

**Joint media release: Media24 Holdings and Welkom Yizani Investments
27 November 2020****Media24 to unwind Welkom Yizani share scheme**

Media24 will make an all-cash offer to buy out all the shares in Welkom Yizani, its broad-based black economic empowerment share scheme. Media24's offer is subject to several conditions, including the approval of Welkom Yizani shareholders at a special general meeting scheduled for 22 January 2021.

According to a notice published by Welkom Yizani today (27 November 2020), the Welkom Yizani board (as well as the independent board subcommittee) has recommended that Welkom Yizani shareholders accept the firm offer of R15,70 per share. Following the implementation of the offer, Welkom Yizani will be delisted from the Equity Express Securities Exchange (ESEE) and the scheme then unwound.

Says Rachel Jafta, chairperson of the Media24 board: "We started the Welkom Yizani scheme with the best intentions 14 years ago, when print media was flourishing. However, nobody could have anticipated the rapid decline in print advertising and circulation as advertisers and readers globally shifted to online platforms."

Ishmet Davidson, CEO of Media 24, added: "Since March 2020, the impact of the Covid-19 pandemic has accelerated the decline in print media everywhere. Although we are in the process of transitioning our media business for a digital landscape, this will take time to deliver meaningful profits, and execution is not without significant risk."

Says Ashoek Adhikari, independent director of Welkom Yizani: "For many years Welkom Yizani shareholders have been dissatisfied with the performance of the share price. This Media24 offer provides all shareholders with an equal and simultaneous opportunity to sell their shares. The Welkom Yizani independent board subcommittee believes the offer price and terms are higher than that achievable through an open-market, piecemeal sale by individual shareholders; particularly when regarding the historical trading performance.

"Value realisation by Welkom Yizani shareholders is also impeded by the illiquidity of Welkom Yizani's shares, with historically less than 0.01% of shares traded daily on average. Furthermore, there appears to be limited appreciation for the value of Media24 in the public market. We thank the board of Media24 for not abandoning Welkom Yizani shareholders to their fate, but stepping in with a solution that offers a real and immediate benefit."

The Welkom Yizani independent board subcommittee has appointed an independent expert to consider the offer price of R15,70 per share. A copy of the independent expert's final opinion will be included in the shareholder documents related to the scheme of arrangement.

Ishmet Davidson added, "I believe that this is a great opportunity for our loyal Welkom Yizani shareholders to realise a decent return on their investment. The return is projected to be some 3.6 times the original investment for those on board since the inception of the scheme."

He stated that Media24 "remains as committed as ever to transformation. We achieved our first-ever Level 3 B-BBEE rating this year. Our focus remains on the transformation of our management teams, and maintaining other initiatives that contribute to sustainable transformation."

Shareholders can contact the call centre on **0860 12 12 24** on weekdays from 07h00 to 18h00 (excluding public holidays) or email WelkomYizani@singularservices.co.za for more information.

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**Gesamentlike mediavrstelling: Media24 Beherend en Welkom Yizani Beleggings
27 November 2020****Media24 ontbind Welkom Yizani aandeleeskema**

Media24 gaan 'n kontantaanbod maak om al die aandele te bekom in Welkom Yizani, sy breed gebaseerde swart ekonomiese bemagtiging aandeleeskema. Media24 se aanbod is onderhewig aan verskeie voorwaardes, onder meer die goedkeuring deur die Welkom Yizani-aandelehouers by 'n spesiale algemene vergadering, wat vir 22 Januarie 2021 geskeduleer is.

Volgens 'n kennisgewing wat Welkom Yizani vandag (27 November 2020) gepubliseer het, het die direksie van Welkom Yizani (asook die onafhanklike subkomitee daarvan) aanbeveel dat aandelehouers die vaste aanbod van R15,70 per aandeel aanvaar. Nadat die aanbod geïmplementeer is, sal die denotering van die aandele vanaf die Equity Express Securities Exchange (ESEE) volg en die skema ontbind word.

Sê Rachel Jafta, voorsitter van die Media24-direksie: "Toe die Welkom Yizani-skema 14 jaar gelede begin is, was dit met die beste bedoelings en in 'n bloeityd vir drukmedia. Niemand kon egter voorsien hoe vinnig drukmedia se advertensies en sirkulasies sou daal namate adverteerders en verbruikers wêreldwyd na aanlyn platforms skuif nie."

Ishmet Davidson, uitvoerende hoof van Media24, voeg by: "Sedert Maart 2020, het die impak van die Covid-19-pandemie die dalings in drukmedia oral versnel. Hoewel ons besig is met die oorgang van ons mediabesigheid na 'n toenemend digitale landskap, gaan dit tyd neem voor dit noemenswaardige winste kan lewer en die implementering daarvan is ook nie sonder risiko's nie."

Volgens Ashoek Adhikari, onafhanklike direkteur van Welkom Yizani, is "Welkom Yizani-aandelehouers al vir jare ongelukkig met hoe die aandeleprys vertoon. Hierdie aanbod van Media24 bied aan alle aandelehouers 'n gelyke en gelyktydige geleentheid om hul aandele te verkoop. Die onafhanklike direksie subkomitee van Welkom Yizani reken die aanbodprys is hoër en die terme beter as wat individuele aandelehouers kan behaal indien hulle hul aandele stuksgewys op die ope mark sou moes verhandel het; veral ook in die lig van hoe verhandelings histories daar uitsien.

"Wat dit vir Welkom Yizani-aandelehouers verder moeilik maak om waarde te kry is die illikiditeit van die aandele – histories verhandel gemiddeld minder as 0.01% van die aandele op 'n daaglikse basis. Voorts blyk daar beperkte waardering in die ope mark te wees vir die waarde van Media24. Ons bedank die direksie van Media24 dat hulle nie Welkom Yizani-aandelehouers aan hul lot oorlaat nie, maar intree met 'n oplossing wat sonder omhaal werklike voordele bied."

Die onafhanklike Welkom Yizani-direksie subkomitee het 'n onafhanklike kenner aangestel om die aanbodprys van R15,70 per aandeel te takseer. 'n Afskrif van die onafhanklike kenner se finale mening sal ingesluit word in die aandelehouers se dokumente wat op die reëlinskema betrekking het.

"Ek reken dit is 'n goeie geleentheid vir ons lojale Welkom Yizani-aandelehouers om 'n ordentlike opbrengs op hul belegging te kry. Vir diegene wat reeds sedert die begin van die skema aan boord is, kom hierdie opbrengs na berekening op sowat 3.6 keer die oorspronklike belegging neer," voeg Ishmet Davidson by.

Hy het ook gemeld dat Media24 "steeds verbind bly tot transformasie. Ons het vanjaar vir die eerste keer 'n Vlak 3 BBSEB-gradering gekry. Ons bly gefokus op die transformasie van ons bestuurspanne, asook ander inisiatiewe wat tot volhoubare transformasie bydra."

Aandelehouers kan die inbelsentrum op woensdae (behalwe openbare vakansiedae) tussen 07h00 en 18h00 bel by **0860 12 12 24**, of 'n e-pos stuur aan WelkomYizani@singularservices.co.za.

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