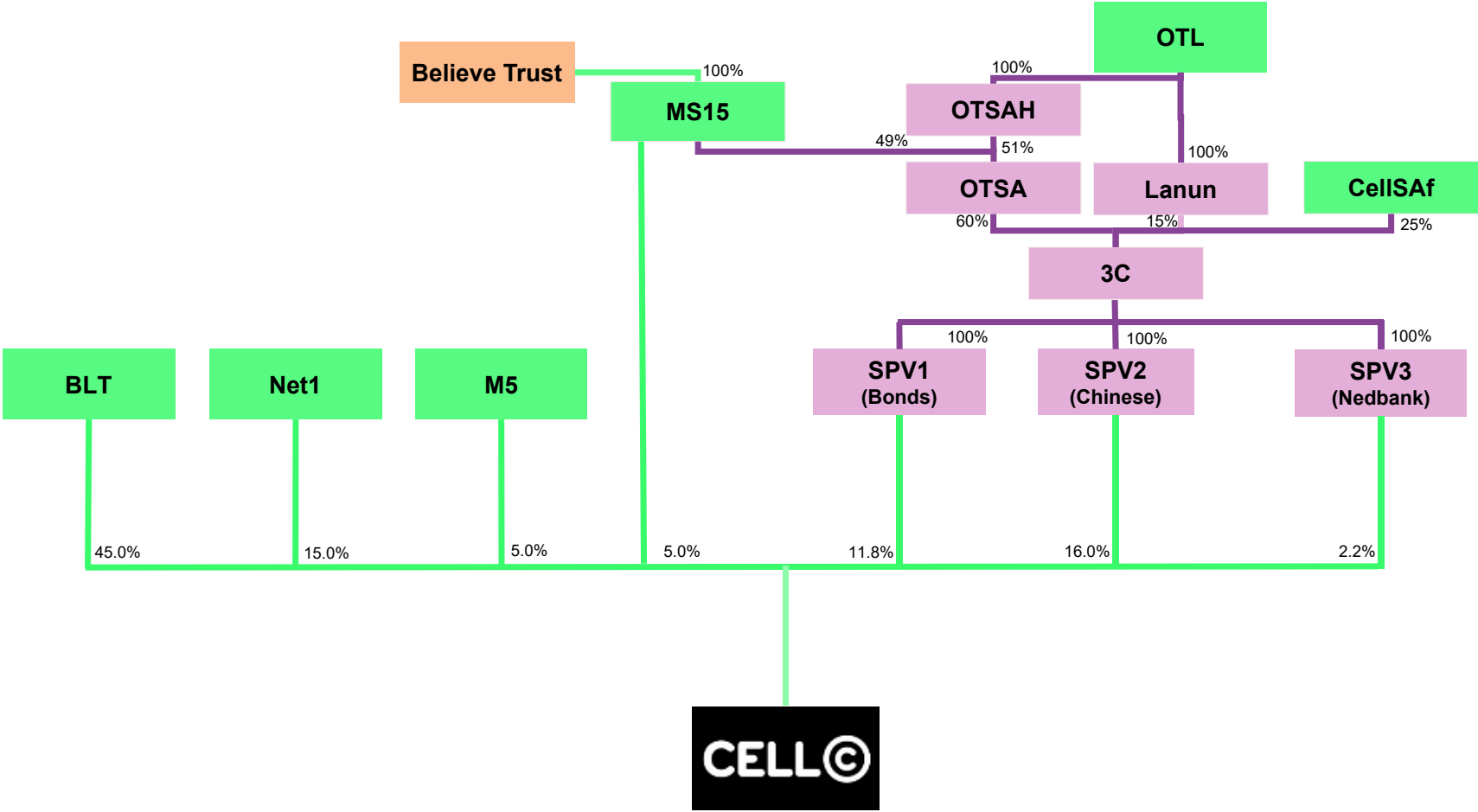


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# POST-RECAPITALISATION STRUCTURE



# EBITDA & DEPRECIATION

	7 months Pre-recap	5 months Post-recap	Total 2017	Comments
<b>EBITDA</b>	2.0	5.8	7.8	
<b>Depreciation</b>	<b>0.8</b>	<b>0.6</b>	<b>1.5</b>	
Network, equipment & other	0.8	0.6	1.3	
Network lease	0.1	0.1	0.1	<b>IFRS 16 impact:</b> Increase due to the recognition of the lease asset
<b>Amortisation &amp; impairment</b>	<b>0.3</b>	<b>0.3</b>	<b>0.6</b>	
Software, acquisition & other	0.3	0.2	0.5	
CEC admin & margin	0.0	0.0	0.1	<b>IFRS 15 impact:</b> This cost will be recognised as a finance expense
<b>Total Depreciation &amp; ammortisation</b>	<b>1.1</b>	<b>0.9</b>	<b>2.0</b>	
<b>EBIT</b>	<b>0.8</b>	<b>4.9</b>	<b>5.8</b>	

# FINANCE COST

R' billion	7 months Pre-recap	5 months Post-recap	Total 2017	Comments
<b>EBIT</b>	<b>0.8</b>	<b>4.9</b>	<b>5.7</b>	
<b>Finance income</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	
<b>Finance cost reported</b>	<b>2.7</b>	<b>1.1</b>	<b>3.8</b>	
<b>Once off cost:</b>				
•Interest and other finance cost	<b>0.6</b>	<b>0.2</b>	<b>0.8</b>	Relates to once off finance cost
<b>Recurring finance costs</b>	<b>2.1</b>	<b>0.9</b>	<b>3.0</b>	
<b>Recurring :</b>	<b>0.8</b>	<b>0.6</b>	<b>1.4</b>	
•Interest on finance leases	0.1	0.1	0.2	<b>Relates to interest on finance leases</b>
•Interest and other finance cost	0.0	0.0	0.0	Ad hoc interest cost & forex losses on working capital
•CEC Interest costs	0.2	0.2	0.4	Relates to interest on handset financing (off balance sheet)
	0.4	0.4	0.8	<b>Subsidy &amp; guarantee now above EBITDA post-IFRS15</b>
•CEC subsidy costs	0.2	0.2	0.4	Relates to subsidy on handset financing (off balance sheet)
•Revaluation of financial guarantee	0.2	0.2	0.4	Financial guarantee relates to bad debt on handset financing (off balance sheet)
<b>Funding:</b>	<b>1.3</b>	<b>0.3</b>	<b>1.6</b>	<b>All ongoing (other than liquidity option)</b>
•Interest on borrowings	0.7	0.3	0.9	Relates to interest on loans and borrowings
•Liquidity option	0.0	-0.1	-0.1	Relates to liquidity option asset
•Forex (gains)/losses on borrowings	0.6	0.2	0.8	Relates to the foreign exchange (gains)/losses on loans and borrowings
<b>Net income</b>	<b>-1.9</b>	<b>3.9</b>	<b>2.0</b>	




# DEBT PROFILE

R'Bln	2017 Outstanding Principle	Effective Interest rate
<b>RESTRUCTURED DEBT</b>	<b>6.0</b>	<b>13.3%</b>
Bond	2.3	
CDB	1.7	
DBSA	0.2	
ICBC	1.0	
Nedbank	0.8	
<b>CAPEX FACILITY</b>	<b>0.8</b>	<b>17%</b>
Blue Label	0.8	
<b>GROSS DEBT</b>	<b>6.8</b>	<b>14.7%</b>
Less: Cash	(0.1)	
<b>NET DEBT</b>	<b>6.7</b>	
Finance Leases	1.5	16.2%
<b>NET DEBT (incl Finance Leases)</b>	<b>8.2</b>	
HSF/CEC (On-balance sheet)	0.4	17.2%
HSF/CEC (Off-balance sheet)	1.8	17.2%
Handset asset (Off-balance sheet)	(1.8)	

# REVENUE

R billion	2017	2016	% var
Prepaid	7.3	6.5	12%
Contract	4.0	3.6	10%
MVNO	0.7	0.4	94%
Other	0.3	0.3	-9%
Incoming revenues	0.9	1.0	-10%
FTTH	0.0	0.0	664%
<b>Service revenue</b>	<b>13.2</b>	<b>11.8</b>	<b>12%</b>
Equipment	2.6	2.9	-11%
<b>Total revenue</b>	<b>15.7</b>	<b>14.6</b>	<b>7%</b>

# SUBSCRIBER BASE

Million	2017	2016	% Change
Total active subscribers	16.3	15.3	 6
MVNO subscriber base	1.5	1.4	 8
Total active data subscribers	12.6	12.5	 1

# RELATED PARTY TRANSACTIONS

R million	Total 2017
<b><i>Transactions</i></b>	
<b>Purchases from related parties</b>	
CEC	2,046
Transaction Junction Proprietary Limited	8
The Prepaid Company Proprietary Limited	460
<b>Sales to related parties</b>	
The Prepaid Company Proprietary Limited	6,845
Blue Label Connect Proprietary Limited	2
CEC	1,916
<b>Commissions and administration fees paid to related parties</b>	
Blue Label Connect Proprietary Limited	170
The Postpaid Company Proprietary Limited	3
Blue Label Data Solutions Proprietary Limited	7
CEC	77
<b>Discounts and rebates paid to related parties</b>	
The Prepaid Company Proprietary Limited	439
<b>Interest expense to related parties</b>	
Blue Label Telecoms Limited	(26)
CEC	(1,170)
<b>Marketing fees paid to related parties</b>	
The Prepaid Company Proprietary Limited	125



## RELATED PARTY BALANCES

R million	Total 2017
<b><u>Balances at 31 December 2017</u></b>	
<b>Amounts due to related parties included in other liabilities</b>	
CEC	228
<b>Amounts due to related parties included in Trade and other payables</b>	
Blue Label Connect Proprietary Limited	16
Selldirect Marketing Proprietary Limited	1
Transaction Junction Proprietary Limited	1
CEC	665
<b>Amounts due from related parties included in Trade and other receivables</b>	
The Prepaid Company Proprietary Limited	1,559
CEC	221

# BLT RECON TO CELL C

Recon to Cell C	R'm
5 months post recap NPAT - per Cell C (Aug 2017- Dec 2017)	5,983
Deferred tax adjustment	2,111
<b>Profit before deferred tax</b>	<b>3,872</b>
<b>Adjustments:</b>	
Once off items relating to restructuring. Day 1 gain due to uplifted debt to SPV's - regarded as pre-acquisition for BLT	(4,139)
<b>Normalised loss before tax for 5 months</b>	<b>(267)</b>
December loss before tax	(183)
<b>Normalised loss before tax for 4 months</b>	<b>(84)</b>
<b>Adjustments:</b>	
Handset financing adjustments	2
Pre-acquisition costs	191
Auditing adjustments	(32)
Share scheme adjustments	63
<b>BLT profit before tax for 4 months</b>	<b>139</b>
<b>BLT's share @ 45% excluding deferred tax</b>	<b>62</b>