



MEDIA24 HOLDINGS PROPRIETARY LIMITED
(Incorporated in the Republic of South Africa)
(Registration number: 2006/021408/07)
("Media Holdings")



WELKOM YIZANI INVESTMENTS (RF) LIMITED
(Incorporated in the Republic of South Africa)
(Registration number: 2006/021434/06)
(Ordinary Short Code: EXWYI)
("Welkom")

DISTRIBUTION OF CIRCULAR (AS DEFINED BELOW) AND NOTICE OF MEDIA HOLDINGS GENERAL MEETING AND NOTICE OF WELKOM GENERAL MEETING

Unless the context indicates otherwise, capitalised (defined) terms used in this announcement have the same meanings given to them in the Circular (as defined below).

1. Introduction

1.1 Media Holdings Shareholders and Welkom Shareholders ("**Shareholders**") are referred to the Firm Intention Announcement released on EESE-News, Media Holdings' website and Welkom's website on Friday, 27 November 2020 relating to:

1.1.1 a repurchase (which will precede the Scheme, as defined below) by Media Holdings of 5 839 999 of its ordinary shares held by Welkom (constituting 6% of Media Holdings' issued share capital) for a repurchase consideration of R15.70 per Media Holdings Share ("**Repurchase**");

1.1.2 an offer from Media Holdings to all Welkom Shareholders to acquire all of their Welkom Shares for a cash consideration of R15.70 per Welkom Share, in accordance with the provisions of section 114(1)(c) of the Companies Act and section 3.5(b) of the Listings Requirements, to be effected by way of a scheme of arrangement ("**Scheme**"); and

1.1.3 the subsequent delisting of all of the Welkom Shares from the securities exchange operated by EESE, in terms of section 3.5(b) of the Listings Requirements ("**Delisting**"), pursuant to the implementation of the Scheme.

2. Distribution of Repurchase Circular and Scheme Circular (as one bound document) ("Circular**") to Shareholders**

2.1 Shareholders are advised that the Circular to Shareholders containing the full details of the Repurchase, the Scheme and the Delisting and incorporating a Notice of Media Holdings General Meeting in respect of the Repurchase, a Notice of Welkom General Meeting in respect of the Scheme, an independent expert report by Deloitte & Touche in respect of the Repurchase, an independent expert report by Questco Corporate Advisory Proprietary Limited ("**Questco**") in respect of the Scheme, the recommendations by the Media Holdings Board in respect of the Repurchase, the recommendations by the Welkom Independent Board and the Welkom Board in respect of the Scheme, a Form of Proxy (*yellow*) in respect of the Repurchase, and a Form of Proxy (*yellow*) in respect of the Scheme, has been distributed to Shareholders today, Monday, 14 December 2020. The important dates and times for the Repurchase, the Scheme and the Delisting are set out in paragraph 5.3 below.

2.2 Shareholders are further advised that the Circular is available on: (i) Media Holdings' website at <http://www.media24.com/investor-centre/>; (ii) Welkom's website at www.welkomyizani.co.za; and (iii) EESE's website at www.eese.co.za.

3. **Independent Expert report and recommendations in respect of the Repurchase**

- 3.1 The Media Holdings Board has appointed Deloitte & Touche as the Independent Expert in terms of section 114(3) of the Companies Act, to provide the Media Holdings Board with external advice in relation to the Repurchase, in the form of a report as contemplated in section 114(3) of the Companies Act.
- 3.2 Having considered the terms and conditions of the Repurchase, Deloitte & Touche is of the opinion that the Repurchase is fair and reasonable to Media Holdings Shareholders.
- 3.3 The full text of Deloitte & Touche's report in connection with the Repurchase is set out in **Annexure 1 to Part A** of the Circular.
- 3.4 The Media Holdings Board, taking into account the report of Deloitte & Touche, has considered the terms and conditions thereof, and is unanimously of the opinion that the terms and conditions of the Repurchase are fair and reasonable to Media Holdings Shareholders and, accordingly, unanimously recommends that Media Holdings Shareholders vote in favour of the Repurchase Resolution.

4. **Independent Expert report and recommendations in respect of the Scheme**

- 4.1 As set out in the Firm Intention Announcement, the Welkom Independent Board has appointed Questco as the Independent Expert in terms of section 114(2) of the Companies Act and regulation 90 of the Companies Regulations to provide the Welkom Board and the Welkom Independent Board with external advice in relation to the Scheme, in the form of an independent expert report as required in terms of section 114(3) of the Companies Act and a fair and reasonable opinion as required by and in compliance with the Takeover Regulations.
- 4.2 Having considered the terms and conditions of the Scheme, Questco is of the opinion that the Scheme is fair and reasonable to Scheme Participants.
- 4.3 The full text of Questco's report in connection with the Scheme is set out in **Annexure 1 to Part B** of the Circular.
- 4.4 The Welkom Board and the Welkom Independent Board, taking into account the report of Questco, has considered the terms and conditions thereof, and is unanimously of the opinion that the terms and conditions of the Scheme are fair and reasonable to Welkom Shareholders and, accordingly, unanimously recommends that Welkom Shareholders vote in favour of the relevant Resolutions (including the Scheme Resolution).

5. **Notice of Media Holdings General Meeting, Notice of Welkom General Meeting and important dates and times**

- 5.1 The Media Holdings General Meeting will be held at 09:30 on Friday, 22 January 2021, entirely via electronic facility/communication in terms of section 63(2)(a) of the Companies Act (or any other adjourned or postponed date and time in accordance with the provisions of section 64(11) of the Companies Act and the MOI) to consider and, if deemed fit, pass, with or without change, the Repurchase Resolution set out in the Notice of Media Holdings General Meeting.

5.2 The Welkom General Meeting will be held immediately after the Media Holdings General Meeting at 10:00 on Friday, 22 January 2021, entirely via electronic facility/communication in terms of section 63(2)(a) of the Companies Act (or any other adjourned or postponed date and time in accordance with the provisions of section 64(11) of the Companies Act and the MOI) to consider and, if deemed fit, pass, with or without change, the relevant Resolutions (including the Scheme Resolution) set out in the Notice of Welkom General Meeting.

5.3 The important dates and times in relation to the Repurchase, the Scheme and the Delisting are anticipated to be as follows:

	2020/2021
Record date to determine which Welkom Shareholders and Media Holdings Shareholders are eligible to receive the Circular	Friday, 4 December
Circular and Notice of Media Holdings General Meeting and Notice of Welkom General Meeting posted to Media Holdings Shareholders and Welkom Shareholders and published on EESE-News, Media Holdings' website and Welkom's website on	Monday, 14 December
Last day to trade Welkom Shares in order to be recorded in the Register to attend, participate in and vote at the Welkom General Meeting on	Friday, 15 January
Record date for Media Holdings Shareholders and Welkom Shareholders to be recorded in the Register in order to be eligible to attend, participate in and vote at the Media Holdings General Meeting and the Welkom General Meeting, by close of trade on	Friday, 15 January
Last day and time to lodge Forms of Proxy (<i>yellow</i>) with the Transfer Secretaries, Singular Systems, by 09:30 in respect of the Media Holdings General Meeting and by 10:00 in respect of the Welkom General Meeting on	Wednesday, 20 January
Last day for Welkom Shareholders to give notice to Welkom of their objections to the Scheme Resolution in terms of section 164(3) of the Companies Act by no later than 10:00 on	Friday, 22 January
Media Holdings General Meeting to be held at 09:30 on	Friday, 22 January
Welkom General Meeting to be held immediately after the Media Holdings General Meeting at 10:00 on	Friday, 22 January
Results of the Media Holdings General Meeting and the Welkom General Meeting released on EESE-News, Media Holdings' website and Welkom's website on or about	Friday, 22 January

<i>If the Repurchase is approved by Media Holdings Shareholders at the Media Holdings General Meeting and the Scheme is approved by Welkom Shareholders at the Welkom General Meeting:</i>	
Last day for Media Holdings Shareholders (who voted against the Repurchase) and Welkom Shareholders (who voted against the Scheme) to require Media Holdings and Welkom to seek Court approval for the Repurchase and the Scheme in terms of section 115(3)(a) of the Companies Act, if at least 15% of the total votes of Media Holdings Shareholders and Welkom Shareholders at the Media Holdings General Meeting and the Welkom General Meeting were exercised against the Repurchase Resolution and the Scheme Resolution, respectively, on	Friday, 29 January
Last day for Media Holdings Shareholders (who voted against the Repurchase) and Welkom Shareholders (who voted against the Scheme) to be granted leave by a Court for a review of the Repurchase and the Scheme in terms of section 115(3)(b) of the Companies Act if the Repurchase Resolution and the Scheme Resolution is approved by Media Holdings Shareholders and Welkom Shareholders at the Media Holdings General Meeting and the Welkom General Meeting respectively (where applicable) on	Friday, 5 February
Last day for Welkom to give notice of adoption of the Scheme Resolution approving the Scheme to Dissenting Welkom Shareholders in accordance with section 164(4) of the Companies Act on	Friday, 5 February
<i>The following dates assume that no Court approval or review of the Repurchase and the Scheme is required and that all other Repurchase Conditions Precedent and Scheme Conditions Precedent are fulfilled or waived (to the extent applicable):</i>	
Finalisation announcement with regard to the Repurchase, the Scheme and the Delisting published on EESE-News, Media Holdings' website and Welkom's website before 10:00 (assuming no Media Holdings Shareholder and Welkom Shareholder exercises their right in terms of section 115(3)(a) or section 115(3)(b) of the Companies Act) expected to be on or about	Friday, 12 February
Expected last day to trade, being the last day to trade Welkom Shares on EESE in order to participate in the Scheme	Friday, 26 February
Expected Scheme Consideration Record Date, being the date on which Scheme Participants must be recorded in the Register to receive the Scheme Consideration, by close of trade on	Friday, 26 February
Expected <i>Implementation Date</i> of the Repurchase on or about	Monday, 1 March
Expected <i>Operative Date</i> of the Scheme on or about	Monday, 1 March
Scheme Participants expected to have their accounts credited with the Scheme Consideration on or about	Monday, 1 March
Expected date for termination of listing of the Welkom Shares in terms of the Scheme from the commencement of trade on EESE on	Tuesday, 2 March

Notes:

1. All of the above dates and times are subject to change, with the approval of EESE and the TRP, if required. The dates have been determined based on certain assumptions regarding the dates by which certain regulatory approvals including, but not limited to, that of EESE and the TRP, will be obtained and that no Court approval or review of the Scheme will be required. Any change will be released on EESE-News, Media Holdings' website and Welkom's website.
2. All times given in this Circular are local times in South Africa.

6. Responsibility statements

- 6.1 The Media Holdings Board, the Welkom Independent Board and the Welkom Board, individually and collectively, accept full responsibility for the accuracy of the information contained in this announcement which relates to Media Holdings and/or Welkom, the Repurchase, the Scheme and the Delisting, and certify that, to the best of their knowledge and belief, such information is true and this announcement does not omit any facts that would make any of the information materially false or misleading or would be likely to affect the importance of any information contained in this announcement.
- 6.2 The Media Holdings Board, the Welkom Independent Board and the Welkom Board have made all reasonable enquiries to ascertain that no facts have been omitted and this announcement contains all information required by law, the Companies Act and the Listings Requirements.

By order of the Media Holdings Board and the Welkom Board

Cape Town
Monday, 14 December 2020

Financial/Corporate Advisor to Media Holdings
Investec Bank Limited

Legal and Tax Advisor to Media Holdings and Welkom
Webber Wentzel Inc.

Independent Expert to Media Holdings
Deloitte & Touche

Independent Expert to Welkom
Questco Corporate Advisory Proprietary Limited

Transfer Secretaries to Media Holdings and Welkom
Singular Systems Proprietary Limited