NOTES TO CONSOLIDATED ANNUAL FINANCIAL STATEMENTS CONTINUED

for the year ended 30 September 2020

20. INTEREST-BEARING BORROWINGS

	2020		2019	
	Non-current portion R'm	**Current portion R'm**	Non-current portion R'm	Current portion R'm
Unsecured borrowings				
Bilateral term loans	**1 325**	**957**	2 237	531
Syndicated term loans	**7 056**	**–**	5 485	–
Bank loan	**15**	**4**	12	4
Life Healthcare Multi-Issuer programme notes	**–**	**598**	–	850
Preference shares	**500**	**–**	500	–
Secured borrowings				
Equipment instalment sale	**–**	**–**	–	5
Mortgage bonds	**34**	**15**	49	14
Bank loans	**–**	**65**	–	152
Term loans	**1**	**2**	11	13
Revolving credit facility	**738**	**–**	–	705
Lease liabilities (2019: finance leases)	**2 365**	**539**	1 105	322
Total borrowings – 30 September	**12 034**	**2 180**	9 399	2 596

Terms and repayment schedule

	Interest rate at 30 September	**Repayment terms[4]**	**Date of maturity/final settlement**	**Carrying value 2020 R'm**	Carrying value 2019 R'm
Bilateral term loans Southern Africa					
Term loan one	3-month JIBAR plus 1.65%[1]	Eight equal quarterly instalments of R50 million, payable from 30 September 2018	15 May 2020	**–**	150
Term loan two	3-month JIBAR plus 1.70%	Eight equal quarterly instalments of R43.8 million, payable from 30 September 2018	15 May 2020	**–**	131
Term loan three	3-month JIBAR plus 2.14%[2]	Six equal semi-annual instalments of R125 million, payable from 30 June 2019	17 Mar 2022	**375**	625
Term loan four	3-month JIBAR plus 1.55%[3]	Five equal semi-annual instalments of R200 million, payable from 30 September 2021	27 Sep 2023	**1 000**	1 000
Term loan five	3-month JIBAR plus 1.59%	Five equal semi-annual instalments of R100 million, payable from 30 September 2021	27 Sep 2023	**500**	500

20. INTEREST-BEARING BORROWINGS continued

	Interest rate at 30 September	Repayment terms[4]	Date of maturity/final settlement	Carrying value 2020 R'm	Carrying value 2019 R'm
Polish					
Term loan one	3-month WIBOR plus 2.04%	Single instalment	18 Dec 2020	**407**	362
Syndicated term loans					
United Kingdom					
Term loan A1	3-month LIBOR plus 1.80%[1] (2019: 2.20%)	Single instalment	31 Mar 2023 (2019: 22 Nov 2020)	**1 953**	1 160
Term loan A2	3-month LIBOR plus 2.00 %[1] (2019: 2.50%)	Single instalment	31 Mar 2025 (2019: 22 Nov 2022)	**1 953**	1 160
Term loan B1	3-month EURIBOR plus 1.70%[1] (2019: 2.00%)	Single instalment	31 Mar 2023 (2019: 22 Nov 2020)	**1 358**	1 133
Term loan B2	3-month EURIBOR plus 1.90%[1] (2019: 2.30%)	Single instalment	31 Mar 2025 (2019: 22 Nov 2022)	**1 358**	1 133
Term loan C	3-month LIBOR plus 1.70%[1] (2019: 2.35%)	Single instalment	31 Mar 2025 (2019: 22 Nov 2022)	**434**	899
Bank loan	1.00% – 3.17%	Monthly/quarterly instalments	31 April 2031	**19**	16
Life Healthcare Multi-Issuer programme notes					
Note one	3-month JIBAR plus 0.725%	Single instalment	16 Oct 2019	**–**	250
Note two	3-month JIBAR plus 0.735%	Single instalment	28 Nov 2019	**–**	200
Note three	3-month JIBAR plus 0.715%	Single instalment	2 Mar 2020	**–**	400
Note four	3-month JIBAR plus 0.750%	Single instalment	15 Oct 2020	**243**	–
Note five	3-month JIBAR plus 1.200%	Single instalment	17 Nov 2020	**80**	–
Note six	3-month JIBAR plus 1.700%	Single instalment	8 Jun 2021	**275**	–
Preference shares					
Class E	72% of 3-month JIBAR plus 1.60%	Single instalment	30 Mar 2022	**500**	500
Unsecured borrowings				**10 455**	9 619

NOTES TO CONSOLIDATED ANNUAL FINANCIAL STATEMENTS CONTINUED

for the year ended 30 September 2020

20. INTEREST-BEARING BORROWINGS continued

Terms and repayment schedule continued

	Interest rate at 30 September	Repayment terms[4]	Date of maturity/final settlement	Carrying value 2020 R'm	Carrying value 2019 R'm
Equipment instalment sale	Botswana prime less 0.25%	60 equal monthly instalments of R0.4 million	31 Jul 2020	–	5
Mortgage bonds	1-month JIBAR plus 2.65%	120 equal monthly instalments of R1.5 million	30 Sep 2023	49	63
Bank loans (trade receivable subject to factoring arrangement refer note 16)	1-month EURIBOR + 1.30% (2019: 1.40%) or 1-month LIBOR + 1.75%	Payable as cash is received from debtors	Overarching agreement ends August 2021	65	152
Term loans in Polish operations	1-month WIBOR plus 1.0%	Monthly instalments of R0.1 million	24 Sep 2022	3	24
Revolving credit facilities					
Credit facility (EUR facility)	3-month EURIBOR plus 1.35%	Single instalment	10 Dec 2021	738	616
Alliance Medical (GBP facility)	LIBOR + 3.75%	n/a	Rolling credit agreement of maximum 3 months.	–	31
Alliance Medical (EUR facility)	EURIBOR + 3.75%	n/a	Overarching agreement ends August 2021	–	58
Lease liabilities (2019: finance leases)					
Southern Africa (property, equipment and other)	7.0%-18.0%	Repayable in monthly instalments over 1 to 20 years ending Oct 2039.		881	515
Alliance Medical (property, equipment and other)	0.0%-6.67%	Repayable in either quarterly or monthly instalments over 1 to 22 years ending Sep 2042.		1 495	660
Polish (property, equipment and other)	3-month WIBOR plus 3.76% or 3.77%	Repayable in monthly instalments over 1 to 18 years ending June 2038.		528	252
Secured borrowings				3 759	2 376
Total borrowings				14 214	11 995

20. INTEREST-BEARING BORROWINGS continued

Terms and repayment schedule continued

	Carrying value 2020 R'm	Carrying value 2019 R'm
The interest-bearing borrowings carrying amount is denominated in the following currencies:		
South African rand	**3 723**	4 194
Botswana pula	**180**	145
Pound sterling	**5 268**	3 972
European euro	**4 105**	3 046
Polish zloty	**938**	638
	14 214	11 995

The lenders have the right to change the interest rate margin on the term loans in the following conditions:

[1] – If the net debt to normalised EBITDA ratio is higher than 3.00:1, then the interest rate margin shall increase by 0.25%.

[2] – If the net debt to normalised EBITDA ratio is at or less than 1.75:1, then the interest rate margin shall be 1.84% for term loan three.

– If the net debt to normalised EBITDA ratio is higher than 1.75:1 and less than or equal to 2.25:1, then the interest rate margin shall be 1.99% for term loan three.

– If the net debt to normalised EBITDA ratio is higher than 2.25:1 and less than or equal to 2.75:1, then the interest rate margin shall be 2.14% for term loan three.

– If the net debt to normalised EBITDA ratio is higher than 2.75:1, then the interest rate margin shall be 2.29% for term loan three.

[3] – If the net debt to normalised EBITDA ratio is at or less than 2.50:1, then the interest rate margin shall be 1.55% for term loan four.

– If the net debt to normalised EBITDA ratio is higher than 2.50:1 and less than or equal to 3.00:1, then the interest rate margin shall be 2.05% for term loan four.

– If the net debt to normalised EBITDA ratio is higher than 3.00:1 and less than or equal to 3.50:1, then the interest rate margin shall be 2.30% for term loan four.

– If the net debt to normalised EBITDA ratio is higher than 3.50:1, then the interest rate margin shall be 2.55% for term loan four.

[4] The final capital repayment date is stipulated in the funding agreement and may differ slightly from the instalment dates.

	Bank loans 2020 R'm	**Preference shares 2020 R'm**	**Lease liabilities 2020 R'm**	Bank loans 2019 R'm	Preference shares 2019 R'm	Finance leases 2019 R'm
Reconciliation of opening balance to closing balance						
Balance at 1 October	**10 068**	**500**	**1 427**	11 752	2 700	1 504
Cash flow movements						
Proceeds from interest-bearing borrowings	**12 505**	**–**	**261**	5 285	500	211
Repayment of interest-bearing borrowings	**(12 952)**	**–**	**(573)**	(7 048)	(2 700)	(304)
Interest paid	**(427)**	**(29)**	**(159)**	(576)	(143)	(115)
Debt raising fees capitalised	**(43)**	**–**	**–**	–	–	–
Non-cash items						
Interest accrued	**427**	**29**	**159**	576	143	115
Recognised on 1 October 2019 as a result of adopting IFRS 16	**–**	**–**	**1 292**	–	–	–
Additional lease liabilities recognised	**–**	**–**	**355**	–	–	3
Derecognition of lease liability	**–**	**–**	**(173)**	–	–	–
Arising on acquisition of subsidiaries	**–**	**–**	**–**	–	–	4
Amortisation of debt raising fees capitalised	**45**	**–**	**–**	20	–	–
Effect of foreign currency movement	**1 187**	**–**	**315**	59	–	9
Balance at 30 September	**10 810**	**500**	**2 904**	10 068	500	1 427

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for the year ended 30 September 2020

20. INTEREST-BEARING BORROWINGS continued

	Receivables		Property, plant and equipment	
	2020 R'm	2019 R'm	**2020 R'm**	2019 R'm
Carrying value of assets held as security for borrowings				
Equipment instalment sale	**–**	–	**–**	12
Mortgage bonds	**–**	–	**106**	115
Bank loans	**311**	359	**–**	–
Term loans in Polish operations	**–**	–	**25**	102
Revolving credit facility (Alliance Medical – secured against gross assets)	**–**	–	**2 125**	1 727
Lease liabilities (2019: Finance leases)	**–**	–	**3 077**	1 598
Total	**311**	359	**5 333**	3 554

	Future minimum lease payments		Interest		Present value of future finance lease payments	
	2020 R'm	2019 R'm	**2020 R'm**	2019 R'm	**2020 R'm**	2019 R'm
Finance lease liabilities						
Within one year		423		101		322
Between one and five years	**n/a[1]**	1 079	**n/a[1]**	247	**n/a[1]**	832
Later than five years		419		146		273
Total	**–**	1 921	**–**	494	**–**	1 427

[1] *Disclosed as part of risk management – refer note 31.*

Borrowing facilities

	Total 2020 R'm	**Available 2020 R'm**	Total 2019 R'm	Available 2019 R'm
The Group has the following borrowing facilities:				
Southern Africa				
Uncommitted revolving credit facility	**–**	**–**	2 000	2 000
Committed general banking facilities*	**4 000**	**2 319**	1 500	633
Committed trade loan facility	**650**	**650**	–	–
Uncommitted general banking facilities	**1 250**	**750**	500	500
International				
Committed GBP revolving credit facility	**2 290**	**1 853**	1 961	968
Committed EUR revolving credit facility	**993**	**255**	829	213
Committed working capital facility (zloty)	**44**	**44**	21	21
Committed leasing facility (GBP)	**654**	**143**	560	46
Factoring facility (GBP and EUR)	**333**	**268**	284	132
	10 214	**6 282**	7 655	4 513

* *Fluctuates seasonally.*