

**MULTICHOICE SOUTH AFRICA HOLDINGS PROPRIETARY LIMITED**

**(‘the Company or MultiChoice’)**

**Registration No: 2006/015293/07**

**(Incorporated in the Republic of South Africa)**

**MINUTES OF THE 15<sup>th</sup> ANNUAL GENERAL MEETING (AGM) OF THE  
COMPANY HELD ON WEDNESDAY 25 AUGUST 2021 AT 12:00 - VIRTUALLY  
VIA ZOOM AND BROADCAST VIA DSTV CHANNEL 196**

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**PRESENT:**

Sixteen shareholders representing 1 012 292 number of shares were virtually present. 651 shareholder proxies representing 297 760 278 number of shares received in favour of the meeting chair.

Total shares represented including proxies: 298 772 570 (82.99% of the total issued share capital of the Company).

**Directorate:**

Intiaz Patel (meeting chair),  
Mandla Langa, Chair of Phuthuma Nathi  
Calvo Mawela, MultiChoice CEO  
Tim Jacobs, MultiChoice CFO  
James du Preez, 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.

**MultiChoice South Africa representatives:**

Byron du Plessis, MultiChoice Corporate CFO.

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

**Company secretary:** Carmen Miller.

**Meeting administrative attendees:** Ceciele van der Struys, Bonita Monageng, Michelle Ackerman.

**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, David Spiller and Farhana Adam.

Eighteen persons joined the meeting as visitors.

**WELCOME AND  
INTRODUCTION:**

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

Ms Tshabalala advised that shareholders participating via the online platform were able to ask questions and vote on resolutions, as the virtual platform was interactive. Questions were sent throughout the meeting and the chair would respond 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.

Ms Tshabalala introduced the panel and welcomed them to the AGM.

She confirmed that Auditors from PwC were also online to verify the outcome of the voting.

Two videos which explained 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:**

The chair welcomed the MultiChoice and Phuthuma Nathi directors and noted the sad passing of Mr Jabu Mabuza, whose invaluable insights and experience will be sorely missed.

The chair highlighted various events which had occurred since the previous AGM in August 2020 and thanked management, employees and the board for their achievements, commitment and support.

The chair introduced and handed over to Calvo Mawela.

**CEO: MULTICHOICE SOUTH  
AFRICA BUSINESS  
PRESENTATION:**

Mr Mawela provided an operational review. The following key points were noted:

- The R1.5 billion dividend declared by the Phuthuma Nathi board will be paid after the MultiChoice South Africa dividend is approved in the MultiChoice SA AGM, which will start shortly.
- Phuthuma Nathi continues to create value for shareholders. Phuthuma Nathi has paid out dividends every year since the start of the scheme. The total

dividends paid to date is R13.4 billion and the additional R1.5 billion will take the total to R14.9 billion.

- Although Phuthuma Nathi has been paying dividends since the share scheme started, a large amount is unclaimed. As at September last year, R207 million worth of dividends had not been claimed. These are dividends declared between 2006 and 2020. Some of the reasons why shareholders have not received dividends include:
  - The shareholder's banking details changed but Phuthuma Nathi has not been notified.
  - The B-BBEE certificate supplied to Phuthuma Nathi has expired.
- Phuthuma Nathi has previously used tracing agents and a phone campaign to find these shareholders. Although these efforts worked to some extent, the board decided that more steps needed to be taken to find these shareholders to pay them what is rightfully theirs. Phuthuma Nathi then embarked on a media campaign which included social media, adverts in print, radio, TV and in taxis. Shareholders also received direct communication on email or SMS. Thanks to these efforts, more than R50 million has already been paid.
- COVID-19 remains a challenge and continues to affect the business's employees, customers and all its other stakeholders. When the pandemic started, MultiChoice responded swiftly by implementing several measures for its employees, customers and various stakeholders.
- This year:
  - Most of MultiChoice's employees continue to work from home.
  - A vaccination programme for employees in support of the national campaign to vaccinate as many South Africans as possible was set up.
  - MultiChoice partnered with the Solidarity Fund on its *When We Come Together* campaign; and
  - partnered with the United Nations and World Health Organization to help increase awareness of their COVID-19 campaign in Africa.
- The business launched several new products and services this past year which included Showmax Pro, DStv Communities, DStv Rewards and ADD Movies. The DStv Explora Ultra decoder was also launched to give customers a one-stop video entertainment hub with a single bill. This makes it possible for customers to access Netflix, Amazon Prime and

YouTube in addition to DStv and Showmax.

- An Artificial Intelligence chatbot called T.U.M.I was launched. This innovative service is available 24/7 to answer customer queries about products and services. This is part of the business's strategy to constantly enhance customer service through embracing technology.
- MultiChoice continued to invest significantly in its African stories, to bring customers entertainment in their own language, featuring local talent.
- Despite production stoppages and travel restrictions brought about by the pandemic, the business produced 19% more hours of local content than last year. As a result, the total local content library now exceeds 62 000 hours.
- MultiChoice is proud of its local African stories created by African people, showcased on DStv, Showmax and the global stage.
- MultiChoice received accolades for local stories at the 15<sup>th</sup> edition of the South African Film and Television Awards and walked away with 47 Golden Horns. This is testimony to the quality of its local stories and cements the business's place as Africa's most loved storyteller.
- MultiChoice remains Africa's leading sports broadcaster and funder of sport, bringing the best local and international sports to life for customers as was the case with Euro 2020 and the British and Lions tour.
- MultiChoice are the new title sponsor of the Premier Soccer League, which is now called the DStv Premiership and aim to expand the reach of football across South Africa and bring fans more televised games than ever before.
- To ensure that our support of football is holistic, MultiChoice partnered with the South African Football Association to develop and upskill referees and match officials.
- MultiChoice contributes to the growth and development of the country:
  - The R7.1 billion paid in taxes helps government provide services at this time when the economy is struggling.
  - As many families and households are struggling to make ends meet after either the loss of employment and in many cases, the tragic loss of

loved ones and breadwinners due to COVID-19, MultiChoice offered 236 young people bursaries this year and partnered with the Youth Employment Service to assist with the recruitment and training of learners. This partnership resulted in the creation of 400 new job opportunities.

- Small businesses play a critical role to grow the economy and to create much-needed jobs. In the past year MultiChoice:
    - Spent R11.5 billion on procurement with local suppliers.
    - Spent R3.3 billion on small and medium enterprises.
    - Paid R2.3 billion to suppliers with black female ownership of at least 30%.
    - Paid R615 million to suppliers with 51% black youth ownership.
  - The MultiChoice Innovation Fund offers black majority owned start-ups and small businesses financial support, training and mentoring. Last year eight small businesses were funded.
  - 1KZN TV and Mpuma Kapa TV each were given a grant to establish news bureaus in KwaZulu Natal and the Eastern Cape, respectively. These stations play a vital role in telling local stories.
- The business continues to invest in CSI programmes that make a significant impact in communities and change lives.
  - This year the DStv Schools Netball Challenge was launched, which is an exciting sports initiative for young female athletes who play netball at secondary schools across South Africa.
  - MultiChoice partnered with the University of Pretoria to develop scarce artificial intelligence (AI) and machine learning technology skills in South Africa which is progressing well.
  - The DStv platform plays a critical role in building our social fabric. MultiChoice partners with civil society and organisations to address social challenges, providing them with free access to advertise on DStv, which raises awareness of their work and mobilises resources to address these challenges.

**CFO PRESENTATION:**

Mr Mawela introduced Byron du Plessis, Corporate Chief Financial Officer of MultiChoice Group, who presented the SA group's financial results for the past year. He highlighted that:

- The South African economic environment remains

challenging as the impact of COVID-19 has placed many consumers under financial pressure. Despite this difficult trading environment, we delivered solid 6% subscriber growth year-on-year, closing the year on 8.9 million subscribers. This growth came mainly from the mass market segment, with DStv Access performing particularly strongly. Our Compact package continues to perform well on the back of an increase in local content and the always popular DStv Premiership. Our Premium segment was impacted by the tough economic environment which affected affordability, as well as a lack of live sport, especially local rugby.

- Revenue was in line with last year at R41bn. Despite solid subscriber growth, the impact of lockdowns on the hospitality industry reduced commercial subscription revenues. COVID-19 also led to a weak advertising environment in the first half of the financial year, which impacted advertising revenues negatively.
- Trading profit increased by 9% to R11.7bn. This was due to lower content costs as COVID-19 resulted in less major sporting events occurring in the current year, continued cost optimisation initiatives and lower operational costs, such as travel, in a COVID-19 environment.
- Despite the current economic challenges, the MultiChoice South Africa board has recommended a dividend of R6 billion to be declared to its shareholders.
- 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, which means that if:
  - The ordinary dividend is R22.22 per share;
  - As required by SA tax laws, a 20% dividend tax of R4.44 will be deducted before payment is made;
  - which means shareholders will receive an amount of R17.78 per share.

For example, if someone has 400 shares, at a R17.78 dividend per share, they will receive R7 111.12 after tax.

- Dividends will be paid directly into shareholders' bank accounts in the first week of September 2021. Shareholders must please ensure that banking details are up to date. If details have changed, a verification form can be submitted, or details can be updated online. Shareholders will need to forward their bank-stamped bank statement not older than three months to Singular

Services with an original certified copy of the shareholders South African identity document.

The chair thanked Calvo Mawela and Byron du Plessis for their presentations and moved to the formal part of the meeting.

**ORDER OF PROCEEDINGS  
AND ELECTRONIC VOTING:**

The chair confirmed that a quorum was present and that the meeting was constituted. The meeting notice was distributed to shareholders on 27 July 2021 and was taken as read. The chair advised that each shareholder present electronically or represented by proxy will be entitled to one vote for every share held.

The chair then asked for any objections to the notice and requested that hands be raised should there be any objections. No objections were noted.

**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 2021 and the remuneration report.

**2. ELECTION OF  
DIRECTOR**

To elect James du Preez as a non-executive director, who was appointed to the board subsequent to the 26 August 2020 AGM and is eligible for election as a director of the company.

**3. 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 Francis Lehlohonolo Napo Letele;
- 2.2 Dr Fatai Sanusi; and
- 2.3 John James Volkwyn.

The re-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.

**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.

**2. AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE IN TERMS OF SECTION 44 OF THE ACT**

The board may authorise the company to generally provide any financial assistance in the manner contemplated and subject to the provisions of section 44 of the Companies Act to a director or prescribed officer of the Company or of a related or inter-related 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 in terms of and subject to the MOI and the Act.

This authority shall:

- (i) Include and also apply to the granting of financial assistance to a share incentive scheme of the group or the company and such share-based incentive schemes that are established in future (collectively the group's 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 group share-based incentive schemes, in each instance on the terms applicable to the group's share-based incentive scheme in question.

- (ii) Be limited, in respect of directors and prescribed officers, to financial assistance in relation to the acquisition of securities as contemplated in (i).

**3. 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 Companies 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:**

The chair tabled and put forward the below ordinary resolution, 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 company secretary with the results of the votes, which had been verified by PricewaterhouseCoopers Inc.

The company 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.



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**CHAIR**

1 December 2021

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**DATE**

## ANNEXURE TO ANNUAL GENERAL MEETING MINUTES

**PHUTHUMA NATHI**  
SHARE THE FUTURE



## Q&A: from annual general meeting 25 August 2021

**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

**Question:**

**Do you plan to hold the AGM virtually every year?**

**Answer:**

We are in a COVID environment and it is very difficult to have physical meeting. Our intention is that when things go back to normal, we will have an in-person AGM as we have had in the past – we loved the engagement and it was wonderful to see shareholders present in the building. We pray and wish that we get back to those days.

**Question:**

**Do you no longer consider Netflix a competitor to MultiChoice since you have it on your DStv Explora Decoder?**

**Answer:**

Netflix is still a competitor to MultiChoice despite us carrying it on the platform. The addition of Netflix to the MultiChoice platform is in line with its strategy to aggregate third party content providers on its platform so that subscribers don't have to leave the MultiChoice platform to access other third-party content. In that way the business is building an eco-system wherein people can come to MultiChoice as a one stop shop to access content.

**Question:**

**In relation to the SABC and ESPN distribution agreement: How is MultiChoice going to**

<b>respond to this matter in terms of maintaining and increasing subscribers</b>
<p><b>Answer:</b> MultiChoice was the first company to announce the return of the ESPN channels on our platform. The business selects content that it believes will resonate with subscribers. It is on that basis that only two ESPN channels were selected. Management is comfortable that the content is sufficient and strong enough to carry the business through the competitive landscape in which it operates.</p>
<b>Question:</b>
<b>What is the status of the potential fine in Nigeria, how will MultiChoice handle it?</b>
<p><b>Answer:</b> MultiChoice is a law-abiding corporate citizen. The Nigerian matter stems from a misunderstanding of the subscriber numbers in Nigeria. MultiChoice has not understated its subscriber numbers or revenue as is alleged by FIRS. Various engagements are happening to try and get to an amicable resolution on this matter. Management is confident that the matter will be resolved.</p>
<b>Question:</b>
<b>Gender pay gap, company's strategy equality and the company's stance against gender-based violence and the platform it uses in ensuring that they stop gender-based violence?</b>
<p><b>Answer:</b> MultiChoice pays people based on the position that they occupy, irrespective of gender. The board have interrogated the matter and the outcome of the review was that there was no gender-based pay gap within the company.</p> <p>Over the last month the group partnered with the Uyinene Mrwetyana Foundation to create awareness against gender-based violence. There are a number of other initiatives the group is involved in to fight against gender-based violence.</p> <p>The MultiChoice workforce has an almost 50/50 split between male and female. Adv Kgomotso Moroka, one of the MultiChoice non-executive directors, is an advocate of this and the entire board is committed to this. To reflect the progress made, Calvo Mawela gave the following examples of recent female senior promotions in the group:</p> <ul style="list-style-type: none"> <li>- Fhulufhelo Badugela, who was recently appointed as the CEO of Rest of Africa business, and</li> <li>- Yolisa Phahle, who was appointed as the head of Connected Video and the general entertainment businesses less than a year ago.</li> </ul>
<b>Question:</b>
<b>Given the deteriorating economic situation in South Africa and the dividend payout not increasing in past 3 years or so, will Multichoice South Africa be able to pay dividends in future and is there a likelihood that you will increase the dividend in future?</b>
<p><b>Answer:</b> The dividend is dependent on the performance of MultiChoice during the year, as well as the outlook for the business and its operating environment. When declaring the dividend, the board considered the challenges with the South African economy and the uncertainty created by COVID-19 and the associated lockdowns. Fortunately, MultiChoice SA was able to declare a dividend to its shareholders this year despite the challenging economic environment it operated within. The board remains committed to creating sustainable value for its shareholders and its view is that excess cash needs to be returned to shareholders.</p>

**Question:**

**Would you consider declaring dividends twice a year (ie biannually)?**

**Answer:**

MultiChoice does not pay dividends biannually, predominantly because of the seasonal cost base on the business, ie. the majority of sports rights costs come through in the second half of the year and visibility on the level of the dividend only comes through at the end of March when there is a clear financial picture.

**Question:**

**With the economic hardship in South Africa there is also a cry for subscription fees to be reviewed. How is MultiChoice going to increase/not increase subscription fees? How is this going to affect sports for our leagues?**

**Answer:**

Price reviews and adjustments are considered annually and are based on extensive research. Increases have been in line with or below inflation.

With regard to DStv sport sponsorships it is unfortunate with current circumstances that stadiums are not full. Management is hopeful that the SA population get themselves vaccinated so that attendance at sports grounds will be improved, as experienced in the UK. Sport is the lifeblood of our people. MultiChoice is the biggest funder of sports on the African continent and management will continue to maintain that commitment.