



The Shareholders of
Phuthuma Nathi Investments (RF) Limited (PN),
and Phuthuma Nathi Investments 2 (RF) Limited (PN2)
(collectively "**PN**")

19 November 2018

Dear PN Shareholders

NOTICE OF MULTICHOICE SOUTH AFRICA HOLDINGS PROPRIETARY LIMITED (MULTICHOICE SOUTH AFRICA) SHAREHOLDERS' RESOLUTIONS REQUIRED TO ENABLE PHUTHUMA NATHI INVESTMENTS (RF) LIMITED (PN) AND PHUTHUMA NATHI INVESTMENTS 2 (RF) LIMITED (PN2) TO ACQUIRE ADDITIONAL SHARES IN MULTICHOICE SOUTH AFRICA

1. Introduction

1.1 As you may know, Naspers Limited ("**Naspers**"), which owns 80% of MultiChoice South Africa's shares (through MIH Holdings Proprietary Limited ("**MIHH**")) recently announced its intention to separately list its video entertainment segment businesses (MultiChoice South Africa, MultiChoice Africa, Irdeto and Showmax) on the JSE Limited. As part of the process, shares of the businesses falling within Naspers's video entertainment segment were transferred to a holding company, to be called MultiChoice Group Limited ("**MCG**"). MCG will be the company listed on the JSE Limited.

2. Purpose of the proposed resolutions

2.1 Amendment to the MOI

2.1.1 As MultiChoice South Africa is part of Naspers's video entertainment businesses, MIHH transferred its 80% shareholding in MultiChoice South Africa to MCG. The share transfer was approved by the MultiChoice South Africa board on 28 September 2018.

2.1.2 When PN and PN2 were started, you may recall that shareholders' or relationship agreements were concluded between MultiChoice South Africa and its shareholders (MIHH and PN/PN2) ("**the Shareholders Agreements**") where MIHH, as the controlling shareholder of MultiChoice South Africa, was given certain rights and obligations. These rights and obligations were also included in the MultiChoice South Africa Memorandum of Incorporation ("**MOI**").

2.1.3 To ensure that MCG has the same rights and obligations as MIHH had, we need the MOI of MultiChoice South Africa to be changed to replace MIHH with MCG in the MOI. The changes deal with the following:

2.1.3.1 that MCG has signed deeds of adherence to the Shareholders' Agreements, which makes sure that MCG steps into the shoes of MIHH and takes on all of MIHH's rights and obligations;

2.1.3.2 to replace MIHH with MCG in all applicable places in the MOI so that MCG has the same rights as MIHH did under the MOI. These rights include:

2.1.3.2.1 the right to freely sell or put up as security the ordinary shares in MultiChoice South Africa that it owns, with the approval of the board of MultiChoice South Africa (article 2.7.1);

2.1.3.2.2 the right to agree to the sale of or putting up as security the ordinary shares in MultiChoice South Africa by PN and PN2 (article 2.7.2);

- 2.1.3.2.3 the right to include in a sale of ordinary shares of MultiChoice South Africa, the ordinary shares owned by PN and PN2 in MultiChoice South Africa if MCG wants to sell all of its ordinary shares in MultiChoice South Africa to a third party (article 2.8); and
- 2.1.3.2.4 not being required to comply with the restrictions on Black Participants (article 6.1).
- 2.1.4 To pass the resolutions for the changes to the MOI, shareholders holding at least 75% of the votes exercised on the resolution must vote in favour (ie. a special resolution).

2.2 Issue of shares

- 2.2.1 Before MCG is listed, Naspers has agreed to increase PN/PN2's shareholding in MultiChoice South Africa to recognise the support of the PN/PN2 shareholders to MultiChoice South Africa over the years, reinforce Naspers' and MCG's commitment to broad-based black economic empowerment, and ensure MCG's continued compliance with regulatory requirements after the listing of MCG, in particular to ensure that it complies with the licence conditions that allow it to operate. These additional shares will be issued to PN and PN2 at nominal value (being approximately R1 500 for PN and R750 for PN2).
- 2.2.2 In terms of the MOI, any issue of shares by MultiChoice South Africa requires shareholders holding at least 50% of the votes exercised on the resolution to vote in favour (ie. an ordinary resolution).

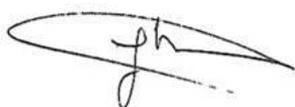
3. Action required

- 3.1 In terms of the MOI, the Shareholders Agreement and the memoranda of incorporation of PN and PN2, the PN and PN2 shareholders are entitled to vote on these proposed resolutions (attached as Annexure A) just like they do at the MultiChoice South Africa annual general meeting ("AGM") each year.

If you wish to exercise your vote, please send the attached proxy form (attached as Annexure B) back to PN/PN2 to: Singular Systems, 25 Scott Street, Waverley, 2090, or by fax on +2711 885 3835 or email phuthuma@singularservices.co.za by no later than **4 December 2018** setting out how you would like to vote your PN/PN2 shares.

4. If you have any queries, please do not hesitate to contact the call centre on **0860 116 226**, alternatively Carmen Koopman on 011 289 4888.

Kind regards



Nolo Letele

Executive chair: MultiChoice South Africa

MULTICHOICE SOUTH AFRICA HOLDINGS PROPRIETARY LIMITED
REGISTRATION NUMBER 2006/015293/07
("the Company")

WRITTEN RESOLUTIONS OF THE SHAREHOLDERS OF THE COMPANY PASSED IN TERMS OF SECTION 60 THE COMPANIES ACT, NO. 71 OF 2008 (AS AMENDED) ("the Act")

1. BACKGROUND

- 1.1 These resolutions have been submitted to all of the shareholders of the Company in terms of section 60 of the Companies Act, 2008, as amended (the "**Companies Act**") and the memorandum of incorporation of the Company ("**MOI**").
- 1.2 In terms of section 60 of the Companies Act, a resolution that could be voted on at a shareholders meeting may instead be (i) submitted for consideration to the shareholder entitled to exercise voting rights in relation to the resolution and (ii) voted on in writing by shareholders entitled to exercise voting rights in relation to the resolution within 20 business days after the resolution was submitted to them. A written resolution will have been adopted if it is supported by persons entitled to exercise sufficient voting rights for it to be have been adopted as an ordinary or special resolution, as the case may be, at a properly constituted shareholders meeting. A decision made in the above manner is of the same effect as if it had been approved by voting at a meeting.
- 1.3 The transmission of this document electronically to each shareholder constitutes notice of the matters to be decided by the passing of the resolutions set out below.

1.4 ISSUE OF SHARES

- 1.4.1 The Company is currently authorised to issue 3 000 000 000 ordinary shares with a par value of R0.0001 each ("**Ordinary Shares**").
- 1.4.2 According to article 2.1.6 of the MOI, any issue of authorised shares in the Company is subject to the approval of the shareholders of the Company.
- 1.4.3 The Company wishes to enter into a subscription agreement with Phuthuma Nathi Investments (RF) Limited ("**PN1**") and Phuthuma Nathi Investments 2 (RF) Limited ("**PN2**"), in terms of which:
- 1.4.3.1 PN1 will subscribe for and the Company will issue 15 000 000 Ordinary Shares ("**PN1 Subscription Shares**") for a subscription price of R1 500 ("**PN1 Subscription Price**"); and
- 1.4.3.2 PN2 will subscribe for and the Company will issue 7 500 000 Ordinary Shares ("**PN2 Subscription Shares**") for a subscription price of R750 ("**PN2 Subscription Price**").

1.5 AMENDMENT OF THE MOI

- 1.5.1 In preparation for the proposed listing of the holding company of the video entertainment assets of the Naspers group and distribution by Naspers Limited of the shares in such holding company (a company to be known as MultiChoice Group Limited ("**MCG**") to its shareholders, an internal reorganisation was recently implemented within the Naspers group of companies. Pursuant to this internal reorganisation and in terms of clause 2.7.1 of the MOI, MIH Holdings Proprietary Limited ("**MIHH**") transferred its ordinary shares in the Company to MCG. In accordance with clause 2.7.1 of the MOI, this transfer was approved by the board of the Company on 28 September 2018.
- 1.5.2 MIHH has certain rights in the MOI in its capacity as a holder of ordinary shares in the Company. As a result of the transfer of the ordinary shares to MCG, such rights also transfer to MCG and the MOI requires amendment to record this position correctly.

2. IT IS HEREBY RESOLVED THAT

2.1 SPECIAL RESOLUTION 1

The MOI be amended as follows:

- 2.1.1 the insertion of a new clause 1.4.34A as follows:

"1.4.34A **"MCG"** *K2018473845 (South Africa) Proprietary Limited (to be renamed MultiChoice Group Proprietary Limited), registration number 2018/473845/07, a private company incorporated in accordance with the laws of the Republic;"*

- 2.1.2 the amendment of clause 1.4.38 to add the following wording at the end of the clause "*which relationship agreement MCG signed a deed of adherence to on or about 15 November 2018 agreeing to be bound by the provisions of the Relationship Agreement on the same basis as MIHH*";
- 2.1.3 the amendment of clause 1.4.43 to add the following wording at the end of the clause "*which shareholders agreement MCG signed a deed of adherence to on or about 15 November 2018 agreeing to be bound by the provisions of the Shareholders Agreement on the same basis as MIHH*";
- 2.1.4 the deletion of the term "*MIHH*" each time it appears in clauses 1.4.24, 1.4.35, 2.7.1, 2.7.2, 2.7.3, 2.8.1, 2.8.3, 6.1 and 6.8.1 and replacing each reference to MIHH in these clauses with a reference to "*MCG*"; and
- 2.1.5 the deletion of the term "*MIHH*" in the third line of clause 6.3.1 and replacing it with the term "*MCG*".

2.2 **ORDINARY RESOLUTION 1**

Subject to the passing of the requisite resolution of the board of the Company:

- 2.2.1 the Company be and is authorised to issue the PN1 Subscription Shares to PN1 for the PN1 Subscription Price and the PN2 Subscription Shares to PN2 for the PN2 Subscription Price;
- 2.2.2 the Company be and is authorised to enter into and implement the Subscription Agreement, subject to the fulfilment or waiver (to the extent capable of waiver) of the suspensive conditions to which such agreement is subject, upon the terms and conditions set out in such agreement; and
- 2.2.3 any director of the Company be authorised to settle the terms of and sign (and amend if necessary) such agreement.

2.3 **ORDINARY RESOLUTION 2**

- 2.3.1 Any director of the Company ("**Authorised Signatory**") be and is hereby authorised to do all such things as may be necessary or desirable in order to give effect to, or may be incidental to, those transactions contemplated in the ordinary resolution above.
- 2.3.2 Any and all prior actions taken by any Authorised Signatory on behalf of the Company with respect to the transactions contemplated in these resolutions and any other agreement, document or deed which may be necessary or desirable to implement the resolutions set out above are hereby authorised, ratified and approved.

For and on behalf of **MultiChoice Group Proprietary Limited**

Duly authorised

Date: _____

For and on behalf of **Phuthuma Nathi Investments (RF) Limited**

Duly authorised

Date: _____

For and on behalf of **Phuthuma Nathi Investments 2 (RF) Limited**

Duly authorised

Date: _____

**PHUTHUMA NATHI INVESTMENTS (RF) LIMITED
AND/OR
PHUTHUMA NATHI INVESTMENTS 2 (RF) LIMITED
REGISTRATION NUMBER 2006/015187/06
(Incorporated in the Republic of South Africa)
("the Company")**

PROXY FORM

I, *[please print name clearly]* _____,

Identity number/registration number: _____

being a shareholder of the Company, hereby vote, in respect of the securities registered in my/our name in accordance with the instructions set out below in respect of the written resolutions of MultiChoice South Africa Holding Proprietary Limited ("**MCSA**").

	For	Against	Abstain
Special resolution 1 <i>Amendment of the memorandum of incorporation of MCSA</i>			
Ordinary resolution 1 <i>Issue of shares in MCSA and entry into subscription agreement</i>			
Ordinary resolution 2 <i>Authorising directors of MCSA to implement special resolution 1 and ordinary resolution 1</i>			

Signed at _____ on _____

Signature _____

Please return to:

Singular Systems
25 Scott Street
Waverley, 2090

or fax: +27 11 885 3835

or email: phuthuma@singularservices.co.za

Summary of the rights of a shareholder to be represented by proxy in terms of section 58 of the Companies Act, 2008:

At any time, a shareholder may appoint any individual, including an individual who is not a shareholder of the Company, as a proxy to:

- participate in, and speak and vote at, a shareholders' meeting on behalf of the shareholder; or
- give or withhold written consent on behalf of the shareholder to a decision contemplated in section 60 of the Companies Act (ie a written resolution as proposed here).

A shareholder of the Company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder.

A proxy may delegate the proxy's authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy.

Irrespective of the form of instrument used to appoint a proxy, the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder. The appointment is revocable unless the proxy appointment expressly states otherwise. If the appointment is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the Company. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder.