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NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, IN OR INTO ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION OR REQUIRE THE COMPANY (AS DEFINED BELOW) TO TAKE ANY FURTHER ACTION.

IMPORTANT: You must read the following disclaimer before continuing. This electronic transmission disclaimer applies to the attached pre-listing statement dated Thursday, 13 November 2025 ("**Pre-listing Statement**") issued by Cell C Holdings Limited, registration number 2025/688465/06, a public company with limited liability incorporated in accordance with the laws of South Africa (as defined below) (the "**Company**"). You are advised to read this disclaimer carefully before reading, accessing or making any other use of the Pre-listing Statement. In accessing the Pre-listing Statement, you agree to be bound by the following terms and conditions (in addition to, and without derogating from, the terms and conditions set out in the Pre-listing Statement), including any modifications to them from time to time, each time you receive any information as a result of such access. You acknowledge that this electronic transmission and the delivery of the Pre-listing Statement is confidential and is intended for you only **and you agree that you will not forward, reproduce, copy, download, or publish this electronic transmission or the Pre-listing Statement (electronically or otherwise), in whole or in part, to any other person**.

The Pre-listing Statement has been prepared in connection with the offer for sale by TPC of the Sale Shares (as defined in the Pre-listing Statement), and the Overallotment Shares (as defined in the Pre-listing Statement) (the Sale Shares, together with the Overallotment Shares, the "**Offer Shares**") (the "**Offer**"), and the admission to listing and of all of the issued Ordinary Shares (as defined in the Pre-listing Statement) on the Main Board of the Johannesburg Stock Exchange, a licensed securities exchange operated by the JSE Limited, as a primary listing (the "**Admission**").

THE DISTRIBUTION OF THE PRE-LISTING STATEMENT MAY BE RESTRICTED BY APPLICABLE LAW AND REGULATION IN CERTAIN JURISDICTIONS. NEITHER THE PRE-LISTING STATEMENT NOR ANY ADVERTISEMENT OR ANY OTHER RELATED MATERIAL MAY BE DISTRIBUTED OR PUBLISHED IN ANY JURISDICTION EXCEPT UNDER CIRCUMSTANCES THAT WILL RESULT IN COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OF AMERICA (THE "**UNITED STATES**") OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO.

THE OFFER SHARES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**U.S. SECURITIES ACT**") OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES EXCEPT TO PERSONS REASONABLY BELIEVED TO BE "QUALIFIED INSTITUTIONAL BUYERS" IN RELIANCE ON RULE 144A UNDER THE U.S. SECURITIES ACT ("**RULE 144A**") OR PURSUANT TO ANOTHER EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS. THE OFFER SHARES BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES ARE BEING OFFERED PURSUANT TO, AND IN ACCORDANCE WITH, REGULATION S UNDER THE U.S. SECURITIES ACT ("**REGULATION S**") AND APPLICABLE SECURITIES REGULATIONS IN EACH JURISDICTION IN WHICH THE OFFER SHARES ARE OFFERED. PROSPECTIVE INVESTORS IN THE OFFER SHARES ARE HEREBY NOTIFIED THAT SELLERS OF THE OFFER SHARES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE U.S. SECURITIES ACT PROVIDED BY RULE 144A, OR ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS, SALES, AND TRANSFERS OF THE OFFER SHARES AND THE DISTRIBUTION OF THE PRE-LISTING STATEMENT, SEE "PART XVII – SELLING AND TRANSFER RESTRICTIONS" OF THE PRE-LISTING STATEMENT. THE OFFER SHARES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER UNITED STATES REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFER OR THE ACCURACY OR ADEQUACY OF THE PRE-LISTING STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE IN THE UNITED STATES.

THIS ELECTRONIC TRANSMISSION AND THE PRE-LISTING STATEMENT MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, REDISTRIBUTION OR REPRODUCTION OF THIS ELECTRONIC TRANSMISSION OR THE PRE-LISTING STATEMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF APPLICABLE LAWS AND REGULATIONS.

The Pre-listing Statement has been prepared in accordance with the listings requirements of the JSE Limited ("**JSE Listings Requirements**"). The Pre-listing Statement does not constitute, advertise or relate to an offer to the public (as defined in the South African Companies Act, No. 71 of 2008, as amended (the "**Companies Act**")) for the sale of or subscription for, or the solicitation of an offer to buy or subscribe for, securities. In the Republic of South Africa ("**South Africa**"), the Pre-listing Statement will not be distributed to any person in any manner which could be construed as an offer to the public in terms of the Companies Act and is only directed at (i) financial institutions and other persons who are referred to in Section 96(1)(a) of the Companies Act; and (ii) selected persons in South Africa in respect of whom the total contemplated acquisition cost for Offer Shares is not less than ZAR1,000,000 per single addressee acting as principal as contemplated in Section 96(1)(b) of the Companies Act; (together with persons contemplated in (i) and (ii), and in each case to whom the Offer is specifically addressed and by whom only it is capable of acceptance, "**South African Qualifying Investors**"). Should any person in South Africa who is not a South African Qualifying Investor receive or access this document, they should not and will not be entitled to acquire any Offer Shares described in the Pre-listing Statement or otherwise act thereon. The Pre-listing Statement has been approved by, and filed with, the Financial Surveillance Department of the South African Reserve Bank and the JSE Limited. The Pre-listing Statement does not, nor is it intended to, constitute a prospectus registered, or an advertisement relating to an offer to the public, under the Companies Act and accordingly, does not comply with the substance and form requirements for prospectuses set out in the Companies Act and the South African Companies Regulations, 2011 ("**Companies Regulations**"), and has not been approved by, and/or registered with, the Companies and Intellectual Property Commission. Nothing in the Pre-listing Statement should be viewed, or construed, as *"advice"* as that term is used in the South African Financial Markets Act, No. 19 of 2012, as amended, and/or the South African Financial Advisory and Intermediary Services Act, No. 37 of 2002, as amended ("**FAIS Act**"), and nothing in the Pre-listing Statement should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa. The information contained in the Pre-listing Statement constitutes factual information as contemplated in Section 1(3)(a) of the FAIS Act and should not be construed as an express or implied recommendation, guide or proposal that any particular transaction in respect of the Offer Shares or in relation to the business or future investments of the Company, is appropriate to the particular investment objectives, financial situations or needs of a prospective investor. The Company is not a financial services provider licensed as such under the FAIS Act and the Company's advisers are acting for the Company only in respect of the Offer and the Admission and are not giving or purporting to have given any financial advice as contemplated in the FAIS Act to any prospective investor of the Company.

In the United Kingdom, this electronic transmission and the attached Pre-listing Statement is only being distributed to and is only directed at, and any investment or investment activity to which the document relates is available only to, and will be engaged in only with (A) (i) persons falling within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order, and (iii) other persons to whom such investment or investment activity may lawfully be communicated or caused to be communicated who are also (B) persons who are "qualified investors" within the meaning of Article 2(e) of the Prospectus Regulation (Regulation (EU) 2017/1129) (as amended) as it forms part of assimilated law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**") (all such persons together being referred to as "**Relevant Persons**").

In the European Economic Area ("**EEA**"), this electronic transmission and the attached Pre-listing Statement are directed only at persons in member states of the EEA (each a "**Member State**") who are "qualified investors" within the meaning of Article 2(e) of the Prospectus Regulation (Regulation (EU) 2017/1129, as amended) ("**EU Prospectus Regulation**") ("**Qualified Investors**"). The Offer Shares are only available to, and any invitation, offer or agreement to purchase or otherwise acquire such Shares will be engaged (i) in the United Kingdom, only with Relevant Persons; and (ii) in any Member State of the EEA, only with persons who are Qualified Investors. Any person who is not a (i) Relevant Person in the United Kingdom; or (ii) Qualified Investor in any Member State of the EEA, should not act or rely on this electronic transmission and the attached Pre-listing Statement or any of its contents.

Solely for the purposes of the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the UK Product Governance Requirements) may otherwise have with respect thereto, the Offer Shares which are the subject of the Offer have been subject to a product approval process, which has determined that such Offer Shares are (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in Chapter 3 of the FCA Handbook Conduct of Business Sourcebook; and (ii) eligible for distribution through all permitted distribution channels (the "**Target Market**

Assessment"). Notwithstanding the Target Market Assessment, "distributors" (for the purposes of the UK Product Governance Requirements) should note that (i) the price of the Offer Shares may decline and investors could lose all or part of their investment; (ii) the Offer Shares offer no guaranteed income and no capital protection; and (iii) an investment in the Offer Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Global Coordinators and Joint Bookrunners (as defined below) will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute (i) an assessment of suitability or appropriateness for the purposes of Chapters 9A or 10A, respectively, of the FCA Handbook Conduct of Business Sourcebook; or (ii) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to, the Offer Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Offer Shares and determining appropriate distribution channels.

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Offer Shares which are the subject of the Offer have been subject to a product approval process, which has determined that such Offer Shares are (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all permitted distribution channels as are permitted by MiFID II (the "**MiFID II Target Market Assessment**"). Notwithstanding the MiFID II Target Market Assessment, "distributors" (for the purposes of the MiFID II Product Governance Requirements) should note that: the price of the Offer Shares may decline and investors could lose all or part of their investment; the Offer Shares offer no guaranteed income and no capital protection; and an investment in the Offer Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The MiFID II Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer. Furthermore, it is noted that, notwithstanding the MiFID II Target Market Assessment, the Joint Global Coordinators and Joint Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the MiFID II Target Market Assessment does not constitute (i) an assessment of suitability or appropriateness for the purposes of MiFID II; or (ii) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to, the Offer Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Offer Shares and determining appropriate distribution channels.

CONFIRMATION OF YOUR REPRESENTATION: This electronic transmission and the Pre-listing Statement are delivered to you on the basis that you are deemed to have warranted and represented to the Company, TPC, FirstRand Bank Limited acting through its Rand Merchant Bank division ("**RMB**"), Morgan Stanley & Co. International plc ("**Morgan Stanley**") and Investec Bank Limited, acting through its Investment Banking Division: Corporate Finance ("**Investec**", and together with Morgan Stanley, and RMB, the "**Joint Global Coordinators and Joint Bookrunners**") that: (i) you are acting on behalf of persons who are, or you are either (a) outside the United States (as defined in Regulation S under the U.S. Securities Act), or (b) in the United States and a Qualified Institutional Buyer that is acquiring securities for your own account or for the account of another Qualified Institutional Buyer and that you consent to delivery of this document by electronic transmission; (ii) if you are in South Africa, or any person for whom you are acting is in South Africa, you (and any such person) are a South African Qualifying Investor; (iii) if you are in the EEA: (a) you are a Qualified Investor; and (b) in the case of any Offer Shares acquired by you as a financial intermediary, as that term is used in the EU Prospectus Regulation, (A) such Offer Shares acquired by you in the Offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any relevant Member State other than qualified investors, as that term is defined in the EU Prospectus Regulation, or in circumstances in which the prior consent of the Joint Global Coordinators and Joint Bookrunners (as such terms are defined in the Pre-listing Statement) have been given to the offer or resale; or (B) where such Offer Shares have been acquired by you on behalf of persons in any relevant Member State other than qualified investors, the offer of those Offer Shares to you is not treated under the EU Prospectus Regulation as having been made to such persons; (iv) if you are in the United Kingdom, you are a Relevant Person; and (v) if you are outside the United States, the United Kingdom, the EEA and South Africa (and the electronic mail addresses that you provided, and to which the Pre-listing Statement has been delivered, are not located in such jurisdictions), you are a person into whose possession the Pre-listing Statement may lawfully be delivered in accordance with the laws of the jurisdiction in which you are located.

You may not, nor are you authorised to, deliver this electronic transmission or the Pre-listing Statement, electronically or otherwise, to any other person.

The Pre-listing Statement has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission, and consequently the Company, and the Joint Global Coordinators and Joint Bookrunners, any person who controls the Company or the Joint Global Coordinators and Joint Bookrunners, any director, officer, employee or agent of any of them or any affiliate of any such person does not accept, and will not assume, any liability or responsibility whatsoever in respect of any difference between the Pre-listing Statement distributed to you in electronic format and the hard copy version of the Pre-listing Statement. If verification is required, please request a hard copy of the Pre-listing Statement.

You are responsible for protecting against viruses and other destructive items. Your receipt of this electronic transmission or the Pre-listing Statement via electronic communication is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

None of the Joint Global Coordinators and Joint Bookrunners or any of their respective affiliates, or any of their respective directors, officers, employees or agents accepts any responsibility whatsoever for the contents of the Pre-listing Statement or for any statement made or purported to be made by it, or on its behalf, in connection with the Company or the Offer and the Admission. The Joint Global Coordinators and Joint Bookrunners and any of their respective affiliates and their respective directors, officers, employees and agents accordingly disclaim all and any liability whether arising in tort, delict, contract, or otherwise which they might otherwise have in respect of such document or any such statement. No representation or warranty, express or implied, is made by any of the Joint Global Coordinators and Joint Bookrunners or any of their respective affiliates or their respective directors, officers, employees and agents as to the accuracy, completeness, reasonableness or sufficiency of the information set out in the Pre-listing Statement.

The Joint Global Coordinators and Joint Bookrunners are acting exclusively for the Company and TPC, and no one else, in connection with the Offer. They will not regard any other person (whether or not a recipient of the Pre-listing Statement) as its client in relation to the Offer and will not be responsible to anyone other than the Company or TPC for providing the protections afforded to its clients nor for giving advice in relation to the Offer or any transaction or arrangement referred to herein.

You shall also be deemed to have represented to each of the Company, TPC and the Joint Global Coordinators and Joint Bookrunners that you consent to delivery by electronic transmission.

You are reminded that you have received this electronic transmission and the attached document on the basis that you are a person into whose possession this electronic transmission and the attached document may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver this electronic transmission or the attached document, electronically or otherwise, to any other person.

This document is not for viewing, publication, release or distribution in any jurisdiction where such distribution is unlawful.

FAILURE TO COMPLY WITH THIS ELECTRONIC TRANSMISSION MAY RESULT IN THE VIOLATION OF THE APPLICABLE SECURITIES LAWS OR REGULATIONS OF CERTAIN JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS ELECTRONIC TRANSMISSION OR THE PRE-LISTING STATEMENT CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO ACQUIRE ANY OF THE SECURITIES DESCRIBED IN THE PRE-LISTING STATEMENT. YOUR ATTENTION IS SPECIFICALLY DRAWN TO "PART XVII – *SELLING AND TRANSFER RESTRICTIONS"* OF THE PRE-LISTING STATEMENT FOR THE DISCLAIMERS AND SELLING RESTRICTIONS THAT APPLY TO THIS ELECTRONIC TRANSMISSION AS IF SPECIFICALLY STATED HEREIN.

Cell C Holdings Limited
(Incorporated in the Republic of South Africa)
(Registration number: 2025/688465/06)
JSE share code: CCD
ISIN: ZAE000354007
(the "**Company**")

PRE-LISTING STATEMENT

The definitions and interpretations contained in "*Annexe 21 – Definitions, Glossary and Interpretations*" to this Pre-listing Statement apply to this entire document, including the cover page, except where the context indicates a contrary intention.

THIS PRE-LISTING STATEMENT DOES NOT CONSTITUTE AN OFFER TO ANY PERSON IN ANY JURISDICTION TO SELL OR ISSUE, OR AN OFFER TO BUY OR SUBSCRIBE FOR, ANY SECURITY, NOR SHALL THERE BE ANY SALE, ISSUANCE, TRANSFER OR DELIVERY OF THE SECURITIES REFERRED TO IN THIS PRE-LISTING STATEMENT IN ANY JURISDICTION IN CONTRAVENTION OF APPLICABLE LAW, OR WHERE FURTHER ACTION IS REQUIRED FOR SUCH PURPOSE.

This Pre-listing Statement has been prepared and issued in compliance with the JSE Listings Requirements for the purposes of providing information to selected prospective investors with regard to the business and affairs of the Company, Cell C Limited ("**Cell C**"), Comm Equipment Company Proprietary Limited ("**CEC**") and their respective subsidiaries (together, the "**Group**") and has been prepared on the basis that the Admission shall become effective and be implemented. This Pre-listing Statement relates to an offer for sale by TPC of up to 173 400 000 Sale Shares and up to 9 520 000 Overallotment Shares, together with the Sale Shares, the "**Offer Shares**") and Admission, in terms of which the Ordinary Shares will be admitted to listing and trading on the Main Board of the JSE. Subject to customary terms and conditions, TPC has granted an Overallotment Option to the Stabilisation Manager in terms of which the Stabilisation Manager, on behalf of the Joint Global Coordinators and Joint Bookrunners, may require TPC to sell to the Stabilisation Manager, at the Offer Price, such additional number of Ordinary Shares borrowed by the Stabilisation Manager under the Securities Lending Agreement, and which shall not exceed 9 520 000 Ordinary Shares or up to c. 5% of the Offer Shares (which are referred to as the Overallotment Shares), for purposes of covering overallotments of Offer Shares before the end of the Stabilisation Period.

Concurrently with, and to support, the Offer and Admission, the BEE SPV will have irrevocably agreed to purchase approximately 68 000 000 Offer Shares at the Offer Price, which shall amount to approximately 37% in aggregate of the Offer Shares, on the Settlement Date as part of the Offer. Further details of this can be found in *"Part VI – Regulatory Considerations – Broad-Based Black Economic Empowerment and Transformation"*.

The JSE Limited has approved the Admission of all of the Company's Ordinary Shares in the *Telecommunications Services* sub-sector of the JSE index, under the abbreviated name "Cell C" and share code CCD subject to the fulfilment of certain conditions (including meeting the spread and minimum free float requirements as set out in the JSE Listings Requirements). The International Securities Identification Number ("**ISIN**") for the Ordinary Shares (including the Offer Shares) is ZAE000354007. It is expected that Admission and dealings in the Ordinary Shares on the JSE will commence with effect from the commencement of trading on Thursday, 27 November 2025.

Investing in the Ordinary Shares involves risks. See "Part IV – Risk Factors" of this Pre-listing Statement for a description of the risk factors that should be carefully considered before investing in the Ordinary Shares.

The Offer is subject to minimum acceptances. The minimum acceptances of Offer Shares which must be realised is that which enables the Company to ensure that the Company has, once the Offer is completed, such number and composition of Shareholders as will enable it to meet the minimum free-float and shareholder spread requirements, as prescribed by the JSE Listings Requirements and acceptable to the JSE Limited. There is no minimum capital requirement to be realised by the Offer. Admission will not proceed if the minimum level of acceptances is not achieved, and any acceptance of the Offer shall not take effect and no person shall have any claim whatsoever against the Company, TPC, the Joint Global Coordinators and Joint Bookrunners, or any other person as a result of the failure of any condition.

The Ordinary Shares (including the Offer Shares) will only be sold, and will only be traded on the JSE, in Dematerialised Form and, as such, no documents of title will be issued to any investor. Accordingly, all successful applicants for Offer Shares must appoint a CSDP or Broker to receive and hold their Offer Shares on their behalf.

This Pre-listing Statement does not constitute an offer or invitation to the public or any section of the public in any jurisdiction to subscribe for or purchase any Shares in the Company. Consequently, this Pre-listing Statement does not, nor does it intend to, constitute a prospectus in accordance with the laws of any jurisdiction. The Offer will consist solely of separate private placements, subject to certain conditions, to selected investors to whom the Offer will be specifically addressed in various jurisdictions, including in South Africa, and it is only being addressed to persons to whom it may be lawfully made. There will be no public offering of any Shares in any jurisdiction.

In South Africa, the Offer will be made to South African Qualifying Investors, being: (i) financial institutions and other persons who are referred to in Section 96(1)(a) of the Companies Act; and (ii) selected persons in South Africa in respect of whom the total contemplated acquisition cost for Offer Shares is not less than ZAR1 000 000 per single addressee acting as principal as contemplated in Section 96(1)(b) of the Companies Act (in each case in the circumstances contemplated in (i) and (ii), to whom the offer is specifically addressed and only by whom it is capable of acceptance). Accordingly, (i) the Offer is not an offer to the public as contemplated in the Companies Act; (ii) this Pre-listing Statement does not, nor does it intend to, constitute a "registered prospectus" or an advertisement relating to an offer to the public, as contemplated by the Companies Act; and (iii) no prospectus has been filed with the CIPC in respect of the Offer or any aspect thereof. The JSE Limited has approved this Pre-listing Statement.

The Offer Shares are being offered, and sold, as applicable, within the United States to persons reasonably believed to be qualified institutional buyers ("**QIBs**") as defined in Rule 144A ("**Rule 144A**") under the U.S. Securities Act, pursuant to Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state and other securities laws, and outside the United States in accordance with Regulation S under the U.S. Securities Act ("**Regulation S**").

The Offer is only made in those jurisdictions in which, and only to those persons to whom, offers, issuances and sales of the Offer Shares may lawfully be made. The Offer and the distribution of this Pre-listing Statement, any related materials and the offer, acceptance, delivery, transfer, exercise, purchase of, or trade in, Ordinary Shares may be restricted by law in jurisdictions and therefore persons into whose possession this Pre-listing Statement comes should inform themselves and observe any restrictions. The Offer Shares have not been and will not be registered under the U.S. Securities Act or under the applicable securities laws or the regulations of any state of the United States, and may not be offered, issued or sold, as applicable, except: (i) within the United States to persons reasonably believed to be QIBs in reliance on Rule 144A under the U.S. Securities Act or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state and other securities laws; or (ii) to certain persons outside the United States in reliance on Regulation S under the U.S. Securities Act. There will be no public offer of the Offer Shares in the United States. Prospective investors are hereby notified that the Company may, in relation to the Offer Shares, be relying on the exemption from the registration requirements of Section 5 of the U.S. Securities Act provided by Rule 144A. Each purchaser of Offer Shares, in making a purchase, will be deemed to have made the acknowledgements, representations and agreements as set out in "*Part XVII – Selling and Transfer Restrictions*" of this Pre-listing Statement. Prospective investors in the Offer Shares should carefully read the restrictions described under "*Important Information – Notice to Prospective Investors"* and "*Part XVII – Selling and Transfer Restrictions"* of this Pre-listing Statement. Neither the Company, TPC, nor any Joint Global Coordinator and Joint Bookrunner is taking, or has taken, any action to permit a public offering of the Offer Shares in any jurisdiction.

As at the Last Practicable Date, the Company's issued share capital comprised of 1 Ordinary Share and is expected to comprise of 340 000 000 Ordinary Shares on the date of Admission. No Ordinary Shares are, or on the Admission Date, are expected to be, held as treasury shares by the Group. Further, there are no other classes of shares other than the Ordinary Shares.

The Directors, whose names are set out in "*Part X – Directors, Senior Management and Corporate Governance*" of this Pre-listing Statement, collectively and individually, accept full responsibility for the accuracy of the information provided in this Pre-listing Statement and certify that, to the best of their knowledge and belief there are no other facts, the omission of which would make any statement in this Pre-listing Statement false or misleading, and confirm that they have made all reasonable enquiries in this regard and confirm that this Pre-listing Statement contains all information required by the JSE Listings Requirements.

The release, publication or distribution of this Pre-listing Statement in jurisdictions other than South Africa may be restricted by law and therefore persons into whose possession this Pre-listing Statement comes should inform themselves about, and observe, such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws or regulations of any such jurisdiction. No action has been, or will be, taken by the Company, TPC or the Joint Global Coordinators and Joint Bookrunners to permit a public offering of the Offer Shares in any jurisdiction. No action has been, or will be, taken to obtain any approval, authorisation or exemption to permit the possession or distribution of the Pre-listing Statement (or any other offering or publicity materials relating to the Offer Shares) in any jurisdiction outside South Africa where action for that purpose may be required or doing so is restricted by law. Accordingly, neither this Pre-listing Statement (nor any other offering or publicity materials relating to the Offer Shares) may be distributed or published in any jurisdiction except in full compliance with applicable laws and regulations. Persons into whose possession this Pre-listing Statement comes should inform themselves about, and observe, any application restrictions. Any failure to comply with these restrictions may constitute a violation of the laws or regulations of certain jurisdictions.

This Pre-listing Statement is only available in English and copies may be obtained from the Company's registered office and the Sponsor's offices set out in "*Part I – Corporate Information*" of this Pre-listing Statement during Business Hours from the date of issue of this Pre-listing Statement until the Admission Date (both days inclusive). A copy of an abridged version of this Pre-listing Statement (the "**Abridged Pre-listing Statement**") will be published on SENS on Thursday, 13 November 2025, and in the press on Friday, 14 November 2025. A copy of this Pre-listing Statement and the Abridged Pre-listing Statement will also be available on the Company's website, www.cellc.co.za. Requests for electronic copies of this Pre-listing Statement and the Abridged Pre-listing Statement may be made by emailing the Company Secretary at mrobinson@cellc.co.za.

Date of Issue Thursday, 13 November 2025

Financial Adviser to BLU and Cell C, Joint Global Coordinator, Joint Bookrunner and Transaction Sponsor **Rand Merchant Bank (a division of FirstRand Bank Limited)**	Financial Adviser to BLU, Joint Global Coordinator and Joint Bookrunner **Investec Bank Limited**	Joint Global Coordinator and Joint Bookrunner **Morgan Stanley & Co International PLC**
South African and international legal adviser to the Company **DLA Piper**	Legal adviser to TPC **Werksmans Inc.**	South African legal adviser to Joint Global Coordinators and Joint Bookrunners **Bowmans**
International legal adviser to Joint Global Coordinators and Joint Bookrunners **Milbank LLP**	Independent Auditor **SNG Grant Thorton**	Transfer Secretary **JSE Investor Services Proprietary Limited**
Regulatory adviser to Cell C **Webber Wentzel**		

No representation or warranty, express or implied, is made by the Joint Global Coordinators and Joint Bookrunners as to the accuracy, completeness or verification of all of the information set out in this Pre-listing Statement, and nothing contained in this Pre-listing Statement is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or the future. None of the Joint Global Coordinators and Joint Bookrunners assume responsibility for this Pre-listing Statement's accuracy, completeness or as to the verification of all of the information and accordingly disclaim, to the fullest extent permitted by applicable law and regulation, any and all liability whether arising in delict, tort, contract or otherwise which it might otherwise be found to have in respect of this Pre-listing Statement or any such statement.

Prospective investors (i) should not rely on the Company, TPC, the Joint Global Coordinators and Joint Bookrunners or any person affiliated with them in connection with any investigation of the accuracy of any information contained in this Pre-listing Statement; (ii) should rely only on the information contained in this Pre-listing Statement; and (iii) are advised that no person has been authorised to give any information or to make any representation concerning the Group (other than as contained in this Pre-listing Statement), and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Company or the Joint Global Coordinators and Joint Bookrunners. Other than as specifically stated in this Pre-listing Statement, the contents of the Company's website, any website mentioned in this Pre-listing Statement, or any website (directly or indirectly) linked to these websites have not been verified and are not incorporated into and do not form part of this Pre-listing Statement, and prospective investors should not rely on such information.

The advisers to the Company and TPC, as set out herein, are acting exclusively for the Company and TPC and no one else in connection with the Admission and Offer. They will not regard any other person (whether or not a recipient of this Pre-listing Statement) as their respective customers in relation to Admission and the Offer and will not be responsible to anyone other than the Company and TPC for providing the protections afforded to their respective customers nor for giving advice in relation to Admission and the Offer or any transaction or arrangement referred to in this Pre-listing Statement. The Independent Auditor, whose reports are contained in this Pre-listing Statement, has given and has not, prior to the date of this Pre-listing Statement, withdrawn its written consent to the inclusion of each of its reports in the form and context in which they appear herein. Each of the legal advisers, the Independent Auditor, Joint Global Coordinators and Joint Bookrunners, the Sponsor, and other professional advisers named in this Pre-listing Statement have consented in writing to acting in those capacities as stated in this Pre-listing Statement, and to their names being stated in this Pre-listing Statement and have not withdrawn their consent prior to the publication of this Pre-listing Statement.

Prior to taking any action in respect of any transaction contemplated in this Pre-listing Statement, prospective investors should carefully read and consider the contents of this Pre-listing Statement in full and should only take action after having considered the potential effects of the transactions contemplated in terms hereof. The contents of this Pre-listing Statement should not be construed as legal, financial or tax advice. Each prospective investor should consult his, her, or its own legal, financial or tax adviser as to the legal, financial, business, tax and related aspects of a purchase of, or a subscription for, Offer Shares.

Investing in the Offer Shares involves risks. A non-exhaustive list of risk factors relating to the Company and the Offer Shares is set out in "*Part IV – Risk Factors*" beginning on page 26 of this Pre-listing Statement.

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IMPORTANT INFORMATION

General

This Pre-listing Statement has been approved for the purposes of Admission and the Offer in terms of the JSE Listings Requirements by the JSE Limited. Such approval should not be considered as an endorsement of the quality of the securities that are the subject of this Pre-listing Statement and the Company. Investors should make their own assessment as to the suitability of investing in the Ordinary Shares.

Prospective investors should only rely on the information contained in this Pre-listing Statement. The Company does not undertake to update this Pre-listing Statement, unless required pursuant to the JSE Listings Requirements, and therefore prospective investors should not assume that the information in this Pre-listing Statement is accurate as at any date other than the date of this Pre-listing Statement. No person is or has been authorised to give any information or to make any representation in connection with Admission and/or the Offer, other than as contained in this Pre-listing Statement. If any information or representation not contained in this Pre-listing Statement is given or made, the information or representation must not be relied upon as having been authorised by the Company, the Joint Global Coordinators and Joint Bookrunners, the Sponsor or any of their respective affiliates or representatives. Neither the delivery of this Pre-listing Statement nor any issuance or sale of Ordinary Shares made under it at any time after the date of this Pre-listing Statement shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Group since the date of this Pre-listing Statement or that the information contained in this Pre-listing Statement is correct as at any time since such date.

Prospective investors are expressly advised that an investment in the Ordinary Shares entails risks and that they should, therefore, carefully read and review the entire Pre-listing Statement. Prospective investors should not just rely on any key information or information summarised within this Pre-listing Statement. Prospective investors should, in particular, read the section entitled *"Part IV – Risk Factors"* of this Pre-listing Statement, when considering an investment in the Ordinary Shares. A prospective investor should not invest in the Ordinary Shares unless it has the expertise (either alone or with a financial adviser) to evaluate how the Ordinary Shares will perform under changing conditions, the resulting effects on the value of the Ordinary Shares and the impact this investment will have on the prospective investor's overall investment portfolio. Prospective investors should also consult their own tax advisers as to the tax consequences of the purchase, ownership and disposal of the Ordinary Shares.

Prospective investors should not treat the contents of this Pre-listing Statement as advice relating to legal, taxation, investment or any other matters and should consult their own professional advisers concerning the consequences of them receiving, acquiring, holding or disposing of the Ordinary Shares. This Pre-listing Statement should not be considered as a recommendation by any of the Company, the Directors, the Joint Global Coordinators and Joint Bookrunners, the Sponsor or any of their respective affiliates or representatives that any recipient of this Pre-listing Statement should purchase, or subscribe for, any Ordinary Shares. None of the Company, the Joint Global Coordinators and Joint Bookrunners, the Sponsor or any of their respective affiliates or representatives is making any representation to any prospective investor regarding the legality of an investment in the Ordinary Shares by such prospective investor under the laws and regulations applicable to such prospective investor.

Prospective investors should inform themselves as to, among other matters:

- the legal requirements within their own countries for the receipt, acquisition, purchase, holding, transfer or disposal of Ordinary Shares;
- any foreign exchange restrictions applicable to the receipt, acquisition, purchase, holding, transfer or disposal of Ordinary Shares which they might encounter; and
- the income and other tax consequences which may apply to them, in both South Africa and their jurisdiction of domicile or residence, because of the receipt, acquisition, purchase, holding, transfer or disposal of Ordinary Shares.

Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, and not those of the Company, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

The information contained in this Pre-listing Statement constitutes factual information as contemplated in Section 1(3)(a) of the FAIS Act and should not be construed as an express or implied recommendation, guidance or proposal that any particular transaction in respect of the Ordinary Shares is appropriate to the particular investment objectives, financial situations or needs of a prospective investor and nothing in this Pre-listing Statement should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa. The Company is not a financial services provider licensed as such under the FAIS Act and the Company's advisers are acting for the Company only in respect of the Offer and the Admission and are not giving or purporting to have given any financial advice as contemplated in the FAIS Act to any prospective investor.

Although the Joint Global Coordinators and Joint Bookrunners are parties to various agreements pertaining to Admission and the Offer, and each of the Joint Global Coordinators and Joint Bookrunners has entered into or might enter into a financing or other arrangement with the Company, this should not be considered as a recommendation by any of them to invest in Ordinary Shares.

Apart from the responsibilities and liabilities, if any, which may be imposed on the Sponsor or Joint Global Coordinators and Joint Bookrunners in terms of applicable laws and regulations, none of the Sponsor, or the Joint Global Coordinators and Joint Bookrunners or any person affiliated with any of them accepts any responsibility whatsoever, nor makes any representation or warranty, express or implied, in respect of the contents of this Pre-listing Statement and, if applicable, any information incorporated by reference into this Pre-listing Statement, including its accuracy, completeness or verification or for any other statement made or purported to be made by any of them, or on behalf of them, in connection with the Company, the Group, Admission and/or the Offer and nothing in this Pre-listing Statement is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or future. The Sponsor and the Joint Global Coordinators and Joint Bookrunners accordingly disclaim, to the fullest extent permitted by applicable law, all and any responsibility and liability whatsoever, whether arising in delict, tort, contract or otherwise (save as referred to above) which either might otherwise have in respect of this Pre-listing Statement.

The Sponsor and the Joint Global Coordinators and Joint Bookrunners are acting exclusively for the Company and no one else in connection with Admission. They will not regard any other person (whether or not a recipient of this Pre-listing Statement) as their respective customers in relation to Admission and will not be responsible to anyone other than the Company for providing the protections afforded to their respective customers nor for giving advice in relation to the Admission or any transaction or arrangement referred to in this Pre-listing Statement.

Prospective investors should consult their own professional advisers before making any investment decision with regard to the Ordinary Shares, among other things, to consider such investment decision in light of their personal circumstances and in order to determine whether or not such prospective investor is eligible to subscribe for or purchase Ordinary Shares. In making an investment decision, prospective investors must rely on their own analysis, enquiry and examination of the Company, the Ordinary Shares and the Offer, including the merits and risks involved. Nothing in this Pre-listing Statement constitutes an offer to sell or issue, or an offer to buy or subscribe for, any securities, nor shall there be any sale, issuance, transfer or delivery of the securities referred to in this Pre-listing Statement in any jurisdiction in contravention of applicable law, or where further action is required for such purpose.

This Pre-listing Statement may not be used for, or in connection with, and does not constitute or form part of any offer or invitation to sell, or any solicitation of any offer to acquire Offer Shares in any jurisdiction in which such an offer or solicitation is unlawful or would result in the Company becoming subject to public company reporting obligations outside South Africa. Persons in possession of this Pre-listing Statement are required to inform themselves about and to observe any such restrictions. No action has been taken or will be taken in any jurisdiction by the Company or the Joint Global Coordinators and Joint Bookrunners that would permit a public offering of the Offer Shares (or any Ordinary Shares), or the possession, circulation or distribution of this Pre-listing Statement or any other material relating to the Company or the Ordinary Shares (including the Offer Shares), in any jurisdiction where action for that purpose is required. None of the Company, the Board or any of the Joint Global Coordinators and Joint Bookrunners and the Sponsor accepts any responsibility for any violation by any person, whether or not such person is a prospective investor in the Ordinary Shares, of any of these restrictions. See the "*Part XVII – Selling and Transfer Restrictions*" section of this Pre-listing Statement and *"Notice to Prospective Investors"* section below for further information on these restrictions.

Each of the Company, TPC and the Joint Global Coordinators and Joint Bookrunners reserves the right in their own absolute discretion to reject any application to purchase or subscribe for the Offer Shares that the Company, TPC, the Joint Global Coordinators and Joint Bookrunners or their respective agents believe may give rise to a breach or violation of any laws, rules or regulations.

FORWARD-LOOKING STATEMENTS

This Pre-listing Statement includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "anticipates", "believes", "estimates", "expects", "intends", "may", "plans", "projects", "should", or "will", or, in each case, their negative, other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts and may include, without limitation, statements relating to the Admission and/or Offer and the expected terms, timing and closing of the Admission, Restructuring and Offer, as applicable, including receipt of required approvals and satisfaction of other customary closing conditions, and anticipated benefits of Admission and the Offer in connection with the estimated future performance and/or operations of the Group.

They appear in a number of places throughout this Pre-listing Statement and include, but are not limited to, statements regarding the Company and its Group's intentions, beliefs or current expectations concerning, among other things, results of operations, prospects, growth, dividends, strategies and expectations of their respective businesses, the Admission and the Offer and their respective successful implementation.

By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the actual results of the Company and its Group's operations, and the development of the markets and the industry in which they operate, or are likely to operate, and their respective operations may differ materially from those described in, or suggested by, the forward-looking statements contained in this Pre-listing Statement. In addition, even if the results of operations and the development of the markets and the industry in which the Company and its Group operates are consistent with the forward-looking statements contained in this Pre-listing Statement, those results or developments may not be indicative of results or developments in subsequent periods. A number of factors could cause results and developments to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, general economic and business conditions, industry trends, competition, changes in regulation, currency fluctuations and the other factors discussed in the section titled "*Part IV – Risk Factors*" and elsewhere in this Pre-listing Statement.

Forward-looking statements may, and often do, differ materially from actual results. Any forward-looking statements in this Pre-listing Statement speak only as at the date on which they are made, and reflect the Company and the Group's current view with respect to future events, and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company and its Group's operations, results of operations and growth strategy.

None of the Company or any member of its Group undertakes or is subject to any obligation to update the forward-looking statements to reflect actual results or any change in events, conditions or assumptions or other factors unless otherwise required by the JSE Listings Requirements. Any forward-looking statements in this Pre-listing Statement have not been reviewed nor reported on by the Independent Auditor.

OVERALLOTMENT AND STABILISATION

In terms of the Placement Agreement, TPC and the Company have appointed RMB as Stabilisation Manager in connection with the Offer and granted them the Overallotment Option. The Stabilisation Manager may, subject to applicable laws, effect transactions only during the Stabilisation Period which may support the market price of the Ordinary Shares at a level higher than that which might otherwise prevail for a limited period after the Admission Date and/or exercise the Overallotment Option for purposes of covering overallotments of Sale Shares before the end of the Stabilisation Period (as described in further detail on page 22). However, there is no obligation on the Stabilisation Manager to do so. Such stabilising action may under no circumstances continue beyond the Stabilisation Period, which is a period of 30 calendar days terminating on the 30th calendar day after the Admission Date.

There is no assurance that the Stabilisation Manager will undertake stabilisation activities. Such transactions may be effected on the JSE and will be carried out in accordance with applicable rules and regulations, including those of the JSE. Stabilisation, if commenced, may be discontinued at any time on two Business Days' notice to the JSE Limited and will in any event be discontinued after the Stabilisation Period.

MARKET, ECONOMIC AND INDUSTRY DATA

Without derogating from the Directors' responsibility statement in "*Part XIX – Additional Information*", the Company and/or its advisers have obtained market data and certain industry information used in this Pre-listing Statement from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications.

All references to industry, industry statistics, market data and market share in this Pre-listing Statement comprise estimates compiled by analysts, competitors, industry professionals and organisations, of publicly available information or of the Group's own assessment of its markets and sales. Statements based on the Company's own estimates, insights, opinions or proprietary information contain words such as "believe", "expect" and "see" and as such do not purport to cite, refer to, or summarise any third-party or independent source and should not be so read.

Industry publications generally state that the information they contain has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed and that the projections that they contain are based on a number of significant assumptions. Where third-party information has been sourced in this Pre-listing Statement, the source of such information has been identified. The Company has not independently verified and cannot give any assurances as to the accuracy of market data contained in this Pre-listing Statement that was extracted from these industry publications or reports and reproduced herein. Market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market. Similarly, internal surveys, estimates and market research, while believed to be reliable, have not been independently verified, and the Company does not make any representation as to the accuracy of such information and/or the veracity or appropriateness of research methodology, findings or information. Similarly, while the Company believes its internal estimates to be reasonable, they have not been verified by any independent sources, and the Company cannot give any assurance as to their accuracy.

The Company cautions prospective investors not to place undue reliance on the above-mentioned data. Unless otherwise indicated in the Pre-listing Statement, any statements regarding the Group's competitive position are based on the Company's own assessment and knowledge of the market in which it operates.

In this Pre-listing Statement, certain statements are made regarding the Group's competitive and market position. These statements are based on industry statistics and market data. The Company believes that such industry statistics and market data are true, but the Company has not independently verified the information. The Company cannot guarantee that a third-party using different methods to assemble, analyse, or compute market data or public disclosure from competitors would obtain or generate the same results. In addition, the Group's competitors may define their markets and their own relative positions in these markets differently than the Group does and may also define various components of their business and operating results in a manner that makes such figures incomparable with the Group's figures.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Restructuring

Cell C will, as at the Second Closing Date and prior to Admission, have undergone a Restructuring (details of which are set out in "*Part VIII – Restructuring and Formation of the Group*" of this Pre-listing Statement). In this Pre-listing Statement, for purposes of the presentation of financial and other information:

- the Cell C group as at the date of this Pre-listing Statement and prior to implementation of the Restructuring is referred to as the "Cell C Group" and constitutes Cell C and its subsidiaries;
- references to "Group" are to the Company and its subsidiaries after implementation of the Restructuring on the Second Closing Date, being Cell C and its subsidiaries, including CEC;
- references to the Major Subsidiaries and subsidiaries of the Company are the Major Subsidiaries and subsidiaries of the Group following implementation of the Restructuring on the Second Closing Date.

It should be noted that, in September 2025, approval from the Competition Commission was obtained for TPC to acquire further shares in Cell C. Subsequently, TPC increased its shareholding in Cell C from 49.53% to 59.66%, meaning that Cell C became a subsidiary of TPC. It is expected that, post-Admission, Cell C will no longer be a subsidiary of TPC.

Historical Financial Information

The historical financial information set out in the body of this Pre-listing Statement relates to the consolidated historical financial information of the Company, the Cell C Group and the historical financial information of CEC. The Company, the Cell C Group, and CEC each present their respective historical financial information in South African Rand.

The historical financial information regarding the Company presented in the body of this Pre-listing Statement consists of:

- the at incorporation historical financial information of the Company as at and for the year ended 31 May 2025 (including the notes thereto and material accounting policy information), included in *"Annexe 9 – At Incorporation Historical Financial Information of The Company"* (the "**Cell C Holdings At Incorporation Historical Financial Information**").

In 2024, the Cell C Group changed its fiscal year end from 31 December to 31 May to align with TPC's financial year end and that of CEC.

The historical financial information regarding the Cell C Group presented in the body of this Pre-listing Statement consists of:

- the audited consolidated historical financial information of the Cell C Group as at and for each of the year ended 31 May 2025, the five months ended 31 May 2024, the year ended 31 December 2023, and the year ended 31 December 2022 (including the notes thereto and material accounting policy information), included in "*Annexe 1 – Consolidated Annual Historical Financial Information of Cell C Limited For The Year Ended 31 May 2025, The 5 Months Ended 31 May 2024, The Year Ended 31 December 2023 and The Year Ended 31 December 2022*" (the "**Cell C Consolidated Annual Historical Financial Information**"); and
- the reviewed condensed consolidated interim historical financial information of the Cell C Group as at and for the three months ended 31 August 2025 and 31 August 2024 (including the notes thereto and material accounting policy information), included in "*Annexe 3 – Condensed Consolidated Interim Historical Financial Information of Cell C Limited For The Three Months Ended 31 August 2025 and 31 August 2024*" (the "**Cell C Condensed Consolidated Interim Historical Financial Information**", together with the Cell C Consolidated Annual Historical Financial Information, the "**Cell C Consolidated Historical Financial Information**").

It may not be possible to directly compare the audited consolidated financial statements of the Cell C Group as at and for the fiscal year ended 31 May 2025 with the audited consolidated financial statements of the Cell C Group as at and for the five months ended 31 May 2024, as these relate to different financial periods, and it may not be possible to compare audited consolidated financial statements of the Cell C Group as at and for the five months ended 31 May 2024 directly with the audited financial statements of the Cell C Group as at and for the years ended 31 December 2023 or the year ended 31 December 2022, insofar as such financial statements refer to a completed financial year. Investors are advised to use caution in drawing comparisons between these periods.

The historical financial information regarding CEC presented in the body of this Pre-listing Statement consists of:

- the audited historical financial information of CEC as at and for each of the years ended 31 May 2025, 2024 and 2023 (including the notes thereto and material accounting policy information), included in *"Annexe 5 – Annual Historical Financial Information of Comm Equipment Company Proprietary Limited For The Years Ended 31 May 2025, 2024 and 2023"* (the "**CEC Annual Historical Financial Information**" and, together with the Cell C Consolidated Annual Historical Financial Information, the "**Consolidated Annual Historical Financial Information**"); and
- the reviewed condensed interim historical financial information of CEC as at and for the three months ended 31 August 2025 and 31 August 2024 (including the notes thereto and material accounting policy information), included in "*Annexe 7 – Condensed Interim Historical Financial Information of Comm Equipment Company Proprietary Limited For The Three Months Ended 31 August 2025 and 31 August 2024*" (the "**CEC Condensed Interim Historical Financial Information**", and, together with the Cell C Holdings At Incorporation Historical Financial Information and the Cell C Condensed Consolidated Interim Historical Financial Information, the "**Condensed Consolidated Interim Historical Financial Information**").

The Consolidated Annual Historical Financial Information, together with the Condensed Consolidated Interim Historical Financial Information, is referred to as the "**Consolidated Historical Financial Information**".

The Consolidated Annual Historical Financial Information has been prepared in accordance with the IFRS® Accounting Standards, as issued by the International Accounting Standards Board ("**IFRS**"), the South African Institute of Chartered Accountants ("**SAICA**") Financial Reporting Guides, as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements, as issued by the Financial Reporting Standards Council ("**FRSC**"), and the JSE Listings Requirements.

The Condensed Consolidated Interim Historical Financial Information has been prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS, IAS 34 *"Interim Financial Reporting",* SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee and Financial Reporting Pronouncements, as issued by the FRSC, and the JSE Listings Requirements.

The Consolidated Historical Financial Information should be read in conjunction with the accompanying notes thereto, including material accounting policy information. The Consolidated Historical Financial Information is prepared for the purposes of the Admission and Offer and is the responsibility of the Directors.

The Consolidated Annual Historical Financial Information and the Condensed Consolidated Interim Historical Financial Information have been audited and reviewed, respectively, by SNG Grant Thorton ("**SNG Grant Thorton**"), whose unqualified audit and review reports in respect thereof are included in "*Annexe 2 – Independent Auditor's Assurance Report on The Consolidated Annual Historical Financial Information of Cell C Limited For The Year Ended 31 May 2025, The 5 Months Ended 31 May 2024, The Year Ended 31 December 2023 and The Year Ended 31 December 2022*", "*Annexe 4 – Independent Auditor's Review Report on The Condensed Consolidated Interim Historical Financial Information Of Cell C Limited For The Three Months Ended 31 August 2025 and 31 August 2024*", *"Annexe 6 – Independent Auditor's Assurance Report on The Annual Historical Financial Information of Comm Equipment Company Proprietary Limited For The Years Ended 31 May 2025, 2024 and 2023", and "Annexe 8 – Independent Auditor's Review Report on The Condensed Interim Historical Financial Information of Comm Equipment Company Proprietary Limited for the Three Months Ended 31 August 2025 and 31 August 2024".*

SNG Grant Thornton were mandated by Cell C to perform a set of Agreed-Upon Procedures ("AUP") in relation to the assessment of the inputs to calculating liquidity and solvency metrics of the business post the implementation of the proposed Restructuring as disclosed in *Part VIII- Restructuring and Formation of the Group* of this Pre-listing Statement. The audit opinion for Cell C for the 31 May 2025 financial statements included a "material uncertainty on going concern" paragraph, primarily due to the liabilities of the business exceeding the assets by c. ZAR8.3 billion. The implementation of the Restructuring is a critical element to ensure that Cell C has an efficient capital structure and will return to a solvent position post the implementation thereof. As part of the overall transaction process, the Restructuring will be implemented between 22 November 2025 to 23 November 2025 to ensure that it is fully implemented prior to the admission date of 27 November 2025. On the basis of the Restructuring being implemented, SNG Grant Thornton performed a set of procedures in calculating liquidity and solvency metrics of Cell C on this basis. For the avoidance of doubt, the AUP does not provide assurance. On the basis of the AUP report being concluded, the JSE provided Cell C with a dispensation from LR4.13(a). For further information regarding the availability of the AUP report, refer to the list of Documents Available for Inspection in Part XIX - Additional Information of this Pre-listing Statement.

Pro Forma Financial Information of the Group

The following *pro forma* financial statements of the Group have been prepared:

- a *pro forma* Statement of Profit or Loss and other Comprehensive Income for the financial year ended 31 May 2025;
- a *pro forma* Statement of Financial Position as at 31 May 2025.

These *pro forma* financial statements (at "*Annexe 13 – Pro Forma Financial Information*") have been prepared to show the impact of the Restructuring (each as described in "*Part VIII – Restructuring and formation of the Group*" of this Pre-listing Statement) and the Offer and subsequent events within the scope of paragraph 8.26(d) of the JSE Listings Requirements (collectively, the "**Transactions**"). The *pro forma* Statement of Profit or Loss and other Comprehensive Income for the financial year ended 31 May 2025, and the *pro forma* Statement of Financial Position as at 31 May 2025 have been prepared as if the Transactions had occurred on 1 June 2024 and 31 May 2025, respectively.

This *pro forma* financial information (the "***Pro Forma* Financial Information**") is the responsibility of the Directors and has been prepared for illustrative purposes only. Because of its nature, it may not fairly present the Group's financial position, changes in equity, results of operations or cash flows following the Transactions.

The *Pro Forma* Financial Information is the responsibility of the Directors and has been prepared in a manner which is consistent with the accounting policies adopted by the Group in the preparation of the Cell C Holdings At Incorporation Historical Financial Information, the Cell C Consolidated Annual Historical Financial Information and the CEC Annual Historical Financial Information, as set out in "*Annexe 1 – Consolidated Annual Historical Financial Information of Cell C Limited For The Year Ended 31 May 2025, The 5 Months Ended 31 May 2024, The Year Ended 31 December 2023 and The Year Ended 31 December 2022*", "*Annexe 5 – Annual Historical Financial Information of Comm Equipment Company Proprietary Limited For The Years Ended 31 May 2025, 2024 and 2023*" and "*Annexe 9 – At Incorporation Historical Financial Information of The Company*".

The compilation of the *Pro Forma* Financial Information has been opined on by SNG Grant Thornton, whose report in respect thereof is included in "*Annexe 14 – Independent Auditor's Assurance Report on The Compilation of Pro Forma Financial Information*".

Non-IFRS Measures

This Pre-listing Statement contains financial measures that are not presented in accordance with IFRS or any other generally accepted accounting principles (the "**Non-IFRS Financial Measures**").

The Group provides Non-IFRS Financial Measures and other information because the Group believes that they provide investors with additional information to measure the operating performance and liquidity of the Group. The Group's use of Non-IFRS Financial Measures may vary significantly from the use of other companies in its industry. The measures used should not be considered as an alternative to profit/(loss), revenue or any other performance measure derived in accordance with IFRS or to net cash provided by operating activities as a measure of liquidity. Non-IFRS Financial Measures have limitations as analytical tools over and above the limitations of any IFRS performance measures and should not be considered in isolation or as substitutes for analysis of the Group's results as reported under IFRS. Such Non-IFRS Financial Measures may include or exclude amounts that are included or excluded, as applicable, in the calculation of the most directly comparable measures in accordance with IFRS. Their usefulness is, therefore, subject to limitations, which are described below. In particular, other companies in the industry may define Non-IFRS Financial Measures, used herein, differently, which may make it difficult to compare the performance of those entities to the Group's performance based on similarly named measures. In addition, the exclusion of certain items from Non-IFRS Financial Measures does not imply that these items are necessarily non-recurring. From time to time, the Group may exclude additional items if it believes doing so would result in a more comparable disclosure.

The Non-IFRS Financial Measures should be considered in conjunction with the Consolidated Historical Financial Information prepared in accordance with IFRS. Certain of these measures have been extracted or derived from the Consolidated Historical Financial Information. The independent auditor's assurance report in respect of the compilation of Non-IFRS Financial Information is set out in *Annexe 12*.

The Non-IFRS Financial Measures used in this Pre-listing Statement are presented in addition to the figures that are prepared in accordance with IFRS and include (i) Average invested capital, (ii) Capex intensity, (iii) EBIT, (iv) EBITDA, (v) EBITDA margin, (vi) Free cash flow, (vii) Free cash flow conversion, (viii) Invested capital, (ix) Return on invested capital (ROIC), (x) Leverage, (xi) Gross Profit margin, (xii) Advances to customers, (xiii) Credit Loss Ratio to Advances to customers; (xiv) Debt to Equity Ratio (times); (xv) Net finance cost and (xvi) Interest cover ratio (times) (each defined in *"Part XI – Selected Consolidated Financial and Other Information"* of this Pre-listing Statement). For more information regarding the calculation of these Non-IFRS Financial Measures to their most directly comparable IFRS measures, see *"Part XI – Selected Consolidated Financial and Other Information"* of this Pre-listing Statement.

Certain of these Non-IFRS Financial Measures are considered to be *pro forma* financial information for purposes of the JSE Listings Requirements and the Independent Auditor's Assurance Report in respect of the compilation of the Non-IFRS Financial Information (as separately defined and discussed in "*Part XI – Selected Consolidated Financial and Other Information*") is included in "*Annexe 12 – Independent Auditor's Assurance Report in Respect of The Compilation of Non-IFRS Financial Information*" in accordance with the JSE Listings Requirements.

The Non-IFRS Financial Measures are the responsibility of the Directors and have been prepared for illustrative purposes only and, because of their nature, may not fairly present the Group's financial position, changes in equity, results of operations or cash flows.

Operational KPIs

The Directors consider ARPU (including Blended ARPU, Postpaid ARPU and Prepaid ARPU), number of subscribers (including Prepaid subscribers, Postpaid subscribers, Active prepaid data subscribers, Mobile Virtual Network Operators ("MVNOs") home location registers ("HLRs", Enterprise subscribers), Prepaid voice traffic growth, Postpaid voice traffic growth, Prepaid data traffic growth, Postpaid data traffic growth, MVNO data traffic growth, voice traffic growth, number of network sites, Net promoter score, Brand health tracker, Return on marketing investment and Share of voice brand's share of category communication to be the primary operational KPIs used by the Group.

ARPU: Average revenue earned per user, which is derived by dividing total revenue during the relevant period by the number of subscribers in the relevant period.

Blended ARPU: Total prepaid and postpaid revenue divided by total prepaid and postpaid subscriber base.

Postpaid ARPU: Total postpaid revenue divided by postpaid subscriber base.

Prepaid ARPU: Total prepaid revenue divided by prepaid subscriber base.

Number of subscribers: Individual or corporate customers that used Cell C or CEC services as at the close of a reporting period.

Prepaid subscribers: Individual or corporate customers that used Cell C or CEC's prepaid services as at the close of the reporting period.

Postpaid subscribers: Individual or corporate customers that used Cell C or CEC's postpaid services as at the close of the reporting period.

Active prepaid data subscribers: A data subscriber is a prepaid mobile customer who has used mobile data within a recent defined period, being 90 days.

MVNO HLRs: The central database within a MVNO's core network that stores and manages key subscriber information – such as phone numbers. SIM identities, subscribed services, and network location – enabling authentication, call and message routing, and service provisioning for MVNO's customers.

Enterprise subscribers: Businesses or organisations that purchase its communication services for commercial use rather than personal use.

Prepaid voice traffic growth: The growth in voice traffic used by all Group prepaid customers.

Postpaid voice traffic growth: The growth in voice traffic used by all Group postpaid customers.

Prepaid data traffic growth: The growth in data traffic used by all Group prepaid customers.

Postpaid data traffic growth: The growth in data traffic used by all Group postpaid customers.

MVNO data traffic growth: The growth in data traffic used by all Group MVNO HLRs.

MVNO voice traffic growth: The growth in voice traffic used by all Group MVNO HLRs.

Number of network sites: Network sites to which Cell C has access via agreements with MNO partners.

Net promoter score: Customer advocacy measure (willingness to recommend) on a rating scale 1-10.

Brand health tracker: Demand Power: Proprietary equity index indicating how strongly brand equity converts to demand/choice.

ROMI: Return on marketing investment.

SOV: Share of voice brand's share of category communication.

The methodology for calculating subscriber or customer numbers varies substantially and is not standardised across the mobile telecommunications industry, particularly in Africa. As a result, customer numbers reported by various companies may vary from the numbers that would result from a different methodology. In addition, it is not uncommon in South Africa for mobile customers to have more than one subscriber identity module ("**SIM**") card, including using multiple SIM cards from competing mobile operators, which, depending on the methodology used to calculate total customers or subscribers, can result in a mobile operator counting the same customer multiple times or in different mobile operators both accounting for the same customer. Therefore, it may be difficult to compare customer numbers, ARPU or churn rates from period to period or between different mobile operators. The methodology for calculating other performance indicators, such as those based on minutes of usage or churn rates, varies among mobile operators, making it difficult to draw comparisons between these figures. Prospective investors should not assume that the Group's subscriber numbers, and other performance indicators, are directly comparable to those of other telecommunications operators.

Compliance with SEC requirements

The financial information included in this Pre-listing Statement is not intended to comply with the SEC requirements. Compliance with such requirements would require, among other things, compliance with the requirements of Regulation S-X of the U.S. Securities Act and the exclusion of certain non-GAAP and non-IFRS financial measures.

Rounding

Some financial information in this Pre-listing Statement has been rounded and, as a result, the numerical figures shown as totals in this Pre-listing Statement may vary slightly from the exact arithmetic aggregation of the figures that precede them.

Available Information

For so long as any of the Offer Shares are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act, the Company will, during any period in which the Company is neither subject to Section 13 or 15(d) of the U.S. Exchange Act, nor exempt from reporting under the U.S. Exchange Act pursuant to Rule 12g3-2(b) thereunder, make available to any holder or beneficial owner of such restricted securities or to any prospective investor in such restricted securities designated by such holder or beneficial owner, upon the request of such holder, beneficial owner or prospective investor, the information required to be delivered pursuant to Rule 144A(d)(4) under the U.S. Securities Act.

ENFORCEMENT OF FOREIGN JUDGMENTS IN SOUTH AFRICA

The Company is a public company incorporated under the laws of South Africa with a significant portion of the assets of the Group located in South Africa. In addition, all of the Directors and most members of Senior Management are residents in South Africa, and such persons are located outside the United States. As such, any U.S. court judgment against the Company and/or Directors and/or Senior Management may have to be enforced in South Africa. The procedure for enforcing foreign judgments in South Africa is largely governed by common law. Under the common law, any judgment granted by a foreign court must be recognised and declared enforceable in South Africa by a South African Court.

The South African courts will not entertain the merits of the underlying dispute adjudicated upon by a foreign court and the defendant would have limited defences in opposing the application. A South African court may not, in other words, sit as a court of appeal on the foreign judgment.

In particular, the court will satisfy itself that:

- the foreign court had the international competence/jurisdiction to hear the matter;
- the judgment is final and conclusive in effect (not interim in nature) and has not become superannuated;
- the judgment has not lapsed in the country where it was issued;
- the recognition and enforcement of the judgment by South African courts would not be contrary to public policy, including observance of the rules of natural justice, which require that the documents initiating the foreign proceedings were properly served on the defendant and that the defendant was given the right to be heard and represented by counsel in a free and fair trial before an impartial tribunal. Usually, a fundamental breach of justice or procedural unfairness is relevant and not merely minor procedural irregularities;
- the judgment was not obtained by fraudulent means;
- the judgment does not involve the enforcement of a penal or revenue law of the foreign state; and
- the enforcement of the judgment is not precluded by the provisions of the Protection of Businesses Act, 1978. The Act prohibits enforcement of foreign judgments arising from an act or transaction that took place at any time and that is connected with *inter alia* the mining, production, importation, exportation, of any matter or material whether within, outside, into or from South Africa, without consent from the Minister of Economic Affairs.

The process is relatively straightforward and procedural in nature. There is very limited scope for a court to refuse the recognition or enforcement of a foreign court order. Once the foreign court order is recognised as an order of court, it is enforceable in South Africa in the same manner as any judgment or court order obtained within South Africa.

South African courts will implement its own procedural laws where an action based on a contract governed by a foreign law is brought before a South African court. Any issue in dispute that is governed by foreign law must be pleaded and proven as a fact by expert evidence in a South African court.

NOTICE TO PROSPECTIVE INVESTORS

EXCEPT AS OTHERWISE SET OUT IN THIS PRE-LISTING STATEMENT, THE OFFERING DESCRIBED IN THIS PRE-LISTING STATEMENT IS NOT BEING MADE TO INVESTORS IN THE UNITED STATES, CANADA, AUSTRALIA OR JAPAN, AND THIS PRE-LISTING STATEMENT SHOULD NOT BE FORWARDED OR TRANSMITTED IN OR INTO THE UNITED STATES, CANADA, AUSTRALIA OR JAPAN.

Because of the following restrictions, prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Ordinary Shares.

This Pre-listing Statement may not be used for, or in connection with, and does not constitute or form part of any offer or invitation to sell, or any solicitation of any offer to acquire Offer Shares in any jurisdiction in which such an offer or solicitation is unlawful or would result in the Company becoming subject to public company reporting obligations outside South Africa.

The Offer and the distribution of this Pre-listing Statement, any related materials and the offer, acceptance, delivery, transfer, exercise, subscription for, purchase of, or trade in, Ordinary Shares may be restricted by law in jurisdictions and therefore persons into whose possession this Pre-listing Statement comes should inform themselves and observe any restrictions. Any failure to comply with any of those restrictions may constitute a violation of the laws of any such jurisdiction. This Pre-listing Statement may only be used where it is legal to offer, or solicit offers, to purchase or sell Offer Shares.

No action has been taken or will be taken in any jurisdiction by the Company or the Joint Global Coordinators and Joint Bookrunners that would permit a public offering of the Offer Shares, or the possession, circulation or distribution of this Pre-listing Statement or any other material relating to the Company or the Offer Shares, in any jurisdiction where action for that purpose is required. Accordingly, no Offer Shares may be offered, issued or sold directly or indirectly, and neither this Pre-listing Statement nor any other Offer material or advertisements in connection with the Offer Shares may be distributed or published, in or from any jurisdiction except in compliance with any applicable laws and regulations of any such jurisdiction.

Subject to the exceptions set out in *"Part XVII – Selling and Transfer Restrictions"*, this Pre-listing Statement should not be forwarded or transmitted in or into the United States, the EEA (as defined below), the United Kingdom, Australia, Canada and Japan.

Notice to prospective investors in Canada

No prospectus has been filed with any securities commission or similar regulatory authority in Canada in connection with the offer and sale of the Ordinary Shares. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon this document or on the merits of the Ordinary Shares and any representation to the contrary is an offence. The offer and sale of the Ordinary Shares in Canada is being made on a private placement basis only and is exempt from the requirement that the issuer prepares and files a prospectus under applicable Canadian securities laws. Any resale of Ordinary Shares acquired by a Canadian investor in this offering must be made in accordance with applicable Canadian securities laws, which resale restrictions may under certain circumstances apply to resales of the Ordinary Shares outside of Canada.

As applicable, each Canadian investor who purchases the Ordinary Shares will be deemed to have represented to the issuer, the underwriters and to each dealer from whom a purchase confirmation is received, as applicable, that the investor (i) is purchasing as principal, or is deemed to be purchasing as principal in accordance with applicable Canadian securities laws, for investment only and not with a view to resale or redistribution; (ii) is an "accredited investor" as such term is defined in Section 1.1 of National Instrument 45-106 *Prospectus Exemptions* ("**NI 45106**") or, in Ontario, as such term is defined in Section 73.3(1) of the *Securities Act* (Ontario); and (iii) is a "permitted client" as such term is defined in Section 1.1 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this document (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to Section 3A.3 of National Instrument 33-105 *Underwriting Conflicts* ("**NI 33-105**") (or section 3A.4 in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction), this offering is conducted pursuant to any exemption from the requirement that Canadian investors be provided with certain underwriter conflicts of interest disclosure that would otherwise be required pursuant to subsection 2.1(1) of NI 33-105.

Notice to prospective investors in South Africa

In South Africa, the Offer will only be made by way of private placement to, and be capable of acceptance by, South African Qualifying Investors and this Pre-listing Statement is only being made available to such South African Qualifying Investors.

The Offer and the Pre-listing Statement do not constitute, advertise or relate to an offer to the public (as defined in the Companies Act) for the sale of or subscription for, or the solicitation of an offer to buy and to subscribe for, securities. In South Africa, this Pre-listing Statement will not be made or distributed, as applicable, to any person in any manner which could be construed as an offer to the public in terms of the Companies Act and is only directed at South African Qualifying Investors. Should any person in South Africa who is not a South African Qualifying Investor receive or access this Pre-listing Statement they should not and will not be entitled to acquire any Offer Shares described in the Pre-listing Statement or otherwise act thereon.

The Pre-listing Statement has been approved by, and filed with, the JSE Limited.

This Pre-listing Statement does not, nor is it intended to, constitute a prospectus prepared and registered under the Companies Act or an advertisement relating to an offer to the public as contemplated under the Companies Act, and accordingly, does not comply with the substance and form requirements for prospectuses as set out in the Companies Act, and has not been approved by, and/or registered with, the CIPC.

The information contained in this Pre-listing Statement constitutes factual information as contemplated in Section 1(3)(a) of the FAIS Act, as amended, and should not be construed as "advice" as that term is used in the Financial Markets Act and/or the FAIS Act and should not be construed as an express or implied recommendation, guidance or proposal that any particular transaction in respect of any Ordinary Shares (including the Offer Shares) is appropriate to the particular investment objectives, financial situations or needs of a prospective investor, and nothing in this Pre-listing Statement should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa. The Company is not a financial services provider licensed as such under the FAIS Act and the Company's advisers are acting for the Company only in respect of the Offer and the Admission and are not giving or purporting to have given any financial advice as contemplated in the FAIS Act to any prospective investor of the Company.

Notice to prospective investors in the United States

The Ordinary Shares (including the Offer Shares) have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States and may not be offered, issued, sold, pledged or otherwise transferred within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable state securities laws. Accordingly, the Offer Shares are being offered, issued, and sold: (i) in the United States only to persons reasonably believed to be QIBs in reliance upon Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act; and (ii) outside the United States in offshore transactions in compliance with Regulation S.

Prospective investors are hereby notified that the Company may, in respect of Offer Shares, be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A under the U.S. Securities Act. Any Offer Shares offered, issued, or sold in the United States will be subject to certain transfer restrictions as set forth under "*Part XVII – Selling and Transfer Restrictions*".

The securities offered hereby have not been recommended by any United States federal or state securities commission or regulatory authority. Further, the foregoing authorities have not passed upon the merits of the Offer or confirmed the accuracy or determined the adequacy of this Pre-listing Statement. Any representation to the contrary is a criminal offence under the laws of the United States.

In the United States, this Pre-listing Statement is being furnished on a confidential basis solely for the purposes of enabling a prospective investor to consider purchasing the particular securities described herein. The information contained in this Pre-listing Statement has been provided by the Company and other sources identified herein. Distribution of this Pre-listing Statement to any person other than the offeree specified by the Joint Global Coordinators and Joint Bookrunners or their representatives, and those persons, if any, retained to advise such offeree with respect thereto, is unauthorised and any disclosure of its contents, without prior written consent of the Company, is prohibited. Any reproduction or distribution of this Pre-listing Statement in the United States, in whole or in part, and any disclosure of its contents to any other person is prohibited. This Pre-listing Statement is personal to each offeree and does not constitute an offer to any other person or to the public generally to purchase Offer Shares or subscribe for or otherwise acquire any Offer Shares.

Notice to prospective investors in the United Kingdom

In the United Kingdom, this Pre-listing Statement is being distributed only to, and is directed only at, persons: (A) (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), (ii) falling within Article 49(2)(a) to (d) of the Order, and (iii) to whom it may otherwise lawfully be communicated; and (B) who are "qualified investors" within the meaning of Article 2(e) of the Prospectus Regulation (Regulation (EU) 2017/1129) (as amended) as it forms part of assimilated law by virtue of the European Union (Withdrawal)

Act 2018 (the "**UK Prospectus Regulation**") (all such persons together being referred to as "**Relevant Persons**"). The Offer Shares are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Offer Shares will be engaged in only with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this Pre-listing Statement or any of its contents.

No Offer Shares have been offered or will be offered pursuant to the Offer to the public in the United Kingdom, except that offers of Offer Shares may be made to the public in the United Kingdom at any time under the following exemptions from the UK Prospectus Regulation:

- to any legal entity which is a "qualified investor" as defined under Article 2(e) of the UK Prospectus Regulation; or to fewer than 150 natural or legal persons (other than "qualified investors" as defined under Article 2(e) of the UK Prospectus Regulation), subject to obtaining prior consent of the Joint Global Coordinators and Joint Bookrunners for any such offer; or in any other circumstances falling within Section 86 of the Financial Services and Markets Act 2000 (the "**FSMA**"),
- *provided* that no such offer of Offer Shares shall result in a requirement for the Company or the Joint Global Coordinators and Joint Bookrunners to publish a prospectus pursuant to Section 85 of the FSMA or supplement to a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to any Offer Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the Offer and any Offer Shares to be offered so as to enable an investor to decide to subscribe for or purchase any Offer Shares.

Notice to prospective investors in member states of the EEA

In relation to any member state of the European Economic Area (the "**EEA**") (each a "**Member State**"), this Pre-listing Statement is only addressed to and is only directed at "qualified investors" in that Member State within the meaning of Article 2(e) of the EU Prospectus Regulation. This Pre-listing Statement has been prepared on the basis that all offers of Offer Shares will be made pursuant to an exemption under the EU Prospectus Regulation from the requirement to produce a prospectus for offer of shares. Accordingly, any person making or intending to make any offer within the EEA of Offer Shares which is the subject of the Offer contemplated in this Pre-listing Statement within any EEA member state should only do so in circumstances in which no obligation arises for the Company or any of the Joint Global Coordinators and Joint Bookrunners to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or a supplement prospectus pursuant to Article 23 of the EU Prospectus Regulation, in each case, in relation to such offer. Neither the Company nor the Joint Global Coordinators and Joint Bookrunners has authorised, nor do they authorise, the making of any offer of Offer Shares through any financial intermediary, other than offers made by the Joint Global Coordinators and Joint Bookrunners which constitute the final placement of Offer Shares contemplated in this Pre-listing Statement.

Each person in a Relevant Member State who receives any communication in respect of, or who acquires any Offer Shares under, the offers contemplated in this Pre-listing Statement will be deemed to have represented, warranted and agreed with the Joint Global Coordinators and Joint Bookrunners and the Company that:

- it is a "qualified investor" within the meaning of Article 2(e) of the EU Prospectus Regulation; and
- in the case of any Offer Shares acquired by it as a financial intermediary, as that term is used in the EU Prospectus Regulation, (i) such Offer Shares acquired by it in the Offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the EU Prospectus Regulation, or in circumstances in which the prior consent of the Joint Global Coordinators and Joint Bookrunners has been given to the offer or resale; or (ii) where such Offer Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Offer Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons.

For the purposes of this provision, the expression an "offer to the public" in relation to any Offer Shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Offer and the Offer Shares to be offered, so as to enable an investor to decide to acquire any Offer Shares.

See *"Part XVII – Selling and Transfer Restrictions"* for certain other notices to investors.

Notice to prospective investors in Affected Jurisdictions

This document constitutes a Pre-listing Statement and has been prepared in accordance with the JSE Listings Requirements in connection with the Admission and the Offer. There is no offer to the public (or a section thereof) and the Offer referred to in this Pre-listing Statement, which comprises an Offer for Offer Shares by the Company to the offerees to whom the Offer will specifically be addressed, does not constitute, nor is it intended to constitute, a public offering in any jurisdiction and is only addressed to persons to whom the Offer may lawfully be made. In addition, this document is not a prospectus, or an advertisement in relation to any offer to the public and has not and will not be registered as a prospectus or registered at all with the CIPC or with any regulator in any other jurisdiction.

The Offer and the distribution or possession of this Pre-listing Statement in jurisdictions other than South Africa may be restricted by law, and a failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction. In particular, this Pre-listing Statement and the Offer do not constitute an offer to issue or sell, or a solicitation of an offer to subscribe for or purchase, any securities in or from any jurisdiction in which such offer or solicitation would be unlawful, including, without limitation, in or from any Affected Jurisdiction. To the extent that this Pre-listing Statement may be sent to any Affected Jurisdiction, it is provided for information purposes only. Persons in Affected Jurisdictions may not accept the Offer. No person accepting the Offer should use the mail of any such Affected Jurisdiction nor any other means, instrumentality, or facility in such Affected Jurisdiction for any purpose, directly or indirectly, relating to the Offer. The Company reserves the right, but shall not be obliged, to reject and treat as invalid any purported acceptance or transfer of Offer Shares, which appears to the Company or its advisers or agents to have been executed, effected or dispatched in a manner which may involve a breach of the securities laws or regulations of any jurisdiction (including any Affected Jurisdiction); or if the Company believes (in its discretion) or its advisers or agents believe that the same may violate applicable legal or regulatory requirements; or if the Company believes (in its discretion) that it is prohibited or unduly onerous or impractical to transfer any Offer Shares to any persons in any jurisdiction outside South Africa. Persons into whose possession this Pre-listing Statement comes, including persons in Affected Jurisdictions, must inform themselves about and observe any such restrictions. Save as specifically set out herein, no actions have been taken, including, without limitation, obtaining any approvals, authorisations, or exemptions, that would permit a public offering of Offer Shares to occur outside South Africa. Prospective investors, including persons in Affected Jurisdictions, should not treat the contents of this Pre-listing Statement as advice relating to legal, taxation, investment or any other matters and should consult their own professional advisers concerning the consequences of their acquiring, holding, or disposing of Offer Shares.

MISCELLANEOUS

The statements contained in this Pre-listing Statement are made as at the Last Practicable Date, unless some other time is specified in relation to them, and issuance of this Pre-listing Statement shall not give rise to any implication that there has been no change in the facts set forth herein since such date. Nothing contained in this Pre-listing Statement shall be deemed to be a forecast, projection or estimate of the future financial performance of the Company or the Group except where otherwise stated. The statements contained in this Pre-listing Statement are also made on the basis of the Group as it will exist on Admission.

PART I – CORPORATE INFORMATION

Directors

Independent Non-executive Directors
Johannes Sanyana Mthimunye (Chairman)
Sindiswa Victoria Zilwa
Godfrey Nkosingiphile Motsa
Maya Makanjee

Executive Directors
Joaquim Jorge Cerqueira Mendes
(Chief Executive Officer)
El Tshegofatso Kope (Chief Financial Officer)

Company Secretary
Michelle Robinson

Joint Global Coordinator and Joint Bookrunner
Morgan Stanley & Co. International plc
(Registration number: 165935)
25 Cabot Square
London E144QA
United Kingdom

Financial Adviser, Joint Global Coordinator, Joint Bookrunner and Transaction Sponsor
Rand Merchant Bank
(a division of FirstRand Bank Limited)
(Registration number 1929/001225/06)
1 Merchant Place
Corner Rivonia Road and Fredman Drive
Sandton, 2196
South Africa
(PO Box 786273, Sandton, 2146, South Africa)

Financial Adviser, Joint Global Coordinator and Joint Bookrunner
Investec Bank Limited
(Registration number 1969/004763/06)
100 Grayston Drive
Sandown
Sandton, 2196
South Africa
(PO Box 785700, Sandton, 2146, South Africa)

Independent Auditor
SNG Grant Thornton Inc.
(Registration number 2005/034639/21)
152, 14th Road
Midrand
Johannesburg
1685
South Africa
(PO Box 1470, Pretoria, 0001)

Non-executive Director
Skhulumi Jeremiah Vilakazi

Registered Office
Waterfall Campus
Cnr Maxwell Drive & Pretoria Main Road
Buccleuch Ext 10
Gauteng, 2090
South Africa

Transfer Secretaries
JSE Investor Services Proprietary Limited
(Registration number: 2000/007239/07)
5th Floor
One Exchange Square
2 Gwen Lane
Sandown
Sandton
2196
(PO Box 4844, Johannesburg, 2000)

South African and International Legal Adviser to the Company
DLA Piper Advisory Services Proprietary Limited
(Registration number 2015/222271/07)
61 Katherine Street
Sandton, 2196
South Africa
(Private Bag X17, Benmore, 2010, South Africa)

DLA Piper UK LLP
(Registration number OC307847)
160 Aldersgate Street
London
EC1A 4HT
United Kingdom

South African Legal Adviser to the Joint Global Coordinators and Joint Bookrunners
Bowman Gilfillan Inc.
(Registration number 1998/021409/21)
11 Alice Lane
Sandton, 2196
South Africa
(PO Box 785812, Sandton, 2146, South Africa)

International Legal Adviser to Joint Global Coordinators and Joint Bookrunners
Milbank LLP
100 Liverpool Street
London EC2M 2AT
United Kingdom

Legal Advisor to TPC
Werksmans Inc.
(Registration number: 1990/007215/21)
The Central
96 Rivonia Road
Sandton, 2196
South Africa
(Private Bag 10015, Sandton, 2146, South Africa)

PART II – OVERVIEW OF THE OFFER

BACKGROUND AND REASON FOR THE OFFER AND THE ADMISSION

The main purposes of the Offer and Admission, as applicable, are to:

- provide a platform on which the Company's Ordinary Shares can freely trade and unlock the inherent value of the business through the listing and trading of the Ordinary Shares on the JSE;
- provide the Company with access to capital markets, which it may use to support and develop further growth of the Group and to finance acquisitions of, or investments in, businesses, technologies, services, products, software, intellectual property rights, spectrum and other assets in the future;
- raise the Group's profile and visibility with its key partners and elevate the Cell C brand through the listing and trading of the Company's Ordinary Shares on an established exchange and increase stakeholder awareness regarding the Company's vision, strategy and operations;
- introduce new empowerment shareholding;
- provide a platform for management incentives, which are directly aligned to key performance measures of the Company;
- allow BLU shareholders and potential investors to independently assess the value and strategic focus of each business;
- enable TPC to realise a portion of the Group's investment through the Offer, thereby unlocking value from its shareholding and crystallising the value for TPC and BLU shareholders in the investment in Cell C.

TPC will receive proceeds from the delivery and settlement of the Sale Shares and the Overallotment Shares (to the extent that the Overallotment Option is exercised) sold to prospective investors pursuant to the Offer.

THE OFFER

The Offer comprises an offer for sale by TPC of up to 173 400 000 Sale Shares (at the Offer Price) and up to 9 520 000 Overallotment Shares (to the extent that the Overallotment Option is exercised) to selected persons to whom the Offer will be made, and by whom only the Offer may be accepted. In connection with the Offer and subject to customary terms and conditions, TPC has granted the Overallotment Option to the Stabilisation Manager. See "*Part II – Overview of the Offer – Overallotment and Stabilisation*" of this Pre-listing Statement below.

The Sale Shares, including any Overallotment Shares (to the extent the Overallotment Option is exercised), will rank *pari passu* with all of the other issued Ordinary Shares. The Offer Shares, including Overallotment Shares (to the extent the Overallotment Option is exercised), will be sold and delivered to prospective investors in Dematerialised Form through the Strate System and in accordance with the normal settlement procedures applicable to equity securities admitted and deposited with Strate. Accordingly, prospective investors are advised that no physical documents of title will be issued or delivered to any applicants in terms of the Offer.

TPC, the Company and the Joint Global Coordinators and Joint Bookrunners have entered into the Placement Agreement with respect to the Offer and Admission. The Offer is conditional, among other things, on the Placement Agreement becoming unconditional in accordance with its terms and conditions including Admission occurring not later than 09:00 (SAST) on the Admission Date. See "*Part II – Overview of the Offer – Placement Agreement*" of this Pre-listing Statement below for details of the Placement Agreement.

The JSE Limited has approved the Admission of all of the Company's Ordinary Shares (ISIN: ZAE000354007) in the *Telecommunications Services* sub-sector of the JSE list, under the abbreviated name "Cell C" and share code "CCD", subject to the fulfilment of certain conditions, including the JSE's spread and minimum free float requirements as set out in the JSE Listings Requirements.

The minimum spread and free float requirement prescribes that a minimum of 10% of the Ordinary Shares be held by the public (as defined in the JSE Listings Requirements), representing at least 100 shareholders, as at Admission (after implementation of the Offer). In connection with the minimum spread and free float requirements, the Offer is accordingly also subject to minimum acceptances of such number of Offer Shares being purchased by prospective investors such that, and to ensure that, the Company will, once the Offer is completed, meet the minimum free float and shareholder spread requirements, as prescribed by the JSE Listings Requirements and acceptable to the JSE Limited (the "**Minimum Acceptance Condition**"). The Offer will not proceed if the Minimum Acceptance Condition is not met or waived, at the sole discretion of the Company and subject to compliance with the JSE Listings Requirements. Where the Minimum Acceptance Condition is not met or waived, as applicable, delivery and settlement of the Offer Shares applied for pursuant to the Offer shall not take effect and no person shall have any claim whatsoever against the Company, TPC, the Joint Global Coordinators and Joint Bookrunners or any other person as a result of the failure of any condition as a result of the Offer not becoming unconditional in accordance with its terms nor do any of the Company, TPC, the Joint Global Coordinators and Joint Bookrunners or any other person assume or accept any responsibility or liability to any person as a result of the Offer not becoming unconditional in accordance with its terms and conditions.

If the Offer does not become unconditional in accordance with its terms and conditions, including as a result of the Minimum Acceptance Condition, Admission will not proceed, and no acceptance of the Offer shall take effect and no person shall have any claim whatsoever against the Company, TPC, the Joint Global Coordinators and Joint Bookrunners or any other person as a result of the Offer not becoming unconditional in accordance with its terms.

The Offer is expected to open at 09:00 (SAST) on Thursday, 13 November 2025 and close at 12:00 (SAST) on Friday, 21 November 2025.

OFFER PRICE

It is currently anticipated that the Offer Price in respect of the Offer Shares (including the Overallotment Shares) will be within the Offer Price Range. However, the Offer Price Range is indicative and there can be no guarantee that the Offer Shares will be offered within the Offer Price Range. Accordingly, the Offer Price may be above or below the Offer Price Range. If the Offer Price is below the Offer Price Range for any reason, or if the directors of the Company in their discretion so determine that it would not be advisable to proceed, the Company shall not be obliged to proceed with the Offer but reserves the right to do so.

The Offer Price will be payable in full in Rand without deduction or set-off. The Offer Shares will be offered at the Offer Price. The Offer Price will be payable in full in Rand without deduction or set-off. TPC will pay Securities Transfer Tax (if any) due on the transfer of any Offer Shares (including the allocation to the BEE SPV and Executive Transfer). Securities Transfer Tax is imposed in respect of the transfer of listed shares (including the cancellation or redemption of a share) at the rate of 0.25% of the taxable amount of such shares, being the higher of the market value or consideration given for the shares, determined in terms of the STT Act.

The book building process in relation to the Offer will be undertaken by the Joint Global Coordinators and Joint Bookrunners in terms of the Placement Agreement. Following the book building process, the Offer Price and the exact number of Offer Shares will be determined by the Joint Global Coordinators and Joint Bookrunners (in consultation with TPC and the Company) either prior to, or on the closing date of the Offer, and will be announced on SENS on Monday, 24 November 2025. Any change to these dates and times will be announced on SENS.

Among the factors that may be considered by the Joint Global Coordinators and Joint Bookrunners in suggesting the Offer Price are the prices at which investors bid to acquire the Offer Shares during the book building process and the desire to establish an orderly after-market in the Ordinary Shares.

CONDITIONS TO THE OFFER AND ADMISSION

The Offer is conditional on the Placement Agreement becoming unconditional and Admission of all of the Ordinary Shares on the Main Board of the JSE, failing which the Offer and any acceptance thereof shall not take effect and no person shall have any claim whatsoever against the Company, the Joint Global Coordinators and Joint Bookrunners or any other person as a result of any condition not being fulfilled or waived (as the case may be). Admission is conditional on the attainment of a free-float and spread of shareholders as prescribed by the JSE Listings Requirements. The JSE Listings Requirements prescribe that a minimum of 10% of the Ordinary Shares are held by the public, as defined by the JSE Listings Requirements, representing at least 100 shareholders. In connection with the minimum spread and free-float requirement envisaged in the JSE Listings Requirements, the Offer is accordingly also subject to the Minimum Acceptance Condition. The Offer will not proceed if the Minimum Acceptance Condition is not met or waived, at the sole discretion of the Company and subject to compliance with the JSE Listings Requirements. Where the Minimum Acceptance Condition is not met or waived, as applicable, any acceptance of the Offer shall not take effect and the Admission shall not proceed.

PARTICIPATION IN THE OFFER

The Offer will only be made and implemented, subject to becoming unconditional in accordance with its terms and conditions:

- in South Africa, to South African Qualifying Investors;
- within the United States to persons reasonably believed to be QIBs as defined in, and in reliance on, Rule 144A under the U.S. Securities Act, or pursuant to another exemption from, or in a transaction not subject to, the registrations requirements under the U.S. Securities Act, and applicable state and other securities laws;
- in a Relevant Member State: (a) to Qualified Investors; and (b) in the case of any Offer Shares acquired by it as a financial intermediary, as that term is used in the EU Prospectus Regulation, (i) such Offer Shares acquired by it in the Offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than Qualified Investors or in circumstances in which the prior consent of the Joint Global Coordinators and Joint Bookrunners have been given to the offer or resale; or (ii) where such Offer Shares have been acquired by it on behalf of persons in any Relevant Member State other than Qualified Investors, the offer of those Offer Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons;

- in the United Kingdom, to a Relevant Person; and
- outside the United States, the United Kingdom, the EEA and South Africa, to selected persons in such other jurisdictions in reliance on Regulation S, to whom the Offer will specifically be addressed, and only by whom the Offer will be capable of acceptance in accordance with the laws and regulations of their relevant jurisdiction.

The Offer will not be made to, or capable of acceptance by, persons in the Affected Jurisdictions nor does it constitute, nor is it intended to constitute, a public offering in any jurisdiction. Eligible investors wishing to participate in the Offer should contact the Joint Global Coordinators and Joint Bookrunners prior to 12:00 (SAST) on Friday, 21 November 2025 at:

- Rand Merchant Bank (a division of FirstRand Bank Limited): +27 11 269 9260; or
- Morgan Stanley & Co. International plc: +44 207 425 8000; or
- Investec Bank Limited: +27 11 286 7000

REPRESENTATION

Any person applying for or accepting an offer of Offer Shares shall be deemed to (A) have represented to TPC, the Company and the Joint Global Coordinators and Joint Bookrunners that: (i) they have not relied on TPC, the Joint Global Coordinators and Joint Bookrunners or any person affiliated with any of them in connection with any investigation of the accuracy of any information contained in this Pre-listing Statement or their investment decision; and (ii) they have relied only on the information contained in this Pre-listing Statement; and (B) no person has been authorised to give any information or to make any representation concerning TPC, the Company, the Group or the Offer Shares (other than as contained in this Pre-listing Statement) and, if given or made, any such other information or representation will not be relied upon as having been authorised by TPC, the Company or the Joint Global Coordinators and Joint Bookrunners.

Any person applying for or accepting an offer of Offer Shares shall be deemed to have represented to TPC, the Company, and the Joint Global Coordinators and Joint Bookrunners that they have done so in accordance with all applicable laws and regulations. TPC and the Company reserves the right, but shall not be obliged, to reject or treat as invalid any purported acceptance or transfer of Offer Shares, which appears to TPC or the Company or its advisers or agents to have been executed, effected or dispatched in a manner which may involve a breach of the securities laws or regulations of any jurisdiction (including any Affected Jurisdiction); or if TPC or the Company believes (in its discretion) or its advisers or agents believe that the same may violate applicable legal or regulatory requirements; or if the Company believes (in its discretion) that it is prohibited or unduly onerous or impractical to transfer any Offer Shares to any persons in any jurisdiction outside South Africa.

Prospective investors applying for or accepting an offer of Offer Shares shall be deemed to have checked and confirmed that they are persons to whom the Offer can be lawfully made and is capable of acceptance having regard to the selling and transfer restrictions described in "*Part XVII – Selling and Transfer Restrictions*" of this Pre-listing Statement. Each prospective investor should consult its own advisers as to the legal, tax, business, financial and related aspects of applying for or accepting an offer of Offer Shares.

ALLOCATION

The allocation of Offer Shares to prospective investors is expected to take place after the closing of the Offer on or around Friday, 21 November 2025 subject to any changes to the Offer timetable as may be announced on SENS. The Company and TPC, in consultation with the Joint Global Coordinators and Joint Bookrunners, retain sole and absolute discretion in allocation of the Offer Shares to eligible interested parties. Allocations will be made to achieve a suitable, sustainable and supportive long-term shareholder base that is in the best interests of the Company and its Shareholders having regard to the terms of the Placement Agreement.

Subject to the BBE SPV Structure that is intended to be implemented prior to Admission as detailed in "*Part VI – Regulatory Considerations – Broad-Based Black Economic Empowerment and Transformation*", there is no maximum or minimum number of Offer Shares for which prospective investors may apply and multiple applications to subscribe for Offer Shares are permitted; provided that each prospective investor meets the criteria set out in "*Part XVII – Selling and Transfer Restrictions*" of this Pre-listing Statement, and subject to the maximum number of Offer Shares that will be made available in the Offer. In the event of an over-application for Offer Shares, the Company and TPC, in consultation with the Joint Global Coordinators and Joint Bookrunners, shall determine an appropriate and equitable basis for allocating the Offer Shares in accordance with market best practice, to selected bidders whose submitted bids meet or exceed the Offer Price and required levels of demand, at the Offer Price. In considering the same, the Company will consider the spread requirements of the JSE and promoting liquidity, tradability and an orderly market in the Offer Shares.

Subject to the BBE SPV Structure that is intended to be implemented prior to Admission as detailed in in *"Part VI – Regulatory Considerations – Broad-Based Black Economic Empowerment and Transformation"*, there is no intention to extend a preference on allotment to any particular person in the event of an over-application.

Depending upon the level of demand, applicants may receive no Offer Shares or fewer than the number of Offer Shares applied for under the Offer. Any dealing in Offer Shares prior to delivery of the Offer Shares is at the risk of the applicant. Accordingly, none of TPC, the Company or the Joint Global Coordinators and Joint Bookrunners accept or assume any responsibility or liability towards any person as a result of any transactions in any Offer Shares prior to the delivery of the Offer Shares.

There will be no fractions of Offer Shares in terms of the Offer.

PLACEMENT AGREEMENT

The Company, Cell C, TPC and the Joint Global Coordinators and Joint Bookrunners have entered into the Placement Agreement in connection with the Offer and Admission.

The Placement Agreement is subject to a number of conditions that are customary for agreements in respect of transactions of this nature, including, *inter alia*, the approval of this Pre-listing Statement by the JSE Limited by an agreed date; receipt of certain completed documents by certain agreed dates; no material adverse change having occurred, exchange control approval having been obtained; and the JSE having approved the application for Admission by a particular date; and includes customary warranties and indemnities given by TPC and the Company to the Joint Global Coordinators and Joint Bookrunners. The Placement Agreement is also conditional on the Restructuring being implemented in full in accordance with the provisions of the Pre-listing Restructuring Implementation Agreement.

Pursuant to the Placement Agreement, and on the terms and subject to the conditions set forth therein, TPC has agreed to sell the Sale Shares at the Offer Price, to purchasers procured by the Joint Global Coordinators and Joint Bookrunners. Correspondingly, each of the Joint Global Coordinators and Joint Bookrunners have, severally but not jointly, agreed to use reasonable endeavours to procure purchasers for the Sale Shares.

Pursuant to the Placement Agreement, and on the terms and subject to the conditions set forth therein, TPC has granted the Overallotment Option to the Stabilisation Manager, as described in further detail below.

In consideration of the agreement by the Joint Global Coordinators and Joint Bookrunners to use reasonable endeavours to procure purchasers for the Offer Shares and subject to certain terms and conditions as set out in the Placement Agreement, the Company and TPC may pay the Joint Global Coordinators and Joint Bookrunners a discretionary fee up to 0.6% (60 basis points) of the Gross Offer Proceeds . This is in addition to the fees payable by Cell C to the Joint Global Coordinators and Joint Bookrunners for the sale of the Offer Shares as provided for in the Placement Agreement.

The Company has agreed to pay a fee to the Joint Global Coordinators and Joint Bookrunners for the sale of the Offer Shares ("**Gross Fee**"). The Gross Fee to be paid by the Company for the sale of the Offer Shares shall be taken off the Gross Offer Proceeds. The Gross Fee shall be 1.75% of the Gross Offer Proceeds. The gross fee shall consist of the "Firm Sale Shares Gross Fee" and the "Over-Allotment Shares Gross Fee". The "Firm Sale Shares Gross Fee" shall be determined by multiplying the Gross Fee by a fraction, the numerator of which is the number of Sale Shares and the denominator of which is the total number of Shares sold in the Offer and the "Over-Allotment Shares Gross Fee" shall be determined by multiplying the Gross Fee by a fraction, the numerator of which is the number of Overallotment Shares and the denominator of which is the total number of Shares sold in the Offer.

The Placement Agreement is subject to termination provisions customary for agreements in respect of transactions of this nature, including, *inter alia*, termination by the Joint Global Coordinators and Joint Bookrunners, in their absolute discretion and in good faith upon the occurrence of certain events, having consulted with TPC and the Company, on written notice to TPC and the Company, subject to certain terms and conditions set out in the Placement Agreement.

OVERALLOTMENT AND STABILISATION

In connection with the Offer, the Stabilisation Manager may, subject to applicable laws, exercise the Overallotment Option or effect transactions only during the Stabilisation Period which may support the market price of the Ordinary Shares at a level higher than that which might otherwise prevail for a limited period after the Admission Date. However, there is no obligation on the Stabilisation Manager to do so. Such stabilising action may under no circumstances continue beyond the Stabilisation Period, which is a period of 30 calendar days terminating on the 30th calendar day after the Admission Date.

There is no assurance that the Stabilisation Manager will undertake Stabilisation activities. Such transactions may be effected on the JSE and will be carried out in accordance with applicable rules and regulations of the JSE. Stabilisation, if commenced, may be discontinued at any time on 2 Business Days' notice to the JSE Limited and will in any event be discontinued after the Stabilisation Period. No Stabilisation activities may be undertaken after the expiry of the Stabilisation Period.

In terms of the Placement Agreement, TPC has granted the Stabilisation Manager the Overallotment Option, an option to sell additional Offer Shares at the Offer Price for up to an aggregate consideration of ZAR337 960 000.00 and which shall not exceed 9 520 000 Ordinary Shares. In terms of the Securities Lending Agreement entered into between the Stabilisation Manager and TPC, TPC has also granted the Stabilisation Manager a stock loan, on customary terms, for the same number of Ordinary Shares for the purpose of allowing the Stabilisation Manager to cover short positions resulting from any overallotment and/or from sales of Ordinary Shares effected during the Stabilisation Period. The Overallotment Option will enable the Stabilisation Manager to close out its short position resulting from any overallotments by exercising the Overallotment Option or by purchasing Ordinary Shares in the open market to close out the stock loan.

The terms of the Overallotment Option and Stabilisation are regulated in terms of the Placement Agreement as well as the Securities Lending Agreement.

LOCK-UP ARRANGEMENTS

The Company and TPC have agreed to Lock-up Arrangements in the Placement Agreement, which are subject to customary exceptions and in terms of which, among other things, the Company will not be entitled to issue and TPC will not be entitled to sell, transfer or dispose of any Ordinary Shares for the duration of the Lock-up Period.

Certain members of Senior Management will not be able to sell, transfer or otherwise dispose of, any Ordinary Shares until those shares vest as part of the Executive Transfer. It is intended that prior to Admission the BEE SPV will have agreed to Lock-up Arrangements, which are subject to customary exceptions and in terms of which, among other things, the relevant BEE SPV will not be entitled to sell, transfer or otherwise dispose of any Ordinary Shares held at the Admission Date for the duration of the Lock-up Period. Further details are set out in "*Part VI – Regulatory Considerations – Broad-Based Black Economic Empowerment and Transformation*".

For the avoidance of doubt, the Lock-up Arrangements shall not apply to transactions relating to Ordinary Shares (or other securities of the Company) acquired in open market transactions after the completion of the Offer.

PAYMENT FOR AND DELIVERY OF OFFER SHARES

Prospective investors are reminded that all Ordinary Shares will be issued and/or sold and delivered in Dematerialised Form and, as such, no documents of title in respect of any Ordinary Shares (including Offer Shares) will be issued to any successful applicant.

Each successful applicant must, as soon as possible after being notified of an allocation of Offer Shares except where TPC has agreed to an alternative process with such applicant, forward to:

- its CSDP, all information required by its CSDP and instruct its CSDP to pay, against delivery of the applicant's allocation of Offer Shares, the aggregate price for such Offer Shares to the account designated by the Company. Such information and instructions must be confirmed to the applicant's CSDP no later than Tuesday, 25 November 2025; and
- the Transfer Secretaries, details of its CSDP, the name of the account holder and number of Ordinary Shares to be acquired and such other information as is required by the Transfer Secretaries to effect delivery of the relevant Offer Shares. Such information must be confirmed to the Joint Global Coordinators and Joint Bookrunners no later than Monday, 24 November 2025.

Electronic funds transfer payments between countries in the Common Monetary Area consisting of South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Eswatini (the "**CMA**") are no longer possible. Prospective investors that are resident in one CMA country (e.g., Lesotho, Namibia or Eswatini) that must transfer funds to a CSDP in another CMA country (e.g., South Africa) are cautioned to make alternative payment arrangements to ensure that its cash reaches the CSDP timeously.

By no later than Tuesday, 25 November 2025, each applicant must place its funds with its CSDP or make other necessary arrangements to enable its CSDP to make payment for the allocated Offer Shares on the Settlement Date, in accordance with each applicant's agreement with its CSDP. The applicant's CSDP must commit in Strate to the receipt of the applicant's allocation of Offer Shares against payment by no later than Wednesday, 26 November 2025.

On the Settlement Date (which is expected to be Thursday, 27 November 2025) the applicant's allocation of Offer Shares will be credited to the applicant's CSDP or Broker account against payment during the Strate settlement runs.

APPLICABLE LAW

The Offer and Admission, including without limitation, applications for, allocations of and acceptances of and payments for Offer Shares, will be exclusively governed by the applicable laws and regulations of South Africa and each applicant will be deemed, by applying for Offer Shares, to have consented and submitted to the exclusive jurisdiction of the courts of South Africa in relation to all matters arising out of, or in connection with, the Offer and Admission.

STRATE

Dematerialised shares are equity shares enabled for trading by electronic settlement in terms of the Strate System. The Ordinary Shares will be traded on the JSE in Dematerialised Form and the delivery and settlement of such Ordinary Shares will take place through the Strate System on, and with effect from, the Admission Date.

The Strate System is a system of "paperless" transfer of securities. If investors have any doubt as to the mechanics of the Strate System, they should please consult their Broker, CSDP or other appropriate adviser. Please also refer to the Strate website at http://www.strate.co.za. Some of the principal features of the Strate System are as follows:

- electronic records of ownership replace share certificates and the physical delivery of share certificates;
- trades executed on the JSE must be settled within 3 Business Days (*i.e.*, on a T+3 basis);
- all investors owning dematerialised shares or wishing to trade their securities on the JSE are required to appoint either a Broker or a CSDP to act on their behalf and to handle their settlement and other custodial requirements; and
- unless investors owning dematerialised shares specifically request their CSDP to register them as an "own name" shareholder (which entails a fee), their CSDP's or Broker's nominee company, holding shares on their behalf, will be the registered shareholder (member) of the relevant company and not the investor. Subject to the agreement between the investor and the CSDP or Broker (or the CSDP's or Broker's nominee company), generally in terms of the rules of Strate, the investor is entitled to instruct the CSDP or Broker (or the CSDP's or Broker's nominee company), as to how it wishes to exercise the rights attaching to the shares and/or to attend and vote at shareholders' meetings.

APPROVALS AND ADMISSION

The JSE Limited has approved this Pre-listing Statement and the Admission of all of the Ordinary Shares (ISIN: ZAE000354007) in the *Telecommunications* Services sub-sector of the JSE list, under the abbreviated name "Cell C" and the share code "CCD" with effect from the commencement of trade on Thursday, 27 November 2025, subject to certain terms and conditions, including the JSE's spread and minimum free-float requirements as set out in the JSE Listings Requirements.

The Ordinary Shares will be fully paid up and freely transferable upon Admission and may only be traded on the JSE in Dematerialised Form with electronic settlement occurring via the Strate System.

Investing in the Ordinary Shares involves risks. See "*Part IV – Risk Factors*" of this Pre-listing Statement for a description of the risk factors that should be carefully considered, together with the contents of this Pre-listing Statement in its entirety, before investing in, or making any decision relating to an investment in, the Ordinary Shares.

PART III – EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The definitions and interpretations contained in "*Annexe 21 – Definitions, Glossary and Interpretations*" to this Pre-listing Statement apply to this "*Part III – Expected Timetable of Principal Events*" except where otherwise indicated.

The following indicative timetable sets out expected dates for the implementation of the Offer and Admission[1][2]:

Key action	**2025**
Opening date of the Offer at 09:00 on	Thursday, 13 November Thursday, 13 November
Release of the abridged Pre-listing Statement on SENS on	Thursday, 13 November Thursday, 13 November
Publication of the Pre-listing Statement on the Company's website on	Thursday, 13 November Thursday, 13 November
Publication of the abridged Pre-listing Statement in the press on	Friday, 14 November
Last date and time for indications of interest for purposes of book building to be received up until 12:00 on	Friday, 21 November
Closing date of the Offer at 12:00 on	Friday, 21 November
Successful applicants advised of allocations on	Monday, 24 November
Publication date of the final Offer Price and final number of Offer Shares released on SENS on	Monday, 24 November
Settlement Date	Thursday, 27 November
Admission Date	Thursday, 27 November

Notes:

(1) The expected dates and times listed above may be subject to change. Any material changes will be announced on SENS.

(2) All references to times are to South African standard time, unless otherwise stated.

PART IV – RISK FACTORS

Prospective investors should carefully consider the risks and uncertainties set out below, together with the other information contained in this Pre-listing Statement, before making an investment decision with respect to the Ordinary Shares.

The risks described below are not an exhaustive list and are those risks of which the Company is currently aware and which the Company believes, as at the date of this Pre-listing Statement, may materially adversely affect the Company or any member of the Group. Additional risks and uncertainties not known to the Group, or those that it deems to be immaterial as at the date of this Pre-listing Statement, may, individually or cumulatively, also materially adversely affect the Group's business, financial condition and results of operations. The market price of the Ordinary Shares could decline due to the occurrence of any of these risks or other factors, and prospective investors may lose all or part of their investment upon the occurrence of any such events.

All of these risk factors and events are contingencies that may or may not occur. The Group may face a number of these risks described below simultaneously and some risks described below may be interdependent. Although the material risks have been grouped together in a coherent manner and material risks considered to be of the most immediate significance have been made prominent at the beginning within the material risks disclosure, the order in which the remaining risks are presented is not necessarily an indication of the likelihood of the risks actually materialising, of the potential significance of the risks or of the scope of any potential negative impact to the Group's business, financial condition, results of operations and prospects. While the risk factors below have been divided into categories, some risk factors could belong in more than one category, and prospective investors should carefully consider all of the risk factors set out in this section.

Prospective investors should carefully read and review the entire Pre-listing Statement and should form their own views before making an investment decision with respect to the Ordinary Shares. Furthermore, before making an investment decision with respect to any Ordinary Shares, prospective investors should consult their own professional advisers and carefully review the risks associated with an investment in the Ordinary Shares and consider such an investment decision in light of their personal circumstances.

RISKS RELATED TO THE COMPANY'S BUSINESS AND INDUSTRY

Cell C's business dependence on its MNO partners could prevent it from providing services or continuously providing services to its customers, which could impact on its ability to operate as an MNO or result in decreased sales and revenue and loss of market share.

Cell C does not own or operate its own physical towers or a physical RAN to provide mobile and wireless services to its customers. Instead, it relies on the infrastructure of two large South African MNOs, MTN and Vodacom. Cell C operates a vRAN across South Africa using its own spectrum assignments on infrastructure owned and/or maintained by MTN under services and roaming agreements and has an agreement with Vodacom for Cell C's subscribers to roam on Vodacom's network (operated using Vodacom's assigned spectrum) nationally. Cell C also has a spectrum pooling agreement with MTN which enables Cell C and MTN to combine their spectrum allotments into a wider combined spectrum band, which has contributed to increased speeds for both MTN and Cell C's mobile data services.

The initial period of the MTN services and roaming agreements runs until 2032 (per the third addendum signed on or about 5 February 2021), during which time the parties do not have a contractual right to withdraw from the relationship. MTN may end the relationship starting in 2032, subject to having given notice per the terms contained in the agreement. The agreements give both parties the right to initiate a review of the services agreement before the end of 2025 on a limited number of technical grounds, such as ability to provide necessary capacity, and set out a process to negotiate appropriate amendments to the agreements to remedy any issues. However, if the parties are not able to reach agreement to remedy the issue under review by 31 December 2025, either party may terminate the services agreement without liability to the other party with effect from 31 December 2027. The roaming agreement would terminate automatically at the same time. While the services and roaming agreements are mutually beneficial and the agreements contain technical constraints meant to limit any technical issues, there can be no assurance that MTN will not withdraw from the services and roaming agreements with Cell C at or after 2032 or earlier pursuant to the review process.

The initial period of Cell C's roaming agreement with Vodacom runs until 2029, during which time the parties do not have a contractual right to withdraw from the relationship. In 2029, this agreement will renew automatically for an indefinite period, but Vodacom may end the relationship starting in 2029, subject to having given notice per the terms contained in the agreement. On termination, the Vodacom agreement provides for an up-to six-month transition period to facilitate transfer of the services. While this agreement is mutually beneficial, there can be no assurance that Vodacom will not withdraw from its roaming agreement with Cell C at or after that point.

If either MTN or Vodacom were to withdraw from their respective agreements with the Group, the Group would either have to rely exclusively on the remaining MNO in order to provide services to its customers, contract with other MNOs to provide similar replacement services or build out its own physical RAN infrastructure. There are limited numbers of MNOs that could provide similar services as those provided currently by MTN and Vodacom to the Group and, while the Group believes that it can offer attractive terms to other MNOs, there is no guarantee that the Group would be able to replace these services in a timely manner or at all. There could also be delays in transitioning from existing MNO relationships to other service providers or for the Group to build out its own active infrastructure, which could cause interruptions in the Group's ability to provide services to customers and its ability to conduct its business operations. Building out infrastructure could also be significantly more expensive than the current arrangements. See "*Part VII – Business of the Group – Overview of Business Operations*" and "*Part VII – Business of the Group – Relationship with MNOs*" of this Pre-listing Statement.

Under its agreements with MTN and Vodacom, Cell C must provide periodic traffic forecasts to enable the provision of adequate capacity at the agreed quality of service. There can be no guarantee that these traffic forecasts will be correct which could result in a lower quality of service for Cell C's subscribers, which would impact Cell C's reputation with subscribers and customer satisfaction, or could result in Cell C paying for capacity that is unused.

In addition, Vodacom has brought a legal challenge against the regulator's approval of the spectrum pooling arrangements between MTN and Cell C. It is possible, if Vodacom is successful in its application, that Cell C and MTN would be required to end their spectrum pooling arrangements, which could have a material adverse effect on the speed of service that Cell C can provide on MTN's network which carries the majority of Cell C's traffic. See the risk factor entitled "*Cell C is subject to the risk of litigation and other claims*".

The RANs operated by MTN and Vodacom may be subject to interruptions, or delays caused by human or technical errors, or other factors, including damage from fire, earthquakes, or other natural disasters, power loss, sabotage, attack, computer hackers, cyberattack, computer viruses, and other similar events. While Cell C is able to switch its customers between the RANs of MTN and Vodacom, if Cell C were to lose access to both networks for any reason, Cell C would be unable to provide mobile services to any customers in the affected areas until such access was restored or until Cell C could secure services through an alternative MNO. If Cell C's MNO partners experience any of these incidents and are not able to repair or re-establish their RANs in a timely manner or at all, Cell C's ability to provide services to customers will suffer. As a result, the credibility of Cell C's network and customer satisfaction could decrease significantly, which could have a material adverse effect on Cell C's business and results of operations.

Cell C's dependence on third-party service providers, including fibre network partners, could prevent it from continuously providing services to its customers which could result in decreased sales and revenue and loss of market share.

In addition to its MNO partners, Cell C's business is dependent on a number of other partners and service providers for the provision of its services and continuing Company operations.

Cell C provides fixed broadband services by reselling the services of a number of third-party fibre network operators ("**FNOs**") for its fibre home broadband product and through the services and roaming agreements with MTN and Vodacom (described in the risk factor title "*Cell C's business dependence on its MNO partners could prevent it from providing services or continuously providing services to its customer, which could impact on its ability to operate as an MNO or result in decreased sales and revenue and loss of market share*") for its fixed wireless home broadband product. Cell C purchases home broadband equipment from third parties and may purchase fixed wireless broadband services from Vodacom. See "*PartVII – Business of the Group – Overview Of Business Operations – Fixed*" and "*Part VII – Business of the Group – Relationship with MNOs*" of this Pre-listing Statement.

Cell C relies on other third-party service providers such as data centres, dark fibre providers, managed fibre providers, call centres (both sales and customer service) and payment processors. In particular, Cell C is dependent on fibre providers, such as Dark Fibre Africa, Seacom, Liquid and Openserve, for long-haul and inter-datacentre connectivity. While there are a number of providers of these services in the market, in the event that one or more of Cell C's providers ceased to provide services for any reason there is no guarantee that Cell C will be able to replace these services in a timely manner or at all and any interruption in these services would negatively impact Cell C's ability to conduct its business operations, make sales and provide customer service.

Cell C is reliant on electronic payment methods. Any failure of Cell C's payment processing systems, whether caused by a systems failure or otherwise, will adversely affect its income in the short-term and may result in it losing customers which may have a material adverse effect on its financial condition and prospects.

Cell C also relies on software and services provided by Huawei Corporation ("**Huawei**") to operate its technology systems, including its core and transport network infrastructure and many of its backend business operations. See the risk factor entitled "– *Cell C relies extensively on technology and information systems to operate its virtual network, process transactions, compile and report its results, and manage its business. These systems are interdependent, and disruptions in the network technology infrastructure that Cell C uses, including those provided by third parties, could materially adversely affect its business, results of operations, and financial condition*". Cell C also is in the early stages of working with technology partners to provide additional hardware or software products and services that Cell C itself does not provide.

If the FNOs or other third-party service providers elect not to renew Cell C's service agreements or to replace existing terms with less favourable ones, Cell C may have no means of replacing these services on a timely basis or at all, which may adversely affect its business, financial condition, and results of operations.

In addition, the services provided by Cell C's FNO partners and other third-party service providers may be subject to interruptions, errors, or delays with respect to their backbone network or service facilities caused by interruptions, errors, or delays with service facilities, or natural factors, including damage from fire, earthquakes, floods or other natural disasters, power loss, sabotage, computer hackers, cyberattack, human error, computer viruses, construction activities, and other similar events. This is particularly true of the services provided through the data centres that Cell C uses, which may have limited or no redundancy in the event of a fault.

If Cell C's FNO partners and other third-party services providers experience any of these incidents and are unable to repair or regain stable networks, facilities or services in a timely manner or at all, Cell C's operations supported by these service providers will suffer. As a result, the credibility of Cell C's network and customer satisfaction could decrease significantly, which could have a material adverse effect on Cell C's business and results of operations.

Cell C relies extensively on technology and information systems to operate its network, process transactions, compile and report its results, and manage its business. These systems are interdependent, and disruptions in the network technology infrastructure that Cell C uses, including that provided by third parties, could materially adversely affect its business, results of operations, and financial condition.

Cell C relies on an extensive array of enterprise-wide technology and technology systems (including servers, networks, cloud infrastructure, applications, websites, and databases) that are essential to the operation and management of its activities, including the operation of its network, store management, sourcing, purchasing, distribution, sales, data analytics, invoicing, financial reporting and consolidation, as well as electronic data exchange and access to internal information, all of which provide necessary information upon which management makes its business decisions. Much of this technology infrastructure relies on software and services provided, and maintained, by Huawei, as well as other third-party providers. See the risk factor entitled "*Cell C's dependence on third-party service providers, including fibre network partners, could prevent it from continuously providing services to its customers which could result in decreased sales and revenue and loss of market share*".

While Cell C has upgraded a number of its critical network and business systems over the past several years, including its prepaid CRM, prepaid charging and billing system and its hosted MVNO CRM and MVNO charging and billing system, Cell C still relies on several technology systems and components that are at the end of their operational lives and are no longer, or will soon no longer be, supported by their suppliers. For example, Cell C's postpaid CRM and postpaid charging and billing system is no longer supported by Huawei as standard practice. In order to continue to operate these systems, Cell C has had to enter into additional maintenance agreements with Huawei and its other suppliers which increases Cell C's operating cost. In addition, technology systems and components that are at the end of their lives are more prone to failure than other systems and components. There can be no guarantee that these, or other systems, on which Cell C relies will not fail or require more than usual maintenance to operate. To the extent that any of these systems, technologies, or programmes do not function properly and Cell C and its technology providers cannot remedy the fault, Cell C may experience material adverse effects on its business that require substantial additional investments to remedy, or which it may not be able to remedy at all. These may include business interruptions to the systems on which Cell C relies to provide services, process payments and for other activities, leading to material loss of new customers and existing customer dissatisfaction.

There also can be no guarantee that Cell C will be able to successfully upgrade or replace these systems in a timely manner or at all. If not managed effectively, upgrades could exceed budget, take longer than anticipated, or fail to deliver the expected benefits. Additionally, the process of upgrading or maintaining such systems can lead to system downtime, during which Cell C's operational capabilities could be impaired, potentially resulting in productivity loss, disruption of its supply chain, and customer service issues. There is also the risk that any upgrades to technology systems may not integrate well with Cell C's existing technology infrastructure, leading to further operational disruptions and additional costs. Ineffective implementation could result in data loss or data integrity issues, which could impact decision making processes and lead to operational errors. Critical systems expected to be upgraded in the next 12 months include Cell C's voicemail platform, call centre telephony and workforce management, mediation platform and MVNO service control point.

Cell C's technology infrastructure is also exposed to operational risks, such as the breakdown or failure of equipment, interruption of power supplies or processes, fires, earthquakes, floods or other natural disasters, intentional destruction and vandalism of property, cyberattacks and industrial accidents.

The effects of load-shedding are compounded by Cell C's reliance on technology systems. See the risk factor entitled "*Cell C's operations in South Africa have been, and may continue to be, adversely affected by load-shedding, and fluctuating utility costs*". In particular, prolonged power outages may not only create interruptions to Cell C's own network and systems but may also affect third-party systems and infrastructure, such as other internet and telecommunication networks, on which Cell C relies for network infrastructure, processing payments and other activities, leading to material loss of new customers and existing customer dissatisfaction. In addition, any such interruptions may affect Cell C's operation of its network, store management, website operations, sourcing, purchasing, distribution, sales, data analytics, invoicing, financial reporting and consolidation, as well as electronic data exchange and access to internal information. In these instances, Cell C may be unable to resume network operations, store operations or online operations, in part or entirely, even if back-up power generators are available, until such third-party systems and infrastructures are back online.

Any such event could have a material adverse effect on Cell C's brand, business, financial condition, results of operations, and prospects.

A failure in the operations of Cell C's networks, gateways to Cell C's networks or the networks of other operators could cause interruptions in, or a degradation of, the services that Cell C provides to its customers which could adversely affect the business, financial condition, results of operations and prospects of Cell C.

Cell C depends on the uninterrupted operation of Cell C's vRAN hosted by MTN's and Vodacom's RANs to provide services to its customers. From time to time, customers have experienced blocked or dropped calls, interruptions or slow data speeds because of network capacity constraints and/or failures. Cell C may not be able to improve or maintain the performance of its network at current levels, particularly if Cell C's traffic volume grows significantly beyond its capacity, and MTN and Vodacom may have the same constraints. For example, growth in data services and consequently data revenue has at times been constrained in South Africa as a result of slow data speeds resulting from increasing customer use, amongst other factors. Additionally, spectrum capacity may not become available, which may result in an inability to keep up with customer demand until Cell C or its MNO partners densify their networks. Since the South African market is predominantly a pre-paid market with a small proportion of fixed-term contracts, network outages or other issues can have a particularly significant impact as customers may choose an alternative service provider, and Cell C may need to engage in costly marketing activities to attract, retain or re-acquire customers. Furthermore, a large number of customers have dual SIM devices that enable them to use multiple service providers at the same time, without difficulty. Any loss of customers or additional costs as a result of such issues may have a material adverse effect on Cell C's brand, business, financial condition, results of operations and prospects.

Cell C also relies on the interconnection of its core network with the networks of other telecommunications operators and carriers to transmit calls and data from its customers to the customers of other operators, both within South Africa and internationally. While Cell C has interconnection and international roaming agreements in place with a number of other telecommunications operators, Cell C has no direct control over the quality of the networks on which its customers' communications terminate. Any difficulties or delays in interconnecting with other networks and services, or the failure of any operator to provide reliable interconnection or international roaming services to Cell C on a consistent basis, could result in a loss of customers or a decrease in traffic, which could materially adversely affect its business, financial condition, results of operations and prospects. One area of particular focus is fraudulent traffic on the networks of telecom providers. Any material incidents of fraudulent traffic on Cell C's network may lead not only to revenue losses for Cell C but also to potential losses for interconnection partners which may result in claims against Cell C or suspension of interconnection with Cell C's network.

Cell C's network, including its IT and infrastructure, as well as its MNO partners' networks and the networks of other operators with whom it interconnects, are vulnerable to damage or interruptions in operation from a variety of sources including earthquakes, fires, floods, power loss, equipment failure, network software flaws, transmission cable disruption or other similar events. Any interruption in the operations of Cell C or the provision of any service, including for a short period of time, whether from operational disruption or otherwise, could damage Cell C's ability to attract and retain customers, cause significant customer dissatisfaction and have a material adverse effect on Cell C's brand, business, financial condition, results of operations and prospects.

Cell C's percentage ownership by historically disadvantaged persons may fall below ICASA's 30% HDP ownership threshold requirement.

Cell C's percentage ownership by historically disadvantaged persons ("**HDPs**") may fall below ICASA's 30% HDP ownership threshold requirement.

Over and above the general B-BBEE framework described in "*Part VI – Regulatory Considerations – Broad-Based Black Economic Empowerment and Transformation*", binding B-BBEE obligations have been imposed by ICASA on all individual licensees under sector-specific laws. Under these requirements, Cell C is required to maintain a minimum of 30% effective ownership by HDPs (including but not limited to Black People) and to maintain a level 4 B-BBEE status as a minimum. A failure by Cell C to maintain HDP ownership at the prescribed level, could lead to the imposition of significant regulatory fines on Cell C. In addition, it could affect Cell C's ability to secure or maintain licences to provide services or use spectrum.

As Cell C will, once the Restructuring is completed, be wholly owned by the Company, Cell C's ultimate shareholders will be the shareholders of the Company. To avoid Cell C's effective ownership by HDPs from falling below 30% on Admission, BLU has agreed to put in place an empowerment structure whereby TPC will sell a percentage of its Ordinary Shares to a newly established BEE special purpose vehicle (the "**BEE SPV**"), as described in further detail in "*Part VI – Regulatory Considerations – Broad-Based Black Economic Empowerment and Transformation*". The BEE SPV will acquire shares from TPC at the Offer Price with loan funding from TPC. As of the date of this Pre-listing Statement, this empowerment structure has not yet been implemented but the intention is that it will be completed by Admission.

If, however, at Admission, the empowerment structure is not in place, Cell C may not be 30% HDP-owned and may be in breach of ICASA's 30% HDP ownership requirement. A breach of its obligations under ICASA's ownership requirements may lead to penalties including a maximum fine of up to 10% of Cell C's annual revenues generated from licensable activities. Breaching the requirement could also place the success of applications for license renewals in 2029 at risk if the contravention is not remedied. See the risk factor entitled "*Cell C may not be able to obtain or renew permits, concessions, licences or other agreements it relies on to operate its business on equally favourable terms or at all".*

If Cell C's effective HDP shareholding falls below 30% because the empowerment structure discussed above is not put in place in time or at all, or for any other reason, the Company may be required to undertake a new B-BBEE transaction which may involve an issue of new Ordinary Shares, or the sale of Ordinary Shares, at below the Offer Price or below the ruling price for the Ordinary Shares on the JSE and/or the Company may need to undertake a B-BBEE transaction aimed at increasing its percentage HDP ownership in order to meet the 30% threshold which may have a dilutive effect on the Company's share price or may reduce the value of the assets held by the Company.

Any of the above could have a material adverse effect on the Company's brand, business, financial condition, results of operations, and prospects.

Cell C faces increased competition from established telecommunications operations and non-traditional Over-the-Top ("OTT") telecommunications players.

Cell C operates in an increasingly competitive environment, including competition from established MNOs, and MVNOs reselling services other than Cell C's. These major competitors may have greater brand recognition, larger customer bases, and a larger pool of technology human resources, including application development engineers, than Cell C does. They may also have more extensive financial resources to fund advertising, acquire additional spectrum, invest more heavily in their networks and research and development, and reduce prices to retain existing customers and attract new customers.

Cell C competes with these market participants on brand name, quality of services, level of expertise, advertising, product and service innovation, and differentiation of product and services. Some segments of customers (such as postpaid customers) may be willing to pay a premium for brands that are perceived to have better network coverage, products or other services or brands that are perceived to have a superior enterprise or business segment offering than Cell C. Conversely, other customer segments (e.g., prepaid customers) are more price sensitive and may be attracted to other competitors offering more economical services (such as data only services). As the number of market participants increases, it becomes increasingly difficult to differentiate Cell C's offerings and maintain its customer base.

The continuing trend toward business combinations, consolidation and strategic alliances in the telecommunications and media industries has also created increased competition, including from non-conventional and OTT players (including internet-based alternatives to traditional telephony services) such as social networking sites, voice, video and messaging applications, and video-on-demand services. OTT players, such as, among others, WhatsApp, can reduce revenue for network operators such as Cell C by shifting voice calls to VOIP systems using data which produce a smaller margin or by shifting both voice calls and text messages entirely off of mobile network systems and onto Wi-Fi networks.

Moreover, while Cell C seeks to partner with new and emerging telecommunications companies in South Africa, new entrants into the South African telecommunications market with new or enhanced technologies may increase competition and weaken Cell C's position and profitability. Cell C may face competition from new technologies that are currently unknown, unforeseen, or only emerging, such as low earth orbit ("**LEO**") satellite technologies. For example, SpaceX Starlink, which delivers broadband internet through LEO satellite technologies has indicated that it wants to operate in South Africa and to obtain licences to provide satellite broadband and backhaul services across South Africa and is currently technically able to deliver services across most of South Africa. SpaceX Starlink states that users can expect to see download speeds of 25–100 Mbps for its residential services, and 40–220 Mbps for its business services. SpaceX Starlink may have a competitive advantage over traditional mobile service providers, particularly in more rural regions where mobile tower coverage is sparse. Other emerging LEO operators may also enter the South African market, further driving competition.

Increased competition may lead to increased customer churn, a reduction in the rate at which Cell C is able to add new customers, a decline in customer numbers and a decrease in Cell C's market share as customers purchase telecommunications services, or other competing services, from other providers and/or increasingly switch between providers based on pricing and/or the products and services that are offered. There can be no assurance that Cell C will not experience increases in churn rates, reflecting increased numbers of customer deactivations and inactivity, particularly as competition for existing customers intensifies. An increase in churn rates may result in lower revenue and may consequently have a material adverse effect on Cell C's business, its financial condition, results of operations and prospects.

There can be no assurance that Cell C will be able to compete successfully against current or future competitors, and such competitive pressures could have a material adverse effect on its business, financial condition, and results of operations.

If Cell C does not continue to provide products or services that are technologically current and otherwise useful and attractive to its customers, Cell C may not remain competitive and its business, financial condition, results of operations and prospects may be adversely affected.

Cell C's commercial success depends on its ability to provide services such as mobile voice, data and digital services to its customers and partners, such as MVNOs, at a competitive cost. Most of the services offered by Cell C are technology-intensive and the development or acceptance of new technologies may render such services non-competitive, replace such services or reduce prices for such services. The telecommunications industry is characterised by an increasing pace of technological change and advancement in existing mobile systems and industry standards combined with ongoing improvements in the capacity and quality of technology to cater to changing customer and partner needs. As new technologies develop, Cell C's software and equipment may need to be replaced or upgraded, Cell C may need to acquire additional licences, increase its equipment capacity and/or its technology and technology infrastructure may need to be rebuilt in whole or in part, or significantly upgraded, in order to sustain the quality of Cell C's services and competitive position. Where Cell C seeks to upgrade its existing mobile and wireless offering, it may be constrained due to its dependence on the physical network infrastructure of MTN and Vodacom. See the risk factor entitled "*Cell C's dependence on third-party service providers, including fibre network partners, could prevent it from continuously providing services to its customers which could result in decreased sales and revenue and loss of market share*". To respond successfully to technological advances and ensure that the quality of Cell C's services and commercial offerings is sustained, Cell C may require substantial investment in and access to related or enabling software and technologies in order to integrate such new software or technology with its existing architecture. If Cell C is unable to anticipate customer preferences or industry or technological changes, or if it is unable to modify its service offerings on a timely and cost-effective basis, Cell C's efficiency and competitive position may suffer.

As changes in technology and services accelerate, Cell C will have to continue to make substantial additional investments in new technologies to remain competitive, as well as to remain compliant with regulations and policies governing the use and operation of such technology. Cell C's operating results will also be negatively impacted if new technologies that it adopts fails to deliver expected performance improvements or cost savings or if new products and services are not responsive to the needs of its customers, are not appropriately timed with market opportunities, are not effectively brought to market or are not priced competitively. The new technologies Cell C chooses may not prove to be commercially successful or profitable. If Cell C is not able to offer compelling products and services, its business, financial condition, results of operations and prospects could be materially adversely affected.

There can be no assurance that existing, proposed or undeveloped technologies will not become dominant in the future and render the technologies used by Cell C useless, commercially unviable or non-profitable or that Cell C will be successful in responding in a timely and cost-effective way to keep up with new developments. As telecommunications technologies continue to develop, Cell C's competitors may be able to offer telecommunications products and services that are, or that are perceived to be, substantially similar to or better than those offered by Cell C. If Cell C is not successful in anticipating and responding to technological change and resulting consumer preferences in a timely and cost-effective manner, its quality of services, business, financial condition, results of operations and prospects could be materially adversely affected.

Cell C has recently been the subject of a cyberattack which has had an adverse effect on its reputation and business; and continues to face various cybersecurity risks which, if not adequately addressed, could have further adverse effects on its business.

In November 2024, Cell C was the subject of a malicious cybersecurity breach by a criminal group. The attack resulted in the theft of up to 2TB of data, including personal details of customers such as names, contact details, identity numbers, banking details, driver's licence numbers and passport details. It is not clear how many customers were affected. Some of the stolen information was published on the dark web. In response, Cell C has engaged cybersecurity and forensic experts to support containment and response; it has notified, and is cooperating with, the South African Information Regulator and other relevant authorities; and it has communicated with affected stakeholders to provide findings and guidance.

Cell C continues to face various cybersecurity risks that could result in business losses, including contamination (whether intentional or accidental) of its networks and systems by third parties with whom Cell C exchanges data, equipment failures, unauthorised access to, and loss of, confidential customer, employee, and/or proprietary data by persons inside or outside Cell C. Cell C is also exposed to cyberattacks causing systems degradation or service unavailability by malicious third parties, and infiltration of malware (such as computer viruses) into its systems.

The costs associated with the November cyberattack included costs for engaging cybersecurity and forensics experts, costs associated with engaging with relevant authorities, costs associated with identifying theft detection and prevention amounted to ZAR7 million as of 31 May 2025. Cell C may also incur further costs related to this incident in the future. See the risk factor entitled "*Cell C may be adjudged to have breached customer privacy law and information security requirements, which may materially adversely affect its reputation, lead to customer lawsuits and loss of customers, or hinder its ability to gain new customers and thereby materially adversely affect its business*". In addition, Cell C's reputation and consumer confidence in the Cell C brand may suffer as a result of the cyberattack, potentially increasing customer churn or reducing new customer adoption. The Information Regulator has issued an interim report to Cell C in respect of the cybersecurity breach. The report sets out preliminary findings in respect of Cell C's data processing activities and compliance with POPIA. The Information Regulator has invited Cell C to comment on the report, and Cell C intends to do so. No timeline has been indicated for the release of the final report.

The costs associated with a major cyberattack could also include expensive incentives offered to existing customers and business partners to retain their business, increased expenditures on cybersecurity measures and the use of alternate resources, lost revenue from business interruption, and litigation. The inability to operate Cell C's networks and systems as a result of cyberattacks, even for a limited period of time, may result in significant expenses and/or a loss of market share to competitors.

If Cell C is unable to adequately address the results of the recent cyberattack or other cybersecurity risks, Cell C's reputation may be harmed, it may lose customers, it may face fines and other sanctions from regulators and its operating network and information systems could be further compromised, any of which would have an adverse effect on its business, financial condition, reputation, and results of operations.

Cell C may be adjudged to have breached customer privacy law and information security requirements, which may materially adversely affect its reputation, lead to customer lawsuits and loss of customers, or hinder its ability to gain new customers and thereby materially adversely affect its business.

Telecommunication providers, such as Cell C, are subject to stringent requirements in relation to privacy, data and consumer protection. The regulatory environment governing the use of identifiable personal information of customers, employees and others is complex. Compliance with current and new data protection and information security laws may require Cell C to incur costs to make necessary system changes and implement new administrative processes.

In South Africa, there are several laws regulating the use of personal information that impose data protection requirements and other information security requirements. Where there is unauthorised dissemination of information about Cell C's customers, including their names, addresses, home phone numbers, passport details and/or financial information, Cell C may be adjudged to have breached data protection or privacy laws, information security standards, or cybercrimes laws. In particular, as noted above, Cell C experienced a security breach caused by a malicious hacking incident in November 2024 which led to the disclosure of personal details of an unknown number of customers. See the risk factor entitled "*Cell C has recently been the subject of a cyberattack which has had an adverse effect on its reputation and business; and continues to face various cybersecurity risks which, if not adequately addressed, could have further adverse effects on its business*". While Cell C has not received an indication of any specific action or proceeding against it at this stage, Cell C has been engaging with the Information Regulator, which is investigating the circumstances surrounding the cyberattack and the breach of security of Cell C's database and publication of its customers' personal information may result in fines or other repercussions for Cell C. This breach could also materially adversely impact Cell C's reputation, prompt lawsuits against Cell C by individuals and/or corporate customers, lead to adverse actions by regulators, lead to a loss in customers and/or hinder Cell C's ability to attract new customers. These factors, individually or in the aggregate, could have a material adverse effect on Cell C's business, financial condition, results of operations and prospects.

In addition, along with other telecommunications operators in South Africa, Cell C has recently undergone, and expects to undergo in the future, an assessment by the South Africa Information Regulator regarding its handling of the personal information of its customers and others. While Cell C has not yet received any indication of negative results from that assessment, there can be no guarantee that the Information Regulator will not report that there are, or were, issues with the manner in which Cell C handles, or handled, customer or other information. Any negative finding may lead to requirements to change the manner in which information is handled and, if such changes are not implemented, fines. Any such finding may also have a negative impact on Cell C's brand and customer confidence in Cell C, increasing customer churn and decreasing adoption by new customers.

Cell C's information security requirements have also increased and will continue to increase over time as it expands the scope of its digital services and processes an increasing amount of sensitive personal information, including information related to financial transactions. While Cell C believes the information security procedures and controls that it has implemented in the wake of the recent breach are robust and effective, there can be no assurances that such procedures and controls will be followed at all times and/or will effectively detect and prevent further breaches in privacy laws and other information security requirements.

Cell C's compliance and risk management programmes might not be effective and may result in outcomes that could adversely affect its reputation, financial condition, and results of operations.

Cell C's ability to comply with applicable laws and rules is largely dependent on its establishment and maintenance of compliance, review, and reporting systems, as well as its ability to attract and retain qualified compliance and other risk management personnel. There can be no assurance that Cell C's compliance policies and procedures will always be effective or that it will always be successful in monitoring or evaluating its risks. In the case of alleged non-compliance with applicable laws or regulations, Cell C could be subject to investigations and judicial or administrative proceedings that may result in substantial penalties or civil lawsuits, including by customers, for damages, which could be significant.

Historically, Cell C has sought, and will in the future seek, to manage its exposure to losses through internal enterprise risk management frameworks and methodologies. These methods may not predict future exposures, which could be significantly greater than anticipated. Cell C's risk management methods depend on the evaluation of information that is publicly available or otherwise accessible to Cell C and its successful implementation of risk policies. This information may not always be accurate, complete, up-to-date or properly evaluated. Any upgrades or changes to Cell C's risk management methods might not be successful. Further, insufficient resources and cost-optimisation initiatives could adversely impact Cell C's ability to implement its risk framework and manage the risks to which its business is subject. Accordingly, if the estimates and assumptions that Cell C enters into its risk models are incorrect, if such models prove to be an inaccurate forecasting tool or if Cell C fails to successfully implement the risk policies and framework, the losses Cell C might incur could be materially higher than its expectation of losses, and its business, financial condition, results of operations and prospects could be materially adversely affected.

Cell C maintains and regularly reviews internal controls over its financial reporting, risk elevation and corporate compliance. However, these internal controls have inherent limitations. They are processes that involve human diligence and compliance and may be subject to lapses in judgment and breakdowns resulting from human failures. In addition, they can be circumvented by collusion or improper management oversight. A failure to detect or correct deficiencies and weaknesses in a timely manner could have an adverse effect on the accuracy of financial reporting. A failure to adequately monitor compliance with applicable laws and regulations could have a material adverse effect on Cell C's business, financial condition, results of operations and prospects. Although Cell C has undertaken organisational changes to strengthen its compliance with laws and regulations, there can be no assurance that such changes will eliminate the risk of a failure in risk elevation and corporate compliance or prevent enforcement actions by regulators, impositions of fines, or reputational damage, among others.

Any of these outcomes may adversely affect Cell C's reputation, financial condition, and results of operations.

Any decline in demand for, or revenue from, voice services, data services or digital services could harm Cell C's business.

While the greater part of Cell C's revenue in the year ended 31 May 2025 came from data services, voice services in general provide a greater margin than data services. Demand for traditional voice services is generally declining across the telecommunications industry, due to increased use of OTT and other data-based voice services. At the same time, there is an upward demand for data services. Any further shift away from voice services will reduce Cell C's average revenue per user, all else being equal. A decline in demand for voice services across the industry may also lower the revenues Cell C generates from voice call termination services.

In addition to shifting customers from traditional mobile voice services to data services, OTTs and other non-traditional players can contribute to a reduction in revenue from data services, as customers shift to OTT and data-based voice services over Wi-Fi rather than over mobile networks. Any further decline in demand for traditional voice services or data services could have a material adverse effect on Cell C's business, financial condition, results of operations, prospects and revenue stream mix.

Cell C's customer base, its operations and distribution partners are all located in South Africa; therefore its current business and future growth could be materially and adversely affected if it experiences a decline in customers in South Africa.

Cell C's customer base, operations and distribution partners are all located in South Africa. Cell C expects to continue to derive all or almost all of its revenue from South Africa in the foreseeable future. Cell C's current business and future growth could be materially and adversely affected if it experiences a decline in customer sales or engagement in South Africa.

Due to the importance of the South African market to Cell C's business, Cell C is also subject to macroeconomic risks specific to South Africa. See the risk factor entitled "*General economic, political, and market conditions may have an adverse impact on Cell C's operating performance, results of operations, and cash flow*" below.

Cell C's marketing campaigns, communications strategy and marketing investment may prove ineffective or insufficient and could adversely affect its business, financial condition, results of operations and prospects.

Cell C's ability to drive consideration, preference, and customer acquisition, and therefore revenue, depends to a certain extent on the success of sustained brand and marketing activity and its communication strategy. Cell C uses various marketing platforms across physical and digital channels as part of its marketing approach, including brochures, digital marketing events, television and radio campaigns, social media, internet advertising, direct mailing, text messaging and visual merchandising.

From time to time, Cell C will need to refresh or reinvent its marketing campaigns, which will require additional expense. If one of Cell C's marketing campaigns is less successful than anticipated, the investments made will turn out to be ineffective and Cell C could face reputational harm, a decrease in customer demand and a resulting decline in revenue which, especially if marketing campaigns repeatedly prove ineffective, may have a material adverse effect on Cell C's business, financial condition, results of operations and prospects.

If Cell C's investment in brand and marketing activities falls behind those of its competitors, who may have greater financial resources than Cell C, Cell C's perceived market presence may decline and its ability to reach target audiences may suffer. This could also erode Cell C's brand salience, impact Cell C's position in industry rankings and erode brand equity, which could have a negative impact on perception of the brand and weaken the Group's pricing power. This could require the Group to become more reliant on promotions, experience higher acquisition costs, and see reduced sales velocity, which may adversely affect revenue, margins, and cash flows. Competitive counter-spend, inflation in media costs, and changes in digital platforms may further dilute the impact of the Group's campaigns. While Cell C employs a number of efficiency initiatives in its marketing activities such as proof-first bursts, creative effectiveness, or targeting, there can be no assurance that these initiatives would offset a sustained spending deficit compared to its competitors. Failure to invest at competitive levels could also impair long-term brand valuation indicators and the Group's ability to achieve strategic goals. See "*Part VII – Business of the Group – Marketing: Customer Research And Insights, Brand, Marketing, Corporate Affairs And Digital*".

Cell C's business depends on a strong brand recognition, and if it fails to respond to customer requirements or is not able to maintain and enhance its brand, its business and results of operations may be harmed.

Management believes that recognition of Cell C's brand contributes significantly to the success of the business. Management also believes that maintaining and enhancing the Cell C brand is critical to expanding its customer's base. While Cell C's brand has recently been highly rated in South Africa, there was a period, prior to Cell C's move to outsource its physical RAN, during which there was a perception among some consumers that Cell C's network was less reliable than those of other providers. While Cell C has invested extensively in enhancing its brand and educating consumers about the reliability of its network, there is no guarantee that Cell C will be able to dissociate its brand from this perception without extensive further marketing investment or at all. In addition, the recent cyberattack on Cell C has had, and may continue to have, a negative impact on Cell C's brand. See the risk factor entitled "*Cell C has recently been the subject of a cyberattack which has had an adverse effect on its reputation and business; and continues to face various cybersecurity risks which, if not adequately addressed, could have further adverse effects on its business*". Since the South African market is predominantly a pre-paid market in which a large number of customers have dual SIM devices that enable them to use multiple service providers at the same time, without difficulty, customers tend to be less brand loyal than in other markets. Therefore, any perceived or actual issues with service or reliability of Cell C's network in the market may cause customers to shift away from the Cell C brand and it may be difficult to entice customers back to the brand without extensive marketing cost or at all.

As the market becomes increasingly competitive, maintaining and enhancing Cell C's brand will depend largely on Cell C's ability to fund advertising and marketing and promote its services and brand through, among other things, social media platforms, which may be increasingly difficult and expensive. Among other things, the proliferation of MVNO brands in the market is leading to an increasingly difficult environment to raise the profile of telecommunications brands. Cell C intends to engage with its existing and potential customers to receive real time feedback on its services. However, Cell C cannot guarantee that the expected results will be achieved.

If Cell C is unable to maintain and enhance a strong brand recognition, or fail to respond to customer requirements, it may lose its competitive edge and may not be able to maintain or increase its customer base. As a result, its brand, business, and results of operations may be materially and adversely affected.

If Cell C fails to maintain its retail channels, its business, financial condition, and results of operations could be materially and adversely affected.

Cell C's retail channels are critical to its business as Cell C acquires significant numbers of customers and enhances brand recognition through these retail channels. As of the date of this Pre-listing Statement, Cell C's retail channels included 43 directly-owned stores, 61 franchise stores, 7 984 distribution partner locations (including department stores and banks) and its online storefront. If any of these sales channels ceases operations or suffers business interruptions, Cell C may lose customers and its corporate image and credibility may suffer, which could have a material and adverse effect on its business and results of operations.

Moreover, Cell C intends to expand its retail channels by upgrading its online storefront channel and increasing its presence with third-party distribution partners, such as PEP Stores, a chain of retail stores in South Africa owned by Pepkor Holdings Limited ("**Pepkor**"). There can be no guarantee that Cell C will be able to successfully upgrade its digital channel or to increase its presence with these or other third-party distributors and, even if successful, there can be no guarantee that these changes will deliver increased sales or revenue for Cell C.

The number and timing of the opening of new owned store and franchise stores may be impacted by a number of factors, including:

- Cell C's ability to increase brand awareness;
- locations and the size of new stores;
- competition in local areas where stores operate;
- the negotiation of acceptable contractual terms, such as incentives and fees; and
- the hiring, training, and retention of store management and other qualified personnel.

Unavailability or delays in engaging new stores, failure to effectively operate Cell C's online store, failure to broaden Cell C's partner distribution channels or delays or costs resulting from a decrease in commercial development due to capital constraints, difficulties in staffing, or a lack of customer acceptance may negatively impact Cell C's new retail channels growth, which could have a material and adverse effect on its business and results of operations.

Cell C depends on the services of key personnel and its business, and growth strategy could be materially harmed if it was to lose these individuals and was unable to replace them with individuals of equal experience and capabilities.

Cell C depends on the services of key personnel, in particular senior executives, highly qualified managers and technically proficient specialists, such as data analysts, ("**Key Personnel**") and its business and long-term strategy could be materially harmed by the loss of such individuals to competitors, other employers or as a result of emigration, if the Group is unable to replace them with executives and managers of equal experience and capabilities. Cell C's success depends, in part, upon the continued services of its Key Personnel to operate the business and execute Cell C's strategic initiatives. The Key Personnel's knowledge of the market and Cell C's business represents a key strength of Cell C's business model, and Cell C's experience and human capital serve as a barrier to entry to potential competitors. The success of Cell C's long-term strategy and future growth also depends on its ability to attract, train, retain and motivate its Key Personnel. There can be no assurance that any of Cell C's Key Personnel will continue to be employed by it or that Cell C will be able to attract and retain appropriately qualified personnel in the future. The loss of one or more Key Personnel, or the failure to attract and retain additional Key Personnel, could have a material adverse effect on Cell C's business, financial condition, results of operations, and prospects. This could also result in additional duties for the remaining members of management, which could, in turn, have a material adverse effect on Cell C's business, financial condition, results of operations, and prospects. In addition, Cell C's physical stores' reputation and successful operation are dependent on the quality of service performed by the management and sales personnel. To provide a positive customer experience and keep physical stores' performance consistent with Cell C's culture and standards, Cell C offers direct training to sales personnel for its directly operated stores and provides sales guidance and manuals to franchise stores. If Cell C fails to attract, train, or retain qualified management and sales personnel, its physical stores' performance will be negatively impacted, resulting in loss of customers and decline in revenue, which could have a material and adverse effect on its business, financial condition, results of operations.

A significant disruption in Cell C's workforce or the workforce of its suppliers or a failure to extend, renew, or renegotiate trade union agreements could lead to labour disputes that might interfere with Cell C's operations or otherwise materially adversely impact its business, results of operations, and financial condition.

As at 31 August 2025, Cell C employed approximately 883 employees. Cell C has experienced, and may experience, labour disputes and it cannot rule out the possibility of industrial action, including work stoppages. Cell C is also exposed to similar risks involving the workforce of its third-party MNO partners, franchisees and its other service providers and suppliers. In particular, industrial action or a work stoppage at one or more of its MNO partners or its technical service providers, suppliers or contractors would impact Cell C's ability to provide mobile services, supply fixed internet services, supply its stores or online orders and as a result could have a pronounced effect on its operations. As Cell C does not directly control its MNO partners, FNO suppliers, franchisees, service providers, suppliers or contractors, it has limited information on labour relations between such entities and their respective workforces.

As at 31 August 2025, 26.6% of Cell C's employees were members of the Information Communication Technology Union, a trade union, with whom Cell C has a Collective Recognition Agreement.

If Cell C seeks to renegotiate employee terms and conditions or otherwise is unable to maintain satisfactory employee and labour relations, the results could include work stoppages, strikes or other industrial action or labour challenges (including higher labour costs), any of which could materially adversely affect its operations. As a result, any deterioration in Cell C's relationships with its employees, trade union, and other employee representatives could have a material adverse effect business, results of operations and financial condition.

From time to time, disagreements and other disputes may emerge with Cell C's workforce. These could include, *inter alia*, disputes with unions, staff industrial action, grievances and referrals to the CCMA. In addition, the outcomes of disagreements or disputes, as well as disagreements or disputes between particular parties in the industry and their staff, while not necessarily involving Cell C directly, could impact Cell C's labour relations.

Cell C cannot assure prospective investors that a future labour disturbance, industrial action, or failure to attract and retain key operative personnel at its or its suppliers' facilities in South Africa or elsewhere would not have a material adverse effect on Cell C's business, results of operations, and financial condition.

Cell C may not be able to obtain or renew permits, concessions, licences or other agreements it relies on to operate its business on equally favourable terms or at all.

The business of Cell C is, and will be, operated under certain permits, concessions, licences, registrations and other agreements that may be difficult to obtain or are subject to periodic renewal and review procedures. In particular, Cell C relies on individual network and service licences to operate its network and provide services to end-users and spectrum licences to use radio frequency spectrum to offer its mobile services through its vRAN and its MNO partners rely on their spectrum licences to provide the roaming services to Cell C that enable Cell C to offer its mobile and wireless services. Spectrum auctions or other processes to assign high-demand mobile spectrum are infrequent. If additional frequency spectrum is required it may not be possible, or be prohibitively expensive, for Cell C or relevant MNO partners to purchase additional spectrum via public auction or private sale, or Cell C or its MNO partners may not be successful in any beauty contest assignment process that is conducted. Other operators, including new entrants, may apply to ICASA for and obtain spectrum that is subsequently allocated for mobile applications which will mean this spectrum is not available for assignment to operators like Cell C or its MNO partners. The inability of Cell C and its MNO partners to obtain additional mobile spectrum may impact on the network quality of their RANs, and the speeds they are able to offer and may increase the capital that Cell C's MNO partners must deploy to densify networks in the absence of additional spectrum, leading to increased wholesale costs for Cell C.

The mobile spectrum licences held by MNOs for 900 MHz, 1800 MHz and 2100 MHz spectrum, including those held by Cell C, expire in 2029 at the same time that their network and service licences expire. Although it is likely that these licences will be renewed, it cannot be guaranteed that this will be the case. Renewal of permits, concessions, licences, registrations or agreements may be conditional on a variety of factors including, in respect of Cell C's spectrum licences, the payment of spectrum fees and conditions relating to deployment and coverage, as well as Cell C's B-BBEE rating and compliance with requirements for a minimum percentage ownership by historically disadvantaged persons ("**HDPs**"). See the risk factor entitled "*A change to Cell C's B-BBEE rating and levels of ownership by Black people in South Africa may adversely affect its reputation, business operations and relationship with the government in South Africa or affect Cell C's ability to secure or maintain registration certificates or licences to provide services or use spectrum or to provide or secure major supply contracts in respect of which B-BBEE is a selection consideration and/or risk it not being in compliance with certain existing contracts*". These permits, concessions, licences, registrations and agreements often contain extensive obligations with which the licensee is required to comply and may also include clauses which allow the grantor (in the case of Cell C's spectrum licences, ICASA) to terminate, revoke or alter them. It is likely that any renewal of spectrum licences will also require compliance with additional conditions. Failure to meet these requirements could also result in fines or other sanctions. Cell C cannot be certain that it will be able to obtain or renew the required permits, concessions, licences, registrations or agreements or continue to satisfy the relevant requirements at the relevant review period or that renewal or continuation of these licences will be possible or on similar or commercially viable terms or at all. It is possible that spectrum licences may be suspended or set aside pursuant to litigation against the regulator which may impact the quality of service and speeds that Cell C is able to offer in respect of its mobile services. See the risk factor entitled "*Cell C is subject to the risk of litigation and other claims*". Failure to obtain, or the loss of, one or more permits, concessions, licences, registrations or agreements may affect the ability of Cell C to offer its services in the ordinary course of business or on the type or characteristics of the mobile and wireless services that Cell C is able to offer, which could have a material adverse effect on Cell C's business, prospects, financial condition and results of operations.

The retirement of certain technologies may also impact Cell C's ability to offer its services to its customers. The South African government is encouraging MNOs to discontinue the use of 2G and 3G spectrum in the short- to medium-term to encourage roll-out of 4G, 5G and other mobile technologies. Many of Cell C's customers have phone handsets that rely on the 2G and 3G networks. If one of the MNOs whose RAN Cell C uses to provide mobile or wireless services were to discontinue 2G or 3G service, before Cell C is able to switch its 2G and 3G customers to other technologies or to another network, Cell C's 2G and 3G customers would experience disruption in, or discontinuation of service, which would have a material adverse effect on Cell C's brand, business, prospects, financial condition and results of operations.

In addition, the emergence of new and/or disruptive technologies and business models may also make frequency spectrum more difficult or expensive to obtain in the future. See the risk factor entitled "*Cell C faces increased competition from established telecommunications operations and non-traditional Over-the-Top ("**OTT**") telecommunications players*" and "*If Cell C does not continue to provide products or services that are technologically current and otherwise useful and attractive to its customers, Cell C may not remain competitive and its business, financial condition, results of operations and prospects by be adversely affected*".

Any failure to realise Cell C's long-term strategy or to achieve any or all of the financial objectives included in this Pre-listing Statement may materially adversely affect Cell C's business, financial condition and results of operations.

Cell C's long-term success is greatly dependent on its ability to build and maintain a large customer base, attract new MVNO partners, diversify revenue sources, and enhance brand recognition. To achieve these goals, Cell C's business and operating strategies include:

- pursuing the expansion of its MVNO offering beyond RAN access and towards value-added services;
- expanding and deepening its relationships with enterprise customers by leveraging its mobile voice and data services to offer services such as unified communications, security, device management, cloud access, IoT and fleet management; and
- driving retail customer growth.

The rapidly changing technology, telecommunications, Internet and MVNO environment means Cell C will need to innovate to remain competitive. However, Cell C may not be able to implement these strategies successfully or realise the anticipated results fully or at all, and the implementation may be costlier or more challenging than initially expected. In addition, Cell C's ability to successfully implement these strategies could be adversely affected by a number of factors beyond its control, including operating difficulties, increased ongoing operating costs, general economic conditions, increased competition, technological changes, and increased dependence on third-party suppliers and service providers. Further, the execution of the Group's long-term strategy could be affected by civil unrest (such as the 2021 civil unrest in South Africa) and other catastrophic events as well by any limitation in the Group's ability to mitigate resulting losses.

The success of the Group's long-term strategy hinges upon the Group's ability to navigate these risks, successfully carry out its comprehensive plans, and adapt to the changing South African telecommunications environment. Failure to do so could have a material adverse effect on Cell C's business, results of operations and financial condition and prospects.

Cell C has also set itself several financial objectives. Cell C's ability to achieve these financial objectives depends on its ability to successfully execute its strategy and on the accuracy of certain assumptions upon which they are based. These assumptions involve factors that are substantially or entirely beyond Cell C's control and are subject to known and unknown risks, including the risks described in this section, uncertainties and other factors that may result in Cell C's inability to achieve its financial objectives. In particular, Cell C's ability to successfully implement its strategy and achieve its financial objectives may be impacted by factors such as general economic and business conditions and competition in industries in which the Group operates, all of which are outside of its control. If one or more of the assumptions that Cell C has made in determining its strategy or setting its financial objectives is inaccurate, or if one or more of the risks described in this section were to occur, Cell C may be unable to implement its strategy or achieve one or more of its financial objectives, which could have a material adverse effect on its business, results of operations, financial condition and prospects.

It may be difficult or expensive to obtain or renew commercial insurance and there can be no assurance that sufficient cover will be secured or maintained.

Cell C maintains insurance in amounts that it believes to be appropriate in relation to the risks commonly insured against by similar businesses and will seek to maintain such insurance. Certain types of risks may be, or may become, however, either uninsurable or not economically viable to insure, as a result of a material change in the way that insurers view Cell C's risk profile or the sector in which Cell C operates. Significant macroeconomic events may also negatively impact the insurance underwriters' solvency and liquidity, and the availability of insurance coverage or the terms on which Cell C can obtain it. For example, as a direct result of the civil unrest in South Africa in 2021, the South African government's public insurer for civil commotion, public disorder, strikes, riots and terrorism, Sasria, incurred losses amounting approximately to ZAR37 billion. There can be no assurance that if such events or similar events reoccur, Sasria or any other insurer will have sufficient liquidity to cover all resulting claims, or that the South African government will provide additional liquidity to cover any such insufficiency, which could result in significant uninsured losses for Cell C, materially impacting Cell C's business, financial condition, results of operations, and prospects.

Even with such insurance in place, the risk remains that Cell C may incur asset losses, income losses or liabilities to partners, clients or customers and other third parties which exceed the limits of such insurance cover or are not covered, in full or part, by it. There can be no guarantee that Cell C will be able to obtain appropriate or sufficient levels of cover on acceptable terms in the future. If any of Cell C's insurers become insolvent, refuse to renew or revoke coverage or otherwise cannot satisfy Cell C's insurance requirements, then Cell C's overall risk exposure and operational costs could materially increase, and Cell C's business operations could be significantly disrupted. In such circumstances, there would be a material adverse effect on Cell C's business, financial condition, results of operations, and prospects.

Cell C depends on its relationship with MVNO HLR's for an increasing portion of its revenue, and any reduction in business with these customers, or failure by such MVNO HLR's to perform or grow, could have a material adverse effect on Cell C's business, financial condition and results of operations.

Cell C generates a material portion of the revenue from its Wholesale business line from providing wholesale mobile connectivity services to corporates including MVNOs and Mobile Virtual Network Enablers ("**MVNEs**") to offer mobile services on a resale basis to their subscribers and customers.

Wholesale revenue contributed 13.2% for the year ended 31 May 2025. In general, Cell C's MVNO HLR's customers are not contractually obligated to guarantee minimum traffic volumes or revenue commitments, and many of these contracts persist for an initial term of 5 years following which the contracts continue indefinitely, unless terminated by either party on written notice to the other. The contracts may only be terminated for cause or, in some of the contracts, where there is an obligation for the MVNO to obtain Cell C's prior written consent in the event of a change of control and this has not been obtained.

Cell C's MVNO HLR's operate in a highly competitive and rapidly evolving market. They face their own operational, financial and regulatory risks, and in many cases, are dependent on price-sensitive or niche consumer segments. If Cell C's MVNO HLR's fail to maintain or grow their subscriber bases, experience financial distress or cease operations altogether, the traffic and revenue Cell C derives from those relationships could decline significantly. In addition, the emergence of new competitive offerings, whether from MNOs, other MVNOs or OTT operators, may reduce demand for wholesale access services and intensify pricing pressure.

Cell C's MVNO arrangements also involve certain operational and reputational risks. Although MVNOs are responsible for customer facing services, end-users may associate service quality, outages, or data privacy issues with Cell C's brand or network. Cell C may also be limited in its ability to enforce quality control or compliance standards on its MVNO customers, which could expose it to regulatory scrutiny or reputational harm.

Any material loss of MVNO customers, reduction in wholesale traffic or rates, or failure to attract new wholesale MVNO customers on acceptable terms could have a material adverse effect on Cell C's revenue and profitability. Additionally, changes in regulations, such as wholesale access mandates or limitations on pricing, could further constrain Cell C's ability to derive value from its MVNO relationships.

Cell C's earnings depend substantially on the success of its formal and informal distribution partners, and Cell C may be harmed by actions taken by the partners, or employees of the partners.

A significant portion of Cell C's mobile and home internet business revenue is generated by monthly usage payments and prepaid charges paid by its customers obtained through its formal and informal partners. Cell C sells its services to Distributors, Banks and through the franchisee and Company owned stores. The onward distribution to the end consumer is through the informal and retail channels through partners such as the such as Pepkor Group (both Flash and the Pepkor retails footprint), Smartcall, DNI The Foschini Group Limited ("**Foschini**"), Shoprite Holdings Limited ("**Shoprite**"), Retailability, Pick n Pay Limited ("**Pick n Pay**"), Nedbank and Standard Bank and the lifestyle division of Pepkor (being Pepkor Lifestyle).

Any business interruptions of these channels could have an adverse effect on the Group's business. It should also be notes that sales to distributors and banks does not match revenue recognition in the financial periods because revenue is recognised on the consumption/utilisation of telecommunications services relating to prepaid revenue. The sales to distributors and banks make up over 95% of sales in a financial year. If Cell C's distribution partners terminate their agreements with it or request more favourable terms than the ones Cell C currently has to renew such an agreement, Cell C's ability to acquire customers will suffer. As a result, Cell C's business and results of operations will be materially and adversely affected.

In addition, although Cell C licenses certain trademarks and trade names, such as "Cell C", and grants permission to use its store management know-how and provides management guidance to franchise stores, franchise stores are independent operators, and their employees are not Cell C's employees. Franchise stores may not operate their stores in a manner consistent with Cell C's standards and requirements or they or their employees may take actions that adversely affect the value of Cell C's brand. While Cell C manages the franchise stores' compliance to obligations to maintain the quality of its brand and comply with their franchise agreements, however, franchise stores may take actions that adversely affect the value of Cell C's intellectual property or reputation or that are inconsistent with their contractual obligations. Although Cell C's franchise agreements permit it to terminate the agreement under certain circumstances, including violation of the agreement by a franchise store or deterioration of financial conditions of a franchise store, there can be no assurance that such remedy will be available or sufficient to prevent or undo harm to Cell C's brand, which could have a material and adverse effect on Cell C's business, financial condition and results of its operations.

Cell C is subject to the risk of litigation and other claims.

From time to time, Cell C is involved in various litigation matters, including, amongst others, contractual disputes, consumer protection, product liability claims, warranty obligations claims, alleged trademark infringements, alleged violations of environmental laws, regulatory investigations and proceedings, market inquiries (including by the South African Competition Commission), health and safety laws, criminal proceedings (such as those relating to injuries suffered by Cell C's employees, which could result in criminal liabilities of Cell C's legal representatives and administrative penalties against Cell C), labour law related claims/ claims with distributors, agents, product developers, other external workers, advisors and sales employees and others. When Cell C determines that a significant risk of a future claim against it exists, Cell C records provisions in an amount equal to the estimated liability. Current material litigation includes:

- MIS litigation: MIS instituted a claim against Cell C in 2023 in which it claims ZAR72 million in respect of an alleged repudiation by Cell C of a lease agreement concluded between the parties in 2014. Pleadings have closed and the matter is currently in pre-trial stage. Any adverse order in the amount of ZAR72 million would have a material effect on Cell C's business and financial condition.
- Vodacom litigation:
  - In May 2024, Vodacom launched a two-part semi-urgent application. In Part A, Vodacom sought interim relief interdicting MTN, Cell C and Liquid from using or transmitting on the radio frequency spectrum bands, namely 900, 1 800 and 2 100 MHz bands, pending the outcome of Part B. In Part B of Vodacom's application, it sought an order to set aside the decision taken by ICASA on 14 June 2022 approving the applications by MTN and Liquid and MTN and Cell C. Part A was heard on 13 August 2024 and 14 February 2025. In the exercise of its discretion and although the court found that Vodacom had made out a case, the court refused to grant the interim relief.
  - The parties are now preparing for Part B of the application in which Vodacom is asking the court to set aside ICASA's approval of the MTN and Cell C spectrum pooling arrangements.
  - An adverse order requiring MTN and Cell C to stop pooling their respective spectrum assignments in the 900 MHz, 1 800 MHz and 2 100 MHz bands would negatively impact the speeds and quality of service that Cell C is able to provide to its wholesale and retail customers, which has been a significant factor in its turnaround. This may result in customer satisfaction decreasing. Any adverse order may have a material adverse effect on Cell C's business, and such adverse effect cannot be quantified at this stage pending the outcome of the litigation.

There can be no assurance that Cell C's provisions will be sufficient to cover its actual litigation costs. In addition, third-party litigation, including litigation related to competition law, antitrust law, tax law and intellectual property law could have an indirect, materially adverse impact on Cell C and the market environment in which it operates.

Intellectual property claims by third parties or Cell C's failure or inability to protect its intellectual property rights could diminish the value of its brand and weaken its competitive position.

Cell C's products, services, websites, or acts conducted in the ordinary course of its business may violate, or be perceived to violate, intellectual property rights of third parties (in particular, copyrights, trademarks, design rights, patents, and software) and it may be, and has in the past been, subject to infringement claims in connection with its marketing and branding materials. It may also be involved in claims raised by third parties against its partners or suppliers. For example, it may be involved in claims regarding products or services supplied by its suppliers that are perceived as infringing intellectual property rights of third parties. Third parties may assert intellectual property claims against Cell C as it expands its business to include new services and continue to develop its sales channels. It may also face claims from its partners, suppliers or competitors if they consider that their intellectual property rights are being misused, especially where those partners, suppliers or competitors have a strong brand image and reputation. Cell C's defence of any claim, regardless of its merit, could be expensive and time consuming and could divert management resources. Successful infringement claims against Cell C could result in significant monetary liability and prevent it from selling some of its products and/or services. In addition, the resolution of claims may require Cell C to abandon the sale or provision of any implicated product or service, redesign its products and services, or acquire licence rights from third parties, which could have a material adverse impact on its business, results of operations, financial condition and prospects.

In addition, Cell C owns or uses a variety of trade names, logos, domain names, service marks, and trademarks in its business and relies on trademark and copyright laws, confidentiality procedures, and contractual provisions to protect its intellectual proprietary rights. Cell C may not have adequate protections for its intellectual property rights, may be accused of infringing intellectual property rights of third parties or may not be able to discover or determine the extent of any unauthorised use of its proprietary right. If Cell C is unable to protect and maintain its own intellectual property rights or its use of the intellectual property rights owned by others, or it is unable to renew its intellectual property rights when they expire, the value of its brands could be diminished, and its competitive position could weaken.

Cell C has been, and may be, subject to audits by the South African Revenue Service ("SARS") and there can be no guarantee that any audit will not result in adverse tax consequences for Cell C.

Cell C is subject to taxation in South Africa and is subject to the jurisdiction of SARS. SARS has the authority to, and does, conduct audits of the tax returns of Company taxpayers in South Africa. SARS has broad powers to conduct audits and to reassess prior tax filings. Under South African law, SARS is authorised to disregard or recharacterise transactions that, in its view, are not in compliance with applicable tax law. If SARS were to determine that certain of Cell C's tax positions should be recharacterised or disallowed, this could result in the imposition of additional taxes, penalties and interest.

As of the date of this Pre-listing Statement, SARS has not informed Cell C of any formal audit in relation to its tax returns. However, the absence of such notification does not preclude SARS from initiating an audit in the future. The outcome of any such audit, if initiated, is inherently uncertain.

Any adverse determination by SARS, or the initiation of a formal audit, could have a material adverse effect on Cell C's business, financial condition and results of operations and could impair Cell C's ability to distribute dividends or to complete future financings or restructurings amongst others.

The occurrence of catastrophic events, such as natural disasters, disruptive geopolitical events, pandemics, epidemics, war, civil unrest and terrorist attacks, and has in the past and may in the future materially adversely affect Cell C's and its stakeholders' (including all suppliers and other third parties on which Cell C relies) business, financial condition, results of operations and prospects.

The occurrence of one or more natural disasters, such as floods (like those that affected Durban, South Africa in April 2022 and January 2024), fires and earthquakes and other natural disasters; geopolitical events; public health emergencies, such as epidemics, pandemics and other contagious outbreaks, such as the global coronavirus pandemic; and catastrophic events, such as war, including the Russia-Ukraine war and conflicts in the Middle East, civil unrest (such as the 2021 civil unrest in South Africa), terrorist attacks or other acts of violence, including active shooter events, knife attacks, as well as protests, strikes, and boycotts have in the past and may in the future materially adversely affect the operations of Cell C and its suppliers and other third parties on whom Cell C relies.

Such events could result in network failures (either of Cell C's core network or virtual network or the networks on which Cell C roams or fibre networks whose services Cell C utilises or sells), closure of, physical damage to, or the complete loss of, one or more of Cell C's and/or its suppliers' (or other third parties on which Cell C relies) properties, limitations on operating hours, workforce shortages, the inability of customers and employees to reach or have transportation to Cell C's stores and facilities, the evacuation of the population from areas in which Cell C's stores and facilities are located, the unavailability of Cell C's online platform, changes in customer purchasing patterns (including the frequency of visits to physical store locations, whether as a result of limitations on large gatherings, travel and movement limitations or otherwise, and usage of telecommunication and internet services) and in disposable income, disruptions to supply and logistics chain, disruptions to utilities for Cell C's stores and facilities, and disruptions to its communications network. Responding to such events and their effects may require a significant amount of management attention and resources, which may disrupt or otherwise have a material adverse effect on Cell C's ongoing business operations.

While Cell C has insurance coverage that management believes to be commensurate with coverage carried by other peers in the industry, Cell C bears the risk of operational interruption and financial losses incurred as a result of damage to, or destruction of Cell C's offices, facilities, stores, distribution centres and/or its suppliers' (including other third parties on which Cell C relies) facilities, loss of inventory, and business and service interruption caused by such events. Any such events could disrupt and materially adversely affect Cell C's business, financial condition, and results of operations. Furthermore, Cell C cannot provide any assurance that it would be able to successfully recover its costs, in full or in part, should it experience an event of the types described above or other business continuity problem. See the risk factor entitled "*It may be difficult or expensive to obtain or renew commercial insurance and there can be no assurance that sufficient cover will be secured or maintained*".

RISKS RELATED TO THE RESTRUCTURING

Cell C may face challenges in the completion of the CEC Acquisition, which could result in additional costs, degrade operations, require substantial time and effort to resolve or result in worse overall performance than anticipated.

If Cell C is unable to complete the acquisition of CEC's business in a timely and cost-effective manner, the potential benefits of the CEC Acquisition, including the estimated revenue and cost synergies Cell C expects to achieve, may not be realised. In particular, Cell C would have to continue to pay TPC for CEC's services as a third-party contractor to Cell C. If the completion of the CEC Acquisition requires more time or resources than originally planned, Cell C's ability to maintain and increase revenues as well as manage its costs could be impaired. Furthermore, Cell C's capacity to expand its business may be impaired. Although Cell C has received certain representations, warranties and indemnities regarding CEC, and it has conducted general due diligence in connection with the CEC Acquisition, such due diligence was necessarily limited. There can be no assurance that Cell C identified all the liabilities of, and risks associated with, the CEC Acquisition or that it will not be subject to unknown liabilities of, and risks associated with, the CEC Acquisition, including liabilities and risks that may become evident only after Cell C has been involved in the management of CEC. Cell C may incur losses in excess of the maximum amount allowable under the CEC Acquisition agreement or Cell C may incur losses due to matters that may not be recoverable against the warranties or indemnities in the CEC Acquisition agreement. Under IFRS, Cell C is required to test the carrying value of long-term assets or cash-generating units for impairment at least annually and more frequently if there is reason to believe that expectations for the future cash flows generated by these assets may no longer be valid. If the results of operations and cash flows generated by CEC are not in line with expectations, Cell C may be required to write-down the carrying value of the investment.

Any of the above could have a material adverse effect on Cell C's business, operating results and financial condition and prospects.

The Pro Forma Financial Information and the Consolidated Historical Financial Information may not be representative of Cell C's future results of operations and financial condition.

This Pre-listing Statement includes a *pro forma* consolidated Statement of Profit or Loss and Other Comprehensive Income of Cell C for the year ended 31 May 2025, and a *pro forma* consolidated Statement of Financial Position of Cell C as of 31 May 2025, accompanied by the related *pro forma* notes thereto (together, the "***Pro Forma* Financial Information**"). The purpose of the *Pro Forma* Financial Information is to illustrate the material effects that the Restructuring transactions (together the "**Transactions**") and the Offer would have had (i) on unconsolidated Statement of Profit or Loss and Other Comprehensive Income of Cell C for the year ended 31 May 2025 as if the Transactions and the Offer had occurred on 1 June 2024 as well as (ii) on the *pro forma* consolidated Statement of Financial Position of Cell C as of 31 May 2025.

The *Pro Forma* Financial Information has been prepared for illustrative purposes only and shows a hypothetical situation and, therefore, does not represent the actual financial position or results of Cell C if the Transactions and the Offer had occurred on 1 June 2024. The *Pro Forma* Financial Information is based on factually supportable *pro forma* adjustments described in the accompanying notes, which Cell C considers reasonable. It does not include incremental revenues or costs that are not directly related to the Transactions, the Offer or any related financing arrangements, and does not reflect the results of any future initiatives. Future results of operations may differ materially from those presented in the *Pro Forma* Financial Information.

The Consolidated Historical Financial Statements included in this Pre-listing Statement for Cell C and for CEC do not reflect what their respective financial conditions, results of operations or cash flows would have been as a combined, independent public company during the periods presented and are not necessarily indicative of Cell C's future financial condition, future results of operations or future cash flows. This is primarily a result of the following factors:

- the Consolidated Historical Financial Statements do not reflect the effects of the Transactions or the Offer;
- the Consolidated Historical Financial Statements may not fully reflect the increased costs associated with being a public company, including significant changes that will occur in Cell C's cost structure and financing arrangements as a result of the Offering, including all the costs related to being an independent public company; and
- the Consolidated Historical Financial Statements may not fully reflect the effects of certain liabilities that will be incurred or assumed by Cell C and may not fully reflect the effects of certain assets that will be transferred to, and liabilities that will be assumed by, TPC in the Transactions.

The *Pro Forma* Financial Information and the Consolidated Historical Financial Information may not give a true picture of Cell C's financial position or results nor is it indicative of the results that may, or may not, be expected to be achieved in the future.

TPC may still be able to exercise significant influence on the Company, and its interests could come into conflict with the interests of other investors.

After the completion of the Offer, TPC will hold at least 26% of the Company's share capital, and will be restricted from selling any additional shares for a period of 360 days after the first day of trading of the Ordinary Shares on the JSE. The interests of TPC could conflict with the interests of the other shareholders of the Company.

TPC may, depending on the shareholder presence at the general shareholders' meeting of the Company, be in a position to control the resolutions passed by the general shareholders' meeting of the Company with a simple majority of the votes cast or the represented share capital. Depending on the shareholder presence at the general shareholders' meeting of the Company, TPC may also prevent special resolutions from being adopted at the general shareholders' meeting of the Company. Special resolutions that, in order to be adopted, require a 75% majority of those present and voting. This may include capital increases, disposals, investments, structural measures (e.g. the approval of transformation measures such as mergers) or for other purposes. In connection with the exercise of their voting rights or exercise of other influence on the Company, the interests of TPC may be in conflict with the interests of the other shareholders and the Company. In the event that TPC does not participate in a capital increase proposed by the Company in the future, the Company's efforts to raise new capital could be undermined.

If any of these risks materialises, this could have a material adverse effect on Cell C's business, financial condition, results of operations and prospects.

RISKS RELATED TO SOUTH AFRICA

Adverse geopolitical and macroeconomic conditions may have a material adverse effect on Cell C's ability to maintain its customer value proposition and overall business, results of operations, financial condition and prospects.

Cell C's results of operations may be materially affected by deterioration and volatility in geopolitical and macroeconomic conditions in South Africa and globally. Such macroeconomic conditions include, amongst others, inflation, rising interest rates, rising fuel and energy costs, a depreciating currency, water curtailment, electricity availability and 'load-shedding' (*i.e.*, electricity rationing and planned blackouts as a means of managing demand for electricity when such demand outweighs the grid's supply capacity), business and government spending and the impact of the ongoing wars in Ukraine and the Middle East on commodity prices and the recent increases in tariffs by the United States and other countries. Adverse changes in global economic conditions and uncertainty arising from such changes could reduce access to capital or credit for customers and/or limit the ability of customers to manage interest rate and other related risks. Further, changes in general economic conditions may also result in higher operating costs, increased prices for products such as mobile phone handsets, increased costs of debt and increased costs associated with retaining and recruiting key management and skilled employees. The occurrence of one or more of these events could have a material adverse effect on Cell C's business, financial condition, results of operations, and prospects.

Among other things, beginning in early 2025, the U.S. government's threats to impose tariffs on goods from most other countries has heightened tension among trading partners. Further, in response to the U.S. government's announcement of tariffs on goods from China, the Chinese government has countered with tariffs on U.S. goods, marking the beginning of a potential trade war between the countries. Tariffs on imported goods may increase the cost of certain products (including mobile phone handsets and other telecommunications equipment) and household items, which may in turn dampen consumer spending in the United States and elsewhere, result in decreased confidence in the markets and increase the chances of an economic slowdown or recession in other countries, including South Africa. The possibility of additional tariffs being imposed or the outbreak of a trade war may further adversely impact U.S. and international markets and the global economy. Additionally, political uncertainty regarding U.S. policy, including the U.S. government's approach to trade or to South Africa, may also negatively impact markets. Any of which could reduce consumer demand in South Africa for Cell C's products and services or could make the procurement of products and equipment needed to provide Cell C's services more challenging and/or more expensive.

Separate from the international economic issues, the economic situation in South Africa has remained challenging, marked by low economic growth, high unemployment and increasing living costs, in particular, in the aftermath of the 2021 civil unrest in South Africa. These issues were compounded in 2023 by widespread power and water supply disruptions. This mix of factors is expected to continue pressuring consumers financially in the short-term. For example, on 29 May 2025, the SARB projected that year-on-year GDP growth in South Africa would be 1.2% for 2025, with growth expected to remain subdued unless significant improvements are made in freight capacity and infrastructure. The SARB also projected that CPI inflation would reach 5.0% in 2025 then trend towards the midpoint of the inflation target band. The SARB indicated that it is likely to maintain higher interest rates to manage inflation.

South Africa has a system of social grants for certain categories of persons, including a Social Relief of Distress Grant for persons in financial need, which has remained in place since the COVID-19 pandemic. These are administered in terms of the Social Assistance Act 13 of 2004 and are subject to the appropriation of funds by Parliament. However, there is no guarantee that these grants (in particular the Social Relief of Distress grant) will continue at current levels, in particular given the political uncertainty following the elections in May 2024, and the creation of a government of national unity. See the risk factor entitled "*The political environment of South Africa has historically been characterised by higher levels of uncertainty*". If the new South African administration made the decision to decrease amounts paid in social grants, consumers would be faced with increased economic burden, resulting in consumers having to decrease their budgets.

South Africa has historically experienced high rates of inflation, which have been further impacted by recent macroeconomic trends, and may experience high levels of inflation in the future. Inflation, as well as government efforts to combat inflation, have had significant negative effects on the South African economy. Inflation rates were 6.0% in 2023 and 4.4% in 2024 and 3.3% in August 2025 as measured by Statistics South Africa ("**Stats SA**").[1] The South African government's measures to control inflation have often included maintaining tight monetary policy with high interest rates, thereby restricting the availability of credit and reducing economic growth. From November 2021 until May 2023, the South African Reserve Bank (the "**SARB**") pursued significant and continual interest rate increases, with the repo rate rising from 3.50% to 8.25%. On 19 September 2024, the SARB cut the repo rate by 25 basis points to 8.00%, 25 basis points were removed to reduce the repo rate to 7.75% in November 2024, a further 25 point reduction occurred on 30 January 2025 to 7.50% and a further 25-point reduction occurred on 30 May 2025 leaving the repo rate at 7.25%. High rates of inflation and actions that may be implemented to combat inflation, as well as public speculation about any possible additional actions, may also contribute materially to economic uncertainty in South Africa and accordingly weaken investor confidence, thus adversely impacting Cell C's ability to access international capital markets and increasing Cell C's costs, such as labour and energy costs. Conversely, more lenient government policies and interest rate decreases may trigger increases in inflation and, consequently, growth volatility and the need for sudden and significant interest rate increases, which could negatively affect Cell C's business by eroding Cell C's customers' spending power and decreasing their disposable income, as well as impacting Cell C's ability to service debt.

Any of the above could materially and adversely affect Cell C's business, results of operations and financial condition.

Cell C's operations in South Africa have been, and may continue to be, adversely affected by load-shedding, and fluctuating utility costs.

Cell C relies upon an uninterrupted flow of electrical power to operate its core network, transport network, billing platforms, technology systems, its stores and its head office functions, as do its MNO partners and fibre providers to provide RAN services to Cell C to enable Cell C to provide mobile and fixed wireless services and its FNO partners to operate their fibre networks to which Cell C resells access. Since 2022, South Africa has been subject to extensive load-shedding, which stops the power supply in targeted areas forcing commercial users of electricity, like Cell C and its MNO and other partners, to rely on diesel generators or shut down their operations. Eskom, the state-owned electricity producer in South Africa, has advised that the South African power grid may remain under strain for a number of years until new power stations come online, and load-shedding remains a possibility during this time. Load-shedding was significantly reduced for the greater part of 2024, with individual sporadic occurrences during 2025, not exceeding stage 4 – as explained below. When load-shedding has taken place, Eskom has historically carried it out in accordance with predetermined load-shedding stages, determined by the number of megawatts ("**MW**") being shed, which completely stops the power supply in designated areas for varying periods of time. Eight schedules have been developed based on the level of risk and to ensure that load-shedding is applied in a fair and equitable manner: Stage 1 allows for up to 1 000 MW of the national load to be shed; Stage 2 allows for up to 2 000 MW of the national load to be shed; Stage 3 allows for up to 3 000 MW of the national load to be shed; Stage 4 allows for up to 4 000 MW of the national load to be shed; Stage 5 allows for up to 5 000 MW of the national load to be shed; Stage 6 allows for up to 6 000 MW of the national load to be shed; Stage 7 allows for up to 7 000 MW of the national load to be shed; and Stage 8 allows for up to 8 000 MW of the national load to be shed. Load-shedding in Stages 1 to 4 are implemented in most parts of the country in 2-hour blocks, with such blocks being doubled progressively to 4 hours as Stages 5 to 8 are activated.

Persistent load-shedding has been a significant operational hurdle, with Cell C's mobile services and fixed services sometimes being significantly impacted or unavailable during periods of load-shedding and Cell C's stores and management offices relying on diesel generators to stay powered during outages. As a result, Cell C has historically incurred substantial additional energy costs, not accounting for the indirect impact on revenue due to decreased footfall at its stores, and losses and increased maintenance costs resulting from equipment failures. While Cell C is somewhat insulated from the effects of load-shedding by its business model, any further load-shedding may adversely impact the operations and businesses of its partners, particularly MTN and Vodacom, and service providers, such as data centres, which may have a knock-on effect on Cell C's services. Any disruption in electricity supply or reductions in the availability of other essential services such as the availability of the internet, or the supply of water in areas where pumps are required, may have a material adverse effect on Cell C's business, results of operations, financial condition and prospects.

Although load-shedding was significantly reduced in the weeks leading up to the 29 May 2024 national elections and there has been no sustained load-shedding since then, apart from individual and sporadic occurrences, there is no guarantee that this will continue to be the case going forward. There can be no assurance that it will be able to adequately control, mitigate or at all reduce the additional costs incurred as a result of load-shedding and may sustain a material adverse effect on its business, results of operations, financial condition and prospects.

Increases in energy or other utility costs, including electricity, fuel, and water may adversely affect consumer spending and demand for Cell C's products and increase the cost of sales, adversely impact its results of operations due to consequential increases in operating costs and divert financial and management resources from more beneficial uses. Energy and water costs in South Africa have fluctuated significantly in the past and may fluctuate in the future. Any material increases in these prices would have a material adverse effect on Cell C's business, results of operations, financial condition and prospects.

The political environment of South Africa has historically been characterised by higher levels of uncertainty.

All of Cell C's operations are in South Africa. Historically, the South African political environment has been characterised by a high level of uncertainty and, although the country has some robust institutions, concerns have been raised about the strength, effectiveness and independence of some of the country's institutions. During and since the administration of former president, Jacob Zuma, the risk of political and social instability increased as a result of accusations that members of a prominent family and their associates used the South African Government to further their interests and the interests of their associates in a form of political corruption known as state capture. These accusations resulted in the appointment of a commission of enquiry into potential state capture in January 2018 with outcome reports provided to the President of South Africa, Cyril Ramaphosa, in 2022. President Ramaphosa has since announced processes and changes addressing the recommendations arising from the commission of enquiry, including changes to the country's laws and the establishment of new agencies to focus on corruption. If these accusations, as well as the perception of significant private corruption, significantly undermine business confidence, or if they result in formal proceedings, they could have a further adverse impact on the political and social environment in South Africa. The performance of various Anti-Corruption Task Team institutions, in particular the National Prosecuting Authority, will continue to be of importance, particularly in light of the Government's commitment to hold accountable those responsible for corruption and state capture during the tenure of former President Zuma.

Furthermore, although President Ramaphosa has strengthened his support base within the African National Congress ("**ANC**"), South Africa's governing party, there remain substantial divisions within the ANC which threaten to compromise his economic and structural reform plans. The outcome of the findings of an independent panel appointed by the South African Parliament under Section 89 of the Constitution in 2022 to investigate a robbery incident which took place at President Ramaphosa's game farm, Phala Phala, in connection with which President Ramaphosa was accused of serious misconduct, increased uncertainty in this regard. President Ramaphosa was, however, cleared of any wrongdoing and re-elected as ANC party president in December 2022.

Although the ANC has consistently been the ruling party of South Africa since 1994, in the national and provincial government elections, which took place on 29 May 2024, it lost its majority due to public dissatisfaction and political fragmentation. As a result, a number of political parties have worked together to form a Government of National Unity (the "**GNU**") at the national level and coalition governments in certain provinces to foster unity, stability and collaborative governance. Although the GNU includes, among others, South Africa's two largest parties, the ANC and the Democratic Alliance, there are eleven parties included in total, and there are ideological differences between a number of members of the GNU. It remains uncertain as to how effectively the GNU and provincial coalitions will function going forward. The risks associated with these political structures are, among other things, delays in government's decision making, policy uncertainty, governmental instability and civil unrest, all of which may have a negative impact on investor confidence and the customers and suppliers of Cell C, which in turn may have a materially adverse effect on Cell C's business, financial condition, results of operations, and prospects.

In the past, there has been civil unrest in South Africa due to political issues, most notably in July 2021 in the KwaZulu-Natal and Gauteng provinces, precipitated by a number of issues including the imprisonment of former President Jacob Zuma for contempt of court and the issues discussed below. When civil unrest occurs, there is a heightened risk of damage, severe or otherwise, to critical infrastructure owned by Cell C, its MNO partners, its other service providers and suppliers or the government. As a result, Cell C experienced additional costs related to increased security measures and insurance covers. Such civil unrest may occur again in the future and any new outbreak could have a material adverse effect on Cell C's business, financial condition, results of operations, and prospects.

Cell C also anticipates that there will be intensive political debates in respect of various sensitive issues relating to the transformation of the South African economy in order to address the challenges of poverty, inequality, and unemployment. Political instability, including the inability of the Government to implement structural reforms, may have an adverse impact on the South African economy and could consequently have an adverse effect on Cell C, its business, financial condition, and results of operations. For example, according to South African Government announcements, the state's ongoing funding of ailing state enterprises such as Eskom which has in total approximately ZAR254 billion in guarantees from Government constitutes an important matter of contention and has the potential to cause further divisions and political uncertainty in the South African political sphere. Ongoing political developments may impact private sector investment and Cell C will continue to monitor the political and policy landscape carefully.

Cell C's operations are situated in urban and rural areas where many of the communities that live near Cell C's facilities are in the grip of poverty and experience socioeconomic stress. As a result, political and economic risks relating to South Africa, which have escalated over the last few years, could have a significant effect on Cell C's profitability. Large parts of the South African population are unemployed and do not have access to adequate education, health care, housing and other services, including water and electricity. Government policies aimed at alleviating and redressing the disadvantages suffered by most citizens under previous governments may increase Cell C's costs and reduce Cell C's profitability. Crime levels in recent years in South Africa have increased, which expose the business to an increase in the frequency and severity of security issues that may disrupt business operations. These problems may impede fixed inward investment into South Africa and increase emigration of skilled workers and as a result, Cell C may have difficulties retaining qualified employees.

Sustained high unemployment amongst young South Africans, rising inequality and increased lawlessness has increased the risk of civil unrest, such as protests and conflict. Continuous lack of public service delivery, political instability and slow reformative action being taken by the South African government, specifically, in combating youth unemployment may increase the potential of violent civil unrest that could cause damage to property, harm to people and disrupt operations. This frustration was a contributing factor that led to heightened civil unrest, people committing crimes, vandalising property, and damaging infrastructure during 2021. On 8 March 2023, S&P Global downgraded South Africa's sovereign credit rating outlook to "stable" from "positive," citing infrastructure constraints and a severe power crisis, following Moody's downgrade of South Africa's sovereign credit rating to the noninvestment grade credit rating of Ba1, due to the continuing deterioration in fiscal strength and structurally weak growth on 27 March 2020, and Moody's further downgrade of South Africa's sovereign credit rating to Ba2 on 20 November 2020. Subsequent to this, Moody's has affirmed its Ba2 rating and revised its outlook to "stable" on 1 April 2022, with S&P Global having affirmed its "stable" outlook on 17 November 2023 and Fitch reaffirmed South Africa's rating as BB with stable outlook in January 2024. The continued status of South Africa's sovereign credit rating as non-investment grade by Standard & Poor's, Moody's or Fitch Ratings may adversely affect the South African telecommunications industry and Cell C's business, operating results and financial condition, by making it more difficult to obtain external financing or could result in any such financing being available only at greater cost or on more restrictive terms than might otherwise be available. Downgrades of South Africa's sovereign credit rating could also have a material adverse effect on the South African economy as many pension funds and other large investors are required by internal rules to sell bonds once two separate agencies rate them as non-investment grade. Additionally, from February 2023 to October 2025, South Africa was "grey listed" by the Financial Action Task Force, which subjected it to increased monitoring. Inclusion on this list may have had, and may continue to have, a negative impact on South Africa's financial growth and discourage foreign investment. A prolonged economic downturn could result in an extended period of high unemployment.

Any of the above could materially and adversely affect Cell C's business, results of operations and financial condition.

Regulatory matters and new legislation could negatively impact Cell C's ability to conduct its business.

Cell C is subject to a wide range of telecommunications, internet, and data protection laws and regulations as well as supervision by the Minister of Communications and Digital Technologies and ICASA. Violation of such laws and regulations may result in investigations, business improvement orders, and/or corrective orders by ICASA or the South African Information Regulator, as well as penalties such as fines. Non-compliance with some laws and regulations or failure to comply with enforcement orders made is a criminal offence and can lead to the imposition of penalties by the courts See the risk factor entitled "*Cell C may be adjudged to have breached customer privacy law and information security requirements, which may materially adversely affect its reputation, lead to customer lawsuits and loss of customers, or hinder its ability to gain new customers and thereby materially adversely affect its business*". In addition, as Cell C provides its services to consumers, it is also subject to consumer protection laws and regulations, including the Consumer Protection Act, and supervision by the South African National Consumer Commission. In the event of a violation, the South African National Consumer Commission may issue an order to take measures and impose administrative fines. These violations and consequences could harm Cell C's reputation and adversely affect its business, financial condition, and results of operations. Although Cell C strives to ensure that its operations comply with applicable laws and regulations, there can be no assurance that it will not violate any laws or regulations in the foreseeable future. Repeated and material violations of relevant laws and regulations could result in the revocation of Cell C's licences or suspension of its business, which could harm its reputation and adversely affect its business, financial condition, and results of operations. Enforcement of, or changes in, other laws and regulations of general applicability to South African companies could also have an adverse impact on Cell C's financial condition and results of operations.

Existing and future governmental regulation may substantially affect the way in which Cell C conducts its business. Although new laws and regulatory initiatives may provide Cell C with increased business opportunities by removing or substantially reducing certain barriers to entry, they also create a more competitive business environment and may encourage new entrants. These regulations also may increase the cost of doing business or may restrict the way in which Cell C offers products and services.

For example, ICASA is contemplating the implementation of amendments to the South African End-user Subscriber and Services Charter Regulation to include, among other things, a requirement to give consumers the choice to either automatically be charged out-of-bundle rates when they exceed their bundle limits or to opt-out of out-of-bundle billing entirely, to automatic roll-over over 2 months of minutes/data without charging the customer a fee and to allow customers to transfer unused data bundles to other users on the same network. If ICASA implements these amendments as proposed, these changes could reduce Cell C's average revenue per user.

Although fraud is not currently a significant concern, Cell C and its customers may be increasingly exposed to fraud. For existing and future payment options it offers its customers, Cell C may become subject to additional regulations and compliance requirements (including obligations to implement enhanced authentication processes that could result in significant costs and reduce the ease of use of its payments products). It pays interchange and other fees for these card payments, which may increase over time and raise operating costs and lower margins. Cell C relies on third parties to provide payment processing services, and its operations could be disrupted if these companies become unwilling or unable to provide these services.

Cell C cannot predict how future regulatory changes may affect its business. Any changes in laws or regulations, such as those described above, or in policies of regulatory authorities affecting Cell C's business activities could adversely affect its financial condition or results of operations. For more information, see "*Part VI – Regulatory considerations*" of this Pre-listing Statement.

A change to Cell C's B-BBEE rating and levels of ownership by Black people in South Africa may adversely affect its reputation, business operations and relationship with the government in South Africa or affect Cell C's ability to secure or maintain registration certificates or licences to provide services or use spectrum or to provide or secure major supply contracts in respect of which B-BBEE is a selection consideration and/or risk it not being in compliance with certain existing contracts.

The South African government has put in place a regulatory regime aimed at the protection and/or advancement of Black South Africans who are historically disadvantaged. This is referred to as broad based black economic empowerment ("**B-BBEE**"). The legislative framework for the promotion of B-BBEE in South Africa was established through the B-BBEE Act and codes of good practice published under the B-BBEE Act, including sector specific codes, such as the Codes of Good Practice on Black Economic Empowerment – Information and Communication Technology Sector Code (the "**ICT Sector Code**") which is applicable to Cell C. This means that Cell C's B-BBEE score and level is measured under the ICT Sector Code. See the risk factor entitled "*Cell C's percentage ownership by historically disadvantaged persons may fall below ICASA's 30% HDP ownership threshold requirement*" and "*Part VI – Regulatory considerations – Broad-Based Black Economic Empowerment and Transformation*" of this Pre-listing Statement.

With the exception of the BEE SPV (which will have limits on its ability to sell shares to non-HDPs), the Company does not, and does not expect to, have agreements in place with any Shareholders that have HDP ownership and through which Cell C is able to recognise HDP ownership, including TPC, which restrict such Shareholders (or their shareholders) from selling some or all of their Ordinary Shares. If HDP shareholders sell some or all of their Ordinary Shares, this could reduce Cell C's effective HDP shareholding below 30%.

If at any time post-listing, Cell C's effective HDP shareholding falls below 30%, this would breach ICASA's 30% HDP ownership requirement which could lead to the imposition of significant regulatory fines of up to 10% of Cell C's annual revenue and risk Cell C's license renewal in 2029 as discussed above.

In addition to the importance of B-BBEE with respect to, among other things, telecommunications service and radio frequency spectrum licensing by ICASA, it is also a relevant criterion for certain government and private sector tenders in which Cell C participates. Where Cell C's competitors have a higher B-BBEE level and/or higher levels of ownership by Black People and/or Black women specifically, they may be more likely to be successful in bidding for contracts. In addition, B-BBEE ownership is relevant in the context of the public interest assessment conducted by the competition authorities in notifiable mergers, which could have a bearing on future acquisitions by Cell C.

Failure to maintain a good B-BBEE level of at least level 4 and levels of ownership by Black People in South Africa may adversely affect the Company's reputation, commercial and business operations and relationship with the government in South Africa or to provide or secure major supply contracts in respect of which B-BBEE is a selection consideration and/or risk it not being in compliance with certain existing contracts.

This would also breach Cell C's service and spectrum licences, which could lead to the imposition of regulatory fines or additional conditions, and could make it less likely that those licences will be renewed in 2029.

Any of the above could have a material adverse effect on the Company's brand, business, financial condition, results of operations, and prospects.

Adverse regulatory action or enforcement arising from the South African Data Services Market Inquiry or other competition law proceedings may materially and adversely affect the Group's business, financial condition or results of operations.

In 2017, the Competition Commission of South Africa initiated the Data Services Market Inquiry to assess the state of competition in the provision of data services and to determine whether there are features of the market that may prevent, distort or restrict competition. In December 2019, the Commission released its final report, which found that data prices in South Africa were excessively high, particularly for low-income consumers. The report recommended a series of interventions aimed at addressing these concerns, including pricing reductions, zero-rating certain public interest content, increased transparency, infrastructure sharing and regulatory changes to promote competition, particularly at the retail level.

While the Commission did not impose binding remedies as part of the Inquiry, it referred its findings to ICASA and indicated that, if necessary, it may initiate enforcement actions under the Competition Act. ICASA has since initiated processes to address some of the recommendations, including amendments to the End-User and Subscriber Services Charter Regulations, and making the Mobile Broadband Services Regulations, which impose pro-competitive conditions on the MNOs, MTN and Vodacom, that were determined to have significant marker power in relevant markets. A draft bill to amend the Electronic Communications Act was published for consultation in June 2023 by the Minister of Communications and Digital Technologies which proposed that ICASA should publish pricing rules or standards for wholesale services including roaming services (of which Cell C is a recipient) or MVNO services (of which Cell C is a provider). The bill has not yet been formally introduced to parliament for consideration. Further regulatory or legislative reforms could follow, particularly in respect of price regulation, spectrum access or retail market conduct.

Cell C has implemented certain voluntary measures in line with the Commission's recommendations and continues to engage with both the Commission and ICASA. However, the Group cannot predict the outcome of ongoing or future regulatory processes, including whether the Commission with seek to initiate enforcement proceedings, whether ICASA will introduce new binding regulations or whether the South African Parliament will adopt legislative amendments that affect the telecommunications sector.

Any adverse outcome from these processes could result in, among other things, mandated price reductions for data services, including for specific user segments or bundle sizes; obligatory zero-rating or free data provisions for public interest content; sanctions or administrative penalties for alleged past or ongoing anti-competitive conduct; and/or structural remedies, including separation of wholesale and retail functions.

Additionally, under South African competition law, including the Competition Act and related enforcement policies, the Group may be subject to investigation and enforcement in respect of market dominance, exclusionary conduct, pricing practices or failure to notify notifiable mergers. Adverse findings could result in significant penalties (up to 10% of annual turnover) and could materially disrupt the Group's operations or strategic initiatives.

The regulatory landscape in South Africa is evolving and continuing scrutiny of the telecommunications sector may result in additional obligations, compliance costs or constraints on the Group's commercial flexibility. Any such developments could have a material adverse effect on the Group's business, financial condition and results of operations.

Changes to labour laws in South Africa may result in additional operating costs or alter Cell C's relationship with its employees.

Cell C is required to comply with an extensive list of labour regulations in South Africa, including with respect to wages and other minimum conditions of employment, social security benefits and termination payments. See "*Part VI – Regulatory considerations – Employment*" of this Pre-listing Statement. In particular, South African laws relating to labour regulate work time, provide for mandatory compensation in the event of termination of employment for operational reasons, and impose monetary penalties for non-compliance with administrative and reporting requirements in respect of affirmative action policies. These could result in significant costs.

In recent times, amendments to labour legislation in South Africa have introduced more stringent requirements in relation to the relationship with employees. For example, the South African Labour Relations Act 66 of 1995, as amended (the "**LRA**"), provides protections for employees earning below a certain threshold and who are employed on an "atypical" basis (*i.e.*, for a fixed-term part-time or via a third-party temporary employment service or "labour broker"). An employee engaged on a fixed term contract or via a "labour broker" will be deemed to be permanently employed by the employer unless the employer can establish justification for employment on that basis. Part-time employees are required to be treated no less favourably than comparable full-time employees which may include the same pay and benefits. The LRA offers remedies to employees where employers fail to comply with these requirements, and in instances where employment is terminated unfairly, or employees are subjected to unfair labour practices (such as unfair treatment relating to promotion, demotion and benefits). These remedies include reinstatement, reemployment and/or the award of compensation to employees. In certain instances, breaches of the labour legislation amount to a criminal offense.

Furthermore, the South African Employment Equity Act 55 of 1998, as amended (the "**Employment Equity Act**") creates obligations and administrative requirements in respect of non-discrimination and equity in employment matters. Fines of up to 10% of turnover related to the South African operations may be imposed in the event of repeated noncompliance with certain provisions of the Employment Equity Act.

In addition, there could be significant risks for Cell C if it has not taken appropriate steps to eliminate sexual harassment or other forms of discrimination in the workplace. Employees who are victims of sexual harassment or discrimination may resign, claim constructive dismissal and be awarded compensation up to the equivalent of 24 months' remuneration. Cell C could also be liable to pay damages or compensation to the victim of sexual harassment or discrimination in terms of the Employment Equity Act, either as a consequence of any discriminatory practices or as a result of a failure take necessary steps to eliminate conduct in contravention of the Employment Equity Act. Apart from the financial risk, there is also a risk of reputational damage if any allegations that Cell C did not address issues of sexual harassment are made known to external parties.

Any significant increase in labour costs that cannot be passed to consumers, extensive work slowdowns, work stoppages or strike actions, whether caused by the factors described above or otherwise, could have a material adverse effect on Cell C's business, financial condition, results of operations, and prospects.

Exchange control regulations may restrict Cell C's ability to make foreign investments and procure foreign denominated finance.

South Africa's Exchange Control Regulations restrict the ability of South African companies to convert or transfer sums in foreign currencies to or from South Africa, without prior exchange control approval. The purpose of exchange controls is, amongst other things, to regulate inflows and outflows of "capital" (as defined) from South Africa. Transactions between South African residents (including companies) and non-residents are subject to exchange controls enforced by the SARB. Exchange control does not apply to non-residents, but non-residents may be directly impacted as the acquisition of South African assets and transactions with a South African resident may require exchange control approval.

As a result, Cell C's ability to raise and deploy capital outside the Common Monetary Area is currently subject to consent from either the SARB, or where such authority has been delegated, an "authorised dealer" with full capacity at an approved bank operating in South Africa. These restrictions could hinder Cell C's financial and strategic flexibility.

In February 2020, the Minister of Finance announced a new capital flow management system in the 2020 Budget Speech in terms of which all foreign currency transactions will be allowed, except for a risk-based list of capital flow measures. In subsequent budget speeches, the National Treasury again confirmed its commitment to modernisation, with further proposals announced in respect of individuals and companies as well as amendments with a view to easing controls and implementing a prudential based system. In February 2024, meaningful relaxations were proposed at the 2024 Budget Speech giving authorised dealers (*i.e.*, local banks that are authorised to trade in foreign exchange) greater discretion over certain transactions and payment arrangements with the focus to boost long-term investment, which has alleviated some of the exchange control compliance obligations of South African exchange control residents.

Based on recent promulgations by the SARB, the SARB endeavoured to relax many of the rules relating to exchange control, which may alleviate some of the exchange control compliance obligations of Cell C going forward. Notwithstanding the foregoing, Cell C can offer no assurance that additional restrictions on currency exchange will not be implemented in the future, which could have a material adverse effect on its business, financial condition, results of operations and prospects.

RISKS RELATED TO THE ORDINARY SHARES, INCLUDING THE OFFER SHARES AND THE OFFER

There is no existing market for the Ordinary Shares (including the Offer Shares) and there is a risk that no active or liquid market for Ordinary Shares will develop or be sustained and that the price of the Ordinary Shares may be volatile.

Although the JSE Limited has approved the Admission (subject to certain terms and conditions outlined in this Pre-listing Statement), there is no certainty that the Offer will meet the Minimum Acceptance Condition and that an active trading market for the Ordinary Shares will develop or, if developed, could be sustained or liquid following the Offer. If an active trading market is not developed or maintained, the liquidity and market price of the Ordinary Shares could be adversely affected, and the price volatility of the Ordinary Shares may also increase. Investors may not be in a position to sell their Ordinary Shares quickly or at the market price if there is no active trading market for the Ordinary Shares.

The Joint Global Coordinators and Joint Bookrunners will set the Offer Price for the Offer Shares in collaboration with TPC and the Company in accordance with an arms-length bookrunning process conducted by the Joint Global Coordinators and Joint Bookrunners on behalf of TPC and the Company, and it may or may not be indicative of the Ordinary Shares' market price after the Admission. Notwithstanding any Stabilisation, the market price of the Ordinary Shares may also fluctuate substantially due to various factors, some of which could be specific to the Group and its operations and some of which could be related to the industry in which the Group operates or equity markets generally. As a result of these and other factors mentioned in this section, the Ordinary Shares may trade at prices significantly below the Offer Price. The Company cannot give assurance that the market price of the Ordinary Shares will not decline, or that the Ordinary Shares will not trade at prices significantly below the Offer Price, regardless of the Group's actual performance.

The liquidity of shares traded on the JSE may not be as liquid as shares listed on international markets.

The principal trading market for the Ordinary Shares is the JSE. Historically, trading volumes and liquidity of shares listed on the JSE have been lower in comparison with other major international markets. The relatively lower liquidity of the shares traded on the JSE could affect the shareholders' ability to sell the Ordinary Shares.

Ordinary Shares may be subject to price volatility, and the price of the Ordinary Shares may decline disproportionately in response to developments that are unrelated to the Group's operating performance.

Notwithstanding any Stabilisation, the market price of the Ordinary Shares could be volatile and subject to significant fluctuations due to a variety of factors, many of which are beyond the Group's control, including but not limited to changes in general market conditions, the general performance of the JSE, changes in sentiment in the market regarding the Ordinary Shares (or securities similar to them), regulatory changes affecting the Group's operations, variations in the Group's operating results, business developments for the Group or its competitors, the operating and share price performance of other companies in the industries and markets in which the Group's businesses operate, speculation about the Group's business in the press, media or the investment community. The market price of Ordinary Shares could also be adversely affected by developments unrelated to Cell C's operating performance, such as geopolitical events and macroeconomic developments, the operating and share price performance of other companies that investors may consider comparable to Cell C, speculation, whether or not well founded, about Cell C in the press or the investment community, including those regarding the intentions of the Shareholders or significant sales of Ordinary Shares by any such Shareholders or short selling of the Ordinary Shares, significant issues of Ordinary Shares by the Company, possible changes in Cell C's management team and about mergers, acquisitions and/or major divestments involving Cell C, unfavourable press, and/or strategic actions by competitors (including acquisitions and restructurings). Any or all of these factors could result in the material fluctuations in the price of Ordinary Shares, which could lead to investors getting back less than they invested or a total loss of their investments.

The Company will face additional administrative requirements and costs as a stand-alone publicly listed company.

After the Offering, the Company will be subject to the legal requirements for a South African public company listed on the Main Board of the JSE as well as the JSE Listing Rules and the Financial Markets Act. These requirements include periodic financial reporting and other public disclosures of information (including those required by the JSE), regular calls and meetings with securities and industry analysts, and other required disclosures. There can be no assurance that the Group's accounting, controlling and legal or other corporate administrative functions will be capable of responding to these requirements without difficulties and inefficiencies that cause the Group to incur significant additional expenditures and/or expose Cell C to legal, regulatory or civil costs or penalties. Furthermore, the preparation, convening and conduct of general meetings and the Company's regular communications with shareholders and potential investors will entail substantial expenses. The Group's management may also need to devote time and other resources to these requirements that it could have otherwise devoted to other aspects of managing the Group's operations, and these requirements could also entail substantially increased time commitments and costs for the accounting, controlling, legal and investor relations departments and other Group administrative functions. In addition, the Group may be required to hire additional employees or engage outside consultants to comply with such requirements, which could increase the Group's costs and expenses.

Any future equity capital raising such as new share issues, rights offers or similar transactions by the Company in South Africa that would result in the movement of capital outside of South Africa would also require approval from FinSurv.

The Company is incorporated under the laws of South Africa. Its corporate affairs will be governed by the Companies Act, the Company's memorandum of incorporation ("**Company MOI**"), the JSE Listings Requirements and the laws and regulations governing public companies on the JSE. Accordingly, the Company's corporate structure as well as the rights and obligations of the shareholders may be different from the rights and obligations of shareholders of companies incorporated or organised under the laws of other jurisdictions, and they may not be as clearly established as the rights of a shareholder established under the laws of some other jurisdictions. For example, resolutions of the general shareholders meeting may be taken with majorities different from the majorities required for adoption of equivalent resolutions in companies organised under the laws of other jurisdictions. For further information, see "*Part VI – Regulatory considerations*" and "*Annexe 19 – Extracts From The Company MOI and The MOIs of The Major Subsidiaries*" of this Pre-listing Statement. In addition, any payment of dividends or future equity capital raising, such as the issue of new shares, rights offers or similar transactions by the Company may require exchange control approval from the Financial Surveillance Department of the SARB ("**FinSurv**"). Although the Company is not aware of any reason why FinSurv approval, if required, would not be granted, there remains a risk that FinSurv may not approve the movement of proceeds from any capital raising (including rights offers) out of South Africa which could limit the Company's ability to raise equity capital in the future.

Future offerings of debt or equity securities by the Company and future sales of Ordinary Shares by TPC, the Company's Directors or members of Senior Management, or the perception thereof, may materially adversely affect the market price of the Ordinary Shares and any future issuances of Ordinary Shares, including in connection with any share incentive or share option plan or otherwise, may dilute all other shareholdings.

The Company may in future seek to raise capital through public or private debt or equity financing by issuing additional Ordinary Shares, debt or equity securities convertible into Ordinary Shares or rights to acquire these securities and exclude the pre-emptive rights pertaining to the then outstanding Ordinary Shares. In addition, the Company may in the future seek to issue additional Ordinary Shares as a capitalisation issue or script dividend distribution or as consideration for, or otherwise in connection with, new or existing investments. Furthermore, the Company may issue new Ordinary Shares or grant rights to subscribe for Ordinary Shares in connection with the establishment of employee share participation or share option plans. The issuance of any additional Ordinary Shares (including in connection with any change in the B-BBEE regime) may dilute an investor's shareholding interest in the Company. Alternatively, TPC (which will hold at least 26% of the Company's Ordinary Shares after the Offer), the Company's Directors or members of Senior Management who hold Ordinary Shares may dispose of their holdings.

Despite the limitations imposed by the Lock-Up Arrangements (see "*Part II – Overview of the Offer – Lock-Up Arrangement*" of this Pre-listing Statement), any additional offering or issuance of Ordinary Shares by the Company and any sale by TPC, the Directors or members of Senior Management, or the perception that an offering, issuance or disposal may occur, could also have a negative impact on the market price of the Ordinary Shares and could increase the volatility in the market price of the Ordinary Shares.

The Company's ability to pay dividends in the future depends, among other things, on its financial conditions and results of operations, capital requirements as well as the Company's operating subsidiaries distributions to the Company.

The ability and intention of the Company to declare and pay dividends in the future: (i) will mainly depend on its financial position, results of operations, capital requirement, investment prospects, the existence of distributable reserves and available liquidity and such other factors as the Board may deem relevant; and (ii) is subject to factors that are beyond the Company's control. The Board determines whether the Company is able to make the distributions. Any decision to declare and pay dividends will be made at the discretion of the Board and will depend on, among other things, applicable law, regulation, restrictions on the payment of dividends in the Company's financing arrangements, the Company's financial position, the Company's distributable reserves, regulatory capital requirements, working capital requirements, finance costs, general economic conditions and other factors the Directors deem significant from time to time. In addition, the Company's ability to pay dividends will depend in part on distributions and other payments from the Company's subsidiaries. Any such distributions may be materially and adversely impacted if the Company's operating subsidiaries' profitability suffers. There can be no guarantee that the Company's and its operating subsidiaries' historic performance will be repeated in the future, particularly given the competitive nature of the industry in which it operates, and profit and cash flow may significantly underperform market expectations. If the Company underperforms, its capacity to pay dividends may be impacted adversely. Any of these factors, individually or in combination, could restrict the Company's ability to pay dividends and therefore could negatively impact the market price of the Ordinary Shares. Given that the Ordinary Shares are, and any dividends to be paid in respect of them will be, denominated in South African Rand, an investment in the Ordinary Shares by an investor whose principal currency is not the South African Rand also exposes the investor to foreign currency exchange rate risk.

Under South African law, the Company will be entitled to pay a dividend or similar payment to its shareholders only if it meets the solvency and liquidity tests set out in the Companies Act and is permitted to do so in terms of the Company MOI. If it is unable to satisfy any of these requirements, the Company may not pay dividends in the future.

Shareholders outside South Africa may not be able to participate in future issues of securities (including Ordinary Shares) carried out by or on behalf of the Company.

Securities laws of certain jurisdictions may restrict the Company's ability to allow participation by certain shareholders in future issues of securities (including Ordinary Shares) carried out by or on behalf of the Company. In particular, holders of the Ordinary Shares who are located in the United States may not be able to participate in securities offerings by or on behalf of the Company unless a registration statement under the U.S. Securities Act is effective with respect to such securities or an exemption from the registration requirements of the U.S. Securities Act is available thereunder. Securities laws of certain other jurisdictions may also restrict the Company's ability to allow the participation of all holders in such jurisdictions in future issues of securities carried out by the Company.

In addition, if a bidder were to make a takeover or tender offer for the shares of the Company, to the extent the consideration for such offer is represented by securities of the bidder or another entity, the securities laws of certain jurisdictions, particularly the United States (as noted above), may restrict the ability of certain shareholders from receiving such securities consideration.

The price of the Ordinary Shares and/or trading volume could decline if securities or industry analysts do not publish research about the Company's business, or if they publish unfavourable research.

Equity research analysts do not currently provide coverage of the Ordinary Shares, and Cell C cannot assure that any equity research analysts will adequately provide research coverage of the Ordinary Shares after the admission to trading of the Ordinary Shares on the Main Board of the JSE. A lack of adequate research coverage may harm the liquidity and trading price of the Ordinary Shares. To the extent equity research analysts do provide research coverage of the Ordinary Shares, Cell C will not have any control over the content and opinions included in their reports. The trading price of the Ordinary Shares could decline if one or more equity research analysts downgrade the Ordinary Shares or publish other unfavourable commentary or research. If one or more equity research analysts cease coverage of the Company, or fail to regularly publish reports on it, the demand for Ordinary Shares could decrease, which in turn could cause the trading price or trading volume of the Ordinary Shares to decline.

Negative publicity about Cell C may have a material adverse effect on Cell C's business, reputation and the price of the Ordinary Shares.

Negative publicity about Cell C may arise from time to time. Negative comments about Cell C's business operations and management may appear in internet postings and other media sources from time to time and Cell C cannot assure investors that other types of negative publicity of a more serious nature will not arise in the future. Any such negative publicity, regardless of veracity, may have a material adverse effect on Cell C's business and financial results, Cell C's reputation and the trading price of the Ordinary Shares.

PART V – INDUSTRY OVERVIEW

This section describes the characteristics, market developments, key trends and competitive landscape in the South African Telecommunications industry and includes information sourced from various third parties. In particular, this section refers to and relies on information obtained from market research, publicly available information, reports of governmental agencies, and industry publications and surveys. Where industry data has been sourced from reports or surveys published by Omdia and Africa Analysis, it provides a more indicative view of the overall market size due to its broader coverage of informal and indirect market channels. However, it may still not fully capture the entire market landscape.

This section includes information sourced from various third parties. In particular, this section makes reference to and relies on information provided by various third parties. In addition, certain statements in this section are based on the Group's own estimates, insights, opinions or proprietary information. Such statements contain the words "the Group believes" or "the Group expects" and as such do not purport to cite, refer to or summarise any third-party or independent source and should not be so read. For further information on the treatment of third-party information and statements based on the Group's own estimates, insights, opinions or proprietary information, see "Important Information – Market, Economic and Industry Data". While the Group is not aware of any misstatements regarding the industry data presented herein, its estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed under Part IV Risk Factors.

SOUTH AFRICA: MACROECONOMIC OVERVIEW AND COMPARISON TO PEER MARKETS

South Africa is widely recognised as the largest and most diversified economy in Sub-Saharan Africa. With a nominal Gross Domestic Product ("**GDP**") of approximately USD400 billion in 2024, the country ranks ahead of regional comparators such as Nigeria (USD375 billion), Kenya (USD120 billion), Egypt (USD307 billion), Ghana (USD83 billion) and Uganda (USD52 billion).[2]

There are several key drivers underpinning South Africa's comparatively higher GDP relative to Nigeria, Kenya, Egypt, Ghana, and Uganda. Chief among these is South Africa's diversified and industrialised economy, which benefits from a robust financial sector, significant natural resource endowments, and a well-developed infrastructure network. The country's stable institutional framework and relatively more advanced regulatory environment further support sustained economic growth. Additionally, South Africa's strong integration into global markets, coupled with higher levels of urbanisation and a larger formal sector, contribute to greater economic output.

Historically, South Africa has maintained a robust GDP growth owing to its diversified economy, robust financial infrastructure, and sustained investment across key sectors. While periods of regional volatility have occasionally tempered overall expansion, South Africa's steady growth trajectory has consistently outpaced the more fluctuating patterns observed in Nigeria, Kenya, Egypt, Ghana, and Uganda. Looking ahead, current market research and economic forecasts suggest that South Africa will continue to experience stable and moderate GDP growth, bolstered by ongoing capital investment, policy reforms, and rising demand for digital services. Thus, South Africa's economic outlook remains comparatively resilient and promising, reinforcing its position as the region's principal engine of growth and innovation.

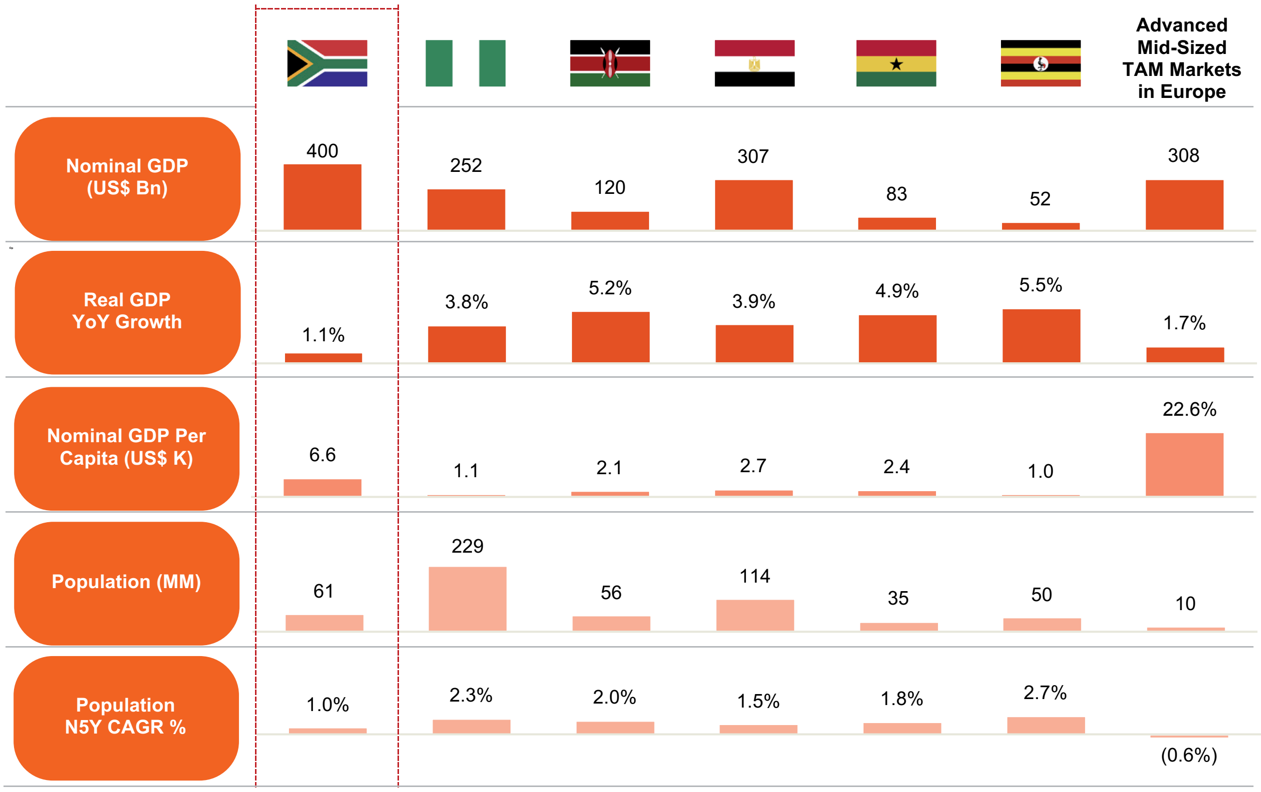
South Africa's GDP per capita, estimated at USD 6.6 thousand, reflects a relatively more affluent consumer base than that of most African peers (e.g., Nigeria: USD1.1 thousand; Kenya: USD2.1 thousand, Egypt: USD2.7 thousand, Ghana: USD2.4 thousand and Uganda: USD1.0 thousand). As the most affluent market among its regional peers (based on GDP per capita), South Africa supports stronger Average Revenue Per User ("**ARPU**") potential and offers greater opportunities for monetisation of digital services.[3]

Furthermore, in terms of the scale (GDP and GDP per capita), South Africa is broadly comparable to certain European markets such as: Portugal, Poland, Hungary, Romania and Greece. These countries can be considered mid-sized telecom total addressable markets ("**TAM**") in Europe and as such South Africa's comparability to these markets potentially indicates a higher propensity for digital adoption and discretionary spending.

Portugal, Poland, Hungary, Romania, and Greece are particularly relevant when considering relevant benchmark jurisdictions for several reasons. Each of these countries demonstrates GDP levels broadly comparable to South Africa. This parity in economic scale and consumer affluence suggests similar market dynamics in terms of discretionary spending, digital adoption, and propensity for advanced telecommunications services. The telecom sectors in these countries are characterised by competitive structures, diversified offerings, and high mobile penetration-traits mirrored in South Africa's own market landscape. Drawing comparisons with Portugal, Poland, Hungary, Romania, and Greece thus provides meaningful context for evaluating South Africa's performance, growth potential, and strategic opportunities within the broader global telecom industry.

2 Source: BMI, July 2025
3 Source: BMI, July 2025

South Africa: comparison to other African countries[4]



Source: BMI, July 2025

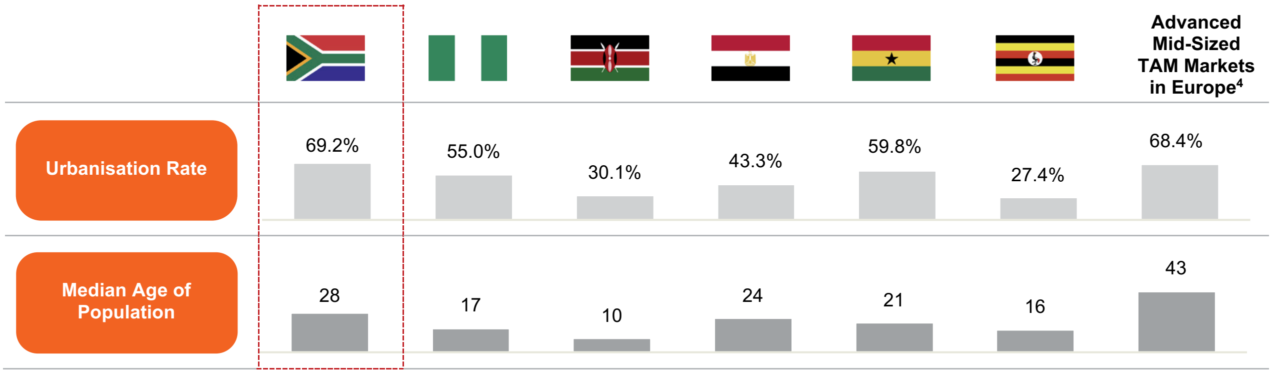
South Africa's population of approximately 61 million is characterised by a stable annual growth rate over the next five years (~1%), high urbanisation, and a youthful demographic profile. While smaller in absolute terms than Nigeria (c.229 million) or Egypt (c.114 million), the country's demographic composition and infrastructure readiness support the scalable delivery of telecom and digital services.

At c.61 million, South Africa's population is materially larger than the median (c.10 million) of the selected advanced mid-sized markets in Europe. In addition, the expected population compound annual growth rate ("**CAGR**") over the next 5 years in South Africa is 1.0% relative to -0.6% for the median of the selected European countries. Therefore, South Africa's population size and population growth rate favourably differentiate it from the selected advanced mid-sized TAM countries in Europe, providing a broader base for long-term commercial upside.

South Africa's high urbanisation rate is a key demographic driver behind its telecom sector's strong growth prospects. As a larger proportion of the population migrates towards urban centres, access to advanced infrastructure – including reliable electricity, high-speed internet, and modern transport – becomes more widespread and consistent. Urban populations are typically more engaged with digital lifestyles, enabling higher rates of smartphone ownership, mobile data usage, and adoption of increasingly more sophisticated telecommunications services. This increased concentration of people in cities not only supports the cost-effective deployment of telecommunications infrastructure but also accelerates digital inclusion and service penetration. As a result, South Africa's urbanisation dynamic positions it favourably for rapid telecommunication uptake compared to markets with lower urban density, offering a compelling growth runway for telecommunication and digital service providers.

4 African countries include (in the following order): Nigeria, Kenya, Egypt, Ghana and Uganda. Median of European countries including: Portugal, Poland, Hungary, Romania, Greece. Real GDP year-on-year growth between 2024 and 2025

South Africa: comparison to other African countries



Source: BMI, July 2025

Taken together, the aforementioned indicators position South Africa as a structurally attractive jurisdiction for investment, underpinned by economic scale and relative consumer affluence.

SOUTH AFRICA TELECOMMUNICATION SECTOR OVERVIEW

South Africa has a relatively diversified telecommunication ("**telecom**") market structure and is among the most developed in the sub-Saharan Africa region. South Africa's telecom spectrum licensing is regulated by ICASA. Any entity transmitting radio signals must hold a radio frequency spectrum license granted by ICASA. Based on estimated number active cellular subscriptions used through a handset and other devices (as of Q2 2025), South Africa's telecom market comprises of three infrastructure players (being the South African businesses of Vodacom, MTN and Telkom) along with Cell C with the following technologies, coverages market shares:[5]

South African competitive landscape

		cell C	Local Peer 1	Local Peer 2	Local Peer 3
Operating Model		Leading MVNO Enabler	Traditional MNO	Traditional MNO	Traditional MNO
Technology		5G and LTE	5G and LTE	5G and LTE	5G and LTE
Network Coverage		~28 000 sites, >98.7% pop. coverage, dual MOCN[6]	National, strong urban/rural	National, strong urban/rural	National, expanding
Market Share in South Africa	MVNO SIMs (million)	3.6	0.2	0.0	–
	Market Share by Active Subscriptions[7] (%)	<20%	20–50%	20–50%	<20%
	Mobile Voice (%)	<20%	20–50%	20–50%	<20%
	Mobile Data (%)	<20%	20–50%	20–50%	<20%
	M2M IoT (%)	<20%	20–50%	<20%	<20%
	Fixed Voice (%)	0%	<20%	>50%	>50%
	Fixed Broadband (%)	0%	<20%	>50%	20–50%

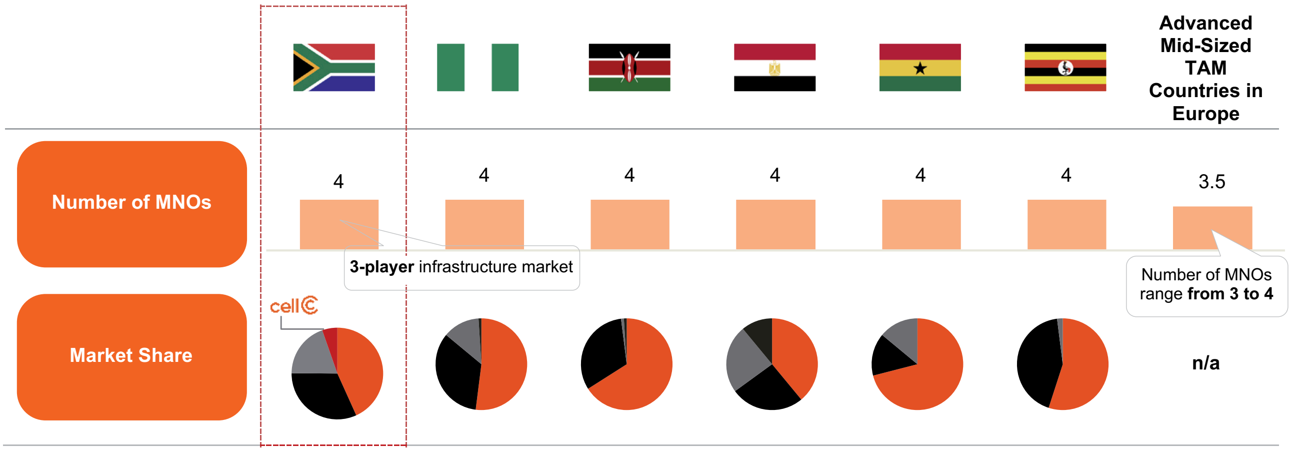
Source: Omdia (Market share of active subscriptions data only), GlobalData Dec-24, Africa Analysis

5 Excluding subscriptions of data-only provider, Rain with 0.73% market share.
6 Multi-Operator Core Network
7 Data sourced from Omdia. Based on the total number of active cellular subscriptions used through a handset, a portable device (dongles, tablets, personal hotspots such as MiFi, and other PC-centric devices such as notebooks), or a cellular-capable IoT device. Includes active subscriptions which corresponds to the total number of active connections in regular use on a network, including MVNOs hosted on it

The South African telecom market structure contrasts with the telecom market structures observed in some of the comparable African markets. For example, in the Nigerian market, MTN Nigeria leads the markets with a c.52% market share. In Kenya, Safaricom has a c.67% whilst MTN Ghana has a c.71% market share in Ghana and MTN Uganda has a c.55% market share in Uganda. These concentrated market dynamics in other African markets highlight South Africa's advantage in fostering a competitive landscape with multiple national infrastructure players, thereby supporting both service innovation and consumer choice. The selected European markets (Portugal, Poland, Hungary, Romania and Greece) are more in line with the South African structure, with the number of MNOs in each country ranging between three and four players.

The presence of three national infrastructure operators in South Africa (Vodacom, MTN and Telkom) facilitates efficient spectrum utilisation, contributing to capital efficiency and service quality. Furthermore, it results in multiple sources of wholesale supply, enhancing network resilience and competitive pricing. South African operators leverage efficient platforms across go-to-market strategies, customer service, and innovation underpinning their profitability and solid returns on invested capital. The market is further supported by a well-established regulatory framework and a history of stable policy implementation, which collectively enhance investor confidence and operational predictability.

South African Telecom market: comparison to other countries[8]

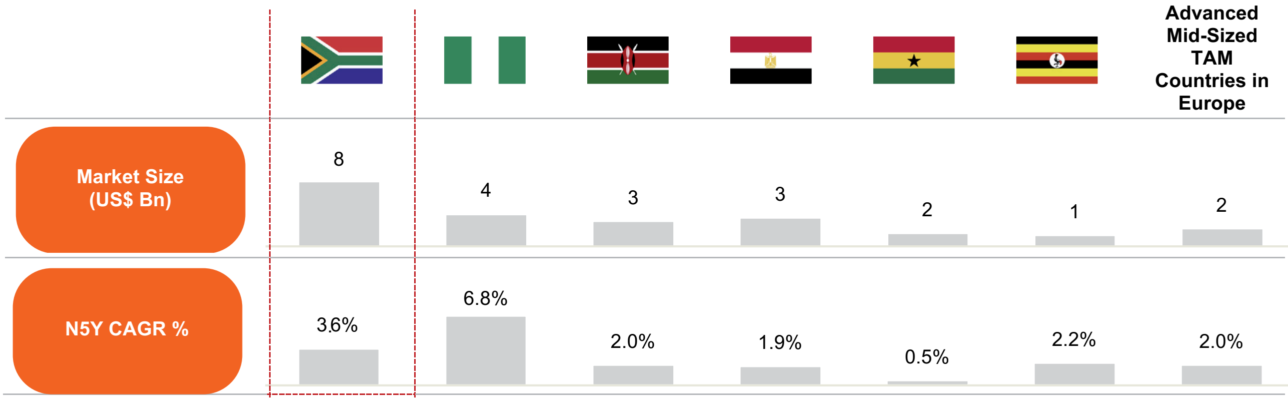


Source: Omdia

Market Size and Growth Dynamics

The South African telecom market[9] was valued at USD8 billion in 2024 with an estimated CAGR over the next five years of approximately 3.6% mainly driven among other things by increased data consumption, rising smartphone penetration, and enterprise connectivity demand. Relative to regional peers, South Africa's market size and growth rate are indicative of a mature and expanding sector, and well ahead of the selected European markets with a median market size of USD2 billion and next five years CAGR of 2.0%). The market's evolution reflects both organic demand-side expansion and strategic investment in infrastructure and service innovation.

South African Telecom market: comparison to other countries



Source: Omdia

8 Market share data refer to the total number of active cellular subscriptions used through a handset, a portable device (dongles, tablets, personal hotspots such as MiFi, and other PC-centric devices such as notebooks), or a cellular-capable IoT device. South African MNOs excludes data-only provider, Rain, given its <1% market share

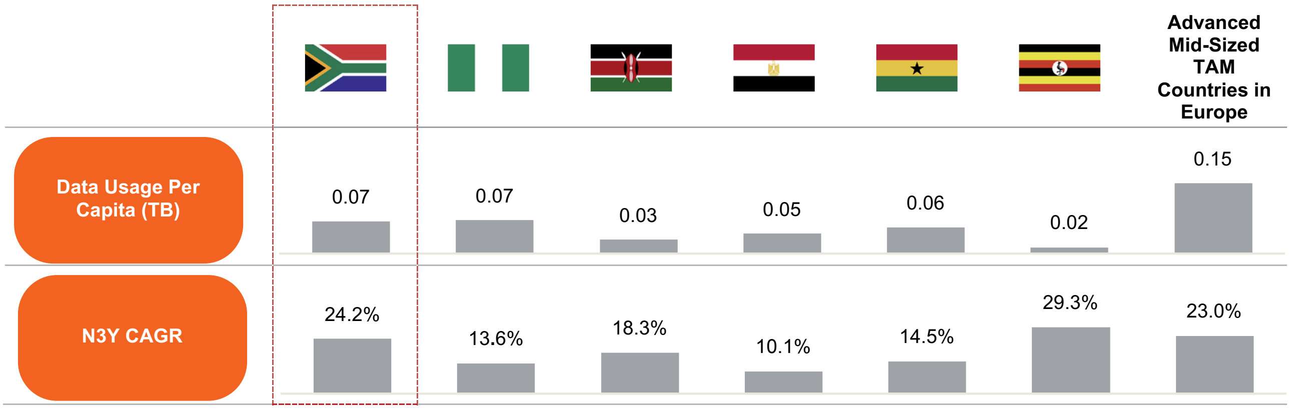
9 Omdia Estimate as of July 2025. Represents MNO service revenue as of 2024 and comprises all revenue attributed to the provision of subscriber voice and non-voice services, including roaming charges and net interconnection revenue. It also includes revenues from IoT, and the revenues MNOs earn from leasing capacity to MVNOs, and non-retail enterprise operations such as IT and managed services

Data Consumption Trends

South Africa exhibits one of the highest data usage per capita metrics among the comparable African countries listed in the table below, with annual consumption levels of approximately at 0.07 TB per capita. This materially exceeds usage in other comparable African markets other than Nigeria (0.07 TB per capita), and approaches benchmarks observed in European digital economies of 0.15 TB per capita.

South Africa is projected to achieve a 24.2% CAGR in data usage over the next three years, placing it among the top African countries (higher growth than comparable African markets except Uganda with a 29.3% CAGR in data usage over the next three years) listed below and in line with the selected European countries (23.0% CAGR): a testament to its resilient demand and digital momentum.

South African Telecom market: comparison to other countries[10]



Source: Omdia, BMI, July 2025

Growth Tailwinds of the South African Telecom Market

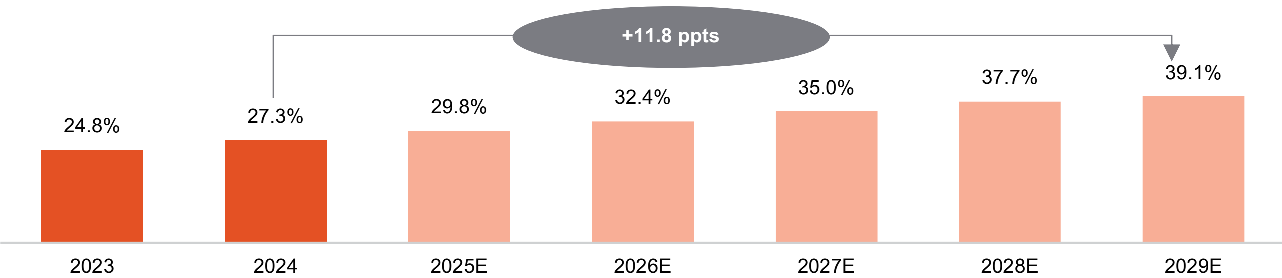
Various themes in the South African market are supportive of Cell C's growth going forward, including, among others, an expanding smartphone penetration, a growing data services market, growing IoT subscriptions, increased MVNO segment development and an expanding digital ecosystem.

Therefore, Cell C is well positioned to capitalise on structural shifts and emerging growth opportunities. Its strategy aligns with broader digital transformation trends, while supportive policy frameworks and regulatory momentum further enhance its ability to capture emerging growth opportunities across both consumer and enterprise segments.

Smartphone Penetration and Economic Growth Fuel Overall Demand

Smartphone penetration is projected to rise from 27% in 2024 to 39% by 2029E, driven by broader 4G/5G coverage and device affordability. This trend expands Cell C's addressable market, enabling deeper engagement with mobile-first consumers and supporting the uptake of data-centric services. Cell C's digital-first approach and flexible pricing models are aligned with this shift, allowing it to capture incremental demand from newly connected users.

Number of smartphones as a % of population



Source: Statista

Fast Expanding Data Services Market

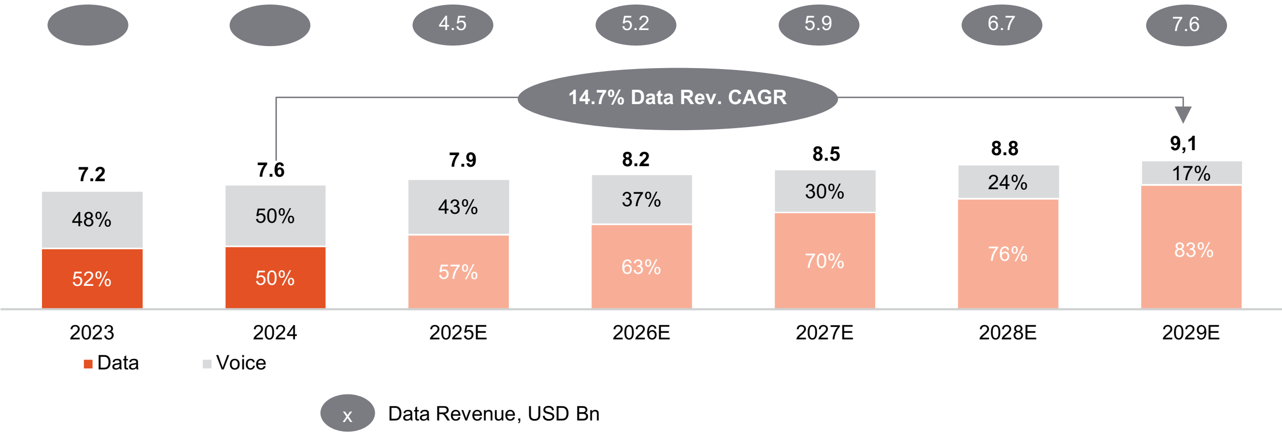
The aggregated data revenue of the telecom sector in South Africa is forecast to grow from USD3.8 billion in 2024 to USD7.6 billion in 2029E, fuelled by surging mobile video, social media, and enterprise cloud adoption.

10 Data usage refers to the total volume of data downloaded or uploaded on a service provider's mobile network in terabytes. It includes traffic generated by end-user cellular IoT and fixed wireless 4G and 5G devices

As illustrated in the chart the overall growth in service revenue is forecasted to be increasingly driven by data revenue. From 2024 to 2029E, the contribution of data revenue as a percentage of total service revenue is expected to increase from 50% to 83%. This shift to data from voice will clearly benefit telecom companies with a focus on data reliant services as opposed to those with a dependency on voice.

Cell C is well-positioned to benefit from this surge, particularly through its MVNO partnerships and targeted product portfolio, which align with evolving consumption patterns. Its ability to offer tailored data bundles and content-rich packages supports monetisation in high-growth segments.

Market size, USD billion ("Bn")[11]



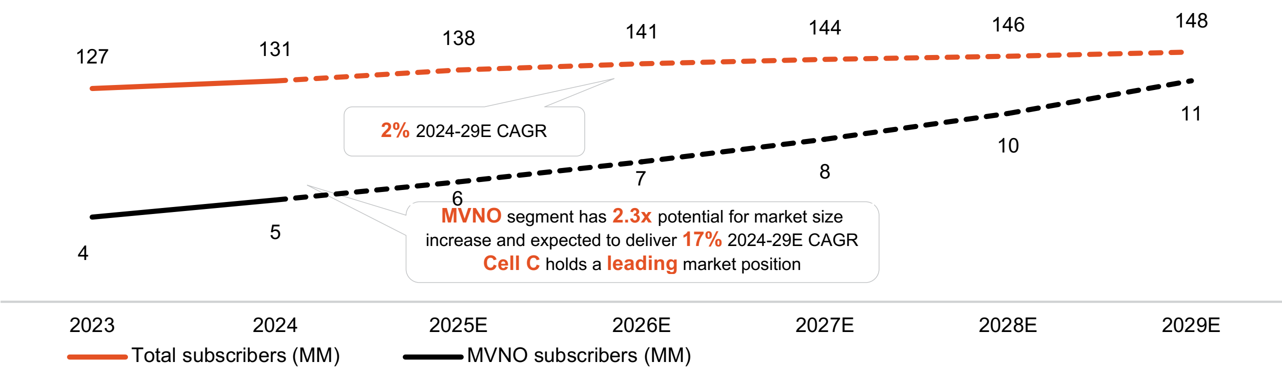
Source: Omdia

South African MVNO Space has a Significant Untapped Market Potential

South Africa's MVNO market has a significant room to expand by 2.3x, from the current 3.2% SIM share to a potential 10.8%, based on global benchmarks. The projected ~17% CAGR from 2024 to 2029E is fuelled by rising interest from banks and retailers, who view MVNOs as a way to deepen customer engagement, unlock new revenue, and boost loyalty through bundled digital services.

As the leading Company, Cell C can capture this growth, leveraging its access to infrastructure, brand strength, and scalable distribution model.

Number of subscribers, M[12]



Source: Africa Analysis 2025 South Africa MVNO Market Outlook Report

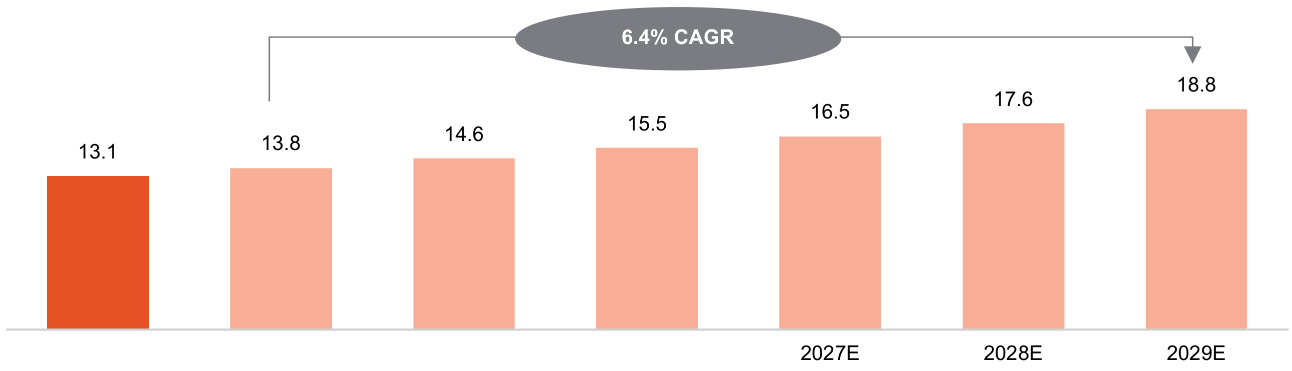
Significant Potential of Growing Enterprise Connectivity

Machine-to-machine ("**M2M**") and Internet of Things ("**IoT**") subscriptions are expected to grow at a 6.4% CAGR from 2024 to 2029E, driven by smart city initiatives, industrial automation, and enterprise digitisation. Cell C's enterprise connectivity strategy enables it to capture this growth through tailored IoT solutions, managed services, and partnerships with industrial and municipal clients. Its flexible architecture and wholesale capabilities make it a preferred partner for digital transformation projects.

11 Omdia, May 2024 for total MNO revenues from provision of voice and data services

12 According to Africa Analysis as of May 2023 report, as a 11-year-old MVNO market, SA has underperformed the leading MVNO markets by 2.3x, based on SIM market share

M2M/IOT subscriptions, M



Source: GlobalData South Africa Telecom Operators report, December 2024

Expanding Digital Ecosystem Backed by Policy Support

South Africa's digital economy is rapidly evolving, with strong momentum across fintech and travel, apps, gaming and content, as well as lifestyle platforms. Cell C's infrastructure and wholesale partnerships allow it to serve as a digital enabler, while regulatory tailwinds – such as national broadband programmes, digital inclusion goals, spectrum rationalisation, and network modernisation – create a favourable operating environment favouring smaller players, encouraging competition and promoting more efficient use of infrastructure. Cell C stands to benefit from this environment, as its wholesale-led model and flexible architecture position it to partner effectively, scale cost-efficiently, and tap into new demand created by inclusive digital policies and infrastructure sharing.

The key regulatory trends below are expected to contribute to a favourable operating environment for Cell C:

- **National Broadband** – South Africa's national broadband strategy is driving digital transformation, with goals to deliver reliable, affordable, and secure connectivity by 2030.
- **Digital Inclusion Goals** – Digital inclusion is at the heart of South Africa's developmental agenda which aims to expand connectivity and access to devices as well as improving digital literacy.
- **Spectrum reallocation** – Regulatory initiatives, such as spectrum reallocation and network modernisation, favour smaller players, encourage competition and promote more efficient use of infrastructure.
- **Network Modernisation** – Network modernisation is being driven by policy and infrastructure investment. Completion of the Broadcast Digital Migration has freed up spectrum for mobile broadband and the South African government is pushing for 5G infrastructure expansion.

PART VI – REGULATORY CONSIDERATIONS

This section provides a brief description of the principal laws and regulations to which the Company and the Group is, or will be, subject if carrying on certain activities in South Africa and which may materially affect the Group and its operations in South Africa. This section should be read in conjunction with the rest of the Pre-listing Statement. Although this section contains information concerning such laws and regulations that are considered to be material to the Group in South Africa, this summary does not purport to be a comprehensive description of all the laws and regulatory requirements applicable to the business and operations of the Company and the Group and/or which may be important to any prospective investor. The principal objective of this summary is to provide potential investors with an overview of the key laws and regulations applicable to the Group. References to laws, regulations and other administrative and regulatory documents are qualified in their entirety by the full text of such documents. See, in addition, "Part IV – Risk Factors – Risks Related To The Company's Business And Industry" of this Pre-listing Statement. Prospective investors should note that the following summary is based on the laws and regulations in force as at the Last Practicable Date, which may be subject to change.

INTRODUCTION

The Group's operations are subject to oversight and monitoring by regulatory authorities that have broad administrative and discretionary powers over the Group. In addition to the general corporate and commercial regimes (including the Companies Act and the Competition Act), the Group is principally subject to the ECA. The Group is also subject to laws and regulations relating to credit, consumer protection, data protection and privacy, the environment, employment practices, remuneration, ethical standards, tax and exchange controls.

The principal laws and regulations to which the Group is subject in South Africa are generally set out below.

CORPORATE LAW

Publicly listed companies incorporated in South Africa are regulated by, amongst other things:

- the Companies Act (including all regulations promulgated thereunder and any guidelines, guidance notes, and practice notes issued in terms thereof by the TRP and the CIPC), which regulates the incorporation, registration, management and reporting requirements applicable to companies, including corporate actions such as acquisitions, disposals, financial assistance, share transactions and insolvencies. Directors' duties and responsibilities are encapsulated in the Companies Act as well as in South African common law and include the fiduciary duty to act in good faith and for a proper purpose in the best interests of the Company, as well as acting with due care, skill and diligence. In addition to the duties of the directors, the Companies Act also sets out corporate governance requirements for companies. The Companies Act, in particular, requires that a public company must have a shareholder appointed audit committee, and a social and ethics committee as well as a company secretary and also imposes certain disclosure requirements regarding remuneration. Further, the Companies Act also incorporates certain rules relating to, among other things, takeover bids, mergers and acquisitions, schemes of arrangements, the disclosure of beneficial ownership and beneficial interests in public companies and offers of securities to the public. The Companies Amendment Act 16 of 2024 and Companies Second Amendment Act 17 of 2024 were signed into law by the President in July 2024 and partially came into force in December 2024. Some of the most material changes are those pertaining to remuneration disclosures (as discussed in *"Part X – Directors, Senior Management and Corporate Governance"* of this Pre-listing Statement below), the exclusion of financial assistance to subsidiaries from the requirements of Section 45 of the Companies Act, changes to the approval requirements for share repurchases, the composition and appointment of social and ethics committees, and the requirement for annual general meetings to include the presentation of social and ethics committee reports, remuneration reports and the appointment of social and ethics committees;
- the Financial Markets Act, which primarily regulates the South African financial markets and is aimed at reducing systemic risk in financial markets by regulating market abuse, insider trading and market manipulation while promoting international competitiveness. The objectives of the Financial Markets Act are, among other things, to ensure that the South African markets are fair, efficient and transparent, to increase confidence in the South African financial markets, to promote the protection of regulated persons, clients and investors, reduce systemic risk, and to promote the international and domestic competitiveness of the South African markets. The Financial Markets Act contains, among other things: (i) the requirements to which the exchange rules and depository rules must comply; (ii) duties, restrictions, authorisations and other requirements applicable to authorised users, stockbrokers, CSDPs (including requirements relating to custody and administration of securities); (iii) the licensing requirements, functions and rules applicable in relation to clearing houses as well as the requirements applicable to market infrastructure; and (iv) market regulation requirements, offences and sanctions, including in respect of insider trading, unlawful publication, prohibited trading practices and misinformation;

- the JSE Listings Requirements, which regulate, amongst other things, the relationship between the JSE and the issuers of listed securities and sets out the JSE's rules for such issuers, including the conditions for listing, the methods of listing securities on the exchange, and continuing obligations once listed such as those governing corporate actions. The JSE Listings Requirements contain certain requirements which create a framework which is aimed at ensuring that boards of directors communicate responsibly, transparently and honestly with the issuer's shareholders, its advisers and the JSE Limited about the business and financial performance of the issuer. This framework is supported by the mandatory corporate governance arrangements included in the JSE Listings Requirements, requiring, among other things, the establishment of mandatory Board Committees being, (i) the audit committee; (ii) the remuneration committee; and (iii) the social and ethics committee. In addition, the JSE Listings Requirements set out certain procedural requirements that apply to transactions involving listed companies or their subsidiaries which may include mergers and takeovers (as well as disposals, related party transactions and securities offerings). Certain restrictions are also placed on directors' dealings in the Company's securities;
- the King Code, which provides guidance on how to apply certain recommended practices to achieve good corporate governance practices in an organisation using an outcomes-based approach, including in relation to the composition of the board of directors (and its committees), as well as in respect of specific functions performed by directors. The King Code contains specific principles and practices around ethical conduct, good corporate citizenship, compliance with laws, rules, codes and standards, fraud, corruption, as well as risk and tax governance. It further outlines oversight and monitoring of implementation and execution by management as one of the four primary governance roles and responsibilities of boards within the dynamic business cycle of an organisation. In terms of the JSE Listings Requirements, the Company is required to comply with certain corporate governance practices set out in the King Code and to report to Shareholders (in its annual report) in respect of the relevant corporate governance practices. The draft King V Code for Corporate Governance in South Africa is the latest corporate governance framework, released by the Institute of Directors in South Africa in February 2025 for public comment. It is not yet in force. Refer to the King Code Register in *"Annexe 20 – King Code Register";*
- in relation to financial reporting, in terms of the Companies Act, the South African Minister of Trade, Industry and Competition, after consultation with the FRSC, has issued regulations prescribing financial reporting standards which, in the case of public companies, must be in accordance with the IFRS as issued by the International Accounting Standards Board or its successor body. In terms of regulation 27 of the Companies Regulations, read with Section 8 of the JSE Listings Requirements, the financial reporting standard that is applied in respect of the public companies with securities listed on a securities exchange is IFRS, and Financial Pronouncements as issued by FRSC; and
- the South African Financial Sector Regulation Act 19 of 2017, which establishes the South African Financial Sector Conduct Authority and has the powers to, among other things, investigate statements and disclosures made by listed companies where they may be false, misleading or deceptive and which intentionally or negligently induce investors to trade or refrain from trading in the listed companies securities at prices that would not be sustainable were the true facts known.

For further information on certain laws and regulations affecting shareholders, see "*Part XIX – Additional Information – Summary Of The Company MOI And Certain Explanatory Statements In Respect Of Applicable Law And Regulation Affecting Shareholders*" of this Pre-listing Statement.

INFORMATION AND COMMUNICATION TECHNOLOGY LAWS

The primary applicable legislation is the ECA, the object of which is to provide for the regulation of electronic communications in South Africa in the public interest and, accordingly, amongst other things to: promote and facilitate the convergence of telecommunications, broadcasting, information technologies and other services contemplated in the ECA; promote and facilitate the development of interoperable and interconnected electronic networks, the provision of the services contemplated in the ECA and to create a technologically neutral licensing framework; promote the universal provision of electronic communications networks and electronic communications services and connectivity for all; ensure efficient use of the radio frequency spectrum; promote competition within the ICT sector; promote an environment of open, fair and non-discriminatory access to broadcasting services, electronic communication networks and to electronic communications services; promote B-BBEE; ensure the provision of a variety of quality electronic communications services at reasonable prices; promote the interests of consumers with regard to the price, quality and the variety of electronic communications services; and ensure information security and network reliability.

ICASA is responsible for granting, renewing and amending service and spectrum licences and for planning the use of radio frequency spectrum in South Africa in line with international agreements that bind the country. The Minister of Communications and Digital Technologies is ultimately responsible for approving the radio frequency spectrum plans prepared by ICASA. ICASA periodically changes the allocation of particular radio frequency spectrum bands as technologies and applications are developed. ICASA's allocations are generally in line with the ITU Radio Regulations.

Cell C is the holder of an individual electronic communications network service ("**I-ECNS**") licence, an individual electronic communications service ("**I-ECS**") licence, and radio frequency spectrum licences issued to it by ICASA in terms of the ECA. As a licensee, Cell C has a range of obligations and responsibilities regulated by ICASA. This includes payment of annual licence fees and Universal Service and Access Fund contributions, and compliance and other reporting obligations. Changes in the control/shareholding of Cell C may under certain circumstances require prior approval from ICASA. Furthermore, licensees are subject to HDP/B-BBEE ownership and control obligations. See the Regulatory Consideration titled *"Broad-Based Black Economic Empowerment"*. MNOs like Cell C are also subject to extensive sector-specific consumer protection obligations to notify retail subscribers of milestones in their use of prepaid and postpaid services (including usage depletion notifications), rollover of data, whether the subscriber has defaulted onto out-of-bundle charges upon usage depletion, provide subscribers with the option to opt-in to out-of-bundle usage charges, and provide subscribers with the option to buy additional data bundles via the subscriber platform or any other means at any time.

ICASA has oversight over all the interconnection and facilities leasing agreements entered into by Cell C with other service providers and network operators. ICASA has the power to conduct market inquiries aimed at imposing pro-competitive conditions where market failures are identified. ICASA is able to impose price controls on wholesale or retail prices and require accounting or structural separation. Licensees have to notify ICASA in advance of tariff changes and promotional tariffs. Public and independent schools, public health establishments and public and private further education and training colleges qualify for discounted tariffs for internet services.

ICASA is responsible for issuing numbers from the national numbering plan for allocation to subscribers. To date, Cell C has not experienced any issues with obtaining the necessary numbering resources from ICASA to meet subscriber demand. MNOs like Cell C are required to give effect to number portability which allows mobile subscribers to transfer their mobile phone number to a new network. Number portability is aimed at encouraging competition and can give rise to customer churn. ICASA is empowered to develop regulations enabling competition as the key objective of the ECA. Such regulations include Number Portability Regulations which objective is to enable customers to move from one licensee to the other, and asymmetrical call termination regulations in favour of smaller MNOs. Although ICASA and the Competition have concurrent jurisdiction on competition matters, any abuse of dominance by licensees can be investigated by the Competition Commission in line with the Competitions Act.

Licensees are subject to the authority of ICASA's Complaints and Compliance Commission ("**CCC**"), which investigates complaints by consumers, ICASA and other stakeholders relating to non-compliance with the ECA, Independent Communications Authority of South Africa Act 13 of 2000 ("**ICASA Act**"), regulations and licence conditions. The CCC is empowered to hold hearings and make recommendations to ICASA, which can in turn issue compliance directives, impose fines (in some instances of up to 10% of turnover for as long as the non-compliance persists) or, in cases of severe non-compliance, suspend or revoke licences.

Telecommunications licensees are also subject to the Regulation of Interception of Communications and Provision of Communication Related Information Act 70 of 2002 ("**RICA**") and the Cybercrimes Act 19 of 2020 ("**Cybercrimes Act**"). RICA and the Cybercrimes Act are administered and enforced by the Minister of Justice and Constitutional Development. Under RICA, telecommunications licensees must facilitate lawful interception and monitoring of their networks by law enforcement agencies in accordance with judge-issued directives. Mobile licensees like Cell C must comply with specific network standards to facilitate lawful interception and provision of metadata. As the underlying provider of the services provided by MVNOs, Cell C must also facilitate compliance by its MVNO customers with any such requirements. Licensees have to comply with specific know-your-customer requirements aimed at verifying retail users of telecommunications networks. Cell C must ensure that it obtains and verifies its subscribers' identities and physical addresses and must maintain this information. Under the Cybercrimes Act, telecommunications licensees such as Cell C must also assist comply with court-issued directions to provide subscriber information and are subject to reporting obligations where they identify that their networks have been used in the commission of cybercrimes.

Cell C applies and manages electronic communications services and related electronic transactions as part of its business operations including the electronic domain in compliance with the electronic Communication and Transactions Act 22 of 2002. The Act provides legal recognition for electronic communications and transactions. Its key objectives are to facilitate and regulate e-commerce and online transactions, ensure legal certainty in the digital realm, protect consumers in online purchases, and combat abuse of information systems and cybercrime. Cell C therefore complies with online transactions rules set out in the Act.

PERSONAL INFORMATION AND DATA

The Protection of Personal Information Act 4 of 2013 ("**POPI Act**") is South Africa's comprehensive data protection legislation. The provisions of the POPI Act apply to the processing of personal information entered in a record by or for a responsible party/data controller by making use of automated or non-automated means if the responsible party is domiciled in South Africa; or if the responsible party is not domiciled in South Africa but makes use of automated or non-automated means to process personal information in South Africa, unless the means is only to forward personal information through South Africa.

Therefore, the POPI Act is applicable to all South African members of the Group when acting in the capacity of a responsible party/data controller (*i.e.*, a public or private body or any other person which, alone or in conjunction with others, determines the purpose of and means for processing personal information).

"Personal information" for purposes of the POPI Act is widely defined and means information relating to an identifiable, living, natural person, and where is it applicable, an identifiable, existing juristic person. It accordingly includes information relating to both individuals and companies and provides a detailed list of types of information that would constitute personal information for the purposes of the POPI Act, such as a person's race, age, sexual orientation, marital status, correspondence and identifying symbols.

The POPI Act provides additional protections in respect of the processing of a special category of information, namely "special personal information", which includes information relating to a data subject's religious or philosophical beliefs, race or ethnic origin, trade union membership, political persuasion, health or sex life, criminal behaviour and/or biometric information.

The POPI Act establishes eight conditions for the lawful processing of personal information, namely: accountability; specification of the purpose of processing; limitation on processing; limitation on further processing; information quality; openness; security safeguards; and data subject participation. All responsible parties are required to comply with these conditions when processing personal information. Responsible parties/data controllers are required to take steps to ensure that data subjects are aware of the processing of their personal information by complying with the notification requirements in the POPI Act and ensuring that the processing of personal information is limited to the extent necessary so as to not unjustifiably infringe on the privacy of the individual, and to ensure that the processing of personal information is subject to appropriate safeguards. A responsible party/data controller may be held accountable and liable for noncompliance with the conditions for lawful processing.

Data subjects are afforded various rights under the POPI Act in respect of their personal information, including the right to request, free of charge, confirmation as to whether or not the responsible party holds personal information about them, as well as a description of the personal information held, the right to request access to the personal information, the right to object to the processing of their personal information (in certain circumstances), and the right to request the correction or deletion of their personal information. These data subject rights are subject to the grounds of refusal in the South African Promotion of Access to Information Act, 2000. Additionally, in the event of a security compromise, the responsible party/data controller is required to notify both the Information Regulator and the affected data subjects (to the extent that their identity is known).

The Information Regulator may investigate complaints instituted by data subjects, or initiate an investigation or assessment on its own initiative, concerning any noncompliance with the provisions of the POPI Act, including relating to noncompliance with the conditions for lawful processing, the requirement of notification of security compromises, direct marketing, directories and automated decision making and the provisions governing the transfers of personal information outside of South Africa.

The Information Regulator is empowered to enforce the provisions of the POPI Act, for example by referring complaint or allegation of non-compliance to the enforcement committee established in term of the POPI Act ("**Enforcement Committee**"), which will consider the complaint and make recommendations. The Information Regulator can then, after considering the recommendation of the Enforcement Committee, issue an enforcement notice compelling the responsible party/data controller to take certain steps or to stop processing the personal information. An appeal against an enforcement notice can be made to the High Court of South Africa. The Information Regulator may also issue an assessment report, which contains the results of any assessment and the recommendations that the Information Regulator considers appropriate. An assessment report is deemed to be the equivalent of an enforcement notice.

The consequences of a failure to comply with the provisions of the POPI Act are significant. The POPI Act imposes criminal liability for certain offences, including the unlawful obstruction, interference with, or influence of, the Information Regulator, the failure to assist a person executing a warrant in accordance with a search and seizure operation without reasonable excuse and the failure to comply with an enforcement notice. In general, a person convicted of an offence may be liable to a fine or imprisonment for a period not exceeding 10 years, or both a fine and imprisonment. The POPI Act provides for an administrative fine of up to ZAR10 million for offences under the POPI Act. A data subject or the Information Regulator, at the request of the data subject, may also institute civil action, which may result in damages being awarded against a responsible party/data controller.

As part of the Group's risk mitigation and compliance procedures, the Group evaluated the potential impact of the POPI Act before it came into force, taking into account its then existing and planned privacy and data security practices and procedures. Based on the evaluation, it was established that implementation of the POPI Act would likely have an impact on the Group's data security and business costs, practices and procedures in South Africa. Accordingly, through the implementation of new policies, procedures and processes, as well as providing training and awareness as per the obligations under the POPI Act and the regulations thereto, the Group has sought to ensure compliance with its obligations under the POPI Act and remains committed to focussing on continued compliance with the provisions of the POPI Act.

EMPLOYMENT

Labour Relations

The Constitution gives every person the right to fair labour practices. The LRA is the principal legislation that gives effect to the framework in which employees, employers and industrial relations at both an individual and collective level are regulated. Primarily, the LRA regulates the manner in which employees, employers, trade unions and employer's organisations interact and engage with one another in the workplace. This includes processes related to recognition of trade unions, collective bargaining, dismissals, unfair labour practices, and industrial action such as an employee strike and an employer lock-out.

The LRA framework is geared towards the protection of employee and employer rights through various structures. The LRA allows for the creation of trade unions and employer's organisations. The extent of a trade union's entitlement to organisational rights is subject to the size of its membership base at a particular workplace. Depending on the number of employees who are members of the trade union, the trade union may be allowed access to the workplace, deductions for trade union subscriptions, to elect members to represent trade union members at the workplace, to have meetings at the workplace and to access information relevant to the trade union and its employees.

The LRA does not provide for a statutory duty to bargain collectively or otherwise, which is a purely voluntary decision (save that a trade union may embark on a strike to obtain the right to collectively bargain with the employer). The LRA also does not prescribe that bargaining can only be achieved if a trade union reaches, for example, a 50% plus one majority status in the appropriate bargaining unit or bargaining forum. The LRA permits a co-operative approach whereby two or more trade unions can aggregate their membership for the purposes of achieving majority representation or otherwise increasing their representation in order to obtain and exercise statutory organisational rights.

If a dispute between the employer and employee arises, the LRA clearly delineates the dispute resolution process which applies. The LRA strictly stipulates and regulates the requirements for a lawful strike, lockout or picketing. In this regard the LRA expressly identifies who is allowed to engage in industrial action of this nature, which processes must be followed and for which purposes employees and employers may engage in such industrial action. Should the industrial action require the parties to engage in a process of consultation or negotiation, the LRA also prescribes the procedures to be followed.

The LRA establishes the CCMA as a principal forum for the resolution of the majority of -employment related disputes that typically arise in the workplace. The LRA also establishes industry specific bargaining councils which are responsible for the resolution of disputes falling within the ambit of the bargaining council.

South African employment laws do not recognise employment "at-will" and an employer must act fairly when seeking to dismiss an employee. In this regard, the LRA prohibits unfair dismissals (including automatically unfair dismissals) and recognises that employees may be dismissed as a result of the employee's misconduct, the employee's incapacity (which also encompasses ill health and poor work performance) or the employer's operational requirements. The fairness of a dismissal is assessed based on both the substantive and procedural aspects thereof. The pre-dismissal procedure to be applied depends on the reason for the proposed dismissal.

In the event that an employee is dismissed and refers a dispute against the employer to challenge the fairness of the dismissal, a process of conciliation is peremptory in this regard. Should the dispute remain unresolved after conciliation, the vast majority of employment matters may be arbitrated, at the request of the former employee, and the resultant arbitration award made by the CCMA or relevant bargaining council is final and binding. An arbitration award or ruling is not appealable and may only be reviewed and set aside by the Labour Court on the basis of certain limited grounds. Certain unfair dismissal disputes (including automatically unfair dismissals and large-scale dismissals due to the employer's operational requirements) may not be arbitrated by the CCMA and must be referred to the Labour Court.

Basic Conditions of Employment

The BCEA aims to give effect to the constitutional right to fair labour practices by establishing and making provision for the regulation of basic conditions of employment. The BCEA provides minimum terms and conditions of employment pertaining to, among other things, working hours, leave (including annual, sick, family responsibility, maternity and parental leave), remuneration, and notice of termination of employment. The BCEA forms part of all contracts of employment unless any other law or the contract itself provides for more favourable terms to the employee. The BCEA also affords certain additional statutory protections to employees who earn below an earnings threshold established by the Minister of Employment and Labour from time to time (which is currently ZAR261 748.45 per annum).

National Minimum Wage

Recognising that there are huge income disparities in the South African labour market, the National Minimum Wage Act, 2018 makes provision for the implementation of a minimum wage, currently ZAR28.79 per hour. The new minimum wage sets a baseline across all sectors, with a few exceptions. This means that every worker will be entitled to at least the minimum wage, and no employer may pay less than the minimum wage.

The minimum wage cannot be varied by contract, collective agreement or law. Except to the extent that an employee's contract of employment, a collective agreement or law provides for a more favourable wage, the national minimum wage will constitute a term and condition of the employee's employment.

Unemployment Insurance

The South African Unemployment Insurance Act, 2001 serves to establish the Unemployment Insurance Fund ("**UIF**") which provides for the payment of unemployment benefits to certain employees who become unemployed, and for the payment of illness, maternity, parental, adoption, commissioning parental and dependant's benefits. The UIF applies to all employers and employees, other than employees employed for less than 24 hours per month, learners, public servants and workers who earn commission only.

Unemployment Insurance Contributions

In order to fund the UIF, the Unemployment Insurance Contributions Act, 2002 provides that employers are required to deduct 1% of the employee's gross earnings and pay that to the UIF monthly. Employers are also required to contribute a further 1% of each employee's gross earnings to the UIF. The contributions are capped at ZAR177.12 each per month.

Skills Development

The Skills Development Act aims to develop the skills of the South African workforce while improving quality of life and prospects for work and labour mobility. The Skills Development Act also aims to improve productivity in the workplace and the competitiveness of employers while promoting self-employment. It also aims to increase levels of investment in education and training. It governs various bodies which encourage partnerships between the public and private sectors of the economy and help new entrants to the labour market with finding work. One of these bodies is the National Skills Fund into which those employers who are registered with the SARS for Pay As You Earn tax are required to contribute, provided that their payroll exceeds ZAR500 000 per annum.

Employment Equity

The Employment Equity Act *inter alia*, promotes equity in the workplace by promoting equal opportunity and fair treatment in the workplace, including during recruitment, through the elimination of unfair discrimination and with the implementation of affirmative action measures to redress the disadvantages in employment experienced by designated groups, in order to ensure equitable representation in all occupational categories and levels in the workforce. People from designated groups are defined as those South Africans who are Black (African, Coloured or Indian), women and people with disabilities.

Designated employers (*i.e.*, employers who employ more than 50 employees, which includes Cell C) are required to implement an employment equity plan and submit employment equity reports to the Department of Labour on an annual basis. The employment equity plan sets out the employer's goals for achieving employment equity in the workplace, while the employment equity report sets out the employer's progress in meeting its planned goals. The government has set sectoral targets and the employer's numerical goals in the employment equity plan should be determined with reference to these sectoral targets. A designated employer's failure to comply with these provisions of the Employment Equity Act may result in fines of up to ZAR1.5 million or 2% of the employer's annual turnover (whichever is the greater) where there have been no previous contraventions, or up to ZAR2.7 million or 10% of the employer's annual turnover (whichever is the greater) in the case of ongoing contraventions.

It is imperative that regard must be had of the necessity to remunerate employees based on the principle of equal pay for work of equal value. Work will be identified as being of equal value when the work done by the employee is the same, substantially the same or of equal value when compared to an appropriate comparator.

To determine whether discrimination between employees occurs, the Employment Equity Act identifies 22 listed grounds upon which an employer could potentially discriminate between employees. Race, gender, language and family responsibility are examples of these listed grounds. Differentiation on the basis of these grounds is presumed to be unfair discrimination between employees. The Employment Equity Act furthermore identifies an "arbitrary ground" of differentiation as a ground upon which unfair discrimination can take place.

BROAD-BASED BLACK ECONOMIC EMPOWERMENT AND TRANSFORMATION

Historically, South African citizens who were racially classified as African, Indian, or Coloured were excluded from any meaningful participation in the economy. As a result, one of the key challenges the democratic and constitutional South Africa had to resolve was to redress racial inequalities created by colonialism and apartheid which, among others, limited black ownership.

To this end, as provided for by the Constitution, the South African government introduced B-BBEE laws and policies. B-BBEE is a central part of the South African government's economic transformation strategy and comprises various components aimed at increasing the numbers of Black People who manage, own and control the country's economy, decreasing racially based income inequalities and achieving a substantial change in the racial composition of ownership and management structures.

The B-BBEE Act is the primary legislation through which this B-BBEE policy is implemented. In terms of the B-BBEE Act, B-BBEE consists of measures and initiatives that are aimed at increasing levels of equity ownership by Black People in businesses operating in South Africa, increasing the number of Black People who participate in management roles and/or are employed in business, improving the skills of Black employees, assisting small and medium businesses that are majority owned by Black People, and incentivising the procurement of goods and services from businesses that have higher B-BBEE ratings and corporate social investment. The Minister of Trade, Industry and Competition has published various codes of good practice, including certain sector-specific codes, under the B-BBEE Act. These codes set out the details of how B-BBEE scores are measured on each of the different elements identified above, namely: (i) ownership: (ii) management control: (iii) skills development, (iv) enterprise and supplier development: and (v) socio-economic development. Businesses are scored in terms of a scorecard set out in the codes on the extent to which they meet the specified targets.

Each element has its own scorecard and a measured enterprise's performance in relation to a particular element is scored in terms of the scorecard and formulae specifically created for that element. Cell C and the Group fall within the ambit of, and are measured under the scorecard of, the ICT Sector Code. The ICT Sector Code includes unique obligations, such as promoting access to ICT services in rural areas, supporting ICT-related education and training, and encouraging innovation and local content development.

While the Generic Codes of Good Practice and ICT Sector Code use the same five elements, the ICT Sector Code places a stronger emphasis on skills development and access to ICT for underserved communities under the element of socio-economic development.

A measured entity may be scored as a level 1 (135% B-BBEE procurement recognition) to level 8 contributor (10% B-BBEE procurement recognition).

An entity which scores below level 8 is considered to be a non-compliant contributor (0% procurement recognition), although there is no sanction under the B-BBEE Act or the codes for not achieving a minimum B-BBEE score.

In terms of the B-BBEE Act, government bodies and state-owned entities ("**SOEs**") in South Africa, including ICASA, are required to take private-sector parties' relative B-BBEE levels into account when they: procure any goods or services, issue any licence or other authorisation, or enter into partnerships with the private sector. This means that businesses that interact with Government by selling to Government or that require licences to perform their particular activities would need to consider and enhance their levels of B-BBEE to conduct their businesses in those sectors. In a licensing context, B-BBEE requirements are implemented in the empowering legislation for the licence in question (e.g. banking, broadcasting, mining, telecommunications, transportation, etc.) and, in certain instances, B-BBEE minimum thresholds may be set. The Preferential Procurement Policy Framework Act 5 of 2000 also provides that B-BBEE must be considered by any public sector body in the context of its procurement practices and details the manner in which B-BBEE must be taken into account by government departments and agencies and SOEs. There is no legal obligation on a private enterprise to comply with the B-BBEE Codes but it is important for companies that wish to do business with the public sector or obtain licences or concessions from the government to ensure that they score as high as possible in terms of the scorecard. B-BBEE also has a cascading effect, even where a particular company does not interact with the government or the public sector, as in order to score highly on the procurement element of the scorecard, companies need to ensure that as many of their service providers as possible also score highly on the scorecard and will, therefore, give preference to service providers who have good B-BBEE credentials. Compliance with the B-BBEE Codes is therefore often more of a commercial imperative than a legal one. A public company listed on the JSE must submit a compliance report required to be included in terms of section 13G(2) of the B-BBEE Act annually to the B-BBEE Commission in the prescribed form, within 30 days of the approval of the audited financial statements and annual report or 90 days at the end of the financial year.

ICASA has made sector-specific regulations under the ICASA Act in terms of which individual licensees like Cell C must be at least 30% owned by historically disadvantaged persons ("**HDP**"), including Black People, women, and disabled people and must be, at a minimum, level 4 B-BBEE contributors. Licensees must submit their B-BBEE certificates to ICASA on an annual basis and demonstrate their compliance with the HDP ownership requirements. Certain of the calculation and deeming provisions in the ICT Sector Code that allow businesses to gross up or recognise higher B-BBEE ownership than their actual B-BBEE ownership in some circumstances may not be used.

In May 2025, the Minister of Communications and Digital Technologies published a draft policy direction for public comment calling on ICASA to consider aligning the ownership principles in the ICASA sector-specific regulations with those under the Generic and ICT Sector Code. Alignment between these frameworks would clarify how telecommunications licensees should calculate and measure the extent of their ownership by Black people or HDPs for purposes of compliance with the ICASA sector-specific regulations and would presumably allow telecommunications licensees to rely on all the provisions of the ICT Sector Code for the purposes of fulfilling ICASA's requirements. See the risk factor entitled "*A change to Cell C's B-BBEE rating and levels of ownership by Black people in South Africa may adversely affect its reputation, business operations and relationship with the government in South Africa or affect Cell C's ability to secure or maintain registration certificates or licenses to provide services or use spectrum or to provide or secure major supply contracts in respect of which B-BBEE is a selection consideration and/or risk it not being in compliance with certain existing contracts*".

BEE SPV

The Company and TPC are deeply committed to advancing South Africa's transformation agenda through meaningful and sustainable B-BBEE. As a proudly South African telecommunications provider, Cell C recognises the critical role it plays in redressing historical inequalities and fostering inclusive economic participation. Cell C has consistently prioritised initiatives that promote the development and inclusion of black South Africans across its value chain – from ownership and management control to skills development, enterprise and supplier development, and socio-economic upliftment.

In line with this commitment, the Company and TPC are taking deliberate steps to ensure that the requisite B-BBEE ownership structure is in place at the time of Admission, reinforcing its dedication to driving equitable participation and long-term socio-economic impact.

Cell C's current empowerment certificate reflects that the Company has a level 1 B-BBEE contributor rating with 40.14% black ownership, 17.01% women ownership and 22.00% black new entrants. The B-BBEE certificate is valid until 11 December 2025, and Cell C is in the process of obtaining an updated certificate. Investors will be requested to provide their empowerment/HDP credentials, where available, and analysis of institutional investors will be done to ascertain the level of B-BBEE ownership/HDP ownership from the public investor base following Admission.

In addition to the B-BBEE ownership structure to be implemented below, the Company's ownership structure at Admission is currently contemplated, following the Restructuring and post the Offer, to include the following B-BBEE/HDP ownership:

- Flow through B-BBEE/HDP ownership from TPC of c. 11.0%–16.0% (depending on the ultimate size of TPC's residual shareholding after Offer); and
- B-BBEE/HDP ownership through the Executive Transfer Scheme of 1.0%.

In order to ensure that, at Admission, Cell C has a minimum of 30% B-BBEE/HDP ownership, BLU, via TPC, will facilitate a structure that allows a BEE SPV to own an direct interest in the Company with this interest being vendor funded by TPC. As part of the Offering, TPC will sell 5% to 20% of the Ordinary Shares to the BEE SPV, with the purchase price remaining outstanding on loan account and being paid for over time through dividends on the Ordinary Shares and proceeds from the sale of Ordinary Shares. The final allocation to the BEE SPV will be determined based on the level of flow-through B-BBEE/HDP ownership from other participants in the Offer as assessed through the allocations/bookbuild process and will ensure that Cell C has a minimum of 30% B-BBEE/HDP ownership at Admission. The full empowerment structure as at the time of Admission will be underpinned by the BEE SPV so as to ensure that Cell C's B-BBEE/HDP ownership will not be less than 30% at Admission, once the structure is implemented. The BLU board has given approval for the full structure to be vendor funded by TPC.

The BEE SPV will be owned by Fordside Enterprises (Pty) Ltd 2024/366388/07, Sangrilor (Pty) Ltd 2009/016574/05 and Nubridge Capital (Pty) Ltd 2009/020484/07. All these parties are 100% B-BBEE owned entities that are not related parties to BLU. The ultimate beneficial shareholders of the BEE SPV are all 100% Black People as confirmed by the shareholding entities' respective BEE certificates / ultimate beneficial ownership confirmation. These entities are all credible parties and have been trusted partners to BLU for a significant period of time. The BEE SPV will acquire Ordinary Shares from TPC in the Offer based on the final Offer Price. The BEE SPV and its shareholders will be subject to a lock-up of 6 years. For the first 12 months after the Admission, the BEE SPV and its shareholders will not be entitled to directly or indirectly dispose of any Ordinary Shares. For the remaining 5 years of the lock-up, they will be able to directly or indirectly dispose of up to 20% of the Ordinary Shares held by them per year, but only with the prior consent of TPC and only if the sale is to a party of equivalent or better B-BBEE / HDP status.

If there is no empowerment flow through from the public investor base (and dependent on the B-BBEE/HDP flow-through ownership from TPC's residual shareholding in the Company, the BEE SPV will acquire up to the full 20% of Ordinary Shares from TPC as part of the Offer and therefore ensure that Cell C complies with its licensing requirements (based on the TPC and management flow-through (Executive Transfer Scheme) noted above) and if there is a level of B-BEE/HDP ownership from the other investors in the Company, the BEE SPV may acquire less than 20%. However, the BEE SPV will acquire at least 5% of the Ordinary Shares.

While Cell C expects to have flow through B-BBEE/HDP ownership that comes from the public investor base, given the uncertainty in this regard, the BEE SPV structure provides investors with comfort that Cell C has the requisite level of BEE ownership at the time of listing.

For the avoidance of doubt, the intention is for the transaction to be fully implemented at the time of Admission.

CONSUMER PROTECTION AND PRODUCT LIABILITY

The South African Consumer Protection Act, 2008 (the "**CPA**") is the primary legislation in South Africa which provides for consumer protection and governs liability in respect of defective or unsafe goods. Amongst other things, the CPA aims to (i) promote a fair, accessible and sustainable marketplace for consumer products and services; (ii) establish national norms and standards to ensure consumer protection; (iii) make provision for improved standards of consumer information; (iv) prohibit certain unfair marketing and business practices; (v) promote responsible consumer behaviour; and (vi) promote a consistent legislative and enforcement framework, related to consumer transactions and agreements.

The CPA applies to transactions occurring within South Africa unless exempted. The CPA exemptions are wide ranging and, in this framework, the Group does not deal with the relevant exemptions as they need to be considered in the context of a specific transaction.

In respect of unsafe goods, product failures and defective goods, the CPA establishes strict liability (*i.e.*, a no-fault based liability). More specifically, Section 61 of the CPA provides that a producer, importer, distributor or retailer of any goods can be liable for any harm caused wholly or partly as a consequence of (i) the supply of any unsafe goods; (ii) product failure, defect or hazard in any goods; or (iii) inadequate instructions or warnings provided to the consumer pertaining to any hazard arising from or associated with any goods, irrespective of whether the harm resulted from any negligence on the part of the producer, importer, distributor or retailer, as the case may be.

Although liability under the CPA is a no-fault liability, the producer, importer, distributor or retailer may only be held liable for harm as described in Section 61(5) of the CPA. The harm for which a person may be held strictly liable in terms of this section includes (i) the death of, or injury to, any natural person; (ii) an illness of any natural person; (iii) any loss of, or physical damage to, any property, irrespective of whether it is movable or immovable; and (iv) any economic loss as a result of the aforesaid.

Where more than one person is liable (involved in a product failure chain), the liability of such persons is joint and several. Therefore, under South African product liability law, it does not matter whether the harm resulted from any negligence or other blameworthy conduct and any role player in the value chain (*i.e.*, producer, distributor or retailer) may be liable.

Besides product liability provisions, the other major CPA provision is the requirement that the National Consumer Commission ("**NCC**") must promote the development, adoption and application of industry-wide codes of practice providing for effective and efficient systems for, *inter alia*, product monitoring and recall. More specifically, if the NCC has reasonable grounds to believe that any goods may be unsafe, or that there is a potential risk to the public from the continued use of or exposure to the goods, and the producer or importer of those goods has not taken any steps required by an applicable code contemplated in the CPA, the NCC may, by written notice, require the producer to (i) conduct an investigation; or (ii) carry out a recall programme on any terms required by the NCC.

A producer or importer affected by such notice may apply to the Consumer Tribunal to set aside the notice in whole or in part. In addition to the CPA provisions, the NCC has published Consumer Product Safety Recall Guidelines, which provides detail as to what a supplier is required to do when conducting a product safety recall.

It is an offence to engage in conduct which is in contravention of the CPA (which would include a failure to comply with any aspect of an order issued in terms of Section 60(2)) of the CPA. The NCC may issue a compliance notice pursuant to Section 100 of the CPA. If there is a failure to comply with the compliance notice, the NCC may either:

- apply to the Consumer Tribunal to have an administrative fine imposed of not greater than 10% of the respondent's annual turnover during the preceding financial year or ZAR1 000 000; or
- refer the matter to the National Prosecuting Authority for prosecution of an offence in terms of the CPA.

It must be noted that, in the event that such a compliance notice has been issued by the NCC, the aggrieved party is entitled to object to such compliance notice within 15 business days of receiving such notice. The aggrieved party would be permitted to make representations, and the Consumer Tribunal may thereafter either cancel or modify the compliance notice initially issued.

ENVIRONMENTAL LAWS

The Group is subject to various environmental laws and legislation with respect to (i) the nature of waste generated from its operations and (ii) packaging material that is involved in distribution or retail of products.

Various laws and regulations relating to the protection of the environment and sustainable use of natural resources are in place. These include Section 24 of the Constitution which provides for a justiciable right to an environment that is not harmful to human health or wellbeing, and to the protection of that environment for the benefit of present and future generations through reasonable legislation and other measures that secure justifiable ecologically sustainable development. In addition, the Constitution and various environmental legislation enacted and implemented since 1996, grant legal standing to a wide range of interest groups to institute legal proceedings to enforce their environmental rights, which are enforceable against private entities as well as the South African government.

South African environmental legislation commonly requires businesses whose operations may have an impact on the environment to exercise duty of care to prevent land, water and atmospheric pollution. In some instances, there may be an obligation to obtain environmental authorisations, permits, licences and other approvals for those operations and to comply with the conditions of approval prescribed in these authorisations.

National and provincial legislation, and municipal by-laws, prescribe the required environmental licences and permits. The most important environmental legislation governing the Group's operations in South Africa are:

- the South African National Environmental Management Act, 1998, as amended from time to time ("**NEMA**"), as the overarching or framework environmental legislation in South Africa, which, *inter alia*, deals with duties of care to prevent and/or remediate land pollution the Group causes. Breach of this duty may result in the issuance of compliance notices or directives in terms of NEMA, which may bring operations to a halt, in addition to the possibility of fines and imprisonments or both;
- the South African National Water Act, 1998 ("**NWA**"), which requires persons undertaking certain water uses, including the storage of water above certain quantities, or disposing wastewater or water containing waste into the environment to obtain authorisation by way of water use licences and/or registrations under the NWA and its associated regulations. The NWA also has a general duty of care to prevent water pollution, and the breach of the duty may result in the issuance of compliance notices or directives;
- the South African National Environmental Management: Waste Act, 2008, as amended from time to time ("**NEMWA**"), and associated regulations, including the Extended Producer Responsibility ("**EPR**") Regulations, 2020. NEMWA, *inter alia*, requires a holder of waste take all reasonable measures to (i) avoid the generation of waste and where such generation cannot be avoided to minimise the toxicity and amounts of waste that are generated; and (ii) reduce, re-use, recycle and recover waste. The EPR regulations impose various recycling and takeback obligations on "producers" (including importers). Therefore, the EPR regulations only apply to "producers" which is defined as "any entity, person or category of persons identified as being responsible for extended producer responsibility". Producers who place in excess of 10 tonnes of identified products onto the market on an annual basis are responsible for extended producer responsibility. The regulations also contain additional criteria to determine whether an entity, person or category of persons is a "producer". A call up notice has been published which concerns *"Paper, Packaging and Single-use Products"* (including products such as glass, metal, plastic, and biodegradable plastic packaging). The EPR regulations in respect of the paper, packaging and some single use products do not impose mandatory takeback obligations but have collection and recycling targets for each identified waste stream which increase over a five-year period from November 2021. The targets are listed in *Annexe 1* – Consolidated Annual Historical Financial Information of Cell C Limited For The Year Ended 31 May 2025, The 5 Months Ended 31 May 2024, The Year Ended 31 December 2023 and The Year Ended 31 December 2022.
- in the EPR regulations for "*Paper, Packaging and Single-use Products*";
- the South African National Environment Management: Air Quality Act, 2004, as amended from time to time, and associated regulations, which regulate air pollution in South Africa and provide for the setting of frameworks and standards to monitor air pollution;
- the South African Hazardous Substances Act, 1973, which requires persons dealing with hazardous substances to obtain certain licences. The Group's sites with hazardous chemicals are subject to registration of the site's hazardous chemical agents store with local municipalities and these are renewed accordingly, however, no additional hazardous chemical licences are required; and
- various municipal by-laws relating to the discharge of industrial effluent.

The costs associated with compliance with these laws and regulations are substantial, and possible future laws and regulation and/or changes to existing laws and regulations could cause additional expense and capital expenditures. It could also cause restrictions on or suspensions of the Group's operations.

All waste generated at Cell C's head office is collected by Green Waste. They handle the separation of recyclables at their facility, ensuring compliance with the requirements of NEMA. Non-recyclable waste is disposed of at a landfill, and Cell C receives a monthly report for record-keeping and compliance purposes.

At all Cell C retail facilities, waste is managed in accordance with the specific requirements of each centre management. This approach helps mitigate Cell C's operational risk while ensuring local compliance.

HEALTH AND SAFETY

Every employer is required in terms of Section 8 of the South African Occupational Health and Safety Act, 1993 ("**OHSA**") to provide and maintain, as far as it is reasonably practicable, a working environment that is safe and without risk to the health of its employees. These duties are extended beyond direct employees through Section 9 of OHSA, which also requires an employer to conduct its undertaking in such a manner as to ensure, as far as is reasonably practicable, that persons other than those in its employment who may be directly affected by its activities are not exposed to hazards to their health or safety.

The responsibility for ensuring that the duties of the employer as contemplated in the OHSA are properly discharged lies with the person who is the defined chief executive officer of that employer, with the CEO being *"in relation to a body corporate ... the person who is responsible for the overall management and control of the business of such body corporate …"*.

The CEO's health and safety duties include the duty to take reasonably practicable measures to ensure the workplace is safe and is without risk to the health of its employees and other stakeholders. Other related duties include duties to report health and safety incidents and to contribute to a statutory occupational compensation fund. All these duties can be assigned or delegated. The fund is responsible for compensating employees for occupational injuries and diseases.

COMPETITION

The Competition Act prohibits anticompetitive restrictive practices and abuses of a dominant position and requires that transactions resulting in a change of control of a business (a "**merger**") in which the parties exceed certain turnover or asset value thresholds must be approved by the relevant competition authority before implementation.

The South African competition authorities may, *inter alia*, impose administrative penalties of up to 10% (and in some cases 25%) of a Company's South African turnover for violations of the Competition Act. Certain contraventions of the Competition Act may also result in individuals being fined or imprisoned.

Compliance with the Competition Act is a priority item for the Group. As part of its compliance efforts, a set of competition law guidelines have been developed, which competition law guidelines are applicable to the entire Group (save where contrary legislation is applicable in the country), in which case the local legislation will prevail) and reviewed periodically, as required. Training and awareness sessions are conducted in various business areas on an ongoing basis.

Public Interest in Merger Control

When assessing whether to approve mergers, the effect of the merger on public interest must be taken into account. In particular the following public interest grounds must be taken into account: the effect of the merger on (i) a particular industrial sector or region; (ii) employment; (iii) the ability of small and medium businesses, or firms controlled or owned by HDPs to effectively enter into, participate or expand within the market; (iv) the ability of national industries to compete in international markets; and (v) the promotion of a greater spread of ownership by HDPs and workers in firms in the market.

A merger may be prohibited on public interest grounds even if it raises no competition concerns.

Data Services Market Inquiry

In 2017, the Competition Authorities initiated a data services market inquiry and in December 2019 the Competition Authorities published a report in relation to the Data Services Market Inquiry which identified four broad areas of concern, namely:

(i) the existence of anti-poor retail pricing structures, which lack transparency;

(ii) inadequate price-based competition in mobile markets;

(iii) limitations in the availability of spectrum and access to facilities, which drive costs up; and

(iv) the supply gap for fixed line data services.

The inquiry recommended that relevant mobile operators enter into independent agreements with the Competition Authorities to ensure: (i) a reduction in data prices; (ii) that national roaming agreements are appropriately priced, (iii) that accounting separation of wholesale network infrastructure is introduced; and (iv) that wholesale rates reflect a discount when compared to retail rates. The Competition Authorities also undertook to monitor pricing levels and profitability in the data services market on a continuous basis until such point that competition in the market has reached the desired level.

PART VII – BUSINESS OF THE GROUP

OVERVIEW

Cell C is a telecommunications and technology company within the South African market with a recognisable brand and strong market presence. Cell C has a diversified business model across its retail and wholesale businesses and is the leading enabler of MVNEs and MVNOs in South Africa.

In July 2021, Cell C initiated the implementation of its turnaround strategy, focusing on operational efficiencies, reducing operational expenditure and optimising traffic. This included a significant reduction in capital expenditure and a conversion from a fixed-cost infrastructure-based network to a variable operational expenditure model. This, together with the recapitalisation of the debt structure, will result in a significant improvement in the Group's liquidity and enable its long-term sustainability. See "P*art VIII – Restructuring and formation of the Group*".

As a result of the turnaround strategy and the debt recapitalisation, Cell C has re-emerged as a lean, agile and customer-focused telecommunications challenger in South Africa. Its transformation is underpinned by a low capital expenditure and asset-light model that leverages its own scarce spectrum assets in combination with MTN's and Vodacom's physical radio access network infrastructure. Cell C's pioneering national dual MOCN platform, enables switching between MTN and Vodacom networks, improving reliability and user experience. This strategy enables Cell C to deliver national high-grade coverage without the heavy capital investment required to compete on breadth and quality of coverage. The national dual MOCN platform is underpinned by mutually beneficial long-term agreements with MTN and Vodacom that ensure capacity prioritisation and access to its partners' investments in emerging mobile technologies such as "fifth generation" ("**5G**") mobile services. This model enhances flexibility, allowing rapid deployment of new products and services while freeing up resources for innovation, expanding product and service offerings, and enhancing customer experience. It also enhances the robustness of Cell C's network, creating redundancy for customers in case of outages on one of Cell C's two partner networks.

From a management perspective, Cell C has a strong executive committee in place, and additional management capacity has been established, enabling focus on key strategic areas that should result in the successful implementation of its diversified business strategy targeting growth in its retail and MVNO customer base.

Over the past 24 months, the strengthened Cell C executive management team has been able to successfully return the Cell C business to a strong growth trajectory with significant improvement in both operational and financial metrics, driving the sustainable growth and profitability of the Group going forward.

In the wholesale and enterprise segment, Cell C is the leading platform for supporting MVNEs and MVNOs in South Africa, with a majority market share and partnerships with major brands across retail, financial services and other sectors.

During the year ended 31 May 2025, Cell C had ZAR11 138.2 million in revenue, compared to ZAR4 619.8 million in the five months ended 31 May 2024 (ZAR10 854.0 million in the twelve months ended 31 May 2024), ZAR10 703.0 million in the year ended 31 December 2023 and ZAR11 310.3 million in the year ended 31 December 2022. Over the same periods, Cell C had EBITDA of ZAR2 104.4 million, ZAR588.4 million, (ZAR1 983.0 million), ZAR2 669.6 million and ZAR7 665.6 million and EBIT of ZAR1 596.8 million, ZAR426.6 million (ZAR1 407.4 million), ZAR1 691.6 million and ZAR6 186.5 million, respectively.

Going forward, Cell C will seek to leverage network parity and invest further to enhance customer offerings and experience. Additionally, Cell C will continue improving customer touch points and journeys through investment in digital platforms for a seamless customer experience.

STRENGTHS

Unique capex-light operating model, enabling a leaner and more agile challenger telecommunications provider

In 2023, Cell C completed a fundamental shift in its operating model by moving away from the operation of physical towers and radio access networks ("**RAN**") and refocusing Cell C on operating a virtualised RAN ("**vRAN**") hosted by the two biggest mobile telecom infrastructure providers in South Africa. Cell C has benefitted significantly from its vRAN. By owning its own spectrum and utilising excess network capacity that other MNOs sell at a healthy margin, Cell C achieves strategic flexibility while avoiding the typical c. ZAR10 billion annual capital expenditure burden of operating a physical RAN, maintaining capital expenditures under ZAR1 billion. Cell C has leveraged the advantages of its vRAN to achieve greater scalability, enhanced network performance and speed of service deployment. While Cell C buys capacity on partner networks, it is fully responsible for and in control of its radio spectrum, core network, billing system and subscriber management allowing Cell C to, as an example, generate revenue from the rental of its extra capacity on its own spectrum to MVNOs.

As a result of its capex-light operating model, Cell C has emerged as a more nimble challenger telecommunications provider with a clear path to long-term sustainability. Cell C's remaining capex investments focus on its core networks and IT systems, as well as its customer-facing experiences, building differentiation through service offerings rather than chasing high network capex investment cycles. Cell C has accelerated its network modernisation by leveraging its shared, next generation vRAN optimised for 4G and 5G. The flexibility of Cell C's operating model and network also leave it well positioned to adopt new telecom technologies such as satellite, enabling fast expansion into underserved areas without large infrastructure costs.

Cell C's capex- and asset-light operating model has successfully reduced the infrastructure burden on Cell C and repositioned it for profitable revenue growth. For example, Cell C's capital expenditure for the year ended 31 May 2025 was ZAR778 million, compared to ZAR347 million for the five months ended 31 May 2024, ZAR605 million for the year ended 31 December 2023 and ZAR1 067 million for the year ended 31 December 2022, respectively. During the same periods, Cell C's capex intensity (capital expenditures divided by revenue) was 7.0% (and 5.7%, on *pro forma* Group basis), 7.5%, 5.6% and 9.4%, respectively. For comparison, during each of their most recent full reporting periods, the capital intensities of Cell C's peer companies: (Local Peer 1, Local Peer 2, Local Peer 3, International Peer 1, International Peer 2 and International Peer 3) were 13.5%, 18.4%, 13.4%, 18.4%, 18.1% and 14.3%, respectively.

By shifting capital expenditure to operational expenditure, Cell C has gained flexibility and improved cost efficiency, creating a solid foundation for sustainable growth. This transformation is expected to allow Cell C to invest strategically in its customer experience, digital capabilities and partnerships to deliver real value to end-users.

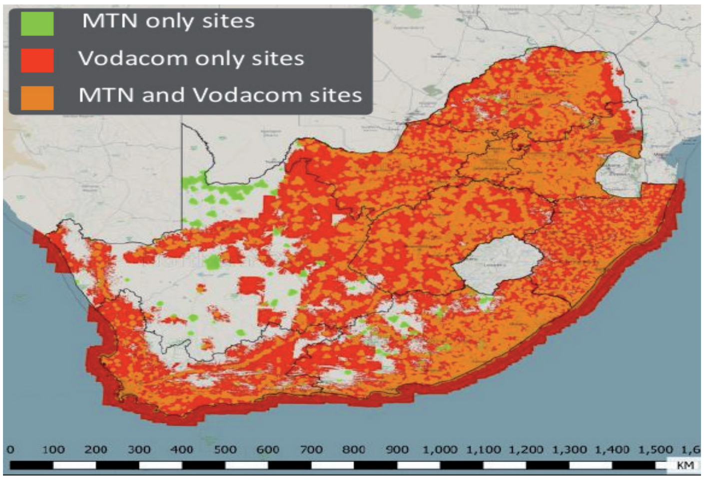
Pioneering network strategy and infrastructure modernisation, delivering improved customer experience

At the centre of Cell C's network strategy is its unique national dual MOCN operating model. This model, including Cell C's own spectrum plus roaming agreements with MTN and Vodacom, gives Cell C's customers access to national-grade coverage and reliability via either MTN's or Vodacom's RANs, as well as leading technology such as 5G. Cell C's customers are able to access Cell C's network through the network sites of either MTN or Vodacom. Cell C SIM cards can automatically connect to either MTN's or Vodacom's network based on availability and connectivity. Steering can be controlled by Cell C's core network. If a Cell C customer does not have coverage on one of these networks, the SIM card can automatically switch them to the other network if there is coverage. Even though Cell C customers access its network through the network sites of MTN and Vodacom, the traffic is routed to Cell C's network for processing, which enables Cell C to retain full control over the customer experience.

This innovative national dual MOCN solution enhances Cell C's network resilience, supports its customer experience and allows it to offer nationwide coverage in South Africa (network coverage of 98.7% of South Africa's population). The transition from Cell C's own physical tower network to its partner network model increased its effective network size from approximately 5 500 sites to over 28 000 sites and is expected to continue to benefit from further network investments by MTN and Vodacom. The following table shows the type and number of radio access towers accessible on Cell C's virtual network:

Sites	**MTN**	**Vodacom**	**Cell C**
3G	c. 13 000	c. 15 000	c. 28 000
4G	c. 13 000	c. 15 000	c. 28 000
5G	Cell C has access to all South African 5G sites operated by both MTN and Vodacom		

The following map shows the distribution of network infrastructure available to Cell C in South Africa:



Source: Company information. Map represents 4G coverage only.

This new strategy has seen Cell C, for the first time in its history, recognised as the best in Mobile Network Reliability in South Africa, as awarded by global independent authority OpenSignal in August 2025. This achievement marks a significant milestone in Cell C's journey, underscoring the strength of its network transformation and its commitment to delivering dependable connectivity. Cell C was also joint number one for Video Experience and Voice App Experience, further validation the network's progress across multiple dimensions of customer experience.

Complementing this, Cell C has begun the modernisation of its core network and technology infrastructure, with targeted investment in platforms that improve scalability, security and customer journey differentiation, enabling a digital-first, data-driven approach to customer engagement. Among other things, Cell C has modernised its core network, billing and IT stack, developed in partnership with Huawei, into a fully converged, next-generation billing system that enables real-time charging on a unified platform. It has also pioneered Africa's first cloud-native IMS deployment using Amazon Web Services ("**AWS**") to enable VoLTE services a scalable and cost-effective solution which enhances voice communications. Cell C has made significant progress in enabling 5G, which provides faster speeds for Cell C's customers and unlocks 5G FWA capabilities, matching and exceeding the range of products of its larger competitors.

Cell C has multiple growth engines across key value segments and lines of business, which position the Group well for its next growth phase

Cell C has built a diversified and scalable revenue model with multiple growth engines across the personal, digital products and wholesale/B2B segments, which is built to scale with demand.

The personal segment comprises mobile prepaid and postpaid mobile services, fixed (home) service and value-added services. In this segment, Cell C has begun to refocus on the postpaid segment (which is managed by CEC) to improve customer lifetime value and ARPU, which has historically been managed by CEC. It has increased its brand and marketing activities to drive market consideration, and it has increased its focus on device financing. The personal segment is underpinned by a strong consumer distribution platform established across wholesale resellers, retail distribution partners, branded stores and tele-sales.

Cell C has an informal distribution channel through partner wholesale resellers, led by an extensive network of "super-dealers" alongside partnerships with leading South African retailers. Cell C partners with established resellers to distribute its SIM cards across South Africa. SIM cards are distributed through various last mile hubs and channels such as retail shops and other sub-dealers. Cell C also has a network of 104 Company owned and franchised stores across South Africa, with refurbished stores rolled out across 60 locations (as at 30 September 2025) aligned with Cell C's refreshed brand identity. In addition, Cell C has established relationships with leading retail distribution partners across South Africa, including Pepkor, Foschini, Shoprite, Retailability, Pick n Pay and Pepkor Lifestyle. As at 31 August 2025, these relationships gave Cell C access to:

- 7 984 retail locations including 832 distribution partner locations and three Cell C stores in Limpopo;
- 686 distribution partner locations and five Cell C stores in Mpumalanga;
- 688 distribution partner locations and five Cell C stores in Central;
- 2 681 distribution partner locations and 43 Cell C stores in Gauteng;
- 1 132 distribution partner locations and 19 Cell C stores in KwaZulu-Natal;
- 1 124 distribution partner locations and 22 Cell C stores in Western Cape; and
- 841 distribution partner locations and seven Cell C stores in Eastern Cape.

The digital products segment includes mobile advertising, content services and premium messaging. Cell C has a strategic advantage in this segment due to its agility, focus and its ability to build smart, flexible partnerships. Cell C's focus in this segment on integrating best-in-class capabilities from its partners to deliver tailored solutions to customers.

The wholesale and B2B segment includes enterprise solutions, wholesale and services for MVNOs and MVNEs, and business products. Cell C is moving beyond a simple wholesale model with value-added services, data insights and advanced enablement tools to secure long-term growth and differentiation. It is also expanding B2B services to gain traction as a trusted partner to government and private entities and leveraging its MOCN redundancy capabilities to offer superior IoT services.

Cell C was the first mobile operator in South Africa to host MVNOs and has since developed a reputation as the "Home of MVNOs" with several successful brands. Cell C is the largest wholesale provider of airtime in South Africa with the majority market share of MVNOs, according to 2025 South African MVNO Market Outlook Report (Africa Analysis, May 2025). Cell C has deep partnerships with a wide range of MVNOs spanning niche players to large brands, including Capitec, FNB, Shoprite K'nect mobile, uConnect, me&you, smartmobile, C-Connect and Old Mutual Connect.

Cell C is in the process of making access available to 5G and VoLTE across its network and, among other things, enabling its MVNO clients to leverage next generation connectivity and expand their capabilities. Cell C is also introducing data analytics to optimise customer engagement and enable data integration with third-party business intelligence platforms, micro-lending solutions for airtime and data top-ups and monetising APIs and automated invoicing, contract management, collections and omni-channel customer care. These services place Cell C in the best position to capture an even greater share of the rapidly growing MVNO market, which is forecast to reach c. 10.3 million SIM cards by 2028 according to the 2025 South Africa MVNO Market Outlook Report (Africa Analysis, May 2025).

Cell C has also begun to build out a focused B2B enterprise strategy aiming to serve businesses with mobile connectivity, fixed wireless access and value-added services. In keeping with its asset-light model, Cell C is leveraging partnerships to pursue enterprise clients rather than building out a large direct sales force. Enterprise customers represent an attractive area of growth as they tend to provide a higher ARPU and more stable revenues and many of these enterprises are spending greater amounts on digital initiatives to drive efficiency which the Group can support. See "*Strategy and Prospects – Leverage partnerships & ecosystems to scale beyond core revenue*" for more information.

Cell C is agile and focused with a strong challenger mindset

As a result of, amongst other things, the changes in strategy that the new executive management team have implemented since 2023, Cell C has emerged as a nimble and customer-centric challenger telecommunications player in the South African market. Cell C's new operating model focuses on agility, cost-efficiency and strategic partnerships, allowing it to deliver innovative solutions and respond quickly to market changes, thereby creating value for both customer and shareholders.

Cell C's model provides Cell C with additional cash for operational expenditure and therefore allows it to rapidly deploy new products and services, to tailor offerings to changing customer and drive market demand.

In the year ended 31 May 2025, Cell C had free cash flow of ZAR591.1 million, compared to ZAR9.6 million in the five months ended 31 May 2024, ZAR988.6 million in the year ended 31 December 2023 and ZAR9 872.6 million in the year ended 31 December 2022.

Cell C's free cash flow conversion during the year ended 31 May 2025, the five months ended 31 May 2024, the year ended 31 December 2023 and the year ended 31 December 2022 was 27.4%, 1.6%, 37.0% and 128.8%, respectively.

Cell C is a lean and agile organisation, supported by an experienced management team with strong technical and operational expertise

The Group boasts a committed, and resilient management team with extensive multidisciplinary experience in the industry that has successfully delivered a turnaround of Cell C.

Joaquim Jorge Cerqueira Mendes (Chief Executive Officer) joined the organisation in July 2023 with 27 years of experience in the telecommunications industry. He has held senior leadership roles with leading mobile network operators in South Africa and internationally. During 20+ years at Vodacom, Jorge drove growth and operational excellence across Sales, Customer Operations, and Regional Operations. From February 2015 to January 2019, he served as Chief of Sales, Distribution & Regional Operations, before becoming Chief of the Consumer Business in February 2019, where he was responsible for a segment contributing approximately 65% of the Company's total revenue.

El Tshegofatso Kope (CFO) joined in October 2022 and has 19 years of work experience. El has extensive international experience with DHL, Coca-Cola Africa, SA Breweries and Tsebo International.

The Cell C management team has more than 25 years of industry experience per person, on average. The team's qualifications include 1 Chartered Accountant (SA), 3 MBAs and 2 Actuarial Science experts, demonstrating a high level of expertise and professional competence. Having been built progressively over the past 24 months, the executive team is now fully in place, with a year of stable, aligned leadership driving strategic execution and business transformation.

The management team is supported by an experienced board of directors, led by Johannes Sanyana Mthimunye with Sindiswa Victoria Zilwa as the chair of the Audit, Risk and Compliance Committee, Maya Makanjee as the chair of the Remuneration Committee, Maya Makanjee as the chair of the Social and Ethics Committee and Johannes Sanyana Mthimunye as the chair of the Nominations and Corporate Governance Committee, as at the Last Practicable Date.

The board collectively brings over a century of leadership and governance experience, anchored by multiple Chartered Accountants and seasoned executives with advanced degrees in business, finance, and strategy. Their combined expertise spans telecoms, corporate finance, audit, transformation, public policy, and regional development, with several members having founded or led prominent firms, chaired audit and governance committees, and served on boards of major listed and unlisted companies. Their qualifications include MBLs, MBAs, international executive programs, and cybersecurity credentials, reflecting a deep and diverse skill set suited to complex oversight and strategic direction.

The management team is supported by a committed, skilled and diverse employee base of c. 900 people as at 31 August 2025, enabling rapid decision making to deliver innovative solutions and responding quickly to market changes strategic objectives. The Group's employee base allows for a deep bench of leadership, enabling succession and retention of key talent across the business.

Of the Group's approximately c. 900 employees, approximately 85% are HDPs and approximately 45% are female.

The Group also has a focused approach to its people with a lean organisation of c. 900 people as at 31 August 2025, enabling rapid decision making to deliver innovative solutions and responding quickly to market changes. The Group has a robust talent pipeline benefiting from focused leadership development planning that aligns with Cell C's focus on succession planning. Cell C's focus on leadership development has enabled it to establish its talent and career management framework, which prioritises talent identification and career planning. Cell C mitigates risks related to its talent by deploying competitive young talent programmes, enabling flexible best-practice career pathing, launching a skills transfer programme, implementing standardised mobility principles and aligning its employee value proposition. Cell C's succession framework guides candidates through a process of preparation for promotion, discussions between candidate and management, approvals of talent managers and executives, assessments and reporting.

The Cell C brand is well-established, resilient and ranked in the top 30 South African brands

Cell C continues to be a highly resilient brand with a loyal customer base, long-established and respected in the South African market, executing with clear momentum toward becoming a top three connectivity solutions player. Independent recognition underscores this trajectory. In August 2025, Cell C was a joint winner for *Reliability Experience* in OpenSignal's South Africa report, the first time Cell C has achieved this distinction. The brand also shared the Video Experience award in the same report, and in July 2025 was recognised as number one in South Africa for Best Video Experience on 4G and it won a Global Rising Star Award. Beyond network proof points, Cell C was the industry winner for Home Internet Excellence in the Ask Afrika Orange Index 2024/25 and was recognised by Kantar BrandZ (2024) among South Africa's Top 30 most valuable brands.

Since July 2023, Cell C has re-anchored its business model around a clear intent and asset-light strategy, leveraging access to South Africa's best networks. Cell C underwent a full brand refresh aimed at developing a customer-centric brand through targeted approaches, consistent delivery of the new brand purpose and brand values. The repositioning launched on 15 August 2024, anchored by the new brand platform *"Nothing should stop you",* signalling Cell C's role and purpose as an ally to those the company serves, which removes friction so customers can focus on what matters. Cell C's SOV was 7.9%, according to TELMAR April 2025.

This repositioning has delivered measurable proof points across network and reinforced the position on offering value for money with affordable data offers and customer experiences delivered through the new revamped store experience.

Cell C's strategic repositioning is built on brand growth levers and strategic assets designed to elevate reputation, deepen customer engagement, and enhance long-term enterprise value. Integrated initiatives, spanning brand strategy, sponsorships, digital transformation, and stakeholder engagement, position marketing as a catalyst for sustainable value creation. Corporate Affairs, Corporate Communications, and CSI have been aligned under a single "Ally" narrative, unifying reputation, preference, and growth.

The Company uses sponsorships and leverage to forge an emotional connection with customers, including the sponsorship of Sharks rugby that delivered a ROMI (return of marketing investment) in media value of 6.6:1, Comrades Marathon that delivered a ROMI in media value of 8:1, South African Rugby Legends, and a youth-focused Red Bull collaboration – tapping into national passion points, amplifying the "*Nothing should stop you*" brand platform, delivering on the brand purpose of allyship, and converting fan engagement into brand salience and customer growth.

Brand momentum is reflected in customer sentiment. Cell C's Net Promoter Score ("**NPS**") rose seven points year-on-year, from 23 to 30. Following a Q2 2025 trough of 19, NPS rebounded strongly with a 10-point gain in Q3 2025 (to 29) and further improved to 30 in Q4 2025. This reflects the positive impact of the rebrand, proof-led communications, and improving customer experience, as tracked by the Kantar BrandZ Brand Health Tracker.

Cell C's customer satisfaction (prepaid) also consistently has exceeded benchmarks, with 93.3% customers satisfied with its services in the year ended 31 May 2025, compared to 92.4% in the five months ended 31 May 2024, 91.2% in the year ended 31 December 2023 and 89.0% in the year ended 31 December 2022.

In addition, as of August 2024, Cell C has launched a refreshed brand positioning, expanded its national franchise model and revamped more than 60 retail stores, as at 30 September 2025, all reinforcing Cell C's commitment to customer experience and operational agility.

Cell C has also achieved a Thick Trust Score of 72.7 points described by the insights and advisory firm GlobeScan as a proprietary measure built on deep, open and enduring relationships with stakeholders, unlocking information flows, understanding, engagement and dialogue, collaboration and co-creation.

Cell C has completed a turnaround with strong financial improvements in margins, debt reduction and cost base

Cell C has executed a high-impact turnaround strategy that has stabilised and streamlined the business and has positioned it for future growth. Since the implementation of its turnaround strategy, Cell C has experienced improvements in its revenue diversification and cost containment.

In the first six months after deactivating its remaining towers in June 2023, Cell C delivered incremental revenue of ZAR300 million and undertook a number of cost-cutting measures, resulting in approximately ZAR300 million of reduced costs. It also renegotiated a significant number of its critical agreements, unlocking approximately ZAR2 billion in net savings and recouping approximately ZAR400 million in cash, including landmark roaming agreements for network parity which are pivotal to business sustainability.

In the year ended 31 May 2025, Cell C's EBITDA margin was 18.9%, compared to 12.7% in the five months ended 31 May 2024 (18.3% in the 12 months ended 31 May 2024), 24.9% in the year ended 31 December 2023 and 67.8% in the year ended 31 December 2022. The change between the year ended 31 May 2025 and the year ended 31 December 2023 was primarily due to the September 2022 recapitalisation adjustments distorting the figures for the period.

Over the same period, Cell C's EBIT Margin was 14.3%, compared to 9.2% in the five months ended 31 May 2024 (13.0% in the 12 months ended 31 May 2024), 15.8% in the year ended 31 December 2023 and 54.7% in the year ended 31 December 2022.

In the year ended 31 May 2025, Cell C's net debt to EBITDA was 2.7x, compared to 9.2x in the five months ended 31 May 2024 (4.3x in the twelve months ended 31 May 2024), 2.0x in the year ended 31 December 2023 and 0.7x in the year ended 31 December 2022. These efforts, together with the recapitalisation of its debt structure, have resulted in a deleveraging of the balance sheet, significantly improving Cell C's liquidity, and thereby positioning Cell C for long-term sustainable growth. Upon Admission, assuming that all of the steps of the Restructuring have been successfully completed, the Group is expected to have a net debt of ZAR2 586 million and gross debt of ZAR2 750 million.

Cell C is well-positioned for the public markets

In preparation for Admission, Cell C has undertaken key steps to ensure it is well-positioned for the public markets.

Cell C has strengthened its governance structures and has concluded all agreements to effect the Restructuring, which will significantly simplify Cell C's ownership structure and ensure Cell C is appropriately structured for success in the listed environment. As part of the turnaround strategy, Cell C has strengthened the board of directors and the audit and risk functions. In June 2023, Cell C appointed Maya Makanjee and Godfrey Nkosingiphile Motsa as two new independent non-executive board members to the board of directors, which has strengthened the board's independence and telecommunications experience. Two non-independent directors also ceased to be board members, namely James Newman (2024) and Nathan Lane (2025).

In addition, Cell C is significantly simplifying its capital structure. Prior to the Restructuring, Cell C's capital structure included significant shareholder loans owed to TPC and third-party debt owed to Nedbank. These liabilities have hampered Cell C's ability to fund its growth plans. Furthermore, Cell C's capital structure is complicated by shareholdings of various special purpose vehicles ("**SPVs**") ultimately funded by TPC. In addition, Cell C entered into a managed services partnership regarding its postpaid business with CEC in November 2020 and sold excess airtime to TPC as a funding mechanism.

The rationale for the Restructuring is to convert Cell C's shareholder debt to equity in turn removing constraints due to an inefficient capital structure, to settle third-party debt for cash, to unwind the SPV structure to enable a simplified ownership structure, and to reintegrate the postpaid business managed by CEC and excess airtime held by TPC back into the Group ensuring that the legacy funding structure between TPC and Cell C is dissolved and TPC only retains core levels of trading airtime. Cell C believes that the Restructuring will eliminate the complexities in its capital structure, optimise its balance sheet and promote efficiencies by in-sourcing its key operational units. See *"Part VIII – Restructuring and formation of the Group".*

STRATEGY AND PROSPECTS

The Group's strategy is governed by its purpose to be an ally to those it serves. The Group has stated that its mission is to do this by harnessing the power of technology to delight its customers and improve their lives. Its vision is to be the first choice for customers because the Group puts them at the heart of everything it does.

Within this framework, the Group has built its strategy on five key pillars aimed at unlocking the full potential of its unique operating model is South Africa. These include:

- Addressing network quality and perception;
- Reinforcing value perception to drive growth;
- Leveraging partnerships to boost revenue;
- Delighting with best-in-class experience; and
- Driving an infectious brand connection.

The Group's Admission is expected to be an enabler of its strategy, as it will elevate the Cell C brand, enhance access to capital to sustain growth, instil public transparency and market discipline, and enhance the Group's profile with key partners.

Address network quality and perception

The Group plans to leverage its capex-light, partnership-led model that overcomes the capital intensity requirements of traditional mobile telecom companies to deliver best-in-class reliability without the balance sheet burden that comes with building and maintaining a tower network. Delivering consistently high-quality service and customer-centric connectivity will continue to build trust in, and the strength of, the Cell C brand in the wake of its turnaround.

As part of its turnaround strategy, Cell C has already shifted its operations to its pioneering national dual MOCN model, giving its customers access to national-grade coverage and reliability and garnering Cell C awards for video and upload speeds. The Group's MOCN has been rolled out to now cover more than 95% of the South African population with improved speed and reliability. In addition, the Group has begun to roll out national 5G enablement, which is targeted for expected completion by the fourth quarter of 2025.

The Group plans to continue to build on its brand and network quality perception using third-party validation such as OpenSignal and Ask Afrika Internet Excellence recognitions, as well as transparent cues (coverage maps, speed checks, etc.). It was already declared a joint winner for Reliability Experience in OpenSignal's South Africa report, the first time Cell C has achieved this distinction. The brand also shared the Video Experience award in the same report, and earlier in July 2025 was recognised as #1 in South Africa for Best Video Experience on 4G and it won a Global Rising Star Award.

The Group's move to its national dual MOCN model has eliminated the requirement to fund or maintain thousands of towers, keeping capital intensity structurally lower than peers. As noted above, Cell C's capital intensity in the year ended 31 May 2025 was 7.0%, compared to 13.5%, 18.4%, 13.4%, 18.3%, 18.1% and 14.3% for its local and international peer competitors during each of their most recent full reporting periods. See "*Strengths – Unique capex-light operating model, enabling a leaner and more agile challenger telecommunications provider*".

The reduction in fixed capital costs creates greater structural capital efficiency and cost alignment with revenue. This is particularly true in the wholesale business line in which the Group can charge MVNO clients, for example, through a "pay-as-you-grow model". The MVNO market represents a very attractive growth opportunity for the Group. In 2023, the MVNO market grew 51% year-on-year and generated ZAR4.3 billion in retail revenue, according to the 2023 South Africa MVNO Market Outlook Report (Africa Analysis, March 2024). SIMs for MVNOs are expected to reach 10.1 million to 13.5 million by 2028 and brands like Capitec Connect, FNB Connect and K'nect are accelerating MVNO adoption. See "*Strengths – Reinforce value perception to drive growth*" below.

The new model also contributes to the technological agility of the Group, which can now adopt new technologies at a faster rate without incremental capex, ensures scalability without step-function increases in cost. See "*Strengths – Leverage partnerships & ecosystems to scale beyond core revenue*" below.

As the Group further improves consumer perception of its network speed and reliability, this will remove a major historical drag on ARPU and NPS, with enhanced reliability and speed strengthening customer trust and brand positioning, thereby increasing customers' willingness to spend on increased services and packages.

Reinforce value perception to drive growth

With traditional revenues under pressure, the Group intends to drive growth diversified customer segments, particularly in MVNOs, creating sustainable revenue streams. It will do this by expanding and monetising customers across Prepaid, Postpaid, Enterprise, MVNO, and Fibre by offering differentiated values that drive growth at every tier.

The Group's customer base is currently partially diversified with Prepaid, Postpaid, Wholesale (including MVNOs), roaming and other (including enterprise revenue, fibre to the home revenue and roaming revenue) and equipment representing 52.5%, 19.0%, 12.2%, 14.0% and 2.3% of service revenue (42.1%,15.3%, 9.8%, 13.1% and 19.7% on a Group *pro forma* basis) for the year ended 31 May 2025. In the same period, the Group had ZAR4.489 million MVNO HLRs. The Group intends to further balance its exposure across these groups, creating greater resilience and reducing the Group's dependence on any one particular segment. In particular, greater exposure to Wholesale (including MVNOs) provides more predictable, annuity-like revenues and can provide a consistent underpinning to earnings, even in competitive or turbulent consumer markets.

Group intends to use enhanced customer value maximisation modelling to drive targeted upselling across these groups and to reduce churn. One advantage of upselling existing customers into higher-value plans is that it is significantly more cost-efficient than chasing net-additional customers, which in turn protects EBITDA margins while sustaining growth. Between 1 June 2022 and 31 May 2025, Cell C's blended ARPU had a compound quarterly growth rate of 2.4% from ZAR73 to ZAR95.

In the consumer segment, the Group plans to further drive customer growth through, amongst other things, continuing to reinforce the value perception drive that has already built the Cell C brand to where it is today, one of South Africa's top 30 brands according to Kantar, BrandZ™ Most Valuable South African Brands 2024. The Group also expects to roll out a set of simplified prepaid offerings and targeted promotions to accelerate growth in the prepaid segment. With the CEC Exchange, the Group will also reintegrate the postpaid business. The Group plans to roll-out a new set of postpaid plans and is in the process of remodelling its stores to showcase its revamped offering. The Group has also launched *"MyConnecta"* deals as value platform to provide personalised offers to customers. These deals will reinforce value perception by offering affordable data, simplicity, clear bills, fair pricing and consistent deal structure.

In the MVNO space, the Group plans to expand its offering towards more holistic value-added services, expanding its revenue lines and decreasing competitive margin pressure. While the Group is one of the largest providers of wholesale mobile services in South Africa, the MVNO market is evolving beyond simply providing wholesale mobile connectivity with limited additional services towards providing cradle-to-grave MVNO enablement solutions. Expanded enablement tools and platform capabilities, such as CVM, loyalty programmes, digital wallets and bundled services, will help to ensure that MVNOs stay with Cell C rather than moving to competitors. These tools will also enable the MVNOs on Cell C's system to succeed in a competitive market, thereby further enhancing the Group's revenue. Fast-tracked and streamlined onboarding solutions can attract large brands that want a white-label solution for their MVNO while maintaining Cell C's backend infrastructure.

The Group is targeting expanded offerings for MVNO customers in five main areas: telecom offerings, data-as-a-service, digital and fintech and managed services. In terms of its telecom offerings, the Group is in the process of rolling out 5G and voice-over-LTE, Wi-Fi calling, postpaid account structures for MVNOs, and digital SIM registration for faster subscriber onboarding. The Group also expects to provide its MVNO clients with various other services such as data analytics to optimise customer engagement, data streams to enable integration with third-party business intelligence platforms, customer value management services (including automated segmentation, churn prediction and real-time offers) and marketing services to leverage customer insights to create targeted campaigns. In terms of digital services and fintech, the Group plans to expand and monetise APIs on a per-use basis where applicable, to develop digital wallet technology for mobile payments, remittances and other financial services integration, to provide micro-lending services for airtime and data top-ups and to provide bespoke branded voucher capabilities. The Group also plans to introduce managed services such as strategic advice for MVNOs on entry strategies, pricing, feasibility and market positioning, product development services for innovative MVNO products, automated invoicing, contract management and collections services and omni-channel customer care services (including self-service and monitored portals and white-label call centres).

In Fiber, Cell C has concluded a comprehensive review of its fixed portfolio pricing in response to adjustments made by multiple partnering FNOs. The purpose of this review was to right size the legacy fixed customer base, with the objective to improve margins and reduce voluntary churn. With the conclusion of this review, Cell C's strategic focus for its fixed business has shifted toward market share growth through product innovation and value-based differentiation. Key initiatives underway include the expansion of the Group's prepaid Fibre portfolio through strategic FNO partnerships, the development of converged mobile and fixed solutions, integration of Cell C's rewards platform to improve customer lifetime value and the design of targeted propositions for the SME segment, addressing a key growth opportunity. In parallel, Cell C has made significant progress in wholesale negotiations with Vodacom to support the rollout of a robust fixed wireless access proposition. The product framework has been finalised, and the associated offerings have entered the build phase.

These initiatives collectively position Cell C to accelerate growth and deepen customer engagement across both consumer and business segments.

Leverage partnerships & ecosystems to scale beyond core revenue

The Group is in the process of building out its partnerships to create a digital solutions ecosystem to unlock new verticals and revenue streams, enabling capital-light expansion in a highly competitive, regulated market. It intends to embed partnerships at the core of its business model to enable capital-light entry into high-growth verticals, positioning Cell C as an ecosystem orchestrator rather than a pure connectivity provider. The advantages of this partner ecosystem model include financial efficiency, operational agility, expanded market access and additional log-term growth levers.

The Group has active strategic partnerships with IoT, cloud and managed security providers, expanding its digital solutions footprint. It is also active in public sector pilots in e-government services, which has the potential to create a pipeline of scalable solutions. Cell C is already the largest MVNO partner in South Africa, with a majority market share of MVNOs, according to Africa Analysis. The Group expects that its MVNO clients and channel partners will actively seek to cooperate with the Group on new joint growth initiatives to expand into new market segments, as these partnerships offer great benefits to both parties. The Group's ecosystem's revenue-sharing and margin models are cash efficient and reduce capital requirements needed for new product launches and entry into new markets. Group partners bear a significant amount of the cost of developing new products and the Group and the partner then share in the revenue derived from the product.

In order to ensure delivery and to protect the Cell C brand, the Groups has put in place a robust governance framework for managing its ecosystem partners, ensuring scalable and trusted partner execution.

Partner-led innovation also allows the Group to bring new products to market more quickly than if it had to develop these internally. Together, these strengths provide the Group with extended reach into the enterprise and public sector segments. A differentiated ecosystem unlocks new market opportunities and creates multiple drivers of growth beyond telecoms.

In the retail consumer space, the Group plans to leveraging this partner ecosystem to expand its offering beyond core revenue. One example of this already in effect is Cell C's Airtime Advance programme in partnership with Airvantage, which allows customers to borrow airtime on Cell C's network for a small fee. Airvantage was established in 2012 and has been a Cell C partner since early 2013, with Airvantage specialising in digital financial services, including airtime and data advances, mobile money loans, and handset financing. For Cell C, Airvantage powers the product advance services – emergency airtime, emergency data, and emergency voice. These offerings ensure customers remained connected during periods of cash-flow constraints. The Group believes that there are additional synergies with other financial services products and providers that offer the opportunity for further revenue generation and sharing.

In the B2B and wholesale space, the Group is well-positioned to become a strategic partner for enterprise customers by offering cutting-edge, integrated solutions that drive operational efficiency and innovation. The adoption of digital transformation initiatives, such as remote working solutions, AI-powered analytics and IoT, is accelerating across industries. The Group can attract enterprise customers by leveraging its unused wholesale capacity to offer highly competitive pricing on postpaid mobile voice and data plans, aggressively targeting government customers with mobile and converged solutions through fulfilment partners, leveraging its other business customers to offer converged solutions through capacity partnerships and providing exceptional pre- and post-sales support for enterprise clients. By building a strong relationship with enterprise customers through reliable mobile services, the Group can position itself to upsell and cross-sell additional high value services, including:

- Unified Communications: Integrated mobile solutions for voice, video, messaging and collaboration.
- Mobile Security: Advanced cybersecurity services to protect corporate data on mobile devices.
- Mobile Device Management: Tools to manage and secure employee mobile devices.
- Cloud and IoT Solutions: Connectivity services for mobile cloud access, mobile IoT applications and fleet management.

The enterprise space offers the Group the potential for longer term contracts, higher ARPU, higher-value digital transformation services and lower churn rates, which can reduce the Group's acquisition costs and can boost profitability. Long-term service contracts are standard in the enterprise space, which provide more predictable revenue streams for telecom providers. Enterprise customers are also more likely to adopt bundled services for voice, data, security and cloud solutions, generating higher ARPU compared to the consumer segment. They are also more likely to adopt digital transformation initiatives at a higher rate than the retail segment.

Best-in-class service and experience

Part of the Group's strategy is to further drive customer growth in the retail segment through a commitment to delivering best-in-class customer service and experience. The Group will redefine service excellence through human-centered design and digital-first support, positioning Cell C as the trusted ally customers rely on.

The Group has already had success in improving its customer satisfaction. Operational sentiment has improved. During the year ended 31 May 2025, NPS scores improved by seven points year-on-year from 23 to 30, reflecting an improved customer experience.

The Group has also revamped its customer app to enhance usability. The Group is now developing digital-first channels and redesigned customer touchpoints to reduce its cost-to-serve and meet rising expectations, improving satisfaction and loyalty. It will also optimise its overall sales channels, including its website, further enhancing the new Cell C app and USSD to provide additional opportunities for seamless and frictionless self-service support and onboarding. The Group believes that this process will allow it to avail itself of additional operational efficiencies. Digital-first channels reduce the Group's cost-to-serve while improving satisfaction, driving improved retention which reduces churn costs. Increased lifetime value per customer drives direct EBITDA uplift.

In addition, the Group has already refurbished approximately 60 stores, as at 30 September 2025, in line with the Group's brand refresh, and is franchising a number of its Company-owned stores to drive focused execution. It is also expanding its retail footprint to strengthen accessibility and market presence.

Through these customer contacts, the Group aims to redefine service excellence through human-centered design and digital-first support, positioning the Group as the trusted ally customers rely on.

Drive an infectious brand connection

Cell C has repositioned itself as a spirited disrupter, shifting from a transactional telecom company to a purpose-led brand that resonates emotionally with customers and communities. The brand's purpose is to be an empathetic, bold, and practical ally to those it serves, by simplifying connectivity. It aims to create emotional stickiness with its customers that reduces churn and increases customer lifetime value, transforming the brand into a core asset. The unifying platform "Nothing should stop you" is intended to signal that, through the right alliances with customers, partners, and communities, South Africans can progress without friction, with Cell C enabling that progress. By driving an infectious brand connection, Cell C aims to elevate its reputation and preference, broadens market relevance, and creates long-term enterprise value.

This brand ambition is anchored in moving beyond the traditional challenger role. The 2024 rebrand deliberately shifted Cell C from "challenger" to first-choice connectivity brand, aligning identity, tone, retail, digital, and service under a single platform. The rebrand campaign successfully improved brand relevance and trust perception. This repositioning was purpose-led, proof-based, and experience-first. The Group's Corporate Affairs, Corporate Communications, and CSI functions were aligned under this narrative, ensuring reputation, preference, and growth are built in unison consistently.

The Group plans to increase its visibility in the retail market to reinforce customers' connection to the brand and to drive further adoption of its services. Looking ahead, Cell C will scale a single, proof-first *"Nothing should stop you"* marketing platform across media, sponsorships and the new Cell C app to build an *"infectious brand connection"* that deepens customer advocacy, accelerates consideration, and supports disciplined, return-focused growth. Among other things, the Group aims to become:

- a Kantar BrandZ Top 20 in South Africa, lifting Demand Power and brand contribution; and
- the first-choice brand for South Africans, outperforming market growth and growing revenue by converting trust into acquisition, ARPU development, and retention (RAD-model).

The Group plans to leverage its existing sponsorships in order to increase brand awareness and to drive an emotional connection with South Africans by tapping into their passion points, such as rugby and running, resulting in increased demand power, higher preference and retention; lower cost-to-serve; disciplined ROMI; brand equity supporting pricing power and mix. The Group has an existing partnership with Red Bull South Africa which provides access to two platforms, namely the Red Bull Symphonic and the FlugTag events. The Group also has sponsorship relationships with the Sharks rugby team, the South African Rugby Legends ("**SARLA**") and the Comrades Marathon in which the Group continues to invest to drive additional sales in the region.

Creating a strong consumer connection to the brand helps to drive the Group's financial efficiency, as stronger brand equity reduces reliance on discounting and lowers acquisition costs. Improved brand perception also provides an advantage in the market by driving higher consideration and share of mind in a competitive market. In addition, forging an emotional connection with younger, digital-native consumers supports monetisation, customer stickiness, and lifetime value, while also differentiating Cell C from incumbents competing mainly on infrastructure scale.

It also helps to foster a strong culture, which improves staff retention, reducing turnover and related costs. Furthermore, it drives authentic advocacy from employees, amplifies external brand equity, strengthening relevance and trust among consumers.

HISTORY AND DEVELOPMENT

2001 to 2016

Cell C was incorporated on 16 April 1999 and launched as a mobile network operator on 17 November 2001, in a market with two established incumbents, MTN and Vodacom. Cell C was issued its first licence for the provision of mobile cellular telecommunications services by ICASA in 2001, with Cell C quickly establishing its services and launching in November 2001. During this early period, Cell C focused on expanding its network coverage and subscriber base, targeting both prepaid and postpaid customers. Starting in 2006, Cell C pioneered MVNO services in South Africa, beginning with Virgin Mobile.

2017 to 2022

In August 2017, BLU subscribed for a 45% equity stake in Cell C, for R5.5 billion as part of a broader recapitalisation aimed at reducing Cell C's debt and improving its financial position.

In November 2020, Cell C entered into an agreement with CEC for CEC to manage Cell C's postpaid base.

Between late 2020 and early 2021, Cell C began a major turnaround initiative in order to shift to a capex- and asset-light model, halting debt payments, cutting unprofitable services and sites, rebalancing its network, appointing new board members, and recapitalising again in 2022 (via the 2022 Cell C Recap). As part of this initiative, BLU increased its effective ownership in Cell C to approximately 49.53%. In line with this strategic shift, Cell C began to migrate its network infrastructure to a virtualised model and, in early 2021, began moving its customers to roam on MTN's and Vodacom's networks.

2023 to 2025

In June 2023, Cell C deactivated its remaining physical towers and began to rely entirely on its virtualised network on MTN's and Vodacom's infrastructure. During this period, Cell C's turnaround initiative was gaining momentum, driven by strong leadership (with a new CEO appointed in July 2023 and a new CFO appointed in an acting capacity in September 2023 and formally appointed in March 2024), a fully migrated network with parity, and a capital-light model. In August 2024, Cell C undertook a brand refresh to support future growth, though legacy debt and its capital structure remained key challenges.

As part of the Restructuring, Cell C aims to restructure for long-term growth as a public company after the Offer and Admission. Cell C is focused on strengthening its capital structure, leveraging partnerships, and delivering exceptional customer experience.

OVERVIEW OF BUSINESS OPERATIONS

Cell C provides mobile telecommunications products and services to both consumer and business customers as well as fixed broadband services, including certain additional related products and services, and resells fixed wireless services. Cell C operates its own core network and accesses the RANs of MTN and Vodacom on a MOCN basis, utilising its own spectrum assets on the MTN network, for radio transmission. Cell C actively shares its respective assigned radio frequency spectrum bands 900 MHz, 1 800 MHz and 2 100 MHz with infrastructure partners. The network capacity Cell C accesses is surplus for MTN and Vodacom.

Mobile telecommunications products and services generate the largest part of Cell C's revenues. For the financial year ended 31 May 2025, mobile telecommunications revenue was comprised primarily of prepaid 47.5%, postpaid 20.6%, wholesale/B2B 13.2%, roaming & other (including fixed broadband and digital products) 17.6% and equipment 1.1%.

Cell C's organisation structure is based on three specialised business units, "personal", "digital services" and "wholesale/B2B", each focusing on its respective market core business. "Personal" comprises both mobile users, prepaid and postpaid (postpaid being managed by CEC), and fixed (broadband) users.

PERSONAL

Mobile

As of 31 May 2025, Cell C had approximately 7.57 million mobile subscribers. Cell C's mobile service offerings include voice services and non-voice services (including SMS, MMS and data services on handsets). Cell C also offers mobile handsets, Wi-Fi routers and other hardware devices, which it generally subsidises to promote its offerings. In addition to its mobile offerings targeted at the retail consumer segment, Cell C also offers a variety of products and services targeting the specific needs of business customers.

Cell C offers its mobile voice and data services on both a prepaid and postpaid (or contract) basis, through several price plans. Prepaid subscribers pay in advance and can recharge ("**top-up**") their prepaid SIM card with additional credit. Cell C has historically had a strong focus on prepaid subscribers and, in 2020, entered into an agreement with CEC to manage its postpaid base. Postpaid subscribers are invoiced periodically for services used and generally enter into 24-month or 36-month long contracts. As part of the Restructuring, Cell C will insource the management of its postpaid base.

The majority of Cell C's consumer mobile customers are on pre-paid services, with postpaid customers making up a minority of the consumer customer base. Prepaid subscribers represented approximately 89% of Cell C's total subscriber base as of 31 May 2025. Postpaid subscribers represented approximately 11% of Cell C's total subscriber base as of 31 May 2025. A majority of these postpaid subscribers had entered into 24-month contracts.

Cell C distributes its consumer products and services both directly through its directly-owned and franchised stores, and indirectly through partnerships with resellers and with leading national chains. Cell C also distributes its products and services directly through the internet.

Prepaid mobile customers purchase SIM cards, mobile phones and other devices directly from Cell C or from retailers and then have the ability to top-up their accounts through a number of payment channels, either directly with Cell C (through the internet or in one of its stores), via SMS, or through indirect distribution partners.

Cell C's postpaid customers sign up to a contract with Cell C for phone service, under which the customer is billed monthly. Postpaid customers can purchase mobile phones and other devices directly from Cell C or from one of its indirect distributors who, in turn, purchase them from Cell C. Cell C subsidises the price of mobile phones for postpaid customers as a marketing strategy to grow its mobile subscriber base and reduce churn. Cell C bills its postpaid mobile customers directly.

Cell C is undertaking a number of strategic initiatives in relation to the personal communications business line. These include repositioning Cell C to appeal more strongly to more affluent demographics, expanding its channel mix and enhancing its online shop, completing the brand refresh at each of its owned and franchised stores, further upgrading its systems, improving credit vetting at the point of application, enhancing customer lifecycle management to maximise the lifetime value of the existing customer base. See " *– Strategy and Prospects – Drive an infectious brand connection"* and *"– Marketing: Customer Research and Insights, Brand, Marketing, Corporate Affairs and Digital".*

Fixed

As of 31 May 2025, Cell C had approximately 16.2 thousand fixed (home internet) subscribers. Cell C provides a range of consumer broadband products and services tailored to residential customers. These are delivered either via fibre-optic cable or wireless access technologies and are designed to offer flexible and cost-effective connectivity solutions to households throughout South Africa. Cell C's fixed offerings are marketed under various brands, including "C-Fibre", "Home LTE Fixed Wireless", and "Home Connecta Flexi" and are available in both postpaid and prepaid formats.

Cell C offers fibre-based broadband internet access through its "C-fibre" brand via wholesale partnerships with licensed fibre network operators, including Vuma, Openserve, Frogfoot, MetroFibre, DNATel, Clearaccess, Mitsol, Purple Forest, Octotel and WN on whose networks Cell C operates as an internet service provider. These partnerships allow Cell C to provide "last mile" broadband access across South Africa without direct infrastructure ownership. Cell C's fibre products are offered on a subscription basis, with packaging ranging from entry-level to premium. All packages currently include uncapped usage, and certain packages include extras such as routers and installation at no additional cost.

Where fibre infrastructure is not available or where customers prefer a wireless alternative, Cell C offers fixed wireless broadband access via its LTE network (via its MNO partners). The service provides customers with a home router which provides access to Cell C's mobile broadband network for home internet use. Postpaid plans are available through Cell C's "Home LTE" package with defined monthly data allocations (ranging from 20GB to 400GB of anytime data), with certain plans offering both capped and promotional data elements. No contract, prepaid plans are available through Cell C's "Home Connecta Flex" package which provide access to Cell C's mobile broadband network for home internet use. This package is intended for customers seeking flexible, non-subscription-based internet access. Customers can purchase data bundles with predefined periods and data amounts ranging from 4GB to 1TB.

Cell C has concluded a comprehensive review of its fixed portfolio pricing in response to adjustments made by multiple partnering FNOs. The purpose of this review was to right size the legacy fixed customer base, with the objective to improve margins and reduce voluntary churn. With the conclusion of this review, Cell C's strategic focus for its fixed business has shifted toward market share growth through product innovation and value-based differentiation. Key initiatives underway include:

- Expansion of the prepaid Fibre portfolio through strategic FNO partnerships.
- Development of converged mobile and fixed solutions.
- Integration of Cell C's rewards platform to improve customer lifetime value.
- Design of targeted propositions for the SME segment, addressing a key growth opportunity.

In parallel, Cell C has made significant progress in wholesale negotiations with Vodacom to support the rollout of a robust fixed wireless access proposition. The product framework has been finalised, and the associated offerings have entered the build phase.

These initiatives collectively position Cell C to accelerate growth and deepen customer engagement across both consumer and business segments.

Digital Products

Cell C offers a range of digital products and value-added services, including wireless application services, sponsored data services, digital payment and content monetisation customer engagement and self-service channels.

Cell C partners with a wide range of licensed WASPs to deliver mobile content and premium messaging services to customers. These services include, among other things, multimedia messaging, premium SMS, interactive voice response systems and subscription-based digital content such as ringtones, mobile games and infotainment. WASPs are required to be compliant with the regulatory and industry standards set by the Wireless Application Service Providers' Association ("**WASPA**") and to undergo technical and financial vetting prior to integration with Cell C's platform. Cell C derives revenue from these services through a combination of revenue-share arrangements and premium billing mechanisms, such as reverse-billed SMS and usage-based charges. These services contribute to the diversification of Cell C's revenue base beyond traditional voice and data products.

Through its sponsored data platform, Cell C enables business client and third-party content providers to subsidise the cost of mobile data usage for end users accessing specific digital properties such as websites or mobile applications. This capability allows businesses to promote adoption of their online products or services by reducing cost related barriers to access and facilitates the delivery of zero-rated or partially subsidised services. These offerings are provisioned using both reverse-billed IRLs and mobile number targeting, allowing for campaign-based customisation and enterprise segmentation.

Cell C also facilitates direct carrier billing and mobile wallet integration for the purchase of third-party digital content and services. Through its partnership with Mondia Pay, Cell C subscribers are able to use their airtime balances to make secure, frictionless payments for applications, streaming services and games distributed via platforms such as Huawei AppGallery, and MePlay.

In addition, Cell C has invested in the modernisation of its digital customer engagement platforms, including ongoing enhancements to its web portal, mobile application, USSD interface and conversational AI channels with the objective of improving self-service functionality, reducing costs and increasing customer retention.

Cell C is in the process of implementing new revenue models favouring partners, micro-billing and advertising. Cell C has also engaged with new strategic partners to drive incremental voice and data revenue. Notably, partnerships relating to mobile games, AI Chat, and streaming content are in the commercial stage and nearing completion. These services are designed to provide premium content to partners, which is expected to attract higher-quality users.

Wholesale and B2B

Cell C has a dedicated business unit that manages and develops its MVNO and MVNE portfolio with the aim to become the key partner for MVNOs and MVNEs in the South African telecommunications market. See "– *Strengths – Cell C has multiple growth engines across key value segments and lines of business, which position the Group well for its next growth phase*". MVNOs are companies that provide mobile services without having their own licensed radio frequency spectrum through bilateral agreements with MNOs. They rely on an MNO to provide their customers with access to communications services provided over the MNO's network. MVNOs enter into contracts directly with their subscribers and offer services solely under their own brands. Cell C's MVNO clients' subscribers are not counted as part of Cell C's subscriber base.

In the year ended 31 May 2025, Cell C's wholesale revenue (including MVNOs) was ZAR1 466 million (13.2% of total revenue). Cell C had the majority market share (13 MVNOs) of MVNOs in South Africa, according to 2025 South African MVNO Market Outlook Report, (Africa Analysis 2025). Cell C had, among others, the following MVNOs on its network: Capitec Connect (the largest MVNO currently on Cell C's network), FNB Connect, Shoprite K'nect mobile, uConnect, me&you, smartmobile, C-Connect and mrpmobile. Cell C is also in negotiations with several potential additional MVNO partners.

Cell C developed its MVNO position by being the first MNO to offer wholesale services for resale, and a flexible approach to onboarding MVNOs and MVNEs. Cell C offers genuine collaboration with MVNOs beyond connectivity, offering turnkey solutions and managed services. It also provides extremely competitive wholesale rates due to, among other things, its capex light model. Cell C's MVNO model has allowed Cell C to maintain its profit margin *vis-à-vis* its direct retail offering by leveraging its MVNO partners' built-in distribution channels, such that the MVNO partner's margin is derived from the savings between Cell C's distribution costs for its retail business and the MVNO partner's lower distribution costs from its existing channels.

Cell C currently provides access to core telecommunications capabilities: voice, SMS, MMS, USSD, and data to its MVNO customers. As part of its strategy, Cell C also plans to expand its MVNO services to provide a broader enablement layer to support digital onboarding, advanced analytics, third-party integrations, or service orchestration. Enhancing Cell C's wholesale model with value-added services, data insights, and advanced enablement tools is key to securing long-term growth and competitive differentiation. This involves empowering MVNOs not only with connectivity, but also with digital tools, service modules, and commercial capabilities that enable them to differentiate, scale, and retain their subscriber base. See "– *STRATEGY AND PROSPECTS – Supply Chain and Procurement*".

In alignment with Cell C's strategic objectives, a series of initiatives are underway to strengthen Cell C's market presence and drive growth within the enterprise segment as well.

Development of Cell C's IoT connectivity proposition is progressing well. While the formal construct is being finalised, Cell C is actively pursuing immediate opportunities identified within partners to accelerate early traction.

Cell C is concurrently advancing several key initiatives to support enterprise growth, including:

- New mobile voice and data propositions tailored for large enterprise clients.
- Refinement of deal development strategies for voice and data services, aimed at enhancing competitiveness in the SME segment.
- Implementation of wholesale and retail B2B fixed voice offerings to unlock new revenue streams and unlock further OTT service development opportunities.
- Expansion of the fixed broadband portfolio, implementing fibre and fixed wireless propositions, to better serve the SME market and capture emerging opportunities.

Cell C has successfully onboarded several partners, including Bluecom and Econz, to enhance its ability to deliver integrated solutions, with additional partners in the pipeline to further strengthen offerings tailored to both government and enterprise clients. These initiatives collectively position Cell C to deliver differentiated value to enterprise customers and support sustained growth across both large and small business segments.

In addition, Cell C has been included as an approved provider under the South African government's RT15-2021 transversal contract (a government-wide transversal contract that mandates all departments to procure mobile communication services through approved providers) which allows Cell C to tender for telecom contracts for multiple layers of the South African government.

Government is the largest ICT buyer in South Africa, with an estimated R20–25 billion annual spend. The Group is strategically positioned through its inclusion on the RT15–2021 transversal contract to access to a substantial portion of this market. By capturing just 2% of government ICT spend (c. R400 to 500 million annually), the Group would establish a high-quality, contracted revenue stream. Over a three-year horizon, this would equate to more than R1.2 billion in cumulative revenues, materially enhancing scale and cash flow predictability.

The initial focus will be mobile services, with significant upside from layering beyond-mobile ICT services such as cloud, cybersecurity, IoT and managed services. This opportunity represents a potential step-change in revenue quality, resulting from predictable, annuity-style contracts with government and corporates, and margin uplift. Mobile services provide an entry point, while "beyond mobile" ICT solutions deliver superior profitability. Even modest penetration of the R20–25 billion government ICT market would drive meaningful growth.

Relationship with MNOs

Cell C has agreements with each of MTN and Vodacom for use of their physical telecommunications infrastructure to provide Cell C's services. A RAN services and roaming agreement was first entered into with MTN in 2019 and a roaming agreement was entered into with Vodacom in 2020. In 2024, Cell C successfully renegotiated improved commercial terms with MTN, signing a fifth addendum on 23 April 2024, and with Vodacom, signing a first addendum on 3 October 2024. These agreements significantly enhanced network quality and bolstered Cell C's financial position through better rates and terms, thereby driving profitability.

Vodacom Roaming Contract

Cell C, CEC, Cell C SP and Vodacom entered into the "Amended and Restated Roaming Agreement" on or about 15 December 2020, as amended (the "**Vodacom Roaming Contract**") in terms of which it was agreed that Vodacom would provide roaming services to Cell C on its electronic communications network for the provision of GSM, UMTS, LTE advanced and 5G services, restricted to those base stations operating on Vodacom's own licensed 700MHz, 900MHz, 1800MHz, 2100MHz, 2600 MHz and 3500MHz frequency bands only.

Vodacom may also elect to use any other frequency bands available as it sees fit or for the provision of the services.

Vodacom provides non-exclusive access to the bearer technologies on its network through the provision of national roaming services enabled by the MOCN technical solution to Cell C. These services include non-exclusive access and usage of the Vodacom 4G and 5G network including but not limited to data, SMS, MMS, voice, VoLTE, USSD, location-based services and other value added and related services.

Vodacom also provides non-exclusive access to the bearer technologies through the provision of traditional national roaming services solutions to Cell C. These services include non-exclusive access and usage of the Vodacom 2G, 3G and LTE network including but not limited to data, SMS, MMS, voice, VoLTE, USSD, location-based services and other value-added and related services.

As consideration for the roaming services provided by Vodacom, Cell C pays monthly roaming charges, based on customer volume and data allocation per month.

The Vodacom Roaming Contract expires in 2029. This agreement will renew automatically but can be cancelled on 12 months' notice.

MTN Roaming and Services Agreement

Cell C and MTN entered into the "National Roaming Agreement" and the "Services Agreement" on or about 15 November 2019, as amended ("**MTN Roaming and Services Agreement**") in terms of which it was agreed that:

- MTN enables the Cell C bearer capacity on the Cell C licensed spectrum to establish the Cell C vRAN. MTN also provides transmission services to Cell C to convey traffic to appropriate aggregation points connected to Cell C's core network.
- Cell C provides MTN with access to the Cell C vRAN (enabled by MTN) by way of roaming services in respect of data, voice, SMS and USSD on the Cell C vRAN, including 2G, 3G, 4G and 5G bearer capacity enabled by the Cell C spectrum. The roaming services are provided to MTN through a MOCN technical solution for 3G and 4G, with 2G roaming services being provided to MTN utilising traditional roaming.
- MTN provides Cell C with access to the MTN RAN by way of roaming services in respect of data, voice, SMS and USSD on the MTN RAN. The roaming services are provided to Cell C on a MOCN basis for 3G, 4G, and 5G. 2G services are provided on a traditional roaming basis.

The MTN Roaming and Services Agreements expire in 2032, but each party may give the other 3 years' notice of termination from May 2029. Following expiry in 2032, the contract will automatically renew and continue in effect for additional 5-year periods unless a cancellation notice has been served. In addition to the general termination provisions, either MTN or Cell C may initiate a review of the Services Agreement in relation to certain limited technical issues before the end of 2025. If a review is initiated, a process to negotiate appropriate amendments to the Services Agreement must be followed. If the parties are not able to reach agreement on any such amendments, either party may terminate the Services Agreement with effect from 31 December 2027. The Roaming Agreement would automatically terminate at the same time.

Cell C's exclusive agreements with MTN and Vodacom make Cell C's model difficult to replicate. These agreements, while advantageous for Cell C, provide MTN and Vodacom with attractive margins by monetising existing network infrastructure and surplus capacity that would otherwise remain underutilised or idle. Cell C's payments to these partners represent a significant portion of their wholesale revenue, which would be difficult to immediately replace through their retail or wholesale channels. Further, regulatory mandates further encourage continued cooperation, both in terms of the South African competition framework and the regulatory push towards greater spectrum and infrastructure sharing by the ICASA and global regulators.

MARKETING: CUSTOMER RESEARCH AND INSIGHTS, BRAND, MARKETING, CORPORATE AFFAIRS AND DIGITAL

Marketing is a strategic growth engine at Cell C, mandated to embed the brand's purpose: to be an *"Ally to those we serve"* and reinforce its positioning as a "*spirited disruptor*". The function spans the full customer value chain, encompassing Brand and Segment Marketing, Sponsorships and Customer Experience, Customer Research and Insights, Corporate Affairs (PR, Internal Communications and CSI), and Digital Omnichannel. It drives preference and growth, deploying distinctive assets consistently, and converting trust into acquisition, retention, and development across segments.

The function is organised into four divisions:

1. Brand, Segment Marketing & Sponsorships/Customer Experience: building preference and trust through proof-first communications, distinctive brand assets, flagship sponsorships (Sharks, Comrades, SA Rugby Legends, Red Bull Symphonic and Flugtug), and customer journey improvements.
2. Customer Research & Insights: providing customer and audience segmentation models aimed at targeting profitable segments, continuous measurement of Demand Power, NPS/nNPS/tNPS, pricing studies, and post-campaign evaluations, ensuring the brand remains human-centric and fact-based.
3. Corporate Affairs (PR, Internal Communications, CSI): advancing licence to operate, investor confidence and employee alignment through transparent communications and social investment. The SEE Youth by Cell C programmes (Careers, Entrepreneurship, Education, Digital Access, and Digital Skills) create measurable impact while reinforcing reputation.
4. Digital Omnichannel & Marketing Enablement: managing marketing automation (MarTech), the digital estate (App, Web, USSD WhatsApp)). The new Cell C App delivers speed, clarity and reliability, with one-tap onboarding, transparent balances, issue logging, and real-time status, driving both revenue growth (cross-sell into FWA/Fibre/Elevate) and efficiency (containment, faster resolution).

Execution is governed by a RAD model (Retention–Acquisition–Development) and disciplined financial guardrails. Marketing operates within defined ROMI thresholds, marketing-intensity-to-revenue bands, and On-Time, In-Full ("**OTIF**") launch gates. Performance and impact are tracked through the following methods: BrandZ valuation trajectory, Brand Health Tracker – Demand Power, share of voice/quality reach, NPS movements and App penetration and transactions. Through this integrated model, Marketing ensures that every customer and stakeholder interaction compound brand equity, deepens trust, and delivers sustainable growth.

SALES AND DISTRIBUTION

Cell C distributes its products and services both directly and indirectly through partnerships with leading national chains. Cell C ensures convenient consumer access to its product portfolio and affordable devices, offered across 7 984 national outlets spanning apparel and other retailers, complementing its existing network of direct stores and channels. For the 12 months ended 31 May 2025, approximately 93% of acquisition and 99% of retention acts by customers in the personal business line were generated through direct channels and approximately 7% and 1% were generated through indirect channels respectively.

Direct distribution channels are comprised of the Group's network of approximately 104 stores, including 3 flagship stores owned by the Group (in the Mall of Africa in Gauteng, Gateway Theatre of Shopping in KwaZulu-Natal and Canal Walk in the Western Cape), and franchise stores (approximately 61 shops, many at attractive locations in train stations and airports). Cell C also distributes its products and services directly through the Internet.

The Group is in the process of converting 40 of the 43 Company-owned stores to franchises with existing and new business partners as the Group implements a franchise model approach. The Group anticipates completing the project by the end of its 2026 fiscal year.

Through its direct distribution channels, Cell C sells its mobile telecommunications offerings (prepaid and postpaid, with postpaid being managed by CEC), fixed broadband products and services, as well as further products and services, and Cell C also offers customer care services. Increasing reliance on direct distribution channels is a key factor for decreasing subscriber acquisition and retention costs and Cell C intends to optimise and develop further its own direct distribution channels to maintain and grow its market presence, enhance the specific customer experience and manage subscriber acquisition and retention costs. Cell C also plans to increase sales through its website to further drive down costs.

Indirect distribution channel includes partners who sell Cell C products and services, such as, for example, retailers such as: Pepkor, The Foschini Group, Shoprite Holdings, Retailability, Pick nPay and Pepkor Lifestyle. Indirect distributors are commissioned on each connected and retained subscriber In addition, MVNOs and wholesale resellers on Cell C's network generally distribute mobile telecommunications services under their own brand and through their own distribution network and channels.

SUPPLY CHAIN AND PROCUREMENT

Cell C, through its relationship with CEC, offers its postpaid customers a broad selection of handsets and related accessories, which are procured from a number of well-known suppliers, including Samsung, Huawei, Apple, Honor, Hisense, Oppo, Vivo and Nokia. Cell C provides handset subsidies as a marketing strategy to grow its mobile subscriber base and reduce churn. The amount of the subsidy depends on the applied price plan that is combined with the handset and the length of the contract. Although handset subsidies increase subscription acquisition costs, they are a standard industry practice and an important part of subscriber acquisition and retention and in management's view are necessary in order to remain competitive.

In Cell C's fixed (home internet) business line, it sources routers and other equipment from various well-established suppliers such as the ZTE Corporation, Huawei Technologies Africa and Dell Computers amongst other suppliers.

To further enhance its mobile internet offer, Cell C extended its hardware portfolio to include tablets, netbook and notebook computers. In this segment, Cell Cs offers devices from Honor, HP, Huawei, Mercer, Oppo, Packar, and Samsung. Cell C has historically sourced its handset and hardware offerings under corporate sourcing contracts entered into by CEC with OEMs and insurance services.

CUSTOMER CARE AND RETENTION

The key focus of Cell C's customer care services is to enhance the customer experience, with a view to reducing churn and improving market recognition.

Cell C provides customer care services, including commercial and technical support mainly through its contact centres, online self-care functionalities, and in its owned and franchise stores.

In particular:

- Cell C operates 4 contact centres, 1 in-house and 3 through its outsourcing partner. In its contact centres, Cell C has, among other things, implemented a skill-based routing of customer issues via an interactive voice response ("**IVR**") to provide direct access to an agent with relevant skills, so as to maximise the rate of first call resolution of issues.
- Customers can also access a broad range of internet- and app-based self-care functionalities with their computer or mobile phone. Self-care accounts for the vast majority of Cell C's customer care contacts.
- Cell C also provides customer services in its owned and franchise stores, where it aims to maximise customer satisfaction, among other things, through employee and franchisee training, best practices sharing systems between the different stores, and by incentivising its employees and franchisees.

Cell C also provides a portfolio of customer care services that includes, among other features, insurance and dedicated access to smartphone experts who can access the customer's device remotely for configuration or repair services. These services are available in store as well as online and over the phone.

For enterprise clients, Cell C provides dedicated account managers and specialised support teams to address business-specific needs, including bulk services, corporate account management and tailored solutions.

Cell C also has a firm-wide dedicated retention team addressing implicit and explicit churn requests, with the aim of retaining customer base and revenues. The retention team focuses on eliminating the root causes for churn by applying a three-step churn management approach comprising (i) an in-depth analysis of churn practices, churn causes and churn distribution, (ii) the definition and prioritisation of specific initiatives to reduce or prevent churn at an early stage, and (iii) the execution and monitoring of a specific churn action plan, including, for example, by making follow-up calls in reply to written cancellations.

CREDIT MANAGEMENT AND BILLING

Cell C bills its postpaid mobile customers directly. Mobile phones and other devices can either be purchased directly from Cell C or from one of its indirect distributors who, in turn, purchase them from Cell C. Cell C sends monthly bills to postpaid mobile customers, payable within 30 days, and it monitors customer collections and payments. Collections are mainly via direct debit (standard debit orders and DebiCheck), Cell C also offers e-payment. Cell C maintains a provision for estimated credit losses, based on a percentage of risk of payment default with reference to aging of overdue invoiced amounts. In particular, the provisions foresee different levels of risks for personal and business customers, sales partners and distributors, operators, and partners.

Prepaid mobile customers purchase SIM cards, mobile phones and other devices directly from Cell C or from retailers and dealers who, in turn, purchase them from Cell C. Cell C bills these retailers, dealers and distributors shortly after it delivers these products. These customers then have the ability to top-up their accounts through a number of payment channels, either directly with Cell C (through the Internet or in one of its stores), via SMS, or through indirect distribution partners.

EMPLOYEES

As at the Last Practicable Date, the Cell C Group employed c. 900 employees across its functions across South Africa.

The following table summarises the Cell C Group's approximate personnel levels by function:

	Year ended 31 May 2025	**Five months ended 31 May 2024**	**Year ended 31 December 2023**	**Year ended 31 December 2022**
CEO Office	2	5	21	22
Data, Pricing and Analytics	16	4	–	–
Finance	104	115	56	52
Growth	42	38	–	–
Human Resources	31	29	28	24
Legal, Regulatory, Risk and Forensics	28	28	4	5
Marketing, Customer Research and Insights Corporate Affairs and Digital Omni-Channel	37	34	18	–
Technology Group	220	209	223	222
Sales, Regions and Customer Care	370	342	–	–
Strategy and Business Transformation	33	28	–	–
Corporate Government Relations	–	–	2	2
Digital	–	–	18	12
Group Operations	–	–	113	148
Wholesale	–	–	24	22
Commercial	–	–	293	–
Total: South Africa	**883**	**834**	**802**	**494**

The following table summarises CEC's approximate personnel levels by function:

	Year ended 31 May		
	2025	**2024**	**2023**
Admin	4	5	5
BI and Analytics	6	8	2
Collections	1	2	3
Sales – OTCC	2	–	–
CEO Office	–	1	1
Commercial	2	2	2
Finance	3	3	3
Human Capital	1	1	1
Marketing – ATL	3	3	2
PMO	3	3	2
Procurement	1	1	1
Sales – Branded Channels	2	2	2
Vetting and Referrals	2	2	1
Warehouse	1	1	1
CVM	1	1	–
Digitisation	1	2	–
Product and Deal Pricing	2	2	–
Operations	–	–	1
Total: South Africa	**35**	**39**	**27**

The Group aspires to be recognised as an employer of choice, with a customer-centric workforce that is steadfastly committed to executing its strategy. This dedication is reflected in its teams, which are not only focused on delivering exceptional service but are also aligned with the Group's broader strategic objectives.

Central to the Group's ethos is its commitment to the principles of diversity, equity and inclusion. This ensures that its workforce is representative of the diverse communities it serves, reinforcing the Group's role as an inclusive employer reflecting the demographics of the community it serves.

To drive performance and achieve consistent results, the Group has established a framework centred around KPIs. The Group utilises KPI-based incentive schemes as a core method to motivate its management team, ensuring that efforts are aligned with the Group's strategic goals. This KPI-based remuneration structure is designed to reward both company-wide and individual performance, fostering a results-oriented culture.

Cell C has both a short- and long-term incentive scheme that incentivises delivery against strategic short (annual) KPIs and longer term (>1yr) KPIs. The purpose of Cell C's incentive schemes are to motivate high performance, attract and retain talent, as well as to ensure the alignment of interests between the shareholders and employees. The incentive schemes are designed to determine the optimal mix of total pay that is at risk and provides a relevant mix between short- and longer-term variable pay to ensure alignment between short- and long-term time horizons. This provides the Board with effective instruments to focus management and employees on achievement of the annual business plan without compromising long-term sustainable growth. Achievement of the incentive is dependent on a combination of Company-specific and individual KPI targets. This dual focus drives Company performance and also ensures that individual contributions are recognised and rewarded. The long-term incentive scheme, further enhances the overall offering through its ability to attract, retain, and motivate talent in alignment with the Company's long-term strategic goals.

Only 28% of the total workforce is unionised, with the majority of the unionised employees being in the Company Owned Stores, which are in the process of being franchised. The recognised Union is the Information Communication and Technology Union ("**ICTU**").

FRANCHISEES

As at 31 May 2025, Cell C had 104 Group stores. Out the total number of stores, 61 were franchise-owned managed by 13 franchisees nationally. The franchisees are responsible for managing day-to-day operations, product and service sales on the Cell C's Customer Relationship Management (point sales system), customer service and inventory management.

The Group screens potential franchisees and subcontractors based on their past experience, knowledge of the industry and other factors. Most of the Group's franchise stores begin as Group-owned and operated stores. Once a store is established, the Group sells the store to a franchisee. All franchisees are trained on site and supervised by Group managers. The Group provides comprehensive and ongoing training and management guidelines and conduct regular location visits. This ensures a consistent, high-quality experience for consumers and retail partners across the Group's entire footprint.

The Group typically enters into a franchise agreement for each franchise kiosk, providing for an initial 4 year and 11-month term, with the option to renew. The Group's franchise documents provide for an initial up-front franchise fee. Under the terms of the Group's franchise agreements, the Group's franchisees are required to pay the Group a pre-determined percentage of the net retail sales from the store which is taken from the sale proceeds provided to the Group by the relevant retail partner. The Group then remits the remaining amounts to its franchisees.

The Group's franchise agreements require that all franchise stores subject to such agreements operate in accordance with the Group's defined operating procedures, comply with the Group's established menu and meet the Group's applicable quality, brand, customer service, health standards, retail prices and designated supplier standards. If a franchisee fails to comply with the terms of its franchise agreement, the Group may to assist the franchisee to improve its operations or, if necessary, terminate the franchise agreement.

Under the Group's franchise agreements, franchisees are provided with various training programs including initial training, to be undertaken prior to the transfer of the applicable store, and ongoing training that the Group may, at its discretion, make available to the Group's franchisees to ensure continuity of operations across the Group's network. Additionally, the Group is obligated to provide franchisees with, among other things, continuing assistance and consultation in respect of merchandising and inventory management. The Group also provides updated designated, recommended, and approved suppliers for the equipment, supplies and other items, and an operations manual identifying the standards, specifications, and operating procedures that they must follow in order to operate their store in accordance with the Group's standards.

INTELLECTUAL PROPERTY

The Group uses a variety of trade names, service marks and trademarks in its business and relies on trademark and copyright laws, confidentiality procedures and contractual provisions to protect its intellectual proprietary rights. The Group's key brands and products are, amongst others: Cell C, C Fibre, C Surance, Cell C PINNACLE.

The Group believes that its brand names enjoy high brand and product recognition and are material to the Group's business. The Group's intellectual property policy is centred around the protection of its brands, associated logos and its domain names. This policy involves filings and reservations on either a local country basis or in the full range of countries where the Group operates or wishes to preserve and protect its rights.

TECHNOLOGY SYSTEMS

The Group's unique network strategy has been pivotal in reshaping its business model for further success – positioned for scalable growth without scaling capex.

At the core of Cell C's network strategy is its pioneering national dual MOCN model, a unique operating model in South Africa, which allows Cell C to switch customers between the MTN and Vodacom networks based on which has better coverage in an area. The dual MOCN system began operations in August 2024. In June 2023, Cell C deactivated its remaining physical towers and began to rely entirely on its virtualised network on MTN's and Vodacom's infrastructure.

This system allows Cell C's network to access over 28 000 RAN sites across the MTN and Vodacom networks, thus providing the access to the widest coverage in the country. Cell C offers 2G, 3G, 4G, and 5G services via the physical has networks operated by MTN and Vodacom. Cell C licensed spectrum is enabled on MTN's RAN to create a vRAN. Cell C provides VoLTE, which allows high quality voice calls to be made over 4G LTE network to subscribers with appropriately enabled devices. Cell C has made significant progress in enabling 5G, which provides faster speeds for Cell C's customers and unlocks 5G FWA capabilities – matching and exceeding the range of products of its larger competitors.

Cell C's mobile network comprises a vRAN access network, a national backhaul/longhaul network (transport network), telco core network, internet and an IT/corporate data network.

Cell C has no fixed network to offer fixed broadband internet services on a vertically integrated basis. Cell C instead operates as an internet services provider on the fixed networks of various fibre network operators. Fixed fibre offerings are provided by a number of fixed line partners. See "*Overview of Business Operations – Fixed*".

Cell C's information technology systems are highly integrated into every aspect of its business providing capabilities for a variety of purposes in relation to customer front-ends, middleware and back-ends and cover, among other things, the following fundamental areas:

- CRM, Charging and Billing, Point-of Sale, Inventory and Repairs;
- Customer care, and customer self-service;
- Online services (Web, Mobi, App, USSD);
- MVNO CRM, Charging and Billing;
- Wholesale billing, Interconnect, Roaming and Interworking;
- WASP and 3rd party support;
- Data Warehousing, Reporting and Advanced Analytics;
- Customer Life-cycle Management;
- Business Partner Management and Commissioning;
- Financial Management and Supply Chain Management;
- Marketing;
- Human Capital Management, Learning, Development and Training;
- Office Productivity (End User Compute); and
- Cyber Security and Regulatory Compliance.

Cell C also has network systems to provide services to its customers across its:

- Core Networks (Retail, Enterprise, MVNOs and vRAN enablement)
  - Packet and Circuit Switched Core, IP Multimedia System, International Roaming, MNO Interconnect, International voice calling, Home Location Register, Equipment Identity Register, Session Border Controllers, Signalling Transfer Points, MOCN and traditional roaming enablement with vRAN service providers

- Transport Networks
  - IP Transport, Optical Transport, Transport Network design, Network to Network Interfaces for MTN and Vodacom MOCN traffic aggregation links, Session Initiation Protocol for MNO Point of Interconnect Links
- Roaming Partner Networks for MTN and Vodacom MOCN capability, as well as traditional roaming on Vodacom

Cell C's modern billing and IT stack, developed in partnership with Huawei is a fully converged, next-generation billing system that enables real-time charging for prepaid, postpaid and hybrid services all on a unified platform. The systems are mainly hosted in 3rd party data centres (Teraco, Digital Parks Africa, and Liquid). MVNO billing has been moved to Amazon cloud for improved flexibility and reduced risk.

Cell C also has a mix of insourced and outsourced operations, with significant vendors for its Customer Relationship Management Charging and Billing, Testing services, Integration environments as well as its website and mobile application. Service management and governance functions are performed in-house, and service development is partly outsourced.

Cell C is in the process of implementing a multi-year transformation plan to refresh its legacy IT architecture. Among other things, Cell C has rolled out multiple layers of security to improve vulnerability management across cloud and network environments and has introduced Debicheck and AI chatbots for improved postpaid collection and customer support automation. Currently, it is updating its postpaid billing system. This transformation plan is expected to be completed around in early 2027 and is expected to improve efficiency, customer care and sales productivity. See *Part XII – Management's Discussion and Analysis of Financial Condition and Results of Operations*. Some recent innovations include: its shift to its capex light operating model, reducing the capital required to provide services to its customers.

LICENCES

Cell C has been issued with an individual electronic communications network services licence (IECNS licence number 001/IECNS/JAN/2009, expiry date 15 January 2029), individual electronic communications service network services licence (IECS licence number 001/IECS/JAN/2009, expiry date 15 January 2029) and radio frequency spectrum licences in terms of Section 5 of the ECA by ICASA. Both the network and service licences expire on 15 January 2029. Network and service licences are issued on a technology-neutral basis. In addition, Cell C's issued radio frequency spectrum licences (being its 900MHz and 1800 MHz licence (licence number 00-476-898-6) and 2100MHz licence (licence number 00-495-213-2)) are valid for the duration of the network licence and upon payment of annual radio frequency spectrum fees. Cell C's IECNS licence authorises Cell C to operate a national network, and the IECS licence authorises it to provide retail services over a network nationally throughout South Africa and, in particular, voice telephony services using numbers from the national numbering plan. Cell C is able to operate a mobile and wireless network and provide mobile and wireless services over this network because it holds appropriate radio frequency spectrum licences, but Cell C is also authorised to provide fixed services and operate a fixed network should it choose to do so.

International Mobile Telecommunications ("**IMT**") spectrum such as the 900 MHz, 1800 MHz and 2100 MHz spectrum assigned to Cell C is regarded as high demand spectrum in South Africa and must be assigned on a competitive basis. ICASA has indicated that it plans to publish an invitation to apply for mobile broadband spectrum in the IMT750, IMT800, IMT1500, IMT2300, IMT3300, and IMT3500 bands in 2026. Spectrum will be assigned using a licensing mechanism such as auction, beauty contest or another appropriate method. Cell C may look to obtain additional IMT spectrum through such a process.

INSURANCE

The Group has a comprehensive insurance programme which covers the principal risks it identifies via internal risk reviews or through operational requirements identified by the Group's in-house insurance team or brokers or insurers as part of its ongoing risk surveys.

The Group's insurance programme is reviewed continually throughout the year and is updated with new policies or enhancements to ensure the Group has the appropriate level of risk transfer available to mitigate losses. The Group also annually reviews its policy loss limits and deductibles by analysing its claims experience, sums insured and total cost of risk, with the amounts amended as necessary to provide the best level of coverage.

The Group considers its policies adequate to cover the major risks of the Group's business, and it believes that the level of insurance which the Group maintains is comparable, in each case, to that maintained by other companies in its primary markets operating in the same business area, but there can be no assurance that this coverage will be sufficient to cover the cost of defence or damages in the event of a significant claim. See "*Part IV – Risk Factors – Risks Related To The Company's Business And Industry – It may be difficult or expensive to obtain or renew commercial insurance and there can be no assurance that sufficient cover will be secured or maintained*" of this Pre-listing Statement.

PROPERTY

The Group is the principal custodian of a national property portfolio comprising of commercial retail store lease agreements (both Company and franchisee operated), corporate lease agreements, including but not limited to office, warehouse and storage unit sites and certain other property. The Group's leases are entered into under standard commercial terms customary in the retail and telecommunications industry and typically have a term of 1 to 5 years in the retail sector, and 5+ years for the corporate property sector. While the Group leases the majority of its properties, the Group is custodian of, in whole or in part, 104 commercial retail properties, 11 corporate properties, and nil distribution centres respectively.

See "*Annexe 17 – Principal Immovable Properties Held Or Occupied*" of this Pre-listing Statement and the notes to the Consolidated Annual Historical Financial Information for more details on the material properties of the Company.

LEGAL PROCEEDINGS

The Group has, and may in the future, become involved in claims and lawsuits arising in the ordinary course of its business from time to time, including actions with respect to intellectual property infringement, violation of third-party licenses or other rights, breaches of contract, and labour and employment claims. See "Part IV – Risk Factors – Risks Related To The Company's Business And Industry" and "Part XIX – Additional Information – Litigation" of this Pre-listing Statement for a description of certain material governmental, legal or arbitration proceedings during the 12 months preceding the date of this document, which may have, or have had in the recent past, significant effects on the Company's and/or the Group's financial position or profitability. As of 31 August 2025, Cell C had budgeted ZAR5.2 million for litigation costs for the remainder of the financial year and has provisioned ZAR5.0 million for pending litigation and claims. However, the outcome of legal proceedings can be extremely difficult to predict with certainty.

OUTLOOK

Certain statements in this section, including in particular the unaudited financial targets described below, constitute forward-looking statements. These forward-looking statements are not guarantees of future financial performance and the Group's actual results could differ materially from those expressed or implied by these forward-looking statements as a result of many factors, including, but not limited to, those described under "Forward-Looking Statements" and "Part IV – Risk Factors" of this Pre-listing Statement. Investors are strongly urged not to place undue reliance on any of the statements set forth below. The Group can give no assurance that the targets and outlook described below will materialise or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those described below.

The table below sets out the Group's outlook for fiscal 2026 and for the medium-term (*i.e.*, the next 3 to 5 years).

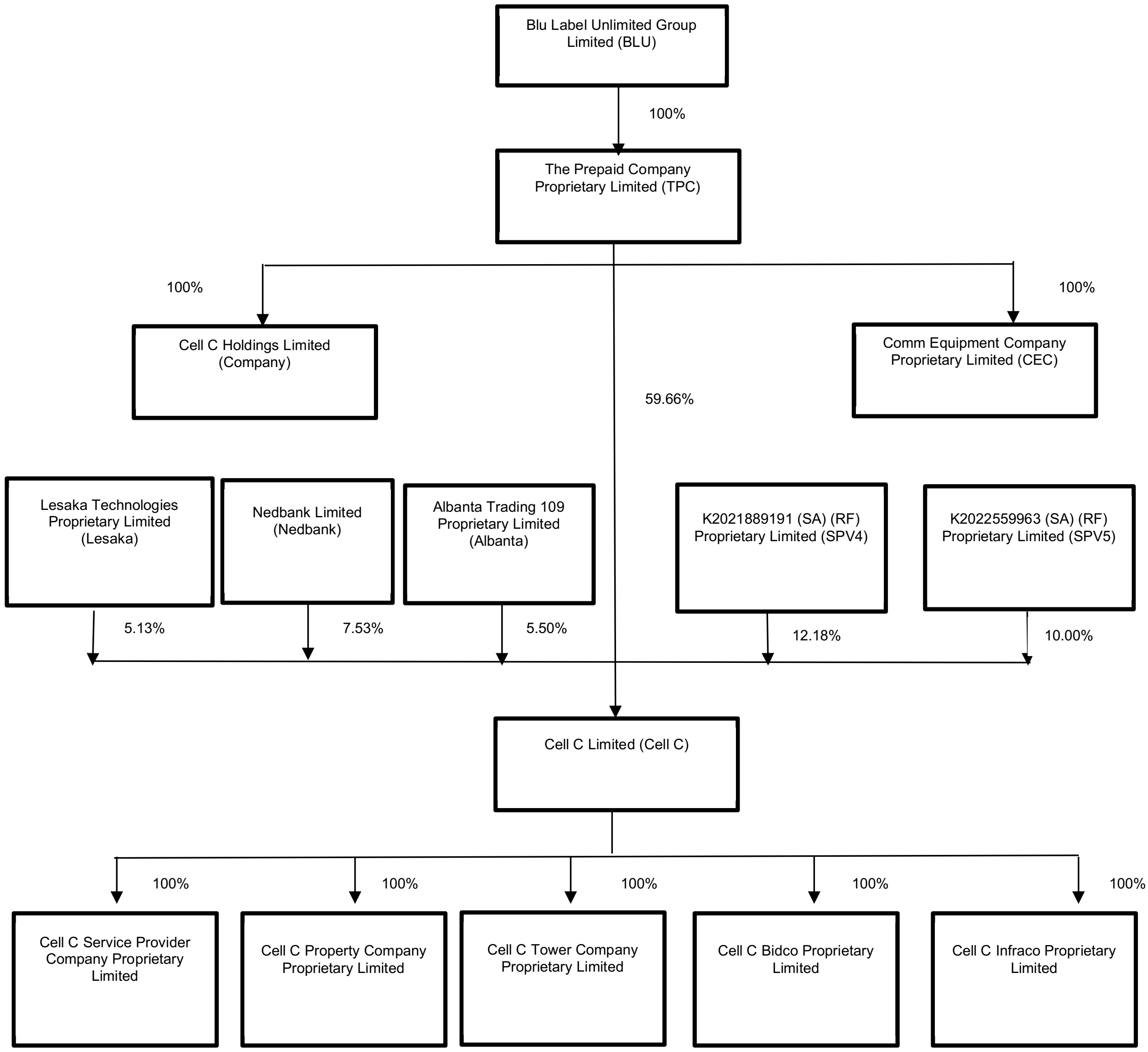
	Near-term(1) (FY2026 to FY2027)	**Medium Term Guidance**
Net revenue Growth	Low to mid single digits	Mid single digits
EBITDA Margin	Low twenties	Mid-twenties
EBIT Margin	Around mid teens	Mid to high teens
Capital intensity ratio	Mid single digits as a % of revenue	Low to Mid-single digits as a % of revenue
Capital structure	Dividend payout of 30-50% of free cash flow	Dividend payout of 30-50% of free cash flow <1.0x net debt/EBITDA

(1) Short-term guidance considers the year ended 31 May 2025 *pro forma* numbers as the base year.

PART VIII – RESTRUCTURING AND FORMATION OF THE GROUP

CURRENT SIMPLIFIED STRUCTURE

BLU is listed on the JSE. Currently BLU owns 100% of TPC which, in turn, owns 100% of CEC and 59.66% of Cell C. Cell C and TPC are, as at the Last Practicable Date, both subsidiaries of BLU. The current (simplified) structure of BLU and its subsidiaries, which includes the Company and Cell C Group, is as follows:



RATIONALE FOR THE RESTRUCTURING

Cell C's capital structure prior to the Restructuring includes significant loans owed to TPC, deferred consideration in relation to airtime previously sold to TPC, and third-party debt. These liabilities have hampered Cell C's ability to fund its growth plans. Furthermore, Cell C's capital structure is complicated by shareholdings of various special purpose vehicles ("**SPVs**") ultimately funded by TPC. In 2020, in order to shore up its balance sheet, Cell C entered into an agreement with CEC (a wholly owned subsidiary of TPC) for CEC to manage Cell C's postpaid customer base.

The rationale for the Restructuring is to:

- establish a new holding company above Cell C to provide flexibility to Cell C, as the licensed entity in the Group, to meet current and future regulatory requirements;
- convert Cell C's shareholder debt to equity to ensure an efficient capital structure;
- incorporate the CEC business into the Group (CEC is responsible for Cell C's postpaid offerings. The internalisation of CEC will enable Cell C to assume full responsibility over its postpaid customer base, including oversight of supply chain, commercial operations, marketing, billing, credit, and collections);

- settle legacy liabilities for cash;
- unwind the SPV structure; and
- bring the excess airtime held by TPC into the Group.

Cell C believes that the Restructuring will provide regulatory flexibility, eliminate the complexities in its capital structure, optimise its balance sheet and promote efficiencies by insourcing its key operational units.

THE RESTRUCTURING AND FORMATION OF THE GROUP

Restructuring steps

All the Restructuring transactions will occur at a price per Cell C Share which shall be determined with reference to the Offer Price, which will not have been determined at the Last Practical Date. Although the price per Cell C Share at which the Restructuring will be implemented ("**Pre-Listing Price**") will be determined with reference to the Offer Price, the Pre-Listing Price per Cell C Share will not be identical to the Offer Price per Ordinary Share given that the number of Cell C Shares and Ordinary Shares in issue shall not be the same.The purpose of executing the Restructuring with reference to the Offer Price is to ensure that new investors into the Company and TPC are treated in an equitable manner. The Offer Price will be used to determine the valuation of Cell C prior to the implementation of the Restructuring. In the instances in which the Restructuring transactions will be settled through the issuance of Cell C Shares, the requisite number of shares to be issued will be determined in accordance with the Pre-Listing Price per Cell C Share. Below is a worked example, showing the implementation of the Restructuring steps, assuming the Offer Price at the lowest end of the Offer Price Range and at the highest end of the Offer Price Range.

In anticipation of the Restructuring:

- on 30 October 2025, TPC Cell C and TMF (as facility agent) entered into the TPC New Funding Addendum and the TPC Reinvested Addendum, in terms of which the TPC New Funding Term Loan Facility Agreement and the TPC Reinvested Term Loan Facility Agreement were converted into compulsory convertible instruments, pursuant to which TPC was granted the rights ("**TPC Conversion Rights**") to convert the TPC New Funding Claim and the TPC Reinvested Claim into Cell C Shares on the Pre-Listing Restructuring First Closing Date at a price that will be determined with reference to the Offer Price per Cell C Share;
- TPC exercised the TPC Conversion Rights by written notice to Cell C which gave rise to the obligation to convert the TPC convertible claims into Cell C Shares on the First Closing Date, which conversion is described below;
- on 11 September 2025, TPC acquired 100% of the shares held by SPV1 in Cell C, being 59 000 000 shares, constituting 4.04% of the shares and claims in Cell C;
- on 28 October 2025, TPC acquired 100% of the shares held by Gramercy in Cell C, being 88 939 299 shares, constituting 6.09% of the shares in Cell C. The Gramercy Claim was acquired by TPC as set out in the Gramercy Claim Acquisition Agreement, with the Gramercy Claim being converted into Cell C Shares on the First Closing Date, which conversion is described below;
- on 16 September 2025, SPV4 acquired 100% of the shares held by Dos Santos, Pasley, Mackinnon and Coverly (collectively referred to as M5) in Cell C, being 25 000 000 shares, constituting 1.71% of the shares in Cell C.

The Restructuring will be implemented over 2 days, on the First Closing Date and the Second Closing Date, as detailed below. Cell C, TPC, BLU, CEC, SPV4 and SPV5 entered into a Pre-listing Restructuring Implementation Agreement to govern the implementation of Steps 1 to 5 of the Restructuring. In addition, Cell C, TPC, BLU, Nedbank, Albanta, Lesaka and the Company entered into the Flip-Up Agreement to govern the implementation of Step 6 of the Restructuring. The Restructuring transactions are set out in the Pre-listing Restructuring Implementation Agreement and the Flip-Up Agreement. In the Pre-listing Restructuring Agreement, Cell C provides warranties to TPC which are standard for a transaction of this nature, including relating to the business, financial information, property and tax affairs of Cell C.

The main elements of the Restructuring (collectively, the "**Restructuring Steps**") are as follows:

- **Step 1 – Debt-to-equity conversion:** On the First Closing Date, the TPC New Funding Claim, the TPC Reinvested Claim, the TPC ZTE Claims (which were transferred to TPC in terms of the ZTE Claims Acquisition Agreement), the Nedbank Reinvested Claims (which were transferred to TPC in terms of the Nedbank Claims Acquisition Agreement) and the Gramercy Claim (which was transferred to TPC in terms of the Gramercy Claim Acquisition Agreement) held by TPC against Cell C will be converted into equity by Cell C issuing Cell C Shares to TPC at a price equal to the Pre-Listing Price per Cell C Share (the TPC New Funding Claim and the TPC Reinvested Claim being converted at a discount of 0.01% to the face value of such claim) (the "**Debt-to-Equity Conversion**");

Debt (these amounts will continue to accrue interest until they are converted into Cell C Shares)	ZAR'000s
TPC New Funding Claim	2 839 453
TPC Reinvested Claim	305 558
Gramercy Claim	449 242
TPC ZTE Claims	82 629
Nedbank Reinvested Claims	447 129
Total Conversion Value	**4 123 981**

- **Step 2 – Acquisition of CEC:** On the First Closing Date, TPC shall sell to Cell C 1 001 ordinary shares in CEC which are owned by TPC, comprising 100% of the issued ordinary shares of CEC, in return for the issuing by Cell C to TPC of Cell C Shares at a price equal to the Pre-Listing Price per Cell C Share (the "**CEC Exchange**"). In terms of the Pre-listing Restructuring Implementation Agreement:
  - the CEC Exchange consideration is ZAR2 150 000 000, which will be settled through the issuance of Cell C Shares;
  - TPC provides warranties to Cell C which are standard for a transaction of this nature, including relating to the business, financial information, property and tax affairs of CEC;
  - Cell C shall procure the release of BLU (or any of its affiliates) from any liability which BLU (or any of its affiliates) may have under any guarantee, suretyship, indemnity or the like furnished on behalf of CEC.

The Competition Authorities approved the CEC Exchange in August 2025, without conditions.

After the CEC Exchange, CEC shall dispose of all of its assets to Cell C in anticipation of CEC's liquidation, in accordance with Section 47 of the Income Tax Act.

- **Step 3 – Airtime asset transfer:** On the First Closing Date, TPC will transfer Cell C airtime with an aggregate sales value of between R7 300 000 000 to R7 500 000 000 (inclusive of VAT) which consideration will be settled by the issue of new shares in Cell C at a price equal to the Pre-Listing Price per Cell C Share (the "**TPC Airtime Disposal**"). The purchase price of the airtime transferred by TPC is at a discount of 8.77% to face value.
- **Steps 4 and 5 – SPV restructure:** On the First Closing Date, the following transactions will be implemented (**SPV Sales**):
- **Step 4 –** TPC or its nominee will acquire 100% of SPV4's Cell C Shares from SPV4 for ZAR287 927 500, which will remain outstanding on loan account and be set off against a portion of the outstanding balance of the SPV4/TPC Claims owing by SPV4 to TPC (with the balance of the SPV4/TPC Claims owing by SPV4 to TPC being written off by TPC); and
- **Step 5 –** TPC or its nominee will acquire 100% of SPV5's Cell C Shares from SPV5 for ZAR275 000 000, which will remain outstanding on loan account and be set off against a portion of the outstanding balance of the SPV5/TPC Claims owing by SPV5 to TPC (with the balance of the SPV5/TPC Claims owing by SPV5 to TPC being written off by TPC).
- **Step 6 – Cell C Listco Flip-Up:** On the Second Closing Date, in terms of the Flip-Up Agreement, the holders of Cell C Shares as at that date (being Albanta, Nedbank, Lesaka and TPC) shall dispose to the Company of 100% of the Cell C Shares, in return for the issuing by the Company to those shareholders of the proportionate number of Ordinary Shares in the Company in the proportions in which the Cell C Shares were held by those shareholders (**Cell C Listco Flip-Up**). All Cell C shareholders, including TPC, will hold a proportionate share of Ordinary Shares reflecting the exact interest held by those Cell C shareholders in Cell C immediately prior to the Cell C Listco Flip-Up. The effect of this would be that TPC would hold 99.94% of the Ordinary Shares and that Cell C would be a wholly-owned subsidiary of the Company.
- Immediately after the Cell C Listco Flip-Up TPC shall, for no consideration, dispose of so many Ordinary Shares to the Cell C executive team members (**Executive Transfer**) so as to ensure that, after the Executive Transfer, the Cell C executive team members collectively hold 4.5% of the Ordinary Shares post-Admission (**Executive Scheme**). Subject to the discretion and final approval of the board of TPC, it is envisaged that the salient terms applicable to the Executive Scheme will be as follows:
  - participants in the Executive Scheme (**Scheme Participants**) will be awarded Ordinary Shares; provided that such shares shall be subject to restrictions relating to their disposal or encumbrance by the relevant Scheme Participant;
  - 60% of the Ordinary Shares awarded to a Scheme Participant will become unrestricted upon the fifth anniversary of the date upon which that Scheme Participant became employed by Cell C;
  - the remaining 40% of the Ordinary Shares awarded to a Scheme Participant will become unrestricted upon the seventh anniversary of the date upon which that Scheme Participant became employed by Cell C;
  - if a Scheme Participant's employment with Cell C is terminated before an award (or portion thereof) becomes unrestricted, that award (or portion thereof) will be terminated; and
  - standard malus and clawback provisions will apply, in terms of which awards may be forfeited in the case of financial misstatements, serious misconduct or reputational damage to Cell C.

Implementation of Restructuring

On the Second Closing Date, immediately following implementation of the Restructuring and prior to Admission *inter alia*:

- TPC will hold 99.94% of the Ordinary Shares and 95.44% after the Executive Transfer.
- the Company will hold 100% of the shares in Cell C; and
- Cell C will hold 100% of the shares in CEC (and the other subsidiaries of Cell C prior to the Restructuring, which will continue to be subsidiaries of Cell C).

Worked example, showing the implementation of the Restructuring steps, assuming the Offer Price at the lowest end of the Offer Price Range and at the highest end of the Offer Price Range.

The worked example below outlines the implied Company market value based on the Offer Price Range, the additional equity value acquired by TPC under the Restructuring as well as the Sale Shares and post Sell-Down position of TPC under the Offer Price at the lowest end of the Offer Price Range and at the highest end of the Offer Price Range.

Offer Price Scenarios		**Low end**	**High end**
Offer Price	ZAR	29.50	35.50
Ordinary Shares	#	340 000 000	340 000 000
Company market value	**ZAR**	**10 030 000 000**	**12 070 000 000**
Assumed pre-Restructuring Cell C value(1)	**ZAR**	**42 000 000**	**42 000 000**
Pre-Restructuring TPC share in Cell C	%	59.66%	59.66%
Current TPC value in Cell C	**ZAR**	**25 055 415**	**25 055 415**
Step 1: Additional equity issued under Debt-to-Equity Conversion	ZAR	4 123 981 534	4 123 981 534
Step 2: Additional equity issued under Acquisition of CEC	ZAR	2 150 000 000	2 150 000 000
Step 3: Additional equity issued under TPC Airtime Disposal	ZAR	7 443 840 654	7 443 840 654
Steps 4 & 5: Acquisition of shares under SPV Sales	ZAR	9 317 322	9 317 322
Valuation dilution to IPO valuation		(3 727 754 695)	(1 688 885 495)
Post Restructuring TPC value in Cell C	**ZAR**	**10 024 440 230**	**12 063 309 429**
Equity value of Cell C		**10 030 000 000**	**12 070 000 000**

Sale Shares Scenarios: ZAR29.50 Offer Price	**Value (ZAR)**	**Shares (#)**	**Shareholding (%)**
TPC post Restructuring	10 024 440 230	339 811 533	99.94%
Executive Transfer	(451 350 000)	(15 300 000)	(4.50%)
TPC pre-Sale Shares	**9 573 090 230**	**324 511 533**	**95.44%**
Sale Shares	(5 115 300 000)	(173 400 000)	(51.00%)
Overallotment Shares	(280 840 000)	(9 520 000)	(2.80%)
TPC post Sale Shares	**4 176 950 230**	**141 591 533**	**41.64%**

Sale Shares Scenarios: ZAR35.50 Offer Price	**Value (ZAR)**	**Shares (#)**	**Shareholding (%)**
TPC post Restructuring	12 063 309 429	339 811 533	99.94%
Executive Transfer	(543 150 000)	(15 300 000)	(4.50%)
TPC pre-Sale Shares	**11 520 159 429**	**324 511 533**	**95.44%**
Sale Shares	(6 155 700 000)	(173 400 000)	(51.00%)
Overallotment Shares	(337 960 000)	(9 520 000)	(2.80%)
TPC post Sale Shares	**5 026 499 429**	**141 591 533**	**41.64%**

Note (1): Given that the implied valuation for the Offer Shares as per the Offer Price is less than the sum of the value of the Cell C Shares issued under Steps 1-3 of the Restructuring, the Cell C Shares issued under the Restructuring shall be issued based on a minimum pre-Restructuring Cell C value of ZAR42 000 000. The inclusion of the minimum Cell C value is to ensure that existing Cel C shareholders are not diluted into a negative position from a value perspective. This shall not negatively impact any of the existing or future Shareholders.

Post-Admission

Following completion of the Admission and the Offer, TPC will hold at least 41.64% of the Ordinary Shares.

Following completion of the Admission and the Offer, CEC may enter into a liquidation distribution in terms of section 47 of the Income Tax Act whereby it distributes its entire business (representing all assets and liabilities) to the Company in anticipation of CEC's winding up.

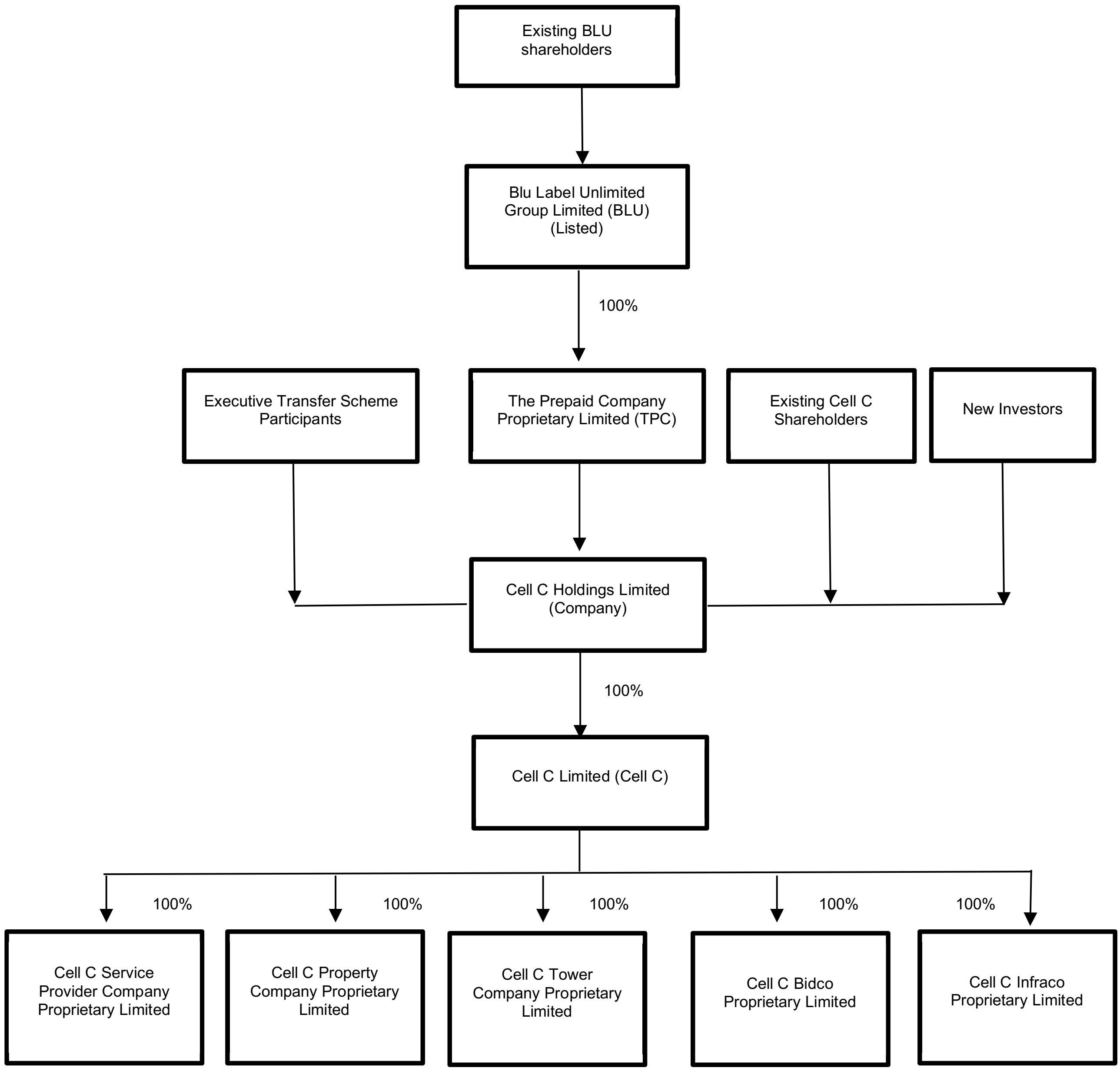
Suspensive conditions to the Restructuring

As at the date of this Pre-listing Statement all of the suspensive conditions to the Restructuring have been fulfilled.

POST-ADMISSION SIMPLIFIED STRUCTURE OF THE GROUP

References in this Pre-listing Statement to the Major Subsidiaries and subsidiaries of the Company are the Major Subsidiaries and subsidiaries of the Group following implementation of the Restructuring on the Second Closing Date.

Post-Admission, the corporate structure of the Group will be as follows:



PART IX – ESG, COMMITMENT TO TRANSFORMATION AND EMPOWERMENT

Environmental, Social and Governance ("ESG")

The Group is committed to sustainable development and aligns its operations with the United Nations Sustainable Development Goals. Through initiatives focused on environmental responsibility, social impact, and ethical governance, the Group seeks to contribute meaningfully to goals such as quality education, gender equality, decent work and economic growth, industry innovation, and climate action. Sustainability principles are integrated into the Group's strategic decision-making and operational practices to promote long-term value creation for all stakeholders.

Reducing the Group's environmental impact

The Group's strategic ESG framework focuses decision making and action across the Group. The Social and Ethics Committee supports the Board in overseeing these efforts, ensuring that initiatives align with governance standards and long-term stakeholder value. Cell C is uniquely positioned through its capex light, infrastructure-sharing model to become the first mobile network operator in South Africa to achieve net-zero carbon footprint, reinforcing its commitment to sustainable growth and long-term environmental responsibilities.

The Group's current sustainability efforts focus on promoting responsible environmental practices. The Group is targeting recycling 60% of its operational waste, while the Group's asset-light model inherently limits its environmental footprint, resulting in lower direct exposure to emissions and resource-intensive infrastructure. The Group uses the National Waste management strategy 2020 as a basis for recycling efforts.

Driving Sustainable Social Impact: Empowering and Uplifting Communities

The Group's social performance reflects its commitment to human rights, diversity and inclusion, health and safety, and community impact. It actively engages with employees, customers, suppliers, and local communities to foster a positive, inclusive environment that creates shared value for all stakeholders. The Group has achieved significant milestones in its social impact initiatives.

The Group actively supports a range of community-focused initiatives aimed at fostering inclusive development and social upliftment. These include:

- SEE YOUTH Programme: The Group supports Grade 9 – 12 learners with academic, psychosocial, and digital development, including coding and robotics workshops;
- Girl Code Partnership: Offers coding classes for youth aged 10 – 18, focusing on girls to enhance their ICT skills;
- Bursary Fund: financial support for tertiary education;
- Learnerships & Internships: Employment opportunities for young people via structured skills development;
- YES4Youth: Learnerships & internships for youth;
- Digital Labs in Schools: Establishing technology labs in rural and township schools to bridge the digital divide;
- Community Support: Donating laptops, routers, and data packages to top-performing students from the Wits Targeting Talent Programme;
- Employee Volunteerism: Encouraging employees to participate in community development activities; and
- Support for GBV and Child Abuse Victims: Sponsors smartphones and data for The Teddy Bear Foundation's WhatsApp helpline to assist victims of gender-based violence and child abuse.

Through these initiatives, the Group demonstrates its ongoing commitment to social impact and the development of South Africa's human capital.

Investing in the Group's people

As at 31 August 2025, the Group's operations engage c. 900 employees, of which 85% are from previously disadvantaged backgrounds and 45% are female. The Group is committed to creating quality jobs and promoting diversity, equity and inclusion, with a focus on alignment with B-BBEE targets and objectives.

Governance

The Group's governance framework underpins effective decision-making, accountability, and performance. It ensures sustainability efforts are guided by transparent processes that support responsible business practices and long-term value creation. The Board, as a key component of this framework, is constituted to meet these requirements, reflecting the Group's commitment to sound governance practices.

The Group has implemented a range of initiatives to strengthen its governance structures. Talent mapping, coupled with individual development plans, is a critical focus area to drive succession planning and ensure the sustainability of key skills within the organisation. Furthermore, the short-term incentive plan has been established by Cell C for all senior and full-time employees, to foster the alignment of staff efforts with the Group's strategic objectives. The Group is also actively engaged in monitoring its achievement against B-BBEE targets, working closely with a specialist in B-BBEE scorecards to ensure compliance and progress in this area.

The Company has set up a Board that reflects a strong commitment to race and gender diversity, ensuring that leadership is representative of the broader South African society and, in accordance with the JSE Listings Requirements, that the Board reflects diversity in respect of gender, race, culture, age, field of knowledge, skills and experience. The complement of Directors also comprises a majority of non-executive Directors, most of whom are independent. In addition, the Company has established statutory and JSE-prescribed subcommittees of the Board and implemented a comprehensive reporting framework to enhance transparency and accountability. Furthermore, the Group has also appointed a Company Secretary to further align governance policies, procedures, and processes with best practices and in accordance with the requirements of the JSE Listing Requirements. See *"Part X – Directors, Senior Management and Corporate Governance"* of this Pre-listing Statement.

Leadership development will continue to be a priority, with ongoing continuing professional development for executives to ensure they remain equipped to lead the organisation effectively. Additionally, the Group is focused on developing a sustainability strategy and enhancing its environmental, social, and governance disclosures, reinforcing its commitment to long-term responsible business practices.

Through these governance initiatives, the Group is not only ensuring compliance with regulatory standards but is also advancing its mission to be a leader in diversity and transformation within the South African telecommunications sector.

Broad-Based Black Economic Empowerment (B-BBEE)

The Group has a longstanding commitment to B-BBEE, a government policy to advance economic transformation and increase the economic participation of Black People in the South African economy. Achievement of B-BBEE objectives is measured on the basis of a "scorecard" which measures a business's performance on the various elements of B-BBEE, such as ownership, management control, skills development, enterprise and supplier development. The overall score a business achieves is then translated into the business's B-BBEE "contributor level". Government and state-owned enterprises and some corporates in South Africa have set minimum standards for B-BBEE contributor levels for their suppliers. In addition, any interaction by government or public bodies with the private sector must take B-BBEE into consideration. For example, B-BBEE must by law be consideration in spectrum licensing processes and is a relevant consideration in sales of government assets or when establishing public-private partnerships. It is important for the Group to achieve applicable B-BBEE objectives from both a compliance and corporate social responsibility standpoint.

Although B-BBEE is not mandatory under the generally applicable B-BBEE framework, binding obligations have been imposed by ICASA on all individual licensees under sector-specific laws. Under these requirements Cell C is required to maintain a minimum of 30% effective ownership by HDPs (including but not limited to Black People) and to maintain a level 4 B-BBEE status as a minimum. Please refer to *"Part VI – Regulatory considerations"* of this Pre-listing Statement for an overview of B-BBEE, including the context of the communications sector.

The Group and Cell C specifically, remains committed to maintaining its B-BBEE rating as a level 1 contributor in terms of the ICT Sector Code. As reflected in its latest B-BBEE certificate, Cell C was 40.14% owned by Black people.

The Group through its Social and Ethics Committee, ensures that an appropriate transformation strategy exists that is aligned with the B-BBEE legislation, and which delivers shared value through various empowerment initiatives, while making a meaningful contribution to many of its stakeholders and ensuring the long-term stability and profitability of its business.

For further details on the impact of B-BBEE on the Group's operations, see *"Part VI – Regulatory considerations"* of this Pre-listing Statement.

PART X – DIRECTORS, SENIOR MANAGEMENT AND CORPORATE GOVERNANCE

The following section provides a description of the Directors and Senior Management and the corporate governance-related aspects of the Group. The description of the Major Subsidiaries' directors is set out in *"Annexe 16 – The Major Subsidiaries and Their Directors"* to this Pre-listing Statement.

DIRECTORS

The initial directors of the Company were El Tshegofatso Kope, Joaquim Jorge Cerqueira Mendes and Rachael Ayo-Oladejo upon its incorporation on 29 August 2025. Rachael resigned on 22 October 2025. Further details of each of these initial directors are set out below. Details of the Directors as at the Last Practicable Date are set out below:

Name, age and nationality	Business Address	Position	Date of Appointment on Cell C board	Date of Appointment on Company board
Johannes Sanyana Mthimunye (60), South African	Waterfall Campus, corner Maxwell Drive and Pretoria Main Road, Buccleuch Extension 10	Independent Non-executive Director and Chairman	15 August 2017	22 October 2025
Skhulumi Jeremiah Vilakazi (64), South African	Waterfall Campus, corner Maxwell Drive & Pretoria Main Road, Buccleuch Extension 10	Non-executive Director	25 September 2019	22 October 2025
Sindiswa Victoria Zilwa (58), South African	Waterfall Campus, corner Maxwell Drive & Pretoria Main Road, Buccleuch Extension 10	Independent non-executive Director	10 December 2019	22 October 2025
Godfrey Nkosingiphile Motsa (52), South African	Waterfall Campus, corner Maxwell Drive & Pretoria Main Road, Buccleuch Extension 10	Independent Non-executive Director	1 March 2023	22 October 2025
Maya Makanjee (63), South African	Waterfall Campus, corner Maxwell Drive & Pretoria Main Road, Buccleuch Extension 10	Independent Non-executive Director	16 June 2023	22 October 2025
Joaquim Jorge Cerqueira Mendes (51), South African	Waterfall Campus, corner Maxwell Drive & Pretoria Main Road, Buccleuch Extension 10	Executive Director	1 July 2023	29 August 2025
El Tshegofatso Kope (45), South African	Waterfall Campus, corner Maxwell Drive & Pretoria Main Road, Buccleuch Extension 10	Executive Director	1 March 2024	29 August 2025

Further details of the Directors of the Company, including information as to their other directorships held in the past 5 years, as well as details of members of the board of directors of the operating Subsidiaries of the Group are set out in "*Annexe 15 – Particulars of The Directors of the Company and Senior Management*" and "*Annexe 16 – The Major Subsidiaries and Their Directors*" of this Pre-listing Statement.

Short biographies of the Directors are set out below:

EXECUTIVE DIRECTORS

Joaquim Jorge Cerqueira Mendes

Jorge Mendes is the CEO of the Group – a role he has held since July 2023. Jorge is the former Chief Officer: Consumer Business at Vodacom South Africa where he was responsible for driving sustainable growth across the business, a role he held since February 2019. Jorge is an accomplished and visionary C-Suite executive with a proven track record of success in driving Company growth and profitability. With close to 30 years of experience in the telecommunications industry and a wealth of knowledge in implementing consumer-centric strategies, he has displayed exceptional leadership skills by fostering the growth of high-performing teams within the Company. Jorge has completed the Advanced Executive Development Program at Unisa Graduate School of Business Leadership and the Senior Executive Program at Harvard Business School.

El Tshegofatso Kope

El Kope is the CFO of the Group – a role she has held since October 2022. El is a qualified Chartered Accountant with more than 10 years' experience in senior finance management positions, having worked for multi-national companies such as DHL Supply Chain, Coca-Cola Africa and Tsebo Solutions. Since joining Cell C, El has excelled in her role, delivering outstanding results in an incredibly short space of time that have placed the Company in a favourable position with improved governance, stabilised the Company's finance team, and enhanced relations with critical stakeholders.

NON-EXECUTIVE DIRECTORS

Johannes Sanyana Mthimunye

Johannes Sanyana Mthimunye is an independent non-executive Director and the chairman. Joe qualified as a Chartered Accountant (SA) in 1993. In 1996, he co-founded Gobodo Incorporated, an accounting practice with eight other partners which later became SizweNtsalubaGobodo Grant Thornton Inc. In 1999, he led a management buy-out of Gobodo Corporate Finance from the accounting firm and rebranded it aloeCap Proprietary Limited. Joe is the CEO of Glocap Equity Partners, a private equity group. He serves on the board of directors of various non-listed companies where Glocap Equity Partners is invested. Joe is an independent non-executive director of Dis-Chem Pharmacies Limited. He is also chairman of Dis-Chem's Audit Committee.

Skhulumi Jeremiah Vilakazi

Skhulumi Jeremiah Vilakazi is a non-executive director. Jerry has held various executive positions in government and the business sector, including that of Director for Commerce and Industry at SAICA and Managing Director of the Black Management Forum ("**BMF**"), where he also served on the board of the BMF investment company. He was later appointed as the CEO of Business Unity South Africa ("**BUSA**") and has also served as chairman of the SADC Employer Group and the EU-Southern African Business Council. In addition to representing business at Nedlac, he served as a member of the King Committee on Corporate Governance, the National Anti-corruption Forum and SADC Business Forum. In 1998, he was appointed Public Service Commissioner. He later served as a member of the National Planning Commission that developed the country's first National Development Plan and as a member of the Presidential B-BBEE Advisory Council. Jerry served as chairman and director of a number of SOEs, including the Mpumalanga Gambling Board, Mpumalanga Economic Growth Agency and the State Information Technology Agency Proprietary Limited. He previously served on the boards of PPC Limited and Goliath Gold Limited and held the position of chairman of Netcare Limited as well as adviser to Citibank. He is Adjunct Professor in the Department of Business Management, Unisa. Jerry is currently the executive chairman of Palama, an investment company he co-founded, and also serves on the board of Sibanye-Stillwater Limited.

Sindiswa Victoria Zilwa

Sindiswa (Sindi) Zilwa is an independent non-executive Director. A chartered accountant by profession, Sindi is an expert in the areas of accounting, auditing, governance, transformation and business management. Sindi is also a chartered director (SA) and has vast experience as a director on the board of public and private companies, currently serving as a non-executive director of Sibanye-Stillwater Limited, Delta Property Fund Limited, Gijima Group Limited, Mercedes-Benz South Africa Limited, Metrofile Limited and Tourvest Group Proprietary Limited and was recently appointed as an independent non-executive director of the ABSA Group Limited with effect from 1 April 2025. She is an author of "The ACE Model-Winning Formula for Audit Committees", formerly used by the Institute of Directors to train audit committee members in South Africa, and the author of "Creating Board and Committee Effectiveness". She is a member of the South African Institute of Chartered Accountants and Institute of Directors. Sindi was the co-founder and retired Chief Executive Officer of Nkonki Incorporated, having held the position from 1993 to 2016. Her other former non-executive directorships over the past 5 years included AngloGold Ashanti Limited, Aspen Pharmacare Holdings Limited, Consol Holdings Proprietary Limited, Consol Glass Proprietary Limited, Discovery Limited, Massmart Limited and Redefine Properties Limited. In 2023, Sindi completed a cybersecurity certificate programme at Harvard University online, entitled "Cybersecurity: Managing Risk in the Information Age".

Godfrey Nkosingiphile Motsa

Godfrey was appointed to the Board 1 March 2023. He was previously the CEO of Non-Life Insurance at TIH and was the CEO of MTN South Africa, where he was responsible for its turnaround into the most profitable telco in the South African market. Godfrey has over 25 years of blue chip TechCo and consumer business experience in South Africa and Africa. Before MTN, Godfrey worked at the Vodacom Group, The Coca-Cola Company and The Kellogg Company, serving both emerging and developed consumers. Godfrey holds Bachelor of Commerce and Master of Business Administration degrees.

Maya Makanjee

Maya obtained a Master's degree in Business Leadership (MBL) through the University of South Africa, graduating cum laude, and a Bachelor of Commerce degree from the University of KwaZulu-Natal in Durban. After her schooling, she spent four years at the University of Mumbai, where she obtained a Bachelor of Fine Arts degree in Dance. She has also completed the Program for Executive Development at the IMD in Lausanne, Switzerland.

She is an independent non-executive director on the boards of Datatec (which she chairs), Mpact, MCB Group (listed in Mauritius), AIG South Africa group and the Nelson Mandela Foundation. She has gained extensive experience in the Southern African Development Community region, as well as in some Asian markets.

Ms Makanjee has held executive director positions in financial services, human resources, marketing communications, corporate affairs, strategy and business re-engineering. Her executive roles have included that of Chief Officer, Corporate Affairs at Vodacom; CEO of FinMark Trust; Corporate Affairs Director for Africa and Asia at SABMiller; Communications, Public Affairs and Human Resources Director for Southern and Eastern Africa at Nestle; and Deputy Group Executive for Strategic Planning at Telkom, amongst others.

Senior Management

Details of the Senior Management of the Company and its Major Subsidiaries are set out below:

Name, age and nationality	Business address	Occupation/function	Year of appointment by Group
Joaquim Jorge Cerqueira Mendes (51), South African	Waterfall Campus, corner Maxwell Drive & Pretoria Main Road, Buccleuch Extension 10	Chief Executive Officer of Cell C	July 2023
El Tshegofatso Kope (45), South African	Waterfall Campus, corner Maxwell Drive & Pretoria Main Road, Buccleuch Extension 10	Chief Financial Officer of Cell C	October 2022
Juba Mashaba (59), South African	Waterfall Campus, corner Maxwell Drive & Pretoria Main Road, Buccleuch Extension 10	Chief People Officer of Cell C	June 2019
Schalk Visser (46), South African	Waterfall Campus, corner Maxwell Drive & Pretoria Main Road, Buccleuch Extension 10	Chief Information and Technology Officer of Cell C	July 2012
Rachael Ayo-Oladejo (44), Nigerian	Waterfall Campus, corner Maxwell Drive & Pretoria Main Road, Buccleuch Extension 10	Chief of Staff, Strategy and Business Transformation of Cell C	July 2023
Melanie Forbes (50), South African	Waterfall Campus, corner Maxwell Drive & Pretoria Main Road, Buccleuch Extension 10	Chief Marketing Officer of Cell C	August 2023
Darius Badenhorst (38) South African,	Waterfall Campus, corner Maxwell Drive & Pretoria Main Road, Buccleuch Extension 10	Chief Growth Officer of Cell C	February 2024
Chris Lazarus (53), South African	Waterfall Campus, corner Maxwell Drive & Pretoria Main Road, Buccleuch Extension 10	Chief Officer: Sales, Distribution and Regions of Cell C	March 2024
Bryan O'Donovan (44), South African	Waterfall Campus, corner Maxwell Drive & Pretoria Main Road, Buccleuch Extension 10	Chief Data and Analytics Officer of Cell C	May 2024

No activities are performed by the Senior Management outside of the Company and its Major Subsidiaries that are significant to the Group.

Short biographies of the members of Senior Management of the Company and its Major Subsidiaries are set out below:

Joaquim Jorge Cerqueira Mendes

See biography above.

El Tshegofatso Kope

See biography above.

Juba Mashaba

Juba Mashaba was appointed as Cell C's Chief People Officer in June 2019. He has more than 30 years of experience in developing people performance enhancement strategies and interventions, leading and executing organizational change processes as well as driving culture transformation. Juba has vast human resources operational and leadership experience, having headed the HR function in leading South African and global companies. Prior to Cell C he served as Group Executive Director at Aveng where he was at one stage responsible for a total workforce of 40 000 employees spread across 25 countries in Africa, Middle East, Southeast Asia and Australasia. Before that, he was Human Resources Director at Arcelor-Mittal (South Africa) and PepsiCo International (Sub-Sahara Africa).

Schalk Visser

Schalk Visser joined Cell C in 2012 as an executive in the programme management office, where he was integral in the development, design and execution of several high-profile projects, including Cell C's massive RAN renewal project. His natural mentorship and collaborative nature led him up the ladder over the years and he was promoted to Chief Information & Technology Officer in July 2020. Schalk holds three Masters degrees, one in Business Administration, one in Philosophy of Corporate Strategy and another in Electrical and Electronic Engineering.

Rachael Ayo-Oladejo

Rachael Ayo-Oladejo was appointed as Cell C's Chief of Staff, Strategy and Business Transformation in July 2023. Prior to that, she held the position of Executive Head of Strategy and Business Transformation at Vodacom, where she spent over a decade in various roles. Rachael has ~20 years of telecommunications experience spanning diverse roles across Enterprise, Consumer and Customer Operations with delivery in South Africa and Sub-Saharan Africa.She began her journey at Vmobile/Airtel Nigeria and, prior to joining Cell C, was Executive for Strategy and Performance Management in Vodacom's Consumer Business Unit, where she played a pivotal role in shaping strategies that drove business growth and improved the consumer experience. Rachael has a BSc (Ed) in Chemistry from the University of Ilorin, Nigeria, and an MBA from the University of the Witwatersrand. She is also a Certified Project Manager (PMP) with the Project Management Institute, USA, and a Certified Executive Coach.

Melanie Forbes

Melanie Forbes was appointed Chief Marketing Officer of Cell C in August 2023 and leads the Marketing, Corporate Affairs, and Digital portfolio. With over three decades of experience in Telecommunications, IT, and Consumer Electronics, she is recognised for delivering measurable growth, building iconic brands, and driving digital transformation across African markets.

Before joining Cell C, Melanie served as Managing Executive: Customer Insights & Marketing at Vodacom South Africa, where she held multiple senior roles over nearly 15 years. She played a pivotal role in shaping Vodacom's brand strategy, including the landmark rebrand from blue to red, and led initiatives that strengthened market share, customer engagement, and brand equity.

At Cell C, Melanie is spearheading a brand revolution – refreshing identity, embedding purpose, and improving brand equity through effective reputation and narrative management across stakeholder groups. She is driving customer experience improvements and enabling digital and marketing capabilities to accelerate growth and deliver tangible, trackable outcomes that position Cell C as a modern, purpose-driven brand.

Melanie holds executive education credentials from Harvard Business School, INSEAD, and GIBS, a BA in Psychology and Communications (UNISA), and certifications in marketing and leadership.

Darius Badenhorst

Darius Badenhorst was appointed as Cell C's Chief Growth Officer on 8 February 2024. Prior to that, he held several executive positions in the telecommunications sector with the most recent being that of Managing Executive: Base Growth, Loyalty & Retention at Vodacom South Africa.

With 15 years of experience as an accomplished actuary and quantitative analyst, his diverse background spans roles in Telecommunications and Microfinancing. Darius is recognised for his innovative approach to personalised offers, consumer guidance, contextual marketing, and loyalty programs, reshaping the landscape of prepaid telecommunications. His impactful promotions at Vodacom include “Just 4 You”, “Pay Everyday”, “Vodacom Shake”, “Vodabucks”, “Smart Notifications”, and “Just 4 Your Town”.

Possessing a robust skill set in applied AI, quantitative analytics, and proficient coding in SQL/SAS, Python, and VBA, Darius holds academic qualifications in BSc Actuarial Science, Financial Mathematics, and a BSc (Hons) in Financial Engineering. Darius is also a distinguished member of the Actuarial Society of South Africa.

In his new role, Darius will play a pivotal part in overseeing business development, retention strategies, and customer relationship management across the entire value chain and lifecycle, all aimed at propelling revenue growth.

His appointment underscores Cell C’s commitment to commercial success and revenue growth.

Chris Lazarus

With over 30 years of experience in the financial services and telecommunications industries, Chris brings a wealth of expertise to Cell C. Previously, as the Chief Enterprise Officer at Safaricom Ethiopia, a part of the Vodacom Group, Chris spearheaded the establishment of the Enterprise Business Unit, achieving a significant milestone in launching a network serving a market of 120 million people in 2022. Joining Vodacom in 2005 after a decade-long tenure in the financial and telecom sectors, Chris honed his skills across various roles. At Vodacom SA, he played pivotal roles in managing the Enterprise Business unit, overseeing Customer Solutions, Partner Management, product development, and Go-to-Market strategies. His leadership in establishing Vodacom Business in South Africa and developing a successful Public Sector focus showcased his strategic acumen as well as later leading Vodacom’s journey to adoption of multi cloud. Transitioning to the Consumer Business Unit in 2013, Chris Lazarus established the Emerging Markets division and managed operations in Gauteng and Limpopo provinces, driving growth and fostering customer loyalty. Additionally, his role as Managing Executive of the KZN province saw remarkable achievements in expanding network infrastructure, launching 5G in 2020, and implementing initiatives to bridge the digital divide. Beyond his professional endeavours, Chris Lazarus is deeply rooted in family life, with a wife, Ragini, who is an accomplished leader and entrepreneur. Together, they have two sons, Cameron and Michael, with whom they share a passion for sports and outdoor activities. With academic credentials including an MBA from Henley Business School (UK), the Advanced Executive Programme from the University of South Africa (“UNISA”), Chris combines theoretical knowledge with practical experience. His commitment to education is evident in initiatives such as the “Code like a Girl” Programme aimed at empowering high school girls through coding skills. As a leader, Chris is renowned for his people-centric approach and strong work ethic, emphasizing both productivity and enjoyment in the workplace. His role in Ethiopia saw him chairing purpose-led objectives focused on education, health, and agriculture, highlighting his dedication to making a meaningful impact beyond business success.

Bryan O’Donovan

Bryan O’Donovan was appointed as Cell C’s Chief Data and Analytics Officer in May 2024. Prior to his appointment at Cell C, Bryan O’Donovan held key leadership positions, including Managing Executive roles at Vodacom South Africa, where he played a pivotal role in shaping pricing strategies, providing financial leadership, and driving informed decision-making processes. Additionally, his tenure at Hollard Insurance, spanning over 15 years, further fortified his expertise in investments, product development, and operational governance. Bryan holds a Bachelor of Economic Science in Actuarial Science and a Bachelor of Science Honours in Actuarial Science and Mathematics of Finance from the University of the Witwatersrand

Directors’ Declarations

None of the Directors, members of Senior Management or the directors of the Major Subsidiaries:

- have been declared bankrupt, insolvent or sequestrated or at any time been a party to a scheme of arrangement or made any other form of compromise with their creditors in any jurisdiction;
- have ever been involved in any business rescue plans and/or resolution proposed by any entity to commence business rescue proceedings, application having been made for any entity to begin business rescue proceedings, notices having been delivered in terms of Section 129(7) of the Companies Act, receiverships, compulsory liquidations, administrations, creditors’ voluntary liquidations, Company voluntary arrangements or any compromise or arrangement with creditors generally or any class of creditors of any company where such person is or was a director, with an executive function within such company at the time of, or within the 12 months preceding, such events;
- have entered into or has been involved in any compulsory liquidation, administration or voluntary arrangements of any partnership where such person is or was a partner at the time of, or within the 12 months preceding, such events; have had receivership of any of the assets of such person or of a partnership of which he or she is or was a partner at the time of, or within 12 months preceding, such events; have been the subject of public criticism by any statutory or regulatory authorities, including recognised professional bodies, or been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company; have ever been convicted of or committed any offence involving dishonesty, fraud, theft, forgery, perjury, misrepresentation or embezzlement;

- has ever been found guilty or had judgment made against them in disciplinary proceedings or other proceedings, by an employer, regulatory body, or court of law;
- have ever been removed from an office of trust on the grounds of misconduct and involving dishonesty;
- have ever been barred from entry into any profession or occupation;
- have ever been convicted in any jurisdiction of any criminal offence or an offence under legislation relating to the Companies Act, and no company of which he or she was a director, alternate director or officer at the time of the offence has been convicted in any jurisdiction of any criminal offence, or an offence under legislation relating to the Companies Act; or
- are or have been subject to any court order declaring him or her delinquent or placing him or her under probation under Section 162 of the Companies Act and/or Section 47 of the South African Close Corporations Act 69 of 1984 (as amended) or disqualifying him or her to act as a director under Section 219 of the South African Companies Act 61 of 1973 (as amended).

Appointment, Qualification, Remuneration and Borrowing Powers of Directors

Set out in "*Annexe 19 – Extracts From The Company MOI and The MOIs of The Major Subsidiaries*" to this Pre-listing Statement, are extracts of the relevant provisions of the Company MOI, regarding:

- the qualification, appointment, terms of office and remuneration of Directors;
- the borrowing powers of the Company exercisable by the Directors; and
- retirement of Directors by rotation.

Directors may not vote on a proposal, arrangement or contract in which they are materially interested or on their own remuneration.

Set out in "*Annexe 19 – Extracts From The Company MOI and The MOIs of The Major Subsidiaries*" to this Pre-listing Statement are extracts of the relevant provisions of the MOIs of the Major Subsidiaries regarding:

- the qualification, appointment and remuneration of directors; and
- the borrowing powers exercisable by the directors of the Major Subsidiaries. Other than the Major Subsidiaries (see "*Annexe 19 – Extracts From The Company MOI and The MOIs of The Major Subsidiaries*"), no other subsidiary has any borrowing powers that are material to the Company.

The Directors' borrowing powers have not been exceeded since the Company's incorporation, and there have not been any specific exchange control or other restrictions on the borrowing powers of the Company or any of its subsidiaries, other than restrictions generally applicable under the Exchange Control Regulations or otherwise in terms of the law.

There are no restrictions on the Company's borrowing powers and the business of the Company shall be managed by its Board, which may exercise all the powers of the Company. There are no other material limitations on the borrowing powers of the Group.

The MOI of each of the Company's subsidiaries do not have any provisions which would frustrate the Group's compliance, or relieve the Company of compliance, with the JSE Listings Requirements.

Remuneration Policy of the Group

Current Group remuneration policy and general approach to remuneration

Cell C's remuneration approach is rooted in a pay-for-performance philosophy designed to attract, motivate, and retain high-performing talent aligned with the Company's strategic objectives. The policy promotes a total reward framework, combining both monetary (fixed and variable pay) and non-financial rewards to drive a high-performance culture.

Key principles include:

- Market Competitiveness: Remuneration is benchmarked to the median of relevant markets, with flexibility to pay above for critical or scarce skills.
- Performance-Driven Rewards: Annual increases and incentive payouts are directly linked to individual and Company performance.
- Fair and Responsible Pay: The policy emphasises internal equity, transparency, and ethical remuneration practices, including monitoring pay differentials and applying the SMART principle to performance metrics.
- Remuneration Mix: Executives have a higher weighting of variable pay, while all employees benefit from a mix of guaranteed pay, short- and long-term incentives, and benefits.
- Governance and Compliance: The Remuneration Committee oversees policy implementation, ensuring alignment with corporate governance standards and stakeholder expectations.

The Group's remuneration policy is guided by the principles of the King Code, reflecting the Group's commitment to sound corporate governance, ethical leadership, and transparent remuneration practices for executive and non-executive directors as well as prescribed officers.

The Group's remuneration policy is a key component of the Group's human capital strategy and is subject to formal governance oversight. The Group's Remuneration Committee, a committee of the Board, holds the responsibility for the annual review and approval of the policy. This ensures that the policy remains aligned with the Group's strategic objectives, remuneration philosophy, and principles of fair, responsible, and transparent pay.

The Group's Remuneration Committee's approval process includes:

- Reviewing the policy in line with the Company's short-, medium- and long-term goals.
- Ensuring consistency with the principles of the King Code and the Companies Act.
- Considering any necessary amendments to the policy or its terms of reference.
- Evaluating the financial resources available to support remuneration decisions.

The policy was approved by the Remuneration Committee in October 2025.

The Remuneration Policy addresses the following elements:

- **Fixed remuneration**

  Fixed remuneration comprises base salary and core benefits, forming part of the Total Guaranteed Package ("**TGP**") structure adopted by the Group. The TGP is aligned to the employee's role, level, performance, and market competitiveness, with positioning generally at the market median. For top talent, critical and scarce skills, and high-performing individuals, remuneration may be positioned above the market median in support of the Group's employment equity strategy.

  Employees (including executives) are entitled to a range of core benefits, which include:

  – Retirement benefits provided through a defined contribution provident fund, with contribution levels aligned to market best practice and subject to the rules of the relevant fund;
  – Group life and disability cover;
  – Medical scheme participation, which is mandatory unless the employee is a dependent on another scheme.

  The Group, through its Remuneration Committee, will review the structure and composition of fixed remuneration annually, taking into account affordability, fairness, and the perceived value to employees.

  Details of the base salary and benefits of Executive Directors for the year ended 31 May 2025 are set out in the section titled "Remuneration of Directors" below.

- **Short-term incentive plan ("STIP")**

  The STIP is designed to reward employees (including executives) for the achievement of annual performance targets aligned to the Group's strategic and financial objectives. It forms part of the Single Incentive Plan ("**SIP**") and is applicable to all permanent and fixed term employees, excluding those on commission-based schemes.

  Key features of the STIP at Admission include:

  – Instrument:
    » A short-term incentive scheme based on organisational and individual performance criteria for each financial year that is then settled in cash.
  – Participants
    » Any person holding full-time (permanent) salaried employment or fixed term contractor (including any Executive Director but excluding a Non-executive Director) will be eligible to participate in the STIP.
    » The Remuneration Committee will consider participation on an annual basis.
    » Participation in the STIP is not a condition of employment, and the Remuneration Committee retains absolute discretion regarding making an award to any eligible employee.
  – Rights of Participants
    » Any payment in terms of the plan is at the sole and absolute discretion of the Remuneration Committee.
  – Basis of Awards and Award Levels
    » In line with South African governance codes and industry practice, annual cash incentives will drive short-term operational outcomes and shareholder value creation.
    » The value awarded to participants will primarily be based on the guarantee package, role and grade, performance of the Group and individual as well as retention and attraction considerations, and market benchmarks.
    » Annual award opportunities will be benchmarked and set to market-related remuneration levels whilst considering overall affordability.

– Performance Conditions
  - » The CEO is responsible for setting the Group performance scorecards based on input from the executive committee and shall present to the Remuneration Committee for approval.
  - » Following the approval of metrics and targets, they remain fixed for the duration of that financial year. In the event of any significant change in economic conditions or significant changes in legislation, targets and metrics will be reviewed;

– Termination of employment
  - » Payment under the STIP shall depend on employment of the participant employee and there shall be good leaver and bad leaver provisions.

– Clawback
  - » The Group mitigates the risk of unjustified rewards to participants and should a defined trigger event occur following payment of any STIP amount within 36 months of the payment date, there may be a clawback of the amount paid.

- **Long-term incentives plan ("LTIP")**

The LTIP is aimed at driving sustainable performance and retaining key talent over the medium to long-term. It is available to employees in Grades E and above, and select talent in D grades, subject to Remuneration Committee approval. The LTIP will be non-dilutive scheme, meaning that all Shares required to settle performance share awards or restricted share grants will have to be purchased in the open market. It is intended that after Admission, a share plan that complies with Schedule 14 of the JSE Listing Requirements will be implemented in accordance with the Companies Act and the JSE Listings Requirements to ensure that the Company has the flexibility to either purchase or issue Shares in settlement of awards or grants.

Key features of the LTIP at Admission include:

– Instruments
  - » The LTIP provides for the following instruments:
    - ▪ Performance share awards: annual awards of Shares in the Company, the vesting of which will be subject to the fulfilment of specific key performance vesting criteria over a set performance period and the participant remaining employed until the vesting date. The annual award of performance shares will be made as a percentage of a participant's guaranteed package.
    - ▪ Restricted share grants: annual or ad hoc awards of Shares in the Company, the vesting of which will be subject to the participant remaining employed until the vesting date. The Company may award the restricted shares for any of the following:
    - ▪ in specific circumstances where new employees are compensated for a value forfeited from their previous employers; and
    - ▪ for retention of key talent and scarce and critical skills generally below the executive committee level.
  - » The Remuneration Committee will set appropriate performance vesting criteria, performance periods, and vesting dates as relevant for each award or grant, considering the business environment and, where considered necessary, in consultation with Shareholders.
  - » The performance period and the duration between the award or grant date and the vesting date will be at least three years. There is no post-vesting holding requirement for members of the executive committee. However, each executive committee member must meet a stipulated minimum shareholding requirement, expressed as a percentage of their Guaranteed Package. The minimum shareholding requirement must be fulfilled within five years.

– Participants
  - » Any person holding full-time salaried employment or office (including any Executive Director but excluding a Non-executive Director) in the Group will be eligible to participate in the LTIP.
  - » The Remuneration Committee will consider participation on an annual basis.
  - » Participation in the LTIP is not a condition of employment, and the Remuneration Committee retains absolute discretion regarding making an award or grant to any eligible employee.

– Rights of Participants
  - » Participants will not be entitled to any Shareholder rights before the settlement of the awards on vesting. However, on settlement, Shares will be registered in the name of the participants, and they will have all Shareholder rights, including dividend and voting rights.
  - » Shares cannot be disposed of or encumbered by the Participant before Settlement and will be subject to malus until the vesting date and clawback post the vesting date. Accordingly, participants will not be entitled to any dividend or voting rights on the Shares before the settlement of the relevant Shares. However, Participants may be entitled to dividend equivalents on settlement of the Shares, to the extent that the underlying award or grant vests,

– Basis of Awards and Award Levels
  » In line with South African governance codes and industry practice, annual awards of performance shares will drive long-term shareholder value creation. Restricted share grants may be made at the discretion of the Remuneration Committee to eligible employees.
  » The number of annual performance shares and restricted shares awarded to participants will primarily be based on the participant's annual guaranteed package, role, performance, retention and attraction considerations, and market benchmarks.
  » Overall award or grant levels will be decided by the Remuneration Committee every time new allocations are made by considering the particular circumstances at that time, e.g. Group affordability, retention considerations, and Group performance. Annual allocations will be benchmarked and set to market-related remuneration levels whilst considering the overall affordability to the Group.
– Settlement
  » The rules of the LTIP allow for settlement in any of the following ways (or a combination thereof):
    ▪ by way of a market purchase of Shares; or
    ▪ as a fall-back provision, in cash.
  » The Remuneration Committee will determine the specific settlement method for each award or grant,
– Limits
  » The LTIP is non-dilutive.
  » The Remuneration Committee will consider and approve the aggregate overall affordability of the LTIP for the Group, as well as the quantum of individual awards or grants.
– Malus and Clawback
  » The LTIP includes malus and clawback provisions and good leaver and bad leaver provisions.

Target remuneration of the Executive Directors post-Admission:

Set out below is a breakdown of the target remuneration payable by the Group to the Executive Directors based on the remuneration strategy, policy and incentive schemes.

(ZAR thousands)	Guaranteed package	Annual short term incentive	Long term incentive	Total
Executive Directors				
CEO				
Target pay mix per policy and remuneration strategy	14 770 35%	12 555 30%	14 770 35%	42 095 100%
CFO				
Target pay mix per policy and remuneration strategy	5 989 40%	4 491 30%	4 491 30%	14 971 100%

• **Non-executive Director fees**

Non-executive Directors are offered a fixed annual retainer that reflects their overall contribution to the Company, in addition to the attendance of board and committee meetings. Fees are benchmarked annually to ensure that they are remunerated fairly, in line with market practice and based on the following factors:

– The non-executive Director's level of experience, responsibility, and time commitment;
– Whether the non-executive Director lives in a different country or region to where most of the board meetings are held; and
– Comparator benchmarks.

Details of the fees paid to non-executive Directors for the year ended 31 May 2025 are set out in the section titled "Remuneration of Directors" below.

Remuneration of Directors

Other than Ordinary Shares to be received by the Cell C executive team members pursuant to the Restructuring, there will be no variation of the remuneration of any Directors in consequence of Admission or any other transaction.

Set out below is a breakdown of the actual fees and single figure remuneration paid or accrued as payable by the Group to the Executive Directors for performance delivered during the year ended 31 May 2025:

(ZAR thousands)	Guaranteed package	Bonuses and performance incentive	Total
Executive Directors			
Joaquim Jorge Cerqueira Mendes	14 770	14 638	29 408
El Tshegofatso Kope	5 000	1 279	6 279
Total	**19 770**	**15 917**	**35 687**

Set out below is a breakdown of the approved annual fees paid by the Group to the non-executive Directors for their services as Directors, including their roles on Board Committees, for the year ended 31 May 2025 which amounts will be pro-rated in accordance with the number of months actually served by the Directors:

(ZAR)	Total
Board roles	
Chairperson (all-inclusive annual fee)	2 000 000
Non-executive Director	450 000
Audit, Risk and Compliance Committee	
Chair	410 000
Member	250 000
Remuneration Committee	
Chair	250 000
Member	170 000
Social and Ethics Committee	
Chair	160 000
Member	100 000
Nominations and Corporate Governance Committee	
Chair (currently chairperson of the board)	0
Member	150 000

Accordingly, the below table sets out the fees paid by the Group to each non-executive Director for their services as Directors, including their roles on Board Committees, for the year ending 31 May 2025, as pro-rated for the number of months actually served by each Director:

(ZAR)	Fees
Non-executive Director	
Johannes Sanyana Mthimunye	2 000 000
Skhulumi Jeremiah Vilakazi	1 200 000
Maya Makanjee	1 170 000
Godrey Nkosingiphile Motsa	1 300 000
Sindiswa Victoria Zilwa	1 140 000
Total	**6 810 000**

The table below sets out the fees paid by BLU to certain Non-executive Directors for their services as directors of BLU for the year ending 31 May 2025:

(ZAR)	Fees
Non-executive Director	
Johannes Sanyana Mthimunye*	1 439 051
Skhulumi Jeremiah Vilakazi	1 475 870
Total	**2 914 921**

* **Note:** Johannes Sanyana Mthimunye resigned from the BLU board on 29 August 2025 as per SENS announcement released on 1 September 2025.

No fees have been paid or accrued as payable to a third party in lieu of Directors' fees.

In the 3 years preceding the date of this Pre-listing Statement, no payments were made to, or have been agreed to be paid to, any Director of the Company or any company in which he/she is beneficially interested, directly or indirectly, or of which he/she is a director ("**Associate Company**") or to any partnership, syndicate or other association of which he/she is a member ("**Associate Entity**") either to induce him/her to become, or to qualify him/her as a Director of the Company or otherwise for the services rendered by him/her or by the Associate Company or the Associate Entity in connection with the promotion or formation of the Company.

Directors' Interests

Pursuant to the Restructuring, TPC will transfer Ordinary Shares to Cell C executive team members as set out in *"Part VIII – Restructuring and formation of the Group"* of this Pre-listing Statement. Other than as contemplated in the Restructuring, as at the Last Practicable Date, the Directors, including Directors who have resigned in the preceding 18 months (and their associates), hold no direct beneficial interests in the Ordinary Shares.

As at the Last Practicable Date, the Directors, including Directors who have resigned in the preceding 18 months (and their associates) hold the following beneficial interests in shares of BLU, constituting indirect beneficial interests in Ordinary Shares:

Name	Ordinary shares in BLU as at Last Practicable Date*	Ordinary shares in BLU as at 31 May 2025*
Johannes Sanyana Mthimunye	372 573	372 573
Skhulumi Jeremiah Vilakazi	8 200	8 200
Godfrey Nkosingiphile Motsa	165 287	165 287
Joaquim Jorge Cerqueira Mendes	3 171 000	3 171 000
Total	**3 717 060**	**3 717 060**

* **Note:** Upon Admission, BLU will no longer be an indirect holding company of the Company.

Directors' Interests in Transactions

Except for the disclosed service agreements and the disclosed interests set out under the section titled "*Part XIX – Additional Information*" in this Pre-listing Statement, the Directors (including the Directors that have resigned during the last 18 months) have no material beneficial interests in transactions that were effected by the Group during the current or immediately preceding financial year or during an earlier financial year where the benefits in respect of the contract effected in the earlier financial year remain in any respect outstanding or unperformed.

None of the Directors has been granted any share options or awards or any other right which would have had the same or a similar effect in respect of providing a right to such Director to subscribe for Ordinary Shares.

None of the Directors have any potential conflict of interest between their duties to the Group and their private interests.

Group Remuneration Policy from the Admission Date

The Board, through its Remuneration Committee, is responsible for the governance of remuneration and for setting the strategic direction of remuneration on a Group basis.

With effect from the Admission Date, the Group will supplement its existing philosophy and adopt an enhanced remuneration policy that articulates the Board's direction and gives effect to fair, responsible and transparent remuneration, in compliance with the recommendations set out in the King Code and the provisions of the Companies Act.

Approval of Remuneration Policy

Currently, in accordance with the JSE Listings Requirements and the King Code, a company listed on the JSE must annually submit its remuneration policy and remuneration implementation report to shareholders for a nonbinding advisory vote. The remuneration policy must record the measures that the Board commits to take where either the remuneration policy or the implementation report, or both, are voted against by 25% or more of the votes exercised. In order to give effect to the minimum measures referred to in the King Code, in the event that either the remuneration policy or the implementation report, or both are voted against by shareholders exercising 25% or more of the voting rights exercised, the Company must in its voting results announcement provide for (i) an invitation to dissenting shareholders to engage with the Company; and for (ii) the manner and timing of such engagement.

However, the Companies Amendment Act 16 of 2024 ("**Amendment Act**") was signed into law by the President on 30 July 2024. While certain provisions of the Amendment Act have since come into force, the changes concerning remuneration reporting and disclosure requirements have not yet commenced. These pending provisions include, *inter alia*, the requirement for a Company's remuneration policy to be approved by a binding shareholder vote every three years or upon material amendment, and for its implementation report to be approved by a binding shareholder vote at every annual general meeting. The Amendment Act provides that:

- if at an annual general meeting the remuneration report is not approved by ordinary resolution, the Remuneration Committee must, at the next annual general meeting, present an explanation on the manner in which the shareholders' concerns have been taken into account and the directors who are not involved in the day-to-day management of the business of the Company and who serve on the Remuneration Committee must stand for re-election as members of the Remuneration Committee at the annual general meeting at which the explanation is presented; and
- if at the annual general meeting in the year immediately following the year contemplated above, the remuneration report in respect of the previous financial year is also not approved by ordinary resolution of shareholders, the directors who are not involved in the day-to-day management of the business of the Company and who serve on the Remuneration Committee (i) may continue to serve as directors provided they successfully stand for re-election to the Board at that annual general meeting and (ii) will not be eligible to serve on the Remuneration Committee for a period of 2 years thereafter.

The Remuneration Policy was approved by way of a Board resolution passed on 2 November 2025. Once the Amendment Act is implemented, the Remuneration Policy will need to be approved by way of a shareholder's ordinary resolution after which it will then be valid and binding for 3 years, unless any material amendment is made to the Remuneration Policy prior to this date (in which case Shareholders will be requested to approve such amendments by ordinary resolution). A copy of the current Remuneration Policy will be made available for inspection as set out in "*Part XIX – Additional Information – Documents Available For Inspection*" of this Pre-listing Statement and its key terms are set out below.

CORPORATE GOVERNANCE

Regulatory Landscape

The Company and its Directors are subject to the corporate governance requirements and practices prescribed under the Companies Act, the JSE Listings Requirements and, to the extent applicable, the King Code, as described in "*Part VI – Regulatory considerations*" of this Pre-listing Statement. The Directors confirm that the Company (i) complies with the provisions of the Companies Act and paragraph 3.84 of the JSE Listings Requirements, and (ii) operates in conformity with the Company MOI and the King Code.

Commitment

The Company is committed to principles of sound governance and application of appropriate business ethics and standards in the conduct of its business and affairs. The Board is committed to the principles of diligence, honesty, integrity, transparency, accountability, responsibility and fairness. The Directors accept full responsibility for the application of these principles to ensure that the principles of good corporate governance are effectively practised throughout the Group. Furthermore, the Board understands and accepts its responsibility to safeguard and represent the interests of the stakeholders of the Company in perpetuating a successful and sustainable business that ensures the achievement of the Group's strategic objectives.

Approach

The Board is responsible for ensuring that the Group complies with all of its statutory obligations as specified in the Company MOI, the Companies Act, the JSE Listings Requirements and all other regulatory requirements. The Directors endorse the King Code and recognise the need to conduct the affairs of the Group with integrity and in accordance with generally accepted corporate practices. In discharging this responsibility, the intention is to apply the principles of the King Code in both letter and spirit. The Directors recognise that they are ultimately responsible for the financial performance of the Company. The Directors have, to the best of their knowledge, begun and will continue to pro-actively take steps to ensure compliance with the Company MOI, the Companies Act, the JSE Listings Requirements and the application of the principles of the King Code. A full analysis of the steps taken by the Group to apply the principles in the King Code is set out in "*Annexe 20 – King Code Register*".

Board Appointments and Board Diversity Policy

The Board is responsible for its composition (through its Nominations and Corporate Governance Committee, although all nominations to the Board are subject to approval by Shareholders) and sets the direction and approves the processes for it to attain the appropriate balance of knowledge, skills, experience, diversity and independence to objectively and effectively discharge its governance role and responsibilities. In addition, the Board regularly reviews its size, structure, composition and effectiveness and that of its Board Committees, in the context of the Group's strategy. A comprehensive review of the depth of skills and expertise on the Board is undertaken to ensure these attributes remain appropriate to lead the Company operating in a competitive market.

In compliance with the JSE Listings Requirements, the Group has a diversity policy which addresses diversity at board level ("**Board Diversity Policy**"). The Board is confident that collectively, it has the right balance of skills, experience, and diversity of perspective required to fulfil its fiduciary responsibilities, provide the necessary oversight over implementation of the Group's strategic initiatives, and ensure that good governance practices are maintained. The size of the Board is appropriate and provides for suitable representation on the Board's committees.

As set out in the Board Diversity Policy, the Board aims to achieve diversity in respect of the Group's transformation initiatives and has accordingly set targets to ensure that the Board is suitably transformed from a race, gender, race, culture, age, field of knowledge, skills and experience perspective. This has been a key consideration in relation to the appointment of Directors and will continue to be a key consideration going forward post Admission. As at the Last Practicable Date, 71.4% of the Board is constituted by Black People and 42.8% of the Board is constituted by females. This demonstrates the Board's ongoing commitment to transformation in line with its Board Diversity Policy.

The Group recognises and embraces the benefits of having a diverse board and sees diversity at Board level as an essential element in maintaining a competitive advantage. A diverse Board will include and make good use of differences in the skills, geographical and industry experience, background, race, gender, and other distinctions between the Directors.

These differences will be considered in determining the optimum composition of the Board and, when possible, will be balanced appropriately. All Board appointments are made on merit, in the context of skills, experience, diversity, independence and knowledge, that the Board as a whole requires to be effective.

Chairperson, Lead Independent Director, CEO, and CFO

The Chairperson is responsible for providing leadership to the Board and overseeing its efficient operation and has been tasked with ensuring effective corporate governance practices. The Lead Independent Director acts as lead Director in all matters where there may be an actual or perceived conflict and it would be inappropriate for the Chairperson to deal with the matter concerned.

The CEO is responsible for leading the implementation and execution of the approved strategy, policy, and operational planning of Cell C, as well as ensuring that the day-to-day affairs of the Group are appropriately supervised and controlled.

The CFO is accountable to the Board, with oversight from the Audit, Risk and Compliance Committee, and is primarily responsible for the finance function of the Group and the Board, including in relation to the Group's internal financial control with the purposes of ensuring that the Group's internal financial control processes effectively provide reasonable assurance regarding the reliability of the Group's financial reporting and the preparation of financial statements of the Group for external purposes in accordance with IFRS.

Board

The Group has a unitary Board structure and consists of two Executive Directors and five Non-executive Directors, the majority of which are categorised as independent. In accordance with the Board's charter, the Board composition reflects a majority of Non-executive Directors, and no Director has unfettered powers of decision-making.

The independence of each independent Director has been evaluated and the Board determined that, they have demonstrated they were independent in character and judgement and there were no relationships or circumstances that were likely to affect or could appear to affect their independence.

The Executive Directors are responsible for the Group's day-to-day management, which includes formulating its strategies and policies and setting and achieving its objectives. The Non-executive Directors supervise and advise the Executive Directors. Each Director has a duty to the Company to, among other things, properly perform their assigned responsibilities and to act in the Company's best interest.

The Board is the focal point and custodian of corporate governance in the Group and exercises its leadership role by steering the Company and setting its strategic direction; approving policy and planning that give effect to the direction provided; overseeing and monitoring of implementation and execution by Senior Management; and ensuring accountability for the Group's performance by means of, among others, reporting and disclosure.

The Board's role, responsibilities, membership requirements and procedural conduct are documented in the Board's charter, which is reviewed annually by the Board and guides its effective functioning.

When determining the requisite number of Directors, the following factors are considered for recommendation to the Board:

- the appropriate mix of knowledge, skills and experience, including the business, commercial and industry experience, needed to govern the Group;
- the appropriate and legally required mix of Executive Directors, non-executive Directors and independent Non-executive Directors;
- the need for a sufficient number of members that qualify to serve on the Board Committees;
- the need to secure a quorum at meetings;
- regulatory requirements; and
- diversity targets relating to the composition of the Board, including in terms of the Board Diversity Policy.

Board Committees

The Board has constituted four Board Committees from among the Directors to assist it to discharge its duties. These Board Committees are: the Audit, Risk and Compliance Committee, the Social and Ethics Committee, the Remuneration Committee, and the Nominations and Corporate Governance Committee. Each Board Committee acts within agreed, written terms of reference that are adopted by the Board and are regularly reviewed for compliance with the most recent legal and regulatory requirements. The chairperson of each Board Committee reports at each scheduled meeting of the Board in respect of matters within the mandate of each relevant Board Committee. In accordance with the King Code, the chairpersons of the Nominations and Corporate Governance Committee, the Audit, Risk and Compliance Committee, the Remuneration Committee and the Social and Ethics Committee are Non-executive Directors.

Audit, Risk and Compliance Committee

The Audit, Risk and Compliance Committee supports the Board and CFO in assessing the integrity of the Group's financial reporting and by providing constructive engagement and oversight of the Group's activities and of its combined assurance function, including that of internal and external audit. In particular, the role of the Audit, Risk and Compliance Committee, in addition to discharging its statutory duties pursuant to Section 94 of the Companies Act, is to (i) make recommendations to the Board regarding the safeguarding of assets, the operation of adequate systems, internal control and reporting processes, and the preparation of accurate reporting and financial statements, and (ii) provide independent oversight of the effectiveness of the internal financial controls and the system of internal controls to assist the Board in ensuring and monitoring the integrity of the Group's annual financial statements and, to the extent delegated by the Board, the management of financial and other risks that affect the integrity of other external reports issued by the Group. The Audit, Risk and Compliance Committee further oversees the effectiveness of the Group's external and internal assurance functions and services that contribute to ensuring the integrity of the Group's financial and integrated reporting. In addition, the committee assesses the independence and effectiveness of the external auditor and manages the relationship with the external auditor. According to the terms of reference, the Audit, Risk and Compliance Committee will meet at least four times in a year.

The Audit, Risk and Compliance Committee, in furtherance of its obligations pursuant to paragraph 3.84(g) of the JSE Listings Requirements, shall also (i) consider, on an annual basis, and satisfy itself of the appropriateness of the expertise and experience of the CFO; (ii) ensure that the Company has established appropriate financial reporting procedures and that those procedures are operating, which should include consideration of all entities included in the consolidated Group IFRS financial statements, to ensure that it has access to all the financial information of the Company to allow the Company to effectively prepare and report on the financial statements of the Company; (iii) consider the following information provided by the audit firm and individual auditor, in the assessment of the suitability of appointment or reappointment of the auditor: (a) the latest inspection results (including related remedial action plan) of an inspection performed by its regulator. The Audit, Risk and Compliance Committee may accept reports with the identity of specific entities redacted provided that such redaction does not limit the understanding of their content; (b) any new inspection result of an inspection performed by its regulator, between the date of appointment of the auditor and the date of signature of the audit report on the annual financial statements; (c) a summary of the ongoing communication related to monitoring and remediation referred to in paragraph 46 of International Standard on Quality Management 1 (ISQM 1); and (d) a summary of any legal or disciplinary proceedings completed or pending, as determined by the audit firm's head of risk (or a similar senior person within the firm tasked with the responsibility of risk management) within the past 5 years. Legal or disciplinary proceedings include those instituted through any legislation or by any regulatory/professional body; and (iv) ensure that the appointment of the auditor is presented and included as a resolution at the annual general meeting of the Company pursuant to Section 61(8) of the Companies Act.

The Audit, Risk and Compliance Committee also attends to the independent review, on behalf of the Board, of recommendations on risk management, particularly in relation to the structure and implementation of the risk strategy, system of governance, risk management framework, the quality and effectiveness of the related internal controls and reporting processes, risk appetite limits and exposures, and the overall risk profile of the Group's business. The purpose of the Audit, Risk and Compliance Committee in this regard is to assist the Board with fulfilling its oversight responsibilities in relation to identifying, considering and monitoring risks impacting the Group, and the Group's sustainability policies and practices, and the responsibilities in this regard include guiding and advising the Board in setting risk tolerance and risk appetite levels and addressing the Group's exposure to strategic, reputational, financial, operational, regulatory, and legal and technology risks. The Audit, Risk and Compliance Committee further evaluates the outcomes and consequences of the Group's ability to execute risk management activities and the execution of the other operations, controls and business functions upon which the Group depends on to remain viable and sustainable.

Members (all appointed on 24 October 2025):

(Committee Chair) Sindiswa Victoria Zilwa

Skhulumi Jeremiah Vilakazi

Godfrey Nkosingiphile Motsa

Maya Makanjee

Remuneration Committee

The Remuneration Committee monitors the adherence to *inter alia* the applicable principles and recommended practices of the Companies Act, the King Code, the Board's charter and any other statute or regulation that may be applicable from time to time. Furthermore, determining and agreeing the remuneration and overall compensation package for the CEO, CFO, and any other executive director/chief officer/executive committee member appointed to the Company's Board; and The Committee also assists the Board by reviewing and making recommendations in respect of the remuneration policies and framework for all employees.

The Remuneration Committee further has the responsibility of:

- setting the overall objectives and principles of the Remuneration policy as well as oversee the development and regular review of the Remuneration policy to ensure that it remains relevant for the Company and gives effect to the strategic direction of the Company;
- to review the performance ratings for the CEO, CFO and executive committee and approve their related remuneration packages;
- recommend to the Board the specific remuneration packages for each of the Executive Directors and executive management including loss of officer or termination of employment;
- consider and approve annually the budgets for incentives and salary increases;
- consider and approve termination packages for CEO, CFO and Prescribed Officers where applicable;
- ensure that all relevant decisions are consistent with an assessment of the Company's financial position and future prospects;
- review and approve the policy and framework for incentive schemes and associated rules governing such schemes as well as the performance management frameworks that input into these schemes and recommend same for approval by shareholders;
- consider and approve the Company's material pension or benefit offering and changes to the current offering;
- develop and determine, for approval by the Board, a remuneration framework for fees of Non-executive Directors and recommend same for approval by shareholders;
- review periodically and make recommendations to the Board (based on independent benchmarks) on the remuneration of Non-executive directors for approval by special resolution by shareholders annually preceding payment; and
- the Remuneration Committee, in carrying out its duties, will have due regard to the principles and recommended practices of the King Code.

Members (all appointed on 24 October 2025):

(Committee Chair) Maya Makanjee;

Skhulumi Jeremiah Vilakazi;

Johannes Sanyana Mthimunye;

Godfrey Nkosingiphile Motsa.

Social and Ethics Committee

The Company's sustainability philosophy is underpinned by the realisation that there is a need to turn wealth into sustainable economic growth and development. Through its business endeavours, the Company seeks to make a lasting and important social, economic and environmental contribution to the regions in which the Company operates. The Social and Ethics Committee's is to assist the Board with the oversight of sustainability, social and ethics-related matters, as well as corporate social responsibility initiatives and programs implemented by the Company. The duties of the Social and Ethics committee will include:

- to monitor the Company's activities, having regard to any relevant legislation, other legal requirements or prevailing codes of best practice with regard to matters relating to:
  - social and economic development;
  - good corporate citizenship;
  - the environment, health and public safety;
  - consumer relationships; and
  - labour and employment;
- to perform the following duties regarding ethics and sustainability:
  - assisting the Board in managing the Company's ethics effectively; assisting the Board with its sustainability responsibilities which include monitoring the implementation of its policies; and
  - assisting the Board in its overall approach to corporate social responsibility ("**CSR**") by ensuring that the CSR strategy is aligned to the overall Group strategy;
- to have oversight of the following in accordance with the King Code in effect from time to time, bearing in mind: (i) the "proportionality" principles of the King Code; (ii) a "triple context", being the combined context of the economy, society and environment in which the organisation operates; and (iii) the "six forms of capital" that the Group uses, being financial, manufactured, intellectual, human, social and relationship, and natural forms of capital:
  - organisational ethics;
  - responsible corporate governance;
  - sustainable development; and
  - stakeholder inclusivity;
- to draw matters within its scope to the attention of the Board as the occasion requires;
- to present a report to shareholders at the Company's annual general meetings in the prescribed manner and form describing how the Social and Ethics Committee performed its functions.

Members (all appointed on 24 October 2025):

Committee Chair) Maya Makanjee;

Sindiswa Victoria Zilwa;

Skhulumi Jeremiah Vilakazi;

Godfrey Nkosingiphile Motsa.

Nominations and Corporate Governance Committee

The purpose of the Nominations and Corporate Governance Committee is to assist the Board in ensuring that the Board and executive committee of the Company retain an appropriate structure, size and balance of skills to support the strategic objectives and values of the Company. In reviewing the Board composition, the Nominations and Corporate Governance Committee will consider the benefits of all aspects of diversity specifically including, but not limited to, gender and race diversity to enable it to discharge its duties and responsibilities effectively. The Committee monitors the adherence to *inter alia* the applicable principles and recommended practices of the Companies Act, the King Code and any other statute or regulation that may be applicable from time to time. The Nominations and Corporate Governance Committee oversees arrangements for senior appointments and succession planning.

The Nominations and Corporate Governance Committee is responsible for:

- ensuring the establishment of a formal process for the appointment of directors, including:
- identification of suitable members of the Board. In identifying suitable candidates for appointment to the Board, the Nominations and Corporate Governance Committee will consider candidates with due regard to the benefits of diversity on the Board;
- conducting references and background checks of candidates prior to nomination; and
- formalising the appointment of directors through agreement between the Company and the director,
- and which process include consideration of the Company's diversity and other applicable policy/ies and legislation:

- identify individuals believed to be qualified to become executives of the Company and to recommend such candidates to the Board;
- identify Board members qualified to fill vacancies on any committee of the Board (including this Committee) and to recommend that the Board appoint the identified member or members to the respective committee;
- overseeing the development of a formal induction program for new directors and ensuring that inexperienced directors are developed through a mentorship programme;
- conducting regular gap analysis to ensure a balanced Board;
- overseeing the development and implementation of continuing professional development programs for directors;
- ensuring that directors receive regular briefings in changes in risks, laws and environment in which the Company operates;
- considering the performance of directors and taking steps towards the process of removing directors who do not make appropriate contributions;
- annual review the structure, size and composition of the Board, taking into account the requirements of the Board committees, and ensure that the Board has the appropriate mix of knowledge, skills and experience to perform its duties and make any recommendations to the Board regarding any changes required;
- establish procedures for the Committee to exercise oversight of the evaluation of the Board and arrange an annual performance evaluation of the Board, its Committees and individual directors. Thereafter, ensure the implementation of action plans emanating from the annual evaluations: such procedures to include conducting an annual peer review of Board and committees and members and which may include a third party review of results;
- consider the performance of directors and take steps to remove directors who do not perform and/or make an appropriate contribution and consider and advise on any proposal to terminate the employment of a director or executive;
- finding and recommending to the Board a replacement for the CEO when that becomes necessary;
- ensuring that formal succession plans for the Board, CEO and senior management are developed and implemented which shall include the identification, mentorship and development of future candidates. Succession plans must provide for long-term succession as well as succession in emergency situations;
- considering rotation of directors and making recommendations to the Board regarding directors that are retiring by rotation for re-election (taking into consideration, *inter alia*, the directors' performance and attendance at meetings of the Board and its committees).

Members (all appointed on 24 October 2025):

(Committee Chair) Johannes Sanyana Mthimunye;

Skhulumi Jeremiah Vilakazi;

Maya Makanjee;

Godfrey Nkosingiphile Motsa.

Conflicts of interest

In dealing with conflicts of interest, legislation will apply in the first instance. Members of the Board will comply with the Group's Conflicts of Interest Policy, which must be approved by the Board. Directors are obliged to disclose in a timely manner all direct or indirect conflicting and personal financial interests that are held by them and their related and inter-related persons as contemplated in Section 2 and Section 75 of the Companies Act. Full disclosures should be made in writing and be submitted to the Group's company secretary who will submit it to the Board at the first subsequent Board meeting thereafter. Enduring material conflicts of interest are regarded by the Board as incompatible with the fiduciary duties of Directors.

Any possible conflict of interest shall at all times be declared (in the manner prescribed by law, if applicable, and in the Company MOI as soon as a Director becomes aware of the conflict (and in any event prior to the consideration of the matter to which the conflict relates, at any Board meeting)) and the Director concerned shall not participate in a discussion or vote on the subject matter and will leave the meeting immediately after making the requisite disclosure. In particular, declarations of conflicts involving Board members are submitted to the Nominations and Corporate Governance Committee for consideration.

Company Secretary

Michelle Robinson is a suitably qualified, competent, and experienced company secretary and is appropriately empowered to fulfil her duties regarding assistance to the Board. The Board is responsible for recommending a suitable candidate for appointment as the Company Secretary and reviews the competence, qualifications and experience of the Company Secretary annually and reports on whether or not it is satisfied therewith. The Board has determined that it is satisfied with the Company Secretary's competence, qualifications, experience, independence and suitability.

The Company Secretary is required to provide the Directors, collectively and individually, with guidance as to their duties, responsibilities and powers. The Company Secretary is also required to ensure that the Directors are aware of all laws and legislation relevant to, or affecting, the Company and to report to the Board any failure on the part of the Company or a Director to comply with the Company MOI, the Group governance framework or other applicable legislation and regulatory requirements. The Company Secretary acts as an adviser to the Board and plays a pivotal role in ensuring compliance with statutory regulations and the Group governance framework, the induction of new Directors, tabling information on relevant regulatory and legislative changes, and giving guidance to the Directors regarding their duties and responsibilities.

The Company Secretary is not a Director of the Company. The Company Secretary, after consideration by the Board, has an arm's length relationship with the Board (and this has been the case prior to the Admission). The Board also has the power remove the Company Secretary from office, in accordance with the recommended practice of the King Code. The Company Secretary assists the Nomination and Corporate Governance Committee with the appointment, induction and training of Directors, provides guidance as to the Board's duties and good governance and ensures that Board and Board Committee charters are kept up to date. The Company Secretary prepares and circulates Board papers and assists with obtaining responses, input and feedback for Board and Board Committee meetings. Assistance is also provided with regard to the preparation and finalisation of Board and Board committee agendas based on annual work plan requirements. The Company Secretary assists with the annual evaluations of the Board, Board Committees and individual Directors.

The Company Secretary must certify, in the Group's annual financial statements, whether the Group has filed required returns and notices in terms of the Companies Act, and whether all such returns and notices appear to be true, correct and up to date, and ensure that a copy of the Group's annual financial statements is sent, in accordance with the Companies Act, to every person who is entitled to it.

The Company Secretary is also required to ensure that there are minutes of all Shareholders' meetings, and that Directors' meetings and any committee meetings of the Directors are properly recorded in accordance with the Companies Act.

Shareholder Communication

In all communications with Shareholders, the Board aims to present a balanced and understandable assessment of the Group's position. This is done through adhering to principles of openness and substance over form and striving to address material matters of significant interest and concern to all Shareholders. The Company will prepare, and distribute to Shareholders, an annual integrated report, as a primary form of communication with Shareholders, in accordance with applicable law.

The Board will encourage Shareholders' attendance at general meetings and annual general meetings and, where appropriate, will provide full and understandable explanations of the effects of resolutions to be proposed at such meetings.

Subject to the applicable law, communication with institutional Shareholders and investment analysts will be maintained through periodic presentations of financial results, one-on-one visits, trading statements and press announcements of interim and year end results, as well as the proactive dissemination of any information considered relevant to Shareholders.

The Board will use its best endeavours to familiarise itself with issues of concern to its relevant stakeholders and should strive to achieve the appropriate balance between the legitimate interests and expectations of the various relevant stakeholder groupings, in its decision--making in the best interests of the Company.

PART XI – SELECTED CONSOLIDATED FINANCIAL AND OTHER INFORMATION

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Historical Financial Information

The historical financial information set out in the body of this Pre-listing Statement relates to the Consolidated Historical Financial Information of the Cell C Group and CEC. The Cell C Group and CEC each present their respective historical financial information in South African Rand.

The Consolidated Annual Historical Financial Information has been prepared in accordance with IFRS, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by FRSC, as applicable, and the JSE Listings Requirements.

The Condensed Consolidated Interim Historical Financial Information has been prepared in accordance with IFRS, IAS 34 "*Interim Financial Reporting*," the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by FRSC, as applicable, and the JSE Listings Requirements.

The Consolidated Historical Financial Information should be read in conjunction with the accompanying notes thereto, including material accounting policy information. The Consolidated Historical Financial Information is prepared for the purposes of the Admission and Offer. The Consolidated Historical Financial Information is the responsibility of the Directors. The Consolidated Annual Historical Financial Information and Condensed Consolidated Interim Historical Financial Information have been audited and reviewed, respectively, by SNG Grant Thornton, whose unqualified audit and review reports in respect thereof are included in *"Annexe 2 – Independent Auditor's Assurance Report on The Consolidated Annual Historical Financial Information of Cell C Limited For The Year Ended 31 May 2025, The 5 Months Ended 31 May 2024, The Year Ended 31 December 2023 and The Year Ended 31 December 2022", "Annexe 4 – Independent Auditor's Review Report on The Condensed Consolidated Interim Historical Financial Information Of Cell C Limited For The Three Months Ended 31 August 2025 and 31 August 2024", "Annexe 6 – Independent Auditor's Assurance Report on The Annual Historical Financial Information of Comm Equipment Company Proprietary Limited For The Years Ended 31 May 2025, 2024 and 2023" and "Annexe 8 – Independent Auditor's Review Report on The Condensed Interim Historical Financial Information of Comm Equipment Company Proprietary Limited for the Three Months Ended 31 August 2025 and 31 August 2024", respectively.*

Pro Forma Financial Information of the Group

The following *pro forma* financial statements of the Group have been prepared:

- a *pro forma* Statement of Profit or Loss and Other Comprehensive Income for the financial year ended 31 May 2025; and
- a *pro forma* Statement of Financial Position as at 31 May 2025.

The *pro forma* Statement of Profit or Loss and Other Comprehensive Income for the financial year ended 31 May 2025, and the *pro forma* Statement of Financial Position as at 31 May 2025 have been prepared as if the Transactions had occurred on 1 June 2024 and 31 May 2025, respectively.

This *Pro Forma* Financial Information is the responsibility of the Directors and has been prepared for illustrative purposes only. Because of its nature, it may not fairly present the Group's financial position, changes in equity, results of operations or cash flows following the Transactions.

The *Pro Forma* Financial Information has been prepared in a manner which is consistent with the accounting policies adopted by the Group in the preparation of the At Incorporation Historical Financial Information and the Consolidated Historical Financial Information as set out in "*Annexe 9 – At Incorporation Historical Financial Information of The Company" and "Annexe 13 – Pro Forma Financial Information"*.

The compilation of the *Pro Forma* Financial Information has been reviewed by SNG Grant Thornton, whose report in respect thereof is included in *"Annexe 14 – Independent Auditor's Assurance Report on The Compilation of Pro Forma Financial Information"*.

Non-IFRS Financial Measures

This Pre-listing Statement contains Non-IFRS Financial Measures. The Non-IFRS Financial Measures used in this Pre-listing Statement include (i) Average invested capital, (ii) Capex intensity, (iii) EBIT, (iv) EBITDA, (v) EBITDA margin, (vi) Free cash flow, (vii) Free cash flow conversion, (viii) Invested capital, (ix) Return on invested capital (ROIC), (x) Leverage, (xi) Gross Profit margin, (xii) Advances to customers, (xiii) Credit Loss Ratio to Advances to customers; (xiiv) Debt to Equity Ratio (times); (xv) Net finance cost and (xvi) Interest cover ratio (times) are defined as follows:

"Average invested capital"	Invested capital plus invested capital for the preceding financial year, divided by two;
"Capex intensity"	Capital expenditures divided by revenue;
"EBIT"	Profit before net finance costs, equity-accounted profit and tax;
"Earnings before interest, tax, depreciation and amortisation" or "EBITDA"	Profit before net finance costs, equity-accounted profit and tax as reported, plus depreciation on property, plant and equipment and right-of-use assets and amortisation on intangible assets;
"EBITDA margin"	EBITDA divided by revenue;
"Free cash flow"	EBITDA less changes in working capital less finance lease payments less taxes paid less capital expenditure;
"Free cash flow conversion"	Free cash flow divided by EBITDA;
"Invested capital"	Book value of equity plus book value of total interest-bearing borrowings less cash and cash equivalents, plus book value of current and non-current lease liabilities;
"Leverage"	Total borrowings (being amounts owing to related parties less amounts owing by related parties) plus lease liabilities less cash and cash equivalents, divided by EBITDA;
"Return on invested capital (ROIC)"	After-tax operating profit divided by average invested capital;
"Gross profit margin"	Gross profit divided by total revenue;
"Advances to customers"	Current advances to customers plus non-current advances to customers;
"Credit loss ratio to Advances to customers"	Loss allowance divided by advances to customers;
"Debt to Equity ratio (times)"	Borrowings divided by equity;
"Net finance cost"	Finance cost paid, adjusted for investment income;
"Interest cover ratio (times)"	EBITDA divided by net finance costs.

For more information regarding the calculation of these Non-IFRS Financial Measures, see further below in this section.

The Group provides Non-IFRS Financial Measures and other information because the Group believes that they provide investors with additional information to measure the operating performance and liquidity of the Group. The Group's use of Non-IFRS Financial Measures may vary significantly from the use by other companies in its industry. The measures used should not be considered as an alternative to profit/(loss), revenue or any other performance measure derived in accordance with IFRS or to net cash provided by operating activities as a measure of liquidity. The Non-IFRS Financial Measures have limitations as analytical tools over and above the limitations of any IFRS performance measures and should not be considered in isolation or as substitutes for analysis of the Group's results as reported under IFRS. Such Non-IFRS Financial Measures may include or exclude amounts that are included or excluded, as applicable, in the calculation of the most directly comparable measures in accordance with IFRS. Their usefulness is, therefore, subject to limitations, which are described below. In particular, other companies in the industry may define Non-IFRS Financial Measures, used herein, differently, which may make it difficult to compare the performance of those entities to the Group's performance based on similarly named measures. In addition, the exclusion of certain items from Non-IFRS Financial Measures does not imply that these items are necessarily non-recurring. From time to time, the Group may exclude additional items if it believes doing so would result in a more comparable disclosure.

The Non-IFRS Financial Measures should be considered in conjunction with the Consolidated Historical Financial Information prepared in accordance with IFRS. Certain of these measures have been extracted or derived from the Consolidated Historical Financial Information. The independent auditor's assurance report in respect of the compilation of Non-IFRS Financial Information is out in Annexe 12. The Non-IFRS Financial Measures are the responsibility of the Directors of the Company and have been prepared for illustrative purposes only and, because of their nature, may not fairly present the Group's financial position, changes in equity, results of operations or cash flows.

Compliance with SEC requirements

The financial information included in this Pre-listing Statement is not intended to comply with the SEC requirements. Compliance with such requirements would require, among other things, compliance with the requirements of Regulation S-X of the U.S. Securities Act and the exclusion of certain non-GAAP financial measures.

Rounding

Some financial information in this Pre-listing Statement has been rounded and, as a result, the numerical figures shown as totals in this Pre-listing Statement may vary slightly from the exact arithmetic aggregation of the figures that precede them.

SELECTED FINANCIAL DATA

Part 1: Cell C Group

The following tables present selected historical financial information of the Cell C Group as at the dates and for the periods indicated. The selected historical financial information below has been extracted without adjustment from the Consolidated Historical Financial Information included in *"Annexe 1* – Consolidated Annual Historical Financial Information of Cell C Limited For The Year Ended 31 May 2025, The 5 Months Ended 31 May 2024, The Year Ended 31 December 2023 and The Year Ended 31 December 2022" and *"Annexe 3 – Condensed Consolidated Interim Historical Financial Information of Cell C Limited For The Three Months Ended 31 August 2025 and 31 August 2024"* of this Pre-listing Statement.

Selected Consolidated Statement of Profit and Loss and Other Comprehensive Income

	Three months ended		**Year ended**	**Five months ended**	**Years ended**	
(Figures in ZAR'm)	**31 August 2025**	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
	(reviewed)					
Revenue	2 796.0	2 774.1	11 138.2	4 619.8	10 703.0	11 310.3
Other income	166.2	305.9	1 319.1	648.4	3 159.2	10 604.7
Direct expenses	(1 819.7)	(2 062.6)	(7 720.9)	(3 385.7)	(8 482.6)	(8 574.4)
Employee benefits expense	(240.4)	(213.8)	(818.2)	(332.6)	(726.4)	(590.8)
Depreciation and amortisation	(133.4)	(94.8)	(507.6)	(161.8)	(978.0)	(1 479.1)
Loss on derecognition of capitalised contract costs	–	–	–	–	–	(22.4)
Impairment loss on amount due by subsidiary	–	–	–	–	–	–
Impairment loss reversal/(impairment loss) on trade receivables	–	–	(1.0)	6.3	144.6	114.2
Other expenses	(531.6)	(454.4)	(1 812.7)	(967.8)	(2 128.2)	(5 175.9)
Profit before net finance costs, equity-accounted profit and tax	**237.1**	**254.5**	**1 596.8**	**426.6**	**1 691.6**	**6 186.5**
Finance income	2.5	2.8	11.0	5.7	9.2	10.6
Finance costs	(313.1)	(306.8)	(1 311.7)	(614.8)	(1 510.8)	(2 258.4)
Share of profit from equity accounted investments	0.1	0.1	0.4	0.2	0.3	0.6
Profit before tax	**(73.5)**	**(49.4)**	**(296.5)**	**(182.3)**	**190.3**	**3 939.4**
Income tax expense	(13.5)	(6.5)	1 920.6	(48.2)	–	–
Profit for the year/period	**(87.0)**	**(55.9)**	**2 217.1**	**(230.5)**	**190.3**	**3 939.4**
Other comprehensive income net of tax	–	–	–	–	–	–
Total comprehensive income for the year	**(87.0)**	**(55.9)**	**2 217.1**	**(230.5)**	**190.3**	**3 939.4**

Selected Consolidated Statement of Financial Position

(Figures in ZAR'm)	As at 31 August 2025	As at 31 May 2025	As at 31 May 2024	As at 31 December 2023	As at 31 December 2022
	(reviewed)				
ASSETS					
Non-current Assets					
Property, plant and equipment	751.8	459.3	509.6	502.3	1 241.3
Intangible assets	1 401.3	1 338.5	1 001.3	822.1	485.9
Equity accounted investments	11.0	11.0	10.5	10.3	9.9
Deferred tax assets	2 024.7	2 024.7	–	–	–
Capitalised contract costs	20.5	23.6	41.3	42.7	11.4
Investment in subsidiary	–	–	–	–	–
Total non-current assets	**4 209.4**	**3 857.0**	**1 562.7**	**1 377.4**	**1 748.5**
Current assets					
Inventories	42.7	55.5	109.5	50.6	42.1
Trade and other receivables	1 115.6	979.0	2 102.6	2 646.6	1 627.4
Amount due by subsidiary	–	–	–	–	–
Cash and cash equivalents	306.7	182.1	101.0	290.0	75.5
Total current assets	**1 465.0**	**1 216.5**	**2 313.2**	**2 987.2**	**1 745.0**
Total assets	**5 674.4**	**5 073.6**	**3 875.9**	**4 364.6**	**3 493.5**
Equity and liabilities					
Equity					
Issued capital	11 500.6	11 500.6	11 500.6	11 500.6	11 500.6
Share premium	14 168.2	14 168.2	14 168.2	14 168.2	14 168.2
Accumulated loss	(34 060.5)	(33 973.6)	(36 190.7)	(35 960.2)	(36 150.5)
Total equity	**(8 391.7)**	**(8 304.7)**	**(10 521.8)**	**(10 291.3)**	**(10 481.6)**
Liabilities					
Non-current liabilities					
Interest-bearing borrowings	1 497.8	1 472.8	3 096.1	3 253.6	2 874.7
Lease liabilities	1 848.5	1 638.0	1 546.7	1 546.9	1 472.3
Total non-current liabilities	**3 346.3**	**3 110.8**	**4 642.8**	**4 800.4**	**4 347.1**
Current liabilities					
Employee benefit obligations	266.9	216.0	142.1	144.4	–
Provisions	–	–	–	–	13.2
Trade and other payables	5 155.7	4 547.2	6 262.8	7 097.0	6221.7
Current tax liabilities	140.8	147.3	48.7	–	–
Interest-bearing borrowings	2 579.1	2 483.5	653.9	417.2	250.0
Lease liabilities	266.7	279.0	245.5	289.1	627.2
Contract liabilities	2 310.7	2 594.6	2 401.8	1 907.7	2 515.9
Total current liabilities	**10 719.8**	**10 267.5**	**9 754.9**	**9 855.5**	**9 628.0**
Total liabilities	**14 066.1**	**13 378.3**	**14 397.7**	**14 655.9**	**13 975.0**
Total equity and liabilities	**5 674.4**	**5 073.6**	**3 875.9**	**4 364.6**	**3 493.5**

Selected Consolidated Statement of Cash Flows

As at *(Figures in ZAR'm)*	**31 August 2025**	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
	(reviewed)					
Net cash flows from operations	**529.6**	**450.0**	**1 886.4**	**482.4**	**1 934.1**	**1 798.8**
Finance cost paid	(12.3)	(1.2)	(25.6)	(1.1)	(140.4)	–
Income tax paid	(18.9)	(5.1)	(5.6)	–	–	–
Net cash flows from operating activities	**498.5**	**443.7**	**1 855.1**	**481.3**	**1 793.7**	**1 798.8**
Cash flows used in investing activities						
Finance income received	2.5	2.8	11.0	5.7	9.2	10.6
Acquisition of property, plant and equipment	(38.3)	(48.3)	(269.4)	(122.6)	(135.4)	(512.2)
Purchase of intangible assets	(134.5)	(86.7)	(493.7)	(224.8)	(469.1)	(245.1)
Additions to capitalised contract assets	(1.4)	(1.6)	(6.6)	(13.3)	(60.2)	(108.6)
Cash flows used in investing activities	**(171.7)**	**(133.9)**	**(758.5)**	**(355.0)**	**(655.5)**	**(855.3)**
Cash flows used in financing activities						
Cash flows from interest-bearing borrowings	–	–	(158.2)	(110.0)	(201.7)	(1 198.7)
Cash flows from lease liabilities	(27.8)	(27.5)	(262.1)	(44.2)	(284.8)	(656.8)
Proceeds from interest-bearing borrowings	–	–	–	–	–	1 143.7
Interest paid	(174.4)	(68.9)	(595.2)	(161.0)	(437.1)	(512.6)
Cash flows used in investing activities	**(202.2)**	**(96.4)**	**(1 015.5)**	**(315.2)**	**(923.6)**	**(1 224.3)**
Net (decrease)/increase in cash and cash equivalents	**124.6**	**213.4**	**81.1**	**(189.0)**	**214.6**	**(280.8)**
Cash and cash equivalents at beginning of the period	182.1	101.2	101.0	290.0	75.5	356.3
Cash and cash equivalents at end of the period	**306.7**	**314.5**	**182.1**	**101.0**	**290.0**	**75.5**

Other Selected Financial Data

The table below contains certain other operational information, Non-IFRS Financial Measures and *pro forma* financial information that are presented to provide investors with additional financial information that is regularly reviewed by management. The Non-IFRS Financial Measures should not be viewed in isolation or as an alternative to the equivalent IFRS measure. The Non-IFRS Financial Measures are not uniformly defined by all companies. Accordingly, such measures may not be comparable with similarly titled measures and disclosures by other companies.

	Three months ended		**Year ended**	**Five months ended**	**Year ended**	
(Figures in ZAR'm, except as otherwise noted)	**31 August 2025**	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
	(reviewed)					
Number of subscribers ('m)	8.179	7.748	7.588	7.740	7.666	10.644
Prepaid subscribers ('m)	7.365	6.889	6.774	6.867	6.721	9.644
Postpaid subscribers ('m)	0.797	0.843	0.798	0.857	0.929	0.981
MVNO HLR's ('m)	4.721	3.728	4.489	3.300	3.199	2.374
Average Revenue per user (ZAR)						
Blended ARPU	88	95	95	94	105	75
Prepaid ARPU	72	79	78	78	87	59
Postpaid ARPU	229	222	230	224	229	237
Prepaid voice traffic growth	(14.6%)	(0.5%)	(17.4%)	(9.0%)	4.5%	(30.4%)
Postpaid voice traffic growth	(4.7%)	(10.8%)	(3.4%)	(11.8%)	(12.0%)	(16.8%)
Prepaid data traffic growth	19.7%	16.2%	15.8%	31.1%	31.3%	(15.9%)
Postpaid data traffic growth	48.9%	4.2%	36.0%	(9.9%)	(9.9%)	3.5%
MVNO data traffic growth	190.1%	(84.0%)	388%	(38.2%)	53.9%	10.3%
MVNO voice traffic growth	16.2%	(76.1%)	166.8%	(53.7%)	(3.7%)	9.9%
Number of network sites[#]	28 304	28 304	28 304	5 500	5 500	5 500
Capital expenditure	589.8	159.2	778.0	347.4	604.5	1 067.0
Maintenance capital expenditures	235.9	63.7	311.2	139.0	241.8	776.3
Expansionary capital expenditures	353.9	95.5	466.8	208.4	362.7	290.7
Capex intensity[1]	21.1%	5.7%	7.0%	7.5%	5.6%	9.4%
EBITDA[2]	370.5	349.3	2 104.4	588.4	2 669.6	7 665.6
EBITDA margin[2]	13.3%	12.6%	18.9%	12.7%	24.9%	67.8%
Free cash flow[3]	(162.5)	190.7	576.1	9.6	988.6	9 872.6
Free cash flow conversion (%)[3]	(43.9%)	54.6%	27.4%	1.6%	37.0%	128.8%
Average invested capital[4]	(2 071.1)	(4 668.2)	(3 563.9)	(4 686.5)	(4 838.2)	(3 145.6)
Return on invested capital (ROIC)[5]	(10.8%)	(5.3%)	(98.7%)	(8.1%)	(35.0%)	(196.7%)
Leverage[6]	15.9x	15.3x	2.7x	9.2x	2.0x	0.7x

(1) The table below presents a reconciliation from capital expenditure to capex intensity for the Cell C Group on a historical basis for each of the periods indicated.

	Three months ended		12 months ended	Five months ended	12 months ended	
(Figures in ZAR'm, except percentages)	**31 August 2025**	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
	(reviewed)					
Capital expenditures	589.8	159.2	778.0	347.4	604.5	1 067.0
Revenue	2 796.0	2 774.1	11 138.2	4 619.8	10 703.0	11 310.3
Capex intensity[(a)]	**21.1%**	**5.7%**	**7.0%**	**7.5%**	**5.6%**	**9.4%**

(a) Calculated as capital expenditures divided by revenue.

(2) The table below presents a reconciliation from of EBITDA, and details the calculations of EBITDA margin for the Cell C Group on a historical basis for each of the periods indicated.

	Three months ended		Year ended	Five months ended	Year ended	
(Figures in ZAR'm, except percentages)	**31 August 2025**	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
	(reviewed)					
Profit for the period	**(87.0)**	**(55.9)**	**2 217.1**	**(230.5)**	**190.3**	**3 939.4**
Taxation	13.5	6.5	(1 920.6)	48.2	0.0	0.0
Profit before taxation	**(73.5)**	**(49.4)**	**296.5**	**(182.3)**	**190.3**	**3 939.4**
Finance income	(2.5)	(2.8)	(11.0)	(5.7)	(9.2)	(10.6)
Finance cost	313.1	306.8	1 311.7	614.8	1 510.8	2 258.4
Share profit from equity accounted investment	(0.1)	(0.1)	(0.4)	(0.2)	(0.3)	(0.6)
Operating Profit	**237.1**	**254.5**	**1 596.8**	**426.6**	**1 691.6**	**6 186.5**
Depreciation and amortisation	133.4	94.8	507.6	161.8	978.0	1 479.1
EBITDA	**370.5**	**349.3**	**2 104.4**	**588.4**	**2 669.6**	**7 665.6**
Revenue	2 796.0	2 774.1	11 138.2	4 619.8	10 703.0	11 310.3
EBITDA margin[(b)]	**13.3%**	**12.6%**	**18.9%**	**12.7%**	**24.9%**	**67.8%**

(b) Calculated as EBITDA divided by revenue.

(3) The table below presents a reconciliation from of free cash flow, and details of the calculation of free cash flow conversion, for the Cell C Group on a historical basis for each of the periods indicated.

	Three months ended		Year ended	Five months ended	Year ended	
(Figures in ZAR'm, except percentages)	**31 August 2025**	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
	(reviewed)					
EBITDA	**370.5**	**349.3**	**2 104.4**	**588.4**	**2 669.6**	**7 665.6**
Changes in working capital	180.7	102.1	(173.8)	(91.5)	(461.0)	4 410.6
Finance lease payments	(105.0)	(96.4)	(570.8)	(139.8)	(615.5)	(1 136.6)
Taxes paid	(18.9)	(5.1)	(5.6)	0.0	0.0	0.0
Capital expenditure	(589.8)	(159.2)	(778.0)	(347.4)	(604.5)	(1 067.0)
Free cash flow	**(162.5)**	**190.7**	**576.1**	**9.6**	**988.6**	**9 872.6**
EBITDA	370.5	349.3	2 104.4	588.4	2 669.6	7 665.6
Free cash flow conversion[(c)]	**(43.9%)**	**54.6%**	**27.4%**	**1.6%**	**37.0%**	**128.8%**

(c) Calculated as Free cash flow divided by EBITDA.

(4) The table below presents a reconciliation of average invested capital for the Cell C Group on a historical basis for each of the periods indicated.

(Figures in ZAR'm)	**31 August 2025**	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
	(reviewed)					
Equity	(8 391.7)	(10 577.7)	(8 304.70)	(10 521.8)	(10 291.3)	(10 481.6)
Cash and cash equivalents	306.7	384.1	182.1	101.0	290.0	75.5
Current interest-bearing borrowings	2 579.1	356.0	2 483.5	653.9	417.3	250.0
Non-current interest-bearing borrowings	1 497.8	3 600.4	1 472.8	3 096.1	3 253.6	2 874.7
Non-current lease liabilities	1 848.5	1 487.3	1 638.0	1 546.7	1 546.9	1 472.3
Current lease liabilities	266.7	292.1	279.0	245.5	289.1	627.2
Invested capital (A)	**(1 892.9)**	**(4 457.8)**	**(2 249.3)**	**(4 878.5)**	**(4 494.4)**	**(5 181.9)**
Invested capital of previous financial year end (B)	(2 249.3)	(4 878.5)	(4 878.6)	(4 494.4)	(5 181.9)	1 109.3
Average invested capital ((A+B)/2)	**(2 071.1)**	**(4 668.2)**	**(3 563.9)**	**(4 686.5)**	**(4 838.2)**	**(3 145.6)**

(5) The table below details calculation of return on invested capital for the Cell C Group on a historical basis for each of the periods indicated.

	Three months ended		**Year ended**	**Five months ended**		**Year ended**
(Figures in ZAR'm, except percentages)	**31 August 2025**	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
	(reviewed)					
Operating profit	237.1	254.5	1 596.8	426.6	1 691.6	6 186.5
Taxation expense on operating profit[(d)]	13.5	(6.5)	1 920.6	(48.2)	–	–
After-tax operating profit (A)	223.6	248.0	3 517.3	378.4	1 691.6	6 186.5
Average invested capital (B)	(2 071.1)	(4 668.2)	(3 563.9)	(4 686.5)	(4 838.2)	(3 145.6)
Return on invested capital (A/B)	**(10.8%)**	**(5.3%)**	**(98.7%)**	**(8.1%)**	**(35.0%)**	**(196.7%)**

(d) The table below details the calculation of taxation expense on operation profit for the Cell C Group on a historical basis for each of the periods indicated.

	Three months ended		**Year ended**	**Five months ended**		**Year ended**
(Figures in ZAR'm, except percentages)	**31 August 2025**	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
	(reviewed)					
Operating profit	237.1	254.5	1 596.8	426.6	1 691.6	6 186.5
Effective tax rate	18.4%	32.3%	647.8%	26.4%	0%	0%
Tax expense on operating profit[(e)]	**(13.5)**	**(6.5)**	**1 920.6**	**(48.2)**	**0.0**	**0.0**

(e) Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. A deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Management was able to demonstrate with significant certainty that the Group will generate future taxable profits to utilise the unused tax loss and it was able to determine that the temporary differences would be utilised based on medium-term forecasts. The Deferred tax asset was recognised in Cell C Limited only which has been paying taxes for the previous 2 years as well.

(6) The table below details calculation on leverage for the Cell C Group on a historical basis for each of the periods indicated.

	Three months ended		12 months ended	Five months ended	Year ended	
(Figures in ZAR'm, except where indicated)	**31 August 2025**	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
	(reviewed)					
Current interest-bearing borrowings	2 579.1	356.0	2 483.5	653.9	417.3	250.0
Non-current interest-bearing borrowings	1 497.8	3 600.4	1 472.8	3 096.1	3 253.6	2 874.7
Non-current lease liabilities	1 848.5	1 487.3	1 638.0	1 546.7	1 546.9	1 472.3
Current lease liabilities	266.7	292.1	279.0	245.5	289.1	627.2
Cash and cash equivalents	(306.7)	(384.1)	(182.1)	(101.0)	(290.0)	(75.5)
Net borrowings (A)	**5 885.4**	**5 351.8**	**5 691.2**	**5 441.2**	**5 216.9**	**5 148.8**
EBITDA (B)	370.5	349.3	2 104.4	588.4	2 669.6	7 665.6
Leverage (A/B)	**15.9x**	**15.3x**	**2.7x**	**9.2x**	**2.0x**	**0.7x**

Part 2: CEC

The following tables present selected historical financial information of CEC as at the dates and for the periods indicated. The selected historical financial information below has been extracted without adjustment from the Historical Financial Information included in *"Annexe 5 – Annual Historical Financial Information of Comm Equipment Company Proprietary Limited For The Years Ended 31 May 2025, 2024 and 2023"* and *"Annexe 7 – Condensed Interim Historical Financial Information of Comm Equipment Company Proprietary Limited For The Three Months Ended 31 August 2025 and 31 August 2024"* of this Pre-listing Statement.

Selected Statement of Profit or Loss and Other Comprehensive Income

	Three months ended		12 months ended 31 May		
(Figures in ZAR'm)	**31 August 2025**	**31 August 2024**	**2025**	**2024**	**2023**
Revenue	557.4	564.7	2 556.2	2 815.7	3 432.8
Interest revenue	65.4	32.1	292.5	398.6	301.6
Cost of sales	(426.3)	(464.0)	(1 995.9)	(2 187.2)	(2 315.2)
Gross Profit	**196.4**	**131.9**	**852.8**	**1 027.0**	**1 419.3**
Other income	0.75	0.54	4.4	30.8	10.9
Fair value adjustments	0.11	1.7	12.1	1.4	(4.1)
Movement in credit loss allowances	(84.9)	(107.8)	(481.6)	(333.9)	(589.5)
Operating expenses	(55.1)	(49.9)	(232.1)	(262.9)	(258.2)
Loss on derecognition of financial assets	–	–	(34.1)	(53.3)	–
Loss on modification	–	–	–	–	(64.5)
Operating Profit/(Loss)	**57.3**	**(23.6)**	**121.5**	**409.1**	**513.9**
Investment income	17.0	40.1	132.7	232.5	86.1
Finance costs	(78.1)	(89.6)	(474.1)	(397.2)	(200.1)
(Loss)/Profit before taxation	**(3.8)**	**(73.1)**	**(219.9)**	**244.4**	**399.9**
Taxation	1	19.5	60.5	(59.6)	(124.3)
(Loss)/Profit for the year	**(2.8)**	**(53.6)**	**(159.4)**	**184.8**	**275.6**
Other comprehensive income	–	–	–	–	–
Total comprehensive (loss)/ income for the year	**(2.8)**	**(53.6)**	**(159.4)**	**184.8**	**275.6**

Selected Statement of Financial Position

(Figures in ZAR'm)	As at 31 August 2025	As at 31 May 2025	As at 31 May 2024	As at 31 May 2023
Assets				
Non-Current Assets				
Equipment	0.5	0.6	0.9	0.9
Intangible assets	831.7	846.4	997.3	1 190.4
Investments in subsidiaries	–	–	–	–
Loans receivable	224.7	255.6	501.9	700.5
Equity investment held	2.6	2.5	6.6	7.9
Financial assets at fair value through profit or loss	21.1	16.2	24.4	–
Advances to customers	696.9	653.1	485.3	810.3
	1 777.6	**1 774.4**	**2 016.4**	**2 709.9**
Current Assets				
Inventories	955.5	989.9	242.1	328.4
Loans to Group companies	92.0	92.0	85.7	8.1
Loans receivable	281.8	259.7	226.7	232.4
Trade and other receivables	312.4	270.4	587.5	373.2
Financial assets at fair value through profit or loss	21.1	16.1	0.6	–
Advances to customers	1 057.3	990.6	751.0	1 446.9
Cash and cash equivalents	69.1	38.1	24.4	6.4
Current tax receivable	–	–	–	–
	2 789.2	**2 656.9**	**1 918.0**	**2 395.3**
Total Assets	**4 566.8**	**4 431.3**	**3 934.4**	**5 105.1**
Equity and Liabilities				
Equity				
Share capital	514.0	514.0	514.0	514.0
Retained Income	877.2	880.0	1 039.4	1 326.6
	1 391.2	**1 394.0**	**1 553.4**	**1 840.6**
Liabilities				
Non-Current Liabilities				
Borrowings	1 019.6	1 165.8	1 659.4	492.7
Deferred tax	145.9	148.7	240.2	226.2
Share based payment liability	12.0	9.6	4.9	3.3
	1 177.5	**1 324.1**	**1 904.4**	**722.2**
Current Liabilities				
Trade and other payables	1 442.9	1 179.1	219.6	1 032.5
Loans from Group companies	0.5	0.6	4.5	4.4
Borrowings	552.9	533.5	240.6	1 407.3
Current tax payable	1.8	–	11.8	52.8
Dividend payable	–	–	–	45.2
	1 998.1	**1 713.2**	**476.6**	**2 542.3**
Total Liabilities	**3 175.6**	**3 037.3**	**2 381.0**	**3 264.5**
Total Equity and Liabilities	**4 566.8**	**4 431.3**	**3 934.4**	**5 105.1**

Selected Statement of Cash Flows

	Three months ended		12 months ended 31 May		
(Figures in ZAR'm)	**31 August 2025**	**31 August 2024**	**2025**	**2024**	**2023**
Cash flows from operating activities					
Cash generated from operations	202.9	32.9	207.7	350.3	961.5
Interest income	82.4	72.3	425.2	631.1	387.7
Finance costs	(78.1)	(89.6)	(474.1)	(397.2)	(200.1)
Tax paid	–	–	(42.8)	(86.7)	(63.7)
Net cash from operating activities	**207.2**	**15.6**	**116.0**	**497.6**	**1 085.4**
Cash flows from investing activities					
Purchase of equipment	(0.1)	(0.1)	(0.2)	(0.5)	(0.9)
Sale of equipment	–	–	–	–	–
Purchase of intangible assets	(58.2)	(26.0)	(130.6)	(106.8)	(832.4)
Loans advanced to Group companies	–	(10.0)	(6.3)	–	–
Sale of shares in ultimate holding company	–	–	2.7	1.0	1.9
Sale of investments in subsidiary	–	–	–	–	–
Receipt of loans receivable at amortised cost	8.9	10.7	236.6	143.9	113.2
Net cash from investing activities	**(49.4)**	**(25.4)**	**102.3**	**37.6**	**(718.2)**
Cash flows from financing activities					
Proceeds from loans from Group companies	–	–	–	4.8	14.0
Repayment of loans from Group companies	(0.1)	(0.5)	(3.9)	(4.7)	(316.0)
Proceeds from borrowings	–	–	–	1 900.0	1 220.7
Repayment of borrowings	(126.7)	–	(200.7)	(1 900.0)	(944.0)
Payment on lease liabilities	–	–	–	–	(0.5)
Dividends paid	–	–	–	(517.2)	(356.8)
Net cash from financing activities	**(126.7)**	**(0.5)**	**(204.6)**	**(517.1)**	**(382.6)**
Total cash movement for the year	**31.0**	**(10.3)**	**13.7**	**18.1**	**(15.4)**
Cash and cash equivalents at the beginning of the year	38.1	24.4	24.4	6.4	21.7
Total cash and cash equivalents at the end of the year	**69.1**	**14.1**	**38.1**	**24.4**	**6.4**

Other Selected Financial Data

The table below contains certain Non-IFRS Financial Measures and *pro forma* financial information that are presented to provide investors with additional financial information that is regularly reviewed by management. The Non-IFRS Financial Measures should not be viewed in isolation or as an alternative to the equivalent IFRS measure. The Non-IFRS Financial Measures are not uniformly defined by all companies. Accordingly, such measures may not be comparable with similarly titled measures and disclosures by other companies.

	3 months ended		**12 months ended 31 May**		
(Figures in R'm, except for percentages)	**31 August 2025**	**31 August 2024**	**2025**	**2024**	**2023**
Gross profit margin (%)[1]	31.5	22.1	29.9	32.0	38.0
EBITDA[2]	130.4	45.9	403.5	709.5	841.7
EBITDA margin (%)[3]	20.9	7.7	14.2	22.1	22.5
Advances to customers[4]	2 103.9	1 908.5	1 908.2	1 435.8	2 839.2
Loss allowance	(349.7)	(301.7)	(264.5)	(199.5)	(582.0)
Credit loss ratio to Advances to customers (%)[4]	(16.62)	(15.81)	(13.86)	(13.89)	(20.50)
Total borrowings	1 572.5	1 900.0	1 699.3	1 900.0	1 900.0
Debt to Equity ratio (times)[5]	1.13	1.27	1.22	1.22	1.03
Net finance cost[6]	(61.1)	(49.5)	(341.4)	(164.7)	(114.0)
Interest cover ratio (times)[6]	2.1	0.9	1.18	4.31	7.38

(1) The table below represents a reconciliation from Total revenue and details the gross profit margin for CEC on a historical basis for each of the periods indicated.

	3 months ended		**12 months ended 31 May**		
(Figures in ZAR'm, except for percentages)	**31 August 2025**	**31 August 2024**	**2025**	**2024**	**2023**
Gross profit	196.4	131.9	852.8	1 027.0	1 419.3
Revenue	557.4	563.7	2 556.2	2 815.7	3 432.8
Interest revenue	65.4	32.2	292.5	398.6	301.6
Total revenue	**622.8**	**595.9**	**2 848.7**	**3 214.3**	**3 734.4**
Gross profit margin (%)[a]	**31.5**	**22.1**	**29.9**	**32.0**	**38.0**

(a) Calculated as gross profit divided by Total revenue.

(2) Operating profit plus amortisation of intangible assets included in cost of sales plus depreciation and amortisation included in operating expenses.

(3) The table below presents a reconciliation of EBITDA and details the calculations of EBITDA margin for CEC on a historical basis for each of the periods indicated.

	3 months ended		**12 months ended 31 May**		
(Figures in ZAR'm, except for percentages)	**31 August 2025**	**31 August 2024**	**2025**	**2024**	**2023**
Operating profit	57.3	(23.6)	121.5	409.1	513.9
Amortisation on intangible assets included in cost of sales	72.1	69.4	279.9	299.9	326.4
Depreciation and amortisation	0.9	0.1	2.1	0.5	1.4
EBITDA	**130.4**	**45.9**	**403.5**	**709.5**	**841.7**
Revenue	557.4	563.7	2 556.2	2 815.7	3 432.8
Interest revenue	65.4	32.2	292.5	398.6	301.6
Total revenue	**622.8**	**595.9**	**2 848.7**	**3 214.3**	**3 734.4**
EBITDA margin (%)[b]	**20.9**	**7.7**	**14.2**	**22.1**	**22.5**

(b) Calculated as EBITDA divided by Total revenue.

(4) The table below presents a reconciliation of loans and advances and credit loss ratio to advances to customers for CEC on a historical basis for each of the periods indicated.

	3 months ended		12 months ended 31 May		
(Figures in ZAR'm, except for percentages)	**31 August 2025**	**31 August 2024**	**2025**	**2024**	**2023**
Advances to customers – current	1 309.4	1 376.0	1 157.6	895.2	1 800.7
Advances to customers – non-current	794.4	532.5	750.6	540.6	1 038.5
Advances to customers	**2 103.9**	**1 908.5**	**1 908.2**	**1 435.8**	**2 839.2**
Loss allowance	(349.7)	(301.7)	(264.5)	(199.5)	(582.0)
Credit loss ratio to Advances to customers (%)[(c)]	**(16.62)**	**(15.81)**	**(13.86)**	**(13.89)**	**(20.50)**

(c) Calculated as loss allowance divided by Advances to customers.

(5) The table below presents a reconciliation total borrowings and Debt to Equity ratio for CEC on a historical basis for each of the periods indicated.

	3 months ended 31 August		12 months ended 31 May		
(Figures in ZAR'm, except where indicated)	**2025**	**2024**	**2025**	**2024**	**2023**
Borrowings – non-current	1 019.6	1 515.0	1 165.8	1 659.4	492.7
Borrowings – current	552.9	383.1	533.5	240.6	1 407.3
Borrowings	**1 572.5**	**1 900.0**	**1 699.3**	**1 900.0**	**1 900.0**
Equity	1 391.2	1 499.8	1 394.0	1 553.4	1 840.6
Debt to Equity[(d)]	**1.13**	**1.27**	**1.22**	**1.22**	**1.03**

(d) Calculated as borrowings divided by Equity.

(6) The table below presents a calculation of net finance costs and interest cover ratio for CEC on a historical basis for each of the periods indicated.

	3 months ended 31 August		12 months ended 31 May		
(Figures in ZAR'm, except where indicated)	**2025**	**2024**	**2025**	**2024**	**2023**
Finance costs paid	(78.1)	(89.6)	(474.1)	(397.2)	(200.1)
Investment income	17.0	40.1	132.7	232.5	86.1
Net finance costs	**(61.1)**	**(49.5)**	**(341.4)**	**(164.7)**	**(114.0)**
EBITDA	130.4	45.9	403.5	709.5	841.7
Interest cover ratio[(e)]	**2.13**	**0.93**	**1.18**	**4.31**	**7.38**

(e) Calculated as EBITDA divided by Net finance costs.

PART XII – MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following part contains separate discussions and analyses of the financial conditions and results of operations of Cell C and CEC.

Section 1: Cell C

The following discussion should be read in conjunction with *"Annexe 1 – Consolidated Annual Historical Financial Information of Cell C Limited For The Year Ended 31 May 2025, The 5 Months Ended 31 May 2024, The Year Ended 31 December 2023 and The Year Ended 31 December 2022" and "Annexe 3 – Condensed Consolidated Interim Historical Financial Information of Cell C Limited For The Three Months Ended 31 August 2025 and 31 August 2024" of this Pre-listing Statement. The following discussion includes forward-looking statements which, although based on assumptions and/or estimates that the Group considers reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those expressed or implied by the forward-looking statements. For a discussion of some of those risks and uncertainties, please refer to the sections entitled "Important Information – Forward-Looking Statements" in the preamble to this Pre-listing Statement and "Part IV – Risk Factors" of this Pre-listing Statement.*

OVERVIEW

Cell C is a telecommunications and technology company within the South African market with a recognisable brand and strong market presence. Cell C has a diversified business model across its retail and wholesale businesses and is the leading enabler of MVNEs and MVNOs in South Africa.

In July 2021, Cell C initiated the implementation of its turnaround strategy, focusing on operational efficiencies, reducing operational expenditure and optimising traffic. This includes a significant reduction in capital expenditure and a conversion from a fixed-cost infrastructure-based network to a variable operational expenditure model. This, together with the recapitalisation of the debt structure, will result in a significant improvement of the Group's liquidity and enable its long-term sustainability. See *"Part VIII – Restructuring and formation of the Group"*.

As a result of the turnaround strategy and the debt recapitalisation, Cell C has re-emerged as a lean, agile and customer-focused telecommunications challenger in South Africa. Its transformation is underpinned by a low capital expenditure and asset-light model that leverages its own scarce spectrum assets in combination with MTN and Vodacom's physical radio access network infrastructure.

During the year ended 31 May 2025, Cell C had ZAR11 138.2 million in revenue, compared to ZAR4 619.8 million in the five months ended 31 May 2024 (ZAR10 854.0 million in the twelve months ended 31 May 2024), ZAR10 703.0 million in the year ended 31 December 2023 and ZAR11 310.3 million in the year ended 31 December 2022. Over the same periods, Cell C had EBITDA of ZAR2 104.4 million, ZAR588.4 million (ZAR2 081.0 million), ZAR2 669.6 million and ZAR7 665.6 million, and EBIT of ZAR1 596.8 million, ZAR426.6 million (ZAR1 505.0 million), ZAR1 691.6 million and ZAR6 185.5 million, respectively.

Going forward, the Group will leverage network parity and invest further to enhance customer offerings and experience. Additionally, the Group will continue improving customer touch points and journeys through investment in digital platforms for a seamless customer experience.

KEY FACTORS AFFECTING THE GROUP'S RESULTS OF OPERATIONS

The results of Cell C's and CEC's historical operations have been, and the Group's ongoing operations will continue to be, affected by many factors, some of which are beyond Cell C's, CEC's and the Group's control. This section sets out certain key factors the Directors believe have affected Cell C's and CEC's results of operations in the period under review and could affect the Group's results of operations in the future.

Customer Base

The main constituent of Cell C's revenue is service revenues, which is reported net of discount. The net discount service revenue contributed 99% of Cell C's total revenues for the year ended 31 May 2025, the five months ended 31 May 2024, the year ended 31 December 2023 and 96% in the year ended 31 December 2022.

A major contributor to Cell C's net discount service revenues is mobile subscriber revenues, which is principally driven by the number of mobile subscribers on its network (the mobile subscriber base), the average revenue per user ("**ARPU**"), the churn rate and macro-economic trends, such as competition-driven price evolution and general macro-economic conditions.

For the financial year ended 31 May 2025, total service revenue before discounts comprised primarily of prepaid (52.5%), postpaid (19.0%), wholesale (12.2%) and roaming and other revenue (16.3%). Equipment revenue was 1.1% of total revenue.

Mobile subscriber base

The number of mobile subscribers that Cell C has in each period directly affects its overall revenue and profitability. Cell C had 7.59 million consumer subscribers as at 31 May 2025 and occupied the fourth market share position in South Africa (source: Omdia). Cell C's total consumer mobile consumer subscriber base decreased by 1.93% from 7.74 million as at 31 May 2024.

The table below sets forth mobile subscriber data for the periods indicated:

	Three months ended		Year ended	Five months ended	Year ended	
(Figures in millions)	**31 August 2025**	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
Number of subscribers	8.179	7.748	7.588	7.740	7.666	10.644
Prepaid subscribers	7.365	6.889	6.774	6.867	6.721	9.644
Postpaid subscribers	0.797	0.843	0.798	0.857	0.929	0.981
MVNO HLR'S	4.721	3.726	4.489	3.300	3.199	2.374
Enterprise subscribers ('m)	0.025	0.028	0.025	0.025	0.028	0.035

As of 31 May 2025, prepaid subscribers represented 89.3% of direct, consumer subscribers on Cell C's network and postpaid subscribers represented 10.5% of direct, consumer subscribers on Cell C's network. A majority of these postpaid subscribers had entered into 24-month contracts.

As part of its turnaround strategy, Cell C made the decision to rationalise its subscriber base to retain customers who generate higher value, leading to the overall decline in customer numbers between August 2022 and May 2025. In particular, the percentage of prepaid subscribers fell from 75.8% in August 2022 to 56.8% in May 2025. Between the same periods, the percentage of subscribers fell from 7.8% to 6.8%. MVNO HLR subscribers were resilient through the repositioning period.

The primary driver of the initial decline in the prepaid base in May 2023 and August 2023 was due to the implementation of new churn rules for prepaid broadband subscribers, which required a clean-up of the base to retain only active subscribers. Postpaid movement has primarily been driven by a deliberate reduction in the low value base or "on-biller base". The on-biller base comprises small contracts with limited top up revenue.

In addition, Cell C's subscriber base evolution has also been driven by market dynamics (including demographics, technical innovation and changing customer behaviour) and Cell C's ability to capture new subscribers.

The following table sets out the number of subscribers on Cell C's network and subscriber growth on a quarterly basis during the periods shown:

('000 except percentages)	**Postpaid**	**Prepaid**	**MVNO HLRs**	**Total**	**Total subscriber growth (%)**
August 2022	1 015.0	9 719.0	2 111.5	12 845.5	–
November 2022	987.8	9 729.0	2 304.5	13 021.3	1
February 2023	983.0	9 433.9	2 480.9	12 897.8	(1)
May 2023	942.8	7 144.7	2 826.5	10 914.0	(15)
August 2023	926.0	6 505.0	2 997.8	10 428.8	(4)
November 2023	933.0	6 596.0	3 159.0	10 688.0	2
February 2024	891.0	6 800.0	3 280.0	10 971.0	3
May 2024	857.0	6 867.7	3 300.5	11 025.2	–
August 2024	842.8	6 889.0	3 726.0	11 457.8	4
November 2024	847.8	6 915.0	3 939.0	11 701.8	2
February 2025	840.8	6 685.0	4 075.7	11 601.5	(1)
May 2025	798.0	6 774.0	4 489.0	12 061.0	4

Due to revised consumer products offerings and expansion of channel distribution capabilities, the consumer subscriber base is expected to grow in line with local macroeconomic trends, which will continue to be key drivers of the Group's revenue. See *"Part V – Industry overview"*.

Similarly, the Group expects the MVNO market to continue to grow resulting in an increased demand for the Group's MVNO enablement. The Directors also expect current MVNOs to grow resulting in more users on the Group's MVNO HLR.

The Group seeks to attract new subscribers and retain existing subscribers and MVNO clients by offering attractive services and pricing, as well as maintaining high quality customer service. The Group believes its network strategy and spectrum holdings give it a competitive advantage over its peers. As its subscriber base grows, the Group is also able to further leverage its scale to (i) secure more competitive pricing from vendors, and (ii) promote and raise brand visibility.

ARPU

ARPU is driven primarily by prices for Cell C's services, traffic volume, data services utilisation and revenues from access and interconnection fees for incoming calls. ARPU for postpaid subscribers is generally significantly higher than for prepaid subscribers.

The following table sets out the ARPU for prepaid subscribers, postpaid subscribers and the blended ARPU, which represents total prepaid and postpaid revenue divided by total prepaid and postpaid subscriber base for the periods indicated:

	Three months ended		**Year ended**	**Five months ended**	**Year ended**	
Average Revenue per user (ZAR)	**31 August 2025**	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
Blended ARPU	88	95	95	94	105	75
Prepaid ARPU	72	79	78	78	87	59
Postpaid ARPU	229	222	232	224	229	237

During the period under review, ARPU has been affected by growth of revenues from data services and Cell C's decision to rationalise its subscriber base, which was partly offset by a decrease in voice services. Prepaid ARPU was ZAR78 per month for the year ended 31 May 2025 and for the five months ended 31 May 2024, a decrease of 4.9% from a Prepaid ARPU of ZAR82 in the year ended 31 December 2023. Postpaid ARPU was ZAR224 per month for the year ended 31 May 2015, a decrease of 19% from a Postpaid ARPU of ZAR277 in the year ended 31 December 2023. This rebalancing resulted in the Blended ARPU increasing from ZAR75 to ZAR95, or 26.67% between the year ended 31 December 2023 and the year ended 31 May 2025.

Churn rate

"Churn" refers to the percentage of subscriber disconnections during a given period. Churn is a factor which could negatively affect the Group's results of operations through loss of revenue and lower return on investment due to the relatively high cost of acquiring new subscribers.

Subscriber terminations are motivated by a number of factors, including changes in the Group's own or its competitors' prices, the breadth of the Group's service offerings, subscriber regulations, the quality and reliability of the Group's services, new technologies or services, opportunities for service bundling, developments in the macroeconomic environment, political stability and other external factors. Subscriber disconnections can also occur on an involuntary basis, including under the Group's policy of disconnecting subscribers who have been inactive for 180 days.

Increases in churn may lead to increased subscriber acquisition costs (resulting from customer retention discounts, marketing and advertising, staff cost, commissions, and other expenses) and reduced revenue. As a result, in addition to attracting new subscribers, the Group also seeks to retain existing subscribers, which in turn reduces the rate of churn. The Group is also looking to retain its current MVNO clients at current levels.

The success of the Group's business and its ability to limit churn by retaining existing customers or acquiring new customers, depend upon, among other factors, network quality, reach of the network, the introduction of new or enhanced products and services, flexible and competitive pricing models, high quality customer service and improved network capabilities in response to evolving customer expectations. High churn rates also place significant pressure on the Group to find innovative ways of distinguishing itself from its competitors to gain, and retain, customers.

Cost of Sales

Cell C's mobile costs of sale include charges under the roaming agreement with MTN and Vodacom (via CEC), acquisition costs for customers, services for the management of the postpaid book by CEC and termination fees for Cell C customers termination on other MNO networks.

As consideration for the services provided under the MTN roaming agreement, Cell C pays monthly fees to MTN for services related to Cell C's use of MTN's physical RAN, as well as roaming charges, predicated on expected customer volume and data allocation per month. Similarly, under its roaming agreement with Vodacom, Cell C pays monthly roaming charges to Vodacom, predicated on expected customer volume and data allocation per month. See "*Part VIII – Business of the Group – Relationship with MNOS*". Access and interconnection fees are payable to other operators for calls made by Cell C's subscribers but terminated on networks belonging to other operators.

Subscriber acquisition and retention costs are costs associated with acquiring a new mobile subscriber and, in the case of postpaid, prolonging the contract of an existing mobile subscriber, network and IT expenses and other commercial expenses relating to advertising, promotion and other selling fees. Cell C's primary subscriber acquisition and retention costs associated with prepaid and postpaid subscribers include commissions related to sales generated by agents, distributors and resellers and the cost of handsets sold to customers. Handsets sold to postpaid customers are typically sold to subscribers for a lower price than their cost, reflecting the incentive that Cell C provides subscribers to subscribe or renew their subscription. The level of subscriber acquisition and retention costs varies depending on the distribution channel (direct or indirect). Commissions for contracts are only paid out for new or retained subscribers through the indirect distribution channel. Increasing reliance on direct distribution channels is therefore a key factor for decreasing subscriber acquisition and retention costs.

Data and voice traffic and usage

The Group's revenue is also influenced by consumer spend on data products. The Group generates data revenue through mobile and, to a lesser extent, fixed data offerings. Data usage is an important measure of demand and a component of revenue, reflecting evolving customer trends across a range of customer segments, as revenue from voice services has been affected by decreases in the price per voice minute in recent years because of competitive pressure and attempts to stimulate usage. The Group believes there is significant growth opportunity in mobile data, driven by a young population with growing data services penetration and ongoing expansion of 4G and 5G access.

The table below sets out the annual increase or decrease in the traffic carried on Cell C's network for the segments shown during the period:

	Three months ended		**Year ended**	**Five months ended**	**Year ended**	
(%)	**31 August 2025**	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
Prepaid voice traffic growth	(14.6%)	(0.5%)	(17.4%)	9.0%	4.5%	(30.4%)
Postpaid voice traffic growth	(4.7%)	(10.8%)	(3.4%)	(11.8%)	(12.0%)	(16.8%)
Prepaid data traffic growth	19.7%	16.2%	15.8%	31.1%	31.3%	(15.9%)
Postpaid traffic growth	48.9%	4.2%	36.0%	(9.9%)	(9.9%)	3.5%
MVNO data traffic growth	190.1%	(84.0%)	388%	71.8%	53.9%	10.3%
MVNO voice traffic growth	16.2%	(76.1%)	166.8%	14.8%	(3.7%)	9.9%

Cell C had 4.29 million active prepaid data users (users who have used Cell C's services within last 30 days). Prepaid Mobile data revenue represented ZAR4 215 million in the year ended 31 May 2025, ZAR1 667 million in five months ended 31 May 2024 (ZAR3 921 billion in the twelve months ended 31 May 2024), ZAR3 728 million in the year ended 31 December 2023 and ZAR3 840 million in the year ended 31 December 2022, respectively. The Group's mobile data revenue is primarily driven by the quality and availability of the Group's network; data and smartphone penetration in the country; the reliability of the Group's 3G and 4G service offering and expansion of its 5G service offering; and smartphone adoption campaigns and other marketing of the Group's mobile data services. The Group expects further increases in overall mobile phone usage and mobile data penetration, data usage per user and increasing smartphone adoption, which are expected to be important drivers for future growth in the Group's mobile data revenue and to provide further opportunities for the Group to diversify its service offering in response to the expected decline in demand for traditional paid voice services.

Competition, pricing and the entry of new operators

The South African telecommunications market is competitive, and the level of competition is expected is to remain high, which puts pressure on the Group's revenue growth and market share. Slow economic growth has resulted in heightened competitive intensity as mobile service providers (both MNOs and MVNOs) have competed harder for existing customer spend, and consumers have increasingly focused on price.

Mobile telecommunications operators in South Africa compete for customers principally on the basis of price, services and propositions offered, advertising and brand image, quality of service and the extent of network coverage. Price competition is significant on voice and data services, which represents the majority of the Group's revenue, and these services are commoditised, as the ability to differentiate these services among operators is limited. MVNO enablement services are also competitive, driven by regulatory initiatives to make MVNOs successful. The continuing adoption of OTT services which enable VOIP may also impact the Group's voice and MVNO revenues. This impact is expected to be most pronounced on the Group's international services, both outgoing and incoming, due to the difference in effective pricing on OTT (data pricing) and international GSM voice calling. This has resulted in increased pricing pressure. International GSM voice calling is also expected to be impacted by the global increased penetration of travel e-SIM.

The Group aims to increase the amount of data that its subscribers consume and enable MVNOs operating on Cell C's network, through increased support services to MVNOs, to encourage their subscribers to increase their data usage, thereby increasing the Group's revenue. Selling additional services to the Group's existing subscribers increases the revenue generated by that customer base. In an effort to counter the impact of competition and the expected decreasing utilisation of traditional mobile voice services over the coming years, the Group has expanded its offering to include data, digital, information and communications technology and enterprise services. Each of the Group's potential products or service offerings is vetted through a structured internal process which assesses the product's potential cost, performance and features, value and time-to-market, with the ultimate aim of minimising operating and capital expenditures and increasing market share. This business model has enabled the Group to expand its serviced customer footprint (subscribers and MVNO clients) and thereby increase its sales volume and, in turn, its revenue.

Stability in capital expenditure relating to network maintenance and modernization and growth

While the Group has a capex- and asset-light model compared to other mobile telecom operators, the Group requires substantial amounts of growth capital and other long-term expenditures, including those relating to the development and acquisition of new network technology and the maintenance, expansion and improvement of existing network technology, as well as capital expenditure spend on IT, licences and the roll-out of new services.

The Group classifies its capital expenditure into two main categories, (i) maintenance capital expenditure and (ii) growth capital expenditure. Maintenance capital expenditure consists of capital expenditure required to maintain and continue the operation of the existing virtual network and/or datacentre infrastructure. Growth capital expenditure comprises capital expenditure linked to initiatives to improve customer facing systems, including, but not limited to, the implementation of new billing systems. The Group's capital expenditure programme seeks to further improve customer experience, network capacity, and support higher voice and data traffic which helps ensure that the Group remains competitive and is able to continue to roll out data solutions and digital services. In order to support the Group's subscriber base and addressable market, as well as increasing demand for data services, Cell C has undertaken, and the Group plans to undertake, expansion, modernisation and efficient realignment of systems to accommodate the increases in usage, the purchase of additional spectrum and other customer experience enhancing capital expenditures. For instance, in August 2024, Cell C implemented a new billing system for the prepaid subscriber base.

The Group's capital expenditures were ZAR778 million, ZAR347 million, ZAR605 million and ZAR1 067 million in each of the year ended 31 May 2025, the five months ended 31 May 2024, the year ended 31 December 2023 and the year ended 31 December 2022, respectively. The network capability deployed by the Group does not require intensive capital expenditure on network capacity and resilience, but rather on network maintenance, modernisation and growth capital expenditure.

The Directors anticipate total capital expenditure should stabilise between ZAR650 million and ZAR800 million per annum over the medium- to long-term. Changes in the Group's capital expenditures affect its investing cash flows, property, plant and equipment and intangible asset balances and depreciation and amortisation expense.

Impact of currency devaluation

Certain of the Group's operating expenses and capital expenditure are incurred in foreign currencies. The currencies that affect the Group are the United States Dollar, the British pounds and the Chinese Yuan. As such, increases or decreases in these currencies affect the Group's results. Operating expenses that constitute approximately 2% of Company costs are denominated in the United States Dollar and the British Pound. Only capital expenditure denominated in Chinese Yuan as at the end of the financial year ended 31 May 2025, capital expenditure denominated in Yuan contributed 3.9%.

Changes in law and regulation and policy

The Group operates in a highly regulated industry. The Group's business is dependent on a variety of licences and permits granted by the relevant regulators. Any change in how regulators award and renew these licences and permits could impact the Group's business and results of operation. In particular, the Group's mobile services offering requires access to licensed spectrum. The Group has been awarded the frequency licences required to provide 2G, 3G, 4G and LTE services. The Group currently has an adequate spectrum capacity to deliver its medium to long-term strategies. However, it expects its operations and the mobile industry in general will require more spectrum in the future to meet future mobile data traffic needs. Regulators can impose certain constraints and obligations on license holders that can have an impact on how the Group operates its business and on its profitability. See "*Part IV – Risk Factors – Risks Related to the Company's*

Business and Industry – Cell C may not be able to obtain or renew permits, concessions, licences or other agreements it relies on to operate its business on equally favourable terms or at all." and "*– Risks Related to South Africa – Regulatory matters and new legislation could negatively impact Cell C's ability to conduct its business*".

Several regulatory developments have and will likely continue to influence the Group's results of operations. For example, ICASA is contemplating the implementation of amendments to the South African End-user Subscriber and Services Charter Regulation to include, among other things, a requirement to give consumers the choice to either automatically be charged out-of-bundle rates when they exceed their bundle limits or to opt-out of out-of-bundle billing entirely, to automatic roll-over over 2 months of minutes/data without charging the customer a fee and to allow customers to transfer unused data bundles to other users on the same network. If ICASA implements these amendments as proposed, these changes could reduce Cell C's average revenue per user. There are other regulations that may affect the Group's future business such as legislation pertaining to financials services, which is not a material revenue stream for the Group at the date of this Pre-listing Statement but is an area of potential growth in the longer term.

In addition, Cell C has also entered spectrum pooling and sharing arrangements with MTN and Liquid, which are currently the subject of ongoing legal proceedings. See "*Part XIX – Additional Information*".

The Group's results of operations, including the price of its services and its cost structure, can be affected by any decision by the government or regulators to revoke licences, to limit the number of licence-holders, to fix caps on wholesale market prices, to change service expiry rules, or to otherwise amend the grounds on which licences and frequencies are distributed or allocated.

Availability of funding, increases in interest costs and any change in tax rates

Historically, Cell C has been funded by shareholder and related party borrowings. All borrowings and lease liabilities are denominated in the South African Rand. Cell C's interest expense on borrowings and on lease liabilities has therefore been a significant component of its finance costs in the year ended 31 May 2025, the five months ended 31 May 2024, the year ended 31 December 2023 and the year ended 31 December 2022, at ZAR1 311 million, ZAR615 million, ZAR1 510 million and ZAR2 258 million, respectively (ZAR1 505 million in the twelve months ended 31 May 2024). Portions of Cell C's borrowings are subject to floating interest rates, which together with increased outstanding principal indebtedness, caused Cell C's interest expense to fluctuate with changes in interest rates. Among other things, in the year ended 31 May 2025, Cell C had interest expense on working capital of ZAR107.9 million from CEC as well as an interest expense with related parties with CEC of ZAR95.9 million.

The Directors anticipate total interest payments should stabilise between ZAR300 million and ZAR400 million per annum over the medium- to long-term.

Changes in taxation legislation applicable to Cell C have also impacted its results from operations in the past; therefore, further changes in taxation legislation could impact on the Group's results from operations and cashflows in the future. However, the Group is not currently aware of any proposed changes to tax legislation which would have a material impact on the Group's financial performance in the near term.

The Group's capital structure following the Admission

In preparation for Admission, the Group has undertaken a reorganisation of its capital structure. This included (i) the acquisition of CEC from TPC as they currently manage the Cell C postpaid book, (ii) the conversion of shareholder debt to equity (iii) the clean-up of the shareholding structures that own shares within the Group (this is being done by the shareholders). See "*Part VIII – Restructuring and formation of the Group*".

Assuming all steps of the Restructuring are completed successfully, this will result in the extinguishing of all shareholder debt at a Group level, and the realisation of a working capital debt with African Bank of ZAR1 669 million used by CEC to support the handset acquisition business to support the postpaid book.

The Group expects that in the near- and medium-term, its finance costs will decrease relative to historic positions due to the capital restructure.

The acquisition of the CEC will result in CEC being a subsidiary of the Company with key operations merging with the Group to optimise the structure. The Group will be assessing potential synergies which may affect the Group's profitability in future.

2022 Restructure-related Costs

Cell C finalised a restructure/recapitalisation of the balance sheet in September of 2022. This Cell C 2022 Recap restructured (i) the debt position of Cell C by substituting foreign debt, with shareholder local debt, (ii) lease repayments for certain key landlords, and (iii) introducing bulk inventory purchases by TPC.

There were costs incurred in the year ended 31 May 2025 because of the 2022 restructure amounting to ZAR390 million that would be once off in nature. These include consulting costs related to the 2022 restructure. During the first four months of the year ended 31 May 2025, there was also a ZAR 328 million shortfall of the minimum bulk inventory purchases that TPC committed to purchase due to destocking. In addition, upon completion of the Restructuring as described in "*Part VIII – Restructuring and formation of the Group*", CEC will become part of the Group. As part of a managed services agreement between Cell C and CEC during the period under review, CEC financed handset acquisition risk and supported postpaid subscriber operations, sharing in postpaid revenue and assuming exposure to bad debt, mitigated through partnerships with BluNova and Vodacom. As a result of the Restructuring, the Group will record the full revenues and expenses associated with this business line directly in its consolidated financial statements. Accordingly, the Group's reported net revenue and operating expenses will increase materially, which may limit comparability of the Group's results with those of Cell C and CEC. The integration of CEC into the Cell C business also introduces potential cost synergies, such as the elimination of duplicative administrative functions, and may improve operational efficiency over time. However, integration may also result in transitional costs that could temporarily increase operating expenses. Cell C has negotiated a settlement with sundry creditors to pay an amount of ZAR1 010 million in settlement of ZAR1 611 million and to subsequently receive a benefit of ZAR601 million including VAT, and ZAR566 million excluding VAT.

COMPARABILITY OF RESULTS OF OPERATIONS

Change in Financial Year End

In 2024, Cell C changed its fiscal year end from 31 December to 31 May to align with the financial year ends of CEC and BLU. It may not be possible to directly compare the audited consolidated financial statements as at and for the fiscal year ended 31 May 2025 with the audited consolidated financial statements as at and for the 5 months ended 31 May 2024, as these relate to different financial periods, and it may not be possible to compare audited consolidated financial statements as at and for the 5 months ended 31 May 2024 directly with the audited financial statements as at and for the fiscal year ended 31 December 2023, insofar as such financial statements refer to a completed financial year. Accordingly, the discussion below provides a comparison of the fiscal year ended 31 May 2025 and the fiscal year ended 31 December 2023 (which do not reflect the same 12-month periods), and the fiscal year ended 31 December 2023. The results for the 5 months ended 31 May 2024 are also presented.

Because of the change in financial year end and the lack of comparability between the periods presented in the Cell C Consolidated Annual Historical Financial Information, this section also presents a table of selected results of operations for the 12 month periods ended 31 May 2025, 2024 and 2023 (the "**Twelve Month Results**") which have been prepared by Cell C and (i) for the 12 months ended 31 May 2025, audited and (ii) for the 12 months ended 31 May 2024 and 31 May 2023, reviewed for the purposes of reporting to BLU's auditors.

The financial information contained in the selected results of operations for the 12-month periods ended 31 May 2024 and 31 May 2023 has been extracted from the management accounts of Cell C, which are unaudited. The unaudited management accounts have been prepared on a consistent basis with the accounting policies applied to the audited consolidated financial statements presented in Annexe 1 of this Pre-listing Statement (as it relates to the financial information presented). This financial information has not been subject to audit or review other than to the extent in the paragraph above) by Cell C's auditors. Although the Directors are satisfied with the quality of these accounts, it should not be seen as a substitute for audited financial information and there can be no assurance that this financial information would not be subject to material amendments following completion of audit procedures. Investors are cautioned not to place undue reliance on this information.

Load-shedding

Notwithstanding recent months of substantially reduced load-shedding levels, load-shedding is a major impediment to South Africa's overall macroeconomic growth. The energy crisis is particularly challenging to telecommunications infrastructure players. To ensure network resilience investment into supplementary sources of power and incurring operating costs to maintain such assets safe, has affected the industry. The levels of load shedding were higher pre-February 2023. Since there were many factors that changed within the business over the year ended 31 December 2023, the impact of load shedding cannot be quantified.

The move to a virtual radio access network has reduced the pressure on the Group from load shedding, although this is still a reality for the Group's service providers.

Data provided by Eskom, the state-owned electricity producer in South Africa, indicates that load-shedding levels reduced substantially, with load-shedding having been suspended for 143 consecutive days to 25 August 2025, after a reintroduction from 7 to 10 March 2025. It is unclear to the Group whether this lower level of load-shedding will continue for the foreseeable future.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of historical financial information in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies, reported amounts and related disclosures.

Estimates and underlying assumptions related to critical judgements are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Significant areas of estimation, uncertainty and critical judgements made in applying Cell C's accounting policies that potentially have a significant effect on the amounts recognised in the historical financial information are set out in the notes to the Consolidated Annual Historical Financial Information in relation to the year ended 31 May 2025.

EXPLANATION OF KEY INCOME STATEMENT ITEMS

Revenue

Revenue is recognised when the Cell C Group satisfies performance obligations and transfers control of goods or services to its customers at an amount that reflects the consideration the Cell C Group expects to be entitled to in exchange for these goods or services, allocated to each specific performance obligation. Revenue comprises of turnover, commission and other income, non-capital insurance recoveries and finance income.

Other income

Other income comprises subscriber insurance royalites and recoveries of operating costs from franchises.

Direct expenses

Direct expenses comprise of roaming/capacity buying costs, ongoing commissions, discounts, cost of equipment sold, termination costs, CEC direct costs and other costs directly attributable to the provision of services.

Employee benefit expense

Employee benefit expense comprises of salaries and wages, performance and retention bonuses and directors and prescribed officer emoluments.

Depreciation and Amortisation

Depreciation and Amortisation represents the depreciation over the useful life of property plant and equipment and the amortisation of intangible (including lease related) and contract assets.

Impairment loss on amount due by subsidiary

Impairment loss on amount due by subsidiary represents a loss on receipts from subsidiary companies.

Impairment loss reversal/(impairment loss) on trade receivables

Impairment loss reversal/(impairment loss) on trade receivables represents the annual reassessment on the expected credit loss related to trade receivables.

Other expenses

Other expenses comprise of auditor fees, expenses related to irrecoverable assets, IT expenses such as consulting costs, licensing fee, property rentals, repairs and maintenance, marketing and advertising costs, regulatory license fees and other transmission costs, water and electricity, penalties and fines and other general administrative costs mostly made up of consulting costs for legal firms, internal audit, payroll support etc.

Finance income

Finance income is interest income earned on maintaining a positive cash balance.

Finance costs

Finance costs represent the interest on borrowing, leases and trade and other payables.

Share of profit from equity accounted investments

Share of profit from equity accounted investments represents the share of equity from The Number Portability Company as the Group's only associate company.

(Loss)/Profit before tax

(Loss)/Profit before tax reflects the Cell C Group's profitability before the impact of current and deferred tax charges.

Income tax expense

Income tax expense represents the current or prior period tax movements due to performance and deferred tax movement for the period.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

During the year, deferred tax assets were recognised on deductible temporary differences and on previously unrecognised assessed losses, as management was able to demonstrate probable future taxable profits. Deferred tax liabilities were also recognised on taxable temporary differences. After offsetting deferred tax assets and liabilities, a net deferred tax asset of ZAR2 billion is presented in the statement of financial position. The recognition of this net deferred tax asset is primarily attributable to the recognition of previously unrecognised assessed losses.

(Loss)/Profit for the period

The Cell C Group's loss or profit for the period after the deduction of attributable income tax and deferred tax charges.

RESULTS OF OPERATIONS

Cell C Limited

Consolidated Statements of Profit and Loss and Other Comprehensive Income

	Three months ended		**Year ended**	**5 months ended**	**Years ended**	
(Figures in ZAR'm)	**31 August 2025**	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
		(reviewed)				
Revenue	2 796.0	2 774.1	11 138.2	4 619.8	10 703.0	11 310.3
Other income	166.2	305.9	1 319.1	648.4	3 159.2	10 604.7
Direct expenses	(1 819.7)	(2 062.6)	(7 720.9)	(3 385.7)	(8 482.6)	(8 574.4)
Employee benefits expense	(240.4)	(213.8)	(818.2)	(332.6)	(726.4)	(590.8)
Depreciation and amortisation	(133.4)	(94.8)	(507.6)	(161.8)	(978.0)	(1 479.1)
Loss on derecognition of capitalised contract costs	–	–	–	–	–	(22.4)
Impairment loss on amount due by subsidiary	–	–	–	–	–	–
Impairment loss reversal/(impairment loss) on trade receivables	–	–	(1.0)	6.3	144.6	114.2
Other expenses	(531.6)	(454.4)	(1 812.7)	(967.8)	(2 128.2)	(5 175.9)

(Figures in ZAR'm)	**Three months ended** 31 August 2025	**Three months ended** 31 August 2024	**Year ended** 31 May 2025	**5 months ended** 31 May 2024	**Years ended** 31 December 2023	**Years ended** 31 December 2022
		(reviewed)				
Profit before net finance costs, equity-accounted profit and tax	**237.1**	**254.5**	**1 596.8**	**426.6**	**1 691.6**	**6 186.5**
Finance income	2.5	2.8	11.0	5.7	9.2	10.6
Finance costs	(313.1)	(306.8)	(1 311.7)	(614.8)	(1 510.8)	(2 258.4)
Share of profit from equity accounted investments	0.1	0.1	0.4	0.2	0.3	0.6
(Loss)/Profit before tax	**(73.5)**	**(49.4)**	**296.5**	**(182.3)**	**190.3**	**3 939.4**
Income tax expense	(13.0)	(6.5)	1 920.6	(48.2)	–	–
(Loss)/Profit for the year/period	**(87.0)**	**(55.9)**	**2 217.1**	**(230.5)**	**190.3**	**3 939.4**
Other comprehensive income net of tax	**–**	**–**	**–**	**–**	**–**	**–**
Total comprehensive (loss)/income for the year	**(87.0)**	**(55.9)**	**2 217.1**	**(230.5)**	**190.3**	**3 939.4**

Period-to-Period Analysis of the Results of Operations

Revenue

Cell C's revenue increased to ZAR2 796.0 million for the three months ended 31 August 2025 from ZAR2 774.1 million for the three months ended 31 August 2024, an increase of ZAR21.9 million or 0.8%, primarily due to a reduction in the mobile termination rates due to a change in legislation effective from 1 July 2025, and the inclusion of a one-off revenue item in 2024 of ZAR75 million that was fully written off in the impairment loss on trade receivables.

Cell C increased its revenue to ZAR11 138.2 million for the year ended 31 May 2025 from ZAR10 703.0 million for the year ended 31 December 2023, an increase of ZAR435.2 million, or 4.1%, primarily due to the improved performance in prepaid and the accelerated growth in wholesale driven by MVNO performance, partially offsetting the decline in handset revenues. During the 5 months ended 31 May 2024, Cell C's revenue was ZAR4 619.8 million.

Cell C's revenue decreased to ZAR10 703.0 million for the year ended 31 December 2023 from ZAR11 310.3 million for the year ended 31 December 2022, a decrease of ZAR607.4 million, or 5.4%, primarily due to headwinds experienced in the mobile services resulting in a decline of ZAR1 682 million the impact being mitigated by growth seen in Other revenue and Roaming revenue generated of ZAR0.882 million and ZAR0.470 million in the same period.

Other income

Cell C decreased its other income to ZAR166.2 million for the three months ended 31 August 2025 from ZAR305.9 million for the three months ended 31 August 2024, an increase of ZAR139.7 million, or 45.7%, primarily due to a one-off recover of R26 million relating to amounts previously noted as unrecoverable from a supplier.

Cell C's other income decreased to ZAR1 319.0 million for the year ended 31 May 2025 from ZAR3 159.2 million for the year ended 31 December 2023, a decrease of ZAR1 840.1 million, or 58.2%, primarily due to a reduction in related party recoupments from CEC relating to the services provided to enable the postpaid book, partially offset by sundry income relating primarily to accounts payable write-offs of ZAR338 million. During the 5 months ended 31 May 2024, Cell C's other income was ZAR648.4 million.

Cell C's other income decreased to ZAR3 159.2 million for the year ended 31 December 2023 from ZAR10 604.7 million for the year ended 31 December 2022, a decrease of ZAR7 445.5 million, or 70.2%, primarily due to the amount recognised in 2022 mainly driven by the gains of ZAR8 902 million on the Derecognition of old loans.

Direct expenses

Cell C's direct expenses increased to ZAR1 819.7 million for the three months ended 31 August 2025 from ZAR2 062.6 million for the three months ended 31 August 2024, an increase of ZAR242.9 million, or 11.8%, primarily due to inflationary increases in operating expenses due to the potential listing. The support/ consulting costs incurred as at the end of Q1 2025 amount to ZAR40 million.

Cell C's direct expenses decreased to ZAR7 720.9 million for the year ended 31 May 2025 from ZAR8 482.6 million for the year ended 31 December 2023, a decrease of ZAR761.7 million, or 9.0%, primarily due to the reduction in roaming costs and prepaid subscriber acquisition costs. During the 5 months ended 31 May 2024, Cell C's direct expenses were ZAR3 385.7 million.

Cell C's direct expenses decreased to ZAR8 482.6 million for the year ended 31 December 2023 from ZAR8 574.4 million for the year ended 31 December 2022, a decrease of ZAR91.8 million, or 1.1%. The minimal decline was mainly driven by the change in reporting principle of Agent versus Principle as a result of the Boston agreement ZAR0.927 million.

Employee benefit expense

Cell C's employee benefit expense increased to ZAR240.4 million for the three months ended 31 August 2025 from ZAR213.8 million for the three months ended 31 August 2024, an increase of ZAR26.6 million, or 12.4%, primarily due to inflationary increases and the annualization of key vacancies not filled in the three months to 31 August 2024.

Cell C's employee benefit expense increased to ZAR818.2 million for the year ended 31 May 2025 from ZAR726.4 million for the year ended 31 December 2023, an increase of ZAR91.8 million, or 12.6%, primarily due to the reduction in vacancies and inflationary salary and wages increases. During the 5 months ended 31 May 2024, Cell C's employee benefit expense was ZAR332.6 million.

Cell C's employee benefit expense increased to ZAR726.4 million for the year ended 31 December 2023 from ZAR590.8 million for the year ended 31 December 2022, an increase of ZAR135.5 million, or 22.9%, primarily due to an increase seen in the increased defined contribution plan contributions of ZAR8.08 million, with retrenchments in the current year exacerbating the decline.

Depreciation and Amortisation

Cell C's depreciation and amortisation increased to ZAR133.4 million for the three months ended 31 August 2025 from ZAR94.8 million for the three months ended 31 August 2024, an increase of ZAR38.7 million, or 40.8%, primarily due to the *annualisation* of the depreciation on key assets that were acquired after the three months ended 31 August 2024, including the prepaid billing system, voLTE capability and the upgrade of the MVNO billing system.

Cell C's depreciation and amortisation decreased to ZAR507.6 million for the year ended 31 May 2025 from ZAR978.0 million for the year ended 31 December 2023, a decrease of ZAR470.4 million, or 48.1%, primarily due to the reduction in property plant and equipment as a result of the implementation of the capex light strategy that resulted in decommissioning in physical towers. During the 5 months ended 31 May 2024, Cell C's depreciation and amortisation were ZAR161.8 million.

Cell C's depreciation and amortisation decreased to ZAR978.0 million for the year ended 31 December 2023 from ZAR1 479.1 million for the year ended 31 December 2022, a decrease of ZAR501.1 million, or 33.9%, primarily driven by reduction in leases and ROU assets as a result recapitalisation compromises in done towards tail end of 2022.

Loss on derecognition of capitalised contract costs

Cell C did not recognise a loss on the derecognition of capitalised contract costs for the three months ended 31 August 2025 or the three months ended 31 August 2024

Cell C's loss on derecognition of capitalised contract costs decreased to ZAR nil million for the year ended 31 December 2023 from ZAR22.4 million for the year ended 31 December 2022, primarily due to there being none recognised in that year.

Impairment loss reversal/impairment loss on trade receivables

Cell C had no impairment loss on trade receivables for the three months ended 31 August 2025, compared to an impairment loss on trade receivables of ZAR nil million for the three months ended 31 August 2024, primarily due to a write off of a shareholder invoice of ZAR75.2 million in 2024.

Cell C had an impairment loss on trade receivables of ZAR1.0 million for the year ended 31 May 2025, compared to an impairment loss reversal of ZAR144.6 million for the year ended 31 December 2023, a change of ZAR145.7 million, primarily due to a once-off reassessment of the expected credit loss provision in 2023. During the 5 months ended 31 May 2024, Cell C's impairment loss reversal was ZAR6.3 million. For the periods 2022 and 2023, the Company implemented stricter collections and credit risk review policies. The methodology and embed by the end of 2023. In 2024 and 2025, the movement in the expected credit loss assessment reflects the movement in credit risk

Cell C impairment loss reversal increased to ZAR144.6 million for the year ended 31 December 2023 from ZAR114.2 million for the year ended 31 December 2022, an increase of ZAR30.5 million, or 26.7%, primarily due to a growth in the Debtors books risk the Book growth of ZAR0.866 million.

Other expenses

Cell C's other expenses increased to ZAR531.6 million for the three months ended 31 August 2025 from ZAR454.4 million for the three months ended 31 August 2024, an increase of ZAR77.2 million, or 17.0%, primarily due to lower recoveries of support costs from CEC.

Cell C's other expenses decreased to ZAR1 812.7 million for the year ended 31 May 2025 from ZAR2 128.2 million for the year ended 31 December 2023, a decrease of ZAR315.6 million, or 14.8%, primarily due to short term leases and other administrative expenses as a result of the acceleration of the decommissioning of the physical towers from July 2023. During the 5 months ended 31 May 2024, Cell C's other expenses were ZAR967.8 million.

Cell C's other expenses decreased to ZAR2 128.2 million for the year ended 31 December 2023 from ZAR5 175.9 million for the year ended 31 December 2022, a decrease of ZAR3 047.7 million, or 58.9%, primarily due to ZAR2 202 million of irrecoverable assets write off in 2022.

Profit before net finance costs, equity-accounted profit and tax

Cell C decreased its profit before net finance costs, equity -accounted profit and tax to ZAR237.1 million for the three months ended 31 August 2025 from ZAR254.5 million for the three months ended 31 August 2024, a decrease of ZAR17.4 million, or 6.8%, primarily due to the reasons discussed above.

Cell C decreased its profit before net finance costs, equity-accounted profit and tax to ZAR1 596.8 million for the year ended 31 May 2025 from ZAR1 691.6 million for the year ended 31 December 2023, a decrease of ZAR94.8 million, or 5.6%, primarily due to the reasons discussed above. During the 5 months ended 31 May 2024, Cell C's profit before net finance costs, equity-accounted profit and tax was ZAR426.6 million.

Cell C's profit before net finance costs, equity -accounted profit and tax decreased to ZAR1 691.6 million for the year ended 31 December 2023 from ZAR6 186.5 million for the year ended 31 December 2022, a decrease of ZAR4 494.9 million, or 72.7%, primarily due to the reasons discussed above.

Finance income

Cell C decreased its finance income to ZAR2.5 million for the three months ended 31 August 2025 from ZAR2.8 million for the three months ended 31 August 2024, a decrease of ZAR0.3 million, or 10.4%, primarily due to lower balances maintained in the bank account as Cell C continued to fund expansion.

Cell C increased its finance income to ZAR11.0 million for the year ended 31 May 2025 from ZAR9.2 million for the year ended 31 December 2023, an increase of ZAR1.9 million, or 20.5%, primarily due to an increase in the days cash is held. During the 5 months ended 31 May 2024, Cell C's finance income was ZAR5.7 million.

Cell C's finance income decreased to ZAR9.2 million for the year ended 31 December 2023 from ZAR10.6 million for the year ended 31 December 2022, a decrease of ZAR1.5 million, or 13.7%, primarily due to cash holding positions and duration during the period.

Finance costs

Cell C's finance costs increased to ZAR313.1 million for the three months ended 31 August 2025 from ZAR306.8 million for the three months ended 31 August 2024, an increase of ZAR6.3 million, or 2.1%, primarily due to an increased discount charge on shareholder loans post the end of the interest free period in September 2024.

Cell C's finance costs decreased to ZAR1 311.7 million for the year ended 31 May 2025 from ZAR1 510.8 million for the year ended 31 December 2023, a decrease of ZAR199.0 million, or 13.2%, primarily due to the reduction in working capital finance costs of ZAR 124.8 million and a reduction in finance costs for lease liabilities based on a lower lease expense of ZAR102.0 million. During the 5 months ended 31 May 2024, Cell C's finance costs were ZAR614.8 million.

Cell C's finance costs decreased to ZAR1 510.8 million for the year ended 31 December 2023 from ZAR2 258.4 million for the year ended 31 December 2022, a decrease of ZAR747.6 million, or 33.1%, primarily due to the settlement of foreign denominated loans in the 2022 year as a result of the 2022 Cell C Recap.

Share of profit from equity accounted investments

Share of profit from equity accounted investments remained constant at ZAR0.1 million for the three months ended 31 August 2025 and the three months ended 31 August 2024.

Share of profit from equity accounted investments decreased to ZAR0.3 million for the year ended 31 December 2023 from ZAR0.6 million for the year ended 31 December 2022, a decrease of ZAR0.3 million, or 47.9%, primarily due to lower income from the Number Portability Company.

Loss/Profit before tax

Cell C reported a loss before tax of ZAR73.5 million for the three months ended 31 August 2025 an increase from ZAR49.4 million loss for the three months ended 31 August 2024, an increase of ZAR24.0 million, or 48.7%, primarily due to the reasons noted above.

Cell C increased its profit before tax to ZAR296.5 million in the year ended 31 May 2025 from ZAR190.3 million for the year ended 31 December 2023, an increase of ZAR106.2 million, or 55.8%, primarily due to the reasons noted above. During the 5 months ended 31 May 2024, Cell C's loss before tax was ZAR182.3 million.

Income tax expense

Cell C's income tax expense was ZAR13.5 million in the three months ended 31 August 2025 compared to the reported Income tax expense of ZAR6.5 million for the three months ended 31 August 2024, mainly driven by the prior period deductions claimed in the year 2025.

Cell C's income tax expense was ZAR1 920,6 million in the year ended 31 May 2025 compared to ZAR nil million for the year ended 31 December 2023, primarily due to the recognition of a deferred tax asset amounting to ZAR2 024 million. During the 5 months ended 31 May 2024, Cell C's income tax expense was ZAR48.2 million.

Loss/Profit for the period

Cell C had a loss for the period of ZAR87.0 million in the three months ended 31 August 2025, compared to a loss of ZAR55.9 million for the three months ended 31 August 2024, a change of ZAR31.1 million, primarily due to the reasons noted above.

Cell C's profit for the year increased to ZAR2 217.1 million for the year ended 31 May 2025 from ZAR190.3 million for the year ended 31 December 2023, an increase of ZAR2 026.8 million, or 1 065.2%, primarily due to the reasons noted above. During the 5 months ended 31 May 2024, Cell C's loss for the period was ZAR230.5 million.

Cell C's profit for the year decreased to ZAR190.3 million for the year ended 31 December 2023 from ZAR3 939.4 million for the year ended 31 December 2022, a decrease of ZAR3 749.1 million, or 95.2%, primarily due to the reasons noted above.

Comparison of results for the 12 months ended 31 May 2025, 2024 and 2023

The financial information contained in the Twelve-Month Results has been extracted from the management accounts of Cell C, which are unaudited. Investors are cautioned not to place undue reliance on this information. See *"– Comparability of Results of Operations – Change in Financial Year End"* for more information.

Note by the Board

In order to prepare the table below in relation to the financial periods for the 12 months ended 31 May 2024 and the 12 months 31 May 2023, monthly trial balances were extracted from Cell C's accounting system and consolidated to provide a 12-month view. The consolidation resulted in a twelve-month view in the management accounts format. The financial information has been mapped to comply with IFRS and company policies as per Cell C's annual financial statement disclosure. Cell C has applied the following: i) In AFS Cell C recognises service revenue net of discounts, so it performs the netting for purposes of the Pre-listing Statement and ii) In AFS it reflects the agent contractual agreement, thus it nets Equipment revenue and costs. The Directors are comfortable with the processes and procedures in this regard because of Cell C's robust internal financial controls. The Directors take responsibility for this information.

	12 months ended 31 May		
(R'm)	**2025**	**2024**	**2023**
Revenue	11 138.2	10 854.0	10 649.8
EBITDA	2 104.4	1 983.0	1 291.0(2)
Depreciation and amortisation	(507.6)	(575.6)	(1 532.0)
EBIT	1 596.8	1 407.4	(241.0)(2)
Net Finance Costs	(1 300.7)	(1 397.9)	(2 469.1)
Taxation	1 920.6	293.2	(298.0)
Net profit for the year(1)	**2 216.6**	**302.8**	**4 642.5**
EBITDA Margin	18.9%	18.3%	12.1%
EBIT Margin	14%	13%	(2.3%)

(1) Difference from Cell C's annual financial statements due to the share of profit from equity accounted investment of 0.4.

(2) Figures exclude the impact of the once off gains and other income of ZAR7 651 million from September 2022 restructure relating to the settlement of liabilities.

LIQUIDITY, CASH FLOW AND CAPITAL RESOURCES

Liquidity

Cell C's principal sources of liquidity have been cash flows from operating activities. As part of the reorganisation of the Group's capital structure in preparation for Admission, Cell C has entered into one facility agreement for the provision of (i) a ZAR1 200 million working capital facility provided by African Bank which is renewable annually, and (ii) a ZAR800 million senior unsecured term loan provided by African Bank with the final maturity date being 30 September 2030 years from the effective date (the "Facilities"). These facilities are part of CEC currently The Facilities include customary terms and conditions. See *"Annexe 18 – Material Borrowings and Material Inter-Company Balances".*

Working capital

As at 31 August 2025, Cell C's working capital movements for the periods stood at ZAR180.7 million compared to ZAR171.7 million as at 31 August 2024. As at 31 May 2025, Cell C's working capital movements for the period stood at a negative ZAR173.8 million compared to a negative ZAR91.5 million as at 31 May 2024 and a negative ZAR461.0 million as at 31 December 2023. There has been an increase of ZAR1 830.0 million from 31 May 2024 to 31 May 2025 on the current portion of the interest-bearing borrowings which will be part of the proposed balance sheet restructuring prior to Admission. In addition, the Company expects its cash position to benefit from the cessation of cash payments (ZAR238 million in the year ended 31 May 2025) and other BLU receivables (ZAR328 million) subsequent to the restructuring, as well as a reduction in trade and other payables relating to BLU receivables (ZAR270 million). Cell C expects that its cash and cash equivalents will be sufficient to fund its operating expenses and cash obligations for the next year, although its ability to continue as a going concern depends upon its ability to attract and retain revenue generating customers, diversify its revenue streams and to restructure its shareholder debt. The shareholder debt contributes 34.2% to the current liabilities.

Cash flows

The table below sets forth the principal components of Cell C's cash flows for the year ended 31 May 2025, the five months ended 31 May 2024, the year ended 31 December 2023, and the year ended 31 December 2022.

	Three months ended		**Year ended**	**5 months ended**	**Year ended**	
	31 August 2025	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
(Figures in ZAR'm)						
Net cash flows from operating activities	498.5	513.2	1 855.1	481.3	1 793.7	1 798.8
Cash flows used in investing activities	(171.7)	(133.9)	(758.5)	(355.0)	(655.5)	(855.3)
Cash flows used in financing activities	(202.2)	(96.4)	(1 015.5)	(315.2)	(923.6)	(1 224.3)
Net increase/(decrease) in cash and cash equivalents	**124.6**	**283.0**	**81.1**	**(189.0)**	**214.6**	**(280.8)**
Cash and cash equivalents at the beginning of the period	182.1	101.0	101.0	290.0	75.5	356.3
Cash and cash equivalents at the end of the period	**306.7**	**384.1**	**182.1**	**101.0**	**290.0**	**75.5**

Cash generated from operating activities

Cell C recorded net cash flows from operating activities of ZAR498.5 million for the three months ended 31 August 2025 compared to ZAR513.2 million for the three months ended 31 August 2024, a decrease of ZAR14.7 million, or 2.9%. The change was primarily due to timing differences in receipt of funds for smaller debtors.

Cell C recorded net cash flows from operating activities of ZAR1 855.1 million for the year ended 31 May 2025 compared to ZAR1 793.7 million for the year ended 31 December 2023, an increase of ZAR61.4 million, or 3.4%. The change was primarily due to Improved collections in the period. The balance for 5 months ended 31 May 2024 was ZAR481.3 million.

Cell C recorded net cash flows from operating activities of ZAR1 793.7 million for the year ended 31 December 2023 compared to ZAR1 798.8 million for the year ended 31 December 2022, a decrease of ZAR5.2 million, or 0.3%. The change was primarily due to the decline in finance costs as result of settlement of loans during the 2022 Cell C Recap which had an overall impact of ZAR9.703 million due to the 2022 Cell C Recap combined with other not so significant movements.

Cash utilised in investing activities

Cell C recorded net cash flows used in investing activities of ZAR171.7 million for the three months ended 31 August 2025 compared to ZAR133.9 million for the three months ended 31 August 2024, an increase of ZAR37.8 million, or 28.2%. The change was primarily due to increased investments in customer facing assets like the investments in rebranding the stores. Voice over LTE capability and the next generation billing system for prepaid.

Cell C recorded cash flows used in investing activities of ZAR758.5 million for the year ended 31 May 2025, compared to ZAR655.5 million for the year ended 31 December 2023, an increase of ZAR103 million, or 15.7%. The change was primarily due the investment in the customer facing assets like the next generation billing system for prepaid. The balance for 5 months ended 31 May 2024 was ZAR355 million.

Cell C recorded cash flows used in investing activities of ZAR655.5 million for the year ended 31 December 2023 compared to ZAR855.3 million for the year ended 31 December 2022, a decrease of ZAR199.8 million, or 23.4%. The change was primarily due to a decline in investment in Networks ZAR0.15 million negated by an increase in Software under development of ZAR264 million.

Cash utilised in financing activities

Cell C recorded net cash flows used in financing activities of ZAR202.2 million for the three months ended 31 August 2025, compared to ZAR96.4 million for the three months ended 31 August 2024, an increase of ZAR105.8 million, or 109.8%. The change was primarily due to the increase in interest paid on the shareholder loans as the interest free period ceased in October 2024.

Cell C recorded cash flows used in financing activities of ZAR1 015.5 million for the year ended 31 May 2025, compared to ZAR923.6 million for the year ended 31 December 2023, an increase of ZAR91.9 million, or 10%. The change was primarily due the increase in interest paid on the shareholder loans. The balance for 5 months ended 31 May 2024 was ZAR315.2 million.

Cell C recorded cash flows used in financing activities of ZAR923.6 million for the year ended 31 December 2023 compared to ZAR1 224.3 million for the year ended 31 December 2022, a decrease of ZAR300.7 million, or 24.6%. The change was primarily due to lease obligations movement from the 2022 Cell C Recap of ZAR286 million as the main driver.

CONTRACTUAL OBLIGATIONS

The following are the undiscounted contractual maturities of financial liabilities, including estimated interest payments:

	As at 31 August 2025					
(ZAR'm)	**Carrying amount**	**Contractual cash flows**	**Within 1 year**	**Within 2-5 years**	**Within 6-10 years**	**More than 10 years**
Dark Fibre Africa	711	2 005	74	898	551	481
MTN Leases	81	113	72	41	–	–
American Tower Company	74	100	–	100	–	–
Attacq	358	379	83	296	–	–
Sundry Store leases	426	580	244	296	–	–
MTN Facility	648	663	185	478	–	–
Total	**2 298**	**3 841**	**659**	**2 110**	**551**	**481**

OFF-BALANCE SHEET ARRANGEMENTS

As of 31 May 2025, Cell C did not have any off-balance sheet arrangements, as defined under IFRS.

CAPITAL EXPENDITURES

The Cell C authorised capital expenditure reflects anticipated cash outflows to the coming financial year-end on Cell C's investment in intangible assets, property, plant and equipment and purchase of operations. Authorised capital expenditure not yet incurred was ZAR858 million as at 31 May 2025, a 38% increase on the

ZAR604 million incurred for the year ended 31 December 2023, the majority of this increase being reflective of the acceleration in key customer facing assets like the revamp of the Company owned and franchise stores. Cell C expects to invest ZAR858 million in capital projects during the year ending 31 May 2026.

The table below sets out the distribution of Cell C's capital expenditure between maintenance and expansion for the year ended 31 May 2025, the five months ended 31 May 2024, and the years ended 31 December 2023 and 31 December 2022: Supplementary disclosure is also added for the three months ended 31 August 2025 and the 3 months ended 31 August 2024.

	Three months ended		**Year ended**	**5 months ended**	**Year ended**	
(Figures in ZAR'm)	**31 August 2025**	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
Maintenance[(1)]	235.9	63.7	311.2	139.0	241.8	776.3
Expansion[(1)]	353.9	95.5	466.8	208.4	362.7	290.7
Total	**589.8**	**159.2**	**778.0**	**347.4**	**604.5**	**1 067.0**

(1) The table below presents the Cell C Group's capital expenditures broken down by business area on a historical basis for each of the periods indicated.

	Three months ended		**Year ended**	**5 months ended**	**Year ended**	
(Figures in R'm)	**31 August 2025**	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
		(reviewed)				
Business support	83.9	61.0	332.5	157.0	380.0	385.0
Core	26.6	37.2	164.4	95.7	88.4	571.0
Sales and distribution	25.0	0.0	67.8	0.0	0.0	0.0
Enterprise support	16.5	16.3	112.9	41.9	55.9	41.0
Other	20.8	20.5	100.4	52.7	80.3	70.0

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT FINANCIAL RISK MANAGEMENT

Capital management

The Board's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. The Board approves a budget for each reporting period. Each budget includes a capital expenditure amount against which the Board then measures the actual capital expenditure.

Cell C's strategy, which has remained unchanged from 2018, has been to maintain the debt-to-adjusted capital ratio of 70% equity and 30% debt. This ratio is a long-term strategy which is aligned to companies within the industry.

Cell C's distressed and highly leveraged position has driven management to take the below actions to restore the gearing ratio to the desired level of 70:30 between equity and debt, respectively.

The Group has an active capital management policy based on:

- Actively working in consultation with the shareholders to optimise the capital structure;
- Ensuring long-term funding needs of the Group are met through the business planning and budgeting process; and
- Refinancing matching obligations in a timely and efficient manner.

(ZAR'm)	**Year ended 31 May 2025**	**5 months ended 31 May 2024**	**Year ended 31 December 2023**	**Year ended 31 December 2022**
Cash and cash equivalents	164.2	76.4	290.0	75.5
Share capital and share premium	25 668.8	25 668.8	25 668.8	25 668.8
Accumulated loss	(33 973.6)	(36 190.6)	(35 960.1)	(36 150.4)
	(8 140.5)	**(10 445.4)**	**(10 001.3)**	**(10 406.2)**
Interest-bearing borrowings	3 956.3	3 750.0	3 670.8	3 124.7
Lease liabilities	1 917.0	1 792.2	1 835.9	2 099.5
	5 873.3	**5 542.2**	**5 506.8**	**5 224.3**
Capital to overall financing ratio (Gearing ratio)	359.1%	213.0%	223.5%	200.8%

Capital risk management

Cell C's objective when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard Cell C's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise stakeholder returns sustainably.

Cell C manages capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain the capital structure, Cell C may adjust the amount of dividends paid to the shareholder, return capital to the shareholder, repurchase shares currently issued, issue new shares, issue new debt, issue new debt to replace existing debt with different characteristics and/or sell assets to reduce debt.

Cell C monitors capital utilising several measures, including the gearing ratio. The gearing ratio is calculated as net borrowings (total borrowings less cash) divided by shareholders' equity.

The capital structure and gearing ratio of Cell C at the reporting date was as follows:

(ZAR'm)	**Year ended 31 May 2025**	**5 months ended 31 May 2024**	**Year ended 31 December 2023**	**Year ended 31 December 2022**
Interest-bearing borrowings	3 956.3	3 750.0	3 670.8	3 124.7
Lease liabilities	1 917.0	1 792.2	1 835.9	2 099.5
Trade and Other payables	4 547.2	6 262.8	7 097.0	6 221.7
	10 420.5	**11 805.0**	**12 603.8**	**11 445.9**
Cash and cash equivalents	(164.2)	(76.4)	(290.0)	(75.5)
Net Borrowings	**10 256.3**	**11 728.6**	**12 313.8**	**11 370.5**
Overall financing				
Equity	(8 304.7)	(10 521.8)	(10 291.3)	(10 481.6)
Gearing ratio	(123.50%)	(111.47%)	(119.65%)	(108.48%)

Financial risk management

The Group's risk management is predominantly controlled by a central treasury department under policies approved by the Board. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. The Liquidity Committee assesses and manages the liquidity position of the Group and reports and makes recommendations to the Board on the liquidity.

Market risks

The Group is exposed to market risks through its use of financial instruments and specifically to currency risk and interest rate risk which result from both its operating and investing activities.

Foreign currency risk

The Group is exposed to foreign currency risk through purchases and borrowings denominated in foreign currencies. Exposures to currency exchange rates arise from the Group's foreign payables, which are primarily denominated in U.S. dollars. To the extent possible, receipts in foreign currency are used to settle foreign liabilities. Forward exchange contracts are entered into on a case-by-case basis to mitigate the foreign currency risk. The Group does not use foreign exchange contracts for speculative purposes and does not apply hedge accounting. The Group varies its exposure depending on its view of the currency values, within acceptable risk parameters.

The Group exposure to foreign currency risk at the reporting date was as follows:

	USD'000	Closing rate	R'000
Trade payables			
2025			
EUR	265	20.32	5 387
USD	2 150	17.91	38 506
GBP	41	24.13	998
CNY	30 198	2.49	75 139
	32 654		**120 030**
2024			
EUR	484	20.13	9 734
USD	19 942	18.84	375 704
GBP	6	23.66	138
CNY	47 562	2.57	122 234
	67 994		**507 809**
2023			
EUR	603	20.18	12 169
USD	16 153	18.30	295 600
GBP	3	23.27	70
CNY	56 364	2.57	144 855
	73 123		**452 694**
2022			
EUR	289	18.12	5 240
USD	14 486	16.97	245 827
GBP	66	20.47	1 351
CNY	48 339	2.45	118 431
	63 180		**370 849**

Sensitivity analysis

The following table includes the Group and Company's sensitivity at reporting date to the indicated movements in foreign exchange on financial instruments. The Group and Company have assumed a +/- 10% change of the ZAR/USD exchange rate for the reporting period. These percentages have been determined based on the average market volatility in exchange rates in the previous twelve months of each reporting period. The sensitivity analysis is based on Cell C's foreign currency interest-bearing borrowings and trade payables held at each reporting date.

Impact on profit/(loss) before tax

	Year ended 31 May 2025	5 months ended 31 May 2024	Year ended 31 December 2023	Year ended 31 December 2022
Exchange rate – increase 10%	(12 003)	(50 781)	(45 269)	(24 583)
Exchange rate – decrease 10%	12 003	50 781	45 269	24 583

Impact on Equity

	Year ended 31 May 2025	5 months ended 31 May 2024	Year ended 31 December 2023	Year ended 31 December 2022
Exchange rate – increase 10%	(8 762)	(37 070)	(33 047)	(17 700)
Exchange rate – decrease 10%	8 762	37 070	33 047	17 700

Interest rate risk

The Group's policy is to minimise interest rate risk exposures on long-term financing. Longer-term borrowings are therefore usually at fixed rates. At the reporting date the interest rate profile of the Group's interest-bearing financial instruments were:

(ZAR'm)	Year ended 31 May 2025	5 months ended 31 May 2024	Year ended 31 December 2023	Year ended 31 December 2022
Floating rate				
Interest-bearing borrowing	(2 235.1)	(1 852.8)	(1 624.4)	(1 040 4)
Cash and cash equivalents	182.1	101.0	290.0	75.5
Trade and other payables	(662.2)	(1 543.5)	(1 860.0)	–
Fixed rate				
Interest-bearing borrowing	(1 721.2)	(1 897.1)	(2 046.4)	(2 084.3)
Trade and other payables	–	–	–	(244.8)

Sensitivity analysis

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of +/- 50 basis points for the reporting period. These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

Impact on profit/(loss) before tax

	Year ended 31 May 2025	5 months ended 31 May 2024	Year ended 31 December 2023	Year ended 31 December 2022
Interest rate increase – 50 basis points	(18 145)	(16 476)	(15 972)	(4 825)
Interest rate decrease – 50 basis points	18 145	16 476	15 972	4 825

Impact on Equity

	Year ended 31 May 2025	5 months ended 31 May 2024	Year ended 31 December 2023	Year ended 31 December 2022
Interest rate decrease – 50 basis points	12 883	12 028	11 569	3 474
Interest rate increase – 50 basis points	(12 883)	(12 028)	(11 569)	(3 474)

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The Group's principal financial assets are cash and cash equivalents and trade and other receivables. The Group's credit risk is primarily attributable to its trade receivables. The amount presented in the statement of financial position is net of loss allowances and represent total maximum credit risk exposure at the reporting date. The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Ownership of financial assets involves the risk that counterparties may be unable to meet the terms of their agreements. These risks are monitored by limiting the aggregate risk to any individual counterparty. The credit risk is generally highly diversified due to the large number of customers, both private individuals and corporate companies comprising the subscriber base and their dispersion across.

(ZAR'm)	Year ended 31 May 2025	5 months ended 31 May 2024	Year ended 31 December 2023	Year ended 31 December 2022
Exposure to credit risk				
Trade and other receivables	979.0	2 102.6	2 646.6	1 627.4
Cash and cash equivalents	182.1	101.0	290.0	75.5
	1 161.1	2 203.6	2 936.6	1 702.9

Impairment losses on financial assets recognised in profit or loss were as follows:

(R'000)	Year ended 31 May 2025	5 months ended 31 May 2024	Year ended 31 December 2023	Year ended 31 December 2022
Impairment loss on trade receivables	(1.0)	6.3	144.6	114.2

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate (*i.e.* South Africa).

Risk management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. Sale limits are established for each customer and reviewed on an ongoing purpose.

The Group limits its exposure to credit risk from trade receivables by establishing a maximum payment period for individual and corporate customers.

Expected credit loss assessment

IFRS 9 provides practical expedients for operational simplifications of trade receivables and contract assets that do not contain a significant financing component. For more information, see Note 37.2.2 to the Consolidated Annual Historical Financial Information of Cell C Limited For The Year Ended 31 May 2025.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets from customers as at reporting date.

(ZAR'm)	Weighted average loss rate	Gross carrying amount	Expected loss allowance
Trade receivables			
2025			
Current	3.18%	272.9	(8.7)
More than 30 days past due	14.26%	163.4	(23.3)
More than 60 days past due	50.54%	8.0	(4.1)
More than 90 days past due	35.95%	856.3	(307.8)
		1 300.8	**(343.8)**
2024			
Current	0.36%	954.0	(3.4)
More than 30 days past due	5.04%	26.9	(1.4)
More than 60 days past due	6.78%	9.1	(0.6)
More than 90 days past due	23.92%	1 423.3	(337.5)
		2 413.3	**(342.9)**
2023			
Current	1.16%	221.1	(2.6)
More than 30 days past due	21.40%	7.6	(1.6)
More than 60 days past due	40.30%	2.0	(0.8)
More than 90 days past due	12.60%	2 730.2	(344.1)
		2 960.8	**(349.1)**
2022			
Current	2.00%	639.9	(13.4)
More than 30 days past due	10.00%	325.1	(32.3)
More than 60 days past due	5.00%	270.1	(12.2)
More than 90 days past due	51.00%	859.5	(435.8)
		2 094.5	**(493.8)**

Cash and cash equivalents

The Group held cash and cash equivalents of ZAR182.1 million at 31 May 2025 (2024: ZAR101.0 million; 2023: ZAR290.0 million; 2022: ZAR75.5 million). The cash and cash equivalents are held with banks and financial institution counterparties that are reputable. ECLs on cash and cash equivalents has been measured on a 12-month basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities with the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions and the purchase of airtime by TPC (As per the minimum purchase agreement refer to note 6). Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The Group's liquidity risk arises from the difficulty in meeting obligations of financial liabilities and other future commitments.

The Group has managed its liquidity position through the 2022 Cell C Recap, the effects of which provide liquidity support to the Group's operations and obligations – refer to note 6.

The maturity analysis of financial liabilities at the reporting date is set out in the table below. These amounts are gross and undiscounted, and include contractual interest payments:

(ZAR'm)	**Between 0 and 12 months**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**	**Total contractual cash flows**	**Carrying amount**
2025						
Interest-bearing borrowings	(2 972.1)	(509.7)	(2 110.1)	–	(5 592.0)	(3 956.3)
Trade and other payables	(4 073.0)	–	–	–	(4 073.0)	(4 073.0)
Lease liabilities	(399.7)	(606.2)	(755.6)	(1 348.8)	(3 110.3)	(1 917.0)
	(7 445.0)	**(1 115.9)**	**(2 865.7)**	**(1 348.8)**	**(12 775.2)**	**(9 946.4)**
2024						
Interest-bearing borrowings	(939.2)	(2 637.0)	(2 613.9)	–	(6 190.1)	(3 750.0)
Trade and other payables	(5 651.3)	–	–	–	(5 651.3)	(5 651.3)
Lease liabilities	(580.7)	(344.2)	(1 231.3)	(1 309.0)	(3 465.2)	(1 792.2)
	(7 171.2)	**(2 981.2)**	**(3 845.2)**	**(1 309.0)**	**(15 306.6)**	**(11 193.5)**
2023						
Interest-bearing borrowings	(607.2)	(1 672.8)	(4 196.5)	–	(6 476.6)	(3 670.8)
Trade and other payables	(6 622.8)	–	–	–	(6 622.8)	(6 622.8)
Lease liabilities	(599.5)	(380.5)	(1 309.8)	(1 366.3)	3 656.1)	(1 835.9)
	(7 829.6)	**(2 053.3)**	**(5 506.3)**	**(1366.3)**	**(16 755.5)**	**(12 129.6)**
2022						
Interest-bearing borrowings	(220.0)	(705.4)	(4 286.2)	–	(5 211.6)	(3 124.7)
Trade and other payables	(5 219.8)	–	–	–	(5 219.8)	(5 219.8)
Lease liabilities	(627.2)	(617.1)	(1 143.6)	(1 326.4)	(3 714.2)	(2 099.5)
	(6 067.0)	**(1 322.5)**	**(5 429.8)**	**(1 326.4)**	**(14 145.7)**	**(10 444.1)**

Section 2: CEC

The following discussion should be read in conjunction with "Annexe 5 – Annual Historical Financial Information of Comm Equipment Company Proprietary Limited For The Years Ended 31 May 2025, 2024 and 2023" and "Annexe 7 – Condensed Interim Historical Financial Information of Comm Equipment Company Proprietary Limited For The Three Months Ended 31 August 2025 and 31 August 2024". The following discussion includes forward-looking statements which, although based on assumptions and/or estimates that the Group considers reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those expressed or implied by the forward -looking statements. For a discussion of some of those risks and uncertainties, please refer to the sections entitled "Important Information – Forward-Looking Statements" in the preamble to this Pre-listing Statement and "Part IV – Risk Factors" of this Pre-listing Statement.

OVERVIEW

CEC is a wholly owned subsidiary of BLU and was incorporated in 2014. It provides specialist, product-based lending to medium-to-large South African enterprises, primarily enabling clients to deliver fixed-term consumer contract products, including funding the handset component of Cell C's postpaid and hybrid mobile contracts.

In 2020, CEC entered into a managed services partnership with Cell C, financing handset acquisition risk and supporting postpaid subscriber operations, sharing in postpaid revenue and assuming exposure to bad debt, mitigated through partnerships with BluNova and Vodacom.

During the year ended 31 May 2025, CEC had ZAR 2 556.2 million in revenue, compared to ZAR2 815.7 million in the year ended 31 May 2024, ZAR3 432.8 million in the year ended 31 May 2023. Over the same periods, CEC had EBITDA of ZAR403.5 million, ZAR709.5 million and ZAR841.7 million, and EBIT of ZAR121.5 million, ZAR409.1 million and ZAR513.9 million, respectively.

KEY FACTORS AFFECTING CEC'S RESULTS OF OPERATIONS

See "– Cell C – Key Factors Affecting the Group's Results of Operations"

COMPARABILITY OF RESULTS OF OPERATIONS

See "– Cell C – Comparability of Results of Operations"

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of historical financial information in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies, reported amounts and related disclosures.

Estimates and underlying assumptions related to critical judgements are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Significant areas of estimation, uncertainty and critical judgements made in applying CEC's accounting policies that potentially have a significant effect on the amounts recognised in the historical financial information are set out in the notes to the Annual Historical Financial Information in relation to the year ended 31 May 2025.

EXPLANATION OF KEY INCOME STATEMENT ITEMS

Revenue

Revenue is recognised when CEC satisfies performance obligations and transfers control of goods or services to its customers at an amount that reflects the consideration CEC expects to be entitled to in exchange for these goods or services, allocated to each specific performance obligation.

Revenue on the sale of handsets are measured at the effective selling price of the items sold after subtracting discounts and rebates granted to customers.

Service fees included in the price of the product recognised as revenue over the period during which the service is performed.

Interest Revenue

Interest is recognised in profit and loss using the effective interest rate method. Interest earned through the ordinary activities of the entity will be included as part of revenue, whereas incidental interest earned will be disclosed separately under interest income.

Cost of sales

Cost of sales comprises any direct costs attributable to the generation of revenue (including, but not limited to interest expense, guarantee fees, commission, structuring fees and amortisation of intangible assets). Cost of sales includes but is not limited to the cost of sales of handsets, roaming costs and subscriber acquisition costs, and value-added service-related costs.

Gross profit

Gross profit represents total net revenues less cost of sales.

Other income

Other income comprises other income items earned but not core to the business, as example of such income includes but is not limited to consulting fees, bad debts recovered and profit on sale of assets.

Fair value adjustments

Fair value adjustments represent the fair value gains or losses on equity investment held (forfeitable shares in BLU) and fair value of financial assets held at fair value through profit/loss.

Movement in credit loss allowances

Movement in credit loss allowances represents the increase or decrease in the credit loss expense based on the overall aging and balances of loans and advances and accounts receivables.

Operating expenses

Operating expenses comprise expenses incurrent not directly in earning the CEC's revenues and is comprised of but not limited to remuneration costs, auditors fees, consulting costs and marketing fees.

Loss on derecognition of financial assets

Loss on derecognition of financial assets represents the fair value adjustment of the escrow hold back receivable relating to the book sales to African Bank.

Operating profit/(loss)

Operating profit/(loss) represents gross profit plus other income less movement in credit loss allowances; operating expenses and loss on derecognition of financial assets.

Investment income

Investment income includes the interest charged on loans and trade receivables and interest earned from the bank on cash deposits.

Finance costs

Finance cost is recognised as an expense in the period in which it is incurred. Interest charged through the ordinary activities of the entity will be included as part of the cost of sales disclosure, whereas incidental interest charged will be disclosed separately under interest expense.

(Loss)/Profit before taxation

(Loss)/profit before taxation represents operating profit plus investment income less finance cost.

Taxation

Current and deferred taxes that are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different period, to other comprehensive income or a business combination.

(Loss)/Profit for the year

(Loss)/Profit for the year represents profit before taxation plus/minus taxation.

RESULTS OF OPERATIONS

(Figures in ZAR'm)	Three months ended 31 August 2025	Three months ended 31 August 2024	Year ended 31 May 2025	Year ended 31 May 2024	Year ended 31 May 2023
Revenue	557.4	563.7	2 556.2	2 815.7	3 432.8
Interest revenue	65.4	32.2	292.5	398.6	301.6
Cost of sales	(426.3)	(464.0)	(1 995.9)	(2 187.2)	(2 315.2)
Gross Profit	**196.4**	**131.9**	**852.8**	**1 027.0**	**1 419.3**
Other income	0.7	0.5	4.4	30.8	10.9
Fair value adjustments	0.1	1.7	12.1	1.4	(4.1)
Movement in credit loss allowances	(84.9)	(107.8)	(481.6)	(333.9)	(589.5)
Operating expenses	(55.1)	(49.9)	(232.1)	(262.9)	(258.2)
Loss on derecognition of financial assets	–	–	(34.1)	(53.3)	–
Loss on modification	–	–	–	–	(64.5)
Operating Profit/(Loss)	**57.3**	**(23.6)**	**121.5**	**409.1**	**513.9**
Investment income	17.0	40.1	132.7	232.5	86.1
Finance costs	(78.1)	(89.6)	(474.1)	(397.2)	(200.1)
(Loss)/Profit before taxation	**(3.8)**	**(73.1)**	**(219.9)**	**244.4**	**399.9**
Taxation	1.0	19.5	60.5	(59.6)	(124.3)
(Loss)/Profit for the year	**(2.8)**	**(53.6)**	**(159.4)**	**184.8**	**275.6**
Other comprehensive income	–	–	–	–	–
Total comprehensive (loss)/ income for the year	**(2.8)**	**(53.6)**	**(159.4)**	**184.8**	**275.6**

Period-to-Period Analysis of the Results of Operations

Revenue

CEC decreased its revenue to ZAR557.4 million for the three months ended 31 August 2025 from ZAR563.7 million for the three months ended 31 August 2024, a decrease of ZAR6.30 million or 1.1%, primarily due to a decrease in handset sales of ZAR45.3 million, partially offset by an increase in service revenue and top-ups of ZAR39 million.

CEC decreased its revenue to ZAR2 556.2 million for the year ended 31 May 2025 from ZAR2 815.7 million for the year ended 31 May 2024, a decrease of ZAR259.5 million or 9.2%, primarily due to decreases in handset sales of ZAR144.6 million; service and top-up revenue of ZAR221.1 million; and rebate income of ZAR169.6 million, partially offset by savings in roaming and services of ZAR592.5 million. Revenue for the year ended 31 May 2025 includes an extraneous item amounting to ZAR300.0 million relating to Group Marketing fees.

CEC's revenue decreased to ZAR2 815.7 million for the year ended 31 May 2024 from ZAR3 432.8 million for the year ended 31 May 2023, a decrease of ZAR617.1 million, or 18.0%, primarily due to lower handset revenue of ZAR206.2 million; increased subsidy of ZAR183.2 million and lower commission income of ZAR222.9 million.

Interest revenue

CEC increased its interest revenue to ZAR65.4 million for the three months ended 31 August 2025 from ZAR32.2 million for the three months ended 31 August 2024, an increase of ZAR33.2 million or 103.1%, primarily due to the book sale in June 2025 to African Bank resulting in acceleration of deferred interest for the three months ended 31 August 2025, compared to the months ended 31 August 2024 where there were no book sales.

CEC decreased its interest revenue to ZAR292.5 million for the year ended 31 May 2025 from ZAR398.6 million for the year ended 31 May 2024, a decrease of ZAR106.1 million or 26.6%, primarily due to lower book sales to African Bank resulting in lower acceleration of deferred interest.

CEC increased its interest revenue to ZAR398.6 million for the year ended 31 May 2024 from ZAR301.6 million for the year ended 31 May 2023, an increase of ZAR97.0 million, or 32.2%, primarily due to the acceleration of interest income relating to African Bank book sales that occurred in 2024.

Cost of sales

CEC's cost of sales decreased to ZAR426.3 million for the three months ended 31 August 2025 from ZAR464.0 million for the three months ended 31 August 2024, a decrease of ZAR37.7 million or 8.1%, primarily due to lower handset sales.

CEC's cost of sales decreased to ZAR1 995.9 million for the year ended 31 May 2025 from ZAR2 187.2 million for the year ended 31 May 2024, a decrease of ZAR191.4 million or 8.8%, primarily due to lower handset sales.

CEC's cost of sales decreased to ZAR2 187.2 million for the year ended 31 May 2024 from ZAR2 315.2 million for the year ended 31 May 2023, a decrease of ZAR127.9 million, or 5.5%, primarily due to lower handset cost of sales of ZAR96.6 million and lower subscriber acquisition costs of ZAR28.6 million.

Gross profit

CEC increased its gross profit to ZAR196.4 million for the three months ended 31 August 2025 from ZAR131.9 million for the three months ended 31 August 2024, an increase of ZAR64.6 million or 49%, primarily due to the reasons noted above.

CEC decreased its gross profit to ZAR852.8 million for the year ended 31 May 2025 from ZAR1 027.0 million for the year ended 31 May 2024, a decrease of ZAR174.2 million or 17%, primarily due to the reasons noted above. Gross profit for the year ended 31 May 2025 includes an extraneous item amounting to ZAR300.0 million relating to Group marketing fees.

CEC's gross profit decreased to ZAR1 027.0 million for the year ended 31 May 2024 from ZAR1 419.3 million for the year ended 31 May 2023, a decrease of ZAR392.3 million, or 27.6%, primarily due to the reasons noted above.

Other income

CEC increased its other income to ZAR0.7 million for the three months ended 31 August 2025 from ZAR0.5 million for the three months ended 31 August 2024, an increase of ZAR0.2 million or 39.7%, primarily due to an increase in management fees charged to Group companies.

CEC decreased its other income to ZAR4.4 million for the year ended 31 May 2025 from ZAR30.8 million for the year ended 31 May 2024, a decrease of ZAR26.4 million or 85.7%, primarily due to a reduction in bad debts recovered of ZAR26.4 million to ZAR2.4 million.

CEC increased its other income to ZAR30.8 million for the year ended 31 May 2024 from ZAR10.9 million for the year ended 31 May 2023, an increase of ZAR19.9 million, or 182.6%, primarily due to an increase in bad debts recovered of ZAR28.8 million.

Fair value adjustments

CEC's fair value adjustments decreased to ZAR0.1 million for the three months ended 31 August 2025 from ZAR1.7 million for the three months ended 31 August 2024, a decrease of ZAR1.6 million or 94.1%, primarily due to movement in the BLU share price.

CEC's fair value adjustments increased to ZAR12.1 million for the year ended 31 May 2025 from ZAR1.4 million for the year ended 31 May 2024, an increase of ZAR10.7 million or 776.8%, primarily due to fair value gains on BLU shares held and fair value gains on financial assets.

CEC's fair value adjustments increased to a gain of ZAR1.4 million for the year ended 31 May 2024 from a loss of ZAR4.1 million for the year ended 31 May 2023, a change of ZAR5.5 million, primarily due to an increase in the fair value gains resulting from investment in BLU shares of ZAR5.5 million.

Movement in credit loss allowances

Credit loss allowances decreased to ZAR84.9 million for the three months ended 31 August 2025 from ZAR107.8 million for the three months ended 31 August 2024, a decrease of ZAR22.9 million or 21.3%, primarily due to the book sale to African Bank in June 2025 on which CEC no longer carries a credit loss allowance.

Credit loss allowances increased to ZAR481.6 million for the year ended 31 May 2025 from ZAR333.9 million for the year ended 31 May 2024, an increase of ZAR147.7 million or 44.2%, primarily due to write offs and lower bad debts recovered.

Credit loss allowances decreased to ZAR333.9 million for the year ended 31 May 2024 from ZAR589.5 million for the year ended 31 May 2023, a decrease of ZAR255.6 million, or 43.4%, primarily due to lower write offs; an increase in bad debts recovered of ZAR33.4 million and release of loss allowance due to African Bank book sales of ZAR49.6 million.

Operating expenses

CEC's operating expenses increased to ZAR55.1 million for the three months ended 31 August 2025 from ZAR49.9 million for the three months ended 31 August 2024, an increase of ZAR5.2 million or 10.5%, primarily due to an increase in marketing fees of ZAR4 million and an increase in management and consulting fees of ZAR4.8 million, partially offset by a saving in employee costs of ZAR3.9 million.

CEC's operating expenses decreased to ZAR232.1 million for the year ended 31 May 2025 from ZAR262.9 million for the year ended 31 May 2024, a decrease of ZAR30.9 million or 11.7%, primarily due to lower management fees of ZAR10.9 million and lower consulting fees of ZAR19.5 million.

CEC's operating expenses increased to ZAR262.9 million for the year ended 31 May 2024 from ZAR258.2 million for the year ended 31 May 2023, an increase of ZAR4.7 million, or 1.8%, primarily due to an increase in employee costs of ZAR31.3 million partially offset by a reduction in marketing costs of ZAR16.3 million.

Loss on derecognition of financial assets

CEC's loss on derecognition of financial assets decreased to ZAR34.1 million for the year ended 31 May 2025 from ZAR53.3 million for the year ended 31 May 2024, a decrease of ZAR19.2 million or 36%, primarily due to lower book sales to African Bank.

CEC's loss on derecognition of financial assets was ZAR53.3 million for the year ended 31 May 2024, compared to ZAR nil million for the year ended 31 May 2023, primarily due to the fair value adjustment relating to the escrow receivable as a result of the African Bank book sale.

Loss on modification

CEC's loss on modification decreased to ZAR nil million for the year ended 31 May 2024 from ZAR64.5 million for the year ended 31 May 2023, primarily due to the fair value adjustment relating to the Cell C recapitalisation loan.

Operating profit/(loss)

CEC increased its operating profit to ZAR57.3 million for the three months ended 31 August 2025 from an operating loss of ZAR23.6 million for the three months ended 31 August 2024, an increase of ZAR80.9 million or 342.7%, primarily due to an increase in interest revenue, a decrease in cost of sales and a decrease in the movement in credit loss allowances.

CEC decreased its operating profit to ZAR121.5 million for the year ended 31 May 2025 from ZAR409.1 million for the year ended 31 May 2024, a decrease of ZAR287.6 million or 70.3%, primarily due to lower gross profit and increased movement in credit loss allowances. The reported operating profit includes extraneous items amounting to ZAR363.6 million relating to Group management fees and Group marketing fees.

CEC's operating profit decreased to ZAR409.1 million for the year ended 31 May 2024 from ZAR513.9 million for the year ended 31 May 2023, a decrease of ZAR104.8 million, or 20.4%, primarily due to the reasons noted above.

Investment income

CEC decreased its investment income to ZAR17.0 million for the three months ended 31 August 2025 from ZAR40.1 million for the three months ended 31 August 2024, a decrease of ZAR23.1 million or 57.6%, primarily due to Cell C's trade account being paid up at the end of May 2025 and no interest charged on overdue trade account balance for the three months ended 31 August 2025.

CEC decreased its investment income to ZAR132.7 million for the year ended 31 May 2025 from ZAR232.5 million for the year ended 31 May 2024, a decrease of ZAR99.8 million or 42.9%, primarily due to a reduction of ZAR149.2 million on interest on loans receivable, partially offset by an increase in interest on trade receivables of ZAR47.2 million.

CEC increased its investment income to ZAR232.5 million for the year ended 31 May 2024 from ZAR86.1 million for the year ended 31 May 2023, an increase of ZAR146.4 million, or 170.2%, primarily due to an increase of ZAR144.1 million in interest income relating to the recapitalisation loan to Cell C.

Finance costs

CEC's finance costs decreased to ZAR78.1 million for the three months ended 31 August 2025 from ZAR89.6 million for the three months ended 31 August 2024, a decrease of ZAR11.5 million or 12.9%, primarily due to a reduction in the interest on the African Bank facility as a result of repaying the facility balance monthly from January 2025.

CEC's finance costs increased to ZAR474.1 million for the year ended 31 May 2025 from ZAR397.2 million for the year ended 31 May 2024, an increase of ZAR76.9 million or 19.4%, primarily due to an increase on finance cost relating to the African Bank facility of ZAR17.6 million and an increase of finance cost trade payables of ZAR59.4 million.

CEC's finance costs increased to ZAR397.2 million for the year ended 31 May 2024 from ZAR200.1 million for the year ended 31 May 2023, an increase of ZAR197.1 million, or 98.5%, primarily due to an increase of ZAR189.3 million relating to African Bank borrowings.

(Loss)/Profit before taxation

CEC decreased its loss before taxation to ZAR3.7 million for the three months ended 31 August 2025 from ZAR73.1 million for the three months ended 31 August 2024, a decrease of ZAR69.3 million or 94.9%, primarily due to the reasons noted above.

CEC had a loss before taxation of ZAR219.9 million for the year ended 31 May 2025, compared to a profit before taxation of ZAR244.4 million for the year ended 31 May 2024, a change of ZAR464.3 million, primarily due to the reasons noted above.

CEC's profit before taxation decreased to ZAR244.4 million for the year ended 31 May 2024 from ZAR400.0 million for the year ended 31 May 2023, a decrease of ZAR155.5 million, or 38.9%, primarily due to the reasons noted above.

Taxation

CEC's taxation decreased to ZAR1.0 million for the three months ended 31 August 2025 from ZAR19.5 million for the three months ended 31 August 2024, a decrease of ZAR18.5 million or 94.9%, primarily due to the change noted in loss/profit before taxation.

CEC had a taxation gain of ZAR60.5 million for the year ended 31 May 2025, compared to an expense of ZAR59.6 million for the year ended 31 May 2024, a change of ZAR120.1 million, primarily due to the change noted in loss/profit before taxation.

CEC's taxation expense decreased to ZAR59.6 million for the year ended 31 May 2024 from ZAR124.3 million for the year ended 31 May 2023, a decrease of ZAR64.7 million, or 52.0%, primarily due to an increase in profit before tax due to the reasons noted above.

(Loss)/Profit for the year

CEC decreased its loss for the year to ZAR2.8 million for the three months ended 31 August 2025 from ZAR53.6 million for the three months ended 31 August 2024, a decrease of ZAR50.8 million or 94.9%, primarily due to the reasons noted above.

CEC decreased its profit for the year to a loss of ZAR159.4 million for the year ended 31 May 2025 from ZAR184.8 million for the year ended 31 May 2024, a decrease of ZAR344.2 million or 186.3%, primarily due to the reasons noted above.

CEC's profit for the year decreased to ZAR184.8 million for the year ended 31 May 2024 from ZAR275.6 million for the year ended 31 May 2023, a decrease of ZAR90.8 million, or 32.9%, primarily due to the reasons noted above.

Other comprehensive income

CEC's other comprehensive income remained at ZAR nil million for the three months ended 31 August 2025 equal to ZAR nil million for the three months ended 31 August 2024.

CEC did not recognise any comprehensive income for the year ended 31 May 2025 or 31 May 2024.

Total comprehensive/(loss) income for the year

CEC decreased its total comprehensive loss for the year to ZAR2.8 million for the three months ended 31 August 2025 from ZAR53.6 million for the three months ended 31 August 2024, a decrease of ZAR50.8 million or 94.8%, primarily due to the reasons noted above.

CEC decreased its total comprehensive income for the year to a total comprehensive loss of ZAR159.4 million for the year ended 31 May 2025 from a total comprehensive income of ZAR184.8 million for the year ended 31 May 2024, a decrease of ZAR344.2 million or 186.3%, primarily due to the reasons noted above.

CEC decreased its total comprehensive income for the year to a total comprehensive income of ZAR184.8 million for the year ended 31 May 2024 from ZAR275.6 million for the year ended 31 May 2023, a decrease of ZAR 90.8 million or 32.9%, primarily due to the reasons noted above.

LIQUIDITY, CASH FLOW AND CAPITAL RESOURCES

Liquidity

CEC's principal sources of liquidity have been cash flows from operating activities. For further information on liquidity, see "*– Cell C – Liquidity*" and *"Annexe 18 – Material Borrowings and Material Inter-Company Balances".*

Cash and Cash equivalents

As at 31 August 2025, CEC's cash and cash equivalents balance stood at ZAR69.1 million compared to ZAR38.1 million as at 31 May 2025 and ZAR24.4 million as at 31 May 2024 and ZAR6.4 million as at 31 May 2023. CEC expects that its cash and cash equivalents will be sufficient to fund its operating expenses and cash obligations for the next year, although its ability to continue as a going concern depends upon its ability to attract and retain revenue generating customers, acquire new customers, and secure additional financing.

Cash flows

The table below sets forth the principal components of CEC's cash flows for the three months ended 31 August 2025 and 2024 and the years ended 31 May 2025, 2024 and 2023.

	Three months ended		**Year ended 31 May**		
(Figures in ZAR'm)	**31 August 2025**	**31 August 2024**	**2025**	**2024**	**2023**
Net cash from operating activities	207.2	15.6	116.0	497.6	1 085.4
Net cash from investing activities	(49.4)	(25.4)	102.3	37.6	(718.2)
Net cash from financing activities	(126.9)	(0.51)	(204.6)	(517.1)	(382.6)
Total cash movement for the year	**31.0**	**(10.3)**	**13.7**	**18.1**	**(15.4)**
Cash and cash equivalents at the beginning of the year	38.1	24.4	24.4	6.4	21.7
Total cash and cash equivalents at the end of the year	**69.1**	**14.1**	**38.1**	**24.4**	**6.4**

Net cash from operating activities

CEC recorded net cash from operating activities of ZAR207.2 million for the three months ended 31 August 2025 compared to ZAR15.6 million for the three months ended 31 August 2024, an increase of ZAR191.6 million, or 1 231.1%. The change was primarily due to an increase in cash from operations.

CEC recorded net cash from operating activities of ZAR116.0 million for the year ended 31 May 2025 compared to ZAR497.6 million for the 12 month ended 31 May 2024, a decrease of ZAR381.6 million, or 76.7%. The change was primarily due to lower cash from operations of ZAR142.5 million and a reduction in interest income received of ZAR205.9 million.

CEC recorded net cash from operating activities of ZAR497.6 million for the year ended 31 May 2024 compared to ZAR1 085.4 million for the 12 month ended 31 May 2023, a decrease of ZAR587.8 million, or 54.2%. The change was primarily due to lower cash from operations of ZAR611.1 million; and increase in finance costs of ZAR197.1 million partially offset by an increase in interest income of ZAR243.4 million.

Net cash from investing activities

CEC recorded net cash from investing activities of ZAR49.4 million for the three months ended 31 August 2025 compared to ZAR25.4 million for the three months ended 31 August 2024, an increase of ZAR24.0 million, or 94.4%. The change was primarily due to an increase in the purchase of intangible assets.

CEC recorded net inflow of cash from investing activities of ZAR102.3 million for the year ended 31 May 2025 compared to ZAR37.6 million for the 12 month ended 31 May 2024, an increase of ZAR64.7 million, or 171.9%. The change was primarily due to an increase in receipts of loans receivable of ZAR92.7 million.

CEC recorded net inflow of cash from investing activities of ZAR37.6 million for the year ended 31 May 2024 compared to a net outflow of ZAR718.2 million for the 12 month ended 31 May 2023, a change of ZAR755.8 million.

The change was primarily due to a reduction in purchase of intangible assets of ZAR725.6 million.

Net cash from financing activities

CEC recorded net cash from financing activities of ZAR126.9 million for the three months ended 31 August 2025 compared to ZAR0.5 million for the three months ended 31 August 2024, an increase of ZAR126.4 million, or 24 778.3%. The change was primarily due to CEC repaying the African Bank facility.

CEC recorded net cash from financing activities of ZAR204.6 million for the year ended 31 May 2025 compared to ZAR517.1 million for the 12 month ended 31 May 2024, a decrease of ZAR312.5 million, or 60.4%. The change was primarily due to no dividends being paid in the year ended 31 May 2025 versus the ZAR517.2 million paid in the year ended 31 May 2024, partially offset by borrowings repaid of ZAR200.7 million for the year ended 31 May 2025 and no repayment of borrowings for the year ended 31 May 2024.

CEC recorded net outflow of cash from financing activities of ZAR517.1 million for the year ended 31 May 2024 compared to ZAR382.6 million for the 12 month ended 31 May 2023, an increase of ZAR134.6 million, or 35.2%. The change was primarily due to an increase in dividends paid of ZAR160.5 million.

CONTRACTUAL OBLIGATIONS

The following are the undiscounted contractual maturities of financial liabilities, including estimated interest payments:

	As at 31 August 2025					
(ZAR'm)	**Carrying amount**	**Contractual cash flows**	**Within 1 year**	**Within 2-5 years**	**Within 6-10 years**	**More than 10 years**
African Bank	1 572.5	1 861.8	731.7	1 130.1	–	–
Total	**1 572.5**	**1 861.8**	**731.7**	**1 130.1**	**–**	**–**

OFF-BALANCE SHEET ARRANGEMENTS

As of 31 August 2025, CEC did not have any off-balance sheet arrangements, as defined under IFRS.

CAPITAL EXPENDITURES

The CEC authorised capital expenditure reflects anticipated cash outflows to the coming financial year-end on CEC's investment in intangible assets and property, plant and equipment. Authorised capital expenditure not yet incurred was ZAR nil as at 31 May 2025 and as at 31 May 2024.

The table below sets out the distribution of CEC's capital expenditure between maintenance and expansion for the year ended 31 May 2025, 2024 and 2023:

	Three months ended 31 August		Year ended 31 May		
(Figures in ZAR'm)	**2025**	**2024**	**2025**	**2024**	**2023**
Maintenance	0.1	0.1	0.2	0.5	0.1
Expansion	58.2	26.0	130.6	106.8	833.2
Total	**58.3**	**26.1**	**130.8**	**107.3**	**833.3**

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT FINANCIAL RISK MANAGEMENT

Capital risk management

CEC's objective when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard CEC's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise stakeholder returns sustainably.

CEC manages capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain the capital structure, CEC may adjust the amount of dividends paid to the shareholder, return capital to the shareholder, repurchase shares currently issued, issue new shares, issue new debt, issue new debt to replace existing debt with different characteristics and/or sell assets to reduce debt.

CEC monitors capital utilising a number of measures, including the gearing ratio. The gearing ratio is calculated as net borrowings (total borrowings less cash) divided by shareholders' equity.

The capital structure and gearing ratio of CEC at the reporting date was as follows:

	Three months ended 31 August		Year ended 31 May		
(ZAR'm)	**2025**	**2024**	**2025**	**2024**	**2023**
Borrowings	1 572.5	1 898.0	1 699.3	1 900.0	1 900.0
Trade and other payables	1 442.9	975.0	1 179.1	219.6	1 032.5
Total borrowings	**3 015.4**	**2 873.1**	**2 878.4**	**2 119.6**	**2 932.5**
Cash and cash equivalents	(69.1)	(14.1)	(38.1)	(24.4)	(6.4)
Net borrowings	**2 946.3**	**2 859.0**	**2 840.3**	**2 095.2**	**2 926.2**
Equity	1 391.2	1 499.8	1 394.0	1 553.4	1 840.6
Gearing Ratio	212%	191%	204%	135%	159%

Financial risk management

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk consists mainly of cash deposits, cash equivalents, loans receivable, advances to customers and trade and other receivables. If there is no independent rating, risk control assesses the credit quality of the customer taking into account its financial position, past experience and other factors. Individual risk limits are based on internal or external ratings in accordance with limits set by the Board. The utilisations of credit limits are regularly monitored.

CEC customer advances represent sale of handsets to the end Cell C contract subscribers and are received by CEC over a maximum of 36 months.

Under the "Supply, Sale and Financing of Products Agreement" effective 1 November 2020, Cell C does not guarantee bad debts and cancellations. CEC is exposed to the credit risk of the population of the underlying subscribers who are all customers of Cell C.

CEC is currently looking at various avenues to diversify its risks away from Cell C. The carrying values of the receivables approximate the fair values.

This customer base is widely dispersed throughout South Africa, and no significant concentrations of credit risk have been noted.

The business model of these financing arrangements exposes the Group to the credit risk of the population of the underlying subscribers who are all customers of Cell C and other business partners of CEC. Management has put in place credit risk policies as well as stringent customer acceptance policies and limits to manage the credit risk exposure at deal initiation.

Subsequent to deal initiation, credit risk at a subscriber level is managed through a combination of policies and procedures which limit the customers' ability to incur further debt should their accounts not be up to date. The collateral requirements of the previous deal with Cell C remain in place on the portion of the book still operated under this previous business model and are as follows:

- CEC has stringent requirements for the granting of credit to these customers;
- CEC has direct access to the customer cash flows received by Cell C in respect of the handsets and devices financed;
- CEC has direct access to the customer cash flows received by Cell C in respect of the customer subscriptions; and
- in the unlikely event of default, CEC has the right to sell the customer base.

CEC calculates an ECL over the lifetime of the instruments in this portfolio in accordance with the simplified model in IFRS 9 using a provision matrix which takes into account roll rates, past performance and applicable forward looking indicators in line with Group policy. For a description of the methodology used to calculate ECLs, see Note 33 to the Annual Historical Financial Information of Comm Equipment Company Proprietary Limited for the Year Ended 31 May 2025, 2024 and 2023 contained elsewhere in this Pre-listing Statement.

As part of managing the credit risk, CEC have implemented various forms of book sales discussed below.

The maximum exposure to credit risk is presented in the table below:

(ZAR'm)	**Gross carrying amount**	**Credit loss allowance**	**Amortised cost/fair value**
31 August 2025			
Loans to Group companies	95.9	(3.9)	92.0
Loans receivable	450.3	56.2	506.5
Trade and other receivables	313.0	(0.6)	312.4
Cash and cash equivalents	69.1	–	69.1
Advances to customers	2 103.9	(349.7)	1 754.2
	3 032.2	**(298.0)**	**2 734.2**
31 August 2024			
Loans to Group companies	95.9	(0.2)	95.7
Loans receivable	685.3	32.5	717.8
Trade and other receivables	984.8	(1.6)	983.2
Cash and cash equivalents	14.1	–	14.1
Advances to customers	1 908.5	(301.7)	1 606.8
	3 688.6	**(271.0)**	**3 417.6**

(ZAR'm)	**Gross carrying amount**	**Credit loss allowance**	**Amortised cost/fair value**
2025			
Loans to Group companies	92.3	(0.3)	92.0
Loans receivable	459.2	56.0	515.2
Trade and other receivables	119.4	(0.6)	118.8
Cash and cash equivalents	38.2	–	38.2
Advances to customers	1 908.3	(264.5)	1 643.8
	2 617.3	**(209.3)**	**2 408.0**
2024			
Loans to Group companies	86.0	(0.2)	85.7
Loans receivable	696.0	32.5	728.5
Trade and other receivables	562.1	(1.6)	560.5
Cash and cash equivalents	24.4	–	24.4
Advances to customers	1 435.8	(199.5)	1 236.4
	2 804.3	**(168.7)**	**2 635.6**
2023			
Loans to Group companies	9.0	(0.9)	8.1
Loans receivable	926.5	6.4	932.9
Trade and other receivables	340.0	(2.1)	338.0
Cash and cash equivalents	6.4	–	6.4
Advances to customers	2 839.2	(582.0)	2 257.2
	4 121.1	**(578.6)**	**3 542.5**

Amounts are presented at amortised cost or fair value depending on the accounting treatment of the item presented. The gross carrying amount for debt instruments at fair value through OCI is equal to the fair value because the credit loss allowance does not reduce the carrying amount. The credit loss allowance is only shown for disclosure purposes. Debt instruments at fair value through profit or loss do not include a loss allowance. The fair value is therefore equal to the gross carrying amount.

The credit loss allowance on advances to customers moved from ZAR199.5 million in the year ended 31 May 2024 to ZAR264.5 million in the year ended 31 May 2025. The movement can be broken down as follows: ZAR494.5 million increase relates to new allowances and the decrease of ZAR429.5 million relates to allowances utilised (including written off debt).

The credit loss allowance on advances to customers moved from ZAR582.0 million in the year ended 31 May 2023 to ZAR199.5 million in the year ended 31 May 2024. The movement can be broken down as follows: ZAR361 million increase relates to new allowances and the decrease of ZAR744 million relates to allowances utilised (including written off debt).

Transferred financial assets

Management has conducted an assessment of the retained credit risk following the transfer of customer advances related to the three book sales. After comparing the retained credit risk before and after the transfer and evaluating it against management's internal threshold for retained credit risk, it was determined that for Book Sale One, substantially all credit risk has been transferred. However, for Book Sale Two, the transaction resulted in the derecognition of the book as the transfer qualifies for derecognition, except for a contractually specified portion of the book, referred to as the holdback debtor, for which CEC retained the risks and rewards associated of ownership. This transaction also resulted in CEC obtaining a new financial asset, referred to as the Escrow debtor for which a risk margin is held in an Escrow account. CEC has a contractual right to the remaining balance in the Escrow account at the end of a specified period. The Escrow debtor was recognised at fair value and is measured at fair value through profit or loss. Book Sale Three consisted of fully written-off advances to customers; therefore, the proceeds are considered a recovery of bad debts.

(ZAR'm)	**Gross carrying amount**	**Credit loss allowance**	**Amortised cost/fair value**
31 August 2025			
Not derecognised			
Advances to customers*	–	–	–
Financial asset recognised			
Escrow receivable at fair value through profit or loss	42.2	–	42.2
	42.2	–	42.2
31 August 2024			
Not derecognised			
Advances to customers*	–	–	–
Financial asset recognised			
Escrow receivable at fair value through profit or loss	25.1	–	25.1
	25.1	–	25.1

(ZAR'm)	**Gross carrying amount**	**Credit loss allowance**	**Amortised cost/fair value**
2025			
Not derecognised			
Advances to customers*	18.1	(4.9)	13.2
Financial asset recognised			
Escrow receivable at fair value through profit or loss	32.4	–	32.4
	50.4	(4.9)	45.6
2024			
Not derecognised			
Advances to customers*	66.6	(15.0)	51.7
Financial asset recognised			
Escrow receivable at fair value through profit or loss	25.1	–	25.1
	91.7	(15.0)	76.7
2023			
Not derecognised			
Advances to customers*	–	–	–
Financial asset recognised			
Escrow receivable at fair value through profit or loss	–	–	–
	–	**–**	**–**

* This relates to the hold back receivable amount.

	2025		2024		2023	
(ZAR'm)	**Net carrying amount**	**Proceeds**	**Net carrying amount**	**Proceeds**	**Net carrying amount**	**Proceeds**
Book sale one	–	–	469.2	437.8	–	–
Book sale two	–	–	760.5	618.8	–	–
Book sale three	–		–	94.4	–	–
Book sale four	716.2	575.5	–	–	–	–
Book sale five		29.6	–	–	–	–
	716.2	**605.1**	**1 229.8**	**1 151.0**	**–**	**–**

Book sale one

In September 2023, African Bank Limited ("**ABL**") entered into an agreement with CEC, whereby CEC agreed to sell and transfer receivables (all rights, title and interest with respect to the remaining handset fee payable by a subscriber under a subscriber agreement) to ABL. The purchase price of the receivable was equal to the outstanding handset fee for such receivable (*i.e.* no discount). CEC paid ABL a monthly facility fee for all debtors sold, calculated by applying the facility fee rate to the outstanding handset receivable balance on the last business day of the month. The proceeds in respect of book sale one have been reduced by a facility fee of R55 million (2024: R68 million) included in finance costs.

Book sale two

In March 2024, ABL and CEC agreed to the following amendments to the original agreement as it relates to book sale two.

The purchase price paid at the date of sale is equal to 90% of the present value of expected contractual cash flows due over the remainder of the subscription term.

CEC agreed that ABL may transfer back to CEC, at the end of 4 months, specified non-performing advances referred to as the holdback receivable. Based on the nature of the contractually specified advances, it is virtually certain at the transaction date that CEC will retain ownership of these advances to customers, and therefore at the transaction date, it was determined that CEC retained the risks and rewards associated of ownership relating to the specified advances. Contractually, the advances subject to the holdback arrangement is capped at maximum of 10% of the present value of the expected cash flows of the book sold to ABL.

This transaction also resulted in CEC obtaining a new financial asset, referred to as the Escrow debtor for which a risk margin is held in an Escrow account. CEC has a contractual right to the remaining balance in the Escrow account at the end of a specified period. The Escrow debtor was recognised at fair value and is measured at fair value through profit or loss.

Included in the 2024 financial assets at fair value through profit or loss is ZAR51.6 million relating to the 10% hold back on the African Bank book sales that have not been derecognised.

Included in the 2024 finance cost is ZAR93 million in respect of book sale two is included in finance costs.

The impact of the above in the statement of profit or loss and other comprehensive income is disclosed separately on the face as derecognition losses amounting to is ZAR53 million.

Book sale three

CEC sold receivables which had been written off as irrecoverable to a third-party for which CEC retained no involvement post the sale.

Book sale four

This was transacted on similar terms to that of book sale 2.

At year-end all advances to customers sold passed the initial four month hold back period and as such there is no balance remaining included in the advances to customers balance.

Included in the financial assets at fair value through profit or loss is ZAR96 million relating to the 10% hold back on the African Bank book sales that have not been derecognised.

A finance cost of ZAR83 million in respect of book sale four is included in finance costs.

The impact of the above in the statement of profit or loss anbd other comprehensive income is disclosed separately on the face as derecognition losses amounting to ZAR43 million.

Book sale five

CEC sold receivables which had been written off as irrecoverable for which CEC retained no involvement post the sale.

Liquidity risk

CEC is exposed to liquidity risk, which is the risk that CEC will encounter difficulties in meeting its obligations as they become due.

CEC manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing requirements are met through a mixture of cash generated from operations and long and short-term borrowings.

Committed borrowing facilities are available for meeting liquidity requirements and deposits are held at central banking institutions.

To assist Cell C with working capital requirements, CEC sold a portion of its handset receivable book to ABL. The funds generated from this transaction is transferred to TPC, and ultimately to Cell C through the acquisition of airtime.

The liquidity is maintained through the strategic sale of debt relating to handset financing.

The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

(ZAR'm)	**Less than 1 year**	**1 to 2 years**	**2 to 5 years**	**Total**	**Carrying amount**
31 August 2025					
Non-current liabilities					
Borrowings	–	1 310.1	–	1 310.1	1 019.6
Current liabilities					
Trade and other payables	1 442.9	–	–	1 442.9	1 442.9
Borrowings	731.7	–	–	731.7	552.9
	2 174.6	**1 310.1**	**–**	**3 484.7**	**3 015.4**
31 August 2024					
Non-current liabilities					
Borrowings	–	1 317.2	–	1 101.7	1 515.0
Current liabilities					
Trade and other payables	975.0	–	–	975.0	975.0
Borrowings	734.4	–	–	734.4	383.1
	1 709.4	**1 317.2**	**–**	**2 811.1**	**2 873.1**

(ZAR'm)	**Less than 1 year**	**1 to 2 years**	**2 to 5 years**	**Total**	**Carrying amount**
2025					
Non-current liabilities					
Borrowings	–	734.4	582.8	1 317.2	1 165.8
Current liabilities					
Trade and other payables	1 181.3	–	–	1 181.3	1 179.1
Borrowings	734.4	–	–	734.4	533.5
	1 915.7	**734.4**	**582.8**	**3 232.9**	**2 878.4**
2024					
Non-current liabilities					
Borrowings	–	776.2	1 220.1	1 996.4	1 659.4
Current liabilities					
Trade and other payables	207.1	–	–	207.1	207.1
Borrowings	512.0	–	–	512.0	240.6
	1 815.5	**776.2**	**1 220.1**	**2 715.5**	**2 107.1**

(ZAR'm)	Less than 1 year	1 to 2 years	Total	Carrying amount
2023				
Non-current liabilities				
Borrowings	–	513.4	513.4	492.7
Current liabilities				
Trade and other payables	1 037.2	–	1 037.2	1 032.5
Borrowings	1 538.8	–	1 538.8	1 407.3
Bank overdraft	45.2	–	45.2	45.2
	1 815.5	**513.4**	**3 134.7**	**2 977.8**

Foreign currency risk

CEC purchases stock from foreign suppliers. Foreign exchange contracts are entered into by CEC for these purchases. There were no open FECs at the end of May 2025.

Interest rate risk

CEC is exposed to interest rate risk stemming from loans received from banks as we are charged a variable rate. CEC, in turn, charges Cell C interest on the deferred loan at a fixed rate.

CEC analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, CEC considers the impact on profit and loss of a defined interest rate shift.

All else being equal for the period ended 31 August 2025, had the Prime interest rate been 1% higher or lower, post-tax profit and equity impact would have been ZAR7.9 million (31 August 2024: ZAR4.5 million) higher and ZAR7.9 million (31 August 2024: ZAR4.5 million) lower respectively.

All else being equal, had the Prime interest rate been 1% higher or lower, post-tax profit and equity impact would have been ZAR5.2 million (2024: ZAR0.9 million; 2023: ZAR12.7 million) higher and ZAR5.2 million (2024: ZAR0.9 million; 2023: ZAR12.7 million) lower respectively.

Price risk

CEC is exposed to equity securities price risk because of an investment held by the Company and classified on the statement of financial position at fair value through profit or loss. CEC has shares in its ultimate holding company, BLT, which is listed on the Johannesburg Stock Exchange ("**JSE**"). These shares are held specifically for CEC's equity compensation benefit plan.

All financial assets at fair value through profit or loss are level one financial assets.

At 31 May 2025, if the price index on the JSE has been 1% higher/(lower) during the period, with all other variables held constant, profit or loss for the year and equity impact would have been ZAR 24 934 (2024: ZAR57 393; 2023: ZAR99 501) higher/(lower).

PART XIII – CAPITAL ALLOCATION FRAMEWORK, INCLUDING DIVIDENDS AND DIVIDEND POLICY

Capital allocation framework

The Board has implemented a disciplined capital allocation framework, underpinned by a commitment to a sustainable leverage level and a strong and flexible balance sheet to support its clear strategic ambitions, coupled with a market-appropriate dividend policy. The capital allocation policy is focused on four key pillars:

1. Maintenance of sustainable leverage: Ensuring a strong balance sheet positioned for growth, with the Group targeting will target a leverage ratio of less than 1.0x net debt to EBITDA;
2. Return-enhancing organic growth opportunities: Organic growth opportunities will be assessed in accordance with the Group's strict investment criteria;
3. Robust dividend policy: The Group's dividend policy is market-appropriate, set at a dividend payout ratio of between 30% and 50% of free cash flow; and
4. Selective investment in inorganic growth: Due assessment will be given, at the appropriate time, to investments in businesses technologies, services, products, software, intellectual property rights, spectrum and other assets in the future. Consideration will be given to those investments that have demonstrable ROIC exceeding the Group's cost of capital, which aligns to the Group's strategic objectives.

Dividend Policy

The Board recognises the importance of maintaining a consistent dividend policy and will endeavour to avoid volatile swings in the dividend profile by ensuring -high-quality -medium-term strategic and financial planning.

Any dividend proposed by the Board in respect of any financial period will be dependent on and influenced by, among other considerations, the Group's operating results, financial position, investment strategy, capital requirements and strategic initiatives. The Company will seek to ensure that there is sufficient cash available and cash is generated by the business which will contribute to funding for the Company's growth aspirations. Leverage will be used responsibly to maintain its strategic flexibility.

In this respect, the Board has adopted a dividend policy targeting an annual pay-out of between 30% and 50% of free cash flow, payable in two instalments within the financial year. The first dividend payment is expected to be in the financial year ended 31 May 2027.

Notwithstanding its adopted dividend policy and intention, the Board retains absolute discretion to determine actual dividend declarations, and the Company may revise its dividend policy from time to time. There is no assurance that a dividend will be declared and/or paid in respect of any financial period, and any decision as to whether to pay cash dividends or other distributions (such as a return of capital to shareholders through share repurchases, for example) will depend upon a variety of factors, including retaining adequate liquidity to fund planned capital expenditure, the Group's cash flow, any contractual restrictions, debt servicing requirements, loan covenants, other cash requirements existing at the time, and other considerations. In addition, any future dividends will be dependent on, *inter alia*, statutory requirements (including the solvency and liquidity test under the South African Companies Act), macro-economic conditions, agreements with third-party and affiliated lenders and capital markets. There is no arrangement under which future dividends are waived or agreed to be waived.

None of the matters outlined in this *"Part XIII – Capital Allocation Framework, including Dividends and Dividend Policy"* of this Pre-listing Statement have been reported on by the Independent Auditor.

PART XIV – INCORPORATION AND SHARE CAPITAL

INCORPORATION

The Company was registered and incorporated in South Africa on 29 August 2025 as a public company with registration number 2025/688465/06.

The Company is a holding company for the Group, which will be constituted pursuant to the Restructuring (the details of which are set out in *"Part VIII – Restructuring and formation of the Group"* of this Pre-listing Statement). The Cell C business was established in 1999 and has conducted its operations since then.

The registered address and head office of the Company is Waterfall Campus, corner Maxwell Drive and Pretoria Main Road, Buccleuch Ext 10, Gauteng, 2090.

The business of the Group is not subject to any degree of government protection and of any investment encouragement law affecting the business of the Group.

RESTRUCTURING

In order to facilitate the Offer and the Admission, a Restructuring process is being undertaken (the details of which are set out in *"Part VIII – Restructuring and formation of the Group"* of this Pre-listing Statement). This Restructuring will be completed on the Second Closing Date, at which point the share capital of the Company and Cell C will change.

SHARE CAPITAL AND STATED CAPITAL

Share capital on the Last Practicable Date

The authorised and issued share capital of **the Company** on the Last Practicable Date is as follows:

	Number of Ordinary Shares
Authorised share capital	5 000 000 000
Issued share capital(1)	
TPC	1

Notes:

(1) The stated capital on the Last Practicable Date is ZAR1.

On 29 October 2025, a special resolution of the shareholders of Cell C was passed converting its share capital to a single class of ordinary shares and increasing its authorised share capital to 500 000 000 000. The authorised and issued share capital of **Cell C** on the Last Practicable Date is as follows:

	Number of ordinary shares
Authorised share capital	500 000 000 000
Issued share capital(1)	
TPC	871 905 131
Lesaka Technologies Proprietary Limited	75 000 000
K2021889191 (SA) (RF) Proprietary Limited	178 078 047
K2022559963 (SA) (RF) Proprietary Limited	146 156 095
Nedbank Limited	110 028 515
Albanta Trading 109 Proprietary Limited	80 393 160
Total	**1 461 560 948**

Notes:

(1) The stated capital on the Last Practicable Date is ZAR25 668 830 100.

Share capital on the Second Closing Date

The authorised and issued share capital of **the Company** on the Second Closing Date (pursuant to implementation of the Restructuring) is as follows:

	Number of Ordinary Shares
Authorised share capital	5 000 000 000
Issued share capital(1)	
TPC	339 811 534
Lesaka Technologies Proprietary Limited	53 255
Nedbank Limited	78 127
Albanta	57 084
Total	**340 000 000**

Notes:

(1) The stated capital on the Second Closing Date is between ZAR10 030 000.00 and ZAR12 070 000 000.

The authorised and issued share capital of **Cell C** on the Second Closing Date (pursuant to implementation of the Restructuring) is as follows:

	Number of ordinary shares
Authorised share capital	500 000 000 000
Issued share capital(1)	
The Company	478 563 596 440

Notes:

(1) The stated capital on the Second Closing Date is ZAR25 668 830 100.

Share capital on the Admission Date

The authorised and issued share capital of **the Company** on Admission Date is expected to be as follows:

	Number of Ordinary Shares
Authorised share capital	5 000 000 000
Issued share capital(1)(2)	340 000 000

Notes:

(1) The stated capital on the Admission Date is expected to be between ZAR10 030 000 00 and ZAR12 070 000 000.

(2) The expected issued share capital on the Admission Date assumes an Offer Price in the middle of the Offer Price Range.

There has been no alteration to the Company's capital during the past three years.

On Admission Date there are no treasury shares held in the Company and none of the securities of the Company are listed on any other securities exchange. There have been no consolidations or subdivisions of the securities of the Company during the past 3 years. Under the terms of the Company MOI, the rights of the holders of Ordinary Shares may be varied only by way of an extra-ordinary special resolution of such Shareholders.

Each Ordinary Share in the capital of the Company is of no-par value and shall rank *pari passu* in respect of all rights with every other Ordinary Share.

DESCRIPTION OF SECURITIES

Set out in *"Annexe 19 – Extracts From The Company MOI and The MOIs of The Major Subsidiaries"* to this Pre-listing Statement are extracts of the relevant provisions of the Company MOI, regarding, among other things, preferential conversion and or exchange rights of the Ordinary; consent necessary for the variation of rights attaching to the Ordinary Shares; voting rights of the Ordinary Shares; rights to dividends, profits or capital or any other rights of the Ordinary Shares; and control over the issue or disposal of the authorised but unissued Ordinary Shares.

OPTIONS OR PREFERENTIAL RIGHTS IN RESPECT OF SHARES

Other than pursuant to the Restructuring (the details of which are set out in *"Part VIII – Restructuring and formation of the Group"* of this Pre-listing Statement, there is no contract or arrangement, nor has any been proposed, whereby any option or preferential right of any kind has been or will be given to any person to subscribe for any shares in the Company or its Major Subsidiaries.

There are no conversion or exchange rights to Ordinary Shares, nor do any Shareholders have any redemption rights or preferential rights to profits or capital.

COMMISSIONS, DISCOUNTS, BROKERAGES OR SPECIAL TERMS

No commissions, discounts, brokerages or other special terms have been granted by the Company its Major Subsidiaries in the three years preceding the date of this Pre-listing Statement in connection with the issue or sale of any shares save for the commissions payable in connection with the Offer in terms of the Placement Agreement, a summary of which is as set out in *"Part II – Overview of the Offer – Placement Agreement"* of this Pre-listing Statement.

AUTHORISATIONS

On 22 October 2025, TPC, as sole shareholder of the Company, appointed the members of the Audit, Risk and Compliance Committee, the Remuneration Committee, the Nominations and Corporate Governance Committee and the Social and Ethics Committee.

On 30 October 2025 the following special resolutions were duly passed by TPC, as sole shareholder of the Company, among other resolutions:

- adopting the Company MOI;
- authorising the provision of financial assistance in terms of Section 44 and 45 of the Companies Act, which approves such financial assistance either for a specific recipient, or generally for a category of potential recipients and the specific recipient falls within that category;
- granting a general authority to the Company to issue up to 30% of the Company's ordinary shares as at Admission Date (being a maximum of 102 000 000 ordinary shares) for cash under a general authority as contemplated in paragraph 5.52(e) of the JSE Listings Requirements;
- granting a general authority to the Company to repurchase up to 20% of the Company's ordinary shares in issue as at Admission Date (being a maximum of 68 000 000 ordinary shares) as contemplated in paragraph 5.72(c) of the JSE Listings Requirements, read together with sections 46 and 48 of the Companies Act; and
- authorising the remuneration of the Non-executive Directors as compensation for their services, and for their services as members of the various committees of the Board, in terms of section 66(9) of the Companies Act.

SECURITIES ISSUED OR TO BE ISSUED OTHER THAN FOR CASH

Except pursuant to the Restructuring, no shares have been, within the 3 years preceding the date of this Pre-listing Statement, issued, or agreed to be issued, by the Company or any of its subsidiaries to any person, other than for cash.

ALTERATION OF SHARE CAPITAL

No alterations to the share capital of the Company have occurred in the three years prior to the Last Practicable Date.

PREVIOUS OFFERS AND ISSUES

Other than the Offer and the Restructuring and as set out below, no material issues of or offers of the securities of the Company, including those of any Major Subsidiary, were made during the three years prior to the Last Practicable Date which were material to the Company.

In the three years prior to the Last Practicable Date, the following Cell C Shares have been transferred:

Date	No. Cell C Shares transferred	Seller/s	Purchaser	Purchase Price
11 September 2025	59 000 000 A ordinary shares	SPV1	TPC (warehoused in TMF)	R0
16 September 2025	Dos Santos 9 375 000 B shares Pasley 6 250 000 B shares Mackinnon 6 250 000 B shares Coverly 3 125 000 B shares	Dos Santos Pasley Mackinnon Coverly (collectively referred to as **M5**)	SPV4	Dos Santos ZAR937 50 Pasley ZAR625 Mackinnon ZAR625 Coverly ZAR312.50
29 October 2025	88 939 299 A ordinary shares	Gramercy	TPC	ZAR6 000 000

SHAREHOLDING

Controlling Shareholders as at the Last Practicable Date after implementation of the Cell C Listco Flip-Up

TPC (direct shareholding) – 100%

Controlling Shareholders as at the Second Closing Date after implementation of the Cell C Listco Flip-Up

TPC (direct shareholding) – 99.94% and 95.44% after the Executive Transfer.

As at Admission, after completion of the Offer, TPC will hold at least 41.64% of the Ordinary Shares and the Company will meet the spread and minimum free float requirements as set out in the JSE Listings Requirements.

Major Shareholders as the Last Practicable Date

As far as the Directors are aware, as at the Last Practicable Date, the following persons are the direct or indirect beneficial owners of 5% or more of the total Ordinary Shares in issue:

TPC (direct shareholding) – 100%

BLU (indirect shareholding) – 100%

Major Shareholders as the Second Closing Date

As far as the Directors are aware, as at the Second Closing Date after implementation of the Cell C Listco Flip-Up, the following persons are the direct or indirect beneficial owners of 5% or more of the total Ordinary Shares in issue:

- TPC (direct shareholding) – 99.94% and 95.44% after the Executive Transfer.
- BLU (indirect shareholding) – 99.94% and 95.44% after the Executive Transfer.

PART XV – TAXATION

The following summary describes certain tax consequences in connection with the acquisition, ownership and disposal of the Offer Shares. This summary is based on the laws as in force and as applied in practice on the Last Practicable Date and is subject to changes to those laws and practices subsequent to such date. In the case of persons who are non-residents of South Africa for income tax purposes, this summary should be read in conjunction with the provisions of any applicable double tax agreement between South Africa and their country of residence. The summary is intended as a general guide only and is not comprehensive or determinative and should not be regarded as tax advice. Accordingly, if you are in any doubt about your tax position you should consult an appropriate independent professional adviser.

SOUTH AFRICAN TAXATION

Taxation issues

The following is a high-level summary of the material South African tax consequences in connection with the acquisition, ownership and disposal of the Offer Shares. The following summary is not a comprehensive description of all of the tax considerations that may be relevant to a decision to acquire, purchase, own or dispose of the Offer Shares and does not cover tax consequences that depend upon your particular tax circumstances or jurisdictions outside of South Africa. This summary is only a general discussion, and it is not a substitute for tax advice.

The discussion in this section is based on South African law as at the Last Practicable Date. Changes in the law may alter the tax treatment of the Offer Shares, as applicable, possibly on a retrospective basis. It is recommended that you consult your own tax adviser about the consequences of subscribing for and purchasing, holding, disposing of the Offer Shares, as applicable, in your particular situation.

Tax implications on disposal of shares

The tax position of a Shareholder in respect of the future disposal of Ordinary Shares is dependent on such Shareholder's individual circumstances, including whether it holds the respective Ordinary Shares as capital assets or as trading stock, whether the respective Shares are held by an individual, Company, trust, collective investment scheme or pension fund. The outcome would further be dependent on the jurisdiction of tax residence of the Shareholder and whether that Shareholder may place reliance on a double tax agreement concluded between South Africa and the Shareholder's jurisdiction of tax residence.

Securities transfer tax

The transfer by a Shareholder of Ordinary Shares will be subject to securities transfer tax. Securities transfer tax is imposed in respect of the transfer of listed shares (including the cancellation or redemption of a share) at the rate of 0.25% of the taxable amount being the amount of the consideration for the share or if no amount of consideration is declared, or if the amount so declared is less than the lowest price of that security, the closing price of the security, determined in terms of the Securities Transfer Tax Act. The definition of "transfer" in the Securities Transfer Tax Act excludes the issue of a share and hence no securities transfer tax is payable on the issue of a share.

Tax implications of future dividends

Dividends may have South African tax implications for both South African tax resident and non-tax resident Shareholders. To the extent that the dividend constitutes a "dividend" as defined in Section 1 of the Income Tax Act, the dividend may be subject to dividends tax. However, this depends on the Shareholder's individual circumstances. South African tax resident and non-resident Shareholders that are liable for dividends tax will be subject to dividends tax at a rate of 20%. South African non-tax resident Shareholders may be subject to dividends tax at a reduced rate, depending on their country of residence and the applicability of any double tax agreement concluded between South Africa and their country of residence and certain administrative procedures which need to be complied with.

UNITED STATES TAXATION

Certain United States Federal Income Tax Considerations

The following discussion is a summary of certain U.S. federal income tax consequences of acquiring, owning and disposing of the Offer Shares. This discussion applies only to beneficial owners of Offer Shares that are "U.S. Holders," as defined below, that acquire Offer Shares in this offering and hold Offer Shares as "capital assets" (generally, property held for investment) within the meaning of Section 1221 of the *U.S. Internal Revenue Code of 1986*, as amended ("**Code**"). This discussion is based upon the Code, its legislative history, existing final, temporary and proposed U.S. Treasury regulations ("**Treasury Regulations**"), administrative pronouncements by the U.S. Internal Revenue Service ("the **IRS**"), and judicial decisions, all as of the date of this Pre-listing Statement and all of which are subject to change, possibly on a retroactive basis, and to different interpretations.

This discussion does not purport to address all U.S. federal income tax consequences that may be relevant to a particular U.S. Holder and you are urged to consult your own tax advisor regarding your specific tax situation. This discussion does not address the tax consequences that may be relevant to U.S. Holders subject to special tax rules, including, for example:

- insurance companies;
- tax-exempt organisations;
- dealers in securities or currencies;
- traders in securities that elect to mark-to-market their securities holdings;
- banks or other financial institutions;
- partnerships or other pass-through entities;
- persons whose functional currency for U.S. federal income tax purposes is not the U.S. dollar;
- U.S. expatriates;
- regulated investment companies;
- real estate investment trusts;
- certain taxpayers that file applicable financial statements and are required to recognise income when the associated revenue is reflected on such financial statements;
- "controlled foreign corporations";
- persons that hold our Offer Shares as part of a hedge, straddle, conversion or other integrated transaction; or
- persons that own or have owned directly, indirectly or constructively 10% or more of our Ordinary Shares by vote or value.

Further, this discussion does not address any alternative minimum tax consequences, any tax consequences to partnerships, or any other entities treated as partnerships for U.S. federal income tax purposes, that own Offer Shares or any partners thereof or the tax on "net investment income". In addition, this discussion addresses only certain U.S. federal income tax consequences and does not address any state, local, non-U.S. or any other tax (such as gift and estate tax) tax consequences of acquiring, owning and disposing of Offer Shares.

You are a "U.S. Holder" if you are a beneficial owner of Offer Shares and you are for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation created or organised in or under the laws of the United States, any state thereof, or the District of Columbia;
- an estate the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust if (i) a court within the United States is able to exercise primary supervision over its administration and one or more U.S. persons have the authority to control all substantial decisions of the trust or (ii) the trust has an election in effect under current Treasury Regulations to be treated as a U.S. person.

If a partnership (or any other entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds Offer Shares, the U.S. federal income tax treatment of a partner will generally depend upon the status of the partner and upon the activities of the partnership. A partner of a partnership considering the purchase, ownership or disposition of Offer Shares should consult its own independent tax advisor. Except where otherwise noted, this discussion assumes that, and the Group believes that it is not, and will not become, a passive foreign investment company, ("**PFIC**"), as described below.

Distribution on Offer Shares

Distributions made by the Company of cash or property with respect to the Offer Shares, including amounts withheld to pay South African tax, generally will be treated as dividends for U.S. federal income tax purposes to the extent paid out of the Company's current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Such dividends generally will be taxed to a U.S. Holder as ordinary dividend income. A dividend will be included in a U.S. Holder's income on the date of the U.S. Holder's actual or constructive receipt of the dividend. Distributions in excess of the Company's current or accumulated earnings and profits will be treated first as a non-taxable return of capital, thereby reducing a U.S. Holder's adjusted tax basis (but not below zero) in the Offer Shares (*i.e.*, the initial cost of Offer Shares to the U.S. Holder as reduced by any such previous distribution in excess of our current or accumulated earnings and profits with respect to such Offer Shares), and thereafter will be either long-term or short-term capital gain depending upon whether the U.S. Holder held the Offer Shares for more than 1 year as of the time such distribution is actually or constructively received. Because the Company does not expect to maintain calculations of its earnings and profits in accordance with U.S. federal income tax principles, U.S. Holders should assume that the entire amount of a distribution generally will be treated as a dividend for U.S. federal income tax purposes. As used below, the term "dividend" means a distribution that constitutes a dividend for U.S. federal income tax purposes. Dividends paid by the Company may not be eligible for the dividends received deduction provided under the Code for certain U.S. corporate shareholders.

Subject to certain holding period requirements and other conditions, dividends paid to non-corporate U.S. Holders may be eligible for preferential rates of taxation if the dividends give rise to "qualified dividend income" for U.S. federal income tax purposes. Dividends received with respect to the Offer Shares will be qualified dividends if the Company (i) is eligible for the benefits of a comprehensive income tax treaty with the United States that the IRS has approved for the purposes of the qualified dividend rules and (ii) was not, in the taxable year prior to the taxable year in which the dividend was paid, and is not, in the taxable year in which the dividend is paid, a PFIC for U.S. federal income tax purposes with respect to the U.S. Holder.

There is currently a tax treaty in effect between the United States and South Africa ("**Treaty**") which the Secretary of Treasury has determined is satisfactory for these purposes. The Company believes that it qualifies as a resident of South Africa for purposes of, and is eligible for the benefits of, the Treaty, although there can be no assurance in this regard. As discussed below, the Company does not anticipate being a PFIC for its current taxable year or any foreseeable future taxable year. See *"Passive Foreign Investment Company Rules"*.

Dividends received with respect to its Offer Shares will be treated as foreign source income for purposes of determining a U.S. Holder's U.S. foreign tax credit limitation. A U.S. Holder may be entitled, subject to a number of complex limitations and conditions, including a minimum holding period requirement, to claim a U.S. foreign tax credit in respect of any South African income taxes withheld on dividends received on the Offer Shares (at a rate not exceeding any applicable Treaty rate). For purposes of the U.S. foreign tax credit limitation, foreign source income is separated into different "baskets," and the credit for foreign taxes on income in any basket is limited to the U.S. federal income tax allocable to such income. The dividends the Company pays for most U.S. Holders should generally constitute "passive category income". The rules relating to computing foreign tax credits are complex, and Treasury Regulations impose requirements that must be met for a foreign tax to be creditable, including requirements that the withholding tax constitutes a "covered withholding tax" imposed on non-residents in lieu of a generally applicable tax that satisfies the regulatory definition of an "income tax", which may be unclear or difficult to determine, or alternatively, that the U.S. Holder is entitled to a credit under the Treaty and elects to apply the Treaty. IRS notices provide temporary relief from certain of these requirements if the notice is applied consistently to all foreign taxes paid during the relevant taxable year until the date that a notice or other guidance withdrawing or modifying the temporary relief is issued (or any later date specified in such notice or other guidance). U.S. Holders who do not elect to claim a credit for any foreign income taxes paid during the taxable year may instead claim a deduction in respect of such South African income taxes, provided that if such taxes are otherwise creditable, the U.S. Holder elects to deduct (rather than credit) all otherwise creditable foreign taxes paid or accrued for the taxable year. U.S. Holders are urged to consult their own tax advisors regarding the availability of foreign tax credits or deductions with respect to any South African income taxes withheld from distributions on the Offer Shares.

The amount of any dividend paid in ZAR will equal the U.S. dollar value of the dividend, calculated by reference to the exchange rate in effect at the time the dividend is actually or constructively received by the U.S. Holder, regardless of whether the payment is in fact converted into U.S. dollars at that time. A U.S. Holder should not recognise any foreign currency gain or loss in respect of such dividend if such ZAR are converted into U.S. dollars on the date received by the U.S. Holder. If the ZAR are not converted into U.S. dollars on the date of receipt, however, a gain or loss may be recognised upon the subsequent sale or other disposition of the ZAR. Such foreign currency gain or loss, if any, will be U.S. source ordinary income or loss. U.S. Holders should consult with their own tax advisors regarding the treatment of any foreign currency gain or loss if any ZAR received as a dividend on our Offer Shares are not converted into U.S. dollars on the date of receipt.

Sale, Exchange or Other Taxable Disposition of Offer Shares

A U.S. Holder generally will recognise capital gain or loss upon the sale, exchange or other taxable disposition of Offer Shares measured by the difference between the amount realised on the sale, exchange or other taxable disposition of Offer Shares and the U.S. Holder's adjusted tax basis in the shares. Any such gain or loss will be a long-term capital gain or loss if the Offer Shares have been held for more than 1 year. Non-corporate U.S. Holders, including individuals, may be eligible for preferential rates of U.S. federal income tax in respect of long-term capital gains. The deductibility of capital losses is subject to limitations under the Code.

A capital gain or loss, if any, realised by a U.S. Holder on the sale, exchange or other taxable disposition of Offer Shares generally will be treated as U.S. source gain or loss for U.S. foreign tax credit purposes. Consequently, in the case of a gain from the disposition of a share that is subject to South African income tax (see *"South African Taxation – Tax implications on disposal of shares"),* even if such tax were considered creditable in principle for this purpose, the U.S. Holder may not be able to benefit from the foreign tax credit for that South African income tax (*i.e.*, because the gain from the disposition would be U.S. source), unless the U.S. Holder has sufficient other income from foreign sources in the relevant foreign tax credit basket. The rules relating to foreign tax credits are complex, and under the Treasury Regulations described above, taxes on disposition gains are likely not creditable. IRS notices provide temporary relief from certain of the provisions of those Treasury Regulations if the notice is applied consistently to all foreign taxes paid during the relevant taxable year until the date that a notice or other guidance withdrawing or modifying the temporary relief is issued (or any later date specified in such notice or other guidance). Even if these Treasury Regulations do not preclude a U.S. Holder from claiming a foreign tax credit, the U.S. Holder may be precluded from claiming foreign tax credits because a relief from any South African taxes may be available under the Treaty or due to other limitations under the foreign tax credit rules. Alternatively, it is possible that South African taxes on disposition gains may either reduce the amount realised, or be deductible, subject to applicable limitations. A U.S. Holder generally will not be entitled to a credit with respect to any securities transfer tax paid with respect to the disposition of Offer Shares (as discussed in *"South African Taxation – Securities transfer tax")*. The rules governing foreign tax credits are complex, and prospective purchasers should consult their tax advisors regarding the U.S. federal income tax consequences of any South African taxes imposed on disposition gains, including creditability, deductibility and determination of the amount realised and any applicable limitations in their particular circumstances.

If you are a U.S. Holder, the initial tax basis of your Offer Shares will be the U.S. dollar value of the Rand denominated purchase price determined on the date of purchase. If the shares are treated as traded on an "established securities market", a cash method U.S. Holder, or, if it elects, an accrual method U.S. Holder, will determine the U.S. dollar value of the cost of such Offer Shares by translating the amount paid at the spot rate of exchange on the settlement date of the purchase. With respect to the sale or exchange of our Offer Shares for Rand or any other foreign currency, the amount realised generally will be the U.S. dollar value of the payment received determined on (i) the date of receipt of payment in the case of a cash basis U.S. Holder and (ii) the date of disposition in the case of an accrual basis U.S. Holder. If the Offer Shares are treated as traded on an "established securities market", a cash method U.S. Holder, or, if it elects, an accrual method U.S. Holder, will determine the U.S. dollar value of the amount realised by translating the amount received at the spot rate of exchange on the settlement date of the disposition. If a U.S. Holder sells or otherwise disposes of Offer Shares in exchange for Rand or any other foreign currency, any gain or loss that results from currency exchange fluctuations during the period from the receipt of the currency until the date that the currency is converted into U.S. dollars (or otherwise disposed of) generally will be treated as U.S. source ordinary income or loss. U.S. Holders should consult their tax advisers as to the U.S. federal income tax consequences of the receipt of Rand or any other foreign currency on the sale or other disposition of Offer Shares.

Passive Foreign Investment Company Rules

For U.S. federal income tax purposes, a non-U.S. corporation will be considered a PFIC for any taxable year in which (i) 75% or more of its gross income is "passive income" under the PFIC rules, or (ii) 50% or more of the average value of its assets (generally determined on a quarterly basis) is attributable to assets that produce, or are held for the production of, "passive income". For this purpose, "passive income" generally includes interest, dividends, rents, royalties and certain gains, subject to certain exceptions. Relevant factors include the extent to which we hold cash or cash equivalents, or properties that do not generate income, and the relative values of our "active" and "passive" assets. All such items may vary from time to time. If a non-U.S. corporation owns, directly or indirectly, at least 25%, by value, of the shares of another corporation, it will be treated for purposes of these tests as if it holds directly its proportionate share of the gross assets and receives directly its proportionate share of the gross income of such other corporation.

The determination as to whether a non-U.S. corporation is a PFIC is based on the application of complex U.S. federal income tax rules, which are subject to differing interpretations, the composition of the income, expenses and assets of the non-U.S. corporation from time to time and the nature of the activities performed by its officers and employees. For this reason, while the Group does not presently expect to be a PFIC for the current taxable year or the foreseeable future, there can be no assurance that the composition of its income and assets will not change, or that the IRS will not reach a contrary conclusion. You are urged to consult your tax advisors regarding the risks associated in investing in a Company that may be a PFIC. Further, the PFIC tests must be applied each taxable year, and it is possible that the Group may become a PFIC in a future taxable year if the nature and extent of its activities were to change, or if the composition of its income and assets change in any material respect. In addition, the Group's actual PFIC status for any taxable year is not determinable until after the end of such taxable year, and the Group does not intend to monitor its PFIC status for any future taxable year. Because of these uncertainties, it is possible that it may be a PFIC for the current or any other taxable year.

If the Group is a PFIC for any taxable year during which a U.S. Holder holds Offer Shares and any of its non-U.S. subsidiaries is also a PFIC, the U.S. Holder will be treated as owning a proportionate amount (by value) of the shares of the lower-tier PFIC for purposes of the application of the PFIC rules.

In general, if the Group is a PFIC for any taxable year during which a U.S. Holder holds (or, as discussed in the previous paragraph, is deemed to hold) Offer Shares, gain recognised by the U.S. Holder on a sale or other disposition (including, under certain circumstances, a pledge) of Offer Shares would be allocated rateably over the U.S. Holder's holding period of Offer Shares. The amounts allocated to the taxable year of the sale or other disposition and to any taxable year before the Group became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest tax rate in effect for individuals or corporations, as appropriate, for such other taxable year and an interest charge would be imposed on the tax attributable to the allocated amounts. Further, any distributions in respect of Offer Shares to the extent they exceed 125% of the average of the annual distributions on Offer Shares received by the U.S. Holder during the preceding 3 taxable years or the U.S. Holder's holding period, whichever is shorter (**excess distributions**), would be subject to taxation as described above. Dividends by and dispositions of lower-tier PFICs would also potentially be taxable to a U.S. Holder that was deemed to hold shares in the lower-tier PFIC (as discussed in the previous paragraph) under these rules. These rules would apply to a U.S. Holder that held Offer Shares during any taxable year in which we were a PFIC, even if the Group was not a PFIC in the taxable year in which the U.S. Holder sold, or received an excess distribution in respect of, its Offer Shares.

If the Group is a PFIC for any taxable year during which a U.S. Holder owns Offer Shares, it will generally continue to be a PFIC with respect to such shares even if the Group ceased to be a PFIC for subsequent taxable years. Certain elections may mitigate the adverse U.S. federal income tax consequences of owning Offer Shares of a PFIC. In particular, a U.S. Holder generally may make a mark-to-market election with respect to shares of "marketable stock" of a PFIC. If a U.S. Holder made a mark-to-market election with respect to Offer Shares, for each year that the Group is a PFIC, such U.S. Holder would generally include as ordinary income or loss the difference between the fair market value of its Offer Shares at the end of the taxable year and its adjusted tax basis of the Offer Shares (but loss could only be included to the extent of the net amount of previously included income as a result of the mark-to-market election). The U.S. Holder's tax basis in Offer Shares would be adjusted to reflect any such income or loss amounts. Any gain recognised on the sale or other disposition of Offer Shares in a taxable year that the Group is a PFIC would be treated as ordinary income, and any loss would be treated as ordinary loss to the extent of the net amount of previously included income as a result of the mark-to-market election. Under the Code and applicable Treasury Regulations, the term "marketable stock" includes stock of a PFIC that is "regularly traded" on a "qualified exchange or other market". The Offer Shares will be treated as listed on a "qualified exchange or other market" if the exchange on which they are listed has sufficient trading volume, listing and financial disclosure, is regulated or supervised by a governmental authority of the country in which the market is located and meets certain other requirements. The JSE Limited has approved the listing of all of the Ordinary Shares on the Main Board of the JSE, subject to the fulfilment of certain conditions. It is unclear whether the JSE would meet the requirements for a "qualified exchange or other market" and whether there would be sufficient trading of Offer Shares for them to be characterised as "regularly traded". Therefore, no assurance can be provided that a U.S. Holder would be able to elect mark-to-market treatment for the Offer Shares. U.S. Holders are urged to consult their tax advisors about the availability of the mark-to-market election, and whether making the election would be advisable in light of their particular circumstances. Because the mark-to-market election applies only to marketable stock, whether or not Offer Shares are treated as listed on a "qualified exchange or other market" will determine whether a mark-to-market election is available with respect to the Offer Shares. A mark-to-market election under current law is likely to be unavailable with respect to any lower-tier PFIC. U.S. Holders are urged to consult their tax advisors about the application of the PFIC rules to any of our subsidiaries. A "qualified electing fund" election, which may mitigate the adverse U.S. federal income tax consequences of owning shares of a PFIC in certain circumstances, would not be available to U.S. Holders of Offer Shares because the Group does not intend to provide the necessary information to allow U.S. Holders to make such an election.

If the Group was a PFIC, a U.S. Holder would generally be required to attach a completed IRS Form 8621 to its tax return every taxable year in which it held Offer Shares.

U.S. Holders should consult their own independent tax advisors with respect to the possibility that the Group may be treated as a PFIC and the tax consequences thereof, including the advisability and availability of any elections discussed above and the annual filing requirements.

Backup Withholding and Information Reporting

In general, dividends on Offer Shares, and payments of the proceeds of a sale, exchange or other taxable disposition of Offer Shares, paid within the United States or through certain U.S. connected financial intermediaries to a U.S. Holder are subject to information reporting and may be subject to backup withholding (currently at a 24% rate) unless the U.S. Holder (i) establishes that it is a corporation or other exempt recipient, or (ii) with respect to backup withholding, provides an accurate taxpayer identification number and certifies that it is not subject to backup withholding (generally, with an IFRS Form W-9 (or applicable successor form)).

Backup withholding is not an additional tax. The amount of any backup withholding tax from a payment to a U.S. Holder will be allowed as a credit against the U.S. Holder's U.S. federal income tax liability, provided that the required information is timely furnished to the IRS. A U.S. Holder generally may obtain a refund of any amounts withheld under the backup withholding rules that exceed its U.S. federal income tax liability by timely filing a refund claim with the IRS. Prospective investors should consult their own tax advisors regarding the backup withholding tax and information reporting rules.

"Specified Foreign Financial Asset" Reporting

Certain U.S. Holders that own "specified foreign financial assets" with an aggregate value in excess of U.S. $50 000 on the last day of the taxable year or U.S. $75 000 at any time during the taxable year are generally required to report information (including, an IRS form 8938) to the IRS with respect to their investment in such assets (which generally include financial accounts held at a non-U.S. financial institution, interests in non-U.S. entities, as well as stock and other securities issued by a non-U.S. person unless held in an account maintained by a financial institution). Investors who fail to report the required information could become subject to substantial penalties. Prospective investors are encouraged to consult with their own tax advisors regarding the possible implications of this requirement on their investment in Offer Shares.

FATCA

Withholding taxes may be imposed under Sections 1471 to 1474 of the Code (such Sections commonly referred to as the Foreign Account Tax Compliance Act, or "**FATCA**") on certain types of payments made to non-U.S. financial institutions and certain other non-U.S. entities. Specifically, a 30% withholding tax may be imposed on dividends on, or (subject to the proposed regulations below) gross proceeds from the sale or other disposition of, our Offer Shares paid to a "foreign financial institution" or a "non-financial foreign entity" (each as defined in the Code), unless (1) the foreign financial institution undertakes certain diligence and reporting obligations, (2) the non-financial foreign entity either certifies it does not have any "substantial United States owners" (as defined in the Code) or furnishes identifying information regarding each substantial United States owner, or (3) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules. If the payee is a foreign financial institution and is subject to the diligence and reporting requirements in (1) above, it must enter into an agreement with the U.S. Department of the Treasury requiring, among other things, that it undertake to identify accounts held by certain "specified United States persons" or "United States-owned foreign entities" (each as defined in the Code), annually report certain information about such accounts, and withhold 30% on certain payments to non-compliant foreign financial institutions and certain other account holders. Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing FATCA may be subject to different rules.

Under the applicable Treasury Regulations and administrative guidance, withholding under FATCA generally applies to payments of dividends on our Offer Shares. While withholding under FATCA would have applied also to payments of gross proceeds from the sale or other disposition of stock on or after 1 January 2019, proposed Treasury Regulations eliminate FATCA withholding on payments of gross proceeds entirely. Taxpayers generally may rely on these proposed Treasury Regulations until final Treasury Regulations are issued.

Prospective investors should consult their tax advisors regarding the potential application of withholding under FATCA to their investment in Offer Shares.

THE ABOVE DISCUSSION IS NOT INTENDED TO CONSTITUTE A COMPLETE ANALYSIS OF ALL TAX CONSEQUENCES RELATING TO THE ACQUISITION, OWNERSHIP OR DISPOSITION OF OFFER SHARES. U.S. HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS CONCERNING THE TAX CONSEQUENCES APPLICABLE IN THEIR PARTICULAR SITUATION.

PART XVI – EXCHANGE CONTROL

The following is a summary of the Exchange Control Regulations. It is intended as a guide only and is not a comprehensive statement of the Exchange Control Regulations which may apply to Shareholders in relation to the Offer Shares. Shareholders who have any queries regarding the Exchange Control Regulations should contact their own professional advisors or authorised dealer (*i.e.*, their bank operating in South Africa with authorised dealer status) without delay.

The Exchange Control Regulations provide for restrictions on the exportation of capital from the CMA. The CMA consists of South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Eswatini (formerly known as Swaziland). Transactions between residents of South Africa and residents outside of the CMA are subject to Exchange Control Regulations, which are administered by the Financial Surveillance Department of the SARB. Certain powers have been delegated to authorised dealers in foreign exchange appointed by the SARB ("**Authorised Dealers**"). The delegated powers of Authorised Dealers are contained in the Currency and Exchanges Manual for Authorised Dealers ("**AD Manual**") and transactions that may be facilitated by Authorised Dealers without referring them to the SARB for prior approval are contained in the AD Manual, which is updated from time to time through the release of circulars by the SARB. The concept of "emigration" as recognised by the SARB is being phased out and commenced with effect from 1 March 2021 and is replaced by a verification process. Exchange Control Circular 6/2021 dated 26 February 2021 and Circular 8/2021 dated 21 May 2021 set out the changes in relation to former residents of the CMA and changes to the AD Manual with effect from 1 March 2021. For the purposes of the Exchange Control Regulations, CMA resident means any person, being a natural person or a legal entity, who has taken up permanent residence, is domiciled or registered in South Africa; a non-resident is a person, being a natural person or a legal entity, whose normal place of residence, domicile or registration is outside the CMA; and an emigrant, although the term is no longer defined in the AD Manual, is considered to be a South African resident that placed his/her emigration on record with the SARB under the exchange control policy which applied up to 28 February 2021.

Shareholders who are uncertain as to whether they are residents or non-residents or South African non-tax residents (emigrants) for purposes of the Exchange Control Regulations, read with the AD Manual, are advised to approach their relevant Authorised Dealer to request confirmation.

Applicants resident outside the CMA

In terms of the Exchange Control Regulations, non-residents of the CMA to whom this Pre-listing Statement is addressed, may acquire Offer Shares, provided that payment is received in foreign currency or in Rand from a non-resident account. All acquisitions by non-residents in respect of the above must be made through an Authorised Dealer in foreign exchange. Offer Shares subsequently re-materialised and in Certificated Form, will be endorsed "Non-Resident".

With reference to non-residents, Offer Shares are credited directly to the shares account of the relevant CSDP or Broker controlling their portfolios and an appropriate electronic entry will be made in the relevant register reflecting a "non-resident" endorsement.

A similar process applies to Dematerialised Shares held by emigrants as these Offer Shares will be credited to the emigrant's share account with the relevant CSDP or Broker controlling their remaining portfolios and a similar electronic entry will be made in the relevant register reflecting a "non-resident" endorsement (which may be held to the order of the Authorised Dealer concerned under whose auspices the person's remaining assets are held, should it be relevant in the case of emigrants).

General

A person who is not resident in the CMA should obtain advice as to whether any government and/or legal consent is required and/or whether any other formality must be observed to enable receipt of the Pre-listing Statement.

This Pre-listing Statement is accordingly not an offer in any area or jurisdiction. In such circumstances, this Pre-listing Statement is provided for information purposes only.

PART XVII – SELLING AND TRANSFER RESTRICTIONS

Because of the following restrictions, prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Offer Shares. This section should be read together with the "Important Information" section of this Pre-listing Statement.

THIS PRE-LISTING STATEMENT IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, IN OR INTO ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION OR REQUIRE THE COMPANY TO TAKE ANY FURTHER ACTION.

No action has been taken or will be taken in any jurisdiction by the Company or the Joint Global Coordinators and Joint Bookrunners that would permit a public offering of the Offer Shares, or the possession, circulation or distribution of this Pre-listing Statement or any other material relating to the Company or the Offer Shares, in any jurisdiction where action for that purpose is required. Accordingly, no Offer Shares may be offered, issued, or sold directly or indirectly, and neither this Pre-listing Statement nor any other Offer material or advertisements in connection with the Offer Shares may be distributed or published, in or from any jurisdiction except in compliance with any applicable laws and regulations of any such jurisdiction. Persons into whose possession this Pre-listing Statement comes should inform themselves about and observe any such restrictions, including those in the paragraphs that follow. Any failure to comply with these restrictions may constitute a violation of the securities laws or regulations of any such jurisdictions.

If an investor receives a copy of this Pre-listing Statement, the investor may not treat this Pre-listing Statement as constituting an invitation or offer to the investor of the Offer Shares, unless, in the relevant jurisdiction, such an offer could lawfully be made to the investor, or the Offer Shares could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements. Accordingly, if the investor receives a copy of this Pre-listing Statement or any other Offer materials or advertisements, the investor should not distribute the same in or into, or send the same to any person in, any jurisdiction where to do so would or might contravene local securities laws or regulations.

If an investor forwards this Pre-listing Statement or any other Offer materials or advertisements into any such jurisdictions (whether under a contractual or legal obligation or otherwise), the investor should draw the recipient's attention to the contents of this section.

Subject to the specific restrictions described below, investors (including, without limitation, any investors' nominees and trustees) wishing to accept, subscribe for, sell or purchase, Offer Shares must satisfy themselves as to full observance of the applicable laws and regulations of any relevant jurisdiction, including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such jurisdictions. Investors who are in any doubt as to whether they are eligible to subscribe for or purchase Offer Shares should consult their professional adviser without delay. None of the Company or the Joint Global Coordinators and Joint Bookrunners accepts any legal responsibility for any violation by any person, whether or not a prospective investor in any of the Offer Shares, of any such restrictions.

EXCEPT AS OTHERWISE SET OUT IN THIS PRE-LISTING STATEMENT, THE OFFERING DESCRIBED IN THIS PRE-LISTING STATEMENT IS NOT BEING MADE TO INVESTORS IN THE UNITED STATES, CANADA, AUSTRALIA OR JAPAN, AND THIS PRE-LISTING STATEMENT SHOULD NOT BE FORWARDED OR TRANSMITTED IN OR INTO THE UNITED STATES, CANADA, AUSTRALIA OR JAPAN.

NOTICE TO PROSPECTIVE INVESTORS IN SOUTH AFRICA

In South Africa, this Pre-listing Statement will not be distributed to any person in any manner which could be construed as an offer to the public in terms of the Companies Act. The Offer will only be made by way of private placement to, and be capable of acceptance by, South African Qualifying Investors and this Pre-listing Statement is only being made available to such South African Qualifying Investors.

The Offer and the Pre-listing Statement do not constitute an offer for the sale of or subscription for, or the solicitation of an offer to buy and to subscribe for, shares to the public (or a section thereof) as defined in the Companies Act and will not be made or distributed, as applicable, to any person in South Africa in any manner which could be construed as an offer to the public in terms of the Companies Act. Should any person in South Africa who is not a South African Qualifying Investor receive this Pre-listing Statement they should not and will not be entitled to acquire any Offer Shares or otherwise act thereon.

This Pre-listing Statement does not, nor is it intended to, constitute a prospectus prepared and registered under the Companies Act or an advertisement relating to an offer to the public as contemplated under the Companies Act, and accordingly, does not comply with the substance and form requirements for prospectuses set out in the Companies Act and the South African Companies Regulations of 2011, and has not been approved by, and/or registered with, the CIPC.

The information contained in this Pre-listing Statement constitutes factual information as contemplated in Section 1(3)(a) of the FAIS Act, as amended and should not be construed as an express or implied recommendation, guidance or proposal that any particular transaction in respect of any Ordinary Shares (including the Offer Shares) is appropriate to the particular investment objectives, financial situations or needs of a prospective investor, and nothing in this Pre-listing Statement should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa. The Company is not a financial services provider licensed as such under the FAIS Act and the Company's advisers are acting for the Company only in respect of the Offer and the Admission and are not giving or purporting to have given any financial advice, as contemplated in the FAIS Act, to any prospective investor of the Company.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES

The Ordinary Shares (including the Offer Shares) have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States for offer or sale as part of their distribution and, subject to certain exceptions, may not be offered, issued, or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with applicable state securities laws. The Placement Agreement provides that the Joint Global Coordinators and Joint Bookrunners may directly or through their respective U.S. broker-dealer affiliates arrange for the Offer Shares to be offered, issued, and sold inside the United States only to persons reasonably believed to be QIBs in reliance on Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and outside the United States in offshore transactions, as defined in and in reliance on, Regulation S. Prospective investors are hereby notified that any seller of the Offer Shares may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A. The Offer Shares are not transferable except in accordance with the restrictions described in this section.

The Offer Shares have not been approved or disapproved by the SEC, any state securities commission in the United States or any other United States regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the Offer or the accuracy or adequacy of this Pre-listing Statement. Any representation to the contrary is a criminal offence in the United States.

In addition, until the end of the 40th calendar day after commencement of the Offer, an offering or sale of Ordinary Shares within the United States by any dealer (whether or not participating in the Offer) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A or another exemption from, or transaction not subject to, the registration requirements under the U.S. Securities Act.

NOTICE TO PROSPECTIVE INVESTORS IN CANADA

No prospectus has been filed with any securities commission or similar regulatory authority in Canada in connection with the offer and sale of the Ordinary Shares. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon this document or on the merits of the Ordinary Shares and any representation to the contrary is an offence. The offer and sale of the Ordinary Shares in Canada is being made on a private placement basis only and is exempt from the requirement that the issuer prepares and files a prospectus under applicable Canadian securities laws. Any resale of Ordinary Shares acquired by a Canadian investor in this offering must be made in accordance with applicable Canadian securities laws, which resale restrictions may under certain circumstances apply to resales of the Ordinary Shares outside of Canada. As applicable, each Canadian investor who purchases the Ordinary Shares will be deemed to have represented to the issuer, the underwriters and to each dealer from whom a purchase confirmation is received, as applicable, that the investor (i) is purchasing as principal, or is deemed to be purchasing as principal in accordance with applicable Canadian securities laws, for investment only and not with a view to resale or redistribution; (ii) is an "accredited investor" as such term is defined in Section 1.1 of National Instrument 45-106 *Prospectus Exemptions* ("**NI 45-106**") or, in Ontario, as such term is defined in Section 73.3(1) of the *Securities Act* (Ontario); and (iii) is a "permitted client" as such term is defined in Section 1.1 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this document (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to Section 3A.3 of National Instrument 33-105 *Underwriting Conflicts* ("**NI 33-105**") (or Section 3A.4 in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction), this offering is conducted pursuant to any exemption from the requirement that Canadian investors be provided with certain underwriter conflicts of interest disclosure that would otherwise be required pursuant to subsection 2.1(1) of NI 33-105.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED KINGDOM

No Offer Shares have been offered or will be offered pursuant to the Offer to the public in the United Kingdom, except that offers of Offer Shares may be made to the public in the United Kingdom at any time under the following exemptions from the UK Prospectus Regulation:

- to any legal entity which is a qualified investor as defined under Article 2(e) of the UK Prospectus Regulation; or
- to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2(e) of the UK Prospectus Regulation), subject to obtaining prior consent of the Joint Global Coordinators and Joint Bookrunners for any such offer; or
- in any other circumstances falling within Section 86 of the FSMA,

provided that no such offer of Offer Shares shall result in a requirement for the Company or any Joint Global Coordinator and Joint Bookrunner to publish a prospectus pursuant to Section 85 of the FSMA or supplement to a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to any Offer Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the Offer and any Offer Shares to be offered so as to enable an investor to decide to purchase or otherwise acquire any Offer Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of assimilated law by virtue of the European Union (Withdrawal) Act 2018. This Pre-listing Statement is only being distributed to and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged only with, persons in the United Kingdom who are Relevant Persons. The Offer Shares are only available to, and any invitation, offer or agreement to purchase or otherwise acquire such shares will be engaged in only with, Relevant Persons. This Pre-listing Statement is only directed at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this Pre-listing Statement relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

Each Joint Global Coordinator and Joint Bookrunner has represented and agreed that (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) in connection with the sale of the Offer Shares in circumstances in which Section 21(1) of the FSMA does not apply to the Company; and (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the shares in the Offer in, from, or otherwise involving, the United Kingdom.

NOTICE TO PROSPECTIVE INVESTORS IN MEMBER STATES OF THE EEA

In relation to each Member State, no Offer Shares have been offered or will be offered to the public in that relevant Member State, pursuant to the Offer, except that Offer Shares may be offered to the public in that relevant Member State at any time in reliance on the following exemptions under the EU Prospectus Regulation:

- to persons who are "Qualified Investors" within the meaning of Article 2(e) of the EU Prospectus Regulation; or
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation) per relevant Member State, with the prior written consent of the Joint Global Coordinators and Joint Bookrunners for any such offer; or
- in any other circumstances falling under the scope of Article 3(2) of the EU Prospectus Regulation,

provided that no such offer of Offer Shares shall require the Company or any Joint Global Coordinator and Joint Bookrunner to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplementary prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to any Offer Shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Offer and the Offer Shares to be offered so as to enable an investor to decide to acquire any Offer Shares. Each person in a relevant Member State who receives any communication in respect of, or who acquires any Offer Shares under, the Offer contemplated hereby will be deemed to have represented, warranted and agreed with each of the Company and the Joint Global Coordinators and Joint Bookrunners that it is a qualified investor within the meaning of Article 2(e) of the EU Prospectus Regulation. The Company, the Joint Global Coordinators and Joint Bookrunners and their respective affiliates and their respective directors, employees, agents, advisers, subsidiaries and others will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements. Notwithstanding the above, a person who is not a qualified investor and who has notified the Joint Global Coordinators and Joint Bookrunners of such fact in writing may, with the prior consent of the Joint Global Coordinators and Joint Bookrunners, be permitted to acquire the Offer Shares in the Offer.

NOTICE TO PROSPECTIVE INVESTORS IN AFFECTED JURISDICTIONS

This document constitutes a Pre-listing Statement and has been prepared in accordance with the JSE Listings Requirements in connection with the Admission and the Offer.

THERE IS NO OFFER TO THE PUBLIC (OR A SECTION THEREOF) AND THE OFFER REFERRED TO IN THIS PRE-LISTING STATEMENT, WHICH COMPRISES AN OFFER FOR OFFER SHARES BY THE COMPANY TO THE OFFEREES TO WHOM THE OFFER WILL SPECIFICALLY BE ADDRESSED, DOES NOT CONSTITUTE, NOR IS IT INTENDED TO CONSTITUTE, A PUBLIC OFFERING IN ANY JURISDICTION AND IS ONLY ADDRESSED TO PERSONS TO WHOM THE OFFER MAY LAWFULLY BE MADE. IN ADDITION, THIS DOCUMENT IS NOT A PROSPECTUS, OR AN ADVERTISEMENT IN RELATION TO ANY OFFER TO THE PUBLIC AND HAS NOT AND WILL NOT BE REGISTERED AS A PROSPECTUS OR REGISTERED AT ALL WITH THE CIPC OR WITH ANY REGULATOR IN ANY OTHER JURISDICTION.

The Offer and the distribution or possession of this Pre-listing Statement in jurisdictions other than South Africa may be restricted by law, and a failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction. In particular, this Pre-listing Statement and the Offer do not constitute an offer to issue or sell, or a solicitation of an offer to subscribe for or purchase, any securities in or from any jurisdiction in which such offer or solicitation would be unlawful, including, without limitation, in or from any Affected Jurisdiction. To the extent that this Pre-listing Statement may be sent to any Affected Jurisdiction, it is provided for information purposes only. Persons in Affected Jurisdictions may not accept the Offer. No person accepting the Offer should use the mail of any such Affected Jurisdiction nor any other means, instrumentality or facility in such Affected Jurisdiction for any purpose, directly or indirectly, relating to the Offer. The Company reserves the right, but shall not be obliged, to treat as invalid any transfer of Offer Shares, which appears to the Company or its advisers or agents to have been executed, effected or dispatched in a manner which may involve a breach of the securities laws or regulations of any jurisdiction (including any Affected Jurisdiction); or if the Company believes (in its discretion) or its advisers or agents believe that the same may violate applicable legal or regulatory requirements; or if the Company believes (in its discretion) that it is prohibited or unduly onerous or impractical to transfer any Offer Shares to any persons in any jurisdiction outside South Africa. Persons into whose possession this Pre-listing Statement comes, including persons in Affected Jurisdictions, must inform themselves about and observe any such restrictions. Save as specifically set out herein, no actions have been taken, including, without limitation, obtaining any approvals, authorisations or exemptions, that would permit a public offering of Offer Shares to occur outside South Africa. Prospective investors, including persons in Affected Jurisdictions, should not treat the contents of this Pre-listing Statement as advice relating to legal, taxation, investment or any other matters and should consult their own professional advisers concerning the consequences of their acquiring, holding, or disposing of Offer Shares.

TRANSFER RESTRICTIONS

United States

The Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States and may not be offered, issued, or sold except: (i) within the United States only to QIBs in reliance on Rule 144A or pursuant to another exemption from the registration requirements of the U.S. Securities Act; and (ii) outside the United States in compliance with Regulation S, and in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction. Terms defined in Rule 144A or Regulation S shall have the same meaning when used in this section.

Each subscriber or purchaser of the Offer Shares outside the United States pursuant to Regulation S will be deemed to have acknowledged, represented and agreed that it has received a copy of this Pre-listing Statement and such other information as it deems necessary to make an informed decision and that:

- the subscriber or purchaser is authorised to consummate the subscription or purchase of the Offer Shares in compliance with all applicable laws and regulations;
- the subscriber or purchaser acknowledges that the Offer Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority or any state of the United States, and are subject to significant restrictions on transfer;
- the subscriber or purchaser is, and the person, if any, for whose account or benefit the subscriber or purchaser is acquiring the Offer Shares was, located outside the United States at the time the buy order for the Offer Shares was originated and continues to be located outside the United States and has not subscribed for or purchased the Offer Shares for the benefit of any person in the United States or entered into any arrangement for the transfer of the Offer Shares to any person in the United States;

- the subscriber or purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Offer Shares from the Company or an affiliate thereof in the initial distribution of such Shares;
- the subscriber or purchaser is aware of the restrictions on the offer and sale of the Offer Shares pursuant to Regulation S described in this Pre-listing Statement;
- the Offer Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S;
- the Company shall not recognise any offer, sale, pledge or other transfer of the Offer Shares made other than in compliance with the above restrictions; and
- the subscriber or purchaser acknowledges that these representations are required in connection with the securities laws of the United States and that the Company, the Joint Global Coordinators and Joint Bookrunners and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Each subscriber or purchaser of the Offer Shares within the United States pursuant to Rule 144A or another available exemption under the Securities Act will be deemed to have acknowledged, represented and agreed that it has received a copy of this Pre-listing Statement and such other information as it deems necessary to make an informed investment decision and that:

- the subscriber or purchaser is authorised to consummate the subscription or purchase of the Offer Shares in compliance with all applicable laws and regulations;
- the subscriber or purchaser acknowledges that the Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions to transfer;
- the subscriber or purchaser (i) is a QIB (as defined in Rule 144A), (ii) is aware and each beneficial owner of such Offer Shares has been advised, that the sale to it may be made in reliance on Rule 144A, and (iii) is acquiring such Offer Shares for its own account or for the account of a QIB, in each case, for investment purposes and not with a view to any resale or distribution of the Offer Shares, as the case may be;
- the subscriber or purchaser is aware that the Offer Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act;
- if, in the future, the subscriber or purchaser decides to offer, resell, pledge or otherwise transfer such Offer Shares, as the case may be, such Offer Shares may be offered, issued, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) outside the United States in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, (iii) pursuant to an exemption from registration under the U.S. Securities Act provided by Rule 144 thereunder (if available), (iv) pursuant to any other exemption from the registration requirements of the U.S. Securities Act, subject to the receipt by the Company of an opinion of counsel or such other evidence that the Company may reasonably require that such sale or transfer is in compliance with the U.S. Securities Act, or (v) pursuant to an effective registration statement under the U.S. Securities Act, in each case, in accordance with any applicable securities laws of any State or territory of the United States or any other jurisdiction;
- the subscriber or purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Offer Shares from the Company or an affiliate thereof in the initial distribution of such Shares;
- the Offer Shares are "restricted securities" within the meaning of Rule 144(a)(3) and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any Offer Shares, as the case may be;
- the subscriber or purchaser understands that such Offer Shares (to the extent they are in certificated form), unless otherwise determined by the Company in accordance with applicable law, will bear a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE U.S. SECURITIES ACT) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, ISSUED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE U.S. SECURITIES ACT (RULE 144A) TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT FOR RESALES OF THIS SECURITY. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE SECURITY MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITARY RECEIPT FACILITY IN RESPECT OF SECURITIES ESTABLISHED OR MAINTAINED BY A DEPOSITARY BANK;

- the Company shall not recognise any offer, sale, pledge or other transfer of the Offer Shares made other than in compliance with the above-stated restrictions;
- the subscriber or purchaser acknowledges that these representations and undertakings are required in connection with the securities laws of the United States and that the Company, the Joint Global Coordinators and Joint Bookrunners and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any Offer Shares for the account of one or more QIBs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account; and
- the subscriber or purchaser either (i) is not, and is not acting on behalf of, an employee benefit plan, as defined in Section 3(3) of the United States Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), that is subject to the provisions of Part 4 of Subtitle B of Title I of ERISA, a plan to which Section 4975 of the Code applies, or an entity whose underlying assets include plan assets by reason of such an employee benefit plan's or plan's investment in such entity (a "**Benefit Plan Investor**") or a governmental, church, non-U.S. or other plan which is subject to any federal, state, local or non-U.S. law or regulation that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code ("**Other Plan Law**"), and no part of the assets to be used by it to acquire or hold the Offer Shares or any interest therein constitutes the assets of any Benefit Plan Investor or such governmental, church, non-U.S. or other plan, or (ii) its acquisition of Offer Shares (or interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or, in the case of a governmental, church, non-U.S. or other plan, a violation of any Other Plan Law.

Prospective subscribers or purchasers are hereby notified that sellers of the Offer Shares may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

It is expected that delivery of the Offer Shares will be made against payment therefor on or about the Closing Date, which will be the third Business Day following the date of pricing of the Offer Shares. Pursuant to Rule 15c6-1 under the U.S. Exchange Act, trades in the secondary market generally are required to settle in 1 Business Day, unless the parties to any such trade expressly agree otherwise. Accordingly, subscribers or purchasers who wish to trade Offer Shares on the date of pricing or the next succeeding Business Day will be required, by virtue of the fact that the Offer Shares initially will settle in 3 Business Days following the pricing date (T+3), to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Subscribers or purchasers of the Offer Shares who wish to trade Offer Shares on the date of pricing or the next succeeding Business Day should consult their own advisor.

PART XVIII – SETTLEMENT/DEALINGS

STRATE AND TRADING SHARES ON THE JSE

Ordinary Shares may only be traded on the JSE in Dematerialised Form and will be trading for electronic settlement via Strate immediately following the Admission.

Strate is a system of "paperless" transfer of securities. If investors have any doubt as to the mechanics of Strate they should consult their Broker, CSDP or other appropriate adviser, and they are referred to the Strate website at http://www.strate.co.za.

The contents of this website are not incorporated by reference and do not form part of this Pre-listing Statement and should not be relied upon for the purposes of forming an investment decision. Some of the principal features of Strate are as follows:

- electronic records of ownership replace share certificates and physical delivery of certificates;
- trades executed on the JSE must be settled within 3 Business Days;
- all investors owning Ordinary Shares in Dematerialised Form or wishing to trade their securities on the JSE are required to appoint either a Broker or a CSDP to act on their behalf and to handle their settlement requirements; and
- unless investors owning Ordinary Shares in Dematerialised Form specifically request their CSDP to register them as an "own name" Shareholder (which entails a fee), their CSDP's or Broker's nominee company, holding shares on their behalf, will be the shareholder of the relevant company and not the investor. Subject to the agreement between the investor and the CSDP or Broker (or the CSDP's or Broker's nominee company), generally in terms of the rules of Strate, the investor is entitled to instruct the CSDP or Broker (or the CSDP's or Broker's nominee company) as to how it wishes to exercise the rights attaching to the Ordinary Shares and/or to attend and vote at shareholders' meetings.

PART XIX – ADDITIONAL INFORMATION

RESPONSIBILITY

The Directors, whose names are set out in *"Part X – Directors, Senior Management and Corporate Governance"* of this Pre-listing Statement, collectively and individually accept full responsibility for the accuracy of the information provided in this Pre-listing Statement and certify that, to the best of their knowledge and belief there are no other facts, the omission of which would make any statement in this Pre-listing Statement false or misleading and confirm that they have made all reasonable enquiries in this regard and confirm that this Pre-listing Statement contains all information required by law and the JSE Listings Requirements.

SUMMARY OF THE COMPANY MOI AND CERTAIN EXPLANATORY STATEMENTS IN RESPECT OF APPLICABLE LAW AND REGULATION AFFECTING SHAREHOLDERS

The Company MOI, which complies with schedule 10 of the JSE Listings Requirements, was adopted by a special resolution of the Company passed on 30 October 2025 and was filed with the CIPC on 31 October 2025. A summary of the key terms of the Company's MOI and that of its Major Subsidiaries are set out in *"Annexe 19 – Extracts From The Company MOI and The MOIs of The Major Subsidiaries"* of this Pre-listing Statement.

In addition, we set out below a high-level overview of the applicable laws and regulations relevant to Shareholders.

The information below, as well as the extracts of the Company MOI set out in *"Annexe 19 – Extracts From The Company MOI and The MOIs of The Major Subsidiaries"* to this Pre-listing Statement, do not constitute legal advice, and do not purport to be exhaustive of Shareholders' rights in terms of applicable law and have been inserted for Shareholders' information purposes only.

Disclosure of interests in shares

- Section 122(1) of the Companies Act requires a person to notify the Company within 3 business days if that person acquires a beneficial interest in any class of securities issued by the Company, as a result of which that person holds a beneficial interest amounting to 5%, 10%, 15%, or any further whole multiple of 5% of that class of issued securities. A beneficial interest, when used in relation to a Company's securities, means the right or entitlement of a person (through ownership, agreement, relationship or otherwise, alone or together with another person) to (i) receive or participate in any distribution in respect of the Company's securities, (ii) exercise or cause to be exercised, in the ordinary course, any or all of the rights attaching to the Company's securities, or (iii) dispose or direct the disposition of the Company's securities, or any part of a distribution in respect of the securities, but excludes any interest held by a person in a unit trust or collective investment scheme in terms of the Collective Investment Schemes Control Act, No. 45 of 2002.
- In addition, a person must notify the Company if that person disposes of a beneficial interest in a class of securities of the Company, as a result of which that person no longer holds a beneficial interest in securities amounting to a particular multiple of 5% of the issued securities of that class.
- The above requirements apply to a person irrespective of whether (i) the person acquires or disposes of any securities directly or indirectly or individually or in concert with any other person or persons, or (ii) that person holds the stipulated percentage of securities alone, or in aggregate together with any related or inter-related person, and any person who has acted in concert with any person.
- The Company must file a notice that it receives in terms of Section 122 with the Takeover Regulation Panel and report the information to the holders of the relevant class of securities, unless the notice concerned a disposition of less than 1% of the class of securities. In addition, the JSE Listings Requirements provides that a listed company that has received a notice in terms of Section 122 of the Companies Act must, within 48 hours of receipt of such notice, publish the information in the notice on SENS, save in respect of notices received related to a disposal of less than 1% of the relevant class of securities.
- Certain additional disclosure requirements were introduced in 2023 in relation to disclosures of "beneficial ownership" which is a broader concept than "beneficial interest", and effectively requires disclosure of ultimate individual shareholders who hold 5% or more. However, this does not apply to listed companies like the Company.

General Meetings

The Company shall convene annual general meetings of its Shareholders from time to time in accordance with the provisions of the Companies Act and the JSE Listings Requirements. Only the Board or the company secretary of the Company may call a shareholders' meeting at any time. The Board may determine the location of any Shareholders' meeting, and the Company may hold any meeting in South Africa or in any foreign country.

A notice of a Shareholders' meeting must be delivered at least 15 business days before the date on which the meeting is to begin to the Shareholders and, if expressly required in terms of an instrument appointing a proxy, to the proxy or proxies of a Shareholder. A meeting may be called on a shorter period of notice if every person who is entitled to exercise voting rights in respect of any item on the meeting agenda is present at the meeting and votes to waive the required minimum notice of the meeting.

The accidental omission to give notice of any meeting to any particular Shareholder or Shareholders shall not invalidate any resolution passed at any such meeting.

A Shareholders' meeting may not begin until:

- at least three Shareholders are present at the meeting; and
- sufficient Shareholders are present at the meeting (or represented by proxy) to exercise, in aggregate, at least 25% of all the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the meeting.

A matter to be decided at the Shareholders' meeting may not begin to be considered until at least three Shareholders are present at the meeting and sufficient Shareholders are present (or represented by proxy) at the meeting to exercise, in aggregate, at least 25% of all the voting rights that are entitled to be exercised on that matter at the time the matter is called on the agenda.

Directors' Interests in Contracts

If a Director has a personal financial interest (as contemplated in Section 75 read with Section 1 of the Companies Act, being a material direct economic interest) in respect of a matter to be considered at a meeting of the Board, or knows that a related person has a personal financial interest in the matter, that Director must disclose the interest and its general nature before the matter is considered at the meeting. The Director must further disclose to the meeting any material information relating to the matter, and known to the Director, and may disclose any observations or pertinent insights relating to the matter if requested to do so.

A Director must, if present at a meeting, leave the meeting immediately after making any disclosure of a personal financial interest that the Director or a related person of the Director has and must not take part in the consideration of the matter. While absent from the meeting, the Director will be regarded as being present at the meeting for the purpose of determining whether sufficient Directors are present to constitute the meeting, but will not be regarded as being present at the meeting for the purpose of determining whether a resolution has sufficient support to be adopted.

Such a Director must not execute any document on behalf of the Company in relation to the matter, unless specifically requested or directed to do so by the Board.

Mandatory Takeover Bids, Squeeze-out and Sell-out Rules

The Company will be subject to the provisions of Chapter 5 of the Companies Act (which regulate fundamental transactions, takeovers and offers) and the Takeover Regulations, including the provisions regarding mandatory offers, compulsory acquisitions and squeeze outs.

Under Section 123 of the Companies Act, if (i) the Company re-acquires any of its voting securities (in terms of a repurchase or a scheme of arrangement) or a person acting alone has (or two or more related or inter-related persons, or two or more persons acting in concert, have) acquired a beneficial interest in voting rights attached to any securities issued by the Company, such that (ii) before that acquisition a person was (or persons, as contemplated, were) able to exercise less than 35% of the voting rights attached to securities of the Company; and (iii) as a result of that acquisition, together with any other securities of the Company already held by the person (or persons), they are able to exercise at least 35% of all the voting rights attached to securities of the Company, then, within 1 business day after the date of the acquisition, the person(s) in whom the voting rights vest must give notice to the holders of the remaining securities, offering to acquire any such remaining securities. A written offer to acquire the remaining securities on terms determined in accordance with the Companies Act and the Takeover Regulations must be delivered to the holders of the remaining securities within 1 month after the notice.

Under Section 124(1) of the Companies Act, if, within 4 months after the date of an offer for the acquisition of any class of securities of the Company, that offer has been accepted by the holders of at least 90% of that class of securities, other than any such securities held before the offer by the offeror, a related or inter-related person, or such persons acting in concert, or a nominee or subsidiary of any such person or persons, then within 2 months, the offeror may notify the holders of the remaining securities of the class and after giving notice, the offeror is entitled, and bound, to acquire the securities concerned on the same terms that applied to securities whose holders accepted the original offer. Within 30 days after receiving such a notice, a person may apply to court for an order that the offeror is not entitled to acquire the Company's securities of that class or imposing conditions of acquisition different from those of the original offer.

If an offer for the acquisition of any class of securities of the Company results in the acquisition by the offeror or a nominee or subsidiary of the offeror, or a related or inter-related person of any of them, individually or in aggregate, of sufficient securities of that class such that, together with any other securities of that class already held by that person, or those persons in aggregate, they then hold at least 90% of the securities of that class, then the offeror must notify the holders of the remaining securities of the class that the offer has been accepted to that extent and within 3 months after receiving such a notice, a person may demand that the offeror acquire all of the person's securities of the class concerned. The offeror will be entitled, and bound, to acquire the securities concerned on the same terms that applied to securities whose holders accepted the original offer.

The Company's securities will also be subject to the comparable and partial offer procedures in the Companies Act. Under Section 125(2) of the Companies Act, if (i) the Company re-acquires any of its voting securities of a particular class or one or more particular classes (in terms of a repurchase or a scheme of arrangement) and, as a result, a person or a number of related persons hold securities of the Company entitling the person or persons to exercise more than 35% of the general voting rights associated with all the issued securities of the Company, or (ii) a person acting alone, or two or more persons acting in concert, make an offer for any securities of the Company, which, if accepted, could result in a person, or a number of related or inter-related persons holding securities of the Company entitling the person or persons to exercise more than 35% of the general voting rights associated with all issued securities of the Company, that person or those persons acting in concert must make a comparable offer to acquire securities of each class of issued securities of the Company.

Fundamental Transactions

The Company will further be subject to the provisions of Chapter 5 of the Companies Act, which regulate fundamental transactions. The fundamental transactions provided for in Part A of Chapter 5 comprise (i) a disposal of all or the greater part of the assets or undertaking of a company, (ii) an amalgamation or merger, and (iii) a scheme of arrangement.

The Company may only dispose of or give effect to an agreement or series of agreements to dispose of all or the greater part of its assets or undertaking, or implement an amalgamation or a merger, or scheme of arrangement, if the transaction has been approved by a special resolution of the Shareholders in compliance with Section 115 of the Companies Act.

Despite a special resolution having been adopted, a fundamental transaction will require court approval if the resolution approving it was opposed by at least 15% of voting rights exercised on the resolution and any person who voted against the resolution demands (within 5 business days after the vote) that the Company seeks court approval, or, alternatively, where the court grants leave to a person who voted against the resolution to apply for a review of the transaction. If a resolution requires approval by a court, the Company must either apply to the court for approval, bearing the costs of the application, or treat the resolution as a nullity. The court may set aside such a resolution only if it is manifestly unfair to any class of holders of the Company's securities or if the vote was materially tainted by conflict of interest, inadequate disclosure, failure to comply with the Companies Act, the Company MOI or any applicable rules of the Company, or any other significant and material procedural irregularity.

In addition, an amalgamation or merger must comply with the requirements under Section 113 of the Companies Act, in terms of which (i) the amalgamating or merging parties must enter into a written agreement which sets out the terms and means of effecting the amalgamation or merger and other prescribed matters, (ii) the Board and the board of every other amalgamating or merging company must reasonably believe that each proposed amalgamated or merged company will satisfy the solvency and liquidity test upon implementation of the amalgamation or merger agreement, and (iii) a notice of the amalgamation or merger must be given to every known creditor of the Company.

A scheme of arrangement must comply with the further requirements under Section 114 of the Companies Act, in terms of which the Company will be required to appoint an independent expert, who satisfies the requirements in the Companies Act, to prepare a report on the scheme of arrangement to the Board and cause the report to be distributed to all the Shareholders. A scheme of arrangement includes any arrangement between the Company and the holders of any class of its securities, by way of, *inter alia*, (i) a consolidation of securities of different classes, (ii) a division of securities into different classes, (iii) an expropriation of securities from the holders, (iv) exchanging of any of its securities for other securities, (v) a re-acquisition by the Company of its securities, or (vi) a combination of these methods.

In the event of a disposal of all or the greater part of the assets or undertaking of the Company, the assets must be fairly valued, as calculated in the prescribed manner, as set out in Section 112 of the Companies Act.

As long as the Company is a public company, it will be a regulated company for purposes of Chapter 5 of the Companies Act and the Takeover Regulations. As a regulated company, the Company may not implement any fundamental transaction, as contemplated above, unless the Takeover Regulation Panel has issued a compliance certificate in respect of the transaction in terms of Section 119(4)(b) of the Companies Act or exempted the transaction in terms of Section 119(6) of the Companies Act.

Shareholder Appraisal Rights

If a special resolution to enter into a fundamental transaction, as contemplated above, or to amend the Company MOI in a manner which materially and adversely affects a shareholder's preferences, rights, limitations or other terms of a class of shares, is adopted, the holder of any voting rights in the Company is entitled to seek relief in terms of Section 164 of the Companies Act if that person (i) notified the Company in advance of the Shareholder's intention to oppose the resolution, (ii) was present at the meeting and voted against that resolution, and (iii) in the case of a resolution amending the Company MOI, holds shares of a class that is materially and adversely affected by the amendment. If a Shareholder complies with the aforementioned requirements and all the procedural requirements, the Shareholder may demand that the Company pay the Shareholder the fair value for all the shares of the Company held by that Shareholder in accordance with Section 164 of the Companies Act.

Special resolutions

In terms of Section 65(11) of the Companies Act, the Company requires the prior approval of the Shareholders by way of special resolution to:

- amend the Company MOI to the extent required by the Companies Act;
- ratify a consolidated revision of the Company MOI;
- ratify actions by the Company or Directors in excess of their authority;
- approve an issue of shares or grant of rights in certain circumstances;
- approve an issue of shares or securities;
- authorise the board to grant financial assistance in certain circumstances;
- approve a decision of the board for re-acquisition of shares in certain circumstances;
- authorise the basis for compensation to directors of a profit company;
- approve the voluntary winding up of the Company;
- approve an application to transfer the registration of the Company to a foreign jurisdiction;
- approve any proposed fundamental transaction, to the extent required by Part A of Chapter 5 of the Companies Act; or
- revoke a resolution that gave rise to Shareholders' appraisal rights under Section 164.

There shall be no different percentage of voting rights required to approve a special resolution than the percentage voting rights specified in the Companies Act, which as at the date of adoption of the Company MOI is 75% of the voting rights exercised on the resolution.

INFORMATION ON THE MAJOR SUBSIDIARIES

Details of the Company's Major Subsidiaries are set out in *"Annexe 16 – The Major Subsidiaries and Their Directors"* to this Pre-listing Statement.

PRINCIPAL IMMOVABLE PROPERTIES HELD OR OCCUPIED

Details of the principal immovable properties held, occupied or leased by the Company and its Major Subsidiaries are set out in *"Annexe 17 – Principal Immovable Properties Held Or Occupied"* to this Pre-listing Statement.

PROPERTY ACQUIRED OR TO BE ACQUIRED

Other than pursuant to the Restructuring, there:

- have been no material acquisitions by the Company or any Major Subsidiary, within the last 3 years as at the Last Practicable Date of any securities in, or the business undertaking(s) of, any other company/ies, or business enterprise(s) or any immovable property/ies or other property/ies in the nature of a fixed asset (collectively the "**property**") or any option to acquire such property/ies; and
- are no proposed acquisitions by the Company or its Major Subsidiaries or any subsidiary, where the acquisition or proposed acquisition is material to the Company, of any property.

No Director or promoter of the Company has any material beneficial interest, either direct or indirect, in (i) any property proposed to be acquired by the Company out of the proceeds of the Offer; or (ii) any property acquired or proposed to be acquired by the Company or its Major Subsidiaries in the 3 years immediately preceding the date of this Pre-listing Statement.

For further information on acquisitions by the Group, please see the Consolidated Annual Historical Information of the Cell C Group set out in *"Annexe 3 – Condensed Consolidated Interim Historical Financial Information of Cell C Limited For The Three Months Ended 31 August 2025 and 31 August 2024".*

DISPOSAL OF PROPERTY

In line with the transition to a virtual radio access network, Cell C decommissioned its owned-towers. The process was implemented from July 2023 post-successful transition. This has resulted in the write off of assets with a net book value of ZAR59.2 million. Other than this, neither the Company nor any Major Subsidiary has disposed of any material property during the last 3 years and, other than the potential liquidation of CEC as set out in *"Part VIII – Restructuring and formation of the Group"* of this Pre-listing Statement, none of them are currently contemplating any material disposals.

THIRD-PARTY MANAGEMENT

No third-party is involved in the management of the Company or any Major Subsidiary.

MATERIAL COMMITMENTS, LEASE PAYMENTS AND CONTINGENT LIABILITIES

Other than as disclosed in the Consolidated Annual Historical Financial Information and the Condensed Consolidated Interim Historical Financial Information or discussed in *"Part XII – Management's Discussion and Analysis of Financial Condition and Results of Operations"*, of this Pre-listing Statement, the Group:

- has no material commitments as at the Last Practicable Date;
- has no material lease payments payable by the Group, as at the Last Practicable Date; and
- has no material contingent liabilities of the Company and the Group, as at the Last Practicable Date.

FINANCIAL INFORMATION

Consolidated Annual Historical Financial Information

The Cell C Consolidated Annual Historical Financial Information of the Cell C Group for the Year Ended 31 May 2025, the 5 Months Ended 31 May 2024, the Year Ended 31 December 2023 and the Year Ended 31 December 2022 are set out in *"Annexe 1 – Consolidated Annual Historical Financial Information of Cell C Limited For The Year Ended 31 May 2025, The 5 Months Ended 31 May 2024, The Year Ended 31 December 2023 and The Year Ended 31 December 2022"* to this Pre-listing Statement.

The CEC Annual Historical Financial Information of CEC for the Year Ended 31 May 2025, 2024 and 2023 are set out in *"Annexe 5 – Annual Historical Financial Information of Comm Equipment Company Proprietary Limited For The Years Ended 31 May 2025, 2024 and 2023"* to this Pre-listing Statement.

Condensed Consolidated Interim Historical Financial Information

The Cell C Condensed Consolidated Interim Historical Financial Information of the Cell C Group for the three months ended 31 August 2025 and 31 August 2024 are set out in *"Annexe 3 – Condensed Consolidated Interim Historical Financial Information of Cell C Limited For The Three Months Ended 31 August 2025 and 31 August 2024"* to this Pre-listing Statement.

The CEC Condensed Interim Historical Financial Information of CEC for the three months ended 31 August 2025 and 31 August 2024 are set out in *"Annexe 7 – Condensed Interim Historical Financial Information of Comm Equipment Company Proprietary Limited For The Three Months Ended 31 August 2025 and 31 August 2024"* to this Pre-listing Statement.

Consolidated Historical Financial Information

The Consolidated Annual Historical Financial Information and the Condensed Consolidated Interim Historical Financial Information should be read together with the Independent Auditor's reports thereon as set out in *"Annexe 2 – Independent Auditor's Assurance Report on The Consolidated Annual Historical Financial Information of Cell C Limited For The Year Ended 31 May 2025, The 5 Months Ended 31 May 2024, The Year Ended 31 December 2023 and The Year Ended 31 December 2022", "Annexe 6 – Independent Auditor's Assurance Report on The Annual Historical Financial Information of Comm Equipment Company Proprietary Limited For The Years Ended 31 May 2025, 2024 and 2023", "Annexe 4 – Independent Auditor's Review Report on The Condensed Consolidated Interim Historical Financial Information Of Cell C Limited For The Three Months Ended 31 August 2025 and 31 August 2024"* and *"Annexe 8 – Independent Auditor's Review Report on The Condensed Interim Historical Financial Information of Comm Equipment Company Proprietary Limited for the Three Months Ended 31 August 2025 and 31 August 2024"* to this Pre-listing Statement.

***Pro Forma* Financial Information of the Group**

The *Pro Forma* Financial Information, the preparation of which is the responsibility of the Directors, is set out in *"Annexe 13 – Pro Forma Financial Information"* to this Pre-listing Statement.

The *Pro Forma* Financial Information should be read in conjunction with the Independent Auditor's report thereon set out in *"Annexe 14 – Independent Auditor's Assurance Report on The Compilation of Pro Forma Financial Information"* to this Pre-listing Statement.

The *Pro Forma* Financial Information is prepared in accordance with the JSE Listings Requirements, the Guide on *Pro Forma* Financial Information issued by the SAICA using policies that comply with IFRS and that are consistent with those that apply to the results of the Group for the year ended 31 May 2025 and interim results for the three months ended 31 August 2025.

The *Pro Forma* Financial Information has been prepared for illustrative purposes only and because of its nature it may not fairly present the Group's financial position, changes in equity and results of operations or cash flows, or the effect and the impact of the Admission on the Group going forward.

CEO and CFO Responsibility Statement

The CEO and the CFO confirm that:

- the Consolidated Annual Historical Financial Information and the Condensed Consolidated Interim Historical Financial Information of the Group that are included in the body of this Pre-listing Statement fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
- to the best of their knowledge and belief, no facts have been omitted or untrue statements made that would make the Consolidated Historical Financial Information false or misleading;
- internal financial controls have been put in place to ensure that material information relating to the Company and its consolidated subsidiaries have been provided to effectively prepare Consolidated Annual Historical Financial Information and the Condensed Consolidated Interim Historical Financial Information;
- the internal financial controls are adequate and effective and can be relied upon in compiling the Consolidated Annual Historical Financial Information and the Condensed Consolidated Interim Historical Financial Information, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- they were not aware of any deficiencies in design and operational effectiveness of the internal financial controls; and
- they are not aware of any fraud involving directors.

LOAN CAPITAL AND MATERIAL LOANS

As at the Last Practicable Date, other than the borrowings set out in *"Annexe 18 – Material Borrowings and Material Inter-Company Balances"* to this Pre-listing Statement:

- the Company has no issued debentures, debentures created in terms of any trust deed, or debentures or debenture stock, issued by way of conversion or replacement of any debentures previously issued;
- no restrictive funding arrangements have been entered into by the Company, its Major Subsidiaries, or by any subsidiaries where such restrictive funding arrangements are material to the Company;
- the Company and its subsidiaries do not have any material loans receivable outstanding; and
- no loans have been made or security furnished by the Company to or for the benefit of any Director or manager as at the date of this Pre-listing Statement.

Other than the inter-company balances set out in *"Annexe 18 – Material Borrowings and Material Inter-Company Balances"* or otherwise envisaged in the Consolidated Historical Financial Information, there are no material inter-company balances or other transactions as at the Last Practicable Date.

INTERESTS OF ADVISERS AND PROMOTERS AND AMOUNTS PAID OR PAYABLE TO PROMOTERS

As at the Last Practicable Date, none of the advisers, as set out in *"Part I – Corporate Information"* of this Pre-listing Statement, holds any Ordinary Shares or has agreed to acquire any Ordinary Shares, except the Joint Global Coordinators and Joint Bookrunners as contemplated in the Placement Agreement.

No amount has been paid or proposed to be paid in the 3 years preceding the Last Practicable Date to any promoter, or to any partnership, syndicate or other association of which that promoter is or was a member, nor has any cash or security been paid nor proposed, nor any other benefit given nor proposed to any such promoter, partnership, syndicate or other association in the aforementioned 3-year period.

No promoters have any material beneficial interest in the promotion of the Company.

From time to time, in the ordinary course of their respective businesses, the Joint Global Coordinators and Joint Bookrunners and their affiliates have engaged, and may in the future engage, in commercial or investment banking transactions with the Company.

No promoter, Director or officer of the Company has any material beneficial interest, direct or indirect, in any of the Joint Global Coordinators and Joint Bookrunners.

LITIGATION

Apart from the two matters dealt with below, there are no legal or arbitration proceedings that are pending or threatened of which the Company is aware, that may have, or have had in the recent past, being at least the previous 12 months preceding the Last Practicable Date, a material effect on the Group's financial position.

The first matter relates to a claim by Mobile Infrastructure Solutions ("**MIS**") in which it instituted a claim of ZAR72 million against Cell C in 2023 in respect of an alleged repudiation by Cell C of a lease agreement concluded between the parties in 2014. Pleadings have closed and the matter is currently in pre-trial stage.

The second matter relates to an application instituted by Vodacom in May 2024 in which it sought to interdict *inter alia*, MTN and Cell C from using certain assigned spectrum bands pending the outcome of Part B of the application. Part B seeks to have a decision taken by ICASA, to approve the applications by MTN and Cell C for spectrum sharing, be declared unlawful and set aside. In this regard:

- During the period 4 to 11 April 2022, Cell C and MTN applied to ICASA for approval of pooling/sharing of their respective assigned radio frequency spectrum in the 900MHz, 1 800MHz and 2 100MHz spectrum bands. In addition, an application was submitted by MTN and Liquid to share their respective assigned radio frequency spectrum in the IMT 1 800MHz spectrum band. The applications were approved by ICASA in June 2022.
- Vodacom alleges that, in the latter part of 2022, it noticed anomalous results being yielded by its tests of the relative performance of MNOs in the market, especially as to speed relative to spectrum holding and site infrastructure. Vodacom further noticed that MTN's download and upload speeds consistently and increasingly outperformed other MNOs' download and upload speeds.
- During December 2023, Vodacom issued an information request to ICASA in terms of the Promotion of Access to Information Act, 2000 requesting information about MTN's entitlement to transmit on spectrum not licensed to it by ICASA. On 14 March 2024, ICASA responded and informed Vodacom that it received the aforesaid applications from MTN, Cell C and Liquid on 4 April 2022 and approved these on 14 June 2022.
- In May 2024, Vodacom launched a two-part semi-urgent application. In Part A, Vodacom sought interim relief interdicting MTN, Cell C and Liquid from using or transmitting on the radio frequency spectrum bands, namely 900MHz, 1 800MHz and 2 100MHz bands, pending the outcome of Part B. In Part B of Vodacom's application, it sought an order to set aside the decision taken by ICASA on 14 June 2022 approving the spectrum sharing applications by MTN and Liquid and MTN and Cell C. Part A was set down for hearing on 13 August 2024.
- Essentially, Vodacom challenges the approval by ICASA of the pooling of high-demand spectrum between MTN and Cell C and MTN and Liquid. Vodacom contends that particularly MTN is favoured in respect of its available spectrum (to the serious competitive prejudice of Vodacom (and Rain and Telkom).
- Vodacom alleges, *inter alia*, that the pooling resulted in the MNOs being able to transmit on additional bands for which they were not individually licensed and, further, that they could transmit on unassigned guard bands – *i.e.* the buffer zones between licensed spectrum bands (without which the pooling in question would not work effectively). These unassigned guard bands are unlicensed. No public participation process was followed by ICASA in approving the pooling or the amendment of the frequency plan to remove the guard bands. As such, Vodacom contends that the MNOs are unlawfully transmitting on significant blocks of high demand spectrum bands for which they are not licensed.
- In Part A, Cell C argued that it has restructured its business model, based on approved sharing of spectrum and that a large segment of its customer base is customers who fall in the poorer segment of society and phones are their primary and often only means of communication, who would be negatively impacted by an interim interdict. The MNOs are further not undermining the regulator, they followed process, relying on the published regulations, to obtain official ICASA approval prior to implementing the pooling arrangements.
- In its judgment in Part A, the Court held that, despite Vodacom establishing the elements required for an interim interdict, the Court has an overall discretion and because of the considerations dealt with above, declined to grant the interim relief.
- The parties are now preparing for Part B of the application in which Vodacom is asking the court to set aside ICASA's approval of the MTN and Cell C spectrum pooling arrangements.
- An adverse order requiring MTN and Cell C to stop pooling their respective spectrum assignments in the 900MHz, 1 800MHz and 2 100MHz bands would negatively impact the speeds and quality of service that Cell C is able to provide to its wholesale and retail customers, which has been a significant factor in its turnaround. This may result in customer satisfaction decreasing significantly, which could have a material adverse effect on Cell C's business and results of operations. Such adverse effect cannot be quantified at this stage, pending the outcome of the litigation.

In addition to the material litigation noted above, Cell C has also recently become aware of the following legal proceedings:

- **CellSAf litigation**: CellSAf Limited (**CellSAf**), a previous indirect shareholder in Cell C, initiated judicial review proceedings against ICASA and others in October 2025 regarding ICASA's decision to approve the acquisition of control of Cell C by TPC. TPC and Cell C have been cited as co-respondents in these proceedings, which may take up to two years to complete. The transaction pursuant to which TPC acquired more than 50% of the shares in Cell C was implemented in September 2025, following ICASA's written approval in accordance with the applicable regulatory framework.
- It is too early to provide any guidance regarding the likely outcome or impact of this review application. While an adverse order might set aside ICASA's approval of the transfer of control, it should not affect the underlying licences held by Cell C. In any event, it is expected that, post-Admission, Cell C will no longer be a subsidiary of TPC, which will no longer have a controlling interest in Cell C.

MATERIAL CONTRACTS

As at the Last Practicable Date, other than as set out in *"Annexe 18 – Material Borrowings and Material Inter-Company Balances"* to this Pre-listing Statement, the Master Receivables Agreement, the Placement Agreement,, the Pre-listing Restructuring Implementation Agreement, the Flip-Up Agreement and the Umbrella Restructure Implementation and Funds Flow Agreement, there are no material contracts as contemplated in the JSE Listings Requirements entered into by the Company, its Major Subsidiaries, or by any subsidiaries, that are restrictive funding arrangements and/or contracts entered into (whether verbally or in writing) otherwise than in the ordinary course of business carried on, or proposed to be carried on, by the Company or its Major Subsidiaries or by any subsidiary where it is material to the Company during the 2 years preceding the Last Practicable Date, or entered into at any time and containing an obligation or settlement that is material to the Group at the date of this Pre-listing Statement.

Agreement	**Parties**	**Description**	**Date**
Master Receivables Agreement	African Bank and CEC	Sale of handset receivables from CEC to African Bank for upfront payment	3 September 2025
Placement Agreement	Company, TPC and the Joint Global Coordinators and Joint Bookrunners	See "*Part II – Overview of the Offer – Placement Agreement*"	13 November 2015
Pre-listing Restructuring Implementation Agreement	TPC, BLU, Cell C, CEC, SPV4 and SPV5	Governing Steps 1 to 5 of the Restructuring See *"Part VIII – Restructuring and formation of the Group"* of this Pre-listing Statement	1 September 2025
Flip-Up Agreement	TPC, Nedbank, Lesaka, Albanta, Cell C and the Company	Governing Step 6 of the Restructuring. See *"Part VIII – Restructuring and formation of the Group"* of this Pre-listing Statement	1 November 2025
Umbrella Restructuring Implementation and Funds Flow Agreement	Investec, RMB, Cell C, Cell C Property Company Proprietary Limited, Cell C SP, Cell C Tower Company Proprietary Limited, Nedbank, Gramercy, TPC, BLU, CEC and Comm Equipment Trading Company Proprietary Limited	Governing the 2022 Cell C Recap	21 September 2022

Other than as envisaged in the Consolidated Annual Historical Financial Information and Condensed Consolidated Interim Historical Financial Information and in the ordinary course of business, there are no existing or proposed contracts relating to royalties payable or items of a similar nature in respect of the Company or its Major Subsidiaries.

As at the Last Practicable Date, neither the Company nor its Major Subsidiaries have entered into any agreements relating to the payment of technical, administrative or secretarial fees.

VENDORS OF MATERIAL ASSETS

Neither the Company nor any of its subsidiaries has acquired any material assets from vendors, as contemplated in paragraph 7.H of the JSE Listings Requirements, during the 3 years preceding the Last Practicable Date.

WORKING CAPITAL STATEMENT

The Directors are of the opinion that:

- the Company and the Group will be able to pay its debts in the ordinary course of business for a period of 12 months after the date of this Pre-listing Statement;
- On a *pro forma* basis as per the pro-forma balance sheet, assuming the restructure is fully implemented, assets of the Company and the Group will exceed the liabilities of the Company and the Group for a period of at least 12 months after the date of this Pre-listing Statement. For this purpose, the assets and liabilities should be recognised and measured in accordance with the accounting policies used in in the Company's latest audited annual financial statements;

- the share capital and reserves of the Company and the Group will be adequate for ordinary business purposes for a period of at least 12 months after the date of this Pre-listing Statement; and
- the working capital of the Company and the Group will be adequate for ordinary business purposes for a period of at least 12 months after the date of this Pre-listing Statement.

MATERIAL CHANGE

There has been no material change in the financial or trading position of the Group since 31 May 2025, the date of the Condensed Consolidated Interim Historical Financial Information included in this Pre-listing Statement and the Last Practicable Date.

STATEMENTS AS TO NO OTHER LISTING

The Company has not applied for a listing on any securities exchange other than the JSE and has accordingly never been refused a listing on any exchange nor had any such application for a listing been deferred.

TRANSACTION SPONSOR INDEPENDENCE

RMB acts as Financial Adviser to BLU and Cell C and as Joint Global Coordinator, Joint Bookrunner and Transaction Sponsor in relation to this Pre-listing Statement and the Admission.

In its capacity as Transaction Sponsor, RMB has confirmed to the JSE and to Cell C that there is no matter that would impact its ability to exercise reasonable care and judgement in order to achieve and maintain independence and objectivity in its professional dealings in relation to the Company or that would impact on its ability to act within the Code of Conduct as set out in the Listings Requirements.

RMB has appropriate internal procedures in place to ensure that its ability to act independently as Transaction Sponsor in relation to this Pre-listing Statement and the Admission is not compromised. Pursuant to these internal procedures, RMB identifies and manages the risks of perceived conflict and maintains strict information barriers to ensure that, as Transaction Sponsor, it is able to act independently from other divisions within RMB. RMB also maintains and enforces restrictions around access to information, in order that such access is limited to deal teams for whom the information is relevant, for the purposes of the Pre-listing Statement and the Admission.

EXPENSES

The following table sets out the total estimated expenses paid or payable by Cell C for and on behalf of the Company in respect of the Offer and Admission.

Nature of expense	Payable to	Estimated amount, exclusive of Value Added Tax (ZAR'000)	Responsible Party
Joint Global Coordinators and Joint Bookrunners*	RMB	31 958	Cell C
Joint Global Coordinators and Joint Bookrunners*	Morgan Stanley	31 958	Cell C
Joint Global Coordinators and Joint Bookrunners*	Investec	31 958	Cell C
Financial advisor to BLU and Cell C	RMB	See note	TPC
Financial advisor to BLU	Investec	See note	TPC
South African and International Legal Advisors to the Company	DLA Piper Advisory Services Proprietary Limited	18 000	Cell C
Independent Auditor to the Company	SNG Grant Thorton.	4 750	Cell C
South African Legal Advisors to the Joint Global Coordinators and Joint Bookrunners	Bowman Gilfillian Inc.	4 200	Cell C
U.S. and International Legal Advisors to the Joint Global Coordinators and Joint Bookrunners	Milbank LLP	10 000	Cell C
Transfer secretaries	JSE Investor Services Proprietary Limited	100	Cell C
Listing fees and documentation inspection fees	JSE	4 000	Cell C
Printing, publication and distribution costs	Ince	500	Cell C
Other expenses	Various	10 000	Cell C
Contingency		5 000	Cell C
Total estimated expenses and fees		151 974	

* The JGC fees include a component of discretionary fee that the Company and TPC will allocate between the JGCs based on its discretion.

Note: Fees payable to the RMB and Investec as financial advisors are payable by TPC and not the Company and amount to ZAR35 million payable to RMB and ZAR5 million payable to Investec.

The Company has not incurred any preliminary expenses (within the meaning of the JSE Listings Requirements) over the 3 financial years preceding the Last Practicable Date.

CONSENTS

Each of the advisers, whose name appears in *"Part I – Corporate Information"* of this Pre-listing Statement, has consented in writing to act in the capacities stated and to the inclusion of its names and, where applicable, to the inclusion of its reports in this Pre-listing Statement in the form and context in which they appear and has not withdrawn its consent prior to the publication of this Pre-listing Statement.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the Company's registered office and the Sponsor's offices set out in *"Part I – Corporate Information"* of this Pre-listing Statement during Business Hours from the date of issue of this Pre-listing Statement until the Admission Date and can be made available through a secure electronic manner at the election of the person requesting inspection by emailing the Company Secretary at companysecretary@cellc.co.za:

- the Company MOI and the MOIs of its Major Subsidiaries;
- the Consolidated Annual Historical Financial Information and the Condensed Consolidated Interim Historical Financial Information;
- the reports of the Independent Auditor dated 7 November 2025, which are included as *"Annexe 2 – Independent Auditor's Assurance Report on The Consolidated Annual Historical Financial Information of Cell C Limited For The Year Ended 31 May 2025, The 5 Months Ended 31 May 2024, The Year Ended 31 December 2023 and The Year Ended 31 December 2022", "Annexe 4 – Independent Auditor's Review Report on The Condensed Consolidated Interim Historical Financial Information Of Cell C Limited For The Three Months Ended 31 August 2025 and 31 August 2024", "Annexe 6 – Independent Auditor's Assurance Report on The Annual Historical Financial Information of Comm Equipment Company Proprietary Limited For The Years Ended 31 May 2025, 2024 and 2023", "Annexe 8 – Independent Auditor's Review Report on The Condensed Interim Historical Financial Information of Comm Equipment Company Proprietary Limited for the Three Months Ended 31 August 2025 and 31 August 2024", "Annexe 10 – Independent Auditor's Assurance Report on the At Incorporation Historical Financial Information of The Company", "Annexe 12 – Independent Auditor's Assurance Report in Respect of The Compilation of Non-IFRS Financial Information" and "Annexe 14 – Independent Auditor's Assurance Report on The Compilation of Pro Forma Financial Information";*
- the *Pro Forma* Financial Information of the Group;
- the Non-IFRS Financial Measures of the Group;
- a signed copy of this Pre-listing Statement;
- the written consents of each of the legal advisers, the Independent Auditor, the Joint Global Coordinators and Joint Bookrunners, the Transfer Secretary and Sponsor named in this Pre-listing Statement to act in those capacities;
- the written consent of the Independent Auditor to the publication of their reports included as *"Annexe 2 – Independent Auditor's Assurance Report on The Consolidated Annual Historical Financial Information of Cell C Limited For The Year Ended 31 May 2025, The 5 Months Ended 31 May 2024, The Year Ended 31 December 2023 and The Year Ended 31 December 2022", "Annexe 4 – Independent Auditor's Review Report on The Condensed Consolidated Interim Historical Financial Information Of Cell C Limited For The Three Months Ended 31 August 2025 and 31 August 2024", "Annexe 6 – Independent Auditor's Assurance Report on The Annual Historical Financial Information of Comm Equipment Company Proprietary Limited For The Years Ended 31 May 2025, 2024 and 2023", "Annexe 8 – Independent Auditor's Review Report on The Condensed Interim Historical Financial Information of Comm Equipment Company Proprietary Limited for the Three Months Ended 31 August 2025 and 31 August 2024", "Annexe 10 – Independent Auditor's Assurance Report on the At Incorporation Historical Financial Information of The Company", "Annexe 12 – Independent Auditor's Assurance Report in Respect of The Compilation of Non-IFRS Financial Information" and "Annexe 14 – Independent Auditor's Assurance Report on The Compilation of Pro Forma Financial Information"*;
- copies of the Remuneration Policy;
- a copy of the Pre-listing Restructuring Implementation Agreement;
- a copy of the Flip-Up Agreement;
- a copy of the Placement Agreement;
- a copy of the Master Receivables Agreement;
- a copy of the Umbrella Restructure Implementation and Funds Flow Agreement; and
- a summary of the service agreements referred to in *"Annexe 15 – Particulars of The Directors of the Company and Senior Management"* to this Pre-listing Statement.

For purposes of determining compliance with the minimum subscribed capital requirements in terms of paragraph 4.28 of the JSE Listings Requirement the JSE has ruled that Cell C may use its *pro forma* balance sheet in support of a determination of its compliance with the Main Board listing criteria. In terms of paragraph 4.28 of the JSE Listings Requirements, W Consulting has prepared a valuation report on the intangible assets of CEC, in the context of Cell C's acquisition of CEC and with reference to an assessment of Cell C's subscribed capital.

As set out in further detail in the Important Information section of this Pre-listing Statement, the AUP report in relation to the assessment of the inputs to calculating liquidity and solvency metrics of the business post the implementation of the proposed Restructuring is available for inspection at the Company's registered office and may be viewed together with a representative from SNG Grant Thronton present.

Signed at Johannesburg on behalf of the Company in terms of a resolution by the Directors.

By order of the Board

Thursday, 13 November 2025

Joaquim Jorge Cerqueira Mendes	Johannes Sanyana Mthimunye
(Chief Executive Officer)	*(Chairperson)*

ANNEXE 1 – CONSOLIDATED ANNUAL HISTORICAL FINANCIAL INFORMATION OF CELL C LIMITED FOR THE YEAR ENDED 31 MAY 2025, THE 5 MONTHS ENDED 31 MAY 2024, THE YEAR ENDED 31 DECEMBER 2023 AND THE YEAR ENDED 31 DECEMBER 2022

The definitions and interpretations commencing on page 454 of this Pre-listing Statement apply through this Annexe 1, except where the context indicates a contrary intention and except where terms are explicitly defined herein.

HISTORICAL FINANCIAL INFORMATION OF Cell C LIMITED FOR THE 12 MONTHS ENDED 31 MAY 2025, 5 MONTHS ENDED 31 MAY 2024, 12 MONTHS ENDED 31 DECEMBER 2023 AND 31 DECEMBER 2022

BASIS OF PREPARATION

The Historical Financial Information of Cell C Limited set out below has been extracted from the audited Group annual financial statements of Cell C Limited for the 12 months ended 31 May 2025, 5 months ended 31 May 2024, and the 12 months ended 31 December 2023 and 31 December 2022 ("**Audited Financial Statements**"). The Audited Financial Statements were prepared in accordance with the IFRS® Accounting Standards ("**IFRS Accounting Standards**"), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Pronouncements as issued by Financial Reporting Standards Council.

The Audited Financial Statements have been audited by SNG Grant Thornton Inc. who expressed an unmodified audit opinion thereon, with a material uncertainty pertaining to going concern and an emphasis of matter on the comparability of the Group numbers due to the change in year ends resulting in 31 May 2024 being a 5-month reporting period. SNG Grant Thornton Inc. is the Independent Auditor of Cell C Limited and has issued the Independent Auditor's assurance report on Historical Financial Information.

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards and the JSE Listings Requirements, and prepared in accordance with, and by applying, the accounting policies of the Cell C Limited Group (the "**Cell C Group**"), for the purpose of providing financial information to satisfy the requirements of Section 8 of the JSE Listings Requirements. The additional disclosure required in terms of paragraph 8.12 of the JSE Listings Requirements has been included in the Historical Financial Information.

The Directors of Cell C Limited are responsible for the preparation, contents and presentation of the Historical Financial Information as included in this Circular.

The Historical Financial Information was approved by the Directors of Cell C Limited on 15 September 2025.

DIRECTORS' COMMENTARY

Twelve months ended 31 May 2025

STATEMENT OF FINANCIAL POSITION

The deferred tax asset recognised of ZAR2 025 million increased overall Total assets, partially offset by a reduction in inventories, due to a lower inventory holding (from ZAR109 million on 31 May 2024 to ZAR55.5 million on 31 May 2025) and lower trade and other receivables due to reduced receivables from related parties (from R2 102.6 million on 31 May 2024 to ZAR978.9 million on 31 May 2025). Total assets closed at ZAR5 074 million from ZAR3 876 million as at 31 May 2025. Total liabilities reduced from ZAR14 397.7 million as at 31 May 2024 to ZAR13 378.3 million as at 31 May 2025 due to a reduction in trade and other payables due to reduced balances with related parties and other suppliers (from ZAR6 262.8) million on 31 May 2024 to ZAR4 547.2 million on 31 May 2025), offset by an increase in Interest bearing borrowings of R206.3 million after the cessation of the interest free period for the shareholder loan in October 2024 (from ZAR3 750 million on 31 May 2024 to ZAR3956.3 million on 31 May 2025), an increase in lease liabilities of ZAR124.8 due to sundry lease renewals (from ZAR1 792.2 million on 31 May 2024 to ZAR1917 million on 31 May 2025) and an increase in Current tax liabilities of ZAR104.2 million due to improved profitability (from ZAR48.7 million on 31 May 2024 to ZAR152.9 million on 31 May 2025). Improved profitability and the recognition of the deferred tax asset resulted in the Total Equity moving from a negative equity of ZAR10 521.8 million to a negative equity of ZAR8 304.7 million driven by the reduction in the accumulated loss by the current year profit of ZAR2 217 million.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 May 2025, the Group profitability improved, driven by strong data growth and accelerated wholesale performance on the back of the growth in the Mobile Virtual Network Operators ("**MVNOs**").

Total revenue delivered of ZAR11 138 million delivered is comprised of service revenue of ZAR11 019 million, equipment revenue of ZAR119 million less net discount and commission costs of ZAR1 038 million. Currently the Group's participation in equipment sales is limited due to the high capital outlay required. The growth in equipment revenue that can be unlocked remains an opportunity for the Company. Equipment revenue related to all equipment required to provide telecommunication services to customers, like handsets, routers or PABX for enterprise clients.

The main contributor to service revenue is prepaid revenue of ZAR6 002 million. Performance in prepaid revenue is predominantly driven by Data Revenue of ZAR4 215 million. Data traffic continues to grow, growing 31% versus the twelve-month period ended May 2024. Voice revenue continues to decline but still contribute over ZAR1 376 million. The balance of prepaid revenue consists of sundry prepaid revenue items such as digital revenues. The prepaid end of period base for the financial year ended 31 May 2025 was 6 774 million with an ARPU of ZAR78.

Postpaid service revenue of ZAR2 310 million was achieved for the financial year ended 31 May 2025 driven by the revision of core products offered to consumers. The postpaid end of period base for the financial year ended 31 May 2025 was 0.798 million with an ARPU of ZAR224.

Wholesale revenue reached ZAR1 559 million. Wholesale revenue comprises MVNO revenues, Bulk SMS revenue and International ATP revenue. MVNO's continue to show accelerated growth over this period. The HLR register numbers increased to 4 489 million with data usage increasing by 127% and voice utilisation growth of 2% compared to the twelve-month period ended 31 May 2024.

Other revenue of ZAR2 095 million is comprised of roaming revenues, fibre revenues and enterprise revenues. Performance strengthened in this period.

EBITDA of ZAR2 105 million is net of operating costs that are growing below inflation. Due to the low asset base of the Group, the annual depreciation and amortisation remain low at ZAR508 million, resulting in EBIT of ZAR1 597 million. The net finance costs of ZAR1 301 million are comprised of finance income earned from positive cash balances and finance costs relating to leases and shareholder loans. The Company has returned to profit and achieved a profit of ZAR296 million. We have recognised a deferred tax asset of ZAR2 024 million in the year, which is netted off by the annual income tax expenses of ZAR104 million. The tax benefit has added to the profit and loss for the year of ZAR2 217 million.

The recognised deferred tax asset has resulted in an increase in the total assets of the Company, with a 21% improvement in the negative equity.

STATEMENT OF CHANGES IN EQUITY

There have not been any movements in Issued capital and Share premium from 31 May 2024 to 31 May 2025.

Improved profitability and the recognition of the deferred tax asset resulted in the Total Equity moving from a negative equity of ZAR10 521.8 million to a negative equity of ZAR8 304.7 million driven by the reduction in the accumulated loss by the current year profit of ZAR2 217 million.

STATEMENT OF CASH FLOWS

Cell C recorded net cash flows from operating activities of ZAR1 855.1 million for the year ended 31 May 2025 compared to ZAR1 793.7 million for the year ended 31 December 2023, an increase of ZAR61.4 million, or a 3.4% improvement. The change was primarily due to improved collections in the period. The balance for 5 months ended 31 May 2024 closed at ZAR481.3 million.

Cell C recorded cash flows used in investing activities of ZAR758.5 million for the year ended 31 May 2025, compared to ZAR655.5 million for the year ended 31 December 2023, an increase of ZAR103 million, or 15%. The change was primarily due to the investment in the customer facing assets like the next generation billing system for prepaid. The balance for 5 months ended 31 May 2024 was ZAR354.9 million.

Cell C recorded cash flows used in financing activities of ZAR1 015.5 million for the year ended 31 May 2025, compared to ZAR923.6 million for the year ended 31 December 2023, an increase of ZAR91.9 million, or 10%. The change was primarily due to the increase in interest paid on the shareholder loans. The balance for 5 months ended 31 May 2024 was ZAR315.2 million.

The net result of above has been a cash and cash equivalents decrease of ZAR107.9 million for the financial year ended 31 May 2025 relative to the balance as at 31 December 2023. The movement from 31 May 2024 to 31 May 2025 was an increase of ZAR81.1 million (from ZAR101.0 million as at 31 May 2024 to ZAR182.1 as at 31 May 2025).

Five months ended 31 May 2024

STATEMENT OF FINANCIAL POSITION

The decrease in Total assets of ZAR488.7 million from ZAR4 364.6 million as at 31 December 2023 to ZAR3 875.9 million as at 31 May 2024 was primarily due to the reduction in Trade and Other receivables of ZAR544 million because of reduced balances with related parties (from ZAR2 646.6 million as at 31 December 2023 to ZAR2 102.6 million as at 31 May 2024).

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Performance for the business remained stable, achieving a revenue of ZAR4 619 million although the period reflected a net profit loss of ZAR231million due to the impact of seasonality (due to the change in year-end). The Group's Total assets reduced from ZAR4 364 million as at 31 December 2023 to ZAR3 876 million driven by the lower trade receivables. With Total liabilities showing a net reduction from ZAR14 655 million as at 31 Dec 2023 to ZAR14 397 million as at 31 May 2024 driven mostly by the reduction in long-term borrowing from ZAR4 800 million to ZAR4 642 million over the same periods respectively.

STATEMENT OF CHANGES IN EQUITY

There have not been any movements in Issued capital and Share premium from 31 December 2023 to 31 May 2024.

Total Equity moved from a negative equity of ZAR10 291.3 million to a negative equity of ZAR10 521.8 million driven by the increase in the accumulated loss by the current five-month period of ZAR230.5 million loss.

Twelve months ended 31 December 2023

STATEMENT OF FINANCIAL POSITION

The increase in Total assets of ZAR871.1 million from ZAR3 493.5 as at 31 December 2022 to ZAR4 364.6 as at 31 December 2023 was primarily due to the increase in Trade and Other receivables of ZAR1 019.2 million because of reduced balances with related parties (from ZAR1 627.4 million as at 31 December 2022 to ZAR2 646.6 million as at 31 December 2023). This was supported by the increase in cash and cash equivalents of ZAR214.5 million (from R75.5 million as at 31 December 2022 to ZAR290.0 million as at 31 December 2023) and partially offset by the reduction in Non-current assets of ZAR371.7 (from ZAR1 748.5 million as at 31 December 2022 to ZAR1 377.4 million as at 31 December 2023) as part of the capex-light strategy which resulted in the decommissioning of assets.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The net revenue for the Group reduced from ZAR11 310 million as at 31 December 2022 to ZAR10 702 million as at 31 December 2023 due to the reduction in equipment revenue from ZAR438 million as at 31 December 2022 to ZAR128 million as at 31 December 2023 due to an accounting principle change from principal to agent for the postpaid handsets. The 2023 handset revenue reflects the prepaid and wholesale handset and equipment sales only. There was a continued reduction in postpaid hybrid revenue from ZAR2 120 million as at 31 December 2022 to ZAR1 553 million as at 31 December 2023 because of a declining postpaid base. Despite the reduction in revenue the Group achieved a net profit of ZAR190 million. 2023 was the first full financial year post the 2022 recapitalisation in the period there was an increase in the shareholder loans and lease liabilities that were part of the 2022 recapitalisation.

STATEMENT OF CHANGES IN EQUITY

There have not been any movements in Issued capital and Share premium from 31 December 2022 to 31 December 2023.

Total Equity moved from a negative equity of ZAR10 481.6 million as at 21 December 2022 to a negative equity of ZAR10 291.3 million as at 31 December 2023 driven by the reduction in the accumulated loss by the current five-month period of ZAR190.3 million profit.

STATEMENT OF CASH FLOWS

Cell C recorded net cash flows from operating activities of ZAR1 793.7 million for the year ended 31 December 2023 compared to ZAR1 798.8 million for the year ended 31 December 2022, a decrease of ZAR5.2 million, or 0.3%. The change was primarily due to the decline in finance costs as result of settlement of loans during the Recapitalisation transaction in 2022 ZAR 0.140 million and the overall impact of ZAR9.073 million due to the Recapitalisation transaction combined with other not so significant movements.

Cell C recorded cash flows used in investing activities of ZAR655.5 million for the year ended 31 December 2023 compared to ZAR855.3 million for the year ended 31 December 2022, a decrease of ZAR199.8 million, or 23.4%. The change was primarily due to a decline in investment in Networks ZAR0.15 million (Due to the Capital-light strategy) negated by an increase in Software under development of ZAR264 million.

Cell C recorded cash flows used in financing activities of ZAR923.6 million for the year ended 31 December 2023 compared to ZAR1 224.3 million for the year ended 31 December 2022, a decrease of ZAR300.7 million, or 24.6%. The change was primarily due to by lease obligations movement from the Recapitalisation transaction of ZAR286 million as the main driver.

The net result of above has been a cash and cash equivalents increase of ZAR214.5 million for the financial year ended 31 December 2023 relative to the balance as at 31 December 2022.

Twelve months ended 31 December 2022

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The net revenue for the Group reduced from ZAR12 996 million as at 31 December 2021 to R11 310 million as at 31 December 2022 due to the reduction in equipment revenue from ZAR901 million as at 31 December 2021 to ZAR438 million as at 31 December 2022 due to an accounting principle change from principal to agent for the postpaid handsets from 1 June 2022. The 2022 handset revenue reflects the prepaid and wholesale handset and equipment sales, and the pre-June 2022 handset revenues related to postpaid. There was a reduction in postpaid revenue from ZAR978 million as at 31 December 2021 to ZAR409 million as at 31 December 2022 because of a lower postpaid base. The Group achieved a net profit of ZAR3 939 million due to the balance sheet restructuring that occurred as part of the 2022 recapitalisation transaction.

STATEMENT OF CHANGES IN EQUITY

There were ZAR961.6 million shares issues in September of 2022 as part of the recapitalisation transaction. The fair value of the shares issues was ZAR0.2 million. There was no movement in Share premium.

The accumulated loss improvement from the opening balance of ZAR40 089.8 million to ZAR36 150.4 million was due to the profit for the year of ZAR3 939.4 million which included the once off profit from the recapitalisation gains on derecognition of loans and the modification of leases of ZAR9 367.6 million.

GROUP STATEMENT OF FINANCIAL POSITION

Figures in R'000	Notes	As at 31 May 2025	As at 31 May 2024	As at 31 December 2023	As at 31 December 2022
Assets					
Non-current assets					
Property, plant and equipment	2	459 262	509 576	502 308	1 241 304
Intangible assets	3	1 338 514	1 001 273	822 125	485 873
Equity accounted investments	4	10 958	10 523	10 281	9 948
Deferred tax assets	8	2 024 749	–	–	–
Capitalised contract costs	5	23 563	41 339	42 668	11 365
		3 857 046	**1 562 711**	**1 377 382**	**1 748 490**
Current assets					
Inventories	6	55 455	109 517	50 644	42 102
Trade and other receivables	7	978 967	2 102 620	2 646 566	1 627 419
Cash and cash equivalents	11	182 110	101 042	290 019	75 459
		1 216 532	**2 313 179**	**2 987 229**	**1 744 980**
Total assets		**5 073 578**	**3 875 890**	**4 364 611**	**3 493 470**
Equity and liabilities					
Equity					
Issued capital	12	11 500 612	11 500 612	11 500 612	11 500 612
Share premium	12	14 168 218	14 168 218	14 168 218	14 168 218
Accumulated loss		(33 973 577)	(36 190 629)	(35 960 126)	(36 150 397)
Total equity		**(8 304 747)**	**(10 521 799)**	**(10 291 296)**	**(10 481 567)**
Liabilities					
Non-current liabilities					
Interest-bearing borrowings	10	1 472 779	3 096 109	3 253 555	2 874 737
Lease liabilities	16	1 638 044	1 546 713	1 546 881	1 472 334
		3 110 823	**4 642 822**	**4 800 436**	**4 347 071**
Current liabilities					
Employee benefit obligations	13	215 972	142 086	144 436	–
Provisions	14	–	–	–	13 232
Trade and other payables	15	4 547 182	6 262 830	7 097 033	6 221 658
Current tax liabilities	9	147 295	48 749	–	–
Interest-bearing borrowings	10	2 483 531	653 855	417 262	250 000
Lease liabilities	16	278 972	245 533	289 053	627 180
Contract liabilities	17	2 594 550	2 401 814	1 907 687	2 515 896
		10 267 502	**9 754 867**	**9 855 471**	**9 627 966**
Total liabilities		**13 378 325**	**14 397 689**	**14 655 907**	**13 975 037**
Total equity and liabilities		**5 073 578**	**3 875 890**	**4 364 611**	**3 493 470**

GROUP STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Figures in R'000	Notes	12-month period ended 31 May 2025	5-month period ended 31 May 2024	12-month period ended 31 December 2023	12-month period ended 31 December 2022
Revenue	18	11 138 167	4 619 830	10 702 963	11 310 320
Other income	19	1 319 077	648 430	3 159 195	10 604 718
Direct expenses	20	(7 720 889)	(3 385 724)	(8 482 574)	(8 574 401)
Employee benefits expense	21	(818 183)	(332 594)	(726 374)	(590 848)
Depreciation and amortisation	22	(507 638)	(161 829)	(978 017)	(1 479 110)
Loss on derecognition of capitalised contract costs		–	–	–	(22 396)
Impairment loss reversal/(impairment loss) on trade receivables	7	(1 034)	6 291	144 616	114 166
Other expenses	23	(1 812 736)	(967 841)	(2 128 246)	(5 175 942)
Profit before net finance costs, equity-accounted profit and tax		**1 596 764**	**426 563**	**1 691 563**	**6 186 507**
Finance income	24	11 032	5 692	9 157	10 607
Finance costs	25	(1 311 740)	(614 820)	(1 510 782)	(2 258 375)
Share of profit from equity accounted investments	26	434	242	333	639
Profit/(loss) before tax		**296 490**	**(182 323)**	**190 271**	**3 939 378**
Income tax credit/(expense)	27	1 920 562	(48 180)	–	–
Profit/(loss) for the period		**2 217 052**	**(230 503)**	**190 271**	**3 939 378**
Earnings per share		Cents	Cents	Cents	Cents
Basic earnings per share	31	1.52	(0.16)	0.13	5.31
Diluted earnings per share	31	1.52	(0.16)	0.13	5.31

GROUP STATEMENT OF CHANGES IN EQUITY

Figures in R'000	Issued capital	Share premium	Accumulated loss	Total
Balance at 1 January 2022	11 333 339	14 168 218	(40 089 775)	(14 588 218)
Changes in equity				
Profit for the year	–	–	3 939 378	3 939 378
Total comprehensive income for the period	–	–	3 939 378	3 939 378
Shares issued at fair value	167 273	–	–	167 273
Balance at 31 December 2022	**11 500 612**	**14 168 218**	**(36 150 397)**	**(10 481 567)**
Balance at 1 January 2023	11 500 612	14 168 218	(36 150 397)	(10 481 567)
Changes in equity				
Profit for the year	–	–	190 271	190 271
Total comprehensive income for the period	–	–	190 271	190 271
Balance at 31 December 2023	**11 500 612**	**14 168 218**	**(35 960 126)**	**(10 291 296)**
Balance at 1 January 2024	11 500 612	14 168 218	(35 960 126)	(10 291 296)
Changes in equity				
Loss for the period	–	–	(230 503)	(230 503)
Total comprehensive income for the period	–	–	(230 503)	(230 503)
Balance at 31 May 2024	**11 500 612**	**14 168 218**	**(36 190 629)**	**(10 521 799)**
Balance at 1 June 2024	11 500 612	14 168 218	(36 190 629)	(10 521 799)
Changes in equity				
Profit for the period	–	–	2 217 052	2 217 052
Total comprehensive income for the period	–	–	2 217 052	2 217 052
Balance at 31 May 2025	**11 500 612**	**14 168 218**	**(33 973 577)**	**(8 304 747)**
Notes	12	12		

GROUP STATEMENT OF CASH FLOWS

Figures in R'000	Notes	12-month period ended 31 May 2025	5-month period ended 31 May 2024	12-month period ended 31 December 2023	12-month period ended 31 December 2022
Net cash flows from operations	**32**	**1 886 395**	**482 399**	**1 934 050**	**1 798 816**
Finance costs paid	25	(25 614)	(1 131)	(140 392)	–
Income taxes paid	34	(5 642)	–	–	–
Net cash flows from operating activities		**1 855 139**	**481 268**	**1 793 658**	**1 798 816**
Cash flows used in investing activities					
Finance income	24	11 032	5 692	9 157	10 607
Acquisition of property, plant and equipment	2	(269 358)	(122 616)	(135 444)	(512 233)
Purchase of intangible assets	3	(493 652)	(224 797)	(469 051)	(245 092)
Additions to capitalised contract assets	5	(6 567)	(13 278)	(60 163)	(108 578)
Cash flows used in investing activities		**(758 545)**	**(354 999)**	**(655 501)**	**(855 296)**
Cash flows used in financing activities					
Cash flows from interest-bearing borrowings	33	(158 195)	(110 000)	(201 667)	(1 198 744)
Cash flows from lease liabilities	33	(262 145)	(44 238)	(284 833)	(656 760)
Proceeds from interest-bearing borrowings	33	–	–	–	1 143 744
Interest paid	33	(595 186)	(161 008)	(437 097)	(512 567)
Cash flows used in financing activities		**(1 015 526)**	**(315 246)**	**(923 597)**	**(1 224 327)**
Net (decrease)/increase in cash and cash equivalents		**81 068**	**(188 977)**	**214 560**	**(280 808)**
Cash and cash equivalents at beginning of the period		101 042	290 019	75 459	356 266
Cash and cash equivalents at end of the period	**11**	**182 110**	**101 042**	**290 019**	**75 459**

1. **SIGNIFICANT ACCOUNTING POLICIES**

1.1 **Statement of compliance**

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards, the interpretations adopted by the International Accounting Standards Board, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council.

1.2 **Basis of preparation**

The Historical Financial Information is prepared on the historical cost basis except where stated otherwise in the accounting policies below. All financial information is presented in South African Rand ("ZAR"). Amounts have been rounded to the nearest thousand, unless otherwise stated.

The accounting policies set out below have been applied consistently to all periods presented in the Historical Financial Information, except where the Cell C Group has adopted IFRS and International Financial Reporting Interpretations Committee ("IFRIC") interpretations and amendments that became effective during the period. Several new standards, amendments to standards and interpretations became applicable to the Cell C Group during the current period and have been applied in the preparation of the Historical Financial Information. New standards, amendments to standards and interpretations did not have a significant impact on the Cell C Group.

1.3 **Basis of consolidation**

Investment in subsidiaries

Subsidiaries are entities controlled by the Cell C Group. The Cell C Group "controls" an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the Historical Financial Information from the date control is obtained by the Cell C Group until the date the Cell C Group ceases to control the subsidiary.

Investment in equity-accounted investee

The Cell C Group's interest in an equity-accounted investee comprises of an interest in a joint venture.

A joint venture is an arrangement in which the Cell C Group has joint control, whereby the Cell C Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

The investment in an investee is accounted for using the equity method. The investment is recognised initially at cost including transaction costs. Subsequent to initial recognition, the financial statements include the Cell C Group's share of profit or loss of equity-accounted investees, until the date which joint control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Cell C Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

1.4 **Foreign currency transactions and translations**

Transactions in foreign currencies are translated into ZAR at the exchange rates ruling when the transactions occur. Monetary assets and liabilities denominated in foreign currencies are translated into ZAR at the exchange rate at the reporting date. Foreign currency gains or losses are recognised in profit or loss.

1.5 **Property, plant and equipment**

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost of property, plant and equipment includes directly attributable costs incurred, being the purchase cost plus any cost to prepare the assets for their intended use, decommissioning costs incurred, and subsequent costs that may be capitalised.

Depreciation is calculated on cost less estimated residual values using the straight-line method over the estimated useful lives, and recognised in profit or loss.

The estimated useful lives, per category of property, plant and equipment, are as follows:

Network assets	3 to 20 years
Computer equipment	3 years
Leasehold improvements	5 to 7 years
Furniture and fixtures	5 years
Equipment	5 to 10 years
Right-of-use asset: Building*	20 years
Right-of-use assets: Network assets and equipment*	5 to 20 years
Motor vehicles: including right-of-use assets*	4 to 5 years

* Refer to Note 1.6 for the accounting policy on right-of-use assets.

The residual values, useful lives and depreciation methods are reviewed at each reporting date and adjusted if appropriate.

The carrying amount of property, plant and equipment is derecognised when the asset is disposed of or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of property, plant and equipment are determined as the difference between the carrying amount and the net disposal proceeds, and are recognised in profit or loss.

1.6 **Leases**

At inception of a contract, the Cell C Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Cell C Group as lessee

The Cell C Group leases buildings, network assets and related equipment and motor vehicles.

At commencement or on modification of a contract that contains a lease component, the Cell C Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Cell C Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Cell C Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives. Lease payments included in the measurement of the lease liability comprise fixed payments, including in-substance fixed payments.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term unless the lease transfers ownership of the underlying asset to the Cell C Group by the end of the lease term. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is tested for impairment, when appropriate, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Cell C Group's incremental borrowing rate. Generally, the Cell C Group uses its incremental borrowing rate as the discount rate.

If lease payments are deferred beyond the normal credit terms, interest may be capitalised where material. The interest incurred on deferred payments is calculated by applying the discount rate used to measure the lease liability and is included as part of the lease liability on the balance sheet. This interest is recognised as an expense in profit or loss over the lease term using the effective interest method.

Where deferred payments result in a significant financing component, the Cell C Group adjusts the cost of the right-of-use asset and the corresponding lease liability to reflect the time value of money.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured if the Cell C Group changes its assessment of whether it will exercise an extension option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recognised in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Cell C Group presents right-of-use assets in "property, plant and equipment" and lease liabilities separately in the statement of financial position.

Lease modifications

A lease is modified when there is a change in the scope, or the consideration, of a lease, that was not part of the original terms and conditions of the lease. Where the lease has been assessed as modified, the modification is either accounted for as a separate lease or as a remeasurement, depending on the nature of the modification. All modifications are accounted for at the effective date of the lease modification.

Lease modification accounted for as a separate lease

The Cell C Group accounts for lease modifications as a separate lease when the modification increases the scope of the lease by adding the right to use one or more underlying assets and the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope.

Lease modifications not accounted for as a separate lease

Where a lease modification is not accounted for as a separate lease, the Cell C Group accounts for the modification as a remeasurement of the lease liability by discounting the revised lease payments using a revised discount rate.

The revised discount rate is determined as the interest rate implicit in the lease for the remainder of the lease term, if that rate can be readily determined, or the Cell C Group's incremental borrowing rate at the effective date of the modification, if the lease does not specify the interest rate.

The remeasurement of the lease liability results in a decrease of the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for modifications that decrease the scope of the lease, unless the decrease exceeds the carrying amount of the right-of-use asset, in which case the excess is recognised in profit or loss.

Short-term leases

The Cell C Group recognises lease contracts that are 12 months or less on a straight-line basis as an expense.

1.7 Intangible assets

All intangible assets of the Cell C Group have finite useful lives and are measured at cost, less accumulated amortisation and accumulated impairment losses.

Computer software	Computer software that is not considered as an integral part of any hardware equipment is recognised as an intangible asset.
Capitalised contract costs	The Cell C Group recognises an asset for the incremental costs of obtaining a contract with a customer if the Cell C Group expects to recover those costs. The incremental costs of obtaining a contract are those costs that the Cell C Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. These costs include certain connection bonuses, interest, administration and margin fees and commissions payable to staff or agents for acquiring customers on behalf of the Cell C Group. Incremental costs of obtaining a contract, such as selling, distribution and marketing expenses, are recognised as an expense in profit or loss and included as part of other expenses (refer to Note 26) when incurred since the amortisation period, if the costs were capitalised, would be less than one year. Capitalised costs are recognised as an asset and amortised over the term of the contract and assessed annually for impairment based on subscriber churn. This class is presented separately in the statement of financial position and disclosed in Note 5.
Indefeasible right-of-use	The indefeasible right-of-use (“IRU”) relates to the contractual right to access fibre assets over the useful life.
Purchased subscriber base	The purchased subscriber base relates to the prepaid customer base with an indefinite useful life.
Software under development	The software under development relates to Next Generation Business Support System (“NGBSS”). an internally generated software for the billing of customers. Development costs are capitalised and research expenditure is recognised in profit or loss. The software under development has been capitalised as computer software and amortised over its estimated useful life.

Amortisation is calculated to write off the cost of intangible assets using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

The estimated useful lives, per category of intangible assets, are as follows:

Computer software	3 to 5 years*
Capitalised contract costs (costs to obtain a contract)	2 to 3 years
Indefeasible right-of-use	20 years
Purchased subscriber base	Indefinite useful life

* The useful life of 5 years relates to the internally generated software: NGBSS that was completed and capitalised in the 2025 reporting period. The useful life of other assets within this class has not changed.

The useful life is reviewed at each reporting date and adjusted if appropriate. Impairment is tested annually for assets with an indefinite useful life, while assets with a finite useful life are tested whenever there is an indicator that the asset may be impaired. Impairment loss is recognised in profit or loss.

Any gain or loss on disposal of an intangible asset is recognised in profit or loss.

1.8 **Financial instruments**

Initial measurement, classification and subsequent measurement

Initial measurement:

Financial assets and liabilities are recognised in the Cell C Group's statement of financial position when it becomes a party to the contractual provisions of the instruments. All financial assets (unless it is a trade receivable without a significant financing component) and financial liabilities are initially measured at fair value, including transaction costs. A trade receivable without a significant financing component is initially recognised at the transaction price.

Financial assets:

The Cell C Group's financial assets comprise only financial assets at amortised cost which consist of trade and other receivables and cash and cash equivalents.

Classification

A financial asset is measured at amortised cost when the following criteria are met:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Cell C Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Subsequent measurement and gains and losses

Financial assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Derecognition:

Cell C Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. An interest in such derecognised financial assets that is created or retained by the Cell C Group is recognised as a separate asset or liability. Any gain or loss on derecognition is recognised in profit or loss.

The Cell C Group transfers financial assets if it retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement.

Financial liabilities:

The Cell C Group's financial liabilities comprise only financial liabilities at amortised cost which consist of trade payables, lease liabilities and interest-bearing borrowings.

Classification

Financial liabilities are classified as measured at amortised cost.

Subsequent measurements

Financial liabilities are subsequently measured at amortised cost using the effective interest method.

Derecognition:

The Cell C Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired. The Cell C Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Cell C Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of financial assets

The Cell C Group recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost.

The Cell C Group measures loss allowances at an amount equal to lifetime ECLs, except for debt securities that are determined to have low credit risk at the reporting date and bank balances for which credit risk (*i.e.* the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition, which are measured at 12-month ECLs.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs using a provision matrix, *i.e.*, the simplified approach.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The Cell C Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Cell C Group considers a financial asset to be in default when the financial asset is more than 90 days past due, after which it is considered to be credit-impaired.

Trade receivables generally have 30 to 60 days' payment terms.

When estimating ECLs, the Cell C Group considers the maximum contractual period over which the Cell C Group is exposed to credit risk.

Simplified approach

ECLs are calculated by applying a loss ratio to the aged balance of trade receivables at each reporting date, using a provision matrix. The loss ratio is calculated according to the ageing/payment profile of sales by applying historical/proxy write-offs to the payment profile of the sales population. In instances where there is no evidence of historical write-offs the Cell C Group uses an estimated proxy write-off.

Trade receivable balances have been grouped so that the ECL calculation is performed on groups of receivables with similar risk characteristics and ability to pay. Similarly, the sales population selected to determine the ageing/payment profile of the sales is representative of the entire population and in line with future payment expectations. The historical loss ratio is then adjusted for forward-looking information to determine the ECL for the portfolio of trade receivables at the reporting date to the extent that there is a strong correlation between the forward-looking information and the ECL.

Factors that would cause trade receivables in excess of 90 days not to be written off in full are if the debtor is a major shareholder and if subsequent payments have been received as the intention is to settle the debt in full. This assessment is based on the customer's payment history and patterns as well as payments received after the reporting date.

Credit impaired financial assets

At each reporting date, the Cell C Group assesses whether financial assets measured at amortised cost are credit impaired. A financial asset or finance lease receivable is "credit-impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset or finance lease receivable have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Cell C Group on terms that the Cell C Group would not consider otherwise; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

Write-off

The gross carrying amount of a financial asset is written off when the Cell C Group has no reasonable expectations of recovering such in its entirety or a portion thereof. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Cell C Group and a failure to make contractual payments for a period of greater than 90 days past due. The Cell C Group expects no significant recovery from the amount written off. However, financial assets that are written off are no longer subject to enforcement activities for recovery of amounts due.

1.9 **Inventories**

Inventories for the Cell C Group consist of handsets, routers, set-top boxes, handset accessories, laptops, sim cards and starter packs (merchandise) and are initially recognised at cost. Inventories sold in the Cell C Group's branded stores and website for which the Cell C Group has no control over, are not included as part of inventory. Inventories are subsequently measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories is based on the weighted average cost principle and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The same cost formula is used for all inventories having a similar nature and use.

When inventories are sold, the carrying amount of those inventories are recognised as an expense in profit or loss in the period in which the related revenue is recognised. Direct expenses include commission, buy-out campaign costs, cost of sales for airtime, data, SMS and GPRS costs, connection costs bonus, sim and handset acquisition costs.

An allowance for obsolete or damaged inventory is maintained by the Cell C Group. The level of the allowance for obsolete inventory is equivalent to the value of the difference between the cost of the inventory and its net realisable value at the reporting date. Movements in this allowance are recognised in profit or loss.

1.10 **Contingent liabilities**

The Cell C Group does not recognise contingent liabilities in the Statement of Financial Position until future events indicate that it is probable that an outflow of resources will take place and a reliable estimate can be made, at which time a provision is recognised.

1.11 **Share capital**

Ordinary shares are classified as equity. Incremental external costs directly attributable to the issue of ordinary shares or share options are recognised in equity as a deduction, net of tax from the proceeds.

1.12 **Income tax**

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only where:

- there is a legally enforceable right to set off the recognised amounts; and
- there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax value used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Cell C Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available which the temporary difference can be utilised against.

Future taxable profits are determined based on the reversal of relevant taxable temporary differences.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised, such reductions are reversed when the probability of future taxable profits improves.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. The amount already paid in respect of current and prior periods, which exceeds the amount due for those periods, is recognised as an asset.

The benefit relating to a tax loss that can be carried back to recover current tax of a previous period is recognised as an asset.

Current tax liabilities/(assets) for the current and prior periods are measured at the amount expected to be paid to/(recovered from) the taxation authorities.

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

- the initial recognition of goodwill; or
- the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit/(tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that:

- is not a business combination; and
- at the time of the transaction, affects neither accounting profit nor taxable profit/(tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

The measurement of deferred tax liabilities and deferred tax assets are made to reflect the tax consequences that would follow from the manner in which it is expected, at the end of the reporting period, recovery or settlement of temporary differences will occur.

1.13 **Revenue from contracts with customers**

The Cell C Group generates revenue from the distribution of telecommunication services which include prepaid, wholesale, contract (postpaid, hybrid, Fibre-to-the-home ("FTTH"), broadband, SMS and roaming) as well as from the sale of equipment. Products and services are sold separately or in bundled packages.

When the Cell C Group enters into an agreement with a customer, goods and services deliverable under the contract are identified as separate performance obligations to the extent that the customer can benefit from the goods or services on their own and that the separate goods and services are considered distinct from other goods and services in the agreement. The Cell C Group determines the transaction price to which it expects to be entitled to in return for providing the promised goods or services to the customer based on the committed contractual amounts, net of VAT and discounts.

The Cell C Group recognises revenue when it transfers control over a good or service to a customer. Revenue for the provision of services, such as telecommunication services, is recognised as the Cell C Group provides the related service during the agreed service period. Revenue from equipment sales is recognised when the device is delivered to the end customer.

Customers subscribe to a bundled or telecommunications (sim only) contract for periods ranging between 12 and 24 months.

For bundled packages (equipment and telecommunication services), the Cell C Group accounts for individual products and services separately if they are distinct. The consideration is allocated between separate products and services in a bundle and is based on the stand-alone selling prices. The stand-alone selling prices are determined and based on the list prices at which the Cell C Group sells the mobile devices and telecommunication services separately. Telecommunication services revenue is recognised at the earlier of usage or expiry.

The Cell C Group determines whether the nature of the transaction, in a bundled contract, is a performance obligation provided by the Cell C Group or by a third party.

With a bundled package, a customer signs two contracts; a contract with the Cell C Group for telecommunication services and a contract with a third party for the device (*i.e.*, devices provided in a bundled arrangement are financed by the third party through a handset financing arrangement).

For device sales made to intermediaries such as franchisees and indirect channel dealers, revenue is recognised if control of the device has transferred to the intermediary and the intermediary has no right to return the device to receive a refund; otherwise, revenue recognition is deferred until sale of the device to an end customer by the intermediary or the expiry of any right of return.

When the Cell C Group has control of goods or services prior to delivery to a customer, then the Cell C Group is the principal in the sale to the customer. As a principal, receipts from, and payments to, suppliers are reported on a gross basis in revenue and operating costs. If another party has control of goods or services prior to transfer to a customer, then the Cell C Group is acting as an agent for the other party and revenue (e.g., Value-added Services ("**VAS**")) in respect of the relevant performance obligation is recognised net of any related payments to the supplier and represents the margin earned by the Cell C Group.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies:

Type of product/ service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition
Wholesale services	This telecommunication service comprises revenue generated from Mobile Virtual Network Operators ("**MVNO**"), Mobile Virtual Network Enablement ("**MVNE**") and Business Service Providers ("**BSP**") customers. The Cell C Group provides additional products and services to MVNOs and BSPs such as: SIM cards, devices, VAS and roaming services. The contracts are typically month to month and the telecommunication services and equipment sales is recognised in the manner described above for contract revenue. Due to the short-term nature of each contract no significant finance component exists.	Revenue is recognised over time as the customer simultaneously receives access to and uses the network services. The Cell C Group satisfies the performance obligation when the customer has access to the network and utilises voice, SMS, and data connectivity services.
Postpaid and prepaid distribution services	This revenue stream comprises Voice, SMS, Data, WASP and Contract charges. Payment for prepaid is collected in cash at the point of purchase of airtime vouchers by the customer. Payment terms differ in relation to different dealers, which range from cash on delivery ("COD") to 60 days. Contract customers are billed the month after services have been provided and payment is collected monthly in equal instalments over the period of the contract.	Revenue is recognised over time as the customer simultaneously receives access to and uses the network services. The Cell C Group satisfies the performance obligation when the customer has access to the network and utilises voice, SMS, and data connectivity services. The Cell C Group allocates a portion of the revenue received to volume discounts. Payments received in advance from customers for prepaid services are deferred and included in contract liabilities. The contract liability is recognised as revenue based on usage or breakage.
FTTH services	Fibre-to-the-home comprises line rental, connection fee, installation fee. Revenue is recognised as the customer simultaneously receives access to and uses the network services. Invoices are generated in advance of the service being provided. Invoices are payable in advance of the service being provided to the customer. Payments received in advance are included in contract liabilities.	Revenue is recognised over time as the customer simultaneously receives access to and uses the network services. The Cell C Group satisfies the performance obligation when the customer has access to the network and utilises voice, SMS, and data connectivity services.

Type of product/ service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition
Equipment – Handsets (devices)	In a post-paid contract, when the Cell C Group sells a device as part of a bundling offering, the Cell C Group is an agent (Refer to Note 1.16.1). Therefore, the Cell C Group doesn't recognise the revenue in respect of the device sale. However, the Cell C Group continues to sell devices on a prepaid basis and in those transactions the Cell C Group is a principal. Accordingly, the Cell C Group recognises full revenue in respect of devices.	Revenue is recognised at a point in time when the customer takes control of the device.
Incoming (Interconnect)	Customers from other service providers are allowed to terminate their calls on the Cell C Group's network. The performance obligation is met when calls from the other service providers terminate on the Cell C Group's network. Payment for interconnect is generally received monthly based on usage for the month and is considered not to have a significant financing component.	The service is provided at a point in time when the calls from the other service providers are allowed to terminate on the network.
Roaming revenue	This revenue relates to the network spectrum of the Cell C Group. External parties are allowed access on the network spectrum at an agreed fee. The performance obligation is met when the external party makes use of the network spectrum. Payment for roaming services is generally received monthly as per agreed rates.	The service is provided over time as and when the external parties use the network spectrum.

1.14 **Employee benefits**

Short-term employee benefits

The cost of all short-term employee benefits is recognised as an expense in profit or loss during the reporting period in which the employee renders the related service.

Liabilities for employee entitlements to wages, salaries and annual leave represent the amount which the Cell C Group has a present obligation to pay as a result of employee services provided during the reporting period.

Defined contribution plan

The Cell C Group provides retirement benefits to all permanent employees through a defined contribution pension fund, which is subject to the Pension Fund Act of South Africa, 1956 as amended. Contributions to defined contribution pension funds are recognised as an expense in profit or loss as the related service is provided.

1.15 **Finance income and finance costs**

Finance income and finance costs are recognised in profit or loss using the effective interest method as the instruments to which this relates are measured at amortised cost.

Finance income comprises interest income from funds invested.

Finance costs comprise interest expenses on borrowings and lease liabilities and working capital.

1.16 **Significant judgements and estimates**

In preparing these financial statements, management has made judgements and estimates that affect the application of the Cell C Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

1.16.1 ***Judgements***

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is as follows:

Sale of handsets

Significant judgement is required in respect of handset sales. The entity is considered to be a principal in such transactions if it controls the handsets before the handset is transferred to a customer (refer to Note 1.16.1 below).

The Cell C Group has an agreement with CEC for the facilitation of the sale of handsets. The contract allows CEC to control the inventory and the risks related to the inventory up to the point of sale to the customer, therefore CEC controls the inventory in the Cell C warehouse. The Cell C Group is responsible for providing telecommunication services to the customer, all the administration in respect of the sale and distribution of handsets included as part of a contract with a customer and the marketing and promotion of the services offered by the Cell C Group.

Management has applied the following judgements:

- The Cell C Group obtains no control of handsets that are purchased by CEC for resale to the Cell C Group's postpaid customers, the proceeds from the sale of handsets belongs to CEC and the pricing decisions of these devices is directed by CEC (*i.e.*, the Cell C Group has no risks or rewards from the ownership and sale of handsets). Management has concluded that the Cell C Group acts as an agent in respect of the sale of handsets to postpaid subscribers.
- With risks and rewards of owning handsets that are sold to postpaid customers resting with CEC, the control of these handsets is also with CEC. The Cell C Group, therefore, does not account for handsets controlled by CEC as its inventory.

Based on management's assessment, the Cell C Group acts as an agent in respect of the sale of the handsets.

Significant financing component

Management considered its contracts with customers to determine whether they contain a significant financing component. Specifically, the Cell C Group has elected to apply the practical expedient in IFRS 15 to not account for a financing component when the period between the time of providing goods and services compared to payment timing is 12 months or less.

The Cell C Group sells all the devices it controls on a cash basis only, hence, there is no time difference between when the payment is received and when the devices are transferred to the customers. Postpaid subscribers pay their subscription monthly.

Therefore, management has concluded that none of the contracts with customers contain a significant financing component.

Recognition in respect of breakage

The Cell C Group recognises breakage based on the pattern of prepaid usage or when the likelihood of the customer exercising its remaining rights becomes remote. Revenue from breakage is recognised when the Cell C Group expects to be entitled to the amount, when it is highly probable, and that it would not result in significant reversal of the cumulative revenue recognised.

Contingent liabilities

The Cell C Group applies judgement in assessing the potential outcome of uncertain legal matters. The Cell C Group does not recognise contingent liabilities in the statement of financial position until future events indicate that it is probable that an outflow of resources will take place and a reliable estimate can be made, at which time a provision is recognised. The Cell C Group has disclosed contingent liabilities where economic outflows are considered possible but not probable.

1.16.2 ***Assumptions and estimation uncertainties***

Information about assumptions and estimation uncertainties at the reporting dates that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next reporting period are as follows:

Property, plant and equipment – Estimation of useful lives

The estimation of useful lives is based on certain indicators such as historical experience and anticipation of future events, which may impact the useful lives, such as changes in technology, regulatory or economic environment. The useful lives will also depend on the future performance of the assets as well as management's judgement of the period over which economic benefits will be derived from the assets. Useful lives are reviewed on an annual basis with the effects of any changes in estimate accounted for on a prospective basis.

Management has made a significant judgement in determining the useful life of an internally generated intangible asset: Next Generation Billing Support System ("NGBSS"). This asset was developed internally and meets the recognition criteria set out in IAS 38 – Intangible Assets. Based on the expected useful life and anticipated technological evolution, management determined that a finite useful life of five (5) years is appropriate.

Impairment of financial assets

Loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. A key source of estimation uncertainty exists in the determination of the loss rates of trade receivables applied in determining the expected credit losses. The Cell C Group applies judgement in selecting the inputs to the impairment calculation, based on the Cell C Group's past history, existing market conditions as well as forward-looking estimates at each reporting date.

The assessment of the correlation between historical observed loss rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Cell C Group's historical credit loss experience and forecast of economic conditions may not be representative of customer's actual default in the future.

Details of the key assumptions and inputs used are disclosed in Note 31.

Deferred tax – Availability of future taxable profits against which deductible temporary differences and tax losses carried forward can be utilised

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised. The deferred tax asset is recognised to the extent that there are sufficient taxable temporary differences or there is convincing evidence that sufficient taxable profit will be available against which the unused tax losses can be utilised.

In determining whether it is probable that future taxable profits will be available against which the deferred tax assets can be used, the Cell C Group has estimated the probability of future taxable profits based on budgeted forecasts of the Cell C Group and the probable reversal of taxable temporary differences in the future.

Medium-term forecasts are prepared and reviewed by management on a bi-annual basis, which includes estimates and assumptions regarding economic growth, interest rates, inflation and applicable factors. Management exercises judgement in determining whether forecasts are likely to be achieved and, in turn, whether the deferred tax assets will be recoverable.

The Cell C Group's deferred tax assets for the current year amounted to R2 billion (2024: R Nil million, 2023: R Nil million and 2022: R Nil million) (refer to Note 8). Management was able to demonstrate with significant certainty that the Cell C Group will generate future taxable profits to utilise the unused tax loss and it was able to determine that the temporary differences would be utilised.

1.17 Recapitalisation transaction

Overview of the recapitalisation transaction

The Cell C Group concluded a robust recapitalisation process in the prior reporting period with the purpose of deleveraging its statement of financial position and providing liquidity with which to operate and grow its businesses. In addition, the process was an enabler for the Cell C Group to achieve long-term success for the benefit of its customers, employees, creditors, shareholders and its other stakeholders.

A summary of the salient terms of the transaction is set out below:

Debt restructure

Intercreditor Agreement ("ICA") lenders had aggregate claims against the Cell C Group of approximately R10.4 billion. A compromise agreement was reached, wherein they were offered either a final cash settlement or the option to re-invest the payout for reinvested debt plus Cell C shares at a nominal amount. Refer to Note 10 for the reinvested debt.

Loan from TPC

To facilitate the restructuring of the Cell C Group's secured debt owing to ICA Lenders who chose not to reinvest their claims, the Cell C Group obtained a R1.03 billion loan required to effect the compromise offer. Refer to Note 10.

The Cell C Group obtained an additional loan of R53 million from TPC to fund an interrelated transaction from ZTE Corporation. Refer to Note 10.

Comm Equipment Cell C Group (Pty) Ltd ("CEC") deferral

The Cell C Group was indebted to CEC in an aggregate amount of at least R1.25 billion in respect of the procurement of goods and services. Refer to Note 10.

Compromise with creditors

The Cell C Group entered into an agreement to purchase unsold airtime held by Lesaka Technologies (Pty) Ltd ("**Lesaka**") amounting to R287 million. Lesaka is allowed to sell any of the airtime to the market, which reduced the amount of the airtime to be bought back and the cash to be paid by the Cell C Group. The unsold airtime was previously recognised as unearned revenue however the new agreement changed the nature of the Cell C Group's obligation from providing airtime/services to an obligation to pay cash. As at the end of 31 May 2025 the full loan balance was settled.

Shares

Participating lenders who wished to remain invested in the Cell C Group were entitled to share *pro rata* in an issue of ordinary shares in the Cell C Group at a nominal value. All shareholders of the Cell C Group diluted proportionately to enable the issuance of these ordinary shares to the participating lenders.

Compromised leases

The Cell C Group renegotiated certain of its lease agreements. The amendments predominantly aimed to provide financial relief needed by the Cell C Group to improve its liquidity position. Refer to Note 16.

Bulk airtime purchase and repurchase of stock (Liquidity requirements)

To further assist the Cell C Group with its working capital requirements, the following stock purchases have been made with TPC:

- On 30 September 2022, prepaid airtime vouchers with a face value of R1.99 billion (including VAT) for a cash payment of R1.20 billion (including VAT).
- Bulk airtime vouchers from the Cell C Group on 1 December 2022 and quarterly after the effective date at a face value of R300 million, the last purchase being completed in October 2024.
- R315 million monthly in the first year commenced on 31 October 2022, for a cash consideration of R315 million. Subsequently, monthly payments of R238 million in cash were made until 30 September 2024.

The prepaid airtime that has been acquired by TPC pursuant to the above, formed part of the average monthly prepaid airtime acquisitions by TPC in the Cell C Group's ordinary course of business. The unused airtime purchases are reflected as part of the contract liabilities balance. Refer to Note 17.

Conclusion

As at the financial reporting dates 31 May 2025, 31 May 2024, 31 December 2023 and 31 December 2022, Cell C had met all recapitalisation related payments, despite liquidity remaining a challenge.

2. PROPERTY, PLANT AND EQUIPMENT

2.1 Balances at year end and movements for the year

	Network assets	Computer equipment	Leasehold improve-ments	Furniture and fittings	Office equipment	Network and equipment – right-of-use asset	Building – right-of-use asset	Motor vehicles – right-of-use asset	Total
12 months to 31 May 2025									
At cost	694 356	1 233 903	68 751	–	190 133	5 543 066	977 352	29 417	**8 736 978**
Accumulated depreciation	(618 529)	(1 157 428)	(67 011)	–	(187 977)	(5 419 296)	(748 015)	(29 145)	**(8 227 401)**
Carrying amount	**75 827**	**76 475**	**1 740**	**–**	**2 156**	**123 770**	**229 337**	**272**	**509 577**
Movements for the period ended 31 May 2025									
Additions from acquisitions	39 566	38 585	54 688	–	–	89 631	42 149	4 739	**269 358**
Depreciation	(19 115)	(11 327)	(3 980)	–	(303)	(90 706)	(105 735)	(1 739)	**(232 904)**
Terminations	–	–	–	–	–	(21 946)	(860)	(27)	**(22 833)**
Transfer	5 226	(69 161)	–	–	–	–	–	–	**(63 935)**
Closing balance at 31 May 2025									
At cost	736 901	319 244	73 989	–	111 554	3 494 626	733 870	5 529	**5 475 713**
Accumulated depreciation	(635 397)	(284 672)	(21 541)	–	(109 702)	(3 393 877)	(568 979)	(2 283)	**(5 016 451)**
Carrying amount	**101 504**	**34 572**	**52 448**	**–**	**1 852**	**100 749**	**164 891**	**3 246**	**459 262**
5 months to 31 May 2024									
At cost	652 969	1 186 595	68 591	54 266	135 868	5 589 485	976 166	30 073	**8 694 013**
Accumulated depreciation	(615 940)	(1 144 905)	(64 618)	(54 212)	(133 630)	(5 432 732)	(716 063)	(29 605)	**(8 191 705)**
Carrying amount	**37 029**	**41 690**	**3 973**	**54**	**2 238**	**156 753**	**260 103**	**468**	**502 308**
Movements for the period ended 31 May 2024									
Additions from acquisitions	41 387	47 308	160	–	–	20 051	13 254	456	**122 616**
Depreciation	(2 589)	(12 523)	(2 393)	(20)	(117)	(39 812)	(43 541)	(579)	**(101 574)**
Retirements	–	–	–	–	–	(13 222)	(479)	(73)	**(13 774)**
Closing balance at 31 May 2024									
At cost	694 356	1 233 903	68 751	54 266	135 868	5 543 066	977 352	29 417	**8 736 979**
Accumulated depreciation	(618 529)	(1 157 428)	(67 011)	(54 232)	(133 747)	(5 419 296)	(748 015)	(29 145)	**(8 227 403)**
Carrying amount	**75 827**	**76 475**	**1 740**	**34**	**2 121**	**123 770**	**229 337**	**272**	**509 576**

12 months to 31 December 2023									
At cost	18 295 317	1 174 690	557 330	56 675	138 973	8 182 374	946 942	91 059	**29 443 360**
Accumulated depreciation	(17 968 055)	(1 100 869)	(545 286)	(56 570)	(136 578)	(7 707 140)	(597 214)	(90 344)	**(28 202 056)**
Carrying amount	**327 262**	**73 821**	**12 044**	**105**	**2 395**	**475 234**	**349 728**	**715**	**1 241 304**
Movements for the period ended 31 December 2023									
Additions from acquisitions	22 741	31 573	–	–	156	59 027	19 816	2 131	**135 444**
Depreciation	(288 933)	(65 709)	(8 071)	(51)	(313)	(343 701)	(109 427)	(2 017)	**(818 222)**
Terminations	–	–	–	–	–	(33 814)	(7)	(361)	**(34 182)**
Retirements	(24 041)	–	–	–	–	–	–	–	**(24 041)**
Transfer	–	2 005	–	–	–	–	–	–	**2 005**
Closing balance at 31 December 2023									
At cost	652 969	1 186 595	68 591	54 266	135 868	5 589 485	976 166	30 073	**8 694 013**
Accumulated depreciation	(615 940)	(1 144 905)	(64 618)	(54 212)	(133 630)	(5 432 732)	(716 063)	(29 605)	**(8 191 705)**
Carrying amount	**37 029**	**41 690**	**3 973**	**54**	**2 238**	**156 753**	**260 103**	**468**	**502 308**
12 months to 31 December 2022									
At cost	18 067 505	1 152 730	557 699	54 595	137 822	8 438 552	1 106 070	89 772	**29 604 745**
Accumulated depreciation	(17 287 669)	(1 055 260)	(532 856)	(54 359)	(135 811)	(7 373 818)	(517 547)	(89 113)	**(27 046 433)**
Carrying amount	**779 836**	**97 470**	**24 843**	**236**	**2 011**	**1 064 734**	**588 523**	**659**	**2 558 312**
Movements for the period ended 31 December 2022									
Additions from acquisitions	172 422	189 177	2 206	–	3 255	304 871	–	2 283	**674 214**
Depreciation	(680 389)	(42 745)	(12 225)	(52)	(767)	(331 740)	(79 668)	(1 231)	**(1 148 817)**
Reclassifications	145 174	(145 174)	–	–	–	(39 177)	39 177	–	**–**
Terminations	–	–	–	–	–	(523 447)	(198 311)	(996)	**(722 754)**
Retirements	(89 781)	(24 907)	(2 780)	(79)	(2 104)	–	–	–	**(119 651)**
Closing balance at 31 December 2022									
At cost	18 295 317	1 174 690	557 330	56 675	138 973	8 182 374	946 942	91 059	**29 443 360**
Accumulated depreciation	(17 968 055)	(1 100 869)	(545 286)	(56 570)	(136 578)	(7 707 140)	(597 214)	(90 344)	**(28 202 056)**
Carrying amount	**327 262**	**73 821**	**12 044**	**105**	**2 395**	**475 234**	**349 728**	**715**	**1 241 304**

2.2 **The following assets with zero book values have been derecognised:**

	Network assets	Computer equipment	Leasehold improvements	Furniture and fittings	Office equipment	Network and equipment – right-of-use asset	Building – right-of-use asset	Motor vehicles – right-of-use asset	Total
12 months to 31 May 2025									
Number of assets	16	16 900	165	–	8 670	–	–	8	25 759
At cost	7 268	883 994	49 518	–	78 580	2 074 564	252 276	26 714	3 372 914
Accumulated depreciation	(7 268)	(883 994)	(49 518)	–	(78 580)	(2 042 393)	(252 276)	(26 714)	(3 340 743)
Impairment	–	–	–	–	–	–	–	–	–
Carrying amount	**–**	**–**	**–**	**–**	**–**	**32 171**	**–**	**–**	**32 171**
5 months to 31 May 2024									
Number of assets	–	–	–	–	–	–	–	–	–
At cost	–	–	–	–	–	–	–	–	–
Accumulated depreciation	–	–	–	–	–	–	–	–	–
Impairment	–	–	–	–	–	–	–	–	–
Carrying amount	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
12 months to 31 December 2023									
Number of assets	219 625	601	18 527	939	519	12 929	–	470	253 610
At cost	17 641 048	19 497	488 739	2 408	10 993	1 951 284	–	60 826	20 174 795
Accumulated depreciation	(17 641 048)	(19 497)	(488 739)	(2 408)	(10 993)	(1 951 284)	–	(60 826)	(20 174 795)
Impairment	–	–	–	–	–	–	–	–	–
Carrying amount	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
12 months to 31 December 2022									
Number of assets	–	–	–	–	–	–	–	–	–
At cost	–	–	–	–	–	–	–	–	–
Accumulated depreciation	–	–	–	–	–	–	–	–	–
Impairment	–	–	–	–	–	–	–	–	–
Carrying amount	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

2.3 **The closing cost balances include items with a nil asset value for the reporting periods amounted to:**

	Network assets	Computer equipment	Leasehold improve-ments	Furniture and fittings	Office equipment	Network and equipment – right-of-use asset	Building right-of-use asset	Motor vehicles – right-of-use asset	Total
12 months to 31 May 2025									
Number of assets	83	595	118	–	9 123	12	–	–	9 931
At cost	605 729	258 167	8 793	–	100 367	34 860	–	–	1 007 916
Accumulated depreciation	(605 729)	(258 167)	(8 793)	–	(100 367)	(34 860)	–	–	(1 007 916)
Carrying amount	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
5 months to 31 May 2024									
Number of assets	68	17 438	203	12 606	5 182	12	–	6	35 515
At cost	612 851	1 135 641	30 490	53 511	124 682	34 860	–	1 076	1 993 111
Accumulated depreciation	(288 025)	(1 046 279)	(18 347)	(49 182)	(112 260)	(14 361)	–	(1 074)	(1 529 528)
Impairment	(324 826)	(89 362)	(12 143)	(4 329)	(12 422)	(20 499)	–	(2)	(463 583)
Carrying amount	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
12 months to 31 December 2023									
Number of assets	66	17 342	–	12 599	5 128	12	–	8	35 155
At cost	612 621	1 073 806	–	53 443	124 051	34 860	–	1 182	1 899 963
Accumulated depreciation	(287 794)	(984 444)	–	(49 160)	(111 883)	(14 361)	–	(1 180)	(1 448 822)
Impairment	(324 827)	(89 362)	–	(4 283)	(12 168)	(20 499)	–	(2)	(451 141)
Carrying amount	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
12 months to 31 December 2022									
Number of assets	85 371	17 658	17 434	13 471	17 658	34	11 791	444	163 861
At cost	6 319 451	1 026 376	426 654	55 623	1 026 376	390	1 592 954	61 618	10 509 442
Accumulated depreciation	(6 319 451)	(1 026 376)	(426 654)	(55 623)	(1 026 376)	(390)	(1 592 954)	(61 618)	(10 509 442)
Carrying amount	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

3. **INTANGIBLE ASSETS**

3.1 **Balances at year end and movements for the year**

	Computer software	Store buy-back	Software under development	Purchased subscriber base	Programme and film rights	Indefeasible right-of-use	Total
12 months to 31 May 2025							
At cost	715 964	11 784	496 328	–	–	153 580	1 377 656
Accumulated amortisation	(229 349)	(4 914)	–	–	–	(142 120)	(376 383)
Carrying amount	**486 615**	6 870	496 328	–	–	11 460	1 001 273
Movements for the period ended 31 May 2025							
Additions	493 652	–	–	15 000	–	–	508 652
Amortisation	(234 080)	–	–	–	–	(1 176)	(235 346)
Transfers	567 133	(6870)	(496 328)	–	–	–	63 935
Closing balance at 31 May 2025							
At cost	1 755 011	–	–	15 000	–	153 580	1 923 591
Accumulated amortisation	(441 781)	–	–	–	–	(143 296)	(585 077)
Carrying amount	**1 313 230**	**–**	**–**	**15 000**		**10 284**	**1 338 514**
5 months to 31 May 2024							
At cost	575 332	11 784	412 163	–	–	153 580	1 152 859
Accumulated amortisation	(184 517)	(4 587)	–	–	–	(141 630)	(330 734)
Carrying amount	**390 815**	**7 197**	**412 163**	**–**	**–**	**11 950**	**822 125**
Movements for the period ended 31 May 2024							
Additions	140 632	–	84 165	–	–	–	224 797
Amortisation	(44 832)	(327)	–	–	–	(490)	(45 649)
Closing balance at 31 May 2024							
At cost	715 964	11 784	496 328	–	–	153 580	1 377 656
Accumulated amortisation	(229 349)	(4 914)	–	–	–	(142 120)	(376 383)
Carrying amount	**486 615**	**6 870**	**496 328**	**–**	**–**	**11 460**	**1 001 273**
12 months to 31 December 2023							
At cost	3 919 547	100 813	147 684	–	378 356	153 580	4 699 980
Accumulated amortisation	(3 602 467)	(92 830)	–	–	(378 356)	(140 454)	(4 214 107)
Carrying amount	**317 080**	**7 983**	**147 684**	**–**	**–**	**13 126**	**485 873**

	Computer software	Store buy-back	Software under development	Purchased subscriber base	Programme and film rights	Indefeasible right-of-use	Total
Movements for the year ended 31 December 2023							
Additions	204 572	–	264 479	–	–	–	469 051
Transfers	(2 005)	–	–	–	–	–	(2 005)
Amortisation	(128 832)	(786)	–	–	–	(1 176)	(130 794)
Closing balance at 31 December 2023							
At cost	575 332	11 784	412 163	–	–	153 580	1 152 859
Accumulated amortisation	(184 517)	(4 587)	–	–	–	(141 630)	(330 734)
Carrying amount	**390 815**	**7 197**	**412 163**	**–**	**–**	**11 950**	**822 125**
12 months to 31 December 2022							
At cost	3 686 238	89 029	–	–	378 356	153 580	4 307 203
Accumulated amortisation	(3 449 390)	(89 029)	–	–	(378 356)	(139 278)	(4 056 053)
Carrying amount	**236 848**	**–**	**–**	**–**	**–**	**14 302**	**251 150**
Movements for the year ended 31 December 2022							
Additions	233 309	11 784	147 684	–	–		392 777
Amortisation	(153 077)	(3 801)	–	–	–	(1 176)	(158 054)
Closing balance at 31 December 2022							
At cost	3 919 547	100 813	147 684	–	378 356	153 580	4 699 980
Accumulated amortisation	(3 602 467)	(92 830)	–	–	(378 356)	(140 454)	(4 214 107)
Carrying amount	**317 080**	**7 983**	**147 684**	**–**	**–**	**13 126**	**485 873**

Software under development

The Cell C Group was committed to incurring Next Generation Business Support System ("NGBSS") costs during 2024 of Rnil million (2023: R40.80 million and 2022: R120 million).

3.2 **The following assets with zero book values have been derecognised:**

	Computer software	Store buy-back	Software under development	Programme and film rights	Indefeasible right-of-use	Total
12 months to 31 May 2025						
Number of assets	31	–	–	–	–	**31**
At cost	19 997	–	–	–	–	**19 997**
Accumulated depreciation	(19 997)	–	–	–	–	**(19 997)**
Carrying amount	**–**	**–**	**–**	**–**	**–**	**–**
5 months to 31 May 2024						
Number of assets	–	–	–	–	–	**–**
At cost	–	–	–	–	–	**–**
Accumulated depreciation	–	–	–	–	–	**–**
Carrying amount	**–**	**–**	**–**	**–**	**–**	**–**
12 months to 31 December 2023						
Number of assets	7	1	–	2	–	**10**
At cost	3 546 210	89 029	–	378 356	–	**4 013 595**
Accumulated depreciation	(3 546 210)	(89 029)	–	(378 356)	–	**(4 013 595)**
Carrying amount	**–**	**–**	**–**	**–**	**–**	**–**
12 months to 31 December 2022						
Number of assets	–	–	–	–	–	**–**
At cost	–	–	–	–	–	**–**
Accumulated depreciation	–	–	–	–	–	**–**
Carrying amount	**–**	**–**	**–**	**–**	**–**	**–**

3.3 **The closing net cost balances include items with a nil asset value for the following reporting periods amounting to:**

	Computer software	Store buy-back	Software under development	Programme and film rights	Indefeasible right-of-use	Total
12 months to 31 May 2025						
Number of assets	88	–	–	–	–	88
At cost	93 741	–	–	–	–	93 741
Accumulated depreciation	(93 741)	–	–	–	–	(93 741)
Carrying amount	**–**	**–**	**–**	**–**	**–**	**–**
5 months to 31 May 2024						
Number of assets	–	–	–	–	–	–
At cost	–	–	–	–	–	–
Accumulated depreciation	–	–	–	–	–	–
Carrying amount	**–**	**–**	**–**	**–**	**–**	**–**
12 months to 31 December 2023						
Number of assets	–	–	–	–	–	–
At cost	–	–	–	–	–	–
Accumulated depreciation	–	–	–	–	–	–
Carrying amount	**–**	**–**	**–**	**–**	**–**	**–**
12 months to 31 December 2022						
Number of assets	–	–	–	–	–	–
At cost	–	–	–	–	–	–
Accumulated depreciation	–	–	–	–	–	–
Carrying amount	**–**	**–**	**–**	**–**	**–**	**–**

4. INVESTMENT IN EQUITY-ACCOUNTED INVESTEE

Figure in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Investment in equity-accounted investee				
The amounts included on the statements of financial position comprise the following:				
Equity accounted investments	**10 958**	**10 523**	**10 281**	**9 948**
Investment in joint venture				
Direct interest held in joint venture	20%	20%	20%	20%
Reconciliation between proportionate investment and current investment value:				
Investment at cost	2 000	2 000	2 000	2 000
Equity-accounted share of profit	8 957	8 523	8 281	7 948
Opening balance	8 523	8 281	7 948	7 309
Current reporting period recognised in profit or loss	434	242	333	639
Investment in joint venture	**10 958**	**10 523**	**10 281**	**9 948**

The Cell C Group has a direct interest in Mobile Number Portability Company Proprietary Limited, a Company incorporated in South Africa. The joint venture administers the porting of mobile numbers across several mobile networks. The joint venture is not a publicly listed entity and is not material to the Cell C Group.

5. CAPITALISED CONTRACT COSTS

Figure in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Balance at the beginning of the period				
At cost	596 526	583 249	523 087	1 853 571
Accumulated amortisation and impairment losses	(555 187)	(540 581)	(511 722)	(1 753 585)
Carrying amount	41 339	42 668	11 365	99 986
Movements during the period	**(17 776)**	**(1 329)**	**31 303**	**(88 621)**
Additions capitalised	21 701	13 278	60 163	108 578
Loss on derecognition of capitalised contract costs	–	–	–	(22 397)
Amortisation	(39 477)	(14 606)	(28 860)	(174 802)
Balance at the end of the period				
At cost	118 035	596 526	583 249	523 087
Accumulated amortisation and impairment losses	(94 472)	(555 187)	(540 581)	(511 722)
Carrying amount	**23 563**	**41 339**	**42 668**	**11 365**

Costs of obtaining contracts with customers are only capitalised when they are expected to be amortised over a period of more than 1 year.

6. INVENTORIES

Figure in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Merchandise	66 215	112 759	54 283	72 728
Provision for Inventory Obsolescence	(10 760)	(3 242)	(3 639)	(30 626)
	55 455	109 517	50 644	42 102

During the 2025 reporting period inventories of R201 thousand were written off.

The total amount of inventories recognised as an expense in profit or loss during the 2023 period amounted to R1.02 billion (2022: R1.05 billion).

During the 2023 period there was a decrease in the allowance for obsolete inventory of R26.99 million (2022: increase of R4.74 million) with a corresponding effect in cost of sales recognised in profit or loss. The decrease in allowance for obsolete inventory from the 2022 period to the 2023 period is due to a significant decrease in the risk of inventory obsolescence across all stock age groups with older inventories selling more than anticipated.

7. **TRADE AND OTHER RECEIVABLES**

Figure in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Financial assets				
Trade receivables	1 300 760	2 413 289	2 960 844	2 094 544
Expected credit loss allowance	(343 884)	(342 850)	(349 141)	(493 757)
Carrying amount	956 876	2 070 439	2 611 703	1 600 787
Deposits	22 091	32 181	34 863	26 632
Total trade and other receivables	**978 967**	**2 102 620**	**2 646 566**	**1 627 419**

Movements in impairment of trade and other receivables are as follows:

Figure in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
At the beginning of the period	(342 850)	(349 141)	(493 757)	(607 923)
Expected credit loss/(recovery)	(1 034)	6 291	144 616	114 166
At the end of the period	**(343 884)**	**(342 850)**	**(349 141)**	**(493 757)**

The carrying amounts of trade receivables represent the maximum credit exposure.

The carrying amounts of trade and other receivables approximates the fair value of the assets due to the short-term nature of the assets.

Information about the Cell C Group's exposure to credit risk and impairment of trade receivables is included in Note 33.

8. **DEFERRED TAX**

The analysis of deferred tax assets and deferred tax liabilities is as follows:

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Accruals	64 192	50 072	9 637	82 524
Expected credit losses	76 043	89 438	88 639	110 160
Capitalised contract costs	48 842	48 601	48 601	48 594
Contract liabilities	1 046 527	752 028	802 195	868 546
Net deferred tax asset not recognised*	(5 037 851)	(7 764 731)	(7 744 089)	(5 212 785)
Prepayments	(45)	(4 142)	–	–
Property, plant and equipment	289 290	295 222	364 569	1 256 180
Provisions	–	–	40 297	7 159
Tax losses*	5 537 751	6 533 512	6 390 151	2 839 554
Unrealised foreign gains or losses	–	–	–	68
Net deferred tax assets	**2 024 749**	**–**	**–**	**–**

* During the 2025 reporting period, deferred tax assets were recognised on deductible temporary differences and on previously unrecognised assessed losses, as management was able to demonstrate probable future taxable profits. Deferred tax liabilities were also recognised on taxable temporary differences. After offsetting deferred tax assets and liabilities, a net deferred tax asset of R2 billion is presented in the statemen of financial position. The recognition of this net deferred tax asset is primarily attributable to the recognition of previously unrecognised assessed losses.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Medium-term forecasts are prepared and reviewed by the Board on a bi-annual basis which include estimates and assumptions regarding economic growth, interest rates, inflation and applicable factors. The Board exercises judgement in determining whether forecasts are likely to be achieved and, in turn, whether the deferred tax assets will be recoverable.

Management was unable to demonstrate with significant certainty that the Cell C Group will generate future taxable profits to utilise the unused tax loss and it was unable to determine whether the temporary differences would be utilised due to the uncertainty relating to the changes in the business. At the reporting date, the Cell C Group adopted a prudent approach and the deferred tax asset was not recognised.

In the 2025 reporting period, a deferred tax asset of R2 025 million (2024: R Nil million, 2023: R Nil million and 2022: R Nil million) was recognised as management was able to demonstrate with significant certainty that the Cell C Group will generate future taxable profits to utilise the unused tax loss and determined that the temporary differences would be utilised.

Deferred tax assets to be recovered after more than 12 months

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Deferred tax assets to be recovered after more than 12 months	**2 024 749**	**–**	**–**	**–**

Reconciliation of deferred tax movements

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Accruals	14 119	139	–	1 958
Amounts received in advance	–	–	–	382 304
Tax losses	(963 005)	143 361	3 550 597	(1 896 790)
Capitalised contract costs	238	–	7	6 273
Change in tax rate	–	–	–	(118 939)
Contract liability	261 748	(50 167)	(66 351)	–
Deferred tax not recognised	2 726 880	(20 643)	(2 531 305)	2 106 887
Loss allowance	(13 395)	799	(21 520)	(7 225)
Prepayments	4 096	(4 142)	–	13 664
Property, plant and equipment	(5 932)	(69 347)	(891 610)	(488 166)
Provision for site restoration	–	–	(39 749)	–
Unrealised foreign gains or losses	–	–	(69)	34
	2 024 749	**–**	**–**	**–**

9. **CURRENT TAX LIABILITIES**

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Tax payable at the beginning of the period	48 749	–	–	–
Provision for tax	119 950	48 180	–	–
Prior year (over)/under provision	(15 763)			
Penalties	–	569	–	–
	152 936	**48 749**	**–**	**–**

10. **INTEREST-BEARING BORROWINGS**

Borrowings that arose as a result of the recapitalisation transaction

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
The Prepaid Company ('TPC') Recapitalised loan 1	2 235 103	1 852 836	1 624 396	1 040 393
The Cell C Group originally borrowed R1.03 billion from TPC. The loan is secured and bears no interest for the first 24 months after 30 September 2022. Thereafter the outstanding amount bears interest at a fixed rate of 10% per annum until month 42, and thereafter the outstanding total repayment amount bears interest at prime plus 3% until month 66.				
Interest is payable in cash monthly from month 25.				
The capital repayment is payable on month 42 and month 66. The closing balance of the loan is net of the deferred loss and the deferred loss is subsequently amortised and recognised into profit or loss over the period of the loan. The amortised cost amounted to R2.7 billion (2024: R2.48 billion, 2023: R2.33 billion and 2022: R1.99 billion).The deferred loss at the reporting date amounted to R472.62 million (2024: R628.85 million, 2023: R700.97 million and 2022: R949.61 million).				
The Prepaid Company ("TPC") Reinvested debt loan 2	272 774	203 520	179 107	127 116
The capital amount of R111 million is secured and bears no interest for the first 24 months from 30 September 2022 and thereafter it bears interest at a fixed rate of 10% per annum. The total amount is repayable at the end of month 42. The closing balance of the loan is net of the deferred loss and the deferred loss is subsequently amortised in profit or loss over the period of the loan. The amortised cost amounted to R294.06 million (2024: R274.94 million, 2023: R258.72 million and 2022: R222.85 million). The deferred loss at the reporting date amounted to R24.81 million (2024: R71.42 million, 2023: R79.62 million and 2022: R95.74 million).				

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
The Prepaid Company ("TPC")	65 087	84 178	87 393	99 103
An amount of R97 million has been borrowed at an interest rate of 0.06%. The loan is repayable based on a cash sweeping mechanism. The fair value of the loan on initial recognition was R56 million resulting in a gain of R41 million which was deferred. The closing balance of the loan is net of the deferred gain and the deferred gain is subsequently amortised and recognised in profit or loss over the period of the loan. The amortised cost amounted to R53.31 million (2024: R56.04 million, 2023: R56.04 million and 2022: R57.1 million). The deferred gain at the reporting date amounted to R9 million (2024: R28.13 million, 2023: R31.36 million and 2022: R42 million).				
Nedbank Limited***	435 070	451 503	426 541	374 050
This loan accrues interest on the face value at a fixed rate of 5% per annum for the first 24 months from 30 September 2022, which is capitalised. From month 25 to month 42, the outstanding debt will accrue interest at a fixed rate of 10% per annum payable monthly in arrears. R15.8 million will be repaid quarterly from month 25 to month 36 (a total of R63.2 million). The quarterly repayments will be applied firstly to the capitalised interest and thereafter to the outstanding face value of the loan. The fair value of the loan was R359.09 million and a loss of R191 million was recognised on initial recognition in profit or loss.				
Gramercy SA Telecoms Holdings LLC**	–	415 698	390 300	335 942
The loan accrues interest on the face value at a fixed rate of 5% per annum for the first 24 months from the implementation of the restructure, which will be capitalised. From month 25 to month 42, the outstanding debt will accrue interest at a fixed rate of 10% per annum payable monthly in arrears. R14.2 million will be repaid quarterly from month 25 to month 36 (a total of R56.8 million). The quarterly repayments will be applied firstly to the capitalised interest and thereafter to the outstanding face value of the loan.				
The Prepaid Company ("TPC")**	457 968	–	–	–
The loan accrues interest on the face value at a fixed rate of 5% per annum for the first 24 months from the implementation of the restructure, which will be capitalised. From month 25 to month 42, the outstanding debt will accrue interest at a fixed rate of 10% per annum payable monthly in arrears. R14.2 million will be repaid quarterly from month 25 to month 36 (a total of R56.8 million). The quarterly repayments will be applied firstly to the capitalised interest and thereafter to the outstanding face value of the loan.				

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Restructure implementation agreement – CEC* **	490 308	682 433	805 998	980 500
The Company was indebted to CEC in an aggregate amount of R1.26 billion in respect of the procurement of goods and services. The Company paid an amount of R157 million on 30 September 2022. The remaining payable was reclassified to a loan with a nominal value of R1.1 billion loan on 30 September 2022 and the loan expires on 30 September 2027, bearing interest at 12% per annum compounded monthly in arrears. The capital and the interest is payable monthly.				
Lesaka financing liability*	–	59 796	157 082	167 633
The Cell C Group previously sold airtime to Lesaka. Subsequently, the Cell C Group entered into an agreement with Lesaka whereby R287 million worth of unsold airtime held by Lesaka would be repurchased from Lesaka. The repurchase of the airtime takes place over a period of 30 months, in equal monthly purchases, commencing in October 2023. Payments of R10 million are made monthly until settled in full. Interest will accrue after 13 months at a fixed rate of 9% per annum, payable monthly in arrears.				
Total interest-bearing borrowings	**3 956 310**	**3 749 964**	**3 670 817**	**3 124 737**
Non-current liabilities portion of interest- bearing borrowings	1 472 779	3 096 109	3 253 555	2 874 737
Current liabilities portion of interest-bearing borrowings	2 483 531	653 855	417 262	250 000
	3 956 310	**3 749 964**	**3 670 817**	**3 124 737**

* The loan was settled in the 2025 reporting period.

** In the 2025 reporting period, the largest shareholder, TPC, entered into a transaction with Gramercy to acquire a debt claim against the Cell C Group from Gramercy for a purchase consideration of R450 million. Additionally, TPC acquired 6.09%, representing 88 939 299 shares of the Cell C Group's issued share capital from Gramercy for a purchase consideration of R6 million, the transaction was approved by both the Competition Commission and the Competition Tribunal post the period of reporting.

*** A portion of the CEC loan was settled through the use of airtime vouchers amounting to R157 million in the 2025 reporting period.

**** Starting from the 25th month following the implementation of the restructure, the Cell C Group is required, under a quarterly cash sweep mechanism, to make payments towards outstanding debt only if excess cash exceeded R700 million.

11. **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents included in current assets:

Cash

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Cash and cash equivalents	182 110	101 042	290 019	75 459

The Cell C Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the financial institutions combined with the fact that the institutions are reputable within the economic environment.

Therefore, no loss allowance (2024: Rnil, 2023: Rnil and 2022: Rnil) has been recognised in respect of cash and cash equivalents at the reporting date.

Credit Ratings of Selected Counterparties:

Counterparty	Rating (Moody's)	Cash on hand	Outlook
For the 12 months ended 31 May 2025			
Nedbank	Baa3	111 403	Stable
Standard Bank	Ba2	2 827	Stable
First National Bank	Baa3	67 880	Stable
For the 5 months ended 31 May 2024			
Nedbank	Aaa.za	99 555	Stable
Standard Bank	Aaa.za	1 487	Stable
For the 12 months ended 31 December 2023			
Nedbank	Aaa.za	255 358	Stable
Standard Bank	Aaa.za	34 661	Stable

A part of the Cell C Group's cash and cash equivalents is security for a facility with the financial institutions included in Note 10.

The carrying amount approximates its fair value due to its short-term nature.

12. **ISSUED CAPITAL**

Authorised and issued share capital

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Authorised share capital				
1 000 ordinary shares of R1 each	1	1	1	1
2 475 000 000 (2024, 2023 and 2022: 2 475 000 000) "A" ordinary shares	23 263 500	23 263 500	23 263 500	23 263 500
25 000 000 "B" convertible ordinary shares of R0.12 each	3 000 000	3 000 000	3 000 000	3 000 000
	26 263 501	**26 263 501**	**26 263 501**	**26 263 501**
Issued share capital				
641 (2024, 2023 and 2022: 641) ordinary shares*	–	–	–	–
1 436 560 948 (2024, 2023 and 2022: 1 436 560 948) A ordinary shares	11 500 609	11 500 609	11 500 609	11 500 609
25 000 000 (2024, 2023 and 2022: 25 000 000) B convertible ordinary shares	3	3	3	3
	11 500 612	**11 500 612**	**11 500 612**	**11 500 612**

* Share capital of R641 is not disclosed due to the amount being less than R1 000.

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Share premium				
Balance at the beginning of the period	14 168 218	14 168 218	14 168 218	14 168 218
Balance at the end of the period	**14 168 218**	**14 168 218**	**14 168 218**	**14 168 218**

Reconciliation of ordinary shares:

Number	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Ordinary shares				
Balance at the beginning of the period	641	641	641	641
Balance at the end of the period	**641**	**641**	**641**	**641**
A ordinary shares* **				
Balance at the beginning of the period	1 436 560 948	1 436 560 948	1 436 560 948	475 000 000
Shares issued	–	–	–	961 560 948
Balance at the end of the period	**1 436 560 948**	**1 436 560 948**	**1 436 560 948**	**1 436 560 948**
B convertible ordinary shares******				
Balance at the beginning of the period	25 000 000	25 000 000	25 000 000	25 000 000
Balance at the end of the period	**25 000 000**	**25 000 000**	**25 000 000**	**25 000 000**

*** Holders of A ordinary shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings.

**** B convertible ordinary shares cannot be transferred but are convertible to A ordinary shares on a one-for-one basis at the option of the holder on conversion date, which is the earlier of listing or five years after the 2017 recapitalisation transaction. Holders are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings. Dividends are cumulative and only payable on conversion date.

13. EMPLOYEE BENEFIT OBLIGATIONS

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Provisions for employee benefits				
Bonus provision	215 972	142 086	144 436	–
Reconciliation of bonus provision				
At the beginning of the period	142 086	144 436	–	74 400
Recognised	137 527	65 165	144 436	–
Utilised	(63 641)	(67 515)	–	(74 400)
Balance at the end of the period	**215 972**	**142 086**	**144 436**	**–**

The bonus provision was raised in line with the Board approved Total Reward Framework which includes a Long-Term Incentive ("LTI") and Short-Term Incentive ("STI"). Senior management was given the option of taking their STI bonus either in cash or as 50% deferred for 3 years, therefore the provision will also include the deferred 50% as elected by employees. The balance of the provision is an LTI portion which is payable over a 3-year vesting period varying for each employee.

14. PROVISIONS

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Provision for site restoration	–	–	–	13 232
Reconciliation of provision for site restoration				
At the beginning of the period	–	–	13 232	85 286
Utilised	–	–	(13 232)	(72 054)
Balance at 31 December	**–**	**–**	**–**	**13 232**

This provision relates to an estimate of the cost of dismantling and removing network assets and related equipment and restoring the site on which the asset was located to its original condition. The Cell C Group provides for the anticipated costs associated with the restoration of leasehold property to its original condition at inception of the lease. The Cell C Group only recognises these site restoration costs for sites where it expects decommissioning to take place.

The estimate has been based on current market quotation costs, at the reporting date, and the time-value of money is not material.

15. TRADE AND OTHER PAYABLES

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Financial liabilities*				
Trade payables	3 180 764	4 411 289	5 330 488	3 592 248
Accrued expenses**	892 278	1 240 010	1 292 356	1 627 595
	4 073 042	5 651 299	6 622 844	5 219 843
Non-financial liabilities				
VAT payable	374 945	479 831	322 680	1 001 815
Income received in advance	99 195	131 700	151 509	–
	474 140	**611 531**	**474 189**	**1 001 815**
Total trade and other payables	**4 547 182**	**6 262 830**	**7 097 033**	**6 221 658**

* The decline in 2024 is mainly attributable to netting transactions with CEC amounting to R1.4 billion as per the netting agreement.

** 2022 predominantly included once-off accruals due to the recapitalisation transaction. The carrying amount approximates the fair value of the trade and other payables due to its short-term nature.

16. LEASE LIABILITIES

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Non-current				
Lease liabilities – motor vehicles	1 753	630	963	1 710
Lease liabilities – network and related assets	1 379 811	1 266 700	1 254 647	1 212 340
Lease liabilities – buildings	256 479	279 383	291 271	258 284
Total non-current lease liabilities	**1 638 043**	**1 546 713**	**1 546 881**	**1 472 334**
Current				
Lease liabilities – motor vehicles	1 731	1 106	982	1 242
Lease liabilities – network and related assets	217 404	152 873	202 638	580 504
Lease liabilities – buildings	59 837	91 554	85 433	45 434
Total current lease liabilities	**278 972**	**245 533**	**289 053**	**627 180**
Total lease liabilities	**1 917 016**	**1 792 246**	**1 835 934**	**2 099 514**

The Cell C Group leases buildings, motor vehicles and network and related assets.

The motor vehicle leases have a remaining lease term of 1 year. The average discount rate is 10.21% (2024: 17.47%, 2023: 17.32% and 2022: 11.39%). The average monthly repayments amount to R184 109 (2024: R168 579, 2023: R271 153 and 2022: R197 000).

Leases of network and related assets are in respect of Telkom links and other network assets. The leases have remaining lease terms of up to 12 years and an average discount rate of 20.83% (2024: 22.84%, 2023: 22.84% and 2022: 19.95%). The average monthly repayments amount to R36.79 million (2024: R30.37 million, 2023: R52.79 million and 2022: R99 million).

The Cell C Group Lease building comprises of leases of offices located in Waterfall in Johannesburg and owned stores. The leases have remaining lease terms of up to 2 years and an average discount rate is 18.34% (2024: 20.19%, 2023: 22.69% and 2022: 19.95%). The average monthly repayments amount to R13.98 million (2024: R9.92 million, 2023: R7.83 million and 2022: R11.2 million).

The expense in respect of the short-term leases portfolio to which the Cell C Group is committed at the reporting date is not expected to differ significantly to that of the short-term lease expense recognised in the current reporting period.

Amounts recognised in profit or loss:

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Short-term lease expense (included in other expenses)	102 015	(59 433)	(263 480)	(481 813)
Depreciation	(197 968)	(83 932)	(454 723)	(370 816)
Interest on lease liabilities (included in finance costs)	(330 627)	(138 285)	(393 174)	(479 850)
Gain on lease modification	–	–	–	837 729
Gain from lease terminations	15 700	–	102 601	–

Amounts recognised in the statements of cash flows

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Interest on lease liabilities (included in cash flows from financing activities)	(308 667)	(95 564)	(330 686)	(479 850)
Capital repayments of lease liabilities (included in cash flows from financing activities)	(262 145)	(44 238)	(284 833)	(656 760)
Short-term lease expense (included in cash flows from operating activities)	(102 015)	(59 433)	(263 480)	(459 138)

All lease payments are paid at a fixed rate or escalated at a fixed percentage of CPI, which was 4.75% (2024: 5.2%, 2023: 4.7% to 7.2% and 2022: 6.9%) for the reporting period.

The Waterfall lease contains extension options exercisable by the Cell C Group up to two months before the end of the non-cancellable contract period. Where practicable, the Cell C Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Cell C Group and not by the lessors. The Cell C Group assesses at the lease commencement date whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control. At the reporting date there was no reasonable certainty to extend the Waterfall lease or other leases or to terminate any of the material leases.

Impact of recapitalisation transaction concluded in the financial year ended 31 December 2022

As a result of the recapitalisation transaction the lease liabilities were reduced by R1.27 billion and the right-of-use asset was reduced by R429.29 million which resulted in a profit of R837.72 million.

Lease commitments

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Contracted for but not yet incurred	3 110 252	3 465 205	3 656 050	4 423 732
Less than 1 year	399 727	580 713	599 521	732 583
Between 1–2 years	606 196	344 221	380 451	621 542
Between 2–5 years	755 553	1 231 299	1 309 765	1 363 834
Greater than 5 years	1 348 776	1 308 972	1 366 313	1 705 773

17. CONTRACT LIABILITIES

Contract liabilities comprise:

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Balance at the beginning of the year	2 401 814	1 907 687	2 515 896	1 313 237
Recognition of revenue from customers	(6 332 246)	(3 071 610)	(5 496 258)	(7 059 986)
Airtime vouchers sold but not yet used*	6 524 982	3 565 737	4 888 049	8 262 645
Balance at the end of the year	**2 594 550**	**2 401 814**	**1 907 687**	**2 515 896**

The contract liabilities predominantly relate to the advance consideration for prepaid vouchers ("pin stock"). The contract liability is recognised when the prepaid vouchers have been delivered to the distributor and revenue is recognised once the vouchers have been used.

* During 2023, voucher sales with the resellers decreased due to decrease in discounts post recapitalisation.

18. REVENUE

Disaggregation of revenue from contracts with customers

Revenue from contracts with customers is disaggregated by the nature of the revenue streams generated by the business and the timing of revenue recognition as follows:

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Prepaid*	6 332 246	3 071 610	6 668 850	7 059 986
Postpaid	2 293 527	959 123	1 879 142	2 529 379
Mobile services	**8 625 773**	**4 030 733**	**8 547 992**	**9 589 365**
Wholesale	1 466 494	513 420	1 134 885	650 412
Roaming	1 693 509	682 423	1 336 480	1 807 080
Other Revenue**	271 928	108 260	274 367	1 156 619
Total service before discounts	**12 057 704**	**5 334 836**	**11 293 724**	**13 203 476**
Volume discounts*	(1 038 307)	(744 373)	(718 702)	(2 331 480)
Total service revenue after discounts	**11 019 397**	**4 590 463**	**10 575 022**	**10 871 996**
Equipment	118 770	29 367	127 940	438 324
Total revenue from contracts with customers	**11 138 167**	**4 619 830**	**10 702 962**	**11 310 320**

* The decrease in from 2022 to 2023 revenue and volume discounts is mainly attributable to the recapitalisation transaction which was a key driver of higher recharges and discounts in the prior period.

** Other revenue in 2022 includes revenue from bulk SMS and international roaming services.

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Timing of the revenue recognition				
Transferred at a point in time	732 279	261 790	744 421	1 071 864
Transferred over time	10 405 888	4 358 040	9 958 542	10 238 456
	11 138 167	**4 619 830**	**10 702 963**	**11 310 320**

19. OTHER INCOME

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Sundry income*	422 990	112 642	1 230 073	747 302
CEC cost recoveries***	835 913	522 078	1 840 427	366 157
Management fees from subsidiaries	–	–	–	–
Franchise fees	26 609	10 449	26 638	31 439
Foreign currency gains – realised	20 829	2 697	10 838	42 915
Foreign currency gains – unrealised	12 736	564	51 219	49 256
Recapitalisation gains**	–	–	–	9 367 649
Gain on derecognition of old loans	–	–	–	8 902 553
Loss on fair valuation of new loans	–	–	–	(372 633)
Gain on lease modifications	–	–	–	837 729
Total other income	**1 319 077**	**648 430**	**3 159 195**	**10 604 718**

* Sundry income includes subscriber insurance royalties and recoveries of operating costs from franchises. Included in sundry income is an amount related to write-offs amounting to R338 million (2024: Rnil, 2023: R1 053 million and 2022: R652 million). This relates predominantly to accounts payable write-offs.

** Refer to Note 1.17.

*** Included in CEC recoveries are operating costs charged to CEC.

20. **DIRECT EXPENSES**

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Wholesale cost	492 950	150 047	316 764	202 791
Ongoing commissions	780 718	333 793	730 304	758 644
Cost of mobile equipment sales	223 235	63 981	199 396	1 126 880
Termination costs	842 820	361 011	912 304	617 316
Roaming costs	2 636 875	1 155 113	3 049 791	2 409 335
Other mobile services costs	120 465	50 022	123 206	145 228
Prepaid subscriber acquisition costs ("SAC")	1 408 933	481 954	1 973 485	2 465 633
CEC direct costs*	1 192 625	771 585	1 145 544	833 796
Other	22 268	18 218	31 780	14 778
	7 720 889	**3 385 724**	**8 482 574**	**8 574 401**

* These CEC direct costs relate to expenses incurred in making various network services available to postpaid customers. These costs are subsequently recovered from CEC. Refer to Note 19.

21. **EMPLOYEE BENEFITS EXPENSE**

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Salaries and wages*	625 710	235 932	546 829	507 217
Performance and retention bonuses	146 112	73 028	146 032	18 393
Directors' and prescribed officers' emoluments	46 361	23 634	33 513	65 238
Total employee benefits expense	**818 183**	**332 594**	**726 374**	**590 848**

* Included in the salaries and wages are contributions to the defined contribution plan, amounting to R36.12 million (2024: R20.17 million, 2023: R43.56 million and 2022: R35.48 million).

Directors' and prescribed officers' emoluments in aggregate:

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Executive directors and prescribed officers	35 687	18 860	23 835	52 018
Non-executive directors	10 674	4 774	9 678	13 220
	46 361	**23 634**	**33 513**	**65 238**

	Director fees	Salary and other	Bonuses and retention payments	Total
2025				
Executive and prescribed officers				
JJC Mendes	–	14 770	14 638	29 408
ET Kope	–	5 000	1 279	6 279
	–	**19 770**	**15 917**	**35 687**
Non-executive				
LM Nestadt	1 250	–	–	1 250
SJ Vilakazi	1 200	–	–	1 200
SV Zilwa	1 140	–	–	1 140
JS Mthimunye	2 000	–	–	2 000
DH Shimkins	1 200	–	–	1 200
GN Motsa	1 300	–	–	1 300
M Makanjee	1 170	–	–	1 170
N Lane (resigned March 2025)	900	514	–	1 414
	10 160	**514**	**–**	**10 674**
2024				
Executive and prescribed officers				
JJC Mendes	–	14 524	–	14 524
ET Kope	–	4 336	–	4 336
	–	**18 860**	**–**	**18 860**
Non-executive				
SV Zilwa	475	–	–	475
SJ Vilakazi	500	–	–	500
DH Shimkins	500	–	–	500
JS Mthimunye	833	–	–	833
GN Motsa	542	–	–	542
M Makanjee	488	–	–	488
N Lane	500	415	–	915
	4 359	**415**	**–**	**4 774**
2023				
Executive and prescribed officers				
DJ Craigie Stevenson (resigned March 2023)	–	9 199	–	9 199
JJC Mendes (appointed July 2023)	–	7 000	–	7 000
ZA Mahomed	–	–	–	–
AJ Ittmann (resigned July 2023)	–	4 675	–	4 675
Z Williams	–	–	–	–
DP Pule (resigned August 2023)	–	2 961	–	2 961
	–	**23 835**	**–**	**23 835**
Non-executive				
SV Zilwa	1 195	–	–	1 195
SJ Vilakazi	1 255	–	–	1 255
DH Shimkins	1 200	–	–	1 200
LM Nestadt	1 256	–	–	1 256
JS Mthimunye	2 000	–	–	2 000
GN Motsa	1 025	–	–	1 025
M Makanjee	547	–	–	547
N Lane	1 200	–	–	1 200

	Director fees	Salary and other	Bonuses and retention payments	Total
	9 678	**–**	**–**	**9 678**
2022				
Executive and prescribed officers				
DJ Craigie Stevenson	–	8 513	16 092	24 605
ZA Mahomed	–	3 054	6 400	9 454
AJ Ittmann	–	5 205	3 660	8 865
Z Williams	–	3 775	3 280	7 055
DP Pule	–	1 439	600	2 039
	–	**21 987**	**30 032**	**52 018**
Non-executive				
JS Mthimunye	2 733	–	–	2 733
LM Nestadt	1 272	–	–	1 272
G Harlow	1 000	–	–	1 000
SJ Vilakazi	1 200	–	–	1 200
DH Shimkins	1 470	–	–	1 470
L Mthimunye	1 931	–	–	1 931
SV Zilwa	2 143	–	–	2 143
M Nelson-Smith	1 270	–	–	1 270
O Ighodaro	–	–	–	–
AMR Smith	–	–	–	–
JS Newman	–	–	–	–
N Lane	200	–	–	200
	13 220	**–**	**–**	**13 220**

22. DEPRECIATION AND AMORTISATION

Depreciation and amortisation comprises:

Figures in R'000	**12 months to 31 May 2025**	**5 months to 31 May 2024**	**12 months to 31 December 2023**	**12 months to 31 December 2022**
Property, plant and equipment (Note 2)	232 905	101 574	818 222	1 148 817
Depreciation	**232 905**	**101 574**	**818 222**	**1 148 817**
Intangible assets (Note 3)	235 256	45 649	130 934	158 054
Contract assets (Note 5)	39 477	14 606	28 861	174 802
Amortisation	**274 733**	**60 255**	**159 795**	**332 856**
Total depreciation and amortisation	**507 638**	**161 829**	**978 017**	**1 481 673**

23. OTHER EXPENSES

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Other expenses comprise:				
Auditor's remuneration	17 361	13 113	16 316	17 900
Fines and penalties	175	647	30 410	–
Foreign exchange loss – unrealised	15 810	–	–	–
Irrecoverable assets**	–	–	6 745	2 202 212
IT expenses	540 085	220 535	455 162	421 541
Licence fees	80 599	44 576	105 360	144 897
Other administrative expenses	268 503	113 868	453 027	440 427
Repairs and maintenance	32 017	15 693	53 522	114 931
Selling, distribution and marketing costs	384 498	189 397	323 714	453 247
Short-term lease expense – Network rental properties	–	59 433	263 480	481 813
Short-term lease expense – Property rentals	102 015	359	1 755	9 998
Transmission costs	57 324	25 787	66 780	76 323
Water and electricity	5 015	6 704	64 086	172 546
Share-based payments*	–	–	–	167 000

* As part of the recapitalisation transaction concluded in the financial year ended 31 December 2022 the share issue (refer to Note 1.17) was treated as a share-based payment amounting to R167 million.

** The amount relates to assets balances that arose during the 2021 reporting period that were assessed as irrecoverable.

24. FINANCE INCOME

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Interest income on bank balances	11 032	5 692	9 157	10 607

25. FINANCING COSTS

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Interest expense on borrowings	873 205	360 052	884 902	747 288
Interest expense on lease liabilities	330 627	138 285	393 174	479 850
Interest expense on working capital	107 908	116 483	232 706	160 582
Foreign exchange loss	–	–	–	870 655
Total finance costs	**1 311 740**	**614 820**	**1 510 782**	**2 258 375**

26. SHARE OF PROFIT OR LOSS FROM EQUITY ACCOUNTED INVESTMENTS

Share of profit or loss from equity accounted investments comprise:

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Income from equity accounted investments	434	242	333	639

27. INCOME TAX (CREDIT)/EXPENSE

Income tax recognised in profit or loss:

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Current tax				
Current year	119 950	48 180	–	–
Prior year adjustment	(15 763)	–	–	–
Total current tax	**104 187**	**48 180**	**–**	**–**
Deferred tax				
Current period – originating	(2 350 953)	(20 643)	655 195	2 377 502
Prior year under/(over) provision	(238)	–	–	–
Deferred tax not recognised	326 442	20 643	(655 195)	(2 570 567)
Rate change	–	–	–	193 065
Total deferred tax	**(2 024 749)**	**–**	**–**	**–**
Total income tax (credit)/expense	**(1 920 562)**	**48 180**	**–**	**–**

The income tax for the period can be reconciled to accounting (loss)/profit as follows:

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
(Loss)/profit before tax from operations	296 490	(182 323)	190 271	3 939 378
Income tax calculated at the statutory rate	27.00%	27.00%	27.00%	28.00%
Tax effect of				
– Non-taxable income	(0.04%)	(3.58%)	0.00%	0.00%
– Deferred tax not recognised	(52.34%)	(9.65%)	(340.50%)	(65.74%)
– Deferred tax – prior year under/(over) provision	(0.08%)	0.00%	0.00%	0.00%
– Amortisation of intangible assets	0.00%	0.00%	19.85%	0.00%
– Non–deductible recapitalisation expenses	66.12%	(40.20%)	434.92%	0.00%
– Current tax – prior year under/(over) provision	(5.32%)	0.00%	0.00%	0.00%
– Deferred tax recognised	(683.05%)	0.00%	0.00%	0.00%
– Accounting adjustments and write-offs	0.00%	0.00%	(141.27%)	0.00%
– Permanent differences	0.00%	0.00%	0.00%	9.03%
– Recapitalisation transactions	0.00%	0.00%	0.00%	2.49%
– Change in statutory tax rate	0.00%	0.00%	0.00%	4.90%
– Fair value adjustments	0.00%	0.00%	0.00%	21.32%
– Other	(0.20%)	0.00%	0.00%	0.00%
Effective tax rate	**(647.91%)**	**(26.43%)**	**0.00%**	**0.00%**

28. **CONTINGENT LIABILITIES**

Contingent assets/liabilities are not recognised in the statement of financial position until future events indicate that it is probable that and inflow/outflow of resources will take place and a reliable estimate can be made, at which time a provision is recognised.

The Cell C Group has the following contingent liabilities at the end of the reporting period:

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Legal matters	72 000	–	–	–

In 2025, a claim of R72 million against Cell C Limited was instituted by third party, relating to the alleged repudiation of a lease agreement. The matter is to be determined by the High court, Cell C Limited has entered an appearance to defend the matter.

29. **RELATED PARTIES**

Identification

Shareholder with significant influence

The Prepaid Company Proprietary Limited

Associates

Number Portability Company Proprietary Limited

Affiliated entities

3G Mobile Proprietary Limited

Airvantage Proprietary Limited

Blu Nova Proprietary Limited

Blue Label Connect Proprietary Limited

Blue Label Data Solutions Proprietary Limited

Blue Label Distribution Proprietary Limited

Blue Label One Proprietary Limited

Blue Label Telecoms Limited

Comm Equipment Company Proprietary Limited

Dunoworx Proprietary Limited

Number Portability Company Proprietary Limited

Panacea Mobile Proprietary Limited

Prism Payment Technologies Proprietary Limited

Robtronics Proprietary Limited

Simigenix Proprietary Limited

The Post Paid Company Proprietary Limited

Transaction Junction Proprietary Limited

ViaMedia Proprietary Limited

Wi Connect Proprietary Limited

Related-party transactions are conducted on an arm's-length basis and any outstanding balances are no more or less favourable than any other supplier or customer of a similar size. CEC occupies rental space at the Waterfall premises for no consideration, all other transactions are carried out at arm's-length.

Related party transactions and balances

Purchases from related parties

Figures in R'000	**12 months to 31 May 2025**	**5 months to 31 May 2024**	**12 months to 31 December 2023**	**12 months to 31 December 2022**
Comm Equipment Company Proprietary Limited	4 031 072	1 878 483	4 600 576	2 865 829
CEC direct costs	1 192 625	771 585	1 145 544	833 796
CEC operating costs	2 838 447	1 106 898	3 455 032	2 032 033
Transaction Junction Proprietary Limited	4 462	2 236	5 331	5 620
Dunoworx Proprietary Limited	2 577	1 519	2 260	–
The Prepaid Company Proprietary Limited	78 001	190 827	413 717	139 592
Number Portability Company Proprietary Limited	3 537	1 459	3 320	1 765
Robtronics Proprietary Limited	–	–	–	1 765
Blu Nova Proprietary Limited	23 137	9 315	21 488	24 259
Blue Label One Proprietary Limited	8 238	–	2 435	5 077
	4 151 024	**2 083 839**	**5 049 127**	**3 043 907**

Revenue from sales to related parties

Figures in R'000	**12 months to 31 May 2025**	**5 months to 31 May 2024**	**12 months to 31 December 2023**	**12 months to 31 December 2022**
The Prepaid Company Proprietary Limited	2 876 127	1 893 270	2 759 655	4 863 439
Blue Label Connect Proprietary Limited	5 930	9 594	50 453	84 205
Comm Equipment Company Proprietary Limited	1 768 897	478 646	1 213 766	1 973 266
Blue Label Distribution Proprietary Limited	–	137	369	675
Transaction Junction Proprietary Limited	39	–	20	–
Blue Label Data Solutions Proprietary Limited	187	–	–	–
Robtronics Proprietary Limited	–	–	–	1 765
	4 651 180	**2 381 647**	**4 024 263**	**6 923 350**

Other income from related parties

Figures in R'000	**12 months to 31 May 2025**	**5 months to 31 May 2024**	**12 months to 31 December 2023**	**12 months to 31 December 2022**
Comm Equipment Company Proprietary Limited	835 913	522 079	1 840 427	366 157
	835 913	**522 079**	**1 840 427**	**366 157**

Commissions and administrative fees paid to related parties

Figures in R'000	**12 months to 31 May 2025**	**5 months to 31 May 2024**	**12 months to 31 December 2023**	**12 months to 31 December 2022**
Blue Label Connect Proprietary Limited	9 898	9 346	44 217	72 887
The Prepaid Company Proprietary Limited	2 905	1 236	3 197	–
The Post Paid Company Proprietary Limited	42	21	52	–
Blue Label Distribution Proprietary Limited	42	18	47	–
Wi Connect Proprietary Limited	31	22	62	–
	12 918	**10 643**	**47 575**	**72 887**

Trade and other payables due to related parties

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
The Prepaid Company Proprietary Limited	733 794	–	108 830	–
The Post Paid Company Proprietary Limited	–	10	–	–
Transaction Junction Proprietary Limited	1 156	986	2 592	1 612
Dunoworx Proprietary Limited	7	2 011	21	–
Prism Payment Technologies Proprietary Limited	–	10 800	–	–
Robtronics Proprietary Limited	–	(1)	–	1
Blue Label One Proprietary Limited	1 188	–	390	2 726
Blue Label Distribution Proprietary Limited	–	4	–	–
Number Portability Company Proprietary Limited	620	310	678	370
Blu Nova Proprietary Limited	5 542	9 315	10 212	6 513
Comm Equipment Company Proprietary Limited	32	586 479	837 254	–
	742 339	609 914	959 977	11 222

Amounts due from related parties included in interest bearing loans and borrowings

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Comm Equipment Company Proprietary Limited ("CEC")	490 308	682 433	805 998	980 500
The Prepaid Company Proprietary Limited	2 575 265	2 140 534	1 890 896	1 541 559
	3 065 573	**2 822 967**	**2 696 894**	**2 522 059**

Interest expense from related parties

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Comm Equipment Company Proprietary Limited ("CEC")	95 927	51 879	133 576	193 890
The Prepaid Company Proprietary Limited	640 978	172 527	401 830	50 609
	736 905	**224 406**	**535 406**	**244 499**

Amounts due from related parties included in trade and other receivables

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Blue Label Distribution Proprietary Limited	–	31	–	38
Blue Label Connect Proprietary Limited	46 659	51 222	58 021	39 059
The Prepaid Company Proprietary Limited	974 105	336 200	193 274	–
Transaction Junction Proprietary Limited	–	–	2	–
Comm Equipment Company Proprietary Limited ("CEC")	80 106	16 948	818 288	–
	1 100 870	**404 401**	**1 069 585**	**39 097**

30. **SEGMENTAL INFORMATION**

The CEO's office consisting of the Chief Executive Officer ("**CEO**"), the Chief Financial Officer ("**CFO**") and the Chief Executive team ("**EXCO**") are the chief operating decision maker ("**CODM**") within the meaning of IFRS 8. Operating segments are determined on the reports received by the CODM that are used to make strategic decisions.

The CODM considers the business from an operating perspective. The Cell C Group operates in one geographic segment, the Republic of South Africa. The operating segment comprises of the 2 main operations defined by service type:

Service revenue operations: the Cell C Group derives all revenue from the sale of telecommunications services to customers.

The Service revenue operation is then further disaggregated by product type as follows:

- Prepaid revenue: This revenue stream comprises voice, SMS, data, and other service revenue earned from consumer customers that prepay for their services.
- Postpaid revenue This revenue stream comprises voice, SMS, data, and other service revenue earned from consumer customers that pay for their services after having received them.
- Wholesale revenue: This telecommunication service comprises revenue generated from Mobile Virtual Network Operators ("**MVNO**"), Mobile Virtual Network Enablement ("**MVNE**") and other Business Service Providers ("**BSP**") corporate customers.
- Roaming revenues: The provision of services to other MNOs to use the Company's spectrum or network, including but not limited to the termination of services on the Company's network.
- Other revenues is a combination of supplementary and complimentary telecommunications services provided to both enterprise and non-enterprise customers, including elements like Fibre to the home and to the business. Strategic future growth is expected in the revenue segment.

***Equipment Operation*:** the Cell C Group derives revenue from the sale of telecommunications-related equipment to both consumer and corporate customers. Currently Service revenue is below threshold but we are disclosing separately as historically it was a material value and with the potential consolidation of the Comm Equipment Company, this operation is expected to be material in future.

The administrative operations are not deemed to be a segment by management and are considered to form part of the main Service and Equipment revenue operating segment because these are supporting the operation of all segments.

Management assesses the performance of the operating segments on EBITDA.

The segment information provided to the CODM for the reportable segments for the reporting periods ended 31 May 2025, 31 May 2024, 31 December 2023 and 31 December 2022 is as follows:

Figures in R'000	Prepaid	Postpaid	Wholesale	Roaming	Other	Equipment	Group
12 Months to 31 May 2025							
Revenue	5 293 939	2 293 527	1 466 494	1 693 509	271 928	118 770	11 138 167
Other income	626 954	271 619	173 675	200 560	32 204	14 066	1 319 077
Direct expenses	(3 669 717)	(1 589 855)	(1 016 562)	(1 173 927)	(188 498)	(82 330)	(7 720 889)
Employee benefits expense	(388 880)	(168 477)	(107 725)	(124 401)	(19 975)	(8 725)	(818 183)
Depreciation and amortisation	(241 279)	(104 531)	(66 838)	(77 184)	(12 394)	(5 413)	(507 638)
Loss on derecognition of capitalised contract costs	–	–	–	–	–	–	–
Impairment loss reversal/ (impairment loss) on trade receivables	(491)	(213)	(136)	(157)	(25)	(11)	(1 034)
Other expenses	(861 588)	(373 271)	(238 672)	(275 618)	(44 256)	(19 330)	(1 812 736)
Profit before net finance costs, equity-accounted profit and tax	**758 937**	**328 799**	**210 236**	**242 781**	**38 984**	**17 027**	**1 596 764**
Finance income	5 243	2 272	1 453	1 677	269	118	11 032
Finance costs	(623 466)	(270 108)	(172 709)	(199 444)	(32 025)	(13 988)	(1 311 740)
Share of profit from equity accounted investments	206	89	57	66	11	5	434
Profit/(loss) before tax	**140 921**	**61 052**	**39 037**	**45 080**	**7 239**	**3 162**	**296 490**
Income tax credit/(expense)	912 838	395 474	252 869	292 013	46 889	20 480	1 920 562
Profit/(loss) for the period	**1 053 758**	**456 527**	**291 906**	**337 093**	**54 127**	**23 641**	**2 217 052**
5 Months to 31 May 2024							
Revenue	2 327 237	959 123	513 420	682 423	108 260	29 367	4 619 830
Other income	326 646	134 621	72 063	95 784	15 195	4 122	648 430
Direct expenses	(1 705 557)	(702 910)	(376 269)	(500 126)	(79 340)	(21 522)	(3 385 724)
Employee benefits expense	(167 544)	(69 050)	(36 962)	(49 129)	(7 794)	(2 114)	(332 594)
Depreciation and amortisation	(81 521)	(33 597)	(17 985)	(23 905)	(3 792)	(1 029)	(161 829)
Loss on derecognition of capitalised contract costs	–	–	–	–	–	–	–
Impairment loss reversal/ (impairment loss) on trade receivables	3 169	1 306	699	929	147	40	6 291
Other expenses	(487 549)	(200 933)	(107 560)	(142 966)	(22 680)	(6 152)	(967 841)
Profit before net finance costs, equity-accounted profit and tax	**214 881**	**88 559**	**47 406**	**63 010**	**9 996**	**2 712**	**426 563**
Finance income	2 867	1 182	633	841	133	36	5 692
Finance costs	(309 715)	(127 643)	(68 327)	(90 819)	(14 408)	(3 908)	(614 820)
Share of profit from equity accounted investments	122	50	27	36	6	2	242
Profit/(loss) before tax	**(91 845)**	**(37 852)**	**(20 262)**	**(26 932)**	**(4 273)**	**(1 159)**	**(182 323)**
Income tax credit/(expense)	(24 271)	(10 003)	(5 354)	(7 117)	(1 129)	(306)	(48 180)
Profit/(loss) for the period	**(116 116)**	**(47 855)**	**(25 617)**	**(34 049)**	**(5 402)**	**(1 465)**	**(230 503)**

Figures in R'000	Prepaid	Postpaid	Wholesale	Roaming	Other	Equipment	Group
12 Months to 31 December 2023							
Revenue	5 950 148	1 879 142	1 134 885	1 336 480	274 367	127 940	10 702 962
Other income	1 756 306	554 667	334 984	394 489	80 985	37 764	3 159 195
Direct expenses	(4 715 757)	(1 489 304)	(899 447)	(1 059 220)	(217 448)	(101 398)	(8 482 573)
Employee benefits expense	(403 816)	(127 531)	(77 021)	(90 702)	(18 620)	(8 683)	(726 374)
Depreciation and amortisation	(543 714)	(171 713)	(103 704)	(122 125)	(25 071)	(11 691)	(978 017)
Loss on derecognition of capitalised contract costs	–	–	–	–	–	–	–
Impairment loss reversal/ (impairment loss) on trade receivables	80 397	25 391	15 334	18 058	3 707	1 729	144 616
Other expenses	(1 183 166)	(373 661)	(225 668)	(265 754)	(54 557)	(25 440)	(2 128 246)
Profit before net finance costs, equity-accounted profit and tax	**940 398**	**296 991**	**179 364**	**211 226**	**43 363**	**20 220**	**1 691 563**
Finance income	5 091	1 608	971	1 143	235	109	9 157
Finance costs	(839 896)	(265 251)	(160 195)	(188 651)	(38 728)	(18 059)	(1 510 782)
Share of profit from equity accounted investments	185	58	35	42	9	4	333
Profit/(loss) before tax	**105 778**	**33 406**	**20 175**	**23 759**	**4 878**	**2 274**	**190 271**
Income tax credit/(expense)	–	–	–	–	–	–	–
Profit/(loss) for the period	**105 778**	**33 406**	**20 175**	**23 759**	**4 878**	**2 274**	**190 271**
12 Months to 31 December 2022							
Revenue	4 728 506	2 529 379	650 412	1 807 080	1 156 619	438 324	11 310 320
Other income	4 433 515	2 371 582	609 836	1 694 344	1 084 463	410 979	10 604 718
Direct expenses	(3 584 700)	(1 917 533)	(493 080)	(1 369 955)	(876 838)	(332 295)	(8 574 401)
Employee benefits expense	(247 016)	(132 134)	(33 977)	(94 401)	(60 421)	(22 898)	(590 848)
Depreciation and amortisation	(618 372)	(330 780)	(85 058)	(236 321)	(151 257)	(57 322)	(1 479 110)
Loss on derecognition of capitalised contract costs	–	–	–	–	–	–	–
Impairment loss reversal/ (impairment loss) on trade receivables	47 729	25 531	6 565	18 241	11 675	4 424	114 166
Other expenses	(2 163 906)	(1 157 520)	(297 648)	(826 974)	(529 304)	(200 590)	(5 175 942)
Profit before net finance costs, equity-accounted profit and tax	**2 586 393**	**1 383 517**	**355 762**	**988 435**	**632 646**	**239 754**	**6 186 507**
Finance income	4 434	2 372	610	1 695	1 085	411	10 607
Finance costs	(944 159)	(505 051)	(129 870)	(360 827)	(230 947)	(87 522)	(2 258 375)
Share of profit from equity accounted investments	267	143	37	102	65	25	639
Profit/(loss) before tax	**1 646 936**	**880 981**	**226 538**	**629 405**	**402 850**	**152 668**	**3 939 378**
Income tax credit/(expense)	–	–	–	–	–	–	–
Profit/(loss) for the period	**1 646 936**	**880 981**	**226 538**	**629 405**	**402 850**	**152 668**	**3 939 378**

30.1 **Reconciliation of profit/(loss) for the year to EBITDA:**

Figures in R'000	Prepaid	Postpaid	Wholesale	Roaming	Other	Equipment	Group
12 Months to 31 May 2025							
EBITDA							
Profit/(loss) for the year	1 053 758	456 527	291 906	337 093	54 127	23 641	2 217 052
Income tax expense/ (credit)	(912 838)	(395 474)	(252 869)	(292 013)	(46 889)	(20 480)	(1 920 562)
Depreciation and amortisation	241 279	104 531	66 838	77 184	12 394	5 413	507 638
Net finance (income)/ costs	618 223	267 837	171 256	197 767	31 756	13 870	1 300 708
Share of profit from equity accounted investments	(206)	(89)	(57)	(66)	(11)	(5)	(434)
Total EBITDA for the reportable segment	**1 000 216**	**433 330**	**277 074**	**319 965**	**51 377**	**22 440**	**2 104 402**
5 Months to 31 May 2024							
EBITDA							
Profit/(loss) for the year	(116 116)	(47 855)	(25 617)	(34 049)	(5 402)	(1 465)	(230 503)
Income tax expense/ (credit)	24 271	10 003	5 354	7 117	1 129	306	48 180
Depreciation and amortisation	81 521	33 597	17 985	23 905	3 792	1 029	161 829
Net finance (income)/ costs	306 848	126 461	67 695	89 978	14 274	3 872	609 128
Share of profit from equity accounted investments	(122)	(50)	(27)	(36)	(6)	(2)	(242)
Total EBITDA for the reportable segment	**296 402**	**122 156**	**65 390**	**86 915**	**13 788**	**3 740**	**588 392**
12 Months to 31 December 2023							
EBITDA							
Profit/(loss) for the year	105 778	33 406	20 175	23 759	4 878	2 274	190 271
Income tax expense/ (credit)	–	–	–	–	–	–	–
Depreciation and amortisation	543 714	171 713	103 704	122 125	25 071	11 691	978 017
Net finance (income)/ costs	834 805	263 643	159 224	187 508	38 494	17 950	1 501 625
Share of profit from equity accounted investments	(185)	(58)	(35)	(42)	(9)	(4)	(333)
Total EBITDA for the reportable segment	**1 484 112**	**468 704**	**283 068**	**333 351**	**68 434**	**31 911**	**2 669 580**
12 Months to 31 December 2022							
EBITDA							
Profit/(loss) for the year	1 646 936	880 981	226 538	629 405	402 850	152 668	3 939 378
Income tax expense/ (credit)	–	–	–	–	–	–	–
Depreciation and amortisation	618 372	330 780	85 058	236 321	151 257	57 322	1 479 110
Net finance (income)/ costs	939 724	502 679	129 260	359 132	229 862	87 111	2 247 768
Share of profit from equity accounted investments	(267)	(143)	(37)	(102)	(65)	(25)	(639)
Total EBITDA for the reportable segment	3 204 765	1 714 297	440 819	1 224 756	783 903	297 076	7 665 617

30.2 **A segmentation of total assets and liabilities:**

Figures in R'000	Prepaid	Postpaid	Wholesale	Roaming	Other	Equipment	Group
12 months to 31 May 2025							
Total assets	2 411 457	1 044 731	668 007	771 415	123 867	54 101	**5 073 578**
Total liabilities	6 358 680	2 754 811	1 761 442	2 034 115	326 619	142 658	**13 378 325**
5 months to 31 May 2024							
Total assets	1 952 478	804 674	430 743	572 531	90 827	24 638	**3 875 890**
Total liabilities	7 252 828	2 989 105	1 600 072	2 126 770	337 392	91 522	**14 397 689**
12 months to 31 December 2023							
Total assets	2 426 438	766 304	462 800	545 009	111 885	52 173	**4 364 611**
Total liabilities	8 147 727	2 573 169	1 554 034	1 830 084	375 699	175 192	**14 655 907**
12 Months to 31 December 2022							
Total assets	1 460 515	781 261	200 896	558 161	357 250	135 387	**3 493 470**
Total liabilities	5 842 544	3 125 302	803 649	2 232 829	1 429 119	541 593	**13 975 037**

31. EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the ordinary equity holders of the Cell C Group by the weighted number of ordinary shares outstanding during the period.

Diluted earnings per share

Diluted earnings per share adjusts the weighted average number of shares to assume conversion of all dilutive potential ordinary shares.

There were no discontinued operations during the periods presented.

31.1 **Reconciliation of profit attributable:**

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Per statement of profit/loss	2 217 052	(230 503)	190 271	3 939 378
Profit attributable to equity holders (used in EPS)	**2 217 052**	**(230 503)**	**190 271**	**3 939 378**

31.2 **Weighted average number of shares:**

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Weighted average number of ordinary share (basic denominator)	1 461 561 589	1 461 561 589	1 461 561 589	742 366 688
Weighted average number of ordinary shares for diluted EPS	**1 461 561 589**	**1 461 561 589**	**1 461 561 589**	**742 366 688**

31.3 **Earnings per share:**

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Basic EPS (cents)	1.52	(0.16)	0.13	5.31
Diluted EPS (cents)	1.52	(0.16)	0.13	5.31

31.4 **Headline earnings per share**

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Profit attributable to equity holders (used in EPS)	2 217 052	(230 503)	190 271	3 939 378
Adjusted for:				
Net loss/(profit) on intangible assets	–	312	13 555	–
Headline earnings	**2 217 052**	**(230 191)**	**203 826**	**3 939 378**
Headline EPS (cents)	1 52	(0 16)	0 14	5 31

32. **GOING CONCERN**

The Cell C Group is made up of several subsidiaries, which include Cell C Limited, Cell C Property Company Pty Ltd, Cell C Bidco Pty Ltd, Cell C Tower Company Pty Ltd and Cell C Infraco Pty Ltd, all wholly-owned by Cell C Limited.

The Cell C Group is structured in such a way that Cell C SP and the Cell C Limited are intrinsically linked and operationally "one". The Cell C Group's costs are accounted for within Cell C Limited. Cell C SP accounts for the revenue of the Cell C Group, excluding any relationships of a wholesale nature such as those mentioned above.

Cell C Limited and Cell C Service Provider ("**Cell C SP**") are the operational entities of the Group and contain the Group's assets and customer relationships. The remaining entities are in support of the strategy of the Group.

Cell C Network Operator ("**Cell C NO**") is the primary operating entity of the Cell C Group which owns the Cell C Group's operating assets, infrastructure (property, plant and equipment), employs all personnel of the Cell C Group and has key relationships with other network operators such as MTN, Telkom and Vodacom and wholesale relationships with Mobile Virtual Network Operators ("**MVNOs**") such as FNB and Capitec.

Cell C SP provides services to external customers of the Cell C Group, including prepaid sales to channels and dealers and postpaid subscriptions. Cell C Limited buys airtime, data and voice from Cell C NO and packages this in various different forms or products for external consumption. Cell C Limited has legal relationships with external suppliers for equipment, which is packaged with data for end-user consumption. The billing platform, BEAM, which contains Cell C customer and billing metrics and data is owned and operated by Cell C NO. Cell C Limited does not employ personnel with all work performed by personnel employed by Cell C NO, for which Cell C Limited is charged a management fee.

The recapitalisation transaction in 2022 improved the Cell C Group's cash flows and improved the Cell C Group's leverage on the statement of financial position. However, the Cell C Group remains in financial distress.

The Board draws attention to the following:

- The Cell C Group reported a profit of R2.2 billion (2024 loss: R230.5 million, 2023 profit: R190 million and 2022 profit: R3.9 billion). The Cell C Group had an excess of current liabilities over current assets of R9 billion (2024: R7.4 billion, 2023: R6.9 billion and 2022: R7.9 billion). Total liabilities exceeded total assets by R8.3 billion (2024: R10.5 billion, 2023: R10.3 billion and 2022: R10.5 billion).
- Recapitalisation is long-term programme aimed at improving the negative equity of the Cell C Group over a period, by restricting key debt and securing foundational working capital.

Mitigating actions

Due to liquidity and solvency concerns affecting operations, the Cell C Group implemented several mitigating measures as follows:

Restructuring of Liabilities (recapitalisation):

In 2022, the Cell C Group reached agreements with stakeholders to recapitalise its balance sheet, an action that will affect financial years beyond 2022. Concessions with creditors and lessors (refer Note 16) were secured, allowing continued asset use and deferred payments, which reduced payment obligations and eased cash outflows. Periodic airtime purchase arrangements also improved cashflow until September 2024 (refer Note 1.17).

Infrastructure-asset light model:

The Cell C Group maintains an asset-light mobile network by using its own spectrum and relying on other operators' infrastructure. Cell C leverages this flexible, capital-light model to roam on partner networks and plans further investment to improve customer offerings and experience. This approach, supported by roaming agreements, expands access to network sites, enhancing customer services and leveraging partner networks for efficiency, while reducing capital expenditure and maintenance costs on constrained cashflows.

Strategic and operational positioning:

The Cell C Group has renewed its focus on delivering greater value to customers by investing strategically and leveraging key partnerships. Several initiatives have been implemented as part of this strategy, many of which are already delivering positive results. In the next 12 months the following initiatives have been implemented in order to boost performance and improve the solvency and liquidity position:

- Becoming the leading enabler of MVNO services, with significant revenue growth year-on-year.
- Investing in new innovative and differentiated offerings in prepaid, postpaid, enterprise revenue streams to drive customer growth and increase market share.
- Regaining of the prepaid market share to increase network usage and revenue through the acquisition of new subscribers. To support this strategy, the Cell C Group has recently purchased a prepaid subscriber base (K'nect).
- Increase in network usage will lead to a quicker erosion of the unearned revenue liability (and improve the Cell C Group's liquidity), thus improving revenue and NAV per the balance sheet.
- More engagement with regulators due to the changing landscape to be able to provide sufficient input of proposed legislation.
- Introduced a national franchise model and revamping of 30 retail stores in 2025 financial year, relaunching the brand, reinforcing the Cell C Group's commitment to improving the customer experience and to drive strategic realignment and turnaround momentum.
- A significant number of critical contracts were renegotiated in the 2025 financial year, leveraging partnerships and ecosystems to scale beyond core revenue to reduce operational costs.

In the current year Management announced, together with its largest shareholder Blu Label Unlimited ("**BLU**"), its intention to restructure the shareholding structure and list Cell C Holdings Limited on the Johannesburg Stock Exchange ("**JSE**"). As shareholder debt relating interest bearing debt and the buyback of airtime is converted to equity resulting in a net improvement in equity of R9.5 billion. The acquisition of CEC is through the issue of shares, boosting equity by R2.15 billion and settlement of major shareholder liabilities which should improve the Company's liquidity and solvency position into the near future.

Based on the factors listed above, management have performed further assessments in order to provide a reasonable explanation as to why there is expectation that the Company has and will have adequate resources to continue in operational existence for the foreseeable future.

Conclusion

The Board has a responsibility to prepare the financial statements on a going concern basis unless they intend to liquidate, cease operations or have no realistic alternative but to do so. The Board has no intention of doing so and is confident that there are tangible alternatives to mitigate the current liquidity and solvency challenges, therefore the financial statements of the Cell C Group are prepared on a going-concern basis.

33. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

33.1 Valuation techniques and significant unobservable inputs of financial instruments

The following table presents the carrying amounts and the fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is reasonable approximation of fair value.

	Note	Carrying amount Financial liabilities at amortised cost	Fair value Level 1	Level 2	Level 3
31 May 2025					
Interest-bearing borrowings	10				
The Prepaid Company ("**TPC**") Recapitalisation loan 1		2 235 103	–	–	3 003 000
The Prepaid Company ("**TPC**") Reinvested debt loan 2		272 773	–	–	309 000
The Prepaid Company ("**TPC**") loan 3		65 088	–	–	51 000
Nedbank Limited		435 070	–	–	403 000
The Prepaid Company ("**TPC**")		457 968	–	–	513 000
Restructure implementation agreement – CEC		490 308	–	–	531 000
31 May 2024					
Interest-bearing borrowings	10				
The Prepaid Company ("**TPC**") Recapitalisation loan 1		1 852 836	–	–	2 815 000
The Prepaid Company ("**TPC**") Reinvested debt loan 2		203 520	–	–	288 000
The Prepaid Company ("**TPC**") loan 3		84 178	–	–	46 000
Nedbank Limited		451 503	–	–	485 000
Gramercy SA Telecoms Holdings LLC		415 698	–	–	435 000
Restructure implementation agreement – CEC		682 433	–	–	742 000
Lesaka financing liability		59 796	–	–	59 000
31 December 2023					
The Prepaid Company ("**TPC**") Recapitalisation loan 1	10	1 624 396	–	–	2 414 000
The Prepaid Company ("**TPC**") Reinvested debt loan 2		179 107	–	–	254 000
The Prepaid Company ("**TPC**") loan 3		87 393	–	–	41 000
Nedbank Limited		426 541	–	–	432 000
Gramercy SA Telecoms Holdings LLC		390 300	–	–	388 000
Restructure implementation agreement – CEC		805 998	–	–	785 000
Lesaka financing liability		157 082	–	–	241 000
31 December 2022					
The Prepaid Company ("**TPC**") Recapitalisation loan 1	10	1 040 394	–	–	2 187 000
The Prepaid Company ("**TPC**") Reinvested debt loan 2		127 116	–	–	231 000
The Prepaid Company ("**TPC**") loan 3		99 103	–	–	59 000
Nedbank Limited		374 050	–	–	387 000
Gramercy SA Telecoms Holdings LLC		335 942	–	–	348 000
Restructure implementation agreement – CEC		980 500	–	–	975 000
Lesaka financing liability		167 633	–	–	274 000

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
Interest-bearing borrowings	Discounted cash flow: The valuation model considers the present value of the expected future payments, discounted using a risk-adjusted discount rate.	Risk-adjusted discount rates at the end of the current and prior reporting period are outlined below.	The estimated fair value would increase (decrease) if the risk adjusted discount rate were lower /(higher).

Significant unobservable inputs for each separately identifiable loan:

	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Interest-bearing borrowing		**Risk-adjusted discount rate**		
The Prepaid Company ("**TPC**") Recapitalised loan 1	8.91%	11.00%	15.43%	13.39%
The Prepaid Company ("**TPC**") Reinvested debt loan 2	8.81%	10.00%	15.43%	13.62%
The Prepaid Company ("**TPC**")/ZTE loan 3	8.80%	11.48%	15.43%	13.58%
Nedbank Limited	8.81%	11.00%	15.84%	13.55%
The Prepaid Company ("**TPC**")	8.88%	10.00%	15.43%	13.55%
Restructure implementation agreement – CEC	8.90%	10.00%	15.43%	13.51%
Lesaka financing liability	0%	11.49%	15.43%	13.64%

Categories of financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities in each category are as follows:

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Financial assets		**Amortised cost**		
Trade and other receivables	956 876	2 070 439	2 646 566	1 627 419
Cash and cash equivalents	182 110	101 042	290 019	75 459
	1 138 986	**2 171 481**	**2 936 585**	**1 702 878**
Financial liabilities		**Amortised cost**		
Interest-bearing borrowings	3 956 310	3 749 964	3 670 817	3 124 737
Lease liabilities	1 917 016	1 792 246	1 835 934	2 099 514
Trade and other payables	4 073 042	5 651 299	6 622 844	5 219 843
	9 946 368	**11 193 509**	**12 129 595**	**10 444 094**

The carrying amounts approximate the fair values of the financial instruments except interest-bearing borrowings.

Capital management

The Board's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors approves a budget for each reporting period. Each budget includes a capital expenditure amount against which the Board then measures the actual capital expenditure.

The Cell C Group's strategy, which has remained unchanged from 2018, has been to maintain the debt-to-adjusted capital ratio of 70% equity and 30% debt. This ratio is a long-term strategy which is aligned to companies within the industry.

The Cell C Group's distressed and highly leveraged position has driven management to take the below actions to restore the gearing ratio to the desired level of 70:30 between equity and debt, respectively.

The Cell C Group has an active capital management policy based on:

- Actively working in consultation with the shareholders to optimise the capital structure;
- Ensuring long-term funding needs of the Cell C Group are met through the business planning and budgeting process; and
- Refinancing matching obligations in a timely and efficient manner.

Figures in R'000	**12 months to 31 May 2025**	**5 months to 31 May 2024**	**12 months to 31 December 2023**	**12 months to 31 December 2022**
Cash and cash equivalents*	164 195	76 368	290 019	75 459
Share capital and share premium	25 668 830	25 668 830	25 668 830	25 668 830
Accumulated loss	(33 973 577)	(36 190 629)	(35 960 183)	(36 150 454)
Total	**(8 140 552)**	**(10 445 431)**	**(10 001 334)**	**(10 406 165)**
Interest-bearing borrowings	3 956 310	3 749 964	3 670 817	3 124 737
Lease liabilities	1 917 016	1 792 246	1 835 934	2 099 514
Total	**5 873 326**	**5 542 210**	**5 506 751**	**5 224 251**
Overall financing				
Capital to overall financing ratio (Gearing ratio)	359%	213%	223%	201%

* Cash and cash equivalents exclude restricted cash. Refer to Note 11.

The Cell C Group's gearing ratios have increased over the reporting periods, which is attributable to the net impact of the increase in cash and cash equivalents, accumulated losses, interest-bearing loans and lease liabilities. The Cell C Group ratio significantly exceeds the targeted 70:30 ratio, highlighting the need for ongoing efforts to reduce debt of increase equity in order to reach the desired capital structure.

33.2 **Financial risk management**

The Cell C Group's risk management is predominantly controlled by a central treasury department under policies approved by the Board. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. The Liquidity Committee assesses and manages the liquidity position of the Cell C Group and reports and makes recommendations to the Board on the liquidity.

The Cell C Group has exposure to the following risks from its financial instruments:

- Market risk (including currency risk)
- Credit risk
- Liquidity risk

The note presents information about the Cell C Group's exposure to each of the above risks, the Cell C Group's objectives, policies and procedures for measuring and managing risk and the Cell C Group's management of capital. Further quantitative disclosures are included in the note relating to the financial instrument concerned.

33.3 **Market risks**

The Cell C Group is exposed to market risks through its use of financial instruments and specifically to currency risk and interest rate risk, which result from both its operating and investing activities.

Foreign currency risk

The Cell C Group is exposed to foreign currency risk through purchases and borrowings denominated in foreign currencies. Exposures to currency exchange rates arise from the Cell C Group's foreign payables, which are primarily denominated in U.S. dollars ("**USD**"). To the extent possible, receipts in foreign currency are used to settle foreign liabilities. Forward exchange contracts are entered into on a case-by-case basis to mitigate the foreign currency risk. The Cell C Group does not use foreign exchange contracts for speculative purposes and does not apply hedge accounting. The Cell C Group varies its exposure depending on its view of the currency values, within acceptable risk parameters.

The Cell C Group's exposure to foreign currency risk at the reporting date was as follows:

	USD'000	**Closing rate**	**R'000**
Trade payables			
2025			
EUR	265	20.32	5 387
USD	2 150	17.91	38 506
GBP	41	24.13	998
CNY	30 198	2.49	75 139
	32 654		**120 030**
2024			
EUR	484	20.13	9 734
USD	19 942	18.84	375 704
GBP	6	23.66	138
CNY	47 562	2.57	122 234
	67 993		**507 809**
2023			
EUR	603	20.18	12 169
USD	16 153	18.30	295 600
GBP	3	23.27	70
CNY	56 364	2.57	144 855
	73 123		**452 694**
2022			
EUR	289	18.12	5 240
USD	14 486	16.97	245 827
GBP	66	20.47	1 351
CNY	48 339	2.45	118 431
	63 180		**370 849**

During the 2025 reporting period inventories of R201 thousand were written off.

Sensitivity analysis

The following table includes the Cell C Group's sensitivity at the reporting dates to the indicated movements in foreign exchange on financial instruments. The Cell C Group has assumed a +/-10% change of the ZAR/USD exchange rate for the reporting period (2024, 2023 and 2022: +/-10%). These percentages have been determined based on the average market volatility in exchange rates in the previous twelve months. The sensitivity analysis is based on the Cell C Group's foreign currency interest-bearing borrowings and trade payables held at each reporting date.

	Impact on profit/(loss) before tax			
	12 months to 31 May 2025	**5 months to 31 May 2024**	**12 months to 31 December 2023**	**12 months to 31 December 2022**
Exchange rate – increase 10% (2024, 2023 and 2022: 10%)	(12 003)	(50 781)	(45 269)	(24 583)
Exchange rate – decrease 10% (2024, 2023 and 2022: 10%)	12 003	50 781	45 269	24 583

	Impact on equity			
Figures in R'000	**12 months to 31 May 2025**	**5 months to 31 May 2024**	**12 months to 31 December 2023**	**12 months to 31 December 2022**
Exchange rate – increase 10% (2024, 2023 and 2022:10%)	(8 762)	(37 070)	(33 047)	(17 700)
Exchange rate – decrease 10% (2024, 2023 and 2022: 10%)	8 762	37 070	33 047	17 700

Interest rate risk

The Cell C Group's policy is to minimise interest rate risk exposures on long-term financing. Longer-term borrowings are therefore usually at fixed rates. At the reporting date the interest rate profile of the Cell C Group's interest-bearing financial instruments was:

Figures in R'000	**12 months to 31 May 2025**	**5 months to 31 May 2024**	**12 months to 31 December 2023**	**12 months to 31 December 2022**
Floating rate				
Interest-bearing borrowings	(2 235 103)	(1 852 836)	(1 624 396)	(1 040 393)
Cash and cash equivalents	182 110	101 042	290 019	75 459
Trade and other payables	(662 288)	(1 543 463)	(1 859 994)	–
Fixed rate				
Interest-bearing borrowings	(1 721 207)	(1 897 128)	(2 046 421)	(2 084 344)
Trade and other payables	–	–	–	(244 848)

Sensitivity analysis

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of +/-50 basis points for the 2025 reporting period (2024, 2023 and 2022: +/-50 basis points). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

	Impact on profit/(loss) before tax			
	12 months to 31 May 2025	**5 months to 31 May 2024**	**12 months to 31 December 2023**	**12 months to 31 December 2022**
Interest rate increase – 50 (2024, 2023 and 2022: 50) basis points	(18 145)	(16 476)	(15 972)	(4 825)
Interest rate decrease – 50 (2024, 2023 and 2022: 50) basis points	18 145	16 476	15 972	4 825

	Impact on equity			
	12 months to 31 May 2025	**5 months to 31 May 2024**	**12 months to 31 December 2023**	**12 months to 31 December 2022**
Interest rate increase – 50 (2024, 2023 and 2022: 50) basis points	(12 883)	(12 028)	(11 659)	(3 474)
Interest rate decrease – 50 (2024, 2023 and 2022: 50) basis points	12 883	12 028	11 659	3 474

33.4 **Credit risk**

Credit risk is the risk of financial loss to the Cell C Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Cell C Group's receivables from customers.

The Cell C Group's principal financial assets are cash and cash equivalents and trade and other receivables. The Cell C Group's credit risk is primarily attributable to its trade receivables. The amount presented in the statement of financial position is net of loss allowances and represents total maximum credit risk exposure at the reporting date. The Cell C Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Ownership of financial assets involves the risk that counterparties may be unable to meet the terms of their agreements. These risks are monitored by limiting the aggregate risk to any individual counterparty. The credit risk is generally highly diversified due to the large number of customers, both private individuals and corporate companies comprising the subscriber base and their dispersion across.

Trade receivables

The Cell C Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate (*i.e.* South Africa).

Risk management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Cell C Group's standard payment and delivery terms and conditions are offered. Sale limits are established for each customer and reviewed on an ongoing purpose.

The Cell C Group limits its exposure to credit risk from trade receivables by establishing a maximum payment period for individual and corporate customers.

Expected credit loss assessment

IFRS 9 provides practical expedients for operational simplifications of trade receivables and contract assets that do not contain a significant financing component. The criteria are as follows:

- Trade receivables of one year or less or those which do not contain a significant financing component (in accordance with IFRS 15); and
- Long-term trade and other receivables which do not contain a significant financing component.

The simplified approach has been determined to be suitable for the implementation of the expected credit loss ("**ECL**") calculation for the Cell C Group. All behavioural studies have been based on the historical contractual life of an invoice. A provision matrix (as illustrated below) has been utilised for the purposes of the calculation and account for the following factors:

- Probability of Default ("**PD**"): Computed per aging bucket based on historical aging analysis;
- Loss Given Default ("**LGD**"): Computed per portfolio and applied to all aging buckets;
- Exposure at Default ("**EAD**") Computed per aging bucket for each portfolio; and
- Discounting factor ("**DF**") Applied to all aging buckets for each portfolio.

The Cell C Group used a provision matrix to measure the ECLs of trade receivables from customers, which comprise a very large number of small balances.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled mobile services provided and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets for the current bracket not past due.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 May 2024 or 31 May 2025, respectively, and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Cell C Group has identified the GDP and the unemployment rate of South Africa to be the most relevant factors and accordingly adjusts the historical loss rates based on expected changes in these factors.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets from customers as at the reporting date.

Trade receivables

	Weighted average loss rate	Gross carrying amount	Expected loss allowance
31 May 2025			
Current	3.18%	272 940	(8 671)
More than 30 days past due	14.26%	163 433	(23 313)
More than 60 days past due	50.54%	8 034	(4 061)
More than 90 days past due	35.95%	856 354	(307 841)
		1 300 761	**(343 886)**
31 May 2024			
Current	0.36%	954 006	(3 406)
More than 30 days past due	5.04%	26 899	(1 356)
More than 60 days past due	6.78%	9 054	(614)
More than 90 days past due	23.92%	1 423 330	(337 474)
		2 413 289	**(342 850)**
31 December 2023			
Current	1.16%	221 100	(2 574)
More than 30 days past due	21.40%	7 552	(1 616)
More than 60 days past due	40.30%	2 030	(818)
More than 90 days past due	12.60%	2 730 162	(344 133)
		2 960 844	**(349 141)**
31 December 2022			
Current	2.00%	639 853	(13 397)
More than 30 days past due	10.00%	325 070	(32 331)
More than 60 days past due	5.00%	270 118	(12 221)
More than 90 days past due	51.00%	859 503	(435 808)
		2 094 544	**(493 757)**

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Cell C Group, and a failure to make contractual payments for a period of greater than 120 days past due.

33.5 **Liquidity risk**

Liquidity risk is the risk that the Cell C Group will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities with the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions and the purchase of airtime by TPC (As per the minimum purchase agreement refer to Note 1.17). Due to the dynamic nature of the underlying businesses, Cell C Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The Cell C Group's liquidity risk arises from the difficulty in meeting obligations of financial liabilities and other future commitments. The Cell C Group has managed its liquidity position through the recapitalisation process undertaken in the 2022 financial year, the effects of which provide liquidity support to the Cell C Group's operations and obligations – refer to Note 1.17.

The maturity analysis of financial liabilities at the reporting date is set out in the table below. These amounts are gross and undiscounted, and include contractual interest payments:

	Between 0 and 12 months	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**	**Total contractual cash flows**	**Carrying amount**
2025						
Interest-bearing borrowings	(2 972 145)	(509 669)	(2 110 114)	–	(5 591 928)	(3 956 310)
Trade and other payables	(4 073 042)	–	–	–	(4 073 042)	(4 073 042)
Lease liabilities	(399 727)	(606 196)	(755 553)	(1 348 776)	(3 110 252)	(1 917 016)
	(7 444 914)	**(1 115 865)**	**(2 865 667)**	**(1 348 776)**	**(12 775 222)**	**(9 946 368)**
2024						
Interest-bearing borrowings	(939 175)	(2 637 007)	(2 613 948)	–	(6 190 130)	(3 749 964)
Trade and other payables	(5 651 299)	–	–	–	(5 651 299)	(5 651 299)
Lease liabilities	(580 713)	(344 221)	(1 231 299)	(1 308 972)	(3 465 205)	(1 792 246)
	(7 171 187)	**(2 981 228)**	**(3 845 247)**	**(1 308 972)**	**(15 306 634)**	**(11 193 509)**
2023						
Interest-bearing borrowings	(607 245)	(1 672 812)	(4 196 526)	–	(6 476 583)	(3 670 817)
Trade and other payables	(6 622 844)	–	–	–	(6 622 844)	(6 622 844)
Lease liabilities	(599 521)	(380 451)	(1 309 765)	(1 366 313)	(3 656 050)	(1 835 934)
	(7 829 610)	**(2 053 263)**	**(5 506 291)**	**(1 366 313)**	**(16 755 477)**	**(12 129 595)**
2022						
Interest-bearing borrowings	(220 000)	(705 395)	(4 286 179)	–	(5 211 574)	(3 124 737)
Trade and other payables	(5 219 843)	–	–	–	(5 219 843)	(5 219 843)
Lease liabilities	(627 180)	(617 080)	(1 143 600)	(1 326 381)	(3 714 241)	(2 099 514)
	(6 067 023)	**(1 322 475)**	**(5 429 779)**	**(1 326 381)**	**(14 145 658)**	**(10 444 094)**

34. **CASH FLOWS FROM OPERATING ACTIVITIES**

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Profit for the year	**1 596 764**	**426 563**	**1 691 563**	**6 186 507**
Adjustments for:				
Depreciation and amortisation expense	507 638	161 829	978 017	1 479 160
Expected credit loss/(reversal) on trade and other receivables	1 035	(6 291)	(144 616)	(99 316)
Net foreign exchange gains/(losses) – unrealised	3 074	217	(10 794)	(92 171)
Non-cash intercompany transactions	–	–	(57)	–
Gain on derecognition of property, plant and equipment	(457)	(312)	(13 555)	121 650
Discount received	(39 854)	–	–	–
Gain on termination of leases	(15 700)	(7 671)	(102 601)	–
Retirement of property, plant, and equipment	–	–	24 048	–
Provision for inventory losses	7 719	(397)	(26 980)	–
Recapitalisation transaction	–	–	–	(9 703 512)
Loss on derecognition of capitalised contract costs	–	–	–	22 396
Share-based payment	–	–	–	167 633
Fair value gain on the Lesaka loan	–	–	–	(53 153)
Write-offs	–	–	–	(641 000)

Change in operating assets and liabilities

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
(Increase)/Decrease in inventories	46 343	(58 476)	18 445	11 865
(Increase)/Decrease in trade and other receivables	1 092 899	526 507	(878 066)	113 420
Increase/(Decrease) in trade and other payables	(1 579 689)	(945 886)	875 651	3 015 119
Increase/(Decrease) in contract liabilities	192 737	388 666	(608 209)	1 416 671
Increase/(Decrease) in provisions	73 886	(2 350)	131 204	(146 454)
Net cash flows from operations	**1 886 395**	**482 399**	**1 934 050**	**1 798 816**

35. CASH FLOWS FROM FINANCING ACTIVITIES ANALYSIS

Reconciliation of movements of liabilities to cash flows arising from financing activities

Figures in R'000	Interest-bearing loans	Lease liabilities	Total
Net debt as at 1 January 2022	**9 119 778**	**4 002 892**	**13 122 670**
Cash flows	(1 198 744)	(656 760)	(1 855 504)
Proceeds received	1 143 744	–	1 143 744
Deferred loss	(79 918)	–	(79 918)
Transfers from bond raising fees on derecognised loss to payables	(96 149)	–	(96 149)
Transfers from trade payables	1 056 034	–	1 056 034
Transfers from contract liabilities	220 786	–	220 786
Increase in lease liabilities	–	307 154	307 154
Fair value gain on Lesaka loan	(53 153)	–	(53 153)
Effect of changes in foreign exchange rates	870 655	–	870 655
Settlement through airtime vouchers*	(31 582)	–	(31 582)
Effect of changes in fair values	425 768	–	425 768
Fair value adjustment	(64 500)	–	(64 500)
Interest expense accrual	747 288	479 850	1 227 138
Interest paid	(32 717)	(479 850)	(512 567)
Derecognition in respect of recapitalisation transaction	(8 902 553)	(1 267 000)	(10 169 553)
Lease terminations	–	(286 480)	(286 480)
Net debt as at 31 December 2022	**3 124 737**	**2 099 806**	**5 224 543**
Cash flows	(201 667)	(284 833)	(486 500)
Transfers to trade payables	–	(117 981)	(117 981)
Transfers from trade payables	–	188 314	188 314
Transfers to contract liabilities	(30 744)	–	(30 744)
Increase in lease liabilities	–	80 660	80 660
Interest expense accrual	884 902	393 174	1 278 076
Interest paid	(106 411)	(330 686)	(437 097)
Lease terminations	–	(192 520)	(192 520)
Net debt as at 31 December 2023	**3 670 817**	**1 835 934**	**5 506 751**
Cash flows	(110 000)	(44 238)	(154 238)
Transfers to contract liabilities	(105 460)	–	(105 460)
Transfers to trade payables	–	(62 187)	(62 187)
Increase in lease liabilities	–	32 729	32 729
Interest expense accrual	360 051	138 285	498 336
Interest paid	(65 444)	(95 564)	(161 008)
Termination of leases	–	(12 713)	(12 713)
Net debt as at 31 May 2024	**3 749 964**	**1 792 246**	**5 542 210**
Cash flows	(158 195)	(262 145)	(420 340)
Transfers from trade payables	–	234 449	234 449
Increase in lease liabilities	–	165 259	165 259
Interest expense accrual	873 205	330 627	1 203 832
Interest paid	(286 519)	(308 667)	(595 186)
Termination of leases	–	(34 754)	(34 754)
Repayment through issue of vouches	(195 636)	–	(195 636)
Net debt as at 31 May 2025	**3 982 819**	**1 917 015**	**5 899 834**

36. **INCOME TAX PAID**

Figures in R'000	12 months to 31 May 2025	5 months to 31 May 2024	12 months to 31 December 2023	12 months to 31 December 2022
Amounts receivable/(payable) at the beginning of the reporting period	(48 749)	–	–	–
Amounts (receivable)/payable at the end of the reporting period	147 295	48 749	–	–
Current taxation expense	(104 187)	(48 749)	–	–
	(5 641)	**–**	**–**	**–**

37. **NEW AND REVISED IFRS IN ISSUE BUT NOT YET EFFECTIVE**

The standards, interpretations and amendments listed below will only be effective in future reporting periods. It is expected that the Cell C Group will adopt the pronouncements on their respective effective dates, however, the Cell C Group has not early adopted the new or amended standards in preparing these financial statements.

The following amended standards and interpretations are applicable to the Cell C Group. Management has assessed the impact of the standards and interpretations below.

Standard	Description of amendments	Effective date for annual periods beginning on or after
IAS 21 (The effects of changes in foreign exchange rates)	Lack of exchangeability, the amendments require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and when it is not. This is not expected to have a significant impact on the Cell C Group.	Year ending 31 May 2026
IFRS 9 (Financial Instruments)	Amendments to the classification and measurement of financial instruments. Clarifying the classification of financial assets and ESG and similar features. Clarifying the date on which a financial asset and financial liability is derecognised when a liability is settled through electronic payment systems. This is not expected to have a significant impact on the Cell C Group.	Year ending 31 May 2027
IFRS 7 (Financial Instruments: Disclosures)	Amendments to the classification and measurement of financial instruments. IFRS 7 introduces additional disclosure requirements to enhance transparency for investors regarding investments in equity instruments designated at fair value through OCI and financial instruments with contingent features, for example features tied to ESG-linked targets. This is not expected to have a significant impact on the Cell C Group.	Year ending 31 May 2027
Annual Improvements to IFRS Accounting Standards Volume 11 – Amendments to IFRS 1 (First-time Adoption of International Financial Reporting Standards), IFRS 7, IFRS 9, IFRS 10 (Consolidated Financial Statements) and IAS 7 (Statement of Cash flows)	The amendments were made to address potential inconsistencies and potential confusions in the standards relating to: – IAS 1 dealing with hedge accounting by a first-time adopter – IFRS 7 dealing with gain or loss on derecognition and disclosures in the implementation guidance – IFRS 9 dealing with lessee derecognition of lease liabilities and transaction price – IFRS 10 dealing with Determination of a "*de facto agen*t"; and – IFRS 7 dealing with the term "cost method". The above is expected to have a significant impact on the Cell C Group, and the impact is being assessed.	Year ending 31 May 2027

Standard	Description of amendments	Effective date for annual periods beginning on or after
IFRS 18 (Presentation and Disclosure in the Financial Statements)	Improved comparability in the statement of profit or loss (income statement) through the introduction of three defined categories, operating, investing and financing but essentially does not change net profit. Introduces enhanced transparency of management defined performance measures which will be part of the audited financial statements. Further provides guidance on more useful grouping of information in the financial statements through enhanced guidance on how to organise information. This is expected to have a significant impact on the Cell C Group, and the impact is being assessed.	Year ending 31 May 2028
IFRS 19 (Subsidiaries Without Public Accountability Disclosures)	Permits eligible subsidiaries to use the same recognition, measurement and presentation as IFRS Accounting Standards, but allows for specific reduced disclosure area. Subsidiaries are eligible to apply IFRS 19 if they do not have public accountability and their parent company applies IFRS Accounting Standards in their consolidated financial statements. This is not expected to have a significant impact on the Cell C Group.	Year ending 31 May 2028

38. **CHANGE IN YEAR END**

During the 2024 reporting period, the Cell C Group changed its financial year-end from 31 December to 31 May. The Board approved this change to align the Cell C Group's reporting period with that of its largest shareholder, The Prepaid Company Proprietary Limited ("**TPC**"), in order to streamline external reporting processes.

As a result of this transition, the 2024 comparative historical financial information cover a shortened 5-month period, from 1 January 2024 to 31 May 2024. The historical information of the 2025 reporting period is the 12-month (1 June to 31 May 2025), and as such, the figures are not directly comparable.

39. **SUBSEQUENT EVENTS**

The Directors are not aware of any matters or circumstances arising since the end of the 2025 reporting period to the date of this report that could have been material financial effect on the financial position or performance of the Cell C Group.

ANNEXE 2 – INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE CONSOLIDATED ANNUAL HISTORICAL FINANCIAL INFORMATION OF CELL C LIMITED FOR THE YEAR ENDED 31 MAY 2025, THE 5 MONTHS ENDED 31 MAY 2024, THE YEAR ENDED 31 DECEMBER 2023 AND THE YEAR ENDED 31 DECEMBER 2022

The definitions and interpretations commencing on page 454 of this Pre-listing Statement do not apply through this Annexe 2.

To the Directors of Cell C Holdings Limited

At your request, we present our Independent Auditor's Assurance Report on the consolidated historical financial information of Cell C Limited and its subsidiaries ("**Cell C**") for the financial periods ended 31 May 2025, 31 May 2024, 31 December 2023 and 31 December 2022 (the "**Historical Financial Information**") for inclusion in **Annexe 1** on pages 195 to 263 of the pre-listing statement ("**PLS**") to be dated on or about 13 November 2025 ("**PLS**") by the directors.

This report is required for the purposes of complying with Section 8.48 of the Listings Requirements of the JSE Limited (the "**JSE**") (the "**JSE Listings Requirements**") and is given for the purpose of complying with those requirements and for no other purpose. We are the Independent Auditors of Cell C.

To the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with the JSE Listings Requirements and consenting to its inclusion in the PLS.

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE HISTORICAL FINANCIAL INFORMATION

OPINION

We have audited the Historical Financial Information of Cell C, which comprises of the consolidated statements of financial position as at 31 May 2025, 31 May 2024, 31 December 2023 and 31 December 2022, the consolidated statements of comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows for the periods then ended, and notes thereto, including a summary of material accounting policies, as presented in **Annexe 1** on pages 195 to 263 of the PLS.

In our opinion, the Historical Financial Information, as presented in **Annexe 1** on pages 195 to 263 of the PLS, presents fairly, in all material respects, for the purpose of the PLS the consolidated financial position of Cell C as at 31 May 2025, 31 May 2024, 31 December 2023 and 31 December 2022 and its consolidated financial performance and consolidated cash flows for the periods then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("**IFRS Accounting Standards**"), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Pronouncements as issued by Financial Reporting Standards Council and the JSE Listings Requirements.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Independent Auditor's Responsibilities for the Historical Financial Information* section of our report. We are independent of Cell C in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* ("IRBA Code") and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

MATERIAL UNCERTAINTY RELATING TO GOING CONCERN

We draw attention to Note 32 to the Historical Financial Information which indicates that Cell C's total liabilities exceeded its total assets by R8.3 billion (at 31 May 2025). As stated in Note 32, these events or conditions, along with other matters as set forth in Note 32, indicate that a material uncertainty exists that may cast significant doubt on Cell C's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

EMPHASIS OF MATTER – COMPARABILITY OF HISTORICAL FINANCIAL INFORMATION

We draw attention to Note 38 to the Historical Financial Information, which describes that the comparative Historical Financial Information presented for the period ended 31 May 2024 relates to a five month reporting period, whereas the current Historical Financial Information presents a 12 month period ended 31 May 2025. Our opinion is not modified in respect of this matter.

OTHER INFORMATION

The directors are responsible for the other information contained in this PLS. The other information comprises the information included in the document titled "Cell C Holdings Limited Pre-listing Statement", which includes the Directors' commentary as required by the Companies Act of South Africa and/or JSE Listings Requirements. The other information does not include the Historical Financial Information and our Independent Auditor's Assurance Report thereon.

Our opinion on the Historical Financial Information does not cover the other information contained in this PLS and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Historical Financial Information, our responsibility is to read the other information contained in this PLS, in doing so, consider whether the other information is materially inconsistent with the Historical Financial Information, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE HISTORICAL FINANCIAL INFORMATION

The directors are responsible for the compilation, contents and preparation of the PLS in accordance with the JSE Listings Requirements. The directors are also responsible for the preparation and fair presentation of the Historical Financial Information in accordance with the IFRS® Accounting Standards, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Pronouncements as issued by Financial Reporting Standards Council and the JSE Listings Requirements, and for such internal control as the directors determine is necessary to enable the preparation of Historical Financial Information that is free from material misstatement, whether due to fraud or error.

In preparing the Historical Financial Information, the directors are responsible for assessing Cell C's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate Cell C or to cease operations, or have no realistic alternative but to do so.

OUR INDEPENDENCE AND QUALITY MANAGEMENT

We have complied with the independence and other ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors ("IRBA Code"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards*).

The firm applies International Standard on Quality Management 1 ("ISQM 1") *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* which requires the firm to design, implement and operate a system of quality management, including documented policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

INDEPENDENT AUDITOR'S RESPONSIBILITIES FOR THE HISTORICAL FINANCIAL INFORMATION

Our objectives are to obtain reasonable assurance about whether the Historical Financial Information as a whole is free from material misstatement, whether due to fraud or error, and to issue an Independent Auditor's Assurance Report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Historical Financial Information.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Historical Financial Information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Cell C's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Cell C's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Independent Auditor's Assurance Report to the related disclosures in the Historical Financial Information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Independent Auditor's Assurance Report. However, future events or conditions may cause Cell C to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Historical Financial Information, including the disclosures, and whether the Historical Financial Information represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Historical Financial Information. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

SNG Grant Thornton Inc.
Director: Altaf Fajandar
Chartered Accountant (SA)
Registered Auditor

Johannesburg

7 November 2025

SNG Grant Thornton Inc.
Director: Omar Kadwa
Chartered Accountant (SA)
Registered Auditor
Reporting Accountant Specialist

Johannesburg

7 November 2025

ANNEXE 3 – CONDENSED CONSOLIDATED INTERIM HISTORICAL FINANCIAL INFORMATION OF CELL C LIMITED FOR THE THREE MONTHS ENDED 31 AUGUST 2025 AND 31 AUGUST 2024

Condensed Statement of Financial Position
For the three months ended 31 August 2025

Figures in R'000	Notes	Three months ended 31 August 2025 Reviewed	Three months ended 31 August 2024 Reviewed	Financial Year ended 31 May 2025 Audited
Assets				
Non-current assets				
Property, plant and equipment	2	751 813	522 051	459 262
Intangible assets	3	1 401 313	1 062 441	1 338 514
Equity accounted investments		11 017	10 672	10 958
Deferred tax assets	5	2 024 749	–	2 024 749
Capitalised contract costs		20 521	37 934	23 563
Total non-current assets		**4 209 413**	**1 633 098**	**3 857 046**
Current assets				
Inventories		42 686	78 802	55 455
Trade and other receivables	4	1 115 616	1 245 989	978 967
Cash and cash equivalents		306 705	384 051	182 110
Total current assets		**1 465 007**	**1 708 842**	**1 216 532**
Total assets		**5 674 420**	**3 341 940**	**5 073 578**
Equity and liabilities				
Equity				
Issued capital		11 500 612	11 500 612	11 500 612
Share premium		14 168 218	14 168 218	14 168 218
Accumulated loss		(34 060 546)	(36 246 528)	(33 973 577)
Total equity		**(8 391 715)**	**(10 577 698)**	**(8 304 747)**
Liabilities				
Non-current liabilities				
Interest-bearing borrowings	6	1 497 836	3 600 387	1 472 779
Lease liabilities	8	1 848 466	1 487 318	1 638 044
Total non-current liabilities		**3 346 302**	**5 087 705**	**3 110 823**
Current liabilities				
Employee benefit obligations		266 891	117 772	215 972
Trade and other payables	7	5 155 654	5 635 861	4 547 182
Current tax liabilities		140 811	49 585	147 295
Interest-bearing borrowings	6	2 579 068	355 996	2 483 531
Lease liabilities	8	266 724	292 106	278 972
Contract liabilities	9	2 310 685	2 380 613	2 594 550
Total current liabilities		**10 719 834**	**8 831 933**	**10 267 502**
Total liabilities		**14 066 135**	**13 919 638**	**13 378 325**
Total equity and liabilities		**5 674 420**	**3 341 940**	**5 073 578**

Condensed Statement of Profit or Loss and Other Comprehensive Income
For the three months ended 31 August 2025

Figures in R'000	Notes	Three months ended 31 August 2025 Reviewed	Three months ended 31 August 2024 Reviewed	Financial Year ended 31 May 2025 Audited
Revenue	12	2 796 032	2 774 133	11 138 167
Other income		166 182	305 929	1 319 077
Direct expenses	13	(1 819 694)	(2 062 568)	(7 720 889)
Employee benefits expense	14	(240 433)	(213 844)	(818 183)
Depreciation and amortisation		(133 429)	(94 775)	(507 638)
Impairment loss on trade receivables		–	–	(1 034)
Other expenses		(531 576)	(454 394)	(1 812 736)
Profit before net finance costs, equity-accounted profit and tax		**237 082**	**254 481**	**1 596 764**
Finance income		2 474	2 760	11 032
Finance costs	15	(313 087)	(306 810)	(1 311 740)
Share of profit from equity accounted investments		59	148	434
(Loss)/profit before tax		**(73 472)**	**(49 421)**	296 490
Income tax (expense)/credit	16	(13 497)	(6 478)	1 920 562
(Loss)/profit for the year		**(86 969)**	**(55 899)**	**2 217 052**
Reconciliation between net profit/(loss) attributable to the equity holders and headline earnings				
(Loss)/profit attributable to equity holders		(86 969)	(55 899)	2 217 052
Net loss/(profit) on disposal of property, plant and equipment and intangible assets		(8 585)	(39)	(457)
Headline earnings		**(95 554)**	**(55 938)**	**2 216 595**
Weighted average number of shares in issue (Basic)		1 436 561	1 436 561	1 436 561
Weighted average number of shares in issue (Diluted)		1 461 561	1 461 561	1 461 561
Earnings per share (cents)				
– basic		(0.06)	0.04	1.54
– diluted basic		0.06	0.04	1.52
Headlines earnings per share (cents)				
– headline		(0.06)	0.04	1.54
– diluted headline		0.06	0.04	1.52

Condensed Statement of Changes in Equity
For the three months ended 31 August 2025

Figures in R'000	Issued capital	Share premium	Accumulated loss	Total
Balance at 1 June 2024	11 500 612	14 168 218	(36 190 629)	(10 521 799)
Changes in equity				
Profit for the year	–	–	2 217 052	2 217 052
Total comprehensive income for the year	–	–	2 217 052	2 217 052
Balance at 31 May 2025	**11 500 612**	**14 168 218**	**(33 973 577)**	**(8 304 747)**
Balance at 1 June 2024	11 500 612	14 168 218	(36 190 629)	(10 521 799)
Changes in equity				
Loss for the period	–	–	(55 899)	(55 899)
Total comprehensive income for the period	–	–	(55 899)	(55 899)
Balance at 31 August 2024	**11 500 612**	**14 168 218**	**(36 246 528)**	**(10 577 698)**
Balance as at 1 June 2025	11 500 612	14 168 218	(33 973 577)	(8 304 747)
Changes in equity				
Loss for the period	–	–	(86 969)	(86 968)
Total comprehensive income for the period	–	–	(86 969)	(86 968)
Balance at 31 August 2025	**11 500 612**	**14 168 218**	**(34 060 546)**	**(8 391 716)**

Cell C Limited
(Registration Number 1999/007722/06)
Condensed Statement of Cash Flows
For the three months ended 31 August 2025

Figures in R'000	Notes	Three months ended 31 August 2025 Reviewed	Three months ended 31 August 2024 Reviewed	Financial Year ended 31 May 2025 Audited
Net cash flows from operations	21	529 622	519 545	1 886 395
Finance costs paid		(12 252)	(1 226)	(25 614)
Income taxes paid		(18 866)	(5 073)	(5 642)
Net cash flows from operating activities		**498 504**	**513 246**	**1 855 139**
Cash flows used in investing activities				
Finance income received		2 473	2 760	11 032
Acquisition of property, plant and equipment	4	(38 306)	(48 301)	(269 358)
Purchase of intangible assets	5	(134 500)	(86 685)	(493 652)
Additions to capitalised contract assets		(1 356)	(1 637)	(6 567)
Cash flows used in investing activities		**(171 689)**	**(133 863)**	**(758 545)**
Cash flows used in financing activities				
Cash flows from interest-bearing borrowings	22	–	–	(158 195)
Cash flows from lease liabilities	22	(27 786)	(27 495)	(262 145)
Interest paid	22	(174 434)	(68 879)	(595 186)
Cash flows used in financing activities		**(202 220)**	**(96 374)**	**(1 015 526)**
Net increase in cash and cash equivalents		**124 595**	**283 009**	**81 068**
Cash and cash equivalents at 1 June		182 110	101 042	101 042
Cash and cash equivalents at 31 August/31 May		**306 705**	**384 051**	**182 110**

Notes to the Group Financial Statements

1. **SEGMENTAL REPORTING**

The Group discloses its operating segments according to the Group's business units regularly reviewed by the Group Executive Committee to make key operating decisions, allocate resources and assess performance.

The measure reported by the Group is in accordance with the material accounting policies adopted for preparing and presenting the condensed consolidated financial statements.

The segment assets and liabilities comprise all assets and liabilities that are employed by and are directly attributable to the segment, or can be allocated to the segment on a reasonable basis.

For the quarter ending 31 August 2025	**Prepaid**	**Postpaid**	**Wholesale**	**Roaming**	**Other**	**Equipment**
Revenue	1 333 560	571 014	410 509	394 400	61 302	25 247
Other income	79 260	33 938	24 399	23 441	3 643	1 501
Direct expenses	(867 898)	(371 624)	(267 164)	(256 681)	(39 896)	(16 431)
Employee benefits expense	(114 674)	(49 102)	(35 300)	(33 915)	(5 271)	(2 171)
Depreciation and amortisation	(63 639)	(27 249)	(19 590)	(18 821)	(2 925)	(1 205)
Other expenses	(253 534)	(108 560)	(78 045)	(74 983)	(11 654)	(4 800)
Profit before net finance costs, equity-accounted profit and tax	**113 075**	**48 417**	**34 809**	**33 441**	**5 199**	**2 141**
Finance income	1 180	505	363	349	55	22
Finance costs	(149 326)	(63 940)	(45 967)	(44 163)	(6 864)	(2 827)
Share of profit from equity accounted investments	28	12	9	8	1	1
Profit/(loss) before tax	**(35 043)**	**(15 006)**	**(10 786)**	**(10 365)**	**(1 609)**	**(663)**
Income tax credit/(expense)	**(6 437)**	**(2 756)**	**(1 982)**	**(1 904)**	**(296)**	**(122)**
Profit/(loss) for the period	**(41 480)**	**(17 762)**	**(12 768)**	**(12 269)**	**(1 905)**	**(785)**
EBITDA						
Profit/(loss) for the year	(41 480)	(17 761)	(12 768)	(12 269)	(1 905)	(785)
Income tax expense/(credit)	6 437	2 756	1 982	1 904	296	122
Depreciation and amortisation	63 639	27 249	19 590	18 821	2 925	1 205
Net finance (income)/costs	148 146	63 434	45 604	43 814	6 810	2 805
Share of profit from equity accounted investments	(28)	(12)	(9)	(8)	(1)	(1)
Total EBITDA for the reportable segment	**176 714**	**75 665**	**54 399**	**52 262**	**8 125**	**3 346**
Total assets	**2 706 398**	**1 158 848**	**833 108**	**800 417**	**124 411**	**51 238**
Total liabilities	**6 708 804**	**2 872 631**	**2 065 165**	**1 984 129**	**308 395**	**127 011**

For the quarter ending 31 August 2024	Prepaid	Postpaid	Wholesale	Roaming	Other*	Equipment**
Revenue	1 333 239	577 628	329 372	432 765	68 408	32 721
Other income	147 029	63 700	36 323	47 725	7 544	3 608
Direct expenses	(991 263)	(429 466)	(244 888)	(321 761)	(50 862)	(24 328)
Employee benefits expense	(102 773)	(44 526)	(25 390)	(33 360)	(5 273)	(2 522)
Depreciation and amortisation	(45 549)	(19 734)	(11 253)	(14 785)	(2 336)	(1 118)
Other expenses	(218 380)	(94 614)	(53 950)	(70 886)	(11 204)	(5 360)
Profit before net finance costs, equity-accounted profit and tax	**122 303**	**52 988**	**30 214**	**36 698**	**6 277**	**3 001**
Finance income	1 327	575	328	431	66	33
Finance costs	(147 452)	(63 884)	(36 427)	(47 862)	(7 566)	(3 619)
Share of profit from equity accounted investments	71	31	18	23	3	2
Profit/(loss) before tax	**(23 751)**	**(10 290)**	**(5 867)**	**(7 710)**	**(1 220)**	**(583)**
Income tax credit/(expense)	**(3 113)**	**(349)**	**(769)**	**(1 011)**	**(160)**	**(76)**
Profit/(loss) for the period	**(26 864)**	**(11 639)**	**(6 636)**	**(8 721)**	**(1 380)**	**(659)**
EBITDA						
Profit/(loss) for the year	(26 864)	(11 639)	(6 636)	(8 721)	(1 380)	(659)
Income tax expense/(credit)	3 113	1 349	769	1 011	160	76
Depreciation and amortisation	45 549	19 734	11 253	14 785	2 336	1 118
Net finance (income)/costs	146 125	63 309	36 099	47 431	7 500	3 586
Share of profit from equity accounted investments	(71)	(31)	(18)	(23)	(3)	(2)
Total EBITDA for the reportable segment	**167 852**	**72 722**	**41 467**	**54 483**	**8 613**	**4 119**
Total assets	**1 606 125**	**695 856**	**396 788**	**521 343**	**82 409**	**39 418**
Total liabilities	**6 689 731**	**2 898 337**	**1 652 675**	**2 171 465**	**343 247**	**164 181**

Basis of preparation

The condensed quarterly consolidated financial statements for the three months ended 31 August 2025 have been prepared in accordance with IAS 34 Interim Financial Reporting. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

The accounting policies applied in the preparation of these quarterly financial statements are in terms of International Financial Reporting Standards ("IFRS") and are consistent with those applied in the Group's annual consolidated financial statements as at 31 May 2025.

The Group has implemented the latest accounting pronouncements from the IASB, that are effective to the Group from 1 June 2025, none of which had any material impact on the Group's financial results for the period. The Group has not early adopted any upcoming accounting pronouncements, that are not yet effective, and the Group is not expecting these pronouncements to have a material impact on the financial results of the Group. Details on changes in accounting policies will be disclosed in the Group's consolidated financial statements for the year ending 31 May 2026.

2. PROPERTY, PLANT AND EQUIPMENT

2.1 Balances and movements for the period

	Network Assets	Leasehold improvements	Office equipment	Computer equipment	Building right-of-use asset	Network and equipment right-of-use asset	Motor vehicles right-of-use asset	Total
Reconciliation for the quarter ended 31 August 2025								
Balance at 1 June 2025								
At cost	736 901	73 989	111 554	319 244	733 870	3 494 626	5 529	**5 475 713**
Accumulated depreciation	(635 397)	(21 541)	(109 702)	(284 672)	(568 979)	(3 393 877)	(2 283)	**(5 016 451)**
Carrying amount	**101 504**	**52 448**	**1 852**	**34 572**	**164 891**	**100 749**	**3 246**	**459 262**
Movements for the quarter ended 31 August 2025								
Additions	6 674	31 067	–	565	342 729	74 210	86	**455 331**
Depreciation	(5 488)	(4 623)	(67)	(3 809)	(23 898)	(15 673)	(518)	**(54 076)**
Terminations	–	–	–	–	(108 704)	–	–	**(108 704)**
Transfer	2 189		–	(2 189)	–	–	–	**–**
Closing balance at 31 August 2025								
At cost	745 762	105 057	111 554	317 621	967 895	3 568 836	5 559	**5 822 284**
Accumulated depreciation	(640 883)	(26 165)	(109 769)	(288 482)	(592 877)	(3 409 550)	(2 745)	**(5 070 471)**
Carrying amount	**104 879**	**78 892**	**1 785**	**29 139**	**375 018**	**159 286**	**2 814**	**751 813**

Reconciliation for the quarter ended 31 August 2024	Network Assets	Leasehold improvements	Office equipment	Computer equipment	Building right of use asset	Network and equipment right of use asset	Motor vehicles right of use asset	Total
Balance at 1 June 2024								
At cost	694 356	68 751	190 133	1 233 903	977 352	5 543 066	29 417	8 736 978
Accumulated depreciation	(618 529)	(67 011)	(187 977)	(1 157 428)	(748 015)	(5 419 296)	(29 145)	(8 227 401)
Carrying amount	**75 827**	**1 740**	**2 156**	**76 475**	**229 337**	**123 770**	**272**	**509 577**
Movements for the quarter ended 31 August 2024								
Additions	31 409	537	–	16 378	5 411	18 350	449	72 534
Depreciation	(3 848)	(653)	(79)	(2 754)	(27 146)	(24 852)	(286)	(59 618)
Disposals	–	–	–	–	(441)	(1)	–	(442)
Closing balance at 31 August 2024								
At cost	725 765	69 288	190 133	1 250 258	982 763	5 561 415	29 866	8 809 488
Accumulated depreciation	(622 377)	(67 664)	(188 056)	(1 160 159)	(775 602)	(5 444 148)	(29 431)	(8 287 437)
Carrying amount	**103 388**	**1 624**	**2 077**	**90 099**	**207 161**	**117 267**	**435**	**522 051**

Reconciliation for the year ended 31 May 2025	Network Assets	Leasehold improvements	Office equipment	Computer equipment	Building right of use asset	Network and equipment right of use asset	Motor vehicles right of use asset	Total
Balance at 1 June 2024								
At cost	694 356	68 751	190 133	1 233 903	977 352	5 543 066	29 417	8 736 978
Accumulated depreciation	(618 529)	(67 011)	(187 977)	(1 157 428)	(748 015)	(5 419 296)	(29 145)	(8 227 401)
Carrying amount	**75 827**	**1 740**	**2 156**	**76 475**	**229 337**	**123 770**	**272**	**509 577**
Movements for the year ended 31 May 2025								
Additions	39 566	54 688	–	38 585	42 149	89 631	4 739	269 358
Depreciation	(19 115)	(3 980)	(303)	(11 327)	(105 735)	(90 706)	(1 738)	(232 904)
Terminations	–	–	–	–	(860)	(21 946)	(27)	(22 833)
Transfer	5 226	–	–	(69 161)	–	–	–	(63 935)
Closing balance at 31 May 2025								
At cost	736 901	73 989	111 554	319 244	733 870	3 494 626	5 529	5 475 713
Accumulated depreciation	(635 397)	(21 541)	(109 702)	(284 672)	(568 979)	(3 393 877)	(2 283)	(5 016 451)
Carrying amount	**101 504**	**52 448**	**1 852**	**34 572**	**164 891**	**100 749**	**3 246**	**459 262**

3. INTANGIBLE ASSETS

3.1 Balances at year end and movements for the year

	Computer software	Purchased subscriber base	Indefeasible right-of-use	Total
Reconciliation for the quarter ended 31 August 2025				
Balance at 1 June 2025				
At cost	1 755 011	15 000	153 580	**1 923 591**
Accumulated amortisation	(441 781)	–	(143 296)	**(585 077)**
Carrying amount	**1 313 230**	**15 000**	**10 284**	**1 338 514**
Movements for the quarter ended 31 August 2025				
Additions	134 500	–	–	**134 500**
Amortisation	(71 407)	–	(294)	**(71 701)**
Closing balance at 31 August 2025				
At cost	1 889 508	15 000	153 580	**2 058 088**
Accumulated amortisation	(513 185)	–	(143 590)	**(656 775)**
Carrying amount	**1 376 323**	**15 000**	**9 990**	**1 401 313**

Reconciliation for the quarter ended 31 August 2024	Computer software	Store buy backs	Software under development	Indefeasible right-of-use	Total
Balance at 1 June 2024					
At cost	715 964	11 784	496 328	153 580	1 377 656
Accumulated amortisation	(229 349)	(4 914)	–	(142 120)	(376 383)
Carrying amount	**486 615**	**6 870**	**496 328**	**11 460**	**1 001 273**
Movements for the quarter ended 31 August 2024					
Additions	38 558	–	48 127	–	86 685
Amortisation	(25 027)	(196)	–	(294)	(25 517)
Closing balance at 31 August 2024					
At cost	754 522	11 784	544 455	153 580	1 464 341
Accumulated amortisation	(254 376)	(5 110)	–	(142 414)	(401 900)
Carrying amount	**500 146**	**6 674**	**544 455**	**11 166**	**1 062 441**

Reconciliation for the quarter ended 31 May 2025	Computer software	Store buy backs	Software under development	Indefeasible right of use	Total
Balance at 1 June 2024					
At cost	715 964	11 784	496 328	153 580	1 392 656
Accumulated amortisation	(229 349)	(4 914)	–	(142 120)	(376 383)
Carrying amount	**486 615**	**6 870**	**496 328**	**11 460**	**1 016 273**
Movements for the year ended 31 May 2025					
Acquisitions through internal development	493 652	–	–	–	508 652
Amortisation	(234 080)	–	–	(1 176)	(235 256)
Transfers	567 133	(6 870)	(496 328)	–	63 935
Closing balance at 31 May 2025					
At cost	1 755 011	–	–	153 580	1 923 591
Accumulated amortisation	(441 781)	–	–	(143 296)	(585 077)
Carrying amount	**1 313 230**	**–**	**–**	**10 284**	**1 338 514**

No changes were made to the useful lives of intangible assets based on the current period review.

Figures in R'000	Three months ended 31 August 2025 Reviewed	Three months ended 31 August 2024 Reviewed	Financial Year ended 31 May 2025 Audited
4. **TRADE AND OTHER RECEIVABLES**			
Trade and other receivables comprise:			
Financial assets			
Trade receivables	1 437 323	1 515 662	1 300 759
Expected credit loss allowance	(343 884)	(301 976)	(343 884)
Carrying amount	1 093 439	1 213 686	956 876
Deposits	22 177	32 303	22 091
Total trade and other receivables	**1 115 616**	**1 245 989**	**978 967**
5. **DEFERRED TAX**			
The analysis of deferred tax assets and deferred tax liabilities is as follows:			
Accruals and provisions	80 093	44 697	64 192
Expected credit losses	76 043	89 438	76 043
Capitalised contract costs	48 842	48 842	48 842
Contract liabilities	1 096 876	787 306	1 046 527
Prepayments	(16)	(105)	(45)
Property, plant and equipment	258 724	311 720	289 290
Net deferred tax asset not recognised*	(5 103 924)	(7 728 294)	(5 037 851)
Tax losses*	5 568 110	6 446 396	5 537 751
Deferred tax assets recognised	**2 024 749**	**–**	**2 024 749**

* *Deferred tax asset is recognised on deductible temporary differences and on previously unrecognised assessed losses, as management was able to demonstrate probable future taxable profits. Deferred tax liabilities were also recognised on taxable temporary differences. After offsetting deferred tax assets and liabilities, a net deferred tax asset of R2 billion is presented in the statement of financial position. The recognition of this net deferred tax asset is primarily attributable to the recognition of previously unrecognised assessed losses.*

Deferred tax assets to be recovered after more than 12 months	**2 024 749**	**–**	**2 024 749**

Figures in R'000	Three months ended 31 August 2025 **Reviewed**	Three months ended 31 August 2024 Reviewed	Financial Year ended 31 May 2025 Audited
6. **INTEREST-BEARING BORROWINGS**			
Interest-bearing borrowings comprise:			
The Prepaid Company ("TPC") Recapitalised loan 1	2 337 072	1 994 654	2 235 103
The Group originally borrowed R1.03 billion from TPC. The loan is secured and bears no interest for the first 24 months after 30 September 2022. Thereafter the outstanding amount bears interest at a fixed rate of 10% per annum until month 42, and thereafter the outstanding total repayment amount bears interest at prime plus 3% until month 66. Interest is payable in cash monthly from month 25. The capital repayment is payable on month 42 and month 66. The closing balance of the loan is net of the deferred loss and the deferred loss is subsequently amortised and recognised into profit or loss over the period of the loan. The amortised cost amounted to R2.73 million (2024: R2.58 million). The deferred loss at the reporting date amounted to R430.92 million (2024: R597.73 million).			
The Prepaid Company ("TPC") Reinvested debt loan 2	286 240	207 457	272 773
The capital amount of R111 million is secured and bears no interest for the first 24 months from 30 September 2022 and thereafter it bears interest at a fixed rate of 10% per annum. The total amount is repayable at the end of month 42. At initial recognition the fair value of the loan was R215.31 million resulting in a loss of R104 million which was deferred. The closing balance of the loan is net of the deferred loss and the deferred loss is subsequently amortised into profit or loss over the period of the loan. The amortised cost amounted to R297.51 million (2024: R281.74 million. The deferred loss at the reporting date amounted to R17.37 million (2024: R47.14 million).			
The Prepaid Company ("TPC")	62 092	84 342	65 008
An amount of R97 million has been borrowed at an interest rate of 0.06%. The loan is repayable based on a cash sweeping mechanism. The fair value of the loan on initial recognition was R56 million resulting in a gain of R41 million which was deferred. The closing balance of the loan is net of the deferred gain and the deferred gain is subsequently amortised into profit or loss over the period of the loan. The amortised cost amounted to R41.17 million (2024: R53.29 million). The deferred gain at the reporting date amounted to R6 million (2024: R18.02 million).			

Figures in R'000	**Three months ended 31 August 2025 Reviewed**	**Three months ended 31 August 2024** Reviewed	**Financial Year ended 31 May 2025** Audited
Nedbank Limited******	438 728	467 422	435 070
This loan accrues interest on the face value at a fixed rate of 5% per annum for the first 24 months from 30 September 2022, which is capitalised. From month 25 to month 42, the outstanding debt will accrue interest at a fixed rate of 10% per annum payable monthly in arrears. R15.8 million will be repaid quarterly from month 25 to month 36 (a total of R63.2 million). The quarterly repayments will be applied firstly to the capitalised interest and thereafter to the outstanding face value of the loan. The fair value of the loan was R359.09 million and a loss of R191 million was recognised on initial recognition in profit or loss.			
Gramercy SA Telecoms Holdings LLC**	–	431 974	–
The loan accrues interest on the face value at a fixed rate of 5% per annum for the first 24 months from the implementation of the restructure, which will be capitalised. From month 25 to month 42, the outstanding debt will accrue interest at a fixed rate of 10% per annum payable monthly in arrears. R14.2 million will be repaid quarterly from month 25 to month 36 (a total of R56.8 million). The quarterly repayments will be applied firstly to the capitalised interest and thereafter to the outstanding face value of the loan.			
The Prepaid Company ("TPC")**	467 975	–	457 968
The loan accrues interest on the face value at a fixed rate of 5% per annum for the first 24 months from the implementation of the restructure, which will be capitalised. From month 25 to month 42, the outstanding debt will accrue interest at a fixed rate of 10% per annum payable monthly in arrears. R14 2 million will be repaid quarterly from month 25 to month 36 (a total of R56.8 million). The quarterly repayments will be applied firstly to the capitalised interest and thereafter to the outstanding face value of the loan.			
Restructure implementation agreement – CEC***	484 797	708 297	490 308
The loan expires on 30 September 2027, bearing interest at 12% per annum compounded monthly in arrears which is accrued and settled monthly. The capital repayment is payable monthly.			
Lesaka financing liability*	–	62 237	–
The Group had previously sold airtime to Lesaka. Subsequently, the Group entered into an agreement with Lesaka whereby R287 million worth of unsold airtime held by Lesaka would be repurchased. The repurchase of the airtime was structured to take place over a period of 30 months, in equal monthly purchases, commencing in October 2023. Payments of R10 million were to be made monthly until the amount was settled in full. Interest was set to accrue after 13 months at a fixed rate of 9% per annum, payable monthly in arrears. The fair value of the loan was R234 million, and a gain of R53 million was recognised on initial recognition in profit or loss.			
	4 076 904	**3 956 383**	**3 956 230**

Figures in R'000	**Three months ended 31 August 2025 Reviewed**	**Three months ended 31 August 2024** Reviewed	**Financial Year ended 31 May 2025** Audited
Non-current liabilities portion of interest-bearing borrowings	1 497 836	3 600 387	1 472 779
Current liabilities portion of interest-bearing borrowings	2 579 068	355 996	2 483 531
	4 076 904	**3 956 383**	**3 956 310**

* *The Lesaka loan was settled in the previous financial year, May 2025.*

** *During the year ended 31 May 2025, the largest shareholder, The Prepaid Company Proprietary Limited (TPC) entered into a transaction with Gramercy SA Telecom Holdings LCC (Gramercy) to acquire a debt claim against Cell C Limited from Gramercy for a purchase consideration of R450 million.*

*** *In the previous financial year, a portion of the CEC loan was settled through the use of airtime vouchers amounting to R157 million.*

**** *Starting from the 25th month following the implementation of the restructure, the Group is required, under a quarterly cash sweep mechanism, to make payments toward outstanding debt only if excess cash exceeded R700 million.*

Figures in R'000	**Three months ended 31 August 2025 Reviewed**	**Three months ended 31 August 2024 Reviewed**	**Financial Year ended 31 May 2025 Audited**
7. **TRADE AND OTHER PAYABLES**			
Trade and other payables comprise:			
Financial liabilities			
Trade payables	3 653 129	3 372 762	3 180 764
Accrued liabilities	894 409	1 465 200	892 278
	4 547 538	4 837 962	4 073 042
Non-financial liabilities			
Value added tax	456 960	679 679	374 945
Income received in advance	151 157	118 220	99 195
Total trade and other payables	608 117	797 899	474 140
	5 155 655	**5 635 861**	**4 547 182**
8. **LEASE LIABILITIES**			
Non-current			
Lease liabilities – motor vehicles	1 560	562	1 753
Lease liabilities – network and related assets	1 481 780	1 217 966	1 379 811
Lease liabilities – buildings	365 126	268 790	256 479
Total non-current lease liabilities	**1 848 466**	**1 487 318**	**1 638 044**
Current			
Lease liabilities – motor vehicles	1 510	1 315	1 731
Lease liabilities – network and related assets	194 958	195 266	217 404
Lease liabilities – buildings	70 256	95 525	59 837
Total current lease liabilities	**266 724**	**292 106**	**278 972**
Total lease liabilities	**2 115 190**	**1 779 424**	**1 917 016**
Lease commitments			
Contracted for but not yet incurred	3 662 843	3 392 930	3 110 252
Less than 1 year	426 166	575 492	399 727
Between 1–2 years	1 043 412	869 909	606 196
Between 2–5 years	1 061 115	919 299	755 553
Greater than 5 years	1 132 150	1 028 230	1 348 776

Figures in R'000	Three months ended 31 August 2025 Reviewed	Three months ended 31 August 2024 Reviewed	Financial Year ended 31 May 2025 Audited
9. **CONTRACT LIABILITIES**			
Contract liabilities comprise:			
Balance at beginning of the year	2 594 550	2 401 814	2 401 814
Recognition of revenue from customers	(1 485 111)	(1 497 033)	(6 332 246)
Airtime vouchers sold but not yet used	1 201 246	1 475 832	6 524 982
Balance at end of the year	**2 310 685**	**2 380 613**	**2 594 550**

The contract liabilities predominantly relate to the advance consideration for prepaid vouchers ("pin stock"). The contract liability is recognised when the prepaid vouchers have been delivered to the distributor and the revenue is recognised once the vouchers have been used.

10. **REVENUE**

Disaggregation of revenue from contracts with customers

Revenue from contracts with customers is disaggregated by the nature of the revenue streams generated by the business and the timing of revenue recognition as follows:

Prepaid	1 485 111	1 497 033	6 332 246
Postpaid	571 014	577 628	2 293 527
Mobile services	2 056 125	2 074 661	8 625 773
Wholesale	410 509	329 372	1 466 494
Roaming	394 400	432 765	1 693 509
Other Revenue	61 302	68 408	271 928
Total service before discounts	2 922 336	2 905 206	12 057 704
Voucher discount	(151 551)	(163 794)	(1 038 307)
Total service revenue after discounts	2 770 785	2 741 412	11 019 397
Equipment	25 247	32 721	118 770
Total revenue from contracts with customers	**2 796 032**	**2 774 133**	**11 138 167**
Timing of revenue recognition	149 649	195 485	732 279
Transferred at a point in time	2 646 383	2 578 648	10 405 888
Transferred over time	**2 796 032**	**2 774 133**	**11 138 167**
11. **DIRECT EXPENSES**			
Direct expenses comprise:			
Wholesale cost	160 737	103 337	492 950
Ongoing commissions	189 000	203 637	780 718
Cost of mobile equipment sales	53 531	67 896	223 235
Termination costs	175 591	162 020	842 820
Roaming costs	639 201	679 733	2 636 875
Other mobile services cost	26 468	30 328	120 465
Prepaid subscriber acquisition costs ('SAC')	110 315	284 140	1 408 933
CEC Direct costs*	460 047	525 636	1 192 625
Other	4 804	5 841	22 268
Total direct expenses	**1 819 694**	**2 062 568**	**7 720 889**

* *These CEC direct costs relate to expenses incurred in making various network services available to postpaid customers. These costs are subsequently recovered from CEC.*

Figures in R'000	Three months ended 31 August 2025 Reviewed	Three months ended 31 August 2024 Reviewed	Financial Year ended 31 May 2025 Audited

12. **EMPLOYEE BENEFITS EXPENSE**

Employee benefits expense comprises:
Directors' and prescribed officers' emoluments in aggregate:

Quarter ending 31 August 2025	Directors' fees	Salary and other	Bonuses and retention payments	Total
Executive directors and prescribed officers				
JC Mendes	–	–	–	–
ET Kope	–	–	–	–
	–	**–**	**–**	**–**
Non-executive				
LM Nestadt	–	–	–	–
SJ Vilakazi	–	–	–	–
SV Zilwa	–	–	–	–
JS Mthimunye	–	–	–	–
DH Shimkins	–	–	–	–
GN Motsa	–	–	–	–
M Makanjee	–	–	–	–
N Lane**	–	–	–	–
	–	**–**	**–**	**–**

*** N Lane resigned as a director on 23 March 2025.*

Figures in R'000	Three months ended 31 August 2025 Reviewed	Three months ended 31 August 2024 Reviewed	Financial Year ended 31 May 2025 Audited

Quarter ending 31 August 2024	Directors' fees	Salary and other	Bonuses and retention payments	Total
Executive directors and prescribed officers				
JC Mendes	–	–	–	–
ET Kope	–	–	–	–
	–	**–**	**–**	**–**
Non-executive				
LM Nestadt	–	–	–	–
SJ Vilakazi	–	–	–	–
SV Zilwa	–	–	–	–
JS Mthimunye	–	–	–	–
DH Shimkins	–	–	–	–
GN Motsa	–	–	–	–
M Makanjee	–	–	–	–
N Lane	–	–	–	–
	–	**–**	**–**	**–**

Figures in R'000		Three months ended 31 August 2025 Reviewed	Three months ended 31 August 2024 Reviewed	Financial Year ended 31 May 2025 Audited
Quarter ending 31 May 2025	**Director fees**	**Salary and other**	**Bonuses and Retention payments**	**Total**
Executive directors and prescribed officers				
ET Kope		–	–	–
N Lane				
	–	–	–	–
Non-executive				
LM Nestadt	–	–	–	–
SJ Vilakazi	–	–	–	–
SV Zilwa	–	–	–	–
JS Mthimunye	–	–	–	–
DH Shimkins	–	–	–	–
GN Motsa	–	–	–	–
M Makanjee	–	–	–	–
N Lane	–	0	–	–
	–	–	–	–

Figures in R'000	Three months ended 31 August 2025 Reviewed	Three months ended 31 August 2024 Reviewed	Financial Year ended 31 May 2025 Audited
13. **FINANCE COSTS**			
Finance costs included in profit or loss:			
Interest expense on working capital	11 354	18 037	107 908
Interest-bearing borrowings	217 808	206 424	873 205
Interest expense on lease liabilities	83 925	82 349	330 627
Total finance costs	**313 087**	**306 810**	**1 311 740**
14. **INCOME TAX EXPENSE/(CREDIT)**			
Income tax recognised in profit or loss:			
Current tax			
Current year	13 497	22 241	119 950
Prior year adjustment	–	(15 763)	(15 763)
Total current tax	**13 497**	**6 478**	**104 187**
Deferred tax			
Current period – originating	(136 059)	(3 056 046)	(2 350 953)
Prior year under/(over) provision	(238)	(238)	(238)
Deferred tax not recognised	136 297	3 056 284	326 442
Total deferred tax	–	–	(2 024 749)
Total income tax expense/(credit)	**13 497**	**6 478**	**(1 920 562)**
15. **CONTINGENT LIABILITIES**			
The Company has the following contingent liabilities at the end of the reporting quarter:			
Legal matters:	**72 000**	**–**	**72 000**

In the previous reporting period, MIS instituted a claim of R72 million against Network Operator ("Cell C"), relating to the alleged repudiation of a lease agreement for sites that were decommissioned.

Figures in R'000	Three months ended 31 August 2025 Reviewed	Three months ended 31 August 2024 Reviewed	Financial Year ended 31 May 2025 Audited

16. **RELATED PARTIES**

Identification

Shareholder with significant influence

The Prepaid Company Proprietary Limited

Subsidiaries

Cell C Bidco Proprietary Limited
Cell C Infraco Proprietary Limited
Cell C Property Company Proprietary Limited
Cell C Service Provider Company Proprietary Limited
Cell C Tower Company Proprietary Limited

Associates

Number Portability Company Proprietary Limited

Affiliated entities

3G Mobile Proprietary Limited
Airvantage Proprietary Limited
Blu Nova Proprietary Limited
Blue Label Connect Proprietary Limited
Blue Label Data Solutions Proprietary Limited
Blue Label Distribution Proprietary Limited
Blue Label One Proprietary Limited
Blue Label Unlimited Group Limited
Comm Equipment Company Proprietary Limited
Dunoworx Proprietary Limited
Number Portability Company Proprietary Limited
Panacea Mobile Proprietary Limited
Prism Payment Technologies Proprietary Limited
Robtronics Proprietary Limited
Simigenix Proprietary Limited
The Post Paid Company Proprietary Limited
Transaction Junction Proprietary Limited
ViaMedia Proprietary Limited
Wi Connect Proprietary Limited

Related-party transactions are conducted on an arm's length basis and any outstanding balances are no more or less favourable than any other supplier or customer of a similar size. CEC occupies rental space at the Waterfall premises for no consideration, all other transactions are carried out at arm's-length.

Figures in R'000	Three months ended 31 August 2025 Reviewed	Three months ended 31 August 2024 Reviewed	Financial Year ended 31 May 2025 Audited
Related party transactions and balances			
Purchases from related parties			
Comm Equipment Company Proprietary Limited	937 916	927 347	4 031 072
CEC direct costs	460 047	525 636	1 192 625
CEC operating costs	477 869	401 711	2 838 447
Transaction Junction Proprietary Limited	684	1 159	4 462
Dunoworx Proprietary Limited	6	49	2 577
The Prepaid Company Proprietary Limited	23 472	6 811	78 001
Number Portability Company Proprietary Limited	1 198	–	3 537
Blu Nova Proprietary Limited	1 205	–	23 137
Blue Label One Proprietary Limited	1 080	–	8 238
	965 561	**935 366**	**4 151 024**
Revenue from sales to related parties			
The Prepaid Company Proprietary Limited	618 780	904 767	2 876 127
Blue Label Connect Proprietary Limited	964	2 774	5 930
Comm Equipment Company Proprietary Limited	258 791	123 579	1 768 897
Blue Label Distribution Proprietary Limited	6	81	–
Transaction Junction Proprietary	14	8	39
Blue Label Data Solutions Proprietary Limited	–	–	187
	878 555	**1 031 209**	**4 651 180**
Other income from related parties			
Comm Equipment Company Proprietary Limited	121 885	287 389	835 913
	121 885	**287 389**	**835 913**
Commissions and administration fees paid to related parties			
Blue Label Connect Proprietary Limited	1 062	3 011	9 898
The Prepaid Company Proprietary Limited	671	717	2 905
The Post Paid Company Proprietary Limited	10	11	42
Blue Label Distribution Proprietary Limited	10	10	42
Wi Connect Proprietary Limited	–	9	31
	1 753	**3 758**	**12 918**

Figures in R'000	Three months ended 31 August 2025 Reviewed	Three months ended 31 August 2024 Reviewed	Financial Year ended 31 May 2025 Audited
16. **RELATED PARTIES** CONTINUED			
Trade and other payables due to related parties			
The Prepaid Company Proprietary Limited	–	5 335	733 794
Transaction Junction Proprietary Limited	786	1 333	1 156
Dunoworx Proprietary Limited	4	–	7
Blue Label One Proprietary Limited	1 188	–	1 188
Number Portability Company Proprietary Limited	850	–	620
Blu Nova Proprietary Limited	1 386	–	5 542
Comm Equipment Company Proprietary Limited	37 672	739 573	32
	41 885	**746 241**	**742 339**
Amounts due from related parties included in interest-bearing loans and borrowings			
Comm Equipment Company Proprietary Limited ("CEC")	484 797	708 297	490 308
The Prepaid Company Proprietary Limited	3 153 379	2 286 453	3 030 852
	3 638 176	**2 994 750**	**3 521 160**
Interest expense from related parties			
Comm Equipment Company Proprietary Limited ("CEC")	18 856	25 865	95 927
The Prepaid Company Proprietary Limited	183 751	145 919	640 978
	202 607	**171 784**	**736 905**
Amounts due from related parties included in trade and other receivables			
Blue Label Distribution Proprietary Limited	–	31	–
Blue Label Connect Proprietary Limited	46 547	50 648	46 659
The Prepaid Company Proprietary Limited	1 384 305	271 367	974 105
Comm Equipment Company Proprietary Limited ("CEC")	144 322	105 507	80 106
	1 575 174	**427 553**	**1 100 870**

17. **GOING CONCERN**

The Cell C Group is made up of several subsidiaries, which include the Network Operator ("**Cell C**"), Cell C Property Company Pty Ltd, Cell C Bidco Pty Ltd, Cell C Tower Company Pty Ltd, Cell C Infraco Pty Ltd and Cell C Service Provider ("Cell C SP"), all wholly-owned by Cell C Limited.

The Group is structured in such a way that Cell C and Cell C SP are intrinsically linked and operationally "one". The Group's costs are accounted for within Cell C. Cell C SP accounts for the revenue of the Group, excluding any relationships of a wholesale nature such as those mentioned above.

As such, management has assessed the going concern of Cell C and Cell C SP as part of the overall Group's going concern assessment as these entities are considered intrinsically linked.

In assessing the appropriateness of the going concern assumption, management prepared cash flow forecasts covering a 12-month period from the reporting date and beyond. These forecasts exclude amounts held in an escrow account, as such funds are restricted and not available for use by the Group. Management also considered longer-term forecasts to take into account the sustainability of the Cell C and Cell C SP operations beyond the next 12 months. Below is the going concern assessment for the Group.

Cell C and Cell C SP are the operational entities of the Group and contain the Group's assets and customer relationships. The remaining entities are in support of the strategy of the Group.

Cell C is the primary operating entity of the Group which owns the Group's operating assets, infrastructure (property, plant and equipment), employs all personnel of the Group and has key relationships with other network operators such as MTN, Telkom and Vodacom and wholesale relationships with Mobile Virtual Network Operators ("**MVNOs**") such as FNB and Capitec.

Cell C SP provides services to external customers of the Group, including prepaid sales to channels and dealers and postpaid subscriptions. Cell C SP buys airtime, data and voice from Cell C and packages this in various different forms or products for external consumption. Cell C SP has the legal relationships with external suppliers for equipment, which are packaged with data for end-user consumption. Cell C SP's billing platform, Next Generation Billing Support System ("NGBSS"), which contains Cell C customer and billing metrics and data is owned and operated by Cell C.

The Board draws attention to the following:

- The Group reported a loss of R86.9 million (2024 loss: R1.9 million). The Group had an excess of current liabilities over current assets of R9.2 billion (2024: R7.1 billion). Total liabilities exceeded total assets by R8.4 billion (2024: R10.6 billion).
- Recapitalisation is a long-term programme aimed at improving the negative equity of the Company/Group over a period, by restructuring key debt and securing foundational working capital.

The recapitalisation transaction in 2022 improved the Group and Company's cash flows and improved the Group's leverage on the statement of financial position. However, the Group and Company remain in financial distress.

Mitigating actions

Due to liquidity and solvency concerns affecting operations, the Group has implemented several mitigating measures as follows:

Infrastructure-asset light model:

The Group maintains an asset-light mobile network by using its own spectrum and relying on other operators' infrastructure. Cell C leverages this flexible, capital-light model to roam on partner networks and plans further investment to improve customer offerings and experience. This approach, supported by roaming agreements, expands access to network sites, enhancing customer services and leveraging partner networks for efficiency, while reducing capital expenditure and maintenance costs on constrained cash flows.

Strategic and operational positioning:

The Group has renewed its focus on delivering greater value to customers by investing strategically and leveraging key partnerships. Several initiatives have been implemented as part of this strategy, many of which are already delivering positive results. In the next 12 months the following initiatives have been implemented in order to boost performance and improve the solvency and liquidity position:

- Becoming the leading enabler of MVNO services, with significant revenue growth year on year.
- Investing in new innovative and differentiated offerings in prepaid, postpaid, enterprise revenue streams to drive customer growth and increase market share.
- Regaining of the prepaid market share to increase network usage and revenue through the acquisition of new subscribers.
- Increase in network usage will lead to a quicker erosion of the unearned revenue liability (and improve the Group's liquidity), thus improving revenue and NAV per the balance sheet.
- More engagement with regulators due to the changing landscape to be able to provide sufficient input of proposed legislation.
- The Group introduced a national franchise model in the 2025 reporting period and relaunched their brand, furthermore it embarked in revamping 48 retail stores to date, reinforcing the Group's commitment to improving the customer experience and to drive strategic realignment and turnaround momentum.

Potential future listing on the Johannesburg Stock Exchange ("JSE"):

In May 2025, The Prepaid Company, a majority shareholder of the Group and Company announced that they are planning a restructuring. The proposed restructuring consists of separation and potential future listing of Cell C Limited (Group and Company) on the JSE.

Key components of the proposed restructuring include:

- Airtime asset transfer: The Prepaid Company Proprietary Limited ("TPC"), a wholly owned subsidiary of Blue Label which holds shares and debt claims in the Group, will transfer the Group's airtime currently held by TPC on its balance sheet to the Group in exchange for newly issued additional equity in the Group.
- Debt-to-equity conversion: TPC's outstanding debt claims against the Group will be capitalised and converted into equity, further reducing the Group's leverage.
- Acquisition of Comm Equipment Company Proprietary Limited ("CEC"): The Group will acquire 100% of CEC from TPC in exchange for additional Group shares. CEC is a subsidiary responsible for Cell C's postpaid offerings. The internalisation will enable the Group to assume full responsibility over its postpaid customer base, including oversight of supply chain, commercial operations, marketing, billing, credit, and collections.
- SPV restructure: The Special Purpose Vehicles ("SPVs") currently holding equity interests in the Group will also be restructured as part of the broader initiative, aligning their ownership structures This proposed restructure will assist in facilitating a separation and potential future listing of Cell C Limited ("Cell C") on the Prime Segment of the Main Board of the Johannesburg Stock Exchange, the securities exchange operated by the JSE Limited ("JSE").

Restructuring of Liabilities (recapitalisation):

In 2022, the Group reached agreements with stakeholders to recapitalise its balance sheet, an action that will affect financial years beyond 2022. Concessions with creditors and lessors were secured, allowing continued asset use and deferred payments, which reduced payment obligations and eased cash outflows.

Based on the factors listed above, management have performed further assessments in order to provide a reasonable explanation as to why there is expectation that the Group has and will have adequate resources to continue in operational existence for the foreseeable future.

The Board has a responsibility to prepare the financial statements on a going concern-basis unless they intend to liquidate the Company, cease operations or have no realistic alternative but to do so. The Board has no intention of doing so and is confident that there are tangible alternatives to mitigate the current liquidity and solvency challenges, therefore the financial statements of the Group are prepared on a going-concern basis.

18. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

18.1 Valuation enquiries and significant unobservable inputs of financial instruments

The following table presents the carrying amounts and the fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		Carrying amount	Fair value
	Note	Financial liabilities at amortised cost	Level 3
Group			
31 August 2025			
Interest-bearing borrowings	6		
The Prepaid Company ("TPC") Recapitalised loan 1		2 337 072	2 982 000
The Prepaid Company ("TPC") Recapitalised loan 2		286 240	308 000
The Prepaid Company ("TPC") loan 3		62 092	51 000
Nedbank Limited		438 728	463 000
The Prepaid Company ("TPC")		467 975	468 000
Restructure implementation agreement – CEC		484 797	418 000
Group			
31 August 2024			
Interest-bearing borrowings	6		
The Prepaid Company ("TPC") Recapitalised loan 1		1 994 654	2 877 000
The Prepaid Company ("TPC") Recapitalised loan 2		207 457	303 000
The Prepaid Company ("TPC") loan 3		84 342	45 000
Nedbank Limited		467 422	460 000
Gramercy SA Telecoms Holdings LLC		431 974	432 000
Restructure implementation agreement – CEC		708 297	650 000
Lesaka financing liability		62 237	56 000

		Carrying amount	Fair value
	Note	Financial liabilities at amortised cost	Level 3
Group			
31 May 2025			
Interest-bearing borrowings	6		
The Prepaid Company ("TPC") Recapitalised loan 1		2 235 183	3 003 000
The Prepaid Company ("TPC") Recapitalised loan 2		272 774	309 000
The Prepaid Company ("TPC") loan 3		65 088	51 000
Nedbank Limited		435 070	403 000
The Prepaid Company ("TPC")		–	513 000
Restructure implementation agreement – CEC		490 308	531 000

The following table shows the valuation technique used in measuring Level 3 fair values for financial instruments in the statement of financial position, as well as the significant unobservable inputs used:

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between unobservable inputs and fair value measurements
Interest-bearing borrowings	Discounted cash flow: The valuation model considers the present value of the expected future payments, discounted using a risk-adjusted discount rate.	Risk-adjusted discount rates at the end of the current and prior reporting period are outlined below.	The estimated fair value would increase/(decrease) if the risk-adjusted discount rate were lower/(higher).

Significant unobservable inputs for each separately identifiable loan for the quarter ending 31 August 2025:

Interest-bearing borrowing	Risk-adjusted discount rate
The Prepaid Company ("TPC") Recapitalised loan 1	8.91%
The Prepaid Company ("TPC") Recapitalised loan 2	8.81%
The Prepaid Company ("TPC") loan 3	8.80%
Nedbank Limited	8.88%
The Prepaid Company ("TPC")	8.81%
Restructure implementation agreement – CEC	8.90%

Categories of financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities in each category are as follows:

Financial assets	Notes		Amortised cost	
Trade and other receivables	4	1 093 439	1 213 686	956 876
Cash and cash equivalents		306 705	384 051	182 110
		1 400 144	**1 597 737**	**1 138 986**
Financial liabilities			**Amortised cost**	
Interest-bearing borrowings	6	4 076 904	3 956 383	3 956 310
Lease liabilities	8	2 115 190	1 779 424	1 917 016
Trade and other payables	7	4 547 538	4 837 954	4 073 042
		10 739 632	**10 573 761**	**9 946 368**

The carrying amounts approximate the fair values of the financial instruments except interest-bearing borrowings.

Capital management

The Board's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors approves a budget for each reporting period. Each budget includes a capital expenditure amount against which the Board then measures the actual capital expenditure.

The Group's strategy, which has remained unchanged from 2018, has been to maintain the debt-to-adjusted capital ratio of 70% equity and 30% debt. This ratio is a long-term strategy which is aligned to companies within the industry.

The Group's highly leveraged position has driven management to take the below actions to restore the gearing ratio to the desired level of 70:30 between equity and debt, respectively.

The Group has an active capital management policy based on:

– Actively working in consultation with the shareholders to optimise the capital structure;
– Ensuring long-term funding needs of the Group are met through the business planning and budgeting process; and
– Refinancing matching obligations in a timely and efficient manner.

Cash and cash equivalents*	274 945	375 891	164 195
Share capital and share premium	25 668 830	25 668 830	25 668 830
Accumulated loss	(34 060 546)	(36 246 528)	(33 973 577)
	(8 116 771)	**(10 201 807)**	**(8 140 552)**
Interest-bearing borrowings	4 076 904	3 956 383	3 956 310
Lease liabilities	2 115 190	1 779 424	1 917 016
	6 192 094	**5 735 807**	**5 873 326**
Overall financing			
Capital to overall financing ratio (Gearing ratio)	422%	228%	359%

* *Cash and cash equivalents excludes restricted cash of R31.8 million (31 August 2024: R8.2 million and 31 May 2025: R17.9 million).*

The Group gearing ratios' have increased in the quarter ending 31 August 2025, which is attributable to the net impact of the increase in cash and cash equivalents, accumulated losses, Interest-bearing loans and lease liabilities.

The Group ratio significantly exceeds the targeted 70:30 ratio, highlighting the need for ongoing efforts to reduce debt or increase equity in order to reach the desired capital structure.

Financial risk management

The Group's risk management is predominantly controlled by a central treasury department under policies approved by the Board. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. The Liquidity Committee assesses and manages the liquidity position of the Group and reports and makes recommendations to the Board on the liquidity.

The Group has exposure to the following risks from its financial instruments:

- Market risk (including currency risk)
- Credit risk
- Liquidity risk

The note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and procedures for measuring and managing risk and the Group's management of capital. Further quantitative disclosures are included in the note relating to the financial instrument concerned.

(a) Market risk

The Group is exposed to market risks through its use of financial instruments and specifically to currency risk and interest rate risk which result from both its operating and investing activities.

Foreign currency risk

The Group is exposed to foreign currency risk through purchases and borrowings denominated in foreign currencies. Exposures to currency exchange rates arise from the Group's foreign payables, which are primarily denominated in U.S. dollars ("USD"). To the extent possible, receipts in foreign currency are used to settle foreign liabilities. Forward exchange contracts are entered into on a case-by-case basis to mitigate the foreign currency risk. The Group does not use foreign exchange contracts for speculative purposes and does not apply hedge accounting. The Group varies its exposure depending on its view of the currency values, within acceptable risk parameters.

The Group exposure to foreign currency risk at the reporting date was as follows:

	USD'000	**Closing rate**	**R'000**
Trade payables			
Group			
31 August 2025			
EUR	329	20.62	6 783
USD	1 843	17.62	32 482
GBP	–	–	–
CNY	37 874	2.47	93 603
	40 046		**132 868**

	USD'000	Closing rate	R'000
Trade payables			
Group			
31 August 2025			
EUR	329	20.62	6 783
USD	1 843	17.62	32 482
GBP	–	–	–
CNY	37 874	2.47	93 603

	USD'000	Closing rate	R'000
Trade payables			
Group			
31 August 2024			
EUR	369	19.63	7 251
USD	5 982	17.74	106 114
GBP	17	23.33	400
CNY	49 329	2.50	123 371
	55 698		**237 136**

	USD'000	Closing rate	R'000
Trade payables			
Group			
31 May 2025			
EUR	265	20.32	5 387
USD	2 150	17.91	38 508
GBP	41	24.13	998
CNY	30 198	2.49	75 139
	32 654		120 030

Sensitivity analysis

The following table includes the Group sensitivity at reporting date to the indicated movements in foreign exchange on financial instruments. The Group have assumed a +/-10% change of the ZAR/USD exchange rate for the reporting period (2024: +/-10%). These percentages have been determined based on the average market volatility in exchange rates in the previous twelve months. The sensitivity analysis is based on the Group's foreign currency interest-bearing borrowings and trade payables held at each reporting date.

Group

Figures in R'000

31 August 2025	**Impact on profit/ (loss) before tax**	**Impact on equity**
Exchange rate – increase 10% (2024: 10%)	(13 287)	(9 699)
Exchange rate – decrease 10% (2024: 10%)	13 287	9 699
31 August 2024	**Impact on profit/ (loss) before tax**	**Impact on equity**
Exchange rate – increase 10% (2024: 10%)	(23 714)	(17 311)
Exchange rate – decrease 10% (2024: 10%)	23 714	17 311
31 August 2025	**Impact on profit/ (loss) before tax**	**Impact on equity**
Exchange rate – increase 10% (2024: 10%)	(12 003)	(8 762)
Exchange rate – decrease 10% (2024: 10%)	12 003	8 762

Interest rate risk

The Group's policy is to minimise interest rate risk exposures on long-term financing. Longer-term borrowings are therefore usually at fixed rates. At the reporting date the interest rate profile of the Group's and Company's interest-bearing financial instruments were:

Floating rate			
Interest-bearing borrowings	(2 337 074)	(1 994 654)	(2 235 103)
Cash and cash equivalents	306 705	384 051	182 110
Trade and other payables fixed rate	(616 082)	(755 000)	(662 288)
Interest-bearing borrowings	(1 739 830)	(1 961 729)	(1 721 207)

Sensitivity analysis

The following table includes the Group sensitivity at reporting date to the indicated movements in foreign exchange on financial instruments. The Group have assumed a +/-10% change of the ZAR/USD exchange rate for the reporting period (2024: +/-10%). These percentages have been determined based on the average market volatility in exchange rates in the previous twelve months. The sensitivity analysis is based on the Group's foreign currency interest-bearing borrowings and trade payables held at each reporting date.

Group

31 August 2025	Impact on profit/ (loss) before tax	Impact on equity
Interest rate – decrease 50 (2024: 50) basis points	13 232	9 660
Interest rate – increase 50 (2024: 50) basis points	(13 232)	(9 660)
31 August 2024	**Impact on profit/ (loss) before tax**	**Impact on equity**
Interest rate – decrease 50 (2024: 50) basis points	11 828	8 634
Interest rate – increase 50 (2024: 50) basis points	(11 828)	(8 634)
31 May 2025	**Impact on profit/ (loss) before tax**	**Impact on equity**
Interest rate – decrease 50 (2024: 50) basis points	18 145	12 883
Interest rate – increase 50 (2024: 50) basis points	(18 145)	(12 883)

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The Group's principal financial assets are cash and cash equivalents and trade and other receivables. The Group's credit risk is primarily attributable to its trade receivables. The amount presented in the statement of financial position is net of loss allowances and represents total maximum credit risk exposure at the reporting date. The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Ownership of financial assets involves the risk that counterparties may be unable to meet the terms of their agreements. These risks are monitored by limiting the aggregate risk to any individual counterparty. The credit risk is generally highly diversified due to the large number of customers, both private individuals and corporate companies comprising the subscriber. A thorough credit vetting process is conducted prior to customer onboarding, and a robust collections strategy is in place to ensure timely payments.

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities with the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions and the purchase of airtime by TPC (as per the minimum purchase agreement that ended in September 2024. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The Group's risk to liquidity is as a result of the insufficient funds available to meet its financial obligations arising from financial liabilities as they fall due. Cash flow forecasting is performed and monitored by Group's treasury department, who manages the liquidity risk in accordance with policies and guidelines formulated by management and directors. The Group has managed its liquidity position through the Group's recapitalisation process undertaken in the 2022 financial period, the effects of which provide liquidity support to the Group's operations and financial obligations.

The maturity analysis of financial liabilities at the reporting date is set out in the table below. These amounts are gross and undiscounted, and include contractual interest payments:

	Between 0 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount
31 August 2025						
Interest-bearing borrowings	(3 028 579)	(503 015)	(1 986 272)	–	(5 517 866)	(4 076 904)
Trade and other payables	(4 547 538)	–	–	–	(4 547 538)	(4 547 538)
Lease liabilities	(426 166)	(1 043 412)	(1 061 115)	(1 132 150)	(3 662 843)	(2 115 190)
	(8 002 283)	**(1 546 427)**	**(3 047 387)**	**(1 132 150)**	**(13 728 247)**	**(10 739 632)**

	Between 0 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount
31 August 2024						
Interest-bearing borrowings	(930 112)	(2 762 700)	(2 489 287)	–	(6 182 099)	(3 956 383)
Trade and other payables	(4 837 962)	–	–	–	(4 837 962)	(4 837 962)
Lease liabilities	(575 492)	(869 909)	(919 299)	(1 028 231)	(3 392 931)	(1 779 424)
	(6 343 566)	**(3 632 609)**	**(3 408 586)**	**(1 028 231)**	**(14 412 992)**	**(10 573 769)**

	Between 0 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount
31 May 2025						
Interest-bearing borrowings	(2 972 145)	(509 669)	(2 110 114)	–	(5 591 928)	(3 956 310)
Trade and other payables	(4 073 042)	–	–	–	(4 073 042)	(4 073 042)
Lease liabilities	(399 727)	(606 196)	(755 553)	(1 348 776)	(3 110 252)	(1 917 016)
	(7 444 914)	**(1 115 865)**	**(2 865 667)**	**(1 348 776)**	**(12 775 222)**	**(9 946 368)**

Figures in R'000	**Three months ended 31 August 2025 Reviewed**	**Three months ended 31 August 2024 Reviewed**	**Financial Year ended 31 May 2025 Audited**
19. **NET CASH FLOW FROM OPERATING ACTIVITIES**			
Profit for the period/year	237 083	254 482	1 596 764
Adjustments for:			
Depreciation and amortisation expense	133 431	94 773	507 638
Expected credit loss/(reversal) on trade and other receivables	–		1 035
Net foreign exchange gains/(losses) – unrealised	2 379	5 220	3 074
Proceeds on sale of gain/(loss)	(8 585)	(39)	
Gain on derecognition of property, plant and equipment	–	(39)	(457)
IFRS 16 lease disposal gain/(loss)	–	(1 703)	–
Discount received	(20 500)	–	(39 854)
Gain on termination of leases	–	–	(15 700)
Provision for inventory losses	5 130	5 538	7 719
Change in operating assets and liabilities:			
Decrease in inventories	7 636	25 177	46 343
(Increase)/Decrease in trade and other receivables	(176 649)	856 631	1 092 899
Increase/(Decrease) in trade and other payables	542 810	(664 579)	(1 579 689)
Increase/(Decrease) in contract liabilities	(283 865)	(21 200)	192 737
Increase/(Decrease) for provisions	50 753	(24 314)	73 886
Net cash flows from/(used in) operations	529 622	519 545	1 886 395

20. CASH FLOWS FROM FINANCING ACTIVITIES ANALYSIS

Reconciliation of movements of liabilities to cash flows arising from financing activities

Group	Interest-bearing loans	Lease liabilities	Total
Net debt as at 1 June 2025	**3 956 310**	**1 917 016**	**5 873 326**
Cash flows	–	(27 786)	(27 786)
Transfers to trade payables	–	26 974	26 974
Increase in lease liabilities	–	417 026	417 026
Interest expense accrual	217 808	83 925	301 733
Interest paid	(97 214)	(77 225)	(174 439)
Termination of leases	–	(224 739)	(224 739)
Net debt as at 31 August 2025	**4 076 904**	**2 115 191**	**6 192 095**

Group	Interest-bearing loans	Lease liabilities	Total
Net debt as at 1 June 2024	**3 749 959**	**1 792 246**	**5 542 205**
Cash flows	–	(27 495)	(27 495)
Transfers to trade payables	–	(15 972)	(15 972)
Increase in lease liabilities	–	18 857	18 857
Interest expense accrual	206 424	82 349	288 773
Interest paid	–	(68 879)	(68 879)
Termination of leases	–	(1 682)	(1 682)
Net debt as at 31 August 2024	**3 956 383**	**1 779 424**	**5 735 807**

Group	Interest-bearing loans	Lease liabilities	Total
Net debt as at 1 June 2024	**3 749 964**	**1 792 246**	**5 542 210**
Cash flows	(158 195)	(262 145)	(420 340)
Transfers to trade payables	–	234 449	234 449
Increase in lease liabilities	–	165 259	165 259
Interest expense accrual	873 205	330 627	1 203 832
Interest paid	(286 519)	(308 667)	(595 186)
Termination of leases	–	(34 753)	(34 753)
Repayment through issue of vouchers	(195 636)	–	(195 636)
Net debt as at 31 May 2025	**3 982 819**	**1 917 016**	**5 899 835**

21. EVENTS AFTER REPORTING PERIOD

21.1 Change in shareholding

In September 2025, The Prepaid Company ("TPC"), the largest shareholder, obtained conditional approval from the Competition Tribunal to acquire an additional 4.04% stake in the Cell C from Cedar Cellular Investments 1 (RF) Proprietary Limited ("**Cedar**"). As a result, TPC's shareholding increased from 49.53% to 53.57%, while Cedar's shareholding decreased from 4.04% to 0%.

21.2 Special Purpose Vehicle ("SPV") restructure

21.2.1 Transfer of Class B convertible ordinary shares

During the quarter ended 31 August 2025, the Board of Directors approved the transfer of 25 000 000 Class B shares held by individual shareholders. Under the existing Memorandum of Incorporation (MOI), individual shareholders were not permitted to dispose of Class B shares. Consequently, the shareholders proposed an amendment to the MOI to allow for transfer of these shares.

The MOI was subsequently amended in September 2025, enabling the individual shareholders to transfer their 25 000 000 Class B convertible ordinary shares to K2021889191 (SA) (RF) (Pty) Ltd. This forms part of a restructuring effort aimed at aligning ownership structures to facilitate the Group's separation and potential future listing. Following the transaction, K2021889191 (SA) (RF) (Pty) Ltd's shareholding increased from 10.47% to 12.18%, while the individual shareholders' equity interest decreased from 1.71% to 0%.

The change in shareholding has no impact on the calculation of the weighted average number of shares at the reporting period.

21.2.2 **Conversion of Class B convertible ordinary shares to Class A ordinary shares**

On 8 October 2025, following notice received from K2021889191 (SA) (RF) (Pty) Ltd, the 25 000 000 Class B convertible ordinary shares held by K2021889191 (SA) (RF) (Pty) Ltd were converted to Class A ordinary shares.

The change in shareholding has no impact on the calculation of the weighted average number of shares at the reporting period.

21.3 **Shareholding in Comm Equipment Company Proprietary Limited**

Subsequent to the reporting date of 31 August 2025, the largest shareholder, TPC, the holding company of Comm Equipment Company Proprietary Limited (CEC) and a subsidiary of Blu Label Unlimited Group Limited entered into negotiations with Cell C Limited for the disposal of its 100% shareholding in CEC. The negotiations were not finalised and the transaction was not effective at the reporting date.

21.4 **Transfer of Gramercy SA Telecom Holdings shares to The Prepaid Company Proprietary Limited**

During the year ended 31 May 2025, the largest shareholder, TPC entered into a transaction with Gramercy SA Telecom Holdings LCC (Gramercy) to acquire a debt claim and shares in Cell C Limited.

During the quarter ended 31 August 2025, the Competition Commission and the Competition Tribunal approved the transfer of the shares. Subsequent to the reporting date of 31 August 2025, TPC acquired 6.09%, representing 88 939 299 shares of Cell C Limited's issued share capital from Gramercy for a purchase consideration of R6 million.

The change in shareholding has no impact on the calculation of the weighted average number of shares at the reporting period.

21.5 **Acquisition of debt claim from Nedbank Limited**

In October 2025, the Board of Directors approved for TPC to acquire the debt claim against Cell C Limited from Nedbank Limited. The negotiations for the terms of this transaction have not been finalised and the transaction was not effective at the reporting date.

21.6 **Debt restructure**

In October 2025, the Board of Directors approved for Cell C Limited to initiate negotiations for early settlement of the lease liability with a significant lessor. This forms part of a restructuring effort aimed at reducing the Group's leverage to facilitate the Group's potential future listing.

ANNEXE 4 – INDEPENDENT AUDITOR'S REVIEW REPORT ON THE CONDENSED CONSOLIDATED INTERIM HISTORICAL FINANCIAL INFORMATION OF CELL C LIMITED FOR THE THREE MONTHS ENDED 31 AUGUST 2025 AND 31 AUGUST 2024

The definitions and interpretations commencing on page 454 of this Pre-listing Statement do not apply through this Annexe 4.

To the Directors of Cell C Limited

We have reviewed the condensed interim financial statements of Cell C Limited and its subsidiaries ("**Cell C**") set out on pages 267 to 294 which comprise the condensed statement of financial position as at 31 August 2025, and the condensed statement of profit or loss, the condensed statement of comprehensive income, the condensed statement of changes in equity, and the condensed statement of cash flows for the period then ended, and selected explanatory notes to the condensed interim financial statements.

DIRECTORS' RESPONSIBILITY FOR THE CONDENSED INTERIM FINANCIAL STATEMENTS

The directors are responsible for the preparation and presentation of these condensed interim financial statements in accordance with the International Financial Reporting Standard Accounting Standards ("**IFRS Accounting Standards**") as issued by the International Accounting Standards Board, IAS 34 Interim Financial Reporting, the South African Institute of Chartered Accounts ("**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 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 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 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 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 interim financial statements.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim financial statements of Cell C for the three months ended 31 August 2025 are not prepared, in all material respects, in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board, 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.

MATERIAL UNCERTAINTY RELATING TO GOING CONCERN

We draw attention to note 19 in the condensed interim financial statements, which indicates that the group's total liabilities exceeded its total assets by R8.4 billion. As stated in note 19, these events or conditions, along with other matters as set forth in note 19, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

SizweNtsalubaGobodo Grant Thornton Inc.
Director: Altaf Fajandar
Chartered Accountant (SA)
Registered Auditor

152 14th Rd, Noordwyk, Midrand, 1687
7 November 2025

ANNEXE 5 – ANNUAL HISTORICAL FINANCIAL INFORMATION OF COMM EQUIPMENT COMPANY PROPRIETARY LIMITED FOR THE YEARS ENDED 31 MAY 2025, 2024 AND 2023

The definitions and interpretations commencing on page 454 of this Pre-listing Statement apply through this Annexe 5, except where the context indicates a contrary intention and except where terms are explicitly defined herein.

BASIS OF PREPARATION

The Historical Financial Information of Comm Equipment Company (Pty) Ltd set out below has been extracted from the audited annual financial statements of Comm Equipment Company (Pty) Ltd for the 12 months ended 31 May 2025, 12 months ended 31 May 2024 and the 12 months ended 31 May 2023 ("**Audited Financial Statements**"). The Audited Financial Statements were prepared in accordance with the IFRS® Accounting Standards ("**IFRS Accounting Standards**"), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Pronouncements as issued by Financial Reporting Standards Council.

The Audited Financial Statements have been audited by SNG Grant Thornton Inc. who expressed an unqualified audit opinion thereon. SNG Grant Thornton Inc. is the Independent Auditor of Comm Equipment Company (Pty) Ltd and has issued the Independent Auditor's assurance report on Historical Financial Information.

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards and the JSE Listings Requirements, and prepared in accordance with, and by applying, the accounting policies of the Comm Equipment Company (Pty) Ltd, for the purpose of providing financial information to satisfy the requirements of section 8 of the JSE Listings Requirements. The additional disclosure required in terms of paragraph 8.12 of the JSE Listings Requirements has been included in the Historical Financial Information. The Directors of Comm Equipment Company (Pty) Ltd are responsible for the preparation, contents and presentation of the Historical Financial Information as included in this Circular.

The Historical Financial Information was approved by the Directors of Comm Equipment Company (Pty) Ltd on 31 October 2025.

DIRECTORS' COMMENTARY

For the year ended 31 May 2023

Over the past year, CEC has consistently exceeded monthly acquisitions targets and achieved significant improvements across the other metrics. CEC has executed on several improvement initiatives with strong results. It has shortened marketing and deal cycle processes and routines, improved supply chain efficiencies to significantly reduce stock holding without negatively impacting product availability and a more focused approach to sales channel optimisation. It recently launched a new range of simplified, competitive and relevant postpaid price plans. These plans, repositioned from "pinnacle" to "elevate", will offer enhanced value in the form of anytime data, anytime social and anytime all-net minutes. These new plans reflect CEC's core value of providing transparent, simplified value to its customers.

Gross profit increased from R1 037 million to R1 419 million, during the year ended 31 May 2023 CEC has changed its role from acting as agent to taking control over post-paid handsets and accordingly is the principle in the sale of devices to post- paid customers from the beginning of the 2023 financial period. Previously, when CEC was the agent, CEC recognised revenue net of related costs and expenses. Operating profit reduced marginally from R519 million to R514 million, driven by the increase in gross profit offset by an increase in the movement in credit loss allowances of R301m, a result of a comprehensive base reconciliation at the end of the year. Profit for the year reduced by R49 million to R276 million, mainly due to increased finance cost relating to borrowings for 12 months partially offset by interest income on the loan receivable at amortised cost with Cell C.

For the year ended 31 May 2024

CEC continues to manage, in partnership with Cell C, most aspects of the Cell C postpaid base including supply chain, commercial, marketing, billing, credit and collections. It achieves this function through a hybrid of in-house and outsourced services. CEC anchors its operational activities on four key drivers; profitable customer acquisition; subscriber retention; reduced churn; and customer satisfaction, to ensure the growth and profitability of this business. CEC faced a challenging financial year in a difficult credit environment.

The decrease in gross profit from R1 419 million to R1 027 million was primarily attributable to a decline in gross profit stemming from a decrease in earnings resulting from the expiry, in November 2022, of certain elements of the revenue-sharing agreement, increased expenditure related to the distribution agreement and an increase in the amortisation of handset subsidies. The declines were offset by a reduction in the expected credit loss following a comprehensive base reconciliation at the end of the previous financial year as well as the derecognition of the expected credit loss on the sale of a portion of its handset receivable books. The net result was a reduction in operating profit from R514 million to R409 million. Profit for the year reduced to R185 million mainly due to the reduction in operating profit and an increase in net finance costs resulting from the sale of a portion of the handset receivable book to financial institutions.

For the year ended 31 May 2025

CEC's year was characterised by credit risk containment. Following aggressive credit scorecard tightening in FY24, the business saw fewer new connections but a material improvement in credit quality. Subscriber numbers stabilised during the second half of FY25. CEC will now focus on customer upgrades, base retention, and support services aligned to the fully embedded Cell C model.

The decrease in gross profit from R1 027 million to R853 million was driven by an increase in intergroup charges, lower rebate income and service revenue partially offset by lower roaming and service fees. Operating profit reduced to R122 million driven by the reduction in gross profit and an increase in the movement of credit loss allowances of R148 million, partially offset by a R31 million reduction in operating expenses. Net finance costs increased primarily due to an increase on finance cost relating to the African Bank facility; an increase of finance cost trade payables and lower interest income on loans and trade receivables.

STATEMENT OF FINANCIAL POSITION

Figures in R'000	Notes	May 2025	May 2024	May 2023
Assets				
Non-current assets				
Equipment	3	576	899	857
Intangible assets	4	846 423	997 310	1 190 414
Equity investment held	6	2 493	6 584 617	7 862
Advances to customers	8	653 146	485 323	810 252
Financial assets at fair value through profit or loss	29	16 226	24 445	–
Loans receivable	30	255 551	501 884	700 494
		1 774 415	**2 016 446**	**2 709 879**
Current assets				
Advances to customers	8	990 621	751 036	1 446 950
Inventories	9	989 879	242 054	328 360
Loans to Group companies	10	92 006	85 741	8 056
Trade and other receivables	11	270 405	587 465	373 162
Financial assets at fair value through profit or loss	29	16 149	618	–
Loans receivable	30	259 668	226 655	232 384
Current tax receivable		41	–	–
Cash and cash equivalents	12	38 137	24 416	6 353
		2 656 906	**1 917 985**	**2 395 265**
Total assets		**4 431 321**	**3 934 431**	**5 105 144**
Equity and liabilities				
Equity				
Share capital	13	514 015	514 015	514 015
Retained income		879 980	1 039 397	1 326 621
		1 393 995	**1 553 412**	**1 840 636**
Liabilities				
Non-current liabilities				
Deferred tax	7	148 727	240 201	226 155
Borrowings	16	1 165 780	1 659 355	492 710
Share based payment liability		9 581	4 891	3 307
		1 324 088	**1 904 447**	**722 172**
Current liabilities				
Trade and other payables	14	1 179 127	219 626	1 032 522
Loans from Group companies	15	621	4 541	4 431
Borrowings	16	533 489 543	240 645 328	1 407 290 137
Current tax payable		–	11 759 861	52 846 966
Dividend payable		–	–	45 246 473
		1 713 238	**476 572**	**2 542 336**
Total liabilities		**3 037 326**	**2 381 019**	**3 264 508**
Total equity and liabilities		**4 431 321**	**3 934 431**	**5 105 144**

Statement of Profit or Loss and Other Comprehensive Income

Figures in R'000	Notes	12 month period ended 31 May 2025	12 month period ended 31 May 2024	12 month period ended 31 May 2023
Revenue	17	2 556 155	2 815 677	3 432 810
Interest revenue	17	292 520	398 615	301 642
Cost of sales	18	(1 995 854)	(2 187 246)	(2 315 170)
Gross profit		**852 821**	**1 027 046**	**1 419 282**
Other income	19	4 391	30 809	10 902
Fair value adjustments	20	12 098	1 380	(4 061)
Movement in credit loss allowances	21	(481 568)	(333 902)	(589 532)
Operating expenses	21	(232 092)	(262 947)	(258 196)
Loss on derecognition of financial assets	33	(34 103)	(53 259)	–
Loss on modification	11	–	–	(64 500)
Operating profit	**21**	**121 547**	**409 127**	**513 895**
Investment income	22	132 693	232 485	86 057
Finance costs paid	23	(474 135)	(397 207)	(200 084)
(Loss)/profit before taxation		**(219 895)**	**244 405**	**399 868**
Taxation	24	60 478	(59 629)	(124 293)
(Loss)/profit for the year		**(159 417)**	**184 776**	**275 575**
Other comprehensive income		–		–
Total comprehensive (loss)/income for the year		**(159 417)**	**184 776**	**275 575**

Statement of Changes in Equity

Figures in R'000	Share capital	Retained income	Total equity
Balance at 1 June 2022	**514 015**	**1 453 046**	**1 967 061**
Profit for the year	–	275 575	275 575
Other comprehensive income	–	–	–
Total comprehensive income for the year	–	**275 575**	**275 575**
Dividends	–	(402 000)	(402 000)
Total contributions by and distributions to owners of Company recognised directly in equity	–	**(402 000)**	**(402 000)**
Balance at 1 June 2023	**514 015**	**1 326 621**	**1 840 636**
Profit for the period	–	184 776	184 776
Other comprehensive income	–	–	–
Total comprehensive income for the year	**–**	**184 776**	**184 776**
Dividends	–	(472 000)	(472 000)
Total contributions by and distributions to owners of Company recognised directly in equity	**–**	**(472 000)**	**(472 000)**
Balance at 1 June 2024	**514 015**	**1 039 397**	**1 553 412**
Loss for the year	–	(159 417)	(159 417)
Other comprehensive income	–	–	–
Total comprehensive loss for the year	**–**	**(159 417)**	**(159 417)**
Balance at 31 May 2025	**514 015**	**879 980**	**1 393 995**
Note	13		

Statement of Cash Flows

Figures in R'000	Notes	12 month period ended 31 May 2025	12 month period ended 31 May 2024	12 month period ended 31 May 2023
Cash flows from operating activities				
Cash generated from operations	25	207 749	350 339	961 455
Interest income received		425 213	631 100	387 699
Finance costs paid		(474 134)	(397 207)	(200 084)
Tax paid	26	(42 797)	(86 670)	(63 717)
Net cash from operating activities		**116 030**	**497 562**	**1 085 353**
Cash flows from investing activities				
Purchase of equipment	3	(198)	(493)	(942)
Sale of equipment	3	15	16	32
Purchase of intangible assets	4	(130 586)	(106 809)	(832 394)
Loans advanced to Group companies		(6 265)	–	–
Sale of shares in ultimate holding company		2 740	991	1 896
Receipt of loans receivable at amortised cost		236 635	143 932	113 247
Net cash from investing activities		**102 341**	**37 637**	**(718 161)**
Cash flows from financing activities				
Proceeds from loans from Group companies	31	–	4 812	14 000
Repayment of loans from Group companies	31	(3 920)	(4 702)	(315 954)
Proceeds from borrowings	16	–	1 900 000	1 220 654
Repayment of borrowings	16	(200 730)	(1 900 000)	(943 996)
Payment on lease liabilities		–	–	(528)
Dividends paid	32	–	(517 246)	(356 754)
Net cash from financing activities		**(204 650)**	**(517 136)**	**(382 578)**
Total cash movement for the year		**13 721**	**18 063**	**(15 386)**
Cash and cash equivalents at the beginning of the year		24 416	6 353	21 739
Total cash and cash equivalents at end of the year	12	38 137	24 416	6 353

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of these financial statements are set out below.

1.1 Basis of preparation

The Historical Financial Information is prepared on the historical cost bases except where stated otherwise in the accounting policies below. All financial information is presented in South African Rand ("**ZAR**"). Amounts have been rounded to the nearest thousand, unless otherwise stated.

The accounting policies set out below have been applied consistently to all periods presented in the Historical Financial Information, except where the Comm Equipment Company (Pty) Ltd has adopted IFRS Accounting Standards and International Financial Reporting Interpretations Committee ("**IFRIC**") interpretations and amendments that became effective during the period. Several new standards, amendments to standards and interpretations became applicable to the Comm Equipment Company (Pty) Ltd during the current period and have been applied in the preparation of the Historical Financial Information. New standards, amendments to standards and interpretations did not have a significant impact on the Comm Equipment Company (Pty) Ltd.

1.2 Significant judgements and sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS Accounting Standards requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies

Revenue recognition

A consequential change in the valuation of revenue is to reflect the sale of devices at standalone sales price with the subsidy on sale of devices equal to the difference between the standalone sales price of the device and the contract price receivable from customers. This subsidy is considered a subscriber acquisition cost to obtain a post-paid subscriber contract in which CEC shares in the telco revenue as set out in the Subscription and Airtime Revenue Sharing Agreement. Subsidy is capitalised to the balance sheet as a receivable, which is amortised over the life of the customer contract to revenue.

Revenue from the subscription income share bares significant estimates since it is Cell C that transfers services to the subscribers, and not CEC, the subscribers are not considered to be customers of CEC for telco services. Subscribers are only considered the customers of CEC for post-paid device sales. Accordingly, Cell C is not a customer of CEC as CEC does not transfer control over the post-paid devices (goods) to Cell C.

CEC's share of subscription income is considered to be income arising in the course of CEC's ordinary activities it is therefore presented as revenue.

Equity compensation benefit

In determining the number of conditional shares that will vest due to performance conditions being met, management assesses the attribution rates of staff based on the grades of staff that have been granted awards as well as the historic staff turnover. In addition, management considers the Group's past performance as well as forecasts in order to assess whether the profit targets will be met.

All decisions relating to the conditional share plan are made by the Group's remuneration committee. Accordingly, Blu Label Unlimited Group Limited (BLU) is considered to be the grantor of these awards.

Key sources of estimation uncertainty

Impairment testing

The Company assesses all debtor balances for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the Company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cashflows from the financial asset.

Under IFRS 9, the Company considers the probability of default upon initial recognition of the asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating;
- external credit rating (as far as available);
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations;
- actual or expected significant changes in the operating results of the borrower;
- significant increases in credit risk on other financial instruments of the same borrower;
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements; and
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the Group and changes in the operating results of the borrower.

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model. Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company generally categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 120 days past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Residual values and useful lives of assets

The relative size of CEC's subscription income sharing arrangement and subscriber acquisition costs makes the judgements surrounding their estimated useful lives and residual values critical to CEC's financial position and performance. Useful lives are reviewed on an annual basis with the effects of any changes in estimate accounted for on a prospective basis. The residual values of these assets are assumed to be zero for purposes of measuring the related amortisation, including for the subscription income sharing arrangement which may have a value at the end of its estimated life of nine years, since Cell C would be required to buy back CEC's right if Cell C elects to terminate the arrangement at that point. The estimated useful life of nine years is based on management's estimate that after the initial five year period, CEC will renew for a further four years. The buy back price is based on a formula that takes account of Cell C's income from the related postpaid subscriber base in the future, which is highly uncertain, and there is the possibility that Cell C does not buy back CEC's right, but that CEC buys the subscriber base from Cell C. Accordingly, given the significant uncertainty surrounding the future value of the subscription income sharing arrangement, management have assumed a residual value of zero.

Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

1.3 **Equipment**

Equipment is initially measured at cost.

Subsequent to initial recognition, equipment is measured at cost less accumulated depreciation and any accumulated impairment losses.

The useful lives of items of equipment have been assessed as follows:

Item	Depreciation method	Useful life 4 years
Motor vehicles	Straight line	3 years
Office equipment	Straight line	3 years
Computer equipment	Depreciation method Straight line	Useful life 4 years

1.4 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Subscription income sharing arrangement

During the 2021 financial year, CEC entered into an arrangement with Cell C to facilitate Cell C's operation of its postpaid mobile telecommunication business. The agreement commenced on 1 November 2020 for an initial period of 5 years, with CEC having the right to renew for a further 4 years. Upon expiration of the renewal period, Cell C has the right to terminate the agreement for a fee, failing, which CEC has the right to acquire the new subscriber base, or nominate a third party to acquire it for a fee.

CEC is entitled to receive a share of the subscription income generated by Cell C from a subset of postpaid subscribers that sign up, extend or upgrade their subscriptions with Cell C after 1 November 2020 (New and Upgrade subscribers), plus certain fixed and variable payments. Cell C will remain entitled to the subscription income of existing subscribers at 31 October 2020 (Existing subscribers) for the remainder of the subscribers' contract and a share of the ongoing revenue of new subscribers. CEC and Cell C have outsourced the operation of the postpaid base to Vodacom as part of this arrangement. In return, CEC has undertaken to bear the operating costs in respect of Cell C's postpaid subscriber business for the duration of the arrangement. The operating costs of the postpaid base borne by CEC that are not associated with the New and Upgrade subscribers, are recognised as the cost of obtaining the subscription income sharing arrangement. These costs are capitalised to the intangible asset as and when they are incurred, net of the fixed and variable payments from Cell C which are considered to be Cell C's contribution towards those operating costs. The monthly capitalisation rate is determined by calculating the proportion of the monthly subscription revenue attributable to Cell C from existing subscribers at 31 October 2020 compared to the total monthly revenue arising from Cell C's postpaid subscriber base. The subscription income sharing arrangement is carried at cost less accumulated amortisation and accumulated impairment. Amortisation is calculated using the straight-line method over the life of the arrangement, which is expected to be nine years. The operating costs of the postpaid base borne by CEC that are associated with the New and Upgrade subscribers are accounted for as and when they are incurred, and reduce the amount recognised as revenue as CEC is already receiving its share of the subscription income from these New and Upgrade subscribers.

Subscriber acquisition costs

Under the subscription income sharing arrangement with Cell C, CEC has agreed to bear the commissions that Cell C pays to third parties involved in signing up or upgrading the particular Cell C postpaid subscribers, from 1 November 2020, from which CEC benefits. Since these costs are incremental costs that would otherwise not have been incurred had the particular subscribers not signed up with Cell C, and because they are costs borne by CEC in order to share in the subscription income generated by Cell C from these subscribers, these costs are capitalised by CEC, when incurred by Cell C, and amortised over the expected life of the related subscriber contracts between Cell C and the subscribers, which is anticipated to be 12, 24 or 36 months.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Amortisation method	Average useful life 6 years
Computer software	Straight line	6 years
Subscription income sharing arrangement	Straight line	9 years
Subscriber acquisition costs	Straight line	1–3 years

1.5 **Investments in subsidiaries**

The cost of an investment in a subsidiary is the aggregate of the fair value, at the date of exchange, of assets given, liabilities incurred or assumed and equity instruments issued by the Company, plus any costs directly attributable to the purchase of the subsidiary.

Subsidiaries are all entities (including special purpose entities) over which the Company has power to govern the financial and operating policies generally accompanying a shareholding of more than half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

1.6 **Financial instruments**

Financial instruments held by the Company are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification possibilities, which are adopted by the Company, as applicable, are as follows:

Financial assets which are equity instruments:

- Mandatorily at fair value through profit or loss.

Financial assets which are debt instruments:

- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows).
- Mandatorily at fair value through profit or loss. (This classification automatically applies to all debt instruments which do not qualify as at amortised cost or at fair value through other comprehensive income).

Financial liabilities:

- Amortised cost

Note 33 Financial instruments and risk management presents the financial instruments held by the Company based on their specific classifications.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the Company are presented below:

Loans receivable at amortised cost

Classification

Loans to Group companies (note 10), and loans receivable (note 30) are classified as financial assets subsequently measured at amortised cost.

They have been classified in this manner because the contractual terms of these loans give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Company's business model is to collect the contractual cash flows on these loans.

Recognition and measurement

Loans receivable are recognised when the Company becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

Impairment on financial assets

The Company recognises a loss allowance for expected credit losses on all loans receivable measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective loans.

The Company measures the loss allowance at an amount equal to lifetime expected credit losses (lifetime ECL) when there has been a significant increase in credit risk since initial recognition. If the credit risk on a loan has not increased significantly since initial recognition, then the loss allowance for that loan is measured at 12-month expected credit losses (12-month ECL).

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a loan. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a loan that are possible within 12 months after the reporting date.

In order to assess whether to apply lifetime ECL or 12-month ECL, in other words, whether or not there has been a significant increase in credit risk since initial recognition, the Company considers whether there has been a significant increase in the risk of a default occurring since initial recognition rather than at evidence of a loan being credit impaired at the reporting date or of an actual default occurring.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default, taking the time value of money into consideration.

The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. The exposure at default is the gross carrying amount of the loan at the reporting date.

Lifetime ECL is measured on a collective basis in cases where evidence of significant increases in credit risk are not yet available at the individual instrument level. Loans are then grouped in such a manner that they share similar credit risk characteristics, such as nature of the loan, external credit ratings (if available).

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

If the Company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, and visa versa.

An impairment gain or loss is recognised in profit and loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is presented as a separate line item on the statement of profit or loss and other comprehensive income as a movement in the credit loss allowances (note 21).

Derecognition

Any gains or losses arising on the derecognition of a loan receivable are included in profit or loss in derecognition gain/(losses) on financial assets at amortised cost.

Advances to customers and other trade receivables

Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments are classified as financial assets subsequently measured at amortised cost (note 11).

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Company's business model is to collect the contractual cash flows on trade and other receivables.

Recognition and measurement

Trade and other receivables are recognised when the Company becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Impairment

The Company recognises a loss allowance for expected credit losses on trade and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date.

The Company measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit losses ("**lifetime ECL**"), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

Measurement and recognition of expected credit losses

The Company makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated on a collective basis for all trade and other receivables in totality. Details of the provision matrix is presented in note 11.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is included in operating expenses in profit or loss as a movement in credit loss allowance (note 21).

Derecognition

Any gains or losses arising on the derecognition of trade and other receivables are included in profit or loss in the derecognition gains/(losses) on financial assets at amortised cost.

Borrowings and loans from related parties

Classification

Loans from Group companies (note 15), loans from shareholders and borrowings (note 16) are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

Borrowings and loans from related parties are recognised when the Company becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value minus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Interest expense, calculated on the effective interest method, is included in profit or loss in finance costs (note 23).

Borrowings expose the Company to liquidity risk and interest rate risk. Refer to note 33 for details of risk exposure and management thereof.

Trade and other payables

Classification

Trade and other payables (note 14), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

They are recognised when the Company becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value minus transaction costs, if any.

Trade and other payables expose the Company to liquidity risk and possibly to interest rate risk. Refer to note 33 for details of risk exposure and management thereof.

Trade and other payables denominated in foreign currencies

When trade payables are denominated in a foreign currency, the carrying amount of the payables is determined in the foreign currency. The carrying amount is then translated to the Rand equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss in the fair value adjustments (note 20).

Details of foreign currency risk exposure and the management thereof are provided in the financial instruments and risk management note (note 33).

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks, and short-term highly liquid investments with original maturities of three months or less, that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value.

1.7 **Income tax**

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities/(assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit/(tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit/(tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income; or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.8 **Inventories**

Inventories are measured at the lower of cost and net realisable value on the first-in-first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

When inventories are sold, the carrying amount of those inventories are recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.9 **Share capital and equity**

Ordinary shares are recognised at par value and classified as “share capital” in equity. Any amounts received from the issue of shares in excess of par value is classified as “share premium” in equity. Dividends are recognised as a liability in the Company in which they are declared.

1.10 **Employee benefits**

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Equity compensation benefit

The Group operates an equity settled conditional share plan, under which the entity receives services from employees as consideration for equity instruments of the Group. The fair value of the services received in exchange for the grant of conditional shares is recognised as an expense. The total amount to be expensed is determined by the fair value of the conditional shares granted. The total amount expensed is recognised over the vesting period, which is the period over which all of the vesting conditions are to be satisfied. At year end, the entity recognises the impact of any shares that have been forfeited prior to the end of the vesting period, if any, in the statement of comprehensive income with a corresponding adjustment to liabilities.

In the event that the Company has procured the shares up front in order to settle the award, this is accounted for as a purchase of shares in the holding company and only once the shares vest as the performance conditions are met would the share be derecognised. When shares are derecognised the investment in shares in BLU will be credited and liabilities will be debited.

1.11 **Revenue from contracts with customers**

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control of a product or service to a customer.

1.12 **Revenue**

Revenue from the sale of goods or rendering of services is recognised when the performance obligations of the contract have been met.

Revenue from the sale of mobile handsets is recognised at a point in time when control of the goods transfers to the customer, which is generally on acceptance of the goods by the customer.

Revenue is recognised only when it is probable that the economic benefits associated with the transaction will flow to the entity However, when an uncertainty arises about the collectability of an amount already included in revenue, the uncollectable amount or the amount in respect of which recovery has ceased to be probable, is recognised as an expense, rather than as an adjustment of the amount of revenue originally recognised.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Revenue on the sale of mobile handsets is measured at the effective selling price of the items sold after subtracting discounts and rebates granted to customers on volume purchases and early settlement where applicable. Payment is due monthly over the contract term (i.e. 24/36 months). CEC has assessed that the right of return that customers have in relation to sold goods does not have a significant impact on the revenue recognised. This is due to the fact that the majority of returns are related to products returned under warranty where back-to-back warranty arrangements are in place with the product manufacturer and thus there is a minimal impact on revenue recognised. Effective from June 2022, a change in the contractual arrangement between CEC and Cell C has resulted in CEC taking over the stock risk and control over post-paid contract devices until ultimate sale to subscribers. Consequently, these subscribers are considered customers of CEC for post-paid device sales and the related consideration received net of costs is no longer recognised within this category.

Interest is recognised, in profit or loss, using the effective interest rate method. Interest earned through the ordinary activities of the entity will be included as part of the revenue disclosure, whereas incidental interest earned will be disclosed separately under interest income.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

1.13 **Cost of sales**

When merchandise is sold, the carrying amount of this merchandise is recognised as an expense in the period in which the related revenue is recognised.

Any direct costs attributable to the generation of revenue (including, but not limited to interest expense, guarantee fees, commission, structuring fees and amortisation of intangible assets) will be included in cost of sales.

1.14 **Translation of foreign currencies**

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

1.15 **Interest expense**

Interest expense is recognised as an expense in the period in which it is incurred. Interest charged through the ordinary activities of the entity will be included as part of the cost of sales disclosure, whereas incidental interest charged will be disclosed separately under interest expense.

2. NEW STANDARDS AND INTERPRETATIONS

2.1 Standards and interpretations not yet effective

The standards, interpretations and amendments listed below will only be effective in future reporting periods. It is expected that the Group will adopt the pronouncements on their respective effective dates. The amendments are not expected to have a material impact on the Group, however, the impact will continue to be assessed as these standards are adopted.

Standard/Interpretation:	Effective date:	Expected impact:
IAS 21 (The effects of changes in foreign exchange rates) Lack of exchangeability, the amendments require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and when it is not.	31 May 2026	Unlikely there will be a material impact
IFRS 9 (Financial Instruments) Amendments to the classification and measurement of the financial instruments. Clarifying the classification of financial assets and ESG and similar features. Clarifying the date on which a financial asset and financial liability is derecognised, when a liability is settled through electronic payment systems.	31 May 2027	Unlikely there will be a material impact
IFRS 7 (Financial Instruments: Disclosures) Amendments to the classification and measurement of the financial instruments. IFRS 7 introduces the additional disclosure requirements to enhance transparency for investors regarding investments in equity instruments designated at fair value through OCI and financial instruments with contingent features, for example features tied to ESG-linked targets.	31 May 2027	Unlikely there will be a material impact
Annual Improvements to IFRS Accounting Standards Volume 11 – Amendments to IFRS 1 (First-time Adoption of International Financial Reporting Standards), IFRS 7, IFRS 9, IFRS 10 (Consolidated Financial Statements) and IAS 7 (Statement of Cash flows) The amendments were made to address potential inconsistencies and potential confusions in the standards relating to: IFRS 1 dealing with hedge accounting by a first-time adopter IFRS 7 dealing with gain or loss on derecognition and disclosures in the implementation guidance IFRS 9 dealing with lessee derecognition of lease liabilities and transaction price IFRS 10 dealing with Determination of a “de facto agent”; and IAS 7 dealing with the term “cost method”.	31 May 2027	Unlikely there will be a material impact
IFRS 18 (Presentation and Disclosure in the Financial Statements) Improved comparability in the statement of profit or loss (income statement) through the introduction of three defined categories, operating, investing and financing but essentially does not change net profit. Introduces enhanced transparency of management defined performance measures, which will be part of the audited financial statements. Further provides guidance on more useful grouping of information in the financial statements through enhanced guidance on how to organise information.	31 May 2028	As it stands, our assessment indicates that the new standards are expected to affect the presentation and disclosure as it pertains to the financial statements, and not the recognition and measurement of any items included in the primary financial statements.

Standard/Interpretation:	Effective date:	Expected impact:
IFRS 19 (Subsidiaries Without Public Accountability Disclosures) Permits eligible subsidiaries to use the same recognition, measurement and presentation as IFRS Accounting Standards, but allows for specific reduced disclosure area. Subsidiaries are eligible to apply IFRS 19 if they do not have public accountability and their parent company applies IFRS Accounting Standards in their consolidated financial statements.	31 May 2028	As it stands, our assessment indicates that the new standards are expected to affect the presentation and disclosure as it pertains to the financial statements, and not the recognition and measurement of any items included in the primary financial statements.

3. **EQUIPMENT**

Figures in R'000	2025			2024			2023		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Motor vehicles	770	(577)	193	700	(385)	385	770	(192)	578
Office equipment	121	(83)	38	185	(132)	53	291	(221)	70
Computer equipment	999	(654)	345)	1125	(664)	461	788	(579)	209
Total	**1 890**	**(1 314)**	**576**	**2080**	**(1 181)**	**899**	**1 849**	**(992)**	**857**

Reconciliation of equipment – 2025

Figures in R'000	Opening balance	Additions	Disposals	Depreciation	Total
Motor vehicles	385	–	–	(192)	193
Office equipment	53	–	(1)	(14)	38
Computer equipment	461	198	(14)	(300)	345
	898	**198**	**(15)**	**(506)**	**576**

Reconciliation of equipment – 2024

Figures in R'000	Opening balance	Additions	Disposals	Depreciation	Total
Motor vehicles	578	–	–	(193)	385
Office equipment	70	18	(5)	(30)	53
Computer equipment	209	475	(11)	(212)	461
	857	**493**	**(16)**	**(435)**	**899**

Reconciliation of equipment – 2023

Figures in R'000	Opening balance	Additions	Disposals	Depreciation	Total
Motor vehicles	–	770	–	(192)	578
Office equipment	191	–	(32)	(89)	70
Computer equipment	187	172	–	(150)	209
	378	**942**	**(32)**	**(431)**	**857**

4. INTANGIBLE ASSETS

Figures in R'000	2025			2024			2023		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Computer software	6 277	(1 569)	4 708	4 959	(4 959)	–	4 959	(4 959)	–
Subscriber acquisition cost	649 828	(537 051)	112 777	525 519	(422 189)	103 330	418 710	(287 319)	131 391
Subscription income sharing arrangement	1 355 788	(626 850)	728 938	1 355 788	(461 808)	893 980	1 355 788	(296 765)	1 059 023
Total	**2 011 893**	**(1 165 470)**	**846 423**	**1 886 266**	**(888 956)**	**997 310**	**1 779 457**	**(589 043)**	**1 190 414**

Reconciliation of intangible assets – 2025

Figures in R'000	Opening balance	Additions	Amortisation	Total
Computer software	–	6 277	(1 569)	4 708
Subscriber acquisition cost	103 330	124 309	(114 862)	112 777
Subscription income sharing arrangement	893 980	–	(165 042)	728 938
	997 310	**130 586**	**(281 473)**	**846 423**

Reconciliation of intangible assets – 2024

Figures in R'000	Opening balance	Additions	Amortisation	Total
Subscriber acquisition cost	131 391	106 809	(134 870)	103 330
Subscription income sharing arrangement	1 059 023	–	(165 043)	893 980
	1 190 414	**106 809**	**(299 913)**	**997 310**

Reconciliation of intangible assets – 2023

Figures in R'000	Opening balance	Additions	Amortisation	Total
Computer software	619	–	(618)	–
Subscriber acquisition cost	160 706	134 168	(163 483)	131 391
Subscription income sharing arrangement	1 104 436	117 529	(162 942)	1 059 023
	1 265 761	**251 697**	**(327 044)**	**1 190 414**

Other information

Non-cash transactions during the 2025 financial year comprise the additions to the subscriber acquisition costs of R nil (2024: R14 million, 2023: R14 million).

The amortisation charge relating to subscriber acquisition cost and subscription income sharing arrangement is included as direct operating costs in cost of sales.

5. INVESTMENT IN SUBSIDIARIES

Figures in R'000	**2025**		**2024**		**2023**	
Name of company	**% holding 2025**	**Carrying amount 2025**	**% holding 2024**	**Carrying amount 2024**	**% holding 2023**	**Carrying amount 2023**
Striide SA (Pty) Ltd	100%	–	100%	–	100%	–

Striide SA (Pty) Ltd is a wholly-owned subsidiary incorporated in South Africa and sells gym equipment. 100% of the ordinary shares and 100% of the voting rights are held.

No dividends were received from Striide SA (Pty) Ltd during this year (2024: R nil, 2023: R nil).

6. EQUITY INVESTMENT HELD

Forfeitable shares in BLU at fair value through profit or loss	**2 493**	**6 585**	**7 862**
Mandatorily at fair value through profit or loss: Listed shares 210 411 (2024: R1 531 306, 2023: R2 171 833) forfeitable shares in BLU. These shares are Level 1 fair value in terms of the fair value hierarchy.	2 493	6 585	7 862
	2 493	**6 585**	**7 862**

Forfeitable shares in ultimate holding company

During the year, conditional shares were granted to directors and qualifying employees. The participant will forfeit the conditional shares if he/she ceases to be an employee of an employer company before the vesting date or if the specified performance condition has not been met, unless otherwise specified by the rules or determined by the board.

Dividends declared in respect of these conditional shares will accrue to participants and be withheld until such time as the performance conditions are met and the shares have vested. Shares forfeited during the vesting period will forfeit any dividends pertaining to such shares. No dividend was declared during the current or prior year.

The performance conditions for each conditional share award that during the year was granted, vested or is still to vest are as follows:

The performance conditions for fourteenth award are as follows:

Group Long-term incentive ("LTI") Financial Metrics*	**Threshold**	**Target**	**Stretch**
Core HEPS (30%) (compounded cumulatively over three years)		CPI + 2%	CPI + 4%
	Vesting %	30%	42%
Total Shareholder Return (30%) performance against JSE Capped All Share Index		JSE Capped All Share Index Return + CPI + 5% (average not compounded over three years)	JSE Capped All Share Index Return + CPI + 15% (average not compounded over three years)
	Vesting %	30%	42%
Return on capital employed (ROCE)** (20%) compared to WACC over the three-year period (not compounded)		ROCE greater than or equal to WACC +1% over three years	ROCE greater than or equal to WACC +2% over three years
	Vesting %	20%	28%
Environmental, Social and Governance*** (ESG) (20%) Specific ESG metrics		Specific ESGs selected	Specific ESGs selected
	Vesting %	20%	28%
ESG and individual performance measures		Specific ESGs selected and KPIs	
	Vesting %	72%	

* *Remco may review metrics and targets post year end for new awards to ensure that they are relevant. The LTI is calculated per metric. Values awarded will be a weighted average of scores attained versus target. All metrics will be assessed and vest on a pro rata basis applying linear interpolation basis, save for the ESG/KPI metrics which will be assessed on a binary basis.*

** *ROCE is calculated using the following formula: ROCE = Net operating profit (EBIT)/Capital employed. Capital employed = total assets – current liabilities (excluding interest-bearing borrowings). The Remuneration Committee will review any prior year impairments to assess if adverse outcomes have occurred, and if so, make the necessary adjustments to the capital employed number such that the average performance is a more accurate indication to shareholders over the measurement period.*

*** *The stretch component of the ESG and individual KPIs in the LTIP are assessed on a binary basis and only provide for the achievement of target performance, with threshold performance being assessed on a pro rata basis relative to target.*

The Remuneration Committee will review any prior year impairments to assess if adverse outcomes have occurred, and if so, make the necessary adjustments to the capital employed number such that the average performance is a more accurate indication to shareholders over the measurement period.

The performance conditions for the fifteenth award are as follows:

Group LTI metrics*	Threshold	Target	Stretch
Core HEPS (30%) (compounded cumulatively over three years)		CPI + 2%	CPI + 4%
	Vesting %	30%	45%
TSR (30%) performance against JSE Capped All Share Index		Performance equal to three-to-five year SARB nominal long bond rate +7.5%**	125% of target
	Vesting %	30%	45%
ROCE*** (20%) compared to WACC over the three-year period (not compounded)		ROCE greater than or equal to WACC +1% over three years	ROCE greater than or equal to WACC +2% over three years
	Vesting %	20%	30%
Environmental, social and governance (ESG) (20%) (specific ESG metrics)****		Specific	No stretch
	Vesting %	20%	20%
ESG and individual performance measures		Specific ESGs selected and KPIs	
	Vesting %	72%	

* Remco may review metrics and targets post year end for new awards to ensure that they are relevant. The LTIP is calculated per metric. Values awarded will be a weighted average of scores attained versus target. All metrics will be assessed and vest on a pro-rata basis applying linear interpolation basis, save for the ESG metric which will be assessed on a binary basis.

** In setting the TSR target, consideration was given to utilise a risk-free rate that is aligned with a typical vesting and performance period of the award, consequently a 3–5 SARB nominal long bond rate was applied as the anchor in setting TSR targets, with an appropriate spread applied to this anchor in order to set realistic but stretching targets. In addition, TSR will be assessed based on growth in market cap as well as dividends distributed to shareholders over the performance period.

*** ROCE is calculated using the following formula:

ROCE = Net operating profit (EBIT)/Capital employed. Capital employed = total assets–current liabilities (excluding interest-bearing borrowings). The Remuneration Committee will review any prior year impairments to assess if adverse outcomes have occurred, and if so, make the necessary adjustments to the capital employed number such that the average performance is a more accurate indication to shareholders over the measurement period.

****RemCo removed the stretch component of the ESG KPIs in the LTIP as these measures are assessed on a binary basis and only provide for the achievement of target performance, with threshold performance being assessed on a pro-rata basis relative to target.

The performance conditions for the sixteenth award are as follows:

Group LTI metrics*		Threshold	Target	Stretch
Core HEPS (30%) (compounded cumulatively over three years)		CPI	CPI + 2%	CPI + 4%
	Vesting %	21.60%	30%	45%
ROCE*** (30%) compared to WACC over the three-year period (not compounded)		ROCE greater than or equal to WACC over three years	ROCE greater than or equal to WACC +1% over three years	ROCE greater than or equal to WACC +2% over three years
	Vesting %	21.60%	30%	45%
Strategic performance scorecard (20%)		Linked to strategic milestones	Linked to strategic milestones	Linked to strategic milestones
	Vesting %	14.40%	20%	30%
ESG (10%) specific ESG metrics***		Pro-rata of target	Specific	No stretch
	Vesting %	7.2%	10%	10%
Individual KPIs (10%)***		Pro-rata of target	Specific	No stretch
	Vesting %	7.2%	10%	10%

* The committee may review metrics and targets post year end for new awards to ensure that they are relevant. The LTIP is calculated per metric. The Value awarded to financial metrics will be a weighted average of scores attained versus target. All metrics will be assessed and vest on a pro-rata basis applying linear interpolation basis (ESG and individual KPIs cannot vest above target).

** ROCE is calculated using the following formula:

ROCE = Net operating profit (EBIT)/Capital employed. Capital employed = total assets – current liabilities (excluding interest-bearing borrowings). The Remuneration Committee will review any prior year impairments to assess if adverse outcomes have occurred, and if so, make the necessary adjustments to the capital employed number such that the average performance is a more accurate indication to shareholders over the measurement period.

*** ESG and individual KPIs cannot vest above target, as indicated by the vesting percentages in the table above.

Movements in the conditional share awards outstanding during the year are as follows:

Figures in R'000

2025	Grant date	Vesting date	Number of shares	Fair value
At beginning of the year				
Fourteenth award	6 April 2022	31 August 2024	1 088 095	4 679
Fifteenth award	1 September 2022	31 August 2025	443 212	1 906
Sixteenth award	23 October 2023	31 August 2026	1 328 857	5 714
Granted during the year				
Seventeenth award	19 November 2024	31 August 2027	935 975	4 614
Shares forfeited during the year				
Fourteenth award			(304 666)	(1 956)
Fifteenth award			(125 449)	(784)
Sixteenth award			(710 101)	(2 287)
Shares vested during the year				
Fourteenth award		31 August 2024	(783 428)	(4 113)
Fifteenth award		19 December 2024	(107 352)	(600)
Fair value movement				
At end of year			–	**13 743 506**
Fifteenth award			210 411	2 493
Sixteenth award			618 756	7 332
Seventeenth award			935 975	11 091

Movements in the conditional share awards outstanding during the year are as follows:

Figures in R'000

2024	**Grant date**	**Vesting date**	**Number of shares**	**Fair value**
At beginning of the year				
Thirteenth Award	1 September 2020	31 August 2023	462 375	1 674
Fourteenth award	6 April 2022	31 August 2024	1 168 952	4 232
Fifteenth award	1 September 2022	31 August 2025	540 506	1 957
Sixteenth award	23 October 2023	31 August 2026	1 328 857	5 714
Granted during the year				
Thirteenth Award			42 261	135
Shares forfeited during the year				
Thirteenth award			–	–
Fourteenth award			(80 858)	(519)
Fifteenth award			(97 295)	(608)
Shares vested during the year				
Thirteenth Award		31 August 2023	(504 636)	(1 665)
Fair value movement				
At end of year			**–**	**2 815**
Fourteenth Award			1 088 095	4 679
Fifteenth Award			443 212	1 906
Sixteenth Award			1 328 857	5 714

Figures in R'000

2024	**Grant date**	**Vesting date**	**Number of shares**	**Fair value**
At beginning of the year				
Twelfth award	12 November 2019	31 August 2022	448 551	2 527
Thirteenth award	1 September 2020	31 August 2023	551 438	3 105
Fourteenth award	6 April 2022	31 August 2024	1 454	8 188
Granted during the year				
Fifteenth award	1 September 2022	31 August 2025	540 506	3 378
Awarded during the year – achievement of stretch targets				
Twelfth award			–	–
Shares forfeited during the year				
Thirteenth award			(89 063)	(285)
Fourteenth award			(285 393)	(1 832)
Shares vested during the year				
Twelfth award		31 August 2022	(509 581)	(3 312)
Fifteenth award		19 December 2024	–	–
Fair value movement				
At end of year			**–**	**(4 061)**
Thirteenth award			462 375	1 674
Fourteenth award			1 168 952	4 232
Fifteenth award			540 506	1 957

The fair value of the shares is based on the open market year end.

The total number of forfeitable shares issued to directors during the period is R511 156 (2024: R2 870 105) (2023: R1 484 124).

7. DEFERRED TAX

Figures in R'000	2025	2024	2023
Deferred tax asset/(liability)	(227 122)	(269 274)	(321 412)
Intangible assets	49 405	24 473	94 614
Provision for loss allowance	444	408	368
Provision for audit fees	345	382	275
Accrual for leave pay accrual for bonuses	2 104	3 492	–
Share scheme	1 7234	318	–
Other – 24J	24 374	–	–
Total deferred tax liability	**(148 727)**	**(240 201)**	**(226 155)**

The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:

Net deferred tax liability	(148 727)	(240 201)	(226 155)
Reconciliation of deferred tax asset/(liability)			
At beginning of year	(240 201)	(226 155)	(218 466)
Debit to the statement of profit or loss and other comprehensive income	60 512	(14 046)	(7 689)
Prior year adjustment	30 962	–	
	(148 727)	**(240 201)**	**(226 155)**

8. ADVANCES TO CUSTOMERS

Figures in R'000	2025	2024	2023
Financial instruments:			
Customer advances – current portion	1 157 643	895 206	1 800 680
Customer advances – non-current portion	750 632	540 611	1 038 501
Loss allowance	(264 508)	(199 458)	(581 979)
Advances to customers at amortised cost	1 643 767	1 236 359	2 257 202
Total advances to customers	**1 643 767**	**1 236 359**	**2 257 202**
Split between non-current and current portions			
Non-current assets	653 146	485 323	810 252
Current assets	990 621	751 036	1 446 950
	1 643 767	1 236 359	2 257 202

Customer advances represent sale of handsets to the end Cell C contract subscribers and are received by CEC over the life of the contract.

Included in the current portion of customer advances is R18 million (2024: R67 million, 2023: R nil) that relate to the 7.5% (2024: 8%) (2023: 0%) hold back on the African Bank book sales. Refer to note 33 Transferred assets.

Exposure to credit risk

Under the new "Supply, Sale and Financing of Products Agreement" effective 1 November 2020, Cell C no longer guarantees bad debts and cancellations and this now exposes CEC to the credit risk of the population of the underlying subscribers who are all customers of Cell C.

In terms of the above agreement, if Cell C is unable or admits inability to make a payment as they fall due, or is deemed to or declared to be unable to pay its debts under the applicable law, suspends or threatens to suspend making payments by reason of actual or anticipated financial difficulties, they would be in breach of their agreement. If not remedied, CEC ultimately has a right to port the Cell C base.

Exposure to currency risk

There is no exposure to currency risk as the Company only operates within South Africa.

Fair value of advances to customers

The fair value of trade and other receivables approximates their carrying amounts due to the market related discount factor.

9. INVENTORIES

Figures in R'000	2025	2024	2023
Finished goods	196 875	242 054	328 360
Airtime and data	793 004	–	–
	989 879	**242 054**	**328 360**

10. LOANS TO GROUP COMPANIES

Figures in R'000	2025	2024	2023
Subsidiaries			
Striide SA (Pty) Ltd			
This loan is unsecured, interest free and is repayable on demand	8 682	8 743	8 056
Holding company			
The Prepaid Company (Pty) Ltd (TPC)			
This loan is unsecured, interest free and is repayable on demand	83 324	76 998	–
Split between non-current and current portions			
Current assets	92 006	85 741	8 056

11. TRADE AND OTHER RECEIVABLES

Figures in R'000	2025	2024	2023
Financial instruments:			
Cell C receivable	–	414 356	249 942
Other trade receivables	106 429	139 203	84 951
Loss allowance	(579)	(1 596)	(2 055)
Trade receivables at amortised cost	105 850	551 963	332 838
Other receivables	12 968	8 573	5 138
Non-financial instruments:			
VAT	134 633	–	14 513
Prepayments	16 954	26 929	20 673
Total trade and other receivables	**270 405**	**587 465**	**373 162**
Split between non-current and current portions			
Current assets	270 405	587 465	373 162
Financial instrument and non-financial instrument components of trade and other receivables			
At amortised cost	118 818	560 535	337 976
Non-financial instruments	151 587	26 929	35 186
	270 405	**587 465**	**373 162**

Included in the trade and other payables balance is an amount of R834 million (2024: R796 million), (2023: R937 million) which has been set-off against trade and other receivables in line with the recapitalisation agreement.

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts due to their short-term nature.

12. **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of:

Figures in R'000	2025	2024	2023
Bank balances	38 137	4 416	6 314
Short-term deposits	–	20 000	39
	38 137	**24 416**	**6 353**

Credit quality of cash at bank and short-term deposits, excluding cash on hand

The credit quality of cash at bank and short-term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:

Credit rating			
B	38 137	24 416	6 353

13. **SHARE CAPITAL**

Figures in R'000	2025	2024	2023
Authorised			
1500 Ordinary shares at no par value	514 015	514 015	514 015
Reconciliation of number of shares authorised:			
Reported as at 1 June 2024	1 500	1 500	1 500
Issued and fully paid			
1 001 Ordinary shares at no par value	514 015	514 015	514 015

14. **TRADE AND OTHER PAYABLES**

Figures in R'000	2025	2024	2023
Financial instruments:			
Trade payables	1 136 344	160 226	1 006 500
Accrued leave pay	1 279	1 4161	1 020
Accrued bonus	7 794	12 932	–
Accrued payroll expenses	1 483	1 868	1 074
Other accruals	32 148	30 534	23 849
Deposits received	79	79	79
Non-financial instruments			
VAT	–	12 571	–
	1 179 127	**219 626**	**1 032 522**

Financial instrument and non-financial instrument components of trade and other payables

At amortised cost	1 179 127	207 055	1 032 522
Non-financial instruments	–	12 571	–
	1 179 127	219 626	1 032 522

Included in trade and other payables is an amount of R834 million (2024: R795 million, 2023: R937 million) which has been set off against trade and other receivables.

15. **LOANS FROM GROUP COMPANIES**

Figures in R'000	2025	2024	2023
Fellow subsidiaries			
BluAdvance (Pty) Ltd			
This loan is unsecured, interest free and has no fixed terms of repayment.	621	4 541	4 431
Split between non-current and current portions			
Current liabilities	621	4 451	4 431

Refer to note 31 Changes in liabilities arising from financing activities for details of the movement in loans from Group companies during the reporting period.

16. **BORROWINGS**

Figures in R'000	2025	2024	2023
Held at amortised cost			
African Bank Limited	–	–	1 900 000
African Bank Limited	1 699 270	1 900 000	–
	1 699 270	**1 900 000**	**1 900 000**
Split between non-current and current portions			
Non-current liabilities	1 165 780	1 659 355	492 710
Current liabilities	533 490	240 645	1 407 290
	1 699 270	**1 900 000**	**1 900 000**

Facility	Interest rate	Interest period	Value
African Bank Facility	Prime plus 3%	Monthly	1 699 270

CEC entered into a borrowing agreement with African Bank on 26 of November 2021 for a maximum facility of R1.9 billion. CEC fully repaid this facility and took out a new facility with African Bank on 14 December 2023 with a maximum facility value of R1.9 billion. This is a revolving facility for 12 months ending December 2025, whereafter this will be repaid in 35 equal monthly instalments with a final repayment of R215 million in December 2027.

This facility is securitised by a combination of subscriber handset receivables as well as service revenue receivables but CEC must maintain a collateral of at least 1.25 times the utilised facility. The facility balance as at 31 May 2025 amounts to R1 699 million and therefore requires a total collateral pool of R2 124 million. This collateral pool is updated monthly with African Bank as some contracts expire and new contracts are added. As at 31 May 2025, the collateral pool consisted of R1 682 million of service revenue receivables, R226 million of trade receivables and R806 million of handset receivables. As at 31 May 2024, the collateral pool consisted of R1 587 million of service revenue receivables, R229 million of trade receivables and R635 million of handset receivables.

BLT and TPC collectively guarantees a value of R250 million to African Bank.

Refer to note 31 Changes in liabilities arising from financing activities for details of the movement in the borrowings during the reporting period and note 33 Financial instruments and financial risk management for the fair value of borrowings.

A market-related interest rate of 13.75% (2024: 14.75%), (2023: 11.05%) is applicable to the borrowings.

Figures in R'000	2025	2024	2023
Reconciliation of African Bank Facility cash flows			
Opening Balance	1 900 000	1 900 000	1 623 342
Interest bearing borrowings repaid	(469 776)	(1 900 000)	(943 996)
Interest bearing borrowings raised	269 046	1 900 000	1 220 654
	1 699 270	**1 900 000**	**1 900 000**

17. REVENUE

Figures in R'000	2025	2024	2023
Revenue from contracts with customers			
Handset revenue	2 040 909	2 355 103	2 491 834
Revenue other than from contracts with customers			
Subscription income share	515 246	460 574	940 976
Interest receiving (trading)	292 520	398 615	301 642
	807 766	**859 189**	**1 242 618**
	2 848 675	**3 214 292**	**3 734 452**

18. COST OF SALES

Figures in R'000	2025	2024	2023
Sale of goods	1 715 950	1 887 333	1 988 745
Amortisation of intangible assets	279 904	299 913	326 425
	1 955 854	**2 187 246**	**2 315 170**

19. OTHER INCOME

Figures in R'000	2025	2024	2023
Consulting and management fees received	540	–	–
Bad debts recovered	2 384	28 805	–
Subscription income	1 546	1 705	9 730
(Loss)/profit on foreign exchange difference	(75)	198	1 153
(Loss)/profit on sale of equipment	(4)	101	19
	4 391	**30 809**	**10 902**

20. FAIR VALUE ADJUSTMENTS

Figures in R'000	2025	2024	2023
Fair value gains			
Equity investment held	3 362	1 380	(4 061)
Fair value on financial asset	8 736	–	–
	12 098	**1 380**	**(4 061)**

21. OPERATING PROFIT

Operating profit for the year is stated after charging/(crediting) the following, amongst others:

Fiugres in R'000	2025	2024	2023
Auditor's remuneration – external			
Audit fees	1 073	1 510	2 223
Remuneration, other than to employees			
Consulting fees	35 804	55 251	62 538
Legal fees	313	1 228	(2 520)
	36 117	**56 479**	**60 018**
Employee costs			
Salary and bonuses	49 467	56 642	26 639
Share incentive scheme	7 803	3 250	1 939
Total employee costs	**57 270**	**59 892**	**28 578**
Depreciation and amortisation			
Deprecation of equipment	506	435	431
Deprecation of right-of-use assets	–	–	374
Amortisation of intangible assets	1 569	–	618
Total depreciation and amortisation	**2 075**	**435**	**1 423**

Expenses by nature

The total cost of sales, selling and distribution expenses, marketing expenses, general and administrative expenses, research and development expenses, maintenance expenses and other operating expenses are analysed by nature as follows:

Figures in R'000	**2025**	**2024**	**2023**
Cost of sales	1 995 854	2 187 246	2 315 170
Employee costs	57 270	59 892	28 578
Lease expenses	–	–	1 331
Depreciation and amortisation	2 075	435	1 423
Other expenses	35 798	37 030	35 985
Legal fees	313	1 228	(2 520)
Movement in expected credit losses	481 568	333 902	589 532
Management fees	72 996	83 910	95 341
Marketing	27 836	19 201	35 520
Consulting	35 804	55 251	62 538
	2 709 514	**2 784 095**	**3 162 898**

22. INVESTMENT INCOME

Figures in R'000	**2025**	**2024**	**2023**
Interest income			
Investments in financial assets:			
Loans receivable at amortised cost	77 506	226 737	82 565
Money on deposit	8 006	5 748	3 492
Trade receivables	47 181	–	–
Total interest income	**132 693**	**232 485**	**86 057**

23. FINANCE COSTS

Figures in R'000	**2025**	**2024**	**2023**
Lease liabilities	–	–	30
Bank overdraft	–	78	–
Trade and other payables	67 798	8 441	642
African Bank borrowings	406 337	388 688	199 412
Total finance costs	**474 135**	**397 207**	**200 084**

Included in the R406 million (2024: R389 million) above is a facility fee of R55 million (2024: R68 million) as well as finance costs related to African Bank book sale of R83 million (2024: R93 million), with the remainder resulting from interest on the African Bank facility.

24. TAXATION

Figures in R'000	2025	2024	2023
Major components of the tax expense/(income)			
Current			
Local income tax – current period	–	45 583	116 605
Local income tax – recognised in current tax for prior period	30 996	–	–
	30 996	**45 583**	**116 605**
Deferred			
Originating and reversing temporary differences – current period	(60 478)	14 046	7 688
Arising from prior period adjustments	(30 996)	–	–
	(91 474)	**14 046**	**7 688**
	(60 478)	**59 629**	**124 293**
Reconciliation of the tax expense			
Reconciliation between accounting profit and tax expense			
Accounting (loss)/profit before tax	(219 895)	244 405	399 868
Tax at the applicable tax rate of 27% (2024: 27%, 2023: 27%)	(59 372)	65 989	107 964
Tax effect of adjustments on taxable income			
Charitable donations income	61	40	225
Movement in ECL	(3 229)	(7 257)	(1 741)
SARS penalties and interest	1 574	1 661	–
Fair value adjustment	(908)	(373)	1 096
Share scheme	1 396	(431)	(666)
Loss on modification	–	–	17 415
	(60 478)	**59 629**	**124 293**

25. CASH GENERATED FROM OPERATIONS

Figures in R'000	2025	2024	2023
(Loss)/profit before taxation	(219 895)	244 405	399 868
Adjustments for:			
Depreciation and amortisation	281 979	300 348	327 849
Interest income	(425 213)	(631 100)	(387 699)
Finance costs	474 135	397 207	200 084
Fair value (gains)/losses	(12 098)	(1 380)	4 061
Loss on modification	–	–	64 500
Derecognition loss	51 576	53 259	–
Movement in deferred loan loss allowance	(23 313)	(17 279)	–
Mark to market on FEC	–	–	(200)
Share incentive cost	9 403	3 250	(1 373)
Changes in working capital:			
Inventories	(747 825)	86 306	(297 265)
Trade and other receivables	317 060	(214 303)	1 178 9028
Advances to customers	(457 560)	942 521	(589 663)
Trade and other payables	959 500	(812 8954)	62 391
	207 749	**350 339**	**961 455**

26. **TAX PAID**

Figures in R'000	2025	2024	2023
Balance at beginning of the year	(11 760)	(52 847)	41
Current tax for the year recognising in profit and loss	(30 996	(45 583)	(116 605)
Balance at end of the year	(41)	11 760	52 847
	(42 797)	**(86 670)**	**(63 717)**

27. **RELATED PARTIES**

Relationships	
Ultimate holding company	Blue Label Unlimited Group Limited
Holding company	The Prepaid Company (Pty) Ltd
Subsidiaries	Refer to note 5
	Blue Label Company (Pty) Ltd Blue Label Connect (Pty) Ltd Blue Label Data Solutions (Pty) Ltd Blue Label Distribution (Pty) Ltd BluNova (Pty) Ltd Robtronics (Pty) Ltd BluAdvance (Pty) Ltd
Fellow subsidiaries	Blue Label One (Pty) Ltd
Fellow associate	Cell C Service Provider Company (Pty) Ltd
	A Green blatt BM Levy L Mthimunye
Directors	W Janse van Rensburg

Figures in R'000	2025	2024	2023
Related party balances			
Loan accounts – Owing (to)/by related parties			
BluAdvance (Pty) Ltd	(621)	(4 541)	4 431
The Prepaid Company (Pty) Ltd	86 912	76 998	–
Striide SA (Pty) Ltd	8 977	8 977	8 977
Cell C Service Provider Company (Pty) Ltd	449 901	675 533	906 061
Amounts included in trade receivables/ (trade payables) regarding related parties			
Blue Label Company (Pty) Ltd	–	–	(11 751)
Blue Label Distribution (Pty) Ltd	(296)	(3 268)	(412)
BluNova (Pty) Ltd	3 280	(16 293)	(15 271)
Striide SA (Pty) Ltd	2 139	845	112
Blue Label Connect (Pty) Ltd	515	(490)	(2 986)
Glocell Distribution (Pty) Ltd	–	–	(196)
Blue Label One (Pty) Ltd	(172)	–	–
Blue Label Data Solutions (Pty) Ltd	(5 214)	(1 314)	(7 334)
Robtronics (Pty) Ltd	1 196	–	(857)
The Prepaid Company (Pty) Ltd	(345 744)	–	(45 246)
Cell C Service Provider Company (Pty) Ltd	–	597 583	514 967
Cell C Service Provider Company (Pty) Ltd	(95 090)	(15 786)	(260 914)
Related party transactions			
Interest received from related parties			
Cell C Service Provider Company (Pty) Ltd	125 100	226 737	185 011

Figures in R'000	2025	2024	2023
Purchasers from/(sales to) related parties			
Blue Label Connect (Pty) Ltd	(3 713)	(2 262)	(9 439)
BluNova (Pty) Ltd	24 188	44 491	53 025
Blue Label Distribution (Pty) Ltd	2 253	1 363	95
Blue Label Distribution (Pty) Ltd	(1 554)	–	–
Blue Label Data Solutions (Pty) Ltd	33 404	13 058	8 577
The Prepaid Company (Pty) Ltd	308 536	–	–
The Prepaid Company (Pty) Ltd	(74)	–	(40 024)
TicketPro (Pty) Ltd	–	–	(13)
Robtronics (Pty) Ltd	2 837	3 166	745
Robtronics (Pty) Ltd	(2118)	–	–
Blue Label One (Pty) Ltd	1 695	793	1 551
Blue Label One (Pty) Ltd	(9)	–	–
Cell C Service Provider Company (Pty) Ltd	(3 846 555)	(4 409 315)	(4 993 250)
Cell C Service Provider Company (Pty) Ltd	1 812 881	2 151 039	2 540 047
Dividends paid to related parties			
The Prepaid Company (Pty) Ltd	–	472 000	402 000
Management fees paid to/(from) related parties			
Blue Label Company (Pty) Ltd	63 649	64 670	89 879
The Prepaid Company (Pty) Ltd	–	9 000	–
Blue Label Distribution (Pty) Ltd	505	661	249
Blue Label Connect (Pty) Ltd	8 841	9 578	5 213
BluNova (Pty) Ltd	(540)	–	–

28. GOING CONCERN

The directors believe that the Company have adequate financial resources to continue in operation for the next 12 months. The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

29. FINANCIAL ASSETS

Figures in R'000	2025	2024	2023
At fair value through profit and loss			
Escrow hold back receivable	32 375	25 063	–
Non-current assets			
At fair value through profit/(loss)	16 226	24 445	–
Current assets			
At fair value through profit/(loss)	16 149	618	–
	32 375	**25 063**	**–**

This financial asset has a fair value hierarchy level 3.

The gains arising from the change in fair value will be included in profit or loss.

The fair value of this financial asset was determined through the discounting of post churn cash flows after taking into account the credit risk of the book sold to African Bank.

A significant parameter in determining the fair value of the escrow receivable is post churn recoveries.

All else being equal, if we stress the sensitivity of the above parameter by 10% (stressing of more than 10% is unlikely due to historical ECL rates used) the impact on profit or loss and equity would have been R9 100 589 higher/lower (2024: R3 887 886, 2023: R nil higher/lower) respectively.

30. LOANS RECEIVABLE

Loans receivable are presented at amortised cost, which is net of loss allowance, as follows:

Figures in R'000	2025	2024	2023
K2022501540 (South Africa) (Pty) Ltd			
This is an interest free and security free loan for Enterprise Development in terms of the applicable B-BBEE Legislation repayable after 24 months	5 501	16 032	15 797
Cell C Service Provider Company (Pty) Ltd			
This loan bears interest at a fixed rate of 12% and is repayable over 60 months	505 648	708 436	912 938
The Marvelous Company (Pty) Ltd			
This is an interest free and security free loan for Enterprise Development in terms of the applicable B-BBEE Legislation repayable after 36 months	4 070	4 071	4 143
	515 219	**728 539**	**932 878**
Split between non-current and current portions			
Non-current assets	255 551	501 884	700 494
Current assets	259 668	226 655	232 384
	515 219	**728 539**	**932 878**

Exposure to credit risk

Loans receivable inherently exposes the Company to credit risk, being the risk that the Company will incur financial loss if counterparties fail to make payments as they fall due.

Loans receivable are subject to the impairment provisions of IFRS 9 Financial Instruments, which requires a loss allowance to be recognised for all exposures to credit risk. The loss allowance for loans receivable is calculated based on twelve month expected losses if the credit risk has not increased significantly since initial recognition. In cases where the credit risk has increased significantly since initial recognition, the loss allowance is calculated based on lifetime expected credit losses. The loss allowance is updated to either twelve month or lifetime expected credit losses at each reporting date based on changes in the credit risk since initial recognition. If a loan is considered to have a low credit risk at the reporting date, then it is assumed that the credit risk has not increased significantly since initial recognition. On the other hand, if a loan is in arrears more than 90 days, then it is assumed that there has been a significant increase in credit risk since initial recognition.

In determining the amount of expected credit losses, the Company has taken into account any historic default experience, the financial positions of the counterparties as well as the future prospects in the industries in which the counterparties operate or are employed. This information has been obtained from the counterparties themselves, as well as from economic reports, financial analyst reports and various external sources of actual and forecast data and is applied to estimate a probability of default occurring as well as estimating the loss upon default.

The maximum exposure to credit risk is the gross carrying amount of the loans as presented below.

The Company does not hold collateral or other credit enhancements against loans receivable.

Credit loss allowances

The following tables set out the carrying amount, loss allowance and measurement basis of expected credit losses for loans receivable by credit rating grade:

Figures in R'000

2025

Instrument	**Basis of loss allowance**	**Gross Carrying amount**	**Loss allowance**	**Amortised cost**
K2022501540 (South Africa) (Pty) Ltd	12m ECL	5 600	(99)	5 501
Cell C Service Provider Company (Pty) Ltd	Lifetime ECL	449 431	56 217	505 648
The Marvelous Company (Pty) Ltd	12m ECL	4 143	(73)	4 070
		459 174	**56 045**	**515 219**

2024

Instrument	**Basis of loss allowance**	**Gross Carrying amount**	**Loss allowance**	**Amortised cost**
K2022501540 (South Africa) (Pty) Ltd	12m ECL	16 314	(282)	16 032
Cell C Service Provider Company (Pty) Ltd	Lifetime ECL	675 533	32 903	708 436
The Marvelous Company (Pty) Ltd	12m ECL	4 143	(72)	4 071
		695 990	**32 549**	**728 539**

2023

Instrument	Basis of loss allowance	Gross Carrying amount	Loss allowance	Amortised cost
K2022501540 (South Africa) (Pty) Ltd	12m ECL	16 314	(517)	15 797
Cell C Service Provider Company (Pty) Ltd	Lifetime ECL	906 061	6 877	912 938
The Marvelous Company (Pty) Ltd	12m ECL	4 143	–	4 143
		926 518	**6 360**	**932 878**

Fair value of loans receivable

The fair value of the loan approximates the carrying amounts due to the terms being market related.

31. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Reconciliation of liabilities arising from financial activities – 2025

Figures in R'000

	Opening balance	**Cash flows**	**Closing balance**
Borrowings*	1 900 000	(200 730)	1 699 270
Loans from Group companies	4 541	(3 920)	621
Total liabilities from financing activities	**1 904 541**	**(204 650)**	**1 699 891**

Reconciliation of liabilities arising from financial activities – 2024

	Opening balance	**Cash flows**	**Closing balance**
Borrowings*	1 900 000	–	1 900 000
Loans from Group companies	4 431	110	4 541
Total liabilities from financing activities	**1 904 431**	**110**	**1 904 541**

Reconciliation of liabilities arising from financial activities – 2023

	Opening balance	Foreign exchange movements	Total non–cash movements	Cash flows	Closing balance
Borrowings	1 623 342	–	–	276 658	1 900 000
Derivatives	200	(200)	(200)	–	–
Lease liability	528	–	–	(528)	–
Loans from Group companies	306 385	–	–	(301 954)	4 431
Total liabilities from financing activities	**1 930 455**	**(200)**	**(200)**	**(25 824)**	**1 904 431**

* CEC entered into a borrowing agreement with African Bank on the 26th of November 2021 for a maximum facility of R1.9 billion. CEC fully repaid this facility and took out a new facility with African Bank on 14 December 2023 with a maximum facility value of R1.9 billion. As the facility is repaid, it cannot be redrawn. At the end of May the facility was R1.7 billion (2024: R1.9 billion).

32. DIVIDENDS PAID

	2025 R'000	2024 R'000	2023 R'000
Balance at beginning of the year	–	(45 246)	–
Dividends	–	(472 000)	(402 000)
Balance at end of the year	–	–	45 246
	–	**(517 246)**	**(356 754)**

33. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Categories of financial instruments

Categories of financial assets

2025

Figures in R'000	Notes	Fair value through profit or loss – Mandatory	Amortised cost	Total
Loans to Group companies	10	–	92 006	92 006
Loans receivable	30	–	515 219	515 219
Investments at fair value	6	2 493	–	2 493
Trade and other receivables	11	–	118 818	118 818
Cash and cash equivalents	12	–	38 154	38 154
Advances to customers	8	–	1 643 768	1 643 768
Financial assets	29	32 375	–	32 375
		34 868	**2 407 965**	**2 442 833**

2024

Figures in R'000	Notes	Fair value hrough profit or loss – Mandatory	Amortised cost	Total
Loans to Group companies	10	–	85 741	85 741
Loans receivable	30	–	728 539	728 539
Investments at fair value	6	6 585	–	6 585
Trade and other receivables	11	–	560 536	560 536
Cash and cash equivalents	12	–	24 416	24 416
Advances to customers	8	–	1 236 359	1 236 359
Financial assets	29	25 063	–	25 063
		31 648	**2 635 591**	**2 667 239**

2023

Figures in R'000	Notes	Fair value hrough profit or loss – Mandatory	Amortised cost	Total
Loans to Group companies	10	–	8 056	8 056
Loans receivable	30	–	932 878	932 878
Investments at fair value	6	7 862	–	7 862
Trade and other receivables	11	–	337 976	337 976
Cash and cash equivalents	12	–	6 352	6 352
Advances to customers		–	2 257 201	2 257 201
		7 862	**3 542 463**	**3 550 325**

The fair value of financial assets at amortised cost approximates their carrying amounts.

Categories of financial liabilities

2025

Figures in R'000	Notes	Amortised cost	Total
Trade and other payables	14	1 179 127	1 179 127
Loans from Group companies	15	621	621
Borrowings	16	1 699 270	1 699 270
		2 879 018	**2 879 018**

2024

Figures in R'000	Notes	Amortised cost	Total
Trade and other payables	14	207 054	207 054
Loans from Group companies	15	4 54	4 541
Borrowings	16	1 900 000	1 900 000
		2 111 595	**2 111 595**

2023

Figures in R'000	Notes	Amortised cost	Total
Trade and other payables	14	1 032 519	1 032 519
Loans from Group companies	15	4 431	4 431
Borrowings	16	1 900 000	1 900 000
Dividend payable		45 246	45 246
		2 982 196	**2 982 196**

Capital risk management

The Company's objective when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the Company's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise stakeholder returns sustainably.

The Company manages capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain the capital structure, the Company may adjust the amount of dividends paid to the shareholder, return capital to the shareholder, repurchase shares currently issued, issue new shares, issue new debt, issue new debt to replace existing debt with different characteristics and/or sell assets to reduce debt.

The Company monitors capital utilising a number of measures, including the gearing ratio. The gearing ratio is calculated as net borrowings (total borrowings less cash) divided by shareholders' equity.

The capital structure and gearing ratio of the Company at the reporting date was as follows:

Figures in R'000	Notes	2025	2024	2023
Borrowings	16	1 699 270	1 900 000	1 900 000
Trade and other payables	14	1 179 127	219 625	1 032 519
Total borrowings		**2 878 397**	**2 119 625**	**2 932 519**
Cash and cash equivalents	12	(38 137)	(24 416)	(6 352)
Net borrowings		**2 840 260**	**2 095 209**	**2 926 167**
Equity		1 393 992	1 553 410	1 840 639
Gearing ratio		204%	135%	159%

Financial risk management

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk consists mainly of cash deposits, cash equivalents, loans receivable, advances to customers and trade and other receivables. If there is no independent rating, risk control assesses the credit quality of the customer taking into account its financial position, past experience and other factors. Individual risk limits are based on internal or external ratings in accordance with limits set by the Board. The utilisations of credit limits are regularly monitored.

CEC customer advances represent sale of handsets to the end Cell C contract subscribers and are received by CEC over a maximum of 36 months.

Under the "Supply, Sale and Financing of Products Agreement" effective 1 November 2020, Cell C does not guarantee bad debts and cancellations. CEC is exposed to the credit risk of the population of the underlying subscribers whom are all customers of Cell C.

The carrying values of the receivables approximate the fair values.

This customer base is widely dispersed throughout South Africa and no significant concentrations of credit risk have been noted. The business model of these financing arrangements exposes the Group to the credit risk of the population of the underlying subscribers who are all customers of Cell C and other business partners of CEC. Management has put in place credit risk policies as well as stringent customer acceptance policies and limits to manage the credit risk exposure at deal initiation. Subsequent to deal initiation, credit risk at a subscriber level is managed through a combination of policies and procedures which limit the customers' ability to incur further debt should their accounts not be up to date. The collateral requirements of the previous deal with Cell C remain in place on the portion of the book still operated under this previous business model and are as follows:

- CEC has stringent requirements for the granting of credit to these customers;
- CEC has direct access to the customer cash flows received by Cell C in respect of the handsets and devices financed;
- CEC has direct access to the customer cash flows received by Cell C in respect of the customer subscriptions; and
- in the unlikely event of default, CEC has the right to sell the customer base.

CEC calculates an ECL over the lifetime of the instruments in this portfolio in accordance with the simplified model in IFRS 9 using a provision matrix which takes into account roll rates, past performance and applicable forward-looking indicators in line with Group policy.

ECLs are calculated by applying a loss ratio to the aged balance of trade receivables and advances to customers at each reporting date. The loss ratio is calculated according to the ageing/payment profile of sales by applying historic/proxy write-offs to the payment profile of the sales population, by calculating a probability of default ("**PD**") and loss given default ("**LGD**"). In instances where there was no evidence of historical write-offs, management used a proxy write-off for similar receivables obtained from external credit rating agencies. Receivable balances have been grouped so that the ECL calculation is performed on groups of receivables with similar risk characteristics and ability to pay. Exposures are mainly segmented by customer type. This is done to allow for risk differentiation. Similarly, the sales population selected to determine the ageing/payment profile of the sales is representative of the entire population and in line with future payment expectations.

The PD and LGD is then adjusted for forward-looking information to determine a point-in-time adjustment. Forward-looking information is also used to derive a base, upside and downside scenario given multiple forecasts based on trends and management expertise. These assumptions are applied to determine the ECL for the portfolio of receivables at the reporting date to the extent that there is a strong correlation between the forward-looking information and the ECL. No additional adjustments, other than the macroeconomic forecasts have been included.

Management used 60 to 84 months' sales, collections and write-off data to determine the payment profile of the sales. Where the Group has information about actual historical write-offs, actual write-offs have been used to determine a historic loss ratio. Alternatively, management has used a proxy write-off, based on management's best estimate. The Group has considered quantitative forward-looking information such as the core inflation rate, gross domestic product, debt to disposable income and unemployment. Qualitative assessments have also been performed, of which the impact was found to be immaterial.

Management considers trade receivables aged in excess of 90 days past due (where the excessive ageing is not caused by administrative delays that are within the control of the Group), and those handed over to the Group's attorneys for legal collection processes, to be in default and accordingly increases the allowance for impairment raised on these receivables. This policy is applied to all receivables, other than receivables where management has rebutted the presumption that a customer is in default when 90 days past due as a result of the inherent nature of the product/transaction being undertaken which follows a business cycle in excess thereof.

Trade receivables are written off when there is no reasonable expectation of recovery. This is assessed individually by each operation and includes, for example, where the trade receivables have been handed over for collection and remain outstanding or the debtor has entered bankruptcy. Other receivables and other financial assets are individually assessed by management based on each situation's unique facts and circumstances and are written off when management believes that there is no reasonable expectation of recovery.

ECLs for receivables other than trade receivables and advances to customers have been determined using the general approach in IFRS 9. Under the general approach, an entity calculates ECLs for loans and receivables at initial recognition by considering the consequences and probabilities of possible defaults only for the next 12 months, rather than the life of the asset. It continues to apply this method until a significant increase in credit risk has occurred, at which point the loss allowance is measured based on lifetime ECLs. CEC has applied the requirements of the general approach of IFRS 9 for counterparties where no external credit ratings are available, by way of the use of a management determined credit risk rating model. The management of the Group performs a rigorous internal rating assessment process of all external counterparty credit risk exposures and rate these exposures grouping them into the below four groups which are then aligned to equivalent Moody's sourced default ratings.

Management defines default as when counterparties miss payments and future payments are either suspended or unlikely. Group 1: Fully performing counterparties who are highly collateralised. ECL range of 0% to 9.57% (2024: 0% to 9.57%), 2023: 0% to 9.57%).

Group 2: Fully performing counterparties with a credit rating equivalent to a Moody's rating of B1 or better. ECL range of 9.57% to 11.66% (2024: 9.57% to 11.66%), 2023: 9.57% to 11.66%).

Group 3: Fully performing counterparties with a credit rating equivalent to a Moody's rating of between B2 and Caa2. ECL range of 11.66% to 53.39% (2024: 11.66% to 53.39%), 2023: 11.66% to 53.39%).

Group 4: Counterparties who are considered to be in default and have an equivalent Moody's rating of Ca or lower. ECL of 53.39% to 100% (2024: 53.39% to 100%), 2023: 53.39% to 100%).

Group 5: Counterparties which have been designated as credit impaired or originated credit impaired loans. ECL based on the credit rating of the underlying counterparty.

The ECLs (probability of default and loss given default) applied to these groupings are obtained from Moody's Analytics for a reference entity with similar credit risk characteristics to the counterparties to which the Company is exposed. Furthermore, management has assumed that no entity to which this rating scale is applied carries a Moody's equivalent rating in excess of investment grade, and thus the maximum rating utilised is a B1 equivalent rating.

As part of managing the credit risk, CEC have implemented various forms of book sales. Refer to the transferred financial assets note for details of the sales.

The maximum exposure to credit risk is presented in the table below:

Figures in R'000		2025			2024			2023		
		Gross carrying amount	Credit loss allowance	Amortised cost/fair value	Gross carrying amount	Credit loss allowance	Amortised cost/fair value	Gross carrying amount	Credit loss allowance	Amortised cost/fair value
Loans to Group companies	10	92 301	(295)	92 006	85 975	(234)	85 741	8 977	(921)	8 056
Loans receivables	30	459 174	56 045	515 219	695 990	32 549	728 5439	926 518	6 360	932 878
Trade and other receivables	11	119 397	(579)	118 818	562 132	(1 596)	560 536	340 031	(2 055)	337 976
Cash and cash equivalents	12	38 154	–	38 154	24 422	–	24 422	6 356	–	6 356
Advances to customers	8	1 908 275	(264 508)	1 643 767	1 435 817	(199 458)	1 236 359	2 839 180	(581 979)	2 257 201
		2 617 301	**(209 337)**	**2 407 964**	**2 804 336**	**(168 739)**	**2 635 597**	**4 121 062**	**(578 595)**	**3 542 467**

The average ECL/Impairment ratio is as follows:

- Loans to Group companies: 4.05% (2024: 0.27%, 2023: 10.26%);
- Loans receivables: 12.21% (2024: 4.68%, 2023: 0.69%);
- Trade and other receivables: 0.49% (2024: 0.28%, 2023: 0.60%); and
- Advances to customers is 13.86% (2024: 13.89%, 2023: 20.50%).

Amounts are presented at amortised cost or fair value depending on the accounting treatment of the item presented. The gross carrying amount for debt instruments at fair value through OCI is equal to the fair value because the credit loss allowance does not reduce the carrying amount. The credit loss allowance is only shown for disclosure purposes. Debt instruments at fair value through profit or loss do not include a loss allowance. The fair value is therefore equal to the gross carrying amount.

The credit loss allowance on advances to customers moved from R199 million to R265 million in the current year. The movement can be broken down as follows: R361 million increase relates to new allowances and the decrease of R430 million relates to allowances utilised (including written off debt).

Transferred financial assets

Management has conducted an assessment of the retained credit risk following the transfer of customer advances related to the book sales. After comparing the retained credit risk before and after the transfer, and evaluating it against management's internal threshold for retained credit risk, it was determined that for Book Sale One, substantially all credit risk has been transferred. However, for Book Sale Two, the transaction resulted in the derecognition of the book as the transfer qualifies for derecognition, except for a contractually specified portion of the book, referred to as the holdback debtor, for which CEC retained the risks and rewards associated of ownership. This transaction also resulted in CEC obtaining a new financial asset, referred to as the Escrow debtor for which a risk margin is held in an Escrow account. CEC has a contractual right to the remaining balance in the Escrow account at the end of a specified period. The Escrow debtor was recognised at fair value and is measured at fair value through profit or loss. Book Sale Three consisted of fully written-off advances to customers; therefore, the proceeds are considered a recovery of bad debts.

Figures in R'000		2025			2024			2023		
		Gross carrying amount	**Credit loss allowance**	**Amortised cost/fair value**	**Gross carrying amount**	**Credit loss allowance**	**Amortised cost/fair value**	**Gross carrying amount**	**Credit loss allowance**	**Amortised cost/fair value**
Not derecognised										
Advances to customers*		18 053	(4 865)	13 188	66 645	(14 987)	51 658	–	–	–
Financial asset recognised										
Escrow receivable at fair value through profit or loss	29	32 375	–	32 375	25 063	–	25 063	–	–	–
		50 428	**(4 865)**	**45 563**	**91 708**	**(14 987)**	**76 721**	**–**	**–**	**–**

* *This relates to hold back receivable amount.*

	2025		2024		2023	
	Net carrying amount	**Proceeds**	**Net carrying amount**	**Proceeds**	**Net carrying amount**	**Proceeds**
Book sale one	–	–	469 249	437 775	–	–
Book sale two	–	–	760 550	628 811	–	–
Book sale three	–	–		94 432	–	–
Book sale four	716 226	575 538			–	–
Book sale five	–	29 577			–	–
	716 226	**605 115**	**1 229 798 554**	**1 151 018**	**–**	**–**

Book sale one

In September 2023 African Bank Limited ("**ABL**") entered into an agreement with CEC, whereby CEC agreed to sell and transfer receivables (all rights, title and interest with respect to the remaining handset fee payable by a subscriber under a subscriber agreement) to ABL. The purchase price of the receivable was equal to the outstanding handset fee for such receivable (i.e. no discount). CEC paid ABL a monthly facility fee for all debtors sold, calculated by applying the facility fee rate to the outstanding handset receivable balance on the last business day of the month. The proceeds in respect of book sale one have been reduced by a facility fee of R55 million (2024: R68 million) included in finance costs. Refer to note 23.

Book sale two

In March 2024, ABL and CEC agreed to the following amendments to the original agreement as it relates to book sale two.

The purchase price paid at the date of sale is equal to 90% of the present value of expected contractual cash flows due over the remainder of the subscription term.

CEC agreed that ABL may transfer back to CEC, at the end of 4 months, specified non-performing advances referred to as the holdback receivable. Based on the nature of the contractually specified advances, it is virtually certain at the transaction date that CEC will retain ownership of these advances to customers, and therefore at the transaction date, it was determined that CEC retained the risks and rewards associated of ownership relating to the specified advances. Contractually, the advances subject to the holdback arrangement is capped at maximum of 10% of the present value of the expected cash flows of the book sold to ABL.

This transaction also resulted in CEC obtaining a new financial asset, referred to as the Escrow debtor for which a risk margin is held in an Escrow account. CEC has a contractual right to the remaining balance in the Escrow account at the end of a specified period. The Escrow debtor was recognised at fair value and is measured at fair value through profit or loss.

Included in the 2024 financial assets at fair value through profit or loss is R51.6 million relating to the 10% hold back on the African Bank book sales that have not been derecognised.

Included in the 2024 finance costs is R93 million in respect of book sale two is included in finance costs. Refer to note 2.3

The impact of the above in the statement of profit or loss and other comprehensive income is disclosed separately on the face as derecognition losses amounting to 2024 is R53 million.

Book sale three

CEC sold receivables which had been written off as irrecoverable to a third party for which CEC retained no involvement post the sale.

Book sale four

This was transacted on similar terms to that of book sale 2.

At year-end all advances to customers sold had passed the initial four month hold back period and as such there is no balance remaining included in the advances to customers balance.

Included in the financial assets at fair value through profit or loss is R96 million relating to the 10% hold back on the African Bank book sales that have not been derecognised.

A finance cost of R83 million in respect of book sale two is included in finance costs. Refer to note 23

The impact of the above in the statement of profit or loss and other comprehensive income is disclosed separately on the face as derecognition losses amounting to R43 million.

Book sale five

CEC sold receivables which had been written off as irrecoverable for which CEC retained no involvement post the sale.

Liquidity risk

The Company is exposed to liquidity risk, which is the risk that the Company will encounter difficulties in meeting its obligations as they become due.

The Company manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing requirements are met through a mixture of cash generated from operations and long and short-term borrowings. Committed borrowing facilities are available for meeting liquidity requirements and deposits are held at central banking institutions.

To assist Cell C with working capital requirements, CEC sold a portion of its handset receivable book to African Bank Limited. The funds generated from this transaction is transferred to TPC, and ultimately to Cell C through the acquisition of airtime.

The liquidity is maintained through the strategic sale of debt relating to handset financing.

The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

2025

Figures in R'000		Less than 1 year	1 to 2 years	2 to 5 years	Total	Carrying amount
Non-current liabilities						
Borrowings	16	–	734 421	582 753	1 317 174	1 165 7807
Current liabilities						
Trade and other payables	14	1 181 319	–	–	1 181 319	1 179 127
Borrowings	16	734 402	–	–	734 402	533 490
Bank overdraft	12	–	–	–	–	17
		1 915 721	**734 421**	**582 753**	**3 232 895**	**2 878 414**

2024

Figures in R'000		Less than 1 year	1 to 2 years	2 to 5 years	Total	Carrying amount
Non-current liabilities						
Borrowings	16	–	776 228	1 200 140	1 996 368	1 659 355
Current liabilities						
Trade and other payables	14	207 054	–	–	207 053 425	207 053 425
Borrowings	16	512 046	–	–	512 045 843	240 645 328
		719 100	**776 228**	**1 200 140**	**2 715 468**	**2 107 054**

2023

Figures in R'000		Less than 1 year	1 to 2 years	2 to 5 years	Total	Carrying amount
Non-current liabilities						
Borrowings	16	–	513 449	–	513 449	492 710
Current liabilities						
Trade and other payables	14	1 037 1660	–	–	1 037 166	1 032 519
Borrowings	16	1 538 834	–	–	1 538 834	1 407 290
Dividend payable		45 246	–	–	45 246	45 246
		2 621 246	**513 449**	**–**	**3 134 695**	**2 977 765**

Foreign current risk

There have been no significant changes in the foreign currency risk management policies and processes since the prior reporting period.

Interest rate risk

The Company is exposed to interest rate risk stemming from loans received from banks as we are charged a variable rate. CEC, in turn, charges Cell C interest on the deferred loan at a fixed rate.

The Company analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, the Company considers the impact on profit and loss of a defined interest rate shift.

All else being equal, had the Prime interest rate been 1% higher or lower, post-tax profit and equity impact would have been R5.2 million (2024: R0.9 million),(2023: R12.7 million) higher and R5.2 million (2024: R0.9 million), (2023: R12.7 million) lower respectively.

Price risk

The Company is exposed to equity securities price risk because of an investment held by the Company and classified on the statement of financial position at fair value through profit or loss. The Company has shares in its ultimate holding Company, BLU, which is listed on the Johannesburg Stock Exchange ("**JSE**"). These shares are held specifically for the Company's equity compensation benefit plan.

All financial assets at fair value through profit or loss are level one financial assets.

At 31 May 2025, if the price index on the JSE has been 1% higher/(lower) during the period, with all other variables held constant, profit or loss for the year and equity impact would have been R24 934 (2024: R57 393, 2023: R99 501) higher/(lower).

34. EVENTS AFTER YEAR-END

There have been no material events subsequent to the end of the reporting period.

35. CONSOLIDATED FINANCIAL STATEMENTS

These financial statements are separate and not consolidated financial statements. The ultimate holding company, BLU, prepares consolidated financial statements that comply with IFRS Accounting Standards which are available for public use.

36. DIRECTORS' AND PRESCRIBED OFFICER'S EMOLUMENTS

Executive

2025

Figures in R'000	Emoluments	Other benefits	Bonus	Severance*	Total
GB Levin	2 819	128	–	4 108	7 055
W Janse van Rensburg**	1 591	89	840	–	2 5200
	4 410	**217**	**840**	**4 108**	**9 575**

* Agreements were reached wherein it was resolved that GB Levin would exit the Group on 30 November 2024. Accrued termination/separation benefits have been reflected.

** W Janse van Rensburg was appointed an executive director on 28 November 2024.

2024

Figures in R'000	Emoluments	Other benefits	Bonus	Total
GB Levin	5 318	240	886	6 444

2023

Figures in R'000	Emoluments	Other benefits*	Total
GB Levin	4 970	206	5 176

Executive – Paid by fellow subsidiaries

2025

Figures in R'000	Directors' fees	Other benefits	Bonus	Total
A Green Blatt	4 413	–	3 309	7 722
BM Levy	12 404	–	15 157	27 561
S Ramdhani*	4 328	–	747	5 075
	21 145	**–**	**19 213**	**40 358**

* S Ramdhani resigned 28 July 2025.

2024

Figures in R'000	Directors' fees	Other benefits	Bonus	Total
A Green Blatt	3 882	281	1 333	5 496
BM Levy	11 404 590	297	6 649	18 351
S Ramdhani	3 955 357	128	1 908	5 991
	19 241 751	**706**	**9 890**	**29 838**

2023

Figures in R'000	Directors' fees	Other benefits	Bonus	Total
A Greenblatt	3 391	250	1 945	5 586
BM Levy	10 936	–	10 936	21 872
JM Leslie	3 155	–	1 577	4 732
S Ramdhani	3 700	116	1 845	5 661
	21 182	**366**	**16 303**	**37 851**

Non-executive

2025

	Director's fees	Total
L Mthimunye	1 404	1 404

2024

	Director's fees	Total
L Mthimunye	1 212	1 212

2023

	Director's fees	Total
PL Zim	514	514
L Mthimunye	632	632
	1 146	**1 146**

Conditional share scheme

	Issue date	Issue price	Vesting date	Awards outstanding as at the beginning of the year	Number of shares awarded/ (forfeited) during the year	Awards vested during the year	Balance as at the end of the year
BM Levy	6 April 2022	6.42	31 August 2024	803 501		(224 980)	578 521
BM Levy	1 September 2022	6.25	31 August 2025	874 878		(107 352)	767 526
BM Levy	23 October 2023	3.22	31 August 2026	1 817 001		–	1 817 001
BM Levy	19 November 2024	4.93	31 August 2027	–		–	–
GB Levin	6 April 2022	6.42	31 August 2024	615 300	(172 284)	(443 016)	–
GB Levin	1 September 2022	6.25	31 August 2025	198 801	(91 449)	(107 352)	–
GB Levin	19 September 2023	3.22	31 August 2026	412 882	(412 882)	–	–
A Greenblatt	6 April 2022	6.42	31 August 2024	120 885	(33 848)	–	87 037
A Greenblatt	1 September 2022	6.25	31 August 2025	131 624	–	–	131 624
A Greenblatt	23 October 2023	3.22	31 August 2026	323 209	–	–	323 209
A Greenblatt	19 November 2024	4.93	31 August 2027	–	–	–	–
S Raamdhani	6 April 2022	6.42	31 August 2024	117 640	(32 939)	84 701	–
S Raamdhani	1 September 2022	6.25	31 August 2025	152 640	–	–	152 640
S Raamdhani	23 October 2023	3.22	31 August 2026	317 012	–	–	317 012
S Raamdhani	19 November 2024	4.93	31 August 2027	219 478	–	–	219 478
W Janse van Rensburg	19 November 2024	4.93	31 August 2027	–	511 156	–	511 156

ANNEXE 6 – INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE ANNUAL HISTORICAL FINANCIAL INFORMATION OF COMM EQUIPMENT COMPANY PROPRIETARY LIMITED FOR THE YEARS ENDED 31 MAY 2025, 2024 AND 2023

The definitions and interpretations commencing on page 454 of this Pre-listing Statement do not apply through this Annexe 6.

To the Directors of Cell C Limited and Comm Equipment Company

At your request, we present our Independent Auditor's Assurance Report on the historical financial information of Comm Equipment Company ("**CEC**") for the financial periods ended 31 May 2025, 31 May 2024 and 31 May 2023 (the "**Historical Financial Information**") for inclusion in **Annexe** 5 on pages 296 to 337 of the pre-listing statement to be dated on or about 13 November 2025 ("**PLS**") by the directors.

This report is required for the purposes of complying with Section 8.48 of the Listings Requirements of the JSE Limited (the "**JSE**") (the "**JSE Listings Requirements**") and is given for the purpose of complying with those requirements and for no other purpose. We are the Independent Auditors of CEC.

To the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with the JSE Listings Requirements and consenting to its inclusion in the PLS.

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE HISTORICAL FINANCIAL INFORMATION

OPINION

We have audited the Historical Financial Information of CEC, which comprises of the statements of financial position as at 31 May 2025, 31 May 2024 and 31 May 2023, the statements of comprehensive income, the statements of changes in equity and the statements of cash flows for the periods then ended, and notes thereto, including a summary of material accounting policies, as presented in **Annexe** 5 on pages 296 to 337 of the PLS.

In our opinion, the Historical Financial Information, as presented in **Annexe** 5 on pages 296 to 337 of the PLS, presents fairly, in all material respects, for the purpose of the PLS the financial position of CEC as at 31 May 2025, 31 May 2024 and 31 May 2023 and its financial performance and cash flows for the periods then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("**IFRS Accounting Standards**"), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Pronouncements as issued by Financial Reporting Standards Council and the JSE Listings Requirements.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Independent Auditor's Responsibilities for the Historical Financial Information section of our report. We are independent of CEC in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OTHER INFORMATION

The directors are responsible for the other information contained in this PLS. The other information comprises the information included in the document titled "Cell C Holdings Limited Pre-listing Statement". The other information does not include the Historical Financial Information and our Independent Auditor's Assurance Report thereon.

Our opinion on the Historical Financial Information does not cover the other information contained in this PLS and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Historical Financial Information, our responsibility is to read the other information contained in this PLS, in doing so, consider whether the other information is materially inconsistent with the Historical Financial Information, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE HISTORICAL FINANCIAL INFORMATION

The directors are responsible for the compilation, contents and preparation of the PLS in accordance with the JSE Listings Requirements. The directors are also responsible for the preparation and fair presentation of the Historical Financial Information in accordance with the IFRS Accounting Standards, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Pronouncements as issued by Financial Reporting Standards Council and the JSE Listings Requirements, and for such internal control as the directors determine is necessary to enable the preparation of Historical Financial Information that is free from material misstatement, whether due to fraud or error.

In preparing the Historical Financial Information, the directors are responsible for assessing CEC's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate CEC or to cease operations, or have no realistic alternative but to do so.

OUR INDEPENDENCE AND QUALITY MANAGEMENT

We have complied with the independence and other ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards).

The firm applies International Standard on Quality Management 1 (ISQM 1) Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements which requires the firm to design, implement and operate a system of quality management, including documented policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

INDEPENDENT AUDITOR'S RESPONSIBILITIES FOR THE HISTORICAL FINANCIAL INFORMATION

Our objectives are to obtain reasonable assurance about whether the Historical Financial Information as a whole is free from material misstatement, whether due to fraud or error, and to issue an Independent Auditor's Assurance Report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Historical Financial Information.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Historical Financial Information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of CEC's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on CEC's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Independent Auditor's Assurance Report to the related disclosures in the Historical Financial Information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Independent Auditor's Assurance Report. However, future events or conditions may cause CEC to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Historical Financial Information, including the disclosures, and whether the Historical Financial Information represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

SNG Grant Thornton Inc.
Director: Altaf Fajandar
Chartered Accountant (SA)
Registered Auditor

Johannesburg
7 November 2025

SNG Grant Thornton Inc.
Director: Omar Kadwa
Chartered Accountant (SA)
Registered Auditor
Reporting Accountant Specialist

Johannesburg
7 November 2025

ANNEXE 7 – CONDENSED INTERIM HISTORICAL FINANCIAL INFORMATION OF COMM EQUIPMENT COMPANY PROPRIETARY LIMITED FOR THE THREE MONTHS ENDED 31 AUGUST 2025 AND 31 AUGUST 2024

Comm Equipment Company (Pty) Ltd
(Registration number 2014/180727/07)
Condensed Interim Financial Statements for the period ended 31 August 2025

Director's Responsibilities and Approval

The directors are required in terms of the Companies Act of South Africa, No 71 of 2008 to maintain adequate accounting records and are responsible for the content and integrity of the condensed quarterly financial statements and related financial information included in this report. It is their responsibility to ensure that the condensed quarterly financial statements fairly present the state of affairs of the Company as at the end of the financial period and the results of its operations and cash flows for the period then ended, in conformity with IFRS® Accounting Standards (IFRS Accounting Standards).

The condensed quarterly financial statements are prepared in accordance with IFRS Accounting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Company and all employees are required to maintain the highest ethical standards in ensuring the Company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Company is on identifying, assessing, managing and monitoring all known forms of risk across the Company. While operating risk cannot be fully eliminated, the Company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the condensed quarterly financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the Company's cash flow forecast for the period to 31 August 2026 and, in light of this review and the current financial position, they are satisfied that the Company has or had access to adequate resources to continue in operational existence for the foreseeable future.

This condensed quarterly financial statements, which have been prepared on the going concern basis, were approved by the directors on 31 October 2025 and were signed on their behalf by:

W Janse van Rensburg **A Greenblatt**

Statement of Financial Position

Figures in Rand '000	Notes	31 August 2025 Reviewed	31 August 2024 Reviewed	31 May 2025 Audited
Assets				
Non-Current Assets				
Equipment		518	878	576
Intangible assets	2	831 733	953 902	846 423
Equity investment held		2 599	2 185	2 493
Advances to customers	4	696 939	435 033	653 146
Financial assets at fair value through profit or loss		21 099	24 445	16 226
Loans receivable	5	224 733	474 716	255 551
		1 777 621	**1 891 159**	**1 774 415**
Current Assets				
Advances to customers	4	1 057 250	1 171 759	990 621
Inventories	6	955 539	212 628	989 879
Loans to Group companies	7	92 029	97 697	92 006
Trade and other receivables	8	312 440	983 223	270 405
Financial assets at fair value through profit or loss		21 099	618	16 149
Loans receivable	5	281 752	243 110	259 668
Current tax receivable		–	–	41
Cash and cash equivalents		69 103	14 067	38 137
		2 789 212	**2 723 102**	**2 656 906**
Total Assets		**4 566 833**	**4 614 261**	**4 431 321**
Equity and Liabilities				
Equity				
Share capital		514 015	514 015	514 015
Retained income		877 211	985 800	879 979
		1 391 226	**1 499 815**	**1 393 994**
Liabilities				
Non-Current Liabilities				
Deferred tax	3	145 926	220 693	148 727
Borrowings	11	1 019 626	1 514 967	1 165 780
Share based payment liability		11 982	2 947	9 581
		1 177 534	**1 738 607**	**1 324 088**
Current Liabilities				
Trade and other payables	9	1 442 905	975 015	1 179 128
Loans from Group companies	10	482	4 031	621
Borrowings	11	552 904	383 077	533 490
Current tax payable		1 782	11 760	-
		1 998 073	**1 373 883**	**1 713 239**
Total Liabilities		**3 175 607**	**3 112 490**	**3 037 327**
Total Equity and Liabilities		**4 566 833**	**4 612 305**	**4 431 321**

Statement of Profit or Loss and Other Comprehensive Income

Figures in Rand '000	Notes	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
Revenue	12	557 375	563 704	2 556 155
Interest revenue	12	65 406	32 169	292 520
Cost of sales	13	(426 348)	(464 004)	(1 995 854)
Gross profit		196 433	131 869	852 821
Other income		749	537	4 391
Fair value adjustments		105	1 669	12 098
Movement in credit loss allowances	14	(84 877)	(107 839)	(481 568)
Operating expenses	14	(55 089)	(49 854)	(232 090)
Loss on derecognition of financial assets		–	–	(34 103)
Operating profit	14	57 321	(23 618)	121 549
Investment income	15	16 996	40 088	132 693
Finance costs	16	(78 062)	(89 575)	(474 135)
Loss before taxation		(3 745)	(73 105)	(219 893)
Taxation	17	979	19 508	60 478
Loss for the period		(2 766)	(53 597)	(159 415)
Other comprehensive income		–	–	–
Total comprehensive loss		(2 766)	(53 597)	(159 415)

Statement of Changes in Equity

Figures in Rand '000	Share capital	Retained income	Total equity
Balance at 1 June 2024	514 015	1 039 397	1 553 412
Profit for the period	–	(53 597)	(53 597)
Other comprehensive income	–	–	–
Total comprehensive loss	–	(53 597)	(53 597)
Reviewed Balance at 31 August 2024	514 015	985 800	1 499 815
Balance at 1 June 2024	514 015	1 039 397	1 553 412
Loss for the period	–	(159 415)	(159 415)
Other comprehensive income	–	–	–
Total comprehensive loss	**–**	**(159 415)**	**(159 415)**
Balance at 31 May 2025	**514 015**	**879 979**	**1 393 994**
Balance at 1 June 2025	**514 015**	**879 979**	**1 393 994**
Loss for the period	–	(2 766)	(2 766)
Other comprehensive income	–	–	–
Total comprehensive loss	**–**	**(2 766)**	**(2 766)**
Reviewed Balance at 31 August 2025	**514 015**	**877 213**	**1 391 228**

Statement of Cash Flows

Figures in Rand '000	Notes	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
Cash flows from operating activities				
Cash generated from operations	18	202 891	32 885	207 749
Interest income received		82 401	72 257	425 213
Finance costs paid		(78 062)	(89 575)	(474 135)
Tax paid		–	–	(42 796)
Net cash from operating activities		**207 230**	**15 567**	**116 031**
Cash flows from investing activities				
Purchase of equipment		(62)	(100)	(198)
Sale of equipment		–	–	15
Purchase of intangible assets	2	(58 221)	(26 020)	(130 585)
Loans advanced to Group companies		(23)	(10 000)	(6 266)
Sale of shares in ultimate holding company		–	–	2 740
Receipt of loans receivable at amortised cost		24 366	10 714	236 635
Advances of loans receivable at amortised cost		(15 445)	–	–
Net cash from investing activities		**(49 385)**	**(25 406)**	**102 341**
Cash flows from financing activities				
Repayment of loans from Group companies	19	(139)	(510)	(3 920)
Repayment of borrowings	11	(126 739)	–	(200 730)
Net cash from financing activities		**(126 878)**	**(510)**	**(204 650)**
Total cash movement for the period		**30 967**	**(10 349)**	**13 722**
Cash and cash equivalents at the beginning of the year		38 136	24 416	24 415
Total cash and cash equivalents at end of the year		**69 103**	**14 067**	**38 137**

The condensed quarterly statement of cash flows for the three months ended 31 August 2025 should be read in conjunction with the audited financial statements for the year ended 31 May 2025. The prior annual cash flow statement is presented for information purposes only.

The increase in cash and cash equivalents of R31 million during the quarter is primarily attributable to improved customer collections and reduced borrowing repayments. No new debt facilities were raised during the period.

Notes to the Condensed Quarterly Financial Statements

1. **MATERIAL ACCOUNTING POLICIES**

The material accounting policies applied in the preparation of these condensed quarterly financial statements are set out below.

1.1 **Statement of compliance**

The condensed quarterly results have been prepared in accordance with, and in compliance with, IFRS Accounting Standards, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, and also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting, the Listings Requirements of the Johannesburg Stock Exchange (JSE) and the Companies Act of South Africa, No 71 of 2008, as amended.

1.2 **Basis of preparation**

The condensed quarterly financial statements have been prepared on the going concern basis in accordance with, and in compliance with, IFRS Accounting Standards and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these condensed quarterly financial statements and the Companies Act of South Africa, No 71 of 2008.

The condensed quarterly financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the material accounting policies set out below. They are presented in Rands, which is the Company's functional currency.

1.3 **Application of accounting policies**

The condensed quarterly financial statements should be read in conjunction with the Annual Financial Statements for the year ended 31 May 2025, which were prepared in accordance with IFRS Accounting Standards. The accounting policies are consistent with those reported in the most recent Annual Financial Statements (31 May 2025). There have been no changes in classification, measurement, or recognition policies during the interim period.

No new or amended IFRS Accounting Standards and interpretations became effective for the six months ended 31 May 2025 which would impact the condensed quarterly financial statements or the accounting policies.

The accounting policies applied in respect of financial instruments are consistent with those applied in the annual financial statements for the year ended 31 May 2025. There have been no changes in classification, measurement, or recognition policies during the interim period.

1.4 **Significant judgements and sources of estimation uncertainty**

The preparation of condensed quarterly financial statements in conformity with IFRS Accounting Standards requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies

Revenue recognition

A consequential change in the valuation of revenue is to reflect the sale of devices at standalone sales price with the subsidy on sale of devices equal to the difference between the standalone sales price of the device and the contract price receivable from customers. This subsidy is considered a subscriber acquisition cost to obtain a post-paid subscriber contract in which CEC shares in the telco revenue as set out in the Subscription and Airtime Revenue Sharing Agreement. Subsidy is capitalised to the balance sheet as a receivable, which is amortised over the life of the customer contract to revenue.

Revenue from the subscription income share bares significant estimates since it is Cell C that transfers services to the subscribers, and not CEC, the subscribers are not considered to be customers of CEC for telco services. Subscribers are only considered the customers of CEC for post-paid device sales. Accordingly, Cell C is not a customer of CEC as CEC does not transfer control over the post-paid devices (goods) to Cell C.

CEC's share of subscription income is considered to be income arising in the course of CEC's ordinary activities it is therefore presented as revenue.

Equity compensation benefit

In determining the number of conditional shares that will vest due to performance conditions being met, management assesses the attribution rates of staff based on the grades of staff that have been granted awards as well as the historic staff turnover. In addition, management considers the Group's past performance as well as forecasts in order to assess whether the profit targets will be met.

All decisions relating to the conditional share plan are made by the Group's remuneration committee. Accordingly, BLU is considered to be the grantor of these awards.

Key sources of estimation uncertainty

Impairment testing

The Company assesses all debtor balances for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the Company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cashflows from the financial asset.

Under IFRS 9, the Company considers the probability of default upon initial recognition of the asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant increases in credit risk on other financial instruments of the same borrower
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or
- credit enhancements
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment
- status of borrowers in the Group and changes in the operating results of the borrower.

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company generally categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 120 days past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Residual values and useful lives of assets

The relative size of CEC's subscription income sharing arrangement and subscriber acquisition costs makes the judgements surrounding their estimated useful lives and residual values critical to CEC's financial position and performance. Useful lives are reviewed on an annual basis with the effects of any changes in estimate accounted for on a prospective basis. The residual values of these assets are assumed to be zero for purposes of measuring the related amortisation, including for the subscription income sharing arrangement which may have a value at the end of its estimated life of nine years, since Cell C would be required to buy back CEC's right if Cell C elects to terminate the arrangement at that point. The estimated useful life of nine years is based on management's estimate that after the initial five-year period, CEC will renew for a further four years. The buy back price is based on a formula that takes account of Cell C's income from the related postpaid subscriber base in the future, which is highly uncertain, and there is the possibility that Cell C does not buy back CEC's right, but that CEC buys the subscriber base from Cell C. Accordingly, given the significant uncertainty surrounding the future value of the subscription income sharing arrangement, management have assumed a residual value of zero.

Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

2. INTANGIBLE ASSTS

	31 August 2025			**31 August 2024**		
	Cost	**Accumulated amortisation**	**Carrying value**	**Cost**	**Accumulated amortisation**	**Carrying value**
Computer software	6 277	(2 354)	3 923	4 959	(4 959)	–
Subscriber acquisition cost	708 049	(567 916)	140 133	551 539	(450 357)	101 182
Subscription income sharing arrangement	1 355 788	(668 111)	687 677	1 355 788	(503 068)	852 720
Total	**2 070 114**	**(1 238 381)**	**831 733**	**1 912 286**	**(958 384)**	**953 902**

	31 May 2025		
	Cost	**Accumulated amortisation**	**Carrying value**
Computer software	6 277	(1 569)	4 708
Subscriber acquisition cost	649 828	(537 051)	112 777
Subscription income sharing arrangement	1 355 788	(626 850)	728 938
Total	**2 011 893**	**(1 165 470)**	**846 423**

Reconciliation of intangible assets – 31 August 2025

	Opening balance	**Additions**	**Amortisation**	**Total**
Computer software	4 707	–	(784)	3 923
Subscriber acquisition cost	112 777	58 221	(30 865)	140 133
Subscription income sharing arrangement	728 937	–	(41 260)	687 677
	846 421	**58 221**	**(72 909)**	**831 733**

Reconciliation of intangible assets – 31 August 2024

	Opening balance	Additions	Amortisation	Total
Subscriber acquisition cost	103 329	26 020	(28 167)	101 182
Subscription income sharing arrangement	893 979	–	(41 259)	852 720
	997 308	**26 020**	**(69 426)**	**953 902**

Reconciliation of intangible assets – 31 May 2025

	Opening balance	Additions	Amortisation	Total
Computer share	–	6 276	(1 568)	4 708
Subscriber acquisition cost	103 329	124 309	(114 861)	112 777
Subscription income sharing arrangement	893 979	–	(165 041)	728 938
	997 308	**130 585**	**(281 470)**	**846 423**

3. **DEFERRED TAX**

Figures in Rand '000	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
Deferred tax asset/(liability)			
Intangible assets	(223 296)	(257 553)	(227 122)
Provision for loss allowance	53 518	29 549	49 405
Provision for audit fees	198	434	444
Accrual for leave pay	431	382	345
Accrual for bonuses	–	3 121	2 104
Share scheme	2 253	520	1 723
Other – 24J	20 970	–	24 409
Assessed loss	–	2 854	–
Net deferred tax liability	**(145 926)**	**(220 693)**	**(148 692)**

The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:

Figures in Rand '000	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
	(145 926)	(220 693)	(148 692)
Reconciliation of deferred tax asset/(liability)			
At beginning of year	(148 727)	(240 201)	(240 201)
Debit to the statement of profit or loss and other comprehensive income	2 801	19 508	60 512
Prior year adjustment	–	–	30 962
	(145 926)	**(220 693)**	**(148 727)**

4. ADVANCES TO CUSTOMERS

Figures in Rand '000	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
Financial instruments:			
Customer advances – current portion	1 309 446	1 376 002	1 157 643
Customer advances – non-current portion	794 425	532 519	750 632
Loss allowance	349 682	301 728	(264 508)
Advances to customers at amortised cost	2 453 553	2 210 249	1 643 767
Total advances to customers	**2 453 553**	**2 210 249**	**1 643 767**
Split between non-current and current portions			
Non-current assets	696 939	435 033	653 146
Current assets	1 057 250	1 171 759	990 621
	1 754 189	**1 606 792**	**1 643 767**

Customer advances represent sale of handsets to the end Cell C contract subscribers and are received by CEC over the life of the contract.

Included in the current portion of customer advances as at 31 August 2025 is R15 349 (31 August 2024: R25 575; 31 May 2025: R18 053) that relate to the 7.5% (31 August 2024: 7.5%; 31 May 2025: 7.5%) hold back on the African Bank book sales.

Exposure to credit risk

Under the new "Supply, Sale and Financing of Products Agreement" effective 1 November 2020, Cell C no longer guarantees bad debts and cancellations and this now exposes CEC to the credit risk of the population of the underlying subscribers who are all customers of Cell C.

In terms of the above agreement, if Cell C is unable or admits inability to make a payment as they fall due, or is deemed to or declared to be unable to pay its debts under the applicable law, suspends or threatens to suspend making payments by reason of actual or anticipated financial difficulties, they would be in breach of their agreement. If not remedied, CEC ultimately has a right to port the Cell C base.

Fair value of advances to customers

The fair value of trade and other receivables approximates their carrying amounts due to the market related discount factor.

5. LOANS RECEIVABLE

Loans receivable are presented at amortised cost, which is net of loss allowance, as follows:

Figures in Rand '000	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
K2022501540 (South Africa) (Pty) Ltd This is an interest free and security free loan for Enterprise Development in terms of the applicable B-BBEE Legislation repayable after 24 months	5 501	5 318	5 501
Cell C Service Provider Company (Pty) Ltd This loan bears interest at a fixed rate of 12% and is repayable over 60 months	496 914	708 437	505 648
The Marvelous Company (Pty) Ltd This is an interest free and security free loan for Enterprise Development in terms of the applicable B-BBEE Legislation repayable after 36 months	4 070	4	4 070
	506 485	**717 826**	**515 219**
Split between non-current and current portions			
Non-current assets	224 733	474 716	255 551
Current assets	281 752	243 110	259 668
	506 485	**717 826**	**515 219**

Exposure to credit risk

Loans receivable inherently exposes the Company to credit risk, being the risk that the Company will incur financial loss if counterparties fail to make payments as they fall due.

Loans receivable are subject to the impairment provisions of IFRS 9 Financial Instruments, which requires a loss allowance to be recognised for all exposures to credit risk. The loss allowance for loans receivable is calculated based on 12-month expected losses if the credit risk has not increased significantly since initial recognition. In cases where the credit risk has increased significantly since initial recognition, the loss allowance is calculated based on lifetime expected credit losses. The loss allowance is updated to either 12-month or lifetime expected credit losses at each reporting date based on changes in the credit risk since initial recognition. If a loan is considered to have a low credit risk at the reporting date, then it is assumed that the credit risk has not increased significantly since initial recognition. On the other hand, if a loan is in arrears more than 90 days, then it is assumed that there has been a significant increase in credit risk since initial recognition.

In determining the amount of expected credit losses, the Company has taken into account any historic default experience, the financial positions of the counterparties as well as the future prospects in the industries in which the counterparties operate or are employed. This information has been obtained from the counterparties themselves, as well as from economic reports, financial analyst reports and various external sources of actual and forecast data and is applied to estimate a probability of default occurring as well as estimating the loss upon default.

The maximum exposure to credit risk is the gross carrying amount of the loans as presented below.

The Company does not hold collateral or other credit enhancements against loans receivable.

Fair value of loans receivable

The fair value of the loan approximates the carrying amounts due to the terms being market related.

6. INVENTORIES

Figures in Rand '000	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
Finished goods	162 535	212 628	196 875
Airtime and data	793 004	–	793 004
	955 539	**212 628**	**989 879**

During the 2025 financial year, the Group introduced a new inventory category for airtime and data, amounting to R793.0 million. No write-downs to net realisable value or reversals of previous write-downs were recognised in the period. The accounting policy for inventory measurement at the lower of cost and net realisable value is consistent with that applied in the annual financial statements for the year ended 31 May 2025.

7. LOANS TO GROUP COMPANIES

Figures in Rand '000	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
Subsidiaries			
BLU Loan – Share Scheme	–	1 956	–
Stride SA (Pty) Ltd	8 705	8 743	8 682
This loan is unsecured, interest free and is repayable on demand.			
	8 705	**10 699**	**8 682**

Loans to Group companies increased slightly from R92 million at 31 May 2025 to R92.0 million at 31 August 2025, primarily due to advance of loan to stride of 23 thousand. All loans remain unsecured, interest-free and repayable on demand, consistent with the prior year. No new related-party loans or significant changes in loan terms occurred during the period.

Figures in Rand '000	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
Holding company			
The Prepaid Company (Pty) Ltd			
This loan is unsecured, interest free and is repayable on demand.	83 324	86 998	83 324
Split between non-current and current portions			
Current assets	92 029	97 697	92 006

8. **TRADE AND OTHER RECEIVABLES**

Figures in Rand '000	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
Financial instruments:			
Cell C receivable	59 012	724 244	–
Other trade receivables	92 069	153 766	106 429
Loss allowance	(579)	(1 596)	(579)
Trade receivables at amortised cost	150 502	876 414	105 850
Other receivables	13 234	52 854	12 968
Non-financial instruments:			
VAT	130 053	19 954	134 633
Prepayments	18 651	34 001	16 954
Total trade and other receivables	**312 440**	**983 223**	**270 405**
Split between non-current and current portions			
Current assets	312 440	983 223	270 405
Financial instrument and non-financial instrument components of trade and other receivables			
At amortised cost	163 736	929 268	118 818
Non-financial instruments	148 704	53 955	151 587
	312 440	**983 223**	**270 405**

The increase in trade and other receivables compared to the prior period mainly relates to the Cell C balances. Offsetting of the related trade receivable and payable balances was not applied at the reporting date, as this process is only performed biannually in November and May of each year. Consequently, the year-end balances appear higher.

The accounting policies and classification criteria applied are consistent with those in the annual financial statements. The balances remain measured at amortised cost. No reclassifications or settlements occurred other than those disclosed under the recapitalisation agreement. Off-setting with Cell C takes place bi-annually at November and May of each year.

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts due to their short-term nature.

9. **TRADE AND OTHER PAYABLES**

Figures in Rand '000	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
Financial instruments:			
Trade payables	1 411 115	930 640	1 136 345
Accrued leave pay	1 598	1 416	1 279
Accrued bonus	–	11 560	7 794
Accrued payroll expenses	4 011	2 521	1 483
Other accruals	26 102	28 799	32 148
Deposits received	79	79	79
	1 442 905	**975 015**	**1 179 128**
Financial instrument and non-financial instrument components of trade and other payables			
At amortised cost	1 442 905	975 015	1 179 128

Trade and other payables increased from R1.18 billion at 31 May 2025 to R1.44 billion at 31 August 2025, mainly due to timing differences in supplier payments and accruals for operating expenses and employee benefits.

In addition, the Cell C-related payable has not been offset against the corresponding receivable as at 31 August 2025. Offsetting of these balances is only performed biannually, in November and May each year.

The classification, measurement basis and offsetting policies are consistent with those applied in the annual financial statements for the year ended 31 May 2025.

The fair values of trade and other payables approximate their carrying amounts due to their short-term maturities.

10. **LOANS FROM GROUP COMPANIES**

Figures in Rand '000	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
Fellow subsidiaries			
BluAdvance (Pty) Ltd			
This loan is unsecured, interest free and has no fixed terms of repayment.	482	4 031	621

The loan from BluAdvance (Pty) Ltd decreased slightly from R0.6 million at 31 May 2025 to R0.5 million at 31 August 2025, following partial repayment during the interim period. The loan remains unsecured, interest-free and has no fixed terms of repayment, consistent with the prior financial year. No new loans or changes in terms occurred during the interim period.

Figures in Rand '000	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
Split between non-current and current portions			
Current liabilities	482	4 031	621

11. BORROWINGS

Figures in Rand '000	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
Held at amortised cost			
African Bank Limited	1 572 530	1 900 000	1 699 270
	1 572 530	**1 898 044**	**1 699 270**
Split between non-current and current portions			
Non-current liabilities	1 019 626	1 514 967	1 165 780
Current liabilities	552 904	385 033	533 490
	1 572 530	**1 900 000**	**1 699 270**

Total borrowings as at 31 August 2025 amount to R1.57 billion, compared to R1.69 billion at 31 May 2025, reflecting a repayment of R127 million during the period.

Borrowings are secured by Group assets, with collateral coverage of approximately 1.25 times the outstanding balance.

The classification and measurement of borrowings remain consistent with those applied in the annual financial statements for the year ended 31 May 2025. Borrowings continue to be measured at amortised cost.

The Group remains in compliance with all loan covenants at the reporting date.

Facility	Interest rate	Interest period	Value as at 31 August 2025
African Bank Facility	Prime plus 3%	Monthly	1 572

The Group's borrowings comprise a revolving credit facility with African Bank Limited, originally entered into in December 2023 for a maximum facility of R1.9 billion. The facility bears interest at prime + 3% and is repayable in 33 equal monthly instalments starting on 1 January 2025, with a final payment of R215 million in December 2027.

The facility balance decreased from R1.70 billion at 31 May 2025 to R1.57 billion at 31 August 2025 following scheduled repayments.

The facility is secured by a combination of subscriber handset receivables and service-revenue receivables. At 31 August 2025, the utilised facility of R1 573 million was secured by a collateral pool totalling R1 986 million (1.25× cover). The collateral comprised R1 887 million of service-revenue receivables, R218 million of trade receivables, and R798 million of handset receivables.

BLU Limited and The Prepaid Company (Pty) Ltd continue to provide a guarantee of R250 million to African Bank.

No new facilities were raised, and there were no breaches of covenants or defaults during the period. The Group's accounting policies for borrowings and interest-bearing liabilities are consistent with those applied in the annual financial statements for the year ended 31 May 2025.

Figures in Rand '000	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
Reconciliation of African Bank Facility cash flows			
Opening balance	1 699 270	1 900 000	1 900 000
Interest bearing borrowings raised	–	–	–
Repayment	(126 740)	(1 956)	(200 730)
Closing balance	**1 572 530**	**1 898 044**	**1 699 270**

12. REVENUE

Figures in Rand '000	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
Revenue from contracts with customers			
Handset revenue	422 198	467 528	2 040 909
Revenue other than from contracts with customers			
Subscription income share	135 177	96 176	515 246
Interest received (trading)	65 406	32 169	292 520
	200 583	**128 345**	**807 766**
	622 781	**595 873**	**2 848 675**

13. COST OF SALES

Figures in Rand '000	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
Sale of goods	354 221	394 576	1 715 950
Amortisation on intangible assets	72 127	69 428	279 904
	426 348	**464 004**	**1 995 854**

14. OPERATING PROFIT

Operating profit for the period is stated after charging (crediting) the following, amongst others:

Figures in Rand '000	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
Auditor's remuneration – external			
Audit fees	732	714	1 073
Remuneration, other than to employees			
Consulting fees	9 277	7 745	35 804
Legal fees	48	75	313
	9 325	**7 820**	**36 117**
Employee costs			
Salaries and bonuses	8 259	12 356	49 467
Share incentive scheme	2 402	2 169	7 803
Total employee costs	**10 661**	**14 525**	**57 270**
Declaration and amortisation			
Depreciation of equipment	120	122	506
Amortisation of intangible assets	784	–	1 568
Total depreciation and amortisation	**904**	**122**	**2 074**

Expenses by nature

The total cost of sales, selling and distribution expenses, marketing expenses, general and administrative expenses, research and development expenses, maintenance expenses and other operating expenses are analysed by nature as follows:

Figures in Rand '000	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
Cost of sales	426 348	464 004	1 995 854
Employee costs	10 661	14 525	57 270
Depreciation and amortisation	904	122	2 075
Other expenses	3 560	1 958	35 796
Legal fees	48	74	313
Movement in expected credit losses*	84 877	107 839	481 568
Management fees	19 790	18 576	72 996
Marketing	10 849	6 855	27 836
Consulting	9 277	7 744	35 804
	566 314	**621 697**	**2 709 512**

* The reduction in the movement of credit loss allowances from R107.8 million to R84.9 million reflects improved recoverability in the handset receivable portfolio and settlements on older exposures. No changes were made to the expected credit loss methodology.

15. INVESTMENT INCOME

Figures in Rand '000	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
Interest income			
Investments in financial assets:			
Loans receivable at amortised cost	15 445	21 889	77 506
Money on deposit	1 551	18 199	55 187
Total interest income	**16 996**	**40 088**	**132 693**

Interest income decreased by R21 million compared to the prior period, primarily due to a lower average trade receivable balance from Cell C during the year and the repayment of the outstanding balance at the end of May 2025. No interest was charged on the overdue trade balance of Cell C.

16. FINANCE COSTS PAID

Figures in Rand '000	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
Trade and other payables	479	300	67 798
African Bank borrowings	77 583	89 275	406 337
Total interest expense	**78 062**	**89 575**	**474 135**

Included in the R77.5 million for the period ended 31 August 2025 (31 August 2024: R89.5 million; 31 May 2025: R406 million) above is a facility fee of R6 million (31 August 2024: R19 million; 31 May 2025: R55 million) as well as finance costs related to African Bank book sale of R14 million (31 August 2024: R Nil; 31 May 2025: R83 million), with the remainder resulting from interest on the African Bank facility.

17. TAXATION

Major components of the tax income

Figures in Rand '000	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
Current			
Local income tax – current period	1 822	–	–
Local income tax – recognised in current tax for prior period	–	–	30 996
	1 822	**–**	**30 996**
Deferred			
Originating and reversing temporary difference – current period	30 993 617	(19 508)	(60 477 951)
Over provision on deferred tax	(30 996 418)	–	(30 996 418)
	(2 801)	**(19 508)**	**(91 474 369)**
	(979)	**(19 508)**	**(91 443 373)**

The tax credit of R70.9 million (2024: R19.5 million) primarily arises from the recognition of previously unutilised assessed losses and the reversal of temporary differences relating to intangible assets and accruals. The effective tax rate for the interim period is not considered indicative of the full-year rate.

18. CASH GENERATED FROM OPERATIONS

Figures in Rand '000	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
Loss before taxation	(3 745)	(73 105)	(219 893)
Adjustments for:			
Depreciation and amortisation	73 031	69 549	281 978
Interest income	(82 402)	(72 257)	(425 213)
Finance costs	78 062	89 575	474 135
Fair value gains	(105)	(1 669)	(12 098)
Derecognition loss	–	–	51 575
Movement in deferred loan loss allowance	(187)	–	(23 313)
Share incentive cost	2 401	2 169	9 402
Changes in working capital:			
Decrease/(increase) in inventories	34 339	29 425	(747 825)
(Increase)/decrease in trade and other receivables	(42 034)	(395 757)	317 059
Increase in advances to customers	(120 245)	(370 433)	(457 560)
Increase in trade and other payables	263 776	755 388	959 502
	202 891	**32 885**	**207 749**

19. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Reconciliation of liabilities arising from financing activities – 31 August 2025

	Opening balance	Cash flows	Closing balance
Borrowings*	1 699 270	(126 740)	1 572 530
Loans from Group companies	621	(139)	482
Total liabilities from financing activities	**1 699 891**	**(126 879)**	**1 573 012**

Reconciliation of liabilities arising from financing activities – 31 August 2024

	Opening balance	Cash flows	Closing balance
Borrowings*	1 900 000	(1 956)	1 898 044
Loans from Group companies	4 541	–	4 031
Total liabilities from financing activities	**1 904 541**	**(1 956)**	**1 902 075**

Reconciliation of liabilities arising from financing activities – 31 May 2025

	Opening balance	Cash flows	Closing balance
Borrowings*	1 900 000	(200 730)	1 699 270
Loans from Group companies	4 541	(3 920)	621
Total liabilities from financing activities	**1 904 541**	**(204 650)**	**1 699 891**

* CEC entered into a borrowing agreement with African Bank on 26 November 2021 for a maximum facility of R1.9 billion. CEC fully repaid this facility and took out a new facility with African Bank on 14 December 2023 with a maximum facility value of R1.9 billion. As the facility is repaid, it cannot be redrawn. At the end of May the facility was R1.7 billion (2024: R1.9 billion).

20. RELATED PARTIES

Relationships

Ultimate holding company	Blue Label Telecoms Limited
Holding company	The Prepaid Company (Pty) Ltd
Fellow subsidiaries	Blue Label Company (Pty) Ltd Blue Label Connect (Pty) Ltd Blue Label Data Solutions (Pty) Ltd Blue Label Distribution (Pty) Ltd BluNova (Pty) Ltd Robtronics (Pty) Ltd BluAdvance (Pty) Ltd Blue Label One (Pty) Ltd
Fellow associate	Cell C Service Provider Company (Pty) Ltd
Directors	A Greenblatt BM Levy S Ramdhani L Mthimunye W Janse van Rensburg

Figures in Rand '000	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
Related party balances			
Loan accounts – Owing (to) by related parties			
BluAdvance (Pty) Ltd	(481)	(4 031)	(621)
The Prepaid Company (Pty) Ltd	86 912	86 997	86 912
Blu Label Unlimited Group Limited	–	(1 955)	–
Striide SA (Pty) Ltd	8 999	8 976	8 976
Cell C Service Provider Company (Pty) Ltd	440 509	675 533	449 900
Amounts included in trade receivables (trade payables) regarding related parties			
Altbureau	(1 986)	–	–
Blue Label Company (Pty) Ltd	(19 666)	(12 233)	–
BluNova (Pty) Ltd	5 015	(7 002)	3 279
BluNova (Pty) Ltd	–	155	–
Striide SA (Pty) Ltd	2 214	1 890	2 138
Blue Label Connect (Pty) Ltd	(1 888)	(1 895)	515
Blue Label Distribution (Pty) Ltd	–	1 601	–
Blue Label Distribution (Pty) Ltd	(740)	(4 138)	(296)
Blue Label One (Pty) Ltd	(345)	–	(172)
Blue Label Data Solutions (Pty) Ltd	(36 596)	(2 338)	(5 214)
Robtronics (Pty) Ltd	225	–	1 195
The Prepaid Company (Pty) Ltd	(450 572)	(103 599)	(345 743)
The Prepaid Company (Pty) Ltd	–	40 000	–
Cell C Service Provider Company (Pty) Ltd	59 011	724 244	–
Cell C Service Provider Company (Pty) Ltd	(157 948)	(105 474)	(95 089)

Figures in Rand '000	3 months ended 31 August 2025 Reviewed	3 months ended 31 August 2024 Reviewed	12 months ended 31 May 2025 Audited
Related party transactions			
Interest received from related parties			
Cell C Service Provider Company (Pty) Ltd	16 326	38 885	125 100
Purchases from (sales to) related parties			
Altbureau	5 643	–	–
Blue Label Connect (Pty) Ltd	(147)	(1 315)	(3 713)
BluNova (Pty) Ltd	1 106	6 046	24 187
Blue Label Distribution (Pty) Ltd	631	555	2 253
Blue Label Distribution (Pty) Ltd	(33)	(1 411)	(1 554)
Blue Label Data Solutions (Pty) Ltd	36 747	4 451	33 403
The Prepaid Company (Pty) Ltd	91 757	90 000	308 535
The Prepaid Company (Pty) Ltd	(45)	–	(74)
Robtronics (Pty) Ltd	(21)	–	2 836
Robtronics (Pty) Ltd	–	–	(2 117)
Blue Label One (Pty) Ltd	375	300	1 695
Blue Label One (Pty) Ltd	–	–	(8)
Cell C Service Provider Company (Pty) Ltd	(871 977)	(905 445)	(3 846 554)
Cell C Service Provider Company (Pty) Ltd	384 959	410 988	1 812 881
Management fees paid to (from) related parties			
Blue Label Company (Pty) Ltd	17 101	15 912	63 649
Bluadvance	(103)	–	–
Blue Label Distribution (Pty) Ltd	138	126	505
Blue Label Connect (Pty) Ltd	2 550	2 538	8 841
BluNova (Pty) Ltd	(311)	(135)	(540)

21. GOING CONCERN

The directors believe that the Company has adequate financial resources to continue in operation for the next 12 months. The cash flow forecast and budgets up until 31 August 2026 were reviewed by management. The condensed quarterly financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

22. EVENTS AFTER YEAR-END

Subsequent to the reporting date of 31 August 2025, The Prepaid Company Proprietary Limited (the holding company of Comm Equipment Company Proprietary Limited and a subsidiary of Blu Label Unlimited Group Limited) entered into negotiations with Cell C Limited for the disposal of its shareholding in Comm Equipment Company Proprietary Limited. The negotiations were not finalised and the transaction was not effective at the date these IAS 34 financial statements were authorised for issue.

The proposed change in shareholding is material to the users of the financial statements as it is expected to have as significant impact on the operations of Comm Equipment Company Proprietary Limited.

ANNEXE 8 – INDEPENDENT AUDITOR'S REVIEW REPORT ON THE CONDENSED INTERIM HISTORICAL FINANCIAL INFORMATION OF COMM EQUIPMENT COMPANY PROPRIETARY LIMITED FOR THE THREE MONTHS ENDED 31 AUGUST 2025 AND 31 AUGUST 2024

The definitions and interpretations commencing on page 454 of this Pre-listing Statement apply through this Annexe 8, except where the contexts indicate a contrary intention and except where terms are explicitly defined herein.

To The Directors of Comm Equipment Company (Pty) Ltd

We have reviewed the condensed interim financial statements of Comm Equipment Company (Pty) Ltd set out on pages 341 to 359, which comprise the condensed statement of financial position as at 31 August 2025, and the condensed statement of profit or loss, the condensed statement of comprehensive income, the condensed statement of changes in equity, and the condensed statement of cash flows for the period then ended, and selected explanatory notes to the condensed interim financial statements.

DIRECTORS' RESPONSIBILITY FOR THE CONDENSED INTERIM FINANCIAL STATEMENTS

The directors are responsible for the preparation and presentation of these condensed interim financial statements in accordance with the International Financial Reporting Standard Accounting Standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board, IAS 34 Interim Financial Reporting, the South African Institute of Chartered Accounts ("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 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 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 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 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 interim financial statements.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim financial statements of Comm Equipment Company (Pty) Ltd for the three months ended 31 August 2025 are not prepared, in all material respects, in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board, 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.

SizweNtsalubaGobodo Grant Thornton Inc.
Director: Altaf Fajandar
Chartered Accountant (SA)
Registered Auditor

Johannesburg
7 November 2025

ANNEXE 9 – AT INCORPORATION HISTORICAL FINANCIAL INFORMATION OF THE COMPANY

The definitions and interpretations commencing on page 454 of this Pre-listing Statement apply through this Annexe 9, except where the context indicates a contrary intention and except where terms are explicitly defined herein.

BASIS OF PREPARATION

The statement of financial position of Cell C Holdings ("**List Co**") as at incorporation, being 1 September 2025, the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the period then ended, and notes thereto, including material accounting policy information ("**At Incorporation Historical Financial Information of Cell C Holdings**") have been extracted, without adjustment, from the audited financial statements of Cell C Holdings at incorporation, being 1 September 2025 ("**Audited Financial Statements**").

The Audited Financial Statements are in compliance with IFRS, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council. The At Incorporation Historical Financial Information of the Company was prepared in accordance with IFRS and the JSE Listings Requirements for the purpose of providing financial information to satisfy the requirements of Section 8 of the JSE Listings Requirements. The additional disclosure required in terms of paragraphs 8.11 and 8.12 of the JSE Listings Requirements has been included in the At Incorporation Historical Financial Information of the Company where relevant.

The Audited Financial Statements have been audited by SNG Grant Thornton and an unqualified audit opinion has been issued thereon. SNG Grant Thornton is the Independent Auditor to Cell C Holdings and has issued the Independent Auditor's Assurance Report on this At Incorporation Historical Financial Information of Cell C Holdings which is included as Annexe 10 to this Pre-listing Statement. The Directors are responsible for the At Incorporation Historical Financial Information of the Company included in this Pre-listing Statement.

DIRECTORS' COMMENTARY

ListCo has been incorporated primarily for the purposes of the Offer. ListCo was incorporated on 1 September 2025 a public company. Cell C Holdings Proprietary Limited will acquire a 100% shareholding in Cell C Limited and its subsidiaries on the Second Closing Date through the Flip-Up Agreement. Prior to the acquisition of Cell C Limited, ListCo had not traded.

STATEMENT OF FINANCIAL POSITION

Figures in ZAR'000	Note	31 August 2025 Audited
Total assets		–
Equity		–
Ordinary share capital		–
Total equity		–
Total liabilities		–
Statistics:		–
Ordinary shares in issue		–
Net asset value per share		–
Tangible net asset value per share		–

STATEMENT OF COMPREHENSIVE INCOME

Revenue	–
Profit for the period	–
Profit attributable to equity holders of the parent	–
Profit attributable to non-controlling interests	–
Other comprehensive income	–
Total comprehensive income	–
Total comprehensive income attributable to equity holders of the parent	–
Total comprehensive income attributable to non-controlling interests	–
Earnings per share	–
Basic earnings per share (cents)	–
Diluted earnings per share (cents)	–

STATEMENT OF CHANGES IN EQUITY

Figures in ZAR'000	Ordinary share capital	Retained income	Total equity
Balance at 31 August 2025			–

STATEMENT OF CASH FLOWS

Figures in ZAR'000	
31 August 2025	
Net cash inflow from operating activities	–
Net cash inflow from investing activities	–
Net cash inflow from financing activities	–
Net movement in cash and cash equivalents	–
Opening balance of cash and cash equivalents	–
Closing balance of cash and cash equivalents	–

NOTES TO THE AT INCORPORATION HISTORICAL FINANCIAL INFORMATION OF CELL C LISTCO

1. ACCOUNTING POLICIES

The At Incorporation Historical Financial Information has been prepared in accordance with IFRS, SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, and the requirements of the JSE Listings Requirements.

2. ORDINARY SHARE CAPITAL

	31 August 2025
Authorised	
5 000 000 000 ordinary no par value shares	

3. BASIC, HEADLINE, DILUTED AND DIVIDEND PER SHARE

Figures in cents	**31 August 2025**
Basic earnings per share	–
Diluted earnings per share	–
Headline earnings per share	–
Diluted earnings per share	–
Dividend per share	–

3.1 Reconciliation between basic and headline earnings

Figures in ZAR	
Profit for the period (Basic earnings)	–
Adjustments	–
Headline earnings	–

3.2 Number of ordinary shares in issue

Figures in ZAR	
Number of ordinary shares in issue	–
Number of ordinary shares in issue	–
Weighted average number of ordinary shares in issue	–
Diluted weighted average number of ordinary shares in issue	–

4. **SUBSEQUENT EVENTS**

4.1 On 29 September 2025, 1 share was issued to The Prepaid Company Limited for a total consideration of R1.

4.2 On 29 August 2025, the following Directors were appointed:

JJC Mendes

ET Kope

RO Ayo-Oladejo

4.3 On 29 August 2025, Cell C ListCo was registered as a public company.

4.4 On 22 October 2025, the following directors were appointed:

JS Mthimunye	Chairman of the Board
SV Zilwa	Independent Non-Executive
M Makanjee	Independent Non-Executive
GN Motsa	Independent Non-Executive
SJ Vilakazi	Non-Executive

4.5 On 22 October 2025, Ms RO Ayo-Oladejo resigned as director.

4.6 On 5 November 2025, ListCo announced its intention to float ("ITF") all of its issued ordinary shares on the Main Board of the Johannesburg Stock Exchange.

4.7 On 21 October 2025, Cell C ListCo opened a bank account.

ANNEXE 10 – INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE AT INCORPORATION HISTORICAL FINANCIAL INFORMATION OF THE COMPANY

The definitions and interpretations commencing on page 454 of this Pre-listing Statement do not apply through this Annexe 10.

To the Directors of Cell C Holdings Limited

At your request, we present our Independent Auditor's Assurance Report on the at incorporation historical financial information of Cell C Holdings Limited ("**Cell C**"), at incorporation date, being 29 August 2025 (the "**At Incorporation Historical Financial Information**") for inclusion in Annexe 9 on pages 361 to 364 of the Pre-listing Statement ("**PLS**") to be dated on or about 13 November 2025 by the directors.

This report is required for the purposes of complying with Section 8.48 of the Listings Requirements of the JSE Limited (the "**JSE**") (the "**JSE Listings Requirements**") and is given for the purpose of complying with those requirements and for no other purpose. We are the Independent Auditors of Cell C.

To the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with the JSE Listings Requirements and consenting to its inclusion in the PLS.

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE AT INCORPORATION HISTORICAL FINANCIAL INFORMATION

OPINION

We have audited the At Incorporation Historical Financial Information of Cell C which comprises of the statement of financial position as at incorporation date, being 29 August 2025, the statement comprehensive income, the statement of changes in equity, the statement of cash flows for the period then ended and notes to the At Incorporation Historical Financial Information, including material accounting policy information, as presented in Annexe 9 on pages 361 to 364 of the PLS.

In our opinion, the At Incorporation Historical Financial Information, as presented in Annexe 9 on pages 361 to 364 of the PLS presents fairly, in all material respects, for the purpose of the PLS, the financial position of Cell C as at incorporation date, being 29 August 2025 and its financial performance and cash flows for the period then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the JSE Listings Requirements.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Independent Auditor's Responsibilities for the At Incorporation Historical Financial Information section of our report. We are independent of Cell C in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors ("IRBA Code") and other independence requirements applicable to performing audits of historical financial information of Cell C and in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits of Cell C and in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the At Incorporation Historical Financial Information of the current period. We do not believe that any of the matters communicated to those charged with governance were key audit matters in the context of the ISAs and consequently we did not identify any key audit matters in the current year.

OTHER INFORMATION

The directors are responsible for the other information contained in this PLS. The other information comprises the information included in the document titled "Cell C Holdings Limited Pre-listing Statement". The other information does not include the At Incorporation Historical Financial Information and our Independent Auditor's Assurance Report thereon.

Our opinion on the At Incorporation Historical Financial Information does not cover the other information contained in this PLS and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the At Incorporation Historical Financial Information, our responsibility is to read the other information contained in this PLS and, in doing so, consider whether the other information is materially inconsistent with the At Incorporation Historical Financial Information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE AT INCORPORATION HISTORICAL FINANCIAL INFORMATION

The directors are responsible for the compilation, contents and preparation of the PLS in accordance with the JSE Listings Requirements. The directors are also responsible for the preparation and fair presentation of the At Incorporation Historical Financial Information in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board and the JSE Listings Requirements, and for such internal control as the directors determine is necessary to enable the preparation of At Incorporation Historical Financial Information that is free from material misstatement, whether due to fraud or error.

In preparing the At Incorporation Historical Financial Information, the directors are responsible for assessing Cell C's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate Cell C or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S RESPONSIBILITIES FOR THE AT INCORPORATION HISTORICAL FINANCIAL INFORMATION

Our objectives are to obtain reasonable assurance about whether the At Incorporation Historical Financial Information as a whole is free from material misstatement, whether due to fraud or error, and to issue an Independent Auditor's Assurance Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this At Incorporation Historical Financial Information.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the At Incorporation Historical Financial Information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Cell C's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Cell C's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Independent Auditor's Assurance Report to the related disclosures in the At Incorporation Historical Financial Information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Independent Auditor's Assurance Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the At Incorporation Historical Financial Information, including the disclosures, and whether the At Incorporation Historical Financial Information represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the IRBA Rule published in Government Gazette number 39475 dated 4 December 2015, we report that we have been the Independent Auditor of Cell C for less than one year.

SNG Grant Thornton Inc.
Director: Altaf Fajandar
Chartered Accountant (SA)
Registered Auditor

Johannesburg
7 November 2025

SNG Grant Thornton Inc.
Director: Omar Kadwa
Chartered Accountant (SA)
Registered Auditor
Reporting Accountant Specialist

Johannesburg
7 November 2025

ANNEXE 11 – NON-IFRS FINANCIAL INFORMATION

The definitions and interpretations in "Annexe 21 – Definitions, Glossary and Interpretations" of this Pre-listing Statement apply through this Annexe 11, except where the context indicates a contrary intention and except where terms are explicitly defined herein.

Basis of Preparation

For Cell C (i) Average invested capital, (ii) Capex intensity, (iii) EBIT, (iv) EBITDA, (v) EBITDA margin, (vi) Free cash flow, (vii) Free cash flow conversion, (viii) Invested capital, (ix) Return on invested capital (ROIC), and (x) Leverage of Cell C (the "**Cell C Non-IFRS financial information**"), and for CEC (i) Gross Profit margin (%), (ii) EBITDA, (iii) EBITDA margin, (iv) Advances to customers, (v) Credit Loss Ratio to Advances to customers (%); (vi) Debt to Equity Ratio (times); (vii) Net finance cost and (viii) Interest cover ratio (times) (the "**CEC Non-IFRS financial information**") constitute *pro forma* financial information in terms of the JSE Listings Requirements. In addition the (i) Revenue, (ii) Profit before depreciation, net finance costs, equity-accounted profit and tax, (iii) Profit before depreciation, net finance costs, equity-accounted profit and tax and (iv) Net income/(loss) After taxation of Cell C for the three months ended 31 August 2025 and 2024, prepared on a *pro forma* basis (the "**Q1 *Pro Forma* Non-IFRS financial information**", and, together with the Cell C Non-IFRS financial information and the CEC Non-IFRS financial information, "**Non-IFRS Financial Information**") constitute Pro Forma financial information in terms of the JSE Listing Requirements. The Non-IFRS Financial Information has been prepared for illustrative purposes only and because of its nature may not fairly present Cell C's, CEC's or the Group's financial position, changes in equity, results of operations, or cash flows.

The Non-IFRS Financial Information has been prepared to illustrate the additional financial measures regularly used by the management of Cell C and CEC, and which will be used by the Company, to assess operating performance, and thereby enhance an investor's understanding of Cell C's, CEC's and the Group's results of operations and financial performance.

The Non-IFRS Financial Information is presented in accordance with the JSE Listing Requirements.

The directors of the Company are responsible for the Non-IFRS Financial Information included in this Pre-listing Statement.

SNG Grant Thornton Inc.'s Independent Auditor's Assurance Report on the compilation of the Non-IFRS Financial Information is set out in "*Annexe 12 – Independent Auditor's Assurance Report in Respect of The Compilation of Non IFRS Financial Information*" to this Pre-listing Statement.

(i) Capex intensity

The following presents a reconciliation from capital expenditures (computed in accordance with IFRS) to Capex intensity for Cell C on a historical basis for each of the periods indicated.

	Three months ended		**Year ended**	**5 months ended**	**Year ended**	
(Figures in ZAR'm, except percentages)	**31 August 2025**	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
	(reviewed)					
Capital expenditures	589.8	159.2	778.0	347.4	604.5	1 067.0
Revenue	2 796.0	2 774.1	11 138.2	4 619.8	10 703.0	11 310.3
Capex intensity[(a)]	**21.1%**	**5.7%**	**7.0%**	**7.5%**	**5.6%**	**9.4%**

(a) Calculated as capital expenditures divided by revenue.

(ii) EBITDA and EBITDA margin

The following presents a reconciliation from profit for the period (computed in accordance with IFRS) to EBITDA, as well as the calculations of EBITDA margin, for Cell C on a historical basis for each of the periods indicated.

	Three months ended		**Year ended**	**5 months ended**	**Year ended**	
(Figures in ZAR'm, except percentages)	**31 August 2025**	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
	(reviewed)					
Profit for the period	**87.0**	**(55.9)**	**2 217.1**	**(230.5)**	**190.3**	**3 939.4**
Taxation	13.5	6.5	(1 920.6)	48.2	0.0	0.0
Profit before taxation	**(73.5)**	**(49.4)**	**296.5**	**(182.3)**	**190.3**	**3 939.4**
Finance income	(2.5)	(2.8)	(11.0)	(5.7)	(9.2)	(10.6)
Finance costs	313.1	306.8	1 311.7	614.8	1 510.8	2 258.4
Share profit from equity accounted investment	(0.1)	(0.1)	(0.4)	(0.2)	(0.3)	(0.6)
Operating profit	**237.1**	**254.5**	**1 596.8**	**426.6**	**1 691.6**	**6 186.5**
Depreciation and amortisation	133.4	94.8	507.6	161.8	978.0	1 479.1
EBITDA	**370.5**	**349.3**	**2 104.4**	**588.4**	**2 669.6**	**7 665.6**
Revenue	2 796.0	2 774.1	11 138.2	4 619.8	10 703.0	11 310.3
EBITDA margin[(b)]	**13.3%**	**12.6%**	**18.9%**	**12.7%**	**24.9%**	**67.8%**

(b) Calculated as EBITDA divided by revenue.

(iii) Free cash flow and Free cash flow conversion

The following presents the calculation of Free cash flow, as well as the calculation of Free cash flow conversion, from EBITDA for Cell C on a historical basis for each of the periods indicated.

	Three months ended		**Year ended**	**5 months ended**	**Year ended**	
(Figures in ZAR'm, except percentages)	**31 August 2025**	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
	(reviewed)					
EBITDA	**370.5**	**349.3**	**2 104.4**	**588.4**	**2 669.6**	**7 665.6**
Changes in working capital	180.7	102.1	(173.8)	(91.5)	(461.0)	4 410.6
Finance lease payments	(105.0)	(96.4)	(570.8)	(139.8)	(615.5)	(1 136.6)
Taxes paid	(18.9)	(5.1)	(5.6)	–	–	–
Capital expenditure	(589.8)	(159.2)	(778.0)	(347.4)	(604.5)	(1 067.0)
Free cash flow	**(162.5)**	**190.7**	**576.1**	**9.6**	**988.6**	**9 872.6**
EBITDA	370.5	349.3	2 104.4	588.4	2 669.6	7 665.6
Free cash flow conversion[(c)]	**(43.9%)**	**54.6%**	**27.4%**	**11.6%**	**37.0%**	**128.8%**

(c) Calculated as Free cash flow divided by EBITDA.

(iv) Average invested capital

Average invested capital for Cell C on a historical basis for each of the periods indicated is calculated as presented in the following table:

	Three months ended		Year ended	5 months ended	Year ended	
(Figures in ZAR'm, except percentages)	**31 August 2025**	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
	(reviewed)					
Equity	(8 391.7)	(10 577.7)	(8 304.7)	(10 521.8)	(10 291.3)	(10 481.6)
Cash and cash equivalents	306.7	384.1	182.1	101.0	290.0	75.5
Current interest-bearing borrowings	2 579.1	356.0	2 483.5	653.9	417.3	250.0
Non-current interest-bearing borrowings	1 497.8	3 600.4	1 472.8	3 096.1	3 253.6	2 874.7
Non-current lease liabilities	1 848.5	1 487.3	1 638.0	1 546.7	1 546.9	1 472.3
Current lease liabilities	266.7	292.1	279.0	245.5	289.1	627.2
Invested capital (A)	**(1 892.9)**	**(4 457.8)**	**(2 249.3)**	**(4 878.6)**	**(4 494.)**	**(5 181.9)**
Invested capital of previous financial year end (B)	(2 249.3)	(4 878.5)	(4 878.6)	(4 494.5)	(5 181.9)	1 109.3
Average invested capital ((A+B)/2)	**(2 071.1)**	**(4 668.2)**	**(3 563.9)**	(4 686.5)	(4 838.2)	3 145.6

(v) Return on invested capital

Return on invested capital for Cell C on a historical basis for each of the periods indicated is calculated as presented in the following table.

	Three months ended		Year ended	5 months ended	Year ended	
(Figures in ZAR'm, except percentages)	**31 August 2025**	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
Profit before net finance costs, equity accounted profit and tax	237.1	254.5	1 596 8	426.6	1 691.6	6 186.5
Taxation expense on operating profit	(13.5)	(6.5)	1 920.6	(48.2)	–	–
After-tax operating profit (A)	223.6	248.0	3 517.3	378.4	1 691.5	6 186.5
Average invested capital (B)	(2 071.1)	(4 668.2)	(3 563.9)	(4 686.5)	(4 838.2)	(3 145.6)
Return on invested capital (A/B)	**(10.8%)**	**(5.3%)**	**(98.7%)**	**(8.1%)**	**(35.0%)**	**(196.7%)**

(vi) Tax expense on operating profit

The following presents a reconciliation from operating profit (computed in accordance with IFRS) to Taxation expense on operating profit for Cell C on a historical basis for each of the periods indicated.

	Three months ended		Year ended	5 months ended	Year ended	
(Figures in ZAR'm, except percentages)	**31 August 2025**	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
	(reviewed)					
Operating profit	237.1	254.5.0	1 596.8	426 6	1 691.6	6 186.5
Effective tax rate	18.4%	32.3%	647.8%	26.4%	0%	0%
Tax expense on operating profit	**(13.5)**	**(6.5)**	**1 920.6**	**(48.2)**	**0.0**	**0.0**

(vii) Leverage

Leverage for Cell C on a historical basis for each of the periods indicated is calculated as presented in the following table.

	Three months ended		Year ended	5 months ended	Year ended	
(Figures in ZAR'm, except percentages)	**31 August 2025**	**31 August 2024**	**31 May 2025**	**31 May 2024**	**31 December 2023**	**31 December 2022**
	(reviewed)					
Current interest-bearing borrowings	2 579.1	356.0	2 483.5	653.9	417.3	250.0
Non-current interest-bearing borrowings	1 497.8	3 600.4	1 472.8	3 096.1	3 253.6	2 874.7
Non-current lease liabilities	1 848.5	1 487.3	1 638.0	1 546.7	1 546.9	1 472.3
Current lease liabilities	266.7	292.1	279.0	245.5	289.1	627.2
Cash and cash equivalents	(306.7)	(384.1)	(182.1)	(101.0)	(290.0)	(75.5)
Net borrowings (A)	**5 885.4**	**5 351.8**	**5 691.2**	**5 441.2**	**5 216.9**	**5 148.8**
EBITDA (B)	370.5	349.3	2 104.4	588.4	2 669.6	7 665.6
Leverage (A/B)	**15.9x**	**15.3x**	**2.7x**	**9.2x**	**2.0x**	**0.7x**

Comparison of results for the 12 months ended 31 May 2025, 2024 and 2023

The financial information contained in the Twelve-Month Results has been extracted from the management accounts of Cell C, which are unaudited. Investors are cautioned not to place undue reliance on this information. See "*– Comparability of Results of Operations – Change in Financial Year End*" for more information.

Note by the Board

In order to prepare the table below in relation to the financial periods for the 12 months ended 31 May 2024 and the 12 months ended 31 May 2023, monthly trial balances were extracted from Cell C's accounting system and consolidated to provide a 12-month view. The consolidation resulted in a twelve-month view in the management accounts format. The financial information has been mapped to comply with IFRS and company policies as per Cell C's annual financial statement disclosure. Cell C has applied the following: i) In AFS Cell C recognises service revenue net of discounts, so it performs the netting for purposes of the Pre-listing Statement and ii) In AFS it reflects the agent contractual agreement, thus it nets Equipment revenue and costs. The Directors are comfortable with the processes and procedures in this regard because of Cell C's robust internal financial controls. The Directors take responsibility for this information.

	12 months ended 31 May		
ZAR'm	**2025**	**2024**	**2023**
Profit before net finance costs, equity-accounted profit and tax/EBIT	1 596.8	1 407.4	(241.0)
Adjustments			
Depreciation	(507.6)	(575.6)	(1 532.0)
	2 104.4	**1 983.0**	**1 291.0**

EBITDA

Other Selected Financial Data of CEC

The table below contains certain Non-IFRS Financial Measures and *pro forma* financial information that are presented to provide investors with additional financial information that is regularly reviewed by management. The Non-IFRS Financial Measures should not be viewed in isolation or as an alternative to the equivalent IFRS measure. The Non-IFRS Financial Measures are not uniformly defined by all companies. Accordingly, such measures may not be comparable with similarly titled measures and disclosures by other companies.

	3 months ended		**12 months ended 31 May**		
(Figures in R'm, except for percentages)	**31 August 2025**	**31 August 2024**	**2025**	**2024**	**2023**
Gross profit margin (%)[1]	31.5%	22.1%	29.9%	32.0%	38.0%
EBITDA[2]	130.4	45.9	403.5	709.5	841.7
EBITDA margin (%)[3]	20.9%	7.7%	14.2%	22.1%	22.5%
Advances to customers[4]	2 103.9	1 908.5	1 908.2	1 435.8	2 839.2
Loss allowance	(349.7)	(301.7)	(264.5)	(199.5)	(582.0)
Credit loss ratio to advances to customers (%)[4]	(16.62%)	(15.81%)	(13.86%)	(13.89%)	(20.50%)
Total borrowings	1 572.5	1 900.0	1 699.3	1 900.0	1 900.0
Debt to equity ratio (times)[5]	1.13	1.27	1.22	1.22	1.03
Net finance cost[6]	(61.1)	(49.5)	(341.4)	(164.7)	(114.0)
Interest cover ratio (times)[6]	2.1	0.9	1.18	4.31	7.38

(1) The table below represents a reconciliation from the Total revenue and details the gross profit margin for CEC on a historical basis for each of the periods indicated.

	3 months ended		**12 months ended 31 May**		
(Figures in ZAR'm, except for percentages)	**31 August 2025**	**31 August 2024**	**2025**	**2024**	**2023**
Gross profit	196.4	131.9	852.8	1 027.0	1 419.3
Revenue	557.4	563.7	2 556.2	2 815.7	3 432.8
Interest revenue	65.4	32.2	292.5	398.6	301.6
Total revenue	**622.8**	**595.9**	**2 848.7**	**3 214.3**	**3 734.4**
Gross profit margin (%)[a]	**31.5%**	**22.1%**	**29.9%**	**32.0%**	**38.0%**

(a) Calculated as gross profit divided by Total revenue.

(2) Operating profit plus amortisation of intangible assets included in cost of sales plus depreciation and amortisation included in operating expenses.

(3) The table below presents a reconciliation of EBITDA and details the calculations of EBITDA margin for CEC on a historical basis for each of the periods indicated.

	3 months ended		**12 months ended 31 May**		
(Figures in ZAR'm, except for percentages)	**31 August 2025**	**31 August 2024**	**2025**	**2024**	**2023**
Operating profit	57.3	(23.6)	121.5	409.1	513.9
Amortisation on intangible assets included in cost of sales	72.1	69.4	279.9	299.9	326.4
Depreciation and amortisation	0.9	0.1	2.1	0.5	1.4
EBITDA	**130.4**	45.9	**403.5**	**709.5**	**841.7**
Revenue	557.4	563.7	2 556.2	2 815.7	3 432.8
Interest revenue	65.4	32.2	292.5	398.6	301.6
Total revenue	**622.8**	**595.9**	**2 848.7**	**3 214.3**	**3 734.4**
EBITDA margin (%)[b]	**20.9%**	**7.7%**	**14.2%**	**22.1%**	**22.5%**

(b) Calculated as EBITDA divided by total revenue.

(4) The table below presents a reconciliation of loans and advances and credit loss ratio to advances to customers for CEC on a historical basis for each of the periods indicated.

	3 months ended		12 months ended 31 May		
(Figures in ZAR'm, except for percentages)	**31 August 2025**	**31 August 2024**	**2025**	**2024**	**2023**
Advances to customers – current	1 309.4	1 376.0	1 157.6	895.2	1 800.7
Advances to customers – non-current	794.4	532.5	750.6	540.6	1 038.5
Advances to customers	**2 103.9**	**1 908.5**	**1 908.2**	**1 435.8**	**2 839.2**
Loss allowance	(349.7)	(301.7)	(199.5)	(199.5)	(582.0)
Credit loss ratio to advances to customers (%)[(c)]	**(16.62%)**	**(15.81%)**	**(13.86%)**	**(13.89%)**	**(20.50%)**

(c) Calculated as loss allowance divided by Advances to customers.

(5) The table below presents a reconciliation of total borrowings and Debt to Equity ratio for CEC on a historical basis for each of the periods indicated.

	3 months ended 31 August		12 months ended 31 May		
(Figures in ZAR'm, except where indicated)	**2025**	**2024**	**2025**	**2024**	**2023**
Borrowings – non-current	1 019.6	1 515.0	1 165.8	1 659.4	492.7
Borrowings – current	552.9	383.1	533.5	240.6	1 407.3
Borrowings	**1 572.5**	**1 900.0**	**1 699.3**	**1 900.0**	**1 900.0**
Equity	1 391.2	1 499.8	1 394.0	1 553.4	1 840.6
Debt to Equity[(d)]	**1.13**	**1.27**	**1.22**	**1.22**	**1.03**

(a) Calculated as borrowings divided by equity.

(6) The table below presents a calculation of net finance costs and interest cover ratio for CEC on a historical basis for each of the periods indicated.

	3 months ended 31 August		12 months ended 31 May		
(Figures in ZAR'm, except where indicated)	**2025**	**2024**	**2025**	**2024**	**2023**
Finance costs paid	(78.1)	(89.6)	(474.1)	(397.2)	(200.1)
Investment income	17.0	40.1	132.7	232.5	86.1
Net finance costs	**(61.1)**	**(49.5)**	**(341.4)**	**(164.7)**	**(114.0)**
EBITDA	130.4	45.9	403.5	709.5	841.7
Interest cover ratio[(e)]	**2.13**	**0.93**	**1.18**	**4.31**	**7.38**

(e) Calculated as EBITDA divided by Net finance costs.

Q1 *Pro Forma* Non-IFRS Financial Information[(f)]

HFI Line FY'26 Q1 ZAR'million	**Revenue**	**Profit before depreciation, net finance costs, equity-accounted profit and tax**	**Profit before net finance costs, equity-accounted profit and tax**	**Net income/(loss) After taxation**
Cell C 31 August 2025	2 796	371	237	(87)
CEC 31 August 2025	623	58	57	(3)
CEC Business Combination	90	182	122	119
Intercompany elimination	(241)	68	68	68
Management Structure	–	(51)	(51)	151
Debt to equity conversion	–	–	–	(51)
Discontinuation of TPC Bulk Purchase	94	94	94	94
Listco	**3 362**	**722**	**527**	**291**

(f) Calculated as EBITDA divided by Net finance costs.

ANNEXE 12 – INDEPENDENT AUDITOR'S ASSURANCE REPORT IN RESPECT OF THE COMPILATION OF NON-IFRS FINANCIAL INFORMATION

The definitions and interpretations commencing on page 454 of this Pre-listing Statement do not apply through this Annexe 12.

To the Directors of Cell C Limited

We have completed our assurance engagement to report on the compilation of *pro forma* financial information of Cell C Limited ("**Cell C**"), by the directors.

The *pro forma* financial information, as set out in Annexe 11 on pages 368 to 373 of the Pre-listing Statement (**PLS**) consists of the (i) Average invested capital, (ii) Capex intensity, (iii) EBITDA, (iv) EBITDA margin, (v) Free cash flow, (vi) Free cash flow conversion, (vii) Invested capital, (viii) Return on invested capital (ROIC), and (ix) Leverage of Cell C of Cell C constitutes *pro forma* financial information in terms of the JSE Listings Requirements (collectively, referred to as "**Non-IFRS Financial Information**"). The applicable criteria on the basis of which the directors have compiled the Non-IFRS Financial Information are specified in the JSE Limited ("**JSE**") Listings Requirements and described in Annexe 11 of the PLS.

The Non-IFRS Financial Information has been compiled by the directors to illustrate the additional financial measures regularly used by the management of Cell C, and which will be used by Cell C, to assess operating performance, and thereby enhance an investor's understanding of Cell C's results of operations and financial performance. As part of this process, information about Cell C's financial position, and financial performance has been extracted, without adjustment, by the directors from Cell C's historical financial information for the years ended 31 May 2025, 31 May 2024, 31 December 2023, 31 December 2022 as well as the three months ended 31 August 2025 and 31 August 2024, on which auditor's reports were issued on 7 November 2025.

DIRECTORS' RESPONSIBILITY FOR THE NON-IFRS FINANCIAL INFORMATION

The directors are responsible for compiling the Non-IFRS Financial Information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in Annexe 11 of the PLS.

OUR INDEPENDENCE AND QUALITY MANAGEMENT

We have complied with the independence and other ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards).

The firm applies International Standard on Quality Management 1 (ISQM 1) Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements which requires the firm to design, implement and operate a system of quality management, including documented policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

INDEPENDENT AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion about whether the Non-IFRS Financial Information has been compiled, in all material respects, by the directors on the basis specified in the JSE Listings Requirements and described in Annexe 11 of the PLS based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of *Pro forma* Financial Information Included in a PLS, which is applicable to an engagement of this nature, issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Non-IFRS Financial Information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Non-IFRS Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Non-IFRS Financial Information.

The purpose of Non-IFRS Financial Information included in a PLS is solely to illustrate the impact of a significant adjustment or event on the unadjusted financial information of the entity as if the adjustment or event had occurred for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the adjustments made would have been as presented.

A reasonable assurance engagement to report on whether the Non-IFRS Financial Information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the Non-IFRS Financial Information provides a reasonable basis for presenting the significant effects directly attributable to the adjustments made, and to obtain sufficient appropriate evidence about whether:

- The related *pro forma* adjustments give appropriate effect to those criteria; and
- The Non-IFRS Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgment, having regard to our understanding of the nature of Cell C, the corporate action or event in respect of which the Non-IFRS Financial Information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the Non-IFRS Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION

In our opinion, the Non-IFRS Financial Information has been compiled, in all material respects, on the basis of the applicable criteria specified in the JSE Listings Requirements and described in Annexe 11 of the PLS.

SNG Grant Thornton Inc.
Director: Omar Kadwa
Chartered Accountant (SA)
Registered Auditor
Reporting Accountant Specialist

Johannesburg

11 November 2025

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE COMPILATION OF THE NON-IFRS FINANCIAL INFORMATION INCLUDED IN THIS PRE-LISTING STATEMENT

To the Directors of Comm Equipment Company (Pty) Ltd

We have completed our assurance engagement to report on the compilation of *pro forma* financial information of Comm Equipment Company (Pty) Ltd ("**CEC**"), by the directors.

The *pro forma* financial information, as set out in Annexe 11 on pages 368 to 373 of the Pre-listing Statement (**PLS**) consists of the (i) Gross Profit margin (%), (ii) EBITDA, (iii) EBITDA margin, (iv) Advances to customers, (v) Credit Loss Ratio to Advances to customers (%); (vi) Debt to Equity Ratio (times); (vii) Net finance cost and (viii) Interest cover ratio (times) of CEC constitutes *pro forma* financial information in terms of the JSE Listings Requirements (collectively, referred to as "**Non-IFRS Financial Information**"). The applicable criteria on the basis of which the directors have compiled the Non-IFRS Financial Information are specified in the JSE Limited ("**JSE**") Listings Requirements and described in Annexe 11 of the PLS.

The Non-IFRS Financial Information has been compiled by the directors to illustrate the additional financial measures regularly used by the management of CEC, and which will be used by CEC, to assess operating performance, and thereby enhance an investor's understanding of CEC's results of operations and financial performance. As part of this process, information about CEC's financial position, and financial performance has been extracted, without adjustment, by the directors from CEC's historical financial information for the years ended 31 May 2025, 31 May 2024, 31 May 2023, as well as the three months ended 31 August 2025 and 31 August 2024, on which auditor's reports were issued on 7 November 2025

DIRECTORS' RESPONSIBILITY FOR THE NON-IFRS FINANCIAL INFORMATION

The directors are responsible for compiling the Non-IFRS Financial Information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in Annexe 11 of the PLS.

OUR INDEPENDENCE AND QUALITY MANAGEMENT

We have complied with the independence and other ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards).

The firm applies International Standard on Quality Management 1 (ISQM 1) Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements which requires the firm to design, implement and operate a system of quality management, including documented policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

INDEPENDENT AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion about whether the Non-IFRS Financial Information has been compiled, in all material respects, by the directors on the basis specified in the JSE Listings Requirements and described in Annexe 11 of the PLS based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of *Pro forma* Financial Information Included in a PLS, which is applicable to an engagement of this nature, issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Non-IFRS Financial Information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Non-IFRS Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Non-IFRS Financial Information.

The purpose of Non-IFRS Financial Information included in a PLS is solely to illustrate the impact of a significant adjustment or event on the unadjusted financial information of the entity as if the adjustment or event had occurred for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the adjustments made would have been as presented.

A reasonable assurance engagement to report on whether the Non-IFRS Financial Information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the Non-IFRS Financial Information provides a reasonable basis for presenting the significant effects directly attributable to the adjustments made, and to obtain sufficient appropriate evidence about whether:

- The related *pro forma* adjustments give appropriate effect to those criteria; and
- The Non-IFRS Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgment, having regard to our understanding of the nature of CEC, the corporate action or event in respect of which the Non-IFRS Financial Information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the Non-IFRS Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION

In our opinion, the Non-IFRS Financial Information has been compiled, in all material respects, on the basis of the applicable criteria specified in the JSE Listings Requirements and described in Annexe 11 of the PLS.

SNG Grant Thornton Inc.
Director: Omar Kadwa
Chartered Accountant (SA)
Registered Auditor
Reporting Accountant Specialist

Johannesburg

11 November 2025

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE COMPILATION OF THE NON-IFRS FINANCIAL INFORMATION INCLUDED IN THIS PRE-LISTING STATEMENT

To the Directors of Cell C Limited

We have completed our assurance engagement to report on the compilation of *pro forma* financial information of Cell C Limited ("**Cell C**"), by the directors.

The *pro forma* financial information, as set out in Annexe 11 on pages 368 to 373 of the Pre-listing Statement (**PLS**) consists of the (i) Revenue, (ii) Profit before depreciation, net finance costs, equity-accounted profit and tax, (iii) Profit before depreciation, net finance costs, equity-accounted profit and tax and (iv) Net income/(loss) After taxation of Cell C constitutes *pro forma* financial information in terms of the JSE Listings Requirements (collectively, referred to as "**Non-IFRS Financial Information**"). The applicable criteria on the basis of which the directors have compiled the Non-IFRS Financial Information are specified in the JSE Limited ("**JSE**") Listings Requirements and described in Annexe 11 on pages 368 to 373 of the PLS.

The Non-IFRS Financial Information has been compiled by the directors to illustrate the additional financial measures regularly used by the management of Cell C, and which will be used by Cell C, to assess operating performance, and thereby enhance an investor's understanding of Cell C's results of operations and financial performance. As part of this process, information about Cell C's financial performance has been extracted, without adjustment, by the directors from Cell C's *Pro Forma* financial information for the period ending 31 August 2025.

DIRECTORS' RESPONSIBILITY FOR THE NON-IFRS FINANCIAL INFORMATION

The directors are responsible for compiling the Non-IFRS Financial Information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in Annexe 11 on pages 368 to 373 of the PLS.

OUR INDEPENDENCE AND QUALITY MANAGEMENT

We have complied with the independence and other ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards).

The firm applies International Standard on Quality Management 1 (ISQM 1) Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements which requires the firm to design, implement and operate a system of quality management, including documented policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

INDEPENDENT AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion about whether the Non-IFRS Financial Information has been compiled, in all material respects, by the directors on the basis specified in the JSE Listings Requirements and described in Annexe 11 of the PLS based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of *Pro forma* Financial Information Included in a PLS, which is applicable to an engagement of this nature, issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Non-IFRS Financial Information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Non-IFRS Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Non-IFRS Financial Information.

The purpose of Non-IFRS Financial Information included in a PLS is solely to illustrate the impact of a significant adjustment or event on the unadjusted financial information of the entity as if the adjustment or event had occurred for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the adjustments made would have been as presented.

A reasonable assurance engagement to report on whether the Non-IFRS Financial Information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the Non-IFRS Financial Information provides a reasonable basis for presenting the significant effects directly attributable to the adjustments made, and to obtain sufficient appropriate evidence about whether:

- The related *pro forma* adjustments give appropriate effect to those criteria; and
- The Non-IFRS Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgment, having regard to our understanding of the nature of Cell C, the corporate action or event in respect of which the Non-IFRS Financial Information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the Non-IFRS Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION

In our opinion, the Non-IFRS Financial Information has been compiled, in all material respects, on the basis of the applicable criteria specified in the JSE Listings Requirements and described in Annexe 11 of the PLS.

SNG Grant Thornton Inc.
Director: Omar Kadwa
Chartered Accountant (SA)
Registered Auditor
Reporting Accountant Specialist

Johannesburg

7 November 2025

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE COMPILATION OF THE NON-IFRS FINANCIAL INFORMATION INCLUDED IN THIS PRE-LISTING STATEMENT

To the Directors of Cell C Limited

We have completed our assurance engagement to report on the compilation of *pro forma* financial information of Cell C Limited and its subsidiaries ("**Cell C**"), by the directors.

The *pro forma* financial information, as set out in Annexe 11 on pages 380 to 386 of the Pre-listing Statement ("**PLS**") consists of the *(i) EBIT, (ii) EBITDA* of Cell C constitutes *pro forma* financial information in terms of the JSE Listings Requirements (collectively, referred to as "**Non-IFRS Financial Information**"). The applicable criteria on the basis of which the directors have compiled the Non-IFRS Financial Information are specified in the JSE Limited ("JSE") Listings Requirements and described in Annexe 11 of the PLS.

The Non-IFRS Financial Information has been compiled by the directors to illustrate the additional financial measures regularly used by the management of Cell C, and which will be used by Cell C, to assess operating performance, and thereby enhance an investor's understanding of Cell C's results of operations and financial performance. As part of this process, information about Cell C's financial performance has been extracted, without adjustment, by the directors from Cell C's historical financial information for the 12-month period ended 31 May 2024 (unaudited) and 31 May 2023 (unaudited), on which no audit or review reports (in terms of ISA's or ISRE's) were issued.

DIRECTOR'S RESPONSIBILITY FOR THE Non-IFRS FINANCIAL INFORMATION

The directors are responsible for compiling the Non-IFRS Financial Information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in Annexe 11 of the PLS.

OUR INDEPENDENCE AND QUALITY MANAGEMENT

We have complied with the independence and other ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards).

The firm applies International Standard on Quality Management 1 (ISQM 1) Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements which requires the firm to design, implement and operate a system of quality management, including documented policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

INDEPENDENT AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion about whether the Non-IFRS Financial Information has been compiled, in all material respects, by the directors on the basis specified in the JSE Listings Requirements and described in Annexe 11 of the PLS based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of Pro forma Financial Information Included in a Prospectus, which is applicable to an engagement of this nature, issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Non-IFRS Financial Information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Non-IFRS Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Non-IFRS Financial Information.

The purpose of Non-IFRS Financial Information included in a PLS is solely to illustrate the impact of a significant adjustment or event on the unadjusted financial information of the entity as if the adjustment or event had occurred for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the adjustments made would have been as presented.

A reasonable assurance engagement to report on whether the Non-IFRS Financial Information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the Non-IFRS Financial Information provides a reasonable basis for presenting the significant effects directly attributable to the adjustments made, and to obtain sufficient appropriate evidence about whether:

- The related *pro forma* adjustments give appropriate effect to those criteria; and
- The Non-IFRS Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgment, having regard to our understanding of the nature of Cell C, the corporate action or event in respect of which the Non-IFRS Financial Information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the Non-IFRS Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION

In our opinion, the Non-IFRS Financial Information has been compiled, in all material respects, on the basis of the applicable criteria specified in the JSE Listings Requirements and described in Annexe 11 of the PLS.

SNG Grant Thornton Inc.
Director: Omar Kadwa
Chartered Accountant (SA)
Registered Auditor
Reporting Accountant Specialist

Johannesburg

7 November 2025

ANNEXE 13 – *PRO FORMA* FINANCIAL INFORMATION

Basis of preparation

The *Pro Forma* Financial Information for the Group is set out below. The Pro Forma Financial Information has been prepared for illustrative purposes only, to show the financial effects of the Offer and subsequent events within the scope of paragraph 8.26(d) of the JSE Listings Requirements. Due to their nature, the Pro Forma Financial Information may not fairly present the Group's financial position, changes in equity, results of operations or cash flows after the Offer and subsequent events within the scope of paragraph 8.26(d) of the JSE Listings Requirements.

The Pro Forma Financial Information is based on the audited Historical Financial Information of Cell C.

The *Pro Form*a Financial Information has been prepared using the accounting policies of Cell C, which are in compliance with IFRS, in accordance with the applicable criteria of the JSE Listings Requirements and in terms of the Guide on Pro Forma Financial Information issued by SAICA.

The *Pro Forma* Financial Information, including the assumptions on which it is based and the financial information from which it has been prepared, is the responsibility of the Directors.

It has been assumed for the purposes of the Pro Forma Financial Information that the Offer and subsequent events within the scope of paragraph 8.26(d) of the JSE Listings Requirements, took place with effect from 1 June 2024.

The *Pro Forma* Financial Information, should be read in conjunction with the Independent Auditor's Assurance Report thereon contained in "*Annexe 14 – Independent Auditor's Assurance Report The Compilation of Pro Forma Financial Information*" to this Pre-listing Statement.

The *Pro Forma* Financial Information, should be read in conjunction with the Independent Auditor's Assurance Report thereon contained in "*Annexe 14 – Independent Auditor's Assurance Report – The Compilation of Pro Forma Financial Information*" to this Pre-listing Statement.

		Pre-restructuring Significant Events						Restructuring Events										
		TPC Airtime Disposal						Acquisition of CEC										
Group Statement of Profit or Loss and Other Comprehensive Income (ZAR'm)	**Cell C 31 May 2025**	**Cell C airtime to be sold to TPC[2]**	**Settlement of TPC Trade Payable with Stock[3]**	**Conversion of TPC unearned revenue to trade payable[4]**	***Pro-forma* before The Pre-Listing Restructuring Steps**	**Conversion of TPC trade payable to equity[5]**	**Debt to equity conversion[6]**	**Acquisition of CEC[7]**	**Pre-existing contracts valuation[8]**	**CEC business combination[9]**	**Intercompany elimination[10]**	**Purchase of CEC (Notes 7–10)**	**Management structure[11]**	**Settlement of Sundry Trade Creditors**	**Transaction fees[13]**	**Discontinuation of TPC Bulk purchases**	**Total Restructuring adjustments**	**ListCo**
Revenue	**11 138**	**–**	**–**	**(24)**	**11 113**	**–**	**–**	**2 849**	**–**	**300**	**(1 035)**	**2 114**	**–**	**–**	**–**	**487**	**2 601**	**13 714**
Service revenues	11 019	–	–	(24)	10 995	–	–	515	–	300	(728)	87	–	–	–	487	575	11 569
Equipment revenue	119	–	–	–	119	–	–	2 333	–	–	(307)	2 026	–	–	–	–	2 026	2 145
Other income	**1 319**	**–**	**–**	**–**	**1 319**	**–**	**–**	**4**	**–**	**–**	**(836)**	**(832)**	**–**	**566**	**–**	**–**	**(266)**	**1 053**
Direct expenses	(7 721)	–	–	24	(7 697)	–	–	(1 996)	–	280	2 082	365	–	–	–	–	365	(7 331)
Employee benefits	(818)	–	–	–	(818)	–	–	(59)	–	–	–	(59)	–	–	–	–	(59)	(877)
Depreciation and amortisation	(508)	–	–	–	(508)	–	–	(2)	–	(240)	–	(242)	–	(1)	–	–	(243)	(751)
Impairment loss reversal/ (impairment loss) on trade receivables	(1)	–	–	–	(1)	–	–	(482)	–	–	–	(482)	–	–	–	–	(482)	(483)
Other expenses	(1 812)	–	–	–	(1 812)	–	–	(193)	–	64	(24)	(153)	(206)	–	(254)	–	(613)	(2 425)
Profit before depreciation, net finance costs, equity-accounted profit, and tax	**1 597**	**–**	**–**	**–**	**1 597**	**–**	**–**	**122**	**–**	**403**	**187**	**712**	**(206)**	**565**	**(254)**	**487**	**1 304**	**2 901**
Finance costs	(1 311)	–	–	–	(1 311)	–	55	(474)	–	–	153	(322)	–	162	–	–	105)	(1 417)
Finance income	11	–	–	–	11	–	–	133	23	–	(126)	30	–	–	–	–	30	41
Profit/(loss) before tax	**296**	**–**	**–**	**–**	**296**	**–**	**55**	**(220)**	**23**	**403**	**213**	**420**	**(206)**	**727**	**(254)**	**487**	**1 229**	**1 525**
Taxation	1 921	–	–	–	1 921	–	–	60	–	(11)	–	50	–	–	–	–	50	1 970
Net income/(loss) after tax	**2 217**	**–**	**–**	**–**	**2 217**	**–**	**55**	**(159)**	**23**	**393**	**213**	**470**	**(206)**	**727**	**(254)**	**487**	**1 279**	**3 496**

Group Statement of Profit or Loss and Other Comprehensive Income (ZAR'm)	Cell C 31 May 2025	Cell C airtime to be sold to TPC[2]	Settlement of TPC Trade Payable with Stock[3]	Conversion of TPC unearned revenue to trade payable[4]	*Pro-forma* before The Pre-Listing Restructuring Steps	Conversion of TPC trade payable to equity[5]	Debt to equity conversion[6]	Acquisition of CEC[7]	Pre-existing contracts valuation[8]	CEC business combination[9]	Inter-company elimination[10]	Purchase of CEC (Notes 7–10)	Management structure[11]	Settlement of Sundry Trade Creditors	Transaction fees[13]	Discontinuation of TPC Bulk purchases	Total Restructuring adjustments	ListCo
		Pre-restructuring Significant Events						Restructuring Events										
		TPC Airtime Disposal						Acquisition of CEC										
Assets																		
Current assets	**1 217**	**1 010**	**198**	**–**	**2 425**	**–**	**–**	**2 659**	**–**	**(99)**	**(345)**	**2 215**	**–**	**(1 010)**	**(254)**	**–**	**951**	**3 376**
Trade and other receivables	979	–	–	–	979	–	–	1 261	–	(99)	698	1 860	–	–	–	–	1 860	2 839
Inventories	55	–	–	–	55	–	–	990	–	–	(793)	197	–	–	–	–	197	252
Other current assets	–	–	–	–	–	–	–	370	–	–	(250)	120	–	–	–	–	120	120
Cash and cash equivalents	182	1 010	198	–	1 390	–	–	38	–	(0)	–	38	–	(1 010)	(254)	–	(1 226)	164
Non-current assets		**47**	**44**	**453**		**–**	**–**	**1 772**	**46**	**918**	**(256)**	**2 481**	**–**	**30**	**–**	**–**	**2 511**	**6 912**
Property, plant and equipment	459	–	–	–	459	–	–	1	–	–	–	1	–	–	–	–	1	460
Intangible assets	1 339	–	–	–	1 339	–	–	846	–	240	–	1 086	–	(1)	–	–	1 086	2 425
Investments	11	–	–	–	11	–	–	925	46	(397)	(256)	318	–	–	–	–	318	329
Capitalised contract costs	24	–	–	–	24	–	–	–	–	–	–	–	–	–	–	–	–	24
Goodwill	–	–	–	–	–	–	–	–	–	1 075	–	1 075	–	–	–	–	1 075	1 075
Other non-current assets	2 025	47	44	453	2 569	–	–	–	–	–	–	–	–	31	–	–	31	2 600
Total assets	**5 074**	**1 057**	**242**	**453**	**6 826**	**–**	**–**	**4 431**	**46**	**819**	**(601)**	**4 696**	**–**	**(980)**	**(254)**	**–**	**3 462**	**10 288**
Liabilities																		
Current liabilities	**10 268**	**1 057**	**242**	**2 008**	**13 575**	**(7 444)**	**(2 264)**	**1 713**	**23**	**(1)**	**(315)**	**1 420**	**–**	**(754)**	**–**	**–**	**(9 041)**	**4 533**
Interest bearing borrowings	2 484	–	–	–	2 484	–	(2 264)	533	–	–	(220)	313	–	–	–	–	(1 950)	533
Lease liabilities	279	–	–	–	279	–	–	–	–	–	–	–	–	(75)	–	–	(75)	204
Trade and other payables	4 547	132	(832)	6 473	10 320	(7 444)	–	1 180	23	(1)	(95)	1 107	–	(710)	–	–	(7 047)	3 273
Contract liabilities	2 595	878	1 030	(4 344)	160	–	–	–	–	–	–	–	–	–	–	–	–	160
Employee benefit obligations	216	–	–	–	216	–	–	–	–	–	–	–	–	–	–	–	–	216
Current tax liabilities	147	47	44	(122)	117	–	–	–	–	–	–	–	–	31	–	–	31	147

Group Statement of Profit or Loss and Other Comprehensive Income (ZAR'm)	Cell C 31 May 2025	Pre-restructuring Significant Events					Restructuring Events											ListCo
		TPC Airtime Disposal					Acquisition of CEC											
		Cell C airtime to be sold to TPC[2]	Settlement of TPC Trade Payable with Stock[3]	Conversion of TPC unearned revenue to trade payable[4]	*Pro-forma* before The Pre-Listing Restructuring Steps	Conversion of TPC trade payable to equity[5]	Debt to equity conversion[6]	Acquisition of CEC[7]	Pre-existing contracts valuation[8]	CEC business combination[9]	Inter-company elimination[10]	Purchase of CEC (Notes 7–10)	Management structure[11]	Settlement of Sundry Trade Creditors	Transaction fees[13]	Discontinuation of TPC Bulk purchases	Total Restructuring adjustments	
Non-current liabilities	**3 111**	**–**	**–**	**–**	**3 111**	**–**	**(1 202)**	**1 324**	**–**	**64**	**(270)**	**1 118**	**–**	**(791)**	**–**	**–**	**(876)**	**2 235**
Interest bearing borrowings	1 473	–	–	–	1 473	–	(1 202)	1 166	–	–	(270)	895	–	–	–	–	(307)	1 166
Lease liabilities	1 638	–	–	–	1 638	–	–	–	–	–	–	–	–	(791)	–	–	(791)	847
Other non-current liabilities	–	–	–	–	–	–	–	158	–	64	–	223	–	–	–	–	223	223
Total liabilities	**13 379**	**1 057**	**242**	**2 008**	**16 685**	**(7 444)**	**(3 446)**	**3 037**	**23**	**63**	**(585)**	**2 538**	**–**	**(1 545)**	**–**	**–**	**(9 917)**	**6 768**
Equity																		
Share premium	14 168	–	–	–	14 168	–	–	–	–	–	–	–	–	–	–	–	–	14 168
Issued capital	11 501	–	–	–	11 501	7 444	4 125	514	–	1 636	–	2 150	–	–	–	–	13 719	25 220
Share-based payment reserve	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Accumulated earnings/(loss)	(33 974)	–	–	(1 554)	(35 528)	–	(659)	880	23	(880)	(15)	8	–	565	(254)	–	(340)	(35 869)
Total equity	**(8 305)**	**–**	**–**	**(1 554)**	**(9 859)**	**7 444**	**3 466**	**1 394**	**23**	**756**	**(15)**	**2 158**	**–**	**565**	**(254)**	**–**	**3 379**	**3 519**
Equity and liabilities	**5 074**	**1 057**	**242**	**453**	**6 826**	**–**	**–**	**4 431**	**46**	**819**	**(601)**	**4 696**	**–**	**(980)**	**(254)**	**–**	**3 462**	**10 288**

Notes to the Pro-Forma statements of Financial Position

Note 1 Extracted, without adjustment, from the Report of Historical Financial Information, presented in Annexe 1 of this PLS on which an audit report was provided by SNG Grant Thornton.

Pre-restructuring Significant Events

Certain events post 31 May 2025 occurred that need to be included in the *Pro-Forma* statement of financial position as these events have an impact on the Pre-listing Restructuring. The exclusion of these steps would result in the presentation of the *Pro-Forma* statement of financial position being misleading. Notes 2–4 below are collectively referred to as the "*Pre-restructuring Significant Events*".

Outlined in the *Pro-Forma* is debt instrument that is to be issued to settle legacy liabilities of Cell C and/or shareholder debt obligations held by Cell C shareholders.

i. Includes the TPC debt to equity conversation within the 'capital restructuring' element of the pre-listing restructuring; and
ii. Confirms that we would rely on a proforma balance reflecting adjustments for (*inter alia*) the "capital restructuring" in our assessment of your compliance with paragraph 4.28.

The referenced instrument is outlined in Note 2 below and is read in conjunction with note 12, which outlines the liabilities under consideration for settlement.

Included in the Pre Listing Statement Part VIII, are scenarios relating to the sell down of BLU, the prospect, is that BLU will retain circa 26% of its shareholding of Cell C List Co.

For purposes of determining compliance with the minimum subscribed capital requirements in terms of paragraph 4.28 of the JSE Listings Requirement the JSE has ruled that Cell C may use its *pro forma* Statement of Financial Position in support of a determination of its compliance with the Main Board listing criteria. In terms of paragraph 4.28 of the JSE Listings Requirements W Consulting has prepared a valuation report on the intangible assets of CEC, in the context of Cell C's acquisition of CEC and with reference to Cell C's subscribed capital.

Please refer to Part XIX Additional Information under "Documents Available for Inspection" and to the W Consulting valuation report referred to therein.

Notes 2–4 below collectively take place under the TPC Airtime Disposal restructuring step outlined per the PLS.

Note 2 **Cell C airtime to be sold to TPC**

In terms of the Implementation Agreement, TPC has agreed to purchase additional airtime (R1 010m including VAT) from Cell C which will be received in cash. No airtime will be transferred to TPC as part of the transaction, thus the full VAT exclusive sales amount of R878m has been treated as an increase to unearned revenue. Cell C will utilise the R1 010m to pay legacy liabilities relating to but not limited to: Dark Fibre Africa, Creditor stretch, Attacq, ATC, and CEC funding. The above purpose will ultimately result in TPC converting Cell C Airtime to equity in order to appropriately capitalise Cell C for purposes of the JSE Listing Requirements.

The sale of airtime will result in a normal tax expense of R47m and a corresponding tax liability of R47m post the utilisation of qualifying assessed loss. The normal tax expense of R47m is, however, reduced to zero by the net corresponding deferred tax asset raised on the unearned revenue. This results in an increase in the deferred tax assets of R47m, which is subsequently derecognised with the corresponding entry being a derecognition of the tax liability since no tax liability arises as the overall deduction from these transactions exceed the income taxed. The sale of airtime will be subject to VAT at 15 percent which is R132 million.

Notes 3 **Settlement of TPC Trade Payable with stock**

In terms of the Implementation Agreement, TPC has agreed to purchase additional airtime of R1.6bn (including VAT of R209m) from Cell C. The airtime to be transferred to TPC under the agreement will be treated as unearned revenue in the books of Cell C (R1 391m). Cell C will be compensated for this purchase by settling a trade payable to TPC of R1 041m and receiving a cash consideration of R198m. Of the R1.6bn amount of airtime to be transferred to TPC under the agreement, R361m of airtime will actually be transferred, resulting in a decrease to unearned revenue.

The sale of airtime will result in a normal tax expense of R44m and a corresponding tax liability of R44m post the utilisation of qualifying assessed loss. The normal tax expense of R44m is however reduced to zero by the net corresponding deferred tax asset raised on the unearned revenue. This results in an increase in the deferred tax asset of R44m which is subsequently derecognised with the corresponding entry being a derecognition of the tax liability since no tax liability arises as the overall deduction from these transactions exceed the income taxed. Similar to the above transaction, the sale of airtime will be subject to VAT at 15% which R122 million.

The net impact of the above step has been summarised as follows:

Account	Debit	Credit	Net
Trade payable	1 041	209	832
Settlement	1 041	–	1 041
VAT liability	–	209	(209)
Unearned revenue	361	1 391	(1 030)
TPC purchase	–	1 391	(1 391)
Transfer to TPC	361	–	361
Cash	198	–	198

Note 4 **Conversion of unearned revenue to trade payables**

The Cell C Group concluded a robust recapitalisation process in the prior reporting periods with the purpose of deleveraging its Statement of Financial Position and providing liquidity with which to operate and grow its businesses. In addition, the process was an enabler for the Cell C Group to achieve long-term success for the benefit of its customers, employees, creditors, shareholders and its other stakeholders.

To further assist the Cell C Group with its working capital requirements bulk purchases were made by TPC in line with Bulk Restructuring Airtime Purchase Agreement ("**RAPA**").

The RAPA outlines stock to be acquired by TPC at various discounts, (1) Business as usual stock at 3% and 4% discount depending on volume. (2) Whilst recapitalisation stock (considered to be for the purposes of financing Cell C) ranges from 15% to 75% discount, such discounts are reflected in the Statement of Financial Position (Contract liabilities) on day one and released to the income statement when such stock is returned or consumed.

In line with the RAPA, TPC returns stock at the prevailing discount rate of weighted average of 8.6%, with the difference (of 38.8% in the original purchase (47.6%) processed to either Statement of Comprehensive Income or Statement of Financial Position.

In terms of the implementation agreement, Cell C will repurchase R7 444m (inclusive of R971m VAT) airtime from TPC. The airtime repurchased is currently accounted for as R4 344m of unearned revenue in the books of Cell C, relating to stock held by TPC that has not been sold to consumers. The repurchase will create a trade payable to TPC of R7 444m and a VAT refund on the repurchase of R971m, resulting in a net trade payable raised of R6 473m. The airtime currently accounted for as unearned revenue has been repurchased at a premium to its carrying amount by R2 129m. This is accounted for as a loss in the books of Cell C which has been processed to retained earnings. At inception of the RAPA, the impact of the discounts was historically accounted for in the Statement of Financial Position; to consistently account for this, the adjustment has been reflected in the Statement of Financial Position and not the Statement of Comprehensive Income.

Cell C will be entitled to an income tax deduction which will increase the assessed loss. Only R575 million of the tax impact of the increment in assessed loss meet the recognition criteria under IAS 12 based on the projected future taxable income and this has been recognised as a deferred tax asset. The repurchase transaction will give rise to a VAT refund receivable of R971 million.

Account	Debit	Credit	Net
Trade payable	971	(7 444)	(6 473)
Conversion of stock to trade payables		(7 444)	(7 444)
VAT control account impact	971		971
Unearned revenue	4 344	–	4 344
TPC conversion	4 344		4 344
Other balance sheet impact	2 129	(575)	1 554
Impact of discounts in retained earnings (before tax)	2 129		2 129
Impact of tax as a result of loss incurred		(575)	(575)

Restructuring events

Note 5 **Conversion of TPC trade payable to Equity**

The Cell C Group concluded a robust recapitalisation process in the prior reporting periods with the purpose of deleveraging its Statement of Financial Position and providing liquidity with which to operate and grow its businesses. In addition, the process was an enabler for the Cell C Group to achieve long-term success for the benefit of its customers, employees, creditors, shareholders and its other stakeholders.

To further assist the Cell C Group with its working capital requirements bulk purchases were made by TPC in line with Bulk Restructuring Airtime Purchase Agreement ("**RAPA**").

The RAPA outlines stock to be acquired by TPC at various discounts, (1) Business as usual stock at 3% and 4% discount depending on volume. (2) Whilst recapitalisation stock (considered to be for the purposes of financing Cell C) ranges from 15% to 75% discount, such discounts are reflected in the Statement of Financial Position (Contract liabilities) on day one and released to the income statement when such stock is returned or consumed.

In line with the RAPA, TPC returns stock at the prevailing discount rate of weighted average of 8.6%, with the difference of 38.8% in the original purchase (47.6%) processed to either Statement of Comprehensive Income or Statement of Financial Position.

In terms of the Implementation Agreement Cell C will settle the trade payable owed to TPC of R7 444 million by issuing Cell C shares. The settlement of the trade payable with Cell C shares should have no tax implications since it will be done on a value for value basis except for the Dark Fibre Africa liability as discussed below. Below is an illustration of the number of shares that will be issued in the listed entity as outlined in Part VIII of the Pre Listing Statement:

Description	Value (R'mil)	Estimated share price	Number of Shares (m)
Shares to be converted at low end price	7 444	45	165
Shares to be converted at high end price	7 444	53	141
Range		**8**	**24**

Note 6 **Debt to Equity conversion**

The following TPC claims against Cell C will be converted into compulsory convertible instruments and then converted into Cell C shares to the value of their face values (fair values) which are shown below:

	R'mil			
Description	**Fair value**	**Book value**	**Claims**	**Income statement FV adjustments**
TPC Exit (New Money) Claim	2 723	2 235	2 840	605
TPC Reinvest Loan	388	273	306	33
Gramercy Reinvest Loan	458	458	449	(9)
ZTE Loan Claim	65	65	83	12
Nedbank	435			
Total	**4 069**	**3 031**	**3 678**	**659**

The fair value loss adjustment of R659 million is adjusted to retained earnings, net of tax at 27% of R178 million. For the purpose of presenting the *pro forma* statement of comprehensive income, this fair value adjustment is treated as a financing cost. The fair value loss represents an acceleration of interest cost which is deductible for income tax purposes thereby resulting in an increase in the assessed loss. The recognition of deferred asset on the increment in assessed loss from all the relevant transactions has been limited to R575 million.

* Note – The book value of loans eliminated on conversion to equity in Cell C is split between a current (R1 828 million) and non-current liability (R1 202 million).

Below is an illustration of the number of shares that will be issued in the listed entity as outlined in Part VIII of the Pre Listing Statement:

Description	Value (R'mil)	Estimated share price	Number of shares (m)
Shares to be converted at low end price	3 634	45	81
Shares to be converted at high end price	3 634	53	77
Range		**8**	**14**

Notes 7–10 below collectively take place under the Acquisition of CEC restructuring step outlined per the PLS.

Note 7 **Acquisition of CEC**

Extracted, without adjustment, from the Report of Historical Financial Information presented in Annexe 1 of this PLS on which an audit opinion was provided. Cell C will acquire 100% of CEC from TPC resulting in the need to consolidate CEC's standalone accounts into the Group statement of financial position of Cell C.

The current year ended FY25 is included in the *pro forma* and comparatives have been provided accordingly.

Balance sheet without modification	**2024**	**2025**
Assets		
Current assets	**1 925**	**2 659**
Trade and other receivables	1 658	1 261
Inventories	242	990
Other current assets	–	370
Cash and cash equivalents	24	38
Non-current assets	**2 010**	**1 772**
Property, plant and equipment	998	1
Investments	1 012	925
Total assets	**3 934**	**4 431**
Liabilities		
Current liabilities	**477**	**1 713**
Interest-bearing loans and borrowings (cl)	241	533
Trade and other payables	224	1 180
Tax payable	12	–
Non-current liabilities	**1 904**	**1 324**
Interest-bearing loans and borrowings (ncl)	1 659	1 166
Other non-current liabilities	245	158
Total liabilities	**2 381**	**3 037**
Equity	**1 553**	**1 394**
Equity and liabilities	**3 934**	**4 431**

Note 8 **Pre-existing contracts valuation**

An existing intercompany loan between Cell C (Book value at R490m) and CEC (Book value R506m) has been eliminated at fair value upon consolidation. The adjustment to the book values of these loans to reflect their fair values (R459m) is accounted for as a movement to net financing costs (R31m). The adjustment is coupled with breakage. Breakage revenue is recognised based on prepaid usage patterns or when it becomes unlikely that customers will use their remaining rights. Revenue from breakage is recorded when it is highly probable Cell C is entitled to the amount and significant reversal is unlikely. Prior to the financial close in FY2025, airtime was used to settled outstanding debt of R793m. In the accounts of Cell C, 1% Breakage is computed, the intercompany loan has also been adjusted for this (793m at 1%) R8m. Total adjustments to the Carrying Amount of the intercompany loan as a result is R23m.

No tax adjustment is affected on this transaction.

This represents the updated valuation amount of the pre-existing contracts that exist with Cell C and CEC under IFRS 3 – Business Combinations.

Description	CEC Loan Balance (R'm)	Cell C Loan Balance (R'm)	Breakage as a result of settlement of a portion of the loan (R'm)	Impact on carry amount (Reflected under Trade Payable) (R'm)
Carrying Amount of the intercompany loan	506	(490)		15
Fair Value of the intercompany loan	459			
Adjustment relating to Breakage on settle			8	
Total	**(46)**		**8**	**(23)**

Note 9 **CEC Business combination**

Cell C will acquire the shares of CEC from TPC. The acquisition value agreed is R2 150m. The consideration will be settled in shares. The price per share will be determined based on a pre-IPO valuation attributable to Cell C estimated market cap was between R15bn–R17bn. An Independent purchase price allocation ("**PPA**") exercise has been performed for the acquisition of CEC. The number of shares has been outlined below.

9.1 **Share capital issuance as consideration**

Description	Value (R'mil)	Estimated share price	Number of shares (m)
Shares to be converted at low end price	2 150	45	48
Shares to be converted at high end price	2 150	53	41
Range		**8**	**7**

Share Capital of R2 150m issued as consideration, this will be netted off against CEC's existing share capital of R514m, resulting in the net adjustment to Share Capital of R1 636m. Below are the Statement of Financial Position adjustments relating to the CEC Business combination.

The Goodwill is computed using the consideration of R2 150m less the net asset fair value of assets and liabilities amounting to R1 075m. The computation was assessed during the Independent Purchase Price Allocation ("**PPA**") process.

9.2 **Statement of Financial Position incorporation of CEC**

Description	Financial Statement Consolidation impact (R'm)
Investment in CEC consideration Paid using Cell C shares	(2 150)
Net Asset value of CEC on Consolidation	**1 394**
Elimination of CEC share capital	514
Retained (earning)/losses	880
Fair value Adjustments on Consolidation	**(319)**
Intangible assets	240
Investments	(397)
Trade and other receivables	(99)
Other non-current liabilities	(64)
Trade and other payables	1
Goodwill	**1 075**

9.3 **Included in PPE and Intangibles are the following:**

Below are Intangible Assets assessed during the Independent PPA process. Currently, CEC has two Intangible Assets relating to (1) Subscriber Income Sharing Arrangement with a carrying amount of R729m and (2) Subscriber Acquisition costs ("**SAC**") with a carrying amount of R113m. Such Intangible Assets are derecognised during consolidation. In contrast, two Intangible Assets would be recognised at consolidation relating to Customer relationships (R126m) and Reacquired Rights (R956m).

Description	
Intangible Assets (Existing) being derecognised in line with Purchase Price Allocation ("PPA")	**842**
Subscriber Acquisition Costs ("**SAC**")	113
Subscriber income sharing arrangement	729
Intangible Assets (New) being recognised in line with Purchase Price Allocation ("PPA")	**1 082**
Customer relationship	126
Reacquired Rights	956
Total Net New Assets recognised	**240**

The reversal of the amortisation in intangibles in FY25 of R280m coupled with the depreciation R240m on the Intangibles recognised during the PPA process, results in (-R39m) in the Statement of Financial Position.

The acquisition of CEC will be implemented in terms of Section 42 and so should not trigger any income tax liability.

Note 10 **Intercompany Eliminations**

Business combination accounting is required upon obtaining control of CEC. Business combination accounting requires that, upon consolidation, pre-existing relationships between CEC and Cell C are settled at their carrying value. Pre-existing relationships comprise inter-company receivables and payables, as well as Cell C airtime held by CEC, which represents a right for TPC to receive telecommunication services from Cell C and an obligation for Cell C to provide such services to TPC. The effective settlement from an accounting perspective does not result in the actual settlement of these pre-existing relationships. As outlined below, the intercompany balances require adjustment to retained earnings to ensure alignment of the balances in the two entities.

The effects of applying business combination accounting are shown in the table below:

Description	**Cell C Financial Statement line (R'm)**	**Cell C Financial Statement line (R'm)**
Interest-bearing loans and borrowings (Non-Current Liability)	270	–
Interest-bearing loans and borrowings (Current Liability)	220	–
Investments	–	(250)
Trade and other receivables	–	(256)
Inventories	–	(793)
Trade and other receivables	698	211
Trade and other payables	–	95
Retained (earning)/losses	–	18
Total	**1 188**	**(975)**

As a result of obtaining control of CEC, Cell C needs to recognise 100% of the identifiable assets and liabilities of CEC acquired (after the effective settlement of pre-existing relationships between Cell C and CEC) on a line-by-line basis, plus any goodwill.

Note 11 **Management structure**

Since Cell C is a subsidiary of BLU when TPC transfers the 4.5% interest in Cell C to Cell C management, the transfer represents a share-based payment transaction which needs to be recognised as an expense with a corresponding credit to equity (share-based payment reserve) over the vesting period.

60% of the shares vest over an approximate average period of 33 years; and the balance of 40% over 53 years. The total amount to be recognised is equal to the fair value of the 4.5% interest in Cell C at the date the award is granted, which is estimated to be R810m based on an assumed fair value of Cell C (with CEC) of R17 billion after Step 10 of the Pre-Listing Restructuring Transactions.

The Cell C ListCo Statement of Financial Position is presented as it would appear on listing date of Cell C. Shares will only be awarded to management in the future, post listing, upon vesting conditions being met, hence resulting in a nil impact to the Statement of Financial Position as at listing date and no adjustment being processed to the *Pro forma* Statement of Financial Position.

Cell C will not be entitled to a tax deduction since it will not fund the 4.5% shares transferred to Cell C management.

Description	Value (R'mil)	Estimated share price	Number of shares (m)
Shares to be converted at low end price	689	45	15
Shares to be converted at high end price	810	53	15
Range	**(122)**	**(8)**	**0**

Note 12 **Settlement of Sundry Trade Creditors**

Cash received from TPC of R1,010m (refer to note 2) will be used to settle sundry creditors. The funds from TPC are sourced from a RMB loan.

Cell C will utilise the R1,010m to settle legacy liabilities such as: Sundry creditors R260m and Obligations under finance leases to the value of R750m.

The settlement of the various lease liabilities by an amount less than its face value will result in a debt benefit of R566m that must be included in taxable income. The VAT consideration relating to the settlement amount is R35m. This will result in a current and deferred tax charge of R153m in aggregate. However, this will be offset by the deduction from the repurchase of airtime transaction.

Description	Value R'm
Obligations under finance leases (CL)	75
Obligations under finance lease (NCL)	675
Sundry Creditors settlement	260
Total	**1 010**

Note 13 **Transaction Expenses**

Transaction costs associated with the listing process have been expensed equal to R221m, calculated as 2% of the float of R11bn. The sell down value is based on an assumed listing valuation of Cell C equal to R17bn. A detailed assessment to calculate which portion of professional fees incurred will be deducted for income tax and VAT purposes, will be performed. However, for purposes of the pre-listing statement a conservative approach has been taken to treat the amount as non-deductible given management view not to raise any additional deferred tax asset.

Description	Estimated Market Cap (R'mil)	Float (R'mil)	Transaction Price	Actual Fee (R'mil)
Market Capitalisation low range	15 300	9 681	1.94%	188
Market Capitalisation high range	17 000	11 381	1.94%	221
Range	**1 700**	**1 700**		**33**

Further to the split provided below there are various fees (as outlined in Part XIX of the Pre Listing Statement):

(1) the Joint Global Co-ordinators' fees relate to the support provided by Banks/Joint Global Co-ordinator (JGC) computed on the basis of the market capital raised estimated at R201m

(2) the Advisory fees relate to support provided by tax advisors/valuation specialists/legal advisors/audit/corporate finance estimated at R19m; and

(3) other fees relate to printing/JSE costs/secretariate estimated at R1m.

Transaction fee type	Transaction fees excl VAT (R'mil)	Transaction fees incl VAT (R'mil)
Joint Global Co-ordinators' fees	201	231
Advisory fees	19	22
Other	1	1
Total	**221**	**254**

Note 14 **Discontinuation of TPC Bulk purchases related to Restructuring Airtime Purchase Agreement ("RAPA") from 2022**

The Cell C Group concluded a robust recapitalisation process in the prior reporting periods with the purpose of deleveraging its statement of financial position and providing liquidity with which to operate and grow its businesses. In addition, the process was an enabler for the Cell C Group to achieve long-term success for the benefit of its customers, employees, creditors, shareholders and its other stakeholders.

To further assist the Cell C Group with its working capital requirements bulk purchases were made by TPC in line with Bulk Restructuring Airtime Purchase Agreement ("**RAPA**").

The RAPA outlines stock to be acquired by TPC at various discounts, (1) Business as usual stock at 3% and 4% discount depending on volume. (2) Whilst recapitalisation stock (considered to be for the purposes of financing Cell C) ranges from 15% to 75% discount, such discounts are reflected in the Statement of Financial Position (Contract liabilities) on day one and released to the income statement when such stock is returned or consumed.

The Statement of Financial Position (Contract liabilities) impact of the *pro forma* discount adjustment is nil as the Statement of Financial Position is reflected as at 31 May 2025. Please see the notes on the statement of comprehensive income for further clarity.

Notes to the Pro-Forma Statement of Comprehensive Income

All adjustments are recurring unless otherwise stated:

Note 1 Extracted, without adjustment, from the Report of Historical Financial Information, presented in Annexe 1 of this PLS on which an audit report was provided by SNG Grant Thornton.

Pre-restructuring Significant Events

Certain events post 31 May 2025 occurred that need to be included in the Pro-Forma statement of comprehensive income as these events have an impact on the Pre-listing Restructuring. The exclusion of these steps would result in the presentation of the Pro-Forma statement of comprehensive income being misleading. Notes 2–4 below are collectively referred to as the "Pre-restructuring Significant Events".

In terms of LR14.4, the JSE will classify a listed company as a pyramid company where it: "(a) may exercise, or cause the exercise, of 50% or more of the total voting rights of the equity securities of a listed company ("listed controlled company"); and (b) derives 75% or more of its total attributable income before tax from such listed controlled company, or the value of its shareholding in the listed controlled company represents 50% or more of its gross assets, with both measured, as far as possible, at fair value".

On implementation of the Proposed Restructure, and immediately post the Proposed Listing, BLU will hold circa 26% interest in Cell C. Similarly, it does not currently, and nor will it post the Proposed Restructure, and Proposed Listing, derive 75% or more of its total attributable income before tax from Cell C.

We therefore confirm that the Proposed Restructure and Proposed Listing will not give rise to any pyramid structure for the Blu Label group as contemplated in LR Section 14.

Notes 2–4 below collectively take place under the TPC Airtime Disposal restructuring step outlined per the PLS.

Note 2 **Cell C airtime to be sold to TPC**

The Cell C airtime acquired by TPC for a cash amount of R1 010m will have no impact on the *Pro forma* statement of comprehensive income as the receipt of cash creates a liability to deliver the telecommunications services in the form of unearned revenue. No interest income is accounted for in the Pro-Forma statement of comprehensive income as the cash will be used to settle trade payables.

The sale of airtime will result in a normal tax expense of R47m which is subsequently reduced to zero by the corresponding net deferred tax asset raised on unearned revenue.

Note 3 **Settlement of TPC trade payables with stock**

Cell C will settle a trade payable amount owed to TPC by raising unearned revenue to reflect an amount of airtime to be transferred to TPC in settlement of the trade payable. There is no Statement of Comprehensive Income impact as the transaction settles a trade payable obligation by raising another obligation to transfer airtime to TPC. The funds received of R198m to be used for working capital purposes.

The sale of airtime will result in a normal tax expense of R44m which is subsequently reduced to zero by the corresponding net deferred tax asset raised on unearned revenue.

Note 4 **Repurchase of the stock held by TPC by Cell C**

Breakage revenue is recognised based on prepaid usage patterns or when it becomes unlikely that customers will use their remaining rights. Revenue from breakage is recorded when it is highly probable Cell C is entitled to the amount and significant reversal is unlikely. Aligned to Breakage is the Discounts, which are included in the Statement of Financial Position under Contract liabilities, when stock is returned, the associated discount relating to the 1% breakage amount is also reversed in the Statement of Comprehensive Income. The reversal of Discount amounting to R24m is adjusted accordingly.

An additional correction of breakage previously recognised on the unearned revenue (disclosed as Contract liabilities in the HFIs) is reversed from revenue resulting in a reduction of R24m and a reduction in direct expenses of R24m. The net impact in the Statement of Comprehensive Income is nil.

Tax at 27% has been accounted for on both the net loss of reacquisition and the breakage derecognition. Resulting in a nil impact on tax.

Description	**Fair Value adjustments**	**Breakage %**	**Breakage impact in the SoCI**
Stock returned from TPC	2 435	1%	24

The Cell C Group concluded a robust recapitalisation process in the prior reporting periods with the purpose of deleveraging its Statement of Financial Position and providing liquidity with which to operate and grow its businesses. In addition, the process was an enabler for the Cell C Group to achieve long-term success for the benefit of its customers, employees, creditors, shareholders, and its other stakeholders.

To further assist the Cell C Group with its working capital requirements bulk purchases were made by TPC in line with Bulk Restructuring Airtime Purchase Agreement ("**RAPA**").

The RAPA outlines stock to be acquired by TPC at various discounts, (1) Business as usual stock at 3% and 4% discount depending on volume. (2) Whilst recapitalisation stock (considered to be for the purposes of financing Cell C) ranges from 15% to 75% discount, such discounts are reflected in the Statement of Financial Position (Contract liabilities) on day one and released to the income statement when such stock is returned or consumed.

At inception of the RAPA, the impact of the discounts was accounted for in the Statement of Financial Position; to consistently account for this, the adjustment has been reflected in the Statement of Financial Position and not the Statement of Comprehensive Income.

The loss incurred (R2 129m before tax) as a result of the returned Recapitalisation stock is not processed through the Statement of Comprehensive Income, but through retained earnings,) in line with historic treatment based on the original arrangement.

Cell C will be entitled to an income tax deduction which will increase the assessed loss, but no deferred tax will be raised.

Restructuring events

Note 5 **Conversion of TPC trade payable to Equity**

The Cell C Group concluded a robust recapitalisation process in the prior reporting periods with the purpose of deleveraging its Statement of Financial Position and providing liquidity with which to operate and grow its businesses. In addition, the process was an enabler for the Cell C Group to achieve long-term success for the benefit of its customers, employees, creditors, shareholders, and its other stakeholders.

To further assist the Cell C Group with its working capital requirements bulk purchases were made by TPC in line with Bulk Restructuring Airtime Purchase Agreement ("**RAPA**").

The RAPA outlines stock to be acquired by TPC at various discounts, (1) Business as usual stock at 3% and 4% discount depending on volume. (2) Whilst recapitalisation stock (considered to be for the purposes of financing Cell C) ranges from 15% to 75% discount, such discounts are reflected in the Statement of Financial Position (Contract liabilities) on day one and released to the income statement when such stock is returned or consumed.

In line with the RAPA, TPC returns stock at the prevailing discount rate of a weighted average of 8.6%, with the difference of (38.8%) from the original purchase (47.6%) processed to either Statement of Comprehensive Income or Statement of Financial Position.

In line with the Implementation Agreement, the trade payable of R7 444m to TPC is converted to equity in Cell C. This conversion will have no impact on the Pro-Forma statement of comprehensive income. The loss incurred of R2 129m as a result of the returned Recapitalisation stock is not processed through the Statement of Comprehensive Income, but through retained earnings in line with historic treatment based on the original arrangement.

The settlement of the trade payable with Cell C shares should have no tax implications since it will be on a value for value basis.

Note 6 **Debt to equity conversion**

Finance costs of R603m have been raised to adjust for the increase between the book value (R3 031m) and fair value (R3 634m) of loans payable to TPC, converted to equity in Cell C. As the loans are assumed to be converted on 1 June 2024, finance costs of R714m incurred on the loans during the year have been reversed. Tax at 27% has been accounted for relating to finance costs of R603m with respect to the impact acceleration of costs. Tax impact of R163m has been included. No tax applied on the R714m as it is an accounting adjustment. The income tax deduction relating to the finance cost will result in an increase in the assessed loss but no deferred tax will be raised.

Notes 7–10 below collectively take place under the Acquisition of CEC restructuring step outlined per the PLS.

Note 7 **Acquisition of CEC**

Extracted, without adjustment, from the Report of Historical Financial Information presented in Annexe 1 of this PLS on which an audit opinion was provided. The share transfer will be implemented in accordance with Section 42 of the Income tax act (asset for share transactions). Cell C will acquire CEC. The effect of this provision is that TPC will be deemed to have disposed of its shares in CEC to Cell C at their base cost for tax purposes. Below is the Statement of Comprehensive Income extract as consolidated:

Income Statement without modification	**2024**	**2025**
Revenue	3 212	2 849
Service Revenues	1 311	515
Equipment Revenue	1 901	2 333
Direct Expenditure	**2 187**	**1 996**
Gross margin	**1 025**	**853**
Operating Expenses	**648**	**734**
Other Income	**31**	**4**
EBITDA	**407**	**124**
Depreciation	0	2
EBIT	**407**	**122**
Finance Costs	165	474
Net income/(loss) before taxation	**242**	**(220)**
Taxation	60	(60)
Net income/(loss) after taxation	**183**	**(159)**

Note 8 **Pre-existing contracts valuation**

An existing intercompany loan between Cell C and CEC has been assessed at fair value, as determined in the Independent Purchase Price Allocation (“**PPA**”) process. The adjustment to the book values of these loans to reflect their fair values is accounted for as a movement to net financing costs (R31m) coupled with the R8m account of breakage as outlined in Note 8 of the Statement of Financial Position. The resulting impact in the carrying amount between the loan balances is R23m.

No tax applicable relating to the finance cost adjustment.

This represents the Statement of Comprehensive Income impact of updated valuation amounts of the pre-existing contracts (Intercompany loan) under the business combination of Cell C and CEC.

The Statement of Financial Position impact is reflected in note 8.

Description	**Fair value adjustments**
Statement of Comprehensive Income impact of Carrying Amount difference between CEC and Cell C	(23)
Statement of Comprehensive Income impact of fair value adjustment of the loan between CEC and Cell C	46
Impact in the Statement of Comprehensive Income	**23**

Note 9 **CEC Business combination**

On the acquisition of CEC, Cell C incorporates the Statement of Comprehensive Income of CEC. Below is a reflection of the adjustments:

The adjustments relate to the elimination of TPC management costs (R300m) and TPC marketing costs (R64m) that were charged in FY25, TPC charged CEC such fees, such charges will not occur post the transaction.

Amortisation (R280m) of current intangibles (R841m) derecognised based on PPA adjustments. R240m of depreciation relating to assets (R1 082m) that arise from the business combination. Deferred tax (R11m) is calculated based on temporary differences from the PPA, relating to amortisation/depreciation of intangibles.

9.1 **Statement of Comprehensive Income incorporation of CEC**

Description	**CEC Financial Statement line (R’m)**
Service Revenues	(300)
Operating Expenses	(64)
Direct Expenditure	(280)
Depreciation	240
Deferred tax	11
Net statement of comprehensive income impact	**(393)**

9.2 Included in direct expenses and depreciation are the following:

Description	**Amortisation included Direct expenses**	**Depreciation**
Intangible Assets (Existing) being derecognised in line with PPA	(280)	–
Subscriber Acquisition Costs (“**SAC**”)	(115)	
Subscriber income sharing arrangement	(165)	
Intangible Assets (New) being recognised in line with PPA	–	(240)
Customer relationship		(28)
Reacquired Rights		(212)
Total Net New Assets recognised	**280**	**(240)**

The reversal of the amortisation in intangibles in FY25 of R280m coupled with the depreciation R240m on the Intangibles recognised during the PPA process, results in (-R39m) as outlined in (9.2) above.

Note 10 **Intercompany Eliminations**

CEC manages the postpaid customer base on behalf of Cell C. Cell C acts as principal for the service revenue and recognises 100% of amount earned. CEC acts as the agent for the service revenue component, meaning it does not recognise full revenue for telco service revenue, but only the margin on service revenue.

On the other hand, CEC acts as principal for equipment revenue whilst Cell C acts as an agent for such revenue lines. The adjustment of R728m eliminates service revenues in the accounts of CEC, R307m eliminated equipment revenues. The reduction of R2 082m in direct costs eliminates the intercompany charges between Cell C and CEC relating to telecommunication service revenue. The interest relating to the intercompany loan between Cell C and CEC is reflected in net finance costs for both entities and is thus eliminated, coupled with the fair value adjustments of the loan in CEC, reflected in Operating Expenses (R24m). The adjustment of R836m eliminates income received for services rendered to CEC by Cell C, classified under other Income.

Description	**CEC Financial Statement line**
Direct Expenditure	(2 082)
Service Revenues	728
Equipment Revenue	307
Net Finance Costs	–
Operating Expenses	24
Other Income	836
Total	**(187)**

Note 11 **Management structure**

The unwinding of the vesting of shares under the management share scheme in terms of the Implementation agreement results in the recognition of a share-based payment expense in the *Pro Forma* statement of comprehensive income for the year ended 31 May 2025 of R206m. Cell C will not be entitled to a tax deduction since it will not fund the 4.5% shares transferred to Cell C management.

Description	**Value (R'm)**	**Weighted average vesting period**	**Statement of Comprehensive Income impact**
Management structure assumptions Low end prince	689	3.9	175
Management structure assumptions High end prince	810	3.9	206
Range	**(122)**	**–**	**(31)**

Note 12 **Settlement of Sundry Trade Creditors**

Cash received from TPC of R1,010m will be used to settle sundry creditors. The settlement will have impact the Pro-Forma statement of comprehensive income. The benefit in the SoCI will not recur in future periods as such is once-off.

Cell C will utilise the R1,010m to settle legacy liabilities such as: Sundry creditors and Obligations under finance leases.

The leases settled result in a benefit of R566m in SoCI, in addition, financing costs of R162m will be saved as a result of the settlement of such leases. In addition, a depreciation charge of R1m as a result of impairment of right of use asset.

The settlement of the various lease liabilities by an amount less than its face value will result in a debt benefit of R566m which amount to a tax charge of R153m but this will be offset by the excess deduction from the airtime repurchase transaction. No tax levied on the finance costs as this relates to an accounting adjustment. The VAT relating to the settlement is calculated to be R35m.

Description	**Value R'm**
Other income	(566)
Finance costs	(162)
Depreciation	1
Total	**(727)**

Note 13 **Transaction Expenses**

Transaction fees (relating to Pre-listing and listing costs (including charges by Banks/Attorneys/Tax and Accounting Advisors et al.) have been expensed equal to R221m, calculated as 2% of the float of R11bn. The sell down value is based on an assumed listing valuation of Cell C equal to R17bn. Transaction fees are once-off in nature. A conservative approach has been taken to treat the expense as non-deductible.

Description	Estimated Market Capitalisation (R'mil)	Float (R'mil)	Transaction Price	Actual Fee (R'mil)
Market Capitalisation low range	15 300	9 681	1.94%	188
Market Capitalisation high range	17 000	11 381	1.94%	221
Range	**1 700**	**1 700**		**33**

Further to the split provided below there are various market-related fees (as outlined in Part XIX of the Pre Listing Statement):

(1) the Joint Global Co-ordinators' fees relate to the support provided by Banks/Joint Global Co-ordinator ("**JGC**") computed on the basis of the market capital, estimated at R201m;

(2) the Advisory fees relate to support provided by Legal advisory/Accounting/Tax advisory/audit/valuation advisory estimated at R19m; and

(3) other fees relate to printing/JSE costs/secretariate estimated at R1m.

Transaction fee type	Transaction fees Excl VAT (R'mil)	Transaction fees Incl VAT (R'mil)
Joint Global Co-ordinators' fees	201	231
Advisory fees	19	22
Other	1	1
Total	**221**	**254**

Note 14 **Discontinuation of TPC Bulk purchases related to Restructuring Airtime Purchase Agreement ("RAPA") from 2022**

The Cell C Group concluded a robust recapitalisation process in the prior reporting periods with the purpose of deleveraging its Statement of Financial Position and providing liquidity with which to operate and grow its businesses. In addition, the process was an enabler for the Cell C Group to achieve long-term success for the benefit of its customers, employees, creditors, shareholders, and its other stakeholders.

To further assist the Cell C Group with its working capital requirements bulk purchases were made by TPC in line with Bulk Restructuring Airtime Purchase Agreement ("**RAPA**").

The RAPA outlines stock to be acquired by TPC at various discounts, (1) Business as usual stock at 3% and 4% discount depending on volume. (2) Whilst recapitalisation stock (considered to be for the purposes of financing Cell C) ranges from 15% to 75% discount, such discounts are reflected in the Statement of Financial Position (Contract liabilities) on day one and released to the income statement when such stock is returned or consumed.

The effective discount on prepaid airtime sales for the year increased to 14.1%, compared to the anticipated/contractual business as usual discount rate of 6%, due to the return or release of TPC airtime to the market. With the cessation of RAPA, the excessive discounts previously associated with stock financing will come to an end. To accurately reflect performance in the Statement of Comprehensive Income, and in line with restructuring efforts, concluding the RAPA arrangement between Cell C and TPC – where airtime was sold at notably steep discounts, will cease, the elimination of this impact is required. This adjustment is classified as a non-recurring restructuring event. Discount costs were accordingly reduced by R487m to account for the 8.1% excess discount variance. Although the adjustment is a once-off occurrence, it reflects discounts that effectively served as a financing instrument for Cell C. Discounts are currently netted off against revenue.

The adjustment relates to an accounting entry and as such, there is no tax impact.

Description	Actual discount	Business as usual discounts	Excessive discount impact (financing costs)
Discounts – relating to Recapitalisation stock	847	360	(487)

ANNEXE 14 – INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE COMPILATION OF *PRO FORMA* FINANCIAL INFORMATION

The definitions and interpretations commencing on page 454 of this Pre-listing Statement do not apply through this Annexe 14.

The Directors of Cell C Limited

We have completed our assurance engagement to report on the compilation of *pro forma* financial information of Cell C Limited ("**Cell C**"), by the directors.

The *pro forma* financial information, as set out in **Annexe 13** on pages 382 to 398 of the Pre-listing Statement ("**PLS**"), consists of the *pro forma* statement of financial position as at 31 May 2025 and the *pro forma* statement of comprehensive income for the year then ended. The applicable criteria on the basis of which the directors have compiled the *pro forma* financial information is specified in the JSE Limited ("**JSE**") Listings Requirements and described in **Annexe 13** on pages 382 to 398 of the PLS.

The *pro forma* financial information has been compiled by the directors to illustrate the impact of the corporate actions or events, described on page 392 of the PLS on Cell C's financial position as at 31 May 2025, and its financial performance for the year then ended, as if the corporate actions or events had taken place on 1 June 2024. As part of this process, information about Cell C's financial position and financial performance has been extracted by the directors from the Cell C's financial statements for the year ended 31 May 2025, on which an auditor's report was issued on 9 September 2025.

DIRECTORS' RESPONSIBILITY FOR THE *PRO FORMA* FINANCIAL INFORMATION

The directors are responsible for compiling the *pro forma* financial information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in **Annexe 13** of the PLS.

OUR INDEPENDENCE AND QUALITY MANAGEMENT

We have complied with the independence and other ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors ("**IRBA Code**"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

The firm applies International Standard on Quality Management 1 ("**ISQM 1**") *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* which requires the firm to design, implement and operate a system of quality management, including documented policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

INDEPENDENT AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion about whether the *pro forma* financial information has been compiled, in all material respects, by the directors on the basis specified in the JSE Listings Requirements and described in **Annexe 13** of the PLS based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements ("**ISAE**") 3420, *Assurance Engagements to Report on the Compilation of Pro forma Financial Information Included in a PLS*, which is applicable to an engagement of this nature, issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the *pro forma* financial information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the *pro forma* financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the *pro forma* financial information.

The purpose of *pro forma* financial information included in a PLS is solely to illustrate the impact of a significant corporate action(s) or event(s) on unadjusted financial information of Cell C as if the corporate action or event had occurred or had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the corporate action or event at 31 May 2025 would have been as presented.

A reasonable assurance engagement to report on whether the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the *pro forma* financial information provides a reasonable basis for presenting the significant effects directly attributable to the corporate action or event, and to obtain sufficient appropriate evidence about whether:

- The related *pro forma* adjustments give appropriate effect to those criteria; and
- The *pro forma* financial information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgment, having regard to our understanding of the nature of Cell C, the corporate action or event in respect of which the *pro forma* financial information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the *pro forma* financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION

In our opinion, the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria specified in the JSE Listings Requirements and described in **Annexe 13** of the PLS.

SNG Grant Thornton Inc.
Director: Omar Kadwa
Chartered Accountant (SA)
Registered Auditor
Reporting Accountant Specialist

Johannesburg
7 November 2025

ANNEXE 15 – PARTICULARS OF THE DIRECTORS OF THE COMPANY AND SENIOR MANAGEMENT

Other Directorships and Partnerships held by the Directors and Senior Management

The names of all companies and partnerships of which the Directors have been a director or partner at any time in the 5 years preceding the Last Practicable Date are listed below:

Name	Directorship	Status
El Tshegofatso Kope	Cell C Limited	Director
	Cell C Property Company Proprietary Limited	Director
	Cell C Service Provider Company Proprietary Limited	Director
	Cell C Tower Company	Director
	Cell C Infraco Proprietary Limited	Director
	Cell C Bidco	Director
	ZKD Holdings Proprietary Limited	Director
	Dhlamz Consulting Proprietary Limited	Director
Maya Makanjee	Cell C Limited	Director
	Mpact Limited	Director
	Mpact Foundation (RF) Proprietary Limited	Director
	AIG Life Proprietary Limited	Director
	AIG South Africa Proprietary Limited	Director
	Johannesburg Insurance Holdings Proprietary Limited	Director
	Datatec Limited	Director
	Nelson Mandela Foundation	Director
	Starfish Foundation 2020 (RF) Proprietary Limited	Director
	Funda Wande (RF) Proprietary Limited	Director
	Gauteng Cricket Board Non-Profit Company	Director
Joaquim Jorge Cerqueira Mendes	Cell C Limited	Director
	Cell C Service Provider Company Proprietary Limited	Director
	Cell C Property Company Proprietary Limited	Director
	Cell C Tower Company Proprietary Limited	Director
	Number Portability Company Proprietary Limited	Alternate Director
	Dropdrop Proprietary Limited	Director
	Association of Comms and Technology Non-Profit Company Proprietary Limited	Director
Godfrey Nkosingiphile Motsa	Cell C Limited	Non-executive Director
	Libika Proprietary Limited	Director
	International Fibre Partners Proprietary Limited	Director
	Sayema Proprietary Limited	Director
	Siaka Infraco Proprietary Limited	Director
	SMS Portal Proprietary Limited	Director

Name	Directorship	Status
Johannes Sanyana Mthimunye	Cell C Limited	Director
	Grapevine Property Investments 103 Proprietary Limited	Director
	Uptonvale Services Proprietary Limited	Director
	Summit Auto Investments Proprietary Limited	Director
	Gurb Investments Proprietary Limited	Director
	Proud Line Trade and Invest Proprietary Limited	Director
	Train Run Trading Proprietary Limited	Director
	Back Ways Trading Proprietary Limited	Director
	Hatfield Financial Services Proprietary Limited	Director
	Hatfield Holdings Proprietary Limited	Director
	Hatfield Property Holdings Proprietary Limited	Director
	Hatven Centre Proprietary Limited	Director
	Hatven Randburg Proprietary Limited	Director
	Interbet International Proprietary Limited	Director
	Glocap Equity Partners Proprietary Limited	Director
	Glocap Management Proprietary Limited	Director
	New Heights 101 Proprietary Limited	Director
	Nomaziyana Family Trust	Trustee
	Proudline Trade and Invest Proprietary Limited	Director
	Smileway Proprietary Limited	Director
	T-Junction Trade and Invest 105 Proprietary Limited	Director
	Thrive Ed Proprietary Limited	Director
	Dis-Chem Pharmacies Limited	Director
	Gurb Investments Proprietary Limited	Director
	Aloecap Private Equity Investments 1 Proprietary Limited	Director
	Aloecap Private Equity Investments 4 Proprietary Limited	Director
	Aloecap Private Equity Investments 5 Proprietary Limited	Director
	Aloecap Investments 2 Proprietary Limited	Director
	Aloecap Bee Private Equity Managers Proprietary Limited	Director
	Aloecap Proprietary Limited	Director
	Allegra Corp Proprietary Limited	Director
Skhulumi Jeremiah Vilakazi	Cell C Limited	Director
	Execu Prime Training Proprietary Limited	Director
	Sibanye Stillwater Proprietary Limited	Director
	Kendon Laboratories Proprietary Limited	Director
	Palama Industrial Proprietary Limited	Director
	Afromed Holdings Proprietary Limited	Director
	Belab South Africa Proprietary Limited	Director
	Inala Foundation Non-Profit Company	Director
	Behit South Africa Proprietary Limited	Director
	The Door Foundation Non-Profit Company	Director
	Trust Blu Foundation Non-Profit Company	Director
	K20200454575 (South Africa) Proprietary Limited	Director
	SBP Capital Holdings (RF) Proprietary Limited	Director
	Kmedcart Proprietary Limited	Director
	JV and Partners Proprietary Limited	Director
	2M2D Digital Agency Proprietary Limited	Director

Name	Directorship	Status
	G2G Family Business Network Non-Profit Company	Director
	Ascend Business School Proprietary Limited	Director
	VJ Construction Proprietary Limited	Director
	Champions Builders Foundations Non-Profit Company	Director
	Sandown Properties Proprietary Limited	Director
	Kendon Medical Supplies Transvaal Proprietary Limited	Director
	The Graduate Institute of Management and Technology Proprietary Limited	Director
	Palama Investments Proprietary Limited	Director
	Kazzi Corporate Wear Proprietary Limited	Director
	Execuprime Academy Proprietary Limited	Director
	Med Medical Healthcare Proprietary Limited	Director
	Capital Edge Cement Consortium Proprietary Limited	Director
	Blue Label Telecoms Proprietary Limited	Director
	Palama Investment Holdings Proprietary Limited	Director
	SBP Investment Group Proprietary Limited	Director
	Palama Phosphate Investment Company Proprietary Limited	Director
	Q Serve Properties Proprietary Limited	Director
Sindiswa Victoria Zilwa	Cell C Limited	Director
	Sibanye Stillwater Proprietary Limited	Director
	Laurinx Business Services Proprietary Limited	Director
	Virtual Voucher System Proprietary Limited	Director
	Future Global Leaders Club Non-Profit Company	Director
	Tourvest Africa Proprietary Limited	Director
	BSN Creations Proprietary Limited	Director
	Bridge-IT Proprietary Limited	Director
	Mercedes-Benz South Africa Proprietary Limited	Director
	Discovery Life Proprietary Limited	Director
	Metrofile Holdings Proprietary Limited	Director
	ABSA Group Proprietary Limited	Director
	Discovery Health Proprietary Limited	Director
	Gijima Group Proprietary Limited	Director
	Gijima Holdings Proprietary Limited	Director
	Discovery Vitality Proprietary Limited	Director
	Delta Property Fund Proprietary Limited	Director
	BPM Consulting Proprietary Limited	Director
	Tourvest Group Proprietary Limited	Director
	Tourvest Holdings Proprietary Limited	Director

The names of all companies and partnerships of which the Senior Management have been a director or partner at any time in the 5 years preceding the Last Practicable Date are listed below:

Name	**Directorship**	**Status**
Joaquim Jorge Cerqueira Mendes	As above	–
El Tshegofatso Kope	As above	–
Juba Mashaba	SA Polysilicon Proprietary Limited	Resigned
	Albanta Trading 109 Proprietary Limited	Director
	Oger Telecoms SA Proprietary Limited	Director
	Ceda Cellular Investment Proprietary Limited	Director
	LeJuba Industrial Supplies Proprietary Limited	Resigned
Schalk Visser	3C Telecommunications Proprietary Limited	Director
Rachael Ayo-Oladejo	K2021889191 SA (RF) Proprietary Limited	Director
	K2022559963 SA (RF) Proprietary Limited	Director
Melanie Forbes	Connect for Change Trust	Resigned
Darius Badenhorst	N/A	N/A
Chris Lazarus	Eastgate Close 30 CC	Member
Bryan O'Donovan	Mogular Investments Proprietary Limited	Inactive

None of the Directors or members of Senior Management were partners in a partnership during the 5 years immediately prior to the Last Practicable Date.

A list of directorships and partnerships for directors of Major Subsidiaries (not listed above) for the 5 years immediately prior to the Last Practicable Date will be made available at no cost upon written request to the Company.

Contracts Relating to Directors and Senior Management

Addenda to the employment agreements were concluded with the Executive Directors and Senior Management on and with effect from 1 July 2025 which contained revised restraints and notice periods. No other new service agreements were concluded with the Executive Directors and Senior Management.

The material terms of the service agreements with the Executive Directors and members of the Senior Management team (including the restraints and notice periods) are set out below. A summary of the service agreements is available for inspection as set out in *"Part XIX – Additional Information – Documents Available For Inspection"* of this Pre-listing Statement.

The Non-executive Directors have no fixed term of appointment, save for rotation of Directors as required by the Company MOI. Other than statutory compensation to which a Director may be entitled, the Directors are not entitled to receive any benefits (including but not limited to monetary compensation) from the Company or any other company in the Group for loss of office.

No activities are performed by the Directors, directors of the Major Subsidiaries and/or the members of Senior Management outside of the Group that are significant to the Group.

The dates upon which the Executive Directors and members of Senior Management were originally employed are:

Name	Year of employment
Executive Directors	
Joaquim Jorge Cerqueira Mendes	July 2023
El Tshegofatso Kope	October 2022
Senior Management	
Juba Mashaba	June 2019
Schalk Visser	July 2012
Rachael Ayo-Oladejo	July 2023
Melanie Forbes	August 2023
Darius Badenhorst	February 2024
Chris Lazarus	March 2024
Bryan O'Donovan	May 2024

Each of the Executive Directors' and Senior Management's service agreements terminate automatically at the end of the month in which they reach the age of 65 years. The service agreements are also terminable on notice, for any reason recognised in law including misconduct, poor work performance, incapacity in the form of ill-health or injury, and operational requirements. Executive Directors and members of Senior Management are subject to restraint of trade and non-solicitation undertakings upon termination of employment.

Name	Notice period	Restraint
Directors		
Joaquim Jorge Cerqueira Mendes	6 months	6 months
El Tshegofatso Kope	6 months	6 months
Senior Management	3 months	3 months
Juba Mashaba	3 months	3 months
Schalk Visser	3 months	3 months
Rachael Ayo-Oladejo	3 months	3 months
Melanie Forbes	3 months	3 months
Darius Badenhorst	3 months	3 months
Chris Lazarus	3 months	3 months
Bryan O'Donovan	3 months	3 months

The service agreements confirm that variable remuneration is subject to malus and claw-back.

All other terms and conditions of employment of Executive Directors and members of Senior Management are governed by the service agreements, read with the applicable human resource policies and local governing employment law, including, but not limited to, in South Africa certain provisions of the BCEA and EEA.

ANNEXE 16 – THE MAJOR SUBSIDIARIES AND THEIR DIRECTORS

As at the Last Practicable Date, the Company has no subsidiaries. Details of the Major Subsidiaries of the Company following the implementation of the Restructuring on the Second Closing Date are as set out below:

Name	Registration number	Percentage ownership	Date and place of incorporation	Issued ordinary share capital	Main Business	Date of becoming subsidiary
Cell C Limited	1999/007722/07	100%	16 April 1999, Republic of South Africa	1 461 560 048 ordinary shares	Network operator	Second Closing Date
Cell C Service Provider Company Proprietary Limited	2001/008017/07	100%	6 April 2001, Republic of South Africa	101 ordinary shares	Enters subscriber agreements with customers	Second Closing Date
Comm Equipment Company Proprietary Limited	2014/180727/07	100%	15 September 2014, Republic of South Africa	1 001 ordinary shares	Handset operator	Second Closing Date

None of the securities of the Company's Major Subsidiaries are listed on the JSE.

DIRECTORS OF MAJOR SUBSIDIARIES

The details of the directors of the Major Subsidiaries as at the Last Practicable Date are set out below:

Cell C Limited

Name, age and nationality	Business address	Occupational/ function	Date of appointment as Director
Joaquim Jorge Cerqueira Mendes, 51, South African	Waterfall Campus, Cnr Maxwell Drive & Pretoria Main Buccleuch Ext 10, 2090	Director	1 July 2023
El Tshegofatso Kope, 44, South African	Waterfall Campus, Cnr Maxwell Drive & Pretoria Main Buccleuch Ext 10, 2090	Director	1 March 2024
Maya Makanjee, 63, South African	Waterfall Campus, Cnr Maxwell Drive & Pretoria Main Buccleuch Ext 10, 2090	Director	13 June 2023
Godfrey Nkosingiphile Motsa, 52, South African	Waterfall Campus, Cnr Maxwell Drive & Pretoria Main Buccleuch Ext 10, 2090	Director	1 March 2023
Johannes Sanyana Mthimunye, 60, South African	Waterfall Campus, Cnr Maxwell Drive & Pretoria Main Buccleuch Ext 10, 2090	Director	15 August 2017
Skhulumi Jeremiah Vilakazi, 65, South African	Waterfall Campus, Cnr Maxwell Drive & Pretoria Main Buccleuch Ext 10, 2090	Director	25 September 2019
Sindiswa Victoria Zilwa, 58, South African	Waterfall Campus, Cnr Maxwell Drive & Pretoria Main Buccleuch Ext 10, 2090	Director	10 December 2019

Cell C Service Provider Company Proprietary Limited

Name, age and nationality	Business address	Occupational/ function	Date of appointment as Director
Joaquim Jorge Cerqueira Mendes, 51, South African	Waterfall Campus, Cnr Maxwell Drive & Pretoria Main Buccleuch Ext 10, 2090	Director	1 July 2023
El Tshegofatso Kope, 44, South African	Waterfall Campus, Cnr Maxwell Drive & Pretoria Main Buccleuch Ext 10, 2090	Director	19 October 2022

Comm Equipment Company Proprietary Limited

Name, age and nationality	Business address	Occupational/ function	Date of appointment as Director
Adam Greenblatt, 42, South African	2nd Floor Capital Hill, 6 Benmore Road, Sandton, Gauteng, 2196	Director	16 January 2019
Werner Janse van Rensburg, 49, South African	2nd Floor Capital Hill, 6 Benmore Road, Sandton, Gauteng, 2196	Director	27 November 2024
Brett Marlon Levy, 50, South African	2nd Floor Capital Hill, 6 Benmore Road, Sandton, Gauteng, 2196	Director	16 January 2019
Lindiwe Evarista Mthimunye, 52, South African	2nd Floor Capital Hill, 6 Benmore Road, Sandton, Gauteng, 2196	Director	4 April 2023

ANNEXE 17 – PRINCIPAL IMMOVEABLE PROPERTIES HELD OR OCCUPIED

Details of the principal immovable properties held, occupied or leased by the Company and its Major Subsidiary are set out below. None of the Directors has any material interest in any of the immovable properties held, occupied or leased by the Company or its Major Subsidiaries.

Principal properties leased – South Africa

Property Name and Description	Landlord	Tenant	Area (sqm)	Currently monthly rental as at 1 August 2025	Termination
Lot 1139 Durban, 111 Prince Alfred Street, now known as Florence Nzama Street, Durban, KwaZulu-Natal (the 111 Prince Main Lease)	Fulloutput 161 Proprietary Limited	Cell C	Not provided	ZAR182 000 per month, excluding VAT. Monthly rent escalates at 4% per annum annually on 1 December, including during the renewal period.	30 November 2025 Renewable option: One period of three years. Notice of renewal to be given by 31 May 2025. Termination for convenience: None
Second floor of 111 Prince Main Lease	Cell C	Callforce Direct Proprietary Limited	Not provided	ZAR47 010.25, excluding VAT and the 11 parking bays. Monthly rent escalates at 5% per annum annually on 1 December.	No termination date: The lease is on a month-to-month tenancy commencing from 1 December 2023. Renewable option: None Termination for convenience: Cell C has the right to terminate the sub-lease agreement for its sole convenience by giving 90 days' notice in writing to Callforce Direct Proprietary Limited, without providing reasons for such termination.
Erf 431 a portion of erven 432 433 and 434 Buccleuch, extension 10, Waterfall Campus, corner Maxwell Drive and Pretoria Main Road, Buccleuch Midrand	Attacq Waterfall Investment Company Proprietary Limited	Cell C (Cell C subleased the property to CEC. The sublease expired on 31 January 2023.)	400	ZAR142 343.69 per month, excluding VAT. Monthly rent escalates at 6% per annum annually on 1 May.	28 February 2029 Renewable option: 10 years at Cell C's option or any other such period as may be agreed by the parties in writing. Early termination in respect of specific portions: With effect from the early termination date (1 February 2022) the lease in respect of the early termination portions is cancelled at no cost or penalty to the tenant with effect from the commencement date. Warehouse termination: With effect from the earlier of the recapitalisation implementation date and the date on which the warehouse lease is concluded between the landlord and the Global Mobile Distribution, the lease in respect of the warehouse will be cancelled at no cost or penalty to the tenant.

Principal properties leased – South Africa					
Property Name and Description	**Landlord**	**Tenant**	**Area (sqm)**	**Currently monthly rental as at 1 August 2025**	**Termination**
Erf 432 a portion of erven 431 433 and 434 Buccleuch, extension 10, Waterfall Campus, corner Maxwell Drive and Pretoria Main Road, Buccleuch Midrand	Attacq Waterfall Investment Company Proprietary Limited	Cell C	24 956	ZAR1 400 258.81 per month, excluding VAT. Monthly rent escalates at 7.5% compounded annually	30 June 2034 Renewable option: None Termination for convenience: In the event that the tenant occupies the premises after the expiry date, without the parties having renewed the terms of the lease agreement in a formal written agreement signed by both parties, then the tenant shall be deemed to lease the premises on a monthly basis on the same terms and condition subject to the provision that either party will be entitled to terminate the lease by giving the other party one calendar month's prior written notice of termination. The landlord may elect to terminate the lease by giving the tenant 12 months' prior written notice in the event that the landlord wishes to demolish, re-develop re-construct, upgrade and/or renovate the building.
Shop 1153, Mall of Africa	Attacq Waterfall Investment Company Proprietary Limited	Cell C	226.05	8% of turnover and a base rental cost of ZAR142 343.69 per month, excluding VAT. Monthly rent escalates at 6% per annum annually on 1 May.	30 April 2028 Renewal option: None. Termination for convenience: None
Shop 103, Festival Mall, Cnr CR Swart Drive and Kelvin Road, Kempon Park, 1620	Acucap Investments Proprietary Limited c/o Growthpoint Properties Limited	Cell C	47.50	5% of turnover and a base rental cost of ZAR31 050 per month, including VAT. Monthly rental escalates at 6% per annum annually on 1 June.	30 June 2028 Renewal provisions are struck out Termination for convenience: None
Erf 9040, Shop number 34, Ground Floor, Westgate Mall, c/o Morgenster Road & Jakes Gerwel Drive, Mitchells Plain, Cape Town	Vividend Income Fund Limited as represented by Excellerate Real Estate Services Proprietary Limited	Cell C	71.64	ZAR26 313.79 per month, including VAT. Monthly rent escalates at 6% per annum annually on 1 December.	30 November 2025 Renewable option: None Termination for convenience: None

Principal properties leased – South Africa					
Property Name and Description	**Landlord**	**Tenant**	**Area (sqm)**	**Currently monthly rental as at 1 August 2025**	**Termination**
Shop number 31, Bluff Shopping Centre, 318 Tara Road, Bluff, Durban, 4066	SA Retail Properties Proprietary Limited	Cell C	75	ZAR43 876.58 per month, excluding VAT. Monthly rent escalates at 6% per annum from 30 June.	30 June 2026 Renewable option: No automatic renewal Holding over: If the tenant remains in occupation of the property after the expiration date without a new signed agreement, the lease converts to a month-to-month lease on the same terms but with a 10% escalation in rent and operating costs for the first year. Thereafter, an escalation rate of 10% for each subsequent year. The monthly tenancy can be terminated by either party giving one calendar months' notice to the other party. Termination for convenience: None
Shop 57, Retail Experience Hub: Mooirivier Mall situated at Farm 7071 1Q Erf 1365, Baillie Park	Attacq Retail Fund Proprietary Limited	Cell C	75	8% of turnover and a base rental cost of ZAR554.32 (R44 484.18) per sqm per month, excluding VAT. Monthly rent escalates at 7% per annum compounded annually on 1 July.	30 June 2027 Renewal option: No automatic renewal unless the renewal or extensions is in writing and signed by both parties. Holding over: If the tenant remains in occupation of the property after the expiration date without a new signed agreement, the lease converts to a month-to-month lease on the same terms but with a 12% escalation in rent and operating costs compounded annually. Thereafter, an escalation rate of 10% for each subsequent year. The monthly tenancy can be terminated by either party giving one calendar months' notice to the other party. Termination for convenience: None

Principal properties leased – South Africa					
Property Name and Description	**Landlord**	**Tenant**	**Area (sqm)**	**Currently monthly rental as at 1 August 2025**	**Termination**
Shop 009, N1 City Mall, Louwtjie Rothman Street, Goodwood, Cape Town, 7460	Growthpoint Properties Limited	Cell C	87.4	ZAR31 800 per month, excluding VAT. Monthly rent escalates at 6% per annum annually on 1 March.	28 February 2027 Renewable option: None Holding over: If the tenant remains in occupation after the lease expires without a formal renewal, the lease continues on a temporary basis. Either party can terminate this temporary lease by giving 1 month's written notice. The rent and other charges for this period will be at least the last month's charges, escalated by 10%, except for certain service charges. Termination for convenience: None
Shop 242, Pine Crest Shopping Centre, 9207, 17 King Road, New Germany, Pinetown, 3610	Vukile Property Fund Ltd	Cell C	80.06	ZAR42 431.80 per month, excluding VAT. Monthly rent escalates at 6% per annum annually on 1 April.	31 March 2027 Renewable option: The renewal of this lease is subject to the tenant undertaking and completing a revamp, at its own cost. Holding over: If the tenant remains in occupation after the lease expires, the lease continues on a monthly basis with a 15% rental increase, not as a renewal. Termination for convenience: None Termination as a result of a change of control: If the tenant is a company and there is a change in controlling shareholders/members without the landlord's consent, the landlord may terminate with one month's written notice.
Shop 59, Goldfields Mall	The Pivotal Fund Proprietary Limited	Cell C	71	ZAR31 619.14 per month, excluding VAT. Monthly rental escalates at 6% per annum annually on 1 March.	28 February 2028 Renewal provisions are struck out. Holding over: If the tenant remains in occupation after the lease expires the lease will continue on a month-to-month basis with an annual rental increase of 6%. Termination for convenience: None

Principal properties leased – South Africa

Property Name and Description	Landlord	Tenant	Area (sqm)	Currently monthly rental as at 1 August 2025	Termination
Shop C313, Rosebank Mall, 50 Bath Avenue, Rosebank, 2196	Hyprop Investments Limited	Cell C	60.28	7% of the tenant's turnover and a base monthly rental of ZAR26 713.13, per month, excluding VAT. Monthly rent escalates at 7% per annum annually on 1 March.	28 February 2027 Renewable option: None Termination for convenience: The lease makes provision for the cancellation or termination of the lease for any reason whatsoever.
Shop 84, Somerset Mall, Centenary Drive, Intersection of N2 and R44, Somerset West	Hyprop Investments Limited	Cell C	71.28	8% of the tenant's gross annual turnover and a base rental of ZAR68 712.81 per month, excluding VAT. Monthly rent escalates at 6.5% per annum annually on 1 June.	31 May 2027 Lease to continue on a month-to-month basis following termination until such a time as renewal terms are agreed. Termination for convenience: None
Shop L043 Springs Mall at Erf 1257	Spring Mall Consortium consisting of Blue Crane Eco Mall (Pty) Ltd; Vukile Property Fund Limited and F&G Investments 2 (Pty) Ltd	Cell C	74	ZAR26 644.69 per month, excluding VAT. Monthly rent escalates at 7% per annum annually on 1 April.	31 March 2027 Renewal option: The option to renew has been exercised twice. The tenant is entitled to renew the lease by giving written notice 6 months prior to the expiry date. The renewal period and terms must be agreed upon by both parties and recorded in writing at least 3 months before the termination date. Termination for convenience: None
Shop G03, Centre Management Offices, The Bridge Shopping Centre, Corner of Cape Road and, Langehoven Drive, Gqeberha	Broll Property Group (Pty) Ltd	Cell C	87	ZAR66 748.20 per month, excluding VAT. Monthly Rental escalates at 6% per annum annually on 1 January.	31 December 2026 Renewable option: The tenant has an option to renew by giving written notice to the landlord to that effect. Holding over: If the tenant remains in occupation after the lease expires without a new agreement, the lease continues on a monthly basis, subject to all the same terms, but either party may terminate with one month's written notice. The rent increases by 15% over the last month's rent. Termination for convenience: None

Principal properties leased – South Africa					
Property Name and Description	**Landlord**	**Tenant**	**Area (sqm)**	**Currently monthly rental as at 1 August 2025**	**Termination**
Shop LL112, Tyger Valley Shopping Centre, Corner of Bill Bezuidenhout Ave, Willie Van Schoor Dr, Bellville Park, Cape Town, 7530	Pareto Limited and Momentum Metropolitan Life Limited	Cell C Ltd t/a Cell C Customer Care Centre	227	5% of net annual turnover of the aggregate of basic monthly rent and a base rental of ZAR139 987.58 per month, excluding VAT. Monthly rental escalates at 7% per annum annually on 1 August.	31 July 2027 The renewal is presently subject to negotiation pending hybrid lease finalisation
Shop 083, Vaal Mall, Cnr Barrage Road And Rossini Boulevard Vanderbijlpark, 1900	Growthpoint Properties Ltd & Changing Tides 91(Pty) Ltd c/o Growthpoint Management and Services (Pty) Ltd	Cell C	44.53	4% of net annual turnover of the aggregate of basic monthly rent and a base rental of ZAR33 041.26 per month, excluding VAT. Monthly rental escalates at 7% per annum annually on 1 May.	30 April 2027 Renewal provisions are struck out. Termination for convenience: None
Shop 17, Walmer Park Shopping Centre, 14th and 16th Avenue, Main Road, Walmer, Port Elizabeth, 6070	Walmer Park Shopping Centre c/o Growthpoint Properties Limited	Cell C	60	6% of turnover and a base rental of ZAR44 037.96 per month, excluding VAT. Monthly rental escalates at 6.5% per annum annually on 1 August.	31 July 2027 Renewal option: None Termination for convenience: None
Shop 003, Lakeside Mall, Tom Jones Street, Benoni, Gauteng, Johannesburg, 1501	Growthpoint Properties Limited	Cell C	71	ZAR40 810 per month, excluding VAT. Monthly rent escalates at 6% per annum annually on 1 April.	31 March 2027 Renewable option: None Termination for convenience: None
Shop 04, Britannia, Shoprite Centre, 424 West Street, Durban Central, Durban, 4000	Shoprite Checkers Proprietary Limited	Cell C	57.82	8% of net annual turnover of the aggregate of basic monthly rent and a base rental of ZAR52 530.41 per month, including VAT. Monthly rent escalates at 8% per annum annually on 1 September.	31 August 2027 Renewable option: None Termination for convenience: None

Principal properties leased – South Africa					
Property Name and Description	**Landlord**	**Tenant**	**Area (sqm)**	**Currently monthly rental as at 1 August 2025**	**Termination**
Shop LLA202, Cresta Shopping Centre, Corner Beyers Naude and Weltevreden Park, Cresta Extension 4, Randburg, 2195	Pareto Limited	Cell C	91	6% of net annual turnover of the aggregate of basic monthly rent and a base rental of ZAR69 745.13 per month, including VAT. Monthly rent escalates at 6% per annum annually on 1 December.	30 November 2026 Renewable Option: None Termination for convenience: None
Shop Number 18, De Bron Shopping Centre, Malmesbury, 55 Voortrekker Road, Malmesbury, 7299.	Amrichprop 20 Properties Proprietary Limited	Cell C	33	ZAR10 812 per month, excluding VAT. Monthly rent escalates at 6% per annum annually on 1 September.	31 August 2026 Renewal option: None Termination for convenience: None
51–53 Old Main Road, Hillcrest, Durban, 3610	The Joint Venture of Shoprite Checkers Proprietary Limited and Acucap Investments Proprietary Limited	Cell C	85.5	ZAR37 403.32 per month, excluding VAT. Monthly rent escalates at 6% per annum annually on 1 November.	31 October 2026 Renewable Option: None Termination for convenience: None
Shop L20, The Grove Mall, Corner Simon Vermooten & Lynnwood Road, Equestra, Pretoria	Resilient Properties Proprietary Limited	Cell C	38.08	ZAR42 929.68 per month, including VAT. Monthly rent escalates at 7% per annum annually on 1 October.	30 September 2026 Renewable Option: None Termination for convenience: None
Shop F180, Blue Route Mall, 16 Tokai Road, Tokai, Cape Town, Western Cape	Redefine Retail Proprietary Limited	Cell C	99	ZAR38 940 per month, excluding VAT. Monthly rent escalates at 7% per annum annually on 1 October.	30 September 2027 Renewal option: None Termination for convenience: None
Shop 35 Garden Route Mall, Portion 326, A Portion of Portion 286 of the Farm Kraaibosch 195/408, c/o N2 Highway & Knysna Road, George, 6546	Attacq Retail Fund Proprietary Limited	Cell C	74	5% of net annual turnover of the aggregate of basic monthly rent and a base rental of ZAR39 494.54 per month, excluding VAT. Monthly rent escalates at 6% per annum annually on 1 December.	30 November 2025 Renewable option: None Termination for convenience: None

Principal properties leased – South Africa

Property Name and Description	Landlord	Tenant	Area (sqm)	Currently monthly rental as at 1 August 2025	Termination
Shop G-27, Hemingways Mall, Corner western Services Avenue, Two Rivers Road, East London	Rebosis Property Fund Limited	Cell C	126	ZAR59 345.95 per sqm per month, excluding VAT. Monthly rent escalates at 7% per annum annually on 1 November.	31 October 2025 Renewable option: Renewal undergoing negotiation. Termination for convenience: None
Shop 203, Highveld Mall	Changing Tides 91 Proprietary Limited, Mogwele Trading 278 Proprietary Limited, Retraction Props 7 Proprietary Limited and Resilient Properties Proprietary Limited	Cell C	100	8% of net annual turnover of the aggregate of basic monthly rent and a base rental of ZAR825.85 per sqm, per month, excluding VAT. Monthly rent escalates at 6% per annum annually on 1 December.	30 November 2025 Renewable option: None Termination for convenience: None
Shop 8B, The Boulders Shopping Centre, Old Pretoria Road, Halfway House, Midrand, Gauteng	Redefine Retail Proprietary Limited	Cell C	49	6% of net annual turnover of the aggregate of basic monthly rent and a base rental of ZAR41 685.56 per month including VAT. Monthly rent escalates at 6% per annum annually on 1 March.	28 February 2026 Renewal option: None Termination for convenience: None
Shop 89, Phoenix Plaza, 19 Parthenon Street, Phoenix	Vukile Property Fund Limited	Cell C	99.32	ZAR764 05 per sqm per month, excluding VAT. Monthly rental escalates at 6% per annum annually on 1 March.	28 February 2028 Renewable option: None Termination for convenience: None
Shop 18, Durban Workshop Centre, 99 Samora Machel Street, KZN, Durban, 4001	Vukile Property Fund Limited	Cell C	54.44	ZAR850 per sqm per month, excluding VAT. Monthly rental escalates at 6% per annum annually on 1 August.	31 July 2028 Renewable option: None Termination for convenience: None
Shop 21, Eikestad Mall	Attacq Retail Fund Proprietary Limited and Key Capital Property Holdings Proprietary Limited	Cell C	47.57	6% of net annual turnover of the aggregate of basic monthly rent and a base rental of ZAR31 871.90 per month, excluding VAT. Monthly rental escalates at 7% per annum annually on 1 April.	31 March 2028 Renewable option: None Termination for convenience: None

Principal properties leased – South Africa					
Property Name and Description	**Landlord**	**Tenant**	**Area (sqm)**	**Currently monthly rental as at 1 August 2025**	**Termination**
Shop 47, Waterfall Mall, 1 Augrabies Avenue, Cashan Ext 12, Rustenburg, 0299, Portion 1 of Erf 1174, Cashan Extension 12 Township	Growthpoint Properties Limited	Cell C	62.30	6% of net annual turnover of the aggregate of basic monthly rent and a base rental of ZA37 090 per month, excluding VAT. Monthly rental escalates at 7% per annum annually on 1 April.	31 March 2028 Renewal option: None as the renewal provisions are struck out. Termination for convenience: None
Shop 17 Bayside Mall, Corner Blaauwberg Road and Otto Du Plessis Drive	Acucap Investments Proprietary Limited c/o Growthpoint Management Properties Limited	Cell C	98	5% of net annual turnover of the aggregate of basic monthly rent and a base rental of ZAR50 281.10 per month excluding VAT. Monthly rent escalates at 6% per annum annually on 1 March.	28 February 2028 Renewal option: None Termination for convenience: None
Shop F2-17B, Loch Logan Waterfront, 105-107 Henry Street, Westdene, Bloemfontein, 9301	Loch Logan Waterfront Proprietary Limited	Cell C	57.73	ZAR32 432.71 per month excluding VAT. Monthly rent escalates at 6% per annum annually on 1 July.	30 June 2026 Renewable option: To be agreed by both parties Termination for convenience: None
Shop 20, Mall@Carnival, Cnr Airport & Heidelberg Roads, Dalpark X5, Brakpan	Southern Palace Investment 108 Proprietary Limited	Cell C	51	ZAR53 105.62 per month, excluding VAT. Monthly rent escalates at 7% per annum annually on 1 November.	31 October 2028 Renewal option: None Holding over: According to the main lease agreement, if the tenant remains in occupation after the lease expires, the lease will continue on a month-to-month basis and the rent will increase by 20% per annum. Termination for convenience: None
Shop 192, Lowveld Mall, Hazyview, Erf 1260 and 1261, Hazyview Extension 6	Twin City Development Proprietary Limited	Cell C	94	ZAR26 404.60 per month, excluding VAT. Monthly rent escalates at 6% per annum from 1 January.	31 December 2026 Renewal option: None Termination for convenience: None

Principal properties leased – South Africa

Property Name and Description	Landlord	Tenant	Area (sqm)	Currently monthly rental as at 1 August 2025	Termination
Shop 40, North Cape Mall, Memorial Road, Roylglen, Kimberley	Luvon Investments Proprietary Limited, Stylestar Investments Proprietary Limited and PHG Property Holdings Proprietary Limited	Cell C	84.9	ZAR36 993.95 per month, excluding VAT. Monthly rent escalates at 7% per annum annually on 1 December.	30 November 2025 Lease to continue on a month-to-month while presently subject to negotiation.
Shop 5, The Verge on Linksfield, Corner Linksfield Road and Elm Street, Dowerglen	Co-Props 1079 Proprietary Limited	Cell C	101	ZAR40 400.00 per sqm per month, excluding VAT. Monthly rent escalates at 7% per annum annually on 1 May.	30 April 2028 Renewal option: Negotiable, if parties do not agree on the terms, the lease will automatically convert to a month-to-month tenancy. Termination for convenience: None
Shop 10A, The Village, Klerksdorp	Resilient Properties Proprietary Limited and Klerksdorp Village Investments Proprietary Limited	Cell C	70	8% of net annual turnover of the aggregate of basic monthly rent and a base rental of ZAR35 000 per month, excluding VAT. Monthly rent escalates at 6% per annum annually on 1 July.	30 June 2028 The renewal is presently subject to negotiation pending resilient hybrid lease finalisation.
Shop 239, Centurion Mall, Heuwel Road, Centurion, Pretoria, Gauteng, 0157	Redefine Retail Proprietary Limited	Cell C	106	5% of net annual turnover of the aggregate of basic monthly rent and a base rental of ZAR89 330.06 per month, excluding VAT. Monthly rent escalates at 7% per annum annually on 1 September.	31 August 2025 The renewal is presently subject to negotiation.
Shop G063, Fourways Mall, 11 Ruby Cl, Witkoppen, Sandton, 2068	Accelerate Property Fund Limited and Azrapart Proprietary Limited	Cell C	63.36	5% of net annual turnover of the aggregate of basic monthly rent and a base rental of ZAR31 183.97 per month, excluding VAT. Monthly rent escalates at 6% per annum annually on 1 March.	28 February 2027 Renewal option: None Termination for convenience: None

Principal properties leased – South Africa

Property Name and Description	Landlord	Tenant	Area (sqm)	Currently monthly rental as at 1 August 2025	Termination
Shop G56A, Longbeach Mall, Corner Buller Louw Drive and Sunnydale Road, Milkwood Park, Noordhoek, Cape Town, 7975	Growthpoint Properties Limited	Cell C	47	ZAR27 188.52 including VAT. Monthly rent escalates at 7% per annum annually on 1 October.	30 September 2025 The renewal is presently subject to negotiation.
Shop number 319, Northgate Shopping Centre, Corner Of Olievenhout Avenue and Northumberland Avenue, Northriding, Randburg, 2162	Sasol Pension Fund and Growthpoint Properties Limited	Cell C	40.2	7% of net annual turnover of the aggregate of basic monthly rent and a base rental of ZAR26 101.34 per month, excluding VAT. Monthly rent escalates at 7% per annum annually on 1 October.	30 September 2026 Renewal option: None Holding over: If the tenant remains in occupation after the lease expires, the lease will continue on a month-to-month basis and the rent will increase by 15% per annum. Termination for convenience: None
Shop 34, Oakfields Shopping Centre, Cnr Oak Street and Hanekam, Northmead Ext 4, Benoni, Gauteng, 1501	Annuity Properties Proprietary Limited	Cell C	66	ZAR23 130.41 per month, excluding VAT. Monthly rent escalates at 7% per annum annually on 1 July.	30 June 2026 Renewal option: None as the renewal provisions are struck out. Holding over: If the tenant remains in occupation after the lease expires, the lease will continue on a month-to-month basis and the rent will increase by 7% per annum. Termination for convenience: None
Shop G-83, Parow Centre, Cnr Voortrekker & De la Rey Street, Parlow	Basfour 2295 Proprietary Limited	Cell C	47 912	6% of net annual turnover of the aggregate of basic monthly rent and a base rental of ZAR28 669.43 per month, excluding VAT. Monthly rent escalates at 6% per annum annually on 1 November.	31 October 2026 Renewal option: None Holding over: If the tenant remains in occupation of the premises, the tenant must continue to pay all amounts due under the lease on the due dates Termination for convenience: None
Shop 4B, Kolonnade Shopping Centre, Sefako Makgatho Drive, Montana Park	Sasol Pension Fund and Growthpoint Properties Limited	Cell C	55	2% of net annual turnover of the aggregate of basic monthly rent and a base rental of ZAR743 per sqm per month, excluding VAT. Monthly rent escalates at 6% per annum.	31 October 2026 Renewal option: Holding over: If the tenant remains in occupation after the lease expires, the lease will remain in force on the same terms and conditions, but can be terminated by either party with one calendar months' written notice. Termination for convenience: None

Principal properties leased – South Africa					
Property Name and Description	**Landlord**	**Tenant**	**Area (sqm)**	**Currently monthly rental as at 1 August 2025**	**Termination**
Shop 13, The Atrium Shopping Centre, 430 Peter Mokaba Ridge, Overport, Berea, 4067	Roelan Trading 45 Proprietary Limited	Cell C	53.80	ZAR39 580 93 per month, excluding VAT. Monthly rent escalates at 6.5% per annum annually on 1 August.	31 July 2026 Renewal option: None Holding over: If the tenant remains in occupation after the lease expires and now written lease exists then, without prejudice to the landlord's rights under the lease agreement, the lease will continue on a month-to-month basis and the rent shall increase by 20% from the month following termination/ expiry of the lease agreement and shall continue to increase annually by 7%. Termination for convenience: None
Shop 37B, Durban Chatsworth Centre, Joyhurst Street, Westcliff, Chatsworth, 4092	Sanlam Life Insurance Limited	Cell C	49.09	ZAR39 496.00 per month, including VAT. Monthly rent escalates at 7% per annum annually on 1 July.	30 June 2027 Renewal option: None Holding over: If the tenant remains in occupation after expiry of the lease then the lease shall continue on a month-to-month basis and the basic rent shall increase by 7% in the month preceding the expiry of the lease. Termination for convenience: None
Shop LM063, Clearwater Mall, Cnr of Hendrik Potgieter Road and Christiaan de Wet Road, Strubensvalley, Roodepoort, Johannesburg	Hyprop Investments Limited	Cell C	87	5% of net annual turnover of the aggregate of basic monthly rent and a base rental of ZAR655 854per month, excluding VAT. Monthly rent escalates at 7% per annum annually on 1 September.	31 August 2027 Renewal option: None Holding over: If the tenant remains in occupation after the lease expires, the lease will continue on a month-to-month basis which can be terminated by either party with one calendar months' written notice and the rental amount shall increase annually by 7%. Termination for convenience: None
Shop 001G, Newpark Centre, 1 to 17 Long Street, Kimberley	East and West Investments Proprietary Limited and Luvon Investments Proprietary Limited	Cell C	42.50	ZAR18 289.78 per month, excluding VAT. Monthly rent escalates at 6% per annum annually on 1 May.	30 April 2028 Renewal option: None Holding over: If the tenant remains in occupation after the lease expires, the lease shall continue on a month-to-month basis and the rent shall escalate by 10% compounded annually. Termination for convenience: None

Principal properties leased – South Africa

Property Name and Description	Landlord	Tenant	Area (sqm)	Currently monthly rental as at 1 August 2025	Termination
Shop 16, Savannah Mall, Corner Grimm & Thabo Mbeki Streets, Polokwane	Pietersburg Property Development Proprietary Limited	Cell C	79.57	ZAR31 587.59 per month, excluding VAT. Monthly rent escalates at 6.5% per annum on 1 November.	31 October 2026 Renewal option: None Termination for convenience: None
Shop 3, Middelburg Mall, Corner Fontein Street and Tswelopele Avenue	Flanagan & Gerard Investments (Pty) Ltd, East & West Investments (Pty) Ltd and Mobe Investments (Pty) Ltd trading as The Mall at Middelburg Consortium	Cell C	68	ZAR42 742.80 per month. The lease does not indicate is this is including or excluding VAT. Monthly rent escalates at 6% per annum on 1 May.	30 April 2027 Renewal option: None Holding over: If the tenant remains in occupation after the lease expires, the lease will continue on a month-to-month basis and rent shall escalate by 7% compounded annually. Termination for convenience: None
Shop 23 C, President Square, Krugersdorp, Market Street & Pretoria Street, Krugersdorp, Johannesburg, 1739	KGDP Hyper Proprietary Limited	Cell C	45	ZAR19 608 per month, excluding VAT. Monthly rent escalates at 7.5% per annum on 1 August.	30 July 2026 Renewal option: None Holding over: If the tenant remains in occupation after the lease expires, without the landlord's consent and without a written agreement the lease will continue on a month-to-month basis and rent shall escalate by 7%. Termination for convenience: None Termination for convenience: None
Storage Facility situated at Portion 8 of Dyer Place, Acardia, East London	Marospark Proprietary Limited	Cell C	385	ZAR12 357.03 per month, excluding VAT. Monthly rent escalates at 8% per annum on 1 March.	26 February 2026 Renewal option: The tenant has an option to renew. Termination for convenience: None
Shop 08, Campus Square Shopping Centre, Auckland Park	Campus Square Proprietary Limited	Cell C	38	ZAR13 300 per month, excluding VAT. Monthly rent escalates at 7% per annum on 1 July.	30 June 2025 The renewal is presently subject to negotiation.
Shop 41, Corkwood Square, 42 Union Street, at erf 25332, Uitenhage	Corkwood Square Proprietary Limited	Cell C	63	ZAR23 625 per month, excluding VAT. Monthly rent escalates at 7% per annum on 1 December.	1 November 2027 Renewal option: There is an option to renew the lease for a further period of 3 (three) years. Termination for convenience: None

Principal properties leased – South Africa

Property Name and Description	Landlord	Tenant	Area (sqm)	Currently monthly rental as at 1 August 2025	Termination
Shop 015, Canal Walk Shopping Centre, 1 Century Boulevard, Century City, Milnerton, Cape Town	Hyprop Investments Limited and Ellerine Bros Proprietary Limited	Cell C	66	ZAR60 558.34, excluding VAT. Monthly rental escalates at 7% per annum. Operating costs of ZAR9 732.97. Marketing cost of 2% of basic rental amount.	31 July 2025 Renewal option: No automatic renewal. The renewal is presently subject to negotiation. Holding over: If the tenant remains in occupation after the termination date without a new signed lease, the lease converts to a monthly tenancy. Either party can terminate this monthly lease with one calendar month's written notice. The rental and operating costs escalate by 15% for the first year and by a further 15% for each subsequent year of holding over Termination for convenience: None
Shop G13, City View Shopping Centre, 10 Matthews Meryiwa Road, Greyville, Durban	Growthpoint Properties Limited	Cell C	48	ZAR29 729.33 per month, including VAT. Monthly rental escalates at 6% per annum.	31 July 2025 Renewal option: No automatic renewal. The renewal is presently subject to negotiation. The lease is running on a month-to-month basis.
Shop 20A, Mall of Newmarket, Cnr Heidelberg and Swartkoppies Road	Rejem-Linton-Moolman JV	Cell C	57	ZAR29 036.97 per month. Monthly rental escalates at 6% per annum.	30 April 2028 Renewal option: None Termination for convenience: None
Shop 258, Pavilion Shopping Centre, Jack Martens Drive, Westville, 3630	Pareto Limited	Cell C	101.84	7% of net annual turnover of the aggregate of basic monthly rent and a base rental of ZAR87 239.78 excluding VAT. Monthly rent escalates at 7% per annum on 1 June.	31 May 2027 Renewal option: None Termination for convenience: None
Shop F60A, Galleria Mall	Arbour Town Proprietary Limited	Cell C	62	ZAR982.26 per sqm per month. Monthly rent escalates at 6% per annum on 1 August.	31 July 2028
Shop 06A in the Merino Mall, Ermelo Showgrounds, Corner of Voortrekker Road, and Nederlandse Road Ermelo.	Merino Mall Consortium	Cell C	50	ZAR15 000 per month, excluding VAT. Monthly rent escalates by 6% per annum.	30 August 2027

Principal properties leased – South Africa					
Property Name and Description	**Landlord**	**Tenant**	**Area (sqm)**	**Currently monthly rental as at 1 August 2025**	**Termination**
Shop 53 in the Liberty Midlands Mall, Corner 50 Sanctuary Road, Pietermaritzburg.	Liberty Group Limited and 2 Degrees Properties	Cell C	62	ZAR79 088.19 per month, excluding VAT. Monthly rent escalates at 7% per annum on 1 November.	31 October 2027 Renewal option: None Termination for convenience: None
Shop 15, Mosselbaai Mall, at Erf 21129, Heiderand, Mosselbay	J,T.A Properties Proprietary Limited	Cell C	59	ZAR18 119.91 excluding VAT. Monthly rent escalates at 6% per annum on 1 December.	30 November 2026 Renewal option: None Termination for convenience: None
Shop 05, Brits Mall, Cnr Hendrik Verwoerd Drive and Maple Ridge Avenue, Brits	Resilient Properties Proprietary Limited and Snowy Owl Properties 300 Proprietary Limited	Cell C	81	5% of net annual turnover of the aggregate of basic monthly rent and a base rental of ZAR38 679.93 per month, excluding VAT. Monthly rent escalates at 6% on 1 December.	30 November 2026 Renewal option: None Termination for convenience: None
Shop U45, Cape Gate Shopping Centre, Cnr Okavango and de Bron Road, Brackenfell, Cape Town	Hyprop Investments Limited	Cell C	118	7% of turnover rental and a basic rental of R121 335.74 excluding VAT. Operating costs of ZAR8 026.19 and marketing costs of ZAR6 468.10. Monthly rent escalates by 7% per annum.	Lease currently on a month-to-month basis following termination until such a time as renewal terms are agreed. Renewal option: None Termination for convenience: None
Shop 78 Newcastle Mall corner of Oak & Ladysmith Road, Newcastle, 2940.	Investec Fund Property Limited	Cell C	77	ZAR43 789.82 per sqm, per month, excluding VAT. Monthly rent escalates at 6% annually.	31 March 2026 Renewal option: Should the tenant wish to extend the lease for a further period, the tenant will have the option to do so for a further period from the expiration date of the initial period of lease on the same terms and conditions of this lease save for the fact that the tenant has already renewed the lease. The tenant may only renew if the tenant was not in breach of a material term for a period of 1 year prior to the expiration of the initial period of lease. The tenant must notify the landlord in writing by no later than 6 months before the expiration of the lease. Termination for convenience: None

Principal properties leased – South Africa					
Property Name and Description	**Landlord**	**Tenant**	**Area (sqm)**	**Currently monthly rental as at 1 August 2025**	**Termination**
Shop 39, Davenport Shopping Centre, 89 Helen Joseph Rd, Bulwer, Berea, 4083	SA Retail Properties Proprietary Limited	Cell C	52.33	ZAR21 043.83 per month, excluding VAT. Monthly rent escalates at 6% annually on 1 March.	28 February 2027 Renewal option: None Termination for convenience: None
Shop 94A, Boksburg East Rand Mall, Erven 189 Jansen Park Ext 4, 182 Jansen Park Ext 5, 185, 186 and 187 Jansen Park Ext 7, Bentel Avenue, Boksburg North	Vukile Property Fund Limited and Redefine Retail Proprietary Limited	Cell C	71.2	ZAR57 915.22 per month, including VAT. Monthly rent escalates at 6%.	28 February 2027 Renewal option: None Termination for convenience: None
Shop G071, Gateway Theatre of Shopping, 1 Palm Boulevard, Umhlanga Ridge, Newtown Centre, Umhlanga, 4320	Excellerate Real Estate Services (Pty) Ltd t/a JHI	Cell C	85	ZAR856 per sqm per month. Monthly rent escalates at 7%.	31 August 2027
Shop S0040A/40B, Greenacres Shopping Centre, Greenacres Shopping Centre, 1 Ring Rd, Greenacres, Gqeberha	Acucap Investments Proprietary Limited	Cell C	91.41	5% of net annual turnover of the aggregate of basic monthly rent and a base rental of ZAR42 200.00 per month, excluding VAT. Monthly rent escalates at 6.5%	31 December 2025 The renewal is presently subject to negotiation. Renewal option: None Termination for convenience: None
Shop 65, Protea South Property Proprietary Limited Protea Gardens Mall, corner Allekhine Street & Old Potch Road, Protea South, Soweto	Protea South Property Proprietary Limited	Cell C	57.37	5% of net annual turnover of the aggregate of basic monthly rent and a base rental of ZAR17 943.70 per month, excluding VAT. Monthly rent escalates at 6.5% annually.	30 June 2028 Renewal option: None Termination for convenience: None
Shop L019, Erf 233, Thohoyandou JK Extension 1, Thohoyandou. Thavhani Mall, Limpopo.	Thavhani Property Investments Proprietary Limited, Vukile Property Fund Limited, Ramongolwe Proprietary Limited	Cell C	57.16	ZAR32 012.43 per month, excluding VAT. Monthly rent escalates at 7% from 1 October.	30 September 2028

Principal properties leased – South Africa

Property Name and Description	Landlord	Tenant	Area (sqm)	Currently monthly rental as at 1 August 2025	Termination
Shop E16, River Square Shopping Centre, Three Rivers, Vereeniging	Growthpoint Properties Limited	Cell C	62	ZAR35 808 per month, excluding VAT. Monthly rent escalates 6% on 1 April.	31 March 2028 Renewal option: None Termination for convenience: None
Shop BC11D Banking Court Level, Sandton City Shopping Centre, Corner Rivonia Road and 5th Street, Sandhurst extension 3, Sandton.	Liberty Group Limited and 2 Degrees Properties Proprietary Limited	Cell C	23.53	ZAR48 880.17 per month excluding VAT.	Lease currently on a month-to-month basis following termination until such a time as renewal terms are agreed. Renewal option: None Termination for convenience: The landlord may terminate the lease at an earlier date if they elect to demolish, reconstruct, redevelop, renovate, the building or the leased premises. The landlord must provide the tenant with no less than six months' written notice of their election to terminate the lease.
Shop 21, Sasolburg Square Shopping Centre, Sasolburg.	Stand 278 Strijdom Park Proprietary Limited	Cell C	79	ZAR24 893.36 excluding VAT. Monthly rent escalates at 6% from 1 April.	31 March 2028 Renewal option: None Termination for convenience: None
Shop G36, The Glen Shopping Centre, Corner Orphen and Letaba Streets, Oakdene, Johannesburg	Hyprop Investments Limited and Ellerine Bros. Proprietary Limited	Cell C	54	ZAR25 729.33 per month, excluding VAT. Monthly rent escalates at 6% from 1 July.	30 June 2027 Renewal option: Renewable for one period of three years, provided that the tenant gives the landlord written notice of its intention to renew by no later than 31 March 2027. Termination for convenience: None
Nirvana Court, Shop 4, 308 Main Road, Tongaat, KwaZulu Natal	Nealchund Hurkchand Family Trust	Cell C	28	ZAR14 220.80 per month excluding VAT. Monthly rent escalates at 7% per annum.	Lease currently on a month-to-month basis following termination until such a time as renewal terms are agreed.
Shop No. L29, Trade Route Mall, Erf 12293, Cnr K43 & Nirvana Road, Lenasia	Trade Route Development (Pty) Ltd	Cell C	56	ZAR35 262.48 excluding VAT. Monthly rent escalates at 6% per annum on 1 September.	31 August 2027 Renewal option: None Termination for convenience: None
Shop No: 139A, Victoria Wharf Shopping Centre	V and A Waterfront Holdings (Pty) Ltd	Cell C	56.54	6% of net annual turnover of the aggregate of basic monthly rent and a base rental of ZAR76 894.40. Monthly rent escalates at 7% per annum on 1 August.	new para above: 30 June 2028The renewal is presently subject to negotiation (relocation discussions).

Principal properties leased – South Africa

Property Name and Description	Landlord	Tenant	Area (sqm)	Currently monthly rental as at 1 August 2025	Termination
Shop 30A at the Vangate Mall, Jakes Gerwel Drive, Athlone, Cape Town, 7764.	The Government Employees Pension Fund represented by Mowana Properties (Pty) Ltd	Cell C	78.20	ZAR37 301.40 per month, excluding VAT. Monthly rent escalates at 6% on 1 March.	28 February 2027 Renewal option: None Holding over: If the tenant remains in occupation after the termination date without a new signed lease, the lease converts to a monthly tenancy. Either party can terminate this monthly lease with one calendar month's written notice. The rental and operating costs escalate by 15% for the first year and by a further 15% for each subsequent year of holding over. Termination for convenience: The landlord may terminate the lease at an earlier date if they elect to demolish, reconstruct, redevelop, renovate, improve, and/or extend the building or the leased premises. The landlord must provide the tenant with no less than six months' written notice of their election to terminate the lease.
Suite number U60, Vincent Park Mall, East London.	K2012150042 Proprietary Limited	Cell C	83	ZAR66 518.69 per month excluding VAT	Lease currently on a month-to-month basis following termination until such a time as renewal terms are agreed Renewal option: None Termination for convenience: None
Shop S0102, Westgate Super Regional Shopping Centre, 120 Ontdekkers Road, Horizon View, Roodepoort	Pareto Limited	Cell C	114	5% of net annual turnover of the aggregate of basic monthly rent and a base rental of R88 752.65 per month, excluding VAT. Monthly rent escalates at 7% annually.	The renewal is presently subject to negotiation.
Shop 331 at Westown Square.	Westown Square Proprietary Limited	Cell C	57	8% of net annual turnover of the aggregate of basic monthly rent and a base rental of ZAR850per sqm, per month, excluding VAT. Monthly rent escalates at 7% annually.	30 April 2028 The renewal is presently subject to negotiation

Principal properties leased – South Africa

Property Name and Description	Landlord	Tenant	Area (sqm)	Currently monthly rental as at 1 August 2025	Termination
Shop 542, Wonderpark Shopping Centre, Karenpark, Akasia, 0118.	Emira Property Fund Limited	Cell C	102.9	ZAR42 696.80 per month, excluding VAT. Monthly rental escalates at 6% annually on 1 July.	Lease occurring on a monthly basis following finalisation of a relocation offer from the landlord.
Shop 4 Woodlands Boulevard, Cnr Garsfontein Road and De Villebois Mareuil Drive, Pretorius Park, Pretoria.	Hyprop Investments Limited	Cell C	69	ZAR56 180 per month, including VAT. Monthly rent escalates at 6% lease currently on a monthly tenancy, above amount payable until relocation.	Lease occurring on a monthly basis following finalisation of a relocation offer from the landlord.
Shop L083, Greenstone Park Township, 10 Stoneridge Drive, Greenstone Park	Sasol Pension Fund	Cell C	55	ZAR40 526.87 per month, excluding VAT. Monthly rent escalates at 6.5% on 1 April.	31 March 2027 Renewal option: None Holding Over: If the landlord cancels the lease and the tenant disputes the right to cancel and remains in occupation of the premises, the tenant must continue to pay an amount equivalent to the monthly basic rental and any other amounts payable, monthly in advance, pending settlement of the dispute. The landlord can accept these payments, but this does not affect the landlord's claim of cancellation. Termination for convenience: None
Shop 043, Hatfield Plaza, erf 669 Hatfield, 1122 Burnett Street, Hatfield, Pretoria	The Hatfield JV	Cell C	50	ZAR29 014.92 per month, including VAT.	Lease currently on a month-to-month basis following termination until such a time as renewal terms are agreed.
Shop LG53, Ilanga Mall, Corner Flamboyant and Bitterbessie Streets, West Acres X38, Nelspruit	Resilient Properties Proprietary Limited and Lowveld Group Proprietary Limited	Cell C	101	ZAR56 619.26 per month excluding VAT.	Lease currently on a month-to-month basis following termination until such a time as renewal terms are agreed. Renewal option: None Holding Over: If the tenant remains in occupation after the termination date without a new signed lease, the lease converts to a monthly tenancy. Either party can terminate this monthly lease with one calendar month's written notice. The rental and operating costs escalate by the escalation rate. Termination for convenience: None

Principal properties leased – South Africa

Property Name and Description	Landlord	Tenant	Area (sqm)	Currently monthly rental as at 1 August 2025	Termination
Shop 106, Kenilworth Centre, 35 Loch Road, Claremont, Cape Town, Western Cape	Redefine Retail Proprietary Limited	Cell C	80	ZAR65 112.15 per month, including VAT. Monthly rent escalates at 7% annually.	30 April 2027 Renewal option: None Holding Over: If the tenant remains in occupation after the termination date without a new signed lease, the lease converts to a monthly tenancy. Either party can terminate this monthly lease with one calendar month's written notice. The rental and operating costs escalate by 15%. Termination for convenience: None
Shop 44, Key West Shopping Centre, Corner Paardekraal and Viljoen Street, Krugersdorp	Acucap Investments Proprietary Limited	Cell C	82 40	ZAR52 940.18 per month, excluding VAT. Monthly rent escalates at 6% annually.	30 April 2028 Renewal option: None as the renewal provisions are struck out. Holding Over: If the tenant remains in occupation after the termination date without a new signed lease, the lease converts to a temporary lease. Either party can terminate this monthly lease with one calendar month's written notice. The rental and operating costs escalate by 15%. Termination for convenience: None
Shop 1A, La Lucia Mall, 90 William Campbell Drive, La Lucia	Growthpoint Properties Limited	Cell C	82	ZAR60 280 per month, excluding VAT. Monthly rent escalates at 6% annually.	30 June 2028 Renewal option: None Holding Over: If the tenant remains in occupation after the termination date without a new signed lease, the lease converts to a temporary lease. Either party can terminate this monthly lease with one calendar month's written notice. The rental and operating costs escalate by 10%. Termination for convenience: None

Principal properties leased – South Africa

Property Name and Description	Landlord	Tenant	Area (sqm)	Currently monthly rental as at 1 August 2025	Termination
Shop L61, Mall of the North, Polokwane R81, Bendor, Polokwane, 0699	Resilient Properties Proprietary Limited, East & West Investments Proprietary Limited and Changing Tides 91 Proprietary Limited	Cell C	58	ZAR920 per sqm per month, excluding VAT. Monthly rent escalates at 6% on 1 September.	31 August 2027 Renewal option: None Holding Over: If the tenant remains in occupation after the termination date without a new signed lease, the lease converts to a monthly tenancy. Either party can terminate this monthly lease with one calendar month's written notice. The rental and operating costs escalate by 18%. Termination for convenience: None
Shop 46B, Mall @ Lebo, corner R518 and R579, Lebowakgomo-BA, Limpopo	Nungu Trading 517 Proprietary Limited	Cell C	50	ZAR31 250 per month, including VAT. Monthly rent escalates at 7% on 1 July.	The renewal is presently subject to negotiation Termination for convenience: None
Shop 42, Maponya Mall, 2127 Chris Hani Road, Klipspruit Ext 5, Soweto, Gauteng	Redefine Retail Proprietary Limited and and the Trustees for the time being of the RJP Maponya Property Investment Trust	Cell C	62	ZAR31 203.28 per month, excluding VAT. Monthly rent escalates at 6% annually.	31 May 2027 Renewal option: None as the renewal provisions are struck out. Holding Over: If the tenant remains in occupation after the termination date without a new signed lease, the lease converts to a monthly tenancy. Either party can terminate this monthly lease with one calendar month's written notice. The rental and operating costs escalate by 15%. Termination for convenience: None
Shop M31/32, erf 1354, Umlazi, Umlazi Mega City, 50 Griffiths Mxenge Highway, Umlazi, Durban, 4066	SA Retail Properties Proprietary Limited, Umlazi Mega City Proprietary Limited and Sizovuna Property Fund Proprietary Limited	Cell C	74	ZAR31 203.28 per sqm per month, excluding VAT. Monthly rent escalates at 6% annually.	31 March 2028 Renewal option: None Termination for convenience: None
Shop 40, North Cape Mall, Memorial Road, Royglen, Kimberley	North Cape Mall Consortium	Cell C	84.9	ZAR36 993.95 per month, excluding VAT. Monthly rent escalates at 7% annually on 1 December.	30 November 2025 Renewal option: None Termination for convenience: None

Principal properties leased – South Africa					
Property Name and Description	**Landlord**	**Tenant**	**Area (sqm)**	**Currently monthly rental as at 1 August 2025**	**Termination**
Shop U77A, Eastgate Shopping Centre	Liberty Group Limited and 2 Degrees Properties Proprietary Limited	Cell C	110.03	8% of turnover and a base rental of ZAR111 026.61 per month, excluding VAT. Monthly rent escalates at 7% annually from 1 June 2025.	31 May 2026 Renewal option: None Termination for convenience: The landlord may terminate the lease at an earlier date if they elect to demolish, reconstruct, redevelop, renovate, the building or the leased premises. The landlord must provide the tenant with no less than six months' written notice of their election to terminate the lease.
Shop 43, Liberty Promenade Shopping Centre	Liberty Group Limited and 2 Degrees Properties Proprietary Limited	Cell C	71.76	8% of turnover and a base rental of ZAR50 958.33 per month, excluding VAT. Monthly rent escalates at 6.5%annually on 1 November.	1 October 2027 Renewal option: None Termination for convenience: The landlord may terminate the lease at an earlier date if they elect to demolish, reconstruct, redevelop, renovate, the building or the leased premises. The landlord must provide the tenant with no less than six months' written notice of their election to terminate the lease.
Shop S088A, Paarl Mall, Cecilia Street Paarl, Cape Town	Growthpoint Properties Limited	Cell C	85	ZAR59 213.72 per month, excluding VAT.	Lease currently on a month-to-month basis following termination and pending forced relocation by landlord. Renewal option: None Termination for convenience: None
Shop 05A, erf 1038, Woodmead Retail Park, 1 Waterfall Street, Woodmead Ext 40, Sandton.	Growthpoint Properties Limited	Cell C	30	ZAR28 301.93 per month, excluding VAT. Monthly rental escalates at 6.5% on 1 June.	31 May 2028 Renewal option: None Termination for convenience: None
Shop 214, Zevenwacht Mall, Cnr of Van Riebeeck & Polka Draai Roads, Kuilsriver	Burstone Group Limited	Cell C	64.40	ZAR42 754.50 per month, excluding VAT. Monthly rent escalates at 6% on 1 December.	30 November 2026 Renewal option: None Holding over: If the tenant remains in occupation after expiry without a new agreement, the lease converts to a monthly tenancy, terminable by one month's written notice from the landlord. Termination for convenience: None
Shop LG14, Menlyn Park Shopping Centre, Cnr Atterbury and Lois Avenue Menlo Park Pretoria	Business Venture Investments No 1360 Proprietary Limited and Pareto Limited	Cell C	111	ZAR122 100.00 per month, excluding VAT.	31 January 2026 Renewal option: None Termination for convenience: None

ANNEXE 18 – MATERIAL BORROWINGS AND MATERIAL INTER-COMPANY BALANCES

Inter-Company Balances

CEC and Cell C entered into an agreement whereby on the 2022 Cell C Recap, set-offs were performed resulting in an adjusted existing claim of R1.1 billion by CEC against Cell C. CEC accounted for the change in repayment terms as a significant modification, which resulted in the derecognition of the previous trade receivable and the recognition of a new long-term loan.

The loan agreement was entered into on 20 September 2022, Cell C entered into the CEC loan with CEC, with the following key terms:

CEC Loan	ZAR1.1 billion (balance outstanding as at 31 May 2025 being ZAR490 308 048)
Interest Rate	12% per annum compounded monthly in arrears
Default Rate	If Cell C fails to pay any amount payable on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at a rate equal to the higher of: – sum of the Prime Interest Rate plus 3%; or – 15%
Interest Payments	Monthly in arrears
Security	None
Final Maturity Date	30 September 2027
Repayment Terms	Monthly payments of ZAR18 333 333 by Cell C to CEC, commencing October 2022
Other relevant terms and conditions	None

Details of all amounts owing by Cell C to other members of the Group are set out in *"Annexe 1 – Consolidated Annual Historical Financial Information of Cell C Limited For The Year Ended 31 May 2025, The 5 Months Ended 31 May 2024, The Year Ended 31 December 2023 and The Year Ended 31 December 2022"*

Facilities

CEC-African Bank facility agreement:

The loan agreement was entered into on 14 December 2023 between, *inter alios*, African Bank (as Lender) ("**African Bank**"), CEC (as Borrower) and TPC (as Guarantor), with the following key terms:

Commitment	ZAR1 900 000 000. The Facility was structured as a revolving facility for the first 12 months until 31 December 2024, followed by 35 equal monthly instalments commencing on 31 January 2025, with a final instalment of ZAR215 million payable on 30 November 2027.
Interest Rate	The rate of interest on each Loan for each Interest Period is a percentage rate per annum (which if not paid timeously will be compounded on each Interest Payment Date in arrears), at the Prime Rate and 300 basis points. Any interest accruing under the Facility will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 days (irrespective of whether the year in question is a leap year).
Default Rate	Prime Rate plus 5%

Interest Payments	Last Business Day of each calendar month until (and including) the Final Repayment Date (monthly in arrears).
Security	Senior secured (Cession in Security and Guarantee Agreement) as well as a subordination of all current shareholders and future loans into the Borrower. Collateralised by a combination of handset receivables and service revenue receivables. The joint guarantee of R250 million provided by BLU and TPC remained intact.
Final Maturity Date	The final date for repayment of the Loan together with all capitalised and other interest and any other amount due by CEC to African Bank in terms of the Agreement, which will be the 4th anniversary of the first Utilisation Date.
Repayment Terms	Paid in full on Final Maturity Date (as set out above)
Other relevant terms and conditions	None

Gramercy Reinvested Term Loan Facility Agreement:

This loan arose as part of the 2022 Cell C Recap. The loan was a reinvestment of Gramercy's debt and thus the balance did not need to be settled as part of the 2022 Cell C Recap. The loan was transferred by Gramercy to TPC in terms of the Gramercy Claim Acquisition Agreement, and will be converted into Cell C Shares as set out in "Part VIII – Restructuring and formation of the Group" of this Pre-listing Statement.

The loan agreement was entered into on 21 September 2022 between Gramercy, Cell C (as Borrower) and TMF (as Facility Agent), with the following key terms:

Face value	ZAR449 242 449
Interest Rate	5% per annum for the first 24 months and 10% per annum from month 25 to month 42
Default Rate	Set out in the Common Terms Agreement
Interest Payments	Monthly in arrears
Security	Unsecured
Final Maturity Date	The date falling 42 months from the Utilisation Date – 31 March 2026
Repayment Terms	Paid in full on Final Maturity Date (as set out above). More specifically, the Borrower shall repay the loan by (i) paying ZAR14 194 871 per calendar quarter on the last Business Day of month 25, 28, 32 and 36 after the Utilisation Date (ii) paying an amount equal to 47.316238% of the portion of the Cash Sweep Amount to be paid to Lenders other than TPC in accordance with the Cash Sweep Mechanism and (iii) paying the balance of the Repayment Amount by no later than the Final Repayment Date.
Other relevant terms and conditions	None

Nedbank Reinvested Term Loan Facility Agreement:

This loan arose as part of the 2022 Cell C Recap. The loan was a reinvestment of Nedbank's debt and thus the balance did not need to be settled as part of the 2022 Cell C Recap. The Nedbank Reinvested Claims were transferred from Nedbank to TPC in terms of the Nedbank Claims Acquisition Agreement, and will be converted into Cell C Shares as set out in "Part VIII – Restructuring and formation of the Group" of this Pre-listing Statement.

The loan agreement was entered into on 21 September 2022 between Nedbank (as Lender), Cell C (as Borrower) and TMF (as Facility Agent), with the following key terms:

Face value	ZAR462 934 151
Interest Rate	The First Interest Rate is a fixed rate of 5% per annum, capitalised monthly in arrears for the first 24 months. The Second Interest Rate is a fixed rate of 10% per annum from month 25 to month 42.
Default Rate	Set out in the Common Terms Agreement
Interest Payments	Monthly in arrears
Security	Unsecured
Final Maturity Date	The date falling 42 months from the Utilisation Date – 31 March 2026
Repayment Terms	Paid in full on Final Maturity Date (as set out above). More specifically, the Borrower shall repay the Loan by (i) paying ZAR15 805 129 per calendar quarter on the last Business Day of month 25, 28, 32 and 36 after the Utilisation Date (ii) paying an amount equal to 52.683762% of the portion of the Cash Sweep Amount to be paid to Lenders other than TPC in accordance with the Cash Sweep Mechanism and (iii) paying the balance of the Repayment Amount by no later than the Final Repayment Date.
Other relevant terms and conditions	None

TPC New Funding Term Loan Facility Agreement

The loan was entered into primarily to enable Cell C to settle foreign currency denominated debt at a discount, and to replace that debt with a rand denominated shareholder loan. It will be converted into Cell C Shares as set out in "Part VIII – Restructuring and formation of the Group" of this Pre-listing Statement.

The loan agreement was entered into on 21 September 2022 between TPC (as Lender), Cell C (as Borrower) and TMF, with the following key terms:

Face value	ZAR2 839 737 241
Interest Rate	Interest free to September 2024; 10% p.a. from October 2024 to March 2026; Prime + 3% from April 2026 to March 2028
Default Rate	Set out in the Common Terms Agreement
Interest Payments	From month 25, commencing October 2024, payments shall be made on a monthly basis.
Security	Unsecured
Final Maturity Date	31 March 2028
Repayment Terms	Interest payable monthly (commencing October 2024) 1st payment due March 2026 – R1 032 631 724 2nd payment due March 2028 – R1 807 105 517
Other relevant terms and conditions	The loan bears no interest for the first 24 months following the recapitalisation date. From October 2024, the total capital amount bears interest at a fixed rate of 10% per annum until month 42 and thereafter the outstanding amount bears interest at prime plus 3% until month 66, payable monthly. This loan was converted into a compulsorily convertible instrument pursuant to the entering into of the TPC New Funding Addendum.

TPC Reinvested Term Loan Facility Agreement

The loan was entered into primarily to enable Cell C to settle foreign currency denominated debt at a discount, and to replace that debt with a rand denominated shareholder loan. It will be converted into Cell C Shares as set out in "Part VIII – Restructuring and formation of the Group" of this Pre-listing Statement.

The loan agreement was entered into on 21 September 2022 between TPC (as Lender), Cell C (as Borrower) and TMF with the following key terms:

Face value	ZAR305 558 476
Interest Rate	Interest free to September 2024; 10% p.a. from October 2024
Default Rate	Set out in the Common Terms Agreement
Interest Payments	From month 25, commencing October 2024, payments shall be made on a monthly basis.
Security	Unsecured
Final Maturity Date	The First Repayment Date is the date falling 42 months from the Utilisation Date and the Final Repayment Date is defined in the Common Terms Agreement – 31 March 2026
Repayment Terms	Paid in full on Final Repayment Date (as defined in the Common Terms Agreement)
Other relevant terms and conditions	The loan bears no interest for the first 24 months following the recapitalisation date. From October 2024, the total capital amount bears interest at a fixed rate of 10% per annum until month 42. This loan will be converted into a compulsorily convertible instrument pursuant to the entering into of the TPC Reinvested Addendum.

TPC ZTE Claims

The TPC ZTE Claims arose from various supply agreements and services agreements entered into between the ZTE Entities and Cell C. The TPC ZTE Claims were transferred from the ZTE Entities to TPC in terms of the TPC ZTE Claims Acquisition Agreement, and will be converted into Cell C Shares as set out in "Part VIII – Restructuring and formation of the Group" of this Pre-listing Statement.

Face value	ZAR82 628 875
Interest Rate	Interest free
Default Rate	N/A
Interest Payments	N/A
Security	None
Final Maturity Date	At maturity date the loan is fully settled via the cash sweeping mechanism
Repayment Terms	Based on a cash sweeping mechanism
Other relevant terms and conditions	None

Dark Fibre Africa claim

This lease liability claim arose from Cell C's outstanding lease obligations owed to Dark Fibre Africa. Cell C has negotiated a settlement of lease liabilities with Dark Fibre Africa, for leases terminating in 2034. The settlement amount is ZAR750 million. This settlement includes the guaranteed portion of the balance owed by SPV5 of ZAR175 million. The net liability balance due was ZAR1 178 million with a right of use balance of ZAR0.5 million.

A subordinated loan agreement was entered into on 14 September 2022 between Dark Fibre Africa and Cell C (as Borrower), with the following key terms:

Commitment	An aggregate of the Outstanding Lease Obligations (being such portion of the Lease Payment Obligations (being the Borrower's lease payment obligations under the Construction and IRU Agreement; excluding any extensions and/or relocations and/or upgrades to existing services provided by the Lender which shall be charged separately and not form part of the subordinated loans advanced pursuant to this Agreement) as is equal to 65% of the Lease Payment Obligations (excluding VAT) due but unpaid by the Borrower to the Lender in respect of the period between 1 June 2021 and the last day of the calendar month occurring immediately prior to the Effective Date, being the amount set out in Schedule 3) and the Future Lease Obligations (being each month occurring during the First Remaining Lease Term, such portion of the Lease Payment Obligations as is equal to 65% of the Lease Payment Obligations (excluding VAT) that will become due and owing by the Borrower to the Lender in respect of that month).
Interest Rate	In respect of each Outstanding Lease Obligations at the Prime Rate plus 2.75% per annum for the period from the date on which such Lease Payment Obligation was due until the date on which a Loan in an amount equal to the Initial Amount is lent and advanced by the Lender to the Borrower.
Default Rate	If the Borrower fails to pay any amount payable by it under this Agreement on its due date, interest will accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at a rate which is 2%, per annum, higher than the rate which would have been payable if the overdue amount had, during the period of non-payment, constituted a Loan in the currency of the overdue amount for successive Interest Periods.
Interest Payments	The Borrower shall pay all accrued and unpaid interest on the Loans on each Repayment Date, being 31 December 2024 through to 31 December 2031 (both dates inclusive).
Security	Negative pledge
Final Maturity Date	The first to occur of: (a) 42 months from the date on which the first principal amount under the Senior Debt Documents is advanced or deemed to be advanced to the Borrower; and (b) the date on which all or any of the Senior Debt Outstandings are replaced or refinanced.
Repayment Terms	The Borrower shall repay the aggregate Loans in instalments by repaying on each Repayment Date, being 31 December 2024 through to 31 December 2031 (both dates inclusive). Any outstanding Loans and unpaid interest in respect of the Loans shall be paid in full on the Termination Date (31 December 2031).
Other relevant terms and conditions	The lender's standard terms and conditions will be applicable including but not limited to: • Standard Representations and Warranties; and • Standard Undertakings.

ANNEXE 19 – EXTRACTS FROM THE COMPANY MOI AND THE MOIS OF THE MAJOR SUBSIDIARIES

Set out below are extracts from the Company MOI. For a full appreciation of the provisions of the Company MOI, Shareholders are referred to the full text of the Company MOI, which is available for inspection, as set out in *"Part XIX – Additional Information – Documents Available For Inspection"* of this Pre-listing Statement.

Extracts from the Company MOI

1. **AMENDMENT OF THE MOI**

"2.4 **Amendment of MOI**

(a) This MOI may be amended by special resolution as contemplated in Section 16 if such special resolution is proposed by:

(i) the Board; or

(ii) Shareholders entitled to exercise at least 10% of the voting rights that may be exercised on such a resolution,

and adopted by the Shareholders in accordance with the requirements set out in the Companies Act.

(b) For the avoidance of doubt, a special resolution of Shareholders amending the MOI will accordingly be required to:

(i) change the name of the Company;

(ii) create any class of Shares;

(iii) vary any preferences, rights, limitations and other terms attaching to any class of Shares;

(iv) convert one class of Shares into one or more other classes;

(v) increase the number of securities of a class;

(vi) consolidate securities; and/or

(vii) sub-divide securities,

and, if and for so long as any Shares are listed on the JSE, such actions must take place in accordance with the Listings Requirements

(c) No resolution may be proposed to Shareholders for the determination or amendment of the preferences, rights, limitations and other terms attaching to any class of Shares to vary in response to any objectively ascertainable external fact or facts as contemplated by Section 37(6) and (7).

2.5 **Rules**

The Board shall not have the authority to make, amend or repeal any rules relating to the governance of the Company as contemplated in Section 15(3) to 15(5A).

2. **POWERS OF THE COMPANY**

"2.3 **Powers and capacity of the Company, and ratification of *ultra vires* acts**

(a) The Company is not subject to any restrictive conditions or prohibitions contemplated in Section 15(2)(b) or (c).

(b) The legal powers and capacity of the Company are not restricted, limited or qualified as contemplated in Section 19(1)(b)(ii).

(c) The Shareholders may not ratify any action by the Company or the Board in accordance with Section 20(2) if such action is in contravention of the Companies Act or, if and for so long as any Shares are listed on the JSE, the Listings Requirements.

3. **AUTHORISED SECURITIES**

"4 **Authorisation of Shares**

4.1 The Company is authorised to issue up to 5 000 000 000 ordinary no-par value shares, which rank *pari passu* in all respects, and to which the preferences, rights, limitations and other terms set out in article 4.2 attach (**Ordinary Shares**).

4.2 The following preferences, rights, limitations and other terms attach to an Ordinary Share:

(a) the right to attend, participate in and speak (in person (whether physically or electronically) or by proxy) at any meeting of Shareholders;

(b) the right to exercise one vote on any matter to be decided upon by the Shareholders;

(c) an irrevocable statutory right to vote on any proposal to amend the preferences, rights, limitations and other terms associated with the Ordinary Shares (in addition to the requirements of article 4.3);

(d) the right to receive distributions by the Company if and when declared on the Ordinary Shares, to be made in proportion to the number of Ordinary Shares held by each Ordinary Shareholder;

(e) subject to article 23, the right to receive a portion of the total net assets of the Company remaining upon its liquidation, in proportion to the number of Ordinary Shares held by each Shareholder; and

(f) any other rights attaching to such a Share in terms of the Companies Act or any other law.

4.3 The preferences, rights, limitations and other terms associated with a particular class of Shares may only be amended with the prior approval of a special resolution of the holders of such class of Shares at a separate meeting.

4.4 The Board may not, as contemplated by Section 36(3) read with Section 36(2)(b):

(a) increase or decrease the number of authorised Shares of any class;

(b) reclassify any classified Shares that have been authorised but not issued;

(c) classify any unclassified Shares that have been authorised as contemplated in Section 36(1)(c) but are not issued; and/or

(d) determine the preferences, rights, limitations or other terms of a class of Shares contemplated in Section 36(1)(d).

4.5 The securities of the Company shall be freely transferable and shall not be subject to any lien in favour of the Company".

4. **ISSUE OF SHARES AND OTHER SECURITIES**

"5 **Issue of Shares and other securities**

5.1 Subject to what may be authorised and/or required by the Companies Act, the Listings Requirements (if and for so long as any Shares are listed on the JSE) and the Shareholders in accordance with article 5.1(b), the Board may resolve to issue Shares at any time, or grant options to subscribe for Shares, only:

(a) if such securities have first been offered to existing Shareholders in proportion to their shareholding, on such terms and in accordance with such procedures as the Board may determine, unless such securities are issued for the acquisition of assets by the Company;

(b) other than as envisaged in article 5.1(a), to the extent that such issue or option has been approved by a Shareholder meeting, either by way of:

(i) a general authority (which may be either conditional or unconditional) to issue or grant options over Shares to such subscribers as the Board may in their discretion determine for the subscription consideration and on the other terms that the Board have determined; or

(ii) a specific authority in respect of any particular issue or option in respect of Shares, provided that it shall be valid only until the next annual general meeting of the Company and it may be varied or revoked by a Shareholder meeting prior to such annual general meeting; and provided further that this issue or option shall (if and for so long as any Shares are listed on the JSE) be subject to the required approval (if any) of the JSE and the requirements of the Listings Requirements. Without derogating from the aforesaid, the Board may also, if it has been granted a general authority by a Shareholder meeting to issue or grant options in respect of Shares, in its discretion issue such Shares or grant such options to some of Shareholders only or to a combination of some Shareholders and subscribers who do not hold any Shares.

5.2 In addition to the requirements of article 5.1, for so long as the Companies Act requires:

(a) an issue of Shares or securities convertible into Shares, or a grant of options contemplated in Section 42, or a grant of any other rights exercisable for securities to a:

(i) Director, future Director, Prescribed Officer or future Prescribed Officer of the Company;

(ii) person related or inter-related to the Company or to a Director or Prescribed Officer of the Company; or

(iii) nominee of a person contemplated in (i) or (ii) above,

must be approved by a special resolution of the Shareholders as contemplated in Section 41(1), unless the issue is: (a) under an agreement underwriting the Shares, securities or rights; (b) in accordance with article 5.1(a); (c) pursuant to an employee share scheme that satisfies the requirements of Section 97; or (d) pursuant to an offer to the public as defined in Section 95(1)(h) read with Section 96; and

(b) any issue of Shares, securities convertible into Shares, or rights exercisable for Shares in a transaction, or a series of integrated transactions, shall, in accordance with Section 41(3), require the approval of the Shareholders by special resolution if the voting power of the class of Shares that are issued or are issuable as a result of the transaction or series of integrated transactions will be equal to or exceed 30% of the voting power of all the Shares of that class held by Shareholders immediately before that transaction or series of integrated transactions.

5.3 Except to the extent that any such right is specifically included as one of the rights, preferences, limitations or other terms upon which any class of Shares is issued or as may otherwise be provided in article 5.1(a), no Shareholder shall have any pre-emptive or other similar preferential right to be offered or to subscribe for any additional Shares issued by the Company.

5.4 Shares of a class that is listed on the JSE may only be issued by the Company after it has received the consideration approved by the Board for the issuance of such Shares (i.e. fully paid).

5.5 The Company may not pay commission exceeding 10% to any person in consideration for their subscribing or agreeing to subscribe, whether absolutely or conditionally, for any securities of the Company.

5. **CAPITALISATION SHARES**

“7 **Capitalisation Shares**

The Board shall be entitled, as contemplated by and subject to Section 47, to approve the issuing of any authorised Shares of the Company as capitalisation Shares, to issue Shares of one class as capitalisation shares in respect of Shares of another class, and to resolve to permit Shareholders to elect to receive a cash payment in lieu of a capitalisation Share, subject to compliance (if and for so long as any Shares are listed on the JSE) with the Listings Requirements.

6. **ODD-LOT OFFERS**

"23 **Odd-lot offers**

If, upon the implementation of any odd-lot offer made by the Company, or pursuant to or following any odd-lot offer made by the Company which is unconditional, in accordance with the Listings Requirements, there are Shareholders holding less than 100 Ordinary Shares or Shareholders holding less than 100 Ordinary Shares on behalf of a person who owns the beneficial interest in such Shares (**Odd-Lot Holdings**), then, unless such Shareholders have elected to:

23.1 retain their Odd-Lot Holdings;

23.2 sell their Odd-Lot Holdings; or

23.3 increase the number of Shares held to holdings of 100 Shares or more,

the Board shall, with the approval of an ordinary resolution passed at a Shareholder meeting, be entitled to cause the Odd-Lot Holdings to be sold on such basis as the Board may determine and the Company shall account to such Shareholders for the proceeds attributable to them pursuant to the sale of such Odd-Lot Holdings.

7. **AUTHORITY OF THE BOARD OF DIRECTORS**

"19.1 **Authority of the Board**

(a) The authority of the Board to manage and direct the business and affairs of the Company, as set out in Section 66(1), is amended only as expressly set out in this MOI.

(b) The Board shall have the power from time to time to delegate to any one of the Directors or to any other person or committee of persons such powers as are vested in the Board, as they may deem fit.

19.8 **Committees**

(a) The authority of the Board to appoint committees of Directors, and to delegate to any such committee any of the authority of the Board, as set out in Section 72(1), and to include in any such committee persons who are not Directors, as set out in Section 72(2)(a), is not amended by this MOI.

(b) The Board shall establish or take the necessary steps to enable Shareholders to elect, as the case may be:

(i) the committees contemplated by article 3; and

(ii) if and for so long as any Shares are listed on the JSE, such committees as are required by the Listings Requirements".

8. **COMPOSITION OF BOARD OF DIRECTORS**

"19.2 **Composition of the Board**

(a) Number of Directors

(i) The Board shall comprise a minimum of four Directors.

(ii) If at any time the number of Directors serving on the Board is less than the minimum number stipulated in article 19.2(a)(i), the remaining Directors must as soon as possible, and in any event not later than three months from the date that the number of Directors falls below the minimum, fill the vacancies or call a Shareholder meeting for the purpose of filling the vacancies.

(iii) A failure by the Company to have the minimum number of Directors during the aforementioned three-month period does not limit or negate the authority of the Board or invalidate anything done by the Board. After expiry of the three-month period, the authority of the remaining Directors shall be limited to convening the necessary Board and/or Shareholder meetings and/or passing the necessary resolutions to procure the filling of a sufficient number of vacancies on the Board in order to meet the minimum number in article 19.2(a)(i).

(b) Nomination and election of Directors

(i) Subject to article 19.4, all Directors shall be elected by ordinary resolution of the Shareholders at a Shareholder meeting (and not by way of a resolution passed in terms of Section 60).

(ii) Subject to the provisions of articles 19.3 and 19.4, a person shall only be eligible for election as a Director if he is recommended by the Board or nominated in the manner referred to in article 19.2(b)(iii).

(iii) No person, other than a Director retiring at the meeting shall, unless recommended by the Board, be eligible for election as a Director at any Shareholder meeting, unless:

(A) not more than 28 days, but at least five business days, before the day appointed for the meeting, there shall have been delivered at the principal place of business of the Company a notice in writing by a Shareholder (who may be the proposed Director) entitled to be present and to vote at the meeting for which such notice is given;

(B) such notice sets out the Shareholder's intention to propose a specific person for election as Director; and

(C) notice in writing by the proposed person of his willingness to be elected is attached thereto (except where the proposer is the same person as the proposed).

(iv) In any election of Directors:

(A) the election is to be conducted as a series of votes, each of which is on the candidacy of a single individual to fill a single vacancy, with the series of votes continuing until all vacancies on the Board have been filled; and

(B) in each vote to fill a vacancy:

(1) each vote entitled to be exercised may be exercised once; and

(2) the vacancy is filled only if a majority of the votes exercised support the candidate.

(v) If the election process results therein that:

(A) more nominees are elected as Directors than there are vacancies, those nominees (being a number of the nominees that are equal to the number of vacancies) that received the most votes will be the elected Directors, provided that in the event that a number of nominees that compete for a lesser number of vacancies received an equal number of votes, the Director or Directors elected to fill those vacancies will be determined by lot in the manner that the chairperson of the meeting will determine; or

(B) less nominees are elected as Directors than there are vacancies, the remaining vacancies will remain unless filled in terms of the provisions of article 19.4; and

(C) no person shall be elected as Director for life or for an indefinite period.

(c) Alternates

(i) An alternate Director to each elected Director may be elected by the Shareholders *mutatis mutandis* in the manner set out in article 19.2(b).

(ii) Each alternate Director is entitled to act as a Director in the absence of the Director for whom they are an alternate. A person may be elected as an alternate director to more than one Director. Where a person has been elected as an alternate Director to more than one Director or where an alternate Director is also a Director, they shall have a separate vote on behalf of each Director they are representing, in addition to their own vote (if any).

(iii) Each alternate Director, whilst so acting, shall be entitled to:

(A) receive notices of all meetings of the Directors or of any committee of the Directors of which the person for whom he acts as alternate is a member;

(B) attend and vote at any such meeting at which the person for whom he acts as alternate is not personally present; and

(C) generally exercise and discharge all the functions, powers and duties of the person for whom he acts as alternate in such person's absence as if he were a Director.

(iv) An alternate director shall cease to be an alternate director if:

(A) on the happening of any event, if they were a Director, would cause them to cease to hold the office of a Director; or

(B) the Director to whom they are an alternate Director ceases for any reason to be a Director, provided that if an alternate director has been appointed as an alternate to more than one Director, such alternate director shall cease to be an alternate Director when the last Director for whom they are an alternate ceases to be a Director.

19.3 **Vacancies on the Board**

(a) Apart from satisfying the qualification and eligibility requirements set out in Section 69 and subject to the remainder of this article 19.3, a person shall not be required to hold any qualifying Shares or to satisfy any eligibility requirements or qualifications to become or remain a Director or Prescribed Officer of the Company.

(b) A Director shall vacate his office as Director if:

(i) his estate is sequestrated or he surrenders his estate or enters into a general compromise with his creditors;

(ii) he is found to be or become of unsound mind;

(iii) he is removed as Director by ordinary resolution of the Shareholders or by the Board in accordance with Section 71;

(iv) he ceases to be a Director or becomes prohibited from being a Director by virtue of any provision of the Companies Act;

(v) he resigns his office by notice in writing to the Company;

(vi) he is absent from meetings of the Board for six consecutive months without permission of the Board while not engaged in the business of the Company, and he is not represented at any such meeting during such six-month period by an alternate, provide that the Board shall have the power to grant to any Director leave of absence for a definite or indefinite period; or

(vii) he retires in terms of article 19.3(c).

(c) Rotation

(i) At the first annual general meeting of the Company, all of its Directors shall retire.

(ii) Thereafter, at each annual general meeting of the Company, one third of the non-executive Directors for the time being, or if their number is not three or a multiple thereof, the number nearest to one third but not less than one third, shall retire from office.

(iii) The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who were elected as Directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot.

(iv) Notwithstanding the provisions of this article 19.3(c), a Director who has already held his office for a period of three years since his last election by the date of any annual general meeting shall retire at such meeting, either as one of the Directors retiring according to the roster referred to above, or over and above such Directors.

(v) The length of time a Director has been in office shall be computed from his last election, appointment or date upon which he was deemed re-elected.

(vi) A Director retiring at a meeting shall retain office until the election of Directors at that meeting has been completed.

(vii) A retiring Director shall be eligible for re-election.

(viii) The Company, at the Shareholder meeting at which a Director retires in the above manner, may fill the vacancy by electing a person thereto, and in default the retiring Director, if willing to continue to so act, shall be deemed to have been re-elected, unless it is expressly resolved at the meeting not to fill such vacancy or a resolution for the re-election of such Director was put to the meeting and rejected.

(ix) The Board shall, through its nomination committee (if such nomination committee has been constituted in terms of article 19.8), provide the Shareholders with a recommendation in the notice of the meeting at which the re-election of a retiring Director is proposed, as to which retiring Directors are eligible for re-election, taking into account each Director's past performance and contribution.

19.4 **Appointment of Directors by the Board**

The Board has the authority to appoint any person as Director to fill any vacancy on the Board on a temporary basis, as set out in Section 68(3), or as an additional Director, provided that such appointment must be confirmed by the Shareholders (in accordance with article 19.2(b)) at the next annual general meeting of the Company as required in terms of Section 70(3)(b)(i).

19.5 **Chairperson and deputy chairperson**

The Board shall from time to time elect out of their number a chairperson, and if required a deputy chairperson, and shall determine the period for which they, respectively, will hold office.

19.6 **Appointment of executives**

(a) The Board may from time to time appoint a chief executive officer, chief financial officer and/or such other executives, for a period and on such remuneration and incentives as the Board thinks fit, and may from time to time remove or dismiss them from office and appoint others in their place in accordance with the agreement concluded between the Company and such executive.

(b) The Directors may from time to time entrust to and confer upon a person appointed to executive office under article 19.6(a) such of the powers exercisable under this MOI by the Board as they think fit, and may confer such powers for such time, and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions, as they think expedient, and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Board in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers".

9. **DIRECTORS' MEETINGS**

"20 **Board meetings and decisions**

20.1 Save as may be provided otherwise in this MOI, the Board may meet for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit.

20.2 **Required meetings**

The Board shall meet at least quarterly.

20.3 **Calling/requisitioning of meetings**

(a) The chairperson of the Board may call a Board meeting at any time.

(b) The company secretary, upon the request of any Director at any time, shall call a Board meeting.

20.4 **Electronic meetings**

The Board may conduct a meeting entirely by electronic communication, or provide for participation in a meeting by electronic communication, as set out in Section 73(3).

20.5 **Notice of meetings**

The Board shall be entitled to determine the manner, form, and number of days' notice to be given of its meetings, provided that an agenda of the matters to be discussed at the meeting shall be given to each Director (and his alternate, if any), together with the notice of the meeting.

20.6 **Defective or inadequate notice of Board meeting**

If all of the Directors:

(a) acknowledge actual receipt of the notice;

(b) are present at the meeting; or

(c) waive notice in writing of the meeting,

the meeting may proceed even of the Company failed to give the required notice of that meeting or there was a defect in the giving of the notice.

20.7 **Chair**

If no chairperson or deputy chairperson is elected, or if at any meeting neither is present or willing to act as chairperson thereof within half an hour of the time appointed for holding the meeting, the Directors present shall choose one of their number to be chairperson of such meeting.

20.8 **Quorum**

The quorum for a Board meeting shall be a majority of the Directors in office at the time, who must be personally present at the meeting (whether physically or electronically) before a vote may be called at such meeting.

20.9 **Automatic postponement of a meeting**

(a) If within 30 minutes of the appointed time for a Board meeting to begin a quorum is not present, then the meeting is automatically postponed (without any motion, vote or further notice) for one week.

(b) The 30-minute limit may be extended by the chairperson of the meeting for a reasonable period not exceeding one hour.

20.10 **Automatic adjournment of a meeting**

If at the time a matter is to be considered at a Board meeting, a quorum is not present and there is no other business on the agenda which can be dealt with, the meeting is automatically adjourned (without any motion or vote) for one week.

20.11 **Voluntary postponement of a particular matter to later in the Board meeting**

If at the time a particular matter is to be considered at the Board meeting, a quorum is not present, but there is other business remaining on the agenda, consideration of that matter may be postponed (without motion or vote) to the end of the Board meeting.

20.12 **Further notice required for postponed or adjourned meeting**

Notice shall be given to all Directors of the date, time and venue of a meeting that is postponed or adjourned.

20.13 **Deemed quorum at a postponed or adjourned meeting**

(a) If at the appointed time for a postponed meeting to begin or an adjourned meeting to resume, the quorum requirements are not met, then the Directors present will constitute a quorum.

(b) The postponed or adjourned meeting may only deal with the matters that were on the agenda included in the notice of the meeting in terms of article 20.5.

20.14 **Continuing quorum during meeting**

After a quorum has been established for a Board meeting or for a matter to be considered at a Board meeting, the Board meeting may only continue or the matter may only be considered, as the case may be, for so long as such quorum remains present at the meeting.

20.15 **Adjournment by Directors**

A Board meeting may otherwise be adjourned by majority vote of the Directors present at the meeting.

20.16 **Voting at Board meetings**

(a) Subject to the exclusions in the Companies Act and elsewhere in this MOI, each Director has one vote on a matter before the Board.

(b) The chairperson shall not have a casting or second vote.

20.17 **Minutes**

(a) Minutes of Board meetings shall:

(i) set out full details of the voting on, and adoption of, resolutions by the Board, including a record of who voted for or against a particular resolution;

(ii) include any declaration of interest by a Director in terms of Section 75;

(iii) be settled by the chairperson and circulated to the Directors within 20 business days following the relevant meeting;

(iv) be submitted to the next meeting for approval, with or without modification; and

(v) be signed by the chairperson of that meeting confirming the approval thereof.

(b) Resolutions adopted by the Board:

(i) must be dated and sequentially numbered; and

(ii) are effective as at the date of the resolution, unless the resolution states otherwise.

(c) Any minutes of a meeting, or a resolution, signed by the chairperson of the meeting, or by the chairperson of the next Board meeting, is *prima facie* evidence of the proceedings of that meeting, or adoption of that resolution, as the case may be.

20.18 **Board decisions**

A Board resolution shall be approved if supported by a majority of the Directors who have cast their vote on that resolution (excluding any Directors prohibited to vote on such resolution in terms of Section 75 or the common law).

20.19 **Round robin resolutions**

(a) In accordance with Section 74, a decision that could be voted on at a meeting of the Board may instead be adopted by written consent of a majority of the Directors (excluding any Director who is prohibited in terms of Section 75 and/or the common law to vote on such matter), given in person or by electronic communication, provided that each Director has received notice of the matter to be decided.

(b) A resolution passed in terms of Section 74(1), read with article 20.19(a):

(i) shall be as valid and effective as if it has been passed at a Board meeting;

(ii) may consist of several documents; and

(iii) shall be deemed to have been passed on the date on which it was signed by the last Director, unless the resolution states otherwise.

(c) Within ten business days after the adoption or failing of a resolution as contemplated in this article 20.19, the Company shall:

(i) deliver to each Director a copy of the resolution proposed with a statement describing the results; and

(ii) insert a copy of the resolution and statement referred to in article 20.19(c)(i) in the Company's minute book".

10. **PAYMENTS TO DIRECTORS**

"19.9 **Directors' remuneration and expenses**

(a) Directors shall only be entitled to remuneration for their service as Directors if and to the extent approved by a special resolution in the previous two years.

(b) Directors (including alternates) may be paid their travelling and other expenses properly and necessarily incurred by them in and about the business of the Company, and in attending meetings of the Board or of committees thereof. If any Director is required to perform extra services, to devote special attention to the business of the Company, to reside abroad or be specifically occupied about the Company's business, he may be entitled to receive such remuneration as is determined by a disinterested quorum of the Board, which may be either in addition to or in substitution for any other remuneration payable.

11. INDEMNIFICATION OF DIRECTORS

"19.10 **Indemnification of Directors**

(a) The authority of the Company to advance expenses to a Director, or indemnify a Director, in respect of the defence of legal proceedings, as set out in Section 78(4), is not amended by this MOI.

(b) The authority of the Company to indemnify a Director in respect of liability, as set out in Section 78(5), is not amended by this MOI.

(c) The authority of the Company to purchase insurance to protect the Company, or a Director, as set out in Section 78(7), is not amended by this MOI".

12. FINANCIAL ASSISTANCE

"6 **Financial assistance**

6.1 *Financial assistance for the acquisition of options or securities*

The Board may, as contemplated in Section 44 and subject to the requirements of that section, authorise the Company to provide financial assistance by way of a loan, guarantee, the provision of security or otherwise to any person for the purpose of, or in connection with, the subscription for any option, or any securities, issued or to be issued by the Company or a related or inter-related company, or for the purchase of any such securities.

6.2 *Financial assistance to directors, prescribed officers and related persons*

The Board may, as contemplated in Section 45 and subject to the requirements of that section, authorise the Company to provide direct or indirect financial assistance to a director or prescribed officer of the Company or of a related or inter-related company, or to a related or inter-related company or corporation, or to a member of a related or inter-related corporation, or to a person related to any such company, corporation, director, prescribed officer or member. **[Section 45]**"

13. DISTRIBUTIONS

"22 **Distributions**

22.1 The Board may declare distributions in accordance with Section 46 and other requirements of the Companies Act.

22.2 If and for so long as any Shares are listed on the JSE:

(a) all distributions and other payments to Shareholders must be in accordance with the Listings Requirements; and

(b) capital shall not be repaid upon the basis that it may be called up again.

22.3 Distributions shall be payable or distributable to Shareholders registered as such on the relevant record date determined in terms of article 16, provided that it shall be subsequent to the date of declaration or the date of confirmation of the distribution, whichever is the later.

22.4 The Company shall publish a notice to Shareholders regarding the declaration of a distribution by the Company within ten business days of the declaration thereof.

22.5 Distributions payable in monetary form shall be declared in the currency of South Africa.

22.6 No distribution shall carry interest as against the Company, unless otherwise determined by the Board.

22.7 Any distribution declared may be paid and satisfied either wholly or in part by the distribution of specific assets or in cash or in one or more of such ways, subject to the provisions of the Companies Act, as the Board may at the time of authorising the distribution determine and direct.

22.8 In the case where several persons are registered as the joint holders of any Shares, any one of such persons may give to the Company effective receipts for all or any distributions and payments on account of distributions in respect of such Shares.

22.9 All cash distributions, interest or other moneys payable to a registered Shareholder shall be paid by electronic funds transfer. The payment by electronic transfer into the bank account recorded in the bank account register of the Company (if any) nominated by the Shareholder, or in the case of joint Shareholders into the bank account nominated by the Shareholder whose name stands first in the Securities Register in respect of the Share, shall be a good discharge by the Company in respect thereof.

22.10 If as a result of the declaration of a distribution any registered Shareholders become entitled to fractions of any specific assets of the Company, the Board may sell the assets represented by such fractions and after deducting the expenses of such sale, distribute the balance of the proceeds of the sale amongst the Shareholders entitled to the fractions in proportion to their entitlement.

22.11 For the purpose of this article 20, any notice of a new registered address or a change of registered address or any notice of new bank account details or a change of bank account details or any instruction as to payment being made at any other address or into any other bank account, not reflected in the Securities Register or the bank account register of the Company (if any) at the time of declaration of the distribution, which is received by the Company between the time of declaration of the distribution and the applicable time of payment of the distribution, shall become effective only after such time of payment.

22.12 Every payment of a distribution shall be made at the risk of the Shareholders. The Company shall not be responsible for the loss in transmission of any document sent through the post, either to a registered address of any Shareholder or to any other address requested by them or for the loss or misdirection of any electronic transfer.

22.13 Any unclaimed distributions due to a registered Shareholder shall be held in trust for an indefinite period until it is claimed by the person entitled to the distribution in question, subject to the laws of prescription.

The MOIs of the Subsidiaries

The MOIs of the subsidiaries of the Company do not and will not frustrate the Company from compliance with the JSE Listings Requirements.

ANNEXE 20 – KING CODE REGISTER

Application of the King Code Principles

The Board is committed to complying with the requirements of the Companies Act, the JSE Listings Requirements and the King Code.

The principles of the King Code are adopted and applied by the Company as disclosed in this document.

Capitalised words used and not defined herein shall bear the meaning ascribed to them in the Company Board Charter.

Principle 1: Leadership **The Board should lead ethically and effectively**	The Company's governance framework, including but not limited to, the Board Charter, the Board committees' ("**Committees**") terms of reference ("**TOR**") and the Company's Code of Ethics and related policies highlights the Board's commitment to ethical and effective leadership. In terms of the Board Charter, the Board subscribes to ethical and effective leadership of the Company and its subsidiaries (together, the "**Group**") and accepts responsibility for acting in accordance with King Code and ensuring ethical behaviour. In order to ensure effective leadership, the Nominations and Corporate Governance Committee ("**NomGov**") is responsible for assisting the Board in identifying candidates that will secure the appropriate mix of skills, experience and independence on the Board. Furthermore, the Board, its Committees and individual Directors are evaluated annually to ensure continued improvement in the Board's performance and effectiveness. The Board Charter and Committee TOR will be reviewed on an annual basis to ensure alignment with best practice. Further information in this regard will be published in the Group's integrated annual report ("**Integrated Annual Report**") and corporate governance report ("**Corporate Governance Report**"), which will be updated annually.

Principle 2: Organisational ethics **The Board should govern the ethics of the Group in a way that supports the establishment of an ethical culture**	The Board has adopted a suite of policies that articulate the Group's ethical principles, including the Group's Code of Ethics, Anti-Bribery and Corruption Policy, Conflicts of Interest Policy, Whistleblowing Policy and Dealing in Securities Policy. These policies are applicable to all employees and Directors. The Social and Ethics Committee ("**SEC**") supports the Board in monitoring and reporting on the ethical conduct of the Company, its Board, executives and senior officers in terms of the Group's corporate governance policies. The Company also provides for an independently administered anonymous tip line to enable employees and third parties to report any alleged or perceived breach of the Group's values and ethical principles. In terms of the Board Charter, the CEO and the CFO have been delegated the responsibility of fostering a corporate culture that promotes ethical practices and encourages individual integrity. Further information in this regard will be published in the Company's Integrated Annual Report and Corporate Governance Report, which will be updated annually.
Principle 3: Responsible corporate citizenship **The Board should ensure that the Group is and is seen to be a responsible corporate citizen**	The Board is responsible for overseeing the Group's environmental, social and governance ("**ESG**") activities and reviewing progress against long-term ESG targets, including in respect of carbon emissions, energy intensity, water usage, food waste and recycling. The SEC has been mandated with monitoring the Group's overall responsible corporate citizenship performance, which includes monitoring and reporting on the manner and extent to which the Group protects, enhances and invests in and impacts on the economy, society, the workplace and the environment in which it operates. Further information in this regard will be published in the Company's Integrated Annual Report and Corporate Governance Report, which will be updated annually.

Principle 4: Strategy and performance **The Board should appreciate that the Group's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process**	Taking cognisance of the inter-connectedness of the various elements of the value creation process, including risks and opportunities, strategy, the business model, performance and sustainable development, the Board ensures that each element receives the necessary attention. In this regard, the Board is responsible for staying up to date on risks and changes in the environment and reviewing and approving management's strategic and business plans and monitoring corporate performance against such plans. Pursuant to the Audit, Risk and Compliance Committee's ("**ARCC**") TOR, the ARCC has been mandated with the overall governance and monitoring of risks, which includes considering the opportunities and associated risks when developing strategy and the potential positive and negative effects of the same risks on achieving organisational objectives. Further information in this regard will be published in the Company's Integrated Annual Report and Corporate Governance Report, which will be updated annually.
Principle 5: Reporting **The Board should ensure that reports issued by the Company enable stakeholders to make informed assessments of the Company's performance and its short-, medium- and long-term prospects**	The Group's annual financial statements ("**Annual Financial Statements**"), Integrated Annual Report and Corporate Governance Report are prepared in accordance with global reporting standards, including the International Integrated Reporting Framework, the International Financial Reporting Standards and the Global Reporting Initiative's Standards, and will be published on the Company's investor relations website. The ARCC is responsible for oversight of the preparation of the Annual Financial Statements, Integrated Annual Reports and Corporate Governance Reports to ensure the integrity of the process for compiling the reports and the information contained therein. The Board is responsible for reviewing and approving the Annual Financial Statements and the Integrated Annual Report to ensure that they present an accurate and balanced view of the Group's state of affairs and that assurance on the disclosures in the Annual Financial Statements is provided by the internal and external auditors. The annual suite of reports aims to present stakeholders with an increased understanding of the Group's operations and a holistic view of the Group's performance and its short-, medium- and long-term prospects. Further information in this regard will be published in the Company's Integrated Annual Report and Corporate Governance Report, which will be updated annually.

Principle 6: Primary role and responsibilities of the Board **The Board should serve as the focal point and custodian of corporate governance in the Company**	The Board is the governing authority of the Company and is responsible for the overall governance of the Group. The Board Charter sets out the Board's role and responsibilities, including the responsibility to govern the Group in a transparent, equitable and responsible manner that balances the needs, interests and expectations of all stakeholders and the best interest of the Group. In addition, pursuant to the Board Charter, the Board endorses and has committed itself to the principles of good corporate governance and corporate citizenship as set out in the King Code. In terms of the Board Charter, the Committee TOR and various delegations of authority, the Board guides and directs the roles, responsibilities and conduct of the Directors and certain employees within the Group. The Board is satisfied that it has fulfilled its responsibilities in accordance with the Company's MOI, the Board Charter, the King Code, the JSE Listings Requirements and the Companies Act. Further information in this regard will be published in the Company's Integrated Annual Report and Corporate Governance Report, which will be updated annually.
Principle 7: Composition of the Board **The Board should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively**	The Board comprises 5 Non-executive Directors and 2 Executive Directors. 4 of the Non-executive Directors (80%) are independent. The Company Chair is an Independent Director. Director profiles will be available in the Integrated Annual Report and on the Company's investor relations website. Directors are appointed through a formal and transparent process in terms of which the NomGov is mandated with identifying suitable candidates for recommendation to the Board for final approval. The NomGov seeks to ensure the appropriate mix of skills, experience and independence on the Board and gives due consideration to the knowledge, skills and resources required as well as the Board size, diversity (in accordance with the Board-approved diversity targets) and demographics to ensure its effectiveness. The independence of each Independent Director is assessed annually to ensure the categorisation as independent continues to be appropriate. The roles of Company Chair and CEO are separate with a clear division of responsibilities. Further information in this regard will be published in the Company's Integrated Annual Report and Corporate Governance Report, which will be updated annually.

Principle 8: Committees of the Board **The Board should ensure that its arrangements for delegation within its own structures promote independent judgement, and assist with balance of power and the effective discharge of its duties**	To assist with the effective discharge of its duties, the Board has established the following standing Committees: • Audit Risk and Compliance Committee ("**ARCC**"); • Social and Ethics Committee ("**SEC**"); • Remuneration Committee ("**RemCom**"); and • Nominations and Corporate Governance ("**NomGov**"). Delegation to these Committees is recorded in written TOR, which have been approved by the Board and are reviewed annually. Further information in this regard will be published in the Company's Integrated Annual Report and Corporate Governance Report, which will be updated annually.
Principle 9: Evaluation of the performance of the Board **The Board should ensure that the evaluation of its own performance and that of its Committees, its chair and its individual members, supports continued improvement in its performance and effectiveness**	The Board is responsible for conducting an annual evaluation of its contribution to the Group as a whole, in addition to evaluating its Committees and each individual Director to ensure continued improvement in the Board's performance and effectiveness. The Lead Independent Director is responsible for carrying out the evaluation of the Company Chair's performance. The Board is satisfied that the evaluation process is improving its performance and effectiveness. Further information in this regard will be published in the Company's Integrated Annual Report and Corporate Governance Report, which will be updated annually.
Principle 10: Appointment and delegation to management **The Board should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities**	The Company's delegation of authority framework, which includes a Delegation of Authority Policy, ensures a clear delineation of roles and areas of accountability. In terms of the Board Charter, the Board has delegated the authority to oversee and control the management of the day-to-day affairs of the Group to the CEO and the CFO, subject to clearly defined limits of authority. The Board is satisfied that the delegation of authority framework contributes to role clarity and the effective exercise of authority and responsibilities. The NomGov is responsible for overseeing the succession planning for the Board. Following an assessment to confirm the necessary qualifications, competence and expertise, the Board has appointed a Company Secretary who is responsible for providing guidance on corporate governance and the Board's legal responsibilities. The Board confirms it has created an environment in which the Company Secretary can have an arm's-length relationship with the Directors. Further information in this regard will be published in the Company's Integrated Annual Report and Corporate Governance Report, which will be updated annually.

Principle 11: Risk governance **The Board should govern risk in a way that supports the Company in setting and achieving its strategic objectives**	The Board is responsible for the governance and management of risk and has established, and delegated oversight of risk governance to, the ARCC. The ARCC is responsible for ensuring that the direction for the way in which risk is managed, as set by the Board, is implemented. The responsibility of designing, implementing and monitoring the risk management plan is delegated to management. The Board, with the assistance of the ARCC, annually identifies risk and opportunities that have the potential to significantly impact the Group's performance and ability to create sustainable value for our stakeholders. The Board is satisfied that the Group's risk management process is effective in continuously assessing risk and opportunities and ensuring these risks are managed in line with the Group's business strategy. Further information in this regard will be published in the Company's Integrated Annual Report and Corporate Governance Report, which will be updated annually.
Principle 12: Technology and information governance **The Board should govern technology and information in a way that supports the Company setting and achieving its strategic objectives**	The Board oversees information technology ("**IT**") governance, ensuring that appropriate structures, systems, and controls are in place to manage IT risks effectively. The ARCC has been mandated with assisting the Board in setting the direction of how IT should be approached and managed and the responsibility to implement and execute effective IT management is delegated to management. The ARCC is responsible for reviewing and approving IT strategies, initiatives, policies and frameworks to ensure alignment with the overall Group strategy. Further information in this regard will be published in the Company's Integrated Annual Report and Corporate Governance Report, which will be updated annually.

Principle 13: Compliance governance **The Board should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the Company being ethical and a good corporate citizen**	The Board is responsible for annually approving an integrated compliance framework that addresses compliance with statutory, legislative and regulatory requirements and ensures that processes and compliance controls are in place to manage compliance risks. The Company Secretary is responsible for providing guidance on the Company's compliance with all statutory and regulatory requirements and Directors receive regular briefings in respect of updates on regulatory compliance. The ARCC is mandated with overseeing regulatory compliance and the responsibility for the implementation and execution of effective compliance management is delegated to management. Management is required to report bi-annually to the ARCC on all compliance matters. There were no material or repeated regulatory penalties, sanctions or fines for contraventions of, or non-compliance with, statutory obligations, other than traffic violation fines in the normal course of business. No compliance inspections by environmental regulators had taken place during the period under review and no incidences of non-compliance with environmental laws were identified.
Principle 14: Remuneration governance **The Board should ensure that the Company remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short-, medium- and long-term**	The Group's remuneration policy has been developed to, among other things, attract, motivate, reward and retain human capital in line with the Company's transformation objectives and promote the achievement of the Group's strategic objectives. The RemCom is mandated with ensuring that the Group remunerates fairly, responsibly and transparently and ensuring such remuneration is disclosed annually by means of a remuneration report. The RemCom ensures that the Group remains up to date with evolving legislation and remuneration practices across the retail industry. Independent and objective expert advice is obtained as required, including in respect of industry benchmarking and the fair and transparent structure of variable short-term and long-term benefits in order to drive performance and achieve retention. Further information in this regard will be published in the Company's Integrated Annual Report and Corporate Governance Report, which will be updated annually.

Principle 15: Assurance **The Board should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the Company's external reports**	The Board is responsible for ensuring arrangements are made for a combined assurance model that incorporates and optimises all assurance services and functions. The Group's combined assurance model is interrogated by the ARCC to ensure that it is designed and implemented to effectively cover the Group's significant risks and material matters and is tabled bi-annually to ensure that the Board is comfortable with the level and type of assurance obtained by the Group. The Group's internal audit function forms an integral part of the combined assurance model as it is independent of business operations and provides assurance on the adequacy and effectiveness of internal controls. The Board is satisfied that the Group's combined assurance model has been effective in achieving transparent and accurate financial reporting, sound risk management and mitigation, and an effective level of residual risk. Further information in this regard will be published in the Company's Integrated Annual Report and Corporate Governance Report, which will be updated annually.
Principle 16: Stakeholder relationships **In the execution of its governance role and responsibilities, the Board should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the Company over time**	The Board is responsible for ensuring that the Group is managed in a way that balances the needs, interests and expectations of all stakeholders and the best interest of the Group. It is committed to stakeholder engagement that is constructive, fair, transparent and conducted in a manner that is aligned with the Group's values. The SEC is mandated with approving and monitoring the Group's stakeholder engagement strategy and plan and the overall management of stakeholder risk. The Group pursues an integrated programme of stakeholder engagement to ensure that the business: • remains accessible and accountable to key stakeholders; • engages regularly on material matters; and • reports to the Board on all material stakeholder engagements, including any emerging risks or opportunities. Further information in this regard will be published in the Company's Integrated Annual Report and Corporate Governance Report, which will be updated annually.

ANNEXE 21 – DEFINITIONS, GLOSSARY AND INTERPRETATIONS

In this Pre-listing Statement, unless otherwise stated or the context clearly indicates otherwise, the words in the first column have the meanings stated opposite them in the second column, words in the singular shall include the plural and *vice versa*, words importing one gender include the other genders and references to a person include juristic persons and associations of persons and *vice versa:*

"**2022 Cell C Recap**"	the transaction entered into by, inter alios, BLU and various entities in its group and Cell C in 2022 in terms of which Cell C was restructured and refinanced, the details of which are set out in the SENS announcement of BLU dated 22 September 2022. For the avoidance of doubt, the 2022 Cell C Recap included the conclusion and implementation of the TPC New Funding Term Loan Facility Agreement, the TPC Reinvested Term Loan Facility Agreement, the Nedbank Reinvested Term Loan Facility Agreement and the Gramercy Reinvested Term Loan Facility Agreement;
"**AD Manual**"	has the meaning ascribed to the term in *"Part XVI – Exchange Control"* of this Pre-listing Statement;
"**Admission Date**"	the date of the Admission, which is expected to be Thursday, 27 November 2025;
"**Admission**"	admission by introduction, as a primary listing, in accordance with the JSE Listings Requirements, of all of the Ordinary Shares on the Main Board of the JSE;
"**Affected Jurisdiction**"	Australia, Canada, Japan and any other jurisdiction where the distribution of this Pre-listing Statement or the making of the Offer may be illegal, fails to conform to the laws of such jurisdictions or would require further action in order to conform with those laws;
"**African Bank**"	African Bank Limited, registration number 2014/176855/06, a private company incorporated under the laws of South Africa;
"**AI**"	artificial intelligence;
"**Albanta**"	Albanta Trading 109 Proprietary Limited, with registration number 2015/261614/07, a private company incorporated under the laws of South Africa, and is wholly owned by the Employee Believe Trust (IT003241/2016);
"**API**"	application programming interface;
"**ARPU**"	average revenue per user;
"**ATC**"	ATC South Africa Wireless Infrastructure Company Proprietary Limited, registration number 2010/003948/07, a private company incorporated under the laws of South Africa. ATC is a subsidiary of American Tower Corporation and is not a related party of Cell C or BLU;
"**Attacq**"	Attacq Waterfall Investment Company Proprietary Limited, registration number 2000/013587/07, a private company incorporated under the laws of South Africa;
"**At Incorporation Historical Financial Information of the Company**"	has the meaning ascribed to the term in *"Annexe 9 – At Incorporation Historical Financial Information of The Company"* to this Pre-listing Statement;
"**Audit, Risk and Compliance Committee**"	the audit, risk and compliance committee of the Board from time to time;
"**Authorised Dealer**"	has the meaning ascribed to the term in *"Part XVI – Exchange Control"* of this Pre-listing Statement;

"**B-BBEE Act**"	the South African Broad-Based Black Economic Empowerment Act 53 of 2003, as amended;
"**B-BBEE**"	Broad-Based Black Economic Empowerment as defined in the B-BBEE Act;
"**BCEA**"	the South African Basic Conditions of Employment Act 75 of 1997, as amended;
"**BEE SPV**"	the special purpose vehicle to be established for purposes of the BBE SPV Structure, which shall be owned by Fordside Enterprises (Pty) Ltd 2024/366388/07 (sole shareholder and director is Ebrahim Ghood), Sangrilor (Pty) Ltd 2009/016574/07 (directors are MSC Bawa and TJ Bawa and the beneficial owners are the Bawa family (being Mahomed Shaheen Cassim Bawa, Tariq Jason Bawa, Aniqa Lydia Bawa, and Shaala Katarina Bawa and Nubridge Capital (Pty) Ltd 2009/020484/07 (sole shareholder and director is JN Mostert) (none of which are related parties in relation to BLU or Cell C) as described in further detail in "*Part VI – Regulatory Considerations – Broad Based Black Economic Empowerment and Transformation*";
"**BEE SPV Structure**"	an empowerment structure to be put in place whereby TPC will sell a percentage of its Ordinary Shares to a newly established BEE SPV as described in further detail in *"Part VI – Regulatory Considerations – Broad Based Black Economic Empowerment and Transformation";*
"**Black People**"	black people as defined in the B-BBEE Act;
"**BLU**"	Blue Label Unlimited Group Limited, registration number 2006/022679/06, a public company incorporated under the laws of South Africa;
"**Board Committees**"	the committees constituted and approved by the Board from time to time;
"**Board**" or "**Directors**"	the board of directors of the Company, and "**Director**" means any member of the Board as the context may require;
"**Broker**"	any person registered as a "broking member equities" in terms of the rules of the JSE in accordance with the provisions of the Financial Markets Act;
"**Business Day**"	a day (excluding Saturdays, Sundays and public holidays) on which banks are generally open for business in South Africa;
"**Business Hours**"	the hours between 9:00 and 17:00 (SAST), on a Business Day;
"**CCMA**"	South African Commission for Conciliation, Mediation and Arbitration;
"**CEC**"	Comm Equipment Company Proprietary Limited, registration number 2014/180727/07, a private company incorporated under the laws of South Africa;
"**Cell C**"	Cell C Limited, with registration number 1999/007722/07, a public company incorporated under the laws of South Africa, and includes its subsidiaries prior to the implementation of the Restructuring unless the context clearly indicates otherwise;
"**Cell C Listco Flip-Up**"	has the meaning given to it in *"Part VIII – Restructuring and formation of the Group"* of this Pre-listing Statement;
"**Cell C Shares**"	the ordinary shares in Cell C;
"**Cell C Group**"	Cell C and its subsidiaries prior to the implementation of the Restructuring;
"**Cell C SP**"	Cell C Service Provider Company Proprietary Limited, with registration number 2001/008017/07, a private company incorporated under the laws of South Africa, and is a wholly owned subsidiary of Cell C;

"**CEO**"	the chief executive officer of the Group from time to time, being Joaquim Jorge Cerqueira Mendes as at the Last Practicable Date;
"**Certificated Form**"	Ordinary Shares that are recorded in physical paper form on the Register without reference to the Strate System and are held and traded in such form;
"**CFO**"	the chief financial officer of the Group from time to time, being El Tshegofatso Kope as at the Last Practicable Date;
"**Chairperson**"	the chairperson of the Board from time to time, being Johannes Sanyana Mthimunye, as at the Last Practicable Date;
"**CIPC**"	the South African Companies and Intellectual Property Commission established in terms of Section 185 of the Companies Act;
"**CMA**" or "**Common Monetary Area**"	the Common Monetary Area consisting of South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Eswatini;
"**Competition Authorities**"	the commission established pursuant to Chapter 4, Part A of the Competition Act or the tribunal established pursuant to Chapter 4, Part B of the Competition Act or the appeal court established pursuant to Chapter 4, Part C of the Competition Act, as the case may be;
"**Competition Act**"	the South African Competition Act 89 of 1998, as amended;
"**Code**"	the U.S. Internal Revenue Code of 1986, as amended;
"**Companies Act**"	the South African Companies Act 71 of 2008, as amended, together with the South African Companies Regulations;
"**Companies Regulations**"	the South African Companies Regulations, 2011 promulgated in terms of the Companies Act;
"**Company**"	Cell C Holdings Limited, registration number 2025/688465/06, a public company incorporated under the laws of South Africa, the company whose Ordinary Shares are being listed on the JSE as set out in this Pre-listing Statement;
"**Company MOI**"	the Company's MOI, relevant extracts of which are set out in *"Annexe 19 – Extracts From The Company MOI and The MOIs of The Major Subsidiaries";*
"**Company Secretary**"	the company secretary of the Company from time to time, being Michelle Robinson as at the Last Practicable Date;
"**Condensed Consolidated Interim Historical Financial Information"**	the reviewed condensed consolidated historical financial information of the Cell C Group for the three months ended 31 August 2025 and 31 August 2024 and for CEC for the three months ended 31 August 2025 and 31 August 2024;
"**Consolidated Annual Historical Financial Information**"	the audited consolidated historical financial information of the Cell C Group for the financial years 31 May 2025, 31 May 2024, 31 December 2023 and 31 December 2022 and for CEC for the financial years 31 May 2025, 31 May 2024 and 31 May 2023;
"**Consolidated Historical Financial Information**"	the Consolidated Annual Historical Financial Information and the Condensed Consolidated Interim Historical Financial Information;
"**Constitution**"	the Constitution of the Republic of South Africa, 1996, as amended;
"**CPA**"	South African Consumer Protection Act, 2008, as amended;
"**CSDP**"	a Central Securities Depository Participant, as defined in the Financial Markets Act, appointed by a Shareholder for purposes of, and in regard to, dematerialisation of shares evidenced by physical documents of title into the Strate System;

"**Dark Fibre Africa**"	Dark Fibre Africa Proprietary Limited, registration number 2007/013968/07, a private company incorporated in accordance with the laws of South Africa, Dark Fibre Africa is owned by Mazviv Proprietary Limited, and is not a related party of Cell C or BLU;
"**Dematerialise**"	the process by which shares in Certificated Form are deposited with a CSDP and documents of title evidencing such shares are replaced by an electronic record of such shares in the Strate System;
"**Dematerialised Form**"	Ordinary Shares that have been Dematerialised and are held and traded in such form;
"**EEA**"	the European Economic Area;
"**entity**"	any association, business, close corporation, company, concern, enterprise, firm, partnership, trust, undertaking, voluntary association or other similar entity (whether incorporated or unincorporated);
"**ECA**"	South African Electronic Communications Act 36 of 2005;
"**Employment Equity Act**"	South African Employment Equity Act 55 of 1998, as amended;
"**EU Prospectus Regulation**"	the Prospectus Regulation (Regulation (EU) 2017/1129, as amended);
"**Exchange Control Regulations**"	the South African Exchange Control Regulations, 1961 as promulgated by Government Notice R.1111 of 1 December 1961 and amended up to Government Notice R.445 of 8 June 2012, in terms of Section 9 of the South African Currency and Exchanges Act 9 of 1933, as amended;
"**Executive Directors**"	those executive Directors who are identified in *"Part X – Directors, Senior Management and Corporate Governance"* to this Pre-listing Statement;
"**Executive Transfer**"	has the meaning given to it in *"Part VIII – Restructuring and formation of the Group"* of this Pre-listing Statement;
"**FAIS Act**"	the South African Financial Advisory and Intermediary Services Act 37 of 2002, as amended;
"**FEC**"	foreign exchange contract;
"**Financial Markets Act**"	the South African Financial Markets Act 19 of 2012, as amended;
"**First Closing Date**"	the first closing date of the Restructuring, being Saturday, 22 November 2025;
"**FinSurv**"	the Financial Surveillance Department of the SARB;
"**Flip-Up Agreement**"	the written agreement titled "*Exchange Agreement*" dated on or about 1 November 2025 and concluded between the Company, Cell C, TPC, BLU, Albanta, Nedbank, and Lesaka, which agreement sets out the terms of Step 6 of the Restructuring;
"**FRSC**"	the Financial Reporting Standards Council, established under the Companies Act;
"FWA"	fixed wireless access;
"**GAAP**"	generally accepted accounting principles;
"**GDP**"	gross domestic product;
"**Government**"	the government of South Africa;
"**Gramercy**"	Gramercy SA Telecom Holdings LLC (file no. 6895553), a limited liability company established in accordance with the laws of the State of Delaware, United States of America, Gramercy's beneficial owners are various comingled funds and a large UK corporate pension plan (the "Funds"). The Funds and their investors are not related parties in relation to BLU or Cell C;

"**Gramercy Claim Acquisition Agreement**"	the assignment agreement entered into between Gramercy and TPC on or about 10 January 2025;
"**Gramercy Claim**"	the right to be repaid the loan advanced by Gramercy to Cell C in terms of the Gramercy Reinvested Term Loan Facility Agreement, which claim was acquired by TPC from Gramercy in terms of Gramercy Claim Acquisition Agreement, it being recorded that the face value of such claim as at the Last Practicable Date (excluding accrued interest) is R449 242 449;
"**Gramercy Reinvested Term Loan Facility Agreement**"	the written loan agreement entitled *"Gramercy Reinvested Term Loan Facility Agreement"* concluded on or about 21 September 2022 between Gramercy, TMF (as facility agent) and Cell C;
"**Gross Offer Proceeds**"	the proceeds from the Offer;
"**Group**"	the Company and its subsidiaries (including CEC, Cell C and its subsidiaries), which Group shall be constituted after completion of the Restructuring on the Second Closing Date;
"**HDP**"	historically disadvantaged persons;
"**HEPS**"	headline earnings per share, determined in accordance with SAICA Circular 1/2023 Headline Earnings;
"**ICT Sector Code**"	Codes of Good Practice on Black Economic Empowerment – Information and Communication Technology Sector Code published in terms of the B-BBEE Act;
"**IFC**"	the International Finance Corporation;
"**IFRS**"	the IFRS® Accounting Standards as issued by the International Accounting Standards Board;
"**ICASA**"	the Independent Communications Authority of South Africa;
"**ICASA Act**"	the Independent Communications Authority of South Africa Act 13 of 2000;
"**Income Tax Act**"	the South African Income Tax Act 58 of 1962, as amended;
"**Independent Auditor**"	SNG Grant Thornton;
"**Investec**"	Investec Bank Limited, acting through its Investment Banking Division: Corporate Finance, registration number 1969/004763/06, a public company incorporated in accordance with the laws of South Africa;
"**ISIN**"	international securities identification number;
"**Joint Global Coordinators and Joint Bookrunners**"	RMB, Morgan Stanley, and Investec;
"**JSE**"	the Johannesburg Stock Exchange, a securities exchange operated by the JSE Limited and licensed under the Financial Markets Act;
"**JSE Limited**"	JSE Limited, a public company incorporated under the laws of South Africa with registration number 2005/022939/06, licensed to operate as an exchange under the Financial Markets Act;
"**JSE Listings Requirements**"	the listings requirements issued by the JSE Limited under the Financial Markets Act to be observed by issuers of equity securities listed on the JSE, as amended;
"**King Code**"	the Code of Corporate Practices and Conduct as set out in the King IV Report on Corporate Governance for South Africa, 2016;
"**KPI**"	key performance indicators;
"**Last Practicable Date**"	6 November 2025;
"**Lead Independent Director**"	the lead independent director of the Board as determined by the Board from time to time;

"**Lesaka**"	Lesaka Technologies Proprietary Limited, registration number 2002/031446/07, a private company incorporated in accordance with the laws of South Africa. Lesaka is a wholly owned subsidiary of Lesaka Technologies Incorporated, and is not a related party of Cell C or BLU;
"**Lock-Up Arrangements**"	the lock-up arrangements agreed to by (i) the Company and TPC under the Placement Agreement; and (ii) the BEE SPV under agreements to be executed with such BEE SPV;
"**Lock-Up Period**"	in relation to the Company, TPC, and the BEE SPV, a period of 360 days from the Admission Date;
"**LRA**"	the South African Labour Relations Act 66 of 1995, as amended;
"**LTIP**"	long-term incentive plan;
"**Major Subsidiaries**"	the Major Subsidiaries (as defined in the JSE Listings Requirements) of the Company, which subsidiaries are set out in *"Annexe 16 – The Major Subsidiaries and Their Directors"* to this Pre-listing Statement;
"**Member State**"	member states of the European Economic Area;
"**MHz**"	megahertz;
"**Minimum Acceptance Condition**"	the minimum number of acceptances which is required for the Offer to become unconditional, being the number necessary to ensure the Company meets the free-float and shareholder spread requirements, as prescribed by the JSE Listings Requirements and acceptable to the JSE Limited;
"**MOCN**"	multi-operator core network, which can be used as a technical solution for roaming;
"**MOI**"	memorandum of incorporation;
"**Morgan Stanley**"	Morgan Stanley & Co International plc, a company incorporated under the laws of England and Wales with registration number 165935;
"**MTN**"	Mobile Telephone Networks Proprietary Limited, registration number 1993/001436/07, a private company incorporated in accordance with the laws of South Africa;
"**MVNE**"	mobile virtual network enabler;
"**MVNO**"	mobile virtual network operator;
"**M5**"	The following individuals: – Jose Guilherme Vieira Dos Santos; – Robert Killegrew Sabine Pasley; – Graham Neil Mackinnon; and – Hilton Roy Coverley;
"**Nedbank**"	Nedbank Limited (registration number 1951/000009/06), a public company with limited liability, incorporated in accordance with the laws of South Africa;
"**Nedbank Reinvested Claims**"	the claims for payment which Nedbank held against Cell C in terms of the Nedbank Claims Acquisition Agreement, which claims were acquired by TPC from Nedbank in terms of the Nedbank Claims Acquisition Agreement, it being recorded that the aggregate face value of such claims as at the Last Practicable Date is ZAR447 129 022;
"**Nedbank Claims Acquisition Agreement**"	the written assignment agreement entered into between Nedbank and TPC on or about 3 November 2025;

"**Nedbank Reinvested Term Loan Facility Agreement**"	the written loan agreement entitled "Nedbank Reinvested Term Loan Facility Agreement" concluded on or about 21 September 2022 between Nedbank, TMF (as facility agent) and Cell C;
"**Nominations and Corporate Governance Committee**"	the nominations and corporate governance committee of the Board from time to time;
"**Non-IFRS Financial Information**"	financial information that is not presented in accordance with IFRS or any other generally accepted accounting principles, as set out in *"Annexe 11 – Non-IFRS Financial Information"* to this Pre-listing Statement;
"**Offer**"	the offer for sale by TPC of the Offer Shares to be implemented in accordance with, and subject to, the terms and conditions contained in the Placement Agreement;
"**Offer Price Range**"	the proposed pricing range of the Offer, being ZAR29.50 to ZAR35.50 per Offer Share;
"**Offer Price**"	the price at which the Offer Shares (and, if the Overallotment Option is exercised, the Overallotment Shares) will be offered to investors, pursuant to this Pre-listing Statement, to be determined in accordance with the provisions of *"Part II – Overview of the Offer"* of this Pre-listing Statement and the Placement Agreement;
"**Offer Shares**"	the Sale Shares, and if the Overallotment Option is exercised, the Overallotment Shares;
"**Order**"	the United Kingdom's Financial Services and Markets Act 2000 (Financial Promotion) Order 2005;
"**Ordinary Shares**"	the ordinary no par value shares of the Company;
"**Overallotment Option**"	option granted by the Selling Shareholder to the stabilisation manager to purchase up to a number of Ordinary Shares equal to the Overallotment Shares actually sold in accordance with the Placement Agreement, for purposes of covering short positions resulting from the sale of the Overallotment Shares;
"**Overallotment Shares**"	at the Offer Price, that number of Ordinary Shares, representing (if the Overallotment Option is exercised in full) an aggregate purchase consideration of up to ZAR337 960 000 in terms of the Placement Agreement;
"**Placement Agreement**"	the written placement agreement entered into between the Company, Cell C, TPC and the Joint Global Coordinators and Joint Bookrunners in connection with the Offer and Admission, dated 13 November 2025;
"**Pre-listing Restructuring Implementation Agreement**"	the written agreement titled "Pre-Listing Restructuring Implementation Agreement" concluded on 1 September 2025 between TPC, BLU, Cell C, CEC, SPV4 and SPV 5, which agreement sets out the terms of Steps 1–5 of the Restructuring;
"Pre-listing Statement"	this pre-listing statement consisting of all documents contained in this bound document, including the annexes hereto dated Thursday, 13 November 2025 prepared in accordance with the JSE Listings Requirements;
"***Pro Forma* Financial Information of the Group**"	the *pro forma* statement of financial position of the Group as at 31 May 2025 and the *pro forma* statement of comprehensive income for the year then ended of the Group and related notes thereto;
"**Prospectus Regulation**"	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (including any relevant delegated regulations);
"**Protection of Businesses Act**"	the South African Protection of Businesses Act 99 of 1978, as amended;

"**Qualified Institutional Buyers**"	a qualified institutional buyer as defined in Rule 144A of the U.S. Securities Act;
"**RAN**"	radio access network;
"**Rand**," "**R**", "**South African Rand**" or "**ZAR**"	the lawful currency of South Africa;
"**Real GDP**"	gross domestic product, as adjusted for price changes;
"**Register**"	the register of members of the Company;
"**Relevant Member State**"	each member state of the EEA which has implemented the EU Prospectus Regulation;
"**Remuneration Committee**"	the remuneration committee of the Board from time to time;
"**Remuneration Policy**"	the remuneration policy of the Group adopted by the Board on 2 November 2025;
"**Restructuring**"	the Restructuring of the Group as summarised in *"Part VIII – Restructuring and formation of the Group"* of this Pre-listing Statement;
"**RMB**"	Rand Merchant Bank (a division of FirstRand Bank Limited), registration number 1929/001225/06, a public company incorporated in accordance with the laws of South Africa;
"**SAICA**"	South African Institute of Chartered Accountants;
"**Sale Shares**"	up to 173 400 000 Ordinary Shares offered for sale by TPC at the Offer Price in terms of the Offer;
"**SARB**"	the South African Reserve Bank;
"**SARS**"	the South African Revenue Service;
"**SAST**"	South African Standard Time;
"**SEC**"	the U.S. Securities and Exchange Commission;
"**Second Closing Date**"	the second closing date of the Restructuring, being Sunday, 23 November 2025;
"**Securities Lending Agreement**"	the securities lending agreement entered into between TPC and the Stabilisation Manager in connection with the Overallotment Option, dated 13 November 2025;
"**Securities Transfer Tax Act**"	the South African Securities Transfer Tax Act 25 of 2007 (as amended);
"**Senior Management**"	those members of the management bodies of the Group who are identified in *"Part X – Directors, Senior Management and Corporate Governance"* of this Pre-listing Statement;
"**SENS**"	the Stock Exchange News Service of the JSE;
"**Settlement Date**"	the date of implementation of the Offer when the Offer Shares will be delivered to applicants against payment of the aggregate Offer Price, which is expected to be Thursday, 27 November 2025;
"**Shareholders**"	the holders of Ordinary Shares from time to time;
"**Shares**"	shares, of whatever class, in the Company;
"**Skills Development Act**"	the South African Skills Development Act, 1998, as amended;
"**Social and Ethics**"	the social and ethics committee of the Board;
"**South Africa**"	the Republic of South Africa;

"**South African Qualifying Investors**"	separately: (i) financial institutions and other persons who are referred to in Section 96(1)(a) of the Companies Act; and (ii) selected persons in South Africa in respect of whom the total contemplated acquisition cost for Offer Shares is not less than ZAR1 000 000 per single addressee acting as principal, as contemplated in Section 96(1)(b) of the Companies Act, in each case to whom the Offer is specifically addressed and by whom only it is capable of acceptance);
"**Sponsor**"	RMB, in its capacity as the JSE sponsor to the Company for the purposes of the JSE Listings Requirements;
"**SPV1**"	Cedar Cellular (SA) (RF) Proprietary Limited, registration number 2017/068178/07, a private company incorporated in accordance with the laws of South Africa;
"**SPV4**"	K2021889191 (SA) (RF) Proprietary Limited, registration number 2021/889191/07, a private company incorporated in accordance with the laws of South Africa, and a wholly owned subsidiary of Albanta;
"**SPV4/TPC Claims**"	loan claims equalling R426 705 056.01 held by TPC against SPV4 as at the Last Practicable Date, it being recorded that such amounts are owing by SPV4 to TPC: – as to R223 000 000 thereof, in respect of a loan made by TPC to SPV4 in terms of a facility agreement entered into between TPC and SPV4 on or about 20 September 2022; and – as to R203 705 056 thereof, being the purchase price payable by SPV4 to TPC for the purchase of 73 078 047 shares of Cell C from TPC in terms of a sale of shares agreement entered into between TPC and SPV4 on or about 29 September 2022, which purchase price was left owing on loan account in accordance with the terms of such agreement;
"**SPV5**"	K2022559963 (South Africa) (RF) Proprietary Limited, registration number 2022/559963/07), a private company incorporated in accordance with the laws of South Africa, and is a wholly owned subsidiary of Albanta;
"**SPV5/TPC Claims**"	loan claims equalling R275 000 000 plus interest held by TPC against SPV5 in respect of a loan made by TPC to SPV5 in terms of a loan agreement entered into between TPC, Cell C and SPV5 on or about 20 September 2022;
"**Stabilisation**"	transactions that may be effected in the Ordinary Shares by the Stabilisation Manager, subject to the JSE Listings Requirements and applicable law, during the Stabilisation Period with a view to supporting the market price of the Ordinary Shares;
"**Stabilisation Manager**"	RMB, in its capacity as stabilisation manager pursuant to the Placement Agreement;
"**Stabilisation Period**"	a period of up to 30 calendar days after the Admission Date;
"**STIP**"	short-term incentive plan;
"**Strate System**"	the system operated by Strate for dealings in securities listed on the JSE and traded in Dematerialised Form that takes place on the JSE and for dealings in Certificated securities listed on the JSE that take place off market;
"**Strate**"	Strate Proprietary Limited, a private company incorporated under the laws of South Africa with registration number 1998/022242/07;
"**Takeover Regulations**"	Chapter 5 of the Companies Regulations;

"**TMF**"	TMF Corporate Services (South Africa) Proprietary Limited, registration number 2006/013631/07, a private company incorporated in accordance with the laws of South Africa;
"**TPC**"	The Prepaid Company Proprietary Limited, registration number 1999/016716/07, a private company incorporated in accordance with the laws of South Africa and whose registered address is 75 Grayston Drive, Morningside Ext 05, Sandton 2196, and which is a wholly owned subsidiary of BLU;
"**TPC New Funding Addendum**"	the written addendum entered into on or about 30 October 2025 between TPC, Cell C and TMF (as facility agent) in respect of the TPC New Funding Term Loan Facility Agreement;
"**TPC New Funding Claim**"	the right to be repaid the loan advanced by TPC to Cell C in terms of the TPC New Funding Term Loan Facility Agreement, it being recorded that the face value of such claim as at the Last Practicable Date is R2 839 737 241 plus interest;
"**TPC New Funding Term Loan Facility Agreement**"	the written loan agreement entitled *"TPC New Funding Term Loan Facility Agreement"* concluded on or about 21 September 2022 between TPC, TMF (as facility agent) and Cell C;
"**TPC Reinvested Addendum**"	the written addendum entered into on or about 30 October 2025 between TPC, Cell C and TMF (as facility agent) in respect of the TPC Reinvested Term Loan Facility Agreement;
"**TPC Reinvested Claim**"	the right to be repaid the loan advanced by TPC to Cell C in terms of the TPC Reinvested Term Loan Facility Agreement, it being recorded that the face value of such claim as at the Last Practicable Date is R305 558 475.75 plus interest;
"**TPC Reinvested Term Loan Facility Agreement**"	the written loan agreement entitled *"TPC Reinvested Term Loan Facility Agreement"* concluded on or about 21 September 2022 between TPC, TMF (as facility agent) and Cell C;
"**TPC ZTE Claims**"	the claims for payment which the ZTE Entities held against Cell C in terms of various supply agreements and services agreements entered into between the ZTE Entities and Cell C, which claims were acquired by TPC from the ZTE Entities in terms of the ZTE Claims Acquisition Agreement, it being recorded that the aggregate face value of such claims as at the Last Practicable Date is ZAR82 628 875;
"**Transactions**"	the Offer, the Restructuring and other subsequent events that have taken place since the date of the consolidated Historical Financial Information for the financial year within the scope of paragraph 8.26(d) of the JSE Listings Requirements;
"**Transfer Secretaries**"	JSE Investor Services Proprietary, a private company incorporated in accordance with the laws of South Africa with registration number 2000/007239/07, the transfer secretaries of the Company as at the Last Practicable Date;
"**TRP**"	the South African Takeover Regulations Panel, established in terms of Section 196(1) of the Companies Act;
"**Umbrella Restructure Implementation and Funds Flow Agreement**"	the written agreement titled "Umbrella Restructure Implementation and Funds Flow Agreement" dated on or about 21 September 2022 and concluded between Cell C, Cell C SP, Cell C Tower Company Proprietary Limited, Cell C Property Company Proprietary Limited, BLU, CEC, TPC, Comm Equipment Trading Company Proprietary Limited, Nedbank, Gramercy Funds Management LLC, Lesaka, Albanta, SPV1, Magnolia Cellular Investment 2 (RF) Proprietary Limited, Yellowwood Cellular Investments 3 (RF) Proprietary Limited, RMB and Investec relating to "Project Dorset" in terms of which *inter alia* Cell C's balance sheet was de-leverages to provide liquidity to operate and grow the business;

"**U.S. Exchange Act**"	the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder, as amended;
"**U.S. Securities Act**"	the United States Securities Act of 1933, as amended;
"**USSD**"	unstructured supplementary service data;
"**United Kingdom**"	the United Kingdom of Great Britain and Northern Ireland;
"**United States**"	the United States of America;
"**USD**" or "**$**"	the United States Dollar, the lawful currency of the United States;
"**VAT**"	any value-added tax imposed by the South African Value-Added Tax Act 89 of 1991, and legislation and regulations supplemental thereto;
"**Vodacom**"	Vodacom Proprietary Limited, registration number 1999/003367/07, a private company incorporated in accordance with the laws of South Africa;
"**VoLTE**"	Voice-over-LTE;
"**vRAN**"	Virtual RAN;
"**WASPS**"	wireless application service providers;
"**ZTE Claims Acquisition Agreement**"	the assignment agreement entered into between the ZTE Entities, TPC and Cell C on or about 13 March 2022; and
"**ZTE Entities**"	ZTE Corporation (South Africa) Proprietary Limited, registration number 2006/003382/07, a private company incorporated in accordance with the laws of South Africa and ZTE Corporation, registration number 4403011038552869, a company with limited liability registered in accordance with the laws of the People's Republic of China, ZTE Entities is not a related party of Cell C or BLU.

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