pleasing that more than half of our customers access our services through sites located in rural¹ areas.
- Our broadband coverage⁴ has grown to reach more than 75%³ of the Tanzanian population, connecting millions of customers who use data for their day-to-day, and evolving needs.
- Through our sustained focus on driving smartphone adoption in Tanzania, we have grown our network to 11.5 million smartphone users, enabling them to get an enhanced data usage experience.

1 In this report, unless otherwise specified, customers are reported in accordance with Vodacom Group definition of customers, location or any another reported classification.

2 Based on TCRA definition of customers, as at 31 December 2025, Vodacom had 33.4 million total subscribers, 19.0 million mobile data customers and 31.5 million mobile money service (M-Pesa) subscribers – TCRA report, December 2025.

- Through the launch of M-Pesa in 2008, we have significantly contributed to financial inclusion in Tanzania. M-Pesa has grown to reach more than 14.1 million² monthly customers with a rich ecosystem of financial services.
- We have consistently empowered people through employment. We celebrate our direct employment of more than 600 people in Tanzania, while also providing more than 250 000 jobs through indirect employment, mainly as freelancers and M-Pesa agents in our distribution channel.

In addition to our strong track record, we are equally focussed on operating as a responsible **corporate citizen**:

- We remain the **only** telecommunications company in Tanzania **listed** on the Dar es salaam Stock Exchange. Through the listing, nearly 40 000 Tanzanians have had an opportunity to own a stake in Vodacom Tanzania.
- We have positively impacted thousands if not millions of lives in the **health and education** sectors. This includes the TZS8 billion donation through our then Vodacom foundation for building a maternal and neonatal ward in our 'MOYO' campaign, in collaboration with Vodafone foundation and CCBRT⁵ hospital. Additionally, through the M-mama initiative, we joined hands with the Government of Tanzania, the Vodafone foundation, and the USAID to help in reducing maternal and child mortality by facilitating access to community taxis as an alternative ambulance service to expecting mothers.

3 Based on Vodacom internal measurement of population coverage.

4 Measured at the rate of 1Mbps.

5 Comprehensive Community Based Rehabilitation Tanzania (CCBRT) - <http://www.ccbrt.org>.

Chief Executive Officer's review continued

- We have supported **Government finances** by paying, collecting and remitting relevant corporate related taxes, levies, license fees, royalties and other government charges. Over the past decade, our contributions to government funds were TZS5.2 trillion.

Throughout this 25-year journey, **our purpose** has remained consistent, guided by purpose pillars that evolved alongside our strategy, focusing on driving customer experience, sustainable growth and simplifying our products and services. Execution on our purpose pillars - empowering people, protecting the planet and maintaining trust - is done through our investments and products that offer solutions to social and economic challenges.

Investment in our technological infrastructure advances our business objectives and enables us to execute on our purpose. During the financial year 2026, **we spent TZS323.9 billion in capital expenditure**, expanding our network reach and modernising our network and IT platforms. We executed on major initiatives including the first phase of a two year US\$100 million network modernisation initiative in which we completed upgrades to radio access network (RAN) equipment across several sites. In the year, we also deployed cutting-edge enhancements in our IT infrastructure including the M-Pesa platform upgrades. We also expanded our broadband coverage, rolling out 25 additional 5G sites and 444 new 4G sites, including 44 rural sites built in collaboration with the government, in supporting digital inclusivity to underserved areas.

To continue serving Tanzanians efficiently and sustainably, **we purchased a 50MHz block of spectrum in the 3700MHz (TDD) band**, with a total investment of TZS49.8 billion during the year.

Our investments into network and IT are critical in preparing our infrastructure to accommodate increasing demand, and improve customer experience as we enter the next stage of growth. They establish a strong base for sustained business success, supporting speedy and safer transaction processing, and customer growth. This year, our customer base increased by 22.3%, as we added 5.1 million new customers in our network. Customers using M-Pesa grew 22.6% and those using our data services increased by 22.5%, alongside a notable 31.5% growth in smartphone users in our network.

We continued to **empower millions of Tanzanians through our M-Pesa services**, offered in collaboration with our partners. M-Pesa is an important tool for advancing financial inclusion in Tanzania through

advanced solutions such as digital lending, wealth management, group savings and digital payments.

- Our **digital lending** portfolio comprising of micro loans services of Songesha overdrafts and short-term loans, are accessible to both individual customers and small and medium enterprises (SMEs) trading in our distribution network. During the year, our overall digital lending portfolio reached more than 5 million M-Pesa customers and thousands of businesses, with TZS3.4 trillion in funding disbursed. This marked an overall annual value increase of 17.8%, with the value of Songesha overdrafts to individual customers growing at 33.8%.
- Our **wealth management** product M-Wekeza, offered in partnership with Sanlam Investments – East Africa, is the first micro-investment product in the market, opening up a completely new, asset building pathway for Tanzanians. It meaningfully lowers the barriers to saving and investing by giving customers seamless access to professionally managed financial assets. Thousands of customers have utilised this opportunity and invested over TZS370 billion since launch in November 2024. This rapid uptake demonstrates a clear unmet demand for accessible wealth creation tools. Through M-Wekeza, our customers are empowered and gain access to investment in financial assets traded across regional and international capital markets through the fund managers, earning competitive returns.
- Our communal group savings product, **M-Koba** offered in collaboration with our partner Tanzania Commercial Bank, provides customers with a secure and transparent way of managing group savings. During the year, deposits in M-Koba increased by over 80%, with annual deposits surpassing TZS 1 trillion. Over 60% of the value deposited was transacted by women members, highlighting the acceptance and economic empowerment of this product.
- Our **digital payments** options are supporting SMEs and customers to trade securely and with ease. During the year, SMEs that accept payment through 'Lipa kwa simu' increased by 29.0%. The growing acceptance of merchant payment services is contributing to an increasingly digital economy. Separately, the number of electronic payment transactions to government increased by 17.8% with value processed growing by 24.6%.

Investments in our network have strongly supported our purpose pillar of **protecting the planet**. Our ongoing radio access network modernisation has delivered meaningful improvements in energy efficiency, leading to reduced power consumption. Additionally, upgrades to

power connectivity in one of our main data centres from a shared 11KVA to an almost dedicated 33KVA power line, has substantially improved grid power availability. This has led to significant reduction in running hours for the diesel generators, thereby contributing to our sustainability goals.

Our third purpose pillar is **maintaining trust**. We continued to operate ethically and lawfully, with customers at the centre of our decisions. We prioritised data and cyber security through investment into systems, and mandatory 'Doing what is right' training for our staff. We also continued focusing on sustainability of our business through investment in core infrastructure and employees' training on both technical and soft skills, identification of talents and building on succession plans.

Our **business objectives performance towards** in this financial year was pleasing. We made an after tax profit of TZS107.1 billion, an 18.4% increase compared to last financial year. As noted in our quarterly and half year results announcements, the current year's profitability was impacted by the temporary increase in costs emanating from our network modernisation program. Excluding the impact of these incremental once-off costs, our underlying profit after tax was TZS204.1 billion, more than double the amount recorded in previous year. This performance was underpinned by strong growth in service revenue, together with cost saving initiatives employed during the year.

Our **service revenue** grew 21.8%, a result of strong performance in the growth drivers; customers and average revenue per customer (ARPU). M-Pesa and data continued to be our main growth pillars, recording a strong growth of 24.5% and 29.5% respectively. Importantly, revenue generation has continued to evolve, reflecting ongoing **diversification** across the streams, with an increasing contribution from the beyond-mobile revenues.

Performance in **M-Pesa** was underpinned by higher adoption of our beyond-core services, in particular lending, savings and merchant payments, whose contribution to M-Pesa revenue expanded by 3.4 percentage points (pp). This shift in revenue generation to new revenue streams is driven by our strategic intent.

The strong **data** performance reflected our efforts in enhancing customer experience through investment, particularly the RAN modernisation and smartphone

adoption on our network. We also acquired additional fibre capacity for transmission enhancement – through both undersea cables and terrestrial connections. A combination of these efforts supported a 25.7% increase in overall mobile data traffic, with 4G traffic growing by almost 50% year-on-year, and 5G traffic growing significantly.

I look forward to FY2027, as we expect to see more of the benefits from our investment in the network modernisation programme. Escalating geopolitical tensions in the Middle East are contributing to global economic and social uncertainty, particularly through market volatility including foreign currency and energy related risks. We will continue to monitor these developments closely. With a stable external environment, I am confident that our strategy will drive robust revenue growth and foster enduring prosperity for our business. We will maintain our dedication to delivering high-quality services, increase smartphone adoption, and ensuring the security and privacy of our customers' personal data.

We are well on track to achieve our medium term service revenue growth target of 'early double-digit'. We upgraded this target with our interim results from a 'high single-digit' to 'an early double-digit' range. The expected revenue performance combined with prudent cost management will help us generate attractive returns for our shareholders.

We will continue to work closely with the government, regulators and other stakeholders with the aim of leveraging our technology leadership and market position, aligning our strategy with, and supporting government's national development plans and digital transformation agenda. Through proactive engagement with stakeholders, we aim to help shape a favorable external environment, that will enable us to implement our strategy efficiently and independently.

Pamoja Tunaweza



Philip Besimire

Highlights

Customer base¹ up

22.3%
to 27.7 million²

M-Pesa customers up

22.6%
to 14.1 million²

Data customers increased

22.5%
to 14.6 million²

31.5%

increase in
smartphone users

125.5%

growth in underlying
net profit after tax, with
5.0pp margin expansion

Service revenue

+21.8%

M-Pesa

+24.5%

Data

+29.5%

Capital expenditure of

TZS323.9
billion

Enhanced broadband
coverage with

444
new 4G sites

Summary financial information

Financial year ended 31 March

TZS m	2026	2025	%YoY	%YoY Underlying*
Service revenue	1 846 742	1 515 987	21.8	
Revenue	1 879 163	1 539 360	22.1	
EBITDA	684 943	493 596	38.8	44.6
Operating profit	259 083	208 177	24.5	91.0
Net profit after tax	107 131	90 511	18.4	125.5
Operating free cash flow	247 962	206 918	19.8	
Free cash flow	143 035	195 423	(26.8)	
Capital expenditure	323 944	174 995	85.1	
Earnings per share ('EPS') (shillings)	47.75	40.37	18.3	125.7
Contribution margin (%)	69.10	67.60	+1.5pp	
EBITDA margin (%)	36.40	32.10	+4.3pp	+5.9pp
Operating profit margin (%)	13.80	13.50	+0.3pp	+7.7pp
Net profit margin (%)	5.70	5.90	(0.2)pp	+5.0pp
Capital intensity (%)	17.20	11.40	+5.8pp	

* Excluding incremental cost and additional depreciation associated with the network modernisation programme. We expect to complete the modernisation in FY2027.

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Operating and financial review

TZS m	Financial year ended 31 March		
	2026	2025	%YoY
Mobile voice revenue	334 860	310 598	7.8
M-Pesa revenue	734 796	590 033	24.5
Mobile data revenue	546 714	422 181	29.5
Digital & VAS revenue	51 641	40 295	28.2
Mobile incoming revenue	54 357	49 696	9.4
Messaging revenue	42 756	36 532	17.0
Fixed revenue	54 251	42 021	29.1
Other service revenue	27 367	24 631	11.1
Service revenue	1 846 742	1 515 987	21.8
Non-service revenue	32 421	23 373	38.7
Revenue	1 879 163	1 539 360	22.1
Direct expenses	(571 132)	(487 389)	(17.2)
Operating expenses	(613 780)	(546 259)	(12.4)
Staff expenses	(94 651)	(90 415)	(4.7)
Publicity expenses	(46 468)	(25 810)	(80.0)
Tower lease and maintenance expenses	(149 403)	(150 521)	0.7
Other operating expenses	(323 258)	(279 513)	(15.7)
Depreciation and amortisation	(426 304)	(285 433)	(49.4)
Net credit losses on financial assets	(8 864)	(12 102)	26.8
Operating profit	259 083	208 177	24.5
EBITDA	684 943	493 596	38.8
EBITDA margin	36.4%	32.1%	+4.3pp

Revenue

Service revenue grew 21.8% to TZS1 846.7 billion, driven by customer growth of 22.3% and higher ARPU. This performance was a result of strong commercial execution in acquiring and retaining customers, with our growth pillars of M-Pesa and mobile data leading the way. Our commercial initiatives also supported ongoing diversification of revenue. The revenue contribution from our beyond mobile services¹, reached 46.1%, a 1.0pp expansion. **In the fourth quarter**, service revenue grew 21.6%, completing the fourth successive quarter of strong double-digit revenue growth, driven by increase in customers and ARPU.

Mobile voice revenue increased by 7.8% to TZS334.9 billion, underpinned by customer growth.

Continued competition resulted in pressure on average price per minute and voice ARPU. **In the fourth quarter**, mobile voice revenue was up by 6.9%, driven by customer base increase, partly offset by a decline in voice ARPU due to lower average revenue per minute.

M-Pesa revenue increased by 24.5%, reaching TZS734.8 billion, remaining the largest contributor to service revenue at 39.8%, up 0.9pp. This robust growth was fuelled by a 22.6% increase in customers and a 1.6% uplift in M-Pesa ARPU. The success of M-Pesa was driven by the continued diversification of our products and ecosystem expansion. Our innovative M-Pesa offerings are increasingly integrated into everyday life, delivering solutions such as micro loans, savings, investment

¹ M-Pesa, IoT and fixed services.

Operating and financial review continued

options, and payment services for both domestic and international transactions. Notably, contribution of these advanced services to M-Pesa revenue expanded by 3.4pp. **In the fourth quarter**, M-Pesa revenue momentum remained strong, recording an increase of 24.3%, supported by customer growth and ARPU uplift.

Mobile data revenue increased by 29.5% to TZS546.7 billion, supported by 22.5% growth in data customers and a 5.7% improvement in data ARPU. The total volume of mobile data traffic transmitted in our network expanded by more than 25.7%. Pleasingly, we posted a 31.5% increase in smartphone users. This growth underscores our ongoing commitment to delivering enhanced customer experiences and targeted initiatives aimed at promoting smartphone adoption. **In the fourth quarter**, mobile data revenue grew by 28.6%, reflecting continued growth in customers and a 5.0% uplift in ARPU.

Fixed data revenue grew by 29.1% to TZS54.3 billion, supported by a double-digit increase in customers as we continued to monetise our fixed wireless access infrastructure. **In the fourth quarter**, revenue increased 25.7%.

Expenses¹

Our cost transformation initiatives delivered TZS92.2 billion of cost savings, an excellent result. This helped to partially offset cost pressures arising from inflationary cost increases and network expansion including the ongoing RAN modernisation. The temporary costs of the network modernisation project are more than offset by its long-term benefits.

Direct expenses grew 17.2% to TZS571.1 billion, and 23.4% **in the fourth quarter**. The increase was associated with service revenue growth, partly offset by TZS23.5 billion savings from cost efficiency measures. The direct costs optimisation resulted to a 1.5pp expansion to our contribution margin.

Operating expenses increased by 12.4% to reach TZS613.8 billion. Excluding the temporary additional costs from the network modernisation project, the increase was 7.1%. If we further exclude the once-off cost increases recorded in the prior year and impact of foreign currency losses movement, the underlying opex growth was 10.9%, with a 3.1pp improvement in intensity to 30.9%. This increase in underlying costs was driven by the

expansion of the business and the resulting increase in network components, impact of contractual escalations and inflationary adjustments. During the year we also enhanced both local and international transmission capacity to increase network resilience and improve customer experience. In the year, our cost initiatives delivered TZS68.7 billion cost savings which helped to mitigate the cost pressures. **In the fourth quarter**, overall operating expenses were up 4.9%.

EBITDA

EBITDA grew 38.8% to TZS684.9 billion, with margin expanding 4.3pp to reach 36.4%. This performance was driven by substantial growth in service revenue and the successful execution of cost management initiatives. Margin expansion was further boosted by success in our strategy to diversify revenue streams and growing the proportion of revenue from services beyond traditional mobile offerings, which carry higher margins.

Excluding the one-off costs related to the network modernisation project, EBITDA grew by 44.6% with the margin expanding by 5.9pp to 38.0%. **In the fourth quarter**, EBITDA increased by 45.1% to TZS180.2 billion, with 36.8% margin - an expansion of 6.1pp. Adjusted for the one-off network modernisation costs, EBITDA increased by 48.0% with 6.8pp margin expansion to 37.5%.

Operating profit

Operating profit increased by 24.5% to TZS259.1 billion, with an increase of 49.0% recorded **in the fourth quarter**. This performance was impacted by a significant increase in depreciation and amortisation expenses, mainly resulting from the accelerated depreciation of assets replaced under the network modernisation programme. Excluding the impact of the modernisation initiative, operating profit would have increased 91.0%, reflecting the excellent EBITDA performance.

Capital expenditure

Capital expenditure for the year amounted to TZS323.9 billion, representing 17.2% of revenue. Part of the investment is related to the ongoing network modernisation programme, in which a reasonable number of sites have been modernised. During the period, our broadband coverage was expanded through the deployment of 444 new 4G sites and 25 new 5G sites,

¹ Excluding depreciation, amortisation and impairment losses.

alongside upgrades of transmission infrastructure. Further, investment was directed in modernising IT systems, including upgrade to the M-Pesa platform. These upgrades enhances customer experience, drive greater operational efficiency, while also ready our technological infrastructure for future innovation to deliver next-

generation products and service, capable of meeting evolving market demands. Collectively, these investments underpinned solid growth in data and voice traffic, with notable growth in 5G usage. Our investment in extensive coverage and robust 4G device ecosystem, supported carrying of over 80% of our data traffic on the 4G network.

Net finance charges

TZS m	Financial year ended 31 March		
	2026	2025	% YoY
Interest income from M-Pesa cash balances	57 101	38 947	46.6
Interest income from cash investments	14 782	7 169	106.2
Finance Income	71 883	46 116	55.9
Finance cost of M-Pesa cash balances	(56 945)	(38 919)	(46.3)
Finance cost - lease liability	(96 399)	(53 901)	(78.8)
Other finance cost	(4 652)	(9 268)	49.8
Finance cost	(157 996)	(102 088)	(54.8)
Net loss on foreign currency translations	(2 739)	(7 296)	62.5
Net finance cost	(88 852)	(63 268)	(40.4)

Net finance costs increased by 40.4%, driven by higher finance expenses, partially offset by an increase in finance income.

Finance income growth of 55.9% was primarily due to higher interest earned from M-Pesa trust accounts and improved returns on invested cash, a result of increase in cash balances and better interest rates. The finance cost associated with M-Pesa cash balances saw a corresponding increase of 46.3%.

Finance costs relating to lease liability increased by 78.8%, primarily a result of recognition of additional TZS319.6 billion in tower lease liabilities at the end of the previous financial year. The recognition was a result of activating an automatic renewal clause consistent with the terms of the lease agreements and our accounting policies.

Taxation

The tax expense of TZS63.1 billion (FY2025: TZS54.4 billion), reflecting a 16.0% increase driven primarily by higher profitability. This impact was partially offset by the recognition of a deferred tax asset. The deferred tax asset arose from temporary timing differences, principally attributed by the accelerated accounting depreciation of legacy RAN equipment being retired under our two-year

network modernisation program. While these timing differences provide a current tax benefit, they will reverse in subsequent periods, resulting in higher tax expenses in the future.

Earnings

Earnings per share increased 18.3% to TZS47.75. However, excluding the one-off impact of the network modernisation programme, the underlying earnings per share increased by a healthy 125.7%.

Statement of financial position

Property and equipment at cost, increased 10.0% to TZS1 949.3 billion while **right of use assets** at cost, increased 1.6% to TZS595.9 billion. The increase highlights incremental investments made during the year. The higher investment levels also resulted in higher depreciation and amortisation charges for the year.

Intangible assets at cost increased 24.2% to TZS539.5 billion, mainly driven by the capitalisation of TZS46.1 billion spectrum acquired during an auction in July 2025. Intangible assets additions also include new and upgraded licenses for our network and platforms – critical levers in supporting business growth, resilience, and next-generation capabilities.

Operating and financial review continued

Net debt

TZS m	Financial year ended 31 March		
	2026	2025	% YoY
Cash and cash equivalents	365 218	298 467	22.4
Lease liability	(740 805)	(705 247)	(5.0)
Other financial liabilities	(34 698)	(18 595)	(86.6)
Net debt	(410 285)	(425 375)	3.5
Net debt to EBITDA (times)	(0.6)	(0.9)	0.3

Our net debt improved by 3.5% during the year, mainly a result of strong growth in cash and cash equivalents which offset the increase in liabilities.

Cash and cash equivalents increased 22.4%, supported by a solid 39.3% increase in cash generated from operations which was underpinned by growth in service revenue, cost containment and effective working capital management. The cash generated enabled the business to operate efficiently, fund capital expenditure and acquire spectrum.

Our lease liability increased by 5.0% following recognition of a lease liability of TZS319.6 billion towards the end of the previous financial year, in line with the automatic tower lease contracts renewal terms and the accounting policy. Other financial liabilities increase primarily relates to outstanding installments on spectrum acquired in July 2025.

Cash flow¹

TZS m	Financial year ended 31 March		
	2026	2025	% YoY
EBITDA	684 943	493 596	38.8
Working capital	48 136	31 575	52.4
Capital expenditure	(323 944)	(174 995)	(85.1)
Lease payments	(169 396)	(146 213)	(15.9)
Other cash flows ²	8 223	2 955	178.3
Operating free cash flow	247 962	206 918	19.8
Net finance cash inflow	(3 423)	28 362	(112.1)
Tax paid	(101 504)	(39 857)	(154.7)
Free cash flow	143 035	195 423	(26.8)

Operating free cash flow increased 19.8% to TZS248.0 billion underpinned by strong EBITDA growth and effective working capital management. The inflow was partly offset by a significant increase in cash spent in funding investments in modernising our network and upgrading IT platforms. These investments are critical in supporting our long-term revenue growth through customer experience and flexibility in accommodating new products and services. The cash generated was also utilised in settling the matured lease obligations, in line with terms of the contracts.

Free cash flow declined by 26.8% to TZS143.0 billion, largely driven by an increase in tax payments which reflects robust profitability within the M-Pesa business. Additionally, the net finance cash inflow decreased due to timing differences in disbursements of interest earned on M-Pesa trust balances between the current and the prior year.

1 For the reconciliation of cash generated from operations to free cash flow, refer to page 10.

2 Mainly government grants relating to UCSAF projects. In the preliminary annual report for the previous year, the grants were reported at TZS 16.2 billion and included under Working Capital movement. However, in the final annual report, a re-classification was made that adjusted the grants figure to TZS 2.9 billion as reported in the comparative FY2025 figures above. Additionally, for transparency purposes, we have opted to start disclosing the grants separately in this section. Neither of these changes affects the originally reported Operating Free Cash Flow.

Regulatory updates

On 10 July 2025, we participated in the spectrum auction convened by the TCRA and successfully acquired one block of 50MHz in the 3700MHz (TDD) spectrum band for a total cost of TZS49.8 billion (USD18.9 million) in spectrum auction. Similar to previous auctions, the purchase price was payable in installments with 40% due immediately, followed by four equal installments due every six months thereafter. This investment will support acceleration of our future network expansion plans and help us unlock potential growth while also delivering on our purpose.

Outlook and medium-term targets

We remain committed to our purpose of connecting Tanzanians for a better future, just as we have done for the past 25 years. By investing in innovative products and services, we aim to enhance the lives of Tanzanians while strengthening our performance and delivering greater value to our shareholders.

We expect data and M-Pesa to remain central to our growth as these services unlock today's digital economy. Our strategy will continue to focus on developing innovative products, delivering an exceptional customer experience, and streamlining our operations to set us apart in the market. We will continue to prioritise tailored, segmented services and expanding our reach to underserved communities, which are vital for maintaining our market leadership, delivering on our purpose and driving sustainable revenue growth.

Our efforts to upgrade the network are preparing us to adopt advanced technologies as they arise. Through these investments, we are in a stronger position to maximise the value of our spectrum assets across all bands, giving our commercial teams a robust platform for developing innovative products. Importantly, the modernisation also makes our network more resilient in handling traffic growth and more secure against the cybersecurity threats.

We remain dedicated to integrating ESG principles into our everyday operations, placing particular emphasis on environmental responsibility, safeguarding data privacy, and promoting inclusive growth. It is our belief that the external environment will continue to be conducive to support us in our ambitions.

With a well-defined strategy, we are ideally positioned to provide sustained value for our shareholders and make a positive contribution to the wider community.

Considering our business growth drivers, strategic execution and the business environment, we are pleased to maintain our medium-term growth targets that were upgraded with our interim results to 30 September 2025:

'Early-double-digit' service revenue growth

13.0% - 16.0% capital expenditure as a % of revenue

These medium-term targets assume a stable currency, regulatory and macroeconomic environment. These targets are on average, over the next three years, excluding spectrum purchases, exceptional items and any merger and acquisition activity.

For and on behalf of the Board



David Tarimo
Chairman



Philip Besiimire
Chief Executive Officer



Hilda Bujiku
Finance Director

04 May 2026

Quarterly report

for the quarter ended 31 March 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 31 March 2026

TZS m	GROUP		COMPANY	
	Quarter 4 Mar 2026	Quarter 4 Mar 2025	Quarter 4 Mar 2026	Quarter 4 Mar 2025
Revenue	489 785	404 961	315 567	272 359
Direct expenses	(147 313)	(119 425)	(70 757)	(58 778)
Operating expenses	(148 293)	(123 807)	(117 348)	(99 809)
Staff expenses	(26 797)	(29 663)	(19 706)	(22 738)
Publicity expenses	(13 149)	(1 386)	(5 055)	497
Tower lease and maintenance costs	(37 357)	(36 352)	(37 357)	(36 352)
Other operating expenses	(76 130)	(75 715)	(55 765)	(56 128)
Net foreign exchange losses on trade items	(5 394)	(8 276)	(5 045)	(10 034)
Depreciation and amortisation	(105 769)	(74 196)	(101 027)	(72 593)
Net credit losses on financial assets	(3 459)	(10 005)	(3 420)	(10 012)
Operating profit	74 417	49 943	17 435	6 221
Finance income	20 911	13 331	3 013	1 658
Finance costs	(41 752)	(35 600)	(25 774)	(24 494)
Net foreign exchange losses on borrowings	(5 370)	(4 972)	(5 703)	(5 192)
Profit/(loss) before tax	48 206	22 702	(11 029)	(21 807)
Income tax expense	(18 253)	(27 718)	(87)	(14 137)
Net profit/(loss)	29 953	(5 016)	(11 116)	(35 944)
Attributable to:				
Equity shareholders	29 912	(5 047)	–	–
Non-controlling interests	41	31	–	–

Unaudited condensed statement of financial position

as at 31 March 2026

TZ\$ m	GROUP		COMPANY	
	Quarter 4 Mar 2026	Quarter 4 Mar 2025	Quarter 4 Mar 2026	Quarter 4 Mar 2025
Assets				
Non-current assets	1 717 833	1 573 432	1 696 277	1 544 708
Goodwill	1 639	1 639	–	–
Property and equipment	569 257	553 807	566 524	548 341
Right of use assets	595 902	586 593	595 902	586 593
Intangible assets	333 193	298 042	319 832	276 643
Capacity prepayments	115 271	56 869	115 271	56 869
Trade and other receivables	15 717	9 882	13 158	9 082
Income tax receivables	35 336	34 298	34 298	34 298
Deferred tax assets	50 422	31 206	49 696	31 286
Other Investments	1 096	1 096	1 096	1 096
Investment in subsidiary	–	–	500	500
Current assets	1 782 633	1 404 542	382 348	360 670
Capacity prepayments	20 398	15 446	20 398	15 446
Inventories	3 725	4 300	3 725	4 300
Trade and other receivables	115 379	124 396	111 550	116 131
Government grant receivables	10 777	13 283	10 777	13 283
Income tax receivables	40 988	25 415	37 219	21 886
Mobile financial deposits	1 226 148	923 235	–	–
Cash and cash equivalents	365 218	298 467	198 679	189 624
Total assets	3 500 466	2 977 974	2 078 625	1 905 378
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	396 089	334 371	259 818	246 350
Equity attributable to the owners of the parent	978 222	916 504	841 951	828 483
Non-controlling interest	125	75	–	–
Total equity	978 347	916 579	841 951	828 483

Quarterly report continued

Unaudited condensed statement of financial position continued

TZS m	GROUP		COMPANY	
	Quarter 4 Mar 2026	Quarter 4 Mar 2025	Quarter 4 Mar 2026	Quarter 4 Mar 2025
Non current liabilities	669 545	642 348	669 545	642 348
Lease liabilities	641 143	620 544	641 143	620 544
Other financial liabilities	16 096	13 831	16 096	13 831
Provision	12 306	7 973	12 306	7 973
Current liabilities	1 852 574	1 419 047	567 129	434 547
Lease liabilities	99 662	84 703	99 662	84 703
Other financial liabilities	18 601	4 764	18 601	4 764
Trade and other payables	487 012	396 929	427 967	338 481
Mobile financial payables	1 226 148	923 235	–	–
Income tax payables	–	2 576	–	–
Government grants	3 961	852	3 961	852
Provisions	16 314	5 711	16 062	5 496
Dividend payables	876	277	876	251
Total liabilities	2 522 119	2 061 395	1 236 674	1 076 895
Total equity and liabilities	3 500 466	2 977 974	2 078 625	1 905 378

Unaudited condensed statement of changes in equity

for the quarter ended 31 March 2026

TZS m	Share capital	Share premium	Capital contribution	Retained earnings	Equity attributable to owners of Parent	Non controlling Interest	Total
GROUP							
At 1 January 2026	112 000	442 435	27 698	366 177	948 310	84	948 394
Total comprehensive income for the period	–	–	–	29 912	29 912	41	29 953
Transaction with owners: Dividend declared	–	–	–	–	–	–	–
At 31 March 2026	112 000	442 435	27 698	396 089	978 222	125	978 347
At 1 January 2025	112 000	442 435	27 698	339 418	921 551	44	921 595
Total comprehensive income for the period	–	–	–	(5 047)	(5 047)	31	(5 016)
Transaction with owners: Dividend declared	–	–	–	–	–	–	–
At 31 March 2025	112 000	442 435	27 698	334 371	916 504	75	916 579
COMPANY							
At 1 January 2026	112 000	442 435	27 698	270 934	–	–	853 067
Total comprehensive loss for the period	–	–	–	(11 116)	–	–	(11 116)
Transaction with owners: Dividend declared	–	–	–	–	–	–	–
At 31 March 2026	112 000	442 435	27 698	259 818	–	–	841 951
At 1 January 2025	112 000	442 435	27 698	282 294	–	–	864 427
Total comprehensive income for the period	–	–	–	(35 944)	–	–	(35 944)
Transaction with owners: Dividend declared	–	–	–	–	–	–	–
At 31 March 2025	112 000	442 435	27 698	246 350	–	–	828 483

Unaudited condensed statement of cash flow

for the quarter ended 31 March 2026

TZS m	GROUP		COMPANY	
	Quarter 4 Mar 2026	Quarter 4 Mar 2025	Quarter 4 Mar 2026	Quarter 4 Mar 2025
Cash flow from operating activities				
Cash generated from operations	276 159	231 681	174 831	169 860
Income taxes paid	(34 208)	(14 033)	(2 972)	(2 848)
Net cash generated from operating activities	241 951	217 648	171 859	167 012
Cash flow from investing activities				
Additions to property and equipment and intangible assets	(85 356)	(38 684)	(87 126)	(33 735)
Asset acquisition	(7 465)	–	–	–
Acquisition of a subsidiary	–	–	(7 465)	–
Finance income received	4 777	2 218	2 886	1 658
Dividend income received	–	–	–	–
Cash held in restricted deposits	(29 845)	(34 668)	–	–
Interest received from M-Pesa deposits	15 985	11 113	–	–
Net cash used in investing activities	(97 740)	(60 021)	(87 634)	(32 077)
Cash flow from financing activities				
Dividends paid/(received)	10	(4)	10	(5)
Payment of lease liabilities – principal	(5 208)	(8 149)	(5 208)	(8 149)
Payment of lease liabilities – interest	(12 681)	(5 994)	(12 681)	(5 994)
Settlement of derivative financial liabilities	108	–	108	–
Principal payment of other financial liabilities	(2 419)	(315)	(2 419)	(315)
Withholding tax paid on shareholder's loan	–	–	–	–
Interest payment on other financial liabilities	(134)	(121)	(134)	(121)
Interest paid to M-Pesa customers	(20 085)	–	–	–
Net cash used in financing activities	(40 409)	(14 583)	(20 324)	(14 584)
Net (decrease)/increase in cash and cash equivalents	103 802	143 044	63 901	120 351
Cash and cash equivalents at the beginning of the quarter	261 115	153 525	134 810	67 595
Effects of exchange rate changes on cash and cash equivalents held in foreign currencies	301	1 898	(32)	1 678
Cash and cash equivalents at the end of the quarter	365 218	298 467	198 679	189 624

In preparation of the quarterly financial statements, consistent accounting policies have been used as those applicable to the previously audited financial statements.

The quarterly unaudited condensed consolidated and separate financial statements were approved and authorised for issue by the Board of Directors on 04 May 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.

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Statement of directors' responsibilities

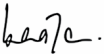
The directors are responsible for the preparation, integrity and fair presentation of the preliminary condensed consolidated financial statements for the year ended 31 March 2026 of Vodacom Tanzania Public Limited Company (the "Company") and its subsidiaries (the "Group") in accordance with, and containing the information required by the International Accounting Standard 34 Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB"), the requirements of the Tanzanian Companies Act No. 12 of 2002, and the requirements of the Dar es Salaam Stock Exchange PLC Rules, 2016 (Amended). The directors are also responsible for safeguarding the assets of the Group and taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

The preliminary condensed consolidated financial statements have been reviewed by the independent auditor, Ernst & Young (EY), who was given unrestricted access to the relevant financial records and related data, including minutes of meetings of shareholders, the Board of Directors (the "Board") and committees of the Board. The directors believe that all representations made to the independent auditor during their review were valid and appropriate. The auditor's review report is presented on page 17.

The directors are of the opinion that the preliminary condensed consolidated financial statements have been prepared, in all material respects, in accordance with the basis of preparation described in Note 2 to the preliminary condensed consolidated financial statements. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the preliminary condensed consolidated financial statements, as well as designing, implementing and maintaining internal control relevant to the preparation of preliminary condensed consolidated financial statements that are free from material misstatement whether due to fraud or error.

Nothing has come to the attention of the directors to indicate that the Group and the Company will not remain a going concern for at least twelve months from the date of this statement. The going concern basis has been adopted in preparing the preliminary condensed consolidated financial statements.

The preliminary condensed consolidated financial statements were approved by the Board of Directors on 04 May 2026 and signed on its behalf by:



David Tarimo
Chairman



Philip Besiimire
Chief Executive Officer

Independent auditor's report on review of the preliminary condensed consolidated financial statements

To the directors of Vodacom Tanzania Public Limited Company

We have reviewed the accompanying preliminary 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 31 March 2026, and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the year then ended, and selected explanatory notes as set out on pages 23 to 32.

Directors' responsibility for the preliminary condensed consolidated financial statements

The directors are responsible for the preparation of the preliminary condensed consolidated financial statements in accordance with, and containing the information required by the International Accounting Standard 34 Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB"), the requirements of the Tanzanian Companies Act No. 12 of 2002, and the requirements of the Dar es Salaam Stock Exchange PLC Rules, 2016 (Amended).


Auditor's responsibility and scope of review

Our responsibility is to express a conclusion on the preliminary condensed consolidated financial statements based on our 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 preliminary condensed consolidated financial statements as at 31 March 2026 and for the year ended, have not been prepared, in all material respects, in accordance with the basis of preparation described in Notes 2 to the preliminary condensed consolidated financial statements.



Dr Neema Kiure

Partner (FCPA 1227)

For and on behalf of Ernst & Young

Certified Public Accountants

Dar es Salaam, Tanzania

07 May 2026

Condensed consolidated statement of profit or loss and other comprehensive income

for the year ended 31 March 2026

TZS m	Notes	March 2026 Reviewed	March 2025 Audited
Revenue	4	1 879 163	1 539 360
Direct expenses		(571 132)	(487 389)
Staff expenses		(94 651)	(90 415)
Publicity expenses		(46 468)	(25 810)
Other operating expenses ¹		(472 661)	(430 034)
Depreciation and amortisation	12	(426 304)	(285 433)
Net credit losses on financial assets		(8 864)	(12 102)
Operating profit		259 083	208 177
Finance income		71 883	46 116
Finance costs		(157 996)	(102 088)
Net loss on foreign currency transactions		(2 739)	(7 296)
Profit before tax		170 231	144 909
Income tax expense	5	(63 100)	(54 398)
Profit for the year		107 131	90 511
Other comprehensive income		–	–
Total comprehensive income for the year, net of tax		107 131	90 511
Attributable to:			
Equity shareholders		106 966	90 434
Non-controlling interests		165	77
		107 131	90 511
Basic and diluted earnings per share (TZS)	6	47.75	40.37

¹ The amount includes tower lease and maintenance expenses TZS 149 403 million (March 2025: TZS 150 521 million).

Condensed consolidated statement of financial position

as at 31 March 2026

TZS m	March 2026 Reviewed	March 2025 Audited
Assets		
Non-current assets	1 717 833	1 573 432
Property and equipment	1 165 159	1 140 400
Intangible assets	333 193	298 042
Capacity prepayments	115 271	56 869
Goodwill	1 639	1 639
Income tax receivables ²	35 336	34 298
Trade and other receivables	15 717	9 882
Deferred tax assets	50 422	31 206
Other investments	1 096	1 096
Current assets	1 782 633	1 404 542
Capacity prepayments	20 398	15 446
Inventories	3 725	4 300
Trade and other receivables	115 379	124 396
Government grant receivables	10 777	13 283
Income tax receivables	40 988	25 415
Mobile financial deposit ³	1 226 148	923 235
Cash and cash equivalents	365 218	298 467
Total assets	3 500 466	2 977 974

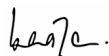
² These are mainly deposits made to the tax authority in relation to disputed tax assessments.

³ Mobile financial deposits relate to restricted bank balances for M-Pesa customer deposits. Mobile financial payables relate to amounts due to M-Pesa customers.

Condensed consolidated statement of financial position continued

TZS m	Notes	March 2026 Reviewed	March 2025 Audited
Equity and liabilities			
Equity			
Share capital		112 000	112 000
Share premium		442 435	442 435
Capital contribution		27 698	27 698
Retained earnings		396 089	334 371
Equity attributable to the owners of the parent		978 222	916 504
Non-controlling interest		125	75
Total equity		978 347	916 579
Non-current liabilities			
Lease liabilities		641 143	620 544
Provisions	7	12 306	7 973
Other financial liabilities		16 096	13 831
Current liabilities		1 852 574	1 419 047
Lease liabilities		99 662	84 703
Other financial liabilities ⁴		18 601	4 764
Trade and other payables		487 012	396 929
Dividend payables		876	277
Mobile financial payables ⁵		1 226 148	923 235
Income tax payables		–	2 576
Government grant		3 961	852
Provisions	7	16 314	5 711
Total liabilities		2 522 119	2 061 395
Total equity and liabilities		3 500 466	2 977 974

The preliminary condensed consolidated financial statements were approved and authorised for issue by the Board of Directors on 04 May 2026 and were signed on its behalf by:



David Tarimo
Chairman



Philip Besiimire
Chief Executive Officer

⁴ These are government related deferred payments and spectrum deferred consideration measured at amortised cost.

Condensed consolidated statement of changes in equity

for the year ended 31 March 2026

TZS m	Share capital	Share premium	Capital contribution	Retained earnings	Equity attributable to owners of parent	Non controlling Interests	Total equity
Year ended 2026 (Reviewed)							
At 1 April 2025	112 000	442 435	27 698	334 371	916 504	75	916 579
Total comprehensive income for the period	–	–	–	106 966	106 966	165	107 131
Dividends declared				(45 248)	(45 248)	(115)	(45 363)
At 31 March 2026	112 000	442 435	27 698	396 089	978 222	125	978 347
Year ended 31 March 2025 (Audited)							
At 1 April 2024	112 000	442 435	27 698	270 660	852 793	41	852 834
Total comprehensive income for the period	–	–	–	90 434	90 434	77	90 511
Dividends declared	–	–	–	(26 723)	(26 723)	(43)	(26 766)
At 31 March 2025	112 000	442 435	27 698	334 371	916 504	75	916 579

Condensed consolidated statement of cash flows

for the year ended 31 March 2026

TZS m	Note	31 March 2026 Reviewed	31 March 2025 Audited
Cash flows from operating activities			
Cash generated from operations	10	1 001 113	718 714
Income tax paid		(101 503)	(39 860)
Interest paid on tax liabilities		(6 515)	–
Net cash flows generated from operating activities		893 095	678 854
Cash flow from investing activities			
Additions to property and equipment and intangible assets		(306 646)	(198 019)
Asset acquisition ⁵		(5 101)	(60 720)
Purchase of other investments		–	(1 096)
Proceeds from disposal of property and equipment		43	–
Government grant received		8 180	2 955
Finance income received		14 760	7 169
Net movement in mobile financial deposits		(302 913)	(192 942)
Interest received from M-Pesa deposits		57 101	38 947
Net cash flow utilised in investing activities		(534 576)	(403 706)
Cash flow from financing activities			
Dividends paid		(44 764)	(26 758)
Interest paid to M-Pesa customers		(66 742)	(16 493)
Settlement of derivative financial liabilities		(1 397)	(875)
Payment of lease liabilities – principal		(72 994)	(92 312)
Payment of lease liabilities – Interest		(96 400)	(53 901)
Principal repayment on other financial liabilities		(3 709)	(4 762)
Interest repayment on other financial liabilities		(630)	(386)
Net cash flow utilised in financing activities		(286 636)	(195 487)
Net increase/(decrease) in cash and cash equivalents		71 883	79 661
Cash and cash equivalents at the beginning of the year		298 467	221 697
Effects of exchange rate changes on cash and cash equivalents held in foreign currencies		(5 132)	(2 891)
Cash and cash equivalents at the end of the year		365 218	298 467

⁵ This payment is an instalment for the acquisition of Smile Communication Tanzania Limited.

Notes to the preliminary condensed consolidated financial statements

for the year ended 31 March 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 preliminary condensed consolidated financial statements for the year ended 31 March 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 the IFRS Accounting Standards as issued by the International Accounting Standards Board.

The preliminary condensed consolidated financial statements for the year ended 31 March 2026, have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value. Amounts in the preliminary condensed financial statements are stated in Tanzanian Shillings (TZS), rounded to the nearest million (TZS m), except when otherwise indicated.

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

The material 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 new, revised or amended accounting pronouncements adopted by the Group from 1 April 2025 had no material impact on the consolidated results, financial position or cash flows of the Group.

New and amended standards and interpretations that have been issued, but that are not yet effective

Amendments to IFRS 18, and IFRS 9 and IFRS 7 are expected to have an impact on the Group financial statements while the other amendments are not expected to have an impact on the Group’s financial statements.

The Group is assessing the impact of IFRS18, IFRS 7 and IFRS 9 and the Group’s financial reporting will be presented in accordance with the standards from 1 April 2026 or subsequently as applicable

4. Revenue

TZS m	March 2026 Reviewed	March 2025 Audited
Major products/service lines		
Customer service revenue	1 716 755	1 405 493
Mobile interconnect	54 357	49 715
Fixed service revenue	54 251	42 021
Other service revenue	21 379	18 758
Equipment revenue	16 296	17 897
Other non-service revenue	15 087	4 451
Revenue from contracts with customers	1 878 125	1 538 335
Interest income recognised as revenue	1 038	1 025
Revenue	1 879 163	1 539 360

Revenue is further disaggregated per revenue stream as follows:

Mobile voice revenue	334 860	310 598
M-Pesa revenue	734 796	590 033
Mobile data revenue	546 714	422 181
Digital & VAS revenue	51 641	40 296
Mobile incoming revenue	54 357	49 696
Messaging revenue	42 756	36 532
Fixed revenue	54 251	42 021
Other service revenue	27 367	24 630
Service revenue	1 846 742	1 515 987
Non-service revenue	32 421	23 373
Revenue	1 879 163	1 539 360

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

5. Income tax expense

TZS m	March 2026 Reviewed	March 2025 Audited
Expected income tax expense at the Tanzania statutory tax rate 30%	51 069	43 473
Adjusted for:		
– Non-deductible expenditure ⁶	7 819	7 269
– Net non-taxable gaming income ⁷	(268)	(602)
Adjustments of prior years net tax charge	(1 255)	2 116
Irrecoverable withholding tax expense	5 735	2 142
Income tax expense	63 100	54 398
Effective tax rate	37.07%	37.54%

6. Earnings and dividends per share

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

	March 2026 Reviewed	March 2025 Audited
Basic and diluted earnings per share (TZS)	47.75	40.37
Earnings attributable to owners of the parent (TZS m)	106 966	90 434
Weighted average number of ordinary shares outstanding	2 240 000 300	2 240 000 300
Dividend declared during the year (TZS m) ⁸	45 248	26 723

6 Non deductible expenditure include charitable donations, dispute losses, fines and penalties.

7 This include gaming income (non taxable) and costs (non-deductible).

8 The dividend declared pertains to the profit from the previous year.

7. Provisions

The Group is currently involved in various legal 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 include tax and asset restoration obligation are disclosed below.

TZS m	March 2026 Reviewed	March 2025 Audited
At 1 April	13 684	12 080
Site restoration obligation	7 973	6 760
Legal/Regulatory	1 177	928
Indirect tax assessments and disputes	4 534	4 392
Additions/charge to profit or loss		
Site restoration obligation – additions	4 090	271
Site restoration obligation – interest accrued	1 183	942
Legal/Regulatory – additions	4	249
Indirect tax assessments and disputes – additions	9 660	142
	14 937	1 604
Released to profit or loss		
Legal/Regulatory	(1)	–
Indirect tax assessments and disputes	–	–
	(1)	–
Utilised against payments during the year		
Legal/Regulatory	–	–
	–	–
At 31 March	28 620	13 684
Site restoration obligation	13 246	7 973
Legal/Regulatory	1 180	1 177
Indirect tax assessments and disputes	14 194	4 534
Comprising of:		
Non-current		
Site restoration obligation	12 306	7 973
Current		
Legal/Regulatory	1 180	1 177
Site restoration obligation	940	–
Indirect tax assessments and disputes	14 194	4 534
	16 314	5 711

8. Capital expenditure and commitments

During the period the Group invested TZS 323 944 million (March 2025: TZS 174 995 million) in property and equipment and intangible assets. The capital expenditure was funded using internally generated funds. As at year end, TZS 54 958 million of the total investment made was payable to capex creditors (2025: TZS 122 465 million).

The Group's capital commitments is as presented below:

TZS m	March 2026 Reviewed	March 2025 Audited
Capital expenditure contracted for but not yet incurred	69 578	4 125

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	March 2026 Reviewed	March 2025 Audited
Balances with related parties		
Trade and other receivables		
Vodafone Group Plc (Ultimate Parent)	2 078	2 069
Vodacom Group Limited (Immediate Parent)	1 603	1 242
	3 681	3 311
Trade and other payables		
Vodafone Group Plc (Ultimate Parent)	(24 601)	(11 388)
Vodacom Group Limited (Immediate Parent)	(7 876)	(7 542)
M-Pesa Africa	(9 761)	(8 426)
	(42 238)	(27 356)

The amounts due from/(to) related parties are interest free.

Transactions with related parties

TZS m	March 2026 Reviewed	March 2025 Audited
Vodafone Group Plc and its subsidiaries		
Revenue	10 414	9 429
Direct expenses	(3 279)	(2 467)
Other operating expenses	(22 460)	(13 343)
	(15 325)	(6 381)
Vodacom Group Limited subsidiaries – Mozambique, DRC, Mauritius and Lesotho		
Revenue	36	40
Direct expenses	(534)	(307)
Other operating expenses	(6 206)	(6 445)
	(6 704)	(6 712)

9. Related parties continued

TZS m	March 2026 Reviewed	March 2025 Audited
Vodacom Group Limited – South Africa		
Revenue	3 871	2 813
Direct expenses	(2 422)	(1 899)
Other operating expenses	(21 489)	(17 110)
	(20 040)	(16 196)
Compensation for key management personnel		
Short-term employee benefits	(7 329)	(7 684)
Share based compensations ⁹	(611)	(747)
Long-term employee benefits	(1 584)	(860)
	(9 524)	(9 291)
Non-executive directors		
Non-executive directors fees	(1 637)	(1 301)
Executive directors		
Short-term employee benefits	(2 453)	(2 114)
Long-term employee benefits	(869)	(251)
	(3 322)	(2 365)

⁹ The share-based payment is accounted for as an equity-settled transaction administered by Vodacom International Limited (VIL) for Vodacom Tanzania PLC employees under the Group scheme with costs recharged to VIL which is outside the Vodacom Tanzania PLC Group.

10. Cash generated from operations

TZS m	March 2026 Reviewed	March 2025 Audited
Profit before tax	170 231	144 909
Adjusted for:		
Finance Income	(71 883)	(46 116)
Finance costs	157 996	102 088
Net loss on foreign currency translation	2 739	7 296
Operating profit	259 083	208 177
Adjusted for:		
Depreciation and amortisation	426 304	285 433
Net credit losses on trade and other receivables	8 864	12 102
Net credit losses on cash and cash equivalents	(179)	–
Amortisation of capacity prepayments	34 938	28 358
Gain on disposal of right of use assets	(406)	(14)
Gain on disposal of property and equipment.	(41)	–
Decrease in provision for inventory	(255)	(1 361)
Amortisation of government grant	–	(20)
Increase in provisions	13 753	662
Cash flow from operations before working capital changes	742 061	533 337
Payment of capacity contracts	(98 292)	(58 758)
Increase in inventory	830	470
Increase in trade and other receivables	(11 355)	(19 200)
Increase in trade, mobile financial and other payables	367 869	262 865
Cash generated from operations	1 001 113	718 714

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 executive management and reported to the Board. The Group has support from external advisors supporting the positions taken in respect of the significant tax matters which support the application and interpretation of the tax legislation. The Group has considered all matters in dispute with the tax authority and has accounted for any exposure identified if required.

The group continues to engage with the tax authority to resolve long-standing tax disputes and mitigate potential exposures.

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 year 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 year end.

12. Other matters

Regulatory matters

On 10 July 2025, the Group successfully bid and acquired one block of 50MHz in the 3700MHz (TDD) spectrum band for a total cost of TZS49.8 billion (USD18.9 million) in spectrum auction conducted by the TCRA. Similarly to the previous auctions, the purchase price is paid in instalments with 40% paid immediately, followed by four equal instalments after every six months. This investment will accelerate our future network expansion plans and help us unlock potential growth while also delivering on our purpose

Modernisation of Radio Access Network

During the year, the company begun the implementation of the Radio Access Network modernisation initiative which entails replacing of legacy radio equipment and installation of new, modernised radios, necessitated a reassessment of the expected useful lives of the old equipment.

As a result of this change in estimate, depreciation expense increased by TZS 109.5 billion.

13. Segments

In order to identify operating segments, management identifies components that engage in business activities from which it may earn revenue 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 a single operating segment, as no discrete financial information is available for separate business segments. The Group operates exclusively within the United Republic of Tanzania and therefore has no separate geographical segments. Entity-wide segment information is consistent with that disclosed in the preliminary condensed consolidated financial statements. No single external customer accounts for 10% or more of the Group’s revenue.

14. Fair value

During the year, the group entered into Forward exchange contracts (FEC) in a bid to mitigate the volatility in the foreign exchange market. As at 31 March 2026, the group had no open FECs. The amount of fair value adjustments recorded under net loss on foreign currency transactions is TZS 1.4 billion (March 2025: TZS 0.9 billion). The FECs would fall in level two in terms of fair value hierarchy under IFRS 13. Level two classification is used when valuation inputs used to determine fair value are observable for the asset/ (liability), either directly as prices (being mid forward rates and spot rates) or indirectly when derived from prices.

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.

15. Events after the reporting period

The Board is not aware of any additional 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.

Supplementary information

Reconciliation of operating free cash flow and free cash flow

TZS m	Financial year ended 31 March		
	2026	2025	%YoY
Cash generated from operations	1 001 113	718 714	39.3
Government grant received	8 180	2 955	176.8
Additions to property and equipment and intangible assets ¹	(279 269)	(198 019)	(41.0)
Payment of lease liabilities - Principal	(72 997)	(92 313)	20.9
Interest paid on lease liabilities	(96 400)	(53 899)	(78.8)
Amounts owed to M-Pesa account holders ²	(312 708)	(170 520)	(83.4)
Proceeds from sale of property and equipment	43	–	n/a
Operating free cash flow	247 962	206 918	19.8
Tax paid	(101 504)	(39 857)	(154.7)
Finance income received	14 760	7 169	105.9
Interest received from M-Pesa deposits	57 101	38 946	46.6
Interest paid to M-Pesa customers	(66 742)	(16 493)	<(200)
Settlement of derivative financial liabilities	(1 397)	(876)	(59.5)
Interest paid on tax liabilities	(6 515)	–	n/a
Interest repayment on other financial liabilities	(630)	(384)	(64.1)
Free cash flow	143 035	195 423	(26.8)

1 For the year ending 31 March 2026, this amount excludes TZS46.1 billion spectrum purchase and its related payments.

2 Related to money held on behalf of M-Pesa customers, which is not available for use by the Company.

Supplementary information continued

Non-IFRS information

The auditor's report does not necessarily cover all of the information contained in this announcement, which sets out the Preliminary consolidated financial results of Vodacom Tanzania Public Limited Company ('the Company') and its subsidiaries (together 'the Group') for the twelve months ended 31 March 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.

Forward-looking statements

This announcement, which sets out the consolidated Preliminary results of the Group for the Financial year ended 31 March 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 Tarimo¹ (Chairman), P Besiimire (MD)², H Bujiku (FD)³,
J Nkini-Iwisi³, K Mutooni⁴, M Ikongo³, M Mbungela⁵,
R Morathi⁵, H Ammar⁶, M Abdallah⁶, D Kastelic⁷

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

Company secretary

Caroline Mduma

Registered office

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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



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