1. RESULTS OF OPERATIONS continued

1.5 Earnings per share

Core headline

Core headline earnings per share are calculated by adding back to headline earnings, the amortisation of intangible assets net of deferred taxation and non-controlling interests as a consequence of the purchase price allocations completed in terms of IFRS 3(R) – *Business Combinations*.

Use of adjusted measures

The measures listed below are presented as management believes it to be relevant to the understanding of the Group's financial performance. These measures are used for internal performance analysis and provide additional useful information on underlying trends to equity holders. These measures are not defined terms under IFRS Accounting Standards and may therefore not be comparable with similarly titled measures reported by other entities. It is not intended to be a substitute for, or superior to, measures as required by IFRS Accounting Standards.

(a) Headline earnings, earnings and core headline earnings per share

	Attributable earnings		Cents per share	
	2025 R'000	2024 R'000	**2025**	2024
Headline earnings per share				
Basic	**4 096 406**	657 699	**455.96**	73.64
Diluted	**4 096 406**	657 699	**453.86**	73.17
Core	**4 147 296**	679 488	**461.63**	76.08
Earnings attributable to ordinary equity holders				
Basic	**2 484 243**	647 386	**276.52**	72.49
Diluted	**2 484 243**	647 386	**275.24**	72.03

(b) Weighted average number of shares

Weighted average number of shares	2025 R'000	2024 R'000
Weighted average number of ordinary shares	**898 408**	893 117
Adjusted for conditional shares	**4 154**	5 693
Weighted average number of ordinary shares for diluted earnings[1]	**902 562**	898 810

[1] The same weighted average number of shares for basic earnings per share is used for core headline earnings per share.

(c) Analysis of headline earnings

	Profit before tax and non-controlling interest R'000	Tax R'000	Non-controlling interest R'000	Headline earnings R'000
2025				
Profit attributable to equity holders of the parent	**2 624 525**	**(143 805)**	**3 523**	**2 484 243**
Net loss on disposal of property, plant and equipment	**1 998**	**(424)**	**(747)**	**827**
Impairment of property, plant and equipment	**22 150**	**(5 981)**	**—**	**16 169**
Net loss on disposal of property, plant and equipment in associate/joint venture[2]	**17 755**	**—**	**—**	**17 755**
Net loss on sale of joint venture	**7 902**	**683**	**(1 631)**	**6 954**
Reversal of impairment of investment in associate	**(1 555 042)**	**—**	**—**	**(1 555 042)**
Impairment of property, plant and equipment in associate[2]	**804 387**	**—**	**—**	**804 387**
Impairment of intangible assets in associate[2]	**1 638 571**	**—**	**—**	**1 638 571**
Impairment of leased assets in associate[2]	**682 542**	**—**	**—**	**682 542**
Headline earnings				**4 096 406**
2024				
Profit attributable to equity holders of the parent	857 540	(197 955)	(12 199)	647 386
Net loss on disposal of property, plant and equipment	966	(261)	34	739
Impairment of property, plant and equipment	12 417	(3 353)	—	9 064
Impairment of intangible assets	1 500	(405)	—	1 095
Net profit on disposal of property, plant and equipment in associate/joint venture	(585)	—	—	(585)
Headline earnings				657 699

[2] With reference to note 2.2.1, during the current year all of the previously unrecognised Group's share of cumulative losses in Cell C of R1.6 billion were recognised, which included these capital items.

	The Group's share of accumulated losses not guaranteed		
	Group's share of accumulated losses in Cell C from 1 June 2019 to 31 May 2024 R'000	Recognised up to 31 May 2024 R'000	Recognised during the current year R'000
Group's share of accumulated losses	(2 935 324)	(1 328 767)	**(1 606 557)**
Capital items included in the Group's share of accumulated losses:	4 199 336	1 056 062	**3 143 274**
Net loss on disposal of property, plant and equipment	23 809	6 035	**17 774**
Net impairment loss on property, plant and equipment	1 134 516	330 129	**804 387**
Net impairment loss on intangibles assets	2 154 580	516 009	**1 638 571**
Net impairment loss on leased assets	886 431	203 889	**682 542**

1. RESULTS OF OPERATIONS continued

1.5 Earnings per share continued

Use of adjusted measures continued

(d) Analysis of core headline earnings

	2025 R'000	2024 R'000
Reconciliation between net profit and core headline earnings for the year:		
Net profit for the year	**2 484 243**	647 386
Amortisation of intangibles raised through business combinations net of tax and non-controlling interest	**50 890**	21 791
Core net profit for the year	**2 535 133**	669 177
Headline earnings adjustments	**1 612 163**	10 311
Core headline earnings	**4 147 296**	679 488

1.6 Cash generated by operations

	2025 R'000	2024 R'000
Reconciliation of operating profit to cash generated by operations:		
Operating profit	**1 411 316**	1 061 596
Adjustments for:		
Depreciation of property, plant and equipment	**70 086**	69 179
Depreciation on leased assets	**24 303**	13 105
Amortisation of intangible assets	**399 183**	398 228
Fair value gain on financial instruments	**(376 324)**	(4 846)
Fair value loss on financial instruments	**204 891**	188
Fair value gain on surety receivable	**(2 883)**	(2 555)
Impairment of intangible assets	**—**	1 500
Impairment of property, plant and equipment	**22 150**	12 417
(Impairment reversal)/impairment of loans	**(293 251)**	124 466
Impairment of inventory	**8 034**	9 684
Loss on disposal of property, plant and equipment	**1 998**	966
Loss on disposal of intangible assets	**16**	—
Termination of lease	**(284)**	(123)
Loss on modification/derecognition of financial instruments	**52 872**	32 576
Equity compensation benefit expense	**69 391**	41 048
Loss on sale of joint venture	**7 902**	—
Changes in working capital:		
Increase in inventories	**(264 243)**	(1 583 783)
Increase in trade and other receivables	**(1 063 727)**	(76 652)
Increase/(decrease) in trade and other payables	**694 757**	(270 136)
(Increase)/decrease in advances to customers	**(478 647)**	942 522
	487 540	769 380