



29 June 2023

Dear Shareholder

**NOTIFICATION IN TERMS OF SECTION 44 and SECTION 45 OF THE COMPANIES ACT NO. 71 OF 2008 (“Act”)**

At the Annual General Meeting of Blue Label Telecoms Limited (Blue Label) held on 24 November 2022, the following special resolution was passed by shareholders:

**Special resolution number 3 – Approval to grant financial assistance in terms of Section 44 and Section 45 of the Act**

**Resolved that**, the board is authorised, as it in its discretion thinks fit, but subject to compliance with the requirements of the memorandum of incorporation of the Company and the Companies Act, in particular Section 44 and 45 thereof, to grant 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; 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, on the basis that the board shall have the authority to determine at the relevant time whether to make such financial assistance available on an interest free or market-related basis, provided that no such financial assistance may be provided at any time in terms of this authority after the expiry of two years from the date of the adoption of this special resolution number 3.

Pursuant thereto, shareholders are advised that the board of directors resolved that Blue Label provide financial assistance from time to time as follows:



- 05 July 2022 - A Loan of R5.0 million to its subsidiary Gold Label Investments Proprietary Limited to assist in meeting its working capital requirements.
- 24 August 2022 – A loan of R26.2 million to Blue Label Company Proprietary Limited, in order to fulfil its employee share scheme requirements.
- 21 October 2022 - A Loan of R6.9 million to The Prepaid Company Proprietary Limited to assist in meeting its working capital requirements.
- 7 December 2022 - A Loan of R4.0 million to The Prepaid Company Proprietary Limited to assist in meeting its working capital requirements.
- 25 April 2023 - Corporate Parent Guarantee to Samsung Electronics South Africa Proprietary Limited (“Samsung”) in favour of Comm Equipment Company Proprietary Limited (“CEC”) amounting to R75.0 million for the purposes of CEC’s credit limits with Samsung.
- 30 May 2023 - A loan of R29.8 million to The Prepaid Company Proprietary Limited to assist in meeting its working capital requirements.
- 6 June 2023 – A Loan of R2.5 million to its subsidiary Gold Label Investments Proprietary Limited to assist in meeting its working capital requirements.

Yours sincerely

**J van Eden**  
**Company Secretary**