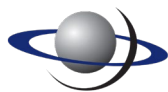


BLUE LABEL
TELECOMS

SEIZE THE DAY

Interim Results Presentation – February 2025

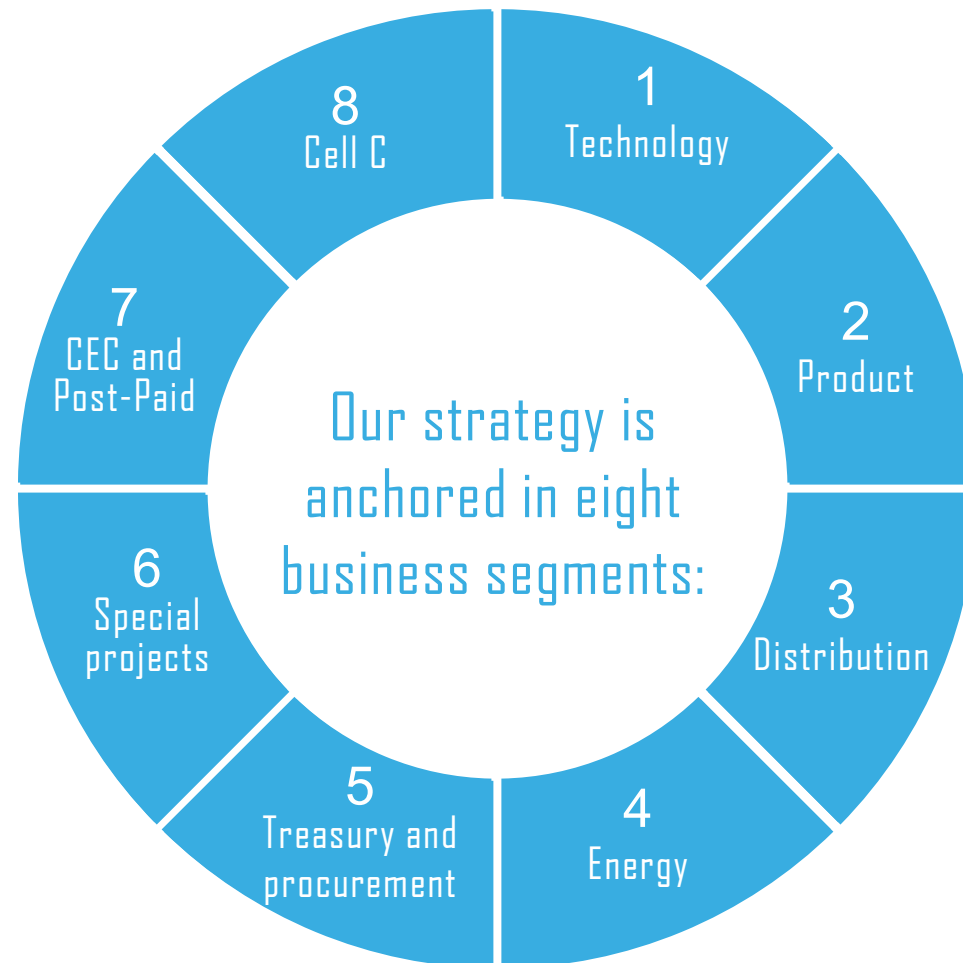
WELCOME



OUR STRATEGY AND VISION

OUR VISION

Driving financial inclusion, opportunities and convenience that orchestrates digital distribution and e-tech ecosystems.



TECHNOLOGY

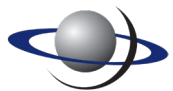
Transaction
Junction

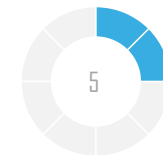
AEON

BLU Nova

Mobi

iCrypto





PRODUCT

BLU Voucher
Ringas
Unipin

BLU
Advance

Ticket Pro

BLU
Communications

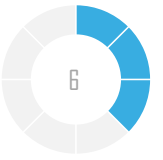
Marketing

Blu Label Data
Solutions

Technov8

Sim Cards

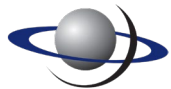




DISTRIBUTION

Blue Label Distribution

BLU Train



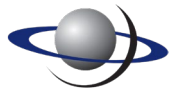
ENERGY

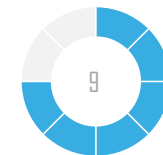
CigiCell

BLU Energy



TREASURY AND PROCUREMENT





SPECIAL PROJECTS

We are establishing a special projects office with a future-focus

We will look at value-accretive and synergistic opportunities for Blue Label

Our focus will include local and international opportunities





CEC AND POST-PAID STRATEGY

Handset revenue
R1,038.30 million

Service revenue
R859.70 million

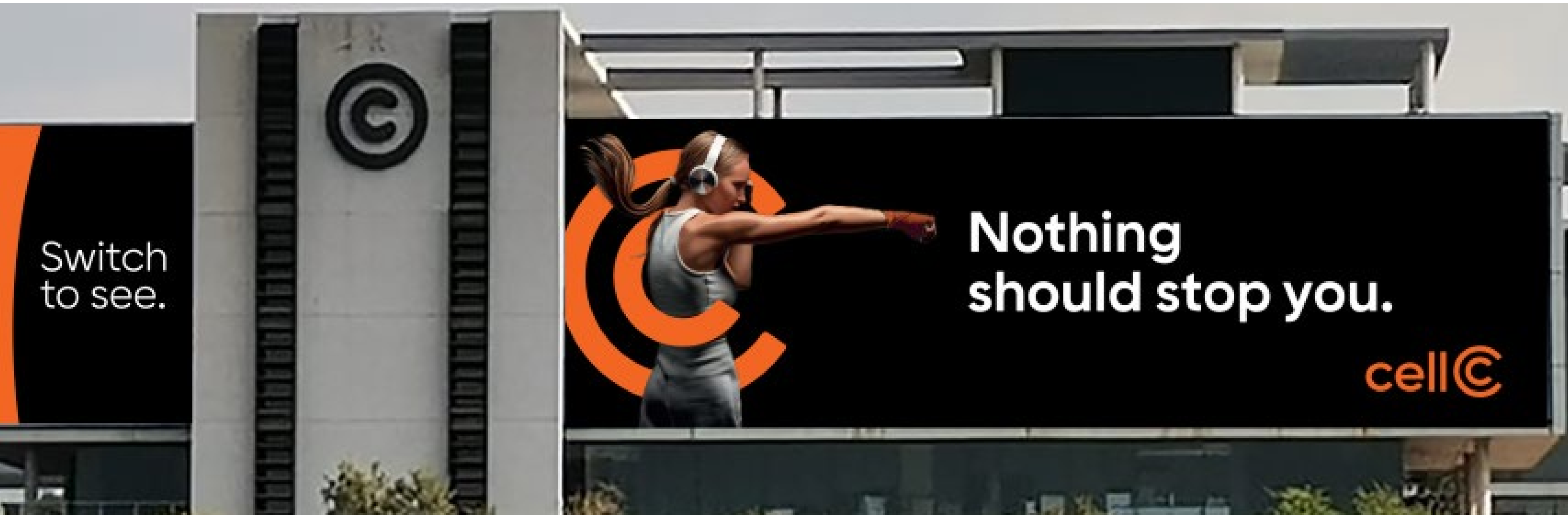
Subscriber base
829,600

ARPU
R220.32





CELL C



FINANCIAL HIGHLIGHTS

For the period ended
30 November 2024



Revenue of

R7.2 billion*



Increase in gross
profit of 2% to

R1.63 billion



Increase in gross
profit of 2% to

22.44%



Core headline
earnings per
share of

47.20 cents per share

*On inclusion of the gross amount generated on "PINless top-ups", prepaid electricity, ticketing and universal vouchers, the effective increase equated to 8% from R43.8 billion to R47.4 billion.



THANK YOU

Thank you to our
valued stakeholders:

SHAREHOLDERS

MERCHANTS

BUSINESS PARTNERS

SUPPLIERS

AND MOST IMPORTANTLY –

OUR DEDICATED BLUE LABEL EMPLOYEES FOR THEIR
INCREDIBLE COMMITMENT DURING THE YEAR.





Blue Label Telecoms Half Year Results

Cell C Performance

Unaudited financial results for the 6 months ended 30
November 2024 (FY24/25)

Date: 20 February 2025




FY24/25 H1 Key highlights

 Executing on strategic priorities drove double digit growth

 Robust financial performance

 CAPEX light model yielding positive results

 Stellar performance in the MVNO Business

 Brand performance showing significant momentum

 Awarded best overall Video Experience in South Africa*



Executing on our strategic priorities driving double-digit growth YoY



Address Network Quality & Perception



Reinforce Value Perception to Drive Growth



Leverage Partnerships to Boost Revenue



Delight with Best-in-Class Experience



Drive an Infectious Brand Connection

Total Revenue



+13%

EBITDA



+87%

Service Revenue



+7%

Gross Margin



+23%

Broadband Revenue



+26%

Cash Balance



+111%

MVNO Revenue



+22%

Blended ARPU



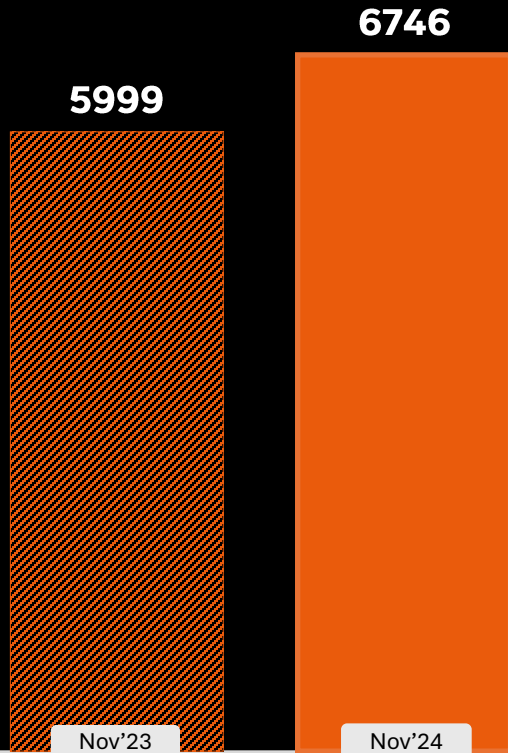
+14%

Mobile Data Traffic



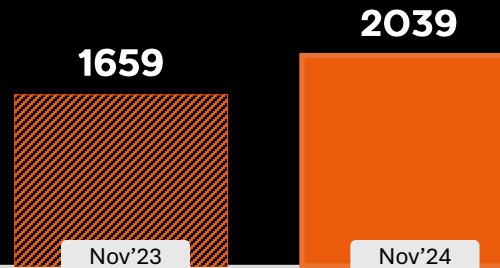
+27%

Robust financial performance leading to sustainable growth and profitability YoY



Revenue R'm YoY

- Total Revenue **+13%**
- Service Revenue **+7%**
- Equipment revenue **+82%**
- ARPU **+14%** to **R102**



Gross Margin R'm YoY

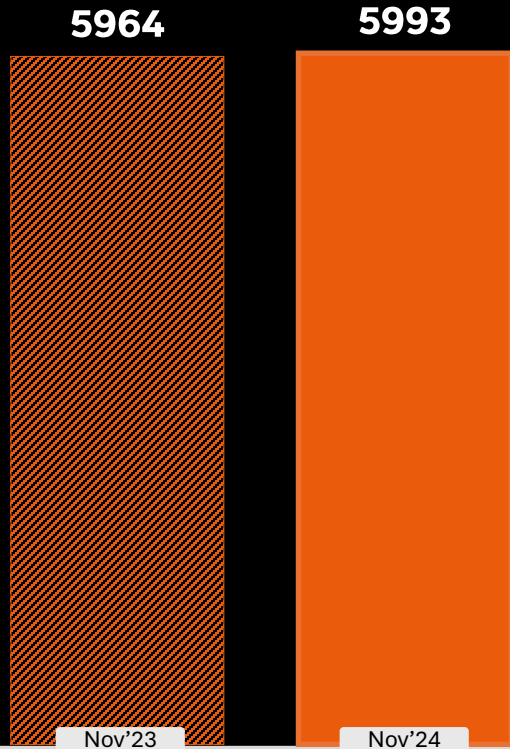
- Gross Margin **+23%**
- Optimised commercials in capacity buying
- More efficient cost structures
- Improved Gross Margin



EBITDA R'm

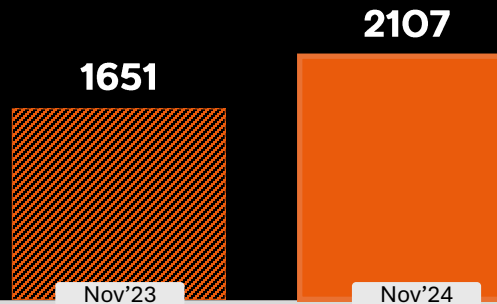
- Improved profitability **+87%**

Performance remains solid with IFRS adjustments included



Revenue R'm YoY

- Service Revenue **+8%**
- Prepaid revenue **+4%**
- MVNO revenue **+22%**
- Other revenue **-7%**



Gross Margin R'm YoY

- Gross Margin **+27%**
- Gross Margin as a % **+7%**
- Improved cost efficiencies

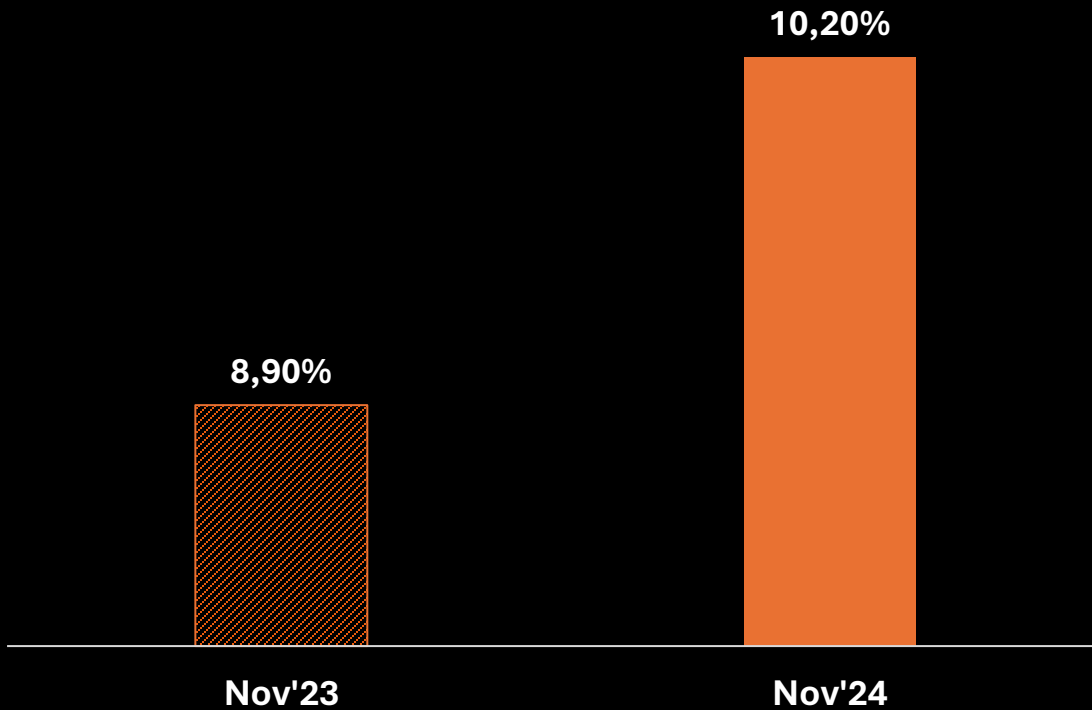


EBITDA R'm

- Improved profitability **+79% on IFRS**
- EBITDA margin at **13%** up **44%**

Solid performance in the MVNO Business

MVNO Revenue contribution to overall business



MVNO Voice

+10%



MVNO Data




+92%



MVNO Customer (HLR)

+20%

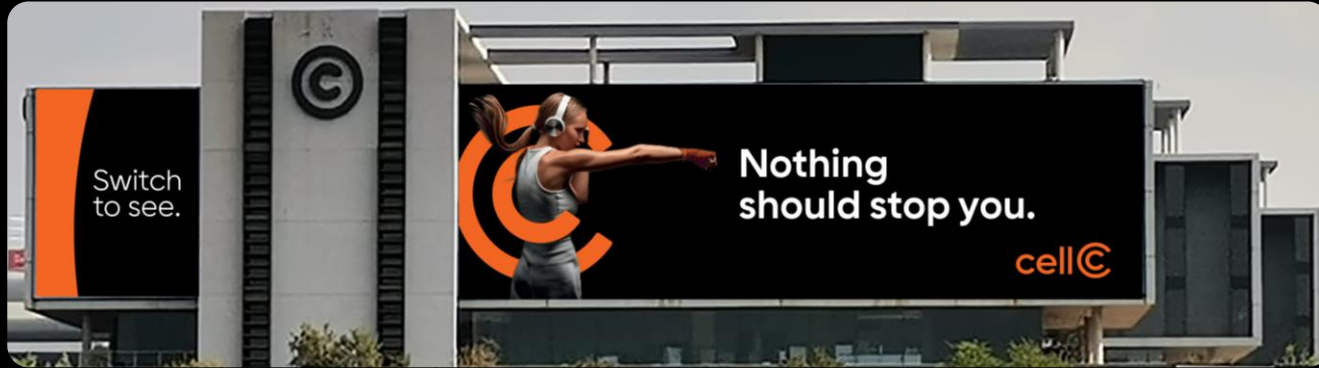
Balance sheet continues to show improvements

	R 'm	% change
Total assets	3 851	+71% 
Total Liabilities	14 452	+4% 
Equity	-10 600	+9% 

- Total Assets: Continuing with asset-light model.
- Total Liabilities: Increase in line with loan movements. Total Shareholder debt (secured and unsecured) makes up **50%** of the total liability balance.
- Improved profitability resulting in reduced negative equity.



Brand performance showing significant momentum

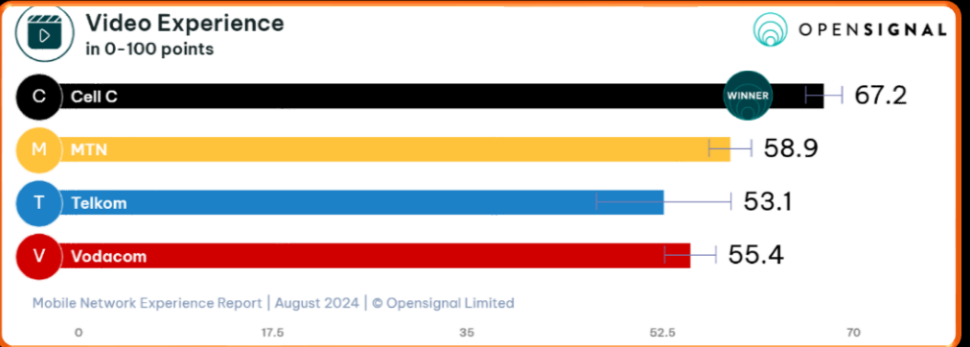


KANTAR BRANDZ

2024 MOST VALUABLE SOUTH AFRICAN BRANDS



Home Internet Excellence



Key opportunities to further fuel growth

1. Continue to execute on our Strategic Priorities
2. Full Postpaid Business integration
3. Investment in digital platforms & capabilities
4. Continue driving high-performance & values-driven culture
5. Further accelerate growth in MVNO & scale B2B
6. Leverage CAPEX light model & forge strong ecosystem partnerships
7. Operational intensity across all lines of business









Thank You!

cell©

FINANCIAL HIGHLIGHTS

For the period ended
30 November 2024

	Revenue of	R7.2 billion*	*On inclusion of the gross amount generated on “PINless top-ups”, prepaid electricity, ticketing and universal vouchers, the effective increase equated to 8% from R43.8 billion to R47.4 billion.
	Increase in gross profit of 2% to	R1.63 billion	2023: R1.60 billion
	Increase in gross profit margin to	22.44%	2023: 21.08%
	Core headline earnings per share of	47.20 cents per share	2023: 47.15 cents per share



REVENUE

For the period ended
30 November 2024

Group revenue amounted to R7.2 billion. As only the gross profit earned on “PINless top-ups”, prepaid electricity, ticketing and universal vouchers is recognised as revenue, on imputing the gross revenue generated from these sources, the effective growth in revenue equated to R3.5 billion (8%), resulting in a total revenue of R47.4 billion compared to the prior period of R43.8 billion.

	Group Nov 2024 R'000	Group Nov 2023 R'000	Growth R'000	Growth %
Prepaid airtime, data and related revenue	15,068,641	15,565,395	(496,755)	(3%)
- Prepaid airtime and data	4,502,231	4,752,000	(249,768)	(5%)
- "PINless" airtime top-ups	10,566,409	10,813,395	(246,986)	(2%)
Postpaid airtime, data and related revenue	90,375	72,901	17,474	24%
Prepaid & Postpaid SIM cards	182,986	194,646	(11,660)	(6%)
Services	269,004	239,477	29,527	12%
Subscription income share	254,115	246,364	7,751	3%
Gross electricity revenue	21,943,965	18,851,945	3,092,020	16%
- Electricity commission	160,733	158,468	2,265	1%
- Gross electricity revenue	21,783,232	18,693,477	3,089,755	17%
Handsets, tablets and other devices	1,241,291	1,470,075	(228,784)	(16%)
Finance revenue	153,103	159,519	(6,416)	(4%)
Gross ticketing revenue	718,178	680,935	37,243	5%
Gross universal vouchers revenue	7,277,868	6,223,872	1,053,995	17%
Other revenue	168,159	138,461	29,698	21%
Gross revenue	47,369,685	43,843,590	3,526,134	8%
Less: imputed gross revenue	(40,122,592)	(36,262,235)	(3,860,357)	11%
Reported revenue	7,245,092	7,581,356	(336,263)	(4%)



GROUP INCOME STATEMENT

For the period ended
30 November 2024

The decline in EBITDA and the modest growth in core headline earnings were primarily driven by a reduction in the Comm Equipment Company (CEC) subscriber base, a lower average revenue per user (ARPU) and increased finance costs associated with the sale of a portion of the CEC handset receivable book. The proceeds from the sale were transferred from CEC to The Prepaid Company (TPC) and ultimately to Cell C through the acquisition of airtime.

Earnings per share for the current and prior periods were 43.98 cents and 45.67 cents, respectively. Headline earnings per share for the same periods were 46.01 cents and 45.91 cents, respectively.

	Group Nov 2024 R'000	Group Nov 2023 R'000	Growth R'000	Growth %
Revenue	7,245,092	7,581,356	(336,264)	(4%)
Gross Profit	1,625,720	1,597,881	27,839	2%
EBITDA	653,155	697,003	(43,848)	(6%)
Finance costs	(532,402)	(459,311)	(73,091)	(16%)
Finance income	442,662	352,592	90,070	26%
Net profit after tax	395,353	406,423	(11,070)	(3%)
Core headline earnings	424,302	419,575	4,727	1%
Gross profit margin (%)	22.44%	21.08%		
EBITDA margin (%)	9.02%	9.19%		
Weighted average shares ('000)	898,859	889,918		
Share performance				
EPS (cents)	43.98	45.67	(1.69)	(4%)
HEPS (cents)	46.01	45.91	0.10	0%
Core HEPS (cents)	47.20	47.15	0.05	0%



BALANCE SHEET

As at
30 November 2024

The increase in non-current assets included a R392 million increase in loans to associates and joint ventures, as well as a R74 million increase in intangible assets.

The net decline in current assets includes a decrease of R192 million in loans to associates and joint ventures, a R184 million reduction in inventory, resulting from the destocking of surplus prepaid airtime during the period, and a R260 million decrease in advances to customers, primarily due to the partial sale of the handset receivable book. These decreases were partially offset by an increase of R610 million in trade and other receivables.

In November 2024, CEC concluded additional arrangements with financial institutions, enabling the sale of handset receivables. During the current period, CEC sold handset receivables with a gross value of R357 million.

The increase of R201 million in loans to associates and joint ventures is primarily attributable to the interest accrued of R351 million from the loan extended to Cell C as a component of the debt-funding and reinvestment instrument and R42 million related to accrued interest on the loan extended for the CEC deferral amount, partially offset against repayments received thereon of R52 million and R159 million respectively.



	Group Nov 2024 R'000	Group Nov 2023 R'000
Non-current assets	5,734,729	5,330,783
Intangible assets and goodwill	2,257,278	2,183,199
Loans to associates and joint ventures	2,359,374	1,967,246
Advances to customers	487,556	485,323
Other non-current assets	630,521	695,015
Current assets	9,800,808	9,806,556
Loans to associates and joint ventures	254,147	445,773
Inventories	4,225,265	4,409,011
Trade and other receivables	3,846,976	3,236,969
Advances to customers	491,368	751,036
Other current assets	125,848	67,527
Cash and cash equivalents	857,204	896,240
Total assets	15,535,537	15,137,339
Capital and reserves	5,507,440	5,112,140
Non-current liabilities	2,990,413	3,351,850
Borrowings	2,617,195	2,910,060
Other non-current liabilities	373,218	441,790
Current liabilities	7,037,684	6,673,349
Trade and other payables	5,099,621	5,335,058
Borrowings	1,767,664	1,166,190
Other current liabilities	170,399	172,101
Total equity and liabilities	15,535,537	15,137,339

CASH FLOW

For the period ended
30 November 2024

Cash generated from trading operations amounted to R424 million. Working capital movements included a decrease in inventory of R183 million and advances to customers of R221 million, offset by an increase in trade and other receivables of R582 million and accounts payable of R222 million. After incurring net finance costs of R375 million and taxation of R151 million, net cash utilised in operating activities amounted to R129 million.

Net cash flows utilised in investing activities amounted to R167 million, primarily attributable to the purchase of intangible assets amounting to R267 million and property, plant and equipment of R32 million, partially offset by the net repayment of loans from associates and joint ventures of R122 million.

Included in net loan repayments by associates and joint ventures of R122 million are capital repayments by Cell C of R117 million partially offset by net loans granted to other associates and joint ventures of R5 million.

Cash flows generated from financing activities amounted to R257 million, of which R293 million related to a net increase in interest-bearing borrowings.

	Group Nov 2024 R'000	Group Nov 2023 R'000
Cash generated by operations	424,022	288,482
Interest received	114,699	78,403
Interest paid	(516,985)	(424,904)
Taxation paid	(150,883)	(118,539)
Cash flows from operating activities	(129,147)	(176,558)
Cash flows from investing activities	(166,982)	46,545
Cash flows from financing activities	257,174	(38,639)
Net decrease in cash and cash equivalents	(38,955)	(168,652)
Cash and cash equivalents at the beginning of the period	896,147	1,302,767
Cash and cash equivalents at the end of the period	857,192	1,134,115



THANK YOU

QUESTIONS?

