

NASPERS LTD
Form 6-K
September 29, 2006

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 6-K

Report of Foreign Issuer

Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

For the month of September 2006

NASPERS LIMITED

(Translation of registrant's name into English)

Naspers Centre

40 Heerengracht

Cape Town

SOUTH AFRICA 8001

(Address of principal executive offices)

(Indicate by check mark whether the registrant
files or will file annual reports under cover of Form 20-F
or Form 40-F.)

Form 20-F x

Form 40-F

(Indicate by check mark whether the registrant by
furnishing the information contained in this form is also
thereby furnishing the information to the Commission
pursuant to Rule 12g3-2(b) under the Securities Exchange Act
of 1934.)

Yes

No

x

EXHIBIT

LIST

Exhibit

Description

Sequential

Page Number

• Naspers Limited: Prospectus relating to the introduction of Black Economic Empowerment shareholders in relation to MultiChoice Africa (Pty) Limited, issued September 26, 2006. Public offer opens September 29, 2006.

Phuthuma Nathi Investments Limited

(Formerly named Main Street 446 (Proprietary) Limited)

Incorporated in the Republic of South Africa

Registration number 2006/015187/06

PROSPECTUS

An invitation to Black People and Black Groups eligible to subscribe for 45 000 000 Phuthuma Nathi ordinary shares as

part of the MCSA Empowerment Transaction at an offer price of R10,00 per Phuthuma Nathi ordinary share.

Opening date of the public offer [19]

29 September 2006 at 08:00

Closing date of the public offer [19]

27 October 2006 at 15:00

Investment bank

Joint attorneys and tax advisers

Joint attorneys

Independent reporting accountants and auditors

Share application and distribution agent

JAN S. DE VILLIERS

A T T O R N E Y S

JS

PricewaterhouseCoopers Inc

Chartered Accountants (SA)

Registered Accountants and Auditors

(Registration no 1998/012055/21)

Date of issue:

26 September 2006

A copy of this prospectus has been registered in the Companies Registration Office on 21 September 2006 as required by the Companies Act (Act 61 of 1973), as amended.

The written consents of the advisers referred to in the consents paragraph on page 4 and the material contracts referred to in paragraph 5.15 on page 29 were attached to the copy of the prospectus, which was lodged for registration in the Companies Registration Office.

The Registrar of Companies has scrutinised the information disclosed in this prospectus. The information disclosed complies with statutory requirements.

The Registrar of Companies does not express a view on the risk for investors or the price of the shares on offer in terms of this prospectus. However, the attention of the public is drawn to the fact that the shares on offer are unlisted and should be considered as a risk capital investment. Investors themselves are therefore at risk as unlisted shares are not readily marketable and should the Company fail, this may result in the loss of the investment to the investor.

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Registered office [1(a)]

Phuthuma Nathi Investments Limited
(Registration number 2006/015187/06)
251 Oak Avenue
Randburg
2194
(PO Box 1502, Randburg, 2125)

Registered office [1(b)]

MIH Holdings Limited
(Registration number 1993/005613/06)
251 Oak Avenue
Randburg
2194
(PO Box 1502, Randburg, 2125)

Company secretary [5]

Gillian Kisbey-Green
B.Com, B.Compt (Hons), CTA, CA(SA)
251 Oak Avenue
Randburg
2194
(PO Box 1502, Randburg, 2125)

Transfer secretaries and administrator [1(a)]

Link Market Services South Africa (Proprietary) Limited
(Registration number 2000/007239/07)
11 Diagonal Street
Johannesburg
2001
(PO Box 4844, Johannesburg, 2000)

Joint attorneys and tax advisers [4]

Webber Wentzel Bowens
10 Fricker Road
Illovo Boulevard
Johannesburg
2196
(PO Box 61771, Marshalltown, 2107)

Joint attorneys [4]

Jan S. de Villiers
18th Floor
1 Thibault Square
Cape Town
8001
(PO Box 1471, Cape Town, 8000)

Investment bank [4]

Investec Bank Limited
(Registration number 1969/004763/06)
100 Grayston Drive
Sandown
Sandton
2196
(PO Box 785700, Sandton, 2146)

Independent reporting accountants and auditors [3]

PricewaterhouseCoopers Inc.

(Registration number 1998/012055/21)

2 Eglin Road

Sunninghill

2157

(Private Bag X36, Sunninghill, 2157)

Share application and distribution agent

South African Post Office Limited

(Registration number 1991/005477/06)

497 Schubart Street

Pretoria Central

0002

(PO Box 10000, Pretoria, 0002)

CORPORATE INFORMATION RELATING TO THE COMPANY

[(1(a)(b), 3, 4, 5)]

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IMPORTANT LEGAL INFORMATION

Definitions and interpretations used in this prospectus are contained on pages 11 to 18.

This prospectus constitutes an invitation to subscribe for Phuthuma Nathi ordinary shares, which is made in South Africa

only and is addressed to those persons to whom it may lawfully be made. The distribution of this prospectus and the public

offer may be restricted by law. Persons who are in possession of this prospectus must inform themselves about and observe

any such restrictions.

The public offer is subject to the conditions set out in paragraph 3 headed "Details of the public offer" on page 19 of this prospectus.

The acquisition of Phuthuma Nathi ordinary shares involves risks which should be taken into account by prospective investors. These risks primarily relate to the performance of the underlying MCSA ordinary shares held indirectly by Phuthuma Nathi. Therefore, you should carefully consider the information relating to MCSA provided in this prospectus, as

well as the risks related to MCSA's business as described in paragraph 6.4 on page 41 of this prospectus and the other information in this prospectus before making a decision to purchase Phuthuma Nathi ordinary shares. Although information

has been provided herein in relation to Phuthuma Nathi ordinary shares, a prospective purchaser, having made enquiries,

should use his own judgment and seek advice from an independent financial adviser as to the appropriate value of such

Phuthuma Nathi ordinary shares. In considering whether to invest in Phuthuma Nathi ordinary shares, each investor should

have regard to, amongst others, the following issues:

- the risks relating to MCSA's business as set out in paragraph 6.4 on page 41 of this prospectus;
- the absence of tradability of Phuthuma Nathi ordinary shares during the Minimum Investment Period;
- the possible lack of liquidity of Phuthuma Nathi ordinary shares due to the restrictive conditions on transferability as set out in paragraph 5.17.3 on page 30;
- the possible lack of liquidity of Phuthuma Nathi ordinary shares as they are not listed on any stock exchange and the fact that the market value thereof will not be readily available; and
- the interest rate risks in relation to dividends declared in respect of the Phuthuma Nathi preference shares.

The Phuthuma Nathi ordinary shares will not be listed on any stock exchange but, subject to certain limitations as set out

in paragraph 3 headed "Details of the public offer" on page 19 of this prospectus, MIH Holdings shall use its best commercial

endeavours to create a mechanism to facilitate the trading in, and also private transfers of, Phuthuma Nathi ordinary shares

after the Minimum Investment Period to eligible Black People or Black Groups. [23]

The Phuthuma Nathi ordinary shares for which subscriptions are invited in terms of this prospectus are currently new and

unissued shares in Phuthuma Nathi which will be allotted and issued pursuant to successful applications for subscription. The

proceeds from the subscription for these Phuthuma Nathi ordinary shares will be used to pay for 20% of the purchase price

payable by Phuthuma Nathi to acquire MCSA Holdings ordinary shares. MCSA Holdings' sole asset is the MCSA ordinary shares. The funding raised by the issue of Phuthuma Nathi preference shares in Phuthuma Nathi will be used to pay for the remaining 80% of the purchase price payable for the MCSA Holdings ordinary shares purchased by Phuthuma Nathi. Unless the context clearly indicates otherwise, all information provided in this prospectus is provided as at the last practicable date.

Forward-looking statements

Many of the statements included in this prospectus are forward-looking statements that involve risks and uncertainties. Forward-looking statements may generally be identified by the use of terminology such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe", or similar phrases. Other than statements of historical facts, all statements, including, among others, statements regarding the future financial position or business strategy, projected levels of growth in its market, projected costs, estimates of capital expenditures and plans and objectives of management for future operation of Phuthuma Nathi, MCSA Holdings and/or MCSA are forward-looking statements. The actual future performance of Phuthuma Nathi, MCSA Holdings and/or MCSA could differ materially from these forward-looking statements. Important factors that could cause the actual results to differ materially from these forward-looking statements or expectations include risks such as changes in government regulations and the risks as set out in paragraph 6.4 on page 41 of this prospectus, as well as other matters not yet known to the Board or not currently considered material by them.

Undue reliance should not be placed on these forward-looking statements. All written and oral forward-looking statements attributable to the Board or persons acting on their behalf are qualified in their entirety by these cautionary statements. Moreover, unless the Board is required by law to update these statements, they will not necessarily update any of these statements after the date of this prospectus, whether to confirm them with or contrast them to actual results or with regard to changes in their expectations or projections, or otherwise.

Consents

The investment bank, attorneys and tax advisers, independent reporting accountants and auditors, transfer secretaries and administrator and share application and distribution agents, whose names are included in the prospectus, have consented in writing to act in the capacities stated and to their names being included in this prospectus and have not withdrawn their consents prior to the publication of this prospectus.

Directors' responsibility statement

The Directors, whose names are given in paragraph 5.18 on page 35 of this prospectus, collectively and individually, accept full responsibility for the accuracy of the information contained herein and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this prospectus contains all information required by law.

Compliance with the Companies Act [50]

This prospectus complies with sections 145(1), 147, 148(1)(a), 148(2), 149, 150, 151(1), 152(1), 154(1), 155, 156 and Schedule 3 of the Act. The number of each applicable paragraph in Schedule 3 to the Act is given in square brackets after the appropriate headings or subheadings to which such paragraph applies.

Other important information

Copies of this prospectus may be obtained during normal business hours from 08:00, on Friday 29 September 2006 from the registered offices of Phuthuma Nathi, MCSA and Link Market Services at the addresses set out in the Corporate Information section on the inside front cover or at any Post Office branch. The prospectus can also be obtained on the internet at the following web address: www.multichoice.co.za

All marketing material and educational documents relating to the public offer have been published for information purposes only. Reliance should not be placed on these materials alone, and should be read in conjunction with the prospectus before making the decision to subscribe for Phuthuma Nathi ordinary shares.

Registration of the prospectus and supporting documents

A copy of this prospectus in English was registered by the Registrar on 21 September 2006 as required by section 155(1) of the Companies Act, together with:

- the letters of consent from the investment bank, attorneys and tax advisers, independent reporting accountants and auditors, transfer secretaries and administrator and share application and distribution agents consenting to act in the capacities stated and to their names being included in this prospectus and confirming that such consents have not been withdrawn at the date of this prospectus;
- the written consents of the independent reporting accountants and auditors to the issue of this prospectus with their report included in the form and context in which they appear, and confirming that such consents have not been

withdrawn at the date of this prospectus;

- copies of the material contracts described in paragraph 5.15 on page 29 of this prospectus; and

- a signed copy of this prospectus.

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SUMMARY OF THE MCSA EMPOWERMENT TRANSACTION

This summary addresses the more important aspects and issues of the MCSA Empowerment Transaction. You are, however, cautioned that this summary is of a general nature only and is neither detailed nor comprehensive. In particular, the summary does not set out all of the qualifications and limitations which may apply to, and qualify, the general information provided.

Accordingly, this summary must not be read in isolation, and is not a substitute for a thorough consideration of the entire prospectus and the documents referred to herein.

Should you require more information on the MCSA Empowerment Transaction, please contact our call centre on 0860 11 62 26 or visit the MCSA group website at www.multichoice.co.za

The definitions and interpretations commencing on page 11 of this prospectus apply to this summary of the MCSA Empowerment Transaction.

1.

WHAT IS THE PURPOSE OF THE MCSA EMPOWERMENT TRANSACTION?

Naspers wishes to implement the MCSA Empowerment Transaction, which is a BEE ownership initiative in respect of MCSA in furtherance of the Naspers group's empowerment objectives. It is also intended to meet, proportionately, the empowerment requirements set out in the BBBEE Legislation, particularly communication sector legislation and empowerment conditions set out in the licences currently held and that may be applied for by MCSA. The equity empowerment conditions set out under the BBBEE Legislation are fixed and no dilution of that empowerment equity is permitted until the BBBEE Legislation is amended or ceases to remain in force.

2.

HOW DO I TAKE PART IN THE MCSA EMPOWERMENT TRANSACTION?

A total of 45 000 000 Phuthuma Nathi ordinary shares are being offered to qualifying Black People and Black Groups in terms of the MCSA Empowerment Transaction.

You can take part in the MCSA Empowerment Transaction by applying for as many shares as you wish, at R10,00 per share, subject to the following maximum and minimum subscription limits:

- minimum subscription: 20 Phuthuma Nathi ordinary shares (i.e. a total subscription amount of R200,00);
- maximum subscription (applicable to you and your associate): a maximum of 4 500 000 Phuthuma Nathi ordinary shares (i.e. a total subscription amount of R45 000 000) or 10% of the total number of Phuthuma Nathi ordinary shares issued pursuant to the public offer, whichever is the lesser.

3.

WHAT ARE THE CONDITIONS THAT APPLY TO THE PHUTHUMA NATHI ORDINARY SHARES?

The following conditions apply:

- no Phuthuma Nathi ordinary shares can be traded during the Minimum Investment Period (i.e. five years from the Implementation Date);
- after the Minimum Investment Period has passed, Phuthuma Nathi ordinary shares may only be transferred to other Black People or Black Groups having at least a similar or higher BEE status/rating to yourself. All transfers are subject to approval and verification by the PSTC;
- Phuthuma Nathi ordinary shares must be held in certificated form and the share certificates must be deposited with Link Market Services who shall hold them on your behalf until they are validly transferred in accordance with the provisions of the MCSA Holdings Shareholders Agreement and the articles; and
-

no Phuthuma Nathi ordinary shareholder and its associates can at any time own more than 10% of the total number of Phuthuma Nathi ordinary shares in issue.

4.

WHAT ARE THE BENEFITS OF TAKING PART IN THE MCSA EMPOWERMENT TRANSACTION?

The MCSA Empowerment Transaction will give you the opportunity to:

- indirectly own a stake in MCSA, with the funding for 80% of this stake being provided by MIH Holdings through the Phuthuma Nathi preference shares and the remaining 20% being provided by you through your application for the Phuthuma Nathi ordinary shares; and
- participate in receiving cash, through dividends distributed by Phuthuma Nathi.

**5.
WHO CAN TAKE PART IN THE MCSA EMPOWERMENT TRANSACTION?**

- Black People (Africans, Coloured or Indian) who are citizens of South Africa. If you are a minor, you must be assisted by your parent or your legal guardian.

- Black Groups, being Black Companies and Black Entities incorporated or formed in South Africa.

**6.
WHAT IS THE TOTAL NUMBER OF PHUTHUMA NATHI ORDINARY SHARES THAT ARE BEING OFFERED?**

A total of 45 000 000 Phuthuma Nathi ordinary shares are being offered to qualifying Black People and Black Groups in terms of the MCSA Empowerment Transaction.

**7.
WHAT HAPPENS IN THE CASE WHEN TOO MANY PHUTHUMA NATHI ORDINARY SHARES HAVE BEEN APPLIED FOR?**

In the case where more than 45 000 000 Phuthuma Nathi ordinary shares are applied for, the basis of allocation will be subject to MIH Holdings' discretion. Preference will be given firstly to Black Persons and thereafter to Black Groups

who are preferred suppliers to MCSA, in preference to other Black Groups.

If you have applied and paid for more Phuthuma Nathi ordinary shares than eventually allocated to you, we will refund

to you the excess amount by electronic funds transfer. You will not earn any interest on the monies which are refunded to you and you shall bear the risk in respect of such electronic funds transfer.

**8.
WHAT IS THE PRICE OF A PHUTHUMA NATHI ORDINARY SHARE?**

The price of the Phuthuma Nathi ordinary share is R10,00 per share.

**9.
WHAT ARE THE RIGHTS OF MY ALLOCATED PHUTHUMA NATHI ORDINARY SHARES?**

Your Phuthuma Nathi ordinary shares acquired in terms of this prospectus will have the same rights as all other existing Phuthuma Nathi ordinary shares. You will therefore be a shareholder in Phuthuma Nathi with dividend and voting rights in Phuthuma Nathi.

**10.
WHAT ARE MY VOTING RIGHTS?**

As a shareholder of Phuthuma Nathi, you can vote at the general meetings of Phuthuma Nathi. You can also vote at the general meetings of shareholders of MCSA Holdings through the proxy mechanism as set out in the articles of Phuthuma Nathi.

**11.
WILL I BE ENTITLED TO RECEIVE A DIVIDEND ON THE PHUTHUMA NATHI ORDINARY SHARES ALLOCATED TO ME?**

Yes, when MCSA Holdings declares and pays dividends to Phuthuma Nathi. In broad terms, Phuthuma Nathi will use its normal dividend income as follows:

- firstly, to pay the Company's running costs and taxes;

- secondly, at the discretion of the Phuthuma Nathi preference holders, on an annual basis, up to 20% of the balance will be paid to the Phuthuma Nathi ordinary shareholders as an ordinary dividend;

- thirdly, to pay dividends on the Phuthuma Nathi preference shares; and

- lastly, any remaining money will be used to redeem the Phuthuma Nathi preference shares.

12.

HOW DO I APPLY FOR PHUTHUMA NATHI ORDINARY SHARES?

If you are interested in applying for Phuthuma Nathi ordinary shares, you need to:

- submit a completed application form, a copy of which is included in this prospectus, to your nearest Post Office branch together with the required documentation as listed on the application form and your payment. Your application and required documents will be pre-examined at the Post Office and may be rejected if the application form is not completed in full or if all the necessary documentation is not attached;

- alternatively you can submit your completed application form together with the necessary documents and a cheque or postal order by post, in a sealed envelope, marked “Phuthuma Nathi Investments Limited - ordinary share offer”, to the following address

Phuthuma Nathi

P O Box 10000

Pretoria

0001

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All hand delivered applications must be received by the Post Office before the Closing Date, being 15:00 on 27 October 2006, and all applications delivered by post must be postmarked on or before the Closing Date and received by the Post Office on or before 15:00 on 3 November 2006.

Application forms received after:

- **the Closing Date – in the case of hand delivery; or**

- **7 days after the Closing Date (3 November 2006) – in the case of delivery by post will be disregarded. In addition any application form received which does not contain all the documentation required or which has not been completed in full will be rejected. Your money will be returned to you by way of electronic transfer. You shall bear the risk in respect of such electronic funds transfer.**

13.

HOW CAN I PAY FOR MY PHUTHUMA NATHI ORDINARY SHARES?

You can pay for your Phuthuma Nathi ordinary shares:

- by cheque or postal order, which must be attached to the application form. The cheque must be crossed “not transferable” with the words “or bearer” deleted and the words “Phuthuma Nathi” written on the back and made payable to “SA Post Office” or “South African Post Office”. If the cheque is dishonoured, your application will be rejected; or

- by debit card, presented at the Post Office; or

- by cash, deposited at the Post Office; or

- by electronic funds transfer by calling 0860 11 62 26 (Phuthuma Nathi – call centre) for a reference number and account details and submitting the application form together with the proof of payment and all requisite documents to the Post Office.

The Directors reserve the right to accept payment in any other form in their sole discretion.

Please note: Debit card and cash payments can only be used as a form of payment if the application forms and required documentation are delivered by HAND at the Post Office. Credit cards will not be accepted.

14.

WHEN DO I HAVE TO PAY FOR MY PHUTHUMA NATHI ORDINARY SHARES?

The payment for the Phuthuma Nathi ordinary shares which you have applied for must be made when you hand in your application form either:

- directly at your Post Office branch as set out in paragraph 13 above; or

- by post as set out in paragraph 12 above together with your cheque, postal order or electronic funds transfer proof of payment.

15.

WHEN DOES THE PUBLIC OFFER FOR PHUTHUMA NATHI ORDINARY SHARES OPEN AND WHEN DOES IT CLOSE?

The public offer will open on 29 September 2006 at 08:00 and will close on 27 October 2006 at 15:00.

Any changes to the above dates and times (if any) will be published in the South African press and lodged with the Registrar.

16.

WHEN WILL MY PHUTHUMA NATHI ORDINARY SHARES BE ALLOCATED TO ME?

The process of allocating and issuing shares to subscribers should be completed within 30 business days after the

Closing Date, and you will then be notified of the number of shares allocated to you. Should delays occur in the allocation process, the Directors may extend this initial 30 business days' period by up to 14 business days.

17.

HOW WILL MY PHUTHUMA NATHI ORDINARY SHARES BE DELIVERED TO ME?

A statement will be sent to you to provide you with a written record of your shareholding. A certificate will be issued, but will be retained and held by Link Market Services on your behalf. It will be released, if necessary, for implementing

any transfer that is permitted in the articles of Phuthuma Nathi and the MCSA Holdings Shareholders Agreement.

18.

WHAT MAY DISQUALIFY ME FROM THE MCSA EMPOWERMENT TRANSACTION?

The following may disqualify you:

-

if you fail to submit your application form with the required documentation and/or payment before or on the Closing Date;

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-
- if you fail to meet the qualification criteria;
-
- if you fail to pay for the Phuthuma Nathi ordinary shares or Phuthuma Nathi has not received your payment;
-
- if you make any fraudulent or untrue statement in your application form;
-
- if you have committed an act or made an omission that disqualifies you from the MCSA Empowerment Transaction set out in the articles of Phuthuma Nathi; or
-
- if your application form is not complete or the information contained therein cannot be verified to Phuthuma Nathi's or MIH Holdings' satisfaction.

The Board and the board of directors of MIH Holdings may also disqualify any person from becoming a shareholder in Phuthuma Nathi in their sole discretion.

19.

WHAT ARE THE CONSEQUENCES OF BEING DISQUALIFIED?

Your application for Phuthuma Nathi ordinary shares will be rejected and any funds received from you will be returned to you, without interest.

20.

WHAT ARE THE CONSEQUENCES IF I AM DISQUALIFIED AFTER I RECEIVE AN ALLOTMENT OF THE PHUTHUMA NATHI ORDINARY SHARES?

If the disqualification or default occurs or is discovered after the Phuthuma Nathi ordinary shares have already been allotted, MIH Holdings shall be entitled to ask you to sell to it all of your Phuthuma Nathi ordinary shares at PAR VALUE. This is intended to punish fraud and to protect Phuthuma Nathi and its other shareholders. This call option is set out in the articles.

Note that should you, when applying for Phuthuma Nathi ordinary shares or at any time thereafter, misrepresent your BEE status/rating or commit any action which amounts to fronting (as contemplated in the BBEE Legislation), you run the risk of either being disqualified from participating in the MCSA Empowerment Transaction (with your application for Phuthuma Nathi ordinary shares accordingly being rejected), or being required to sell the Phuthuma Nathi ordinary shares that were issued to you pursuant to the public offer, at their PAR VALUE, in accordance with the articles.

21.

WHY IS THERE A MINIMUM INVESTMENT PERIOD?

The Minimum Investment Period serves to:

-
- allow for a reasonable period of time to provide the potential opportunity for Phuthuma Nathi's investment in MCSA Holdings to accrue value, considering the initial composition of equity and preference share funding in the capital that Phuthuma Nathi will raise to buy the interest in MCSA Holdings; and
-
- ensure that efficient mechanisms are put in place for Phuthuma Nathi ordinary shares to be traded.

22.

IS THERE CAPITAL PROTECTION?

No, there is no capital protection. The Phuthuma Nathi ordinary shares purchased through the MCSA Empowerment Transaction will be subject to all the investment risks faced by the ordinary shareholders of other companies.

23.

MAY I EXIT THE MCSA EMPOWERMENT TRANSACTION DURING THE REQUIRED MINIMUM INVESTMENT PERIOD OR THEREAFTER?

No, but you may exit after the Minimum Investment Period.

24.

WHAT HAPPENS IF I DIE DURING THE MINIMUM INVESTMENT PERIOD?

Your estate will be permitted to transfer your shares to an eligible Black Person having at least a similar or higher BEE status/rating than yourself, in terms of the articles.

25.

WHAT IF I BECOME INSOLVENT AND MY ESTATE IS SEQUESTERED INVOLUNTARILY DURING THE MINIMUM INVESTMENT PERIOD?

Then your estate will be permitted to transfer your shares to an eligible Black Person having at least a similar or higher BEE status/rating than yourself, in terms of the articles.

26.

CAN I TRANSFER MY PHUTHUMA NATHI ORDINARY SHARES OR MY RIGHTS OR INTERESTS THERETO TO ANY THIRD PARTY DURING THE MINIMUM INVESTMENT PERIOD?

No. After the Minimum Investment Period, the Phuthuma Nathi ordinary shares can be transferred but only to other Black People or Black Groups having at least a similar or higher BEE status/rating to yourself.

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27.

CAN I USE MY ALLOCATED PHUTHUMA NATHI ORDINARY SHARES FOR SECURITY PURPOSES DURING THE MINIMUM INVESTMENT PERIOD OR THEREAFTER?

No.

28.

WILL I RECEIVE FINANCIAL STATEMENTS FOR PHUTHUMA NATHI?

Annual financial statements of Phuthuma Nathi will be provided to all Phuthuma Nathi ordinary shareholders and preference holders and this will indicate the performance of its underlying investment.

29.

HOW CAN I TRACK MOVEMENTS IN PHUTHUMA NATHI'S ORDINARY SHARE PRICE?

During the Minimum Investment Period, Phuthuma Nathi ordinary shares will not be traded. After the Minimum Investment Period, it is intended that the Phuthuma Nathi ordinary shares will be tradable on the Trading Market (as defined) or privately and their price will be based on the free market price between a willing BEE buyer and a willing seller.

30.

HOW WILL I TRADE MY PHUTHUMA NATHI ORDINARY SHARES AFTER THE MINIMUM INVESTMENT PERIOD?

After the expiry of the Minimum Investment Period, MIH Holdings shall use its best commercial endeavours to create a mechanism to facilitate the trading in, and also private transfers of, Phuthuma Nathi ordinary shares, but only to eligible Black People and Black Groups.

31.

HOW DO I HELP APPOINT DIRECTORS FOR PHUTHUMA NATHI?

You can participate in the appointment of a Director by voting at AGMs.

32.

ARE THERE ANY HIDDEN COSTS IN APPLYING FOR THE PHUTHUMA NATHI ORDINARY SHARES ON OFFER?

There are no hidden commissions or incentives for which you will be liable.

33.

WHO CAN HELP ME COMPLETE THE APPLICATION FORM?

You can get assistance at any Post Office branch.

34.

WHO CAN GIVE ME MORE INFORMATION ABOUT THE MCSA EMPOWERMENT TRANSACTION?

Please contact our call centre on 0860 11 62 26.

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DEFINITIONS AND INTERPRETATIONS

Throughout this prospectus and the annexures thereto, unless otherwise stated or the context otherwise indicates, the words in the first column shall have the corresponding meaning stated opposite them in the second column, words in the

singular shall include the plural and *vice versa*, and any reference to one gender shall include the other genders:

“acting in concert”

co-operation for the common purpose of or in relation to the control of or the influence of votes in relation to Phuthuma Nathi by two or more persons pursuant to an agreement, arrangement or understanding, whether formal or informal, between them; and “act in concert” shall have a corresponding meaning;

“AGM”

annual general meeting of Phuthuma Nathi;

“application form”

the application form for Phuthuma Nathi ordinary shares included in this prospectus;

“approved BEE verification

entity or agency”

for the purposes of the public offer, Empowerdex, EmpowerLogic, Mohlaleng or Verify Solutions;

“articles”

the articles of association of Phuthuma Nathi;

“associate”

in relation to:

•

any individual:

–

that individual's immediate family; and/or

–

the trustees, acting as such, of any trust of which the individual or any of the individual's immediate family is a beneficiary (whether vested or discretionary); and/or

–

any company in whose equity securities the individual or any person or trust as contemplated above, taken together, are directly or indirectly beneficially interested, or have a conditional, contingent or future entitlement to become beneficially interested, and that the individual or person or trust as contemplated above are, or would on the fulfilment of the condition or the occurrence of the contingency be able to:

(i) exercise or control the exercise of 20% or more of the votes able to be cast at general meetings on all, or substantially all, matters; and/or

(ii) to appoint or remove directors holding a majority of voting rights at board meetings on all, or substantially all, matters; and/or

(iii) any close corporation in which the individual and/or any member/s of the individual's family, taken together, are beneficially interested in 20% or more of the members' interest and/or are able to exercise or control the exercise of 20% or more of the votes able to be cast at members' meetings on all, or substantially all, matters;

•

any company:

–

any other company that is its subsidiary, holding company or subsidiary of its holding company; and/or

–

any company whose directors are accustomed to act in accordance with the company's directions or instructions; and/or

– any company in the capital of which such company, and any other company as contemplated above under this component in relation to companies, taken together, is or would on the fulfilment of a condition or the occurrence of a contingency be, interested in the manner described above;

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“BBBEE Act”

the Broad-Based Black Economic Empowerment Act, 53 of 2003, as amended from time to time;

“BBBEE Legislation”

the BBBEE Act, any regulations published under the BBBEE Act, any BEE charters and/or codes of good practice, any communications sector legislation, any regulations published under such legislation and any licence conditions made pursuant to such legislation, all as amended from time to time, provided that to the extent there is any conflict between such legislation, regulations, charters, codes of good practice and licence conditions, the applicable licence conditions shall take precedence, followed by the empowerment requirements contained in the applicable codes of good practice; provided further that until the final codes of good practice are promulgated under the BBBEE Act, the draft codes published from time to time shall be included herein;

“BEE”

black economic empowerment;

"BEE Ownership

Certificate of Compliance"

in relation to a Phuthuma Nathi ordinary shareholder, the certificate (in respect of the ownership element of BEE) issued by a recognised BEE rating agency (or another suitable person) appointed by MIH Holdings from time to time certifying (at the relevant time) any or all of the following:

- (i) the direct and indirect shareholding of such Phuthuma Nathi ordinary shareholder and the composition of its board of directors (in the case of a company), or the profile of its beneficiaries and the composition of its trustees or other such members of its governing body (in the case of an entity), and
- (ii) whether or not such Phuthuma Nathi ordinary shareholder constitutes a Black Person, Black Company or Black Entity (as the case may be):

“Benefit Scheme”

a Broad-Based Ownership Scheme in which more than 50 natural persons:

- are intended to benefit from an economic interest received by the scheme or by the fiduciaries of the scheme; and
- the economic benefits paid from the economic interest received is not distributed but rather applied to the benefit of the scheme’s deemed participants;

“Black Company”

a company that is both a “Black Majority Owned Company” and simultaneously a “Black Majority Controlled Company”, and a reference to “company” shall be applied equally to a close corporation or other such incorporated entity;

“Black Entity”

a trust, partnership, joint venture, syndicate, "stokvel", Broad-Based Ownership Scheme, Benefit Scheme, Distribution Scheme or other such unincorporated entity or association, which has as the majority of its beneficiaries and trustees or other such representative of its governing body (as the case may be), Black Companies and/or Black People, provided however that such Black Entities (and trusts, Broad-Based Ownership Schemes, Benefit Schemes and Distribution Schemes in particular) comply with and qualify under the BBBEE Legislation (and the codes of good practice issued under the BBBEE Act in particular) for recognition and measurement of ownership by Black People;

“Black Groups”

Black Companies and Black Entities;

“Black Majority Controlled Company” in relation to any company, means a company incorporated in accordance with the

laws of South Africa and having a shareholding in which one or more Black People:

- controls or control, on an effective flow-through basis (as such term is contemplated in the codes of good practice issued in terms of the BBBEE Act), in excess of 50% of all exercisable voting rights in relation to the ordinary shares or other equity interest of such company, exercisable by members in general meeting or otherwise; and

- is or are entitled to appoint a majority of the directors of the board of directors or other governing body of such company, or to appoint directors or similar representatives having a majority of the votes exercisable at meetings of the board of directors or other governing body of such company; or shall have such other meaning as may be ascribed to it under the BBBEE Legislation from time to time;

“Black Majority Owned Company”

in relation to any company, means a company incorporated in accordance with the laws of South Africa and having a shareholding in which one or more Black People:

- beneficially owns or own, on an effective flow-through basis (as such term is contemplated in the codes of good practice issued in terms of the BBBEE Act and which, for the avoidance of doubt, excludes measurement utilising the modified flow-through basis), in excess of 50% of the ordinary shares or other equity interest of such company; and
- is or are entitled to in excess of 50% of all economic interest in relation to such ordinary shares or other equity interest of such company; or shall have such other meaning as may be ascribed to it under the BBBEE Legislation from time to time;

“Black New Entrants”

a Black Person who:

- holds a voting right and economic interest in a measured enterprise; and
- prior to applying for an equity interest in Phuthuma Nathi, has not concluded similar transactions in respect of any other enterprise which has, in aggregate, a cumulative value of R20 000 000 measured in accordance with an acceptable valuation standard (being a valuation of an asset, an economic interest or any other instrument or right, undertaken in accordance with normal valuation methods that represent standard market practice);

Please note: reference to a measured enterprise shall be construed as referring to the enterprise that is applying to participate in the MCSA Empowerment Transaction.

“Black Participants” or

“General Black Public”

individually and collectively (as the context may dictate), Black People, Black Companies and Black Entities, who are entitled to subscribe for and directly and beneficially own Phuthuma Nathi ordinary shares pursuant to the Phuthuma Nathi public offer, or are permitted to own Phuthuma Nathi ordinary shares in terms of the provisions of the MCSA Holdings Shareholders Agreement;

“Black People” or

“Black Person”

has the meaning ascribed to it under Code 000 of the Codes of Good Practice issued in terms of the BBBEE Act (as at the date of the prospectus, being in draft form), being African, Coloured or Indian persons who are natural persons and who:

- are citizens of South Africa by birth or descent; or
- are citizens of South Africa by naturalisation before the commencement date of the Constitution of the Republic of South Africa Act 200 of 1993 (“Interim Constitution”); or
- became citizens of South Africa after the commencement date of the Interim Constitution, but who, but for the apartheid policy that had been in place prior to that date, would have been entitled to acquire citizenship by naturalisation prior to that date; or

shall have such other meaning as may be ascribed to it under the BBBEE Legislation from time to time, and "Black Person" shall be construed accordingly;
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the “Board” or

the “Directors”

the board of directors of Phuthuma Nathi from time to time. Names of the current directors of Phuthuma Nathi are set out in paragraph 5.18 on page 35 of this prospectus;

“Broad-Based

Ownership Scheme”

as contemplated under the codes of good practice issued in terms of the BBBEE Act, being a collective ownership scheme constituted with the view to facilitating the participation of specified natural persons in the benefits flowing from the ownership by that scheme or by its fiduciaries of an equity interest in an entity;

“business day”

a day which is not a Saturday, Sunday or an official public holiday in South Africa;

“Closing Date”

the closing date of the public offer, being Friday, 27 October 2006;

“Companies Act” or

“the Act”

the South African Companies Act, No. 61 of 1973, as amended;

“Company Collection Account”

the bank account, as contemplated under clause 7 of the Phuthuma Nathi preference shares subscription agreement, to be opened by Phuthuma Nathi with Investec Bank Limited, or such other bank as the majority of the Phuthuma Nathi preference holders may from time to time approve, which is to be conducted with a mandate in accordance with the provisions of clause 7 of the Phuthuma Nathi preference shares subscription agreement, read with the articles;

“Company Empowerment

Compliance Period”

the period commencing on the Implementation Date and enduring for so long as the BBBEE Legislation remains in force;

“Constitutional Documents”

the memorandum and articles of association of Phuthuma Nathi as amended from time to time;

“CSDP”

central securities depository participant;

“Disabled Person”

a person limited in one or more functional activities, whether in respect of seeing, hearing, communicating, moving, learning or other intellectual and emotional activities, or otherwise. The impairment may be permanent, recurring or transitory, and may be sensory, physical, cognitive or psychological in nature;

“Distribution Scheme”

as contemplated under the codes of good practice issued in terms of the BBBEE Act, a Broad-Based Ownership Scheme in which more than 50 natural persons are intended to receive distributions from the scheme that are payable from the economic interests received by the scheme or by the fiduciaries of the scheme;

“DTI”

Department of Trade and Industry;

“Eligible Ordinary Shareholder”

any Black Participant who is acceptable to MIH Holdings in its sole discretion, but subject to the Transaction Documents, to become a Phuthuma Nathi

ordinary shareholder, such acceptance to be recorded in writing, pursuant to any decision made by the PSTC, or its agent, as contemplated in paragraph 5.17.3.6 on page 31 of this prospectus;

“Empowerdex”

Empowerdex (Proprietary) Limited (registration number 2001/027963/07), a private company incorporated in South Africa, an approved BEE verification entity or agency whose address and contact details are shown in Annexure III;

“EmpowerLogic”

EmpowerLogic (Proprietary) Limited (registration number 1995/000523/07), a private company incorporated in South Africa, an approved BEE verification entity or agency whose address and contact details are shown in Annexure III;

“Enterprise”

a natural or juristic person, or any form of co-operative, conducting a business, trade or profession in South Africa;

“FICA”

the Financial Intelligence Centre Act, No. 38 of 2001, as amended which requires all financial institutions to verify client information, including a client's identity and residential address;

“Implementation Date”

the date of issue of Phuthuma Nathi ordinary shares to the Black Participants pursuant to the Phuthuma Nathi public offer, as provided for in this prospectus;

“Income Tax Act”

the Income Tax Act, No. 58 of 1962, as amended;

"Initial BEE Ownership

Certificate of Compliance"

the BEE Ownership Certificate of Compliance issued specifically for the purpose of the public offer by any one of the approved BEE verification entities or agencies;

“JSE”

JSE Limited (registration number: 2005/022939/06), a public company incorporated in South Africa;

“last practicable date”

Tuesday 19 September 2006, being the last practicable date prior to the finalisation of this prospectus;

“MCSA”

MultiChoice Africa (Proprietary) Limited (registration number 1994/009083/07), a private company incorporated in South Africa, and its subsidiaries and associates at the date of this prospectus;

“MCSA Empowerment

Transaction”

the empowerment transaction entered into between MIH Holdings, MCSA, MCSA Holdings and Phuthuma Nathi, in terms of which Phuthuma Nathi will acquire up to a maximum of 45 000 000 MCSA Holdings ordinary shares, of which MCSA is a wholly-owned subsidiary, and which acquisition is funded:

(i) as to 20% of the total purchase price, by way of the public offer; and

(ii) as to 80% of the total purchase price, from the subscription price paid by MIH Holdings to Phuthuma Nathi for Phuthuma Nathi preference shares;

“MCSA Holdings”

MultiChoice South Africa Holdings (Proprietary) Limited (registration number 2006/015293/07), a private company incorporated in South Africa (formerly named Main Street 443 (Proprietary) Limited), being a company specifically created to facilitate the MCSA Empowerment Transaction, its only asset as at the last practicable date being 100% of the MCSA ordinary shares;

“MCSA Holdings ordinary shares”

ordinary shares with a par value of R0,0001 in the share capital of MCSA Holdings;

“MCSA Holdings sale and

purchase agreement ”

the sale and purchase of MCSA Holdings shares agreement entered into between MIH Holdings and Phuthuma Nathi, in terms of which Phuthuma Nathi will acquire the Sale Shares;

“MCSA Holdings

Shareholders Agreement ”

the shareholders agreement entered into between MIH Holdings, MCSA, MCSA Holdings and Phuthuma Nathi, in terms of which:

(i) MIH Holdings and Phuthuma Nathi (in their capacity as shareholders in MCSA

Holdings) regulate their relationship as shareholders with MCSA Holdings, as well as their relationship *inter se*; and

(ii) the parties record those matters agreed between them regulating the implementation of the MCSA Empowerment Transaction;

“MCSA ordinary shares”

ordinary shares with a par value of R0,000001 in the share capital of MCSA;

“MCSA Sale Agreement”

the sale of shares and subscription agreement entered into between MIH Holdings

and MCSA Holdings, in terms of which MCSA Holdings acquired 100% of the MCSA’s

ordinary shares and MIH Holdings subscribed for 300 000 000 MCSA Holdings

ordinary shares (effectively being 100% of the issued share capital of MCSA Holdings);

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“MIH Holdings”

MIH Holdings Limited (registration number 1993/005613/06), a public company incorporated in South Africa and a wholly owned subsidiary of Naspers;

“Minimum Investment Period”

a period of five years from the Implementation Date;

“MNH”

MNH Holdings (1998) (Proprietary) Limited (registration number 1997/012830/07), a private company incorporated in South Africa, which is 50% held by Naspers;

“M-Net”

Electronic Media Network Limited (registration number 1985/002853/06), a public company incorporated in South Africa, which is 29,98% directly held by MCSA and 3,81% directly and 26,33% indirectly through MNH by Naspers, the shares of which are indivisible linked units with SuperSport shares;

“Mohlaleng”

Mohlaleng Policy Advisory Services (Proprietary) Limited (registration number 1998/008151/07), a private company incorporated in South Africa, an approved BEE verification entity or agency whose address and contact details are shown in Annexure III;

“MWeb”

M-Web Holdings (Proprietary) Limited (registration number 1997/004269/07), a private company incorporated in South Africa, which is a wholly owned subsidiary of MCSA;

“Naspers”

Naspers Limited (registration number 1925/001431/06), a public company incorporated in South Africa and whose class of N ordinary shares with a par value of 2 cents per share are listed on the JSE and the NASDAQ Stock Market, Inc., and its subsidiaries and associates at the date of this prospectus;

“offer price”

the price at which the General Black Public is invited to subscribe for Phuthuma Nathi ordinary shares in Phuthuma Nathi, under the public offer, being R10,00 per Phuthuma Nathi ordinary share;

“Opening Date”

the opening date of the public offer, being Friday, 29 September 2006;

“Person” or “person”

includes a natural person, company, close corporation or other juristic person or corporate entity, charity, partnership, trust, joint venture, syndicate, "stokvel" or other association of persons or entities, and that person's legal representatives and successors;

“Phuthuma Nathi” or “the Company” Phuthuma Nathi Investments Limited (registration number 2006/015187/06), a public company incorporated in South Africa (formerly named Main Street 446 (Proprietary) Limited);

"Phuthuma Nathi Ownership Certificate of Compliance"

as at any time, the certificate (in respect of the ownership element of BEE) issued by a recognised BEE rating agency (or another suitable person) appointed by MIH Holdings from time to time certifying (at the relevant time) any or all of the following:

(i) the direct and indirect shareholding of Phuthuma Nathi and the composition of its board of directors; and

(ii) whether or not Phuthuma Nathi constitutes a Black Company;

“Phuthuma Nathi
ordinary shareholders”

the registered and/or beneficial holders of Phuthuma Nathi ordinary shares;

“Phuthuma Nathi ordinary shares”

ordinary shares of R0,0000001 par value each in the share capital of Phuthuma
Nathi;

“Phuthuma Nathi preference holders” in relation to each Phuthuma Nathi preference share, the registered holder of
such

preference share for the time being, the first preference holder being MIH Holdings;

“Phuthuma Nathi preference shares”

variable rate, cumulative redeemable preference shares with a par value of R0,001
per share in the share capital of Phuthuma Nathi;

“Phuthuma Nathi preference shares subscription agreement”

the preference share subscription agreement, entered into between MIH Holdings and Phuthuma Nathi, in terms of which MIH Holdings shall subscribe for and Phuthuma Nathi shall allot and issue to MIH Holdings, Phuthuma Nathi preference shares;

“Post Office”

South African Post Office Limited (registration number 1991/005477/06), a public company incorporated in South Africa, wholly owned by the South African Government;

“Pref Threshold”

a variable number of Phuthuma Nathi preference shares determined pursuant to the articles. If the public offer is fully subscribed such Pref Threshold will initially be 13 501 Phuthuma Nathi preference shares;

“prime”

the publicly quoted basic rate of interest per annum at which the Reference Bank lends on unsecured overdrafts, compounded monthly in arrears and calculated on a 365 day year factor, irrespective of whether the year is a leap year or not;

“this prospectus”

this entire document and all annexures to it;

“proxy mechanism”

the proxy mechanism in respect of Phuthuma Nathi’s votes at meetings of MCSA Holdings shareholders, as set out in the articles of Phuthuma Nathi;

“PSTC”

Phuthuma Nathi Share Transfer Committee;

“public offer”

an invitation to the General Black Public to subscribe for up to 45 000 000

Phuthuma Nathi ordinary shares;

“Rand” or “R”

the South African Rand, the official currency of South Africa;

“Reference Bank”

The Standard Bank of South Africa Limited or, if (and for so long as) The Standard Bank of South Africa Limited ceases to quote the prime rate, ABSA Bank Limited or, if (and for so long as) neither such bank quotes the prime rate, a registered South African bank which quotes a prime rate designated in writing from time to time by the majority of the Phuthuma Nathi preference holders;

“Registrar”

the Registrar of Companies;

“Sale Shares”

up to a maximum of 45 000 000 MCSA Holdings ordinary shares at a price of R50,00 per share;

“SARS”

the South African Revenue Service;

“SENS”

the Securities Exchange News Service of the JSE;

"similar or higher BEE status/rating"

in relation to the transfer or proposed transfer of any Phuthuma Nathi ordinary shares by a Black Participant, means that any proposed transferee shall have a BEE status/rating (determined in accordance with the BEE Legislation then in force) which is at least equal to or higher than the BEE status/rating of the proposed or actual transferor of such ordinary shares, so that no decrease in BEE status/rating of the measured enterprise (or any component of such BEE status/rating) results from

such transfer or proposed transfer;

“South Africa”

the Republic of South Africa;

“SuperSport”

SuperSport International Holdings Limited (registration number 1997/004203/06), a public company incorporated in South Africa and which is 29,98% directly held by MCSA and 3,81% directly and 26,33% indirectly through MNH by Naspers, the shares of which are indivisible linked units with M-Net shares;

“Trading Market”

the mechanism which MIH Holdings will use its best commercial endeavours to establish, acting through the PSTC, or its agents, which will facilitate trading in Phuthuma Nathi ordinary shares after the expiry of the Minimum Investment Period, and which is to be administered by PSTC, or its agents, as contemplated in the MCSA Holdings Shareholders Agreement, and further determined by MIH Holdings in its sole discretion;

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“Transaction Documents”

all the written agreements entered into or to be entered into by, *inter alia*, MCSA Holdings, MIH Holdings, MCSA and/or Phuthuma Nathi in relation to the MCSA Empowerment Transaction, together with all the written documents in relation to the MCSA Empowerment Transaction under which the MCSA Holdings and/or Phuthuma Nathi, in any way has/have rights and/or obligations (as the case may be), and includes the Constitutional Documents and the memorandum and articles of association of MCSA Holdings;

“transfer secretaries and administrator”

Link Market Services South Africa (Proprietary) Limited (registration number 2000/007239/07), a private company incorporated in South Africa;

“Trigger Event”

the events and circumstances set out in the Phuthuma Nathi preference shares subscription agreement and the articles (a summary of which appears in paragraph 5.7.2 on page 25 of this prospectus) upon which, principally, Phuthuma Nathi preference holders will become entitled to vote at meetings of the Company, may call for the early redemption of Phuthuma Nathi preference shares and may take other steps to give effect to these rights; and

“Verify Solutions”

Verify Solutions (Proprietary) Limited (registration number 2002/024918/07), a private company incorporated in South Africa, an approved BEE verification entity or agency whose address and contact details are shown in Annexure III.

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PROSPECTUS

Definitions and interpretations used in this prospectus are contained on pages 11 to 18.

1.

INTRODUCTION AND PURPOSE OF THE PUBLIC OFFER [7]

On or about 26 September 2006, Naspers will announce the MCSA Empowerment Transaction, which is intended to result in the purchase by Phuthuma Nathi of up to a maximum of 45 000 000 MCSA Holdings ordinary shares, the holding company of MCSA.

Phuthuma Nathi is a company whose sole objective is to buy and hold MCSA Holdings ordinary shares for the benefit of its shareholders, being the Black Participants in the MCSA Empowerment Transaction.

A key element of the MCSA Empowerment Transaction is the subscription for Phuthuma Nathi ordinary shares by the General Black Public. The prospectus is made available to potential Black Participants in the MCSA

Empowerment

Transaction to invite them to subscribe for Phuthuma Nathi ordinary shares. The purchase price of the Phuthuma Nathi ordinary shares is fully described in paragraph 3 on page 19 of this prospectus.

2.

MECHANICS OF THE MCSA EMPOWERMENT TRANSACTION

The MCSA Empowerment Transaction will be implemented as follows:

- for each Phuthuma Nathi ordinary share with a subscription price of R10,00 subscribed for in terms of this prospectus, MIH Holdings will sell to Phuthuma Nathi one MCSA Holdings ordinary share at a price of R50,00;

- the price per MCSA Holdings ordinary share is based on the underlying value of MCSA, the interest in MCSA being MCSA Holdings' only asset;

- the number of MCSA Holdings ordinary shares that can be sold by MIH Holdings is limited to a maximum of 45 000 000 MCSA Holdings ordinary shares; and

- for each MCSA Holdings ordinary share purchased at R50,00 per share, Phuthuma Nathi will finance it as follows:

- the issue to Black Participants of one Phuthuma Nathi ordinary share at an issue price of R10,00 (i.e. 20% of the price payable for the MCSA Holdings ordinary share); and

- the issue to MIH Holdings of four Phuthuma Nathi preference shares at an issue price of R10,00 per share (i.e. the shares amounting, in aggregate, to 80% of the price payable for one MCSA Holdings ordinary share).

3.

DETAILS OF THE PUBLIC OFFER

3.1

The public offer [18(a)]

Class of Phuthuma Nathi ordinary shares on offer:

Ordinary

Par value per Phuthuma Nathi ordinary share:

R0,0000001

Offer price per Phuthuma Nathi ordinary share:

R10,00

Number of Phuthuma Nathi ordinary shares offered

for subscription in terms of the public offer:

45 000 000

The Phuthuma Nathi ordinary shares issued and allotted pursuant to this prospectus will rank *pari passu* to each other and to existing issued Phuthuma Nathi ordinary shares, in all respects.

3.1.1 Minimum subscription per applicant [21]

The public offer is not dependent on Phuthuma Nathi receiving applications for the total 45 000 000 Phuthuma Nathi ordinary shares on offer. Accordingly, there is no overall minimum subscription requirement.

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However, the minimum that a Black Participant can subscribe for is as follows:

Minimum

Minimum number

Price per

subscription

of Phuthuma Nathi

Phuthuma Nathi

payment

ordinary shares

ordinary share

per applicant

Black People and Black Groups

20

R10,0

R200,00

3.1.2 Maximum subscription per applicant

No Black Participant, together with its associates, may subscribe for or hold more than 4 500 000 Phuthuma Nathi ordinary shares (amounting to a maximum subscription of R45 000 000 per applicant and its associates) or 10% of the total issued ordinary share capital of Phuthuma Nathi, whichever is the lesser. While the Company will not allot or issue any Phuthuma Nathi ordinary shares to any one Black Participant which exceeds these limits, it is the sole responsibility of Black Participants to ensure that they, together with their associates, do not exceed these limits.

Please note: If the 10% maximum shareholding limit is breached, the defaulting shareholder/s will be required to sell their excess Phuthuma Nathi ordinary shares over and above the 10% maximum limitation to MIH Holdings AT THEIR PAR VALUE in accordance with the articles of Phuthuma Nathi.

3.1.3 Allocation of the Phuthuma Nathi ordinary shares in terms of the public offer

No specific allocation of Phuthuma Nathi ordinary shares on offer will be made to Black Participants. However, should valid applications be received for more than the offered Phuthuma Nathi ordinary shares, the basis of allocation will be subject to MIH Holdings' discretion but may be based on the preference provided for in the applicable BBBEE Legislation, provided that preference will be given firstly to Black Persons and thereafter to Black Groups who are preferred suppliers to MCSA, in preference to other Black Groups.

The process of allocating and issuing Phuthuma Nathi ordinary shares to subscribers should be completed within 30 business days after the Closing Date, and the applicants will then be notified of the number of Phuthuma Nathi ordinary shares allocated to them. Should delays occur in the allocation process, the Directors reserve the right to extend this initial 30 business days' period by no more than 14 business days.

If there is an over-subscription, excess monies will be refunded by electronic funds transfer within 30 business days of the Closing Date. Should delays occur in the allocation process, the Directors reserve the right to extend this initial 30 business days' period by no more than 14 business days. No interest will be paid on any monies refunded.

Applicants may therefore be allocated all, some or none of the Phuthuma Nathi ordinary shares for which they have applied.

3.2

Individuals or groups entitled to participate

Black People and Black Groups qualify to participate in the public offer.

The Directors reserve the right to verify that participants are Black People or Black Groups as defined in this prospectus. This is to ensure that only qualifying Black Participants are issued Phuthuma Nathi ordinary shares in terms of the public offer.

The following will be required from potential Black Participants:

3.2.1 Application forms

Applications in terms of the public offer for Phuthuma Nathi ordinary shares may only be made on and in terms of the application forms accompanying this prospectus. Applications to subscribe for Phuthuma Nathi ordinary shares in terms of the public offer must be made in accordance with the application procedure set out below:

a)

Black People must:

–

complete and submit the application form (yellow) included in this prospectus;

–

submit a certified copy of the relevant pages from the applicant's South African Identity Document;

–
if the number of Phuthuma Nathi ordinary shares the applicant is applying for is 20 000 or more Phuthuma Nathi ordinary shares, submit an affidavit confirming that he/she is a Black Person as defined;

–
for applicants with an existing bank account, provide proof from the bank that the account is FICA compliant;

–
for applicants without a bank account, open a new bank account at any bank (including the Post Office). To assist the bank to comply with the FICA requirements, applicants should submit proof of residence which can be either a copy of the latest water and/or electricity bill or a copy of a lease document. If the place of residence is not registered in the applicant's name, a copy of the water and/or electricity bill together with a letter of the registered resident confirming that such person resides with him/her must be submitted; and

–
sign the declaration on the application form that he/she is a Black Person and a South African citizen.

b)
Black Groups must:

–
complete and submit the application form (blue) included in this prospectus;

–
submit a copy of the certificate of incorporation (if applicable) or other comparable document evidencing its valid establishment. (For example, trustees must submit letters of authority issued by the Master of the South African High Court, and unincorporated associations must submit a copy of their constitution or deed of association);

–
submit an affidavit confirming that the company or entity is a Black Company or Black Entity as defined;

–
for Black Groups applying for 20 000 or more Phuthuma Nathi ordinary shares, submit a certified copy of the Initial BEE Ownership Certificate of Compliance, obtained specifically for the purpose of the MCSA Empowerment Transaction;

–
submit a list of all of the natural persons who both directly or indirectly hold the beneficial interest in the Black Group, setting out a list of such persons' names, ID numbers, nationality, gender, racial group and effective percentage economic (and, if different, voting) interest held. If an effective interest in the Black Group is held by natural persons indirectly through a company or entity, a detailed organogram setting out the sequence of ownership is required; and

–
sign the declaration on the application form that the Black Group is a Black Company or Black Entity incorporated or formed in South Africa.

3.2.2 Additional application forms

Application forms and further copies of this prospectus can be obtained during normal business hours from the registered offices of Phuthuma Nathi, MCSA and Link Market Services, whose addresses are set out in the "Corporate Information" section of this prospectus on the inside front cover and any Post Office branch.

The prospectus and the application forms can also be obtained on the internet at the following web address: www.multichoice.co.za

3.2.3 Application irrevocable

Applications will be irrevocable and may not be withdrawn once received at any Post Office branch.

3.2.4 *Reservation of rights*

The Directors reserve the right to accept or refuse any application or allocations, either in whole or in part, in such manner as they may, in their sole and absolute discretion, determine.

3.2.5 *Receipts*

For every application hand delivered and accepted at a Post Office branch, the teller will issue a receipt for the application form, payment and the supporting documents received. For applications received by post, a receipt will be posted (at the applicant's risk) to the applicant's postal address provided.

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3.2.6 *Submission of application forms*

Applicants must submit the completed application form to their nearest Post Office branch together with the required documentation and payment as noted in paragraphs 3.2.1 and 3.2.7 on page 20 and 22 of this prospectus. The application form and required documents will be verified at the Post Office and may be rejected if the application form is not completed in full or if all the necessary documentation is not attached.

Alternatively, the completed application form can be submitted together with the necessary documents and a cheque or postal order by post, in a sealed envelope, marked “Phuthuma Nathi Investments Limited – ordinary share offer”, to the following address:

Phuthuma Nathi
PO Box 10000
Pretoria
0001

All hand delivered applications must be received by the Post Office before the Closing Date, being 15:00 on 27 October 2006, and all applications delivered by post must be postmarked on or before the Closing Date and received by the Post Office on or before 15:00 on 3 November 2006. Application forms received after:

–

the Closing Date – in the case of hand delivery; or

–