Book Sale Three
CEC sold receivables which had been written off as irrecoverable for which CEC retained no involvement post the sale.

Book Sale Four
This was transacted on similar terms to that of Book Sale Two.

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 finance cost is R83.1 million in respect of Book Sale Four. Refer to note 1.4.

Book Sale Five
CEC sold receivables which had been written off as irrecoverable for which CEC retained no involvement post the sale.

3.3.4 Cash and cash equivalents
Cash and cash equivalents include cash on hand and deposits held on call with banks.

	2025 R'000	2024 R'000
Cash at bank	**820 782**	895 640
Cash on hand	**1 322**	600
	822 104	896 240
Bank overdraft	**(831)**	(93)
	821 273	896 147

Included in this balance is restricted cash of R34.2 million (2024: R36.7 million), received on behalf of and immediately due to third parties, which may not be utilised in the Group's ordinary course of business. There is further restricted cash of R67.3 million (2024: R84.1 million) relating to collateral for guarantees issued by insurers on the Group's behalf.

3.4 Financial liabilities
Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Refer to accounting policies on borrowings and trade and other payables for financial liabilities (which exclude employee-related liabilities and VAT), and share capital for equity instruments issued by the Group.

3.4.1 Trade and other payables
Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

	2025 R'000	2024 R'000
Trade payables	**4 915 823**	4 547 103
Accruals	**263 762**	205 217
Employee benefits	**185 652**	153 494
Sundry creditors	**536 939**	379 472
VAT	**72 713**	49 772
	5 974 889	5 335 058

The fair value of the trade and other payables approximates their carrying amounts due to being payable in the short term.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT continued

3.4 Financial liabilities continued

3.4.2 Borrowings

	2025 R'000	2024 R'000
Interest-bearing borrowings	5 450 757	4 075 531
Non-interest-bearing borrowings	719	719
	5 451 476	4 076 250
Amounts included in non-current portion of borrowings	2 743 848	2 910 060
Amounts included in current portion of borrowings	2 707 628	1 166 190
Categories of borrowings:		
Airtime sale and repurchase obligations	—	474 831
Class A Preference Shares	208 079	180 254
Facilities	4 737 834	3 411 018
Gramercy loan payable	303 573	—
SPV5	155 941	—
Borrowings from associates and joint ventures	34 528	—
Other third party borrowings	11 521	10 147
Total borrowings	5 451 476	4 076 250

	Airtime sale and repurchase obligations from lenders R'000	Class A Preference Share* R'000	Gramercy loan payable R'000	SPV5 R'000
Opening balance as at 1 June 2024	474 831	180 254	—	—
Long-term borrowings raised	—	—	408 171	148 610
Interest expense	39 870	22 176	7 902	7 331
Loss on modification of financial liability	—	18 769	—	—
Repayments	(514 701)	(13 120)	(112 500)	—
Closing balance as at 31 May 2025	—	208 079	303 573	155 941
Amounts included in current portion of borrowings	—	18 612	208 664	93 481
Amounts included in non-current portion of borrowings	—	189 467	94 909	62 460
Effective interest rate (%)	14.60	11.53	12.00	11.61

* The preference dividends are indexed to 15% of the 'upside' realised by TPC on the debt funding to Cell C (refer to "Loans to Cell C" in note 2.1.1). The liability has been modified for the change in expectations of the future dividends payable based on the updated expectation of the future cash flows related to the debt funding.

TPC borrowings – from lenders and Class A Preference Share

The airtime sale and repurchase from lenders represented a financing transaction, with the airtime as security, together with the issue of the Class A and Class B Preference Shares, which provides the lenders with additional compensation for their risk. As such the amount of borrowings was attributed to these three elements at their respective fair values. Refer to note 3.5 for further details on the accounting treatment of the Class B Preference Shares.

The 2024 airtime sale and repurchase from lenders represented a financing transaction, with the airtime as security. During the current year, the airtime sale and repurchase obligation was settled in full.

The airtime sale and repurchase loans, and the Class A Preference Shares were recognised initially at their fair values less transaction costs and have been accounted for as financial liabilities at amortised cost. Given that the indexation of the cash flows under the Class B Preference Shares to a 5% shareholding in Cell C results in them containing an embedded derivative which would otherwise need to be stripped out and accounted for separately, the Class B Preference Shares have been designated to be financial liabilities at fair value through profit or loss.

Gramercy Loan Payable

During the year, Gramercy SA Telecom Holdings LLC sold and transferred its claims against Cell C Limited, and delegated any of its obligations, to TPC. The purchase price for the Transaction Debt was an amount of R450 000 000.

The purchase price will be paid in four equal tranches as follows:

- R112 500 000 on Closing (7 March 2025);
- R112 500 000 on or before 30 November 2025;
- R112 500 000 on or before 31 March 2026; and
- R112 500 000 on or before 30 November 2026.

SPV5

Refer to note 2.1 and 2.2 for the details pertaining to SPV5.

Credit facilities

Facility	Facility utilised 2025 R'000	2024 R'000
General banking facility – Investec	**349 050**	293 018
General banking facility – RMB	**152 467**	128 000
Revolving Facility A – RMB	**660 425**	660 000
Revolving Facility B – Investec	**—**	80 000
Transaction Facility – RMB	**—**	350 000
African Bank	**1 699 270**	1 900 000
Bridging facility	**1 600 000**	—
Investec term facility	**276 622**	—
Total borrowings	**4 737 834**	3 411 018

For terms of these facilities, refer to note 3.2.2.

The Group did not default on any loans or breach any terms of the underlying agreements during the year.

The fair value of the borrowings approximates their carrying amounts due to these balances bearing interest at market-related rates.

Changes in liabilities arising from financing activities

	Borrowings due within one year R'000	Borrowings due after one year R'000	Total R'000
Opening balance as at 1 June 2023	2 230 355	1 842 765	4 073 120
Movement between current and non-current	917 027	(917 027)	—
Loan modification	—	(20 682)	(20 682)
Interest-bearing borrowings raised	691 515	1 976 174	2 667 689
Interest accrued on interest-bearing borrowings	805 762	28 830	834 592
Interest-bearing borrowings capital repaid	(2 674 283)	—	(2 674 283)
Interest-bearing borrowings interest repaid	(804 186)	—	(804 186)
Closing balance as at 31 May 2024	1 166 190	2 910 060	4 076 250
Movement between current and non-current	**274 536**	**(274 536)**	**—**
Loan modification	**—**	**18 769**	**18 769**
Interest-bearing borrowings raised*	**2 077 296**	**55 464**	**2 132 760**
Interest accrued on interest-bearing borrowings	**802 698**	**34 091**	**836 789**
Interest-bearing borrowings capital repaid	**(860 160)**	**—**	**(860 160)**
Interest-bearing borrowings interest repaid	**(787 460)**	**—**	**(787 460)**
Interest-bearing borrowings from associates and joint ventures raised	**34 528**	**—**	**34 528**
Interest accrued on interest-bearing borrowings from associates and joint ventures	**755**	**—**	**755**
Interest-bearing borrowings from associates and joint ventures interest repaid	**(755)**	**—**	**(755)**
Closing balance as at 31 May 2025	**2 707 628**	**2 743 848**	**5 451 476**

* Interest-bearings borrowings raised are reflected in cash flows from financing activities (refer to the Group Statement of Cash Flows) with the exception of R408 million relating to the Gramercy obligation, for which the Group received a claim of the same amount against Cell C Limited, and R148 million relating to TPC's funding obligations to SPV5, for which the Group received an effective interest in Cell C (refer to note 2.1).