



Notes to the financial statements continued

for the year ended 31 March 2024

12. Group composition

12.1 Group interest in subsidiaries and associates

Set out below is a list of the significant subsidiaries and associates of the Group at 31 March 2024, held directly by Telkom SA SOC Ltd. Unless otherwise stated, the entities as listed below have share capital consisting solely of ordinary shares, which are held directly by the Group and the proportion of ownership interest held equals to the voting rights held by the Group.

	Country of incorporation	Issued share capital 2024 R	Interest in issued ordinary share capital 2024 %	Ownership interest held by non-controlling interest 2024 %	Issued share capital 2023 R	Interest in issued ordinary share capital 2023 %	Ownership interest held by non-controlling interest 2023 %
Business Connexion Group Ltd	RSA	2 280 500	100	–	2 280 500	100	–
Openserve (Pty) Ltd	RSA	11 212 194 372	100	–	11 212 194 372	100	–
Trudon (Pty) Ltd	RSA	100 000	100	–	100 000	100	–
Rossal No 65 (Pty) Ltd	RSA	100	100	–	100	100	–
Acajou Investments (Pty) Ltd t/a VS Gaming	RSA	100	100	–	100	100	–
Swiftnet SOC Ltd ¹	RSA	5 000 000	100	–	5 000 000	100	–
Number Portability Company (Pty) Ltd ²	RSA	100	20	–	100	20	–
Gyro Properties (Pty) Ltd	RSA	100	100	–	100	100	–
Gyro Group (Pty) Ltd	RSA	100	100	–	100	100	–

¹ Investment in Swiftnet is disclosed as an asset held for sale in the current year. Refer to [note 12.2](#).

² There are no significant restrictions on the ability of the associate to transfer funds to the Group in the form of cash dividends, or to repay loans or advances made by the Group.

	31 March 2024 Rm	31 March 2023 Rm
The disclosure of the interest in Number Portability Company (Pty) Ltd is as follows:		
Closing carrying value	12	12

The total non-controlling interest for the year is R21 million (31 March 2023: R23 million) and relates to Business Connexion and Trudon and is not considered material to the Group.



Notes to the financial statements continued

for the year ended 31 March 2024

12. Group composition continued

12.1 Group interest in subsidiaries and associates continued

Interest in operating profits, before eliminations, from subsidiaries	Revenue Rm	EBITDA Rm	EBIT Rm	Net profit/ (loss) Rm
2024				
Business Connexion Group Ltd	12 915	1 348	849	532
Openserve (Pty) Ltd	12 511	3 952	1 428	160
Swiftnet SOC Ltd ¹	1 321	990	919	659
Telkom Foundation ²	64	(9)	(9)	(7)
Gyro Properties (Pty) Ltd	59	8	–	3
Gyro Group (Pty) Ltd	274	76	66	54
2023				
Business Connexion Group Ltd	14 252	1 386	605	478
Openserve (Pty) Ltd	7 548	1 770	(7 105)	(5 586)
Trudon (Pty) Ltd	5	8	12	(26)
Swiftnet SOC Ltd ¹	1 304	896	833	584
Telkom Foundation ²	63	(3)	(3)	(2)
Gyro Properties (Pty) Ltd	167	125	118	89
Gyro Group (Pty) Ltd	332	89	86	68

¹ Investment in Swiftnet is disclosed as an asset held for sale in the current year. Refer to [note 12.2](#).

² Non-profit making trust.

None of the Group's equity-accounted investees are publicly listed entities and consequently do not have published price quotations.

12.2 Non-current asset held for sale and discontinued operation

During the 2023 financial year, the Telkom Board approved the disposal of Swiftnet SOC Ltd (Swiftnet), a 100% owned subsidiary. The disposal is part of the Group's Value Unlock Strategy, which aims at realising the intrinsic value of the underlying business.

Significant judgement in assessing if Swiftnet meets the conditions to be classified as held for sale in accordance with IFRS 5 (Non-current Assets Held for Sale and Discontinued Operations)

The asset held for sale classification was met during the first half of the 2024 financial year and reported in the September 2023 interim financial statements, after the current preferred bidder presented an offer that was within Telkom's acceptable range. The receipt of an offer within the acceptable range made the transaction structure more certain and the likelihood of finalising the transaction within 12 months highly probable considering the bidder's profile. Subsequent to 30 September 2023, the disposal has progressed as planned with a sale agreement being finalised in March 2024. The disposal is subject to approvals that are expected to be obtained within 12 months based on previous market precedents.

Non-current assets held for sale classification

Swiftnet's assets and liabilities were presented as held for sale in the interim reporting, 30 September 2023, as the sale was considered highly probable. The sale transaction has since progressed as planned. A sale agreement was finalised in March 2024, followed by the issue of the JSE circular in April 2024. The circular reassures the market of management's commitment to sell Swiftnet.

The transaction is expected to be completed within 12 months from year-end. The assets and liabilities of Swiftnet, as well as the investment in Swiftnet, therefore remain classified as held for sale. In line with IFRS 5 requirements, the statement of financial position and the statement of cash flows have not been re-presented for prior periods to reflect the classification as held for sale.

Discontinued operation assessment

In addition to being classified as held for sale, it was confirmed that Swiftnet is a separate component of Telkom and represents a separate major line of business and therefore meets the discontinued operation classification. Consequently, Swiftnet's operating results (revenue and expenses) have been separately disclosed as a single line item in the consolidated statement of profit or loss and other comprehensive income. The comparative statement of profit or loss and other comprehensive income has been re-presented for the discontinued operation.