
CORPORATE FINANCE SERVICES FOR CELL C (PTY) LTD ("CELL C") RELATING TO THE PROPOSED HANDSET REFINANCING TRANSACTION AND GENERAL CORPORATE FINANCE ADVICE RELATING TO THE PREPARATION OF A CONFIDENTIAL INFORMATION MEMORANDUM ("TRANSACTIONS")

INTRODUCTION

Cell C was intent on entering into a Handset Financing Transaction as part of a capital restructuring programme, and also required preparation of a Confidential Information Memorandum in a separate transaction. In light of the proposed Transactions, Cell C retained the services of St John Capital to provide Corporate Finance advice.

HANDSET FINANCING TRANSACTION

St John Capital advised on the proposed Handset Financing Transaction contemplated by Cell C and provided advice in evaluating and negotiating the salient terms in the term sheet and the Transaction agreements. The key considerations in the deal included Cell C's equity contribution into the structure, appropriate interest rates, assessing bad debts and churn rates, scenario analysis of recourse versus non-recourse structures, interest rate caps and floors, as well as assessing security packages and escrow accounts in the structure.

PREPARATION OF CONFIDENTIAL INFORMATION MEMORANDUM

St John Capital prepared a Confidential Information Memorandum on behalf of Cell C.

Johannesburg | 30 August 2015