

Blue Label Telecoms Limited
(Incorporated in the Republic of South Africa)
(Registration number 2006/022679/06)
Share code: BLU ISIN: ZAE000109088
("Blue Label")

REPURCHASE OF ORDINARY SHARES IN VALUE

INTRODUCTION

In terms of a general authority granted by Blue Label shareholders at the Company's annual general meeting held on 22 January 2018, a special resolution was passed to approve the repurchase of its ordinary shares.

AUTHORISED LIMITS

In terms of the special resolution

- (a) The general authority is limited to a maximum of 20% of Blue Label's issued ordinary share capital being 174,901,808.
- (b) Any repurchase may not be made at a price greater than 10% above the weighted average of the market value of the ordinary shares for the five business days immediately preceding the date of such repurchase.
- (c) The repurchase of shares being affected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between Blue Label and the counter party.

IMPLEMENTATION

Details are as follows:

Total number of ordinary shares repurchased during the period (22 August 2018 to 04 September 2018)	26,235,271
Total value of ordinary shares repurchased	R182,960,971
Highest price paid per ordinary share	R7.28
Lowest price paid per ordinary share	R6.80
Average price paid per ordinary share including costs	R7.01
The number of ordinary shares which may still be purchased by Blue Label in terms of the general authority	148,666,537
The percentage of ordinary shares which may still be repurchased by Blue Label in terms of the general authority	17%
Ordinary shares in issue on 31 May 2018, the date of Blue Label's most recent published financial year end results	946,509,041
Ordinary shares in issue on 30 November 2017, the date of Blue Label's most recent published half year end results	874 509 041
Treasury shares held after the repurchase	9,452,963

SOURCE OF FUNDS

The repurchases to date have been funded from available cash resources and it is intended that all future purchases will also be funded from available cash resources.

OPINION OF THE DIRECTORS

The directors of Blue Label have considered the impact of the share repurchase and are of the opinion that:

- Blue Label and its subsidiaries will be able, in the ordinary course of business, to repay its debts for a period of 12 months from date of this announcement.
- The assets of Blue Label and its subsidiaries are in excess of the liabilities, measured in accordance with the accounting policies used in the audited results for the year ended 31 May 2018.
- The ordinary share capital and reserves of Blue Label and its subsidiaries will be adequate for a period of 12 months from the date of this announcement.
- The working capital of Blue Label and its subsidiaries will be adequate for a period of 12 months from the date of this announcement.

FINANCIAL INFORMATION

Blue Label's cash balance decreased by R183,945,230 as a result of the repurchase and costs related thereto. The repurchased shares will be cancelled and the listing under the JSE will be terminated.

For and on behalf of the Board

Sandton
05 September 2018

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