Telkom



Telkom SA SOC Ltd

Interim Results

For the six months ended
30 September 2026

Seamlessly connecting our customers to a better life

Group highlights

Group revenue
up 2.0%
to R22.5bn

Group data revenue
up 6.6%
contributing
61.8%
to total revenue

EBITDA[1,2]
up 5.8%
to R6.4bn

EBITDA margin[1,2]
28.3%
a 1.1 ppts expansion

Net debt to EBITDA[1,2]
0.6x
FY2026: 0.5x

Free cash flow[1,3]
R998m
up 37.8%

HEPS[1]
334.1 cents
up 9.3%

BEPS
359.6 cents
up 10.4%

Profit for the period
up 10.8%
to R1.8bn

The Group's dividend policy provides for an annual dividend payout. No interim dividend has been declared for these results.

1 *This is a non-IFRS financial measure.*

2 *Earnings before interest, tax, depreciation and amortisation. Earnings before investment income and finance costs (including gains and losses on foreign exchange transactions), tax, depreciation, amortisation, write-offs and impairments of property, plant and equipment and intangible assets. EBITDA is also presented inclusive of interest revenue and interest on overdue accounts. Also presented on an unadjusted basis in the current and prior periods, as there are no pro forma items requiring normalisation.*

3 *Free cash flow is defined as cash generated from operations before dividend paid, less cash paid for capital expenditure and repayment of principal lease liabilities.*

Business unit highlights

Telkom Consumer

Pre-paid service revenue growth of
6.1%

Mobile EBITDA margin expanded to
30.8%



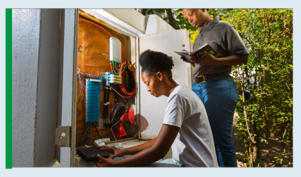
Pre-paid data revenue growth of
12.0%

13.6% increase in mobile data subscribers to
21.0 million

Openserve

Overall revenue grew by
4.2%

EBITDA margin expanded to
33.8%



Broadband revenue grew by
10.1%

Industry-leading fibre to the home connectivity rate of
54.8%

BCX

Cybersecurity revenue up
8.7%

Operational expenditure declined by
5.0%



Cloud revenue up
16.2%

EBITDA margin of
8.3%

Message from Serame Taukobong, Group CEO

Over the past several years, we have made deliberate choices to strengthen Telkom's position in data and digital infrastructure, simplify our operations and build a more efficient, financially disciplined business. The first half of FY2027 demonstrates the progress we are making in translating these choices into stronger economic outcomes, while reinforcing the work that remains.

Our data-led strategy remains central to this transition. **Consumer** is improving the profitability of its growing data business, while **Openserve** is increasingly focused on converting existing network capacity into revenue-generating connections. These developments demonstrate the value of our strategic choices and the structural efficiencies embedded in our operations.

However, progress remains uneven. Traditional voice revenues continue to decline, Mobile service revenue growth has moderated, and **BCX** continues to strengthen the foundations of its enterprise technology business. Growth in Cloud and Cybersecurity and continued discipline in operating expenditure demonstrate progress in areas where the business has relevant capabilities and opportunities to create value. Our focus is on building these strengths, sharpening our portfolio and improving commercial execution as customer requirements and the enterprise technology market evolve.

Outlook

The next phase of Telkom's transformation will be defined by execution and our ability to translate strategic progress into more consistent economic outcomes across the Group.

We will maintain disciplined cost management, prudent capital allocation and focus on free cash flow generation.

These priorities are connected by the strategic opportunity of OneTelkom. Consumer provides customer reach and compelling digital value, Openserve provides national infrastructure, and BCX provides enterprise technology expertise. Our responsibility is to translate these complementary capabilities into differentiated customer propositions, more efficient delivery and additional economic value.

The next phase of Telkom's transformation is not simply about proving that our business can withstand a changing market. It is about demonstrating that we can consistently convert our customer relationships, infrastructure and capabilities into sustainable earnings, cash generation and long-term value.

Cautionary announcement

On 16 November 2026, the Group issued a cautionary announcement on SENS following an approach by MTN Group Limited ("MTN") to acquire Telkom's entire issued share capital. Discussions are at an early stage, and there is no certainty that a transaction will materialise.

To read the above-mentioned cautionary statement, visit: group.telkom.co.za/ir/

Mvuleni Geoffrey Qhena
Chairman

Serame Taukobong
Group Chief Executive Officer

Nonkululeko Dlamini
Group Chief Financial Officer

17 November 2026

Sponsor
Nedbank Corporate and Investment Banking, a division of Nedbank Limited

Pro forma financial information:
Certain financial information presented in this results announcement constitutes non-IFRS financial measures in terms of the JSE Listings Requirements. The Group presents various non-IFRS financial measures in the results announcement. These non-IFRS financial measures include (i) EBITDA, (ii) HEPS, (iii) the net debt and (iv) the FCF for both the current and prior periods. These measures constitute pro forma financial information and are annotated throughout the results announcement. The non-IFRS financial information is the responsibility of the Board of Directors, and has been prepared for illustrative purposes only and, due to its nature, may not fairly present the financial position, changes in equity and results of operations or cash flows of Telkom.

Further information:
The short-form announcement is the responsibility of the Board. It is only a summary of the information contained in the full interim financial results announcement for the period ended 30 September 2026 and does not contain full or complete details. Any investment decisions should be based on the full interim financial results announcement published on the JSE's cloud link on Tuesday, 17 November 2026 and also available on Telkom's website. The outlook statement has not been reviewed or reported on by Telkom's external auditor.

The full interim financial results announcement, which includes the Group's external auditor, PricewaterhouseCoopers Inc. unmodified review report, is available on the Company's website at: https://group.telkom.co.za/ir/financial-information.html and on the JSE's cloud link at: https://senspdf.jse.co.za/documents/2026/jse/isse/TKG/ie2026.pdf.

Copies of the Telkom reviewed condensed consolidated interim financial statements for the six month period ended 30 September 2026 may be requested from our Group Company Secretary, Ephy Motlhamme at motlhae1@telkom.co.za.

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Telkom SA SOC Ltd
(Registration number: 1991/005476/30)

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JSE bond code: BITEL
ISIN: ZAE000044897

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