ENTER

Integrated Annual Report 2024

For the year ended 31 March 2024

MULTICHOICE
ENRICHING LIVES

We are Africa's leading entertainment platform and its most loved storyteller.

Leveraging our unique platform and scale to build a broader consumer services ecosystem, we entertain, inform and empower African communities that inspire and build us in return.

Contents

About this report

Our integrated annual report provides transparent, succinct and material information about our performance during the year, and how this contributed to creating and sustaining value for our stakeholders.

As a trusted brand with daily engagement, we understand our customers' needs.

We are leveraging our platform, scale and distribution to build a broader consumer services ecosystem that is underpinned by technology.

Our reporting suite

Our 2024 integrated annual report is our key report to our stakeholders, providing a holistic view of our business, strategy, performance and value creation.

This report should be read in conjunction with our full consolidated annual financial statements, which provide a more detailed understanding of our business's financial performance.

In addition, we engage with our stakeholders through regular reports, including our annual environmental, social and governance (ESG) report, biannual results announcements, and various updates during the year. This information can be accessed at www.investors.multichoice.com.

Feedback

We encourage and value feedback on this report. Feedback can be sent to cosec@multichoice.com.

Integrated annual report

The integrated annual report uses the foundation of integrated thinking to guide how we create and sustain value across the six capitals.

Guided by
- International Integrated Reporting Framework, January 2021
- The International Financial Reporting Standards (IFRS)
- King IV Report on Corporate Governance™ for South Africa, 2016
- United Nations Sustainable Development Goals

Annual shareholder booklet

Summary consolidated financial statements for FY24, notice of annual general meeting (AGM) and remuneration report.

Read more online

Guided by
- Companies Act of South Africa No 71 of 2008, as amended (Companies Act)
- JSE Limited Listings Requirements (JSE Listings Requirements)

King IV application report

The King IV application report provides a synopsis of how MCG and its subsidiaries apply the principles set out in the King IV Report on Corporate Governance.

Read more online

Guided by
- King IV Report on Corporate Governance™ for South Africa, 2016

Interim and annual results

Summary financial results and financial statements for the half year and financial year.

Read more online

Guided by
- The International Financial Reporting Standards (IFRS)
- Companies Act
- JSE Listings Requirements

ESG report

The ESG report aims to provide comprehensive feedback to our stakeholders on our environment, social and governance performance for the financial year.

Read more online

Guided by
- The JSE Sustainability Disclosure Guidance
- United Nations Sustainable Development Goals

Assurance and responsibility

The information in this report has been reviewed by the audit committee and approved by the board.

Financial information

The summarised consolidated financial information in this report was extracted from the audited consolidated annual financial statements for the year ended 31 March 2024 and is accurately reflected.

Refer to page 20 of the full annual financial statements for the unmodified auditor's report on the group's consolidated annual financial statements.

The full annual financial statements are available for perusal on our website (www.investors.MultiChoice.com/annual-results) and at our registered office upon arrangement with the company secretary.

Non-financial information

EmpowerLogic verified all broad-based black economic empowerment (BBBEE) information in this report.

About this report continued

What value means to MultiChoice

We seek to create and enhance long-term sustainable value for our stakeholders. For us, this means:

- Producing, licensing, aggregating and distributing content valued by our customers in a way that is convenient, affordable and broadly accessible to them while at the same time generating the requisite return on investment for the group and its shareholders
- Creating the platform of choice for African households by offering our customers attractive and relevant products and services through scalable technology
- Providing an environment that rewards performance, growth and innovation, and which offers numerous development opportunities and career paths for our people
- Nurturing mutually beneficial relationships with our partners, suppliers and service providers, across the business-to-business (B2B) and direct-to-consumer channels
- Generating sustainable economic value for our shareholders over the long term through our group strategy and capital allocation processes
- Making targeted investments to create value for shareholders, as well as other internal and external stakeholders, through acquisitions, joint ventures and/or investments
- Making significant contributions to both our industry and the communities where we operate. This involves investing in community upliftment programmes focused on discovering and developing emerging filmmakers and sports stars, providing support to small businesses and entrepreneurs, as well as promoting environmentally sustainable initiatives such as The Earthshot Prize

Scope, boundary and audience

The scope of this report comprises MultiChoice Group Limited and its subsidiaries (referred to herein as MultiChoice, MultiChoice Group or the group).

We report on how we create value for our material stakeholders, focusing on providers of financial capital. We are committed to integrated and balanced reporting on our strategic objectives, material matters and how we are governed. We strive to provide a comprehensive view of our financial and non-financial performance and the sustainability of our business.

Basis of preparation

We present our integrated annual report for the financial year from 1 April 2023 to 31 March 2024 (referred to as FY24). Comparative financial information for 1 April 2022 to 31 March 2023 (FY23) is included where relevant.

The content of the integrated annual report is guided by the following frameworks and regulations:

- International Integrated Reporting Council's Integrated Reporting Framework, January 2021
- King Report on Corporate Governance™ for South Africa, 2016 (King IV[1])
- The requirements of the Companies Act of South Africa No. 71 of 2008, as amended (Companies Act)
- The JSE Limited Listings Requirements (JSE Listings Requirements)

Summarised forward-looking statements

Many assertions in this integrated annual report constitute forward-looking statements – they represent the group's judgements and future expectations. However, these statements do not guarantee our future performance. Words such as 'believe', 'anticipate', 'intend', 'seek', 'will', 'plan', 'could', 'may', 'endeavour' and similar expressions are intended to identify such forward-looking statements.

MultiChoice faces risks, challenges and uncertainties outside of its control. These challenges may lead to unforeseen outcomes for the group. This report does not give any assurance that forward-looking statements will prove to be correct, and investors are cautioned not to place undue reliance on any forward-looking statement in this report. Our auditors did not review or report on any forward-looking statements.

Board responsibility

The board acknowledges its responsibility to ensure the integrity of the integrated annual report. This report was approved by the board on 12 June 2024. The board applied its collective mind and believes that the integrated annual report and financial statements fairly reflect, in its opinion, the true financial position of the group as at 31 March 2024 and that of its operations during the past financial year. Further, the board believes this report addresses all material issues and how they relate to the MultiChoice Group's ability to create and sustain value in the short and long term.

On behalf of the board

Elias Masilela
Chair
12 June 2024

Louisa Stephens
Audit committee chair
12 June 2024

Executive confirmations

Each of the directors, whose names are stated below, hereby confirms that:

- The consolidated annual financial statements fairly present in all material respects, the financial position, financial performance and cash flows of MultiChoice Group Limited in terms of IFRS.
- To the best of our knowledge and belief, no facts have been omitted, or untrue statements made that would make the consolidated annual financial statements false or misleading.
- Internal financial controls have been put in place to ensure that material information relating to MultiChoice Group Limited and its consolidated subsidiaries have been provided to effectively prepare the consolidated annual financial statements.
- The internal financial controls are adequate and effective and can be relied upon in compiling the consolidated annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for the implementation and execution of controls.
- Where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in the design and operational effectiveness of the internal financial controls, and have remediated the deficiencies.
- We are not aware of any fraud involving directors.

On behalf of the board

Calvo Mawela
Group CEO
12 June 2024

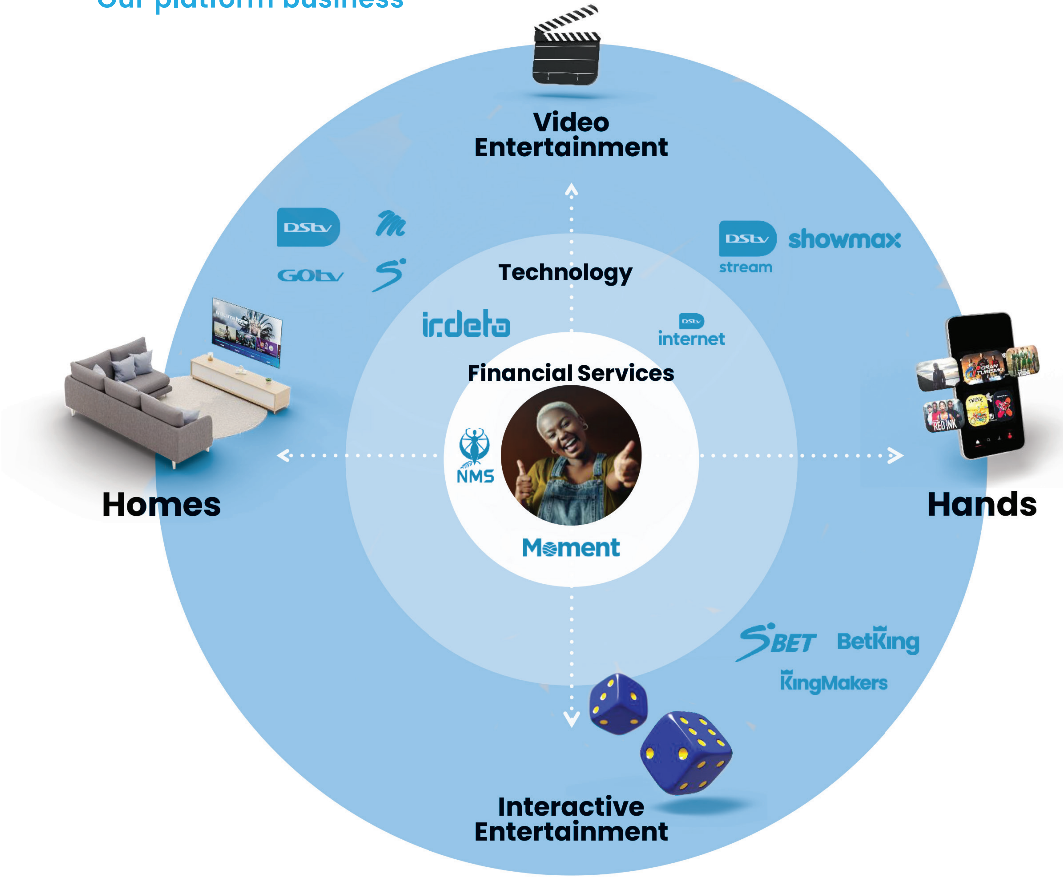
Tim Jacobs
Group CFO
12 June 2024

Our business overview

Enriching lives by creating **“a world of more”**

Africa is our home – we provide entertainment and consumer services to 20.9m subscribers[(1)] across sub-Saharan Africa.

Our platform business



Already Africa’s leading entertainment platform

We create and license exceptional local and international content, which we deliver to our viewers anytime, anywhere and on any device through world-class direct-to-home (DTH) satellite broadcast, digital terrestrial television (DTT) broadcast and over-the-top (OTT) video entertainment streaming services. We offer programming in 45 languages[(2)] and provide access to the best in local, sport and international content. Our offering expands beyond traditional linear video to online and mobile streaming services, proprietary connected devices and a curated selection of aggregated third-party services. Our sports-betting business, acting as an entertainment service adjacent to our core video offering, has expanded into South Africa and continues to diversify its broader interactive entertainment offering.

“Africa's most loved story-teller”

Produced **6 502** (FY23: 6 587) hours of local content this year, with local content library now at **84 871** (FY23: 76 014) **hours**

Over **30** (FY23: over 30) proprietary, dedicated local content channels across **10** (FY23: 10) **markets**

“World of champions”

Leaders in sport broadcasting, with **34 490** (FY23: 24 899) **live events** and **992** (FY23: 1 068) **own productions** broadcast this year

65 (FY23: 63) **thematic and variety** sports channels

“A gateway to global entertainment”

4 (FY23: 4) distribution partnerships with **leading international** third-party video on demand operators

Compelling international content from multiple providers on **100** (FY23: 81) **linear channels**

(1) *Active subscribers.*

(2) *Relates to all languages broadcast on our platforms, including international and free-to-air (FTA) channels.*

Our business overview continued

A trusted brand and a platform of **choice for Africa**

Building Africa's leading consumer services ecosystem

We are a trusted brand and a platform of choice for millions of African households. With 20.9m (FY23: 23.5m) households subscribing to our linear video entertainment services at year-end, we reach more than 100m people[(1)] across 50 countries. Understanding Africa, its people and their challenges is our strength. Therefore, while we continue to grow our core business, we are also leveraging our scale and distribution to build an ecosystem of scalable, technology-based consumer services that will further enrich the lives of our customers. We are pursuing these opportunities organically, through partnerships, and/or through equity investments, and sharpening our focus in areas where we have seen traction. Our objective is to create a better experience and an improved value proposition for our customers while also creating long-term value for shareholders.

[(1)] *Based on an average of around five people per household per our internal calculations using country household surveys and census information.*

We are a multinational group with a home in Africa

South Africa

Established in 1985

As the **leading video entertainment platform** in South Africa, MultiChoice provides its subscribers with access to world-class local and international content through our linear video broadcast service DStv (DTH), our linear OTT service (DStv Stream), and aggregated third-party streaming offerings. Our services include a growing portfolio of connected devices and various technology-based consumer services. Through DStv Media Sales we offer advertising services across our platforms and footprint on the continent. We have seen strong traction in our Insurance and Internet businesses in recent years which will continue to be a focus in the future.

60%
of group revenue (FY23: 58%[(1)])

ZAR8.8bn
trading profit (FY23: ZAR9.7bn[(1)])

7.6m
subscribers[(2)] (FY23: 8.0m)

MultiChoice ENRICHING LIVES SOUTH AFRICA

Rest of Africa

Established in 1992

With a diversified presence across geographies, platforms and consumer segments, we offer **world-class local, sport and international content** to customers across 49 markets in sub-Saharan Africa and adjacent islands primarily through our linear broadcast services, DStv (DTH) and GOtv (DTT)[(3)], and our linear OTT service (DStv Stream). Through DStv Media Sales we offer advertising services across our platforms.

35%
of group revenue (FY23: 38%)

ZAR1.3bn
trading profit (FY23: ZAR0.9bn)

8.1m
subscribers[(2)] (FY23: 9.3m)

MultiChoice AFRICA

[(1)] *Comparative figures restated to show South African segment excluding Showmax.*
[(2)] *Active subscribers.*
[(3)] *DTT services are available in eight Rest of Africa markets, with no current plans to expand country presence.*

Our business overview continued

Showmax

Established in 2022

Launched in 2014; partnership with Comcast established in 2023

Showmax offers a **standalone subscription video on demand (SVOD) service**, which we also bundle as a free value-added service for our Premium subscribers and offer at discounted pricing for our other DStv bouquet subscribers. In February 2024, we relaunched Showmax in 44 markets, with new branding, packages and plans, pricing and UI/UX through the world-class Peacock platform. We believe now is the right time to double down on SVOD as broadband connectivity and affordability are approaching an inflection point across Africa.

2%
of group revenue (FY23: 1%)

16%
growth in subscriber base from relaunch to year-end

Technology (Irdeto)

Established in 1969

Wholly owned Irdeto is a world leader in digital platform cybersecurity, empowering businesses to innovate for a secure, connected future. Building on over 50 years of expertise in security, Irdeto's services and solutions protect revenue, enable growth and fight cybercrime in Video Entertainment, Video Games, and Connected Transport.

It services the security and anti-piracy needs of the group, as well as some of the world's leading video entertainment, mobile and connected industry service providers.

3%
of group revenue (FY23: 3%)

ZAR0.4bn
trading profit (FY23: ZAR0.6bn)

419
customers (FY23: 382)

KingMakers

Established in 2018

A **leading sports-betting and digital entertainment platform** focused on sub-Saharan Africa. Its agency and online operations in Nigeria, under the BetKing brand, offer sports betting, virtual gaming and casino games, and KingMakers has recently expanded into South Africa with its online business under the SuperSportBet brand.

KingMakers is equity accounted and we hold a 49% ownership stake.

USD147m
revenues (FY23: USD198m)

USD40m
loss after tax as business invests behind growth (FY23: USD28m)

Moment

Established in 2022

Moment is a **fintech company,** established as a joint venture between MultiChoice Group, Rapyd and venture capital investors like General Catalyst, to help businesses and individuals across sub-Saharan Africa connect to each other and the world.

Moment is equity accounted and we hold a 26% stake.

USD2.7bn

in MultiChoice payments processed in FY24[4]

Leveraging MultiChoice Group's 200+ payment partner integrations across 40+ markets[4]

[4] *Processed and incurred by MultiChoice Group to illustrate the size of the base load available to Moment to process from inception.*

MCG group structure and ecosystem

MultiChoice Phuthuma Nathi – Share the future
Trading on the Integrated Exchange

5.7%

MultiChoice – Enriching lives
JSE listed: MCG

100%[6]
Single class of shares[1]

Public Shareholders

25%[2] 75%[2] – MultiChoice South Africa
100%[3] – MultiChoice Africa
70% – Showmax
100% – Irdeto
49.2%[5] – KingMakers
Moment, NMS
SuperSport Schools, SA20, tm, AURA, Namola

Video entertainment – linear, streaming and aggregation

Major subsidiaries:
- MultiChoice SA Holdings
- MultiChoice SA
- MultiChoice
- MSS[4]
- Electronic Media Network
- SuperSport Int. Holdings
- DStv Media Sales

Major subsidiaries:
- MAH B.V.[4]
- MultiChoice Nigeria
- MultiChoice Angola
- MultiChoice Uganda
- MultiChoice Zambia
- MultiChoice Kenya
- MultiChoice Tanzania

Major subsidiaries:
- Showmax Africa
- Showmax South Africa
- M-SAT

Digital and cybersecurity

Major subsidiaries:
- Irdeto B.V.
- Irdeto SA
- Irdeto USA Inc.
- Irdeto Canada
- Irdeto India
- Irdeto Australia

Sports betting

Operating brands:
- BetKing
- SuperSportBet

Fintech

Operating entities:
- Moment Holdings[7]
- NMS Insurance[8]

Scalable consumer tech

Operating entities:
- SuperSport Schools[9]
- SA20
- Trust Machines
- AURA
- Namola[9]
- Trust Machines

Broadcasting | Advertising | Content | Streaming

DStv, DStv Media Sales, SuperSport World of Champions, GOtv, M-Net, Showmax

[1] *Foreign shareholder voting rights are capped at 20% by MCG's MOI in order to comply with the broadcasting licence requirements in South Africa under the Electronic Communications Act, 36 of 2005.*
[2] *MCG's combined direct and indirect interest in MCSA is 76.8% (a 75.0% direct stake, a 1.4% indirect stake via PN, and a 0.4% indirect stake via the Enterprise Development Trust.*
[3] *An approximation of the blended minority economic interest in our Rest of Africa operations would be ~85%.*
[4] *MAH B.V. = MultiChoice Africa Holdings; MSS = MultiChoice Support Services.*
[5] *KingMakers: 49.23% voting interest is fully diluted for KingMakers ESOP but represents a 51.23% economic interest (see annual financial statements).*
[6] *4% held through the MultiChoice Group Restricted share trust and MultiChoice Grup Treasury Services (Pty) Ltd. See shareholder analysis on page 125 for more detailed information.*
[7] *Moment: 26% interest is post year-end and fully diluted for the Moment ESOP.*
[8] *Post year-end, MultiChoice Group announced that Sanlam Life will acquire a 60% interest in NMS Insurance and enter into a long-term cooperation agreement in insurance services in Africa.*
[9] *SuperSport Schools and Namola are subsidiaries within the MultiChoice South Africa entity structure.*

Our investment case

1 We are a dynamic company with a proud legacy and a history of innovation

Since debuting our analogue linear pay-TV service in 1985, we have provided a window into the world for our viewers and co-created and shared their stories across the continent and through time.

From our first broadcast 39 years ago, we have pioneered multi-channel digital satellite and terrestrial television and streaming video on demand entertainment in Africa. In many cases we have had to develop the devices, hardware and cybersecurity software to enable our vision.

MultiChoice now reaches 20.9m households through DStv and GOtv[(1)]. We estimate our overall audience reach at over 100m[(2)] and are targeting a customer base of at least 50m by 2028.

2 We see significant immediate and long-term opportunities in sub-Saharan Africa

Sub-Saharan Africa is home to 1.2bn people today, with 660m working-age individuals[(3)] and over half a billion unique mobile subscribers[(4)]. Increasing electrification, broadband connectivity, digital financial services, and discretionary consumer spending power due to a growing, urbanising middle class represents a compelling addressable market.

In Video Entertainment, we estimate an opportunity set of ~60m households, complemented by 400–500m internet-connected smartphones by 2028[(4)], which we will target through our Showmax and DStv Stream streaming services. Our interactive entertainment and sports betting vertical, which will increasingly leverage the same smartphone base as Showmax, and fintech, payments and insurance vertical, could represent equivalent or larger addressable markets than video in the long run.

3 We remain focused on our core Video Entertainment businesses

We understand our subscribers and their evolving video needs. We create, acquire, license, curate, aggregate and package a unique mix of programming to deliver the best in local and international general entertainment and sports content ‘anywhere, anytime’ through their platform of choice.

Our streaming joint venture with the Comcast group enables us to scale fast by leveraging Peacock’s proven technology, produce more local content and access the output of one of the largest content producers globally.

Our connected devices and aggregation services allow us to offer our customers third-party streaming services in addition to our own exceptional line-up through an increasingly seamless user experience and interface.

4 We are leveraging our platform to build a consumer services ecosystem

We are expanding beyond video entertainment by leveraging our portfolio of trusted brands, unrivalled distribution and payment capabilities, a strong technology pedigree, and deep local capabilities and experience.

We are targeting opportunities that are in relevant consumer-focused adjacencies, scalable into meaningful verticals, benefit from a strong technology underpin and leverage our unique platform advantages.

We are tactical and flexible in how we address opportunities, doing so organically e.g., DStv Insurance, through non-controlling investments e.g., in KingMakers in sports betting, and through strategic partnerships e.g., with Rapyd in the Moment joint venture.

5 We have an exciting roadmap ahead with a bold ambition to match

We have a management team with deep operational expertise and a group with a unique operating presence that supports our strategic ambitions.

We have complemented our position through investments in and partnerships with best-in-class global and regional operators in streaming, sports betting and fintech.

We have a disciplined approach to capital allocation and prioritise long-term value creation for our shareholders.

This is underpinned by a business model that supports scale economics, strong operational execution, cost discipline and free cash flow prioritisation.

(1) *Refers to 90-day active subscribers for DStv and GOtv.*
(2) *Based on an average of five people per household.*
(3) *Per the United Nations Population Division – World Population Prospects 2022 (2023 value reflected; working age approximated by 15-64 year age group).*
(4) *GSMA – The Mobile Economy Sub-Saharan Africa 2023.*

Our vision, purpose and the values we stand for

Our vision

To be the platform of choice for African households, enriching their lives by delivering entertainment and relevant consumer services through technology.

Our purpose

To enrich lives by creating "a world of more"

Our values

We care

to do what is best for everyone – ourselves, our colleagues and most importantly, our customers

We connect

with others and build lasting relationships through collaboration, communication and clarity

We create

stories, experiences and a brighter future through curiosity, courage and commitment

Chairman's letter

Today, MultiChoice stands as the leading entertainment platform on the continent, with a great strategy to drive future growth. It will take some time for all the investments to reach their full potential, but we believe in the value that they will create and have a strong conviction in the strategy which management has developed since listing.

Imtiaz Patel
Outgoing chair

Dear shareholder

At a time when the global environment is volatile and uncertain, both economically and geopolitically, it is natural to default to a short term focus. More so in our own backyard, where the rising cost of living, extreme currency volatility and disrupted power supply had a negative impact on a consumer-driven business like MultiChoice. But economic downcycles eventually come to an end and, while it is critically important to focus on successfully navigating these immediate headwinds, it is equally important to look ahead and ensure that the business is optimally positioned for the future.

Over the past few years, technology has transformed broadcasting and impacted the way in which content is consumed. While streaming took off strongly during the COVID-years and continues to grow, many traditional broadcasters are adopting hybrid models, combining linear TV with streaming services. We are very well positioned in this regard, given our 40 years as Africa's leading video entertainment platform – providing linear pay-TV services to 21 million households in 50 markets across the continent - and our recently re-launched Showmax streaming business, with global media giant, Comcast, as a 30% partner. We have taken this strategic approach against a backdrop of inevitable further corporate consolidation in global video media, as well as growing momentum in the re-bundling of network and streaming services.

Another rapidly developing trend is sports broadcasting increasingly shifting to streaming platforms. Here too we have been trending ahead with the launch in February this year of our "Premier League in your Pocket" streaming package on Showmax, a world-first, standalone, mobile-only offering. Not only does it bring all 380 Premier League matches to millions of African football fans, but it also positions us well given the rise of mobile streaming globally, underpinned by the proliferation of smartphones and tablets.

Streaming platforms around the world are heavily investing in producing original content to attract and retain customers, and original dramas and shows have become key competitive strategies. At MultiChoice, we have doubled down on our investment in local content for several years now, as we realised its importance as a differentiator in our service offering early on. Today we are the largest producer of local content on the continent and as 'Africa's most loved storyteller', our local content library already has more than 84,000 hours of content, or nine and a half years of viewing. Productions like Shaka Ilembe, Chasing the Sun 2, The Wife, Reyka and Umkhokha are but a few that comes to mind, all allowing our audiences to see their own people telling their own stories.

And then there is the rise of interactive entertainment, which allows real-time interaction between content creators and audiences, fostering a more engaging viewing experience. We took an early step in this direction with our investment in KingMakers three years ago, and most recently with the roll-out of SuperSportBet in South Africa. And with our stake in fintech business, Moment, we have the payment platform to support all these activities which the consumer is engaging in.

As my tenure as Chair of MultiChoice comes to an end, I reflect on the journey overseeing our transformation from a linear pay-tv operation to a much broader platform that 'enriches lives through entertainment and technology'. With our great content, trusted brand and broad

Chairman's letter continued

distribution capabilities across Africa, there are plenty of opportunities on the road ahead! Today, MultiChoice stands as the leading entertainment platform on the continent, with a great strategy to drive future growth. It will take some time for all the investments to reach their full potential, but we believe in the value that they will create and have a strong conviction in the strategy which management has developed since listing. The initial investment and subsequent offer by Canal+ is an endorsement of the business that we have built and the unique opportunities that are available to MultiChoice as a result.

FY24 was a tough year for many businesses, including ours. I would like to compliment Calvo and his executive team for their active interventions and strong execution to navigate the various challenges, in particular the impact of massive currency depreciation. Through their efforts, they were able to keep the Rest of Africa business profitable, despite having to absorb some ZAR4.5 billion in foreign exchange losses – this is truly remarkable. They also delivered a trading profit margin in South Africa as promised and got Showmax 2.0 off to a great start. We are grateful for their ongoing commitment, as well as the contributions from all the teams across our business who work tirelessly each day to continue bringing our customers a "world of more". They have delivered solid organic results in trying circumstances – it is a great pity that everyone's sterling efforts this year were undermined by macro issues such as inflation, disrupted power supplies and significant currency depreciation.

At MultiChoice, we measure success not only in terms of executing on our strategy and building shareholder value, but also in terms of enriching lives. We do this by further enhancing the consumer value proposition for our customers, by developing the skills of our employees and offering them a stimulating, forward-looking work environment, by supporting industry growth that benefits our partners and suppliers and ultimately, by uplifting the communities we serve through providing employment, making significant tax contributions and by implementing carefully considered CSI initiatives.

Although these elements are covered in more detail in the rest of this report, I would like to mention a few highlights:

- The MultiChoice Talent Factory (MTF), which offers comprehensive skill development in Africa's vibrant film and television sector, has now trained 467 filmmakers since inception, with no less than 152 movies being produced by MTF graduates,
- Our Innovation Fund has disbursed ZAR407m over time in loans, grants, and business development expenses to assist beneficiaries in acquiring skills and assets. To date, 77 black-owned small businesses with at least 50% female ownership have benefited, resulting in the creation of more than 1 400 jobs,
- And as the official broadcaster for The Earthshot Prize in Africa, we have leveraged our expansive platforms to amplify its important messages across the continent, encouraging innovators to pitch their solutions, supporting local finalists and mobilising communities to address sustainability challenges.

As I vacate the seat, I would like to thank my fellow board members for their support and contributions over the past five years. We've had many robust debates and discussions during this time, fully engaged and focused on the prize of success for the group. I appreciate your important insights and advice, especially as we expanded our ambitions beyond just linear pay-TV through innovation, key partnerships and select investments.

I wish great success to incoming Chair, Elias Masilela, a seasoned board member with whom I have travelled a long journey. Given his wise and deliberate counsel, the MultiChoice management team, board and investor base can find comfort knowing they are in sound leadership hands.

To Calvo and the team, it has been a great privilege working closely with you all. Your drive, passion and unwavering commitment to MultiChoice is unmatched. As my international counterparts have often remarked "you are great at many things, in a much more complex environment, which is something we can learn from." I look forward to watching you achieve all that you set out to achieve as you continue building the MultiChoice of tomorrow.

Imtiaz Patel
Chair

Elias Masilela
Incoming chair

A message from the incoming chair

Imtiaz has been instrumental in navigating the current economic downturn and positioning the business for the future upside. I am honoured to take over the reins from him and wish to express the board's, and my, gratitude to him for his extraordinary dedication. His leadership and tireless efforts to MultiChoice over 25 years, have been invaluable to the Company. Not only that, the outcome of his leadership has had immense and observable impact on all stakeholders, spanning wide geographies on the continent and beyond.

As we look ahead, the board remains focused and unified in its passion for growing, diversifying and strengthening the business. As a board, we are firmly supportive of management's vision to build Africa's entertainment platform of choice and has great confidence in the CEO and his team to drive growth in focused areas such as Showmax, Moment, SuperSportBet, DStv Insurance, DStv Internet and DStv Stream, while working hard to retain the businesses core DStv and GOtv customers as well as support their activity rates through FY25 and to future generations.

02 Creating value

MultiChoice
ENRICHING LIVES

An inclusive approach to stakeholder engagement means we focus on continuously aligning the needs, interests and expectations of our stakeholders with those of our business

Section content

Value creation for our stakeholders and providers of capital

Our capitals

We define the capitals we use in our business in a way that aligns with the International Integrated Reporting framework.

Financial capital

The financial resources available to the group include cash held and cash generated, existing third-party leases and debt funding, and untapped equity and debt funding available through capital markets. We also leverage partnerships where appropriate to defray the capital outlays required by the group e.g., through co-productions or wholesale and distribution agreements.

Provided by:
- Shareholders and lenders
- Suppliers and partners

Technology and platforms

Our physical and virtual infrastructure includes our satellite broadcast networks, online streaming platforms, fintech investments, insurance products and broader information technology support systems. We are continually developing innovative products and services and leveraging partner capabilities in video entertainment, interactive entertainment, fintech, and consumer household services.

Provided by:
- Employees
- Suppliers and partners

Industry expertise and intellectual property (IP)

Our understanding of customer preferences and industry dynamics across our markets. Our expertise spans the entire value chain, from key differentiators like entertainment and sport content curation and local content development, to unrivalled capabilities in marketing, logistics and payment integration, to perfecting the basics in regulatory compliance and signal transmission.

Provided by:
- Employees
- Suppliers and partners

People

The people in our organisation contribute their time, skills and expertise to make a positive impact on our operations across our markets and segments. We also rely on critical people who are not directly employed by our group, such as our accredited DStv installers, employees in our non-controlled investee companies or agents operating for both our traditional and new business lines.

Provided by:
- Employees
- Suppliers and partners

Customer, supplier and partner relationships

Our established ties and working relationships with our customers, suppliers, and partners, without whom we would not be able to operate or prosper. We always aim to develop sustainable relationships with the customers we serve and the entities that work with us by nurturing and reinvesting in these relationships over time. Upholding and enhancing our corporate reputation is paramount.

Provided by:
- Customers
- Suppliers and partners

Corporate citizenship

Our social licence to operate in the communities we serve necessitates broader stakeholder engagement beyond our immediate corporate constituencies. We use our established scale, reach and distribution to make a positive contribution in these communities. In addition, even though our consumption of natural resources is low, we ensure that we minimise our footprint through sustainable initiatives.

Provided by:
- Suppliers and partners
- Government and regulators
- Society

Value creation for our stakeholders and providers of capital continued

Our stakeholders

How we engage

Customers

We offer our customers a variety of service channels to suit their needs. These include digital channels such as Live Chat and T.U.M.I., WhatsApp and similar instant messaging platforms, social media, Self Service via our apps, websites and USSD, notifications through our set-top boxes; face-to-face service channels such as service centres and agencies as well as traditional service channels like phone, including our Interactive Voice Response system, and email. We also engage our customers through our DStv, GOtv and Showmax platforms, outbound sales channels for product lines like DStv Insurance, our websites, our Rewards offering, which was refreshed in FY24, mass media (above the line), targeted campaigns, sponsorships, and activations. In addition, we engage directly with business customers in advertising and cybersecurity. Most of our interactions with advertisers happen through our frontline sales team. These include ongoing meetings directly with clients or through their media agencies. We also interact with advertisers through email communication, trade events, and agency roadshows.

Employees

We aim to engage with our employees in a way that fosters care and allows us to create experiences we can all be proud of within our organisation. We create opportunities for in-person interactions through company-wide town halls, leadership forums, *ad hoc* employee events, training, and workplace forums to bolster common understanding, alignment and a culture we can all own. We also interact digitally through regular email updates, social collaboration tools, live engagement tracking and anonymous feedback channels. In addition, we engage indirectly through the employee support services we offer, that are curated to meet every employee's needs while maintaining our delivery standards, which range from facilitating day-to-day tasks, to financial planning and mental health services.

Suppliers and partners

We strive to build and maintain meaningful relationships with our suppliers and partners. We engage through several channels, including a bespoke platform in the Video Entertainment business, chat interfaces, video and audio conferencing, email, face-to-face meetings, and industry conferences. We have a thorough outsourced third-party risk management process in place to mitigate various risks, including but not limited to reputational, compliance and fraud risks. We also maintain ongoing engagement to ensure that we remain fully aligned to contractual commitments via formal budgets and reviews, including additional informal feedback loops.

Shareholders

We engage with financial market participants in a timely, consistent and transparent manner, using a variety of channels. These include the hosting of annual general meetings (AGMs), conducting calls and meetings (in-person or virtual) with shareholders and banking partners, hosting conference calls (specifically around the announcement of results or other important developments) and issuing announcements through the JSE Stock Exchange News Service (SENS) to keep the market informed. We also conduct virtual or in-person investor roadshows, host Capital Market Days and attend investor conferences. In addition, we publish reports and results materials, host tours of our facilities when feasible, maintain an updated company website and offer a dedicated email address for general investor queries and for specific AGM feedback.

Governments and regulators

We proactively and constructively engage with governments, tax authorities and regulators on a regular basis, focused on ensuring that any policy, legislation, regulation or directive from these stakeholders yields positive outcomes for the industries and countries we operate in. Compliance is of paramount importance to the group and as such, we comply with all necessary requirements as defined in relevant regulations, laws, licences, or frameworks that have an impact on our business. In relevant legislative, taxation and regulatory developments, we make substantive written and oral representations and directly engage key government and industry stakeholders to achieve fair and balanced regulatory outcomes.

Society

Our focus is to have meaningful interactions with our broader industry stakeholders, including those in film and television, broadcasting, sports, arts and culture. Outside of our industry, we have cultivated long-term programmes that make a lasting impact to entrepreneurs and small businesses, as well as non-profit organisations. These engagements happen in-person or virtually through meetings and events, workshops and training, and industry forums as well as through our integrated annual report and our ESG report, produced digitally and as a print publication. We publish news, latest developments and company initiatives on the company digital platforms and in the media. We also engage with rating agencies on sustainability matters.

A business model that drives value

Our Inputs

A business model that drives value 1 of 5
Our Inputs

The resources and relationships that sustain our business

Financial capital

- Healthy cash balances and gearing levels
- Adequate access to financing e.g., through undrawn borrowing facilities
- Strong relationships with shareholders, banking partners and satellite transponder lessors
- Equity partnerships in key verticals to defray capital costs e.g., with Comcast as a shareholder in Showmax and with Rapyd and General Catalyst as shareholders in Moment

Technology and platforms

- Specialised engineering and software development capabilities in broadcast, streaming, cybersecurity and payments
- A DTH satellite footprint in 50 markets, a DTT network in eight markets(1) and OTT services in 44 markets
- A next generation aggregation strategy through proprietary and syndicated solutions
- Digital support technologies in customer service, social media, billing, playout, archiving, scheduling and advertising
- A range of sport production capabilities from smaller-scale school matches to top-end professional events

Industry expertise and intellectual property (IP)

- A total of 39 years of video entertainment industry experience and market leadership
- A unique understanding of the African continent, customers' entertainment preferences in different markets, as well as their broader consumer needs
- Deep experience in critical operational fields such as content licensing, production, packaging and distribution, advertising sales, as well as in regulation and administrative fields such as taxation
- Irdeto has 54 years of experience in digital security

People

- 7 251 permanent employees (FY23: 7 100), supported by contractors where necessary
- Inclusive, performance-driven, people-centric culture
- Robust management structures, with group oversight supporting segment and BU execution
- Breadth and depth of talent across creative, engineering, software development, digital enablement, operations, legal, regulatory and finance
- Access to leading global and regional industry experts through our partnerships

Customer, supplier and partner relationships

- 15.7m active linear subscribers (FY23: 17.3m)
- 1 163 B2B advertising customers through DStv Media Sales (FY23: 935)
- 419 business to business (B2B) security customers through Irdeto (FY23: 382)
- Relationships with local and international content producers, and satellite, uplink, telecoms and cloud service providers
- 7 275 accredited installers and 3 251 independent service providers (FY23: 7 664 and 2 983 respectively)

Corporate citizenship

- Local communities and markets that support our business as customers and produce the television, film, sport and business talent to drive our group and our supply chain forward
- Dedicated specialist management teams in adjacent verticals, notably in sports betting and fintech
- Operating licences issued and renewed by regulators across Africa
- Proactive and collaborative relationships with government, regulators and tax authorities
- Resource light and responsible environmental input usage (mainly grid electricity, diesel and water)

Click here to go to 2 of 5
Business activities

(1) *Excludes operations in South Africa where our GOtv signal is distributed via Sentech*

A business model that drives value continued

Business activities: our group's collective undertakings in an expanding ecosystem

Click here to go to 1 of 5
Our Inputs

Core Video Entertainment platform

Curate great content through M-Net and SuperSport for DStv and GOtv and Showmax

Local

Produced or acquired

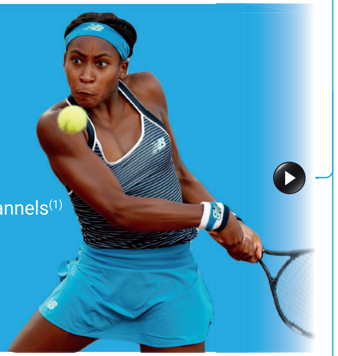
Package content into our own channels

50 proprietary GE channels[1]

65 sports channels[2]

Sport

Produced or acquired



Acquire pre-packaged content

100 international GE channels[1]

37 local GE channels[1]

28 news channels

Create or aggregate VOD services

International

Acquired or distributed

2 proprietary OTT services

5 third-party VOD services

Aggregate channels into tiered packages

DStv Premium; DStv Compact Plus	Premium
DStv Compact	Mid-market
DStv Family; DStv Access; DStv Easy View	Mass market
DStv For Business; showmax	Other packs
GOtv Supa+; GOtv SUPA; GOtv MAX; GOtv PLUS; GOtv VALUE; GOtv LITE	Mass market

DStv Media Sales

Sell advertising slots on select channels through DStv Media Sales

irdeto

Secure and encrypt content through Irdeto[2]

Distribute content to customers across multiple platforms

- Satellite transponders
- DTT network
- OTT services
- Connected set-top boxes

Sales and customer experience

Marketing and awareness, subscription and decoder sales and after-sales support, value-added services, bundles and offers to save, loyalty benefits as well as general customer service and customer value management.

Develop and launch scalable, tech-based services to broaden consumer platform

Build

Organic development of new products and services Insurance via NMS Insurance Services

Insurance NMS services

Invest

Targeted equity investments

KingMakers, AURA, Moment, Namola

Partner

Commercial partnerships with leading third parties

DStv Internet

(1) General entertainment content. Numbers exclude religion, specialist, free-to-air and audio channels. Proprietary channel count includes channel brand variations for different regional or cultural preferences and/ or dialects. International channel count excludes specialist Indian, French and Chinese language channels.

(2) Irdeto also provides services to external customers outside of the group.

(3) Channel count includes regional variations for Africa and Nigeria.

Click here to go to 3 of 5
Outputs

A business model that drives value continued

Outputs

Our products and services

Click here to go to 2 of 5
Business activities

Offered through controlled entities

DStv

- Six bouquets priced from ZAR29 to ZAR879 in South Africa and from USD2 to USD75[1] in Rest of Africa
- Average of ~150 linear video channels in DStv Premium package[2]
- DStv Stream for DTH customers or as a standalone service at a discount due to lower customer acquisition and support costs

GOtv

- Offers services in eight markets in Rest of Africa
- Six bouquets at price points ranging from USD1 to USD27[1]
- Average of ~76 linear video channels in GOtv Supa+ package[3]

Showmax

- SVOD service available in 44 markets
- Lean-back and mobile general entertainment and mobile-only sport offerings
- Localised content and go-to-market offerings in two markets post relaunch, with more to follow over the next three to four years

DStv Media Sales

- Commercial airtime sales across 226 live linear video channels
- Additional advertising options via owned and operated websites and apps, social media platforms, sponsorships, SVOD services and new technologies like dynamic ad insertion (launched) and shoppable ads (planned)

Irdeto

- Cybersecurity and anti-piracy services to the group plus external customers
- Operates in 76 countries, across multiple industries notably media security, gaming and connected transport

Offered through non-controlled partner entities

KingMakers

- Top three sports-betting operator in Nigeria through the BetKing brand, with expansion into other interactive entertainment services
- Launched SuperSportBet in South Africa towards the end of FY24
- Collaborates with the group on SuperPicks (free-to-play online service and televised magazine shows)

Moment

- Preferred payment partner and third-party payment platform integrator for the MultiChoice Group, including DStv, GOtv and Showmax
- Moment has rolled out to 44 markets post its launch in Q2 of FY24

Value-added products and services

Existing and new products and services enhance our value proposition to customers in the home, including:

- Aggregated third-party SVOD services with global partners (Netflix, Disney+, Prime Video, YouTube and YouTube Kids)
- Connected devices, e.g., DStv Explora Ultra and mobile apps, e.g., DStv, MyDStv and MyGOtv apps
- Additional content and language packages, e.g., ADD Movies, DStv Indian
- Catch Up, Box Sets, Downloads and BoxOffice (movie rentals) services
- Five DStv Insurance product lines
- Fixed-wireless LTE via DStv Internet

(1) Certain markets have package structures and package names tailored for in-market preferences, (e.g., Nigeria, Angola and Tanzania) and therefore differ slightly from our typical package tiering. Rest of Africa pricing in US dollars varies by market due to exchange rates and in-market pricing dynamics – averages for core markets excluding Portuguese markets shown.
(2) Measured across South Africa and 11 core Rest of Africa markets.
(3) Measured across eight Rest of Africa GOtv markets, excluding South Africa which has a small subscriber base serviced through the Sentech network.

Click here to go to 4 of 5
Outcomes

A business model that drives value continued

Outcomes

Click here to go to 3 of 5 Outputs

How we create, preserve or erode value in our capitals

Financial capital

- Interventions to protect free cash flow generation in the current macro downturn and short-term company investment cycle enabled us to protect our capital base
- We also continued to meet our obligations to capital providers, including our satellite transponder and other lessors and banking partners as our lenders

FY24 update:

- Cash decreased by ZAR266m to ZAR7.3bn
- We repaid ZAR2.7bn in capital and interest to our lessors (FY23: ZAR2.6bn)
- We drew down fully on our ZAR12.0bn term loan, while repaying ZAR375m outstanding on our ZAR1.5bn working capital loan
- We paid our lenders ZAR1bn in interest (FY23: ZAR511m)
- Shareholder equity decreased by ZAR6.4bn to (ZAR1.1bn)[(1)]
- 1.53 (FY23: 1.08x) leverage ratio and ZAR4.1bn (FY23: ZAR5.0bn) in undrawn facilities at year-end

Technology and platforms

- As technology ages and fixed assets incur wear and tear, we invested in maintaining and enhancing our technology base
- We also continued to improve our customer UI and UX across our linear and streaming entertainment platforms, delivering better content discovery and personalisation

FY24 update:

- We incurred ZAR2.6bn in depreciation (FY23: ZAR2.5bn)
- We invested ZAR1.2bn in capital expenditure (FY23: ZAR1.2bn)
- We invested ZAR1.7bn in platform advances to customise the Peacock platform for the Showmax instance in Africa
- We unveiled the SuperSport IP1 outside broadcast van, one of the most advanced mobile production vehicles globally (4K/UHD and Dolby Atmos/ Dolby 5.1 enabled)
- Irdeto reached a peak of 6.5bn (FY23: 7.2bn) streams secured monthly

Industry expertise and intellectual property

- We invested in our systems, processes, and business practices to support our competitive advantages in content, technology, distribution and payments
- We analysed viewing behaviour through our DStv technology and connected devices to tailor our offerings
- We used surveys, including conjoint research, to inform our product and pricing decisions

FY24 update:

- We invested ZAR21.0bn in our total content bill (FY23: ZAR20.9bn), of which we spent ZAR8.6bn on local general entertainment and sport content (FY23: ZAR8.1bn)

People

- We continued to refine and enhance our hiring, learning and development, and internal promotion and succession planning processes
- We remain focused on equity and diversity, notably with regard to gender across the group and BBBEE in our South African operations

FY24 update:

- We invested ZAR172m in skills development (FY23: ZAR205m)
- We formally trained 4 276 employees (FY23: 1 319)
- 48% of our employees were women (FY23: 47%)
- 86% of our South African employees were black as defined in the BBBEE Codes of Good Practice (FY23: 86%)

Customer, supplier and partner relationships

- Our focus on delivering value for our customers on a daily basis is the key to preserving our customer relationships
- We create and preserve supplier and partner relationships through mutually beneficial collaboration which can take the form of contractual and/or equity-based relationships
- We maintain preferential procurement initiatives in South Africa to support previously disadvantaged businesses

FY24 update:

- We saw net subscriber losses of 1.6m (FY23: net subscriber gains of 0.7m)[(2)]
- We achieved a 79% customer satisfaction (CSAT) score in South Africa (FY23: 78%)
- In Rest of Africa, we achieved a CSAT score of 75% for DStv (FY23: 74%) and 72% for GOtv (FY23: 70%)
- Call migration to digital self-service reached 72% (FY23: 75%) for South African and 94% (FY23: 87%) for Rest of Africa
- We spent ZAR13.8bn with local South African suppliers (FY23: ZAR12.0bn)

Corporate citizenship

- We complied with all regulatory, licensing, reporting and tax requirements
- We supported several important BBBEE and CSI initiatives over and above our industry investments and in-country tax contributions
- We have a light carbon footprint with several initiatives in place to further minimise our impact

FY24 update:

- Our total tax contribution was ZAR10.8bn (FY23: ZAR11.8bn)
- We paid ZAR1.375bn in dividends to Phuthuma Nathi shareholders (FY23: ZAR1.5bn)
- We invested ZAR301m[(3)] in CSI initiatives (FY23: ZAR285m), including ZAR6.7m in The Earthshot Prize
- Our MultiChoice Innovation Fund supported 4 new businesses (FY23: 9) and disbursed ZAR28m to beneficiaries (FY23: ZAR52m), while the MultiChoice Sports and Development Trust disbursed R23m across a number of sports codes and development initiatives

Click here to go to 5 of 5 Trade-offs

(1) *Decrease and negative equity position driven largely by non-cash IFRS accounting adjustments, notably the recognition of a ZAR2.7bn fair value liability for the Comcast put option over its 30% minority interest in Showmax, ZAR4.6bn in foreign exchange losses on non-quasi inter-group loans, and a ZAR1.2bn impairment charge on the group's Technology Modernisation programme.*

(2) *Relates to active subscribers.*

(3) *Includes non-cash advertising contributions of ZAR61m in FY24 (FY23: ZAR106m).*

A business model that drives value continued

Trade-offs

Click here to go to 4 of 5 Outcomes

Managing potentially competing outcomes across capitals and stakeholders

We manage our capitals to create and sustain long-term value for our stakeholders. In the short term, it is not always possible for all capitals (or the stakeholders who provide them) to benefit equally, and some capitals may benefit at the temporary expense of others. When deciding how best to create, preserve or manage the erosion of value in a given area we are often required to make trade-offs between capitals and stakeholders, and between short and long-term horizons.

Some areas where we made these trade-offs in FY24 are described below:

Cost savings and efficiencies

We typically aim to deliver positive operating leverage (i.e., organic growth in costs below organic growth revenues) through cost savings and operating efficiencies.

In FY24, we delivered ZAR1.9bn in cost savings (FY23: ZAR1.3bn), which protected our financial capital by generating positive organic operating leverage of 4.26% (FY23: 0.39%). This required a trade-off as some of our suppliers were impacted by these difficult decisions.

Ongoing economic pressure in South Africa and a number of key Rest of Africa markets, compounded by issues such as sharp currency depreciation, power challenges and imported food and fuel inflation have negatively affected customer activity and revenue generation, which inhibits our ability to recover costs.

In the operating environment of FY24, where growth has been constrained by the macro-economic environment, we took the decision to materially reduce our set-top box subsidy spend by R2.2bn to protect margins and cash flows, with a trade-off of lower incremental subscriber growth.

Pricing decisions

Pricing decisions create a trade-off between customer relationships and financial capital.

We need to accommodate cost increases and reinvestment in our business, while also considering shifts in consumer spending. We achieve a balance by closely controlling costs and investment spend, and by making research-based pricing decisions which factor in price elasticities, consumer price inflation, exchange rate movements, etc.

We aim for price increases at or slightly below inflation, but seek to accommodate specific in-market dynamics, (e.g., pressure on discretionary consumer spending and affordability) when necessary.

Where we experience high inflation in certain markets, we do consider adjusting the timing and/or cadence of price increases in order to ensure that our revenues do not decline dramatically in real terms. In FY24, we had to carefully manage pricing decisions across several of our Rest of Africa markets given weakening currencies and high inflation rates.

Business model evolution

In an increasingly connected world, global content giants are offering broad video entertainment options at lower cost-per-service to consumers via direct-to-consumer streaming. Our traditional linear pay-TV business model is negatively impacted and requires us to make trade-offs between financial capital, customer relationships, and supplier relationships.

In content, we are:
- sustaining our investment in local content
- producing and licensing the best in local and global sport
- curating great international content from Hollywood studios and independents
- entering into distribution agreements with global SVOD platforms

In terms of distribution, we are:
- Investing behind our dedicated streaming services (content, technology, branding)
- Investing to evolve our linear pay-TV offering to include aggregated streaming services, on-demand and library capabilities, and hybrid viewing environments

Gearing levels

We lease our satellite transponder capacity to defray upfront capital costs and although we treat these lease payments as equivalent to an operating cost, lenders include our finance leases in our debt covenant calculations.

In terms of financial gearing, since our listing, we have demonstrated a propensity to use gearing to optimise our capital structure and enhance long-term shareholder returns through targeted investment in attractive opportunities. In this regard, we fully drew down our ZAR12bn term-loan facility in FY24 while announcing a transaction post year-end to partially sell-down our insurance shareholding, which will enable the group to unlock capital to bolster the group balance sheet.

We have adopted a balanced approach to avoid adding undue financial risk to operational risk at a time when we are in the process of returning our Rest of Africa business to sustainable cash flow generation and building out our nascent Showmax business.

We are also cognisant of the upward trend in the interest rate cycle over the past 36 months, as well as the elevated risks related to the current macro-economic and foreign exchange environment.

Dividends vs. retained cash flows

Our shareholders have varying priorities in terms of returns, with some expressing a desire for steady or progressive dividend payments, while others are supportive of reinvestment into existing and new business opportunities. Dividend payments require the following trade-offs:

- **Sustainability:** we need to operate sustainably and, beyond funding our Showmax investment and the Rest of Africa through the current liquidity and FX challenges, we require a certain level of operating cash in our business to manage fluctuating working capital requirements and exogenous shocks.
- **Customer relationships:** we reinvest cash in our business to continually improve our customer value proposition and to broaden our ecosystem of consumer service offerings.
- **Short versus long-term returns:** we see the opportunity to create additional long-term value through our relationships with and insights into the needs of our 15.7m customers. We are actively pursuing opportunities to grow and expand our business in key verticals like streaming, sports betting and fintech.

How our activities added value for our stakeholders

Value created by our group

ZAR45 238m subscription revenue[(1)] + **ZAR10 730m** other revenue[(2)] + **ZAR640m** interest income = **ZAR56 608m** total value created

Value allocated to stakeholders

Cash flows	FY24 ZAR'm	FY23 ZAR'm
Subscription revenue[(1)]	45 238	48 579
Other revenue[(2)]	10 730	10 486
Interest income	640	449
Total value created	**56 608**	59 514
Employee costs	6 754	6 171
Value allocated to employees	6 754	6 171
Content investment	20 994	20 896
Set-top box purchases	4 205	6 553
Transponder costs	2 448	2 454
Other operating expenses	13 579	11 941
Value allocated to suppliers and partners	41 226	41 844
Tax expense[(3)]	3 442	3 841
Licence fees	227	280
Community social development spend[(4)]	301	285
Value allocated to governments and societies	3 971	4 406
Dividends paid to non-controlling shareholders	1 399	1 517
Non-controlling interests in net profit retained	(174)	558
Value allocated to minority partners	1 225	2 075
Dividends paid to group shareholders	–	2 415
Repurchase of treasury shares	482	–
Interest paid to debt providers	1 021	511
Value retained for equity holders	1 929	2 092
Total value allocated and retained	56 608	59 514

(1) *Subscription revenue in FY24 includes ZAR0m losses related to fair value movements on Nigeria futures contracts (FY23: ZAR76m losses).*

(2) *Other revenue includes Irdeto revenue, advertising revenue, decoder sales, installation fees, licensing and production revenue, DStv Insurance premiums and reconnection fees.*

(3) *Includes current and deferred tax charges. For details of corporate income taxes paid and collected during the year, refer to page 38.*

(4) *Includes non-cash advertising contributions of ZAR61m in FY24 (FY23: ZAR106m).*

In return, our customers received value through:

24/7/365 entertainment anytime and anywhere through linear packages and streaming services tailored to their needs and budgets

World-class sport viewing, along with developing local and school sports talent, and sports federations through SuperSport

Unique local content that tells African stories and supports local creative talent development

Extensive international content access through licensing and distribution agreements

Dynamic media services to access and advertise to both broadcast and online audiences

A growing ecosystem offering entertainment and consumer products and services, such as sports betting and fintech services

Leading digital and cybersecurity services for digital platform and application protection

How our activities added value for our stakeholders continued

Value created for our customers

79%
CSAT score(1) for DStv in South Africa

75%
CSAT score(1) for DStv in the Rest of Africa

72%
CSAT score(1) GOtv in the Rest of Africa

Delivering value to our customers

MultiChoice remains committed to connecting our customers to the entertainment they love, every day. This commitment drives us to continually refine and adapt our brand and customer experience strategy to meet the ever-evolving needs of the customers we serve. Our customer teams across Africa monitor and respond to the voices of our customers, fostering a culture of continuous improvement and sparking innovation in our offerings. Utilising these customer insights, our goal is to exceed the needs and expectations of our customers at every turn.

In FY24, we increased investments in our streaming platforms, including the relaunch of the DStv Stream platform in August and Showmax in February. Our content offering underwent transformation, with increased local relevance through investments in homegrown movies and series, refreshed daily slates through scheduling adjustments, and the introduction of new genres and formats while maintaining a commitment to delivering the best in the world of sports.

To address the content distribution gap often tied to affordability, we put in significant effort to improve the levels of accessibility for all our customers. This included offering periodic open views for key events across all packages (including the viral R19.95 offer for the Rugby World Cup final), while the annual Step-Up campaign, a highlight for subscribers in the Rest of Africa markets, also provided an opportunity for customers to explore top-tier content through complimentary upgraded packages.

Pricing

Our pricing decisions are based on a comprehensive analysis of the dynamics in each of our markets. We strive to carefully balance pricing and value perception with the reality of our input costs, most notably the cost of content and technology platforms which are primarily USD based and influenced by fluctuating exchange rates and our ability to hedge against exchange rate risk in a cost-effective manner.

We actively manage pricing to ensure competitiveness and value for our customers. This year, our pricing approach has closely followed inflation trends across most markets. However, in segments where customers faced affordability issues or experienced exceptionally high inflation rates, we have implemented pricing adjustments below the inflation benchmark or in a phased manner during the course of the year. This measured approach underscores our commitment to supporting customers during challenging economic circumstances and ensuring accessibility to our offerings in diverse market conditions.

In South Africa, our DStv Stream services are priced at a discount to our DTH offerings to reflect the lower customer acquisition, distribution and servicing costs of this offering. We are actively establishing partnerships with mobile network operators and internet service providers across the Rest of Africa to bundle data with DStv Stream and Showmax at discounted rates. This initiative aims to enhance affordability and convenience for customers, making our streaming services more accessible and seamless.

To add additional value to our customers, we have implemented contract offers and bundled savings across all tiers in South Africa, while dedicated upsell campaigns were launched to encourage subscribers to derive even more value from our video entertainment platforms. These initiatives benefit our customers while improving activity rates and/or revenue mix in our existing subscriber base, independent of price increases.

Content

As Africa's leading entertainment company, we use the power of content to enrich lives. Our unrivalled content slate includes the very best local and international sports, movies, series, documentaries and reality shows. We strive to ensure our brand and content offering remains fresh and relevant within every market in which we operate.

Starting with sporting content, rugby's greatest competition came to life on SuperSport this year with MultiChoice holding exclusive rights to broadcast all World Cup matches live. With multi-language options, an array of support programming and a team embedded with the Springbok squad, the 10th Rugby World Cup was SuperSport's flagship event for the year. The mighty performance by the Springboks, once again united our nation behind the national team. We are proud to be part of the World Cup-winning team who went back to back, and were the "First to Four".

(1) *The customer satisfaction (CSAT) score is an internally defined customer satisfaction measure based on aggregation of all key points on the customer journey, weighted in terms of importance to customers.*

How our activities added value for our stakeholders continued

Value created for our customers continued

The year contained an action-packed line-up of major local and international sporting events. We kept viewers entertained with the Cricket World Cup, the U19 Cricket World Cup, the Women's Netball World Cup (which was produced by an all-female crew, a world first), AFCON and the DStv Premiership, to name a few. In addition to these events, we continued to showcase the world's favourite leagues and tournaments with the UEFA Champions League, La Liga, tennis, F1, UFC (including seeing Dricus du Plessis becoming South Africa's first world champion) and all golf majors.

We endeavour to create and secure the rights to phenomenal general entertainment content from all over the world. In addition to our extensive line-up of the best international shows, movies and channels, local content remained a key differentiator for the group as we continued our investment in African-made entertainment with local actors and producers. MultiChoice also extended its selection of local channels, which now includes Playroom (kids local) and several other channels specific to their markets. This enhances our ability to continue show casing authentic African stories and talent from across the continent.

South Africa

Our priority is to ensure that we continue to provide unparalleled entertainment, bringing South African audiences the best local and international stories and the world's best sport. We rejuvenated our brand this year, bringing customers along on our "Home of Entertainment" journey. Our production of *Shaka Ilembe* was an enormous success and was met with commercial and critical acclaim. Local series, movies and reality shows such as *Big Brother Mzansi*, the *Real Housewives, Sibongile and the Dlaminis* and newly introduced series like *Devil's Peak* and *Champions* provided endless hours of entertainment to our customers.

We strengthened the sport offering in our lower tiers packs by launching a dedicated SuperSport Schools channel (i.e., Channel 216), while DStv Access subscribers are now able to enjoy watching their favourite Spanish football action on a dedicated SuperSport La Liga channel. When our national teams played in the Rugby and Cricket World Cups as well as AFCON, the matches were made available to all our viewers across all packages.

Rest of Africa

Despite the challenging economic environment in the rest of Africa, we continued to provide top-tier local content that resonated with our audience.

We optimised our operations and enhanced our channel offerings to provide a broader array of viewing options. Across Africa, we introduced new programme formats like the *"Overall Best"* in Nigeria and *Husband Material* in Nigeria and Ghana. We also ventured into the reality genre in Ghana with shows such as *Kasa No Ye More, One Tough Question,* and *Family Bench*. Expanding our focus on local channels, we launched Afia TV in the Nigerian Igbo language and Maningue Kool Magic in Mozambique, along with Maaddii Abol in East Africa featuring content in the Oromo language, the fourth most widely spoken African language. These efforts were aimed at reaching a wider audience with more relevant and captivating local content.

FY24 marked the 20th Anniversary of Africa Magic in Nigeria, evolving from a single channel into a cluster of several specialised channels. This milestone was celebrated throughout the year with a supercharged content offering. Events included the 9th edition of the Africa Magic Viewer's Choice Awards, Big Brother All Stars (featuring the ultimate showdown of the biggest stars), and the grand reveal of refreshed Africa Magic channels with an open window period in October. During this period, customers enjoyed access to more channels and a range of new series and movies. Highlights of the year included the introduction of the high-production action series, *Slum King*, increased indigenous language productions like *Kariya, Apo, Kadara*, new formats such as the anthology series *Love and Light*, and *Checkout*. The introduction of *Real Housewives of Port Harcourt*, the third Nigerian city in the cult franchise from NBC Universal, and the premiere of 30 new local films across our English and Indigenous channels further enriched the content offerings.

Celebrating three years in Ghana, the channel offerings on Akwaaba Magic and Akwaaba Magic Abusua were significantly enhanced, featuring a genre-diversified slate of hyperlocal content every month. These additions were aimed at delighting our customers with a diverse range of entertaining and culturally relevant content.

In East Africa, our customers enjoyed a captivating line-up of celebrity reality shows and authentic local stories, such as *Mutale Mwanza, Divas and Hustlas, Kampala Crème, Kuga Munu, Zari, Junior Drama Club, Damalie*, and *10 Tamanga*. Our objective was to expand our storytelling beyond urban areas and uncover narratives from all regions, thereby creating more relatable and engaging local content. In Kenya, Maisha Magic Plus premiered shows like *Kasri* and *Real Housewives of Nairobi*, while Pearl Magic in Uganda featured compelling titles like *Damalie* and *Junior Drama Club*. Abol TV in Ethiopia achieved milestones with original productions like *Afaf* and the debut of *Dagimawi*, a drama based on true events.

In the Southern region, Zambia's Zambezi Magic aired the popular reality series *Mutale Mwanza*, offering viewers a fascinating glimpse into the daily life of one of Zambia's most beloved media personalities. Additionally, the acclaimed *Shaka Illembe*, tracing the rise of a legendary Zulu king, received overwhelming praise and was broadcast

How our activities added value for our stakeholders continued

Value created for our customers continued

across local channels, including Portuguese markets, meeting high audience demand and exceeding viewer rating expectations. In January, DStv Angola premiered the highly anticipated soap opera *Windeck – The Origin of Ambition*.

New products and services

In today's dynamic video entertainment landscape, innovation is crucial for meeting customer needs and staying relevant. At MultiChoice, we prioritise innovation to not only keep pace but also lead in satisfying our customers' evolving demands.

Apart from the market specific launches outlined below, we have received great customer feedback on the launch of the new Showmax and how the MultiChoice team was able to use existing channels and marketing mechanisms to support that product offering. Bringing the best of local and international Subscription Video on Demand (SVOD) to the market at the lowest possible price has been very well received. This resulted in a 16% increase in the Showmax base from launching the new platform to the end of the financial year.

The relaunched Showmax platform features an exciting new brand identity, a world-class user interface and user experience through the Peacock platform and NBCUniversal relationship, and a compelling consumer value proposition in our markets through:

- a pipeline of new Showmax Originals titles, supported by curated content windowed across from our linear platforms and international content from leading international studios such as Warner, HBO, Paramount and Sony
- a unique mobile-only English Premier League product at an affordable entry point
- strategic partnerships with mobile network operators to support affordable video consumption via mobile broadband customer payments support from the group's fintech investee, Moment.

South Africa

The year saw the relaunch of DStv Stream, our standalone streaming service. This product allows customers to access DStv via the internet without a decoder, which enables customers to be watching their favourite content within 5 minutes. To support this launch, we responded to customers' requests to enable them to purchase an additional mobile stream, Extra Stream, so that they could have more options for viewing on different devices at home. DStv Stream also gives our DTH customers a companion app viewing environment, which peaked at over 1.4m active viewers in October, up 12.6% from the biggest month in FY23.

Bolstering our aggregation strategy, we continue to offer our customers access to content from Showmax, Netflix, Amazon Prime Video, Disney+ and YouTube to continue our ambition of being Africa's aggregator of choice. These are offered as add-ons or linked to our subscription bundles. We continued to strengthen the exclusive Universal+ on-demand library programming, which allowed viewers to binge popular international content from E!, DreamWorks and Studio Universal all in one convenient place.

To support our customers in accessing the best streaming content through our platform and to stay connected, we extended our existing DStv Internet products by offering more data options in great value bundles, combining DStv Internet with our viewing packages. This has shown real appeal and we have nearly doubled the number of subscribers in this financial year. Our DStv Insurance business also saw significant growth, where we introduced a Decoder Care Plan into the portfolio and the overall portfolio grew in excess of 500k policies, a new record for the business.

Our ongoing ambition is to not only provide our customers with a wide range of value experiences, but also to reward our most loyal customers. This year, our objective was to build on this solid foundation by revamping our Rewards programme to be more relevant to all customers. This revamp included a refreshed logo and brand positioning with new innovative ways for customers to earn rewards. To celebrate our 3rd birthday in November 2023, we rewarded customers with prizes to the value of ZAR3m, which included an exclusive money-can-not-buy experience to meet the Springboks as well as a chance to win groceries for a year. We also introduced early access windows for the purchase of tickets to Springbok fixtures which has been positively received and improved engagement. We now have more than 1.9 million customers who have opted in to our Rewards programme. Active customers have grown by 47% year-on-year and this is now one of the top 25 loyalty programmes in the country.

Rest of Africa

Acknowledging the rising demand for streaming services, we expanded DStv Stream across major sub-Saharan African markets. This online service provides a wide range of live TV channels, on-demand shows, movies, sport and exclusive content via internet connectivity. DStv Stream offers flexibility, and provides customers access to their favourite programmes anytime, anywhere, on their preferred devices.

Building on the success of DStv Stream, we introduced GOtv Stream in December 2023 as a value-added service exclusively for GOtv customers.

We expanded our linear services with new subscription packages. The GOtv Supa+ package, launched in September 2023, offers an exclusive Premier League experience and over 80 channels of entertainment and lifestyle content. Familia+ in Angola enhances our bouquet selection, offering families more wholesome entertainment options with over 15 additional channels compared to the Familia package. Additionally, the launch of DStv Lite in Namibia, Malawi, Zambia, and Botswana provides a more affordable option for customers in these regions.

This year, we introduced the Movies Festival campaign, allowing customers to vote for their preferred movies on our Movies channels. This initiative addresses concerns about repetitive content, showcasing our commitment to customer satisfaction and empowering their entertainment choices.

How our activities added value for our stakeholders continued

Value created for our customers continued

Customer sales and service

Our business is centred on providing seamless customer service. We know that in today's competitive world, how we interact and help our customers is key to our success. Whether online, in-person, or through customer support, we work hard to go above and beyond, anticipating and meeting the different needs of our valued customers.

In FY24, MultiChoice transitioned to a new self-service web platform to enhance customer engagement and retention and reduce complaints via the contact centre. This new platform features a visually appealing user interface and navigation, enabling customers to easily manage their profiles, account details, and products.

South Africa

We are truly passionate about providing our customers with an exceptional sales and service experience. Our improved CSAT results for the last financial year demonstrate our commitment to providing great service to our customers. This has allowed us not only to retain customers through our service teams, but also to increase their wallet share of our value-added products. Our focus in the coming year is to continue to use our service channels to generate revenue through an ongoing focus on providing great service and delivering sales through service. The revenue generated by our service teams is further enhanced by us building an Outbound Sales division with a specific focus on our DStv Internet, DStv Insurance, and Price Lock products.

Our focus on enhancing customer experience through personalised interactions remains a top priority in all our engagements with our customers. This dedication was recently validated at the Mobile Marketing Association event in Berlin, where our innovative DStv WhatsApp Bot clinched a prestigious Smartie award for its outstanding contribution to customer experience. Powered by advanced Artificial intelligence (AI) technology, our bot efficiently serves 1.4m active customers, facilitating seamless issue resolution and achieving an impressive 80% average CSAT score.

Our digital payment footprint in South Africa continues to expand, and ZAR3.6bn in payments originated from digital platforms during this financial year, up 49% year on year. This is a critical focus for DStv, together with Moment, as it provides a far improved customer experience and comes at a fraction of the cost of physical payment options.

We also continued to expand our customer service and retail footprint in underserved areas. We rolled out a further five DStv Express Containers across the country and further promoted our full customer experience with more interactive kiosks in shopping malls. In addition, we upgraded the Cape Town Walk-In Centre into a Customer Experience Centre, to reflect the contemporary look and feel of the DStv brand, introducing new, innovative and convenient features like the Xpress bar where customers can arrange pre-booked services.

In South Africa, we delivered a CSAT score of 79% in FY24 (FY23: 78%), which exceeded our target of 78%.

Rest of Africa

In FY24, we revamped our new subscriber acquisition offers by separating all hardware items (set-top boxes, dishes or antennas) from the subscription. This change has made our packages more affordable for new customers and offers them greater flexibility in choosing their desired package. Moreover, this adjustment has resulted in cost savings for our business by reducing the decoder subsidy associated with the bundled offer. This transition also involved the introduction of digital solutions, enabling customers to effortlessly add packages and make payments when creating new accounts across all self-service platforms.

We rolled out our new Field Sales and Services application that integrates customer service, sales automation, and after-sales services (such as installation), empowering all our points of sale and agents to provide enhanced customer service and experience. We deployed the customer services functionalities in our key markets and conducted trials of the sales automation management in select markets. The full deployment of this application is expected by the end of FY25.

As digital transformation becomes more prevalent across Africa, we understand the increasing demand for digital interactions among customers. To meet this demand, we strive to provide seamless digital solutions for discovering our content and managing services. This includes access to our website in 50 countries, our mobile app available in 48 countries, and the convenience of WhatsApp self service, accessible in 12 markets (FY23: 12).

Making digital payments easy and quick for our customers is a top priority. Our extensive third-party payment network includes integrations with 170 vendors in the Rest of Africa. Total revenue collected via our digital channels amounted to ZAR2.45bn in FY24 (FY23: ZAR2.45bn) and payment volumes grew 2.5% YoY. Our cash-to-digital initiative, carried out by our sales team and partners using the MultiChoice USSD platform, aims to encourage customers that prefer to make cash payments to transition to digital. This initiative has seen widespread adoption, with monthly revenue collected through this initiative increasing by 59% in the first four months. We are also working on introducing recurring payment features for 25 PayU markets, allowing customers to set up upfront recurring payments via mobile apps. This capability is already available in Nigeria, Kenya, Ethiopia and Zimbabwe.

Beyond the digital realm, our dedicated customer service teams provide customer service that is easy, fast, and accessible, resulting in a 2% CSAT increase YoY. Our multi-channel setup includes 19 inbound contact centres and 73 MultiChoice walk-in centres, where 1 932 customer service representatives handle about 2.2 million conversations monthly. Agile and seamless, our customer care centres utilise an "Always On" system to address unexpected events that could disrupt communication. This cloud telephony solution supports all 14 markets within the Rest of Africa segment, ensuring continuous assistance during operational disruptions.

B2B customers

DStv Media Sales provides advertising solutions to MultiChoice's corporate customers and advertisers in our Video Entertainment business, and served 1 163 (FY23: 935) clients in FY24. Our MultiChoice linear pay-TV customer base covers 15.7m economically active subscribers and their families and we are able to reach and communicate with a broad potential customer base. Our DStv Media Sales business is also increasing its focus in the digital advertising space with strong progress made in OTT dynamic ad insertion during FY24 and is actively growing its advertising business in our Rest of Africa markets. Historically the Rest of Africa lacked third-party ratings data to support pricing and selling of ad inventories, but we are leveraging our internal data, popular properties like Big Brother Nigeria and our growing portfolio of local channels to address this issue and pursue the growth opportunity. Our customer insights, coupled with our understanding of our advertising clients' brands and marketing needs, enable us to assist our corporate customers in growing their businesses without impairing our customers' viewing experience.

Aside from protecting the group's content, and that of its suppliers, as well as its platforms and devices, Irdeto provides digital platform cybersecurity services to more than 400 external customers across 76 (FY23: 77) countries. Irdeto's operations span Video Entertainment and Video Gaming, as well as Connected Transport. Irdeto is able to leverage its core security and software capabilities to protect content, data and devices in different verticals. We typically have a long-term relationship with our corporate customers and work closely with them as partners to ensure that we provide them with the most appropriate, cutting-edge technology solutions to solve their evolving security needs.

How our activities added value for our stakeholders continued

Value created for our customers continued

	Issues raised by customers	How these were addressed
1	**Pricing** Customers typically express a desire for lower prices or lower price increases on packages, especially during difficult economic times when household budgets are stretched.	Pricing is based on consumer research and local market dynamics and is balanced against input costs, especially the cost of content and technology. Although a significant portion of our costs are in USD, we generally maintained price increases in line with inflation, but in some instances, where necessitated by specific circumstances, kept prices flat or below inflation. We provided value-added services and offers to enhance our value proposition for customers and offered savings through various products, including discounted subscription rates on contracts taken out over a fixed period, or bundled offers e.g., with Showmax or with DStv Internet. In markets experiencing high levels of inflation, we aimed to accommodate customers with a phased approach to price increases.
2	**Affordability** Customers are finding it increasingly difficult to afford their preferred MultiChoice services due to intensifying macro-economic and consumer pressures.	Rising inflation and unemployment across our markets are hindering our customer's ability to afford their preferred DStv and GOtv subscriptions. In response, we are committed to offering value across different price ranges, helping customers manage economic changes. In FY24, we expanded our package options to include Familia Mais in Angola and introduced a lower-priced choice, DStv Lite, in more markets in the rest of Africa. Subscriptions now start from around USD5 per month for DStv and USD2 to USD3 per month for GOtv in many of our main markets. MultiChoice runs special offers throughout the year, particularly on hardware and value-added content, to relieve some of the financial pressures associated with staying connected to our world of entertainment. In South Africa, we are encouraging our customers to sign up for one of our price guarantee contracts, which secures a lower price for our customers who sign up for our 24-month deal. Furthermore, customers can enjoy the same content using DStv Stream at a discount to DTH pricing levels.
3	**Repeats** Content is repeated on our linear platform which can erode the customer's perceived experience if done to excess.	As Africa's leading entertainment company, we strive to create and secure the rights to phenomenal content from all over the world. In addition to producing over 6.5k hours of content this year, we remain focused on sourcing and licensing the freshest and best available content and differentiating our offering through local content. We have refined our channel line-up over time to reduce the perceived occurrence of repeats across channels and time. For the channels we own, we have updated the content line-up with new titles, especially during prime time when viewers often see the same content for a while. We have also ended long-running shows and reduced repeated omnibus broadcasts. Working closely with our marketing team, we have improved content discovery on both our channels and third-party channels, highlighting new content and channel focuses in various ways. However, repeat viewing is a natural component of linear programming as it enables viewers, especially those without PVR and Catch Up, to watch shows and movies when convenient. As loadshedding continued to intensify in South Africa into FY24, we maintained our SWITCH'D ON channels to repeat popular programming to help our viewers navigate disruptions to their viewing schedules. Customers can also download content on the DStv Stream companion app, allowing them to watch their favourite shows anywhere, anytime.

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How our activities added value for our stakeholders continued

Value created for our customers continued

	Issues raised by customers	How these were addressed
4	**Flexible packages** Customers often express a desire to select their own package of channels *(à la carte)*, or packages based on specific genres, such as a dedicated sports package or movie package.	We are constantly looking for ways to innovate and improve our offering, supported by customer research to assess the feasibility of developing new products. The African markets in which we operate are diverse, with each market having different customer segments with unique content preferences, income levels, and payment methods. To manage these efficiently and cost-effectively, we keep our product ranges simple, usually offering five to six main price points with tailored content. Customers who have downloaded our DStv Stream app, or who have connected their decoders to the internet, also have access to a large range of on-demand content through our extensive Catch Up catalogue. Our value-added "ADD Movies" service provides Compact Plus, Compact, Family, Access and Easy View customers with the ability to sign up for DStv's dedicated movie channels that were previously only available to Premium subscribers. In addition, Showmax continues to enable customers to customise their viewing experience through streaming, including the recent introduction of a low-cost Showmax Premier League mobile product.
5	**Limit to concurrent streaming** During FY23, we restricted simultaneous streaming through the DStv app by limiting it to one device at a time. This created frustration in our customer base which persisted into FY24.	Due to the impact of both piracy and abusive use of our simultaneous streaming feature through excessive password sharing, we were forced to reduce the number of concurrent streams on DStv Stream to one device during the previous financial year. We have now introduced the option of adding up to two Mobile Extra-Streams to your existing DStv account at a significantly reduced price. This unlocks the option for more users in the family to consume the content they love at the same time.

Key focus areas going forward

- In line with the group's strategy, we will continue to focus efforts on expanding our ecosystem by introducing new products and services that exceed our customer's customer needs and draw on our extensive experience in the video entertainment industry over the last four decades.
- We will continue our Value Strategy in Rest of Africa, which will emphasise investments in local content, sports, talent, and technology as we identify untapped market opportunities.
- We are dedicated to optimising our subsidy allocation by refining our acquisition offers to maintain affordability while balancing customer acquisition rates. This strategy will be bolstered by enhancements in regionalisation, refined incentives, and the integration of digital tools.
- In South Africa, we will continue to stabilise our core business while growing our DStv Internet and DStv Stream businesses, and give our customers even more unique rewards and experiences through DStv Rewards.
- We are expanding our partnership footprint and will leverage key strategic partners to get even more customers connected to the entertainment they love. This will include a focus on scaling our Showmax and SuperSportBet businesses across the continent.
- Local, original exclusive content remains at the heart of our strategy and we will persist in our investment in our catalogues and the local industry, while continually improving our user experience to ensure we can provide what our customers want in a digital TV service via our connected devices and streaming services.
- The group will increase our investment in building technology-focused businesses to address customers' everyday needs and drive digital optimisation across our functional areas, increasingly leveraging AI and ML technologies as relevant and appropriate.
- We will further enhance customer privacy and data protection.

How our activities added value for our stakeholders continued

Value created for our employees

7 251
people permanently employed (FY23: 7 100)

ZAR8.4bn
in remuneration and benefits (FY23: ZAR7.7bn)

1 492
contractors and temporary employees (FY23: 1 466)

7.9 out of 10
on employee engagement (FY23: 8.3/10)

ZAR175m
spent on skills development, of which 44% of bursary spend was allocated to STEM female talent (FY23: ZAR205m, 30%)

Our employees play a key role in positioning us as Africa's leading video entertainment and consumer services business.

As part of our value proposition, we believe in providing and enabling an environment that is safe, inclusive, and competitively rewarding. We do this by creating stimulating work, providing continuous learning opportunities for growth and development, and offering various engagement platforms and employee recognition awards. In appreciation of the value our employees bring to the business we have added a direct value of ZAR8.4bn in benefits and remuneration.

Diversity, equity and inclusion

A key commitment and focus area for MultiChoice remains diversity, equity and inclusion, our business proudly represents 91 nationalities, 48% women (FY23: 47%) and 52% men (FY23: 53%). In growing our female representation in managerial levels, the business has increased to 43% female in Top and Senior Management and continues to advocate for and support continued female development within the group.

We hold the business accountable to ensure there is fair treatment and equal opportunities free of discrimination. We have a dedicated and passionate EE Forum that is committed to assist MultiChoice South Africa in achieving its EE goals on our workforce statistics and workforce representation targets. They also help us foster culture that is inclusive and free from discrimination. Our EE initiatives are aligned and integrated in building and sustaining a talent pool of diverse employees aligned to our business' current and future operational requirements. We also ensure that we remain compliant with the employment equity legislation and requirements.

Our leadership team is highly invested across the group in our Diversity, Equity and Inclusivity (DEI) entrenchment programme. Our platforms to support female development ensure our ongoing support for gender equality and representation across the business, as well as an equal level of inclusion for our diverse workforce.

In recognition of our effort to support diversity, we are honoured to have been certified as a Top Employer by the Top Employers Institute for our diversity and inclusion, learning, wellness, and reward practices for the second year in a row.

91 nationalities
48% women (FY23: 47%) and 52% men (FY23: 53%)

43%
female in Top and Senior Management

How our activities added value for our stakeholders continued

Value created for our employees continued

Developing our employees

At MultiChoice we are intentional about creating a great place to work and we know that creating a culture of continuous learning is at the forefront of achieving this goal. Our Learning and development teams have been proudly listed as one of the TOP 50 Global L&D teams by the On Conferences Icon Awards in 2023. To ensure that we remain at the cutting edge of our industry we continue to create learning solutions that are not only relevant but those that enhance the capabilities of people at all levels of the organisation. Our award worthy offerings aim to develop, up-skill and re-skill our workforce.

Below highlights our investment and key highlights made in L&D

Total investment on training:
ZAR168m
(FY23: ZAR213m)

Total investment on Women:
ZAR90m
(FY23: ZAR212m)

Our investment in learning and development flow through three major channels, namely, Bursaries, Graduate Programmes and Workplace Experience Programmes.

Bursaries

	Bursaries (Internal)	Bursaries (External)	Bursaries (STEM)
Value invested	ZAR12.8m	ZAR40.7m	ZAR51.2m
People impacted	254	260	479

We are proud to have had an impact on 139 (92 Internal + 47 External) individuals who have graduated with a professional qualification through our Bursary Programme.

Key Programmes aligned to DEI Transformation

Women in Sport Ally Programme:

The SuperSport Women in Sport Ally Programme is a first of its kind launched in March 2023. At its core, the primary objective of the programme is to provide women with hands-on opportunities to equip them with the practical experience necessary to thrive in competitive roles crucial for steering the sports industry towards a sustainable future and contribute to bridging the gender gap in the industry. We currently have a selection of 22 women in the programme of which six top potential women were strategically handpicked to receive executive mentorship from our Leadership team.

Advancing Women's Mentorship Programme

The Advancing Women Mentorship Programme is a special initiative within the digital space that offers women in the business an opportunity to engage in masterclasses with subject matter experts, networking sessions, expert classes with key facilitators and a digital learning path, as well as a chance to be mentored by one of the executives within our business. The key focus is on enhancing their technological and management skills, connecting them with female and male role models in the industry and exposing them to broader aspects of the digital initiatives throughout the organisation. In 2023, we launched a third cohort with a group of 15 extraordinary women.

#HereforHer

Our podium for celebrating, championing and cheering women. Shining a light on the boundary breakers and heroines in sport, the objective of "Here for Her" is to shed light on the many female sports heroes, increasing women's sport viewership and unearthing more female talent. This is a platform for celebrating women, championing women and cheering women.

A few of the many highlights and successes stemming from the platform was the launch of the "She's got game" fortnightly Wednesday show, a dedicated channel 209 renamed the Here for Her Channel and a first of its kind globally!

The Netball World Cup was a flagship event for World Netball. As a first ever the event was presented on African soil, with South Africa hosting the 2023 competition at Cape Town's International Convention Centre from 28 July to 6 August.

This was truly the #hereforher highlight of FY24 as we fast tracked and upskilled an all-female crew in the areas of operations and content and provided them with opportunities to step out of their comfort zone in a safe space. Furthermore the Netball World Cup 2023 has been shortlisted for the Sports Business Awards in the 'Best Sporting Event of the Year 2023' category, supporting the significant success of the initiative overall.

How our activities added value for our stakeholders continued

Value created for our employees continued

Graduate Programmes

MultiChoice has been awarded with the GradStar Student Choice award as the best graduate employer in the Media and Broadcasting Sector by the South African Graduate Employers Association.

Our business has a variety of graduate programmes, each aligning to specific business needs to help address the shortage of scarce and critical skills in the market.

Our three main programmes

1. **Early Career Graduate Programme**

   MultiChoice believes that education is one of the best investments one can make in our youth, with vital importance placed on the STEM academics to help address the shortage of talent in this sector.

   To help address this shortage we have invested efforts in two programmes within this sector. Our first programme targets Data Science and Engineering, of which we were able to make permanent offers to 83% of our 2023 graduates. Our second programme is geared towards Data Science Analytics, which was recently launched in March 2023, and resulted in six bright young students being recruited to join MultiChoice.

2. **The Digital Media Sales (DMS) STEM Graduate Programme**

   The DMS Graduate Programme is equipping our next generation of leaders with cutting-edge skills in data analysis, problem-solving, and technology utilisation — crucial elements for driving excellence in today's fast-evolving marketplace. We have successfully had 12 graduates run through this programme over the last three years and have recruited in six new ambitious, analytical, and technologically adept individuals within the STEM discipline who are currently under a learnership programme with the group for a period of 18 months.

3. **Internal Audit Service Graduate Programme**

   This is a 24-month graduate programme with a unique blend of practical exposure to the internal audit profession and a concurrent focus on attainment of relevant professional qualifications. This comprehensive approach ensures graduates are not only well-versed in auditing best practices but also possess the specialised knowledge required to excel as an auditor within the Media and Technology (MT) industry. As the graduates are fully integrated in the operational team, they not only are upskilled professionally but experience the value of teamwork and communication in driving the organisational success under the guidance of seasoned professionals. This programme is a strategic investment in our future as a group, fostering a pipeline of top-tier internal audit talent with the agility and expertise to navigate the ever-evolving MT landscape. We have successfully onboarded four graduates for this programme.

How our activities added value for our stakeholders continued

Value created for our employees continued

Workplace experience Programmes

At MultiChoice our well planned out learnerships and workplace experience learning programmes offer on the job opportunities and learnings that provide participants with an array of experiences and skills to give them a head start in their career.

Current programmes

1. **SuperSport Internship Programme**

   A total of 41 learners were selected to be part of the SuperSport Internship Programme. The programme offers a learning experience in a variety of fields such as shared services, contract and operation administration, marketing, social media and communications, media planning, macro scheduling, electronic programming guides (EPG), transmission production (TX production), video on demand (VOD), enhanced voice services (EVS), audio, bookings, finance, administration, and project management.

2. **Technical Vocational Education and Training work integration**

   This is a new programme launched in June 2023. The programme offers an opportunity to historically disadvantaged youth to obtain their Light Current Electrical Engineering qualifications in parallel to becoming software testers. There are currently five learners enrolled on this journey.

3. **Behavioural Science Programme**

   MultiChoice has partnered with Henley Business School to design this programme which consists of workshops designed to provide delegates with a comprehensive understanding of human behaviour, consumer psychology and the influence of emotions in decision-making processes. Following the success of our first cohort, it is exciting to announce that MultiChoice has continued to invest in upskilling 53 more employees for the Behavioural Science Programme through Henley Business School. In this course, participants learned how to apply their knowledge through Action Learning Projects which provided the opportunity to translate theory and research into practice by experimenting on identified customer journeys, with a focus of improving the customer experience. We are confident that this programme continues to drive positive change within the organisation, and we look forward to seeing the innovative solutions that our employees will develop in their roles as a result of their participation in the programme.

In addition to our award-winning programmes, we continue to invest in digital learning through the MultiChoice Academy e-learning platform. The Academy offers an ever-expanding library of curated courses developed by leading partners such as Harvard and Udemy and features international content libraries. Through our online learning platform, we had 98 456 successful courses completed over the year (FY23: 58 568) and 241 299 of learning hours recorded (FY23: 196 052).

Our Skills impact goes beyond just upskilling our people and youth, at MultiChoice we aspire to have a positive impact on our communities around us. We have partnered with YES (Youth Employment Service) to help address the South African unemployed youth by mitigating poverty and reducing inequality through skills upliftment. 2023 marks the third year of our commitment to this amazing initiative. Through this programme, we have invested R192m, and impacted 1 585 youth of which 1 395 learners have secured permanent employment. YES has recognised us as part of the 2023 Top 10 Job Creators.

How our activities added value for our stakeholders continued

Value created for our employees continued

Creating the leaders of tomorrow

MultiChoice is deliberate in ensuring that we continue to develop our current leadership team while investing in our next generation of leaders. We place a strong focus on ensuring that our leaders are engaged in compelling individual, group and peer learning journeys. They are geared to progressive learning opportunities to help them perform optimally today while looking to the future landscape and ensuring they have the necessary skills to take the business to the next level. We incorporate innovation, agility, commercial awareness, and business acumen into their learning journeys. We strive to build our current and future leaders with strategic thinking, entrepreneurship, transformation and business capability.

Leadership Programmes

Next Generation Leader Programme

This initiative launched in January 2023 and has made significant progress since its inception. Eight senior managers were selected to be part of this programme which gave them the privilege of being part of a custom-designed Leadership development programme, preparing them for future leadership roles with essential skill sets.

The programme focused on fostering agile, transformational, and inspired leadership, along with enhanced commercial awareness. Through experiential learning, delegates engaged in township visits, personal mastery sessions, and expert-led discussions on digital fluency and innovation. Purposeful discomfort, acted as a catalyst for self and team growth, promoting resilience and adaptability. Academic learning integrated innovation with practicality, incorporating online courses from the renowned Wharton Global Business School. Additionally, a strategic project endorsed by INSEAD allowed delegates to address customer pain points, culminating in a presentation to a panel of chief executives. This holistic approach ensured a well-rounded leadership development experience.

Henley – MultiChoice Management Programme

Embarking on another successful year, the group launched its 6th cohort of MultiChoice Management Programmes, custom-designed in partnership with Henley Business School. These Management Practice programmes, spanning NQF levels 5 to 8 are accredited by the Council on Higher Education, and are registered with the Department of Higher Education and Training and the South African Qualifications Authority.

Flex Programme

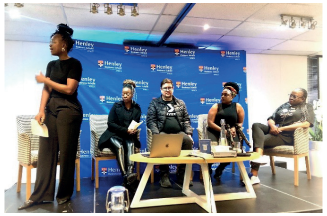
In today's dynamic business landscape, nurturing and empowering High Potential employees is crucial for organisational growth and success. The MultiChoice South Africa flex programme offers a unique opportunity to the Commercial Sales and Customer Care consultants to pursue an accredited qualification aligned with their career aspirations and organisational needs. Since its inception in 2020, two cohorts have successfully been implemented with the third cohort launched in March 2024. We have seen 43 employees successfully completing an accredited qualification to date.

The Supervisor Programme: MultiChoice South Africa

The Supervisor programme was designed to standardise managerial level competencies within customer care, for our commercial sales team. The aim is to create a platform where all new MultiChoice supervisors will participate in this training to equip them with MultiChoice's standardised technical and behavioural leadership competencies with the aim to build a foundation of effective leadership and supportive management practices. This foundation is necessary in fostering employee engagement, productivity and organisational success needed to create a positive work environment where employees thrive, and business goals are achieved. This programme kicked off in November 2023 with 21 supervisors. To offer continuous support to newly appointed supervisors after the course completion, they will each be paired up with a mentor to help shape their competencies as they grow in the organisation.








How our activities added value for our stakeholders continued

Value created for our employees continued

Engaging our employees

MultiChoice is committed to driving employee engagement as it is critical to driving customer experience, business objectives and employee ambassadorship in the market. Continuous engagement metrics are included in our leaders' key performance reviews in which they are expected to drive initiatives to keep employee engagement and morale high. This year we have maintained a high rating of "Relationship with managers" with an overall group score of 8.3 (out of 10).

Additionally, we ensure that our employees have appropriate platforms and support through continuous engagement and collaboration. We drive employee engagement and wellness campaigns through our "Thrive Tribe" engagement platform to ensure a broad range of employee matters is addressed.

We commit to respecting freedom of association and collective bargaining in line with local legislative requirements and staff representation levels. We take pride in our internal employee representative body, the Workplace Forum, which operates in South Africa and similar bodies across our other regional operations, such as Irdeto, which enables internal representatives to bargain on employees' behalf and champion their interests. These forums help the business in advancing our collaborative opportunities to improve the experience of people through continuous, meaningful dialogue and joint decision-making.

We continuously ensure that the group's people, policies and procedures are also reviewed continuously to ensure fair practices toward employees to create a conducive work environment for everyone, while balancing operational business needs.

Recognising our talent

MultiChoice is committed to recognising our people through ongoing performance appraisals and continuous talent engagements which form the basis of personal development plans and career growth initiatives.

We place a keen focus on reviewing and re-aligning our talent practices to ensure we continue to build our leadership capability as well as being able to attract and retain our top talent in the market. We are intentionally aligning our retention strategy to ensure we have initiatives in place geared towards the retention of our people who hold scarce and critical skills and are top performers within the business. This is done to ensure we not only keep our talent and competitive advantage within the business but are able to transfer their experience to future successors in the business.

We also have a group-wide recognition programme "#WeSeeYou" in which we positively reinforce and acknowledge employees and teams who actively demonstrate and live the MultiChoice values and go beyond the call of duty. This year, we registered 24 631 individual digital recognitions (FY23: 23 152) and paid 1 988 individual spot awards (FY23: 1 155), 2 034 team awards (FY23: 971) and 409 employees of the month awards (FY23: 245). We recognise and show our appreciation to our long-standing loyal and committed employees through our long-service awards on an annual basis.

Caring for our employees' health and wellbeing

At MultiChoice, "Care" is at the heart of our threefold value system, and we maintain that it begins with our own. Through various feedback channels we can better understand the needs and preferences of our people, allowing us to create relevant programmes that promote wellbeing in the workplace to foster a healthier and more productive workplace as well as their overall wellbeing.

Ensuring that employees can easily navigate their personal and work-related challenges our group-wide employee assistance programme (ICAS) offers employees and their households free and confidential counselling 24/7/365 on personal, legal, financial, and mental health matters.

Our employees' physical wellbeing is also a foremost priority. We promote physical health with an onsite gym as well as a wellness clinic. Our most popular offering, which has been utilised by over 3 300 employees, is our primary healthcare nurses – which come at no cost to employees. Additionally, the clinic also offers a resident suite of medical practitioners including a dentist, physiotherapist, optometrist, and dietician. In addition to our onsite offerings, we host annual Wellness Days where employees can take advantage of a variety of wellness offerings, including health screenings, providing them with an informative assessment of their current health and lifestyle risk.

With the concerning global escalation of mental health matters, we are committed to providing pragmatic coping mechanisms for dealing with the pressures of a rapidly evolving and complex work environment. We continue to bring awareness to this concerning issue through workshops for both our employees and our leaders to equip them with the necessary skills to recognise and respond to prominent mental health challenges. We also provide an onsite psychologist, available to all employees, to provide an accessible in-person counselling service.

We understand that the management of chronic diseases can often be costly and have partnered with the MultiChoice medical aid scheme which includes chronic management programmes designed to provide specialised care and resources to support employees living with a chronic condition. This offering further demonstrates our unwavering commitment to the health and wellbeing of our employees, promoting a culture of care and inclusivity within the organisation.

In addition to the wellbeing benefits mentioned, we have also appointed a dedicated concierge service that assists our employees who lead busy lives and must deal with the mundane day-to-day life hassles. Our concierge service has saved us 4 160 man-hours over the past year and allowed our employees to continue being productive and ultimately provided work-life balance for employees who just do not have the time.

How our activities added value for our stakeholders continued

Value created for our employees continued

	Issues raised by employees	How we address them
1	As the pool for industry and technology-specific talent is becoming more competitive, succession planning for leadership and critical skills is becoming an increasing concern.	MultiChoice has always gone to great lengths over the last five years to identify and develop successors. In this financial year we improved our leadership succession development programme to include more leadership immersions and solution-driven labs. Additionally, we reviewed the job profiles and KPIs of successors to leadership, critical and scarce roles to ensure that responsibilities are more aligned to the capabilities that need to be developed for their planned career path.
2	Retention and shareholder confidence may become a greater concern when legislation regarding disclosure of gender pay gap ratios is passed.	MultiChoice has been actively addressing and managing pay gaps since listing and is confident in its position if disclosure is mandated.

Key focus areas going forward

We believe in our purpose of enriching lives and commit to seeking ways to continuously improve teams and ensure we reward our people with competitive benefits and ensure that they receive support throughout their tenure in the business. To live up to this purpose we will continue to ensure that our people are seen as a priority and ensure that we create a holistic environment in which they feel included, appreciated and cared for.

We will continue to drive transformational leadership capabilities through value-adding development initiatives, succession pipelining for critical roles and effective knowledge transfer of scarce skills across the group.

To ensure we are a diverse, inclusive and highly progressive company and remain a Top Employer, we will conduct benchmarking on our people practices, enhance our employee value proposition to retain and attract talent to our business. As we continue to build a pipeline of talent we continuously invest in early career graduate programmes, female initiatives and the robust development of our current leaders. As a platform business we continue to invest in technological advancements both internally and externally through STEM-funded bursaries for the children on the African continent.

How our activities added value for our stakeholders continued

Value created for our suppliers and partners

ZAR13.8bn
spent on local South African suppliers (FY23: ZAR12.0bn)

ZAR4.5bn
spent on South African small, medium and micro-enterprises (FY23: ZAR2.6bn)

ZAR3.1bn
spent on South African suppliers who are at least 30% female-owned (FY23: ZAR2.0bn)

Delivering value to our suppliers and partners

Our core business of aggregating and delivering exceptional content and relevant value-added services to our customers relies on our own execution, as well as the support of our many suppliers and partners. We provide value to them through the fees we pay and the scale we offer. At the same time, we seek to nurture longer-term collaborative relationships to support the ongoing development of the industries and value chains in which we participate. Going forward, our group will increasingly draw on the expertise of dedicated joint venture partners, especially in our Showmax, KingMakers, NMSIS and Moment businesses (with NMSIS to follow in FY25 post closing of our partnership transaction with Sanlam), while we aim to create value for our co-investors too.

Given our focus on driving efficiencies and cost controls, we must ultimately ensure that the prices we pay are supported by the economics of our contractual relationships. Therefore, in the spirit of preserving mutually beneficial relationships, we adopt a firm but fair approach when engaging with our suppliers, as well as our wholesale and distribution partners.

Our largest categories of procurement are content (ZAR21bn), set-top boxes (ZAR4.2bn) and transponders (ZAR2.4bn). Other critical third-party suppliers and partners include our agent and installer network, and our third-party payment partners.

We also rely on typical enterprise services and consultants across the legal, accounting, regulatory, IT and banking fields.

Within our overall procurement spend, we support local, upcoming and previously disadvantaged operators in the film, TV, media, and information and communication technology industries. In South Africa, our preferential procurement spend amounted to ZAR13.8bn in FY24, ZAR11.5bn of which was allocated to BBBEE-compliant suppliers, while ZAR4.5bn was directed to small, medium and micro-enterprises, and ZAR3.1bn went to suppliers with at least 30% black women ownership.

From a governance perspective, all our suppliers are subject to comprehensive background checks set out in our third-party risk management framework. They are expected to be aware of, and adhere to, our code of ethics and conduct, and related group policies. Reference to our code of ethics and conduct is also included in third-party procurement contracts for major subsidiaries. We also ensure that all stakeholders, including our business partners, suppliers, contractors and sub-contractors, adhere to our Anti-Bribery and Anti-Corruption policy (which also covers money laundering).

How our activities added value for our stakeholders continued

Value created for our suppliers and partners continued

Content

Content is our key differentiator and includes locally-produced content that we commission and own, co-productions with third parties, third-party content which we license and package into our own channels and licensed pre-packaged third-party channels. We also supplement direct content licensing and production through distribution partnerships with third-party content providers in the SVOD space, with these services made available to our customer base through our connected devices.

Our general entertainment and sports rights suppliers help us provide our customers with the best in video entertainment. In return, we enable them to reach tens of millions of viewers and build their brands across sub-Saharan Africa by leveraging our platforms. We typically have excellent relationships with our content partners, built on a foundation of mutual respect and trust.

We work with industry participants in our largest markets to deliver compelling local language content and channels. Our investment in these local content industries supports local production houses and creative talent and is fundamental to the prosperity of Africa's video entertainment industry as a whole. Similarly, partnerships with various local sports federations are critical to their success and the funding of sports codes across the continent. In turn, we benefit from their success, as do our customers and communities.

Set-top boxes

A large proportion of our set-top boxes are manufactured in South Africa, which supports local job creation, while the remainder are manufactured offshore to facilitate delivery to our regional markets. We work with international suppliers to obtain the best quality components at the best prices for our set-top boxes, while supporting a sustainability agenda. As one of the few physical items that we design ourselves, procure from third parties and then on-sell directly and indirectly (through various retailers) to customers, we celebrate the fact that our set-top boxes are made largely from recyclable components. While our decoder packaging is currently recyclable, we are taking steps towards more environmentally friendly biodegradable packaging or, where feasible, plastic-free packaging.

Transponders and other transmission channels

It is imperative that we distribute content to our customers that is reliable and high-quality, which makes third-party signal transmission via leased satellites and other supporting infrastructure a critical part of our core traditional linear pay-TV services. Our satellite lease agreements are long-standing and operate seamlessly outside of periodic renewal processes, while other content delivery networks and telecommunications partners have become increasingly important in a growing online media environment.

Agency, installers and payment partners

The various agencies, installers and payment partners we engage with across our footprint deal with varying aspects of our business such as decoder sales, dish installations and payment processing. We provide continuous support through access to our systems and training to ensure excellent customer service. Through our partnership model, we have built an extensive third-party payment network across Africa, comprising integrations with 200 vendors across South Africa and the Rest of Africa which we have started to integrate with the Moment platform.

Critical systems

We rely on several critical systems to run our business, covering operational aspects such as subscriber management systems (e.g., customer relationship management, billing and payments), and corporate functions such as accounting, finance and HR. Some of these systems are developed in-house, but many are licensed from or outsourced to third-party vendors. We work closely with these suppliers to ensure the quality and continuity of service, while protecting customer information, managing costs, and ensuring system flexibility and scalability. In FY24, the group successfully completed the consolidation of its enterprise resource planning systems onto SAP S/4 HANA Cloud in partnership with Accenture.

How our activities added value for our stakeholders continued

Value created for our suppliers and partners continued

	Issues raised by suppliers	How we address them
1	**Content negotiations** From time to time, we are not able to reach timely agreement with content rights holders on an appropriate price for the broadcast of their rights.	Given our scale across 50 markets and our operating history of close to 40 years, we have developed an ability to accurately value sports rights for different countries and market segments. We need to stay true to these value estimates in order to run a sustainable business. From time to time, this can mean that we lose access to individual pieces of content, but our breadth and depth of sports and general entertainment content allow us to reinvest elsewhere. As a case in point, we could not initially reach agreement on commercial terms with the license holder for the 2023 Africa Cup of Nations tournament. Following a public announcement to our customers, a late deal was fortunately struck to broadcast the tournament."
2	**How the group is adapting to OTT** OTT services created disruptive changes in the traditional linear pay-TV landscape in developed markets where broadband penetration, speeds and affordability sufficiently support scale uptake. These trends impact content producers, satellite transmission systems providers and set-top box manufacturers, among others.	DTH and DTT are likely to remain the most cost-effective methods of distributing long-form video content to the mass market across sub-Saharan Africa for some time. We thus expect to continue collaborating with our current suppliers for the foreseeable future. However, we expect OTT to continue to grow as connectivity improves and we are embracing this change through our investment in OTT services and platforms including our SVOD distribution agreements. Our partnership with Comcast, NBCUniversal and Sky also speaks to this thematic trend, as research suggests we are approaching an inflection point in broadband adoption and affordability. A changing landscape also broadens the scope of the partners we work with, such as the content delivery network and cloud computing service providers that support the scaling of our online services.
3	**MultiChoice's cost savings agenda** MultiChoice has embedded an aggressive cost savings culture into its business to ensure fit-for-purpose operational efficiencies. This can create an environment of uncertainty for suppliers.	Driving cost efficiencies across our business is an important part of our commitment to deliver positive operating leverage. However, we recognise the value and importance of mutually beneficial supplier relationships. Thus, we will pay a fair price for services that add value to our business when it is economically viable. Ultimately, we believe our approach to suppliers is firm but fair and conducted in the spirit of collaboration and mutual sharing of risks and benefits.

Key focus areas going forward

- Looking ahead, we will continue investing in local content with local producers and sourcing world-class entertainment from our international partners.
- We will continue to source compelling international content that resonates with local audiences through our long-standing relationships with leading Hollywood, international and indie studios.
- We will continue engaging with global and local sports bodies to deliver the world's best sport to our viewers.
- We will aim to secure relevant contracts that come up for renewal, and wherever possible negotiate the sharing of foreign currency risk with our suppliers and partners.
- We will proactively pursue opportunities for new or enhanced partnerships, especially for co-productions, payments and expanding our entertainment ecosystem.
- We will support our newly created equity joint ventures. Having recently relaunched our new Showmax offering, we will continue to collaborate with our JV partners in Comcast, NBCUniversal and Sky, our payment partners in Moment as well as our partner mobile network operators across the continent with the common goal of driving scale into this platform. Similarly, we will work closely with the KingMakers team to ensure that our South African platform SuperSportBet is a success.
- We will continue developing our ecosystem by expanding our products and services through ongoing innovation, strategic partnerships and select investments, providing customers with a wider array of complementary entertainment options and consumer services.
- We will continue driving transformation through our supply chain responsibly and sustainably.
- Finally, our multi-year finance system upgrade has just been completed, which has successfully brought all our markets on to SAP.

How our activities added value for our stakeholders continued

Value created for governments and regulators

Value created for governments

ZAR3.8bn
in VAT and sales tax collected (FY23: ZAR4.6bn)

ZAR2.2bn
in employee taxes paid and collected (FY23: ZAR2.0bn)

ZAR0.8bn
paid and collected in customs, excise and other operating taxes (FY23: ZAR1.1bn)

ZAR1.3bn
in withholding taxes paid and collected (FY23: ZAR1.5bn)

ZAR2.8bn
paid in corporate income taxes (FY23: ZAR2.7bn)

The breakdown of our tax contribution per segment is set out below:

Our total tax contribution **ZAR10.8bn**
(FY23: ZAR11.8bn)

50%
of our total tax contribution (taxes collected and paid to tax authorities), 50% was paid to the South African fiscus (paid ZAR2.7bn; collected ZAR2.7bn) (FY23: 48%, paid ZAR2.5bn; collected ZAR3.1bn)

9%
The Technology segment contributed 9% (paid ZAR0.5bn; collected ZAR0.4bn) (FY23: 9%, paid ZAR0.6bn; collected ZAR0.4bn)

1%
The Showmax segment contributed 1% (paid ZAR0.1bn; collected ZAR0.1bn) (FY23 Rnil[2])

40%
of our total tax contribution was collected and paid by the Rest of Africa segment (paid ZAR1.6bn; collected ZAR2.8bn) (FY23: 43%, paid ZAR1.9bn; collected ZAR3.3bn)

The contribution comprises taxes paid[1] of ZAR4.8bn (FY23: ZAR5.0bn) and taxes collected[1] (on behalf of governments) of ZAR6.0bn (FY23: ZAR6.8bn).

[1] *The total tax contribution amount reflects all material cash taxes paid and collected by the group. The tax paid amount is the actual cash tax incurred and paid by the group and includes corporate income tax, property taxes, social security contributions, etc. The tax collected amount reflects taxes not incurred by the group, but taxes that were collected by the group on behalf of revenue authorities (e.g., PAYE and VAT).*

[2] *In the prior year Showmax did not constitute a separate segment but was reported as part of the South Africa and Rest of Africa segments.*

How our activities added value for our stakeholders continued

Value created for governments and regulators continued

Delivering value to governments

Governments rely heavily on revenue from tax contributions made by corporate taxpayers. MultiChoice contributes meaningfully to the government fiscus in our core markets of operation through the collection of indirect taxes on behalf of governments, and through the payment of substantial amounts of tax by way of direct corporate income tax, withholding tax and other taxes. Governments have a broad social mandate to fulfil, which includes social upliftment, access to services and creating and enforcing laws that protect society's various constituencies. We understand the challenges they face and always seek to play our part in supporting the development and sustainability of the countries and industries in which we operate. We comply with all our statutory obligations and seek to build good, honest and open working relationships with tax authorities founded on mutual trust. We have robust tax risk management measures in place (as documented in our group tax policy) and place high regard on our tax and corporate reputation. We do not enter into transactions or arrangements that detract from this reputation. We endeavour to ensure that our tax objectives do not conflict with our corporate social responsibility objectives.

Our approach to tax

MultiChoice Group Tax, through its board/exco-approved MultiChoice Group tax policy, sets out the principles governing the management of taxes by all entities within the group. We have an established a formal approach to tax risk management and a tax governance structure that is commonly understood across MultiChoice.

MultiChoice aims to be a committed member of the communities within which it operates and to be a good corporate citizen acting with honesty and integrity in its dealings. We are committed to adhering to all applicable laws and regulations, while safeguarding our interests, including our reputation and brand, as well as the reputations of the entities and brands forming part of the group.

MultiChoice, at all times, is guided by corporate policies when dealing with all stakeholders, including non-controlled associates, as outlined in the group's code of ethics policy. Further, MultiChoice monitors developments in non-controlled associates and performs ongoing assessments of possible impacts on the group.

Value is created across the MultiChoice Group as we endeavour to provide the best service to our customers in the various jurisdictions where we operate. The group seeks to adhere to international best practice in terms of transparency and reporting of its tax contributions and position. In 2015, the Organisation for Economics Cooperation and Development (OECD) released its reports on addressing the effects of base erosion and profit shifting (BEPS). Action 13 of the BEPS project was focused on enhancing tax transparency through a three-tiered approach to transfer pricing. This included the adoption of the Master File, Local File and Country-by-Country reports (CbCR).

Where countries in which MultiChoice operates have adopted these OECD provisions, the group adheres to the three tiered requirements. In particular, each year MultiChoice submits its CbCR to the South African Revenue Service and this report is automatically shared with several countries that have signed up to the Multilateral Competent Authority Agreement on the exchange of CbC Reports and comply with the requirements for the exchange of information.

In addition to the initial BEPS project referred to above, in October 2021 the G20 endorsed a new two pillar solution that had been proposed by the OECD seeking to address issues that have arisen due to globalisation and digitisation. Over 140 countries have agreed to enact the two-pillar solution. The first pillar involves reallocating taxing rights to market jurisdictions for very large multinational enterprises (MNEs). The second pillar involves ensuring that MNEs with a consolidated turnover in excess of EUR750m are subject to a minimum effective tax rate of 15% on income arising from low tax jurisdictions in which they operate. While Pillar 1 has not been finalised (and would not, at this stage, apply to MultiChoice), Pillar 2 has been introduced in many countries with effect from years of assessment commencing on or after 1 January 2024. MultiChoice is preparing for future compliance with these requirements as and when they are introduced in the respective countries.

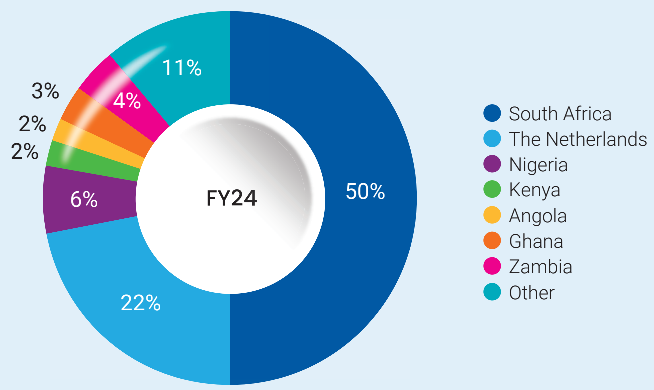
https://investors.multichoice.com/pdf/policies-and-charters/2023/tax-policy-review-fy24-final-cln-publication-signed.pdf

Total tax contribution per country

Our largest business, MultiChoice South Africa, is domiciled and tax resident in South Africa and its tax affairs follow normal operating and tax practice in that country.

The chart below shows the split of total taxes collected and paid to tax authorities across key territories:

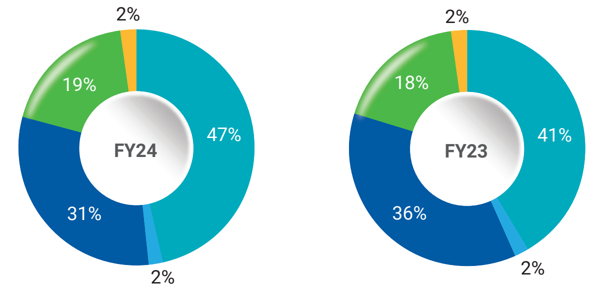
Total tax contribution per country



How our activities added value for our stakeholders continued

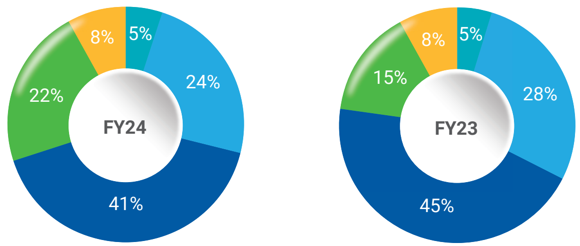
South Africa

South Africa is the most significant country for MultiChoice with regards to tax contributions:



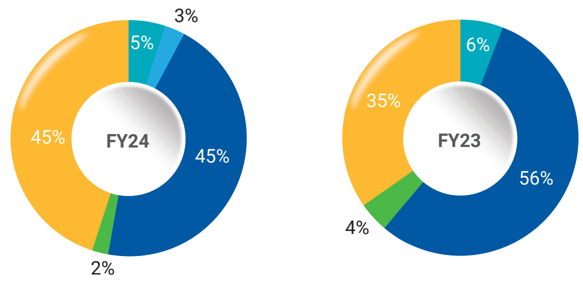
Netherlands

The Netherlands is the second-largest territory for tax contributions made by MultiChoice. Significant withholding taxes as well as VAT/sales taxes are paid across the Rest of Africa.



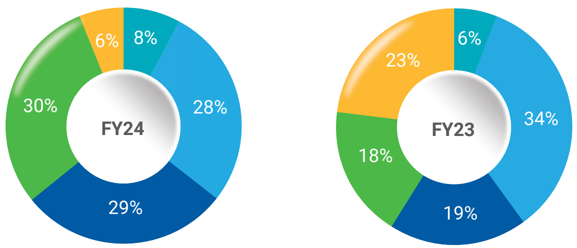
Nigeria

This is the third largest territory for the MultiChoice Group in terms of tax contributions, mainly as a result of VAT/sales taxes paid in this territory, together with significant customs and excise duties incurred on the importation of hardware devices into the country.



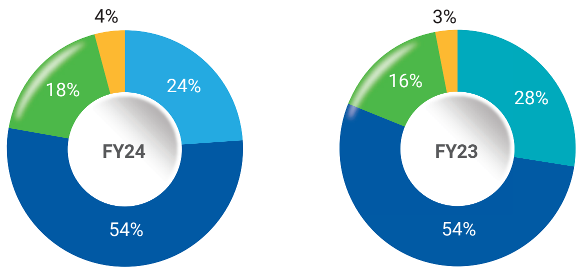
Kenya

Kenya's contribution to the MultiChoice Group's taxes is primarily as a result of VAT/sales taxes on local sales, as well as withholding taxes collected on remittances to MAH BV.



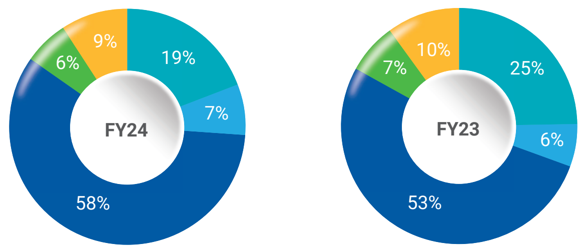
Angola

Angola's contribution to the MultiChoice Group's taxes is primarily as a result of VAT/sales taxes on local sales, as well as withholding taxes collected on remittances to MAH BV.



Zambia

Zambia's contribution to the MultiChoice Group's taxes is primarily as a result of VAT/sales taxes on local sales, as well as withholding taxes collected on remittances to MAH BV. Zambian entities also incur corporate income tax on their taxable profits.



Corporate tax · Withholding tax · VAT/sales tax · Employees tax · Customs, excise duties and other

How our activities added value for our stakeholders continued

Value created for governments and regulators continued

Our MultiChoice Africa Holdings entity (MAH BV) which is domiciled in the Netherlands, incurs significant tax liabilities across the Rest of Africa territories in which it operates.

Our operating entities domiciled in markets across Africa also incur significant tax liabilities, notably in markets like Nigeria.

We see a significant decrease in the MultiChoice Group effective tax rate year on year from 417.0% in FY23 to -487% in FY24. This decrease from the prior year is primarily due to a loss before tax for the period resulting from increased foreign exchange losses.

Despite the significant decrease in the effective rate, the following drivers continue to impact the group's effective rate:

- Significant losses in the Rest of Africa, where deferred tax assets relating to the assessed loss have not been raised
- Non-deductible expenses added back for tax purposes
- Significant withholding taxes incurred in our Rest of Africa territories
- A decrease in uncertain tax positions in the Rest of Africa segment

	FY24		FY23	
Group effective tax rate	ZAR'm	%	ZAR'm	%
Profit/(loss) before tax	(706)		921	
Taxation and statutory rate of 27%	(191)	27.0	249	27.0
Adjusted for:				
Non-deductible expenses (general)	469	(37.3)	1 209	131.3
Prior period under/(over) provision	(22)	2.1	127	13.8
Non-taxable income (exempt income/income tax allowances)	(250)	7.6	(112)	(12.2)
Temporary differences not provided for (RoA unrecognised tax losses)	2 894	(227.7)	1 145	124.3
Foreign withholding and other direct taxes	1 077	(85.1)	1 055	114.6
Other uncertain tax positions	(53)	4.2	167	18.1
Tax adjustment for foreign taxation rates and change in tax rates	(640)	50.4	(96)	(10.4)
Tax attributable to equity-accounted earnings	159	(12.5)	129	14.1
Assessed losses utilised	(1)	0.1	(32)	(3.5)
Taxation provided for in the income statement	3 442		3 841	
Reported group effective tax rate (%)	(487)		417.0	

How our activities added value for our stakeholders continued

Value created for governments and regulators continued

Delivering value to our regulators

The group has extensive experience operating in highly regulated environments and we pride ourselves on our ability to develop and maintain positive working relationships with our regulators. We advocate for regulation to keep pace with the rapidly evolving audiovisual environment and take into account the market realities which we contend with. We remain supportive of balanced, evidence-based regulation which fosters innovation and investment, provides continuity and stability for licensees and also protects consumers' interests.

We deliver significant value in the form of our positive contribution to policy development, compliance with laws and regulations and payment of licence fees. In FY24, we paid ZAR227m in regulatory fees across our footprint (FY23: ZAR280m).

Our approach to regulations

The group takes a proactive approach to managing the complex regulatory landscape. We participate in relevant public consultation processes to advocate for appropriate and fair decision-making. We back up our positions with extensive research including reference to best practice internationally and we engage decision-makers and stakeholders continuously to clarify the objectives driving intended policy and regulation.

The fast-changing environment in which we operate means that regulatory challenges will inevitably arise from time to time. Through our active engagement in the processes, we are often able to mitigate any risks. We always view litigation as a last resort, but we will take the necessary legal steps to protect our interests as well as the interests of our broader stakeholder community, and to ensure a high benchmark of fair and consistent regulation. We take the view that the negative effects of poorly conceived regulation are not confined to only ourselves. Rather it could have a widespread, detrimental effect on our customers, employees and shareholders, as well as the broader industry.

	Critical issues for our regulators	How we address them
1	**Nigerian Federal Inland Revenue Service (FIRS) tax dispute** Given the nature and quantum of the claims made by FIRS in this matter, our shareholders and other stakeholders were naturally concerned about the potential outcome. In addition, we always prefer our engagements with regulatory and tax authorities to be conducted cordially and in a cooperative spirit.	MultiChoice Nigeria and MultiChoice Africa Holdings BV reached a settlement with the FIRS for payment of USD37.3bn as full and final settlement for the disputed tax liabilities. The settlement agreement has been filed in court and adopted as a consent judgement.
2	**Independent Communications Authority of South Africa (ICASA) developments** The activities of ICASA, South Africa's communications regulator are critically important to our business including to our shareholders, employees, customers, suppliers and the public, all of whom may be impacted by changes in regulations. We therefore actively participate in all relevant ICASA inquiries with a view to achieving a sound regulatory outcome, in the public interest.	With respect to ICASA's subscription TV broadcasting market inquiry, ICASA has solicited information from stakeholders to assist it to better understand market developments since its 2021 public hearings. We provided the Authority with the requested information and made detailed submissions. We will cooperate throughout the process to ensure a balanced, informed outcome. MultiChoice received notice from ICASA in June 2023 that its broadcasting service licence had been renewed for a further 15 years. A renewed licence was issued on 7 July. We were pleased to note that the licence was renewed on the same terms and conditions. As M-Net's focus has increasingly shifted away from broadcasting programming to commissioning content and packaging channels, the business decided surrender M-Net's broadcasting and radio frequency spectrum licences, effective 1 April 2024.

How our activities added value for our stakeholders continued

Value created for governments and regulators continued

	Critical issues for our regulators	How we address them
3	**Competition complaints** The Competition Commission is required to investigate complaints that are submitted to it to determine whether there is a contravention of the Competition Act. It is also entitled to initiate investigations on its own account.	The Competition Commission continued with its investigation of the following complaints: • the consumer complaint of alleged excessive pricing of DStv packages. We have provided extensive information explaining how we price our services, particularly pointing out that our price increases have been in line with or below inflation despite rising costs • the SABC's complaint regarding our acquisition of the exclusive rights to Premier Soccer League (PSL) football and various rugby rights. These rights are acquired from the rights owners for a limited fixed term following competitive selling processes • its self-initiated complaints of alleged market allocation of the African pay-TV market, collusive tendering in bids for certain sports events and supply of set-top boxes The Competition Commission also finalised its investigation of eMedia's complaint regarding our decision to no longer include its four entertainment channels in DStv bouquets. It closed its investigation without a negative finding. eMedia has referred the complaint to the Competition Tribunal which we have opposed. eMedia's application seeking an order declaring the terms of the sublicense agreement between MultiChoice and the SABC for the rights to the 2023 Rugby World Cup to be unlawful and unconstitutional was dismissed by the High Court. eMedia has filed a complaint with the Competition Commission and an interim relief application with the Competition Tribunal, which processes are still ongoing.
4	**Government's draft White Paper on audio and audiovisual content services policy framework**	We were pleased that a further draft of the White Paper was published in July 2023. MultiChoice is in broad agreement with the draft White Paper's view that South Africa's current licensing framework must be updated and that new audiovisual services should be brought into the licensing and regulatory framework. We maintain that regulatory parity is critical for the future of the sector and this needs to be urgently addressed by government.
5	**Purported amendments to the Nigerian Broadcasting Code**	The dispute on the amended Code was resolved in January 2024 when the Federal High Court nullified the Code and perpetually restrained NBC from compelling MultiChoice to sublicense content under the provisions of the annulled amended code.
6	**Music rights licences and royalties payments for the Rest of Africa**	Engagements with international and local collecting societies are ongoing in respect of music rights licences and the royalties payable for territories outside of South Africa. We are confident we will be able to negotiate agreements which work for our business model.

How our activities added value for our stakeholders continued

Value created for governments and regulators continued

	Critical issues for our regulators	How we address them
7	Kenya competition study into broadcasting and signal distribution markets	A competition study into broadcasting and signal distribution markets by the Communications Authority in Kenya resulted in an interim report which concluded that MultiChoice is dominant in the Premium market. Importantly, however, the Authority, concluded that no intervention was necessary given the changes in the market. While we disagree with the finding of dominance, we welcome the recognition by the Authority of the dynamic changes faced by operators such as MultiChoice.
8	Licensing and competition market analysis in Malawi by the Malawi Communications Regulatory Authority (MACRA)	There was a dispute on the need for tariff approval by MACRA, following which we suspended provision of the DStv service in Malawi in August 2023. Following a High Court ruling in favour of MultiChoice Malawi, the service was restored in December 2023. We continue to engage with the authorities on MultiChoice Malawi's business model and licensing arrangements.
9	Radio Frequency Spectrum Changes (ITU)	The ITU held the World Radiocommunication Conference in late 2023. We continue to engage with governments and regulators to highlight the continued importance of spectrum for broadcasting services, specifically spectrum we use for DStv and GOtv across our different markets.
10	Consumer protection complaints	Various complaints from our customers were investigated and resolved, across the continent, with no adverse findings. Complaints related to issues such as availability of services during power outages, coverage limitations, the provision of services in bouquets rather than bundles, changes to channel line-up within bouquets and marketing of promotional offers. We continue to take steps to engage customers and minimise complaints of this nature

Key focus areas going forward

Looking ahead in terms of our regulatory approach:

- Active participation in regulatory reviews is a priority for us. We believe it is critically important that our voice is heard in processes looking to introduce new laws and regulations and that we provide balanced and well-substantiated arguments advocating for appropriate regulation. The introduction of new legislation and/or regulatory obligations (including laws of general application addressing consumer protection and data protection), tariff control in some territories, and sector-specific regulations are key areas of ongoing engagement.
- Compliance with applicable laws and regulations across all our territories remains a focus. We continue to ensure that we have the necessary systems and personnel in place in order to monitor compliance levels as new conditions and obligations are introduced.

How our activities added value for our stakeholders continued

Value created for our shareholders and lenders

ZAR0.6bn
free cash flow
(FY23: ZAR2.9bn)

ZAR2.2bn
core headline earnings
(FY23: ZAR3.5bn)

ZAR1bn
in interest paid to lenders
(FY23: ZAR511m)

The shareholder base remains diverse in a year which saw Canal+ increase its stake beyond 35% and forced to make a mandatory offer to minorities

We maintain open, constructive communication with our shareholders and welcome their valuable input regarding ways to enhance our approach to governance and long-term value creation. We seek to be responsible custodians of our owners' financial capital and are focused on generating returns well ahead of our cost of capital through a disciplined approach to capital allocation in support of our group's strategy and its implementation.

We also maintain healthy relationships and engage in frequent interactions with our debt providers. As a pay-tv operator, we have long-standing relationships with our satellite transponder lessors. Since our listing as a standalone group, we have increasingly drawn on debt capital markets to optimise our balance sheet and support our growth ambitions beyond linear video broadcast entertainment. In FY24, we drew down the final ZAR4bn of our ZAR12bn term-loan facility to fund our working capital needs and provide adequate financial flexibility to support the relaunch of Showmax. Comcast's NBCUniversal owns 30% of this business and is contributing to the funding in proportion to its shareholding. This financial year saw us contribute a combined USD177m in funding towards Showmax.

Beyond reinvesting in our business and the operational considerations described above, we carefully evaluate targeted investment opportunities where strategically relevant and value accretive to shareholders, while also proactively managing our leverage profile. To provide the necessary financial flexibility and support our financial needs, we currently have access to R4.1bn in debt facilities and ZAR7.3bn in cash. As a trusted brand and service provider of choice, we continue to enrich lives through technology and entertainment, by executing on our strategy that leverages our scale and reach across the continent. While we remain focused on our core Video Entertainment business, we are pursuing complementary growth opportunities to enhance shareholder value creation and returns over time. In May 2023, we held our first Capital Markets Day – the virtual event was well attended, with more than 200 investors and other market participants joining proceedings online. We used the opportunity to convey the strategy of the broader MultiChoice Group, to explain the new growth opportunities being pursued in SVOD (Showmax), sports betting (KingMakers) and fintech (Moment), and to communicate our approach to capital allocation during this expansion phase.

Although we do not have a dividend payout policy in place, we have a policy to return excess cash to shareholders either through dividends or share buy-backs. Given the availability of excess cash at the time, we paid a ZAR2.5bn dividend in each of the years from FY20 to FY22. A combination of a challenging operating environment in South Africa which affected cash flows, foreign exchange and US dollar liquidity challenges in Nigeria and the funding requirements of Showmax, resulted in no group dividend being declared in FY23. In view of the group's commitments under the Cooperation Agreement with Canal+, as published in the Combined Offer Circular on 4 June 2024, the question of a dividend declaration did not arise for FY24. As cash is upstreamed from MultiChoice South Africa to the group by way of dividends, Phuthuma Nathi receives its 25% share of dividends in the process. Through this process, and subject to MultiChoice South Africa shareholders approving its dividend in August 2024, Phuthuma Nathi will receive ZAR1.4bn (FY23: ZAR1.4bn) in dividends this year. While cognisant of the macro-economic and foreign exchange environment which is beyond our control, we envisage reinstating our group dividend in the medium term as our Rest of Africa business returns to being self-funded and our Showmax business gains scale and requires less investment support.

Our shareholders and lenders are increasingly focusing on environmental, social and governance (ESG) issues and we continuously engage with them on these matters. We are committed to driving ongoing improvements in our ESG efforts and have ESG targets included in our executive compensation framework. We aim to make sound strategic and capital allocation decisions that we believe will ultimately support our market valuation over time. Therefore, we do not unduly concern ourselves with short-term movements in our share price or our market 'rating'.

The group entered into a cooperation agreement with Groupe Canal+ SA (Canal+) in relation to Canal+'s mandatory offer for the group. This followed a ruling by the Takeover Regulation Panel (TRP) of South Africa, which required Canal+ to pursue a mandatory offer after it acquired an interest of more than 35% in MultiChoice.

In relation to the mandatory offer:

- Canal+ submitted an offer of R125 per share in cash (an earlier non-binding intention to offer of R105 was rejected)

How our activities added value for our stakeholders continued

Value created for our shareholders and lenders continued

- MultiChoice constituted an independent board of directors, which appointed The Standard Bank of South Africa Limited as an independent expert (IE) to review the terms of the offer and express a "fair and reasonable" opinion as required by the Takeover Regulations. The opinions are contained in the combined offer circular mentioned below.
- Following the posting of a Firm Intention Announcement (FIA) on 8 April 2024, the combined offer circular was distributed on 4 June 2024. In the intervening period, Canal+ increased its shareholding in the group from 35.01% to 45.20%.

Our average closing share price for FY24 was ZAR88.67, reaching a high of ZAR125.03 in April 2023 and a low of ZAR63.21 in November 2023. The significant fluctuation can be attributed to a couple of factors which negatively impacted investor sentiment, most notably the funding required to relaunch Showmax and drive it to become the leading streaming platform on the continent, the significant devaluation of the Naira, as well as the impact of Canal+'s significant holding on our free-float adjusted market capitalisation, which then resulted in us dropping out of both the JSE Top40 and MSCI Indices.

Critical issues for our shareholders	How we address them
1 **Increase investment in our Showmax business** The cash required to fund the relaunched Showmax business, the potential cannibalisation of our linear businesses by the streaming offering (especially the Premier League content), the cost of the new Peacock platform and the perceived skewing of benefits in favour of Comcast, were all issues raised by investors. In addition, investors had to contend with limited information about the business (e.g., products and pricing) being made available during its launch phase, while concerns about the implications for the Comcast partnership as a result of Canal+'s mandatory offer remain an ongoing concern.	Ahead of the Showmax re-launch, we had to maintain a balance between providing shareholders with the required levels of transparency and protecting our competitive position. We also had to be cognisant of the needs of our joint venture partner. To provide context around the opportunity and partnership, and to inform investors of the rationale for the Showmax investment, we dedicated significant time to this new growth opportunity as part of our Capital Market Day held in May 2023. Some information about the funding requirements was provided, while expectations were set for a three-year investment j-curve, for this business to generate USD1bn in revenue and for it to be a major driver of scaling the group's subscriber base to reach 50m customers over the medium term. Investors were also made aware that some degree of cannibalisation of the linear business had already been accounted for in the business plans and in our assessment of positive future returns. To facilitate a better understanding of the streaming opportunity in general, and specifically around Showmax, we hosted Andrea Zappia for several interactions with investors, sell-side analysts and journalists in October 2023. This was followed by two events in February 2024, i.e., the launch of Showmax 2.0 and a dedicated investor session with the chair, CEO and CFO of the business. To address the visibility of the financials, the Showmax business is being disclosed as a separate segment in this year's financials.
2 **Impact of the weak Naira on Rest of Africa performance** Given the depreciation of the official Naira in Nigeria from 464 Naira to the to the USD at March 2023 to 1 308 Naira to the USD at March 2024, questions have been asked about the impact this will have on the profitability of the Rest of Africa segment (which is USD-denominated), the ability to offset the impact of high inflation through price increases in Nigeria and the rate at which management is willing to remit cash from the market.	The Nigerian business has endured a particularly difficult macro environment. Management has used the opportunity to reconsider the operating model and to right size the business. These interventions and their impact on the RoA's trading profit were clearly flagged to investors in the respective results presentations. Despite the various challenges, the Rest of Africa business delivered a trading profit for a second consecutive year. In our communication to investors, we also flagged our strategy to offset high inflation through multiple smaller price increases as opposed to implementing significant one-off hike in prices (i.e., two price increases in FY24, ~17% increase in May 2023 and ~19% increase in November 2023) as this allows customers time to acclimate to the new pricing. In response to investor concerns, our treasury function now remits cash from Nigeria at a rate within a range mandated by the group's risk committee. In addition, we have incorporated adjusted core headline earnings as a reporting metric to capture the impact of losses incurred on cash remittances on our core headline earnings.

How our activities added value for our stakeholders continued

Value created for our shareholders and lenders continued

	Critical issues for our shareholders	How we address them
3	**The effects of loadshedding and the macro environment on subscriber growth and trading margins in our South African business** The South African business was adversely affected by unexpectedly-high levels of loadshedding toward the end of FY23. This negatively impacted subscriber activity levels and therefore group revenue, resulting in margin pressure. When loadshedding continued into FY24 and coupled with a severely constrained consumer environment, shareholders were focused on its ongoing impact on subscriber behaviour, management's ability to reduce the relatively high fixed-cost base of the business and on our ability to maintain the trading margin in the mid-20's range.	Through our investor materials, we were able to demonstrate that the negative impact of the ongoing cost of living crisis on discretionary consumer spending in South Africa prevented a rebound in subscriber activity when the intensity of loadshedding started easing off. We highlighted ongoing interventions to reduce costs in the various results presentations. At the interim stage, it was signalled that management raised its initial FY24 cost-cutting target of ZAR800m to ZAR1bn to offset margin pressure.
4	**Impact of Canal Plus shareholding** Throughout the year, shareholders have been focused on the Canal+ shareholding and their intentions. As Canal+ approached the 35% control threshold, questions were raised around whether a mandatory offer to all shareholders would be required and how Canal+ would get around section 64 of the Electronic Communications Act (which limits foreign ownership of South African broadcasting licences at 20%). Once the TRP ruled in February 2024 that a mandatory offer to MultiChoice shareholders was required, investors were focused on trying to gain an understanding of the actual offer process and potential regulatory requirements.	We maintain open engagement with all our shareholders, while our Investor Relations programme typically caters for in-person interaction with all our large shareholders, including Canal+. As part of this process and where possible, we aim to provide answers to investor questions and to provide guidance on due process. MultiChoice continues to adhere to all requirements of the JSE and to notify shareholders of any developments that could influence the share price. In doing so, we issued SENS announcements in relation to changes in Canal+'s shareholding, as well as developments around the TRP's ruling which required Canal+ to make a mandatory offer to the rest of our shareholders.
5	**Risk of losing key sports content rights to our competitors** As a result of global tech giants increasingly bidding for sports content, our shareholders are concerned that we could be at risk of losing key sports rights. This fear has been exacerbated by our refusal to pay unwarranted cost escalations demanded by intermediaries for broadcasting rights to certain sports events (e.g., IPL and AFCON, where we eventually acquired the rights on commercial terms).	We are proactive in ensuring we continue to bring our viewers the best sports content. Our sports broadcasting business, SuperSport, is the largest funder of sports on the African continent, with a deep commitment to sport promotion and grassroot development, as highlighted in our annual Social and Ethics report. Over the years we have de-risked the business in terms of supply of sport content through our deep and long-standing commercial relationships with federations and sports rights license holders. Testament to this is the recent launch of the Showmax Premier League offering, in partnership with the (English) Premier League, which is the first standalone mobile Premier League offering globally. The FY24 sport rights renewal cycle was a particularly busy one and included several renewals such as the (English) Premier League, UEFA Champions League, La Liga, SA Rugby and the IPL.

How our activities added value for our stakeholders continued

Delivering value to our society

We consider ourselves an integral part of the communities in which we operate, and we are committed to addressing critical socio-economic challenges. We strive to make a meaningful and lasting impact on the real issues in these communities.

Our purpose-driven initiatives focus on key areas such as job creation, skills development, creating a future talent pipeline, empowering small businesses, and enhancing environmental sustainability.

As a responsible corporate citizen, we are dedicated to contributing to the betterment of society. Our purpose is to enrich lives, as doing good is part of our DNA.

Corporate Social Investment

Our Corporate Social Investment initiatives focus on creating employment opportunities, developing emerging filmmakers, and nurturing budding sports talent. While the initiatives mentioned below represent some of our key highlights, the MultiChoice Group supports several other initiatives detailed on our website, www.multichoice.com/enriching-lives.

MultiChoice Talent Factory

The MultiChoice Talent Factory (MTF) nurtures talent and promotes sustainable development within Africa's vibrant film and television sector. Spanning 14 countries across the continent, MTF offers a comprehensive training and development programme designed to empower emerging filmmakers and industry professionals.

Through education, hands-on experience, and strategic partnerships, MTF equips participants with the skills and networks needed to thrive in the ever-evolving entertainment landscape.

With four academies strategically located in Kenya, Nigeria, Zambia, and South Africa, MTF offers a diverse curriculum tailored to the unique contexts of each country. From providing internships with leading production companies to masterclasses for industry professionals, and by offering a pan-African digital networking platform, MTF is dedicated to building a pipeline of skilled professionals and entrepreneurs.

MTF also collaborates with global industry learning institutions, professional organisations, and broadcasters to enhance the programme. Partnerships with institutions such as the New York Film Academy and Lights, Camera, Diaspora!, a US-based non-profit social enterprise, provide students with film training, internships, mentorship, and job-sharing opportunities.

In addition, MTF partnered with Zee World, an India-based broadcaster, offering students access to film training, internships, and the opportunity to produce short films for the Zee World (Zee Zonke) channel.

The impact of MTF's work is evident in the numerous films and short films produced by its alumni, as well as their involvement in high-profile campaigns such as the United Nations #PledgetoPause initiative. Their works have earned them recognition in film festivals worldwide, including Cannes, the Toronto International Nollywood Film Festival, and the Zanzibar International Film Festival, among others.

The past year has seen MTF continue to shine, with key highlights across different regions:

East Africa

- MTF East Academy showcased its work at the Africa Climate Summit, highlighting the importance of youth and climate action. Their presentation included a public service announcement titled "Be the Change Fight Climate Change".
- Alumni from East Africa received accolades at various award ceremonies, underscoring the quality and impact of their work on both local and international platforms.

West Africa

- *Azeezah Sama*, produced by a student in the class of 2023, was selected for the Toronto International Nollywood Film Festival 2023 and Silicon Valley Film Festival 2023.
- A movie by the current class of 2023 was selected for the Lift-Off Filmmaker Festival 2023.
- The movie, *Tejiri*, produced by the class of 2021 in Ghana was selected for the African Cinema Section in the International Festival of Author Film in Morocco.

Southern Africa

- N&M Productions, a scriptwriting and film administration company, is a successful company founded by two MTF Alumni in Botswana. Their major first feature film, *The Painting*, was produced and screened in Lusaka and broadcast on Zambezi Magic.
- It also collaborated in making a second feature with Angolan filmmaker Levis Albano titled *Muti Mbi Ma Pessoa*. It screened in Angola, Brazil, Portugal and France.

South Africa

- MTFza interns worked on over 30 professional productions in the past year, including the full season of Idols and top new shows like *Adulting, My Brother's Keeper, Champions* and *Gen Zee*.
- They also assisted on several exciting MultiChoice events like the Springbok announcements and victory celebrations.
- They gained valuable insights from top industry experts through masterclasses and live theatre experiences.

467
filmmakers trained by MTF in the past nine years

152
films produced by MTF graduates

15
production companies created by MTF Alumni

How our activities added value for our stakeholders continued

Delivering value to our society continued

These achievements underscore MTF's commitment to nurturing talent, promoting diversity, and driving innovation within Africa's film and television industry. As we look to the future, MTF remains dedicated to empowering the next generation of storytellers, ensuring that Africa's rich heritage and diverse voices continue to resonate on screens across the continent.

Sports development

MultiChoice is dedicated to promoting the growth and development of sports in Africa. We invest in programmes that nurture future sports stars, support emerging sports broadcasters and production crews, and provide training for administrators.

DStv Diski Challenge

The DStv Diski Challenge is designed to cultivate a talent pipeline for both football and sports broadcasting professionals.

It is a multi-faceted programme that includes a football competition for the PSL reserve teams, sports broadcasting internships to nurture the next generation of broadcasters and free broadcast rights for the community television stations on DStv to broadcast the reserve league soccer matches.

Over the past nine years, the DStv Diski Challenge has played a pivotal role in accelerating the careers of players from the PSL reserve teams to the first teams.

The programme has also produced a new generation of sports production crew and on-air broadcasters through internships in production and broadcasting.

220
Diski players have represented various South African national teams at international competitions

10
Diski Challenge graduates recently represented South Africa at the 2023 Africa Cup of Nations.

These include Teboho Mokoena, Evidence Makgopa, Grant Kekana, Jayden Adams, Oswin Appollis, Percy Tau, Ricardo Goss, Aubrey Modiba, Nkosinathi Sibisi and Thapelo Maseko.

314
players have been promoted to the PSL first teams since 2014

Let's Play Playing Fields

The 'Let's Play Playing Fields' initiative is dedicated to increasing access to state-of-the-art sporting facilities for disadvantaged schools and communities across South Africa, particularly in rural areas. As a result, around 135 000 children from schools and surrounding areas in rural areas are now able to participate in weekly sports programmes and enjoy a diverse range of sports activities on their newly established sports fields.

The sports fields cater to a variety of sports, including hockey, 7-a-side soccer, tennis, volleyball, and netball, providing a comprehensive sporting experience for the learners. In addition, each school receives kit bags containing essential sports equipment such as soccer balls, netball balls, volleyball balls, whistles, and playing kits.

Furthermore, life orientation teachers undergo a five-day training on the new Physical Education methodologies to ensure that the sports fields are optimally utilised. These sports fields are also made available to children residing in the surrounding communities beyond the school premises. Through the Let's Play Multipurpose Sports Fields, we are not only providing social and physical stimulation to children but also opening doors to potential career opportunities in the sporting industry.

We are committed to fostering a culture of sports participation and development within communities.

DStv Schools Netball Challenge

The DStv Schools Netball Challenge (DSNC) has become a premier platform that celebrates the talent and dedication of young female athletes aged 16 to 19 years old who play netball at secondary schools across South Africa.

This tournament, contested across all nine provinces, involves secondary schools from rural and urban areas, with matches broadcast on DStv. It provides a spotlight for up-and-coming female sports stars to shine and attract the attention of sporting scouts.

The primary objective is to identify and cultivate tomorrow's netball talent from diverse corners of South Africa and provide skills development for coaches and match officials.

In the past year, over 2 653 high schools participated in the tournament, making it one of the most successful school sports events of the year. Throughout the tournament, more than 30 000 schoolgirls engaged in weekly matches during the earlier rounds, including cluster, regional, and district playoffs.

Hlabi Secondary School and Afrikaanse Hoër Meisieskool emerged as this year's champions in their respective Ubuntu and Botho Streams, showcasing the depth of talent across diverse settings.

The DSNC is a collaborative partnership with Netball SA, South African Schools Netball, the Department of Sport, Arts and Culture, the Department of Basic Education, and other key stakeholders. This partnership is a concerted effort to nurture and promote netball talent in South Africa.

How our activities added value for our stakeholders continued

Delivering value to our society continued

MultiChoice Enterprise Development Trust

Within our Enterprise Development Trust, we oversee the Innovation Fund and the Africa Accelerator, both aimed at nurturing the growth of start-ups and small enterprises.

MultiChoice Innovation Fund (the Fund)

Since its inception in 2012, the Innovation Fund has disbursed ZAR407m in loans, grants, and business development expenses to assist beneficiaries in acquiring skills and assets.

Specifically targeting black women and youth-owned businesses, the Fund has invested across the ICT sector in digital and emerging technologies, broadcast technologies, innovative content and businesses in the Fintech, Edutech, Healthtech, HR tech and Media platforms spaces.

To date, 77 black-owned small businesses with at least 50% female-black ownership have benefited, resulting in the creation of more than 1 400 jobs.

MultiChoice Africa Accelerator

The Africa Accelerator programme is dedicated to connecting African entrepreneurs with global investors, unlocking new avenues for business growth and development.

The programme selects the best small businesses from South, East and West Africa to promote their brands and value proposition, offer them investor readiness support and connect them to a pool of investors across Africa, Asia, Europe, the Middle East, and the USA.

In 2023, 11 small businesses from across South Africa, Zambia, Angola, Kenya, Ethiopia, Ivory Coast, Senegal, Ghana and Nigeria pitched their ideas to a pool of investors in Dubai and raised more than USD17m.

Economic Transformation

We are committed to fostering an inclusive society and transforming our industry.

Our BBBEE share scheme, Phuthuma Nathi, has provided ownership opportunities to thousands of black South Africans, which is a testament to our dedication to economic empowerment.

As one of the most successful and longest-running BBBEE share schemes in South Africa, Phuthuma Nathi is comprised of black shareholders from all walks of life including professionals, helpers, gardeners, teachers, nurses, stokvels and black-owned small businesses. In 2023, Phuthuma Nathi paid ZAR1.375bn in dividends to Phuthuma Nathi shareholders.

MultiChoice Group
LEVEL 1 BBBEE

MultiChoice SA
LEVEL 1 BBBEE

75 175 Phuthuma Nathi (PN) black shareholders

ZAR17.8bn
paid in PN dividends since inception

Phuthuma Nathi owns 25% of the shares in MultiChoice South Africa and through this scheme, we share the success of our business with thousands of black South Africans.

Environment

We strive to minimise our consumption of natural resources to limit our impact on the environment in the countries where we operate and ensure we comply with all environmental legislations. As a result, we have a light carbon footprint in terms of environmental impact.

Partnerships

As a trusted brand and platform of choice in Africa, we are committed to making a meaningful contribution to a sustainable future in Africa and the rest of the world. We do this by establishing partnerships around a common vision to combine complementary resources and competencies that help us to deliver long-term results on sustainable development goals. These partnerships include the Global Alliance and The Earthshot Prize, Charging Interface Initiative e.V. (CharIN e.V.) and Fruitful Office.

The Global Alliance and The Earthshot Prize

MultiChoice is a member of the Global Alliance Membership of The Earthshot Prize. This global network includes non-profit and international organisations committed to the environment and sustainable development.

The Earthshot Prize aims to discover and scale impactful solutions to our planet's most pressing environmental challenges. It is awarded to five winners in five categories, with each winner receiving a GBP1m grant to continue their work.

The collective power of the Global Alliance gives the winners and finalists of The Earthshot Prize access to resources across numerous professions and sectors, including manufacturing, retail, supply chains, legal advice, digital technology, business strategy, and government relations.

As the official broadcaster for The Earthshot Prize in Africa, we have leveraged our expansive platforms to amplify its messages across the continent, encourage innovators to pitch their solutions, support local finalists and mobilise communities to address sustainability challenges. In 2023, we contributed more than ZAR7m in cash and airtime towards

How our activities added value for our stakeholders continued

Delivering value to our society continued

the marketing of The Earthshot Prize and the broadcasting of the Awards ceremony across Africa.

The ingenuity and ambition of innovators, activists and scientists across Africa are being showcased on the world stage.

The Charging Interface Initiative e.V.

Irdeto joined forces with CharIN e.V., a global association for e-mobility, and UL Solutions, a global leader in applied safety science, to bring enhanced security and convenience to the ecosystem of electric vehicles by rolling out plug-and-charge infrastructure in Europe.

Irdeto and CharIN e.V. share the same vision of a sustainable future with a mission of promoting a secure and standardised charging system for electric vehicles.

Fruitful Office

Irdeto has partnered with Fruitful Office, a fruit delivery company based in the Netherlands, to help minimise the negative impact on the environment. Fruitful delivers fresh fruit to Irdeto every week and runs a fruit tree-planting campaign. For every fruit basket Irdeto orders, they plant a fruit tree. To date, about 6 600 trees have been planted.

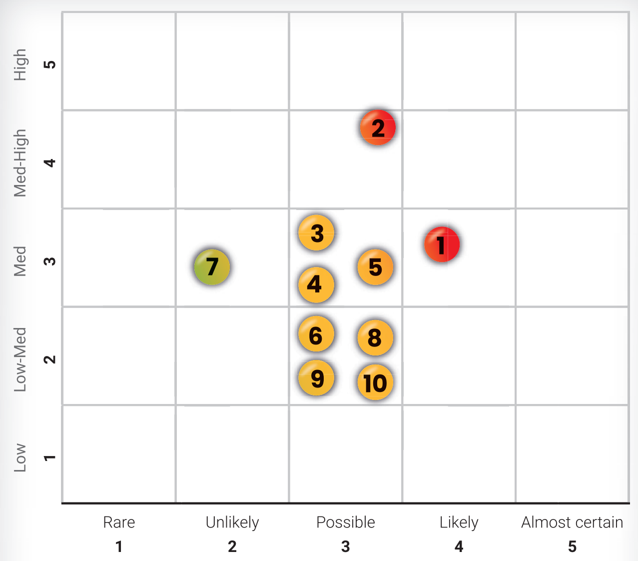
Fruitful Office works with an NGO, Ripple Africa, to plant trees in Malawi to combat deforestation and offset CO_2 emissions. This initiative is one of the largest and most successful tree-planting projects in Malawi, providing a long-term solution to fighting deforestation in Africa caused by the destruction of indigenous forests.

Climate change

MultiChoice aims to achieve carbon neutrality in GHG emissions by 2050 through a risk-based and phased approach.

The group conducts annual climate risk assessments to assess the impact of climate-related matters in the business, identify relevant climate-related risks and opportunities, and integrate the risk-based outcome into the group's management processes. In the past year, the following risks were identified:

The business continues to develop, mature and entrench risk mitigation processes for these risk notwithstanding that MultiChoice has a relatively low impact on the environment.



Risk

1 Increased carbon emissions due to high diesel and fuel consumption
2 Failure to achieve the Net Zero Carbon Emission targets
3 Impact of extreme weather events like hurricanes, floods, storms and wildfires
4 Environmental issues within the supply chain
5 Negative public perception due to inaction/negative contribution towards climate change
6 Exposure of Irdeto to the risk associated with energy price fluctuations
7 Non-compliance to environmental/sustainability legislation
8 Impacts of climate change on workers' Health and Safety
9 No dedicated subject expert in place or formally defined policies/procedures to govern the requirements and expectations of all MCG business units and partners
10 Increased regulations on products and services to improve the carbon footprint of products (including packaging)

Emissions

Most of our office buildings are environmentally friendly or, where possible, retrofitted for energy efficiency. Our Randburg South Africa office has a five-star green rating from the Green Building Council, and our Hoofddorp Netherlands office runs on renewable energy with an energy label A+.

MultiChoice measures its carbon footprint from scope 1 and 2 emissions taking guidance from the Greenhouse Gas Protocol. Our organisational carbon footprint reporting boundary identifies three types of sites:

- Office buildings, with a 3% materiality level
- Warehouses, owned or leased (>1 000m^2), excluding shared leased premises
- All key broadcasting sites

67 675 tonnes of CO_2e

Our carbon footprint in the past year was 67 675 tonnes of CO_2e **(FY23: 75 060 tonnes)**, with the largest contributor being electricity which accounts for 100% of scope 2 emissions **(61% of total emissions, FY23: 51%)**

Electricity usage is higher than in prior years as in FY24 Ghana, Mozambique, Namibia and Uganda were added to the reporting boundary based on size and materiality.

Our impact arises from using coal-fired electricity, which is the primary source of energy in many of the countries where we operate. During electricity outages, we use fuel such as diesel to power generators.

We have implemented several initiatives to improve the energy efficiency of electricity, air conditioning, data centres, heating and ventilation, as well as investing in green infrastructure, such as light motion sensors in buildings, LEDs with daylight harvesting, solar panels and energy-efficient inverter technology.

How our activities added value for our stakeholders continued

Delivering value to our society continued

South Africa

- A solar PV solution was installed in the MultiChoice City building.
- A Net Zero – Energy Performance review was conducted on all MultiChoice buildings over 2 500m^2. The certificates were issued and registered with the South African National Energy Institute (SANEDI). The recommendations will be implemented over time to ensure the desired NetZero energy performance target is reached by 2050.
- The biggest contributor to carbon emissions remains electrical usage. The power required to drive the technology- intensive operations primarily impacted by:
  - > Cooling equipment
  - > Technology equipment – computing and broadcast
  - > Studios and supporting rooms
  - > Lights
  - > Desk space equipment
- To limit the volume of electricity used, the following initiatives are in place:
  - > The use of air conditioning systems with energy-efficient screw-type technology
  - > Power factor correction systems to better manage load balancing of power between real, reactive and apparent power
  - > The use of energy-efficient inverter technology
  - > The use of free cooling chillers at Customer Care and Samrand site to reduce electrical usage providing cooling to the Data Centres
  - > The use of an ice storage system in MultiChoice City with which ice is made and stored using off-peak (night-time) energy in storage tanks, which is then used to cool the building during the day
  - > Solar carports at Samrand sites provide a 20% reduction of daytime electrical usage
  - > LED lights in buildings which are more energy-efficient
  - > The use of more energy-efficient variant refrigerant flow air conditioning systems in the Magic Centre and Customer Care buildings
  - > The use of LP gas appliances in the canteen facilities
  - > Pumps to backup water tanks with variable speed drives to save energy
  - > The use of more energy-efficient heat pumps

ROA – Nigeria

- The biggest contributor to the MultiChoice Nigeria emissions is electrical usage. The power required to drive the technology-intensive operations is large and is primarily impacted by:
  - > Cooling equipment
  - > Technology equipment – computing and broadcast
  - > Studios and supporting rooms
  - > Lights
  - > Desk space equipment
- To contain and if possible, limit the volume of electricity used, the following initiatives remain in place:
  - > Replacing the outdated chiller with energy-efficient chiller
  - > Installation of synchronising electric panels to monitor and regulate input and output power
  - > Ongoing replacement of outdated air conditioners with inverter air conditioning system
  - > Ongoing plan to install solar panels which will provide 30% reduction in daytime electrical usage
  - > Ongoing upgrading of all lighting in buildings to more energy-efficient LED lights
  - > Installed pumps with automatic pressure/float switch to backup water tanks with variable speed drives to save energy

Irdeto

- The Hoofddorp building has an energy Label A+ (provided by an independent auditor) based on a number of factors such as:
  - > Geothermal cooling/heating system – Provides heating and cooling throughout the building, with the system upgraded to supply more cooling to reduce electricity usage on our four backup chillers)
  - > Double glazing all over the building
  - > Moss covering on the roof (natural thermal blanket)
  - > In February 2023, we did a full office building maintenance system scan of approximately 80 hours, to identify where we could improve.
- Better management of the air conditioning systems in the Hoofddorp offices i.e., managing the geothermal heating system. This was initiated more than a year ago to better manage this system, reducing energy and costs.
- The Hoofddorp and Salzburg offices run on renewable energy.
- LED lights have been installed in the Hoofddorp offices to save energy.
- Successfully completed an external Energy Efficiency Directive Audit at Hoofddorp, (European guidelines 2012/27/EU).
- Starting our energy-saving obligation to the government on the Recognised Measures List (EML), which details energy-saving measures to take.

How our activities added value for our stakeholders continued

Delivering value to our society continued

Waste management and recycling

We understand the importance of keeping our planet clean and have implemented comprehensive waste management and recycling programmes across our facilities. These include:

South Africa

- General waste – A waste management company continues to deal with recyclable waste and send it to their respective recycling partners. Monthly reports are provided detailing the splits.
- E-waste – E-waste containers are in place at Randburg, Durban and Cape Town. These containers are available for employees and customers. The company that removes the waste provides certification of upliftment.
- Bio bin – Bio Waste bin in place which converts food and organic waste into compost, thus reducing items going to landfill and greenhouse gas emissions.

ROA – Nigeria

- General waste – Employing the services of a government waste management company to dispose of the waste from the MultiChoice office. Using recycle bins to sort the recycled waste and also partnering with a recycling company.
- E-waste – E-waste containers at the warehouse where e-waste is kept for disposal and destruction at government approved e-waste centre. The company that removes the waste provides certification of upliftment.

Irdeto

- Recycle office furniture – 40% of the furniture used was used in the previous offices and has been re-used by reupholstering.
- Phasing out single-use plastics – Single-use plastics are a big contributor to the plastic pollution that is seen globally. Irdeto has therefore decided to ban the use of single-use plastics from all our offices.
- Waste separation – To minimise waste, Irdeto implements waste management and recycling programmes at our facilities, supported by local municipalities or waste management companies. At every Irdeto location we strive to have separated waste streams and every office needs to have the basic separations in line.
- E-Waste – Due to the potential harmful environmental effects of e-waste that is not recycled properly, and the sensitive nature of the information stored on such equipment, e-waste is treated by a dedicated waste management company in line with security policy and practices for e-waste. Furthermore, in line with circularity principles, we aim to ensure that our electronic equipment is used for as long as possible before being disposed of. Equipment such as cell phones, computers, and server hardware therefore follow a refresh cycle to optimise their lifespan.
- *Initiatives at Hoofddorp restaurant* –
  - Not using plastic spoons, forks, cups and straws.
  - Coffee waste is recycled and used as ground for mushroom growth.

Water usage and saving initiatives

Water usage is mainly from:

- Bathrooms
- Canteens
- Gardens
- Shower facilities

Water saving has become increasingly important over the last few years. We have implemented several initiatives to minimise our impact on water resources. These include:

South Africa

- Dual flush system on all toilet facilities saving up to 40% in water usage
- Drip-piping sprinkler systems
- Grey water system in MultiChoice City whereby water from shower and basin facilities is used to flush toilets

ROA – Nigeria

- Extend drip-piping sprinkler systems in other locations where feasible
- Converted water from sewage treatment plants is used for flower gardens in other locations

Irdeto

- Dual flush system on all toilet facilities which can save up to 40% in water usage
- Sprinkler system in case of fire

03 Sustaining value

We remain focused on ensuring we have the agility and foresight to adapt and maintain our competitiveness and relevance in the long term

Section content

Our approach to sustainable value creation

Our businesses impact various communities, stakeholders and sections of society.

Therefore, we are committed to partnering with and supporting these stakeholders to enable shared prosperity. How we manage ourselves and these partnerships ultimately determines the extent to which we can create value in our business and contribute to society sustainably.

We view value creation as a holistic process

Our external business environment is constantly evolving and is influenced by rapid changes in consumer preferences, industry value chains, competitive dynamics, socio-economic factors and technological evolution. These dynamics are further exacerbated by global and regional macro volatility and the increasing complexity of the regulatory and tax environment.

We remain focused on ensuring we have the agility and foresight to adapt in order to maintain our competitiveness and relevance in the long term. To this end, we adopt a robust process of identifying and evaluating material matters that currently affect our business or will continue to do so in future.

We complement this approach with a rigorous planning framework to ensure we pursue opportunities timeously and manage risks appropriately. Our strategic priorities are then informed by our external business environment, having regard to the material matters we have identified and their resultant opportunities and risks. We support sustainable value creation through investment in our businesses, partnerships and people.

Our external business environment

We operate in dynamic industries in markets that are often unpredictable. This requires us to anticipate and adapt to shifting circumstances in a way that allows us to pursue our longer-term strategic objectives without compromising on short-term delivery and consistent execution over the medium term.

Short-term operating challenges worsened in FY24

The regional operating environment deteriorated meaningfully through the course of FY24, with local currency shocks, elevated inflation and interest rates, weak growth and unique localised challenges in key markets like South Africa and Nigeria severely constraining consumer and business activity.

We refer to calendar years rather than our financial years below to align with how leading macro-economic statistics are generally reported in the market.

- **Global headwinds:** despite pockets of optimism e.g., AI development, the US economy, the Japanese stock market, and Argentinian politics, the economic and geopolitical environment remains fraught. Conflict in the Middle East added to the Ukrainian conflict and tension between the West and China. Although inflation appears to have peaked in developed markets, it remains above central bank targets, preventing interest rate cuts. Global food inflation moderated slightly from the low- to mid-teens range in 2022 to the high- to mid-single digit range in 2023. Global trade is weak and government debt is high.
- **Commodities:** commodity prices were generally lower in USD terms in 2023 given fairly stable supply dynamics, a strong USD and muted economic growth. Oil prices averaged USD83 per barrel in 2023, down from USD100 per barrel in 2022, with local currency weakness against the USD being the key driver of energy cost inflation in our markets.
- **Infrastructure and services:** reliable and affordable power remains a challenge in key markets like South Africa (persistent loadshedding plus high electricity tariff inflation), Nigeria (removal of fuel subsidies impacts generator costs) and Zambia (drought impacts hydropower). Economic activity in South Africa is further suffering from metro and municipal failings, water infrastructure challenges and shortages, and rail and port logistical bottlenecks.
- **People:** skilled emigration remains a concern for large economies like South Africa and, increasingly, Nigeria, given the negative impact on the tax base, skilled labour and entrepreneurial base, and middle- and upper-class customer bases in those markets. South Africa's unemployment rate ended the fourth quarter of 2023 at 32.1% (41.1% under the expanded definition), with youth unemployment at 44.3% (15–34 years of age).
- **Regulators and tax authorities:** regulators and tax authorities continue cooperating and communicating more closely across the continent, while also pushing ever growing costs of compliance down onto corporates given growing levels of scrutiny, *ad hoc* assessment, and persistent intervention. Growing fiscal deficits and other pressure points for governments have prompted a more combative stance towards corporates, regardless of good historic standing.
- **Real GDP growth:** the World Bank estimates that real growth in gross domestic product (GDP) in sub-Saharan Africa has slowed from 4.4% in 2021 (post-COVID recovery) to 3.7% in 2022 and 2.9% in 2023[1]. It expects growth in the region to recovery into 2024 (3.8%) and 2025 (4.1%) but is the only emerging and developing region that is expected to have lost ground against advanced economics on a GDP per capita basis over the period from 2010 to 2025.
- **Inflation rates:** while certain of our markets like South Africa and Kenya saw inflation easing into 2023, certain other markets like Nigeria, Ghana, Zambia and Angola saw an acceleration on already high levels of inflation. Food and fuel inflation have been particular pain points for consumer discretionary spend, exaggerated by imported inflation from weak local currencies and policy choices such as the removal of the fuel subsidy in Nigeria and Angola.
- **Interest rates:** following the sharp step-change in global interest rates in 2022, 2023 was more moderate by comparison. The US Federal Funds rate increased by 100bps to 5.5% vs an increase of 425bps in 2022 the Bank of England +175bps to 5.25% in 2023 vs +325bps in 2022; and the European Central Bank +200bps to 4.5% in 2023 vs +250bps in 2022. Key African markets pushed through higher rate hikes of 100-400bps to manage inflation and currency pressures with the South African Reserve Bank hiking by 125bps YoY to 8.25% and the Central Bank of Nigeria hiking by 225bps YoY to 18.75%.
- **Currencies:** we saw currency weakness against the USD across our markets, aside from Mozambique and Uganda, with average exchange rates across 2023 losing between 4% and 35% of their value year on year.

	Real GDP growth[1]		Inflation rate[2]		Central bank interest rate[3]		Exchange rate versus USD[4]	
	2022	2023	2022	2023	2022	2023	2022	2023
South Africa	1.9%	**0.7%**	7.2%	**5.1%**	7.00%	**8.25%**	(9%)	**(11%)**
Nigeria	3.1%	**2.9%**	21.3%	**28.9%**	16.50%	**18.75%**	(4%)	**(34%)**
Kenya	5.5%	**5.0%**	9.1%	**6.6%**	8.75%	**12.50%**	(7%)	**(16%)**
Zambia	3.0%	**2.7%**	9.9%	**13.1%**	9.00%	**11.00%**	16%	**(17%)**

[1] *GDP data from the World Bank Global Economic Prospects Report (January 2024).*
[2] *Inflation data represents the inflation rates in December of a given year, extracted from the Trading Economics website.*
[3] *Benchmark interest rate shown in December of a given year, extracted from the Trading Economics website.*
[4] *Exchange rates represent the average of the month-end rates for the calendar year per our group's accounting system.*

Our external business environment continued

Medium to longer-term opportunities improved in FY24

Sub-Saharan Africa (SSA) represents a compelling medium- to long-term opportunity. Population growth, notably working age, urbanisation and electrification rates, and disposable income and consumption growth support a massive middle class and addressable market further underpinned by:

- **Venture capital (VC) investment:** although 2023 deal volumes and value fell from 2021–2022 highs on the back of a global VC funding winter (due to rising interest rates, renewed focus on due diligence, and a soft macro environment), they were still well ahead of 2020, which is supportive of the long-term opportunity on the continent. Partech estimates that 437 equity deals were concluded worth USD2.3bn, down 32% and 54%, respectively, YoY but still 32% and 60% up on 2020, respectively. This aligns with our capital allocation decisions to invest behind key new verticals such as streaming, sports betting and fintech.
- **Connectivity:** the GSM Association forecasts rapid uptake of mobile connectivity in SSA, which will support the uptake of our streaming, sports betting and fintech businesses to drive scale and operating leverage into those nascent platforms:
  > Unique mobile subscribers to grow from 489m in 2022 to 692m in 2030
  > Mobile internet penetration to rise from 25% in 2022 to 32% in 2030
  > Smartphone penetration to rise from 51% in 2022 to 88% in 2030
  > 4G plus 5G penetration to rise from 22% in 2022 to 66% in 2030
- **Mobile money:** the GSM Association also estimates that there were 234m monthly active mobile money accounts in SSA in 2022 (+12% YoY), supported by 10m registered agents (+32% YoY) and driving USD912bn in transaction value through the course of 2023 (+12% YoY). Mobile money will be a critical enabler for all of the Group's business lines, supporting the ability for customer to pay for our services directly, while also supporting economic growth and financial inclusion and broadening the addressable market on the continent.
- **Pay-TV:** Digital TV Research forecasts that traditional linear pay-TV subscriptions in SSA will grow by 12m subscribers between 2023 and 2029, growth of 28% or a 4% CAGR. Around 60% of the current market and subscriber adds will come from the satellite market, with the remainder from the DTT market. We continue to see scope to grow our linear base and pay-TV penetration over time, once the macro-economic and consumer environment has stabilised.
- **Streaming:** Digital TV Research forecasts that SVOD subscriptions in SSA will grow by 9m subscriptions between 2023 and 2029 (from 7m to 16m), growth of 129% or a 15% CAGR. The percentages of TV households taking at least one SVOD service will rise from 4.7% to 7.1% over the forecast period, with South Africa and Nigeria the two largest markets, representing over 9m or close to 60% of the total market. The Group has step-changed its ambitions in streaming with the rebranding and relaunch of both DStv Stream and Showmax during FY24 and the group has ambitions to grow beyond market expectations of the addressable streaming opportunity.
- **Interactive entertainment:** H2 Gambling Capital forecasts that the online gaming and betting market in SSA will grow from around USD4bn in 2023 to over USD8bn in 2027, a CAGR of 20%, well ahead of the 7% growth rate in the land-based betting market over the same period. Online gaming is expected to grow more quickly off a lower base, growing from around a quarter of the online market to around one third. The Group continues to support and collaborate with KingMakers on driving the business in its existing markets, notably with the launch of SuperSportBet in South Africa during FY24, while planning for new market launches in due course.

Competitive dynamics remained in FY24

The same macro-economic challenges that are weighing on our business are impacting competitor subscriber growth, advertising revenues and translated local currency revenues too. Nonetheless, our industry remains dynamic in terms of shifts in the technology, consumer and competition landscapes.

- We estimate that several markets have crossed mobile broadband affordability thresholds which supports video services and non-video entertainment (social media and gaming), and is therefore a competitor to our traditional linear services and supportive of the our streaming initiatives.
- StarTimes is our largest linear competitor across sub-Saharan Africa, while we also compete with strong regional operators e.g., ZAP (Angola), Azam (Tanzania) and Zuku (Kenya).
- Free-to-air, notably in news and local content, remains a strong competitor for viewership and advertising revenue in many markets, including South Africa, Kenya, Ghana and Ethiopia.
- Competition from global and local OTT players has increased in recent years through:
  > Advertising video on demand (AVOD) players, often linked to social networks, such as YouTube and TikTok, and free ad-supported streaming television (FAST) services such as rlaxxTV
  > Global SVOD services such as Netflix and local SVOD services like ViuSasa in Kenya
  > Traditional studios, networks or media companies going direct to consumer with SVOD, AVOD/FAST or hybrid services, e.g., Disney with Disney+
  > Non-video businesses deploying value-added services to drive user engagement in their ecosystems, such as Amazon (Prime Video) and Apple (Apple TV+)
  > Transactional video on demand such as the iTunes and the Google Play stores
  > Linear broadcasters or FTA operators introducing complementary OTT services e.g., StarTimes ON by StarTimes, eVOD by e.tv and SABC+ by the SABC
- However, competitive pressures from global players are not uniformly ramping up:
  > Global streamers are increasing prices, moderating content investment, revisiting content licensing, introducing ad-supported tiers, limiting password sharing, pursuing consolidation and scaling back in marginal markets to achieve sustainable profitability.
  > Prime Video is reducing staffing and local content production in the Middle East, North Africa and sub-Saharan Africa, while Disney is merging its Indian operations with Reliance to reduce risk and support profitability.
  > Operators such as Warner Bros Discovery and Paramount have indicated that they will be selective about in which markets they launch D2C services and in which markets they partner or license content.

What these major trends mean in the context of our markets

We have identified the evolving video entertainment landscape as a material matter. We see the ability to adapt appropriately to changing needs as a key strategic requirement. It is important to adopt a measured approach to change that is suitable in the context of our markets.

Refer to page 57 of our material matters section, which presents risks and opportunities for our business.

Material matters

Materiality is the threshold at which sustainability topics become sufficiently important that they should be reported. We are guided by the below process when determining our material matters:

1

Using a risk-based approach, we identify matters that are potentially material

We reflect on the following:

- Our business strategy
- Our capital allocation process
- Our financial and operating performance
- Our budgets and business plans
- Our risk registers and heat maps
- Our opportunity set
- Our engagements with stakeholders
- Our operating environment
- Our societal and environmental impact and obligations

2

We interrogate the matters we have identified to determine and prioritise the material ones

We prioritise material matters based on their ability, potential or likelihood to meaningfully affect the creation, preservation or erosion of value through their impact on our business, our key stakeholders, our capitals and our internal and external operating environment. We consider both positive and negative matters, including a determination of what is material for our various our stakeholders.

3

We review, address and report on our material matters

The material matters identified are also issues on our board and or committee agendas. These matters are comprehensively discussed and addressed.

Our material matters were as follows:

1

Customer satisfaction (perpetual material matter)

Our customers are always our primary focus.

Delivering value to our customers is critical to our ongoing business success. To ensure we achieve this, we focus on developing, launching and improving relevant products and services, while designing excellent customer service experiences to support our offerings.

Optimising the elements that support customer acquisition and retention is a key driver of our operating performance, given our largely fixed-cost business. We also need to accommodate exogenous pressures such as tightening consumer spend and affordability across our markets, along with unique challenges around the availability of electricity and mobile broadband connectivity.

Link to risks:

- Economy
- Disruption and competition
- Securing content

Link to strategic priorities:

Subscribers Content SVOD

Link to opportunities:

- Large and growing addressable pay-TV market
- A unique understanding of our customers' needs and experiences
- Rapidly developing linear and OTT streaming market

Link to stakeholders:

Customers

Material matters continued

2 Evolution of our industries (perpetual material matter)

The sectors in which we operate undergo perpetual change, requiring us to adapt accordingly.

The global video entertainment industry continues to evolve as new technologies and business models provide differentiated and disruptive offerings. This presents both a risk of increased competition for subscribers and content, and an opportunity to scale or adapt our business model, e.g., through our OTT and aggregation offerings.

The same principle applies to our Advertising business, DStv Media Sales, our Technology business, Irdeto, and newer investees like KingMakers and Moment. This principle has also partially informed our strategy to develop our platform beyond pure video entertainment.

Link to risks:

- Disruption and competition
- Securing content
- Technology

Link to strategic priorities:

Content · Ecosystem · SVOD

Link to opportunities:

- All

Link to stakeholders:

Customers · Suppliers and partners

3 Executing our strategic priorities (short to medium-term material matter)

We operate in a complex environment requiring focused strategic execution and capital allocation.

South Africa: Focus is on subscriber retention in the premium and mid-market, growth in the OTT and mass market, and profit and free cash flow generation.

Rest of Africa: Focus is to return to sustainable free cash flow generation through further scale, pricing and cost controls, while navigating macro challenges such as foreign exchange headwinds.

Showmax: Focus is on scaling the business rapidly in order to move through the medium-term investment curve rapidly.

Rest of group: Focus is to support group revenues, profits and free cash flows through established businesses like Irdeto and DStv Media Sales, while driving scale and growth into nascent verticals through KingMakers and Moment.

Link to risks:

- Economy
- Securing content

Link to strategic priorities:

Efficiency

Link to opportunities:

- All

Link to stakeholders:

Shareholder · Suppliers and partners

4 Attracting and retaining talent (perpetual material matter)

Our people are fundamental to our ongoing success.

Attracting and retaining the right people to achieve our goals is a key aspect of our strategic thinking. We are passionate about creating a workplace where people are engaged and inspired to create the best solutions for our customers.

Key focus areas include growing diverse, representative talent in critical areas of differentiation (such as content, engineering and data science), and developing succession plans for leadership and critical strategic and technical roles to ensure growth and continuity.

Link to risks:

- Talent and skills scarcity

Link to strategic priorities:

Content · Ecosystem · SVOD · Efficiency · Growth · Technology

Link to opportunities:

- All

Link to stakeholders:

Shareholder · Suppliers and partners

Material matters continued

5 Developing local entertainment and sports industries and African entrepreneurs (short to medium-term material matter)

Supporting the entertainment and sports industries in our region and backing African entrepreneurs benefits all our stakeholders.

Our investment in local entertainment content creates jobs across the spectrum of the creative industries and provides a platform for homegrown talent to shine. Our investment in local sports supports sports bodies, enabling them to generate sustainable income streams and continue developing their codes and talent.

We have also expanded the remit of the MultiChoice Innovation Fund to support the many budding entrepreneurs beyond South Africa's borders.

As a responsible corporate citizen, we also aim to make a contribution beyond just our business.

We believe in strategic CSI and our initiatives are aimed at promoting sport and content production across sub-Saharan Africa, while positively addressing issues such as health, education and empowerment.

Link to risks:

- Economy
- Securing content
- Disruption and competition

Link to strategic priorities:

Content

Link to opportunities:

- A unique understanding of our customers' needs and experiences

Link to stakeholders:

Suppliers and partners

Society and the environment

6 Government policy, regulatory and tax environment (perpetual material matter)

Polices and regulations underpin market structure, but need to be well considered, while tax revenues support governments but need to be judiciously applied.

The industries in which we operate are highly regulated, with regulations varying across our markets. Material changes in regulations may require us to adapt our business model and may impact our customer value proposition. The overall policy and regulatory environment in the countries we operate in can also constrain economic activity if unnecessarily stringent and burdensome or may not sufficiently support economic activity if personal, property and contractual rights are not sufficiently protected. Taxation frameworks can disincentivise investment and economic activity if not applied with sufficient consideration.

Our approach to policies, regulation and taxation remains proactive as we engage with regulators and authorities constructively through our dedicated teams. This ensures we keep abreast of all developments, while providing input that promotes a balanced and evidence-based regulatory environment and fair taxation policies and implementation.

Link to risks:

- Regulatory and licensing

Link to strategic priorities:

- None

Link to opportunities:

- None

Link to stakeholders:

Government and regulators

Opportunities and risks

How we identify and pursue opportunities

As the industries that we operate in continue to evolve, we actively evaluate and cultivate a pipeline of opportunities aligned to our purpose and broad strategic priorities. This approach has allowed our group to grow through organic growth and innovation, such as our digital DTH satellite launch in 1995, our DTT launch in 2010 and our SVOD launch in 2015. By joining forces with Comcast in 2023, we are accelerating our SVOD ambitions with the goal of becoming the leading streaming platform on the African continent. We aim to deliver similar success in the interactive entertainment and sports-betting sector through our investment in and partnership with KingMakers and in the fintech space through our Moment joint venture with Rapyd.

Our top five opportunities

1 A large and growing addressable pay-TV market

With an installed base of 20.9m 90-day active subscribers, we aim to drive subscriber growth in our traditional pay-TV business as we target an addressable market of 56m households in sub-Saharan Africa in FY24, growing to 63m by 2029 (+13%).

- We take a long-term view and are comfortable with supporting our businesses through economic and business cycles.
- We are focused on retaining subscribers in South Africa and across our Rest of Africa footprint.
- We also enhance our consumer value proposition by developing new product and service offerings, (e.g. DStv Internet) while monitoring trends in offshore markets to identify opportunities applicable to our markets.

2 A unique understanding of our customers' needs and experiences

With 39 years' experience in running a 24/7, 365 days-a-year service, we understand the preferences of our diverse subscriber base, and are well placed to anticipate and address their evolving needs through innovation and content aggregation.

- We aim to offer our customers a full-service content mix with appropriate tiering to suit their circumstances.
- Our satellite-only, hybrid (satellite and streaming) and streaming-only devices, and our third-party streaming service distribution partnerships enhance our aggregation journey.
- We improve each touchpoint in the customer journey to drive continual improvements in activity rates.

3 A rapidly developing linear and VOD OTT streaming market

We see an opportunity to drive meaningful growth in OTT services as developments in technology resolve access and cost barriers for internet connectivity and connected devices.

- Our Comcast partnership provides us with the robust, world-class technology platform and desirable international content we need to scale our Showmax SVOD business to even greater heights.
- Our DStv Stream service was rebranded and relaunched in FY24 as we seek to develop the platform into a value-added service to support existing linear customers, while attracting new connected customers through a more convenient and affordable offering.

4 A high-growth interactive entertainment and sports-betting market

Customers' entertainment needs and preferences continue to expand beyond traditional video consumption to include more interactive entertainment experiences.

- Our investment in KingMakers represents our first meaningful foray into interactive entertainment, with their sports-betting services directly complementary to our video entertainment services.
- We see significant scope to grow in this space, both in terms of a broader geographic footprint (especially having launched SuperSportBet in South Africa in FY24), and an enhanced service offering (with KingMakers having expanded its virtual and casino offerings).

5 A massive potential fintech market, including payments and insurance

As the continent becomes more connected, consumers and businesses will increase the scope of their online activity and require a set of comprehensive solutions to support financial transactions and interactions.

- To tap into this opportunity, we have partnered with Rapyd, a best-in-class global fintech operator, and General Catalyst, a best-in-class venture capital firm, to create Moment, an African fintech platform. Moment already provides payment service solutions to Showmax and DStv.
- Our partners contribute capital and expertise, and we bring a scaled customer base and an established payments business.
- We are also looking to further build on the strong momentum we have generated in our DStv Insurance business.

Opportunities and risks continued

How we manage and mitigate risks

MultiChoice continues to apply a robust risk management approach in all areas of operation. Macro-economic factors, organisational changes, and the competitive landscape are everchanging. For this reason, we are committed to developing and implementing risk plans that identify and mitigate potential threats to strategy and operational objectives. These plans are continuously monitored and adapted to remain relevant.

Our top ten risks

1 Regulatory and licensing

We operate in a highly regulated industry with multiple complexities to consider across the African continent. Material changes in our regulatory environment can have a significant impact on our ability to provide high-quality services and products to our customers.

2 Currency depreciation and liquidity

The continuous and often sharp depreciation of local currencies, especially in Nigeria, South Africa, Zambia, Ghana and Angola, against major foreign currencies such as the USD. This increasingly puts pressure on the cost of running our business with a significant portion of general entertainment content and sports rights being purchased in USD, especially when hedging becomes economically unviable. Furthermore, liquidity restrictions in countries such as Nigeria can increase group funding requirements as and when cash gets trapped in-country or we lose material value on extraction.

3 Negative macro-economic factors

Negative macro-economic factors, such as high unemployment, rising or elevated inflation, increasing interest rates, political uncertainty and ongoing electricity shortages (notably in markets like South Africa, Nigeria, Zambia and Malawi), place pressure on the economies of the countries we operate in, as well as on consumer affordability.

4 Piracy

With the increasing availability and adoption of uncapped data packages, illegal downloading from peer-to-peer sharing sites continues to rise. The illegal retransmission and piracy of content, including illegal connections, file sharing, illegal internet streaming of sports content and the piracy of local content remain critical risks to the business.

5 Disruption and competition

The entertainment landscape is becoming increasingly competitive with strong global and local competitors driving increased activity in our markets. Consumers have credible alternatives from multiple sources in video and alternative forms of entertainment. Further, content providers may choose to license their content to intermediaries or go directly to consumers, withdrawing rights from us in the process.

Risk mitigation

1 Regulatory and licensing

- Our focus remains on full compliance with existing regulations.
- We continue to engage with regulators and industry bodies proactively.
- Through this approach we keep abreast of all developments while providing input that promotes a balanced and evidence-based regulatory framework.
- We conduct ongoing regulatory reviews and take the necessary steps to mitigate stakeholder concerns.
- Our dedicated and experienced teams (internal and external experts) assist with regulatory engagements, responses to inquiries and other projects/submissions.
- We promote active engagement with management, government and regulatory authorities about how the proposed regulations could impact the industry and consumers.

2 Currency depreciation and liquidity

- We hedge our foreign exchange exposures where it is economical to do so.
- Continued focus on reducing costs and improving efficiencies to offset any top line pressures.
- We continue moving costs into local currency where feasible.
- We engage with central banks and our network of banking partners in-country to assist with cash extraction.

3 Negative macro-economic factors

- We understand the financial pressure our customers face and we remain focused on our value proposition to customers, including affordability.
- We offer customers various product options suited to their circumstances, supporting value for money with the flexibility to adjust to their unique and changing circumstances.
- We continue investing in new products, services and businesses to enhance customer experience while diversifying our revenue streams into the future.

4 Piracy

- We continuously invest in our Platform and Application Security division, Irdeto, which offers cybersecurity and anti-piracy solutions in media and gaming.
- Partners Against Piracy (PAP) is a pan-African campaign that works towards preventing content piracy. We are actively supporting PAP and aim to create awareness and educate the general public about the negative impact of consuming illegal content.

5 Disruption and competition

- We understand entertainment and technology are evolving, as are consumption habits. As such, we continuously invest in product and service innovations, and we focus on better products, value and customer service.
- Retaining attractive content rights is a priority, as is investing in our platforms and our content and technology partnerships to maximise mutual benefits.
- We are diversifying our product portfolio and service offering by investing in opportunities in areas adjacent to video entertainment and our established platform to provide a wider array of products and services to our customers.
- We continue exploring opportunities for relationships with telcos and other third parties to enhance our consumer value proposition through convenience, bundled savings etc.

Opportunities and risks continued

Our top ten risks continued

6 Cybersecurity

The security of our information assets, including content, customer and employee information, is critical. Failure to protect these assets poses a legal and reputational risk.

Risk mitigation

- We continuously invest in systems and technology to identify vulnerabilities and prioritise the remediation thereof to enhance systems security and reduce business interruptions.
- We employ a chief information security officer and chief data officer to ensure appropriate management attention to this critical risk.
- Controls over information assets are continuously tested, e.g., through unauthorised access and systems penetration testing, risk assessments and internal audits. Policies are implemented to address information security risks, e.g., around information security incident management and acceptable usage of the group's technology devices and resources. Focus is also placed on the content value chain and protection of customer and employee information. For example, we ensured compliance with data protection laws to mitigate against risks. International studios undertake security assessments from time to time in support of their agreements with us.
- We obtained our Content Delivery and Security Association (CDSA) certification in September 2023 and will undergo the same assessment again in the year ahead to ensure we remain accredited.

7 Taxation

Tax audit activity across Africa continues to increase, prompted by the need for improved revenue collections in poor performing economies. These often lead to unreasonable and aggressive preliminary stances taken by revenue auditors, which are often unsubstantiated and must be rigorously defended and challenged. There are also numerous local and international tax policy changes being introduced, which further increase the risk of double or unjust taxation.

Risk mitigation

- We continuously bolstered our tax compliance team to ensure the brightest experts are onboarded. Regular tax compliance reviews are done internally and through external advisers to ensure we abide by the laws in the countries in which we operate.
- Tax assurance is a key element of our approach to tax. We regularly conduct transfer pricing benchmarking and assurance reviews.
- We actively participate in global and regional tax policy and tax administration discussions (e.g., via the Africa Industry Tax Association or other business and professional forums).
- We strive to build and maintain good relationships with the African Tax Administration Forum and other relevant bodies.
- We regularly review our tax resources (internal and external experts) to ensure the group has the capacity to deal with the challenges highlighted.

8 Talent and skills scarcity

To move into the next generation of media services, we require talent and competence to operate in a data-driven world of big data, machine learning and AI; all areas with skills shortages globally. However, the focus on talent and competence is not limited to these areas.

Risk mitigation

- The group's reward structures are aimed at retaining employees in key areas and include bonuses and share schemes.
- We identify the scarce skills and competencies required in all areas of our business.
- Focused recruitment of scarce skills remains a priority.
- This is supported by programmes designed to develop a pipeline of talent.
- We partner with vendors for skills transfer and programmes.
- We position our company as an employer of choice.

9 Technology

Technology is integral to our strategy and operations and receives continuous focus to ensure we can seamlessly align key strategic requirements with our customer journey.

Risk mitigation

- We invest in improving our existing systems and platforms, and monitoring, innovating and collaborating to offer increased value to customers, which are all a key part of our business plan.
- Our IT controls framework, based on Control Objectives for Information and Technologies framework, continues to be implemented in new developments, changes and error corrections. The framework's robustness is regularly reviewed.
- The Showmax streaming business was successfully migrated to the Peacock technology platform and went live in February 2024. The new platform, which was made possible through the equity partnership with Comcast, NBCUniversal and Sky, will enable the management of changing volumes of customer traffic by scaling according to viewing requirements and offer an improved viewing experience
- An equity partnership with Rapyd in our Moment fintech business leveraging Rapyd's payments technology to offer a better payment experience to customers successfully launched during the year, including offering key payment solutions to Showmax with its relaunch
- Rigorous testing programmes are implemented for all software updates and rollouts for our internal systems and platforms.
- Redundancy processes are embedded in our Samrand and Isando facilities as well as in the Rest of Africa business.
- All departments related to technology sit in one technology hub, for which focus areas are driven by the group's chief of technology.

10 Impact of continuous loadshedding

Loadshedding has become the norm in South Africa (and, to a lesser extent, Zambia and Malawi). High stages of loadshedding (i.e., stage 5 and higher in South Africa) continuously increase subscriber disconnections as they are unable to watch content for hours at a time. Operational challenges are also experienced, such as DStv Agencies not having backup solutions and installers being unable to service customers.

Risk mitigation

- Customers are encouraged to make use of our DStv Stream, the SWITCH'D ON channel and Showmax platforms during loadshedding, which allows them to download content ahead of loadshedding, which then provides them with entertainment during an outage.
- Backup solutions are in place for main buildings to allow operations to continue with business as usual.
- Installers are being equipped with UPS packages to allow them to continue with installations during loadshedding.

Our strategic priorities

Our ambition is to create value for our shareholders on a sustainable basis by leveraging our existing platform to create a broader ecosystem of consumer services. We plan to do this by maintaining a leadership position in our traditional video business, and by capturing the nascent African SVOD opportunity with our global streaming partner. We also aim to support investee companies, KingMakers (sports betting) and Moment (fintech), on their development paths and will consider further targeted investments or strategic partnerships over time.

Lead in content aggregation and differentiate in local and sports content

In an evolving video entertainment industry, a differentiated content strategy is key to success. Our strength lies in our local content expertise, the appeal of our sports offering, our ability to source suitable international general entertainment content and our ability to aggregate and connect our viewers to a full-service video entertainment offering.

Our significant investment in local content sets us apart from international competitors, especially as African viewers love to see content in their own languages, with local actors and stories that resonate culturally. The return on our investment in local content remains favourable at scale and is further enhanced by the fact that, unlike international content, it does not carry currency risk. As we own this content, it also allows us greater control and flexibility in how we leverage this content across our packages, services and platforms.

The quality of our sports offering is well recognised. We remain committed to providing our customers with access to the best and most exciting local and global sports events, while at the same time carefully managing the cost of acquiring sports broadcasting rights to ensure suitable returns. We are the largest funder of sport on the African continent and support the sporting ecosystem from grassroots up. Our local production capability is unmatched and is globally recognised by peers and sports bodies for its professional expertise and quality.

We also ensure that our subscribers enjoy a compelling international general entertainment content offering through licensed series, films and channels, and through access to third-party streaming services on our connected devices.

A fundamental shift in the video entertainment industry has created new ways for us to engage with our customers as they opt for a portfolio of entertainment options. Aggregators like us are best placed to provide a single, seamless customer interface to an entertainment platform of choice in the home.

How we performed in FY24

- Produced and aired our ground-breaking original production, *Shaka Ilembe*
- Broadcast the 2023 Rugby World Cup, 2023 Cricket World Cup and 2023 Women's FIFA World Cup
- Were host broadcasters for the successful 2023 Netball World Cup with a world first all female production crew
- Launched three new proprietary local language channels
- Produced 6 502 hours of local content, down 1% YoY
- Grew local content library by 12% YoY, to 84 871 hours
- Broadcast 34 490 live sports events (+39% YoY) and 992 own live productions (-7% YoY)
- SuperSport Schools delivered 49 883 hours of live school sports (+47% YoY)
- We renewed selected sports broadcasting rights available for renewal this year, including UEFA Champions League, La Liga, SA Rugby, the men's and women's IPL, Tour De France, World Athletics Championships, ICC Cricket tournaments and Indian cricket, the PGA Tour and Open Championship Gold, the US Open tennis and the UFC
- We renewed several studio deals during the year, including NBCUniversal, Paramount, Disney, Amazon MGM, Warner Bros Discovery and HBO, and the BBC

Looking ahead

- Optimise the balance between increased local content production hours and impactful and quality content
- Renew relevant sports and general entertainment broadcasting rights on an ongoing basis at an acceptable cost

Our strategic priorities continued

Drive growth and support retention and activity rates in our linear business

Growing and maintaining a vibrant subscriber base remains key to our long-term success as a group, even if short-term macro-economic headwinds negatively impact our momentum, as was the case in FY24. Our linear pay-TV base forms the foundation for our broader set of strategic priorities and sub-Saharan Africa offers a large addressable market for our portfolio of products and services given growing disposable income levels on the back of a growing working-age population, urbanisation, and improving access to electricity, mobile connectivity, smart connected devices, and financial services. Our aim is to capture opportunities through strategic innovation, partnerships and investments in order to sustain growth and support customer activity levels, retention and loyalty.

Our South African subscriber base reflects unique characteristics across the various packaged tiers, requiring us to cater differently for our subscribers' specific requirements and circumstances. Given South Africa's current economic and loadshedding challenges, we are particularly focused on retention in our largest market, while some growth opportunities still remains to be explored in the mass market as and when market conditions improve.

In the Rest of Africa, scaling our customer base and implementing inflationary-linked pricing remain an essential element of the segment's path to self-sustaining cash generation. This is also critically important in driving operating leverage into a largely fixed-cost base to offsetting currency headwinds. Our Rest of Africa markets remain underpenetrated and supportive of sustained growth outside of periodic short-term macro-economic and currency-led market challenges.

How we performed in FY24	Looking ahead
• Coming off a high-growth FIFA World Cup year, subscriber growth came under pressure this year due to the extremely challenging macro-economic environment and negative impact of specific regional issues, such as the removal of fuel subsidy in Nigeria, loadshedding in South Africa and rising interest and inflation rates on consumers. The total active customers from 17.3m to 15.7m. • We were able to grow our DStv Stream base by 210% YoY, with over 77 000 customers enjoying our Extra Stream offering at year-end. Our DStv Stream offering was expanded into the Rest of Africa and is now available in 13 markets). • We launched GOtv Stream as a value-added service to existing GOtv subscribers. • We grew our DStv Play subscription revenues by 6% on the back of a targeted restructuring of the value proposition and pricing of our packages. • We launched GOtv Supa+ to provide a broader selection of content to DTT subscribers, resulting in higher ARPUs. • We launched Family+ in Angola in the mass market.	• Protect our subscriber base despite a challenging consumer environment • Drive the uptake of our DStv Stream service and bundles with our connected devices and FLTE internet offerings • Enhance our overall consumer value proposition through customer value management to support our retention and activity efforts • Continue to develop entertainment and consumer services that complement and support our core video offering to support customer acquisition, churn, activity rates and ARPUs

Leverage SVOD capabilities to accelerate adoption

Our track record reflects our ability to pursue innovation and adopt new technologies with the aim of catering for our customers' ever-evolving needs. Although there have historically been challenges around broadband access and affordability in our markets, customer behaviour is increasingly moving online. We believe that we are approaching an inflection point in broadband availability and affordability, which will support an acceleration in streaming service adoption. As such, it is critical that we position our business ahead of the growth curve and anticipated increase in competition.

By joining forces with Comcast to relaunch our Showmax offering, we are looking to build on our historic streaming success and accelerate the uptake of our SVOD service by leveraging our local content and execution capabilities, as well as the Comcast group's international content and scaled technology capabilities. We are aiming to become the leading streaming service on the continent as the market opportunity scales by:

- Further differentiating and strengthening our content line-up, particularly in local content, sport and through one of the leading global content portfolios
- Continuing to improve the UI, UX and scalability of our service, by leveraging the best technical features of Peacock and Showmax

We are mindful of the global commentary and debate around streaming models as we exit a decade of cheap money and a 'growth at any cost' mindset. With the benefit of a long-term view and hindsight from observing the experience of our global peers, we are working with our partners to develop and execute a streaming strategy that does not pursue scale at the expense of sustainable economics and appropriate returns on investment.

Streaming is quickly becoming a consumer preference in developed markets and, notwithstanding necessary refinements to the business model, the world is not going to walk back from this technology-enabled evolution in video. Our objective, then, is to become the streaming service of choice for all Africans as part of our broader set of video services that cater to the needs of all our consumers.

How we performed in FY24	Looking ahead
• We finalised our joint venture with the Comcast group to create the leading SVOD service for the African continent and successfully relaunched Showmax with its refreshed branding and new technology platform. • We delivered 59 Showmax Originals, up from 48 in FY23.	• Add new payment options and technical enablement as we roll out our localisation strategy to new markets in FY25 • Further invest in Showmax Originals • Accelerate our customer growth in both our general entertainment and football products

Our strategic priorities continued

Enhance our ecosystem of scalable, tech-based consumer services

To complement our existing Video Entertainment business, we are looking to develop future revenue streams by investing in opportunities that are consumer-focused, leverage our scale and local advantages, and are underpinned by scalable technology. We are well positioned to develop and support a compelling ecosystem of consumer services in sub-Saharan Africa given: our scale and distribution capabilities; our reach of over 21m households across 50 countries; our proven track record of delivering video entertainment services over nearly 40 years; our investment in enduring relationships with customers and suppliers; our ability to manage in-country regulatory, language and cultural nuances; and our unrivalled payment collection capabilities.

We have already invested in select areas with high growth potential such as KingMakers (interactive entertainment and sports betting) and Moment (fintech and payments), opting for strategic partnerships in market segments outside of our core competencies. In addition, we concluded value-enhancing partnerships such as our broadband service provisioning through DStv Internet and will continue looking for more opportunities that fit our investment/capital allocation criteria to further expand our ecosystem, add value to our customers' lives and create shareholder value.

How we performed in FY24

- Assisted KingMakers in successfully launching SuperSportBet in South Africa
- Worked with Moment to support the Showmax launch, supporting payments across 44 markets, while the business also started onboarding MultiChoice's payment volumes and integrating its payment partners, processing more than 20% of MultiChoice Group's payments by year-end
- Supported Moment's Seed+ funding round through an USD8m investment, at a USD82m post-money valuation. Launched a new DStv Insurance product called our Decoder Care Plan to provide a convenient and comprehensive cover policy for discerning customers
- We grew our DStv Insurance active policies and revenues by 19% and 35% respectively
- We grew our DStv Internet active customer base and revenues by 90% and 160% respectively

Looking ahead

- Help KingMakers driver scale into the SuperSportBet business in South Africa
- Work with Moment team to onboard additional payment volumes and integrations to drive scale into the business
- Drive further growth in our DStv Insurance business, notably through our recently announced partnership with Sanlam to step change the growth trajectory of NMSIS
- Step up our ambition in DStv Internet

Maintain operational excellence and sustain cost reduction

Our aim is to deliver positive operating leverage through time – keeping the organic growth in our cost base below the organic growth in revenue, thereby supporting group margins and free cash flow generation. We continuously strive for operational excellence and optimising cost efficiencies across our business. From time to time, this may require some upfront investment as we redesign certain critical systems to support our future business requirements and customer needs. We are also scaling our analytics and AI capabilities, focusing on improving customer experience, driving revenue, enhancing content discovery and reducing costs.

Our Technology business, Irdeto, is one of the leading companies globally in providing digital platform security, content protection applications and cybersecurity solutions for the media and entertainment industry, while our Advertising business, DStv Media Sales, is one of the leading advertising platforms and partners on the continent. Our aim is to drive revenue market share through our B2B platforms in order to enhance group revenues and supporting overall group margins and free cash flow generation.

How we performed in FY24

- Exceeded our cost savings target of ZAR0.8bn by delivering savings of ZAR1.9bn for the year
- Reduced set-top box subsidies by a further ZAR1.5bn YoY to support group margins and free cash flows in a challenging environment
- Delivered targeted South Africa trading margin within guidance of mid-twenties.
- Delivered a trading profit of ZAR1.3bn for our Rest of Africa business despite significant currency headwinds of ZAR4.3bn.
- Secured 2 tier-one customer wins in Media Security
- Embarked on restructuring of Irdeto's core Media Security business to improve profitability and cash flow
- Grew advertising revenues by 3% YoY on an organic basis

Looking ahead

- Materially increase cost reduction to support the maturing South African business through a challenging macro-economic period, offset material currency depreciation in the Rest of Africa and compensate for the Showmax investment cycle (ZAR2.0bn target for FY25)
- Evaluate additional savings opportunities as we approach our next transponder lease renewal cycle (Rest of Africa will be renewed before South Africa)
- Drive ongoing market share gains in Media Security, including development of more nascent market segments such as streaming and gaming
- Support South Africa advertising revenues while driving growth into Rest of African markets

04 Performance

Creating an ecosystem of scalable tech-based consumer services as we look beyond our heritage as the pre-eminent video entertainment provider on the continent

Section content

From the desk of the CEO

We continue to innovate, partner and invest to grow from our core linear video business by building a portfolio of related digital products and entertainment services. In recent years we have carefully invested behind our strategic ambitions of enabling customers to stay within our platform, while enjoying the services and products they need beyond just linear video entertainment.

Calvo Mawela
Group Chief Executive Officer

Dear shareholder

At MultiChoice, our vision is to enrich the lives of millions of people through entertainment and technology. We continue to innovate, partner and invest to grow from our core linear video business by building a portfolio of related digital products and entertainment services. In recent years we have carefully invested behind our strategic ambitions of enabling customers to stay within our platform, while enjoying the services and products they need beyond just linear video entertainment. Simply put, for our customers, it means Africa's most loved storyteller is fast becoming their entertainment destination of choice.

Our strategy reflects the need to cater for the changing consumer habits in the world of video entertainment - younger customers moving to streaming, or seeking additional interactive entertainment while they watch their favourite sport, are just two examples. To us, it seems that the tougher economic climate may have accelerated some of these changing preferences, making it even more important that we move ahead of the times.

With our customers at the core, we see ourselves as a platform catering for their broader entertainment-based needs, from financial services that allow them to pay for our services, to the technologies required for access. Most importantly, we provide them with a choice of video and interactive entertainment options which they can enjoy in their homes or – as the increased penetration of smartphones is changing how we consume and engage with content – increasingly in their hands. We see mobile phones and tablets as a significant opportunity to increase our presence beyond the 21 million households that we currently serve and into countless more hands across Africa.

We are in the fortunate position that we don't have to choose between linear and streaming – in some markets, where broadband and data is more readily available, streaming will continue to grow fast … and in others, our linear offer remains the cheapest option to watch video for the average household. As the Home of Entertainment and the ultimate aggregator, DStv provides a lean-back entertainment experience with the option to stream - one place for customers to browse, subscribe for and consume all of their content across all their devices. Showmax, which provides Streaming for Africa, is a stream-focused service, offering great local originals and the best of international content, as well as a mobile-only Premier League sports pack … available anytime and anywhere.

Four years after embarking on our strategic journey of building Africa's entertainment platform of choice and investing in services to support a broader ecosystem, our three core segments are now fully operational: video entertainment, interactive entertainment and fintech. Clear strategic milestones were reached, as we successfully launched Showmax 2.0, SuperSportBet and Moment, all of which are now revenue-generating. Our strategy to grow these additional revenues streams is no longer only a vision and is gaining real traction. Our focus now shifts to building on these solid foundations to drive growth and to further enhancing business efficiency across our operations.

Our results for financial year 2024 demonstrate a resilient group performance. Given the challenging macro-economic environment, ongoing currency weakness and the rising cost of living hitting consumers' discretionary spend, we've had to navigate carefully to balance profitability with the need to continue investing in new opportunities to future-proof the business. I am proud of the speed

From the desk of the CEO continued

and effectiveness of the team in implementing strategic actions to retain customers and to safeguard cash – especially in delivering ZAR1.9bn in cost savings, which significantly surpassed our targets. It is the strength of this team, the quality of the underlying business and the clarity of our strategy which underpins my confidence in delivering on our potential.

As we provide detailed information on our broader performance elsewhere in this report, I would like to flag some of the highlights, which reflects the hard work and dedication of our employees. They are the cornerstone of our business and work tirelessly every day to continue "bringing the magic" of entertainment to millions of Africans across the continent.

Operating highlights for FY24

- **General Entertainment:** We are the largest producer of original content on the African continent. We produced in excess of 6 500 hours of local content again this year, accounting for over half of our general entertainment spend, and our local content library now has up to over 84 000 hours of content, 12% more than last year. Six years in the making, Shaka Ilembe was the highlight of the year and became Africa's biggest TV series ever. Shot entirely on location in South Africa, this epic production was created through the skills of over 8 000 people and was watched by millions.
- **SuperSport:** SuperSport's headline broadcasts during the year included the men's Rugby and Cricket World Cups, AFCON, as well as FIFA's Women's World Cup and the Netball World Cup. We also hosted a second SA20 cricket season, with peak audiences increasing a further 35% from the great success last year. We offered over 34 000 live events to choose from, including an 8% increase in local sporting content. Our SuperSport Schools business continues to grow rapidly, displaying more than 49,000 hours of live sport across 43 different sporting codes, covering 1 110 schools, 900 sport festivals and 14 500 teams. Our FY24 renewal cycle was a successful one – given our track record in successful delivery, we were able to renew access to popular sports events such as the Champions League, SA Rugby, IPL cricket, the Tour de France, the PGA tour and UFC.
- **South Africa:** Loadshedding in South Africa remained a key challenge in the past year and combined with the tough economic climate, resulted in negative growth in our customer base and revenues. Benefiting from retention initiatives and cost cutting, we were able to deliver a 26% trading profit margin, in line with expectations. We are encouraged by the strong growth of new business lines, including DStv Insurance, which grew revenues 35% to almost ZAR1bn, and DStv internet, which almost doubled its base. DStv Stream saw subscribers increase 139% since its relaunch in July 2023, with more than 90% being new customers that have not subscribed to our services before.
- **Rest of Africa:** Despite significant currency weakness, especially in Nigeria, our teams in the Rest of Africa stepped up to the challenge of maintaining profitability by implementing revenue-supporting measures and tactical cost and decoder subsidy savings. As a result, we were able to increase trading profit by 48% to R1.3bn and maintain profitability for the second consecutive year.
- **Showmax:** This past year was a pivotal year for Showmax – having officially concluded the partnership with Comcast in April 2023, the long-awaited relaunch took place in February this year. We successfully launched across 44 markets on the continent, transitioned the entire tech stack to Peacock's world-class platform, customised for local requirements like the support for low-bandwidth devices and data-saving functionality, and partnered with telco operators to provide customers with maximum entertainment for minimum data cost. We migrated almost 100% of the eligible customer base to the new Showmax platform, with 88% of those migrated reactivating their accounts in the seven weeks to year-end and March being a record-breaking subscriber growth month.
- **Technology:** Irdeto has now become the global market leader in managed security services for video, with a 22% market share. Outside of media security, Irdeto's solutions for connected industries are building momentum as it shipped its first keyless solutions to one of the largest fleet operators in the US market. Supported by innovative solutions for the online gaming industry, revenues from new service lines increased to a 35.7% share of Irdeto's total revenues.
- **KingMakers:** Despite the impact of a challenging macro environment in Nigeria, KingMakers (of which we own 49%) continued to deliver positive underlying operating momentum. The online business in Nigeria grew strongly, with monthly active users up 37% YoY and online gross gaming revenues up 26% YoY in constant currency. KingMakers launched the SuperSportBet business in South Africa in January 2024 and it became the official betting partner of local soccer clubs, Kaizer Chiefs and Orlando Pirates.
- **Moment:** After being founded the year before, Moment (of which we own 26%) is rapidly gaining traction and reached a milestone of processing USD85m in payment volumes YTD by the end of March. Moment played a vital role in the recent Showmax relaunch and has started taking on payment volumes for DStv. Moment already accounts for a significant share of the group's payment volumes, which enables seamless payments for our customers and transactional cost savings for us.

As we look into the coming months, there are a few things that we'll be focusing on.

First there is the mandatory offer from Canal+ for our shares at ZAR125 per share. This deal is subject to regulatory approvals, with a long-stop date of 8 April 2025. Details regarding this proposed transaction are available in the Combined Offer Circular, which was released on the 4th of June and is available on our website.

Second, given ongoing uncertainty around economic recovery across the globe and our footprint in particular, we will be looking to drive further business efficiency and have set ourselves a target of reducing costs by another ZAR2.0bn this year.

This, combined with ongoing retention initiatives, should provide an underpin for us to keep the trading profit margin of the South African business in the mid-twenties and maintain profitability in the Rest of Africa. We will also remain focused on accelerating the scale and traction of all our new growth opportunities.

Finally, we remain optimistic about the future and are committed to execute well against our business plans. True to our vision, we will continue to 'Enrich lives through Entertainment and Technology'.

Calvo Mawela
Group Chief Executive Officer

General Entertainment (GE)

MultiChoice remains the largest producer of original content on the African continent. While international streamers and broadcasters are slowing down or stopping local content production, we have prioritised the creation of African content for over three decades.

By producing in excess of 6 500 hours of local content, which speaks to people in their own languages and reflects relatable aspects of their everyday lives, we continue to entrench ourselves in the communities in which we operate, developing local markets, talent and producing African stories, for Africans by Africans. Through our strategic partnerships and long-term global relations, we continue to buy some of the best international titles available, to enhance our offering.

Shaka Ilembe

Six years in the making, *Shaka Ilembe* launched on Mzansi Magic on Sunday 18 June to rave reviews, becoming Africa's biggest TV show. Spanning 12 episodes and with viewers applauding the powerful casting, performances, symbolism and authenticity of the production, the star-studded series took over Sunday night television and Catch Up for the following three months.

Shaka Ilembe represents the best of African storytelling. Created for the local market by BOMB! Productions, the series tells an epic tale on an epic scale. Filmed entirely on location in South Africa, *Shaka Ilembe* featured the country's abundant natural wonders, providing breathtaking backgrounds and majestic locations for the faithful retelling of the history of King Shaka. Over 8 000 people contributed their skills to bring this epic story to the screen.

We had incredibly high hopes for *Shaka Ilembe* and our faith in the show and the long wait for its debut was duly rewarded. The premiere episode attracted over 4m views and was simulcast on our GE channels across Africa. It was comfortably ranked as the year's top-performing show performing well across our DStv, Showmax and GOtv platforms and obtaining an audience share of over 45% in its time slot.

In-house productions

The past year saw the strengthening of the in-house productions department, with the team assuming responsibility for post-production services, including trailer creation, online and offline editing, final mix and subtitling.

Content optimisation is a key aspect of the In-House Productions department's work. The dubbing services for the group were centralised to leverage our existing library of produced assets, enabling easy content sharing across our linear channels and the Showmax platform. Across South, East and West Africa, the In-House Productions teams dubbed content into Kiswahili, isiZulu, Amharic, English, Afrikaans, Luganda, Yoruba, Hausa and Igbo.

Co-productions

Our ongoing focus on international co-productions allowed us to take more African stories to the global market during the past year. Our ability to blend local and international production expertise, talent and writing to produce quality content continues to receive global recognition.

The three successful co-productions that led the way on M-Net included *Reyka* season 2, *Devil's Peak* and *White Lies*. These were produced in collaboration with our international partners at Fremantle; Canal+; Abacus Distribution and BBC Studios-owned Lookout Point.

Devil's Peak, the crime thriller based on the best-selling 2004 novel by Deon Meyer and produced by Lookout Point and Expanded Media Productions in association with M-Net and BBC Studios, continues to garner international attention. The series was sold to Fox's Tubi video-on-demand platform for exclusive streaming in the US and Canada in January 2024.

White Lies is an eight-part drama co-produced by M-Net, Quizzical Pictures and Fremantle, starring award-winning actress Natalie Dormer (*Game of Thrones, The Hunger Games, Picnic at Hanging Rock*) and Brendon Daniels (*Four Corners, Skemerdans, Trackers*).

General Entertainment continued

The GE content hub also delivered three co-productions that performed admirably on Showmax in the past financial year – *Spinners; Original Sin: My Son, the Killer and Catch Me a Killer* – growing the platform's local content slate ahead of a local and international boost with its relaunch in February. *Spinners*, a co-production between Showmax and Canal+ became the first African series selected in competition at Canneseries and won three awards at Dakar Series, including 'Best TV Series'. *Catch Me a Killer* was the first South African series to be selected for Series Mania, a key trade conference that takes place in France.

M-Net

M-Net Channel 101 continued to serve Premium subscribers the very best of Hollywood blockbuster movies, record-breaking international co-productions and the biggest US and international prime-time dramas.

We are the African TV home of Warner/HBO and carry the best content from NBCUniversal, as well as the titles from Paramount and the Paramount Plus service, not to mention our range of independent movies and series. The channel is also home to the biggest reality formats in the world.

While the US actors' and writers' strikes delayed studio productions, M-Net's share of viewing grew YoY, thanks to strong selections, robust scheduling and loyal prime-time audiences. M-Net content was also a notable driver on DStv Stream, with titles such as *Carte Blanche* – one of the most-watched shows in the Premium space – still performing in its 35th year of uncovering the truth.

From NBCUniversal, *Fast X* – the 10th iteration of the *Fast* franchise – skidded into pole position over the Christmas holidays and captured the spot as the year's top-rated movie title. *Devil's Peak* became the top-rated drama of the year, while *Reyka* and *White Lies* delivered as binge-able suspense thrillers and increased Catch Up viewership. The channel could not have delivered such a strong performance this fiscal without US network procedurals from our partners at NBCU and Paramount/CBS.

M-Net rounded off the television year with the new Sunday early evening family drama *Summertide*, filmed on the Cape Peninsula.

In August, South Africans paid their respects to veteran investigative journalist Derek Watts. He led one of the longest and most storied careers in SA journalism and M-Net is proud to have been his home for 35 years.

South African local channels

kykNET

Viewers continued to demonstrate their allegiance to kykNET, with the channel solidifying its leadership as the most-watched channel among Premium subscribers, delivering more than 1 400 hours of fresh content in FY24. A gripping drama slate and even more drama in our reality shows pushed kykNET audiences' average viewing time to a historic high: 80 minutes per day among Afrikaans viewers and an average of 70 minutes per day among all Premium subs. This is because kykNET offers content in every genre in prime-time, from lifestyle to reality to scripted and a successful current affairs slate.

FY24 was bookended with the first and second seasons of the hilarious family comedy *Magda Louw*, and in *Taktiek* we bore witness to the shenanigans of a below par security company patrolling "South Africa's safest town". The best performing drama was kykNET's first medical procedural *Hartklop* while titles such as *Hougaard: Liefling van Loftus* and *Laataand by Rian* grew the viewership during the Tuesday 9pm slot by more than 50%.

Our first breakout success in reality was the first local version of global hit *The Bridge*, which debuted as *Die Brug* on kykNET in October 2023. This reality show drew record live and Catch Up audiences. Building on the momentum created by *Die Brug*, the third season of the internally developed dating show *Op My Eish*, delivered ratings that rivalled kykNET's most successful reality formats of all time.

The daily dramas on the kykNET channels continue to retain viewership as the backbone of our prime-time offering. *Binnelanders*, now in its 13th season, is viewed by almost 40% of Afrikaans Premium subscribers. *Diepe Waters*, now in its second season, continued to pull in strong numbers, while *Suidooster* remains the biggest Afrikaans soap in the group, with blockbuster daily audiences on both kykNET and kykNET&Kie.

On kykNET&Kie, the gritty studio talk show *Sê Jou Sê* cemented its status as an iconic part of the brand that allows audiences to engage with real people and real issues in a space where almost anything can be said.

Local Entertainment Channels (Mzansi Magic, Mzansi Wethu and Mzansi Bioskop)

The offering of our middle and mass segment channels was firmed up, with measured investment in the content strategy leading to re-energised viewership. In FY24, our content seamlessly integrated successful themes from the past, while exploring stories that reflected many facets of South African life. This encompassed a focus on traditional themes like rites of passage and cultural practices, while exploring how youth culture was evolving.

Telenovelas such as *Umkhokha: The Curse and Gqeberha: The Empire* simultaneously met regional preferences, while making positive contributions to the local communities where they were set and filmed. As part of the strategic approach of introducing fresh telenovelas that explore new worlds, *Champions* launched in February 2024 and ushered in a brand-new era of high-octane action drama and added to the prime-time viewership slot.

Monday night drama series on Mzansi Magic entrenched viewership among younger female-skewed audiences with titles such as *S'phiwo* – which sees first-year students who received the calling applying their sangoma skills to solving a campus murder. Other notable titles include *Izingane Zes'thembu*, and the dramedy *Icala*.

We bade farewell to the multi-award-winning *The River*, which was a mainstay of the channels for six years. The show demonstrated its flexibility with

General Entertainment continued

regional adaptations in Kenya, Angola and Nigeria, where it was well received having been localised impeccably. We continue to optimise our IP and extend its lifespan by localising them in different territories – examples being *Gomora* and *Salem* in Kenya, as well as *Dirash* in Ethiopia.

Exclusive to Mzansi Wethu was the Nguni news – *izindaba Zethu/ lindaba Zethu* – which celebrated a year of broadcasting on 27 February. The daily news has empowered communities and helped add a regional voice to the national news conversation. Sitting alongside the news centrepiece, *Sibongile & The Dlamini's* averaged an audience of over 1m Access viewers per month, from October 2023 to year-end.

Mzansi Bioskop remains the top-performing movie channel in the Access market, with viewership numbers particularly notable on weekends as people tune in for a dose of escapism, entertainment and family-friendly titles. This year's annual themed festival 'Young Blood' celebrated emerging talent that is creating stories for and about young audiences.

Rest of Africa Channels

The last year saw consumers throughout our markets facing rising inflation, higher interest rates and tough socio-economic conditions, making for a challenging year. General entertainment met those headwinds with renewed vigour, doubling down on our commitment to delivering best-in-class local content.

We consolidated efforts and optimised our channel offering to build new viewing repertoires. Our customers across the continent were kept entertained by new formats, new genres and refreshed existing channels. MultiChoice also extended its focus on local channels, by introducing Maaddii Abol, Pearl Magic Loko and Maningue Magic Kool, expanding our local language offering to include the fourth most widely spoken African language, Oromo and a mass-market offering in our Portuguese and Ugandan markets.

2023 marked the 20th Anniversary of Africa Magic, launched as a single channel and later evolving into a cluster of seven specialised channels over two decades. This milestone is a tribute to MultiChoice's investment in developing the television production and broadcasting industry across the continent. The milestone was celebrated with customers with a supercharged content offering throughout the year; beginning with the ninth edition of the *Africa Magic Viewer's Choice Awards*, followed by *Big Brother All Stars* (the ultimate showdown of the biggest stars) and culminating in the grand unveil of the refreshed Africa Magic channels, accompanied by an open window period.

We delighted our customers with access to more channels in October and introduced over 20 new series and movies, including the high-quality action series, *Slum King* and a more comprehensive indigenous language production offering with *Kariya, Apo* and *Kadara*. New formats like anthology series *Love and Light* and new genres like sci-fi drama *Refuge* are proving to be great successes. In March we premiered new local films every day with the *Movie A Day Unleashed*.

To keep customers enticed, our Ghana channel offering was ramped up to offer a new series, every month – introducing new genres in *Nana Akoto, Ahenfie* and *One Tough Question* – and delighting customers with over 10 new local movies.

Our East and Southern African customers were thoroughly entertained with a riveting slate of celebrity realities and authentic local stories like *Mutale Mwanza, Divas and Hustlas, Kampala Crème, Kuga Munu Unscripted, Zari, Junior Drama Club, Damalie* and *10 Tamanga* as we expanded our stories beyond urban centres to unearth stories across all regions, to create more relatable, even more compelling local content.

Third-party channels

Our comprehensive slate of third-party local and international channels continues to deliver on our promise to bring a diverse, high-quality mix of entertainment and education to our audiences.

The DStv platforms are now home to 112 third-party channels (excluding Free-to-air (FTA), Community and Radio), which saw over 400 new titles launched in the past year alone, between them – over and above the more than 400 returning seasons on Catch Up, often with box sets included.

Our major partners include BBC, Disney, NBCUniversal, Paramount and Warner Bros. Discovery, making us the home of the biggest selection of entertainment channels on the continent.

On the local front, our partnerships with NNG (Newzroom Afrika, PlayRoom and Movie Room) our leading local enterprise development partners and Siyaya TV (producers of *Moja Love* and *Moja 9.9*) continue to supply the 'realest' reality shows, news and local stories.

We also added to an instant top performer in Zee Zonke, dedicated to isiZulu-dubbed Bollywood telenovelas and Playroom, a kids' channel featuring locally-produced isiZulu content.

Our mix of children's channels remains popular across all ages – our platform is home to Cartoon Network Africa, Cartoonito Africa, the Disney channels, Moonbug, DreamWorks, Playroom and the Nickelodeon suite of channels.

SuperSport

The period under review was one of incredible milestones and sporting highlights for SuperSport.

A total of 34 390 live events were broadcast during the year.

Our headline events during the year included the successful men's Rugby World Cup in France, the men's Cricket World Cup in India, as well the FIFA Women's World Cup in New Zealand and Australia.

South Africa also hosted the Netball World Cup, which was successfully held in Cape Town and showcased on Your World of Champions, under the flagship campaign, "Here for Her".

The "Here for Her" campaign saw a 120 all female-led production crew and cast successfully deliver the 2023 Netball World Cup – a world first – including in-house training for eight months leading up to the showpiece.

But the campaign did not stop there. SuperSport had a dedicated "Here for Her" channel on DStv and GOtv, which showcased the Netball World Cup and the FIFA Women's World Cup, while all matches involving African teams were made available to DStv Access customers.

The ongoing campaign culminated in the "Here for Her Celebratory Event" to honour hardworking women impacting the sports industry and held at MultiChoice City, while SuperSport's Culture Committee organised an event dedicated to women in the office on Women's Day.

SuperSport delivered another world-class season during the SA20 from 10 January 2024 to 10 February 2024. The tournament saw the first-ever UHD originated broadcast in Africa, while the SA20's average linear audience grew by 23% YoY.

The SA20 season 2 elevated the fan experience to a whole new level with the integration of Quidich technology offering a Buggy Cam and live player tracking, which enhanced the production experience. It was also an excellent way to educate non-traditional cricket viewers about the finer points of the game.

The 2023 Rugby World Cup produced outstanding results compared to the 2019 tournament and was proudly won by the Springboks for the fourth time. This set the scene for the launch of the much anticipated *Chasing the Sun 2* documentary on the Springboks successful campaign which debuted in March 2024.

The tournament reached more than 8.5m linear viewers on the SuperSport channels (a total number of people who watched at any point during the tournament on any of the SuperSport channels). DStv Stream had 833 515 unique users (including paid and companion app users) for the Rugby World Cup.

Overall, DStv Premium viewership was 88% higher than the 2019 competition. Linear viewership for the final amongst DStv Premium viewers was on par with the 2019 tournament.

In total, over 5m viewers watched the final on the DStv platform and FTA. More than half of these viewers watched on SuperSport Variety 4, with over 1.2m viewers coming from Compact and 1.1m from Access viewers.

Viewers were also treated to special content, which included the introduction of a popular isiXhosa magazine show called *Mayibuye*, which brought a refreshing take on the tournament, over and above fan favourite, Phaka, which took their broadcast to different locations outside Gauteng.

Tournament viewership surpassed the internal targets, with the 2023 Cricket World Cup showing an increase of 47% compared to the 2019 World Cup, from 2.8m to 4.1m viewers.

Mayibuye also covered the Cricket World Cup, adding much fanfare to the tournament for the multi-language offering.

SuperSport Schools reached the milestone of 794 000 registered users – up from 375 000 the previous year – showing an incredible growth trajectory. The continued growth was also highlighted by the fact that SuperSport Schools became the 4th biggest sports channel on DStv by unique viewers (more than 9m).

SuperSport continued

SuperSport Schools displayed more than 49 000 hours of live programming across 43 different sports events and clocked 143.6 million views across the SuperSport Schools App and DStv Channel 216 combined. SuperSport Schools showcased over 900 school sport festivals and events, involving more than 1 100 schools, and featuring over 14 500 teams.

SuperSport Schools also achieved a major milestone by delivering the first fully automated, AI-produced live linear television broadcasts for DStv Channel 216 at the Jenny Orchard Invitational Basketball tournament in Pietermaritzburg.

KingMakers launched SuperSportBet in partnership with SuperSport, which saw a successful start platforming January 2024. SuperSportBet was well-received by the football-loving public, following its unique partnership with the two biggest South African football clubs, Kaizer Chiefs and Orlando Pirates.

Compared to the previous year, the viewership of the Comrades Marathon showed a remarkable 81% increase in its linear audience and 13% increase in OTT. Premium viewership also increased by 7%.

Two Sides, the critically acclaimed three-part, behind-the-scenes documentary series on the historic 2021 British & Irish Lions tour to South Africa, was nominated for an International Emmy.

SuperSport also claimed Silver and Bronze at the Assegai Awards in the Branded Content and Integrated Campaign categories, respectively, for our SuperSport Africa XI campaign and received Lead Awards for the following campaigns in these categories:

- SuperSport Africa XI – Publishing, Entertainment, Media & Sports
- SuperSport Sounds of the World Cup – Publishing, Entertainment, Media & Sports
- SuperSport Sounds of the World Cup – Experiential
- SuperSport Sounds of the World Cup – Video Content
- SuperSport Sounds of the World Cup – Social Media

Following on from the Assegai Awards success, SuperSport claimed various awards at the 2023 Sports Industry Awards, including the African Excellence (Cross-Border) Award for our Sounds of the World Cup campaign produced in collaboration with agency partners, PlayMakers.

SuperSport rugby talent star Motshidisi Mohono was also named the Sports Presenter of the Year at the 2023 Sports Industry Awards.

The introduction of internet protocol technology (IP 1) to our Outside Broadcast (OB) facilities was one of the major highlights stretching back 18 months, allowing us to create a cinematic full frame wireless electronic news gathering camera for SA20. A second internet protocol technology OB facility (IP 2) was added to SuperSport's fleet in February 2024.

IP 2 completed its first production on 17 April 2024 during a DStv Premiership match between SuperSport United and Polokwane City. IP 2 will allow SuperSport to produce more UHD content and, due to being mechanically compact, while having the same core equipment as IP 1, it can navigate through narrow venues to allow us to produce more content.

We also built a Vodcast studio in record time, two months before airing our first SuperSport Unplugged episode, which featured South Africa's first-ever UFC world champion, Dricus du Plessis.

SuperSport can pride itself on demonstrative career growth paths, with 70% of positions advertised being filled internally.

SuperSport recruited 41 unemployed youth for a learnership programme for the financial year. The SuperSport Learnership offered an opportunity for skills development and career growth.

The programme was eligible to:

- Pupils with a high school matriculation certificate
- Residing within the Gauteng region

The programme aimed for diversity, with approximately 80% of selected applicants being women.

In line with our goal of having the right people with the right skills and mindset in the organisation, SuperSport introduced the Producer and Director Learnership as a strategic initiative aimed at harnessing the internal talent within SuperSport.

The initiative received a substantial response and numerous applications within the business, and a rigorous selection process resulted in the identification of 10 successful candidates. This comprehensive programme incorporated both academic and experiential learning components. We crafted a bespoke learning curriculum, capitalising on the wealth of knowledge and experience possessed by our seasoned professionals. This approach aimed to cultivate a pool of talented individuals destined for pivotal roles.

Our forward-thinking, people-led initiatives did not stop there. The SuperSport Women in Sport Ally Programme stood as a beacon of empowerment, designed to empower women in the sports industry. With a meticulously-crafted approach, this tailor-made development initiative was strategically positioned to bolster the future landscape of sports.

To round it off, our Leadership Development Initiative, known as "Next Generation," was designed to prepare Heads of Departments for leadership readiness, with a specific focus on cultivating entrepreneurial and transformational leadership qualities.

This distinctive initiative provided leaders with an exclusive opportunity to elevate their business acumen, fostering a shift towards innovative thinking.

Handpicked by the CEO of SuperSport, the audience comprised senior leaders chosen for their strategic significance within the organisation.

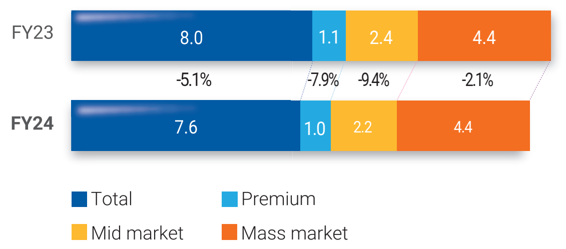
South Africa operations

MultiChoice South Africa, a level 1 BBBEE company, is the largest investor in the South African broadcast industry. This includes significant investments in local sport and general entertainment content, enterprise development, employees and downstream value chains such as our distribution and installation footprint. The business is also proud of its immensely successful Phuthuma Nathi empowerment scheme, which supports the financial needs of over 75 000 South Africans.

Our contributions to South Africa

- 3 700 fulltime employees (FY23: 3 644)
- ZAR5.4bn in total tax contribution (FY23: ZAR5.7bn)
- 75 175 PN shareholders
- PN gross dividend – ZAR20.37 per share (FY23: ZAR20.37 per share)

Active subscribers (m)



Our operating performance

The South Africa segment accounted for 60.0% (FY23: 59.2%) of group revenues in FY24 and 48.5% (FY23: 46.3%) of our group active subscriber base at year-end.

7.6m Active subscribers (FY23: 8.0m)

The South African economy continues to endure severe economic pressure, including a consumer under significant financial distress from the sharp rise in the cost of living and high levels of indebtedness taking its toll due to elevated interest rates . The impact of consistent loadshedding creates an environment where customers are reluctant to reconnect due to uncertainty of whether they will be able to access the group's products. This translated into an overall drop in viewership, subscriber activity and subscriber numbers.

The group's active subs base declined from 8.0m to 7.6m, while the 90-day active base reduced from 9.3m to 8.6m. This reduction included the removal of non-paying customers from the base which impacted the active base by 0.1m and the 90-day active base by 0.4m, with the free subscriptions in the opening base only ever intended as a temporary support to our most at-risk subscribers when loadshedding ramped up towards the end of FY23. The management team continued to drive operational efficiencies to protect margins and removed a further R1.0bn in costs from the business during FY24.

Our Premium tier decreased by a further 8% YoY (excluding the removal of non-paying customers) in FY24. However, we are seeing a further deceleration in subscriber losses in this segment, which is indicative of both our focused retention efforts, and a trend towards a core segment of households who are less price sensitive.

Our mid-market tier declined by 9% YoY (excluding the removal of non-paying customers) as our Compact base is most exposed to the current challenges in the macro-economic environment. On top of loadshedding challenges, our mid-market customers are most impacted by rising inflation (notably energy and food costs), high interest rates, and elevated unemployment. Our Compact highlight for the year was the release of the largest South African production in history, Shaka Ilembe, which attracted record viewership on Mzansi Magic.

The mass market tier declined by 1% (excluding the removal of non-paying customers) despite a 7.5% price increase for the Access bouquet at the beginning of the year. Our Access customers are the most affected by loadshedding, as they have the least access to back-up power solutions. The cross-selling of the new Showmax general entertainment and sport offerings into the Access base will be a focus area for the year ahead.

South Africa operations continued

210% growth in DStv Stream

We relaunched DStv Stream with a new brand look and feel in August 2023 ahead of the Rugby World Cup. This included several product feature enhancements to simplify the navigation and user interface, as well as improved platform stability and content discovery. The DStv Stream offering provides customers a seamless sign-up journey, which does not require a set-top box or installation and can provide access to their favourite content in less than five minutes. This is particularly attractive to younger customers as well as customers with high-speed internet access. DStv Stream has delivered 210% growth this year, and although off a small base, we see a strong opportunity to scale this in the future.

ZAR281 active ARPU (FY23: ZAR281)

The ongoing shift in subscriber mix, with growth in the base predominantly driven by our Access package at a R129 price point in FY24, was offset by our annual price increases and resulted in blended ARPU remaining mostly in line with the prior year at ZAR281 in FY24. This trend in ARPU was also supported by the focus on paying customers and customer activity as well as the benefit from DStv Stream which skews towards a better Premium subscriber mix.

The business continues to implement upgrade strategies such as open periods and access to sports events to help customers discover entertainment that they might enjoy on higher packages. The focus on subscription contracts which improve customer activity was evident with the contract customer base increasing 6% in FY24

Internet revenues up 160%, and profitable

A core focus area in South Africa this year was the doubling down on the DStv Internet opportunity. DStv Internet provides the cheapest internet solution in South Africa when bundled with a DStv bouquet and is proving hugely popular with customers. Investments into people, distribution and product stability have resulted in strong 90% growth in the DStv Internet base this year. The business is both profitable and cash flow positive and is a key focus area for accelerated growth in the next financial year.

Insurance grew by 19% (FY23: 19%)

Our insurance business grew its customer base by 19% YoY in FY24 (FY23: 19%). Our current product set includes device and life products (subscription waiver, funeral and debt waiver) which are showing excellent growth. We have introduced new product options including a device care plan which was launched in December 2023. This provides our customers with a comprehensive maintenance plan for their decoder environment, including the cost of moving home and a free decoder upgrade after three years claims free. The positive growth in policies led to 35% increase in gross written premiums. This growth was mainly driven by life products which grew by 112% YoY, while our more mature device insurance business was flat YoY. Post year-end, MultiChoice Group (including its subsidiaries), entered into an agreement with Sanlam Life to sell a 60% shareholding in the group's insurance business, NMS Insurance Services (SA) Ltd, and enter into a long-term co-operation agreement to target the significant opportunity in the African retail insurance market.

Customer service remains a core focus

We strive to improve customer experience across the value chain by connecting customers to the entertainment they love, every day. A core focus in the current year was creating a simpler payments experience through migrating more customer payments to digital platforms. This was associated with improved partnerships including strong progress made with Moment, which now processes 38% of all group payments in South Africa. Digital payments grew by 49% YoY, and our self-service channels overall account for 72% (FY23: 75%) of all customer interactions, reducing the need for in-person contact.

The impact of the above payments improvements, better customer care metrics and a strong content slate including Shaka and the Rugby World Cup, resulted in an overall increase in customer satisfaction scores in South Africa to 79% (FY23: 78%).

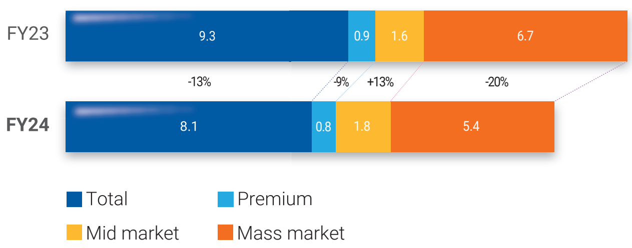
Rest of Africa operations

We operate in 49 markets across Africa. We aim to entertain and inspire with our growing slate of local language content and, this year, we added further dedicated local content channels in Mozambique, Uganda and Ethiopia.

Our contributions to the Rest of Africa

- 2 694 full-time employees (FY23: 3 042)
- ZAR4.4bn total tax contribution (ZAR5.1bn).
- Broadcasts across the continent in 45 languages

Active subscribers (m)



Our operating performance

During FY24, the Rest of Africa segment accounted for 35.1% (FY23: 38.3%) of group revenue as a result of currency depreciation. The Rest of Africa accounted for 51.5% (FY23: 53.7%) of our group active subscriber base at year-end.

While reported revenue declined by 13% YoY, we generated organic revenue growth of 10% YoY (FY23: 26% reported and 16% organic growth). The segment ended the year with 8.1m (FY23: 9.3m) active subscribers, down 13% YoY (FY23: up 10%) after the FIFA World Cup in the prior year and a significant deterioration in the macro-economic and consumer environment.

8.1m active subscribers (FY23: 9.3m)

The Rest of Africa segment faced the toughest macro-economic conditions of the last 10 years during FY24. Currencies were under significant pressure, contributing to a weighted loss of value in our market's currencies of 32% YoY. Most notably, the weakening of the Nigerian naira, saw the average official exchange rate devalue by over 100% YoY, thereby almost halving the value of US dollar revenue derived from the Nigerian business. Many other markets also saw significant depreciation: Angola (70%), Malawi (32%), Zambia (20%) and Kenya (17%). Inflation peaked at over 20% in six of our major markets (Angola, Ghana, Nigeria, Ethiopia, Malawi and Zimbabwe), resulting in immense pressure on customer spending power across most of our markets.

It is against this backdrop that management demonstrated an ability to react quickly to changing circumstances, by strategically pivoting and re-positioning the business to mitigate the macro challenges that it faced. Extraordinary measures were taken to reduce costs and protect revenues, necessitating a shift in focus away from subscriber growth towards improving profitability and cash flow.

A key component of this strategy was to dial back our investment in decoder subsidies, targeting lower sales volumes but resulting in better-quality new subscribers that will ultimately enhance our return on subsidy investment. This was achieved through various initiatives including: increased selling prices on set-top boxes, the unbundling of satellite dishes from decoders such that each item is sold as a separate unit, the unbundling of content (one month's "free" subscription) from decoders in markets such as Angola, Botswana, Namibia and Zambia, as well as the renegotiation of decoder prices with our suppliers. While this has further dampened subscriber growth, cost savings of over USD23m were delivered against the prior year (excluding YoY savings related to the FIFA World Cup).

We implemented earlier price increases than initially envisaged where possible (for example in Tanzania and Ghana), and additional price increases in some markets, including Nigeria where two increases were put through for a total of 39% for the year. We also brought a stronger upgrade focus to our customer value management activities, with the intention of improving product mix.

In terms of subscriber growth, the comparatives are challenging as they are elevated due to the FIFA World Cup and Nigeria election growth in Q4 of FY23. This, combined with the factors mentioned above (consumer pressure, lower subsidy investment and higher price increases) resulted in a 13% or 1.2m reduction in the active subscriber base YoY from 9.3m in FY23 to 8.1m in FY24.

A highlight of the year from a product standpoint was the launch of Supa+, a higher-tier bouquet on GOtv that includes football and targets the mid-market consumer. This provides a further upgrade path to GOtv subscribers, thereby improving ARPU. In addition, we have now launched DStv Stream across all markets and are actively engaging fixed broadband telcos to cross-sell to their customers, as well as selling the product direct-to-consumer. The stream product has the benefit of not requiring decoder subsidies, however, the potential market is generally limited to connected homes. We have seen good uptake so far, particularly in the Premium segment, and in markets such as Mauritius where established partnerships are already in place. We also launched GOtv Stream, as a supplement to existing GOtv subscriber viewing as opposed to a stand-alone product at this stage.

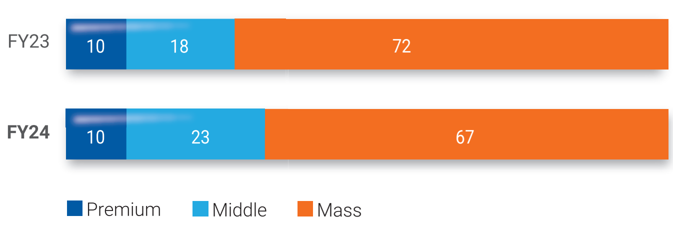
Rest of Africa operations continued

These initiatives contributed to an improved subscriber mix YoY, with the Premium and middle tiers comprising 10% and 23% of the overall active subscriber base, up from the FY23 levels of 10% and 18% respectively. In terms of absolute numbers, the premium tier declined 9% (FY23: 5% decline), while the mid-market is up 13% (FY23: 20% growth). The mass market is most affected by the negative macro conditions and higher price increases and closed the year 20% down YoY (FY23: 10% up).

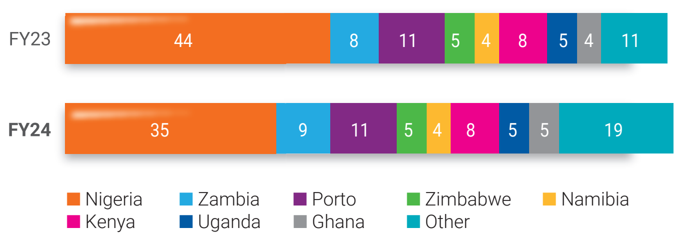
ZAR173 active ARPU (FY23: ZAR192)

The better subscriber mix and benefit of price increases resulted in a 13% organic improvement in active ARPU YoY. However, this was not sufficient to offset the severe currency impact on overall revenue performance and reported active ARPU, which declined 10% YoY from ZAR192 in FY23 to ZAR173 in FY24.

Subscription mix
(% contribution to Rest of Africa subscription revenue)



Subscription revenue by country
(% contribution to Rest of Africa subscription revenue)



The Nigerian economy and consumers have faced immense challenges since the start of the year. Firstly, the removal of fuel subsidies in May drove increases in the fuel price of over 200% and a decrease in fuel consumption of 28%, resulting in a significant downturn in economic activity on the ground. Following that, the Nigerian naira began depreciating in June 2023, from May levels of NGN462 (official rate) to year end rates of NGN1308 after peaking at NGN1618 during the year (71% depreciation over a 12 month period). Inflation climbed to ~30% YoY. Furthermore, the country is seeing a significant uptick in emigration of the middle and upper class to first-world countries, which directly impacts our subscriber base and especially the Premium and mid-market segments. These factors, combined with two price increases during the year weighed on subscriber growth which declined by 18% YoY (FY23: 13% growth).

While initiatives to improve revenue benefited the Nigerian business organically, the erosion of US dollar revenue from the naira depreciation has resulted in Nigeria's contribution to total Rest of Africa revenue declining from 44% to 35%. While this diversifies country risk somewhat going forward, it has impacted current year revenue performance of the group.

Despite attempts to merge the parallel and official exchange rates in Nigeria, the US dollar liquidity situation remained strained throughout the year. While we were able to pay invoices to the equivalent of 20% more naira than the prior year, this translated to USD184m in cash remittances versus USD235m in FY23, given an increasingly punitive remittance rate (at year-end, the group had USD39m in cash in Nigeria, down from USD104m at end FY23). A key success of the year was the settlement of a long-standing tax matter with the Nigerian tax authorities, which has resulted in the clearing of all claims against the business.

Our Eastern Region markets remain highly competitive, particularly at the lower end in DTT where subscribers are feeling the most pronounced economic pressure. Given the macro challenges mentioned, the region as a whole declined by 7% YoY (FY23: 3% growth) in terms of active subscribers. Our agency and franchise markets, as well as Ethiopia delivered a strong active subscriber performance, with Ethiopia achieving 25% growth (FY23: 78% growth).

Our Ethiopian business remains an area of investment and growth, and we continue to look for opportunities to grow the business. As mentioned, the Kenyan shilling was under significant pressure this year, weakening by 21% to January. It however recovered in February and March to opening year levels. To partially mitigate some of the revenue erosion, a second price increase of 5% was implemented in Kenya mid-way through the year, bringing the total increase for the year to 14%.

Rest of Africa operations continued

Our Porto markets followed a similar trend to the Eastern region, with active subscribers declining by 8% (FY23: grew by 7%). The Angolan kwanza was under significant pressure this year, with the average annual rate devaluing by 70% YoY while in contrast pricing remained static. as the regulator rejected our price increase application. During the second half of year, we successfully launched the Familia Mais (Family Plus) bouquet in Angola at a price point between Family and Compact, with a view to driving upgrades from Familia and ARPU uplift. Already, this bouquet constitutes 10% of the Angola active subscriber base, with ~90% of subscribers on this bouquet having upgraded from lower packages. In Mozambique, we launched a new local content channel, Maningue Kool, a tiered down version of Maningue Magic, aimed at being a flagship channel for the mass-market bouquets.

The Southern region showed a 10% decline in active subscribers (FY23: 6%). Zimbabwe was the stand-out performer, growing the active base by 27% YoY (FY23: 12% decline), fuelled by an uptick in subscribers off the back of the national elections in August as well as improved electricity supply. Mauritius also saw strong growth driven by the DStv Stream product launch. Zambia began the year strong, benefitting from some strong local content such as the Zambia Legends football game. However, high inflation, power shortages, delays in salary payments to government employees and a significant 20% weakening of the Zambian kwacha impacted year-end subscriber performance, which was down 20% YoY (FY23: 19% up). Both Zambia and Namibia implemented additional price increases mid-way through the year.

We continue driving our local content strategy as we strive to reach the optimal level of international vs. locally sourced spend for the business. In light of the current macro-economic conditions, we have revisited our content slate and removed those that are not performing, in favour of programming that clearly adds significant value.

From a systems perspective, we have completed the roll-out of a new Field Sales and Service module. This has underpinned our ability to unbundle content from decoders, with associated savings due to lower discounts offered. Going forward, we expect this module to support improved productivity of our sales and field services teams, more automation, better customer tracking and experience, as well as more flexibility in product offerings to sales channels. We have also enhanced our DStv Business (B2B) platform, to enable better quote and sales pipeline management and enhanced customer visibility and management. We plan to leverage off this enhanced functionality to improve customer conversion rates and hence growth in the DStv Business segment.

75% digital interactions (FY23: 79%)

Our digital experience aims to cater to a wide range of preferences by providing immersive entertainment journeys and a preferred payment landscape for its users. With our website live in 42 markets, Apps in 47, WhatsApp Self Service across 12 markets and our USSD service in 13 markets, digital adoption across MultiChoice Africa is currently around 75%. With user-friendly interfaces and personalized recommendations, it provides a seamless and convenient way for viewers to access their favourite content and pay from the comfort of their home. This year, we rolled out our unified self-service experience to all markets, which combined the Rest of Africa's and South Africa's self-service platforms into a single, scalable ecosystem on new, improved technology. We are also continuing to improve our payment ecosystem through a channel strategy that includes an increased vendor footprint, reduced vendor system integration, and fewer customer failures. Our efforts are focused on providing the lowest cost of service, which includes lowering fees and commissions.

Our extensive third-party payment network now covers integrations with 170 vendors across 40 countries including large retailers, fintech players, MNOs and banks and despite currency weakness against the US Dollar, we collected USD130m on our self-service platforms over the course of the year (FY23: USD143m). The business as a whole achieved its customer satisfaction rating targets of 75% (against a target of 75%) for DStv and 72% (against a target of 70%) for GOtv.

Showmax operations

Launch and operating performance

In February 2024, we relaunched our Showmax proposition across our 44-market strong African footprint. After months of planning and development, we successfully migrated our entire eligible customer base to the new app. We have a brand-new identity, logo, new app look and feel, revised pricing and an entirely new product suite across all the markets we serve. Our products are designed for the markets in which we operate, with custom features such as tailored content recommendations, localised pricing in our core markets, and low data usage settings, further supported by strategic integrations with local partners such as telcos on distribution and banks on payments. Our key relaunch markets for FY24 were South Africa and Nigeria, with Kenya and other countries to follow.

The new Showmax service is powered by Peacock's world-class technology, which incorporates our local market innovations into a global platform with a proven ability to scale. Our vision is to build the leading streaming service in sub-Saharan Africa, at a time when Africa is fast approaching an inflection point in terms of broadband connectivity and affordability. The partnership will allow us to give customers access to an unparalleled content mix at an affordable price and build on Showmax's cumulative success and learnings to date.

The Peacock technology platform is 4K/HDR and ATMOS ready and supports low-bandwidth devices with a new data-saving mode that uses as little as 40MB an hour. This globally supported platform will accelerate the rollout of innovations to African customers and over the next five years will look to emulate Peacock's record concurrent streams in the USA during the broadcast of live sports events e.g. the record 28m streaming viewers in the Miami Dolphins vs. Kansas City Chiefs NFL match in January 2024.

At the heart of the new Showmax offering is the world's first standalone Premier League offering for mobile devices, with all 380 games offered live. *"Premier League in your pocket"* makes live football truly accessible for the 250 million Premier League fans on the continent. Our Showmax Entertainment offering, available on both lean-back and mobile-only viewing devices, showcases best in class content spanning numerous genres. It includes our best in class local content slate consisting of Showmax Originals, which have proven highly successful in our local markets, and local content from MultiChoice's proprietary channels including Mzansi Magic, Africa Magic and Maisha Magic. Showmax 2.0 also showcases exclusive international content from Comcast (e.g. from NBC Universal, Universal Pictures, Peacock and Sky Studios), and third-party content from international studios (e.g. Warner Brothers, HBO and Paramount).

Showmax 2.0 is offered at incredibly compelling new price points, in localised pricing in nine core markets, with a growing network of distribution and payment options being made available to customers. DStv continues to be a key distribution partner across territories, with the Showmax Entertainment offering being made available to DStv customers who add Showmax to their DStv bills. In South Africa, we have partnered with telcos like MTN to offer added value to monthly customers through bundled data and subscription deals and launched our first weekly bundle for Showmax Entertainment exclusive to MTN customers. Showmax will continue to work with telcos and other partners going forward, to unlock accessibility and affordable bundled pricing for our customers in various countries.

Our local content strategy continues to yield results, with popular shows driving growth in viewership numbers. *Tracking Thabo Bester, Koek, The Mommy Club, Youngins, Red Ink, Adulting, Outlaws* and *Real Housewives of Durban* among others, have all been successfully launched in South Africa. Nigerian Showmax Originals, *Cheta'm, Real Housewives of Lagos, Dead Serious, Wura* and *Flawsome*, and Kenyan Originals like *Single Kiasi* and *Second Family* have also enthralled audiences. Our distinct content line-up is resonating with our audiences, and this can be seen in the increased viewership of local content on Showmax. The Showmax Originals created for the South Africa, Nigeria and Kenya markets all topped the "most-watched charts" on Showmax, demonstrating the strong affinity for local storytelling. Notably, two of our co-productions have been recognised at two of the most prestigious TV festivals globally with Spinners becoming the first African series selected for CanneSeries and *Catch Me A Killer* becoming the first South African series at Series Mania.

We ramped up our local content slate significantly in FY24, releasing 59 original movies and series in South Africa, Nigeria, Kenya and Ghana (FY23: 48) of which 14 were released as part of our February-launch. This is coupled with a rich international slate, including, but not limited to series such as Ted, Succession, Yellowstone and Halo and movies such as Fast X, The Equaliser 3 and Mission: Impossible Dead Reckoning. Since the launch of the new Showmax Premier League product, we have successfully showcased live matches at the climax of an electric and competitive football season.

With a strategy that offers African viewers a non-linear service designed exclusively for an African audience and including the best local programming, quality sport, and a diverse spread of international content, Showmax is well positioned to continue to drive the group's OTT ambitions forward.

Irdeto operations

Our operating performance

Irdeto services the MultiChoice Group's Video Entertainment subsidiaries and more than 400 external clients.

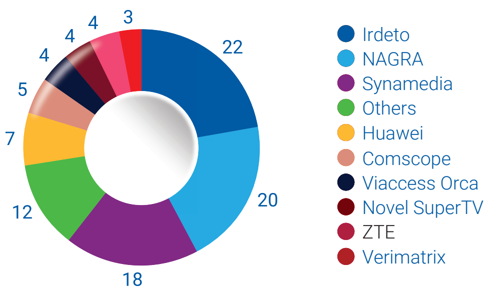
Revenue from the MultiChoice Group accounted for 52% of Irdeto's total revenue in FY24 (FY23: 57%), which is eliminated on group consolidation.

Irdeto grew its market share and delivered increased revenue with external customers in all three of its market segments; Video Entertainment, Gaming and Connected Transport. Business within the group reduced on a YoY basis primarily due to higher-than-usual shipment and subscriber volumes in FY23 due to the FIFA World Cup and the reduction of decoder subsidies in the linear business.

Another year of disciplined cost and financial management resulted in steady bottom-line trading profit and free cash flow results. Moreover, due to a targeted cost optimisation programme, Irdeto ensured a fit-for-purpose cost base for the future.

External video entertainment revenue in FY24 was up by 4% compared to FY23. This was due to strategic wins (such as a new managed services agreement concluded with Foxtel in Australia) as well as strong performance of existing customers particularly in the EMEA region. Irdeto has become the largest provider of managed security for video services, according to Omdia, a leading market research firm.

Managed security market share (%)



With 21.9% market share, we are overtaking competitors to become the top managed security solutions vendor in the video entertainment industry according to Omdia's latest report.

Our ability to lead transformation as a trusted partner to our customers has been validated by the market. This resulted in Irdeto being awarded a significant transformational project with a leading video entertainment provider in South-East Asia, contributing towards a healthy revenue pipeline for FY25.

Our business within the group reduced by 5% YoY, as MultiChoice saw reduced set-top box and subscriber volumes across the African continent after last year's strong performance due to the FIFA World Cup.

Both Gaming **(12%)** and Connected Transport **(119%)** segments **grew YoY.**

This reflects the market adoption of our offerings in both segments. In Gaming we diversified our portfolio with anti-cheat capability and cyber services, leveraging our core competencies. In Connected Transport, we have shipped our first keyless solutions to leading customers. These include one of the largest fleet operators in the US market, as well as leading rental companies providing construction equipment (such as Ramirent, which operates in Northern Europe).

We continue to drive our strategy based on three primary market segments:

Entertainment	Games	Transport
Market share growth via winning Tier 1 accounts	Grow beyond DRM to support game monetization	Grow into a substantial and profitable business

Our focus is to increase market share by winning Tier-1 customers in the Video Entertainment segment. We have steadily been making progress against our market share targets over the last three years. Despite a strong in-year performance, we continue to see a challenging trend for this segment due to a decline in global pay-TV subscriptions. We expect this trend to last for several more years, although it is partially offset by a strong performance supporting new entrants providing streaming services.

Irdeto operations continued

Providing our anti-piracy solutions to protect valuable content remains critical. By leveraging our core technology, offerings and expertise we are also able to help customers achieve cost efficiencies through managed services.

Securing games and assuring a level playing field in the Video Gaming segment has increasing importance in our longer-term strategy. We are extending our portfolio by adding cyberservices capabilities, forensic watermarking and the ability to identify and take down bots, which can disrupt the in-game experience or provide an unfair advantage to some players.

Solid pipeline conversion for our keyless entry solution Keystone for automotive OEM's, fleet operators, and construction equipment rental companies has resulted in 399% YoY revenue growth.

Irdeto is a critical partner to the group and provides encryption, conditional access, and middleware solutions for MultiChoice set-top boxes and streaming services. In addition, the business helps MultiChoice monitor and combat piracy across sub-Saharan Africa, as well as contributing to the group's solutions for video-on-demand and targeted advertising. Externally, we are well positioned to maintain and grow our position in the cybersecurity market, given our differentiated offering, established brand name, long-standing market reputation and partnerships, and consistent focus on innovation. Some of our most recent innovations include:

- Video Entertainment: **Irdeto Experience.** This includes offering the most effective solution to deploy OTT and hybrid video platforms. This solution reduces the total cost of ownership, speeds up time to market, removes fragmentation, and enables business growth;
- Gaming: **Unbotify.** This solution is focused on behavioural biometric analysis for bot detection in video games using AI to determine non-standard user play as well as hardware cheats;
- Gaming: **Watermarking.** Protect game builds from leaks by overlaying an invisible watermark to the game pre-release when being shipped to distributed developers, or press and analysts as screeners. This is the industry's first solution to track down leaks to a unique user to ensure enforcement actions are taken.

Irdeto received several awards and accolades in FY24 for our solutions and teams:

- Silver in best anti-piracy solution at the Sports Pro OTT Awards
- Our Connected Transport Automotive team in China won at the China Automotive Parts Industry Award
- Corporate Stars Awards winners for Best Initiative to Strengthen Global Partnerships (Sustainability for Electric Vehicle Charging)
- Top Employer in the IT Sector for 2023/2024 in Austria by the Austrian Society of Consumer Studies for Denuvo by Irdeto
- Abby Szafranski, Product Manager for Fleet, was awarded the 2024 Top Women to Watch in Transportation from the Women in Trucking Association
- Lisa Spencer, VP of Marketing, was named Top Leader in Technology by Parks & Associates.
- Irdeto also achieved Silver Status – from among the top 10% of all companies rated – from from EcoVadis for exceptional sustainability efforts in 2023.

KingMakers

BetKing Nigeria was negatively impacted by challenging macro-economic conditions, including high inflation, the removal of the fuel subsidy, bank note circulation shortages, the weaker naira. Nonetheless, KingMakers delivered a robust performance in terms of organic growth and operational execution:

- Drove further growth in the online business in Nigeria, with monthly active online users up 37% YoY and online gross gaming revenues up 26% YoY in constant currency
- Delivered total gross gaming revenue of USD147m, down 26% YoY, with the weaker naira offsetting organic underlying revenue growth in Nigeria of 5% YoY
- Launched new products into Nigeria, notably BetKing Casino and BetKing FootballGO, a virtual football sportsbook service
- KingMakers delivered positive EBITDA of USD2m, up marginally YoY, with a net loss of USD40m also increasing YoY on the back of FX losses
- KingMakers retained a cash balance of USD113m at end December or USD108m at parallel rates

Having launched the beta site in December 2023, KingMakers fully launched the SuperSportBet business in South Africa in January 2024 with the platform seeing strong initial user uptake. With SuperPicks and the PlayBook preview show already live in South Africa, we have also pushed pre-game shows and live feed integration to leverage the SuperSport platform in driving uptake and engagement on SuperSportBet. The platform features a fully-fledged sportsbook and casino, virtual and other gaming. Watch and Play offerings have also combined video and sports betting products to customers with some initial success. User uptake has been further supported by our official betting partnership with the Kaizer Chiefs and the Orlando Pirates.

Moment

Having created the venture during FY23, Moment officially launched in FY24, playing an instrumental role in the Showmax relaunch readiness while also starting to take on MultiChoice payments volumes and integrations. Although the total payments volumes processed are not yet material, the monthly run-rate is growing quickly. In the meantime, Moment has:

- Completed partnership agreements with MultiChoice Group entities
- Secured critical licences in South Africa, with licensing underway in other core markets
- Joined real-time payment networks in 18 countries, including South Africa
- Started taking local and cross-border card payments in 44 Showmax markets
- Begun processing 30% of DStv payments in South Africa

MultiChoice, along with other founding backers, contributed to Moment's Seed+ funding round in the group's fourth quarter of FY24. Moment raised USD22m of funding, with MultiChoice contributing USD8m, and new external participants placing a post-money valuation on the business of USD82m. MultiChoice currently owns a 26% stake, on a fully diluted basis post year-end.

Chief Financial Officer's performance review

Tim Jacobs
Group Chief Financial Officer

Management reacted quickly to the further deterioration in the macro and consumer environment during FY24, taking decisive tactical decisions to protect profits and cash flows while delivering against the group's long-term strategic priorities

With Showmax, SuperSportBet and Moment all now generating revenues following successful launches during FY24, the group is well positioned to grow in its target segments, while supporting the core linear broadcasting business through a challenging point in the macro cycle

3%
Organic revenue growth underpinned by inflation-led pricing

26.2%
South Africa trading margin of 26.2%, within mid-twenties target range

Strong financial momentum in DStv Insurance, DStv Internet and DStv Stream

ZAR3.4bn
ZAR1.9bn in cost savings, and ZAR1.5bn YoY in additional reduction in decoder subsidies[1]

Up 48% YoY
Rest of Africa maintained positive trading profit at ZAR1.3bn

ZAR1.375bn
South African cash flows support maintaining the Phuthuma Nathi dividend

24% YoY
Organic trading profit growth

Up 22% YoY
Successful launch of the new Showmax platform with revenues up 22% YoY

ZAR11.4bn
Available liquidity of ZAR11.4bn **(ZAR7.3bn in cash plus ZAR4.1bn in available facilities)**

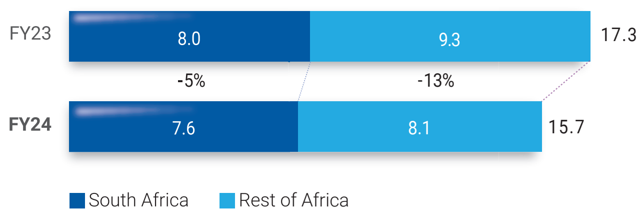
(1) *ZAR1.9bn in cost savings includes ZAR0.7bn in savings on decoder costs, with the further reduction in decoder subsidy driven by increased device pricing and unbundled acquisition offers"*

Chief Financial Officer's performance review continued

Operational performance review

"The group implemented average price increases of 5.6% in ZAR in South Africa and 27% in local currencies in our Rest of Africa markets during FY24 in order to offset the impact of foreign exchange headwinds on revenues"

Active subscribers (m)



Subscriber growth is typically more muted in a year that follows the FIFA World Cup, but FY24 came in below trend as the subscriber base declined YoY in the face of severe macro and consumer pressures. Despite the typical resilience of pay-TV in a downturn, many of our would-be customers could not afford to consistently pay for our product or chose not to subscribe when power availability was unreliable in markets like South Africa.

The group has largely focused on its 90-day subscriber metric since listing in order to provide shareholders and market observers with a subscriber metric that looks through the monthly volatility in the subscriber base. However, management is increasingly managing the business on the basis of active subscribers to optimise retention and activity rates from month-to-month in a low growth environment. As a result, the group is focusing and commenting on active subscribers rather than 90-day active subscribers, but will continue to disclose both metrics for continuity.

The group's active subscriber base declined by 9% YoY, with the base split between 8.1m households (52%) in Rest of Africa and 7.6m households (48%) in South Africa at year-end.

The Rest of Africa business saw a 13% YoY decline in active subscribers as mass-market customers in countries like Nigeria had to prioritise basic necessities over entertainment. The group's inflation-led pricing discipline and tactical decision to reduce decoder subsidies in a weak growth environment placed some incremental pressure on the rate of bringing new customers into the base but was critically important in protecting the segment's profits and cash burn.

The South African business showed more resilience with a 5% decline in subscribers despite a consumer under financial distress due to the sharp rise in the cost of living from inflation and interest rates. The impact of persistent loadshedding through FY24 also created an environment where customers without backup power were frequently reluctant to reconnect.

The group's online user base has seen promising growth. DStv Stream delivered 3x YoY growth in subscribers following its rebranding and relaunch in FY24, with activity boosted by popular sports events such as the Rugby World Cup, and the group also debuted Extra Stream in August 2023 to provide additional viewing environments on mobile devices. Showmax, which re-launched in early February 2024, is showing encouraging early traction – it delivered record single-month growth in March 2024 – with the paying subscriber base growing 16% from the migrated base at relaunch to year-end.

Chief Financial Officer's performance review continued

Review of financial performance

"The group reduced its cost base by ZAR3.4bn during FY24 through cost savings and lower subsidy spend in order to offset a ZAR4.5bn foreign exchange impact on trading profit"

	FY22 (ZAR'bn)	FY23 (ZAR'bn)	FY24 (ZAR'bn)	Organic growth FY23 %	Organic growth FY24 (%)	Notes
Revenue[1]	55.1	59.1	56.0	4	3	1
Costs	(44.7)	(49.1)	(48.1)	3	(1)	2
Trading profit	**10.3**	**10.0**	**7.9**	**5**	**24**	3
Net interest paid	(1.0)	(1.0)	(1.4)			4
Other losses	(0.2)	(1.0)	(1.1)			5
Taxation	(4.2)	(3.8)	(3.4)			6
Non-controlling interest	(1.5)	(0.6)	0.2			7
Core headline earnings	**3.5**	**3.5**	**2.2**	**2**	**(38)**	8
Core headline earnings per share	**814**	**828**	**515**	**2**	**(38)**	8
Adjusted core headline earnings[2]		**1.7**	**1.3**		**(20)**	8
Adjusted core headline earnings per share[2]		**388**	**313**		**(19)**	8
Trading profit margin	19%	17%	14%			3
Effective tax rate	59%	417%	n.m.			6

[1] *FY23 and FY22 revenue includes ZAR76m and ZAR163m in losses respectively related to fair-value movements on Nigeria futures contracts. There is no fair-value gain or loss movement in FY24 as all futures contracts have matured.*

[2] *Adjusted core headline earnings was introduced in FY24, with comparatives included for FY23, to include losses on cash remittances from Nigeria.*

1. Reported revenues were down 5% YoY to ZAR56.0bn on the back of foreign exchange pressures, while group organic revenue growth reduced from 4% in FY23 to 3% in FY24 on the back of lower subscriber volumes and activity offsetting stronger local-currency pricing. A 3% decline in South African subscription revenues was partially offset by 35% growth in insurance premiums and higher sub-licensing revenues primarily from the Rugby and Cricket World Cups. Rest of Africa subscription revenues were up 10% organically through inflationary pricing (-12% reported). Advertising revenue grew 3% on an organic basis (-7% reported) as DStv Media Sales leveraged sports events, initiatives to attract small and medium enterprises, digital and OTT advertising and growth in the Rest of Africa local currency business to offset ad market and audience pressures from macro and loadshedding impacts in South Africa. Irdeto grew 7% organically (+17% reported) due to contract wins in external media (notably managed services) and from encouraging momentum in connected transport.
2. Operating leverage on an organic basis remained positive in FY24, supported by accelerated cost reduction. Overall costs decreased 1% YoY on an organic basis, despite the increased investment in Showmax, as the group delivered ZAR1.9bn in cost savings, well ahead of our initial target of ZAR0.8bn and our increased target of ZAR1.0bn communicated at the half year. Over and above decoder cost savings of ZAR0.7bn included in the total cost savings figure for FY24, subsidy spend was reduced by a further ZAR1.5bn YoY through increased device pricing and unbundled acquisition offers (excluding the impact of the FIFA World Cup spend in the prior year, subsidy spend reduced by ZAR0.7bn YoY).
3. Trading profit on a reported basis decreased by 21% to ZAR7.9bn on the back of foreign exchange losses of ZAR4.5bn, weaker South African trading conditions and the investment in the Showmax relaunch. However, trading profit was up 24% YoY on an organic basis due to the group's accelerated cost savings drive. Group trading margin declined from 17% to 14%. The Rest of Africa business maintained profitability despite a material foreign exchange impact, generating a trading profit of ZAR1.3bn up 48% YoY. The group delivered South Africa trading margins in its mid-twenties target range at 26.2%.
4. Net interest paid increased YoY as the first tranche of the group's term loan (ZAR8.0bn) was drawn down for the first full year in FY24 and the second tranche (ZAR4.0bn) was drawn down in 2H FY24.
5. Other losses increased due to a 23% YoY increase in share of equity-accounted losses during the year as KingMakers net losses increased on the back of losses on cash remittances from Nigeria and the Moment's net losses grew YoY on the back of its formal launch in FY24.
6. The group's tax expense reduced YoY due to lower profitability in South Africa and the conclusion of the outstanding tax matter with the Nigerian tax authority. The group's FY24 effective tax rate is not meaningful to assess from a numerical perspective but, for directional context, was negative in the current year due to the group incurring taxes in the profitable South African, Irdeto and Rest of Africa segments, while being in a net loss before tax position due to the impact of the impairment of the Technology Modernisation programme of ZAR1.2bn, ZAR0.4bn higher net interest expense due to the group's fully drawn-down term loan, ZAR4.6bn in foreign exchange losses on the translation of non-quasi inter-group loans due to the depreciation of the Naira against the USD, and losses on cash remittances from Nigeria (ZAR1.1bn).
7. Non-controlling interests decreased YoY due to lower profitability in South Africa, the conclusion of the Showmax partnership with Comcast, with Comcast sharing in 30% of the losses in Showmax, and lower profitability in MultiChoice Nigeria due to the impact of the weaker naira.
8. Core headline earnings decreased 38% YoY to ZAR2.2bn due to the decrease in reported trading profit, with some offset from an increase in realised hedging gains in FY24. Adjusted core headline earnings, which is the board's preferred measure of sustainable business performance going forward as it includes losses on cash remittances, declined by 20% YoY due to the factors noted above, with an additional offset from a narrower gap between the official and parallel naira rates in Nigeria in FY24 relative to FY23.

Chief Financial Officer's performance review continued

Review of cash generation

"Free cash flow of ZAR0.6bn was down 79% YoY, mainly due to the macro pressures on profitability, the opex and platform investment in Showmax and the ongoing working capital investment in new local content."

	FY22 (ZAR'bn)	FY23 (ZAR'bn)	FY24 (ZAR'bn)	FY23 growth %	FY24 growth (%)	Notes
Trading profit	10.3	10.0	7.9			
Non-cash adjustments	3.4	3.1	2.7			1
Working capital investment	(1.0)	(3.1)	(2.5)			2
Cash from operations	**12.7**	**10.0**	**8.1**	**(21%)**	**(19%)**	
Capital expenditure	(1.1)	(1.2)	(1.2)			3
Lease repayments	(2.5)	(2.5)	(2.7)			
Investment income	–	–	0.0			
Taxation paid	(3.6)	(3.4)	(3.7)			4
Free cash flow	**5.5**	**2.9**	**0.6**	**(47%)**	**(79%)**	
Less: Net interest paid	0.0	(0.2)	(0.7)			5
Less: Dividends paid by holding company	(2.4)	(2.4)	–			6
Less: PN and other NCI dividends	(1.5)	(1.5)	(1.4)			6
Less: Share buy-backs	(0.3	–	(0.5)			7
Less: Settlement of share-based compensation awards	(0.1)	(0.2)	(0.1)			7
Add: Proceeds/(Repayment) from long and short-term loans raised	2.6	4.4	3.6			8
Less: Investments in associates	(4.2)	(0.2)	(0.2)			9
Less: Settlement of contingent consideration	(0.5)	–	–			
Less: Other cash movements	(0.2)	(0.1)	1.2			10
Retained free cash flow	**(1.0)**	**2.7**	**2.6**			
Add: Decrease/(Increase) in restricted cash	0.2	0.2	–			
Deduce: Cash and cash equivalents classified as held-as-sale	–	–	(0.3)			
Foreign exchange translation of foreign cash balances	(1.6)	(1.5)	(2.6)			11
(Decrease)/Increase in cash and cash equivalents	**(2.4)**	**1.4**	**(0.3)**			

1. Non-cash adjustments include depreciation and amortisation, impairments or reversals of impairments of tangible and intangible assets, net realisable value adjustments on inventory and non-cash hedge accounting movements. Additional detail is disclosed in the group's annual financial statements, with depreciation and amortisation of ZAR2.8bn in FY24 the largest single contributor to the net non-cash adjustment.
2. Working capital investment remained elevated in FY24 due to the platform technology advances for the Peacock platform (ZAR1.7bn) used by Showmax and higher stock holdings driven by a decrease in decoder sales volumes following the group's tactical reduction in subsidies resulting in higher selling prices. These movements were partially offset by lower prepayments on decoders and the utilisation of tax security deposits made in prior years following settlement of outstanding tax matters with the Nigerian Federal Inland Revenue Service (FIRS).
3. Capital expenditure of ZAR1.2bn was in line with the group's typical operating range of between ZAR1.0bn and ZAR1.5bn and included higher spend on Technology modernisation project to complete immediately viable modules and on DStv Stream technology stack to support the SA OTT ambitions.
4. The group paid direct cash taxes of ZAR3.7bn in FY24, slightly higher than the prior year despite lower group profitability primarily due to a higher top-up payment required in South Africa relating to FY23.
5. Net interest paid increased due to the group's higher average debt position through FY24, partially offset by additional interest received on higher average bank balances during the year.
6. There was no group dividend paid in FY24 (FY23: ZAR2.4bn) while dividends to Phuthuma Nathi amounted to ZAR1.4bn for the FY24 and FY23 financial years.
7. The group acquired treasury shares to fund future RSU share awards to the value of ZAR0.5bn during FY24, with no acquisitions made in the prior year.
8. Net proceeds from short- and long-term loans related to the remaining ZAR4bn drawdown on the ZAR12bn term loan facility raised in FY23 to be used for working capital purposes. The group settled the final outstanding amount of ZAR0.4bn on the pre-existing working capital term-loan facilities in the current year.
9. During FY24, the group contributed to Moment's Seed+ funding round with a USD8m (ZAR151m) investment, increasing our shareholding to 29.6% on a fully diluted basis at year-end at a post money valuation of USD82m.
10. The translation of foreign cash reserves includes losses of ZAR1.1bn (FY23: ZAR2.4bn) incurred in Nigeria due to differences between the official rate used by the group for translation of results and the parallel rate at which cash has been remitted. This has been partially offset by an increase at year-end in the ZAR equivalent value of cash held in USD.

Chief Financial Officer's performance review continued

Review of financial position

"The group had a negative equity position on its balance sheet at year-end, largely driven by a number of non-cash, accounting-driven adjustments impacting negatively on the group's reserves (see note 5 for further context). Despite these impacts, the group remains liquid and had distributable reserves of ZAR16.2bn, cash of ZAR7.3bn, and undrawn borrowing facilities of ZAR4.1bn at year-end. The group will continue to support the Phuthuma Nathi dividend and invest behind Showmax, but has taken the decision to stop its other major technology projects in order to protect the group's cash resources in the current environment."

	FY22 (ZAR'bn)	FY23 (ZAR'bn)	FY24 (ZAR'bn)	FY23 growth %	FY24 growth (%)	Notes
Non-current assets	25.6	24.6	**22.7**	(4)	**(8)**	**1**
Current assets	17.3	23.0	**21.2**	33	**(8)**	**2**
Total assets	**42.9**	**47.6**	**43.9**	**11**	**(8)**	
Non-current liabilities	13.9	19.6	**24.3**	41	**(24)**	**3**
Current liabilities	20.9	22.7	**20.7**	9	**(9)**	**4**
Total liabilities	**34.8**	**42.3**	**44.9**	**22**	**6**	
Retained earnings	24.7	18.9	**16.2**			
Other reserves and non-controlling interests	(16.6)	(13.5)	**(17.2)**			
Equity	**8.1**	**5.3**	**(1.1)**	**35**	**(120)**	**5**
Key ratios						
Liquidity (current ratio) (times)	0.8	1.0	**1.0**			**6**
Leverage (including leases) (times)	0.77	1.08	**1.53**			**7**
Interest cover (times)	14.4	12.8	**8.0**			**7**
Return on capital employed (%)	45	43	**33**			**8**

1. Non-current assets were lower YoY, largely due to the ZAR1.2bn impairment of software relating to the discontinued Technology Modernisation programme. The reduction from depreciation and amortisation was broadly offset by capital expenditure and advances on platform technology of ZAR1.5bn relating to Showmax in non-current assets (ZAR1.7bn in total).

2. The YoY decrease in current assets was driven by the utilisation of the Nigeria tax security deposits (ZAR1.1bn) following the settlement of the Nigerian tax matters, lower prepayments for software licenses and inventory and the decline in derivative financial instruments with forward exchange contracts maturing in the year (ZAR1.2bn) and the duration of the overall hedge book running down due to the prohibitive cost of forward cover.

3. Non-current liabilities increased 24% in the current year due to the ZAR4.0bn increase in the group's term loan facility, together with the recognition of the liability for the fair value of Comcast's put option over its 30% shareholding in Showmax of ZAR2.7bn (exercisable seven years after the launch of Showmax on the Peacock platform given the initial contractual platform licensing term). This was partially offset by the net ZAR1.6bn decrease in the non-current lease liabilities of the group through ongoing lease payments.

4. Current liabilities declined YoY due to a ZAR0.7bn reduction in accrued expenses from the settlement during FY24 of accruals relating to the preparation of the new Showmax platform, the settlement of FY23 FIFA World Cup related stock liabilities and lower stock orders in the current year due to lower planned sales volumes. Tax liabilities were ZAR0.9bn lower on the back of the reversal of VAT related accruals previously raised in the Rest of Africa segment, deferred income was ZAR0.6bn lower due to a YoY reduction in the closing subscriber base, and short-term loans reduced by ZAR0.4bn to zero with the settlement of the existing working capital term-loan facilities in the current year.

5. The group incurred a number of non-cash charges during the year including ZAR4.6bn in losses on the translation of non-quasi inter-group loans between MultiChoice Africa Holdings B.V. and MultiChoice Nigeria Limited, a ZAR1.2bn impairment charge on the group's Technology Modernisation programme, and the recognition of the ZAR2.7bn estimated fair value of the Comcast put option relating to its 30% shareholding in Showmax. This has left the group with a negative equity balance of ZAR1.1bn at year-end, but has no impact on the liquidity and going concern of the group.

6. Measured as current assets divided by current liabilities. The current ratio remained stable in the current year at ~1.0x, with the group's healthy cash balance, available undrawn facilities and low leverage ratio providing management with comfort over the group's liquidity position.

7. Leverage is measured as net debt (lease liabilities plus term loan less cash) divided by earnings before interest, taxation, depreciation and amortisation (EBITDA). Leverage remains at an acceptable level at 1.53x at the end of FY24 (FY23: 1.08x). This provides adequate financial headroom for the group given a debt covenant cap of 2.5x. Interest cover is measured as EBITDA divided by net interest paid, and reduced from 12.8x in FY23 to 8.0x in FY24 due to lower profitability and a ZAR0.4bn increase in net interest paid. It remains well above covenant and treasury policy limits of 4.0x.

8. Measured as trading profit divided by capital employed (defined as average total assets less average current liabilities). Return on capital employed declined from 43% in FY23 to 33% in FY24 due to a 21% fall in trading profit on a comparatively stable operating asset base as capital employed increased by 2% YoY.

Chief Financial Officer's performance review continued

Technology Modernisation programme

Since FY20, the Group has been investing in a multi-year Technology Modernisation (Tech Mod) programme aimed at upgrading the Group's digital, customer, billing, payments, partnerships and data capabilities. To date, it has successfully developed and implemented four of the six core Tech Mod modules, being an Automated Digital Marketing module to support improved customer value management journeys and automated campaigns, a business Partnership module, DStv for Business module and a Field Sales and Services module to support improved customer experience and data collection in Rest of Africa.

The Tech Mod programme as a whole has, however, been overtaken by an extremely challenging consumer, macro-economic and foreign exchange rate environment necessitating a change in business requirements. A complete refocus of the business on profitability and cash generation has triggered a major cost and capex review. As part of this process, management conducted an in-depth review of the costs to successfully complete and implement the remainder of the Tech Mod programme against the strategic, operational and financial needs of the group. As the time, costs and management focus to complete the remaining Tech Mod modules was deemed to be too high for the business to absorb in the current environment and, taking into account the functionality of the current technology and the incorporation of AI in the business, the group has opted to discontinue the programme.

This decision has resulted in the group booking an impairment charge of ZAR1.2bn in FY24 against the capitalised cost of this project (ZAR1.0bn net of tax and minorities), representing mainly by the cost of project architects, software developers, project managers, software testers and consultants over the project period. The project also has onerous contracts, against which the group has raised a provision of ZAR136m at year-end.

Nigeria non-quasi inter-group loan

The material depreciation of the NGN through the course of FY24 has resulted in an increase in foreign exchange translation losses on the non-quasi component of the USD-denominated inter-group loan between MultiChoice Africa Holdings B.V. and MultiChoice Nigeria Limited. These losses, which are non-cash in nature, amounted to ZAR4.6bn in the consolidated income statement (FY23: ZAR1.7bn).

Nigeria tax settlement

In February 2024, the group announced that it had reached a settlement with the Nigerian Federal Inland Revenue Service (FIRS) in relation to the tax assessments raised in April 2021 on MultiChoice Nigeria Limited (MCN) and in June 2021 on MultiChoice Africa Holdings BV (MAH). The parties (FIRS, MCN and MAH) concluded a 'without prejudice or precedent' agreement in full and final settlement of all matters in dispute. In terms of the agreement, MCN and MAH agreed to pay a total tax amount of NGN35.4bn (~USD37.3m), to be offset against the security deposits and good faith payments previously made.

Share transactions

During FY24, the group repurchased 5.3m shares in the market worth ZAR482m at an average share price of ~ZAR91 per share. These shares have been allocated to share incentive awards in the share trust and will not be cancelled by the group. At the end of March 2024, a total of 1.9m shares at an average price of ~ZAR116 per share remain unallocated for future use.

Subsequent events – Canal+ mandatory offer

The group entered into a Cooperation Agreement with Groupe Canal+ SA (Canal+) in relation to Canal+'s mandatory offer for the group. This followed a ruling by the Takeover Regulation Panel (TRP) of South Africa, which required Canal+ to pursue a mandatory offer after it acquired an interest of more than 35% in MultiChoice. In relation to the mandatory offer:

- Canal+ submitted an offer of ZAR125 per share in cash (an earlier non-binding intention to offer of ZAR105 was rejected)
- MultiChoice constituted an independent board of directors, which appointed The Standard Bank of South Africa Limited as an independent expert (IE) to review the terms of the offer and express a "fair and reasonable" opinion as required by the Takeover Regulations. The opinions are contained in the combined offer circular mentioned below.
- Following the posting of a Firm Intention Announcement (FIA) on 8 April 2024, the combined Offer Circular was distributed on 4 June 2024. In the intervening period, Canal+ increased its shareholding in the group from 35.01% to 45.20%.

Dividend

In view of the group's commitments under the Cooperation Agreement with Canal+, as published in the Combined Offer Circular on 4 June 2024, the question of a dividend declaration does not arise for FY24.

Appreciation

During an incredibly challenging year for the group, I would like to join Calvo in thanking the Board for their ongoing support and guidance and the group's Executive Committee for their leadership and focused execution during FY24. I would also like to acknowledge the remarkable work done by the operations and finance teams in delivering well ahead of the group's cost reduction targets and against our tactical decision to meaningfully reduce the group's decoder subsidy spend. We in particular appreciate the ongoing support from our customers, suppliers and investors especially during adverse periods such as the one we have experienced through the year past.

Tim Jacobs
Group Chief Financial Officer

12 June 2024

05

Corporate governance

To create a successful and sustainable business, we continue entrenching the principles of sound corporate governance

Section content

Our board of directors

Mohamed (Imtiaz) Ahmed Patel 60

Outgoing non-executive chair

Qualifications: HDipEdu

Appointed 6 December 2018
Stepped down 23 April 2024

Imtiaz was previously the CEO of the Naspers Group Limited (Naspers) video entertainment segment, CEO of the MultiChoice South Africa Group, MultiChoice South Africa and SuperSport International. He was awarded the prestigious Naspers Phil Weber Award in 2009. Prior to that, he was the director of professional cricket at the United Cricket Board of South Africa. He has a Higer Diploma in Education from Wits, completed the executive PMD programme offered by the University of Cape Town's Business School, and completed the senior executive programme at Harvard Business School.

Other boards: Moment Holdings and Blue Lake Ventures

Elias Masilela 60

Incoming independent non-executive board chair

Qualifications: BSocSci (Economics and Statistics) and MSc (Economic Policy and Analysis)

Appointed 6 December 2018 and elected as board chair with effect from 23 April 2024

Elias previously served as the CEO of the Public Investment Corporation Limited until June 2014, the head of policy analysis at Sanlam Limited and the deputy director general at the National Treasury. Until the end of March 2024, he was also the chair of Sanlam, chair of Ingagaru Investments, BuMa Investment Holdings and Capital Harvest. Elias is a former board member of the South African Reserve Bank, Government Employees Pension Fund and United Nations Global Compact, among others. He holds a Bachelor of Social Science in Economics and Statistics from the University of Swaziland and a Master's in Economic Policy and Analysis from Addis Ababa University.

Other boards: Sanlam, Alternative Prosperity, Brightlights Learning, Buma Consulting, Buma Investment Holdings, Capital Harvest, DNA Economics EP Investments, Ingagaru Holdings, Ingagaru Investments, Seed Foundation and Strate

Adv Kgomotso Ditsebe Moroka 70

Independent non-executive director

Qualifications: BProc and LLB

Appointed 6 December 2018

Kgomotso is a senior counsel and member of the Johannesburg Bar. Until recently, she held non-executive directorships at Standard Bank Group Limited and Netcare Limited. Kgomotso serves as trustee of the Nelson Mandela Children's Fund, Hospital and the Apartheid Museum. She also served as the chair of M-Net's Phuthuma Futhi Trust. She holds a Baccalaureus Procurationis from the University of the North and an LLB from Wits.

Other boards: Elandsdrift Farms; Glocentric Property Fund, Kalagadi Manganese, Mentoprox, Nelson Mandela Children's Hospital, Phuthuma Futhi, Phuthuma Nathi and the South African Apartheid Museum

John James (Jim) Volkwyn 66

Independent non-executive director

Qualifications: CA(SA) and BCom (Hons)

Appointed 6 December 2018

Jim has held a number of senior roles within MultiChoice and Naspers, including, the role of CEO of the Naspers's global video entertainment segment, before retiring in 2014. He holds a Bachelor of Commerce (Honours) from the University of Cape Town and is a chartered accountant (CA)(SA).

Other boards: Swartberg Private Wildlife Estate Land Owners Association

Louisa Stephens 47

Independent non-executive director

Qualifications: BBusSc (Finance), CA(SA) and CD(SA)

Appointed 6 December 2018

Louisa serves on the boards of a number of listed and unlisted companies. She serves as a director of Netcare Limited, Scancom PLC (MTN Ghana), Strate Proprietary Limited, and the Institute of Directors in South Africa NPC. She previously served as a director of Royal Bafokeng Platinum Limited, African Bank Limited, South Ocean Holdings Limited and AFGRI Limited, and held management positions as chief investment officer of Circle Capital Ventures, general manager: finance investments at Nozala Investments, and fund manager of the uMnotho Fund at the National Empowerment Fund. She holds a Bachelor of Business Science and BCom Honours (Accounting), and is a CA(SA) and chartered director (CD)(SA).

Other boards: Legae Property, Netcare Limited, NMS Insurance, Prime Select, Scancom Plc (MTN Ghana), Strate, and the Institute of Directors in South Africa

Our board of directors continued

Christine Mideva Sabwa 51

Independent non-executive director

Qualifications: BCom (Accounting), Certified Public Accountant of Kenya

Appointed 14 May 2019

Christine has a strong background in accounting and her experience spans numerous industries, including financial services, telecommunications (digital finance) and insurance. Over the past 28 years, she has gained experience in auditing, accounting, special investigations, revenue assurance, risk management, banking, governance and digital finance. With a successful career in financial services across consulting, insurance and banking, Christine worked for Standard Bank South Africa where she served as a senior manager, overseeing the strategic finance and tax function of operations in 15 African countries. She is the managing partner at Sabwa and Associates based in Nairobi, servicing financial advisory needs of clients in Kenya.

Other boards: ABSA Kenya, Archievers Limited, Britam Life Assurance Company (Kenya), Eclof Kenya, Green Fountains, Imani Capital, OIC, Sabwa and Associates, Shalom Group of Hospitals, and Yengo International.

Dr Fatai Adegboyega Sanusi 62

Independent non-executive director

Qualifications: MBBS, FRCOG

Appointed 5 July 2019

Fatai is a senior consultant in the United Kingdom National Health Service, serving in this position for 21 years at West Hertfordshire NHS Trust. He has many years of experience in governance and risk management at board level. He is active in education and training and served as a training director. He was a clinical director on many management committees including financial, future planning and nomination committee appointing consultants. He is a Fellow of the Royal College in England. Fatai holds a Bachelor of Medicine and Bachelor of Surgery from the University of Lagos.

Other boards: None outside of the group

James Hart du Preez 65

Independent non-executive director

Qualifications: CA(SA) and CD(SA)

Appointed 1 April 2021

James is a CA(SA) who was admitted as a partner of PricewaterhouseCoopers Inc (PwC) in 1996. As the clients and markets development leader for PwC Africa, he was responsible for digital marketing, advertising, sponsorships and business development. James served on the PwC – Europe, Middle East and Africa Business Development Board from 2010 to 2019. He retired from PwC in June 2019. James consulted for Citadel Wealth Management in a business development and marketing capacity. He is a CD(SA) of the Institute of Directors in South Africa NPC. He is also a chartered marketer (SA) with the Marketing Association of South Africa.

Other boards: Phuthuma Nathi

Deborah Klein 55

Independent non-executive director

Qualifications: B Bus Sci Advanced Management Programme (Harvard Business School)

Appointed 1 September 2023

Deborah's background spans commercial brand, marketing, communications, corporate social responsibility and human resources. She was previously the Group Chief Marketing, Corporate Affairs and People Officer at Sky. Her remit included brand reputation, internal and external communications including social media, and public affairs. She also led Sky's corporate social responsibility programme, including its commitment to reach net zero carbon by 2030, and Sky's human resources strategy and function. Her focus has been on driving digital transformation, using new platforms and social media to engage customers and employees. She was previously Chief Executive Europe and Asia Pacific at The Engine Group, an integrated marketing services business, and earlier in her career worked in Strategy and Insight at Saatchi & Saatchi and Nielsen.

Other boards: Guardian Media Group, Nationwide Building Society and Xyon Healthcare.

Andrea Zappia 60

Independent non-executive director

Qualifications: BSc (economics)

Appointed 1 September 2023

Andrea has been a senior executive at Sky for over 20 years. In his last role Andrea was the Executive Vice President and Chief Executive Officer New Markets and Businesses for the Sky Group. His responsibilities included SkyNews/SkyTG24 and, until a few months ago, SkyStudios, which he helped setup and lead, including the creation of SkyStudios Elstree. He has led the creation of SkyShowtime, a joint venture between Sky and Paramount Global JV, in which he served as the chairman up until 2023. He is chairman of MCH Group (the Swiss Company that owns ArtBasel) and a long-term board member of EssilorLuxottica. He started his career at the multinational Procter&Gamble company, where he held the post of European Group Marketing Manager. From 1996 to 2001, he was Global Sales and Marketing Director for Ferrari and Maserati. In 2003, he joined Sky Italia, where he held various executive positions before holding the post of CEO from 2011 to 2019.

Other boards: EssilorLuxottica and MCH Group

Our board of directors continued

Calvo Phedi Mawela 48

Chief Executive Officer

Qualifications: BSc Eng (Electrical)

Appointed 6 December 2018

Calvo was the CEO of MultiChoice South Africa after holding office as the group executive: policy and regulatory affairs for the MultiChoice Group. He previously held positions as a professional engineer at Sentech and broadcasting spectrum manager at ICASA. He also served in several ministerial advisory task teams, including the Digital Migration Working Group, Digital Dzonga and the Information and Communications Technology Policy Review Panel. He also served as a commissioner to the Presidential Commission on Fourth Industrial Revolution. He holds a Bachelor of Science in Electrical Engineering from the University of KwaZulu-Natal (previously University of Durban-Westville), a Management Advancement Programme Postgraduate Diploma from Wits Business School, a Postgraduate Diploma in Economics for Competition Law from King's College, London and Strategic IQ: Creating Smarter Corporations Certificate from Harvard Business School.

Other boards: Blue Lake Ventures and Phuthuma Nathi

Timothy Neil (Tim) Jacobs 55

Chief Financial Officer

Qualifications: HDipAcc and CA(SA)

Appointed 6 December 2018

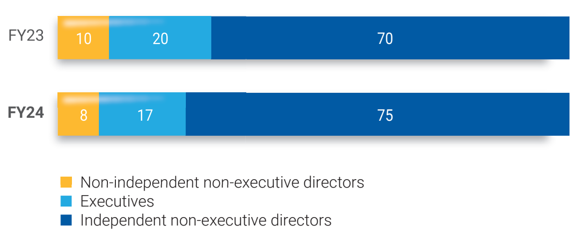
Tim was previously the CEO of MultiChoice Africa and CFO of the Naspers video entertainment segment. He previously held positions as CFO of Nampak Limited, CFO of Transaction Capital Limited and interim CFO of Altron Group. He holds a Bachelor of Commerce, a Higher Diploma in Accounting from Rhodes University and is a chartered accountant CA(SA).

Other boards: None outside of the group

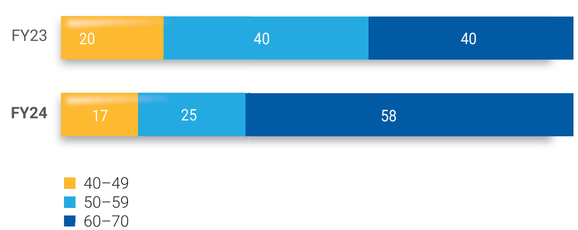
The board recognises that a balanced board supports value creation.

Board demographics

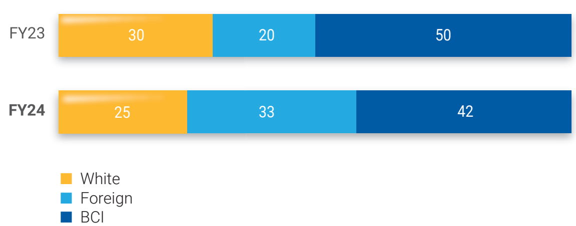
Director categorisation (%)



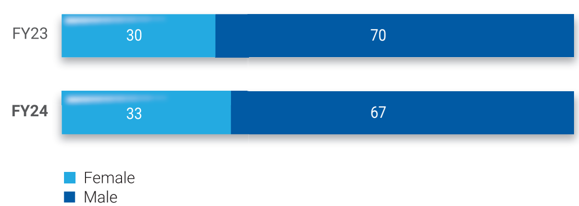
Age (%)



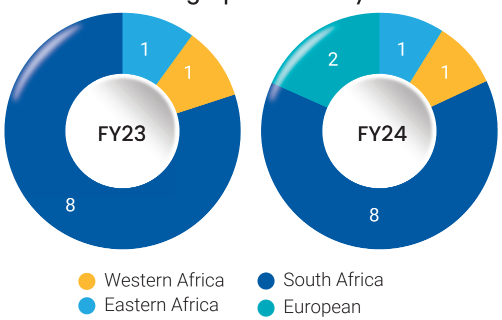
Race (%)



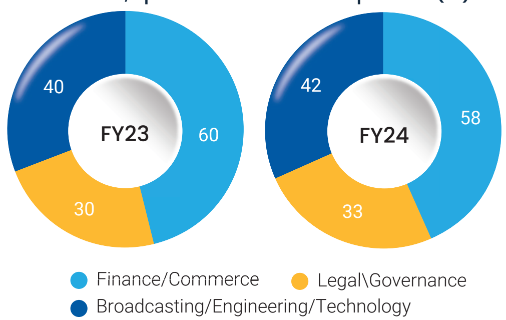
Gender (%)



Geographic diversity



Skills, qualifications and expertise (%)



Notes: The above does not reflect post year-end change.

Gender diversity is also a focus area for our employee group as a whole. Read more about our initiatives in this regard on pages 27 and 28.

Our approach to governance

The MultiChoice Group is committed to the highest standards of corporate governance, ethics and integrity, which we believe support our ability to create value for all stakeholders. We continue entrenching the principles of sound corporate governance throughout our multinational organisation, applying appropriate ethics and standards in the conduct of our business affairs. The board understands and accepts its responsibility to safeguard and represent the interests of the group's stakeholders to create a successful and sustainable business that delivers on the group's strategic objectives.

Our group governance framework

The board is the custodian of the group's corporate governance. The board and its committees, as well as the boards and committees of its subsidiaries, are responsible for ensuring the appropriate principles and practices of King IV are applied and embedded in the governance practices of group companies.

A disciplined reporting structure ensures the board is fully apprised of subsidiary activities, risks and opportunities. All controlled entities in the group are expected to demonstrate good governance as set out in King IV, taking into account proportionality as a one-size-fits-all approach cannot be followed when implementing governance practices. This means that the practices needed to demonstrate the group's governance in terms of King IV are applied across the group as appropriate for the relevant subsidiary because the companies in the group are diverse and at different stages of maturity. While good governance principles apply to all types and sizes of organisations, the practices implemented by each to achieve the principles are tailored to each unique entity. Practices are implemented as appropriate to give effect to overarching good governance principles. As part of the internal annual CEO/CFO sign-off process, businesses across the group are required to confirm that they have aligned their policies to the MultiChoice Group policies, which set out the minimum standards across all jurisdictions.

Business and governance structures have clear approval frameworks that are annually reviewed and aligned to the group levels of authority approved by the board. The board is satisfied that the delegation of authority framework contributes to role clarity and the effective exercise of authority and responsibilities. In relation to assessing corporate governance services, the MultiChoice Group has an internal company secretariat function, and conducts an annual assessment of the company secretary's performance, qualifications and skills.

Our King IV journey

The board recognises the link between effective governance, sustainable performance and creating long-term value for all its stakeholders. The board is committed to the principles of transparency, integrity, fairness and accountability, and recognises the need to implement good corporate governance principles. The board applies the principles of King IV, which form the cornerstone of our approach to governance.

We support the overarching goals of King IV, being:

Ethical culture	Page 95
Good performance	Page 98
Legitimacy	Page 99
Effective control	Page 101

In accordance with the JSE Listings Requirements, the MultiChoice Group is required to report on its application of King IV principles and recommended practices. Each year, the MultiChoice Group carries out a thorough review in this regard, noting whether each principle and practice is applied and explaining how this is done. The board, to the best of its knowledge, believes the group satisfactorily applied King IV in FY24, having applied all principles and adopting all relevant recommended practices.

The group continues to develop its governance policies, practices and procedures in line with an integrated governance, risk and compliance framework and continues entrenching and enhancing its understanding and application of the practices and principles of King IV.

For further details, see the King IV application report on our website www.investors.multichoice.com/integrated-annual-reports.

Board

The MultiChoice Group has a unitary board, which oversees and controls the group. The board charter sets out the board's responsibilities, providing for delegation of authority and enabling the board to retain effective control. The board delegates its authority through clearly defined mandates to established board committees and to the CEO. The majority of board members are non-executive directors, independent of management.

To ensure no single individual has unfettered powers of decision-making and authority, the roles of the chair, lead independent director and CEO are separate and well defined in the board charter.

The board's responsibilities include providing the group with clear strategic direction, ensuring there is adequate succession planning at senior levels, reviewing operational performance and management, and reviewing policies and processes that seek to ensure the integrity of the group's risk management and internal controls.

The board is the focal point and custodian of corporate governance, exercising its leadership and oversight role by annually approving the strategy and the business plan, and overseeing its implementation. Its role, responsibilities, membership requirements and procedural conduct are documented and set out in the board charter, which it regularly reviews to guide its effective functioning. In addition, it is the board's responsibility to ensure compliance with all statutory and regulatory requirements and, in particular, the Companies Act and the JSE Listings Requirements.

For our board's detailed profiles, see pages 89 to 91.

Our approach to governance continued

Board composition and succession planning

The group recognises that a balanced board supports value creation. The board, supported by the nomination committee, determines its size and composition subject to the group's MOI, applicable legislative and regulatory requirements, and King IV. Non-executive directors bring diverse perspectives and independence to the board's decision-making, and executive directors offer insight into the business's operations. The CEO and CFO (referred to as the 'financial director' by the JSE) are board members. To support the board, where necessary, subject matter experts are available for matters requiring specialised guidance.

As at year-end, the board comprised 12 directors – two executive directors (CEO and CFO) and ten non-executive directors, nine of whom were considered independent. Post year end from 23 April 2024 the board comprised of 11 Directors.

Non-executive members of the board are categorised by the board as independent if there is no interest, position, association or relationship which is likely to influence unduly or cause bias in decision-making and which is not in the group's best interests. The board considers the aforesaid and other indicators holistically and on a substance-over-form basis when assessing the independence of a board member for purposes of categorisation.

No director has served as a director of the MultiChoice Group for longer than nine years. No director has unfettered powers of decision-making.

None of the directors, other than the executive directors, have a fixed term of appointment. One third of the non-executive directors are subject, by rotation, to retirement and re-election by shareholders at every AGM, in accordance with the group's MOI.

The mandatory retirement age for non-executive directors is 75, at which time the director shall vacate office at the end of the financial year in which that director turns 75, unless the board, in its discretion, decides otherwise.

The nomination committee reviews the board's composition (including board member rotation) annually in accordance with the board charter and the board diversity policy. The nomination committee makes recommendations to the board. The board and committee compositions are considered holistically, taking into account all aspects of diversity (including gender, age, culture and race) in terms of the board diversity policy, and capitalising on differences in the skills, geographical and industry experience of its members. The board's commitment to promote diversity is demonstrated by the fact that in FY24 80% of the board committee chairs are women (100% post year-end) and the majority of chairs, including the board chair, are considered diversity candidates.

The nomination committee assists the board with identifying and selecting new directors. Recommendations by the nomination committee are subject to the board's final approval. When considering candidates, the nomination committee and board will consider, among other things, skills, qualifications, existing directorships, fit and proper assessments and diversity. Eligible candidates and current directors are not permitted to hold more than four active directorships on companies (including the MultiChoice Group) listed on any local or foreign regulated exchange, such as the JSE. All board appointments are made on merit, in the context of the skills, experience, independence and knowledge the board as a whole requires to be effective. Further, in terms of the appointment and board diversity policy, in considering the board's composition, cognisance is taken of the gender and racial mix to represent the demographics of the markets where we operate and to promote racial and gender diversity at board level.

Board meeting attendance and appointment details

Name	Designation	Initial appointment date	Attendance
Imtiaz Patel[(1)]	Non-executive director, board chair (outgoing)	6 December 2018	7/7
Elias Masilela[(1)]	Independent director, board chair (incoming)	6 December 2018	7/7
Calvo Mawela	Executive director	6 December 2018	7/7
Tim Jacobs	Executive director	6 December 2018	7/7
James du Preez	Independent non-executive director	1 April 2021	7/7
Adv Kgomotso Moroka	Independent non-executive director	6 December 2018	7/7
Deborah Klein[(3)]	Independent non-executive director	1 September 2023	6/6
Christine Sabwa	Independent non-executive director	5 May 2019	7/7
Dr Fatai Sanusi	Independent non-executive director	5 July 2019	7/7
Louisa Stephens	Independent non-executive director	6 December 2018	7/7
Jim Volkwyn[(2)]	Independent non-executive director	6 December 2018	7/7
Andrea Zappia[(3)]	Independent non-executive director	1 September 2024	6/6

(1) *Imtiaz Patel stepped down as chair and non-executive director and the board appointed Elias Masilela as chair with effect from 23 April 2024.*

(2) *Jim Volkwyn stepped down as lead independent director on 1 April 2024. Elias Masilela was the lead independent director with effect from 1 April 2024 for a short period until he took up the role as chair of the board on 23 April 2024.*

(3) *Deborah Klein and Andrea Zappia were elected by shareholders as independent non-executive directors with effect from 1 September 2023.*

Performance and future focus

The board's focus during FY24 was on executive management's short-term operational execution, the group's long-term strategic direction and appropriate capital allocation to support both.

The board, and/or its established committees, consider management's operational execution in relation to the group's strategy and budget, operational focus areas, capital allocation, the operating environment, global developments and enterprise-wide risk management, regulatory, legislative, information and technology (I&T) governance, internal audit, stakeholder, social and governance matters at every quarterly meeting.

The board is satisfied it fulfilled its responsibilities in accordance with its charter for the year under review.

Our approach to governance continued

Key matters dealt with by the board or established board committees during FY24:

1Q FY24:

- Strategic objectives review
- Board and committee effectiveness and director performance
- Director rotation and nomination
- Annual financial statements, results announcements and integrated annual report
- Going concern status, capital allocation and solvency and liquidity
- Corporate projects
- Business performance
- Macro-economic environment
- STI and LTI objective approvals and/or reviews
- Trading and share price performance
- Shareholder engagements and interactions
- Treasury, funding and/or liquidity risks

2Q FY24:

- Shareholder engagements
- Annual general meeting
- Risk registers and heat maps
- Business performance and strategy
- Corporate projects
- Macro-economic environment
- Treasury, funding and/or liquidity risks
- Remuneration disclosure enhancement

3Q FY24:

- Strategic objectives review
- Capital allocation
- Half-year results
- Business performance and strategy
- Corporate projects
- Macro-economic environment
- Remuneration structures and LTI plans
- Treasury, funding and/or liquidity risks

4Q FY24:

- Strategic objectives review
- Business performance
- Review and approval of the group's strategy and budget
- Board and committee compositions and director independence assessments
- King IV and governance policy, process and control reviews
- Risk registers and heat maps
- Combined assurance, risk management and internal audit plans
- Corporate projects
- Macro-economic environment
- Treasury, funding and/or liquidity risks

Looking ahead, the board will continue to focus on:

Our key areas of focus during the reporting period were:

- Providing input in relation to strategic direction and oversight of capital allocation
- Monitoring management implementation and progress of strategic objectives
- Stakeholder engagement, relationships and activities, and business impacts
- Monitoring ethical conduct
- Assessing the impact of challenging macro-economic factors on the group and management's actions to mitigate these impacts

Entrenching an ethical culture

The board is committed to entrenching an ethical culture throughout the group and sets the tone by formulating our values and ensuring ethical business standards. The directors, overseen by the chair, hold one another accountable for decision-making and ethical behaviour. Directors, both individually and collectively, seek to demonstrate integrity, competence, responsibility, accountability, fairness and transparency to ensure effective leadership.

The board sets the "tone at the top" by formulating our values and ensuring that ethical business standards are integrated into the group's strategies and operations. The group conducts its business dealings on the basis of compliance with applicable laws, rules, codes, standards and regulations, and proper regard for ethical business practices. The group strives to do business with integrity and prevent situations that may compromise these principles in our dealings with customers, investors, governments, local communities, third parties and entities within the group. The board, assisted by the social and ethics committee, ensures that the group's ethics performance is assessed, monitored, reported and disclosed.

For more information, refer to https://www.investors.multichoice.com/governance.

The social and ethics committee assumes responsibility for the governance of ethics in the group by setting the direction for how ethics should be approached; overseeing and reporting on business and group-related ethics; and considering specific disclosures and applying best practice as recommended by King IV. Internal audit and risk management functions support the social and ethics committee, and the group legal compliance and ethics officer, supported by the segment CFOs who act as ethics officers, report quarterly to the committee.

The group legal compliance and ethics officer, supported by the segment ethics officers, manages the ethics performance in a manner that embraces its ethical culture, ethics awareness and creating a sustainable mature ethical culture. The segment ethics officers facilitate 'culture change' in their respective businesses by ensuring that ethics initiatives are implemented and maintain momentum.

The board has adopted a code of ethics and conduct policy (the code). The group has also developed a related ethics guideline, and both the code and guideline have been translated into Portuguese for the benefit of employees in Portuguese speaking countries. The code acts as the ethical constitution or moral compass of the group. The code provides our common ways of operating and is shaped by our values of 'care', 'connect' and 'create' as well as clearly defined behavioural standards. Each behaviour is framed in personal commitment that drives ownership and accountability across our business and provides a uniform understanding of expectations.

Ethics-related policies (such as the anti-bribery and anti-corruption, gift, whistleblower and conflict of interest policies) have been formulated and updated in support of the code.

All employees are required to annually certify, as part of the group's annual 'declaration of interest' process, that he/she is aware of and agrees to adhere to the code, while associated with the group. The code covers a wide range of ethical principles, including dealings with third parties. All employees must complete ethics-related training, conducted every 2 years, through an online training module. All new employees receive training on the code and group policies as part of the new employee onboarding process. The module includes a section which tests employees' understanding of the subject matter.

Employees' contract of employments is explicit that they must comply with the group's code and related policies. The group template 'services agreement' and 'master services agreement' makes provision for service providers to comply with all group policies applicable at the group's premises. It also requires service providers to notify the group after becoming aware of any breach of any such policies.

The group conducts business in various countries, and our employees are also subject to the laws and regulations of many countries, therefore the group policies are also supplemented by local policies and procedures.

The board endorses this code and has communicated the contents of the code to internal stakeholders, as well as to relevant external stakeholders. The board has delegated responsibility for the regular review of the code and ethics-related policies to the social and ethics committee of the board. Employees can easily access the code through the group's online policy share point and external stakeholders can access the code through the group's external website.

Management focuses on implementing the code, ethics-related policies and procedures addressing key ethical risks, such as conflict of interest, gifts, entertainment, travel, political contributions, bribes, fraud and money laundering.

The code is included in third-party procurement contracts of certain major subsidiaries. Contractors, agents, suppliers and consultants who work with any group company are expected to be aware of and adhere to the code and comply with group policies. The code is incorporated into new employee's contracts and the induction process and the employee recruitment, performance evaluation and reward process.

Communication messages on key ethical risks, such as cybersecurity, health and safety, third parties, consumer protection, competition, data privacy and whistleblowing were distributed to all employees in accordance with our annual ethics training and awareness plan. The group engages in various initiatives, such as hosting webinars, messaging, training, awareness, third-party due diligence, etc. to improve the broader operating environment and culture, and ultimately combat corruption and unethical behaviour.

The group launched the 'Cyber Security Awareness Month' campaign during October 2023 with the aim to raise awareness with employees on the importance of ensuring the security of the group's information and systems. As part of the annual 'International fraud awareness week' in November 2023, the group hosted various webinars facilitated by external presenters covering various ethics and fraud-related topics.

Various ethics-related training activities covering topics such as anti-money laundering, phishing, health and safety, third parties, consumer protection, competition, data privacy and whistleblowing were deployed during FY24 through online learning modules and face-to-face workshops. The group launched an online learning module on the code itself during FY24. The module covered the various ethical elements included in the code and employees where required to complete a self-assessment to complete the module.

Entrenching an ethical culture continued

Ethics activities, as well as the current state of ethics are regularly monitored and reported on to the relevant governance structures that oversee the group's ethics management. Ethical breaches where allegations have been confirmed as substantiated/ or partially substantiated, following investigations conducted, are reported to the board's social and ethics committee as well as the audit and risk committees.

Group internal audit and risk management conduct regular reviews of the ethics management process and reports independently to the audit and risk committee.

The group legal compliance and ethics officer assesses the ethics risks and opportunities once every two years. The ethics assessments provide a clear understanding of unethical behaviours and practices that could pose a significant risk, and highlight opportunities related to ethics that can be further capitalised. The ethics assessment was concluded during FY24 and the outcomes were reported to the board, the social and ethics, risk and audit committees and the segment ethics officers. The outcomes were used to update the ethics strategy and management plan. Appropriate mitigating controls were implemented to address the ethics risks identified and to unlock ethics opportunities.

Anti-Bribery and Anti-Corruption

As a leading multinational company that empowers people and enriches communities, MultiChoice Group does not tolerate any form of bribery or corruption and aims to prevent any and all unethical business practices.

The group operates in various countries and markets and has a wide range of ethical and legal responsibilities. We conduct business in compliance with applicable laws and regulations in the countries where we operate, in accordance with our code and international best practice. The MultiChoice Group anti-bribery and anti-corruption policy (the ABAC policy) confirms that we do not tolerate bribery and/or corruption, are committed to anti-bribery and anti-corruption, and preventing unethical business practices. The policy is supported by other related policies such as the whistleblower, gift and third-party risk management policies.

The social and ethics committee assumes responsibility for the governance of anti-bribery and anti-corruption. Responsibility for the development and implementation of the ABAC policy and related compliance programme is delegated to the group's legal compliance and ethics officer.

The ABAC policy deals with key risk areas such as gifts, hospitality, entertainment, charities, donations, sponsoring activities, and engagement with government officials and third parties. Annually the group develops its training and communication plan in partnership with business and in-country leadership. The board, with the support of the social and ethics committee, reviews the policy on a periodic basis in line with changes to relevant legislation and organisational changes.

Group internal audit performs independent reviews of the implementation of the policy and related compliance programme to assess the adequacy thereof, identify control weaknesses and recommend remedial actions.

Periodic bribery and corruption risk assessments are conducted across our business to assess and enhance the effectiveness of the policy and related compliance programme, procedures and controls.

We consider any violation of the policy to be extremely serious, and we thoroughly investigate any allegations relating to bribery or corruption. Any non-compliance with the policy results in disciplinary action, including dismissal and/or criminal proceedings.

The group continued to monitor employees' completion of the anti-bribery and anti-corruption/gifts online learning module which was launched during FY23. New employees receive training on the policy as part of the new joiners programme.

The group relies significantly on third parties to achieve some of its business objectives. The group manages this risk through its third-party risk management policy and related governance framework, which includes third-party risk assessments, template contract clauses, and ongoing monitoring. The outcomes of third-party risk assessments, as well as any discrepancies identified, are reported to the relevant group governance structures/bodies as well as the social and ethics committee.

The group continues to monitor the effectiveness of its group gift policy which provides guidance to all employees on the standard of conduct required by them when giving and receiving gifts. The gift standard operating procedures provide step by step guidance to employees on the standard of conduct required by them when receiving gifts from third parties, offering gifts to third parties or internal gifting to employees. Employees can declare gifts offered and received by them, and gift registers are compiled, through the online gift declaration portal available on the company's internal homepage.

The group forensics function monitors the group's whistleblower facility, which is operated by Deloitte's Tip-offs Anonymous. The group whistleblower policy states that allegations are handled confidentially, can be made anonymously and that the whistleblower/s are afforded legal protection. Where appropriate, internal audit and/or external forensic consultants investigate reported matters. Significant allegations related to bribery, corruption and fraud are reported to the audit, risk and social and ethics committees.

Training

Ethics and anti-bribery and corruption training are included as part of the 'new employee' onboarding process. Employees are introduced to the principles of the code and related policies, and relevant case studies are discussed. Ethics-related online learning modules on the code and other related policies are part of the MultiChoice Academy platform, which is available to all employees. The online learning training modules cover all employees, and the effectiveness thereof is closely monitored. It is mandatory for employees to complete the ethics online learning module every two years.

Training activities are executed in accordance with the annual training and awareness plan. The ethics online learning module was rolled out during May 2023.

Entrenching an ethical culture continued

The total number of employees who completed the ethics-related online learning modules, rolled out during FY23 and FY24, were as follows as at 31 March 2024:

Ethics training

Online training activities – Completed during FY23 and FY24

Broken down by audience	Total employees	Total %	Governing body	Employees	Third parties
Anti-Bribery and Anti-Corruption	5 521	91	7	5 480	34
Better Place to Work	5 765	91	6	5 727	32
Code of ethics and conduct	3 442	92	5	3 402	35
Total modules completed	**14 728**	**91**	**18**	**14 609**	**101**

Broken down by segment	Total employees	Total %	Governing body	Employees	Third parties
MultiChoice South Africa	10 225	91	15	10 109	101
MultiChoice Rest of Africa	3 753	90	2	3 751	–
Irdeto	750	100	1	749	–
Total modules completed	**14 728**	**91**	**18**	**14 609**	**101**

Performance and future focus

Our key areas of focus during the reporting period were:

- Launched the ethics risk assessment to assess the effectiveness of the ethics programme
- Implemented enhanced controls for identified areas of weakness
- Executed on activities included in the FY24 ethics training and awareness plan
- Launched the ethics online learning module
- Monitored and reported on the group's ethics performance
- Reviewed the adequacy and effectiveness of the group's monitoring activities

Going forward, we will focus on:

- Continue to apply the code and related compliance programme across the group
- Continue to entrench ethics across the business through focused training interventions and awareness campaigns
- Continue to deploy the code and improve relevant processes
- Continue to refine the third-party risk management framework
- Identifying and implementing enhanced controls for identified areas of weakness
- Develop and launch group-wide anti-bribery and anti-corruption risk assessment
- Continue to implement mitigating controls flowing from the ethics risk assessment

Delivering good performance

The board is responsible for ensuring good performance and, as such, has a clear strategy to achieve this. Thus, strategy is discussed and monitored on an ongoing basis. The board meets annually to review the group's specific strategic priorities, the group's three-year strategic plans and budgets and approves the key performance measures and targets of all executives. The board oversees the implementation of the strategic plans throughout the year.

Ongoing training

On appointment, all directors participate in a formal and comprehensive induction programme. Director training is held to refresh their skills and knowledge.

Directors are required to attend ongoing professional development training and briefings to keep abreast of legal and regulatory risks, developments and changes that could impact the environment in which the group and its subsidiaries operate.

We have MultiChoice e-learning modules for directors and senior executives. These modules are available to all our directors and senior managers on the MultiChoice Academy platform and are tailored to our internal policies and processes. The modules cover topics such as the JSE Listings Requirements, corporate governance, King IV, trading in securities and directors' specific duties.

Board evaluations

The board and its committee charters include the onus of annual assessments. Assessments of the performance by the board, individual directors and its committees are conducted every second year. However, performance in general is considered every year as part of the review of the board's composition and its committees.

In March 2024, we evaluated the board committees' performance against their charters. All committees were found to have materially fulfilled their duties.

Formal board and individual director performance assessments were undertaken in May 2023 and we reported on the evaluation in the FY23 integrated annual report. The board discussed its performance in June 2024 considering its effectiveness, competencies, participation, meeting attendance and constructive deliberation. No significant areas of concern were identified during discussions. Going forward, the board will continue focusing on improving and refining its processes.

Maintaining our legitimacy

The board, assisted by the social and ethics committee, ensures MultiChoice Group is, and is seen to be, a responsible corporate citizen by considering not only its financial performance but also the business's impact on the environment and the societies where it operates. The group's purpose, values and strategy are aligned with the principles of responsible corporate citizenship.

Responsible corporate citizenship

The group's businesses manage numerous corporate citizenship initiatives affecting the workplace, economy, society and environment.

These include:
- BBBEE and employment equity performance for South African subsidiaries
- Local employment
- Health and safety laws
- Employee development opportunities
- Responsible tax policy
- Fraud and anti-bribery and anti-corruption initiatives
- Initiatives to minimise our environmental impact
- CSI initiatives
- Privacy and data protection

Ensuring compliance with laws and regulations

The group has a primary listing on the JSE and is subject to the JSE Listings Requirements, the recommended practices in King IV and other legislation applicable to publicly listed companies in South Africa. The group is committed to complying with both the spirit and the letter of applicable obligations and to always act with due skill, care and diligence.

The board is responsible for ensuring the group complies with applicable laws and adopted rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen. The risk committee is responsible for reviewing and approving the legal compliance policy, recommending such policy to the board for approval, and monitoring its implementation. The board and senior management empower and properly resource the group legal compliance and ethics officer, who is responsible for supervising, managing and overseeing the legal compliance function.

The legal compliance policy follows the principles, standards and guidelines recommended by the Compliance Institute Southern Africa, which has been formulated to ensure adherence to both regulatory and supervisory requirements. It incorporates the group governance structures and controls, in line with legislative requirements and international best practices and recognises ethical behaviour and compliant culture as the core elements of the legal compliance programme. The ethical culture in the group supports principled performance, ensuring the efficacy of all preventative, detective and response measures that are implemented.

Risk assessments are revised annually across the business to identify and prioritise new and/or changes in compliance related risks and trends. Updating annual risk assessments also ensures efficient mitigation measures are in place to avoid, mitigate or remediate identified risks. Additionally, the group conducts due diligence on third parties in line with the group's third-party risk management policy and related framework.

The group's legal compliance communication and training programme facilitates awareness of applicable laws, regulations, policies, and procedures, and educates directors, management, employees, and other stakeholders on how to comply with them.

The group conducts regular legal compliance monitoring activities to ensure that the control environment is effective and identifies opportunities for improvement and mitigation on a regular basis. The monitoring programme incorporates specific findings arising from continuous legal compliance monitoring, self-monitoring by the business, and findings identified by internal audit reviews.

In-depth legal compliance reporting ensures that the board, risk committee and senior management can measure the effectiveness of the legal compliance programme. The group's legal compliance and ethics officer reports to the risk committee quarterly, detailing the areas within the business where compliance initiatives are being executed successfully, as well as identifying areas where additional measures are required to align with the applicable regulations, standards, and internal controls.

Maintaining our legitimacy continued

The group audit and risk committee charter and the group compliance policy clearly provide that compliance must not only be understood for its obligations but also for the rights and protections it affords.

The total number of employees who completed the compliance-related online learning modules, rolled out during FY23 and FY24, were as follows as at 31 March 2024:

Compliance training:

Online training activities – Completed during FY23 and FY24

Broken down by audience	Total employees	Total %	Governing body	Employees	Third parties
Cyber security – Essentials	5 498	91	6	5 455	37
Cyber Security – Phishing	5 016	91	1	4 986	29
Digital Transformation	4 934	89	3	4 901	30
Diversity, Equity and Inclusion	3 308	89	4	3 271	33
Occupational Health and Safety	3 381	91	4	3 347	30
Software Asset Management	3 082	83	3	3 051	28
Total modules completed	**25 219**	**87**	**21**	**25 011**	**187**

Broken down by segment	Total employees	Total %	Governing body	Employees	Third parties
MultiChoice South Africa	19 862	89	20	19 656	186
MultiChoice Rest of Africa	5 357	83	1	5 355	1
Irdeto			–	–	–
Total modules completed	**25 219**	**87**	**21**	**25 011**	**187**

Assurance on the effectiveness of legal compliance management is achieved through a combined assurance model – line managers own the risks; compliance and risk managers evaluate the compliance exposure; and internal audit conducts independent reviews. The combined assurance model enables the board and the risk committee to oversee the group's legal compliance holistically in a way that supports good corporate citizenship.

Incidents, fines and penalties

The group operates in a highly regulated environment, making legal compliance a critical consideration to our business. We participate in the regulatory processes affecting our industry through various public forums and debates, providing input on formulating standards and strategies for the industry. There have been no significant non-compliance, environmental, social and/or governance-related incidents during the reporting period and directors are satisfied that the group has complied and operated in conformity with:

- the provisions of the Companies Act and any other applicable laws relating to the MultiChoice Group's incorporation; and
- the MultiChoice Group's MOI and other relevant constitutional documents.

Further, there were no inspections conducted by the relevant regulator(s) which have resulted in any significant or repeated fines, settlements, penalties, or other monetary losses suffered in relation to environmental, social or governance incidents or breaches.

Performance and future focus

Our key areas of focus during the reporting period were:

- Managing reputational risk
- Revising relevant compliance-related policies
- Updating risk-based compliance assessments to identify high risk compliance areas
- Implementing enhanced controls to address identified areas of improvement
- Updating applicable compliance statutes, rules and regulations
- Executing training activities and awareness campaigns across the business
- Updating compliance risk management plans
- Monitoring the implementation of compliance programmes

Going forward, we will focus on:

- Continuing to revise the legal compliance-related policies, management processes and compliance culture
- Developing and executing on annual training interventions and awareness campaigns
- Supporting ongoing maturation of the third-party risk management framework
- Revising and launching the group whistleblower online learning module
- Continuing to update applicable compliance statutes, rules and regulations
- Continuing to revise compliance risk management plans

Ensuring effective control

The board is the focal point and custodian of corporate governance in the group. To this end, the board ensures corporate governance and good practice are inherent in fulfilling its responsibilities. The board charter sets out its roles and responsibilities. The board holds its directors accountable for their integrity, competence, responsibility, fairness and transparency.

Succession planning and performance

The board is satisfied the company is appropriately resourced and its delegation to management contributes to an effective arrangement according to which authority is exercised and responsibilities are fulfilled. The board approves the CEO and CFO's appointments. The remuneration committee is required to consider the CEO and CFO's performance annually against agreed performance incentive objectives. The audit committee is required to consider the performance of the CFO and the finance function and reports thereon in its report included in the annual financial statements. Succession plans for the CEO and senior executives are in place and are reviewed annually by the nomination committee.

The board determines and approves, from time to time, the levels of authority for the CEO and the various members of senior management. The audit and risk committees monitor compliance with these predetermined levels of authority. The risk management function supports the audit and risk committees by monitoring and reporting any material non-compliance to the committees. The board meets as often as required, but at least four times annually.

Board chair, lead independent non-executive director and CEO

In FY24, the board had a non-executive chair, Imtiaz Patel. In September 2023 it was announced that Imtiaz Patel would retire as chair of the board and as a non-executive director with effect from 31 March 2024 and that Elias Masilela, an independent non-executive director, had been appointed as the chair of the board with effect from 1 April 2024. At the end of March 2024, Imtiaz and the board mutually agreed that he would remain on the board as chair until a date to be determined by the board in light of developments on the Groupe Canal+ mandatory offer transaction, with which Imtiaz had been involved for several months. It was further agreed that Elias would fulfil the deputy chair and lead independent director roles in the interim.

Following the release of the firm intention announcement by the group and Groupe Canal+ on 8 April 2024, Imtiaz stepped down from the board with effect from the 23 April 2024 and Elias was accordingly appointed as chair as initially planned.

Jim Volkwyn served as lead independent director in FY24 until stepping down at the end of March. Elias stepped into the role as deputy chair and lead independent director with effect from 1 March 2024 and vacated this role on his appointment as chair on 23 April 2024. Subsequent to the aforementioned board changes, the board has not appointed a new lead independent director and will consider such an appointment in due course as part of its ongoing evaluation as to the suitability of its composition in light of the needs of the group.

The CEO, Calvo Mawela, is responsible for leading the implementation and execution of the approved strategy, policy and operational planning of the group, and for ensuring the group's day-to-day affairs are appropriately supervised and controlled.

Information

Information relevant to a meeting is supplied to the board on a timely basis, which ensures directors can make informed decisions. To ensure directors can competently discharge their duties and effectively carry out their delegated responsibilities as committee members, they have access to information relating to matters associated with the group. This is governed by an approved board policy with the process conducted in an orderly manner via the board chair. Similarly, board committees have unrestricted access to information that will allow them to act in accordance with their respective charters.

Conflicts of interest

Potential conflicts are appropriately managed to ensure candidates and existing directors have no interests that may cause conflict between their obligations to MultiChoice and their personal interests. All directors are required to declare personal interests at least annually. Declaration of directors' interests is a standing item on the board's agenda. Any director who believes they may be conflicted in a matter to be discussed by the board, must advise the company secretary as soon as practicable and, when appropriate, must recuse themselves from the decision-making process associated with that matter. The process required by section 75 of the Companies Act is applied in this regard. Directors are required to adhere to the group's policy on trading in MultiChoice Group securities. The trading in securities policy is aligned to the Financial Markets Act No 19 of 2012 and JSE Listings Requirements.

Shareholder communication

The group is committed to ongoing and transparent communication with its shareholders. In all communication with shareholders, the board aims to present a balanced and understandable assessment of the group's position. This is done through adhering to principles of openness, substance-over-form reporting, and striving to address matters of material significance to shareholders.

This integrated annual report is our primary form of comprehensive communication with shareholders, in accordance with King IV and the JSE Listings Requirements. We also engage with our shareholders through our interim and annual financial statements, during interim and final results presentations, and on a periodic basis through investor roadshows and conferences. Further, the board encourages shareholders' attendance at AGMs and, where appropriate, will provide full and understandable explanations of the effects of resolutions to be proposed.

Assurance

The board, through the audit committee, oversees the group's assurance services and ensures these functions enable effective control and support the integrity of the group's information. The group follows a combined assurance model, which covers key risks through an appropriate combination of assurance service providers and functions. The assurance model includes line functions that own and manage risks, specialist internal audit, risk management support and compliance

Ensuring effective control continued

functions (for the group and significant subsidiaries), as well as external auditors and other relevant parties, such as regulatory inspectors and insurance risk assessors. This model is linked to key risks. An assessment of the effectiveness of our combined assurance model is reported on to the audit and risk committees. Internal audit reports on the internal control environment are submitted to the audit committee. The company secretary, group general counsel and external counsel guide the board on legal requirements. The audit committee appoints the head of internal audit, who has unrestricted access to and meets periodically with the committee chair.

Company secretary

The company secretary is responsible for guiding the board in discharging its regulatory responsibilities. Directors have unlimited access to the advice and services of the company secretary, who plays a pivotal role in MultiChoice's corporate governance policies and processes. She ensures that, in accordance with the pertinent laws, the proceedings and affairs of the board, MultiChoice Group, and where appropriate, shareholders, are properly administered. The company secretary monitors directors' dealings in securities and ensures adherence to closed periods. She attends all board and committee meetings. In accordance with King IV, the performance and independence of the company secretary are evaluated annually.

The nomination committee is responsible for recommending a suitable candidate for appointment as the company secretary; reviewing the competence, qualifications and experience of the company secretary annually; and reporting on whether it is satisfied therewith.

Carmen Miller is the group company secretary and the board is satisfied with Carmen's competence, qualifications, experience, independence and suitability. Carmen is not a director of MultiChoice and, after due consideration, the board is satisfied that she maintained an arm's length relationship with the board during the year.

Information and technology (I&T) governance

MultiChoice's information and insights officer, chief information security officer (and executive head of technology strategy), and executive head of emerging technologies work closely with each other to support functions and to oversee I&T management in the group. The board recognises the importance of I&T in relation to MultiChoice's strategy and I&T governance is integrated into the operations of the group's businesses.

Management of each subsidiary or business unit is responsible for ensuring effective processes for I&T governance are in place. The risk committee assists the board with overseeing I&T-related matters and I&T governance is a standing point on the risk committee agenda. I&T objectives are included in the risk committee charter. The risk committee considers the risk register, and reports on I&T from an internal audit and risk management perspective. The group's code of ethics and conduct, I&T governance charter, cybersecurity policy and legal compliance, and data privacy policies address legal compliance, ethical, and responsible use of I&T.

Data privacy remains a high priority. Assurance providers, including risk management, and external and internal audit, provide assurance to management, the risk committee and board on the effectiveness of I&T governance, based on detailed controls to manage identified risks and reduce the likelihood of occurrence of data privacy breaches or mishaps. These arrangements for governing and managing I&T enable the risk committee, and ultimately the board, to oversee the group's I&T governance.

The application of all approved policies and standards supporting the I&T control environment is assessed for maturity. Control self-assessments for each policy/standard are completed by the I&T governance, risk and compliance function to determine required improvements.

The group has international content protection certification from the CDSA. Both Samrand and Randburg production environments were accredited in terms of this international security standard. The accreditation is renewed annually.

Cybersecurity

As part of its enterprise risk management (ERM) framework, the organisation assesses and manages cybersecurity risks in accordance with worldwide best practice and laws in the nations in which it conducts business.

The group focuses on the following four areas to mitigate cyber risks:

- Data Protection
- Cybersecurity
- Cyber vigilance
- Cyber resilience

The group assesses, manages, and reports on its I&T-related risks in accordance with a board approved I&T governance charter. The MultiChoice Group provides oversight and guidance while setting a policy to ensure activities happen in the approved ERM framework that supports the achievement of strategic objectives.

As part of continuing business assessments, the MultiChoice Group regularly evaluates the businesses' security readiness and requests quarterly governance status reports from the group's executives and governance structures. Businesses are supported by the segment risk and compliance departments' risk management efforts, and outside providers periodically conduct tests and scans for cyber vulnerabilities.

The group risk committee periodically reviews and reauthorises the cybersecurity policy, and its implementation as part of its oversight and governance responsibilities. The group risk committee reports to the board in this regard.

Artificial intelligence (AI)

MultiChoice has expanded the use of AI across a variety of business areas, realising the benefits it offers for improving customer experience, operational efficiency, and revenue management. MultiChoice continues to invest in both specialised AI research and AI applications. AI-based systems deployed into the business have improved customer service (using chatbots), localisation of content (using machine translation), platform personalisation (using machine learning), and media operations (using video analytics).

Recognising both the opportunities as well as the risks of AI implementations, the group has implemented an AI ethics and governance policy to ensure that we conceptualise, develop and deploy AI systems responsibly and in line with our corporate values to ensure sustainable integration of AI technologies into group operations. The AI ethics and governance policy is underpinned by the MultiChoice Group's responsible AI principles: fairness, reliability and safety, data privacy, security, explainable AI, and accountability. The AI ethics and governance committee governs and oversees all AI-related activities within the group, and reports from this committee are reported to the risk committee and in turn, the board.

Ensuring effective control continued

Data governance and privacy

The data privacy team has been established and is a group function responsible for ensuring compliance, monitoring and improvement with data protection laws for the group, while ensuring that privacy by design is entrenched in the business operations, functions and technology of the business across the group.

The development of a data governance and data privacy council made up of data protection officers, legal and regulatory experts, as well as business unit representatives and management underpin the data governance approach.

The administration of data privacy rights is managed through the data privacy team function. This data privacy team reports to the group's risk committee and social and ethical committee through one of its members, and those committees in turn report to the board.

Data processing

The group's public and employee privacy policies outline what personal information is acquired from users (data subjects) utilising MultiChoice's systems and platforms, how and why that information is obtained, and how that information is processed.

In line with the European GDPR, South African POPIA, and other country-specific data protection regulations, data protection agreements have been implemented for third-party service providers that require access to personal information to perform contracted services. A revised Data Protection Addendum/Agreement has been published for the group, including new Standard Contractual Clauses and variations of local country legislation; all relevant service providers are required to re-sign any existing agreement using the new version. Additional compliance measures have been put in place to ensure additional due diligence on third-party data processors.

The data privacy team function conducts Data Processing Impact Assessments across various functions, and relevant projects across the group to assist with ensuring that any risks are identified timeously and managed accordingly.

The MultiChoice Group recognises the following data subject rights:
- Right of access
- Right of accuracy
- Right to be forgotten
- Right to restriction of processing
- Right to portability
- Right to object
- Right to complain

Data loss prevention

Data loss prevention tools have been implemented for all Microsoft programmes utilised by employees. This allows an employee to categorise data in accordance with the group data classification policy and enables better oversight of information shared to prevent the unauthorised sharing of personal and/or confidential information.

Data classification

To ensure employees do not disclose information in error, automatic scanning for sensitive fields in email attachments is performed. When sensitive information is found, the file is classified as strictly business confidential and automatically encrypted. At the same time, an alert notifies the data governance team when sensitive or private information leaves the organisation and when it is stored on local drives. This enables MultiChoice to proactively scan and prevent data losses.

Employee training and awareness

Employee awareness initiatives, such as the #PrivacyGuardian, #BeSecure and #Opt-In campaigns, emphasise raising awareness through newsflashes, screensavers, activations, and electronic communications.

Data privacy and governance e-learning modules and department-specific face-to-face training assist in giving practical tools to employees on how to implement data privacy into their day-to-day functions. All employees and contractors who deal with our employees', customers' and suppliers' personal information are required to complete the following online courses:
- POPIA module
- GDPR and Data Governance module
- Africa Data Privacy and Governance module

Data privacy issues

We enable customers to log any data privacy issues via the privacy notice on the MultiChoice.com website, our self-service portals, call centres and contact centres. These queries are logged in an incident management system and tracked to ensure we adhere to reporting standards as supplied and required by the GDPR, POPIA and other country-specific privacy regulations.

We enable staff to log any data privacy issues via the internal reporting system which allows for incident reporting. This allows staff to easily and efficiently report any data privacy incidents for investigation, handling and timeous reporting to relevant country-specific privacy regulators.

There were 4 (four) substantiated complaints received regarding complaints related of customer privacy rights from regulatory bodies, with all complaints responded to and the matters resolved with the regulatory bodies.

There was 1 (one) breach incident identified which was reported. Necessary steps were taken to report the matter to the relevant regulatory body, notify affected parties, and ensure that necessary measures to ensure that affected parties were able to protect themselves from any potential negative impact to them of this occurrence. Furthermore, we increased staff awareness of data privacy related risks and improved security measures. Following these data privacy issues, we have taken remedial measures to ensure to prevent reoccurrence, including but not limited to, increased awareness initiatives and improvement of security measures.

No fines or enforcement notices were issued against MCG entities for failure to comply with relevant data protection laws.

Performance and future focus

Monthly evaluations to pinpoint, weigh, and evaluate I&T risks in significant I&T domains are undertaken monthly because the group relies heavily on its I&T systems and processes to enable and support the timely and effective fulfilment of its strategic objectives. The group will continue to refine its I&T processes and focus on mitigation plans to address material risks identified through monthly evaluations.

Board committees

As provided for in the company's MOI and the board charter, the audit, nomination, remuneration, risk, and social and ethics committees support and assist the board. These committees have clear mandates and oversight responsibilities for various aspects of the business.

The responsibilities delegated to each committee are formally documented in their terms of reference, which were approved by the board and are reviewed at least annually. All committees have clear roles and responsibilities as outlined in their committee charters.

The board, through the nomination committee, assesses the composition of committees, considering the allocation of roles, associated responsibilities and the composition of membership across committees holistically, to achieve the following:
- Effective collaboration through cross-membership
- A balanced distribution of power
- The required levels of independence
- The necessary knowledge, skills, experience and capacity to execute its duties effectively

The board delegates authority to established board committees, as indicated below:

Board of directors

Audit committee
Page 104

Nomination committee
Page 105

Remuneration committee
Page 105

Risk committee
Page 106

Social and ethics committee
Page 106

Audit committee

Louisa Stephens

Membership and meeting attendance

Louisa Stephens (chair)	4/4
Elias Masilela[1]	4/4
Christine Sabwa	4/4
James du Preez	4/4

[1] *Post year end and upon appointment as chair of the board, Mr Masilela stepped down as a member of the audit committee.*

100% overall committee attendance rate

Roles and responsibilities

The committee's responsibilities are as follows:
- Monitoring and reviewing the adequacy and effectiveness of accounting policies, financial and other internal control systems and financial reporting processes
- Providing independent oversight of the group's combined assurance functions, including reviews of the independence and effectiveness of external audit, internal audit, approving non-audit services from auditors and compliance with the non-audit service policy
- Assessing compliance with applicable legal, regulatory and accounting standards and policies in the preparation of fairly presented financial statements and external reports.

During FY24 members of the committee were Louisa Stephens (committee chair), Elias Masilela, Christine Sabwa and James du Preez. Post year-end and upon appointment as chair of the board, Elias Masilela stepped down as a member of the audit committee.

The audit committee confirms it received and considered sufficient and relevant information to fulfil its duties.

Focus areas for the year and future focus areas

For more detailed information on the committee's attendees, focus areas and future plans, please refer to the group's audit committee report on pages 3 to 7 of the annual financial statements.

Board committees continued

Nomination committee

Adv Kgomotso Moroka SC

Membership and meeting attendance

Adv Kgomotso Moroka SC (chair)	2/2
Louisa Stephens	2/2
Jim Volkwyn	2/2
Imtiaz Patel[1]	2/2

[1] *Post year end, Mr Patel stepped down as a non-executive director.*

100% overall committee attendance rate

Roles and responsibilities

The committee is responsible for, among other matters:

- Identifying individuals qualified to be elected as members of the board and board committees and the executive team. These individuals are recommended to the board for appointment in terms of the MultiChoice Group's MOI, and the appointment and board diversity policy. The committee is also responsible for establishing procedures to ensure the transparent selection of individuals for recommendation.
- Reviewing the structure, size and composition of the board and its committees and making recommendations to the board regarding necessary adjustments to ensure the required mix of skills, experience, other qualities and diversity in maintaining the effectiveness of those bodies and compliance with applicable laws and regulations.

Members are Adv Kgomotso Moroka SC (committee chair), Louisa Stephens, Jim Volkwyn and Imtiaz Patel. Post year end, Imtiaz stepped down as a non-executive director.

The nomination committee confirms it received and considered sufficient and relevant information to fulfil its duties.

Focus areas for the year

- The composition of the boards of both MultiChoice Group and MultiChoice South Africa, considering skills, diversity and appointment processes
- Director independence
- Group policies relating to diversity, appointment and induction processes, director retirement and succession, and board restrictions
- Assessment of performance against the committee charter to evaluate whether the committee executed its duties during the reporting period

Future focus areas

Looking ahead, the committee will continue focusing on the board composition considering skills and diversity needs.

Remuneration committee

Deborah Klein

Membership and meeting attendance

Jim Volkwyn (outgoing chair)[1]	5/5
Deborah Klein (incoming chair)[1], [2]	4/4
Adv Kgomotso Moroka SC	5/5
James du Preez	5/5

[1] *Mr Volkwyn stepped down as chair and Ms Klein was appointed in his stead effective 1 April 2024.*

[2] *Ms Klein was appointed to the committee effective from 1 September 2023.*

100% overall committee attendance rate

Roles and responsibilities

The remuneration committee's responsibilities include:

- Independently reviewing and monitoring the integrity of the group's remuneration policies and implementation thereof
- Ensuring MultiChoice remunerates fairly, responsibly and transparently
- Ensuring compliance with the statutory duties of the committee as contained in relevant legislation
- Annually reviewing and making recommendations to the board on the remuneration of non-executive directors, for approval by the shareholders (such approval is effective for a period of two years from the date of the AGM when remuneration is approved or until such time as non-executive directors' remuneration is amended by way of a special resolution of shareholders, whichever comes first)

Members are Jim Volkwyn (outgoing committee chair), Deborah Klein (incoming committee chair), Adv Kgomotso Moroka SC and James du Preez.

The remuneration committee confirms it received and considered sufficient and relevant information to fulfil its duties.

Focus areas for the year and future focus areas

For more detailed information on the group's approach to remuneration, along with our focus areas for FY24 and future focus areas, please refer to the group's remuneration report on pages 107 to 123.

Board committees continued

Risk committee

Louisa Stephens

Membership and meeting attendance

Louisa Stephens (chair)	4/4
Imtiaz Patel[1]	4/4
Calvo Mawela	4/4
Tim Jacobs	4/4
Elias Masilela	4/4
Christine Sabwa	4/4
James du Preez	4/4

[1] *Post year end, Mr Patel stepped down as a non-executive director.*

100% overall committee attendance rate

Roles and responsibilities

Regular attendees include business segment risk managers, the head of internal audit, group general counsel and the head of regulatory. The risk committee was established to independently review management's recommendations on risk management.

The risk committee's functions include:

- Monitoring and providing recommendations to the board on the group's risk management including the systems, processes, methodologies and tools of risk governance and risk management, and annual operating plans for overall risk management and forensics
- Reviewing, approving and recommending risk measurement methodologies to the board, including methodologies used to identify, assess, measure, monitor and report on risks, including methods used for calculating risk exposures
- Monitoring and reviewing the regulatory compliance processes and procedures

In FY24 members of the committee were Louisa Stephens (committee chair), Imtiaz Patel, Calvo Mawela, Tim Jacobs, Elias Masilela, Christine Sabwa and James du Preez. Post year end, Imtiaz Patel stepped down as a non-executive director.

The risk committee confirms it received and considered sufficient and relevant information to fulfil its duties.

Focus areas for the year

- Discharging its functions in terms of its charter
- Overseeing insurance programmes to mitigate the risk of sudden losses caused by insurable risks
- Assessing the principles of King IV, and revising the group's processes and policies to ensure implementation thereof
- Evaluating tax provisions, contingencies and risks
- Assessing I&T governance, legal compliance, litigation, treasury and regulatory risks
- Key business projects
- Group's risk tolerance and appetite
- Assessment of performance against the committee charter to evaluate whether the committee executed its duties during the reporting period

Future focus areas

Looking ahead, the committee will continue focusing on its entrepreneurial approach to managing risks that are not easily quantifiable. Strengthening the business I&T systems, structures and processes, and monitoring the ongoing impacts of macro-economic factors, such as high inflation, rising interest rates and local currency pressures on the business.

Social and ethics committee

Christine Sabwa

Membership and meeting attendance

Christine Sabwa (chair)	4/4
Adv Kgomotso Moroka SC	4/4
Calvo Mawela	4/4
Tim Jacobs	4/4
Dr Fatai Sanusi	4/4

100% overall committee attendance rate

Roles and responsibilities

The social and ethics committee's primary purpose is to oversee the group's activities regarding sustainable social and economic development initiatives, including CSI, consumer relationships, labour and employment, the promotion of equality and ethics management. This committee is responsible for ensuring and monitoring compliance with all applicable laws, and relevant codes and standards relating to BBBEE, employment equity, environmental management, health and safety, corporate social responsibility, consumer relationships and HR.

Additional responsibilities of this committee include:

- Reviewing, at least every second year, the strategies and policies of the group designed to achieve responsible corporate citizenship
- Reviewing and approving the group code of ethics and the group's stakeholder management processes
- Reporting to shareholders as required in terms of the Companies Act

Members are Christine Sabwa (committee chair), Adv Kgomotso Moroka SC, Calvo Mawela, Tim Jacobs and Dr Fatai Sanusi.

The social and ethics committee confirms it received and considered sufficient and relevant information to fulfil its duties.

Focus areas for the year and future focus areas

For more information, refer to our full social and ethics report available online at www.investors.multichoice.com/integrated-annual-reports.

Remuneration report

In alignment with the requirements of King IV, our remuneration report is divided into three parts

1 Chair's letter and background statement
The Chair's letter and background statement provides context around performance and how this influenced our remuneration decisions

2 The remuneration policy
The remuneration policy is a forward-looking section that provides an overview of our remuneration philosophy and policy

3 The implementation report
The implementation report is a backward-looking section that discloses the remuneration and performance outcomes of the executive directors based on the FY24 remuneration policy

Chair's letter and background statement

Jim Volkwyn
Outgoing chair of the remuneration committee

Dear shareholder,

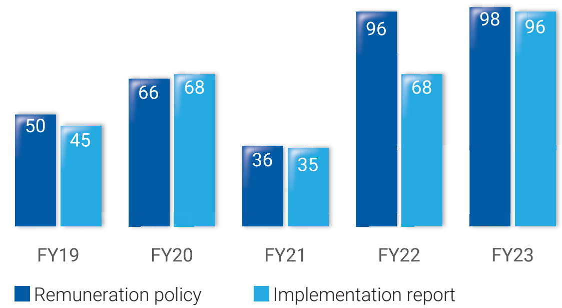
On behalf of the remuneration committee, I am pleased to present our FY24 remuneration report for the MultiChoice Group.

I would like to thank my fellow committee members for their input and our investors for their constructive engagement provided over the years. This open dialogue, together with the changes that followed as a result, has allowed us to obtain the highest level of shareholder support for our remuneration policy and its implementation since listing at the FY23 AGM.

We appreciate the continuous advice from Bowman Gilfillan as the independent adviser to the remuneration committee, which is objective and independent.

As my last year as chair of the remuneration committee, I would like to thank my fellow committee members, Adv Kgomotso Moroka, James du Preez and Debbie Klein for their valuable contributions during the year and wish Debbie all the best as she takes over the role as chair of the remuneration committee.

Shareholder voting outcomes (%)



Key focus areas and decisions taken during FY24

The remuneration committee met four times and is satisfied that it achieved its objectives and complied with its statutory duties. The following key decisions were made:

- Approved the executive committee goals and targets for FY25
- Approved the executive committee FY23 bonus, and FY24 salary increases and share awards
- Approved the non-executive director fees
- Approved the salary increases, bonuses and share awards for all employees
- Approved the PSU, Showmax, Irdeto and PPS measures and targets

Remuneration report continued

FY24 in review

Short-term incentives

FY24 has seen a marked weakening of the economic conditions in the majority of the group's markets, including South Africa. This included the material depreciation of certain currencies, general consumer weakness as a result of elevated inflation and high interest rates, as well as power disruptions across several key markets. Nonetheless, as a result of management's interventions, the group was able to deliver on its earnings and free cash flow targets for the year.

FY24 STI outcome

75.7%

Financial metrics

Revenue
R56bn
Target missed

Core HEPS
R5.15
Stretch achieved

Free Cash Flow
R589m
Stretch achieved

Subscriber metrics

South Africa
(409)[1]
Target missed

Rest of Africa
(1 212k)
Target missed

Showmax
4% above
Target achieved

[1] *Excluding the Surprise and Delight promotional campaign*

The committee firmly believes that the outcome of the FY24 STIs is aligned with the financial performance delivered to shareholders. Further details are outlined on page 117.

The table below provides a summary of performance against targets over the past few years.

Historic STI award outcomes	FY20	FY21	FY22	FY23
Revenue	Missed threshold	Hit stretch	Hit stretch	Hit stretch
Core headline earnings	Hit threshold	Hit stretch	Hit stretch	Hit threshold
Free cash flow	Hit stretch	Hit stretch	Hit stretch	Missed threshold
Subscriber growth – South Africa	Hit target	Hit stretch	Missed threshold	Hit target
Subscriber growth – Rest of Africa	Missed threshold	Hit stretch	Hit stretch	Hit stretch
Showmax user-base growth	Hit stretch	Hit stretch	Hit stretch	Missed threshold
Insurance policy growth	N/A	N/A	N/A	Hit stretch

Missed threshold · Hit threshold · Hit target · Hit stretch

Fair and responsible pay

We continuously monitor the level of pay for all our employees to ensure it is fair and reasonable. We are aware of pending changes in legislation pertaining to remuneration and governance, which are outlined in the amendments to the South African Companies Act 71 of 2008. As we are supportive of a well-governed, effective remuneration system in South Africa that promotes fair remuneration for all employees (including a living wage for employees which fosters job creation, economic growth and a sustainable economy) we raised concerns during the consultation process in relation to proposed changes that do not promote or achieve these aims. In our view, further clarity is required on the proposed amendments, and we are eagerly awaiting a positive outcome and for the changes to be signed into law before implementing any changes ourselves.

In support of our commitment to fair and responsible pay, the following highlights relating to salary increases in FY24 are noted.

Salary increases to non-management were almost **2 times** that given to management

On average ACI females received salary increases of **19%** more compared to white males

Our lowest salary is almost **3 times** the current minimum wage set by government

Over and above salary, STI and LTI, we paid out **R72m** in various vouchers and allowances to all employees

We invested **R168m** in bursaries and training courses to employees

We are proud of the suite of benefits offered to our employees (detailed on page 112).

Remuneration report continued

Shareholder engagement

To drive future value creation for shareholders, the MultiChoice business strategy is to grow the core video entertainment business and to build a broader ecosystem of technology-driven consumer services.

Given the high level of shareholder support in FY23 for our remuneration policy, our focus in FY24 has been on enhancing our disclosures to demonstrate our commitment to continuous improvement and to align with current market best practice where possible.

Specific issues raised during our interaction with shareholders and our actions to address them were as follows:

Shareholder issue	Our response
Exclusion of cash remittance losses in Nigeria from the definition of core headline earnings (CHE), which impacts both STIs and LTIs	The MCG Audit Committee has amended the definition of CHE to include an adjusted CHE (ACHE) metric that includes gains/losses on cash remittances from RoA countries. This change will be applicable from 1 April 2024 for all STI and LTI awards. No changes will be made retrospectively to the historic awards issued before this date. The performance targets have been updated in line with the new definition as shown on page 113.
Appropriateness of including revenue growth as the only metric for measuring investment growth	We continue using revenue growth as the measure for the investment growth target. However, we have included additional disclosure on page 110 so that shareholders can easily make the link between revenue growth, the PPS scheme, profitable growth through scale, as well as achieving positive operating leverage and ultimately acceptable returns on the capital which was invested upfront to drive scale.
Inclusion of Nigeria cash remittance metrics in both STIs and LTIs	The Nigeria cash remittance metric will be removed from future LTI awards, but it remains embedded in existing LTIs until FY26. This metric will however be retained for the foreseeable future in the personal STI goals of select executives at a 20% weighting to ensure sufficient focus on this critical element for the business.
Inclusion of company-specific ESG targets which are too focused on local content and not clearly linked to CSI initiatives	Additional disclosure has been included on page 110 to clearly show the link between CSI initiatives and our ESG metrics. We have also added a metric linked to our investment into sports development through our sports and enterprise trusts.
Unclear what is the impact of impairments (e.g. Kingmakers in FY23) on executives' LTIs	Additional disclosure and narrative on the PPS scheme have been included on page 110 to outline the impact of elements such as impairments on executive incentives.
Limited disclosure in relation to pay gap ratios	We continuously monitor pay gap ratios within the organisation and will await the final Companies Amendment Bill before implementing changes to our disclosure. Specific highlights have been outlined on page 108 relating to fair and responsible pay.
Likelihood of executives achieving the Minimum Shareholding Requirements (MSR) and implications should requirements not be met	As disclosed on pages 118 and 120, all executive directors have met their MSR targets. (Note: the remedy for non-compliance is for future LTI vestings to automatically be pledged until the MSR targets are met).

Remuneration report continued

Long-term incentives

Nigeria cash remittance metric

In response to feedback received during our various shareholder engagements, which highlighted that Nigeria cash remittance measures are captured in LTI, STI and core HEPS, the remuneration committee decided to remove the metric as an LTI metric going forward. The metric will remain as part of personal STI goals for select key executives at a minimum of 20% weighting to ensure sufficient focus.

The Nigeria cash extraction metric weighting of 10% will be reallocated to the free cash flow ratio metric in line with our key business and strategic focus.

Investment growth metric

In order to deliver appropriate returns over time on capital deployed, it is critically important for new businesses to gain the required amount of traction, scale and market leadership as quickly as possible. To ensure the required momentum is achieved, an investment growth metric (measured by revenue growth over a three-year period) was introduced for Showmax in FY23.

Revenue was selected as the preferred metric as the top line is typically the first indication of commercial success/traction for a new business. Once these growth companies start to generate profit as a result of their revenue generation, their performance will be measured by including them in the group's adjusted core headline earnings per share metric and they will no longer be included in investment growth metric.

In addition to the investment growth metric, performance in the case of Showmax is also linked to the Showmax Share Scheme. Implemented in FY23, its aim is to align the long-term remuneration of key management with the long-term performance targets of the new Showmax business to ensure the delivery of results that are critical to the group's overall performance. The Showmax performance measures include not only revenue, but also EBITDA, free cash flow and the subscriber base.

For executive directors of MultiChoice, their 25% allocation of awards relating to new growth opportunities will be a blend between the Showmax scheme (10%) and the PPS scheme (15%).

ESG metrics

We believe that our ESG metrics are appropriately aligned with our group strategy pertaining to Environmental, Social, and Governance metrics and are each supported by the following CSI initiatives:

ESG metric	CSI initiative
Investment in family communities – coverage of school sports	Diski Challenge, Player Transition Programme. Let's Play Schools Sports Fields, SuperSport Schools Sports Fields
Enhancement of gender diversity in sports coverage	DStv Netball Schools Challenge (including coaching clinics), "Here for Her" campaign
Development of black talent	MultiChoice Talent Factory, MultiChoice Bursary Programme
Investment in local content	MultiChoice Talent Factory (including Extended cut), Joburg Film Festival, MultiChoice Namibia and Namibia Film Commission in support of women in film, Zanzibar International Film Festival
Contribution to sports development	Sports Development Trust and Enterprise Development Trust

PPS scheme

The PPS plan provides select executives involved in driving the group's transformative growth strategy with exposure to the value created as a result of the successful implementation of this strategy over time. Participation in the scheme is limited to executives who play a crucial role in the closing and oversight of the relevant investments. Awards vest over a period of five years on a sliding scale in two equal tranches in years four and five.

A key feature of the PPS plan is the particularly stretching performance conditions that are applied. There is no vesting of awards if portfolio returns are at or below 12.5% per annum and full vesting only occurs at superior returns of 25% per annum. The portfolio returns for each award and the unit value of each award are based on the like for like measurement of the portfolio of assets in place on the award date and four or five years later upon vesting.

The returns for the PPS scheme are measured on the growth in portfolio value. The valuations are performed by an independent third party, while the scheme outputs are also verified by our external auditors. The valuation is calculated based on the initial cost of the investment, which is not reduced to include the impact of any impairments, i.e. required returns need to be generated on the initial amounts of capital deployed. Should the third-party valuation be lower than the initial value of an investment, no returns would be realised on such an investment and the executives participating in the scheme will earn zero on their annual share PPS award allocation. Further information on the 2024 PSU performance measures is detailed on page 115.

FY25 focus areas

Going forward, we will continue our focus to ensure the group delivers on key strategic objectives, including maintained performance of the core business and achieving scale in exciting growth areas such as Showmax 2.0. We will also ensure that our performance measures remain aligned with the business strategy, that management compensation is fair and that our remuneration policy ultimately drives long-term shareholder value creation.

Jim Volkwyn
Outgoing chair of the remuneration committee

Remuneration report continued

Remuneration policy

Remuneration philosophy

Our remuneration philosophy is informed by the group's strategy and capital allocation process and enables us to achieve our business objectives. Our commitment to pay for performance aligns with the principle of creating long-term value for our shareholders – it drives our remuneration activities and supports the ownership mentality and spirit of entrepreneurship in our teams around the world.

As far as possible, our pay structure is similar across the business and it exceeds the minimum legal requirements in all the jurisdictions in which we operate. We always endeavour to balance the need to compete globally for the best talent with the need to pay fairly and responsibly. When making executive pay decisions, we consider the individual's performance, the business's performance, the complexity of executives' responsibilities, as well as the growth trajectory and lifecycle of the business unit for which the individual is responsible. Our STIs are aimed at rewarding employees for overperformance in a specific year and are typically capped at a percentage of an employee's salary. Our approach to LTIs strives to ensure executives are invested in driving sustainable performance and shareholder value creation over the long term.

Benchmarking

We strive to be consistent, offering remuneration packages that help attract and retain the best talent in our market. We consider market practices, our business requirements and the calibre of the individual in our recruitment processes. We benchmark our remuneration using the Old Mutual Remchannel Survey in South Africa and the Mercer Total Remuneration Surveys in the Rest of Africa. For executives, who we sometimes recruit globally, we use the LMO Executive Survey and the Willis Towers Watson Executive Survey. In addition, when appropriate, we use bespoke benchmarking using input from our remuneration adviser.

We target our guaranteed salary at the median of the market, with exceptions based on performance and critical skills. For the executive committee, we benchmark remuneration against the same peer group of companies used for the TSR measure, i.e., Vodacom, MTN, Telkom, Shoprite, Clicks, Bidvest, Discovery, Mr Price and TFG. Our approach to performance incentives is to award STIs below the average of our peer group, but for LTI's to be higher than average. This approach ensures that our blended outcome for our executive committee, including both STI and LTI, is aligned with shareholder interests.

Malus and clawback

We believe inappropriate conduct should not be rewarded. To protect stakeholders against inappropriate conduct by executives, malus and clawback provisions apply to all variable pay (STI and LTI) for the MultiChoice executive committee. These provisions enable us to recover variable remuneration awards made, based on the occurrence of a trigger event caused by the participant, which led to loss or damage incurred by the group.

Trigger events include, but are not limited to:

- The group or any subsidiary's financial statements having been materially restated
- The executive having deliberately misled the group or any subsidiary, the market and/or the group's shareholders regarding the financial performance or position of the group
- The executive's actions brought the group, subsidiary and/or the executive's business unit into significant disrepute
- The executive's actions amounted to gross misconduct or a material error
- The subsidiary or the business unit in which the executive works having suffered a material risk management or compliance failure
- Any other matter which, in the reasonable opinion of the remuneration committee, is required to be considered to comply with prevailing legal and/or regulatory requirements

Malus will be applied prior to the vesting and/or payment of any STI or LTI. Clawback will be applicable for up to three years after the vesting and/or payment of any STI or LTI.

Remuneration report continued

Remuneration structure

The group's remuneration structure applies to the group's executive directors and key senior executives. To provide a more comprehensive view, policies applicable either to different levels of employee and/or different geographic areas are included where appropriate.

<table>
<tr><th></th><th></th><th>Purpose and calculation</th><th>Calculation</th><th>Eligibility</th><th>Performance measures</th><th>On-target and stretch outcomes</th><th>Malus and clawback</th></tr>
<tr><td rowspan="2">Guaranteed Pay</td><td>Salary</td><td>Fixed remuneration with consideration given to specific requirements of the role.

In South Africa, we follow the local market practice of total cost to company (TCTC) remuneration, which comprises a basic salary plus cash and non-cash benefits. Outside of South Africa, we follow the market practice of base salary plus cash and non-cash benefits. Guaranteed pay is reviewed annually and any increases are typically effective from June each year.</td><td>Market conditions, group performance, internal comparability, individual experience, performance and level of responsibility within the organisation are taken into consideration and reviewed annually.</td><td>All employees</td><td>Individual performance</td><td>None</td><td>Not applicable</td></tr>
<tr><td>Benefits</td><td>Benefits and allowances appropriate to the market and contributing to the wellbeing of employees.

Comprises a suite of competitive employee benefits that vary across countries as per market practice. Examples include:
Bursaries for employees and families
Wellness benefits such as onsite healthcare and counselling, a gym and a concierge service
Work-life balance leave
A closed medical aid scheme and retirement scheme with competitive benefits
An early childhood development allowance and an onsite crèche
Discounts on DStv subscriptions for employees and up to three family members
Discounts on DStv Internet</td><td>Not applicable</td><td>All employees</td><td>Individual performance</td><td>None</td><td>Not applicable</td></tr>
<tr><td>STI</td><td>Bonus/short-term incentive</td><td>Annual performance-related incentives motivate executives to achieve short-term strategic, financial and non-financial objectives over a one-year performance period. This ensures remuneration is aligned with the annual business performance and drives long-term shareholder value creation.

Targets are set at a MultiChoice Group level and at segment/business unit/country level and applied to employees within these respective areas.

The individual performance measures for each executive director are tailored to their roles and responsibilities, which filter down to the employees in those reporting lines.

The incentive plan is agreed annually in advance and based on targets that are verifiable and aligned with the specific business unit's annual business plan.</td><td>All executive directors have an on-target bonus percentage which is used to calculate the bonus. The on-target bonus percentage will differ for employees according to their roles and responsibilities. The calculation to determine the performance outcome is detailed below:

TCTC/salary
X
On-target bonus %
X
Individual performance %
0% to 110%
X
Company performance %
0% to 120%</td><td>All employees subject to performance criteria</td><td>The company performance measures and weightings are set out below:
<table><tr><th>Performance measure</th><th>Weighting</th></tr><tr><td>Revenue</td><td>20%</td></tr><tr><td>Adjusted core headline earnings per share</td><td>20%</td></tr><tr><td>Free cash flow</td><td>35%</td></tr><tr><td>Subscriber growth*</td><td>25%</td></tr></table>
Performance below threshold results in a 0% payment for the specific measure. Between threshold and stretch, we apply linear progression of the payment from 80% to 120%. The outcome of each measure is capped at 120% of the weighting.

* Weighted equally between South Africa, Rest of Africa, and Showmax</td><td>The on-target and maximum STI as a percentage of salary are set out in the table below:
<table><tr><th></th><th>On-target</th><th>Stretch</th></tr><tr><td>CEO</td><td>80%</td><td>106%</td></tr><tr><td>CFO</td><td>80%</td><td>106%</td></tr></table></td><td>Malus and clawback provisions are applicable to the MultiChoice executive committee.

Refer to page 111 for more detail</td></tr>
</table>

Remuneration report continued

LTI

MultiChoice RSUs and PSUs

Purpose and calculation	Calculation	Eligibility	Performance measures	On-target and stretch outcomes	Malus and clawback
An award of MultiChoice Group shares registered to the participants subject to an employment condition (continued tenure). For the executive committee, and key senior management employees, achievement of performance conditions apply.	RSUs vest over four years in two equal tranches in years three and four. RSUs with performance conditions (PSUs) vest 100% after three years Executives' awards are 100% PSUs Quantum of PSU vesting is dependent on the achievement of performance conditions Settlement of the awards takes place on the respective vesting date of the awards and at the Remco's discretion Dividends are not payable on unvested shares	Executives, senior management, and employees with scarce and critical skills are eligible to participate. Executive director awards are split between the following LTI performance plans:	Detailed below.	The annual LTI awards are capped at percentages as set out in the table below:	Malus and clawback provisions are applicable to the MultiChoice executive committee. Refer to page 111 for more detail

	PSU	PPS & Showmax
CEO	75%	25%
CFO	75%	25%

	LTI as max % of salary
CEO	215%
CFO	185%
Rest of executive committee and select executives	165%

The group performance measures for PSU awards and weightings are set out as follows:

	Weight	Threshold (50% vesting)	Target (75% vesting)	Stretch (100% vesting)	Details
Adjusted core HEPS growth	25%	6%	8%	10%	• Growth to be measured over a three-year rolling average based on year end results, on the vesting date in year three, and excludes Showmax and Moment and includes cash extraction losses.
Investment growth	15%	Grow FY24 revenues by a multiple of 4x	Grow FY24 revenues by a multiple of 6x	Grow FY24 revenues by a multiple of 7x	• Growth to be measured after year three based on Showmax FY24 revenue.
Free cash flow conversion ratio	25%	70%	74%	78%	• Conversion ratio is calculated using the formula below and measured on the vesting date in year three: Free Cash Flow (pre-tax)/Trading profit on a three-year cumulative rolling basis (excluding KingMakers and Moment).
Total shareholder return	20%	Median of comparator group	Average of Median and Upper Quartile of comparator group	Upper Quartile of comparator group	• The TSR measure is based on share price growth and dividend yield. • Measured based on three-year compound annual growth rate on the vesting date in year three. • Measured relative to the following comparator group: Vodacom, MTN, Telkom, Shoprite, Clicks, Bidvest, Discovery, Mr Price, TFG.
ESG	15%	Based on a blend of external agency ratings and company-specific measures (on the following page)			

Remuneration report continued

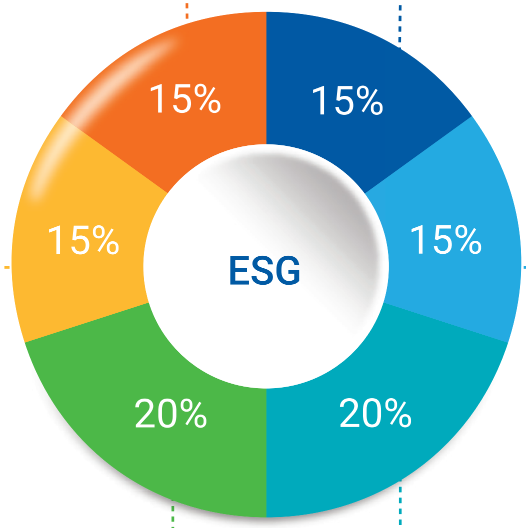
ESG Metrics

Investment in family communities – coverage of school sports
Number of active users on the SuperSport Schools App by year three

Threshold (50% vesting)	Target (75% vesting)	Stretch (100% vesting)
1.18m users	**1.25m** users	**1.31m** users

ESG Rating
Rating by external rating agencies MSCI and Sustainalytics

Threshold (50% vesting)	Target (75% vesting)	Stretch (100% vesting)
Achieve the second highest rating available from both SCI (AA rating) and Sustainalytics (low risk)	One rating in the second highest category, and one rating in the highest category	Achieve the top-level rating available from both MSCI (AAA rating) and Sustainalytics (negligible risk)



Enhancement of gender diversity in sports coverage
Increase hours of female sport coverage, both live (competitions and non-live (documentaries)

Threshold (50% vesting)	Target (75% vesting)	Stretch (100% vesting)
8.0% increase	**16.7%** increase	**25.0%** increase

Contribution to sports development
Based on the total cash in the sports and enterprise trusts to be invested over the three year period

Threshold (50% vesting)	Target (75% vesting)	Stretch (100% vesting)
45%	**50%**	**55%**

Development of black talent
% of total available spend on skills development spent on developing black (BBBEE) talent

Threshold (50% vesting)	Target (75% vesting)	Stretch (100% vesting)
75%	**80%**	**85%**

Investment in local content
Number of local content hours we will broadcast per annum

Threshold (50% vesting)	Target (75% vesting)	Stretch (100% vesting)
6 500 hours	**6 750** hours	**7 000** hours

Remuneration report continued

LTI	Purpose and calculation	Calculation	Eligibility	Performance measures	Malus and clawback
PPS Plan	A phantom award of value to the participants subject to an employment condition (continued tenure), where the value of the units awarded, at grant and settlement, is based on the value of the underlying portfolio of new investments and performance conditions on a like-for-like basis.	• PPS units vest over five years in two equal tranches in years four and five • Vested units are settled on exercise by delivery of MCG shares, up to the tenth anniversary of the award date • 100% of awards is linked to performance conditions. The returns are measured based on the growth in the portfolio valuation on a like-for-like basis • The portfolio performance is calculated at the date of vesting in year four and in year five	Select executives involved with strategic investments	The value is linked to the value of the portfolio of new investments and will vest 50% in years four and five respectively. The returns are measured based on the growth in portfolio valuations. The minimum vesting performance threshold is 12.5% growth per annum, and 100% vesting is achieved at a growth in the portfolio value of 25% per annum, with linear interpolation between these levels.	Malus and clawback provisions are applicable to the MultiChoice executive committee. Refer to page 111 for more detail
Irdeto RSUs and PSUs	A phantom award of value to the participants is subject to an employment condition (continued tenure). For the Irdeto executive committee, achievement of performance conditions apply. No awards are made to MultiChoice Group executive directors.	• RSUs vest over four years – awards vest in two equal tranches in years three and four • PSUs vest 100% after three years • Irdeto executives' awards are 100% PSUs and split 60:40 between Irdeto PSUs and MCG PSUs • The quantum of PSU vesting is dependent on achievement of performance conditions • Settlement of the awards will take place on exercise by delivery of MCG shares, up to the expiry date four years post vesting	Irdeto employees	Performance measures and weightings are set out below: **Performance measure – Weighting** Revenue – 20% EBITDA – 40% Free cash flow – 40%	Malus and clawback provisions are applicable to the MultiChoice executive committee. Refer to page 111 for more detail
Showmax RSUs and PSUs	A phantom award of value to the participants is subject to an employment condition (continued tenure). For the Showmax executive committee, achievement of performance conditions applies.	• RSUs vest over four years; awards vest in two equal tranches in years three and four • PSUs vest 100% after three years • Holding period of seven years post-vesting • Showmax executives' awards are split 70:30 between Showmax PSUs and MCG PSUs • The quantum of PSU vesting is dependent on achievement of performance conditions • Settlement of the awards will take place on exercise by delivery of MCG shares, up to the expiry date seven years post-vesting.	Showmax employees and select executives involved in the delivery of results of the business	Performance measures and weightings are set out below: **Performance measure – Weighting** Revenue – 25% EBITDA – 25% Free cash flow – 25% Subscriber base – 25%	Malus and clawback provisions are applicable to the MultiChoice executive committee. Refer to page 111 for more detail

Service contracts

Executives' service contracts comply with terms and conditions of employment in the jurisdiction where they are employed. Executives' contracts do not contain guaranteed payments on termination. Details of the date of appointment and relevant notice period for executive directors are set out in the table below:

	CP Mawela	TN Jacobs
Date of appointment in the current role	1/11/2018	1/11/2018
Notice period	6 months	6 months
Restraint period	12 months	6 months

Recruitment policy

On the appointment of a new executive, the individual's package will typically be in line with the principles as outlined on page 112. To facilitate recruitment, it may be necessary to compensate for remuneration forfeited on exiting the previous employer. This will be considered on a case-by-case basis and may comprise cash and/or shares.

Remuneration report continued

Termination policy

Payments in lieu of notice may be made to executives for the unexpired portion of the notice period. On cessation of employment, there is no automatic entitlement to an annual performance-related incentive (bonus). However, the committee retains the discretion to award a bonus to a leaver during the financial year considering the circumstances of their departure. Termination provisions related to LTI plans are as follows:

	LTI termination provisions
Death, ill health, disability or another event approved at the board's discretion	All unvested awards will be accelerated and fully vest on the date of termination of employment. If applicable, the outcomes of PSUs and PPS thresholds will be reviewed by the remuneration committee on a case-by-case basis.
Redundancy or termination as a result of a business disposal or change of control/jurisdictional issue or retirement	Vesting of the awards will be accelerated on a pro rata basis. However, the pro rata portion will only be applicable to the next upcoming vesting portion. If applicable, the outcomes of PSU and PPS thresholds will be reviewed by the remuneration committee on a case-by-case basis.
For other causes	All unvested awards will lapse.

Minimum shareholding requirement

To encourage individual shareholding in the group and to align with shareholders' interests, the following minimum shareholding is required for all 12 members of the executive committee. To allow time for the executives to build up a shareholding in the MultiChoice Group, these MSR requirements are to be met by July 2024 for current executives. The timeframe for new executive committee members to reach the MSR is five years from the date of appointment.

	MSR as a % of salary
CEO	300%
CFO	200%
Executive committee	100%

Members of the executive committee can pledge LTI awards (by placing the shares in escrow) to ensure the shareholding requirements are met.

Remuneration policy applicable to non-executive directors

Terms of appointment

The board has clear procedures for the appointment and orientation of directors, and annual self-evaluations are completed by the board and its committees. The nomination committee periodically assesses the skills and diversity represented on the board and determines whether these meet the group's needs. Directors are invited to give their input in identifying potential candidates. Members of the nominations committee propose suitable candidates for consideration by the board and a fit-and-proper evaluation is performed for each candidate before they are considered/appointed.

Retirement and re-election of non-executive directors

All non-executive directors are subject to retirement and re-election by shareholders every three years. Additionally, non-executive directors are subject to election by shareholders at the first suitable opportunity for interim appointments. The names of non-executive directors submitted for election or re-election are accompanied by brief biographical details to enable shareholders to make an informed decision on their election. The reappointment of non-executive directors is not automatic.

Setting non-executive directors' fees

The fee structure for non-executive directors is designed to ensure we attract, retain and appropriately compensate a diverse and experienced board. Non-executive directors receive an annual fee as opposed to a fee per meeting, which recognises their ongoing responsibility to ensure effective governance of the group. Remuneration is reviewed annually and is not linked to the group's share price or performance. Non-executive directors do not qualify for share allocations under the group's incentive schemes. A comprehensive benchmarking exercise is performed using PwC's non-executive director surveys and this is tabled annually for consideration by the remuneration committee and the board to determine what the proposed directors and committees' fees should be.

Directors on the MultiChoice Group board have cross-membership on the group's major subsidiary boards: MultiChoice South Africa Holdings Proprietary Limited, MultiChoice South Africa Proprietary Limited and Showmax Africa Holdings Limited. Non-executive directors with such cross-memberships receive a single fee at a MultiChoice Group level.

Non-binding advisory vote on remuneration policy

The remuneration policy, as set out above (Part 2), will be subject to a non-binding advisory vote by shareholders at the AGM on 28 August 2024. In the case that we do not achieve a vote of 75% or more in favour of our policy, we will engage with our various investors as required by King IV.

Remuneration report continued

The implementation report

This section explains how the remuneration policy was implemented in the reporting year and reflects the resulting payments each director received (backward looking). All decisions in relation to executive remuneration were made in line with our remuneration policy for this financial year.

Salary adjustments

The committee approved a 4% salary increase in FY24 for all employees in South Africa. This was determined through a collective bargaining process. Increases in other countries varied based on economic conditions, inflation, market trends and internal comparability.

Short-term incentives

FY24 group/financial goals

In this section, we outline the actual STI outcomes for each financial performance measure relative to the target set at the beginning of the financial year. At the request of shareholders, we have provided the absolute values for targets and the actual outcomes for the year under review.

FY24 STI	Weight (%)	Threshold (80%)	Target (100%)	Stretch (120%)	On-target outcome (%)	FY24 targets	FY24 Actuals	% of target achieved	FY24 outcome (%)
Revenue	20	2% below target	On-target	2% above target	20	R59.8bn	R56.0bn	0	0.0
Core HEPS	20	10% below target	On-target	10% above target	20	(R0.03)	R5.15	>100	24.0
Free cash flow	35	10% below target	On-target	10% above target	35	R108m	R589m	>100	42.0
Subscriber growth South Africa	8.3	5% below target	On-target	5% above target	8.3	143k	(409k)	0	0.0
Subscriber growth Rest of Africa	8.3	5% below target	On-target	5% above target	8.3	310k	(1 212k)	0	0.0
Subscriber growth Showmax	8.3	5% below target	On-target	5% above target	8.3	On-target	4% above	104	9.7
Total	100				100				75.7

Long-term incentives

In FY24, the outcome of the 2021 PSU awards vested as detailed in the table below.

FY24 LTI	Weight (%)	Threshold (50% vesting)	Target (75% vesting)	Stretch (100% vesting)	On-target vesting (%)	FY24 targets	FY24 Actuals	% of target achieved	FY24 vesting (%)
Core HEPS	25	5% below target	On-target	5% above target	18.75	R5.9	R14.82	>100	25.0
Free cash flow (cumulative)	50	5% below target	On-target	5% above target	37.5	R11.2bn	R13.3bn	>100	50.0
Return on capital employed	25	5% below target	On-target	5% above target	18.75	43.3%	43.0%	99	17.9
Total	100				75				92.9

Remuneration report continued

Calvo Mawela
Group Chief Executive Officer

Salary increase and STI award

FY24 salary as at 31 March 2024 (USD'000)	706	A
FY25 salary (USD'000)	730	
FY25 increase (%)	3.5	
On-target bonus (%)	80.0	B
Group/financial goals achieved outcome (%)	75.7	C
Personal goals achieved outcome (%)	104.3	D
Total outcome (%)	78.9	E = C x D
FY24 bonus (USD'000)	445.8	F = A x B x E
FY24 bonus as % of salary	63.1	G = F/A

Personal goals

Below we have disclosed the group CEO's personal performance against the target.

Group projects (Over achieved 105%)

Closed out all deliverables against our plan for the group to expand into a platform business. Successfully executed and implemented key projects, including M&A and new business lines, in line with the project requirements.

People (Achieved 100%)

Continued to execute against a robust succession plan, and successfully implemented against the agreed plan.

Regulatory (Over achieved 105%)

Managed a proactive and robust regulatory process to avoid undue or unforeseen negative impacts on the business.

Cash (Outstanding 110%)

Exceeded targets relating to cash extraction from Nigeria on local cash generation targets for the year.

Single figure remuneration

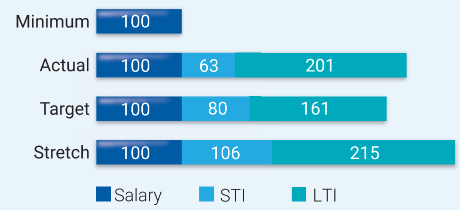
Element	FY24 (USD'000)	FY23 (USD'000)
Base salary	702	663
Pension	84	80
Benefits[1]	260	255
Short-term incentive[2]	446	566
LTI – PSU/RSU[3]	1 408	1 015
Total single figure	**2 900**	2 578

(1) *Benefits exclude pension and include all benefits not included in base salary such as medical benefits, fringe benefits, family benefits, travel, long-service and disability benefits.*

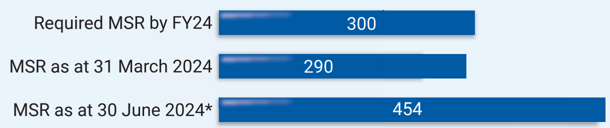
(2) *The STI reflects the bonus paid based on the performance of the relevant financial year (FY24).*

(3) *The value of awards settled in FY24 as disclosed in the LTI shareholding table below are different as it relates to share awards settled during FY24. The LTI RSU and PSU values reflected above are for the June 2019, June 2020, November 2020 and March 2021 awards with performance period ending in FY24.*

CEO: Pay mix (%)



Minimum Shareholding Requirement (%)



** Based on 100% pledging of the June 2024 vesting*

Remuneration report continued

FY24 LTI shareholding

Share plan	Offer date	Number of shares	Offer price (ZAR)	Release date	Share/unit price as at 31 March 2024 (ZAR)	Value of awards settled during the financial year ending 31 March 2024 (ZAR)	Intrinsic value per award of unvested shares as at 31 March 2024 (ZAR)
MultiChoice Group RSU and PSU[1]	18 Jun 2019	61 162	0.00	18 Jun 2023		5 736 996	
	18 Jun 2019	61 162	0.00	18 Jun 2024	113.60		6 948 003
MultiChoice Group RSU and PSU[1]	10 Jun 2020	51 147	0.00	10 Jun 2023		4 953 587	
	10 Jun 2020	51 147	0.00	10 Jun 2024	113.60		5 810 299
	10 Jun 2020	51 149	0.00	10 Jun 2025	113.60		5 810 526
MultiChoice Group RSU and PSU[2]	17 Nov 2020	70 717	0.00	17 Nov 2023		4 470 022	
MultiChoice Group RSU	17 Nov 2020	10 103	0.00	17 Nov 2024	113.60		1 147 701
MultiChoice Group RSU[3,6]	31 Mar 2021	120 809	0.00	31 Mar 2024	113.60		12 753 645
MultiChoice Group RSU[3]	18 Jun 2022	143 872	0.00	18 Jun 2025	113.60		16 343 859
MultiChoice Group RSU[3]	18 Jun 2023	219 152	0.00	18 Jun 2026	113.60		24 895 667
Phantom Performance Share Plan 2021[4]	31 Mar 2021	42 767	0.00	31 Mar 2025	177.93		12 033 778
	31 Mar 2021	42 767	0.00	31 Mar 2026	177.93		12 033 778
Phantom Performance Share Plan 2021[4]	20 Jun 2022	4 720	0.00	20 Jun 2026	472.50		2 798 346
	20 Jun 2022	4 721	0.00	20 Jun 2027	472.50		2 798 346
Phantom Performance Share Plan 2021[4]	20 Jun 2023	60 956	0.00	20 Jun 2027	34.87		2 125 536
	20 Jun 2023	60 957	0.00	20 Jun 2028	34.87		2 125 571
Showmax RSU[5]	20 Jun 2023	5 357	0.00	20 Jun 2026	27.50		2 788 558

[1] *50% of RSUs issued are subject to performance conditions.*
[2] *75% of RSUs issued are subject to performance conditions.*
[3] *100% of RSUs issued are subject to performance conditions.*
[4] *100% of PPSs issued are subject to performance conditions.*
[5] *100% of Showmax RSUs issued are subject to performance conditions.*
[6] *Share award not traded due to financial closed period and embargo on trading of shares.*

Remuneration report continued

Tim Jacobs
Group Chief Financial Officer

Salary increase and STI award

FY24 salary as at 31 March 2024 (ZAR'000)[1]	8 604	A
FY25 salary (ZAR'000)	8 948	
FY25 increase (%)	4	
On-target bonus (%)	80.0	B
Group/financial goals achieved outcome (%)	75.7	C
Personal goals achieved outcome (%)	106.0	D
Total outcome (%)	80.2	E = C x D
FY24 bonus (ZAR'000)	5 520	F = A x B x E
FY24 bonus as % of salary	64.2	G = F/A

[1] *Tim's EUR portion has been converted to ZAR using the March 2024 exchange rate.*

Personal goals

Below we have disclosed the group CFO's personal performance against the target.

Cost saving (Outstanding 110%)

Exceeded target by achieving total cost savings of R1.3bn in SA, and over $120m in RoA. Material cost savings achieved in other parts of the business based on initiatives such as restructuring resulting in additional $30m free cash flow.

Tax management (Outstanding 110%)

Exceeded target in settling all required tax matters on favourable terms, including Nigeria.

People (Achieved 100%)

Developed and executed a robust succession plan through various leadership appointments and restructuring.

Group projects (Over achieved 105%)

Closed out all deliverables against our plan for the group to expand into a platform business. Successfully executed and implemented key projects, including M&A and new business lines, in line with the project requirements.

Finance projects (Outstanding 110%)

Delivered on all phases of the finance technology stack project with no impact on the business.

Cash extraction (Outstanding 110%)

Exceeded targets relating to cash extraction from Nigeria on local cash generation targets for the year.

Single figure remuneration

Element	FY24 (ZAR'000)	FY23 (ZAR'000)
Guaranteed pay[1]	**8 059**	7 827
Pension	**545**	524
Benefits [2]	**1 231**	784
Short-term incentive [3]	**5 520**	5 335
LTI – PSU/RSU[4]	**13 570**	11 000
Total single figure	**28 925**	25 470

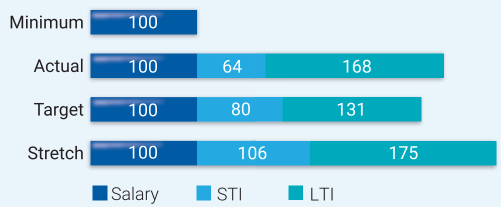
[1] *Tim has a dual employment contract (ZAR and EUR) as he is required to spend a significant amount of time offshore. His EUR portion has been converted to ZAR using the average FY24 exchange rate.*

[2] *Benefits exclude pension and include all benefits not included in Guaranteed Pay such as medical benefits, fringe benefits, family benefits, travel, long-service and disability benefits. Tim's benefits for his European contract have been converted to ZAR using the average FY24 exchange rate. The increase in benefits is mainly due to increased travel as required for corporate project purposes.*

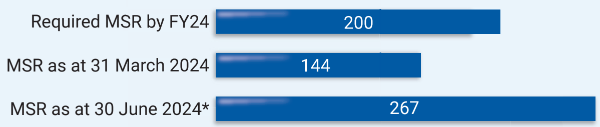
[3] *The STI reflects the bonus paid based on the performance of the relevant financial year (FY24).*

[4] *The LTI RSU and PSU values reflected are for the June 2019, June 2020, November 2020 and March 2021 awards with the performance period ending in FY24.*

CFO: Pay mix (%)



Minimum Shareholding Requirement (%)



** Based on 100% pledging of the June 2024 vesting*

Remuneration report continued

FY24 LTI shareholding

Share plan	Offer date	Number of shares	Offer price (ZAR)	Release date	Share/unit price as at 31 March 2024 (ZAR)	Value of awards settled during the financial year ending 31 March 2024 (ZAR)	Intrinsic value per award of unvested shares as at 31 March 2024 (ZAR)
MultiChoice Group RSU and PSU[1]	18 Jun 2019	15 768	0.00	18 Jun 2023		1 479 038	
	18 Jun 2019	15 769	0.00	18 Jun 2024	113.60		1 791 358
MultiChoice Group RSU and PSU[1]	10 Jun 2020	21 207	0.00	10 Jun 2023		2 053 898	
	10 Jun 2020	21 207	0.00	10 Jun 2024	113.60		2 409 115
	10 Jun 2020	21 207	0.00	10 Jun 2025	113.60		2 409 115
MultiChoice Group RSU and PSU[2]	17 Nov 2020	52 195	0.00	17 Nov 2023		3 299 246	
MultiChoice Group RSU	17 Nov 2020	7 457	0.00	17 Nov 2024	113.60		847 115
MultiChoice Group RSU[3]	31 Mar 2021	80 732	0.00	31 Mar 2024	113.60		8 522 726
MultiChoice Group RSU[3,6]	18 Jun 2022	90 383	0.00	18 Jun 2025	113.60		10 267 509
MultiChoice Group RSU[3]	18 Jun 2023	125 636	0.00	18 Jun 2026	113.60		14 272 250
Phantom Performance Share Plan 2021[4]	31 Mar 2021	28 579	0.00	31 Mar 2025	177.93		5 085 061
	31 Mar 2021	28 580	0.00	31 Mar 2026	177.93		5 085 239
Phantom Performance Share Plan 2021[4]	20 Jun 2022	2 965	0.00	20 Jun 2026	472.50		1 400 963
	20 Jun 2022	2 966	0.00	20 Jun 2027	472.50		1 401 435
Phantom Performance Share Plan 2021[4]	20 Jun 2023	34 945	0.00	20 Jun 2027	34.87		1 218 532
	20 Jun 2023	34 946	0.00	20 Jun 2028	34.87		1 218 567
Showmax RSU[5]	20 Jun 2023	3 071	0.00	20 Jun 2026	27.50		1 598 593

(1) *50% of RSUs issued are subject to performance conditions.*
(2) *75% of RSUs issued are subject to performance conditions.*
(3) *100% of RSUs issued are subject to performance conditions.*
(4) *100% of PPSs issued are subject to performance conditions.*
(5) *100% of Showmax RSUs issued are subject to performance conditions.*
(6) *Share award not traded due to financial closed period and embargo on trading of shares.*

Remuneration report continued

2024 Non-executive directors	Directors' remuneration		Directors' fees		Committee and trustees' fees and other fees		Total
	Paid for services to the company ZAR	Paid for services to other group companies ZAR	Paid for services to the company ZAR	Paid for services to other group companies ZAR	Paid for services to the company ZAR	Paid for services to other group companies ZAR	ZAR
James du Preez			813 600	117 000	541 450		1 472 050
Elias Masilela			813 600		375 950		1 189 550
Kgomotso Moroka*	390 000		813 600	117 000	518 950	308 375	2 147 925
Louisa Stephens			813 600		864 100	496 833	2 174 533
John James Volkwyn	6 491 710						6 491 710
Christine Sabwa			813 600		634 050	154 150	1 601 800
Fatai Sanusi			813 600		129 050		942 650
Andrea Zappia (appointed 1 Sep 2023)**			617 550	1 656 279			2 273 829
Deborah Klein (appointed 1 Sep 2023)**			617 550	236 611	125 625		979 786
	6 881 710	–	6 116 700	2 126 890	3 189 175	959 358	19 273 833

** Consultancy agreement ended 30 June 2023*
*** Board fees accrued but not yet paid*

Non-executive directors	Directors' remuneration		Directors' fees		Committee and trustees' fees and other fees		Total
	Paid for services to the company USD	Paid for services to other group companies USD	Paid for services to the company USD	Paid for services to other group companies USD	Paid for services to the company USD	Paid for services to other group companies USD	USD
Mohamed Imtiaz Patel – chair*	2 509 366						2 509 366

Note: Mr Patel does not receive director or meeting fees, and received an annual fee of $1m relating to the service and restraint agreement entered into with the MultiChoice group as Chairman for FY24. He also receives travel reimbursements related to business travel.

Mr Patel played a leading role in the successful completion of the Showmax deal with Comcast during FY24. He started developing the deal over the Covid period, while Executive Chairman, when discussions commenced for a strategic partner. On the recommendation of the remuneration committee at the time, a bonus of $1,25m was approved, and payable on the completion of two key deliverables within the prescribed period. These deliverables included:

1. *50% payable on the signing of all required agreements by April 2023, and*
2. *50% payable following the delivery of the commercial launch by early 2024.*

Remuneration report continued

Non-executive director contractual arrangements

Jim Volkwyn

The consultancy agreement, entered into between the group and Jim, is for professional advisory services provided to the group CEO on a regular and extensive basis. The scope of Jim's consultancy services is global in nature and involves advising on key group strategies and projects. This agreement is complementary to his role as director and involves an annual fee for the significant amount of additional time and effort to provide global strategic input to the group. The group believes that the benefit of leveraging his local and international industry insights and skills is superior to paying external consultants with limited insight into our operations. His in-depth understanding, stemming from nearly 40 years with the group, also provides us with a significant strategic advantage as we evaluate many opportunities to grow our business over the longer term. The contract is considered immaterial to Jim's overall wealth. The board has, after external legal advice and consideration on a balanced and substance-over-form basis, determined that the agreement does not affect his categorisation as an independent non-executive director. Jim has waived any entitlement to director and committee fees paid to non-executive directors.

Termination payments

No termination payments were made to either executive or non-executive directors on termination of employment or office in FY24.

Compliance

There were no deviations from the remuneration policy in FY24.

Directors' interest in the MultiChoice Group shares

The directors of the MultiChoice Group (and their associates) had the following beneficial interest in the MultiChoice Group ordinary shares at 31 March 2024:

MultiChoice Group ordinary shares	Direct	Indirect	Total
MI Patel	25 774	–	25 774
CP Mawela	356 497	–	356 497
TN Jacobs	120 601	–	120 601
Total	502 872	–	502 872

Non-binding advisory vote on implementation report

The implementation report, as set out in Part 3, will be subject to a non-binding advisory vote by shareholders at the AGM on 27 August 2024. In the case that we do not achieve a vote of 75% or more in favour of our implementation report, we will engage with our various investors as required by King IV.

06

Shareholder information

Section content

Share register analysis

as at 31 March 2024

Shareholder spread	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
1–1 000	28 717	92.59	2 731 351	0.62
1 001–10 000	1 537	4.96	4 570 658	1.03
10 001–100 000	535	1.72	19 158 067	4.33
100 001–1 000 000	190	0.61	55 355 074	12.51
Over 1 000 000	37	0.12	360 697 528	81.51
Total	31 016	100	442 512 678	100

Shareholders by type	Number of shares FY23	% of issued capital FY23	Number of shares FY24	% of issued capital FY24
Domestic institutions	151 402 975	34.2	183 415 135	41.4
Foreign institutions	106 294 851	24.0	42 313 948	9.6
Corporate stakeholders	140 353 825	31.7	162 317 252	36.7
Private investors	27 944 865	6.3	26 651 902	6.0
Employees	15 284 660	3.5	17 749 489	4.0
Brokers and others	1 231 502	0.3	10 064 952	2.3
Total	442 512 678	100	442 512 678	100

Public shareholders vs non-public shareholders	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
Non-public shareholders	10	0.03	18 274 224	4.13
Directors and associates of MCG and major subsidiaries	7	0.03	523 624	0.12
Treasury shares	1	0.00	89 461	0.02
Share schemes	2	0.00	17 671 139	3.99
Public shareholders	31 006	99.97	424 238 454	95.87
Total	31 016	100.00	442 512 678	100.00

Non-public shareholders	Number of shares	% holding
Directors and associates (direct and indirect beneficial holdings)	523 624	0.12
The MultiChoice Group Restricted Share Plan	17 660 028	3.99
MultiChoice Group Treasury Services	89 461	0.02
MNet share trust (legacy scheme)	1 111	0.00
	18 274 224	4.13

Shareholders with >5% interest	Number of shares	% of issued capital
Groupe Canal+	162 092 774	36.63
Public Investment Corporation (PIC)	52 332 195	11.83
Allan Gray	52 331 274	11.83
M&G Investments	44 072 213	9.96

Directors' holdings	Direct	Indirect	Total	%
Tim Jacobs	120 601	–	120 601	0.03
Calvo Mawela	356 497	–	356 497	0.08
Imtiaz Patel	25 774	–	25 774	0.01
Jim Volkwyn	–	–	–	–
James Hart Du Preez	–	–	–	–
Deborah Klein	–	–	–	–
Kgomotso Moroka	–	–	–	–
Elias Masilela	–	–	–	–
Christine Sabwa	–	–	–	–
Fatai Sanusi	–	–	–	–
Louisa Stephens	–	–	–	–
Andrea Zappia	–	–	–	–
	502 872	–	502 872	0.11

Share register analysis continued

as at 31 March 2024

Trading data	
Closing price on 3 April 2023 (ZAR)	120.00
Closing price on 31 March 2024 (ZAR)	113.60
Closing high for period (4 April 2023 (ZAR))	125.03
Closing low for period on 17 November 2023 (ZAR)	63.21
Number of shares in issue	442 512 678
Volume traded during period	445 286 851
Ratio of volume traded to shares issued	100.63%
Rand value traded during the period (ZAR)	38 764 574 534
Historic price/earnings ratio as at 31 March 2024	(21.35)
Historic earnings yield as at 31 March 2024	(4.68)
Historic dividend yield as at 31 March 2024	–
Market capitalisation at 31 March 2024 (ZAR)	**50 269 440 221**

Shareholders diary

General	
Financial year-end	**31 March 2024**
Year-end results announcement on SENS	**12 June 2024**
Shareholders eligible to receive AGM notice	**14 June 2024**
Distribution of annual results booklet enclosing AGM notice	**28 June 2024**
Integrated annual report publication	**28 June 2024**
Last day to trade to be entitled to vote at AGM	**21 August 2024**
Voting record date	**23 August 2024**
Proxy submission deadline for administrative purposes	**26 August 2024**
AGM	**28 August 2024**
Interim results announcement	**12 November 2024**

Glossary of terms

AGM	annual general meeting
AI	artificial intelligence
ARPU	average revenue per user
B2B	business to business
B-BBEE	broad-based black economic empowerment
CEO	chief executive officer
CFO	chief financial officer
Companies Act	Companies Act, No 71 of 2008 (as amended)
CSAT	customer satisfaction score
CSI	corporate social investment
DTH	direct to home (television)
DTT	digital terrestrial television
ESG	environmental, social and governance
EY	Ernst & Young
FIRS	Federal Inland Revenue Service
FTA	free to air (television)
FY22	the financial year from 1 April 2021 to 31 March 2022
FY23	the financial year from 1 April 2022 to 31 March 2023
GDP	gross domestic product
GDPR	General Data Protection Regulation
ICASA	Independent Communications Authority of South Africa
ICT	information and communications technology
IFRS	The International Financial Reporting Standards
IT	Information technology
I&T	Information and Technology
JSE	Johannesburg Stock Exchange (as distinct from the JSE Limited)
King IV	King Report on Corporate Governance™ for South Africa, 2016
LED	light-emitting diode
MOI	memorandum of incorporation
MTF	MultiChoice Talent Factory
MultiChoice South Africa	MultiChoice South Africa Holdings Proprietary Limited and its subsidiaries
MultiChoice, the MultiChoice Group or the group	MultiChoice Group Limited and its subsidiaries
Naspers	Naspers Group Limited
OTT	over the top (video media services)
Phuthuma Nathi	Phuthuma Nathi Investments (RF) Limited (MultiChoice SA's BBBEE share scheme)
POPIA	Protection of Personal Information Act, No 4 of 2013
PwC	PricewaterhouseCoopers Inc
SENS	Stock Exchange News Service
SVOD	subscription video on demand
TV	television
Ultra-HD	Ultra-high definition (technically different from, but conflated with, 4K)
UI and UX	user interface and user experience
US	United States
USSD	Unstructured supplementary service data
USD	United States dollar
VAT	Value Added Tax
VOD	video on demand
YES	Youth Employment Services
YoY	year on year
ZAR	South African rand

Administration and corporate information

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Registration number

2018/473845/06
Incorporated in South Africa

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Forward-looking statements

This report contains forward-looking statements as defined in the United States Private Securities Litigation Reform Act of 1995. Words such as 'believe', 'anticipate', 'intend', 'seek', 'will', 'plan', 'could', 'may', 'endeavour' and similar expressions are intended to identify such forward-looking statements but are not the exclusive means of identifying such statements.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances and should be considered in light of various important factors. While these forward- looking statements represent our judgements and future expectations, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations.

The key factors that could cause our actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, changes to IFRS Accounting Standards and the interpretations, applications and practices subject thereto as they apply to past, present and future periods; future acquisitions, changes to domestic and international business and market conditions such as exchange rate and interest rate movements; changes in the domestic and international regulatory and legislative environments; changes to domestic and international operational, social, economic and political conditions; the occurrence of labour disruptions and industrial action; and the effects of both current and future litigation.

We are not under any obligation to (and expressly disclaim any such obligation to) revise or update any forward-looking statements contained in this report, whether as a result of new information, future events or otherwise. We cannot give any assurance that forward-looking statements will prove to be correct, and investors are cautioned not to place undue reliance on any forward-looking statements contained herein.

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