

5.2 Employee compensation benefit expense

(a) Equity compensation benefit

The Group operates an equity-settled conditional share plan, under which the entity receives services from employees as consideration for equity instruments of the Group. The fair value of the services received in exchange for the grant of conditional shares is recognised as an expense. The total amount to be expensed is determined by the fair value of the conditional shares granted. The total amount expensed is recognised over the vesting period, which is the period over which all of the vesting conditions are to be satisfied. At each reporting date, the entity recognises the impact of any shares that have been forfeited prior to the end of the vesting period, if any, in the income statement with a corresponding adjustment to equity.

(b) Bonus plans

The Group recognises a liability and an expense for bonuses. A liability is recognised where the Group is contractually obliged or where there is a past practice that has created a constructive obligation.

The bonus expense is determined based on individual subsidiary CEO recommendation of an employee and Remuneration Committee approval as well as other non-financial measures.

In terms of the Group remuneration policy, the Joint Chief Executive Officers may earn an annual incentive bonus of up to 150% of annualised fixed remuneration and the Financial Director up to 100%. Senior Management may earn up to 75% of their annualised fixed remuneration.

	2025 R'000	2024 R'000
Salaries and wages	817 535	766 610
Bonuses	158 105	142 715
Equity compensation benefit	69 391	41 048
Other	7 674	11 510
	1 052 704	961 883

Average number of employees for the year is 1 134 (2024: 1 261).

NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

CONTINUED

for the year ended 31 May 2025

5. EMPLOYEES continued

5.3 Directors' emoluments

	Blue Label Services as Directors of Blue Label Telecoms Limited R'000	Services as Directors of subsidiaries of Blue Label Telecoms Limited R'000
For the year ended 31 May 2025		
Executive Directors		
BM Levy	—	—
MS Levy	—	—
DA Suntup	—	—
	—	—
Non-Executive Directors		
LM Nestadt	2 635	—
JS Mthimunya	1 367	72
SJ Vilakazi	1 476	—
H Masondo	764	—
NP Mnxasana	958	48
LE Mthimunya	1 351	53
	8 551	173
	8 551	173
Prescribed officers		
GB Levin ¹	—	—
JS Newman ¹	—	—
	—	—
	8 551	173

¹ Agreements were reached wherein it was resolved that GB Levin and JS Newman would exit the Group on 30 November 2024 and 26 August 2024 respectively. Accrued termination/separation benefits have been reflected.

For the year ended 31 May 2024

Executive Directors		
BM Levy	—	—
MS Levy	—	—
DA Suntup	—	—
	—	—
Non-Executive Directors		
LM Nestadt	2 486	—
KM Ellerine*	—	—
JS Mthimunya	1 290	68
SJ Vilakazi	1 223	—
H Masondo	507	—
NP Mnxasana	790	45
LE Mthimunya	1 162	50
	7 458	163
	7 458	163
Prescribed officers		
GB Levin	—	—
JS Newman	—	—
	—	—
	7 458	163

* Non-Executive Director, KM Ellerine, resigned on 5 June 2023.

The fair value of conditional shares per Director has been included.

No Director has a notice period of more than one year.

No Director's service contract includes predetermined compensation as a result of termination that would exceed one year's salary and benefits.

Salary and allowances from subsidiaries R'000	Bonuses and performance-related payments R'000	Other benefits from subsidiaries R'000	Accrued termination/separation benefit from subsidiaries R'000	Total R'000	Fair value of conditional shares R'000
12 404	15 157	—	—	27 561	38 754
12 404	15 157	—	—	27 561	38 754
6 569	5 400	—	—	11 969	20 526
31 377	35 714	—	—	67 091	98 034
—	—	—	—	2 635	—
—	—	—	—	1 439	—
—	—	—	—	1 476	—
—	—	—	—	764	—
—	—	—	—	1 006	—
—	—	—	—	1 404	—
—	—	—	—	8 724	—
31 377	35 714	—	—	75 815	98 034
2 819	—	128	4 108	7 055	—
1 371	—	—	3 403	4 774	—
4 190	—	128	7 511	11 829	—
35 567	35 714	128	7 511	87 644	98 034
11 701	6 649	—		18 350	15 030
11 701	6 649	—		18 350	15 030
6 198	2 406	36		8 640	7 961
29 600	15 704	36		45 340	38 021
—	—	—		2 486	—
—	—	—		—	—
—	—	—		1 358	—
—	—	—		1 223	—
—	—	—		507	—
—	—	—		835	—
—	—	—		1 212	—
—	—	—		7 621	—
29 600	15 704	36		52 961	38 021
5 318	886	240		6 444	5 276
5 172	1 656	—		6 828	3 322
10 490	2 542	240		13 272	8 598
40 090	18 246	276		66 233	46 619