

# Multiple choices for MultiChoice after Naspers' unbundling or way of the dinosaur?

By Leigh Andrews

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#Newswatch: It's not necessarily a death knell. There's speculation on potential positive outcomes following Naspers's announcement that it will unbundle MultiChoice to shareholders early next year and separately list the company on the JSE.



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In an initial report on [Business Day](#), It was said that investors cheered Naspers' decision to unbundle video entertainment business MultiChoice onto the JSE in the first half of 2019 and hand its interest in the DStv operator to its shareholders.

But the bulk of those cheerers are Naspers' investors, not those keen to invest in MultiChoice. According to [Fin24](#), "African pay-TV heavyweight" the new MultiChoice Group faces an uncertain future as a newly listed company, as many say the traditional TV model is going the way of the dinosaur. This despite:

“ Estimated valuations by analysts and investors have ranged from \$5bn to \$6.6bn - plus the potential for dividends – compared with zero as part of the wider Naspers empire. ”

CEO Bob Van Dijk is also quoted in *Business Day* as saying: "I feel confident about putting the business on its own legs."

## Way of the dinosaur or time to play Catch Up?

[TechCentral](#) adds that MultiChoice is confident of arresting the DStv Premium customer decline.



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MultiChoice has taken note of criticism over its high monthly subscription fee and put plans in place to offer lower-tier packages.

It's also set to keep with the times and improve its content offering to Premium subscribers through ShowMax, which is available free of charge to Premium subscribers; as well as offerings like online streaming platform DStv Now, covering live channels and Catch Up content.



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Some sentiment on social media is hopeful:

“ Naspers jumps out of the red today with the announcement of listing and unbundling of video entertainment that will trade as Multichoice Group. [pic.twitter.com/8YPjRSoFN](https://t.co/8YPjRSoFN)— Ian Stiglingh (@ianstig) [September 17, 2018](#) ”

“ Smart move by Naspers to list Multichoice. Spotlight on Multichoice likely to results in cost cuts, hopefully leading to price reductions. <https://t.co/tKJ5w7JoYT>— Michael Jordaan (@MichaelJordaan) [September 17, 2018](#) ”

“ "Something we are particularly proud about is that it is a fantastic transaction for our Phuthuma Nathi shareholders"- Imtiaz Patel, CEO of Naspers's video entertainment unit <https://t.co/jN1JPDsoPQ>— 702 (@Radio702) [September 18, 2018](#) ”

“ This is big. Naspers believes Multichoice's future is over and will unbundle it. Multichoice will list on the JSE.

This is an opportunity for Calvo Mawela to prove doubters wrong and turn the company around. [pic.twitter.com/C92xXweMDR](https://t.co/C92xXweMDR)— Welile 'Wellington' G (@WelsWG) [September 17, 2018](#) ”

So, will investors and subscribers alike benefit from the outcome? Only time will tell...

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[Naspers to unbundle and list MultiChoice: Business Day](#)

[Set free by Naspers, MultiChoice plots its path: Fin24](#)

[MultiChoice confident of arresting DStv Premium decline: TechCentral](#)

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