

# NOTICE OF ANNUAL GENERAL MEETING

## MultiChoice Group Limited

(Incorporated in the Republic of South Africa)

Registration number: 2018/473845/06)

JSE share code: MCG

ISIN: ZAE000265971

(MCG or the company)

Notice is given in terms of the Companies Act of South Africa No 71 of 2008, as amended (the Act), that the first annual general meeting (AGM) of the company will be held at MultiChoice City, 144 Bram Fischer Drive, Randburg at 11:00 on **Thursday 29 August 2019**.

Please note that the registration counter for purposes of registering to vote at the AGM will close at 10:45 on Thursday 29 August 2019.

## Important notice

Shareholders should take note that, pursuant to a provision of the MCG memorandum of incorporation (MOI), MCG is permitted to reduce the voting rights of shares in MCG (including MCG shares deposited in terms of the American Depositary Share (ADS) facility) so that the aggregate voting power of MCG shares that are presumptively owned or held by foreigners to South Africa (as envisaged in the MCG MOI) will not exceed 20% of the total voting power in MCG. This is to ensure compliance with certain statutory requirements applicable to South Africa. For this purpose MCG will presume in particular that:

- ▷ all MCG shares deposited in terms of the MCG ADS facility are owned or held by foreigners to South Africa, regardless of the actual nationality of the MCG ADS holder; and
- ▷ all shareholders with an address outside of South Africa on the register of MCG will be deemed to be foreigners to South Africa, irrespective of their actual nationality or domicilium, unless such shareholder can provide proof, to the satisfaction of the MCG board, that it should not be deemed to be a foreigner to South Africa, as envisaged in article 40.1.3 of the MCG MOI.

Shareholders are referred to the provisions of the MCG MOI available at [www.multichoice.com](http://www.multichoice.com) for further detail. If shareholders are in any doubt as to what action to take, they should seek advice from their broker, attorney or other professional adviser.

## Purpose of meeting

The purpose of the AGM is: (i) to present the audited annual financial statements of the company for the financial year ended 31 March 2019 and consider and adopt the directors' report, the audit committee report and social and ethics committee report; (ii) to consider and, if approved, to adopt with or without amendment, the resolutions set out below; and (iii) to transact any other business as may be transacted at an AGM in terms of the Act and the MOI.

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### Record dates

The notice record date, being the record date to determine which shareholders are eligible to receive this AGM notice together with the report is **Friday 19 July 2019**.

The last day to trade in the company's shares to be recorded in the securities register on the voting record date is **Tuesday 20 August 2019**.

The voting record date, being the record date on which an individual must be registered as a shareholder in the company's securities register for the purposes of being entitled to attend and vote at the AGM is **Friday 23 August 2019**.

### Voting and proxy forms

Only persons present in person at the AGM or represented by a valid proxy will be entitled to cast a vote on any matter put to a vote of shareholders.

Votes at the AGM will be taken by way of a poll and not by a show of hands. Each shareholder present in person or represented by proxy will be entitled to one vote for every share held by such shareholder.

Before any person may attend or participate in a shareholders' meeting, that person must present reasonably satisfactory identification and the person presiding at the meeting must be reasonably satisfied that the right of that person to participate and vote, either as a shareholder or as a proxy for a shareholder, has been reasonably verified. Forms of identification include valid identity documents, driver's licences and passports.

A form of proxy, which includes the relevant instructions for its completion, is attached for the use of holders of certificated shares and 'own name' dematerialised shareholders who wish to be represented at the AGM. Completion of a form of proxy will not preclude such a shareholder from attending and voting (in preference to that shareholder's proxy) at the AGM.

**Holders of dematerialised shares, other than 'own-name' dematerialised shareholders, who wish to vote at the AGM, must instruct their central securities depository participant (CSDP) or broker accordingly in the manner and cut-off time stipulated by their CSDP or broker.**

Holders of dematerialised shares, other than 'own name' dematerialised shareholders, who wish to attend the AGM in person, need to arrange the necessary authorisation as soon as possible through their CSDP or broker.

MCG shares held by employee incentive schemes and treasury shares will not be entitled to vote on the resolutions proposed in this AGM notice. Furthermore, any equity securities held by a share trust or scheme and unlisted securities will not have their votes taken into account at the AGM for the purposes of resolutions proposed in terms of the JSE Listings Requirements.

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A shareholder may appoint a proxy at any time. For practical purposes, it is requested that forms of proxy reach the transfer secretaries of the company, Singular Systems Proprietary Limited at 25 Scott Street, Waverley 2090 or PO Box 785261, Sandton 2146 or [multichoice@singular.co.za](mailto:multichoice@singular.co.za) by not later than 11:00 on **Tuesday 27 August 2019**. Any proxies not received by this time must be handed in at the registration desks at MultiChoice City on **Thursday 29 August 2019** prior to the commencement of the AGM. A form of proxy is enclosed with this notice. The form of proxy may also be obtained from the registered office of the company. Shareholders are advised to take note of postal delivery times when posting any forms of proxy as no late postal deliveries will be accepted.

## Electronic participation

Shareholders entitled to attend and vote at the AGM or their proxies will be entitled to participate in the AGM (but not vote) by electronic communication. Should a shareholder wish to participate in the AGM electronically, the shareholder should advise the company by no later than 09:00 on Friday 16 August 2019 by submitting via email to [cosec@multichoice.com](mailto:cosec@multichoice.com) (for the attention of Mrs D Dickson, (the company secretary)) that shareholder's contact details, as well as full details of the shareholder's title to securities issued by the company and proof of identity, in the form of certified copies of identity documents and written confirmation from the transfer secretary confirming the shareholder's title to the shares. On receipt of the required information, the shareholder will be given a secure code and instructions to access electronic communication during the AGM. Shareholders must note that access to the electronic communication will be for their expense.

## Majority required for the adoption of resolutions

Each ordinary resolution requires the support of a simple majority (that is, 50% plus one) of the total number of voting rights exercised on the resolution in order to be adopted (save in the case of ordinary resolution number 5).

Each special resolution requires the support of at least 75% (that is, 75% or more) of the total number of voting rights exercised on the resolution in order to be adopted.

The non-binding resolutions are of an advisory nature only and failure to pass these resolutions will therefore not have any legal consequences relating to the existing arrangements. Should 25% or more of the voting rights exercised on either non-binding resolution be cast against the resolution, the board of directors of the company (board) undertakes to engage with identified dissenting shareholders on the reasons for such dissent and to take appropriate action (as the board may determine in its discretion) to address issues raised, as envisaged in the King IV Code on Corporate Governance<sup>TM(1)</sup> for South Africa 2016 (King IV) and the JSE Listings Requirements.

In accordance with the Act, votes recorded as abstentions are not taken into account for purposes of determining the final percentage of votes cast in favour of resolutions.

## Presentation of annual financial statements and reports

The suite of reports of the company, comprising the documents set out below, was made available to shareholders on 30 July 2019 and can be obtained at [www.multichoice.com](http://www.multichoice.com) or at the company's registered office (details are included in this integrated annual report):

### Note

<sup>(1)</sup> The Institute of Directors in Southern Africa NPC (IoDSA) owns all the copyright and trademarks for King IV.

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- ▷ integrated annual report which includes the summarised form of the financial statements;
- ▷ consolidated annual financial statements of the company, incorporating among others, the directors' report, the independent auditor's report and the audit committee report for the financial year ended 31 March 2019; and
- ▷ remuneration report.

The annual financial statements will be presented to the shareholders at the AGM as required in terms of the Act.

## Ordinary resolutions

### 1. Ordinary resolution number 1: Re-election of directors

To re-elect, each by way of separate ordinary resolution, the below named directors, who retire in terms of the JSE Listings Requirement 10.16 of Schedule 10 and article 26.19 of the MOI and being eligible offer themselves for re-election as directors of the company:

- 1.1 Donald Gordon Eriksson
- 1.2 Timothy Neil Jacobs
- 1.3 Francis Lehlohonolo Napo Letele
- 1.4 Jabulane Albert Mabuza
- 1.5 Elias Masilela
- 1.6 Calvo Phedi Mawela
- 1.7 Kgomotso Ditsebe Moroka
- 1.8 Stephan Joseph Zbigniew Pacak
- 1.9 Mohamed Imtiaz Ahmed Patel
- 1.10 Christine Mideva Sabwa
- 1.11 Fatai Adegboyega Sanusi
- 1.12 Louisa Stephens
- 1.13 John James Volkwyn

Their brief biographical details are included on pages 60 and 61 of this report. All directors of the board place themselves up for re-election by shareholders at the first AGM after the listing of the company on the JSE in accordance with the requirements of the JSE Listings Requirements.

The board unanimously recommends that the re-election of directors in terms of ordinary resolutions numbered 1.1 to 1.13 be approved by shareholders of the company. The re-election is to be conducted as a series of votes, each of which is on the candidacy of a single individual to fill a single vacancy, and in each vote to fill a vacancy, each voting right entitled to be exercised, may be exercised once.

### 2. Ordinary resolution number 2: Reappointment of independent auditor

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

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## 3. Ordinary resolution number 3: Appointment of audit committee members

To reappoint, each by way of separate ordinary resolution and subject to the passing of ordinary resolution number 1 (in particular 1.1, 1.8, 1.10 and 1.12), on the recommendation from the company's nominations committee and the board of the company, as audit committee members of the company as required in terms of the Act and recommended by King IV (principle 8):

- 3.1 Stephan Joseph Zbigniew Pacak (chair)
- 3.2 Donald Gordon Eriksson
- 3.3 Christine Mideva Sabwa
- 3.4 Louisa Stephens

Their brief biographical details are included on pages 60 and 61 of this report.

The board and the nominations committee are satisfied that the company's audit committee members are suitably skilled and experienced independent non-executive directors. Collectively, they have sufficient qualifications and experience to fulfil their duties, as contemplated in regulation 42 of the Companies Regulations 2011. They have a comprehensive understanding of financial reporting, internal financial controls, risk management and governance processes in the company, as well as International Financial Reporting Standards (IFRS) and other regulations and guidelines applicable to the company. They keep up to date with developments affecting their required skills set.

The appointment is to be conducted as a series of votes, each of which is on the candidacy of a single individual to fill a single vacancy, and in each vote to fill a vacancy, each voting right entitled to be exercised, may be exercised once.

## 4. Ordinary resolution number 4: General authority to issue shares for cash

Subject to a minimum of 75% of the votes of shareholders of the company present in person or by proxy at the AGM and entitled to vote, voting in favour hereof, to resolve that the directors be authorised and are hereby authorised to issue unissued shares of a class of shares already in issue in the capital of the company (or convertible into a class of shares already in issue) for cash as and when the opportunity arises, subject to the provisions of the Act, the MOI and the JSE Listings Requirements, including the following:

- (a) This authority shall not endure beyond the earlier of the next AGM of the company or beyond fifteen (15) months from the date of this meeting.
- (b) That a paid press announcement giving full details, including the intended use of the funds, will be published at the time of any issue representing, on a cumulative basis within the period of this authority, 5% or more of the number of shares of that class in issue prior to the issue, in accordance with paragraph 11.22 of the JSE Listings Requirements.

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- (c) The aggregate issue of any particular class of shares in any financial year will not exceed 5% (21 932 802) of the issued number of that class of shares as at the date of this notice of AGM (including securities that are compulsorily convertible into shares of that class), providing that:
  - (i) Any equity securities issued under this authority during the period must be deducted from the number above;
  - (ii) In the event of a subdivision or consolidation of issued equity securities during the period contemplated above, the existing authority must be adjusted accordingly to represent the same allocation ratio; and
  - (iii) The calculation of the listed equity securities is a factual assessment of the listed equity securities as at the date of this notice of AGM, excluding treasury shares.
- (d) That in determining the price at which an issue of shares may be made in terms of this authority, the discount at which the shares may be issued, may not exceed 10% of the weighted average traded price on the JSE of the shares in question, as determined over the 30 business days prior to the date that the price of the issue is agreed between the company and the party subscribing for the securities.
- (e) Any such general issues are subject to any applicable exchange control regulations and approval at that point in time.
- (f) That the shares will only be issued to 'public shareholders' as defined in the JSE Listings Requirements, and not to related parties.

## Non-binding advisory resolutions

### 5. Non-binding advisory resolution number 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.

### 6. Non-binding advisory resolution number 2: Endorsement of the implementation of the remuneration policy

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

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## Special resolutions

### 7. Special resolution number 1: Approval of the remuneration of non-executive directors

The approval of the remuneration payable to the non-executive directors until the next AGM of the company:

Board	31 March 2020 (excluding VAT)
1.1 Non-executive director	R540 000, plus daily fees when travelling to and attending meetings
<b>Committees</b>	
1.2 Audit committee: Chair	R420 000
1.3 Member of audit committee	R210 000
1.4 Risk committee: Chair	R250 000
1.5 Member of risk committee	R125 000
1.6 Remuneration committee: Chair	R295 000
1.7 Member of remuneration committee	R147 500
1.8 Nomination committee: Chair	R200 000
1.9 Member of the nomination committee	R100 000
1.10 Social and ethics committee: Chair	R230 000
1.11 Member of social and ethics committee	R115 000

Directors registered for VAT will be entitled to VAT in addition to the above-stated remuneration.

### 8. Special resolution number 2: General authority to repurchase shares

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, the Act and the JSE Listings Requirements. The JSE Listings Requirements include the following:

- ▷ this authority shall not endure beyond the earlier of the next annual general meeting of the company or beyond fifteen (15) months from the date of this meeting;
- ▷ a paid press announcement, giving full details, will be published when the company has repurchased 3% of the initial number of the relevant class of securities, and for each 3% in the aggregate of the initial number of that class acquired thereafter, in accordance with paragraph 11.27 of the JSE Listings Requirements;

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- ▷ the general repurchase by the company, and by its subsidiaries, of the company's shares is authorised by its MOI;
- ▷ the general repurchase of shares will be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counterparty (reported trades are prohibited);
- ▷ the general repurchase by a company of its own shares shall not, in the aggregate in any one financial year exceed 20% of the company's issued share capital of that class as at the beginning of the financial year;
- ▷ in determining the price at which a general repurchase will be made in terms of this authority, the premium at which the shares may be repurchased may not exceed 10% of the weighted average traded price of the shares in question on the JSE, as determined over the five business days immediately preceding the date on which the transaction is effected;
- ▷ at any point in time the company may only appoint one agent to effect any repurchase on behalf of the company or any subsidiary of the company;
- ▷ a resolution has been passed by the board confirming that the board has authorised the general repurchase, that the company passed the solvency and liquidity test and that since the test was done there have been no material changes to the financial position of the company or its subsidiaries;
- ▷ any such general repurchase will be subject to the applicable provisions of the Act (including sections 114 and 115, to the extent that section 48(8) is applicable in relation to that particular repurchase;
- ▷ any such general repurchases are subject to exchange controls and approval at that point in time;
- ▷ the number of shares purchased and held by a subsidiary or subsidiaries of the company shall not exceed 10% in the aggregate of the number of issued shares in the company at the relevant times; and
- ▷ the company and its subsidiaries may not repurchase shares during a prohibited period (as defined in the JSE Listings Requirements) unless they have in place a repurchase programme where the dates and quantities of shares to be traded during the relevant period are fixed (not subject to any variation) and full details of the programme have been submitted to the JSE in writing prior to the commencement of the prohibited period.

*The reason for and effect of special resolution number 2 is to grant the company and/or a subsidiary of the company a general authority in terms of the Companies Act and the JSE Listings Requirements to acquire the company's shares.*

In accordance with the JSE Listings Requirements 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 2.



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The directors undertake that, after considering the effect of the general repurchase of shares as contemplated in special resolution number 2, they will not undertake any such general repurchase of shares unless:

1. the company and the group will be able to repay their debts as they become due in the ordinary course of business for a period of twelve (12) months following the date of such repurchase;
2. the company and the group's assets will be in excess of the liabilities of the company for a period of 12 months after the date of the repurchase. For this purpose, the assets and liabilities will be recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements which comply with the Act;
3. the share capital and reserves of the company and the group will be adequate for ordinary business purposes for a period of twelve (12) months after the date of the repurchase; and
4. the working capital of the company and the group will be adequate for ordinary business purposes for a period of twelve (12) months following the date of the repurchase.

## Disclosure in terms of section 11.26 of the JSE Listings Requirements

The following additional information, which appears in the integrated annual report, is provided in terms of the JSE Listings Requirements for purposes of this general authority in the integrated annual report of the company for 2019:

- ▷ an analysis of the major shareholders of the company on page 147 of this report; and
- ▷ share capital and reserves of the company on page 148 of this report.

## Directors' responsibility statement

The directors, whose names appear on pages 60 and 61 of this report collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the special resolution contains all information required by the JSE Listings Requirements.

## No material changes

There have been no material changes in the affairs or financial position of the company and its subsidiaries since the date of signature of the audit report and this notice of AGM.

## 9. Special resolution number 3: General authority to provide financial assistance in terms of section 44 of the Act

That the board may authorise the company to generally provide any financial assistance in the manner contemplated in and subject to the provisions of section 44 of the Act to a director or prescribed officer of the company or of a related or interrelated company, subject to (i) and (ii) below, or to a related or inter-related company or corporation, or to a member of a related or inter-related corporation, pursuant to the authority hereby conferred upon the board for these purposes.

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This authority shall:

- (i) include and also apply to the granting of financial assistance to the MCG share incentive scheme and such group share-based incentive schemes that are established in future (collectively the MCG group share-based incentive schemes) and participants thereunder (which may include directors, future directors, prescribed officers and future prescribed officers of the company or of a related or inter-related company) (participants) for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company, pursuant to the administration and implementation of the MCG share-based incentive schemes, in each instance on the terms applicable to the MCG share-based incentive scheme in question; and
- (ii) be limited, in respect of directors and prescribed officers, to financial assistance in relation to the acquisition of securities as contemplated in (i).

### 10. Special resolution number 4: General authority to provide financial assistance in terms of section 45 of the Act

That the company, as authorised by the board, may generally provide, in terms of and subject to the requirements of section 45 of the Act, any direct or indirect financial assistance to a related or inter-related company or corporation, or to a member of a related or inter-related corporation, pursuant to the authority hereby conferred upon the board for these purposes.

## Ordinary resolution

### 11. Ordinary resolution number 5: Authorisation to implement resolutions

Each of the directors of the company is authorised 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.

## Other business

To transact such other business as may be transacted at an AGM.



**D M Dickson**

*MultiChoice Group: company secretary*

30 July 2019