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In 2021, global mergers and acquisitions (M&A) hit a record high of US\$5.9 trillion, as low interest rates and improved certainty regarding the end of the pandemic fueled optimism. Tech deals accounted for one-fifth of this total deal value, according to Refinitiv, driven by rapid digital transformation and the opportunity to enhance capabilities post-COVID.

At Vodacom Group, 2021 was a notable year for strategic M&A opportunities, as we initiated several substantial deals that support our transition from telecommunications operator to a leading pan-African technology provider. Collectively, these investments provide scope for the company to accelerate growth, diversify revenue streams and deliver differentiated offerings to customers while delivering superior returns to shareholders.

Big moves to drive digital and financial inclusion

Of these deals, Vodacom Group's most significant and transformational transaction is our proposed acquisition of a 55% controlling stake in Vodafone Egypt, worth R42 billion, subject to final regulatory approvals. The transaction, which was awarded Deal of the Year 2021 by DealMakers, brings together the complementary offerings of two leading mobile network operators in key African economies, presenting a unique, exciting opportunity for growth.

Vodafone Egypt is a brand at the forefront of technological innovation,

Trailblazing beyond Awards

with an asset portfolio of network infrastructure and spectrum, and a strong customer base in both the consumer and enterprise segments. Vodacom sees scope to create significant value by scaling the Group's multi-product strategy, known as our System of Advantage, into Egypt. In particular, leveraging financial services platforms into the market can accelerate financial inclusion for the more than 80% of the country's 100 million population who remain unbanked.

Working towards the conclusion of the deal has been no easy feat. It requires a thorough understanding of other markets and the sensitive navigation of various issues, involving no less than 250 people across different geographies. In addition, as we were still experiencing COVID-19 restrictions in 2021, almost every part of the deal last year – from conception to signing stage – was done virtually, providing a whole new approach to M&A.

Separately, to further strengthen our pan-African footprint, in 2021, Vodacom, Vodafone, Safaricom, British International Investment (the UK's development finance institution), and Sumitomo Corporation (a Japanese investment firm) formed a consortium that successfully bid for a telecommunications licence in Ethiopia. Vodacom has an effective direct interest of 6.2% in the Ethiopian business, and further indirect exposure through our associate holding in Safaricom. The Ethiopian business's phased launch will commence in August and roll out to 25 cities in the coming months, including Addis Ababa.

Our Ethiopian business aims to bring about transformational economic and social impact in Africa's second largest country by population. Enhancing and increasing access to affordable, high-quality connectivity will enable greater inclusion, as millions more Ethiopians will have access to life-changing mobile

and internet services such as health, education and mobile money. Increased connectivity will also help to bolster economic development in Ethiopia, with the potential to create over 1 million jobs through digital training and skills, and bring about improvements to start-ups and small and medium-sized enterprises, as well as in small-scale agriculture, which form the backbone of the African economy.

Increasing gender diversity in deal making

These deals in 2021 have marked exciting moments in Vodacom's history, as well as in my own personal journey as a leader in the technology sector. It has been rewarding as Vodacom Group CFO to help successfully finalise major M&A transactions that contribute to the Group's long-term sustainability, create value for stakeholders, bring the promise of innovation, and advance digital and financial inclusion across the continent.

Sadly, not many women are able to share the same professional experience as me. According to a PwC report, only 13% of executive directors of JSE-listed companies are female. In addition, research reveals that a large gender gap persists in M&A leadership, with women largely holding secondary roles in deal making. This is despite countless studies demonstrating that diversity improves decision-making and business performance.

Recognising female role models and increasing the voice of women in the corporate environment can help shift critical obstacles to diversity and inclusion. We need to provide the next generation of women with opportunities to further their education, grow professionally and achieve leadership positions. More women at the top open the doors for others to follow, with benefits not only to organisations, but to society as a whole. 