

APPLICATIONS BY ORBICOM PROPRIETARY LIMITED ("ORBICOM" OR "THE APPLICANT") FOR THE TRANSFER OF CONTROL OF INDIVIDUAL ELECTRONIC COMMUNICATIONS SERVICE ("I-ECS"), INDIVIDUAL ELECTRONIC COMMUNICATIONS NETWORK SERVICE ("I-ECNS") AND RADIO FREQUENCY SPECTRUM ("RFS") LICENCES TO GROUPE CANAL+ SAS (CANAL+)

REASONS FOR DECISION

AUGUST 2025

1. INTRODUCTION

- 1.1. Orbicom is a subsidiary of the MultiChoice Group of companies ("**MCG Group**"), which provides broadcasting signal distribution and ancillary services. The aforesaid services are provided pursuant to the I-ECNS, I-ECS and certain radio frequency spectrum licences issued by the Independent Communications Authority of South Africa (the "**Authority**").
- 1.2. Orbicom's core business is the provision of broadcasting signal distribution and related activities for the MCG Group's satellite and terrestrial television broadcasting services in South Africa and other countries in the rest of Africa¹.
- 1.3. On 28 November 2024, Orbicom lodged the following Applications with the Authority:
 - 1.3.1. an application for the transfer of control of its I-ECNS and I-ECS licences, which are hereinafter collectively referred to as the "Service Licences", to Canal+ in terms of section 13(2) of the Electronic Communications Act, 36 of 2005 ("**ECA**") ("**Service Licence Transfer Application**"); and
 - 1.3.2. an application for the transfer of control of its radio frequency spectrum licences ("**RFS Licences**") to Canal+ ("**RFS Licence Transfer Application**") in terms of section 31(2A) of the ECA.
- 1.4. The abovementioned applications are hereinafter referred to collectively as "**the Applications**".
- 1.5. On 18 March 2025, the Authority published notice of the Applications in General Notice No. 6001 (Government Gazette No.

¹ Appendix 8.9 of Form G -

52336) ("the Notice"). The Notice invited interested persons to make written representations in relation to the application within fourteen (14) working days of the date of the publication of the notice.

- 1.6. The Notice further stated that Orbicom would be entitled to submit responses to the written representations submitted by interested parties within 28 working days from the date of publication thereof (effectively 14 working days after the deadline stipulated for the submission of written representations).
- 1.7. By the closing date of 8 April 2025, the Authority received six (6) written representations from the following stakeholders:
 - 1.7.1. PN Corevision (RF) Proprietary Limited (PN Corevision 1);
 - 1.7.2. PN 109 Investments (RF) (Pty) Ltd (PN 109);
 - 1.7.3. PN Corevision 2 (RF) Proprietary Limited (PN Corevision 2);
 - 1.7.4. PN 111 Investments (Pty) Ltd (PN111);
 - 1.7.5. Kagiso Capital Proprietary Limited (Kagiso Capital); and
 - 1.7.6. Zazi Capital (Pty) Ltd (Zazi Capital);
- 1.8. Upon consideration of the above representations and the information contained in the Applications, the Authority elected not to hold public hearings as it was of the twin views that the representations pertained to intra-company shareholder issues which the parties may resolve among themselves with due regard to appropriate corporate governance measures within the company and it did not identify any issues arising from the

Applications in respect of which it needed further deliberation through the medium of public hearings.

- 1.9. The Authority, acting in accordance with its statutory mandate, considered the information contained in the Applications, the written representations submitted by various stakeholders and the responses thereto. Following this process as well as the outcome of its own analysis of the Applications and other relevant information, the Authority took a decision to approve the Applications on 26 August 2025, which decision was communicated to the Applicant on 28 August 2025.
- 1.10. The amended licences reflecting the details of the Transferee were issued by the Authority on 28 August 2025.
- 1.11. This Reasons Document sets out the Authority's rationale for approving the Applications.

2. **PARTICULARS OF THE APPLICANT AND THE TRANSFEEE**

- 2.1. The full name of the Applicant is Orbicom Proprietary Limited. The Applicant's principal place of business is 144 Bram Fischer Drive, Randburg, 2194.
- 2.2. The Applicant is a private company registered in terms of the Companies Act 71 of 2008 (the "**Companies Act**") with the following registration number: 1993/004259/07.
- 2.3. The full name of the Transferee is Groupe Canal+ SAS. The Transferee's principal place of business is 50 Rue Camille Desmoulins, 92130 Issy-Les-Moulineaux, Cedex 9, France.
- 2.4. The Transferee is a ***Société par actions simplifiée (SAS)*** or Simplified Joint Stock Company registered with the Registre du

Commerce et des Societes in Nanterre, France, with the following registration number: 420 624 777 R.C.S Nanterre.

3. THE PROPOSED TRANSACTION

- 3.1. Orbicom is a wholly owned subsidiary of MultiChoice South Africa (Pty) Ltd, which in turn is owned by MultiChoice South Africa Holdings (Pty) Ltd ("**MCSAH**"). MultiChoice Group Limited ("**MCG**" or "**MultiChoice**") owns 75% of MCSAH while 25% is owned by Phuthuma Nathi (RF) Ltd ("**Phuthuma Nathi**").
- 3.2. Orbicom's core business is the provision of broadcasting signal distribution and related activities for MCG's broadcasting operations in South Africa and other countries in the rest of Africa². Orbicom thus effectively operates as a self-provider of ECS³ and ECNS⁴ for MCG.
- 3.3. Pursuant to a directive of the Takeover Regulation Panel ("**TRP**") dated 27 February 2024, which directed Canal+ to make a mandatory offer, Canal+ made an offer to acquire from all shareholders of MCG all the remaining shares in MCG which it does not already own. The TRP directed the mandatory offer in terms of section 123 of the Companies Act and the associated Companies Regulations following the acquisition by Canal+ of 35.01% of the issued shares in MultiChoice in a series of transactions ("**Mandatory Offer**" or "**Proposed Transaction**").
- 3.4. Pursuant to the implementation of the Proposed Transaction, Canal+ will acquire control of Orbicom's licences viz, the Service Licences and RFS Licences, through its acquisition of the remaining shares in MCG which it does not already own.

² Paras 8 and 9 of Appendix 10.1 to the Service Licences Transfer Application

³ Electronic communications services.

⁴ Electronic communications network services.

- 3.5. Orbicom contends that through the combined group's scale and resources, the proposed transaction will place the whole of MCG including Orbicom on a more sustainable footing and provide it with a vital opportunity to mitigate against various risks it has identified in the market.
- 3.6. Orbicom further contends that, as a result of the Proposed Transaction, the combined group will –
- 3.6.1. be better positioned to address key structural challenges and opportunities;
 - 3.6.2. be better equipped to respond to the pressures and risks of the increasingly challenging competitive and economic environment;
 - 3.6.3. have a greater ability to invest in, and amortise the cost of, the rapidly evolving technology requirements of the sector as the shift to digital and OTT delivery of audio-visual services across the continent continues to gain momentum;
 - 3.6.4. be better placed to address related challenges of increased piracy; and
 - 3.6.5. allow for more effective and sustainable distribution of content to the benefit of consumers.
- 3.7. The Applications further state that the Service Licences and RFS Licences will continue to be held by Orbicom, and the associated services will also continue to be provided by Orbicom subsequent to the finalisation of the Proposed Transaction.

3.8. *The details of the Service Licences and RFS Licences which formed the subject of the Applications, respectively, are as set out in the table below:*

Table 1: Orbicom's Licences

Service Licences	RFS Licences
0125/IECS/JAN/09	Licence No. 00-527-799-8 (C Band Radio Frequency Spectrum)
0125/IECNS/JAN/09	Licence N o . 00-546-832-7 (Ku Band Radio Frequency Spectrum)
	Licence N o . 00-504-221-7 (Ku Band Radio Frequency Spectrum)
	Licence No. 00-462-512-6 (Ku Band Radio Frequency Spectrum)

4. **APPLICABLE LEGISLATIVE FRAMEWORK**

4.1. The Authority's primary objects and functions are set out in section 2 read with section 4 of the ICASA Act and include, for the purposes of the Applications, to:

- 4.1.1. regulate electronic communications in the public interest⁵;
- 4.1.2. monitor the broadcasting, postal and electronic communications sectors to ensure compliance with the ICASA Act and underlying statutes⁶;
- 4.1.3. control, plan, administer and manage the use and licensing of the radio frequency spectrum in accordance

⁵ Section 4 of the ICASA Act read with 2(a) of the ECA.

⁶ Section 4(3)(b) of the ICASA Act.

with bilateral agreements or international treaties entered into by the Republic⁷;

4.1.4. grant, renew, amend, transfer and revoke licences in accordance with the provisions of the ICASA Act and the underlying statutes⁸; and

4.1.5. achieve the objects contemplated in the underlying statutes as defined in section 1 of the ICASA Act⁹.

4.2. The “*underlying statutes*”, as defined, include the ECA, which assigns to the Authority additional responsibilities and obligations specifically pertaining to the regulation of electronic communications within the Republic of South Africa in the public interest.

4.3. Section 13 of the ECA governs the transfer of individual licences (of which the Service Licences are part) or transfer of control thereof or change of ownership and states, among others, as follows:

“(1) An individual licence may not be let, sublet, assigned, ceded or in any way transferred, and the control of an individual licence may not be assigned, ceded or in any way transferred, to any other person without the prior written permission of the Authority.

(2) An application for permission to let, sub-let, assign, cede or in any way transfer an individual licence, or assign, cede or transfer control of an individual licence may be made to the Authority in the prescribed manner.

⁷ Section 4(3)(c) of the ICASA Act.

⁸ Section 4(3)(e) of the ICASA Act

⁹ Section 2(c) of the ICASA Act.

- (3) *The Authority may by regulation, set a limit on, or restrict, the ownership or control of an individual licence, in order to-*
- (a) *promote the ownership and control of electronic communications services by historically disadvantaged groups and to promote broad-based black economic empowerment; or*
 - (b) *promote competition in the ICT sector.*
- (4) *The Authority may, subject to Chapter 9, by regulation, set a limit on, or restrict, the ownership or control of an individual licence for broadcasting services in order to promote a diversity of views and opinions.*
- (5) *Regulations contemplated in subsection (3) and (4) must be made-*
- (a) *with due regard to objectives of this Act, the related legislation and where applicable, any other relevant legislation; and*
 - (b) *after the Authority has conducted an inquiry in terms of section 4B of the ICASA Act, which may include, but is not limited to, a market study".*

4.4. In terms of section 13(6) of the ECA, the provisions of sections 9(2) to 9(6) of the ECA apply, with the necessary changes, to applications made under section 13.

4.5. Section 9 (2) of the ECA states:

"The Authority must give notice of the application in the Gazette and –

- (a) *Invite interested persons to apply and submit written representations in relation to the application within the period mentioned in the notice¹⁰;*
- (b) *Include the percentage of equity ownership to be held by persons from historically disadvantaged groups, which must not be less than 30%, or such other conditions or higher percentage as may be prescribed under section 4(3)(k) of the ICASA Act;*
- (c) *Set out the proposed licence conditions that will apply to the licence; and*
- (d) *Give interested persons an opportunity to submit written responses to any representations submitted in terms of paragraph (a);*
- (e) *May conduct a public hearing in relation to any application for an individual licence."*

4.6. The prescribed manner referred to in section 13(2) of the ECA is contained in Regulation 11 of the Licensing Regulations which states as follows:

- "(1) *An application to transfer a licence must be –*
 - (a) *in the format as set out in Form G;*
 - (b) *accompanied by the applicable fee; and*
 - (c) *submitted by the prospective transferor.*

¹⁰ Government Gazette No. 47282 of 10 October 2022

- (2) *where in the opinion of the Authority, it is necessary as a matter of procedural fairness, the Authority may take any or all of the following steps:*

publish a notice in the Government Gazette and the Authority's website regarding the application to transfer the Licence;

(a) *invite interested persons to submit written representations in relation to the application within the period specified in the notice;*

(b) *allow the applicant an opportunity to submit written responses to representations received in relation to the application within the period specified by the Authority; and*

(c) *conduct a public hearing in relation to the hearing.*

- (3) *The Authority will not consider an application if the Applicant is-*

in arrears with respect to any fees due and payable to the Authority;

- (a) *found to be non-compliant by the Complaints and compliance ("CCC") with regards to the applicable regulations and/or the provisions of the Act and has failed to remedy the non-compliance.*

4.7. Regulation 12 of the Licensing Regulations further governs the applicable restrictions on the transfer of control or renewal of an individual licence, as follows:

- (1) *The Authority may refuse to renew or transfer a Licence if the Licensee has not complied with one or more of the following—*
- (a) *Where the Licensee has been found guilty of a contravention by the CCC and has not complied with the order by the Authority in terms of section 17 of ICASA Act; or*
 - (b) *where a Licensee is in arrears with respect to any fees; or*
 - (c) *where the ownership and control of the Transferee (in a transfer application) or an Applicant in (in a renewal application) does not comply with the HDG Equity requirement as prescribed in the Regulations in respect of the Limitations of Control and Equity Ownership by Disadvantaged Groups (HDGs) and the application of the ICT sector code, 2021.”*

4.8. Section 31(2A) of the ECA governs the transfer of RFS Licences or the transfer of control thereof or change of ownership. Section 31(2A) provides that *"a radio frequency spectrum licence may not be assigned, ceded or in any way transferred, and the control of a radio frequency licence may not be assigned, ceded or in any way transferred to any other person without the prior written permission of the Authority."*

4.9. Section 31(3) of the ECA states that the Authority may, taking into account the objects of the ECA, prescribe procedures and criteria for, among others, the amendment, renewal, suspension, cancellation, transfer, and transfer of control of a radio frequency

spectrum licence¹¹ or [obtaining] permission to assign, cede, share or in any way transfer or transfer control of a radio frequency spectrum licence as contemplated in terms of section 31(2A)¹².

4.10. Pursuant to the above provisions, the procedure for obtaining the prior written permission of the Authority is set out in Regulation 15 of the Spectrum Regulations. Regulations 15(1) to 15(6) provide as follows:

- “(1) No licensee must assign, cede, or transfer control of a radio frequency spectrum licence without the prior written approval of the Authority.*
- (2) An application to assign, cede or transfer control of a licence must be:*
 - (a) in the format as set out in Form B;*
 - (b) accompanied by the prescribed fee; and*
 - (c) submitted by the prospective transferor.*
- (3) The applicant for the assignment, ceding or transfer control of a radio frequency spectrum licence that was or would have been subject to an extended application procedure in terms of Annexure E, must provide information as set out Annexure E.*
- (4) The Authority will take following steps regarding an application for assignment, ceding or transfer of control of*

¹¹ Section 31(3)(b) of the ECA.

¹² Section 31(3)(c) of the ECA.

a radio frequency spectrum licence that was or would have been subject to an extended application procedure:

- (a) Publish a notice in the Gazette of the application to assign, cede or transfer control of the licence;*
 - (b) Request any relevant information regarding the transaction to enable the consideration of the application;*
 - (c) Invite interested persons to submit written representations in relation to the application within the period specified in the notice;*
 - (d) Allow the applicant an opportunity to submit written responses to representations received in relation to the application within the period specified by the Authority; and*
 - (e) May conduct a public hearing in relation to the application.*
- (5) A radio frequency spectrum licence transfer of control application, in relation to licenses to which the extended application procedure applies, will be evaluated on the basis of the following criteria:*
- (a) Promotion of competition and interests of consumers;*
 - (b) Equity ownership by HDPs; and*
 - (c) any other applicable criteria as provided for in the Act at the time of the award of the licence.*

- (6) *An application for transfer of control of a radio frequency spectrum licence, in relation to licenses to which the standard application procedure applies, will be evaluated based on the same criteria used in the standard application procedure”.*

4.11. Regulation 15(7) addresses conditions that must be met by both the transferor and transferee when applying for the assignment, ceding or transfer of control of an RFS Licence. It stipulates that:

- (7) *"When applying for the assignment, ceding or transfer of control of a radio frequency spectrum licence, both the transferor and transferee must ensure that the following conditions are met:*
- (a) *Except where the radio frequency spectrum licence was issued according to the Standard Procedure found in Annexure D, the radio frequency spectrum licence must have been held for at least one year before an application for a transfer can be made;*
 - (b) *The transferee is capable of complying with the terms and conditions contained in the radio frequency spectrum licence;*
 - (c) *A duly completed application form is submitted by the transferor, with proof of payment of the prescribed application fee at any office of the Authority;*
 - (d) *In the case of liquidation or insolvency of the transferor, the liquidator/curator must give written consent in respect of the transfer;*

- (e) *In the case of a deceased estate, the executor of the deceased estate must give written consent in respect of the transfer; and*
- (f) *The transferee for the assignment, ceding or transfer [of] control of the radio frequency spectrum licence that was subject to an extended application procedure, must have a score not less than that of the transferor."*

4.12. Regulation 15(8) provides that:

- "(8) *The Authority will not approve the assignment, ceding or transfer of control of a radio frequency spectrum licence;*
- (a) *Whereby a licensee has been found, by the Complaints and Compliance Committee ("the CCC"), to have contravened the provisions of the Act, the ICASA Act, the Regulations, the Terms and Conditions of a radio frequency spectrum licence or a licence granted in terms of Chapter 3 of the Act, and has failed to comply with an order by the Authority in terms of section 17E (4) of the ICASA Act;*
- (b) *If such transaction will not promote competition;*
or
- (c) *If such transfer will result in the reduction of equity ownership held by HDP to be less than 30%."*

4.13. Accordingly, in terms of the legislative framework outlined above, the Authority was required to approve:

- 4.13.1. the application in terms of sections 13(1) and 13(2), read with sections 9(2) to 9(6) of the ECA and further read with Regulations 11 and 12 of the Licensing Regulations for the transfer of control of the Service Licences held by Orbicom to Canal+ pursuant to the Proposed Transaction (the Service Licences Transfer Application); and
- 4.13.2. the application in terms of section 31(2A) of the ECA read with Regulation 15 of the Radio Frequency Spectrum Regulations for the transfer of control of the RFS Licences held by Orbicom to Canal+ pursuant to the Proposed Transaction (the RFS Licences Transfer Application).

5. **PROCEDURAL STEPS UNDERTAKEN BY THE AUTHORITY**

- 5.1. The Applications were lodged with the Authority on 28 November 2024 and were accompanied by a request by Orbicom that certain information contained therein be treated as confidential information in terms of the provisions of section 4D of the ICASA Act.
- 5.2. Section 4D of ICASA Act governs the protection of confidential information submitted to the Authority and provides as follows:
 - "(1) (a) *When a person submits information to the Authority, such person may request that specific information be treated as confidential information.*
 - (b) *The request for confidentiality must be accompanied by a written statement explaining why the specific information should be treated as confidential.*

- (2) *Within 14 days of receiving a request for confidentiality, the Authority must make a determination whether or not confidentiality will be granted and provide the person contemplated in subsection (1) with written reasons for such determination.*
- (3) *Should the Authority determine that a request for confidentiality cannot be acceded to, the party providing the information must be given an opportunity to withdraw the information that is the subject of the confidentiality request.*
- (4) *When considering a request contemplated in subsection (1), the Authority must treat the following information, as confidential information, namely—*
- (a) trade secrets of such person;*
 - (b) financial, commercial, scientific or technical information, other than trade secrets, the disclosure of which is likely to cause harm to the commercial or financial interests of such person;*
 - (c) information of which the disclosure could reasonably be expected—*
 - (i) to put the person at a disadvantage in contractual or other negotiations; or*
 - (ii) to prejudice the person in commercial competition;*
 - (d) the names of prospective employees; and*
 - (e) business plans of a licensee.*

(5) A determination of confidentiality may not be made in respect of a document or information that is in the public domain or is required to be disclosed by operation of law or a court order”.

5.3. Section 4D of the ICASA Act grants applicants the right to identify specific information they wish the Authority to treat as confidential. However, the granting of such a confidentiality request is subject to the provisions of section 4D (5), which provisions set out circumstances under which a confidentiality determination cannot be made.

5.4. Naturally, a provision such as section 4D (5) is necessary to ensure that confidentiality determinations do not contravene statutory obligations or hinder transparency, particularly where disclosure is required by law. Section 4D (5) addresses the delicate balance that must be struck by regulatory authorities between transparency and the protection of commercial interests.

5.5. Orbicom requested confidentiality over the following information in the Applications:

5.5.1. Personal information of Orbicom’s board of directors and senior management;

5.5.2. personal information of the accounting officer, directors and senior management of Canal+;

5.5.3. Orbicom’s 5-year business plan;

5.5.4. Canal+’s audited financial statements for the financial years ended 2021, 2022 and 2023;

5.5.5. detailed network architecture layout and roll out plans should the applications be granted;

- 5.5.6. details on the compliance with the 30% ownership and control interest by historically disadvantaged groups;
 - 5.5.7. extracts of the independent competition and consumer interest analysis reports; and
 - 5.5.8. extracts of the reasons for the Proposed Transaction.
- 5.6. Having considered the section 4D request from Orbicom as set out above, the Authority addressed a letter to Orbicom on 7 January 2025 where it granted confidentiality over the information identified by Orbicom in the Applications.
- 5.7. Having considered the section 4D request from Orbicom as set out above, the Authority addressed a letter to Orbicom on 7 January 2025 where it granted confidentiality over the information identified by Orbicom in the Applications.
- 5.8. On 26 February 2025, Orbicom transmitted correspondence to the Authority advising that there had been changes to Canal+’s administrative and corporate information due to its listing on the London Stock Exchange during the course of December 2024, and as a result the “transferee information” contained in the Applications was no longer current.
- 5.9. Subsequent to the aforementioned correspondence, Orbicom lodged amended versions of the Applications on 28 February 2025. The amended applications related to administrative and corporate information and did not constitute a material change from what Orbicom had initially submitted.
- 5.10. On 18 March 2025, the Authority published a notice of the Applications, as amended, in Government Gazette No. 523362 ("**the Notice**"). In terms of the Notice, the Authority invited interested parties to make written representations in response to

the Applications within 14 working days from the date of publication of the Notice i.e., 8 April 2025.

5.11. In addition, the Authority stated that Orbicom would be entitled to submit responses to the written representations submitted by interested parties within 28 working days from the date of publication of the Notice (effectively 14 working days after the deadline stipulated for the submission of written representations).

5.12. As set out above, the Authority received representations from the following stakeholders by the closing date of 8 April 2025:

5.12.1. PN Corevision (RF) Proprietary Limited (PN Corevision 1);

5.12.2. PN 109 Investments (RF) (Pty) Ltd (PN 109);

5.12.3. PN Corevision 2 (RF) Proprietary Limited (PN Corevision 2);

5.12.4. PN 111 Investments (Pty) Ltd (PN111);

5.12.5. Kagiso Capital Proprietary Limited (Kagiso Capital); and

5.12.6. Zazi Capital (Pty) Ltd (Zazi Capital).

5.13. On 6 June 2025, Council established a committee in terms of section 17 of the ICASA Act ("**the Committee**") to:

"2.1.1 Consider and analyse the applications, for the transfer of control of the I-ECS, I-ECNS and the Radio Frequency Spectrum (RFS) licences from Orbicom to Canal ("the Applications");

2.1.2 Analyse the written representations and responses thereto received by the Authority;

- 2.1.3 *Consider and decide on requests for confidentiality relating to the Applications;*
- 2.1.4 *Conduct hearings on the applications;*
- 2.1.5 *Make decisions on the processes to be followed on this matter;*
- 2.1.6 *Liaise with relevant and interested stakeholders;*
- 2.1.7 *Draft Reasons for Decision; and*
- 2.1.8 *Make recommendations for Council Decision on the Applications”*

5.14. Upon consideration of the above representations and the information contained in the Applications, the Authority elected not to hold public hearings as it was of the twin views that the representations pertained to intra-company shareholder issues which the parties may resolve among themselves with due regard to appropriate corporate governance measures within the company and it did not identify any issues arising from the Applications in respect of which it needed further deliberation through the medium of public hearings.

6. **REPRESENTATIONS AND RESPONSES**

6.1. As set out above, the Authority received written representations from six (6) stakeholders. The representations as well as Orbicom’s responses thereto are dealt with below.

6.1.1. **PN Corevision 1, PN 109, PN 111, PN Corevision 2**

- 6.1.1.1. PN Corevision 1, together with its affiliated entities (i.e., PN 109, PN 111 and PN Corevision 2) are shareholders in Phuthuma Nathi ("PN Shareholders"). These entities collectively asserted that they had not been included in the engagements between Canal+, the MCG, and Orbicom regarding the Proposed Transaction and were thus not in a position to assess the implications that the Proposed Transaction will have on their current investment in MCSAH (MCSAH owns 100% of MCSA, which in turn owns 100% of the issued shares in Orbicom).
- 6.1.1.2. Consequently, they were unable to confirm whether Phuthuma Nathi's shareholding in Orbicom will increase to 40% following the implementation of the Proposed Transaction.
- 6.1.1.3. The aforesaid entities further requested that, in considering the Transfer Applications, the Authority should not assess the applications in isolation, but rather within the broader context of Canal+'s intended acquisition of MCG, including its control of the broadcasting licence held by MultiChoice (Pty) Ltd.

6.1.2. **Kagiso Capital**

Kagiso Capital is one of the largest investors in Phuthuma Nathi. Similar to the above entities, Kagiso Capital submitted that it has had limited engagements

with Canal+, the MCG, and Orbicom regarding the Proposed Transaction and was thus not in a position to assess the implications that the Proposed Transaction will have on its current investment in Multi Choice South Africa Holdings. As a result, Kagiso Capital was unable to confirm whether Phuthuma Nathi's shareholding in Orbicom will in fact increase to 40%.

6.1.3. Zazi Capital

Zazi Capital is a shareholder in Phuthuma Nathi. Zazi Capital submitted that, based on the information currently available to it, it was unable to express a view on the implications of the Transfer Applications on Phuthuma Nathi's interest in Orbicom or on the broader transaction at this stage. It further indicated that it reserved its right to make further comments on the Proposed Transaction once it had engaged with Canal+ and the shareholders of Phuthuma Nathi.

6.2. Responses to written representations

- 6.2.1. Orbicom in its response to the representations by the aforementioned parties indicated that it would be addressing the representations on a collective basis given that, in its view, they each made substantially the same representations.
- 6.2.2. Orbicom indicated that the interests of the Phuthuma Nathi shareholders are "amply protected" by virtue of various features of the Proposed Transaction.
- 6.2.3. Orbicom stated that Phuthuma Nathi's shareholding in Orbicom will increase from 25% to 40%. This increase will occur as a result of the issuance at no cost of 20%

of the shares in Orbicom¹³. In addition, Phuthuma Nathi will continue to hold all its shares in MCSAH (i.e., the 25% shareholding) which in turn holds 100% in MCSA, which owns 100% of Orbicom¹⁴. A written undertaking to this effect was annexed to the Orbicom response marked "Annexure B".

6.2.4. The above is illustrated in terms of a table depicting the interest post-transaction as set out below:

Phuthuma Nathi shareholding in Orbicom post transaction	Direct/indirect	Explanation
20%	Direct	Phuthuma Nathi will, at no cost, be issued 20% of the shares in Orbicom currently held by MCSA.
20%	Indirect	Phuthuma Nathi will continue to own 25% of the shares in MCSAH. MCSAH will continue to own 100% of the shares in MCSA. MCSA will continue to own the remaining 80% of the shares in Orbicom. As such, Phuthuma Nathi will indirectly own 20% of the shares in Orbicom through MCSA (25% x 80% = 20%)
40%	Total	20% direct + 20% indirect

¹³ Paragraph 16.3 of the Orbicom response.

¹⁴ Paras 16.1 and 16.2 of the Orbicom response.

- 6.2.5. Orbicom further contended that it has engaged with the board of directors of Phuthuma in relation to the Proposed Transaction and, in any event, prior to the conclusion of the Proposed Transaction, Orbicom will provide substantial additional information related to the corporate elements of the Proposed Transaction including a report by an independent expert¹⁵.
- 6.2.6. In response to the expressed concern regarding the impact on the individual Phuthuma Nathi shareholders (as represented by the aforementioned third parties) should the Proposed Transaction be approved, Orbicom reiterated the above arguments and further stated that each individual Phuthuma Nathi investor would witness an increase in their shareholding in Orbicom. Orbicom further illustrated this point with direct reference to Kagiso Capital. Accordingly, Orbicom contended that it would comply with and exceed the 30% HDG ownership requirement stipulated by the applicable legislative framework.
- 6.2.7. Orbicom further addressed the request by the interested Phuthuma Nathi shareholders which made representations requesting the Authority to consider the Applications in the context of the intended acquisition by Canal+ of 100% of shares in MCG which it does not already own (the Mandatory offer alluded to above) including control of the broadcasting licences held by MultiChoice SA¹⁶.
- 6.2.8. Orbicom referred to Regulation 11(4) of the Licensing Regulations which prescribe three criteria to be considered by the Authority when evaluating transfer of

¹⁵ Para 13.2 of the Orbicom Response

¹⁶ Para 2.3 of the written representations.

control applications namely, promotion of competition, interests of consumers, and equity ownership by HDGs.

- 6.2.9. In respect of the aforesaid criteria, Orbicom stated that no concerns had been raised regarding competition or interests of consumers, and the concern related to HDG ownership had been adequately addressed.

7. ANALYSIS AND FINDINGS

- 7.1. The Authority evaluated the Applications based on the following criteria, *inter alia*, as prescribed in terms of the ECA read with the Licensing Regulations and Radio Frequency Spectrum Regulations:

7.1.1. promotion of competition in the ICT sector;

7.1.2. interests of consumers; and

7.1.3. equity ownership by HDGs.

7.2. Independent Competition report and Consumer Interest report of the transaction.

- 7.2.1. Pursuant to Paragraphs 9.2 and 9.3 of Form G of Regulation 11 of the Licensing Regulations¹⁷, the parties in respect of the Applications filed the competition and consumer reports. Further, Paragraph 6.2 of Form B of the RFS Regulations requires details of how the promotion of competition will be achieved.

¹⁷ the Processes and Procedures Regulations for Individual Licences, 2010 published in Government Gazette No. 33293 of 14 June 2010 as amended by the Amendment Individual Processes and Procedures Regulations 2015 published in Government Gazette No.39871 of 30 March 2016 and Individual Processes and Procedures Regulations 2023 published in Government Gazette No.48331 of 30 March 2023 ("Processes and Procedures Regulations"), read with sections 13 (1), (2) and (6) of the Electronic Communications Act No. 36 of 2005 ("the ECA"), as amended.

- 7.2.2. The aforesaid reports were prepared by Genesis Analytics ("**Genesis**"), an economics consulting firm on behalf of the parties to the Proposed Transaction for purposes of the Applications.
- 7.2.3. The following paragraphs provide a summary of the submission made by Genesis in the two reports and the Team's analysis of the submission.

7.3. **Parties to the Application and their Activities**

- 7.3.1. Orbicom's core business is the provision of broadcasting signal distribution and related activities (which includes remote monitoring, operating, and maintaining of the numerous Digital Terrestrial Television ("DTT") local transmitter sites in the rest of Africa) for the MCG's television broadcasting activities in South Africa and other countries in the rest of Africa.
- 7.3.2. Orbicom exclusively provides broadcasting signal distribution and related services for the MCG. Accordingly, the MCG (through Orbicom) self-supplies its own broadcasting signal distribution and related services. In South Africa, Orbicom mainly conveys broadcasting signals using digital satellite infrastructure.
- 7.3.3. The Transferee is Canal+, a French multimedia company which is wholly owned by Vivendi SE ("Vivendi"), a public société européenne listed on the Euronext Paris stock exchange. Pursuant to the listing of Canal+ SA on the London Stock Exchange during December 2024, Canal+ is now wholly owned by Canal+ SA. Canal+ was founded as a French

subscription-TV channel 40 years ago, and it is now a global media and entertainment company.

- 7.3.4. Canal+ currently has approximately 26.9 million subscribers worldwide, over 400 million monthly active users on its over-the-top ("OTT") and video streaming platforms, and a total of more than 9,000 employees. It generates revenues in 195 countries and operates directly in 52 countries. Canal+ operates across the entire audio-visual value chain, including production, broadcast, distribution and aggregation.¹⁸ Canal+ does not conduct any signal distribution-related activities in South Africa or elsewhere in the world and has no intention or plans to enter or provide these services in South Africa.

7.4. **Rationale for the Transaction**

- 7.4.1. Orbicom contended that MCG and its subsidiaries have been facing increasing competitive pressure from global OTT video on demand service providers who, *inter alia*, face no regulatory or infrastructure related constraints to their entry, have extraordinary advantages in scale and financial resources to the detriment of traditional broadcasters such as Orbicom's sister companies in the MCG Group. Orbicom further submits that MCG has incurred significant debt to make investments that it has considered necessary to respond to the changing competitive dynamics.
- 7.4.2. In addition, Orbicom submits that MCG and its subsidiaries face challenging macro-economic circumstances, including low GDP growth, record

¹⁸ <https://jobs.canalplus.com/en/who-are-we>

inflation, currency depreciation, interest rate hikes (driven by fuel price increases and a weaker rand), loadshedding and high unemployment. According to the report, these factors contribute towards higher costs and also reduce the available consumer spend for broadcasting services, which in turn has a material impact on the viability of the traditional broadcasting value chain and companies in that chain such as Orbicom.

- 7.4.3. According to the report, the rationale for the transaction is rooted in combining scale, complementary geographies, integrated and international reach with strong local roots. The parties are of the view that the scale and synergies resulting from the proposed transaction would better equip the group to respond to the pressures and risks of the increasingly challenging competitive and economic environment, thereby promoting the sustainability of the combined MCG Group as a whole, including Orbicom.

7.5. **Market Definition**

- 7.5.1. Broadcasting transmission service, which comprises services at two closely interlinked layers, namely, network access and the provision of associated services referred to as managed transmission services ("**MTS**"), are an input required for the delivery of compiled broadcasting services to end-consumers. MTS for television broadcasters generally involves an end-to-end service that includes the installation and operation of the broadcasting equipment, network monitoring, the management of broadcast quality and maintenance of the equipment.

- 7.5.2. MTS are supplied through terrestrial and satellite transmission networks, but distribution through internet or Internet Protocol ("IP") based technologies is also rapidly emerging as a viable alternative delivery mechanism.¹⁹
- 7.5.3. Given the national coverage of the broadcasting transmission services, and the presence of a national licence, the geographic scope has been defined as national.

7.6. **Competition Assessment**

- 7.6.1. In terms of the impact of the proposed transaction on competition, the report by Genesis finds that Orbicom does not supply any of its services to third parties as it self-supplies the MCG Group with broadcasting signal distribution and related services. Genesis also notes that this will continue to be the case post the transfer of control of the licences to Canal+.
- 7.6.2. Genesis further notes that Canal+ is not active in the broadcasting signal distribution and related services market in South Africa, whether as a buyer or seller of such services. Furthermore, Genesis submits that, in addition to Orbicom, there are at least seven other firms that are able to provide the services provided by Orbicom to varying degrees. These firms have been identified by Genesis as including Sentech, Telemedia and Globecast South Africa, Liquid Intelligent Technologies, amongst others. In conclusion, Genesis stated that Orbicom does not supply broadcasting

¹⁹ Large global OTT services have launched and expanded rapidly in South Africa and local OTT services and traditional broadcasters are delivering their own services to end-consumers via the internet. This is in part because of declining data prices, increasing access to the internet and the proliferation of internet capable devices. Indications are that these trends can only deepen on a forward-looking basis.

signal distribution and related services to any third party. Accordingly, Genesis submitted that Orbicom does not directly compete against the firms listed as Orbicom's competitors. Furthermore, Canal+ is not active in these markets. Hence, in Genesis's view, there is no horizontal overlap or impact resulting from the proposed transfer of control.

7.6.3. In relation to the vertical assessment, Genesis contended that there are no vertical relationships that exist between the parties as Canal+ does not participate as a seller or buyer of broadcasting signal distribution and related services in South Africa.

7.6.4. Accordingly, Genesis concludes that the proposed transaction does not result in any competition concerns in relation to the wholesale provision of broadcasting transmission services in South Africa. Genesis further contended that the Proposed Transaction is likely to have pro-competitive benefits. Genesis argues that:

"The proposed transfer of control is part of a larger transaction which has benefits for the local ICT sector and Orbicom. As such, the proposed transfer of control is likely to result in the continued promotion of competition in the ICT sector through the provision of high-quality broadcasting transmission services".

7.7. Consumer Assessment

7.7.1. In relation to this assessment, the report by Genesis indicates that since there is no horizontal overlap nor any vertical relationship between the activities of the parties, the proposed transaction raises no customer or consumer concerns.

- 7.7.2. Furthermore, as outlined in the rationale for the Proposed Transaction, the Proposed Transaction is intended to place the whole of MCG, including Orbicom, on a more sustainable footing and to provide the MCG Group with a vital opportunity to mitigate against the risks as set out in the rationale above.
- 7.7.3. According to Genesis, this, in turn, is likely to result in achieving certain pro-competitive benefits, including (i) a greater ability to invest in, and amortise the cost of the rapidly evolving technology requirements of the sector as the shift to digital and OTT delivery of audio-visual services across the continent continues to gain momentum and (ii) a more effective and sustainable distribution of content to the benefit of consumers.

7.8. The Authority's Analysis

- 7.8.1. The Authority has reviewed and assessed the competition and consumer reports filed by Orbicom on behalf of the parties to the Proposed Transaction. The Authority agrees with the analysis contained in the two reports, i.e., that the Proposed Transaction is unlikely to result any negative effect on competition. This view is based on the reasons set out below.
- 7.8.2. in relation to the market definition advanced by Genesis (product and geographic markets), the definition provided by Genesis in respect of the relevant markets is consistent with the Authority's assessment having regard to the relevant principles of market definition.
- 7.8.3. The Authority also notes that none of the written representations received by the Authority raised any

concerns or disagreement with the market definition proffered by Genesis;

- 7.8.4. Accordingly, the Authority was persuaded by Genesis's definition of the relevant product and geographic markets i.e., the wholesale provision of broadcasting transmission services in South Africa;
- 7.8.5. The parties' respective activities do not overlap either horizontally or vertically in respect of the market for the wholesale provision of broadcasting signal distribution.
- 7.8.6. The Broadcasting signal distribution and related services provided by Orbicom to the MCG do not form part of the contestable market and are only provided internally within the MultiChoice Group.
- 7.8.7. There are other firms that provide similar services provided by Orbicom as indicated in paragraph 7.6.2 above.
- 7.8.8. None of the customers and competitors of the Applicant and Transferee (or any other third party) raised any concerns about the Proposed Transaction from both the competition and consumer perspectives.
- 7.8.9. The Authority holds a similar view in respect of the consumer assessment, i.e., that the Proposed Transaction does not raise any customer and/or consumer concerns in the market for the wholesale provision of broadcasting signal distribution services. The Authority also considered the benefits which Orbicom envisages will be achieved through the Proposed Transaction, which includes, *inter alia*, a more effective and sustainable distribution of content to the

benefit of consumers. Having considered the benefits identified by the parties, the Authority does not have any reason to believe that the benefits are unlikely to materialise.

7.8.10. In conclusion, the Authority is of the view that the Proposed Transaction is unlikely to result in any negative impact on competition or consumers.

7.9. Historically Disadvantaged Groups (HDGs) Ownership –

7.9.1. Section 9(2)(b) of the ECA requires the Authority to give notice of the application in the Government Gazette and:

“Include the percentage of equity ownership to be held by persons from historically disadvantaged groups, which must not be less than 30%, or such other conditions or higher percentage as may be prescribed under section 4(3)(k) of the ICASA Act.”

7.9.2. Orbicom provided the following details of all ownership interest in the Applicant:

(a) MultiChoice South Africa (Pty) Ltd - 100%

7.9.3. The ownership interest in Multichoice South Africa (Pty) Ltd is:

(a) Multichoice South Africa Holdings (Pty) Ltd - 100%

7.9.4. The ownership interests in Multichoice South Africa Holdings (Pty) Ltd are as follows:

(a) Multichoice Group Limited - 75%

(b) Phuthuma Nathi Investments (RF) Ltd - 25%

7.9.5. Orbicom further indicated that Multichoice Group Limited is a public company listed on the Johannesburg Stock Exchange (JSE) therefore no single firm directly or indirectly controls it.

7.9.6. In addition to the foregoing, Orbicom indicated that Multichoice Group Limited's shareholders holding an ownership interest in Multichoice Group Limited that result in the holding of an effective interest of 5% or more in the Applicant as of 27 September 2024 are as follows:

Shareholder	Address	Percentage shareholding
Groupe Canal+ SAS	50 Rue Camille Desmoulins, 92130 Issy-les-Moulineaux, Cedex 9, France.	45.20%
Public Investments Corporation Limited	Menlyn Maine Central Square, Corner Aramist Avenue and Corobay Avenue, Waterkloof Glen, Extension 2, Pretoria.	11.76%
Allan Gray Proprietary Limited	1 Silo Square, V&A Waterfront, Cape Town.	8,99%
M&G Investments Proprietary Limited	Oxford Corner, ground Floor, 32A, Jellicoe, Rosebank.	8.78%

7.9.7. Orbicom stated that the shareholding by Black people (as defined in the Broad-Based Black Economic Empowerment Act 53 of 2003 ("**B-BBEE Act**")) who are also persons from Historically Disadvantaged Groups (HDGs) in the Applicant is 30.89% determined on a flow through basis.

7.9.8. Orbicom submitted a B-BBEE Verification Certificate compiled by EmpowerLogic (Pty) Ltd as prescribed by the Regulations. The B-BBEE verification certificate confirms that the Applicant's Black ownership, who are also persons from Historically Disadvantaged Groups (HDGs), is 30.89% determined on a Flow Through Principle. Further, the B-BBEE verification certificate indicates that Orbicom is a level 1 contributor towards B-BBEE. The B-BBEE verification certificate was issued on 26 June 2025 and expires on 25 June 2026.

7.9.9. Orbicom indicated that ownership interests in the Canal+ are as follows:

(a) Canal+ SA - 100%

7.9.10. Canal+ SA's major shareholders holding more than 5% of the share capital of Canal+ SA as of 24 February 2025 are as follows:

Name	Address	Percentage Shareholding
Bolloré SE (and its related entities and individuals)	Odet 29500 Ergué-Gabéric France.	31.04%
Rubric Capital Management LP	155 East 44th Street, New York 10017.	5.01%

7.9.11. Orbicom that no ownership interest in Canal+ is held by historically disadvantaged persons. Following the transfer of control, the ownership of Orbicom held by historically disadvantaged persons will be 40%, determined on a flow through basis.

7.9.12. The above increase will be achieved following the Proposed Transaction as set out below. MCG owns 75%

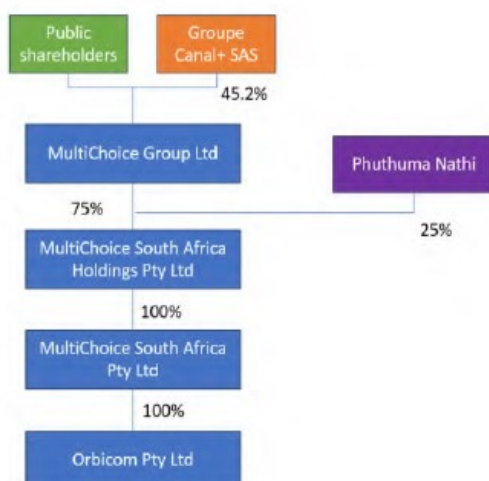
of the shares at MCSAH, 25% of the issued shares are held by Phuthuma Nathi, MCG's B-BBEE partner in South Africa.

7.9.13. Following the implementation of the Proposed Transaction, Phuthuma Nathi will continue to be a key HDG shareholder of MCSAH (including its subsidiaries). Furthermore, Phuthuma Nathi's effective shareholding in the Applicant will increase to 40%, comprising:

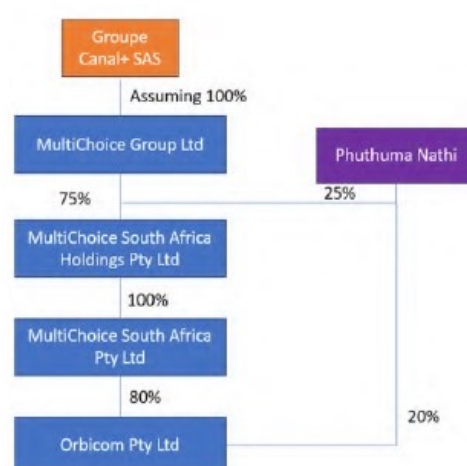
- (a) an indirect shareholding of 20% via MCSAH (i.e., 25% x 80%) and;
- (b) a direct shareholding of 20% in the Applicant.

7.9.14. An illustration of the pre- and post-transaction details of Orbicom's shareholding structure is as follows:

Current Orbicom structure



Post-transaction Orbicom structure



7.9.15. Considering the information provided by the Applicant in relation to the HDG requirement, the Authority is satisfied that Orbicom (as the licensee post the Proposed Transaction), would continue to meet the minimum requirement of 30% equity ownership held by

HDGs as prescribed in terms of section 9(2)(b) of the ECA.

8. REGULATORY GROUNDS TO REFUSE THE TRANSFER APPLICATION

8.1. In terms of Regulation 12 of the Licensing Regulations, the Authority may refuse to transfer a licence if the licensee has not complied with one or more of the following:

- “(a) Where the Licensee has been found guilty of a contravention by the CCC of the Authority and has not complied with the order by the Authority in terms of section 17 of ICASA Act; or*
- (b) Where a Licensee is in arrears with respect to any fees; or*
- (c) where the ownership and control of the Transferee (in a transfer application) or an Applicant in (in a renewal application) does not comply with the HDG Equity requirement as prescribed in the Regulations in respect of the Limitations of Control and Equity Ownership by Historically Disadvantaged Groups (HDGs) and the application of the ICT sector code, 2021.”.*

8.2. Upon consideration of its records and enquiries with the CCC, the Authority confirmed with the CCC that Orbicom has not been found guilty of a contravention by the CCC nor has it failed to comply with an order issued by the Authority in terms of section 17 of the ICASA Act.

8.3. The Finance Division confirmed that Orbicom is compliant with regard to its payments of the applicable annual licence fees and USAF contributions.

- 8.4. In relation to ownership by HDGs, following the implementation of the Proposed Transaction, the equity ownership held by HDGs in Orbicom will be 40% which exceeds the 30% minimum threshold.
- 8.5. Having analysed the applicable provisions of the Licensing Regulations, the Authority addresses below the pertinent provisions of the Spectrum Regulations.
- 8.6. Regulation 15(8) of the Spectrum Regulations states that the Authority will not approve the assignment, ceding or transfer of control of a radio frequency spectrum licence in circumstances where:
- 8.6.1. a licensee has been found, by the CCC, to have contravened the provisions of the ECA, the ICASA Act, the Regulations, the Terms and Conditions of a radio frequency spectrum licence or a licence granted in terms of Chapter 3 of the Act, and has failed to comply with an order by the Authority in terms of section 17E (4) of the ICASA Act;
 - 8.6.2. If such transaction will not promote competition; or
 - 8.6.3. If such transfer will result in the reduction of equity ownership held by HDP [sic] to be less than 30%.
- 8.7. As with the Service Licences, Orbicom has not been found guilty of a contravention by the CCC and failed to comply with an order issued by the Authority in terms of section 17E (4) of the ICASA Act.
- 8.8. Furthermore, having analysed the competition report and the relevant information provided to the Authority by Orbicom, the Authority is of the view that the Proposed Transaction will not

substantially reduce or prevent competition nor will the transfer of control result in HDG ownership in Orbicom being reduced to below 30%.

9. THE AUTHORITY'S DECISION

- 9.1. For the reasons set out above, having considered the information contained in the Applications, representations by stakeholders and Orbicom's responses thereto, and the Authority's own analysis, the Authority took a decision on 26 August 2025 to approve the Applications (i.e. the transfer of control to Canal+ of the Service Licences (i.e. I-ECS and I-ECNS) and the RFS Licences) without conditions.
- 9.2. The Authority's decision was based on, *inter alia*, the following reasons:
 - 9.2.1. Orbicom has met all relevant requirements and is compliant with Regulation 12 of the Licensing Regulations in relation to the Service Licences;
 - 9.2.2. Orbicom has met all relevant requirements and is compliant with Regulation 15 of the Radio Frequency Spectrum Regulations in relation to the RFS Licences;
 - 9.2.3. Orbicom has not contravened any provisions of the ECA, ICASA Act and Regulations, nor has it failed to comply with any orders issued by the Authority in terms of section 17 of the ICASA Act;
 - 9.2.4. Orbicom has paid the licence fees due and payable at the date of the Applications;
 - 9.2.5. Post the Proposed Transaction the equity ownership held by persons from HDGs in Orbicom will be 40% which exceeds the 30% minimum threshold prescribed by section 9(2)(b) of the ECA;

- 9.2.6. The Authority is of the view that the Proposed Transaction is unlikely to have a negative impact on competition in the relevant market; and
- 9.2.7. The approval of the Proposed Transaction is unlikely to lead to any negative effects on customers and/or consumers.



MOTHIBI G. RAMUSI
CHAIRPERSON

DATE: 28 / 08 / **2025**