

Vodafone Egypt deal bumps up SA's Vodacom quarterly revenue

Vodacom Group said on Tuesday, 31 January, its third-quarter revenue rose 14.8%, supported by the South African telecoms operator's acquisition of Vodafone Egypt.



Shoppers wear protective face masks in front of a Vodafone store inside a City Centre mall ahead of Black Friday, amid the coronavirus disease (Covid-19) pandemic in the Cairo suburb of Maadi, Egypt on 26 November 2020. Reuters/Amr Abdallah Dalsh

Vodacom, majority-owned by Britain's Vodafone, said group revenue rose to R30.7bn (\$1.76bn) in the quarter ended 31 December. On a normalised basis, revenue grew 4.7%.

Vodafone Egypt was consolidated from 8 December, contributing over R1.8bn to group service revenue and was a key factor, alongside currency gains, in the 16.1% growth in group service revenue, Shameel Joosub, Vodacom Group CEO said.

Vodacom bought a 55% stake in the Egyptian arm of Vodafone for R43.6bn in 2021, the largest deal in the telecoms operator's history.

The company's service revenue also benefited from growth in its data and financial services, the fastest-growing contributor to the group's suite of new businesses.

Financial services revenue jumped 30.6% to reach R2.6bn, largely on the back of demand for its mobile money M-Pesa platform across its international portfolio as well as double-digit growth in insurance policy and airtime loan sales in South Africa, Joosub added.

In South Africa, Vodacom's largest market, service revenue grew 3%, supported by its mobile prepaid business despite electricity availability challenges and consumers battling higher inflation.

ABOUT THE AUTHOR

Reporting by Nqobile Duda; editing by Kim Coghill and Sherry Jacob-Phillips

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