

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

Initial trading statement for the year ended 31 May 2019 and notification of release of financial results for the year ended 31 May 2019

In terms of the listings requirements of the JSE Limited, companies are required to publish a trading statement as soon as they become reasonably certain that the financial results for the year to be reported on will differ by at least 20% from those reported in the previous corresponding year.

Shareholders are advised that basic, headline and core headline earnings per share for the year ended 31 May 2019 are expected to decrease by more than 20% in comparison to the year ended 31 May 2018.

Blue Label's audit for the year ended 31 May 2019 is substantially complete. However, the Group is currently in the process of determining the valuation of its investment in Cell C, incorporating the effects of the transactions that are currently in progress. The outcome will have an impact on the carrying value of the investment, the assessment of the remaining fair values of SPV1 and SPV2 (as detailed in the trading statement published on SENS on 22 February 2019) as well as the recoverability of the existing deferred tax asset within Cell C.

An extensive process is currently being undertaken by Cell C management in order to perform an assessment of the extent of the impact that the above transactions will have on Cell C's financial statements, which are currently being finalised. Accordingly, the board of directors of Blue Label wish to advise shareholders that its financial results for the year ended 31 May 2019 will be released on SENS on 26 September 2019.

A further trading statement will be issued as soon as there is a reasonable degree of certainty as to the likely range within which the Company's basic, headline and core headline earnings per share which are expected to decrease.

The financial information on which this trading statement is based has not been reviewed or audited by the Group's auditors.

Sandton
19 August 2019

Sponsor: Investec Bank Limited