

MULTICHOICE SOUTH AFRICA HOLDINGS PROPRIETARY LIMITED

(‘the Company or MCSA’)

Registration No: 2006/015293/07

(Incorporated in the Republic of South Africa)

**MINUTES OF THE 14th ANNUAL GENERAL MEETING (AGM) OF THE
COMPANY HELD ON WEDNESDAY 26 AUGUST 2020 AT 11:00 - VIRTUALLY
VIA ZOOM**

PRESENT:

Thirteen shareholders representing 3 249 199 number of shares were present in person, by representation or by proxy. 542 shareholder proxies representing 294 479 578 number of shares received in favour of the meeting chair.

Total shares represented including proxies: 297 728 777 (82.70% of the total issued share capital of the Company).

Directorate: Imtiaz Patel (meeting chair),
Mandla Langa, Chair of Phuthuma Nathi
Calvo Mawela, MultiChoice Group CEO
Tim Jacobs, MultiChoice Group CFO
Byron du Plessis, MultiChoice Group corporate CFO
Jabulane Mabuza, MCSA director
Christine Sabwa, MCSA director
Louisa Stephens, MCSA director
Advocate Kgomotso Moroka, MCSA director
Jim Volkwyn, MCSA director
Dr Fatai Sanusi, MCSA director
Elias Masilela, MCSA director
Nolo Letele, MCSA director
Steve Pacak, MCSA director.

Auditors: PricewaterhouseCoopers Inc. (PwC), represented by Dirk Holl.

Company secretary: Carmen Miller.

Transfer secretaries: Singular Systems (Pty) Ltd represented by Grant Bailey, Gaisano Mogorosi and Mandisa Titus.

Meeting scrutineers: The Meeting Specialist (Pty) Ltd represented by Asaf Ben-Nathan, Michael Wenner, Izzy Van Schoor and Farhana Adam.

Twenty seven persons joined the meeting as visitors.

CONSTITUTION:

The chair confirmed that the necessary quorum was present and declared the meeting duly constituted.

NOTICE:

The notice convening the annual general meeting (AGM) circulated to all shareholders on 30 July 2020 was taken as read. No objection was raised by shareholders present.

**WELCOME AND
INTRODUCTION:**

Ms Carol Tshabalala, master of ceremonies, welcomed all to the virtual meeting and noted that due to COVID-19 restrictions is taking place virtually and is being broadcast on DStv channel 196.

The business considered postponing these meetings to another date after the COVID-19 restrictions were lifted. However, the MultiChoice South Africa and Phuthuma Nathi boards decided to continue with the AGM so that shareholders can approve the MultiChoice South Africa dividend and the Phuthuma Nathi dividends can be paid. The boards felt that paying out dividends during this time was in the best interest of shareholders.

Shareholders who were unable to attend the virtual AGM were given two options to cast their vote - one to vote online and the other through the Phuthuma Nathi call centre. Voting was open from 3 to 24 August, leading up to the AGM.

The boards also decided that the AGM be broadcast live on DStv channel 196 for shareholders without internet access to follow the AGM proceedings. However, those watching on DStv, would not be able to ask any questions or vote, as the meeting is officially hosted online.

Shareholders that were online were able to ask questions and vote on resolutions, as the virtual platform is interactive. Questions were able to be sent throughout the meeting and the chair responded during the Q&A slot in the agenda. Shareholders were asked to use the 'Raise your Hand' button during the Q&As slot.

As the meeting was hosted in English, where necessary, information was translated in isiSotho by Jacob Moikanyang and isiZulu by Manzo Khulu.

Auditors from PricewaterhouseCoopers Inc. were also online to verify the outcome of the voting.

Two videos which explain how to ask questions and vote on the virtual platform were presented.

Ms Tshabalala then introduced Mr Imtiaz Patel, chair of MultiChoice South Africa Holdings Proprietary Limited.

The chair welcomed all present and delivered his chairman's address.

CHAIR ADDRESS:

Good morning ladies and gentlemen. On behalf of our directors, I welcome you to this very unique AGM of MultiChoice South Africa and Phuthuma Nathi. Whether you are watching us on DStv or connecting online, we thank you for taking the time to join us today.

I also want to welcome and acknowledge our directors from MultiChoice South Africa and Phuthuma Nathi, who are online with us.

As we reported in our annual report, three of our directors, Khulu Sibiyi, Salukazi Dakile-Hlongwane and Don Eriksson, retired from the board in June 2020. I would like to thank them for their immense contribution to the board. Their experience and guidance have been invaluable. We wish them well in all their future endeavours.

Whilst we have the best technicians assisting us today, we may experience intermittent network issues and we ask you to be patient. We will address any issues as quickly as possible - thank you in advance for your understanding.

It will come as no surprise to you when I say that this past financial year played out in a challenging and tough macro-economic environment in South Africa. And as our financial year drew to a close in March 2020, COVID-19 hit. The impact, as you know, has been severe. I'm sure that we have all felt the brunt of it in our own lives and businesses and in peoples lives around us.

I'm pleased to say that despite these challenges, we delivered a solid performance – on the operational and financial front. Our response was swift - to protect our employees and our stakeholders and yet deliver great entertainment to our customers at the same time. In addition, we made contributions towards our stakeholders, to frontline workers and the needy. Our CEO, Calvo Mawela and Corporate CFO, Byron du Plessis will share details with you shortly.

We are committed to creating value for all our stakeholders and we're proud to share our success with our more than 80 000 Phuthuma Nathi shareholders. We have a truly broad-based empowerment scheme with shareholders from all walks of life. It is one of South Africa's broad based black economic empowerment success stories and you are at the forefront of this story.

In the past 18 months, three significant changes happened. Firstly, the Phuthuma Nathi shareholding in MultiChoice South Africa increased from 20% to 25%, Secondly, we offered you an opportunity to exchange up to 20% of your Phuthuma Nathi shares for MultiChoice Group shares and thirdly, Phuthuma Nathi and Phuthuma Nathi 2 were combined into one scheme. We introduced all these changes to create more value for our shareholders. Our CEO will give you an update in this regard.

Our business continues to innovate through technology, and we continue to be the largest investors and funders of local content and sport on the African continent. We also make a massive contribution to the fiscus through taxes and the like

whilst we make valuable investments in small and medium sized enterprises. Again, Calvo will provide you with more detail.

I would like to thank you, our shareholders, for partnering with us to transform MultiChoice South Africa into a business that is truly representative of the people in our country.

CEO: MULTICHOICE SOUTH AFRICA BUSINESS PRESENTATION:

Mr Calvo Mawela, chief executive officer of MultiChoice South Africa, presented a review of the business environment and challenges faced by the group for the past year.

We are committed to broad based black economic empowerment. As Imtiaz has already told you, last year, we increased Phuthuma Nathi's share in MultiChoice SA by 5% to 25% - and we did that for free. As a result, the underlying value of your shares increased.

We also created an opportunity for you to exchange up to 20% of your Phuthuma Nathi shares for MultiChoice Group shares. This meant you could own shares that can easily be traded on the JSE.

Many of you took us up on this offer and are now Phuthuma Nathi shareholders as well as MultiChoice Group shareholders.

Just over 3.8 million Phuthuma Nathi shares were exchanged for 3.7 million MultiChoice Group shares, giving MultiChoice group a 5.7% shareholding in Phuthuma Nathi.

The macroeconomic environment in South Africa has weakened over the last year, with COVID-19 also having a big impact. There is currently a lot of uncertainty about what the future holds and the extent of the economic impact of COVID-19.

In this challenging environment, the Phuthuma Nathi board is declaring a dividend of R1,5 billion, which is the same amount as last year. The Phuthuma Nathi dividend can only be paid after the MultiChoice SA dividend is approved in the MultiChoice SA AGM, which will start shortly. We believe this dividend will bring much needed relief during these difficult times.

At a time when many companies have decided to either lower their dividend or not declare a dividend at all, we are especially pleased we can declare a dividend.

We're proud that Phuthuma Nathi continues to create value for you, its shareholders. Phuthuma Nathi has paid out dividends every year since the start of the scheme. The total dividends paid to date is R11,9 billion and the additional R1,5 billion will take the total to R13,4 billion.

Byron du Plessis, the group Corporate CFO, will give you more details about this year's dividend later.

I'd like to now move on to our business in South Africa and our performance this past year. COVID-19 is a challenge for businesses around the world - it has affected our employees, our customers and all our other stakeholders. Our response was swift.

We are classified as an essential service provider, which meant we could focus on continuing to deliver a much-needed service to our customers.

Our first priority was to protect our employees – and to do that, we implemented a number of measures:

- We appointed a public health expert to guide us
- We instituted a travel ban from end of January
- We implemented strict office hygiene
- We encouraged employees to work from home
- And we gave our employees access to our wellness benefits which included help for any mental health-related issues.

The service we deliver to our customers, plays an important part in their overall well-being. During the time of lockdown, it became even more important.

We responded by adjusting our content – giving our kids and education channels to all our customers, giving 14 news channels to customers on lower packages and opening our SuperSport channels to more customers. We also adjusted our prices including offering hospitality businesses discounts and ensured our customers could use our value-added services like BoxOffice, DStv Now and Showmax.

We spent R278 million in our COVID-19 relief efforts which included:

- We committed R94 million to help production companies pay full salaries to their cast, crew and freelancers
- We spent R126 million on social and economic development efforts such as distributing food parcels in communities
- And we partnered with Orlando Pirates, Kaizer Chiefs and the Minister of Health to supply healthcare workers and law enforcement agencies with protective gear and clothing worth R28 million.

MultiChoice is the biggest investor in local content in Africa. This creates thousands of jobs in the entertainment industry. Our investment contributes significantly to the development of African storytelling. We ensure that the local content on our platform caters for audience preferences in languages and genres that resonate culturally.

This homegrown content is unique to MultiChoice – no other service can tell our African stories like we do.

SuperSport is still the biggest funder of sport in Africa. Our partnership with local sports leagues ensures the success of many sports.

There is no disputing that SuperSport provides action-packed, world-class content. We're excited to see the return of many of the live sporting events that were cancelled during this time.

We recently signed an agreement with the Walt Disney Company to bring two 24-hour ESPN channels to our customers across Africa. These channels feature every major US sport, as well as European football.

We recently announced exciting new products and services to give our customers more entertainment and the best experience possible. These will launch from September onward.

- We will launch a Add Movies package for DStv customers from Compact Plus to EasyView and DStv Indian, to access more movie magic than ever before, by adding M-Net's three hottest movie channels to their package, for just R99 per month.
- DStv customers will be rewarded for enjoying the DStv universe with Rewards.
- And our new exciting product, DStv Communities, will allow groups to sign up for DStv packages and make one collective payment and reap a host of benefits.

We didn't stop there. We are also expanding our service in the online space.

DStv Streama is a new connected device that will allow customers to enjoy DStv content without a decoder, a satellite dish and associated cabling.

Showmax Pro is a new extended offering from Showmax that will include entertainment, music and news channels, as well as live sport from SuperSport.

And our new DStv Explora Ultra will bring the best of two worlds together by introducing 3rd party streaming apps to the popular DStv Explora.

The new satellite and streaming devices, or a combination of both, will make viewing content from DStv, Showmax and 3rd party services in one place, a reality.

MultiChoice's purpose is to enrich lives through video entertainment. We actively support the growth and

development of South Africa.

In the past year, we:

- Contributed R7.3 billion in taxes
- Spent R10.4 billion on local procurement
- And spent R4.9 billion on small and medium enterprises
- We also paid R1.9 billion to suppliers with black female ownership of at least 30%

This year, our MultiChoice Enterprise Development Trust relaunched its fund as the Innovation Fund to focus more on entrepreneurs with ground-breaking ideas.

The Fund provides bridging finance, import finance and equity finance and to date;

- 53% of businesses funded are owned by black females
- 118 jobs have been created by small businesses.
- And 25 small businesses have been funded.

We continue to invest in sustainable CSI programmes. Our flagship CSI projects include; the MultiChoice Diski Challenge, SuperSport Rugby Challenge, MultiChoice Talent Factory and Let's Play.

These programmes make a significant impact in communities and change lives.

CFO PRESENTATION:

Mr Byron du Plessis, Corporate Chief Financial Officer of MultiChoice Group did a presentation on the MultiChoice group's financial results for the past year.

The economic environment in our country remains challenging and many South Africans are looking critically at where they spend their hard-earned money. Despite this difficult trading environment, we delivered solid 6% subscriber growth year on year, closing the year on 8.4 million subscribers.

The growth came mainly from our mass market segment, with Access and Family packages performing strongly. Our Compact and Compact Plus packages also performed well, however Premium remains under pressure.

The impact of the macro-economic environment can be seen in our revenue growth with a modest year on year increase of 1% to R41 billion. Besides the economic pressure, growth was also affected by our decision to not increase the price of the DStv Premium package, as part of our strategy to retain our Premium customers.

Our strong focus on saving costs and making our operations more efficient continues to show good results. We were able to limit the increase in overall cost below 2% this past year.

Going forward, our plan is to keep focusing on costs and implement savings where we can.

Our cost savings contributed positively to the overall business performance and helped us to deliver a solid trading profit of R10,5 billion.

Despite the current economic challenges, the MultiChoice SA board has recommended a dividend of R6 billion to be declared to its shareholders. This is the same dividend as was declared last year.

As Phuthuma Nathi owns 25% of MultiChoice SA, its share of the R6 billion dividend amounts to R1,5 billion. In turn, Phuthuma Nathi is declaring R1.5 billion in dividends to its shareholders, which translates into an ordinary dividend of R22.22 per Phuthuma Nathi share.

Let's take a look at what that means for a Phuthuma Nathi shareholder:

- The ordinary dividend is R22.22 per share
- As required by SA tax laws, a 20% dividend tax of R4.44 will be deducted.
- This means Phuthuma Nathi shareholders will receive an amount of R17.78 per share

For example, if say someone has 400 shares, then you simply multiply that by R17.78, which means the person will get paid R7111.12 after tax.

Dividends will be paid directly into shareholders' bank accounts in the first week of September 2020. Shareholders must please ensure that their banking details which we have on record are up to date.

**ORDER OF PROCEEDINGS
AND ELECTRONIC VOTING:**

The chair confirmed that the meeting notice distributed to shareholders was taken as read and advised that each shareholder present electronically or represented by proxy will be entitled to one vote for every share held.

ORDINARY RESOLUTIONS:

The chair tabled and put forward the below ordinary resolutions, as set out in the meeting notice, without amendment, for approval by shareholders:

**1. PRESENTING THE
ANNUAL REPORTING
SUITE:**

To present, consider and accept the annual reporting suite (incorporating the integrated annual report, the consolidated annual financial statements (including, among others, the directors' report, the independent auditors' report and the audit committee report) for the financial year ended 31 March 2020) and the remuneration report. The annual financial statements and the full reporting suite are available at <https://www.multichoice.com/multichoice-south-africa/reports-and-financial-information/>.

2. RE-ELECTION OF DIRECTORS:

To elect, by separate resolution, the following directors, who retire by rotation in terms of article 5.1.6 of the MOI and being eligible offer themselves for re-election as directors of the company:

- 2.1 Kgomotso Moroka;
- 2.2 Louisa Stephens; and
- 2.3 Jabulane Mabuza.

The re-election of each of the directors was considered and voted on separately and carried out by way of separate ordinary resolutions.

3. APPOINTMENT OF DIRECTORS APPOINTED DURING THE YEAR:

To approve, each by separate resolution, the appointment of the following directors as directors of the company, who were appointed in terms of article 5.1.9 of the MOI and who are subject to retirement at this AGM, and being eligible offer themselves for re-election as directors of the company:

- 3.1 Imtiaz Patel;
- 3.2 Dr Fatai Sanusi; and
- 3.3 Christine Sabwa.

The election of each of the directors was considered and voted on separately and carried out by way of separate ordinary resolutions.

4. RE-APPOINTMENT OF AUDITORS:

To reappoint, on the recommendation of the company's audit committee, the firm PricewaterhouseCoopers Inc. as independent registered external auditor of the company (noting that Dirk Holl is the individual registered auditor of that firm who will undertake the audit) for the period until the next AGM of the company.

5. AUTHORISATION OF DISTRIBUTION:

To authorise a distribution of 1 666.67 cents per share, pursuant to article 6.3.2 of the MOI and in accordance with the recommendation of the board.

Subject to shareholder approval the board approved a dividend of ZAR6bn payable to its ordinary shareholders. The board has approved a distribution of 1 666.67 cents per share, after having applied the solvency and liquidity test and reasonably concluded that the company will satisfy the solvency and liquidity test immediately after completing the proposed distribution.

NON-BINDING ADVISORY RESOLUTIONS

The chair tabled and put forward the below non-binding advisory resolutions, as set out in the meeting notice, without amendment, for approval by shareholders.

1. ENDORSEMENT OF THE COMPANY'S REMUNERATION POLICY:

To endorse the company's remuneration policy, as set out in the remuneration report in the integrated annual report.

2. ENDORSEMENT OF THE COMPANY'S IMPLEMENTATION OF REMUNERATION POLICY

To endorse the company's implementation of the remuneration policy, as set out in the remuneration report in the integrated annual report.

SPECIAL RESOLUTIONS:

The chair tabled and put forward the below special resolutions, as set out in the meeting notice, without amendment, for approval by shareholders.

1. GENERAL AUTHORITY TO REPURCHASE SHARES IN TERMS OF SECTION 48 OF THE ACT

To authorise the board, by way of a renewable general authority, to approve the acquisition of the company's shares by the company or any subsidiary of the company, upon such terms as the board may determine, in each instance in terms of and subject to the MOI and the Act.

The reason for and effect of special resolution number 1 is to grant the company and/or a subsidiary of the company a general authority in terms of the Companies Act to acquire the company's shares.

The directors record that although there is no immediate intention to effect, a repurchase of the shares of the company, they will continually review the company's position, having regard to prevailing circumstances and market conditions, in considering whether to effect any repurchases as contemplated in special resolution number 1.

2. AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE IN TERMS OF SECTIONS 44 AND 45 OF THE ACT

To authorise the board, by way of a renewable general authority, to approve the provision of direct or indirect financial assistance, including by way of a loan, guarantee, the provision of security or otherwise, to any of its present or future subsidiaries and/or any other company or entity that is or becomes related or interrelated to the company or any of its subsidiaries, and/or to any shareholder of such subsidiary or related or interrelated company or entity, all as contemplated in sections 44 and/or 45 of the Act, for such amounts and on such terms as the board may determine, in each instance in terms of and subject to the MOI and the Act.

The reason for and effect of special resolution number 2 is to authorise the provision of financial assistance to the potential recipients as set out in the resolution for the purpose of facilitating the company's normal commercial and financing activities within and among the company's group of companies.

This special resolution number 2 deliberately excludes from its scope any reference to 'any person' (as provided for in section 44 of the Act) and also excludes from its ambit 'directors and officers' (as provided for in section 45 of the Act).

ORDINARY RESOLUTIONS:

The chair tabled and put forward the below ordinary resolutions, as set out in the meeting notice, without

amendment, for approval by shareholders:

**6. AUTHORISATION
TO IMPLEMENT
RESOLUTIONS**

To authorise each of the directors of the company to do all things, perform all acts and sign all documents necessary or desirable to effect, the implementation of the ordinary and special resolutions adopted at this AGM.

**QUESTIONS FROM
SHAREHOLDERS/
SHAREHOLDER
REPRESENTATIVES:**

Several questions were dealt with as set out in the annexure hereto.

VOTING:

Voting was carried out by means of electronic voting and PwC verified the electronic voting process.

RESULTS OF THE VOTES:

The auditors presented the secretary with the results of the votes, which had been verified by PricewaterhouseCoopers Inc.

The secretary announced that all the resolutions put to the meeting had been carried with the required majority.

TERMINATION:

The chair thanked all present and declared the meeting closed.



20 October 2020

CHAIR

DATE

ANNEXURE TO ANNUAL GENERAL MEETING MINUTES

PHUTHUMA NATHI
SHARE THE FUTURE



Q&A: from annual general meeting 26 August 2020

**Response to questions on future expectations:
“It is company policy not to provide guidance, forecasts or forward-looking information”**

**Response to any speculative type questions:
“It is company policy not to comment on speculation”**

QUESTIONS ASKED AT THE MULTICHOICE SOUTH AFRICA HOLDINGS AGM

Q: Do you have any further news pertaining Amazon and Netflix deal?

CALVO: Verbal

We plan to announce further detail in relation to these partnerships in due course. However, they are still available as standalone services to South Africans and therefore remain competitive services.

By offering these services on our platform, we are merely aiming to continue our long-standing tradition as an aggregator of all the content that subscribers want to consumer. By offering these services we will provide our customers with a one stop shop in terms of content variety, ease of payments and customer service, and reduce the complexity associated with a growing number of consumer OTT services in the market.

Q: On the digital platform you declared a R5 dividend and now it is R16,67 for MultiChoice as a maiden dividend. Now when did you decide to raise it up to R16,67?

BYRON: Verbal

Thank you for your question. The R5 per share relates to the MultiChoice Group Limited dividend which will be approved at the MultiChoice Group AGM to be held on 27 August 2020. MultiChoice Group includes our South African, Rest of Africa and technology operations. The R16,67 relates to the MultiChoice South Africa business which has just been approved at this AGM.

QUESTIONS ASKED AT THE PHUTHUMA NATHI AGM

Q: Just as a matter of interest, how has it been that the COVID pandemic has on the financials for the current year? Has it increased viewership or has it been the absence of sports adversely affected the viewership and the subscription fees?

CALVO: Verbal

The lockdown and work-from-home dynamics have generally supported our overall subscriber base. But the lack of live sports did have some impact on our bouquet mix, but a number of live sports returned to our screens from June. It will be important to see how COVID-19 and the lockdown impacted the business through the remainder of the financial year.

Q: What is MultiChoice doing to increase its subscriber base? Can you open a rewards programme?

CARMEN: Verbal

Our apologies for not getting your question in time. We will respond to you offline shortly.