

MULTICHOICE GROUP LIMITED
(‘the Company’)
Registration No: 2018/473845/06
(Incorporated in the Republic of South Africa)

**MINUTES OF THE 4th ANNUAL GENERAL MEETING (AGM) OF THE COMPANY
HELD ON THURSDAY 25 AUGUST 2022 AT 11:00 AT MULTICHOICE CITY, 144
BRAM FISCHER DRIVE, RANDBURG 2194**

PRESENT: Mr Imtiaz Patel (in the chair), shareholder management and observers as per the attendance register. Six shareholders were present in person. Eight persons joined the meeting as guests.

Total shares represented including proxies: 362 098 294 (81.82% of the total issued share capital of the Company).

The following MultiChoice representatives were also in attendance:

- Byron du Plessis: Corporate CFO
- Kobie Joubert: Head of Rewards
- Meloy Horn: Head of Investor Relations
- Meeting administrative attendees: Nadia Padayachee, Obakeng Ramatlhabe, Ceciele van der Struys and Janice Ohlson
- Corporate Affairs: Caroline Pritchard, Nomakhosi Khoza, Nishi Naicker; Jackie Rakitla, Collen Dlamini, Clayton Cohen.

Auditors:

- PricewaterhouseCoopers, represented by Brett Humphries
- Ernst & Young, represented by Charles Trollope and Morkel Pienaar.

Share transfer secretaries:

- Singular Systems (Pty) Ltd represented by Grant Bailey and Gaisano Mogorosi.

Electronic voting specialist:

- Evaluate Interactive represented by Brenda Caplen.

CONSTITUTION: As the necessary quorum was present, the chair declared the meeting duly constituted.

NOTICE: The notice convening the meeting was, with the consent of the shareholders present, taken as read.

**WELCOME,
INTRODUCTION AND
CHAIR ADDRESS:**

Mr Patel, the Company's non-executive chair, welcomed all at the meeting and introduced the meeting panelists:

- Calvo Mawela, the group CEO;
- Tim Jacobs, the group CFO;
- Jim Volkwyn, the lead independent director and remuneration committee chair;
- Christine Sabwa, the social and ethics committee chair; and
- Carmen Miller – the group company secretary.

The chair noted that the following directors were in attendance:

- Louisa Stephens – the audit and risk committees' chair;
- Adv Kgomotso Moroka – the nomination committee chair;
- the remaining MultiChoice Group directors, Elias Masilela and James du Preez.

The chair:

- a) Noted the significant impact COVID-19 had on customers, employees and the business and added that despite expectations that the world would return to normal in FY22 we were faced with several challenges - wide-spread geopolitical tensions, conflict in the Ukraine, stock market volatility, global supply chain issues and rising global inflation – especially the high fuel and food prices.
- b) Thanked Calvo Mawela, MultiChoice group CEO, his management team and employees across the organisation for their hard work and dedication which delivered solid operating results and a solid financial performance in FY22.
- c) Thanked the board for its invaluable guidance and support which helped navigate the many unexpected challenges in the past year.
- d) Noted the retirement of Nolo Letele in December 2021 and thanked him for his contribution over three decades.
- e) Pointed out that the Company will be looking to add to the board skills diversity, knowledge and perspective by appointing two more board members over the course of the 2023 financial year, prioritising international and technology expertise and committing to one of the appointments being female.
- f) Highlighted that:
 - Africa will be one of the most exciting consumer markets over the next 40 years and the group believes it is well positioned to capitalise on this opportunity.
 - While secular changes are disrupting traditional linear pay-TV markets around the globe, MultiChoice has

been adapting its video strategy for changing technology trends and evolving consumer preferences since it launched in 1985.

- The Company remains confident that its video entertainment teams will adapt and thrive as its markets start to see additional disruption and opportunity.
- Going forward, the Company will continue to enrich the lives of its customers by improving its value proposition to them.
- It will further develop the group's employees through an innovative and forward-looking culture, support the growth of the industries it operates in, and ultimately support communities through employment, value-chain support, service provisioning, tax contributions and the group's various initiatives to uplift communities and create opportunities for young talent.

**CEO: BUSINESS
PRESENTATION:**

Mr Calvo Mawela, the chief executive officer of MultiChoice Group, presented a review of the business for the past year. The following key points were noted:

- a) As a business, MultiChoice group has been bringing the magic of pay-TV to African households for more than 36 years. Over this time, its platform has developed on the back of a trusted brand, unmatched distribution and payment capabilities, a strong technology foundation and a heavy focus on localisation.
- b) Today MultiChoice provides entertainment to almost 22 million households across the African continent. Because there is/are on average 5 people living in each household, it means MultiChoice reaches over 100m individuals through that relationship every day. This creates a unique opportunity for MultiChoice – not only to do more for its customers, but also to create more value for the group's shareholders.
- c) MultiChoice's vision is to be the platform of choice for African households, and it aims to enrich their lives by delivering entertainment and relevant consumer services through technology. The group is doing this by growing its core linear pay-TV business, developing and scaling online and interactive services and by making select investments in scalable tech-based consumer services.
- d) Although the group remains focused on the opportunities to grow its core business, it is now at a point where it can look beyond paid video entertainment to new revenue opportunities that will support ARPU as pay-TV starts maturing over time. The plan is to do so through organic

investment and innovation, strategic partnerships and select M&A, and by focusing on:

- interactive entertainment, where it has invested in sports betting platform KingMakers and have successfully launched SuperPicks as a joint initiative,
 - home services, where DStv Internet is getting good traction and AURA is enabling access to emergency and security services for many middle-income households on the continent,
 - fin-tech, where it already has 2.4 million customers in its DStv Insurance business and where it processes more than USD3.5 billion in payments annually,
 - MultiChoice group is also looking at edu-tech, a much-needed service to help Africans equip themselves for their future.
- e) The group grew its linear pay-TV base by close to a million subscribers to reach almost 22 million households and expanded the Showmax paying base by a healthy 68%.
- f) The group has delivered top line growth and steady margins right through the pandemic and has taken out more than R1 billion in costs for a third year in a row. It has consistently been paying dividends since committing to do so and will return the Rest of Africa to profitability in FY23 as promised.
- g) In FY22, the group has increased production of local content by 32% to more than 6,000 hours, while live sport broadcasts were up 51%. As key drivers of the group's differentiated product offering, these are critically important successes for our business.
- h) During the year MultiChoice increased its shareholding in KingMakers, a sports betting business, from 20% to 49%. As a result, the business is now fully capitalised for its expansion plans, with approximately USD200 million on its balance sheet. KingMakers is already operating at scale and continues to enjoy good momentum:
- it took more than USD1 billion in stakes in the past year,
 - it more than doubled its active user base and
 - expanded its employee base to around 400 people.
 - it also generated USD131 million in revenues, an acceleration in growth from 43% to 68%.
- i) Although profitable the year before, KingMakers made a

loss of USD 19 million as it invested in people, technology and products needed to support its ambitious expansion plan.

- j) Following its launch in Ghana, it is now active in 4 markets.
- k) SuperPicks, a free-to-play predictor game and MultiChoice's first product collaboration with KingMakers, was launched in Nigeria with great success and rolled out in South Africa with good early traction.
- l) In the year ahead, KingMakers will be expanding its offering and launching in new markets and MultiChoice looks forward to following their progress.

CFO PRESENTATION: Mr Tim Jacobs, the chief financial officer of MultiChoice Group provided an overview of the MultiChoice group's financial results for the past year. The following key points were noted:

- a) MultiChoice has delivered top line organic growth of 7%, through increased subscriber volumes and pricing, with especially positive strong results in Rest of Africa. This was further supported by a strong rebound in advertising income.
- b) The group has managed to keep its trading margin steady at 19%, by delivering R1.2 billion in cost savings to offset the R1.1 billion in content costs that were deferred from FY21 into FY22.
- c) A further narrowing of losses in the Rest of Africa and a less-adverse impact from currency hedges supported growth in core headline earnings of 6%.
- d) Free cash flow came in at a healthy R5.5 billion, despite R1.1 billion in prepayments mainly relating to Nigerian tax, securing set-top boxes for the Soccer World Cup and adding additional transponder capacity.
- e) MultiChoice's cash holdings remain healthy at R6.2 billion, while R5.0 billion in facilities leave total available funds of R11.2 billion.

Some of these funds are not immediately available to the group or have been set aside for other uses. R4 billion will be used to pay Phuthuma Nathi and the Company's dividends in September, while a total of R1.6 billion or USD109 million of cash is subject to liquidity constraints.

An additional R1.3 billion will be used to pay the short-term portions of the group's loans, which leaves R4.3 billion to fund the operational side of the group's business through the ups and downs of its working capital cycle.

- f) The group's debt position increased to R4 billion following the debt-funded acquisition of the additional 29% stake in

Kingmakers. Given additional liquidity on hand at year end, the group has made a ZAR500 million early repayment on the loan to lessen the impact of non-deductible interest in future years.

- g) The group's progress year to date and some of the trends that are impacting the group's business are as follows:
- Starting with subscribers, the normal seasonal trends have been playing out, with Q1 a bit softer than usual as a result of the economic climate, but with BB Naija and the start of the new European football season providing good momentum in terms of Q2 growth.
 - As flagged in MultiChoice's results commentary, the group is looking to make the most of the opportunity presented by the Soccer World Cup in November/December, and has therefore been stepping up its investment in set-top boxes to ensure that sufficient stock is available.
 - Currencies continue to impact the group's financial results especially the increasing parallel rate in Nigeria that continues to weaken relative to the US dollar.

REMUNERATION REPORT:

Mr Jim Volkwyn, the lead independent director and chair of the remuneration committee, presented a review of the remuneration report. He noted that following a disappointing vote last year, the remuneration committee conducted an extensive review of MultiChoice group's remuneration policy, which included numerous investor meetings, an extended benchmarking analysis and additional consultation with its advisors.

The following key changes were made:

- a) Disclosure has substantially increased on short-term and long-term incentive schemes, as well as on its phantom performance share plan and detailed explanations have been included about performance against the STI and LTI targets.
- b) LTI targets were linked to external targets and/or performance metrics,
- c) ESG performance hurdles were introduced based on a blend of external agency ratings and Company specific measures have been included for the first time.

Mr Volkwyn thanked investors for their meaningful engagements, productive feedback and continued support

Mr Volkwyn added that the group remains committed to continue enhancing its practices and related disclosures. He invited MultiChoice shareholders to keep sharing suggestions as the group moves forward.

**SOCIAL AND ETHICS
COMMITTEE
REPORT**

Ms Christine Sabwa, the chair of the social and ethics committee, presented a review of the social and ethics report. She highlighted that:

- a) MultiChoice is proud of its contribution to the countries where it operates. With businesses across the African continent, the group understand that its social and legal licence to operate depends on the way it conducts itself, as well as on the sustainable value it creates for its stakeholders. The integrated annual report provides a holistic reflection of the group's commitment to act, and be regarded, as a responsible corporate citizen.
- b) This year the social and ethics committee continued to monitor the group's reputational standing, its progress in terms of diversity and transformation (including employment equity and BBBEE verification), as well as its CSI programmes and sustainable development initiatives. It also includes environmental programmes and consumer relationships, such as data privacy programmes, compliance with laws and customer satisfaction surveys. The committee also evaluated the group's performance in relation to human rights, health and safety (including COVID-19 impacts) and other labour practices.
- c) During FY22 the group spent R213m on skills development, maintained a Level 1 BBBEE rating and actively promoted gender diversity with initiatives such as its Woman's Forum, The Woman in Technology Academy and The Advancing Woman Mentorship Programme. In addition to its employee initiatives the group spent R298m on CSI initiatives, redefined its carbon footprint reporting boundaries and continued to promote environmental responsibility with its energy efficiency, waste reduction and water efficiency initiatives.
- d) MultiChoice is constantly looking for ways to meet and exceed customer expectations and to promote good consumer relationships. It has generally complied with all relevant laws and has a zero-tolerance for unethical behaviour. The group continues to entrench an ethical culture by offering a whistle-blower facility and through various initiatives such as awareness campaigns on anti-bribery and anticorruption, conflicts of interest, health and safety and fraud.
- e) Looking ahead, the social & ethics committee will continue to focus on discharging its responsibilities in terms of its charter and entrenching reporting mechanisms to enhance oversight.

**START OF FORMAL
PROCEEDINGS:**

The chair thanked Messrs Mawela, Jacobs, Volkwyn and Ms Sabwa for their inputs and moved to the formal part of the proceedings.

VOTING: The chair advised that the ordinary and special resolutions would be voted on by a poll and that representatives of the auditors, PricewaterhouseCoopers Inc., would verify the results of the voting process,

QUESTIONS FROM SHAREHOLDERS/ SHAREHOLDER REPRESENTATIVES: The chair invited shareholders to ask any questions on the matters put forward at the meeting. There were no questions put forward from shareholders.

The following resolutions were put to a vote at the meeting:

ORDINARY RESOLUTIONS

PRESENTATION OF ANNUAL FINANCIAL STATEMENTS AND RELATED REPORTS: 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 2022).

RE-ELECTION OF DIRECTORS: To re-elect, each by way of separate ordinary resolution, the directors named below, who retire, in terms of JSE Listings Requirements 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:

- 2.1 Elias Masilela
- 2.2 Mohamed Imtiaz Ahmed Patel
- 2.3 Louisa Stephens.

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

APPOINTMENT OF INDEPENDENT EXTERNAL AUDITORS: To appoint, on recommendation of the Company's audit committee, each by way of a separate ordinary resolution, the firm:

- 3.1 PricewaterhouseCoopers Incorporated as independent registered external auditor of the Company (noting that Brett Humphreys is the individual registered auditor of that firm who will undertake the audit) for the period from this annual general meeting until the conclusion of the financial year ending 31 March 2023; and
- 3.2 Ernst & Young Incorporated as the independent registered external auditor of the Company (noting that Charles Trollope is the individual registered auditor of that firm who will undertake the audit) for the period 1 April 2023 until the next annual general meeting.

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

**APPOINTMENT OF
AUDIT COMMITTEE
MEMBERS:**

To appoint, each by way of a separate ordinary resolution, the directors named below as audit committee members of the Company, as required in terms of the Companies Act and recommended by the King Report on Corporate Governance™ for South Africa, 2016 (King IV):

4.1 Louisa Stephens (chair of the committee), subject to the passing of ordinary resolution number 2.3

4.2 Elias Masilela, subject to the passing of ordinary resolution number 2.1

4.3 James Hart du Preez

4.4 Christine Mideva Sabwa.

The appointment of each of the aforementioned members was considered and voted on separately and carried out by way of separate ordinary resolutions.

**GENERAL
AUTHORITY TO
ISSUE UP TO 2.5% OF
SHARES IN ISSUE
FOR CASH:**

Subject to achieving a 75% majority of the votes cast in favour of this resolution by all equity securities holders present or represented by proxy at the AGM, to resolve that the directors be authorised and are hereby authorised to issue a maximum of 2.5% of 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, to any shareholders, including related parties, but, in the case of related parties, only through a bookbuild process, and subject further to the provisions of the Companies 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) 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, 2.5% 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.
- c) The aggregate issue of any particular class of shares in any financial year will not exceed 2.5% (10 638 994) 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) 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) In the case of related parties participating in the general issue for cash, such participation will be through a bookbuild process; and
 - related parties may only participate with a maximum bid price at which they are prepared to take up shares or at book close price, in the event of a maximum bid price and the book closing at a higher price, the relevant related party will be 'out of the book' and not be allocated shares; and
 - shares must be allocated equitable 'in the book' through the bookbuild process and the measures to be applied must be disclosed in the SENS announcement launching the bookbuild.

**AUTHORISATION
TO IMPLEMENT
RESOLUTIONS:**

Each of the directors of the Company be and is authorised to do all things, perform all acts and sign all documentation necessary to effect the implementation of the ordinary and special resolutions adopted at this annual general meeting.

NON-BINDING ADVISORY RESOLUTIONS

**ENDORSEMENT OF
THE COMPANY'S
REMUNERATION
POLICY:**

To endorse the Company's remuneration policy, as set out in the remuneration report on pages 56 to 63 of the summarised consolidated annual financial statements and notice of annual general meeting booklet.

**ENDORSEMENT OF
REMUNERATION
IMPLEMENTATION
REPORT:**

To endorse the Company's remuneration implementation report relating to the payment of remuneration for the period which commenced on 1 April 2021 and ended on 31 March 2022 as set out on pages 64 to 73 of the summarised consolidated annual financial statements and notice of annual general meeting booklet.

SPECIAL RESOLUTIONS

**APPROVAL OF
REMUNERATION OF
NON-EXECUTIVE
DIRECTORS:**

TO RESOLVE that the Company be authorised to pay the annual fees to its non-executive directors for their services as directors and committee members with effect from the annual general meeting until the next annual general meeting as follows:

Non-executive directors	R784 200 plus daily fees when travelling to and attending meetings
Lead independent non-executive director	R1 176 200 plus daily fees when travelling to and attending meetings
Committees	
Audit committee: Chair	R454 300
Member of audit committee	R227 100
Risk committee: Chair	R270 400
Member of risk committee	R135 200
Remuneration committee: Chair	R319 100
Member of remuneration committee	R159 500
Nomination committee: Chair	R216 300
Member of the nomination committee	R108 200
Social and ethics committee: Chair	R248 800
Member of social and ethics committee	R124 400

**GENERAL
AUTHORITY TO RE-
PURCHASE A
MAXIMUM OF 20%
SHARES OF THE
COMPANY**

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, subject to a maximum 20% of the Company's issued share capital of that class in any one financial year, upon such terms as the board may determine, in each instance in terms of and subject to the MOI, the Companies Act and the JSE Listings Requirements which include the following:

- i. 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;
- ii. 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;
- iii. The general repurchase by the Company, and by its subsidiaries, of the Company's shares is authorised by its MOI;
- iv. 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);
- v. The general repurchase by the Company, or any of its subsidiaries (subject to paragraph xi below), of the Company's securities shall not, 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 in any one financial year;
 - vi. 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;
 - vii. 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;
 - viii. 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 any of its subsidiaries (the group);
 - ix. Any general repurchase will be subject to the applicable provisions of the Companies Act (including sections 114 and 115, to the extent that section 48(8) is applicable in relation to that particular repurchase;
 - x. Any general repurchases are subject to exchange controls and approval at that point in time;
 - xi. 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;
 - xii. 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.

**GENERAL
AUTHORITY TO
PROVIDE FINANCIAL
ASSISTANCE –
SECTION 44 OF THE
COMPANIES ACT:**

TO RESOLVE 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.

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).

**GENERAL
AUTHORITY TO
PROVIDE
FINANCIAL
ASSISTANCE:
SECTION 45 OF THE
COMPANIES ACT**

TO RESOLVE 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.

**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 ordinary and special resolutions proposed at the meeting were approved by the requisite majority of votes.

The secretary further noted that with regard to the non-binding advisory votes, non-binding resolution number 1 relating to the remuneration policy had received 96.35% votes in favour of this resolution. Non-binding resolution 2 relating to the remuneration implementation report received 68.30% votes in favour of this resolution, thus did not meet the required 75% votes to pass this resolution.

The secretary noted that full details of the results of the voting will be published on the JSE news service as required in terms of the JSE Limited stock exchange's Listing Requirements.

CLOSURE:

The chair thanked all present and declared the meeting closed at 11:30.



CHAIR

19 October 2022

DATE