

**YeboYethu (RF) Limited**

**Registration no. 2008/014734/06**

**Condensed consolidated interim financial statements  
for the period ended 30 September 2021**

The preparation of these condensed consolidated interim financial statements was supervised by RK Morathi CA (SA), M.Phil., H.Dip Tax and has been reviewed by the independent auditor, Ernst & Young Inc.

<b>Contents</b>	<b>Page</b>
Directors' statement of responsibility	1
Independent auditor's review report on the condensed consolidated interim financial statements	2 - 3
Condensed consolidated statement of comprehensive income	4
Condensed consolidated statement of financial position	5
Condensed consolidated statement of changes in equity	6
Condensed consolidated statement of cash flows	7
Notes to the condensed consolidated interim financial statements	8 - 17

**Directors' statement of responsibility**

The directors are responsible for the preparation, integrity and fair presentation of the condensed consolidated interim financial statements of YeboYethu (RF) Limited and its subsidiary ('the Group').

The condensed consolidated interim financial statements have been reviewed by the independent auditing firm Ernst & Young Inc. which was given unrestricted access to all financial records and related data, including minutes of meetings of shareholders, the board and committee of the board. The directors believe that all representations made to the independent auditors during their review were valid and appropriate. The auditor's review report is presented on the next page.

The condensed consolidated interim financial statements for the period ended 30 September 2021 presented on pages 4 to 17 have been prepared in accordance with the framework concepts, the recognition and measurement criteria of International Financial Reporting Standards ('IFRS') and 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 Financial Reporting Guides as issued by the South African Institute of Chartered Accountants ('SAICA') Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council, the Johannesburg Stock Exchange ('JSE') Listings Requirements and the requirements of the Companies Act of 2008, as amended. They are based on appropriate accounting policies which have been consistently applied, and which are supported by reasonable and prudent judgements, including judgements involving estimations. The going concern basis has been adopted in preparing the condensed consolidated interim financial statements. The directors have no reason to believe that the Group will not be a going concern in the foreseeable future based on forecasts and available cash resources.

In terms of section 3.84(k) of the JSE Listings Requirements, the directors, whose names are stated below, hereby confirm that:

- a. the condensed consolidated interim financial statements set out on pages 4 to 17, fairly present in all material respects the financial performance, financial position and cash flows of the issuer in terms of IFRS;
- b. no facts have been omitted or untrue statements made that would make the condensed consolidated interim financial statements false or misleading;
- c. internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the condensed consolidated interim financial statements of the issuer; and
- d. the internal financial controls are adequate and effective and can be relied upon in compiling the condensed consolidated interim financial statements, having fulfilled our role and function within the combined assurance model pursuant to principle 15 of the King Code. Where we are not satisfied, we have disclosed to the audit committee and the auditors the deficiencies in design and operational effectiveness of the internal financial controls and any fraud that involves directors, and have taken the necessary remedial action.

The condensed consolidated interim financial statements were approved by the board on 26 November 2021 and are signed on its behalf:



---

**TV MOKGATLHA**

Director



---

**B SILWANYANA**

Director

## **INDEPENDENT AUDITOR'S REVIEW REPORT ON CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

### **To the Shareholders of YeboYethu (RF) Limited**

We have reviewed the condensed consolidated interim financial statements of YeboYethu (RF) Limited set out on pages 4 to 17, which comprises the condensed consolidated statement of financial position as at 30 September 2021, the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months period then ended 30 September 2021, and selected explanatory notes.

#### *Directors' Responsibility for the Condensed Consolidated Interim Financial Statements*

The directors are responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with the International Financial Reporting Standard, IAS 34 Interim Financial Reporting, the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of Condensed consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express a conclusion on these condensed consolidated interim financial statements. We conducted our review in accordance with International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information performed by the Independent Auditor of the Entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the condensed consolidated interim financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of condensed consolidated interim financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these condensed consolidated interim financial statements.

*Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements of YeboYethu (RF) Limited for the six months period ended 30 September 2021 are not prepared, in all material respects, in accordance with the International Financial Reporting Standard, IAS 34 Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa.

DocuSigned by:  
  
06CF7AD885DD47C...

**Ernst & Young Inc.**  
Director - Imraan Akoodie CA (SA)  
Registered Auditor  
26 November 2021

Condensed consolidated statement of comprehensive income

	Notes	Six months ended 30 September 2021 Reviewed R'000	Six months ended 30 September 2020 Reviewed R'000	Year ended 31 March 2021 Audited R'000
<b>Income</b>		469 250	463 527	938 500
Expenditure	2	(9 074)	(8 594)	(16 381)
<b>Operating profit</b>		460 176	454 933	922 119
Finance income		212	313	629
Finance cost	3	(225 112)	(246 620)	(473 858)
Gain on remeasurement of financial instrument	4	2 034 942	716 464	1 058 673
<b>Profit before tax</b>		2 270 218	925 090	1 507 563
Taxation	5	(455 887)	(160 576)	(237 319)
<b>Net profit</b>		1 814 331	764 514	1 270 244
<b>Total comprehensive income</b>		1 814 331	764 514	1 270 244
		<b>Cents</b>	<b>Cents</b>	<b>Cents</b>
<b>Basic/diluted earnings per share</b>	6	3 429	1 445	2 400

Condensed consolidated statement of financial position

	Notes	As at 30 September 2021 Reviewed R'000	As at 30 September 2020 Reviewed R'000	As at 31 March 2021 Audited R'000
<b>Assets</b>				
<b>Non-current assets</b>				
Financial assets	7	16 485 548	14 108 845	14 450 606
Tax receivable		—	448	—
<b>Current assets</b>				
Account receivable		12 433	22 659	15 428
Tax receivable		6 070	18 469	8 879
Restricted cash		457	—	457
Cash and cash equivalents	8	313	313	313
		5 593	3 877	5 779
<b>Total assets</b>		<u>16 497 981</u>	<u>14 131 504</u>	<u>14 466 034</u>
<b>Equity and liabilities</b>				
Share capital	9	4 193 265	4 193 265	4 193 265
Ordinary share premium		359 883	359 883	359 883
Retained earnings/(losses)		850 878	(1 357 530)	(910 537)
<b>Total equity</b>		5 404 026	3 195 618	3 642 611
<b>Non-current liabilities</b>				
Borrowings	10	11 088 041	10 930 413	10 818 070
Deferred tax	5	9 202 530	9 577 384	9 388 386
		1 885 511	1 353 029	1 429 684
<b>Current liabilities</b>				
Accounts payable		5 914	5 473	5 353
Tax payable		4 358	3 610	3 622
Dividends payable		—	11	—
		1 556	1 852	1 731
<b>Total equity and liabilities</b>		<u>16 497 981</u>	<u>14 131 504</u>	<u>14 466 034</u>

Condensed consolidated statement of changes in equity

		Six months ended 30 September 2021 Reviewed R'000	Six months ended 30 September 2020 Reviewed R'000	Year ended 31 March 2021 Audited R'000
Share capital	9	4 193 265	4 193 265	4 193 265
Ordinary share premium		359 883	359 883	359 883
Retained earnings/(losses)		850 878	(1 357 530)	(910 537)
Opening balance		(910 537)	(2 077 595)	(2 077 595)
Net profit		1 814 331	764 514	1 270 244
Dividends		(52 916)	(44 449)	(103 186)
<b>Total equity</b>		<b>5 404 026</b>	<b>3 195 618</b>	<b>3 642 611</b>



## Condensed consolidated statement of cash flows

		Six months ended 30 September 2021	Six months ended 30 September 2020	Year ended 31 March 2021
	Note	Reviewed R'000	Reviewed R'000	Audited R'000
<b>Cash flows from operating activities</b>				
Cash generated from operations		461 200	455 475	922 392
Tax paid		(59)	(61)	(171)
Dividends paid		(53 091)	(44 597)	(103 454)
<b>Net cash flows generated from operating activities</b>		<u>408 050</u>	<u>410 817</u>	<u>818 767</u>
<b>Cash flows from investing activities</b>				
Increase in overnight deposit		(3 681)	—	(17 055)
Decrease in overnight deposit		6 206	—	14 200
Finance income received		207	313	629
<b>Net cash flows generated from/(utilised in) investing activities</b>		<u>2 732</u>	<u>313</u>	<u>(2 226)</u>
<b>Cash flows from financing activities</b>				
Repayment of borrowings		(159 107)	(69 999)	(269 696)
Finance cost paid		(251 861)	(328 252)	(544 790)
Overnight deposit movement		—	(12 726)	—
<b>Net cash flows utilised in financing activities</b>		<u>(410 968)</u>	<u>(410 977)</u>	<u>(814 486)</u>
<b>Net movement in cash and cash equivalents</b>		(186)	153	2 055
Cash and cash equivalents at the beginning of the period/year		5 779	3 724	3 724
<b>Cash and cash equivalents at the end of the period/year</b>	8	<u>5 593</u>	<u>3 877</u>	<u>5 779</u>

**Notes to the condensed consolidated interim financial statements**

**1. Basis of preparation**

These condensed consolidated interim financial statements have been prepared in accordance with the framework concepts, the recognition and measurement criteria of IFRS and in accordance with and containing the information required by IAS 34: Interim Financial Reporting as issued by the IASB, the Financial Reporting Guides as issued by the SAICA Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the requirements of the Companies Act of 2008, as amended. They have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value or at amortised cost, and are presented in South African rand, which is the Group's functional and presentation currency.

**Basis of consolidation**

The condensed consolidated interim financial statements incorporate the interim financial statements of YeboYethu (RF) Limited and its wholly owned subsidiary, YeboYethu Investment Company (RF) (Proprietary) Limited ('YeboYethu Investment') which is one reportable segment ('the Group') for the period 30 September 2021.

The significant accounting policies are consistent in all material respects with those applied for the year ended 31 March 2021. 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 2021, none of which had any material impact on the Group's financial results for the period. Significant accounting policies are available for inspection at the Group's registered office. The interest rate benchmark reform has no impact on the Group as it is not exposed to IBOR settings.

Full details on changes in accounting policies will be disclosed in the Group's consolidated financial statements for the year ending 31 March 2022.

	<b>Six months ended 30 September 2021 Reviewed R'000</b>	<b>Six months ended 30 September 2020 Reviewed R'000</b>	<b>Year ended 31 March 2021 Audited R'000</b>
<b>2. Expenditure</b>			
Administration fees	(7 559)	(6 881)	(13 573)
Consulting fees	(390)	(72)	(256)
Auditor's remuneration	(464)	(921)	(1 215)
Directors' remuneration (Refer Note 14)	(653)	(643)	(1 321)
Other	(8)	(77)	(16)
	<u>(9 074)</u>	<u>(8 594)</u>	<u>(16 381)</u>

Administration fees mainly comprises:

- share register maintenance fee;
- Annual General Meeting expenses;
- fees associated with costs of trading and security license;
- administration service fees to Vodacom Group;
- general administration and call centre agents cost;
- costs associated with payment of dividends;

Notes to the condensed consolidated interim financial statements

2. Expenditure (continued)

Administration fees mainly comprises (continued):

- agency fees to Rand Merchant Bank (a division of FirstRand Bank Limited);
- printing and posting of the annual report as well as the typesetting of the interim results.

Consulting fees comprise of costs associated with valuation services, legal costs and placement fee on recruitment of non-executive directors.

Auditors' remuneration comprises of current period/year costs and an under accrual of prior year audit fees in relation to the period/year being disclosed.

	Six months ended 30 September 2021 Reviewed R'000	Six months ended 30 September 2020 Reviewed R'000	Year ended 31 March 2021 Audited R'000
<b>3. Finance cost</b>			
Interest expense			
Class A preference shares	(94 582)	(108 236)	(205 843)
Class B preference shares	(130 530)	(138 384)	(268 015)
	<u>(225 112)</u>	<u>(246 620)</u>	<u>(473 858)</u>

All interest expense is incurred from financial liabilities not at fair value through profit or loss.

Interest expense is recognised at a rate of 68% of First National Bank Limited's prime overdraft lending rate ('prime') on the class A preference shares and at a rate of 70% of prime on the class B preference shares. For further details, refer to Note 10.

	Six months ended 30 September 2021 Reviewed R'000	Six months ended 30 September 2020 Reviewed R'000	Year ended 31 March 2021 Audited R'000
<b>4. Gain on remeasurement of financial instruments</b>			
Gain on fair value of Vodacom Group shares	<u>2 034 942</u>	<u>716 464</u>	<u>1 058 673</u>

The gain on fair value of Vodacom Group shares in the respective period/year resulted from the increase in the Vodacom Group Limited ('Vodacom Group') share price. Refer Note 7 for detail on the share price.

Notes to the condensed consolidated interim financial statements

	Six months ended 30 September 2021 Reviewed R'000	Six months ended 30 September 2020 Reviewed R'000	Year ended 31 March 2021 Audited R'000
<b>5. Taxation</b>			
<b>5.1 Income tax expense</b>			
South African current tax			
Current year	(60)	(88)	(176)
South African deferred tax			
Current year	(455 827)	(160 488)	(237 143)
	<u>(455 887)</u>	<u>(160 576)</u>	<u>(237 319)</u>
<b>Components of deferred tax charged to profit or loss</b>			
Capital gains tax on fair value gain	<u>(455 827)</u>	<u>(160 488)</u>	<u>(237 143)</u>
<b>Factors affecting tax expense for the year</b>			
The table below discloses the differences between the expected income tax expense at the South African statutory tax rate and the Group's total income tax expense:			
Profit before tax	<u>2 270 218</u>	<u>925 090</u>	<u>1 507 563</u>
Expected income tax expense on profit before tax at the South African statutory tax rate	(635 661)	(259 025)	(422 118)
Non-deductible preference share finance cost	(63 031)	(69 054)	(132 680)
Non-deductible operating expenditure	(2 542)	(2 407)	(4 587)
Gain on remeasurement of financial instrument (capital gains tax rate difference)	113 957	40 122	59 286
Exempt dividend income	131 390	129 788	262 780
	<u>(455 887)</u>	<u>(160 576)</u>	<u>(237 319)</u>
The South African statutory tax rate is 28.0%; the Group's effective tax rate is 20.1% (September 2020: 17.4%; March 2021: 15.7%).			
<b>5.2 Deferred tax and components</b>			
Deferred tax liability: Capital gains tax on fair value movement	<u>1 885 511</u>	<u>1 353 029</u>	<u>1 429 684</u>
<b>Reconciliation of net deferred tax balance</b>			
Balance at the beginning of the year	1 429 684	1 192 541	1 192 541
Charge to profit or loss	<u>455 827</u>	<u>160 488</u>	<u>237 143</u>
Balance at the end of the year	<u>1 885 511</u>	<u>1 353 029</u>	<u>1 429 684</u>

## Notes to the condensed consolidated interim financial statements

## 5. Taxation (continued)

## 5.2 Deferred tax and components (continued)

Deferred tax on the remeasurement of the investment in Vodacom Group is raised at the capital gains tax rate.

The deferred tax on the remeasurement of the investment in Vodacom Group is based on the fair value less the base cost of the investment as rolled over in terms of Section 42 of the Income Tax Act No. 58 of 1962.

	Six months ended 30 September 2021 Reviewed Cents	Six months ended 30 September 2020 Reviewed Cents	Year ended 31 March 2021 Audited Cents
<b>6. Earnings and dividends per share</b>			
Basic earnings per share	3 429	1 445	2 400
Dividends per share (Note 6.3)	100	84	195

There were no adjustments required to earnings attributable to equity shareholders in the determination of headline earnings. Therefore headline earnings per share is the same as per basic earnings per share disclosed above.

There are no potential ordinary shares that would have a dilutive effect on the earnings per share. Therefore diluted earnings per share and diluted headline earnings per share is the same as per basic earnings per share disclosed above.

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

	Six months ended 30 September 2021 Reviewed R'000	Six months ended 30 September 2020 Reviewed R'000	Year ended 31 March 2021 Audited R'000
<b>6.1 Earnings and headline earnings</b>			
Earnings and headline earnings attributable to equity shareholders for all earnings per share amounts disclosed above	1 814 331	764 514	1 270 244

This disclosure is a requirement of the JSE Limited and is not a recognised measure under IFRS. It has been calculated in accordance with Circular 1/2021 as issued by SAICA.

	Six months ended 30 September 2021 Reviewed	Six months ended 30 September 2020 Reviewed	Year ended 31 March 2021 Audited
<b>6.2 Reconciliation of weighted average number of ordinary shares outstanding</b>			
For basic and headline earnings per share	52 915 960	52 915 960	52 915 960

## Notes to the condensed consolidated interim financial statements

**6. Earnings and dividends per share (continued)****6.3 Dividends per share**

Dividends per share of 100 cents per share is based on 52,915,960 shares, paid on 5 July 2021 (September 2020: Dividends per share of 84 cents per share is based on 52,915,960 shares, paid on 6 July 2020; March 2021: Dividends per share of 195 cents per share consist of a final dividend per share of 84 cents based on 52,915,960 shares, paid on 6 July 2020, and an interim dividend per share of 111 cents based on 52,915,960 shares, paid on 14 December 2020).

**7. Financial assets****Financial asset at fair value through profit or loss**

In September 2018 YeboYethu, through YeboYethu Investment, acquired 6.23% of Vodacom Group issued shares in terms of its second BBBEE transaction.

The above transaction resulted in an exchange of 49,689,995 Vodacom SA shares for Vodacom Group shares on a fair market value basis for R7.1 billion and the purchase of additional 64,761,185 Vodacom Group shares for R7.3 billion. The purchase of the Vodacom Group shares was financed through preference share funding from the external funders as well as from Vodacom Group.

Vodacom Group shares are used as security for the class A preference share funding obtained from the external funders.

	<b>As at 30 September 2021 Reviewed R'000</b>	<b>As at 30 September 2020 Reviewed R'000</b>	<b>As at 31 March 2021 Audited R'000</b>
<b>Investment in Vodacom Group</b>			
Cost	14 455 817	14 455 817	14 455 817
Accumulated fair value adjustment (refer Note 4)	2 029 731	(347 420)	(5 211)
	<u>16 485 548</u>	<u>14 108 397</u>	<u>14 450 606</u>

The Group holds 114,451,180 shares in Vodacom Group. There was no movement in the shares held from at acquisition.

The investment is categorised as level 1 in the fair value hierarchy. Fair value was determined using the JSE listed share price as below:

	<b>As at 30 September 2021 Reviewed</b>	<b>As at 30 September 2020 Reviewed</b>	<b>As at 31 March 2021 Audited</b>
JSE listed closing share price (R)	<u>144.04</u>	<u>123.27</u>	<u>126.26</u>

Notes to the condensed consolidated interim financial statements

	As at 30 September 2021 Reviewed R'000	As at 30 September 2020 Reviewed R'000	As at 31 March 2021 Audited R'000
<b>8. Cash and cash equivalents</b>			
Bank balances	3 334	3 877	3 634
Overnight deposit	2 259	—	2 145
	<u>5 593</u>	<u>3 877</u>	<u>5 779</u>
<b>9. Share capital</b>			
<b>Ordinary share capital</b>			
<b>Authorised</b>			
100.0 million authorised ordinary shares at no par value	<u>—</u>	<u>—</u>	<u>—</u>
<b>Issued</b>			
52.9 million ordinary shares at no par value	<u>4 193 265</u>	<u>4 193 265</u>	<u>4 193 265</u>

There were no changes to the issued ordinary shares in the current financial period.

	As at 30 September 2021 Reviewed R'000	As at 30 September 2020 Reviewed R'000	As at 31 March 2021 Audited R'000
<b>10. Borrowings</b>			
<b>Held at amortised cost</b>			
Class A preference shares	3 885 397	4 248 424	4 056 975
Class B preference shares	5 317 133	5 328 960	5 331 411
	<u>9 202 530</u>	<u>9 577 384</u>	<u>9 388 386</u>

The carrying amount of Borrowings approximates fair value as this is linked to the prime interest rate.

## Notes to the condensed consolidated interim financial statements

## 11. Related parties

All transactions with related parties have been made on terms equivalent to those that prevail in arm's length transactions. Directors' remuneration is disclosed in Note 14.

	As at 30 September 2021 Reviewed R'000	As at 30 September 2020 Reviewed R'000	As at 31 March 2021 Audited R'000
<b>11.1 Balances with related parties</b>			
<b>Accounts receivable</b>			
Vodacom Group Limited	6 070	18 461	8 590
<b>Cash and cash equivalents</b>			
Vodacom Group Limited	2 259	—	2 145
<b>Accounts payable</b>			
Vodacom Group Limited	123	115	228
<b>Borrowings</b>			
Vodacom Group Limited	5 317 133	5 328 960	5 331 411
	<b>Six months ended 30 September 2021 Reviewed R'000</b>	<b>Six months ended 30 September 2020 Reviewed R'000</b>	<b>Year ended 31 March 2021 Audited R'000</b>
<b>11.2 Transactions with related parties</b>			
Vodacom Group Limited			
Dividends received	469 250	463 527	938 500
Service fee	(2 527)	(2 451)	(4 978)
Finance income received	180	270	551
Class B preference share interest	(130 530)	(138 384)	(268 015)
The Innovator Trust (entity within the Vodacom Group structure)			
Dividends paid	(1 204)	(1 007)	(2 344)
Vodacom Siyanda Employee Trust (entity within the Vodacom Group structure)			
Dividends paid	(11 545)	(9 293)	(22 108)



## Notes to the condensed consolidated interim financial statements

## 12. Fair value

The carrying amounts of accounts receivable, cash and cash equivalents and accounts payable are measured at cost which approximates fair value due to short term maturity thereof.

	As at 30 September 2021 Reviewed R'000	As at 30 September 2020 Reviewed R'000	As at 31 March 2021 Audited R'000
--	--	--	---

## 12.1 Fair value hierarchy

The table below sets out the valuation basis of the financial instrument measured at fair value:

**Level one**

Financial asset at fair value through profit or loss

Vodacom Group shares	16 485 548	14 108 397	14 450 606
----------------------	------------	------------	------------

The fair value of the level one instrument is determined using the JSE listed share price (refer Note 7).

	As at 30 September 2021 Reviewed R'000	As at 30 September 2020 Reviewed R'000	As at 31 March 2021 Audited R'000
--	--	--	---

## 13. Commitments

Operating commitments	3 153	1 061	1 605
-----------------------	-------	-------	-------

The operating commitments will be financed through internal cash generation.

	Six months ended 30 September 2021 Reviewed R	Six months ended 30 September 2020 Reviewed R	Year ended 31 March 2021 Audited R
<b>14. Directors' emoluments</b>			
ZBM Bassa (Chairperson) <sup>#</sup>	(143 467)	(206 661)	(421 862)
AM Hall	(83 519)	(79 541)	(162 370)
B Silwanyana <sup>#</sup>	(124 096)	(107 738)	(227 686)
A Conrad	(105 172)	(100 163)	(204 466)
TV Mokgattha (Chairperson) <sup>#</sup>	(161 341)	(149 067)	(304 293)
F Roji-Maplanka	(35 637)	—	—
	(653 232)	(643 170)	(1 320 677)

<sup>#</sup> Director registered as a VAT vendor therefore amount inclusive of VAT.

Effective 27 July 2021, ZBM Bassa resigned and TV Mokgattha succeeded as Chairman of the Board.

**Notes to the condensed consolidated interim financial statements****15. Impact of COVID-19**

The Group's financial position and liquidity is solely dependent on its investment in Vodacom Group. Vodacom Group's performance amidst the COVID-19 pandemic is therefore pivotal in the assessment of the company's operations and the continuous flow of dividends. The Group continues to assess the potential impact of COVID-19 on the return from its investment in Vodacom Group, including a wide range of related risks that the aforementioned will have on its performance and liquidity in the short to medium term. The going concern assumption, as adopted in the preparation of the condensed consolidated interim financial statements for the Group, remains applicable.

**16. Events after reporting period**

The board is not aware of any matter or circumstance arising since the end of the financial period, not otherwise dealt with in the condensed consolidated interim financial statements, which significantly affects the financial position of the Group at 30 September 2021 and the results of its operations or cash flows for the financial period ended 30 September 2021.

**a. Dividends receivable**

Vodacom Group Limited declared a dividend of 420 cents per share on 12 November 2021 payable on 6 December 2021 to shareholders recorded in the register at the close of business on Friday 3 December 2021.

**b. Vodacom acquisitions announced after the reporting date**

Subsequent to 30 September 2021, Vodacom Group announced two material acquisitions, as follows:

**i) Vodafone Egypt Telecommunications SAE ('Vodafone Egypt')**

On 10 November 2021, Vodacom Group announced that it had entered into a binding agreement to acquire a 55% shareholding in Vodafone Egypt from Vodafone Group Plc (Vodafone), for an equity purchase consideration of US\$2 738 million (circa R41 billion) (subject to adjustments in accordance with the agreement). Eighty percent of this purchase consideration will be settled by the issue of 242.0 million new Vodacom Group Limited shares at an issue price of R135.75 per share, with the remainder to be settled in cash. This cash consideration is subject to change per the principles set out in the agreements. The investment in Vodafone Egypt will be accounted for as a subsidiary of Vodacom Group.

**ii) Community Investment Ventures Holdings (Pty) Limited ('CIVH')**

On 10 November 2021, Vodacom Group announced an investment into a joint venture that will house the material fibre network assets of both Vodacom Group and CIVH. The material operating companies of CIVH are Dark Fibre Africa (Pty) Limited and Vumatel (Pty) Limited. The transaction is subject to the fulfillment of certain conditions precedent, including obtaining the necessary regulatory approvals from the South African competition authorities and Independent Communications Authority of South Africa ('ICASA'). The investment will be equity accounted as a joint venture. The purchase consideration will be made up of an initial cash consideration of R6 billion, as well as an asset for share swap where Vodacom Group will contribute its fibre-to-the-home, fibre-to-the-business and Business-to-Business transmission access fibre network infrastructure to the joint venture, at a valuation of R4.2 billion. Vodacom Group will acquire further (secondary) shares for cash from CIVH sufficient to increase its shareholding to at least 30% shareholding in the joint venture. The value of this cash consideration is a function of the valuation of the joint venture and cannot be precalculated with certainty. Based on Vodacom Group's current expectations, including the time of closing and the joint venture valuation, the secondary purchase consideration is estimated to be approximately R3 billion.

**iii) Change in Vodacom Group's dividend policy**

Vodacom Group's current dividend policy is to pay at least 90% of adjusted headline earnings, which excludes the contribution of the attributable net profit or loss from Safaricom and any associated intangible amortisation. In addition, Vodacom Group distributes any dividend it receives from Safaricom, up to a maximum amount of the dividend received, net of withholding tax. Subject to Board approval, this policy will be maintained for the remainder of the current financial year, and until the proposed acquisition of Vodafone Egypt is completed.

On completion of the Vodafone Egypt acquisition, Vodacom Group intends to amend and simplify its dividend policy to at least 75% of Vodacom Group headline earnings.

**Notes to the condensed consolidated interim financial statements**

**16. Events after reporting period (continued)**

**c. Dividend declared after the reporting date and not recognised as a liability**

A dividend of R59.8 million for the period ended 30 September 2021, was declared on 26 November 2021 payable on 20 December 2021 to shareholders recorded in the register at the close of business on 17 December 2021. The net dividend is 90.40000 cents per share after taking into account dividend withholding tax of 22.60000 cents per share for those shareholders not exempt from dividend withholding tax.

**d. Redemption of preference shares after the reporting date and not recognised as a reduction in liability nor impact on cash flow**

The board resolved to make payment of R171.6 million towards Class A preference shares as well as a payment of R240.0 million towards Class B preference shares on 8 December 2021.