

Phuthuma Nathi Investments 2 (RF) Limited
(incorporated in the Republic of South Africa)
(Registration number: 2006/036320/06)
ESEE Share Code: EXPN2

PUBLICATION OF OFFER CIRCULAR, PROSPECTUS AND SCHEME CIRCULAR FOR THE PROPOSED EXCHANGE BY SHAREHOLDERS OF PHUTHUMA NATHI INVESTMENTS (RF) LIMITED (“PN1”) AND SHAREHOLDERS OF PHUTHUMA NATHI INVESTMENTS 2 (RF) LIMITED (“PN2”) (COLLECTIVELY “PN”) OF UP TO 20% OF THEIR HOLDINGS IN PN FOR SHARES IN MULTICHOICE GROUP LIMITED (“MULTICHOICE” OR “MCG”) (“MCG OFFER”) AND PROPOSED ACQUISITION BY PN1 OF ALL THE ISSUED SHARE CAPITAL IN PN2 BY WAY OF A SCHEME OF ARRANGEMENT (“SCHEME”)

1. Introduction and background

1.1. MCG Offer

MultiChoice intends to make an offer (the “MCG Offer” or the “Proposed Acquisition”) to shareholders of PN1 and PN2 to exchange up to 20% of their shares in PN, which shares are currently listed on the Equity Express Securities Exchange (“ESEE”), for shares in MCG, listed on the JSE Limited (“JSE”). The purpose of the Proposed Acquisition is to provide PN shareholders with an opportunity to gain exposure to the rest of MCG’s assets, while providing additional liquidity to PN shareholders through the MCG shares listed on the JSE.

1.2. Scheme

PN1 and PN2 currently hold a combined 25% shareholding in MultiChoice South Africa Holdings Proprietary Limited (“MCSA”). PN1 holds 16.7% of MCSA’s ordinary shares, while PN2 holds 8.3% of MCSA’s ordinary shares. The Scheme involves a simplification of the current PN structure whereby PN1 will acquire the entire issued share capital of PN2. PN2 will be delisted from ESEE and, subsequent to distribution of the MCSA ordinary shares held by PN2 to PN1, be wound up and deregistered. PN1 will continue to be listed on ESEE. A general meeting of PN2 shareholders will be called in order for PN2 shareholders to consider and vote on the Scheme, including the various amendments required to be made to the memorandum of incorporation of PN2, including amendments which are required for the MCG Offer. This meeting is proposed to be held at 12:00 on Monday, 21 October 2019 at MultiChoice City, 144 Bram Fischer Drive, Ferndale, Randburg.

You are referred to the announcement published on ESEE on 30 August 2019 for further details of the MCG Offer and the Scheme.

2. Key terms

2.1. MCG Offer

The key terms for the MCG Offer are detailed below:

- The MCG Offer will be available to all PN Shareholders who hold more than 20 PN shares;
- An exchange ratio of 0.97 MCG shares for every 1 PN share will be applied subject to the deduction of ESEE’s 1.1% transaction fee and VAT thereon, so that after these

deductions, PN Shareholders will received 0.957 MCG shares into their account for every PN share tendered;

- The MCG Offer will be subject to the fulfilment or waiver of certain conditions as detailed in the MCG Offer circular;
- Participation in the MCG Offer is completely voluntary; and
- The MCG Offer will open at 09:00 on Wednesday, 25 September 2019 and close at 14:00 on Monday, 28 October 2019 and will be implemented on Tuesday, 29 October 2019.

2.2. Scheme

The key terms of the Scheme are detailed below:

- An exchange ratio of 1 PN1 share for every 1 PN2 share held will be applied;
- Shareholders who hold PN2 shares at close of business on Friday, 11 October 2019 will be eligible to vote at the PN2 general meeting at which the Scheme resolution will be considered and voted on;
- Shareholders who hold PN2 shares at close of business on Friday, 1 November 2019 will be eligible to receive the Scheme consideration (being PN1 shares in the above-noted exchange ratio);
- PN2's listing on ESE is expected to be terminated from commencement of trade on Monday, 4 November 2019; and
- The expected operative time of the Scheme is 08:00 on Tuesday, 5 November.

PN2 shareholders will be able to indicate how they wish their votes to be cast on the Scheme from 09:00 on Wednesday, 25 September 2019 until 17:00 on Friday, 18 October 2019 in accordance with the methods for voting set out in the Scheme circular.

3. Publication of the Offer Circular, Prospectus and Scheme Circular

The MCG Offer circular, MCG prospectus and PN2 Scheme Circular containing detailed information will be published on the MCG website (www.multichoice.co.za) and the PN website (www.phuthumanathi.co.za) on Monday, 16 September 2019 and will be posted to PN Shareholders on Friday, 20 September 2019.

4. Directors' responsibility statement

The board of directors of PN2, individually and collectively accepts full responsibility for the accuracy of the information contained in this announcement to the extent that it relates solely to PN2. In addition, the board of directors of PN2 certifies that to the best of its knowledge and belief, the information contained in this announcement solely pertaining to PN2 is true and, where appropriate, does not omit anything that is likely to affect the importance of the information contained herein solely pertaining to PN2, and that all reasonable enquiries to ascertain such information has been made.

5. PN2 Independent Board responsibility statement

The Independent Board of PN2, individually and collectively, accepts full responsibility for the accuracy of the information contained in this announcement to the extent that it relates to PN2. In addition, the PN2 Independent Board certifies that to the best of its knowledge and belief, the information contained in this announcement is true and, where appropriate, does not omit anything that is likely to affect the importance of the information contained herein pertaining to PN2, and that all reasonable enquiries to ascertain such information have been made.

6. Timeline and key dates*

6.1. MCG Offer

The key dates pertaining to the MCG Offer are outlined in the table below.

Activity	2019
Publication of the MCG Offer circular and MCG prospectus	Monday, 16 September
Posting of MCG Offer circular and MCG prospectus	Friday, 20 September
Opening of MCG Offer at 09:00 on	Wednesday, 25 September
Separate PN1 and PN2 shareholders' meeting to vote on amendments to the PN MOIs	Monday, 21 October
Closing of MCG Offer at 14:00	Monday, 28 October

6.2. Scheme

The key dates pertaining to the Scheme are outlined in the table below.

Activity	2019
Last day to trade and record date to be eligible to vote at the PN2 shareholders' meeting	Friday, 11 October
PN2 shareholders' meeting	Monday, 21 October
Termination of listing of PN2 shares on EESE from commencement of trade	Monday, 4 November
Expected operative time of the Scheme at 08:00 on	Tuesday, 5 November

* All dates and times set out above are subject to change (subject to any requisite regulatory approval). Any change to the dates and times will be released on the EESE-News and the PN website.

7. Further announcements

The results of the PN shareholder meetings as they pertain to the amendments to the MOI's and the outcome of the PN2 shareholder vote relating to the Scheme will be announced as soon as possible after conclusion of the meeting.

The final number of PN shares acquired and MCG shares to be issued in consideration of the acquisition of the PN shares will be announced following the closing of the MCG Offer on Monday, 28 October.

Randburg
16 September 2019

Financial Adviser and JSE Sponsor to MCG

Rand Merchant Bank (A division of FirstRand Bank Limited)

Legal and Tax Adviser to MCG and PN

Webber Wentzel

Independent Reporting Accountant and Auditors

PricewaterhouseCoopers

Financial Adviser to PN for the purposes of the MCG Offer and Independent Expert to PN2 for the purposes of the Scheme

Tamela Holdings Proprietary Limited

Transfer Secretaries

Singular Systems