



**BLUE LABEL**  
TELECOMS

## CELL C RESULTS

Brief overview for the 12 months ended 31 May 2020

# CELL C'S TURNAROUND STRATEGY IS DRIVING POSITIVE CHANGE

1

## Liquidity Focus

Liquidity is in place.

Informal debt standstill, current items on hold while debt is restructured as a part of capitalisation.

Complete 

2

## Network strategy

Evolution of the capex intensive, infrastructure based network to a aggregator of infrastructure.

Implementation of expanded MTN roaming agreement commenced 1 May 2020. Transition will take 36 months.

Complete 

3

## Operational Rationalisation

A cost efficiency programme.  
Drop in customers but only 2% decline in revenue.

Operating model changes from build, own and run everything to focused investment, partnering and a buyer of services.

Ongoing 

4

## Recapitalisation

Complex restructure.  
Multiple stakeholders.  
Good progress.  
Final step will be term sheet.

In progress 

CELL C OF THE FUTURE

Lean

Agile

Responsive

# 2020 Operational Overview

For June 2019 to May 2020

- A reduction in approximately a third of the customer base but only a 2% decline in service revenue.
- Resulting in a quality base of subscribers.
- Not wasting commercial expenses to acquire customers that are not providing a return.

	2020 R'm	2019 R'm	% change
Service revenue	13 901	14 247	▼ -2%
EBITDA	3 744	3 391	▲ 10%

# Evolution of the customer base in pursuit of profitability

- We have been actively managing our customer base by pursuing more profitable customers.
- This has resulted in a reduction in the Cell C customer base. With a decline on 28% of the base, we have maintained and grown revenue based on the trend.
- Cell C removed non-profitable products and increased its focus on retail product pricing.

Service Revenue vs Total Subscribers

