

Notice of Annual General Meeting

Notice is hereby given to Blue Label shareholders recorded in the Company's securities register on Friday, 18 October 2019, that the twelfth Annual General Meeting (AGM) of shareholders of Blue Label Telecoms Limited will be held in the boardroom, Blue Label corporate offices, 75 Grayston Drive, Sandton, on Thursday, 28 November 2019 at 10:00 (South African time), to conduct such business as may lawfully be dealt with at the AGM and to consider and, if deemed fit, pass, with or without modification, the ordinary and special resolutions set out hereunder in the manner required by the Companies Act, No 71 of 2008 (Act or Companies Act), as read with the Listings Requirements.

In terms of section 63(1) of the Act, meeting participants (including proxies) will be required to provide reasonably satisfactory identification before being entitled to participate in or vote at the AGM. Acceptable forms of identification include original and valid identity documents, driving licences and passports.

RECORD DATES, PROXIES AND VOTING

In terms of sections 59(1)(a) and (b) of the Act, the Board of the Company has set the record date for the purpose of determining which shareholders are entitled to:

- receive notice of the AGM (being the date on which a shareholder must be registered in the Company's shareholders' register in order to receive notice of the AGM) as Friday, 18 October 2019; and
- participate in and vote at the AGM (being the date on which a shareholder must be registered in the Company's shareholders' register in order to participate in and vote at the AGM) as Friday, 22 November 2019.

Certificated shareholders or own-name dematerialised shareholders may attend and vote at the AGM, or alternatively appoint a proxy to attend, speak and, in respect of the applicable resolution(s), vote in their stead by completing the attached form of proxy and returning it to the Transfer Secretaries at the address given in the form of proxy by no later than 10:00 on Tuesday, 26 November 2019.

Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with own-name registration, should contact their central securities depository participant (CSDP) or broker in the manner and within the time stipulated in the agreement entered into between them and their CSDP or broker: to furnish their voting instructions; or in the event that they wish to attend the AGM, to obtain the necessary letter of representation to do so.

On a show of hands, every shareholder present in person or represented by proxy and entitled to vote shall have only one vote irrespective of the number of shares such shareholder holds. On a poll, every shareholder, present in person or represented by proxy and entitled to vote, shall be entitled to that proportion of the total votes in the Company which the aggregate amount of the nominal value of the shares held by such shareholder bears to the aggregate amount of the nominal value of all shares issued by the Company.

Certificated shareholders or own-name dematerialised shareholders who are entitled to attend and vote at the AGM are entitled to appoint a proxy to attend, participate in and vote at the AGM in their stead. A proxy need not also be a shareholder of the Company. The completion of a form of proxy will not preclude a shareholder from attending the AGM.

ELECTRONIC PARTICIPATION

The Company will provide for electronic participation in the AGM, as set out in section 63 of the Act. Please refer to the notes on page 125 at the end of this notice.

When reading the resolutions below, please refer to the explanatory notes on pages 125 and 126.

PRESENTATION OF ANNUAL FINANCIAL STATEMENTS AND REPORTS

The audited Group annual financial statements, including the external auditor, Audit, Risk and Compliance Committee and Directors' reports for the year ended 31 May 2019, have been distributed as required and will be presented to shareholders at the AGM.

The Audit, Risk and Compliance Committee's report is set out on pages 89 to 95.

ORDINARY RESOLUTIONS

In terms of sections 62(3)(c) and 65(7) of the Act, unless otherwise specified, in order for each of the following ordinary resolutions to be passed, each resolution must be supported by more than 50% of the voting rights exercised.

- 1. Ordinary resolution number 1:** Re-election of Mr MS Levy as a Director of the Company

Resolved that Mr MS Levy, who was first appointed to the Board on 1 February 2007, and who retires in terms of the Memorandum of Incorporation (MoI), and who is eligible and available for re-election, is re-elected as a Director of the Company with immediate effect.

A brief biography of Mr MS Levy is on page 24.

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2. Ordinary resolution number 2: Re-election of Mr JS Mthimunya as a Director of the Company

Resolved that Mr JS Mthimunya, who was first appointed to the Board on 5 October 2007 and who retires in terms of the Mol, and who is eligible and available for re-election, is re-elected as a Director of the Company with immediate effect.

A brief biography of Mr JS Mthimunya is on page 25.

3. Ordinary resolution number 3: Re-election of Mr LM Nestadt as a Director of the Company and Chairman of the Board

Resolved that Mr LM Nestadt, an Independent Non-Executive Director who was first appointed to the Board on 5 October 2007 and who retires in terms of the Mol, and who is eligible and available for re-election, is re-elected as a Director and Chairman of the Company with immediate effect.

A brief biography of Mr LM Nestadt is on page 24.

4. Ordinary resolution number 4: Reappointment of external auditor

Resolved that on the recommendation of the current Audit, Risk and Compliance Committee of the Company, PricewaterhouseCoopers Incorporated, is reappointed as independent registered auditor of the Company for the ensuing year until the conclusion of the next AGM of the Company.

5. Ordinary resolution number 5: Election of Mr JS Mthimunya as a member and Chairman of the Audit, Risk and Compliance Committee for the year ending 31 May 2020

Resolved that, in terms of section 94(2) of the Act, but subject to his re-election as a Director in terms of resolution number 2, Mr JS Mthimunya, an Independent Non-Executive Director of the Company, is elected as a member and Chairman of the Audit, Risk and Compliance Committee.

A brief biography of Mr JS Mthimunya is on page 25.

6. Ordinary resolution number 6: Election of Mr GD Harlow as a member of the Audit, Risk and Compliance Committee for the year ending 31 May 2020

Resolved that, in terms of section 94(2) of the Act, Mr GD Harlow, an Independent Non-Executive Director of the Company, is elected as a member of the Audit, Risk and Compliance Committee.

A brief biography of Mr GD Harlow is on page 25.

7. Ordinary resolution number 7: Election of Mr SJ Vilakazi as a member of the Audit, Risk and Compliance Committee for the year ending 31 May 2020

Resolved that, in terms of section 94(2) of the Act, Mr SJ Vilakazi, an Independent Non-Executive Director of the Company, is elected as a member of the Audit, Risk and Compliance Committee.

A brief biography of Mr SJ Vilakazi is on page 25.

8. Ordinary resolution number 8: Non-binding advisory endorsement of Blue Label Telecoms Limited Group's remuneration and reward policy

Resolved, by way of a non-binding advisory vote, that the Blue Label Telecoms Limited Group remuneration and reward policy (excluding the remuneration of Non-Executive Directors and the members of the statutory and Board committees for their services as Directors and members of committees) as set out in the remuneration report in the integrated annual report 2019 is endorsed.

9. Ordinary resolution number 9: Non-binding advisory endorsement of the Blue Label Telecoms Limited Group's remuneration implementation report

Resolved, by way of a non-binding advisory vote, that the Blue Label Telecoms Limited Group's remuneration implementation report set out in the remuneration report in the integrated annual report 2019 is endorsed.

10. Ordinary resolution number 10: Directors' authority to implement ordinary and special resolutions

Resolved that each and every Director of the Company is authorised to do all such things and sign all such documents as may be necessary for or incidental to the implementation of the ordinary and special resolutions passed at the AGM.

SPECIAL RESOLUTIONS

In terms of sections 62(3)(c) and 65(9) of the Act, the minimum percentage of voting rights required for each of the following special resolutions to be passed is 75% (seventy-five percent) of the voting rights exercised.

1. Special resolution number 1: Non-Executive Directors' remuneration

Resolved that in terms of section 66(9) of the Act, the following remuneration shall be payable to the Non-Executive Directors for their services as Directors for the period 1 June 2019 to 31 May 2020.

The proposed fees payable to Non-Executive Directors are set out below:

	Current fee 2019 R	Proposed fee 2020 R
Services as Directors		
– Chairman of the Board (per annum)	1 802 000	1 910 120
– Board members (per annum)	397 500	421 350
Audit, Risk and Compliance Committee		
– Chairman (per annum)	360 400	382 024
– Member (per annum)	222 600	235 956
Remuneration and Nomination Committee		
– Chairman Remuneration (per annum)	212 000	224 720
– Chairman Nomination (per annum)	148 400	157 304
– Member (per annum)	127 200	134 832
Investment Committee		
– Chairman (per annum)	212 000	224 720
– Member (per annum)	127 200	134 832
Transformation, Social and Ethics Committee		
– Chairman (per annum)	127 200	134 832
– Member (per annum)	79 500	84 270
Ad hoc Committee		
– Chairman (per meeting)	47 700	50 562
– Member (per meeting)	28 620	30 337

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2. **Special resolution number 2:** General authority to repurchase shares

Resolved that, pursuant to the Mol, the Company or any of its subsidiaries are hereby authorised by way of a general approval, from time to time, to acquire ordinary shares in the share capital of the Company in accordance with the Act and the Listings Requirements, provided that:

- (a) the number of its own ordinary shares acquired by the Company in any one financial year shall not exceed 20% (twenty percent) of the ordinary shares in issue at the date on which this resolution is passed;
- (b) this authority shall lapse on the earlier of the date of the next AGM of the Company or the date 15 (fifteen) months after the date on which this resolution is passed;
- (c) the Board has resolved to authorise the acquisition and that the Group will satisfy the solvency and liquidity test immediately after the acquisition and that since the test there have been no material changes to the financial position of the Group;
- (d) the acquisition must be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty;
- (e) the Company only appoints one agent to effect any acquisition(s) on its behalf;
- (f) the price paid per ordinary share may not be greater than 10% above the weighted average of the market value of the ordinary shares for the

five (5) business days immediately preceding the date on which an acquisition is made;

- (g) the number of shares acquired by subsidiaries of the Company shall not exceed 10% (ten percent) in the aggregate of the number of issued shares in the Company at the relevant times;
- (h) the acquisition of shares by the Company or its subsidiaries may not be effected during a prohibited period, as defined in the Listings Requirements;
- (i) an announcement containing full details of such acquisitions of shares will be published as soon as the Company and/or its subsidiaries have acquired shares constituting, on a cumulative basis, 3% (three percent) of the number of shares in issue at the date of the meeting at which this special resolution is considered and if approved, passed, and for each 3% (three percent) in aggregate of the initial number (the number of that class of shares in issue at the time that the general authority from shareholders is granted) acquired thereafter; and
- (j) an issuer or its subsidiary company may repurchase securities during a prohibited period as defined in paragraph 3.67 if they have in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and have been submitted to the JSE in writing prior to the commencement of the prohibited period. The issuer must instruct an independent third party, which makes its investment decisions in relation to the issuer's, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE.

The Listings Requirements require, in terms of paragraph 11.26, the following disclosures, which appear in the integrated annual report:

- major shareholders – refer to page 130 of the Group annual financial statements;
- material change – there were no material changes;
- share capital of the Company – refer to page 104 of the Group annual financial statements; and
- responsibility statement – refer to page 1 of the Group annual financial statements.

By order of the Board



J van Eden
Group Company Secretary

Sandton

29 October 2019

EXPLANATORY NOTES

Presentation of the annual financial statements

In terms of section 61(8)(a) of the Act, the Directors' report, audited Group annual financial statements for the immediately preceding financial year and the Audit, Risk and Compliance Committee report are to be presented to shareholders at the AGM.

Ordinary resolution numbers 1 to 3 (inclusive): Re-election of Directors

In accordance with the MoI, one-third of the Directors are required to retire at each AGM and may offer themselves for re-election. Messrs MS Levy, JS Mthimunya and LM Nestadt retire by rotation at the AGM in accordance with article 25.17 of the MoI, and have offered themselves for re-election.

Brief biographies of the Directors are on pages 24 and 25.

The Board is satisfied with the performance of each of the Directors standing for re-election and that they will continue to make an effective and valuable contribution to the Company and to the Board.

The Board recommends to shareholders that they should vote in favour of the re-election of each of the Directors referred to in ordinary resolution numbers 1 to 3 (inclusive).

Ordinary resolution number 4: Reappointment of external auditor

In terms of section 90(1) of the Act, each year at its AGM, the Company must appoint an auditor meeting the requirements of section 90(2) of the Act.

PricewaterhouseCoopers Incorporated (PwC) expressed its willingness to continue in office and this resolution proposes the reappointment of PwC as the Company's auditor until the next AGM. In addition, Mr Pietro Calicchio is appointed as the individual

registered auditor for the ensuing year as contemplated in section 90(3) of the Act.

The Audit, Risk and Compliance Committee has satisfied itself that the proposed auditor, PwC and Mr Pietro Calicchio, who replaces Mr D Storm in line with mandatory audit partner rotation are independent of the Company in accordance with sections 90 and 94 of the Act and the applicable rules of the International Federation of Accountants.

The Audit, Risk and Compliance Committee has recommended the reappointment of PwC as independent registered auditor of Blue Label for the 2020 financial year.

Ordinary resolution numbers 5 to 7 (inclusive): Election of Audit, Risk and Compliance Committee members

In terms of section 94(2) of the Act, each Audit Committee member must be elected by shareholders at its AGM. King IV likewise requires shareholders of a public company to elect each member of an audit committee at an AGM.

In terms of Regulation 42 of the Companies Regulations 2011, relating to the Act, at least one-third of the members of the Company's Audit, Risk and Compliance Committee at any particular time must have academic qualifications, or experience in economics, law, corporate governance, finance, accounting, commerce, industry, public affairs or human resource management. Each of the proposed members is duly qualified, as is evident from the biographies of each member, as contained on page 25.

Ordinary resolution number 8: Non-binding advisory vote: Endorsement of the remuneration and reward policy

King IV requires a company to table its remuneration and reward policy for a non-binding advisory vote by shareholders at its AGM. This vote enables shareholders to endorse the Remuneration Policy adopted for Executive Directors. The Blue Label Remuneration Policy is contained on pages 98 to 120.

The advisory vote is of a non-binding nature only and therefore failure to pass this resolution will not have any legal consequences relating to existing arrangements. However, the Board will take cognisance of the outcome of the vote when considering the Company's remuneration and reward policy and the remuneration of Executive Directors. In the event that this non-binding advisory endorsement approving the Company's remuneration and reward policy is voted against by shareholders exercising 25% (twenty-five percent) or more of the voting rights exercised, the Company undertakes to engage with its shareholders in order to ascertain the reasons for objection, and to address appropriately legitimate and reasonable objections and concerns.

Ordinary resolution number 9: Non-binding advisory vote: Endorsement of the remuneration implementation report

King IV requires a company to table its remuneration implementation report for a non-binding advisory vote by shareholders at its AGM. This vote enables shareholders to endorse the remuneration implementation report for Executive Directors. The Blue Label remuneration implementation report is contained on pages 115 to 120.

The advisory vote is of a non-binding nature only and therefore failure to pass this resolution will not have any legal consequences relating to existing

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arrangements. However, the Board will take cognisance of the outcome of the vote when considering the Company's remuneration and reward policy and the remuneration of Executive Directors. In the event that this non-binding advisory endorsement approving the Company's remuneration implementation report is voted against by shareholders exercising 25% (twenty-five percent) or more of the voting rights exercised, the Company undertakes to engage with its shareholders in order to ascertain the reasons for objection, and to address appropriately legitimate and reasonable objections and concerns.

Ordinary resolution number 10: Directors' authority to implement ordinary and special resolutions

The reason for ordinary resolution number 10 is to authorise any Director of the Company to do all things necessary to implement the ordinary and special resolutions passed at the AGM and to sign all such documentation required to give effect and to record the ordinary and special resolutions.

Special resolution number 1: Non-Executive Directors' remuneration

Special resolution number 1 is proposed to enable the Company to comply with the provisions of sections 65(11)(h), 66(8) and 66(9) of the Act, which stipulate that remuneration to directors for their services as directors may be paid only in accordance with a special resolution approved by shareholders.

Special resolution number 2: General authority to repurchase shares

Special resolution number 2 seeks to allow the Group, by way of a general authority, to acquire its own issued shares (reducing the total number of ordinary shares of the Company in issue in the case of an acquisition by the Company of its own shares). This resolution is required in order to allow

the Company to take advantage of any opportunity that presents itself to enhance shareholder value by repurchasing shares where the Company's share price is at a level which results in a share repurchase being to the benefit of shareholders. Any decision by the Directors to use the general authority to acquire shares of the Company will be taken with regard to the prevailing market conditions, share price, cash needs of the Group, together with various other factors, and in compliance with the Act, Listings Requirements and the Mol.

Electronic participation at the AGM

- (a) Shareholders wishing to participate electronically in the AGM are required to:
- (i) deliver written notice to the Company at 75 Grayston Drive, corner Benmore Road, Morningside Extension 5, 2196 (marked for the attention of the Group Company Secretary) that they wish to participate via electronic communication at the AGM; or
 - (ii) register on the Company's website at www.bluelabeltelecoms.co.za, where a link to the registration page will be placed, by no later than 10:00 on Tuesday, 26 November 2019 (electronic notice).
- (b) In order for the electronic notice to be valid it must contain:
- (i) where the Blue Label shareholder is an individual, a certified copy of his/her identity document and/or driver's licence and/or passport;
 - (ii) where the Blue Label shareholder is not an individual, a certified copy of a resolution or letter of representation by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution or signed

the relevant letter of representation. The letter of representation or resolution must set out from whom the relevant entity is authorised to represent the entity at the AGM via electronic communication;

- (iii) a valid e-mail address and/or facsimile number (contact address/number); and
- (iv) by no later than 24 (twenty-four) hours before the AGM the Company shall use its reasonable endeavours to notify a shareholder at its contact address/number of the relevant details through which the shareholder can participate via electronic communication.

- (c) Should a shareholder wish to participate in the AGM by way of electronic communication as aforesaid, the shareholder, or his/her/its proxy(ies), will be required to dial-in on the date and commencement time of the AGM. The dial-in facility will be linked to the venue at which the AGM will take place. The dial-in facility will enable all persons to participate electronically in the AGM, save for voting, which should be done through normal voting procedures stipulated by your CSDP in this manner (and as contemplated in section 63(2) of the Act) and to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the AGM. The costs borne by the shareholder or his/her/its proxy(ies) in relation to the dial-in facility will be for his/her/its own account.