

Notice of virtual Annual General Meeting

Notice is hereby given to Blue Label shareholders recorded in the Company's securities register on Friday, 18 September 2020, that the thirteenth Annual General Meeting (AGM) of shareholders of Blue Label Telecoms Limited will be held entirely by electronic communication as permitted by the Companies Act, No. 71 of 2008, as amended (the Companies Act) and by the Company's Memorandum of Incorporation (MOI), on Thursday, 26 November 2020 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.

As a result of the COVID-19 outbreak, and guidance from authorities regarding the need for social distancing, the AGM will be conducted entirely by electronic communication and members would be encouraged to make use of proxies.

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 virtual AGM (being the date on which a shareholder must be registered in the Company's shareholders' register in order to receive

notice of the virtual AGM) as Friday, 18 September 2020;

- participate in and vote at the virtual 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 virtual AGM) as Friday, 20 November 2020; and
- the last date to trade to participate in and vote at the virtual AGM is Tuesday, 17 November 2020.

Certificated shareholders or own-name dematerialised shareholders may attend and vote at the virtual 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, 24 November 2020.

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 virtual 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 virtual AGM are entitled to appoint a proxy to attend, participate in and vote at the virtual 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 virtual AGM.

ELECTRONIC PARTICIPATION

Shareholders or their duly appointed proxy(ies) who wish to participate in the virtual AGM via electronic communication (Participant(s)) must either 1. register online using the online registration portal at www.smartagm.co.za; or 2. apply to Computershare, by sending an e-mail to proxy@computershare.co.za so as to be received by Computershare by no later than 10:00 on Tuesday, 24 November 2020.

Computershare will first validate such requests and confirm the identity of the shareholder in terms of section 63(1) of the Companies Act, and, if the request is validated, further details on using the electronic communication facility will be provided. The Company will inform Participants who notified Computershare of their intended participation by no later than 10:00 on Wednesday, 25 November 2020 by e-mail of the relevant details through which Participants can participate electronically.

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 2020, have been distributed as required and will be presented to shareholders at the virtual AGM.

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The Audit, Risk and Compliance Committee's report is set out on pages 93 to 97.

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: Election of Ms NP Mnxasana as a Director of the Company

Resolved that Ms NP Mnxasana, who was first appointed to the Board on 18 September 2020, be and is hereby elected as a Director of the Company with immediate effect.

A brief biography of Ms NP Mnxasana is on page 33.

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

Resolved that Mr GD Harlow, who was first appointed to the Board on 5 October 2007, and who retires in terms of the 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 GD Harlow is on page 32.

3. Ordinary resolution number 3: Re-election of Mr KM Ellerine as a Director of the Company

Resolved that Mr KM Ellerine, who was first appointed to the Board on 8 December 2009 and who retires in terms of the 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 KM Ellerine is on page 32.

4. Ordinary resolution number 4: Re-election of Mr DA Suntup as a Director of the Company

Resolved that Mr DA Suntup, who was first appointed to the Board on 14 November 2013 and who retires in terms of the 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 DA Suntup is on page 31.

5. Ordinary resolution number 5: 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.

6. Ordinary resolution number 6: Election of Ms NP Mnxasana as a member of the Audit, Risk and Compliance Committee for the year ending 31 May 2021

Resolved that, in terms of section 94(2) of the Act, but subject to her election as a Director of the Company in terms of resolution number 1, Ms NP Mnxasana, an Independent Non-Executive Director of the Company, is elected as a member of the Audit, Risk and Compliance Committee.

A brief biography of Ms NP Mnxasana is on page 33.

7. Ordinary resolution number 7: Election of Mr JS Mthimunye as a member and Chairman of the Audit, Risk and Compliance Committee for the year ending 31 May 2021.

Resolved that, in terms of section 94(2) of the Act, Mr JS Mthimunye, 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 Mthimunye is on page 33.

8. Ordinary resolution number 8: Election of Mr GD Harlow as a member of the Audit, Risk and Compliance Committee for the year ending 31 May 2021.

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 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 32.

9. Ordinary resolution number 9: Election of Mr SJ Vilakazi as a member of the Audit, Risk and Compliance Committee for the year ending 31 May 2021.

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 33.

10. Ordinary resolution number 10: Non-binding advisory endorsement of the 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 2020 is endorsed.

11. Ordinary resolution number 11: 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 2020 is endorsed.

12. Ordinary resolution number 12: 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 2020 to 31 May 2021.

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

	Current fee 2020 R	Proposed fee 2021 R
Services as Directors		
- Chairman of the Board (per annum)	1 910 120	1 910 120
- Board members (per annum)	421 350	421 350
Audit, Risk and Compliance Committee		
- Chairman (per annum)	382 024	382 024
- Member (per annum)	235 956	235 956
Remuneration and Nomination Committee		
- Chairman Remuneration (per annum)	224 720	224 720
- Chairman Nomination (per annum)	157 304	157 304
- Member (per annum)	134 832	134 832
Investment Committee		
- Chairman (per annum)	224 720	224 720
- Member (per annum)	134 832	134 832
Transformation, Social and Ethics Committee		
- Chairman (per annum)	134 832	134 832
- Member (per annum)	84 270	84 270
Ad hoc Committee		
- Chairman (per meeting)	50 562	50 562
- Member (per meeting)	30 337	30 337

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

Resolved that, pursuant to the MOI, 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;

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- (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.

3. Special resolution number 3: Approval to grant financial assistance in terms of sections 44 and 45 of the Act

Resolved that the Board may, subject to the Act and the MOI, authorise the Company to provide direct or indirect financial assistance:

- by way of a loan, guarantee, the provision of security or otherwise to any person for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or a related or inter-related company, or for the purchase of any securities of the Company or a related or inter-related company, as

contemplated in section 44 of the Act, at any time during a period commencing on the date of passing of this special resolution and ending at the expiry of two years from the date of the adoption of this special resolution number 3; and/or to a Director of the Company or of a related or inter-related company, or to a related or inter-related company or corporation, or to a member of a related or inter-related corporation, or to a person related to any such company, corporation, director, prescribed officer or member, as contemplated in section 45 of the Act, at any time during a period commencing on the date of passing of this special resolution and ending at the expiry of two years from the date of the adoption of this special resolution number 3.

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 124 of the Group annual financial statements;
- material change – there were no material changes;
- share capital of the Company – refer to page 102 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

23 September 2020

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 virtual AGM.

Ordinary resolution number 1: Election of Director

The Company's MOI states that, any person appointed to fill a casual vacancy or as an addition to the Board shall retain office until the following AGM of the Company and shall then retire and be eligible for election. Ms NP Mnxasana retires from the Board in accordance with article 25.5 of the Company's MOI. Ms NP Mnxasana was appointed to the Board and Audit, Risk and Compliance Committee on 18 September 2020. The Board recommends to shareholders that they should vote in favour of the election of the Director referred to in ordinary resolution number 1.

Ordinary resolution numbers 2 to 4 (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 GD Harlow, KM Ellerine and DA Suntup 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 31 and 32.

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 2 to 4 (inclusive).

Ordinary resolution number 5: 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.

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, 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 2021 financial year.

Ordinary resolution numbers 6 to 9 (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 pages 32 and 33.

Ordinary resolution number 10: 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 104 to 111.

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 11: 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 112 to 116.

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 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 12: Directors' authority to implement ordinary and special resolutions

The reason for ordinary resolution number 12 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.

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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 MOI.

Electronic participation at the virtual AGM

- (a) Shareholders wishing to participate electronically in the virtual AGM are required to:
- (i) 1. register online using the online registration portal at www.smartagm.co.za; or 2. apply to Computershare, by sending an e-mail to proxy@computershare.co.za so as to be received by Computershare by no later than 10:00 on Tuesday, 24 November 2020.
- (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 virtual 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 virtual 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) 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.

Special resolution number 3: Approval to grant financial assistance in terms of sections 44 and 45 of the Act

The existing authority granted by shareholders at the AGM held on 29 November 2018 was valid for a two-year period and will expire at the virtual AGM unless renewed.

In the ordinary course of the Company business, it needs to provide financial assistance to certain of its Group companies in accordance with section 45 of the Act, and furthermore it may be necessary for the Company to provide financial assistance in the circumstances contemplated in section 44 of the Act.

- Notwithstanding the title of section 45 of the Act, being "Loans or other financial assistance to Directors", on a proper interpretation thereof, the body of the section also applies to financial assistance provided by a company to any related or inter-related company or corporation, a member of

a related or inter-related corporation, and to a person related to any such company, corporation or member.

- Furthermore, section 44 of the Act may also apply to the financial assistance so provided by a company to any related or inter-related company or corporation, a member of a related or inter-related corporation, or a person related to any such company, corporation or member, in the event that the financial assistance is provided for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or a related or inter-related company, or for the purchase of any securities of the Company or a related or inter-related company.
- Both sections 44 and 45 of the Act provide, inter alia, that the particular financial assistance may only be provided:
 - pursuant to a special resolution of shareholders, adopted within the previous 2 (two) years, which approved such assistance either for the specific recipient, or generally for a category of potential recipients, and the specific recipient falls within that category;
 - the Board is satisfied that immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test (as contemplated in the Act); and
 - the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company.