ENTER

Integrated Annual Report to the shareholders of Phuthuma Nathi Investments (RF) Limited

For the year ended 31 March 2024

MultiChoice
Phuthuma Nathi
SHARE THE FUTURE

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.

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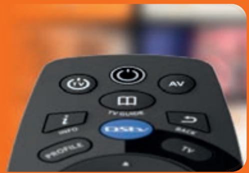

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Highlights

Overview

Phuthuma Nathi shareholders own
25%
(FY23: 25%) of MultiChoice SA through the Phuthuma Nathi entity

BBBEE status
Level 1
(FY23: Level 1)

Phuthuma Nathi will receive
R1.375bn
of the R5.5bn dividend declared by MultiChoice SA (FY23: R1.375bn of the R5.5bn dividend)

Phuthuma Nathi shareholders will receive a dividend of
R16.30
per share after dividend tax (FY23: R16.30)

Spent on CSI projects[1]
R288m
(FY23: 285m)

Permanent employees
3 700
(FY23: 3 644)

MultiChoice SA performance

7.6m
active subscribers (FY23: 8.0m)

R5.9bn
free cash flow (FY23: R3.6bn)

R7.7bn
core headline earnings (FY23: R6.7bn)

R13.8bn
preferential procurement spend (FY23: R12.0bn)

R42.2bn
revenues (FY23: R41.6bn)

R5.2bn
total tax contribution (FY23: R5.5bn)

R5.5bn
declared in dividends to MultiChoice SA shareholders (FY23: R5.5bn)

The MultiChoice SA and Phuthuma Nathi AGMs will be held on 27 August 2024 at 11:00 (SAST).

(1) *Includes non-cash advertising contributions of R61m (FY23: R106m).*

About this report

Scope, boundary and audience

This report discloses information about MultiChoice SA Holdings Proprietary Limited and its subsidiaries (MultiChoice SA), as well as Phuthuma Nathi Investments (RF) Limited (Phuthuma Nathi), MultiChoice SA's broad-based black economic empowerment (BBBEE) share scheme.

We present our integrated annual report for the financial year from 1 April 2023 to 31 March 2024 (referred to as FY24). The purpose of this report is to share with our Phuthuma Nathi shareholders how we aim to create value over the short, medium and long term in MultiChoice SA and how that value translates into tangible benefits for Phuthuma Nathi shareholders.

Basis of preparation

The content of the integrated annual report was guided by the following frameworks:

- International Integrated Reporting Council's Integrated Reporting <IR> Framework
- The King Report on Corporate Governance™ for South Africa, 2016 (King IV)*
- The requirements of the Companies Act No. 71 of 2008, as amended (Companies Act)

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Key terms

Phuthuma Nathi	Refers to Phuthuma Nathi Investments (RF) Limited (MultiChoice SA's BBBEE share scheme). The only investments held by Phuthuma Nathi are the shares held in MultiChoice SA.
MultiChoice SA, the company or the group	Refers to MultiChoice South Africa Holdings Proprietary Limited and its subsidiaries.
MultiChoice Group	Refers to MultiChoice Group Limited, the holding company of MultiChoice SA.
BBBEE	BBBEE is a government policy designed to advance economic transformation and enhance the economic participation of black people (African, coloured and Indian South African citizens) in the South African economy.
Corporate social investment (CSI)	Our investment to support the socio-economic development of communities through, cash funding, partnerships, leveraging our expertise and platforms, as well as through utilising other resources.
Shares and shareholders	A share is a unit of ownership in a company and a shareholder is the owner of a share. Shareholders can earn income from their shares in the form of dividends or capital appreciation.
Dividends	If a company has positive reserves and is liquid and solvent, the directors of the company may choose to pay out a portion of the profit to shareholders in a payment called a dividend. This decision is subject to the circumstances and outlook a company faces at a point in time, and directors must satisfy certain rules before authorising a dividend.
Financial year (FY)	The 12-month period a company uses to measure its financial performance and position. For MultiChoice SA and Phuthuma Nathi, the 2024 financial year is from 1 April 2023 to 31 March 2024 and is referred to as FY24.
YoY	A year-on-year movement, e.g., showing the growth rate from the prior year to the current year.
Johannesburg Stock Exchange (JSE)	The JSE is the oldest existing and largest stock exchange in Africa. For any company listed on the JSE, shares in the company can be bought by and sold to any person within the constraints of the law and the JSE Listings Requirements.
Integrated Exchange (I-Ex)	The Integrated Exchange (I-Ex) is an expanded version of the previously branded Equity Express Securities Exchange. I-Ex is the first independent black owned equity exchange in South Africa. The exchange was created to support BBBEE schemes and specifically caters for companies with restrictions on trading their shares. Unlike open stock exchanges, such as the JSE, the I-Ex has restrictions in respect of who can participate in support of a company's transformation goals.

About this report continued

Assurance

The financial and non-financial information in this report was reviewed by the audit committee and approved by the board.

Financial information

Summarised financial information for MultiChoice SA and Phuthuma Nathi, extracted from MultiChoice SA's audited consolidated annual financial statements for the year ended 31 March 2024 and the Phuthuma Nathi annual financial statements for the year ended 31 March 2024, are reflected accurately. The respective full annual financial statements are available on the MultiChoice SA and Phuthuma Nathi websites (www.multichoice.com/multichoice-south-africa/ and www.phuthumanathi.co.za) and at our registered office on arrangement with the company secretary.

Refer to page 39 for the auditor's report on MultiChoice South Africa's summarised consolidated annual financial statements, and to page 12 for the report on the summarised annual financial statements of Phuthuma Nathi.

Non-financial information

EmpowerLogic verified all BBBEE information in this report.

Navigation and feedback

For ease of reference, we included key terms used in this report on page 2.

We welcome our stakeholders to connect with us on

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

How to navigate our report

Throughout our integrated annual report, we use the following icons to show the connectivity between sections:

Stakeholders	Key strategic priorities
Employees	Content
Customers	Efficiency
Suppliers and partners	Growth
Shareholders and lenders	Technology
Government and regulators	SVOD
Society and the environment	Ecosystem

Further information online

Read more online

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Statement of directors' responsibility

The Phuthuma Nathi and MultiChoice SA boards acknowledge their responsibility to ensure the integrity and completeness of this integrated annual report. The integrated annual report was approved by the Phuthuma Nathi board on 10 June 2024 and by the MultiChoice SA board on 12 June 2024. Each board collectively assessed and unanimously approved the content of this report and believes it provides a true account of MultiChoice SA's performance because it addresses all material matters relating to MultiChoice SA's ability to create and sustain value in the short, medium and long term.

On behalf of the boards

Mandla Langa
Chair: Phuthuma Nathi

Elias Masilela
Chair: MultiChoice SA

Our reporting suite

The Phuthuma Nathi integrated annual report includes the annual general meeting (AGM) notice and is the key report to stakeholders, providing a holistic view of MultiChoice SA's business, strategy, performance and value creation for its stakeholders. This report should be read in conjunction with Phuthuma Nathi's full consolidated and company annual financial statements, which provide a more detailed understanding of the business's financial performance.

Further, we endeavour to engage with our stakeholders through regular reports, including the annual social report and biannual results announcements. This information can be accessed at www.phuthumanathi.co.za and www.multichoice.com multichoice-south-africa/

Our reporting suite includes MultiChoice SA's results announcement and full consolidated annual financial statements.

02

Understanding Phuthuma Nathi

MultiChoice Phuthuma Nathi
SHARE THE FUTURE

Focusing on shareholders' direct investment in Phuthuma Nathi

Section content

Letter from the Phuthuma Nathi chair

Mandla Langa
Chair: Phuthuma Nathi

The MultiChoice SA team was encouraged by the successful relaunch of DStv Stream with a new look and feel and seamless sign-up journey, the launch of Extra Stream to provide an additional stream in mobile and the growth of the DStv Internet service, which almost doubled its customer base. Six years in the making, Shaka Ilembe was the highlight of the year, launching on Mzansi Magic in June to become Africa's biggest TV series. Filmed entirely on location in South Africa, Shaka Ilembe was created through the skills and contributions of over 8 000 people. The premiere episode attracted over four million views and comfortably ranked as the year's top-performing show, obtaining an audience share of over 45% in its time slot

Dear shareholder

On behalf of the Phuthuma Nathi board, it brings me great pleasure to present our FY24 integrated annual report to you.

I would like to take this opportunity to remind our readers that the Phuthuma Nathi scheme owns a 25% direct investment in MultiChoice SA. This means that our 75 175 shareholders as at 31 March 2024 (FY23: 76 961) – comprising of black individuals, stokvels, and black-owned businesses – own an indirect investment in MultiChoice SA through an effective and economical holding structure.

Our Phuthuma Nathi shareholders continue to benefit from the dividends that MultiChoice SA pays as a consequence of it upstreaming cash to MultiChoice Group. These dividends are decided by the board of MultiChoice SA annually, based on the financial performance of the business. There are no other factors that impact this decision. The fact that the French media company Canal+ has made a mandatory offer to acquire the shares in MultiChoice Group that it does not already own (Canal+ currently has a 45.2% stake in MultiChoice Group) has no impact either. This offer will take time to conclude as the process requires Canal+ to obtain various regulatory approvals and MultiChoice Group shareholders to decide whether or not to accept the offer by Canal+. During this time, the business of MultiChoice SA will continue in the ordinary course. [Canal+ and the MultiChoice Group have also committed themselves to Broad-Based Black Economic Empowerment].

The year in review

Like many other South African companies, MultiChoice SA's financial and operational performance this past year was impacted by macro-economic challenges. Against a backdrop of high inflation and interest rates, the rising cost of living, loadshedding and increased unemployment, the team had to work tirelessly to navigate the challenges. They had to balance decisions to safeguard cash and profitability with the need to invest in future growth opportunities such as DStv Internet and DStv Insurance.

Loadshedding, in particular, remained a key challenge and the negative impact on the business and the broader South African economy cannot be underestimated. Consumers did not only experience more loadshedding days than last year, but they also had to endure higher levels of loadshedding. This meant they were often unable to access their pay-TV products and services, which negatively impacted subscriber numbers. Despite the unfavorable environment, and due to a strong focus on retention initiatives, the year-on-year decline in active subscribers in South Africa was limited to 5%, with total subscribers of 7.6m at year end.

Overall, MultiChoice SA revenues of R42bn was 1% lower than the prior year, as the lower subscriber numbers resulted in lower subscription revenues, partially offset by a 35% increase in revenues from the DStv insurance business. To protect profitability, the team was able to reduce costs by R1.2bn through content cost savings, improvement in certain

Letter from the Phuthuma Nathi chair continued

processes, vacancy freezes, as well as an overall reduction in discretionary spend. In addition, the subsidy of decoders was reduced, which combined with the other savings resulted in the business reporting a trading margin of 26.2% and R5.9bn in free cash flows.

The MultiChoice SA team was encouraged by the successful relaunch of DStv Stream with a new look and feel and seamless sign-up journey, the launch of Extra Stream to provide an additional stream in mobile and the growth of the DStv Internet service, which almost doubled its customer base. Six years in the making, *Shaka Ilembe* was the highlight of the year, launching on Mzansi Magic in June to become Africa's biggest TV series. Filmed entirely on location in South Africa, *Shaka Ilembe* was created through the skills and contributions of over 8 000 people. The premiere episode attracted over four million views and comfortably ranked as the year's top-performing show, obtaining an audience share of over 45% in its time slot.

If you exchanged a portion of your Phuthuma Nathi shares for MultiChoice Group shares in FY20, or have bought MultiChoice Group shares directly through the JSE and would like more information about the broader group's performance, I recommend visiting the MultiChoice Group website www.investors.multichoice.com/reporting-and-results-overview, for their full integrated annual report and other financial reporting information.

Share price

In FY24, and impacted by the weaker financial performance of MultiChoice South Africa due to the economic headwinds affecting consumers, the Phuthuma Nathi share price declined from R134 per share at 31 March 2023 to R98 per share at 31 March 2024, down 27% YoY. It is important to keep in mind that investing in a company (directly or indirectly) represents a share of ownership in that company and, as owners of that company, shareholders experience both the high and lows of that business. A direct investment in Phuthuma Nathi, which represents an indirect investment in MultiChoice SA, is no different.

Although the Phuthuma Nathi share price has declined, shareholders have earned R220.47 per share in dividends (before dividend tax) since the inception, which implies a total return of 16.2% per annum. This represents an attractive return, comfortably beating average inflation of 6% over the same period.

It is important to note that the Phuthuma Nathi share price will not necessarily track broader equity market trends or even MultiChoice SA's underlying performance exactly. The value of the shares is also impacted by the number of willing buyers for the shares offered by willing sellers, as BBBEE legislation somewhat limits the number of investors who can buy and sell Phuthuma Nathi shares.

Dividend

On page 9, we update our historic return on investment summary so that you can better understand how to think about your return on investment for your Phuthuma Nathi shares.

MultiChoice SA has paid a total amount of R17.8bn in dividends since Phuthuma Nathi's inception. It is important to bear in mind that past performance does not guarantee future performance, meaning that just because our scheme has done exceptionally well for shareholders over time, does not mean that it will necessarily continue to do so. But we sincerely hope to continue to deliver great value for our shareholders, as does the MultiChoice South Africa organisation.

The MultiChoice SA board has recommended a dividend of R5.5bn to its shareholders (FY23: R5.5bn). Phuthuma Nathi will receive R1.375bn of this amount which the Phuthuma Nathi board intends to distribute in full and declare a dividend of R1.375bn (FY23: R1.375bn). This amounts to R20.37 per Phuthuma Nathi ordinary share to be paid to shareholders (FY23: R20.37) before dividend tax.

The declaration of the Phuthuma Nathi dividends is subject to the approval of the MultiChoice SA dividend of R5.5bn, which will be confirmed at the MultiChoice SA AGM on 27 August 2024. On approval, the Phuthuma Nathi dividend will be payable to shareholders recorded in the share register on 27 August 2024 and paid on or about 9 September 2024.

After the 20% dividend tax amounting to R4.07 per share (FY23: R4.07) is deducted, Phuthuma Nathi shareholders will receive a net dividend of R16.30 per share (FY23: R16.30).

Many of our shareholders have not claimed their Phuthuma Nathi dividends due to shareholders not updating their contact details regularly. With over R200m unclaimed dividends, we encourage entitled owners to get into touch with our transfer securities, Singular Services, to claim payment.

Directors and company secretary

During FY24, the Phuthuma Nathi board consisted of four directors: Calvo Mawela, Mandla Langa, Advocate Kgomotso Moroka and James Du Preez. Carmen Miller is the company secretary.

The profiles of the current directors are on page 10 of this report.

Closing

I have the pleasure of inviting you, our shareholders, to attend the 18th AGM of MultiChoice SA and Phuthuma Nathi which will be held on Tuesday, 27 August 2024 at 11:00 at MultiChoice City 144 Bram Fischer Drive, Ferndale, Randburg.

The company reserves the right to amend the means by, and manner in which the AGM is convened, as well as any details regarding the process for registration and submission of forms of proxy, by notifying shareholders no later than seven days prior to the date of the AGM through the issue of an announcement on the I-EX website and/or publishing a notice on the company's corporate website and/or publishing a notice in widely circulated print media and/or any other means that the board of the company may determine appropriate for such notification to shareholders.

From myself and my colleagues on the board, thank you for your continued support. I look forward to engaging with you at our AGM.

As always, we welcome your feedback and input on our integrated annual report and on how we can continue improving our reporting in the future. Please share your feedback with us by emailing cosec@multichoice.com.

Mandla Langa
Chair: Phuthuma Nathi

Snapshot of our history

2006 to 2007

Phuthuma Nathi launched

Phuthuma Nathi 1 was launched in 2006 following an oversubscribed initial public offering. In 2007, Phuthuma Nathi 2 was introduced after a similarly successful second public offering. As one of the largest BBBEE transactions in South Africa, the schemes acquired a combined 20% stake in MultiChoice SA, at that time a subsidiary of Naspers.

2011

Trading started

The shares started trading over-the-counter on 8 December 2011.

2014

Debt paid off

MultiChoice SA's strong financial performance enabled substantial dividend payments to Phuthuma Nathi, thereby enabling Phuthuma Nathi to repay its vendor loan in 2014 – two years ahead of schedule – while maintaining dividend payments to Phuthuma Nathi shareholders.

2015

Full dividend paid

Following the settlement of the outstanding vendor loan, Phuthuma Nathi shareholders received their first full dividend payment amounting to R1.2bn.

2018

Listed on the EESE (recently rebranded to I-Ex)

In order to align with the requirements of the Financial Markets Act, and to allow for the Phuthuma Nathi 1 and Phuthuma Nathi 2 shares to be traded in a safe, secure and regulated environment, it was decided for Phuthuma Nathi 1 shares to be listed on the I-Ex, a licensed exchange authorised in terms of the act. This change also brought about the end of the shares being traded on the over-the-counter platform.

2019

Phuthuma Nathi shareholding in MultiChoice SA increased to 25%

Naspers unbundled MultiChoice Group and listed it separately on the JSE. To demonstrate MultiChoice Group's commitment to Socio-economic transformation and BBBEE, Phuthuma Nathi was allocated an additional 5% stake in MultiChoice SA at no cost.

Phuthuma Nathi 1 and Phuthuma Nathi 2 combined

In FY19, shareholders voted to combine the two schemes into one scheme. The transaction resulted in a one-to-one swap of Phuthuma Nathi 2 for Phuthuma Nathi shares. As a result, Phuthuma Nathi 2 is owned by Phuthuma Nathi, and all scheme shareholders hold shares in Phuthuma Nathi.

Share swap completed

Phuthuma Nathi shareholders were offered the option to exchange some of their shares in Phuthuma Nathi for shares in the MultiChoice Group. Following extensive engagements, shareholders representing a combined 5.7% shareholding in Phuthuma Nathi accepted this offer.

2023

Dividend paid

Phuthuma Nathi shareholders continued to benefit from dividend payments, receiving R1.4bn in September 2023 following approval at the 2023 AGM despite a challenging economic environment. This took the total amount in dividends paid out to Phuthuma Nathi shareholders since inception to R17.8bn.

2024

Latest dividend paid

The Phuthuma Nathi board intends to distribute the full value of the dividend received from MultiChoice SA to its shareholders by declaring a dividend to the value of R1.375bn with a cumulative dividend of R19.175bn since inception.

The declaration of the Phuthuma Nathi dividend is subject to the approval at the 2024 AGM.

Group structure[1]

MultiChoice Phuthuma Nathi
SHARE THE FUTURE

(Listed on I-Ex)

75 175 Phuthuma Nathi shareholders

25%

MultiChoice
ENRICHING LIVES
South Africa

75%

MultiChoice
ENRICHING LIVES

(Listed on the JSE)

Holds 5.7%[2] of Phuthuma Nathi

- Content
- Streaming and OTT aggregation
- Advertising
- Technology and distribution

DStv | SuperSport World of Champions | DStv Media Sales

Phuthuma Nathi

(listed on the I-Ex)

The Phuthuma Nathi share scheme offers qualifying shareholders the opportunity to gain indirect exposure to MultiChoice SA by owning shares in Phuthuma Nathi.

MultiChoice SA

(unlisted entity)

MultiChoice SA is the leading video entertainment company in South Africa, providing world-class local and international content to 7.6m subscribers.

MultiChoice Group

(listed on the JSE)

The MultiChoice Group is the parent company of MultiChoice SA, MultiChoice Africa Holdings, Showmax Africa and Irdeto. The MultiChoice Group has been listed on the JSE since 2019.

[1] *This graphic reflects the operational structure of the business and may differ from the legal structures.*
[2] *MultiChoice Group holds 5.7% of Phuthuma Nathi due to the share swap transaction implemented in October 2019.*

Understanding your return on investment

As a Phuthuma Nathi investor, it is important to understand how value can be created through owning these shares over time. Through Phuthuma Nathi, MultiChoice SA has provided impactful, long-term benefits to its BBBEE shareholders, with an estimated total return on investment of approximately 32 times since inception[1].

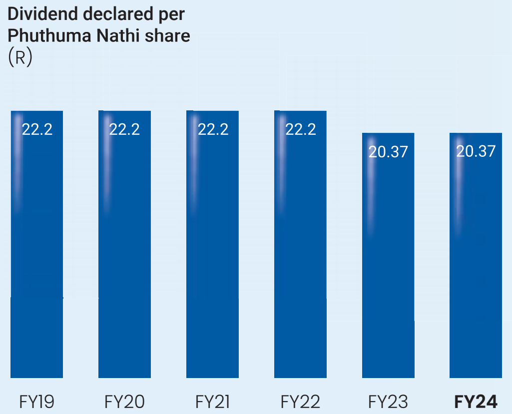
Cash flow returns through dividends

The directors may choose to pay dividends to shareholders periodically. While dividends are never guaranteed as they depend on how well the company performs, among other considerations, they offer shareholders liquid cash distributions as and when declared.

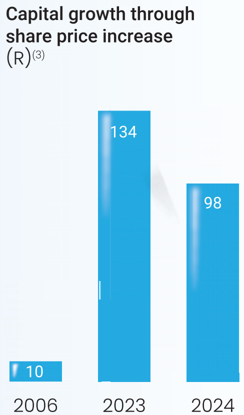
Capital growth through share price increases

Over time, the shares in a company may become increasingly valuable depending on how well the company performs and how much demand there is for ownership of its shares. This is referred to as capital growth. It is important to remember that the value of shares can also decline if a company is performing poorly or if the demand for ownership of its shares declines.

For example, if you purchased a Phuthuma Nathi share at inception for R10 per share, it would have been worth R98 per share at 31 March 2024[3]. This means an initial investment of R10 has generated capital growth of roughly 14% per year.



R17.8bn
in dividends paid since inception.



[1] *This total return includes the value of capital held and dividends received but assumes that the dividends were not reinvested by shareholders into Phuthuma Nathi shares, and excludes the impact of exchanging a portion of the Phuthuma Nathi shares held for MultiChoice Group shares in FY20 for any shareholder who may have elected to do so.*

[2] *Dividends are declared and paid post the financial year-end, e.g., the FY24 dividend was declared in June 2024 and will be paid in September 2024, subject to approval of the MultiChoice SA dividend in August 2023. Dividends declared are subject to dividend withholding tax, e.g., FY24 dividend declared of R20.37 per share equates to a net dividend of R16.30 per share after dividend withholding tax of 20%.*

[3] *Based on the last publicly traded value on I-Ex on 31 March 2024.*

Our Phuthuma Nathi board of directors

Mandla Langa 74

Chair and independent non-executive director

Qualifications: BA (English and Philosophy) and MA (Creative Writing)

Appointed 4 August 2006

Mandla was the chair of MultiChoice SA from 2007 to 2010 and chair of the Independent Communications Authority of South Africa (ICASA) from 1999 to 2005. He participated in various arts programmes and conferences throughout Africa. In 2007, he received South Africa's National Order of Ikhamanga (Silver) for literary, journalistic and cultural achievements and in 2009, a Living Legends award from the eThekwini municipality. A number of his works have been published. He was editor-at-large of Leadership magazine, programme director for television (TV) at the South African Broadcasting Corporation and his fourth novel, The Lost Colours of the Chameleon, won the 2009 Commonwealth Writer's Prize – Africa region. His directorships include Medu Arts & Literature, Phuthuma Nathi, and Datapost. Mandla is a recipient of honorary doctorates from the University of Fort Hare, the University of the Witwatersrand and the University of Pretoria. He received his Master of Arts in Creative Writing from the University of the Witwatersrand and was a fellow at Stellenbosch Institute of Advanced Studies.

Calvo Phedi Mawela 48

Non-executive director

Qualifications: BSc Eng (Electrical)

Appointed 12 July 2019

Calvo is currently the Group CEO of MultiChoice Group Limited, and was the CEO of MultiChoice SA 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 a 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 (prev. 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 a Strategic IQ: Creating Smarter Corporations Certificate from Harvard Business School.

James Hart du Preez 65

Independent non-executive director

Qualifications: CA(SA), CD(SA), CM(SA)

Appointed 6 June 2023

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.

Adv Kgomotso Ditsebe Moroka 70

Independent non-executive director

Qualifications: BProc and LLB

Appointed 6 June 2023

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.

Phuthuma Nathi audit committee report

for the year ended 31 March 2024

As the company's major asset is an investment in MultiChoice South Africa Holdings Proprietary Limited (MCSAH), the board deems it appropriate that all its members be appointed to the audit committee. The audit committee has pleasure in submitting this report, as required by section 94 of the Companies Act No. 71 of 2008 of South Africa ("the Act").

Responsibilities

The committee has adopted formal terms of reference, delegated by the board of directors, as set out in its charter. The committee has discharged its responsibilities in terms of its charter and ascribed to it in terms of the Act as follows:

Financial controls

Review and approve for presentation to and approval by the board, the company's integrated annual report and annual financial statements. These reviews included:

- Taking appropriate steps to ensure the annual financial statements were prepared in accordance with International Financial Reporting Standards (IFRS® Accounting Standards) and in the manner required by the Act.
- Considering and, when appropriate, making recommendations on internal financial controls.
- Reviewing key audit matters raised by the external auditor and management's response thereto.
- Compiling a report to be inserted in the annual financial statements, describing how the audit committee carried out its functions.
- Disclose in the integrated annual report significant matters that the audit committee has considered in relation to the annual financial statements, and how these were addressed by management.
- Reviewed the ability of the company to continue as a going concern, including an analysis of the group's liquidity and solvency and recommend it to the board for approval.
- Taking appropriate steps to ensure that controls are working effectively. The committee believes that controls are working effectively, no deficiencies have been noted.

External auditor

- Receive all audit reports directly from the external auditor.
- Annually review the external auditor's performance and disclose the committee's views on the quality of the external audit, with reference to audit quality indicators such as those that may be included in inspection reports issued by external audit regulators.
- Present the committee's conclusions on the external auditor to the board, preceding the annual request to shareholders to approve the appointment of the external auditor.
- Approve the external auditor's terms of engagement and remuneration.
- Evaluate and provide commentary on the external auditor's audit plans, scope of findings, identified issues and reports.
- Develop a policy for the board to approve non-audit services performed by the external auditor. Approve non-audit services provided by the external auditor in accordance with this policy.

Members of the audit committee

The committee consists of independent non-executive directors and meets at least once per year and on an *ad hoc* basis as required which is in accordance with its charter. All members act independently, are financially literate, have sound business and financial acumen and comply with all other requirements of section 94 of the Act. The committee has unrestricted access to company information falling within the committee's mandate and liaises with management on the information it requires to carry out its responsibilities.

The names of the members who were in office during 2024, and up to the date of this report, are reflected below:

Name of committee member	Qualification
M Langa	Diploma in Offset Litho Printing (London College of Printing); Certificate in Periodical Journalism (University of London); BA (English and Philosophy) and MA (Creative Writing) (University of Witwatersrand)
CP Mack*	LLB – University of Cape Town and Postgraduate diploma in economics for competition Law (King's College London)
H Wessels*	BCom, CTA and CA(SA)
James Hart du Preez**	CA(SA), CD(SA), CM(SA)
Advocate Kgomotso Moroka**	BProc and LLB

* *Resigned 6 June 2023.*
** *Appointed 6 June 2023.*

The committee members as at date hereof are recommended for election as committee members by shareholders at the annual general meeting to be held on 27 August 2024.

Attendance

The external auditor, in their capacity as auditor to the company, attended and reported at the meeting of the audit committee. Relevant managers attended meetings by invitation. This was the only meeting that took place during the year and all audit committee members were present.

Audit firm rotation and external auditor for 2024

During the financial year 2021, MultiChoice Group Limited (MCG) commenced its process in line with IRBA's mandatory audit firm rotation regulations, which requires MCG to rotate its external auditors prior to the year beginning 1 April 2023. After a formal selection process concluded during the financial year 2022, the audit committee has selected Ernst & Young as the recommended external auditor from the year ended 31 March 2024. Phuthuma Nathi has aligned to MCG in this regard.

Confidential meetings

Audit committee agendas provide for confidential meetings between the committee members and the external auditor.

Independence of external auditor

During the year under review, the audit committee reviewed a representation by the external auditor and, after conducting its own review, confirmed the independence of the auditor.

Expertise and experience of finance function

The committee satisfied itself that the composition, experience and skills set of the finance function met the company's requirements.

Discharge of responsibilities

The committee determined that during the financial year under review it had discharged its legal and other responsibilities as outlined in terms of the Act. The board concurred with this assessment.

Mandla Langa
Chair: Audit committee

12 June 2024

Independent auditor's report on the summary consolidated and company financial statements

To the shareholders of Phuthuma Nathi Investments (RF) Limited

Opinion

The audited summary consolidated and company financial statements of Phuthuma Nathi Investments (RF) Limited, contained in the accompanying summary report, which comprise the summary consolidated and company income statement, summary consolidated and company statement of comprehensive income, summary consolidated and company statement of financial position as at 31 March 2024, summary consolidated and company statement of changes in equity and summary consolidated and company statement of cash flows for the year then ended, and related notes, are derived from the audited consolidated and company financial statements of Phuthuma Nathi Investments (RF) Limited for the year ended 31 March 2024.

In our opinion, the accompanying summary consolidated and company financial statements are consistent, in all material respects, with the audited consolidated and company financial statements, as set out in note 1 of the summary consolidated and company financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Summary consolidated and company financial statements

The summary consolidated and company financial statements do not contain all the disclosures required by IFRS Accounting Standards and the requirements of the Companies Act of South Africa as applicable to Annual Financial Statements. Reading the summary consolidated and company financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated and company financial statements and the auditor's report thereon.

The audited consolidated and company financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated and company financial statements in our report dated 12 June 2024.

Directors' responsibility for the summary consolidated and company financial statements

The directors are responsible for the preparation of the summary consolidated and company financial statements set out in note 1 to the summary consolidated and company financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary consolidated and company financial statements are consistent, in all material respects, with the audited consolidated and company financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

Ernst & Young Inc.

Ernst & Young Inc.
Director: Lerato H. Sidubi
Registered Auditor
Chartered Accountant (SA)

21 June 2024

102 Rivonia Road
Sandton

Summary annual financial statements

Summary consolidated and company statement of financial position

as at 31 March 2024

	Notes	GROUP 2024 R'000	GROUP 2023* R'000	COMPANY 2024 R'000	COMPANY 2023* R'000
Assets					
Non-current assets		**6 243 780**	6 531 034	**6 243 780**	6 531 034
Investment in associate	2	**6 243 780**	6 531 034	**6 243 780**	6 531 034
Investments in subsidiary*		**–**	–	**–**	–
Current assets		**228 331**	225 565	**228 331**	225 565
Trade and other receivables		**113 268**	153 963	**113 268**	153 963
Cash and cash equivalents		**115 063**	71 602	**115 063**	71 602
Total assets		**6 472 111**	6 756 599	**6 472 111**	6 756 599
Equity and liabilities					
Equity reserves attributable to the company's equity holders		**6 239 958**	6 527 912	**6 239 958**	6 527 912
Share capital and premium		**2 814 075**	2 814 075	**2 814 075**	2 814 075
Other reserves		**631 136**	685 643	**631 136**	685 643
Accumulated profit		**2 794 747**	3 028 194	**2 794 747**	3 028 194
Current liabilities		**232 153**	228 687	**232 153**	228 687
Other payables		**232 153**	228 687	**232 153**	228 687
Total equity and liabilities		**6 472 111**	6 756 599	**6 472 111**	6 756 599

* *Management has added the Investment in subsidiary line in the consolidated and company statements of financial position.*

The accompanying notes form an integral part of the summary consolidated and company annual financial statements.

Summary consolidated and company statement of profit or loss

for the year ended 31 March 2024

	GROUP 2024 R'000	GROUP 2023* R'000	COMPANY 2024 R'000	COMPANY 2023* R'000
Operating expenses	**(700)**	(660)	**(700)**	(660)
Share of equity-accounted results of associate	**1 142 253**	1 008 649	**1 142 253**	1 008 649
Profit before taxation	**1 141 553**	1 007 989	**1 141 553**	1 007 989
Taxation	**–**	–	**–**	–
Profit for the year	**1 141 553**	1 007 989	**1 141 553**	1 007 989
Earnings per share (cents)				
Earnings per share based on 67 500 000 (2023: 67 500 000) issued shares	**16.91**	14.93	**16.91**	14.93

* *Management has removed operating profit/loss subtotals from the consolidated and company statements of profit or loss. The reason for the re-representation is due to a simplification of the face of the consolidated and company statements of profit or loss and is more understandable for the users of the financial statements.*

The accompanying notes form an integral part of the summary consolidated and company annual financial statements.

Summary annual financial statements continued

Summary consolidated and company statement of comprehensive income

for the year ended 31 March 2024

	GROUP		COMPANY	
	2024 R'000	2023 R'000	**2024 R'000**	2023 R'000
Net profit for the year	**1 141 553**	1 007 989	**1 141 553**	1 007 989
Total other comprehensive income, net of tax, for the year:				
Items that may be reclassified subsequently to profit or loss				
Share of comprehensive (losses)/income of equity accounted investments	**(54 507)**	337 962	**(54 507)**	337 962
Total comprehensive income	**1 087 046**	1 345 951	**1 087 046**	1 345 951

The accompanying notes form an integral part of the summary consolidated and company annual financial statements.

Summary consolidated and company statement of changes in equity

for the year ended 31 March 2024

	Share capital and share premium R'000	Other reserves[1] R'000	Accumulated profit R'000	Total equity R'000
GROUP				
Balance at 1 April 2022	2 814 075	347 681	3 520 205	6 681 961
Profit for the year	–	–	1 007 989	1 007 989
Other comprehensive income	–	337 962	–	337 962
Dividends declared	–	–	(1 500 000)	(1 500 000)
Balance at 31 March 2023	2 814 075	685 643	3 028 194	6 527 912
Profit for the year	–	–	1 141 553	1 141 553
Other comprehensive loss	–	(54 507)	–	(54 507)
Dividends declared	–	–	(1 375 000)	(1 375 000)
Balance at 31 March 2024	2 814 075	631 136	2 794 747	6 239 958
COMPANY				
Balance at 1 April 2022	2 814 075	347 679	3 520 205	6 681 961
Profit for the year	–	–	1 007 989	1 007 989
Other comprehensive income	–	337 962	–	337 962
Dividends declared	–	–	(1 500 000)	(1 500 000)
Balance at 31 March 2023	2 814 075	685 643	3 028 194	6 527 912
Profit for the year	–	–	1 141 553	1 141 553
Other comprehensive loss	–	(54 507)	–	(54 507)
Dividends declared	–	–	(1 375 000)	(1 375 000)
Balance at 31 March 2024	2 814 075	631 136	2 794 747	6 239 958

[1] *Other reserves consist of share of equity reserves in associate.*

The accompanying notes form an integral part of the summary consolidated and company annual financial statements.

Summary annual financial statements continued

Summary consolidated and company statement of cash flows

for the year ended 31 March 2024

	Notes	GROUP 2024 R'000	GROUP 2023 R'000	COMPANY 2024 R'000	COMPANY 2023 R'000
Cash flows from operating activities					
Cash inflow/(outflow) from operations		**1 042**	(41 711)	**1 042**	(41 711)
Dividends received from associate	3	**1 375 000**	1 500 000	**1 375 000**	1 500 000
Net cash generated from operating activities		**1 376 042**	1 458 289	**1 376 042**	1 458 289
Cash flows used in financing activities					
Dividends paid to ordinary shareholders		**(1 332 581)**	(1 441 797)	**(1 332 581)**	(1 441 797)
Net movement in cash and cash equivalents		**43 461**	16 492	**43 461**	16 492
Cash and cash equivalents at the beginning of the year		**71 602**	55 110	**71 602**	55 110
Cash and cash equivalents at the end of the year		**115 063**	71 602	**115 063**	71 602

The accompanying notes form an integral part of the summary consolidated and company annual financial statements.

Notes to the summarised annual financial statements

for the year ended 31 March 2024

1. Basis of preparation

The summary consolidated and company financial statements are prepared in accordance with the requirements of the Companies Act applicable to summary financial statements. The summary financial statements are prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS® Accounting Standards) and the SAICA Financial Reporting Guides as issued by the APC and the Financial Pronouncements as issued by the FRSC, and to also, as a minimum, contain the information required by *IAS 34 Interim Financial Reporting*.

The accounting policies applied in the preparation of the consolidated and company annual financial statements from which the summary consolidated and company financial statements were derived, are in terms of IFRS Accounting Standards and are consistent with those accounting policies applied in the preparation of the previous consolidated and company annual financial statements and the prior year summary consolidated and company financial statements.

The Phuthuma Nathi Investments (RF) Limited group and company have adopted all new and amended accounting pronouncements as issued by the International Accounting Standards Board (IASB), which were effective for financial years commencing on 1 April 2023.

A copy of the full audited consolidated and company annual financial statements is available for inspection from the company secretary at the registered office of the group or can be downloaded from the group's website: www.phuthumanathi.co.za/information/financialreporting/.

Summary annual financial statements continued

Notes to the summarised annual financial statements

for the year ended 31 March 2024

2. Investment in associate

The company's total investment in MCSAH is 25% (2023: 25%) as at the end of the financial period.

The principal activities of MCSAH is the operation of video-entertainment services both via satellite and online platforms. This is an unlisted investment that is accounted for using the equity method of accounting.

	GROUP AND COMPANY	
	2024 R'000	2023 R'000
Movement in carrying amount		
At the beginning of the year	**6 531 034**	6 684 423
Share of net profit	**1 142 253**	1 008 649
Share of changes in other reserves	**(54 507)**	337 962
Dividends received	**(1 375 000)**	(1 500 000)
	6 243 780	6 531 034
Analysis of carrying amount		
Cost	**2 250 000**	2 250 000
Additional investment	**2 364 075**	2 364 075
Share of equity accounted results of associate	**(1 873 825)**	(1 641 078)
Share of changes in associate's other comprehensive income	**2 652 523**	2 707 030
Gain on empowerment transaction	**851 007**	851 007
At the end of the year	**6 243 780**	6 531 034
Reconciliation of carrying amount		
Share of net assets of associate	**3 223 818**	3 265 993
Notional goodwill on initial acquisition	**1 910 000**	1 910 000
Fair value uplift on net identifiable assets	**1 021 992**	1 267 071
Notional goodwill on additional investment	**87 970**	87 970
Carrying amount	**6 243 780**	6 531 034

There has been no objective evidence of impairment of the associate in the current or prior years.

	GROUP AND COMPANY	
	2024 R'000	2023 R'000
Summarised financial information of unlisted associate as per its annual financial statements		
Continuing operations		
Revenue with contract customers	**41 221**	40 934
Cost of providing services and sale of goods	**(22 700)**	(23 208)
Insurance service result	**591**	471
Gross profit	**19 112**	18 197
Other operating (losses) / gains	**(1 227)**	32
Net impairment loss on trade receivables	**(194)**	(102)
Selling, general and administration costs	**(9 498)**	(9 143)
Operating profit	**8 193**	8 984
Interest income	**1 578**	803
Net foreign exchange translation losses	**(152)**	(1 637)
Reversal of impairment of equity accounted investments	**73**	–
Profit on sale of equity accounted investment	**12**	–
Share of equity-accounted results	**29**	2
Interest expense	**(1 581)**	(914)
Profit before taxation	**8 152**	7 238
Taxation	**(2 167)**	(2 302)
Profit from continuing operations		
Discontinued operations	**5 985**	4 936
Loss from discontinued operations	**–**	(67)
Profit for the year	**5 985**	4 869
Other comprehensive income	**30**	1 644
Total comprehensive income for the year	**6 015**	6 513

Summary annual financial statements continued

Notes to the summarised annual financial statements

for the year ended 31 March 2024

2. Investment in associate continued

	GROUP AND COMPANY	
	2024 R'000	2023 R'000
Summarised statement of financial position		
Assets		
Non-current	12 467	13 737
Current	32 802	29 075
Assets held for sale	317	70
Total assets	45 586	42 882
Liabilities		
Non-current	18 918	16 006
Current	13 078	13 698
Liabilities directly associated with assets held for sale	127	114
Total liabilities	32 123	29 818
Total net assets	13 463	13 064
Equity reserves attributable to the company's equity holders	13 463	13 064
Reconciliation of equity reserves carrying amount		
Opening balance	13 064	12 697
Profit for the year	5 985	4 869
Other comprehensive loss	30	1 644
Share-based compensation movement	(56)	(67)
Dividends declared	(5 480)	(5 979)
Hedging reserve basis adjustment	(649)	(100)
Gain on sale of business*	569	–
Closing balance	13 463	13 064
Group and company share (%)	25	25
Group and company share (R)	3 366	3 266

* *Gain on disposal of the SVoD business, i.e Showmax SA division of MultiChoice Support Services (Pty) Ltd.*

3. Related parties

	GROUP AND COMPANY	
	2024 R'000	2023 R'000
Subsidiary – Phuthuma Nathi Investments 2 (RF) Limited*		
Associate – MultiChoice South Africa Holdings Proprietary Limited		
Subsidiary of associate – MultiChoice South Africa Proprietary Limited		
Transactions with related parties		
MultiChoice South Africa Holdings Proprietary Limited	1 375 000	1 500 000
Amounts due to related parties		
MultiChoice Proprietary Limited	17 351	10 080

The above current balance, with MultiChoice Proprietary Limited, is unsecured, interest free and has no fixed terms of repayment.

Phuthuma Nathi Investments (RF) Limited shall not earn any revenue and/or incur any expenses related to the trading of Phuthuma Nathi Investments (RF) Limited shares. MultiChoice South Africa Proprietary Limited shall incur all expenses related to the trading of Phuthuma Nathi Investments (RF) Limited shares.

MultiChoice Proprietary Limited has earned and incurred the following income and expenses related to the trading of Phuthuma Nathi Shares for the year ended 31 March 2024 in terms of the memorandum of incorporation (MOI) requirements:

	GROUP		COMPANY	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Related party income	7 124	2471	7 124	2 471
Expenses	(8)	(9)	(8)	(9)
Audit fees	(700)	(660)	(700)	(660)
	6 416	1 802	6 416	1 802

Related party income relates to interest earned on unclaimed dividends and expenses relate to bank charges on bank accounts and audit fees paid by MultiChoice Proprietary Limited on behalf of the group.

* *This disclosure was applicable in the prior year as well.*

Summary annual financial statements continued

Notes to the summarised annual financial statements

for the year ended 31 March 2024

3. Related parties continued

Transactions with non-executive directors

As per the MOI, certain directors of Phuthuma Nathi Investments (RF) Limited earn directors fees, which are paid by MultiChoice Proprietary Limited.

Non-executive directors shareholdings

The directors of Phuthuma Nathi Investments (RF) Limited had the following interests in Phuthuma Nathi Investments (RF) Limited ordinary shares as at 31 March 2024:

Name	2024 Number of shares held	2023 Number of shares held
CP Mack (resigned 06 June 2023)*	50 001	50 001
M Langa*	3 000	4 582
C Mawela*	4 000	4 000
	57 001	58 583

* *Shares were purchased by directors at the fair market value per share.*

4. Financial risk management

Credit risk

The company is exposed to certain concentrations of credit risk relating to its cash. It places its cash mainly with major banking companies and high-quality institutions that have high credit ratings. The counterparties that are used by the company are evaluated on a continuous basis. As at 31 March 2024, the company held the majority of its cash and deposits with local banks with a 'Ba2-' credit rating (Moody's International's long-term deposit rating) (2023: 'Ba2-' credit rating (Moody's International's long-term deposit rating)). At 31 March 2024, the maximum amount of credit risk that the company is exposed to is as follows:

	GROUP AND COMPANY	
	2024 R'000	2023 R'000
Cash and cash equivalents	115 063	71 602

As at 31 March 2024, the company assessed the credit risk of other receivables to be low. Factors considered in determining the expected credit loss allowance are adjusted to reflect current and forward looking information on macroeconomic factors affect the ability of the debtor to settle the receivable. The company compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition, the company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward looking information that is available without undue cost or effort. The identified loss allowance was considered immaterial.

	GROUP AND COMPANY	
	2024 R'000	2023 R'000
Trade and other receivables	113 268	153 963

The company recognises a simplified loss allowance approach for expected credit losses on amounts due from dividend float receivable. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the ability to close out market positions. In terms of the Memorandum of Incorporation of the company, no limitation is placed on its borrowing capacity. Borrowing capacity is governed by the Group Treasury Policy and is further limited by any formal bank covenants. All balances due equal their carrying balances as the impact of discounting is not significant.

Financial liabilities consist of other payables comprising of related parties, other payables and ordinary shareholders for dividends. The amount due in terms of the remaining contractual maturity for these financial liabilities is ZAR232.2 million (2023: ZAR228.7 million), payable within the next 12 months.

Foreign currency risk

The company is not exposed to any significant foreign exchange or price risk.

Summary annual financial statements continued

Notes to the summarised annual financial statements

for the year ended 31 March 2024

5. Events after the reporting period

Dividend

The MultiChoice South Africa Holdings board recommends a dividend of R5.5 billion (2023: R5.5 billion) to its shareholders of which R1.375 billion is attributable to Phuthuma Nathi. The Phuthuma Nathi board will in turn declare a dividend of R1.375 billion (2023: R1.375 billion) to be paid in the financial year 2025. This amounts to 2 037.03 cents per Phuthuma Nathi ordinary share to be paid to shareholders (2023: 2 037.03 cents).

The declaration of this dividend is subject to the approval of the MultiChoice South Africa Holdings board, which will be confirmed by shareholders at the MultiChoice South Africa AGM on 27 August 2024. On approval, the Phuthuma Nathi dividend will be payable to shareholders in the share register on 27 August 2024 and paid on or about 9 September 2024.

After the 20% dividend tax, amounting to 407.41 cents per share is deducted, Phuthuma Nathi shareholders will receive a net dividend of 1 629.63 cents per share (2023: 1 629.63 cents per share).

There have been no other events noted, that occurred after the reporting date that could have a material impact on the annual financial statements.

6. Going concern

The going concern basis has been adopted in preparing the financial statements. The directors have no reason to believe that the company will not be a going concern in the foreseeable future, based on forecasts and support from group companies. A subordination agreement has been received from MultiChoice Proprietary Limited.

The directors draw attention to the statement of financial position in the financial statements which indicates that as at 31 March 2024 the company's current liabilities exceeded its current assets by ZAR3.8 million (as at 31 March 2023: ZAR3.1 million). Multichoice Proprietary Limited has subordinated its loan amounting to ZAR17.4 million in favour of other creditors of the company until such time as the company's current assets, fairly valued, exceed its current liabilities.

Based on the above the directors have no reason to believe that the company will not be a going concern in the foreseeable future. As such, the going concern basis has been adopted in preparing the financial statements.

03

Understanding MultiChoice SA

Phuthuma Nathi's underlying investment

Section content

Joint leadership review from the MultiChoice SA chair and chief executive officer

Imtiaz Patel
Chairman

Calvo Mawela
Chief Executive Officer

"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".

Dear Phuthuma Nathi shareholders

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 South Africa, where the rising cost of living, currency volatility and loadshedding 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.

At MultiChoice, our vision is to enrich the lives 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, layered on top of the traditional linear base, to drive ongoing topline growth. 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.

Our strategy reflects the need to cater for the changing consumer habits in the world of video entertainment. Growing these additional revenue streams is no longer only a vision, it is gaining real traction.

- DStv Stream, which allows customers to watch our content using the internet rather than a satellite dish and decoder, is enjoying great traction. Since its relaunch in July last year, active customers are up 139%. The biggest benefit is that over 90% of the DStv Stream subscribers added in the period are new to our business and have not subscribed to our services before.
- Extra Stream, which solves the 1-stream limitation via mobile, was launched with great success earlier this year. This gives us confidence to launch our new proximity control option later on, which is set to offer additional streams within a household.
- NMSIS, our insurance business, continues to enjoy strong growth. Initially offering decoder insurance only, it has grown into a broader offering which includes life products too. Active policies increased a healthy 19% to 3.3m this year, with the segment reporting an impressive 35% increase in revenue, just shy of the R1bn mark.
- We are also pleased with the ongoing traction of DStv Internet, which almost doubled its customer base and reported a very pleasing 160% growth in revenues YoY.

This year has been like no other in terms of economic turmoil, but our results demonstrate a resilient group performance. Given the challenging macro-economic environment, we had to navigate carefully to balance profitability with the need to continue investing in new opportunities to future-proof the business. We are proud of the speed and effectiveness of the team in implementing strategic actions to retain customers and safeguard cash, especially in delivering costs 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 underpin our confidence in delivering on our potential.

As we provide detailed information on our broader performance elsewhere in this report, we would like to flag some of the highlights, which reflect 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.

Joint leadership review from the MultiChoice SA chair and chief executive officer continued

"At MultiChoice, our vision is to enrich the lives of people through entertainment and technology. Our strategy reflects the need to cater for the changing consumer habits in the world of video entertainment. Growing these additional revenue streams is no longer only a vision, it is gaining real traction".

Operating highlights for FY24

- **General Entertainment:** Producing original content such as local dramas and shows has become a key competitive strategy. At MultiChoice, we have doubled down on our investment in local content for several years now and today 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. Due to a strong focus on retention, the decline in active subscribers in South Africa was limited to 5% and the active base now stands at 7.6m households. Benefiting from retention initiatives and cost cutting, we were able to deliver a 26% trading profit margin, in line with expectations.

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.

Some of the important contributions this year were:

- The MultiChoice Talent Factory (MTF), which continues to offer comprehensive skills 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, which has disbursed R407m 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,
- 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 we look into the coming year, we know that execution is key. Given ongoing uncertainty around economic recovery, we will be looking to drive further business efficiency and have set ourselves a target of reducing costs even further. This, combined with ongoing retention initiatives, should underpin the trading profit margin for the South African business through the mid-2020s. We will also remain focused on accelerating the scale and traction of all our new growth opportunities.

We would like to thank the Phuthuma Nathi shareholders for their investment in this journey with us. On behalf of the MultiChoice South Africa board, we would like to convey our heartfelt gratitude to Imtiaz Patel for his invaluable contribution to Phuthuma Nathi over the years as he steps down from his position as chair of MultiChoice. Phuthuma Nathi has been the centre of our mission and vision, and we are honoured to have served you and are proud that you have seen positive returns over the years. We welcome Elias Masilela as the new MultiChoice South Africa chair. With the support of the MultiChoice management team, Mandla Langa the chair of Phuthuma Nathi, please find comfort in knowing that you are in good hands.

We remain optimistic about the future – we know we have the best variety of content for the customers we serve. True to our vision, we will continue to 'Enrich lives Through Entertainment and Technology'.

Imtiaz Patel
Chair

Calvo Mawela
Chief Executive Officer

How we create value – our business model

Business activities

Curate great content through General Entertainment, SuperSport and Showmax

Local

Produced or acquired

Package content into our own channels

50 proprietary GE channels

65 sports channels

Sport

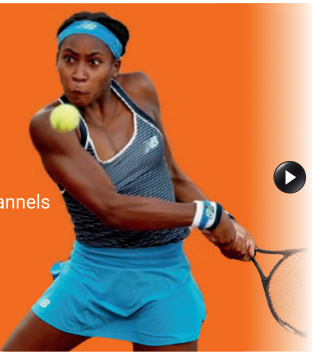
Produced or acquired

Acquire pre-packaged content

100 international GE channels

37 local GE channels

28 news channels

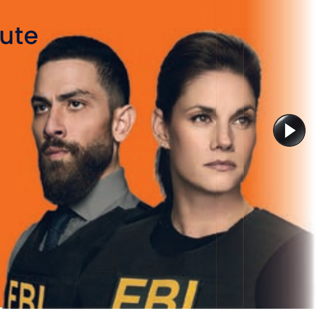


International

Create or distribute VOD channels

Linear service replicated through streaming

Aggregate Showmax and five third-party VOD services



Allocate and combine content to create tiered packages

DStv Premium

DStv Compact Plus

DStv Compact

DStv Family

DStv Access

DStv Easy View

DStv Media Sales

Sell advertising slots on select channels through DStv Media Sales

Distribute content to customers across multiple platforms

Distribute content to customers across multiple platforms

Satellite broadcast technology

DStv stream

Streaming online

Digital platforms

Reinvest in our business

Launch new products and services

Launch new products and services via our platform to offer customers an enhanced entertainment offering, including additional content packages such as ADD Movies, value added bundles like we have done with Disney+ or with DStv Internet, and interactive entertainment through collaboration with KingMakers like we have done with SuperPicks.

Enhance sales and customer experience

Continue to drive marketing and awareness, subscription and decoder sales, value-added services like DStv Insurance and Extra stream, loyalty benefits like DStv Rewards, as well as general improvements to customer service and value management.

Develop, invest in or acquire new businesses

Our SuperSport Schools platform acquisition and development process, our co-investment in and successful launch of SA20 and our investment in AURA and Namola in the on-demand emergency response services space are indicative of our ambitions here.

What we deliver – our products and services

Satellite pay-TV
DStv direct to home[(1)]

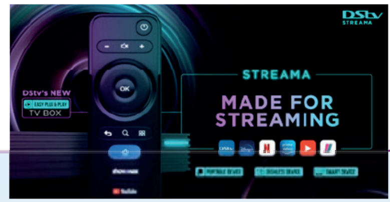
Six core DStv packages
Offered at price points ranging from R29 to R879 per month

DStv Media Sales

226 linear channels
with commercial advertising sales via DStv Media Sales

On-demand service
Catch Up, movie package (ADD Movies), movie rentals (BoxOffice) and deep library content (Universal Plus)

Streaming service for linear
DStv Stream through the DStv Stream app is a value-add or standalone streaming service



Aggregated OTT services
We aggregate group services (DStv App and Showmax), as well as five third-party VOD services (among other apps such as YouTube)

Connected devices
The DStv Explora Ultra offers a hybrid satellite and streaming environment and the Streama offers a streaming-only environment

Value-added services
We continue to grow our offering which includes Extra stream, DStv Insurance, DStv Internet, Namola and DStv Rewards

A growing digital presence
We leverage proprietary apps and websites, innovative services like SuperSport Schools and third-party social media to further enhance customer engagement

[(1)] *Other revenue includes decoder sales, insurance premiums, installation fees, programming and sub-licensing revenue and reconnection fees.*

Value created for our stakeholders

We strive to create value holistically for all of our stakeholders, creating mutually beneficial relationships based on trust and integrity. As a proud contributor to socio-economic development in South Africa, we recognise the role we play in creating value for our direct and indirect shareholders, employees, suppliers, regulators and broader communities.

Value created

R26.5m Subscription revenue + **R3.2m** Advertising revenue + **R12.6m** Other revenue[1] = **R42.2m** total value created from customers[2]

(1) *Other revenue includes decoder sales, insurance revenue, installation fees, programming and sub-licensing revenue and reconnection fees.*
(2) *Includes revenue from contracts with customers as well as insurance revenue*

Value distributed

To our customers

24/7/365 entertainment
anytime and anywhere through packages and streaming services tailored for our customers' needs

Unique local content
that tells South African stories and enables us to develop local creative talent

World-class sport rights and productions
that creates an unmatched experience and enables us to support local sporting codes and talent

Extensive international content
access through our licensing and distribution agreements

A growing platform
offering additional entertainment and household consumer products and services

Dynamic media services
for our advertisers to access and reach broadcast and online audiences

Value created for our stakeholders continued

Value distributed continued

To our employees

3 700
people permanently employed (FY23: 3 644)

1 918
Employees formally trained (FY23: 1 098)

117 256
enrolments on learning platform (FY23: 78 106)

R168m
spent on skills development, of which 52% related to developing female talent (FY23: R194m; 36%)

Employee gender diversity

%	FY24	FY23
Female	53%	53%
Male	47%	47%

R3.6bn
paid in remuneration and benefits (FY23: R3.6bn)

To our shareholders

R9.3bn
trading profit[1] (FY23: R8.7bn)

R5.5bn
dividends declared (FY23: R5.5bn)

R7.7bn
core headline earnings (FY23: R6.7bn)

To our government and regulators

R5.2bn
total tax contribution[2] (FY23: R5.7bn)

R2.6bn
total tax paid[2] (FY23: R2.5bn)

R2.6bn
total tax collected[2] (FY23: R3.1bn)

[1] *Trading profit includes the finance cost on transponder lease liabilities but excludes the amortisation of intangible assets (other than software), impairment of assets, equity-settled share-based payment expenses and other operating gains/losses.*

Value created for our stakeholders continued

Value distributed continued

To our suppliers

R13.8bn
spent on local South African suppliers (100% with BBBEE-compliant suppliers) (FY23: R12.0bn; 100%)

951
accredited installers, employing 4 372 trained technicians (FY23: 1 081 installers; 5 153 trained technicians)

R4.5bn
spent on South African small, medium and micro enterprises (FY23: R2.6bn)

R18.7bn
invested in content (FY23: R18.8bn)

R3.1bn
spent on South African suppliers that are at least 30% female-owned (FY23: R2.0bn)

R1.7bn
spent on set-top box purchases (FY23: R2.6bn)

To our society

Level 1 BBBEE
since the start of BBBEE ratings in South Africa

R288m
spent on CSI projects (FY23: R284m)

135 000
children from schools in rural areas participate in weekly sports programmes

314
DStv Diski Challenge players promoted to PSL first teams since inception

467
students were trained through MultiChoice Talent Factory (MTF) over the past nine years

(1) Trading profit includes the finance cost on transponder lease liabilities but excludes the amortisation of intangible assets (other than software), impairment of assets, equity-settled share-based payment expenses and other operating gains/losses.
(2) The total tax contribution amount reflects all cash taxes paid and collected by MultiChoice SA. The tax paid amount is the actual cash tax incurred and paid by MultiChoice SA in FY24 and includes corporate income tax, property taxes, social security contributions, etc. The tax collected amount reflects taxes not incurred by MultiChoice SA, but taxes that were collected by MultiChoice SA on behalf of revenue authorities (e.g., PAYE and VAT).

Socio-economic transformation

MultiChoice SA is a level 1 BBBEE contributor. We are committed to fostering inclusivity within society and driving transformation throughout our industry. With our strategic corporate social investment, enterprise development initiatives, and preferential procurement programmes, we make a meaningful contribution towards building a more equitable and inclusive future for all.

Flagship CSI initiatives

MultiChoice Talent Factory

The MultiChoice Talent Factory South Africa (MTFza) is a 12-month industry readiness programme that offers participants a transformative journey guided by industry experts. Covering various disciplines including scripting, directing, producing, cinematography, editing, and more, this comprehensive programme equips film school graduates with the essential skills and knowledge needed to excel in the dynamic world of film and television production.

Each year, we receive over 600 applications from which approximately 14 candidates are chosen after a rigorous selection process. Once selected, interns embark on a year-long immersive experience, which involves participating in intensive workshops, masterclasses, and personal mastery sessions, alongside business classes at Henley Business School.

A key aspect of the programme is the hands-on experience gained through placements on professional productions throughout the year. From conceptualisation to delivery, interns are involved in every stage of production, culminating in the creation of four original 52-minute movies. These productions are screened on Mzansi Magic and must stand up against the highest professional standards in the industry.

After graduation, interns emerge from the programme with enriched knowledge, practical experience, and a qualification from Henley Business School. Armed with four original movies on their CVs and a network of professional contacts, they enter the professional workforce ready to make an impact.

Over the past nine years, MTFza interns have crewed on over 119 professional productions, ranging from reality shows such as Survivor SA and Idols SA to top TV series such as Adulting and Champions.

The programme has trained 467 storytellers across Africa, many of whom have gone on to work for broadcasters or are freelancing or have established their own production companies, providing employment opportunities for countless TV production professionals.

The success stories of our alumni speak volumes, with many emerging as industry leaders in their respective fields, such as Mbali Zulu who is now recognised as a top South African film and TV writer, and Thembalethu Mfebe who was the senior director on the ground-breaking Adulting and is currently a senior director on the youth drama series GenZee.

DStv Diski Challenge

The DStv Diski Challenge is a comprehensive sport development initiative, 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 Premier Soccer League (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.

As eloquently expressed by Thabo Nodada from Cape Town City Football Club, "It was an introduction to professional football. The constant travelling, sleeping at hotels and demanding training schedules and interacting with the PSL players who inspired us. The DStv Diski Challenge prepared us for an easy and smooth transition to the first team because we were already polished in the reserve league."

Since its inception in 2014, more than 314 players have been promoted to the PSL first teams. Ten Diski Challenge graduates recently represented South Africa at the 2023 Africa Cup of Nations. This brings the total number of DStv Diski players that have represented South Africa in international football competitions to date to 220.

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

Reflecting on his experience, Grant Bisset, a sports commentator, stated, "Working on the Diski Challenge was probably the best platform I could have hoped for when first starting out as a commentator. Exciting matches, abundant with goals, are a broadcaster's dream. With facts and figures in short supply, especially during the early years of the tournament, I was able to develop the statistical elements of the craft which serve me well to this day. From pivotal league matches, cup finals, and even Soweto Derbies, the Diski Challenge gave me a taste of each before I tackled them at a senior level."

Socio-economic transformation continued

MultiChoice's collaboration with Uyinene Mrwetyana Foundation

MultiChoice is proud to support the Uyinene Mrwetyana Foundation (UMF) in its tireless efforts to combat Gender-Based Violence and Femicide. With a holistic approach encompassing prevention, support, and development, the Foundation's initiatives are dedicated to empowering individuals, particularly the youth.

One key achievement of the UMF is the establishment of a Youth Development Programme in four schools in the Eastern Cape, facilitated by a generous financial donation from MultiChoice in 2021 and 2022. This initiative included the creation of a soccer club to nurture holistic development among young boys. MultiChoice's support extended to providing a soccer kit for the team, reinforcing its commitment to the foundation's objectives.

Beyond financial assistance, the collaboration between MultiChoice and UMF extends to broader initiatives, including providing interns through Camblish Training Institute for the Youth Employment Service (YES) Programme. By leveraging its resources, expertise, and network, MultiChoice helps to amplify the impact of UMF's initiatives, furthering their collective mission.

The establishment of the Uyinene Soccer Club signifies a significant milestone in UMF's journey. Through sport, the Club aims to cultivate responsible, ethical, and compassionate young men, instilling values such as teamwork, communication, leadership, respect, empathy, and career development.

With MultiChoice's support, the UMF successfully launched the Uyinene Mrwetyana Football Club in 2023.

It also hosted the Uyinene Mrwetyana Youth Development Imbizo, providing a platform for learners to engage in discussions on youth challenges, leadership skills, GBV, and mental health. This event's success underscores the foundation's commitment to empowering youth as agents of positive change.

MultiChoice Sports and Development Trust

Our Sports and Development Trust is committed to fostering access and participation in sports within previously disadvantaged communities. Initiatives such as the DStv Schools Netball Challenge, the PSL Player Transition Programme and the SuperSport Schools Playing Fields aim to empower young individuals, providing them with opportunities for personal growth and skill development. In the past year, more than R23m was invested in several initiatives.

SuperSport Schools playing fields

About 135 000 children from schools and surrounding areas in rural areas now can participate in weekly sports programmes and enjoy a diverse range of sports activities on their newly established sports fields, thanks to the Let's Play Multipurpose Sports Fields.

These multipurpose 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 cones.

Furthermore, life orientation teachers undergo a five-day training on the new Physical Education methodology 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.

The Let's Play Multipurpose Sports 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. The initiative aims to encourage children to lead active and healthier lifestyles by providing access to world-class fields, thereby addressing the gap in sports accessibility, especially at the grassroots level.

Through the playing 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. Ultimately, the initiative aims to elevate netball in South Africa through increased exposure and enhanced support.

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 passionate 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 DStv Schools Netball Challenge 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.

Socio-economic transformation continued

Enterprise development and job creation initiatives

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 (MIF)

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 benefitted, 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.

Preferential procurement

Our preferential procurement programme supports small, medium and micro-enterprises that play a critical role in growing the economy and creating jobs. MultiChoice SA's preferential procurement spend was R13.8bn. 100% of this spend was directed to black-owned businesses. The spend to black female-owned businesses, defined as having at least 30% black female ownership, was R3.1bn.

Youth Employment Services

Through our collaboration with the Youth Employment Services (YES), we are deeply committed to fostering employment opportunities for unemployed black South Africans between the ages of 18 and 35.

Our partnership aims to create employment opportunities across a diverse range of industries, including ICT, engineering, and satellite communication, to provide young individuals with the skills and experience necessary to thrive in the workforce.

Since the inception of our partnership, we have placed 1 395 in learnerships, internships, and apprenticeships across all nine South African provinces and created 1 585 job opportunities, empowering individuals to embark on meaningful career paths and contribute positively to their communities.

Our transformation initiatives contribute significantly to our country's socio-economic development by creating talent pipelines in television, film, and sports, supporting small businesses, generating employment opportunities, and maintaining strong relationships with our stakeholders, including authorities, partners, and customers.

We are committed to nurturing the next generation of South African leaders.

The initiatives highlighted above represent just a fraction of our ongoing efforts. Further details regarding our diverse range of initiatives can be explored on our website, www.multichoice.com/enriching-lives.

Our external environments

We operate in a dynamic industry which is impacted by changes in technology as well as customer needs. This requires us to constantly innovate and adapt to shifting circumstances. Our strategy for continued success is to keep enriching lives by using our platform and technology to deliver entertainment and other services that address the everyday needs of our customers.

The South African economy

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, the economic and geopolitical environment remains challenging given the conflict in the Middle East and Ukraine and tension between the West and China. Although inflation appears to have peaked, it remains above central bank targets, preventing interest rate cuts. 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.
- **Infrastructure and services:** reliable and affordable power remains a challenge in South Africa with persistent loadshedding and high electricity tariff inflation. 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, given the negative impact on the tax base, skilled labour and entrepreneurial base, and middle- and upper-class customer bases in those markets. Further, 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).
- **Real GDP growth:** the World Bank estimates that real growth in gross domestic product (GDP) in South Africa has slowed from 1.9% in 2022 and 0.7% in 2023[1].
- **Inflation rates:** South Africa saw inflation easing into 2023, but food and fuel inflation have been particular pain points for consumer discretionary spend.
- **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 SARB in South Africa pushed through further rate hikes of 125bps to manage inflation and currency pressures.
- **Currencies:** we saw currency weakness against the USD in South Africa, with the rand reaching a record low of ~19.9 to the dollar on the back of a weak economy and poor political and policy choices.

	Real GDP growth[1]		Inflation rate[2]		SARB[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%)**

[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.*

Consumer behaviour continues to change

- Rising smartphone adoption, along with faster mobile internet connections and declining data costs, mean that more consumers are viewing on-demand content on connected devices via mobile broadband. These trends are complemented by improvements in fixed broadband connectivity, especially as telecoms operators increasingly connect smaller metros, peri-urban and township areas.
- Improving connectivity is a catalyst for new and evolving business models, not only in the video entertainment space, where traditional linear pay-TV and free-to-air services increasingly compete with new paid and advertising supported streaming services, but also in other adjacent sectors.
- Within the video entertainment space, satellite remains the most cost-effective and efficient means of distributing long-form video content at scale to the mass market, but OTT delivery does provide access to a broader variety of services for those that can afford the necessary devices, connectivity costs and OTT services.
- The evolving video entertainment industry is front of mind for MultiChoice SA, and we are focused on capturing the associated opportunities, mitigating the potential risks from disruption and adapting our overall strategy to account for changing trends at the appropriate pace.

Competitive environment

Our market is increasingly competitive, given vibrant free-to-air operators and a growing number of online competitors, notably in the streaming space, and requires us to offer better value and differentiated services to our customers to remain competitive.

Risks and opportunities

How we identify and pursue opportunities

As the industry that we operate in continues 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 and our SVOD launch in 2015.

Our top three opportunities

1
A large and established addressable pay-TV market

With an installed base of 7.6m active subscribers, we aim to retain our subscribers in our traditional pay-TV business as we target an addressable market of 15.9m households in South Africa in FY24, growing to 17.1m by 2029 (+8%).

- 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 driving increased penetration in the mass market as and when market conditions stabilise.
- We also enhance our consumer value proposition by developing new product and service offerings, (e.g. DStv Internet and DStv Insurance) 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 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 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.
- We also launched an Extra Stream service during the year, with encouraging initial uptake, to support customers with addtional ways through which to enjoy our content on their own terms.

Risks and opportunities 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. 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 R further depreciated against the USD during FY24, reaching historic lows of 19.77 in May 2023. 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.

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 in South Africa place pressure on the economy, 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.

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

- Our parent company, MultiChoice Group, continuously invests in its 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 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.

Risks and opportunities 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.

7 Taxation

Tax audit activity continues to increase, prompted by the need for improved revenue collections. There are also numerous local and international tax policy changes being introduced, which further increase the risk of double or unjust taxation.

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.

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.

10 Impact of continuous loadshedding

Loadshedding has become the norm in South Africa. 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

6 Cybersecurity

- 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

- 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

- 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

- 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.
- 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.
- 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

- 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 focus

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 MultiChoice Group 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
- 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 focus 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.

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 loadshedding and rising interest and inflation rates on consumers. The total active customers from 8.0m to 7.6m. • 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.	• Protect our subscriber base despite a challenging consumer environment. • 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.

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 were able to grow our DStv Stream base by 210% YoY, with over 77 000 customers enjoying our Extra Stream offering at year-end.	• Drive the uptake of our DStv Stream service and bundles with our connected devices and FLTE internet offerings.

Our strategic focus 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 South Africa given: our scale and distribution capabilities; our reach of over 16m households; 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.

In this regard, we have invested in complementary platforms like SuperSport Schools and 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	Looking ahead
• 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.	• Help KingMakers driver scale into the SuperSportBet business in South Africa to improve overall customer engagement and experience. • Transition additional DStv payments volumes to the Moment platform to improve customer service and internal efficiencies. • Drive further growth in our DStv Insurance business. • 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 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	Looking ahead
• Exceeded our cost savings target by delivering savings of R1.0bn for the year. • Reduced set-top box subsidies by a further R0.4bn YoY to support group margins and free cash flows in a challenging environment. • Delivered targeted South Africa trading margin within guidance of mid-twenties (excluding revenues with other MultiChoice Group companies). • Grew advertising revenues by 3% YoY on an organic basis.	• Materially increase cost reduction to support the maturing South African business through a challenging macro-economic period. • Evaluate additional savings opportunities as we approach our next transponder lease renewal cycle. • Support South Africa advertising revenues while driving growth into Rest of African markets.

04

MultiChoice SA performance

Operational review for the year ended 31 March 2024

Section content

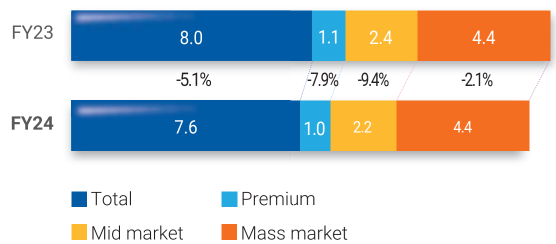
MultiChoice SA performance review

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)
- R5.2bn total tax contribution (FY23: R5.7bn)
- 75 175 PN shareholders
- PN gross dividend – R20.37 per share (FY23: R20.37 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 subscriber 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.

MultiChoice SA performance review 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.

R281 active ARPU (FY23: R281)

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 R281 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%).

General Entertainment

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.

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.

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.

General Entertainment continued

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.

Exclusive to Mzansi Wethu was the Nguni news – *izindaba Zethu/ Iindaba 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.

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

SuperSport
World of Champions

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.

The Netball World Cup, 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.

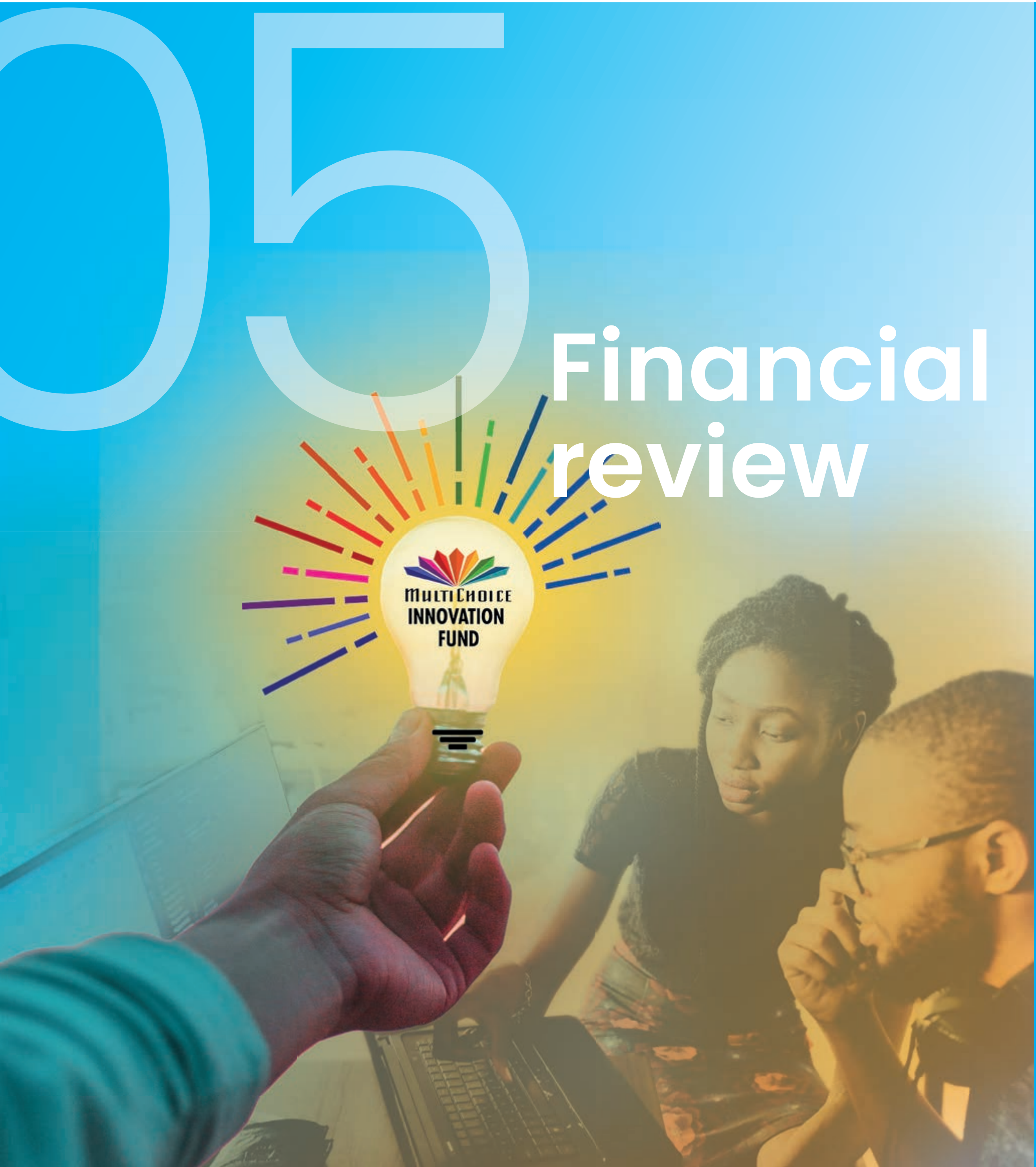
Our forward-thinking, people-led initiatives did not stop there. The SuperSport Women in Sport Ally Programme stood as a beacon of empowerment, designed to empower women in the sports industry. With a meticulously-crafted approach, this tailor-made development initiative was strategically positioned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

05 Financial review



MultiChoice
Phuthuma Nathi
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Financial review for the year ended 31 March 2024

Section content

Independent auditor's report on the summary consolidated and company financial statements

To the shareholders of MultiChoice South Africa Holdings Proprietary Limited

Opinion

The audited summary consolidated and company financial statements of MultiChoice South Africa Holdings Proprietary Limited, contained in the accompanying summary report, which comprise the summary consolidated and company income statement, summary consolidated and company statement of comprehensive income, summary consolidated and company statement of financial position as at 31 March 2024, summary consolidated and company statement of changes in equity and summary consolidated and company statement of cash flows for the year then ended, and related notes, are derived from the audited consolidated and company financial statements of MultiChoice South Africa Holdings Proprietary Limited for the year ended 31 March 2024.

In our opinion, the accompanying summary consolidated and company financial statements are consistent, in all material respects, with the audited consolidated and company financial statements, as set out in note 1 of the summary consolidated and company financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Summary consolidated and company financial statements

The summary consolidated and company financial statements do not contain all the disclosures required by IFRS Accounting Standards and the requirements of the Companies Act of South Africa as applicable to Annual Financial Statements. Reading the summary consolidated and company financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated and company financial statements and the auditor's report thereon.

The audited consolidated and company financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated and company financial statements in our report dated 12 June 2024.

Directors' responsibility for the summary consolidated and company financial statements

The directors are responsible for the preparation of the summary consolidated and company financial statements set out in note 1 to the summary consolidated and company financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary consolidated and company financial statements are consistent, in all material respects, with the audited consolidated and company financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

Ernst & Young Inc.

Ernst & Young Inc.
Director: Lerato H. Sidubi
Registered Auditor
Chartered Accountant (SA)

20 June 2024

102 Rivonia Road
Sandton

Summary annual financial statement

Summary consolidated and company statement of financial position

as at 31 March 2024

	GROUP		COMPANY	
	2024 ZAR'm	2023 ZAR'm	2024 ZAR'm	2023 ZAR'm
Assets				
Non-current assets	12 467	13 737	16 875	16 875
Property, plant and equipment	6 765	7 294	–	–
Goodwill and other intangible assets	4 105	4 816	–	–
Investments and loans	159	51	–	–
Derivative financial instruments	–	3	–	–
Deferred taxation	1 438	1 573	–	–
Investments in subsidiaries	–	–	16 875	16 875
Current assets	32 802	29 075	–	–
Inventory	798	257	–	–
Programme and film rights	3 607	3 280	–	–
Trade and other receivables	4 905	5 358	–	–
Amounts due from related parties	22 812	17 635	–	–
Derivative financial instruments	160	1 369	–	–
Cash and cash equivalents	520	1 176	–	–
Assets held for sale	317	70	–	–
Total assets	45 586	42 882	16 875	16 875
Equity and liabilities				
Equity reserves attributable to the group's equity holders	13 463	13 064	16 875	16 875
Share capital	17 216	17 216	16 875	16 875
Other reserves	(12 734)	(12 515)	–	–
Retained earnings	8 981	8 363	–	–

	GROUP		COMPANY	
	2024 ZAR'm	2023 ZAR'm	2024 ZAR'm	2023 ZAR'm
Non-current liabilities	18 918	16 006	–	–
Lease liabilities	6 609	7 447	–	–
Long-term loans and other liabilities	5	3	–	–
Amounts due to related parties	12 000	8 000	–	–
Deferred taxation	304	556	–	–
Current liabilities	13 078	13 698	–	–
Lease liabilities	1 319	1 195	–	–
Programme and film rights	5 256	5 021	–	–
Provisions	197	145	–	–
Accrued expenses and other current liabilities	4 225	4 029	–	–
Amounts due to related parties	1 860	2 611	–	–
Taxation liabilities	221	697	–	–
Liabilities directly associated with assets held for sale	127	114	–	–
Total equity and liabilities	45 586	42 882	16 875	16 875

The accompanying notes are an integral part of the summary consolidated and separate financial statements.

Summary annual financial statement continued

Summary consolidated and company income statement

for the year ended 31 March 2024

	Note	GROUP 2024 ZAR'm	GROUP 2023 ZAR'm	COMPANY 2024 ZAR'm	COMPANY 2023 ZAR'm
Continuing operations					
Revenue from contracts with customers[1]	2	41 223	40 932	–	–
Cost of providing services and sale of goods[1]		(22 700)	(23 208)	–	–
Insurance service result	2(a)	589	473	–	–
Insurance revenue[1]		969	717	–	–
Insurance service expense[1]		(380)	(244)	–	–
Selling, general and administration expenses		(9 498)	(9 143)	–	–
Net impairment loss on trade receivables		(194)	(102)	–	–
Other operating (losses)/gains – net		(1 227)	32	–	–
Operating profit		8 193	8 984	–	–
Interest income	3	1 578	803	–	–
Dividends received	3	–	–	5 500	6 000
Interest expense	3	(1 581)	(914)	–	–
Net foreign exchange translation losses	3	(152)	(1 637)	–	–
Share of equity-accounted results		29	2	–	–
Reversal of impairment of equity accounted investment		73	–	–	–
Profit on sale of equity accounted investment		12	–	–	–
Profit before taxation		8 152	7 238	5 500	6 000
Taxation		(2 167)	(2 302)	–	–
Profit from continuing operations		5 985	4 936	5 500	6 000
Discontinued operations					
Profit from discontinued operations		–	(67)	–	–
Profit for the year		5 985	4 869	5 500	6 000

	Note	GROUP 2024 ZAR'm	GROUP 2023 ZAR'm	COMPANY 2024 ZAR'm	COMPANY 2023 ZAR'm
Equity holders of the group					
From continuing operations		5 985	4 936	–	–
From discontinued operations		–	(67)	–	–
Earnings per share					
From continuing operations					
Basic and diluted earnings for the year (ZAR'm)		5 985	4 936	–	–
Basic earnings per ordinary share (ZAR cents)		1 663	1 371	–	–
From discontinued operations					
Basic and diluted earnings for the year (ZAR'm)		–	(67)	–	–
Basic earnings per ordinary share (ZAR cents)		–	(19)	–	–

[1] *In order to comply with IFRS 17 disclosure requirements, prior year revenue and cost of providing services and sale of goods has been restated in order to separately disclose insurance revenue and insurance service expense.*

The accompanying notes are an integral part of the summary consolidated and separate financial statements

Summary annual financial statement continued

Summary consolidated and company statement of comprehensive income

for the year ended 31 March 2024

	GROUP		COMPANY	
	2024 ZAR'm	2023 ZAR'm	**2024 ZAR'm**	2023 ZAR'm
Profit for the year	**5 985**	4 869	**5 500**	6 000
Total other comprehensive income for the year:				
Hedging reserve[1]	**30**	1 644	**–**	–
– Net fair value gain[2]	**401**	2 336	**–**	–
– Hedging reserve recycled to the income statement[2]	**(355)**	(210)	**–**	–
– Net tax effect of movements on hedging reserve[3]	**(16)**	(482)	**–**	–
Total comprehensive income for the year	**6 015**	6 513	**5 500**	6 000
Equity holders of the group				
From continuing operations	**6 015**	6 580	**5 500**	6 000
From discontinued operations	**–**	(67)	**–**	–

[1] *These components of other comprehensive income may subsequently be reclassified to the consolidated income statement during future reporting periods*

[2] *The movement relates primarily to the ZAR depreciation against the USD from a closing rate of ZAR17.79 in FY23 to ZAR18.93 in FY24, a lower overall notional value of hedging contracts and a increase in the achieved average hedge rate on cash flow hedges from ZAR15.69 in FY23 to ZAR18.71 in FY24.*

[3] *The movement relates to tax at 27% (FY23: 27%) on net fair value losses recognised.*

The accompanying notes are an integral part of the summary consolidated and separate financial statements.

Summary annual financial statement continued

Summary consolidated and company statements of changes in equity

for the year ended 31 March 2024

	Share capital[1] ZAR'm	Other reserves[2] ZAR'm	Retained earnings ZAR'm	Total equity ZAR'm
Group				
Balance as at 1 April 2022	17 216	(13 867)	9 348	12 697
Profit for the year	–	–	4 869	4 869
Other comprehensive loss	–	1 644	–	1 644
Total comprehensive income for the year	–	1 644	4 869	6 513
Hedging reserve basis adjustment[3]	–	(100)	–	(100)
Share-based compensation movement[4]	–	(192)	125	(67)
Dividends declared[5]	–	–	(5 979)	(5 979)
Balance at 1 April 2023	**17 216**	**(12 515)**	**8 363**	**13 064**
Profit for the year	**–**	**–**	**5 985**	**5 985**
Other comprehensive loss	**–**	**30**	**–**	**30**
Total comprehensive income for the year	**–**	**30**	**5 985**	**6 015**
Hedging reserve basis adjustment[3]	**–**	**(649)**	**–**	**(649)**
Gain on sale of business	**–**	**569**	**–**	**569**
Share-based compensation movement[4]	**–**	**(169)**	**113**	**(56)**
Dividends declared[5]	**–**	**–**	**(5 480)**	**(5 480)**
Balance at 31 March 2024	**17 216**	**(12 734)**	**8 981**	**13 463**

	Share capital[1] ZAR'm	Other reserves[2] ZAR'm	Retained earnings ZAR'm	Total equity ZAR'm
Company				
Balance as at 1 April 2022	16 875	–	–	16 875
Profit for the year	–	–	6 000	6 000
Other comprehensive income	–	–	–	–
Total comprehensive income for the year	–	–	6 000	6 000
Dividends declared[5]	–	–	(6 000)	(6 000)
Balance at 1 April 2023	**16 875**	**–**	**–**	**16 875**
Profit for the year	**–**	**–**	**5 500**	**5 500**
Other comprehensive loss	**–**	**–**	**–**	**–**
Total comprehensive income for the year	**–**	**–**	**5 500**	**5 500**
Dividends declared[5]	**–**	**–**	**(5 500)**	**(5 500)**
Balance at 31 March 2024	**16 875**	**–**	**–**	**16 875**

1 *Share capital includes share premium.*

2 *Other reserves include the hedging reserve, fair value reserve, share-based payment reserve, existing control business combination reserve and foreign currency translation reserve.*

3 *Relates to the basis adjustment (net of tax gains of ZAR212m (FY23: ZAR3m)) on programme and film right assets as content comes into licence.*

4 *Primarily relates to the settlement of share-based compensation benefits.*

5 *Relates to dividends declared and paid to MultiChoice Group Limited (ZAR4.125bn (FY23: ZAR4.5bn)) and Phuthuma Nathi Investments (RF) Limited (ZAR1.375bn (FY23: ZAR1.5bn)). These dividends exclude amounts paid to the Enterprise Development and Sports Development Trusts which are eliminated on consolidation.*

The accompanying notes are an integral part of the summary consolidated and separate financial statements.

Summary annual financial statement continued

Summary consolidated and company statement of cash flows

for the year ended 31 March 2024

	Note	GROUP 2024 ZAR'm	GROUP 2023 ZAR'm	COMPANY 2024 ZAR'm	COMPANY 2023 ZAR'm
Cash generated from operating activities		**5 749**	2 207	**–**	–
Interest income received		**1 536**	809	**–**	–
Interest costs paid		**(1 317)**	(662)	**–**	–
Dividend received		**–**	–	**5 500**	6 000
Dividends paid		**–**	–	**(5 500)**	(6 000)
Taxation paid[1]		**(2 441)**	(2 209)	**–**	–
Net cash generated from operating activities		**3 527**	145	**–**	–
Cash flows from investing activities					
Property, plant and equipment acquired		**(331)**	(369)	**–**	–
Intangible assets acquired		**(665)**	(450)	**–**	–
Proceeds from sale of intangible assets		**15**	15	**–**	–
Loans to Enterprise Development Trust Beneficiaries		**(8)**	(46)	**–**	–
Repayment of Enterprise Development Trust loans		**13**	–	**–**	–
Cash received from other investments and loans		**18**	43	**–**	–
Net cash utilised in investing activities		**(958)**	(807)	**–**	–

	Note	GROUP 2024 ZAR'm	GROUP 2023 ZAR'm	COMPANY 2024 ZAR'm	COMPANY 2023 ZAR'm
Cash flows from financing activities					
Proceeds from other related party funding		**4 000**	12 606	**–**	–
Repayments of related party funding		**–**	(5 106)	**–**	–
Repayments of lease liabilities		**(1 248)**	(889)	**–**	–
Gain/(loss) on matured foreign exchange contracts related to lease liabilities		**65**	(90)	**–**	–
Repayments of loans to related parties		**–**	(2)	**–**	–
Purchases of shares for group share schemes[2]		**(244)**	(238)	**–**	–
Dividends paid		**(5 468)**	(5 979)	**–**	–
Net cash (utilised in)/generated from financing activities		**(2 895)**	302	**–**	–
Net decrease in cash and cash equivalents for the year		**(326)**	(360)	**–**	–
Foreign exchange translation adjustments on cash and cash equivalents		**(13)**	160	**–**	–
Cash and cash equivalents at the beginning of the year		**1 176**	1 376	**–**	–
Cash and cash equivalents classified as held-for-sale		**(317)**	–	**–**	–
Cash and cash equivalents at the end of the year		**520**	1 176	**–**	–

1 *Increase is due to final prior year payments as a result of higher assessed tax.*

2 *Relates to the purchase of group shares which were used to settle the group's share-based compensation awards.*

The accompanying notes are an integral part of the summary consolidated and separate financial statements.

Summary annual financial statement continued

Notes to the summarised consolidated financial statements

for the year ended 31 March 2024

1. Basis of preparation

The summary consolidated and company financial statements are prepared in accordance with the requirements of the Companies Act applicable to summary financial statements. The summary financial statements were prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS® Accounting Standards) and the SAICA Financial Reporting Guides as issued by the APC and the Financial Pronouncements as issued by the FRSC, and to also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting.

The accounting policies applied in the preparation of the consolidated and company annual financial statements from which the summary consolidated and company financial statements were derived, are in terms of IFRS Accounting Standards and are consistent with those accounting policies applied in the preparation of the previous consolidated and company annual financial statements and the prior year summary consolidated and company financial statements.

A copy of the full audited consolidated annual financial statements is available for inspection from the company secretary at the registered office of the group or can be downloaded from the group's website: https://investors.multichoice.com/results-and-reports.php

The summarised consolidated and company annual financial statements are presented on the going-concern basis.

The summarised consolidated and company annual financial statements are presented in South African Rands (ZAR), which is the group's presentation currency, rounded to the nearest million, unless otherwise stated.

The company and group has adopted all new and amended accounting pronouncements issued by the IASB that are effective for financial years commencing 1 April 2023. Except for IFRS 17, none of the new or amended accounting pronouncements that are effective for the financial year commencing 1 April 2023 had a material impact on the company and group.

	2024 ZAR'm	2023 ZAR'm
2. Revenue from contracts with customers		
Subscription fees	26 462	27 385
Advertising	3 173	3 266
Decoders	1 065	994
Installation fees	154	284
Programming and sub-licensing	6 306	5 874
Management fee income[1]	2 830	1 977
Other revenue[2]	1 233	1 152
	41 223	40 932

[1] *Increase in management fee income relates to higher recovery of once-off project costs from group companies.*

[2] *Other revenue primarily includes reconnection fees.*

2(a) Insurance service result

Insurance premiums relate to the insurance on decoders of the pay-television subscribers as well as life insurance policies. The revenue for the insurance premiums is recognised over time, as and when the services are rendered. Premiums are payable in advance.

	2024 ZAR'm	2023 ZAR'm
Insurance service revenue		
Insurance revenue[1]	969	717
Insurance service expense		
Incurred claims and other incurred attributable service expenses	(172)	(103)
Acquisition expenses	(208)	(141)
Total insurance service expense	(380)	(244)
Insurance service result	589	473

[1] *Disclosed separately to comply with IFRS 17 disclosure requirements.*

Summary annual financial statement continued

Notes to the summarised consolidated financial statements

for the year ended 31 March 2024

	2024 ZAR'm	2023 ZAR'm
3. Interest (expense)/income and net foreign exchange translation losses		
Interest expense		
Loans and bank accounts[1]	**(990)**	(193)
Lease liabilities[2]	**(326)**	(343)
Other[3]	**(265)**	(378)
	(1 581)	(914)

[1] *Relates to General Banking Facility (GBF) interest repayments.*

[2] *Relates primarily to transponder leases of ZAR319m (FY23: ZAR336m).*

[3] *Mostly relates to content finance charges amounting to ZAR249m in FY24 (FY23: ZAR203m).*

	2024 ZAR'm	2023 ZAR'm
Interest income		
Bank accounts[1]	**1 539**	778
Other	**39**	25
	1 578	803

[1] *Mainly due to increase in cash pool received from Treasury and higher interest rates in FY24.*

A significant portion of the group's operations are exposed to foreign exchange risk. The table below presents the net profit or loss from foreign exchange exposures and incorporates effects of qualifying forward exchange contracts that hedge this risk.

	2024 ZAR'm	2023 ZAR'm
Net (loss)/profit from foreign exchange translation and fair value adjustments on derivative financial instruments		
On translation of assets and liabilities	**15**	(758)
On translation of transponder leases[1]	**(529)**	(1 650)
Losses on translation of forward exchange contracts[2]	**(1 573)**	(1 240)
Net gains on the hedged item in fair value hedges[2]	**1 935**	2 011
Net foreign exchange translation losses	**(152)**	(1 637)

[1] *Movement relates to the depreciation of the ZAR at reporting date to ZAR18.93 (FY23: ZAR17.79).*

[2] *The movement relates primarily to the ZAR depreciation against the USD from a closing rate of ZAR17.79 in FY23 to ZAR18.93 in FY24, a lower overall notional value of hedging contracts and a lower achieved average hedge rate on cash flow hedges from ZAR16.36 in FY23 to ZAR17.21 in FY24.*

4. Commitments and contingencies

The group is subject to commitments and contingencies, which occur in the normal course of business, including legal proceedings and claims that cover a wide range of matters. The group plans to fund these commitments and contingencies, should they materialise, out of existing facilities and internally generated funds.

Commitments

(a) Capital expenditure

Commitments in respect of contracts placed for capital expenditure at 31 March 2024 amount to ZAR4.6m (2023: ZAR165.8m).

(b) Programme and film rights

At 31 March 2024 the group had entered into contracts for the purchase of programme and film rights. The group's commitments in respect of these contracts amount to ZAR47.1bn (2023: ZAR42.0bn). The group's programme and film rights commitments increased due to multi-year renewals of major sports rights in the current year.

(c) Decoders

At 31 March 2024 the group had entered into contracts for the purchase of decoders. The group's commitments in respect of these contracts amount to ZAR1.0bn (2023: ZAR0.8bn).

(d) Assets pledged as security

The group pledged property, plant and equipment with a net carrying value of ZAR4.1bn (2023: ZAR4.9bn) as security against certain assets acquired in terms of lease liabilities.

(e) Other commitments

At 31 March 2024 the group had entered into contracts for the receipt of various services. These service contracts are for transmission services, computer and decoder support services, access to networks and contractual relationships with customers, suppliers and employees. The group's commitments in respect of these agreements amount to ZAR2.4bn (2023: ZAR2.7bn).

Summary annual financial statement continued

Notes to the summarised consolidated financial statements

for the year ended 31 March 2024

5. Liquidity management

Guarantees

The group has financial guarantees and foreign exchange guarantees of ZAR33.3bn (2023: ZAR21.6bn) it provides to MultiChoice Group Treasury Services Proprietary Limited (Treasury) for the various facilities that Treasury has with local and international financial institutions.

Issued financial and foreign exchange guarantee contracts are all repayable on default, however, the likelihood of default is considered remote. The financial guarantee amount repayable, should Treasury default, is based on utilisation of the facility. The foreign exchange payment is based on the unrealised profit or loss on actual open foreign exchange contracts and the potential future exposure limit of the facility. No expected credit losses have been provided for in the current or previous financial year in relation to the guarantees that MultiChoice Proprietary Limited, SuperSport International Proprietary Limited and Electronic Media Network Proprietary Limited provides to Treasury, as this was determined to be immaterial.

6. Fair value of financial instruments

The calculation of fair value requires various inputs into the valuation methodologies used.

The source of the inputs used affects the reliability and accuracy of the valuations. Significant inputs have been classified into the hierarchical levels in line with IFRS 13 – Fair value measurement, as shown below.

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices that are observable for the asset or liability (directly or indirectly).

Level 3: Inputs for the asset or liability that are unobservable.

Fair value of instruments measured at fair value

The fair values of the group's financial instruments that are measured at fair value are categorised as follows:

Financial instrument	Fair value 2024 ZAR'm	Fair value 2023 ZAR'm	Valuation method	Level in fair value hierarchy
Financial assets				
Investments held at fair value through profit or loss	24	22	Unit trusts comprising of quoted prices in a public market	Level 2
Forward exchange contracts	–	1,350	Fair value using forward exchange rates that are publicly available	Level 2
Currency depreciation features	5	22	Discounted cash flow techniques	Level 3

Currency depreciation features relate to clauses in content acquisition agreements that provide the group with protection in the event of significant depreciation of the group's functional currency relative to the currency of the content acquisition agreement. The fair value of currency depreciation features is measured through the use of discounted cash flow techniques using the LIBOR rate of 0.46%. Key inputs used in measuring fair value include the terms and benchmark rates contained in content acquisition agreements and average spot exchange rates prevailing at the relevant measurement dates.

The carrying values of all other financial instruments are considered to be a reasonable approximation of their fair values.

Fair values are mainly determined using observable inputs, which reflect market conditions in their expectations of future cash flows related to the asset or liability at 31 March 2024.

Reconciliation of Level 3 fair value measurements	Currency depreciation futures ZAR'm
Balance at 1 April 2022	12
Total losses in income statement	(6)
Foreign exchange movement on depreciation clauses	16
Balance at 31 March 2023	22
Balance at 1 April 2023	22
Total losses in income statement	-
Foreign exchange movement on depreciation clauses	(17)
Balance at 31 March 2024	5

Summary annual financial statement continued

Notes to the summarised consolidated financial statements

for the year ended 31 March 2024

7. NMS Insurance Services (SA) Limited – Disposal group held for sale

In FY24, MultiChoice Proprietary Ltd (MultiChoice), a subsidiary of MultiChoice South Africa Holdings Ltd (MCSAH) and ultimate holding company Multichoice Group Limited (MCG) received a formal offer from a reputable South African insurance company to buy a 60% shareholding in the group's insurance business, NMS Insurance Services (SA) Ltd (NMSIS). The MultiChoice board accepted this offer, subject to due diligence and regulatory approvals.

As at 31 March 2024, MultiChoice expected the sale to be concluded within six months after year-end and the disposal group was classified as held-for-sale in terms of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

On reclassification of the assets and liabilities to held-for-sale, the group performed an assessment on the fair value of the assets and liabilities and no impairment was required.

8. Software and software not available for use

The Multichoice South Africa (MCSA) business has run a multi-year Tech Mod programme to upgrade the MultiChoice Group's digital, customer, billing, payments, partnerships and data capabilities. To date, four modules have been implemented, being the automated digital marketing, business partnerships, DStv for business and the field sales and services modules.

MCSA and the MultiChoice Group as a whole have, however, been faced with unprecedented macro-economic and foreign exchange headwinds in FY24, prompting a major cost reduction initiative across MCSA and the broader MultiChoice Group. This initiative has included the evaluation of the costs to complete and run the Tech Mod programme. The cost to complete the Tech Mod programme was considered to be too onerous for MCSA and the MultiChoice Group to absorb in the current environment.

As a result of management's decision to end the Tech Mod programme, with support from a value-in-use calculation, MCSA processed an impairment charge of ZAR1.1bn against the carrying value for software not in use of ZAR1.2bn and an impairment charge of ZAR146m against a carrying value for software intangible assets of ZAR233m. As a result, software intangible assets include an unimpaired balance of ZAR87m and work-in-progress include a balance of ZAR111m relating to the Tech Mod modules that have been successfully implemented or are due to be completed in the near future.

9. Subsequent events

Dividend

The board has proposed a gross dividend of 1 527.78 cents per share (ZAR5.5bn). The dividend declaration is subject to the approval of the company's shareholders at the annual general meeting to be held on Tuesday, 27 August 2024.

Changes to the MultiChoice South Africa Holdings Proprietary Limited board

On 11 September 2023, shareholders were advised that Mr Imtiaz Patel was stepping down from the MCSAH board of directors (the board) with effect from 31 March 2024 and Mr Elias Masilela would replace Mr Patel as Chair with effect from 1 April 2024.

Effective 1 April 2024, Mr Elias Masilela, the designated Chair at the time, would become the Deputy Chair of the board and the lead independent director (LID) in place of Mr Jim Volkwyn, who would be stepping down as LID but remain on the board as a non-executive director.

On 23 April 2024, the board and Mr Patel agreed that it was an appropriate time for Mr Masilela, the Deputy Chair at the time, to be appointed as Chair and for Mr Patel to step down from the board with effect from 23 April 2024.

Other

There have been no other events that occurred after the reporting date that could have a material impact on the consolidated annual financial statements.

06

Corporate governance

MultiChoice Phuthuma Nathi
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MultiChoice SA is committed to the highest standards of corporate governance, ethics and integrity, which we believe supports our ability to create value for stakeholders

Section content

Board of directors

Mohamed (Imtiaz) Ahmed Patel 60

Outgoing non-executive chair

Qualifications: HDipEdu

Appointed 12 November 2019
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 non-executive board chair

Qualifications: BSocSci (Economics and Statistics) and MSc (Economic Policy and Analysis)

Appointed 1 April 2015 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

Non-executive director

Qualifications: BProc and LLB

Appointed 8 March 2007

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

Non-executive director

Qualifications: CA(SA) and BCom (Hons)

Appointed 8 March 2007

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

Non-executive director

Qualifications: BBusSc (Finance), CA(SA) and CD(SA)

Appointed 6 August 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

Board of directors continued

Christine Mideva Sabwa 51

Non-executive director

Qualifications: BCom (Accounting), Certified Public Accountant of Kenya

Appointed 11 June 2020

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

Non-executive director

Qualifications: MBBS, FRCOG

Appointed 11 June 2020

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

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

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

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

Board of directors continued

Calvo Phedi Mawela 48

Chief Executive Officer

Qualifications: BSc Eng (Electrical)

Appointed 1 November 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 1 November 2018

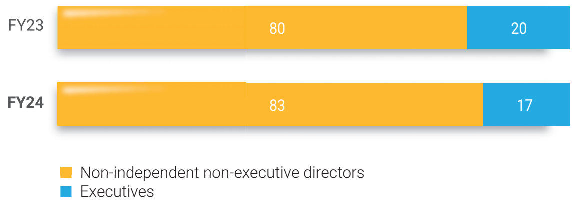
Tim was previously the CEO of MultiChoice Africa and CFO of the Naspers video entertainment segment. He previously held positions as CFO of Nampak Limited, CFO of Transaction Capital Limited and interim CFO of Altron Group. He holds a Bachelor of Commerce, a Higher Diploma in Accounting from Rhodes University and is a chartered accountant CA(SA).

Other boards: None outside of the group

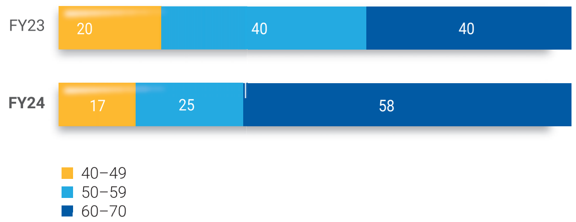
The board recognises that a balanced board supports value creation.

Board demographics

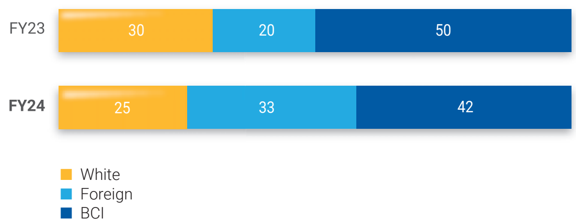
Director categorisation (%)



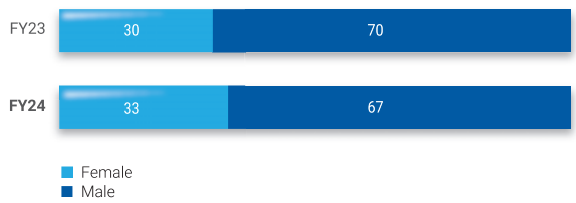
Age (%)



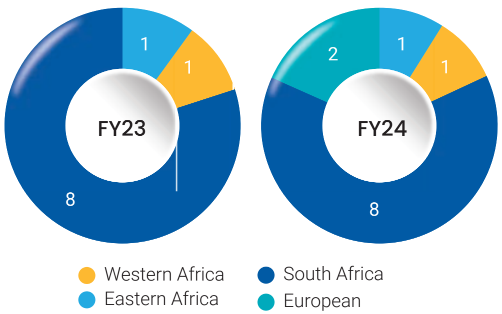
Race (%)



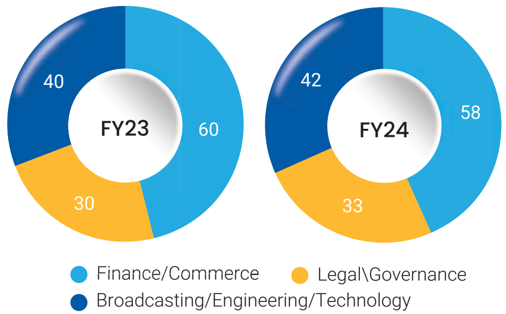
Gender (%)



Geographic diversity



Skills, qualifications and expertise (%)



Notes: The above does not reflect post year-end change.

Summarised governance review

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 63
Good performance	Page 65
Legitimacy	Page 66
Effective control	Page 67

A thorough and comprehensive review was conducted relating to each principle and underlying recommended practice under King IV.

In line with the overriding principle in King IV of "apply and explain", the board, to the best of its knowledge, believes MultiChoice SA satisfactorily applied King IV principles. 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.

For a more detailed review, see the King IV application report on our website www.investors.multichoice.com/integrated-annual-reports.

MultiChoice SA continues to develop its governance policies, practices and procedures in line with an integrated governance, risk and compliance framework. The board is satisfied that every effort was made in the year under review to apply all material aspects of King IV, where appropriate and relevant. MultiChoice SA continues entrenching and enhancing its understanding and application of the practices and principles of King IV.

Board

The board's responsibilities include the following:

- Providing clear strategic direction
- Ensuring there is adequate succession planning at senior levels
- Reviewing operational performance and management and reviewing policies
- Overseeing processes that seek to ensure the integrity of the 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 business plan and overseeing 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.

Board committees

Oversight for remuneration, audit, risk, nomination, social and ethics is delegated to the relevant MultiChoice Group committees. This ensures greater alignment across the entire MultiChoice Group, removes unnecessary repetition and increase the committees' effectiveness.

For more information on the board committees' focus areas, please refer to the MultiChoice Group integrated annual report, available at: www.investors.multichoice.com/integrated-annual-reports.

Summarised governance review continued

Board composition and succession planning

We recognise that a balanced board supports value creation. The board, supported by the MultiChoice Group nomination committee, determines its size and composition subject to its MOI, applicable legislative and regulatory requirements, and King IV.

Shareholders elect directors at the AGM. 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 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. No director has unfettered powers of decision-making. The board, through the MultiChoice Group nomination committee, considered the independence of all non-executive directors serving the board for longer than nine years. After a robust review, it was determined that there are no relationships or circumstances that will create bias or affect their ability to make decisions with independence of mind.

The MultiChoice Group nomination committee assists the board with identifying and selecting new directors. Recommendations by the MultiChoice Group nomination committee are subject to the board's final approval. When considering candidates, the MultiChoice Group 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 and chairperson	12 November 2019	4/4
Elias Masilela(1)	Non-executive director	1 April 2015	4/4
Calvo Mawela	Executive director	1 November 2018	4/4
Tim Jacobs	Executive director	1 November 2018	4/4
James du Preez	Non-executive director	1 April 2021	4/4
Adv Kgomotso Moroka	Non-executive director	8 March 2007	4/4
Christine Sabwa	Non-executive director	11 June 2020	4/4
Dr Fatai Sanusi	Non-executive director	11 June 2020	4/4
Louisa Stephens	Non-executive director	6 August 2018	4/4
Deborah Klein(2)	Non-executive director	1 September 2023	3/3
Andrea Zappia(2)	Non-executive director	1 September 2023	3/3
Jim Volkwyn(3)	Non-executive director	8 March 2007	4/4

(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) *Deborah Klein and Andrea Zappia were elected by shareholders as independent non-executive directors with effect from 1 September 2023.*

(3) *Jim Volkwyn stepped down as lead director on 1 April 2024. Elias Masilela was the lead 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*

Performance and future focus

A key focus area during the reporting period was the group's short and long-term strategy. For the year under review, the board is satisfied that it has fulfilled its duties in accordance with its charter.

Looking ahead, the board will focus on:

- 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.

It is our policy to conduct business dealings on the basis of compliance with applicable laws, rules, codes, standards and regulation, and proper regard for ethical business practices. 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 MultiChoice SA board endorsed and adopted the MultiChoice Group's code of ethics and conduct policy (the code). The code acts as the ethical constitution or moral compass of the group. It sets the ethical standards beyond the law and regulations. It contains the group's values and expectations regarding the conduct expected from employees. Ethics-related policies are formulated and updated in support of the code. The code is communicated to internal stakeholders, as well as to relevant external stakeholders), and is supported by a wide range of group policies.

For more information, refer to
https://investors.multichoice.com/policies-and-charters.php.

Management teams across the business understand and apply the code, and create and maintain awareness of the code and associated MultiChoice Group policies, such as the legal compliance, anti-bribery and anti-corruption, competition and whistleblower policies. Reference to the code is included in new employees' contracts and in their induction process.

The code applies to the recruitment, performance evaluation and reward processes. Management teams are required to monitor adherence to the code and apply a zero-tolerance approach to violations. Sanctions are in place and action is taken when necessary, which includes prosecution to the fullest extent of the law when appropriate. The code is also included in third-party procurement contracts of certain major subsidiaries. Contractors, agents, suppliers and consultants who work with us are expected to be aware of and adhere to the code and comply with the MultiChoice Group's policies.

Management focuses on implementing the code, policies and procedures addressing key ethical risks, such as conflicts of interest, gifts, entertainment, travel, political contributions, bribes, fraud, money laundering and acceptable business conduct. MultiChoice SA applies the code regarding conflict of interest and political contributions.

The group ethics officer assesses the ethics opportunities and risks on a two-year basis. The ethics risk 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 MCG board, MCG social and ethics committee 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.

Ethics activities and 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. The social and ethics committee assumes responsibility for the governance of ethics by setting the direction for how it should be approached in the group, overseeing and reporting on business and group-related ethics, considering specific disclosures and 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 to the committee regularly. The group internal audit and risk management team conducts regular reviews of the ethics management process and reports independently to the audit and risk committee. Findings are reported to the audit, risk and social and ethics committees and the board.

As a leading company which empowers people and enriches communities, MultiChoice SA does not tolerate any form of bribery or corruption and aims to prevent any and all unethical business practices.

The MultiChoice Group's detailed anti-bribery and anti-corruption policy, adopted by the board, stresses the importance of our commitment to combatting bribery and corruption transgressions, and stipulates the consequences of bribery and corruption for our business and broader society. MultiChoice SA applies MultiChoice Group's anti-bribery and anti-corruption policy to key risk areas. We consider any violation of this policy to be extremely serious and 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. Employees are required to complete the anti-bribery and anti-corruption e-learning module every two years.

Entrenching an ethical culture continued

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 were required to complete a self-assessment to complete the module.

The risk management function monitors our whistleblower facility operated by Deloitte's Tip-offs Anonymous, which is available in English, Setswana, IsiZulu, Tshivenda, Sesotho and IsiXhosa. The whistleblower policy states that allegations are handled confidentially, can be made anonymously and any whistleblowers are afforded legal protection. Where appropriate, internal audit and/or external forensic consultants investigate reported matters. Significant allegations and fraud are reported to the audit and risk committees. Further, the MultiChoice Group social and ethics committee, which reports back to the board, receives reports on whistleblower activity and ethics.

Performance and future focus

Our key areas of focus during the reporting period were:

- Continuously entrenching ethics throughout the business through training and awareness campaigns
- Revising and deploying the code and improving the conflicts of interest process
- Implementing and refining the third-party risk management framework, particularly in the Rest of Africa
- Implementing enhanced controls for identified areas of weakness
- Revising the group gift process and related policies
- Roll out new gift/anti-bribery and anti-corruption online learning module
- Develop revised ethics online learning module

Going forward, we will focus on:

- Launching the ethics risk assessment to assess the effectiveness of the ethics programme
- Implementing enhanced controls for identified areas of weakness
- Completing the ethics online learning module
- Continuously monitoring the group's ethics performance
- Continuous review of the adequacy and effectiveness of the group's monitoring activities

For more information on the MultiChoice Group's key focus areas and plans, refer to the MultiChoice Group report, available at www.investors.multichoice.com/integrated-annual-reports.

Delivering good performance

The board is responsible for ensuring good performance, and as such, has a clear strategy to achieve this. The board meets regularly with the executive team to review the specific strategic priorities. In March 2024, the board reviewed the three-year strategic plans and budgets, and approved 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. Further, directors are required to attend professional development training and briefings to keep abreast of legal and regulatory risks, developments and changes that could impact the environment in which MultiChoice SA operates.

We have MultiChoice e-learning modules aimed at our directors and senior management. 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 and cover topics such as:

- JSE Listings Requirements
- Corporate governance
- King IV
- Trading in securities and the specific duties of our directors

Board evaluations

The board and the MultiChoice Group committee charters include the onus of annual assessments. Assessments of the performance of the board, individual directors and 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 the MultiChoice Group committees. The lead director leads the evaluation of the chair.

In March 2024, the board as a whole considered board committees' performance against their charters. All committees were found to have materially fulfilled their duties. A formal board and individual director performance assessment was undertaken in May 2023 and 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 MultiChoice Group social and ethics committee, ensures the company 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 communities where it operates. The company's purpose, values and strategy are aligned to those of the MultiChoice Group and with the principles of responsible corporate citizenship.

Responsible corporate citizenship

We have several corporate citizenship initiatives underway, including:

- BBBEE and employment initiatives
- Local employment
- Health and safety laws
- Employee development programmes
- Responsible tax policy
- Fraud, 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 board is responsible for ensuring compliance with all statutory requirements. The directors took steps to ensure, to the best of their knowledge, the business complies with all these requirements.

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 legal compliance and ethics officer reports to the risk committee quarterly, detailing the areas within the business where compliance initiatives are being met successfully, as well as identifying areas where additional measures are required to meet the applicable regulations, standards, and internal controls.

Future focus areas include continuing to raise awareness of the compliance principles, improving the framework based on emerging risks, incorporating feedback from monitoring activities and focusing on implementing enhanced third-party screening.

Performance and future focus

Key areas of focus during the reporting period were:

- Managed reputational risk
- Revised relevant compliance-related policies
- Conducted risk-based compliance assessments to identify high risk compliance areas
- Implemented enhanced controls to address identified areas of improvement
- Updated applicable compliance statutes, rules and regulations
- Executed training activities and awareness campaigns across the business
- Updated compliance risk management plans
- Monitored the implementation of compliance programmes

Going forward, we will focus on:

- Continue 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
- Continue to update applicable compliance statutes, rules and regulations
- Continue to revise compliance risk management plans.

Ensuring effective control

The board is the focal point and custodian of corporate governance. 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 that the company is appropriately resourced and its delegation to management contributes to an effective arrangement by which authority and responsibilities are exercised. The board approves the appointment of the CEO and CFO. The MultiChoice Group remuneration committee, which reports back regularly to the board, is required to annually consider the performance of the CEO and CFO against agreed performance incentive objectives.

Succession plans for the CEO and senior executives are in place and are annually reviewed by the MultiChoice Group nomination committee, which reports back to the board.

Board chair, lead independent non-executive director and CEO

In FY24, the board had a non-executive chair, Imtiaz Patel. Imtiaz stepped down from the board with effect from the 23 April 2024 and Elias was accordingly appointed as chair.

Jim Volkwyn served as lead independent director in FY24. Subsequent to the aforementioned board changes, the board has not appointed a new lead 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 group 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. The group CEO is supported by the SA CEO, Marc Jury, who has oversight over the SA operations.

Shareholder communication

MultiChoice SA is committed to ongoing and transparent communication with its direct shareholders, being MultiChoice Group and Phuthuma Nathi, as well as Phuthuma Nathi's shareholders. In all such communications, the board aims to present a balanced and understandable assessment of MultiChoice SA's position. This is done through adhering to principles of openness, and substance-over-form reporting, striving to address matters of material significance to shareholders.

MultiChoice SA is committed to ongoing and transparent communication with its shareholders and, in turn, Phuthuma Nathi's shareholders.

This integrated annual report is our primary form of communication with shareholders. In addition to this report, we publish annual and interim results and, should we need to engage directly with Phuthuma Nathi's shareholders regarding material issues/ changes, we conduct roadshows. 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.

See pages 91 to 96 for more information on the AGM.

Company secretary

The company secretary guides 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 the company's corporate governance policies and processes. She ensures that, in accordance with the pertinent laws, the proceedings and affairs of the board, the company, 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 annually evaluated.

The MultiChoice Group nomination committee is responsible for recommending a suitable candidate for appointment as the company secretary. It reviews the competence, qualifications and experience of the company secretary annually, and reports on whether it is satisfied therewith. Carmen Miller was appointed as group company secretary with effect from 11 June 2020. The board is satisfied with Carmen's competence, qualifications, experience, independence and suitability. Further, Carmen was not a director of the company and, after due consideration, the board is satisfied that she had an arm's length relationship with the board during the year.

Remuneration report

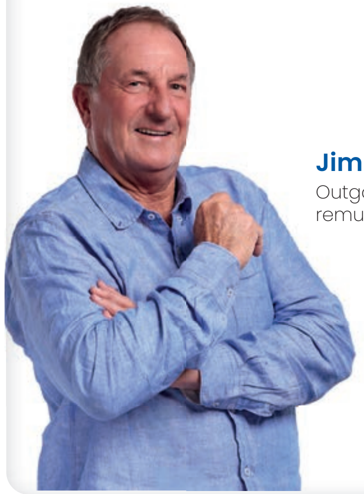
In alignment with the requirements of King IV, our remuneration report is divided into three parts

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



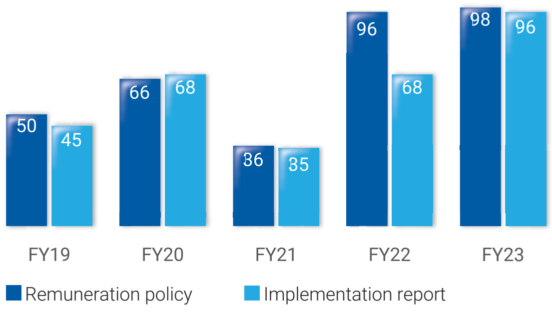
Jim Volkwyn
Outgoing chair of the remuneration committee

Dear shareholder,

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 chairman 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

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 72).

Some of the information disclosed in this section of the report relate to Rest of Africa and Group targets as the executive directors are measured on these targets.

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 75.
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 70 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 70 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 70 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 107 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 78 and 80, 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 75.

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

The 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 re-stated
- 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 71 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 71 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

Enhancement of gender diversity in sports coverage

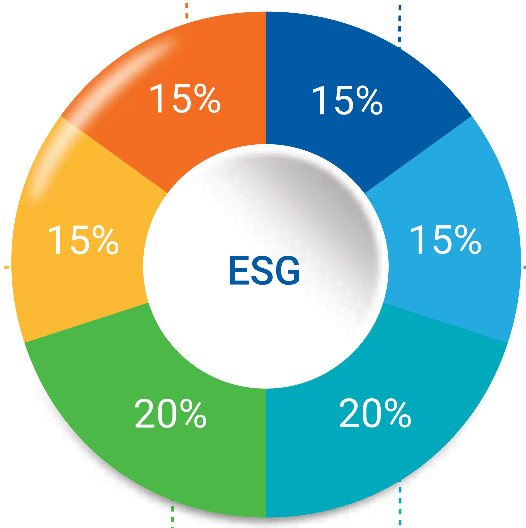
Increase hours of female sport coverage, both live (competitions and non-live (documentaries)

Threshold (50% vesting)	Target (75% vesting)	Stretch (100% vesting)
8.0% increase	**16.7%** increase	**25.0%** increase

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%**



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)

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%**

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 71 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: (see table below)	Malus and clawback provisions are applicable to the MultiChoice executive committee. Refer to page 71 for more detail

Performance measure	Weighting
Revenue	25%
EBITDA	25%
Free cash flow	25%
Subscriber base	25%

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 72. 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 27 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)	R5.15m	>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

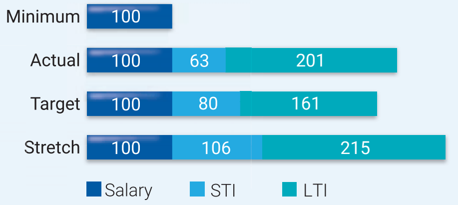
Element	FY24 (USD'000)	FY23 (USD'000)
Base salary	**702**	663
Pension	**84**	80
Benefits[1]	**260**	255
Short-term incentive[2]	**446**	566
LTI – PSU/RSU[3]	**1 408**	1 015
Total single figure	**2 900**	2 578

[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.*

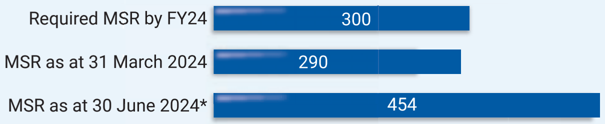
[2] *The STI reflects the bonus paid based on the performance of the relevant financial year (FY24).*

[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

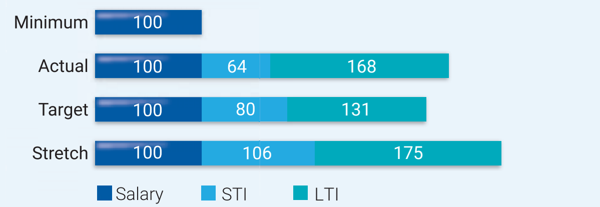
(1) *Tim has a dual employment contract (ZAR and EUR) as he is required to spend a significant amount of time offshore. His EUR portion has been converted to ZAR using the average FY24 exchange rate.*

(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.*

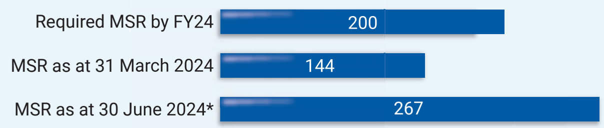
(3) *The STI reflects the bonus paid based on the performance of the relevant financial year (FY24).*

(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: Paid for services to the company ZAR	Directors' remuneration: Paid for services to other group companies ZAR	Directors' fees: Paid for services to the company ZAR	Directors' fees: Paid for services to other group companies ZAR	Committee and trustees' fees and other fees: Paid for services to the company ZAR	Committee and trustees' fees and other fees: Paid for services to other group companies ZAR	Total 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

Showmax Board fee accrued but not yet paid

Non-executive directors	Directors' remuneration: Paid for services to the company USD	Directors' remuneration: Paid for services to other group companies USD	Directors' fees: Paid for services to the company USD	Directors' fees: Paid for services to other group companies USD	Committee and trustees' fees and other fees: Paid for services to the company USD	Committee and trustees' fees and other fees: Paid for services to other group companies USD	Total USD
Mohamed Imtiaz Patel – chair*	2 509 366						2 509 366

Note: Imtiaz 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.

Imtiaz 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, whilst 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.

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.

07

Shareholder information

MultiChoice
Phuthuma Nathi
SHARE THE FUTURE

The MultiChoice SA and Phuthuma Nathi annual general meetings (AGMs) will be held at 11:00 on Tuesday, 27 August 2024

Section content

Shareholders wishing to vote prior to the AGMs can log into their I-Ex shareholder account (https://www.i-ex.co.za/home) and cast their proxy vote online, or contact Singular telephonically at 0860 116 226 to cast such shareholder's proxy vote telephonically, by no later than 10:40 SAST on Monday, 26 August 2024 to allow for processing.

MultiChoice SA
Notice of annual general meeting

MultiChoice South Africa Holdings Proprietary Limited
(Incorporated in the Republic of South Africa)
Registration number: 2006/015293/07
(MultiChoice South Africa or the company)

Notice is hereby given that the sixteenth annual general meeting (AGM) of the company will be held on Tuesday, 27 August 2024 at MultiChoice City 144 Bram Fischer Drive, Ferndale, Randburg at 11:00 South African Standard Time (SAST) (subject to any adjournment, postponement or cancellation) in order to consider, and if deemed fit, pass with or without modification, the resolutions as set out in this notice.

The company reserves the right to amend the means by which and the manner in which the AGM is convened as well as any details regarding participation in the AGM or the process for registration and submission of forms of proxy by notifying shareholders by no later than seven days prior to the date of the AGM through the issue of an announcement on the Integrated Exchange (I-Ex) website and/or publishing a notice on the company's corporate website and/or publishing a notice in widely circulated print media and/or any other means that the board of the company may determine appropriate for such notification to shareholders.

Purpose of meeting

The purpose of the AGM is:

a. To submit and receive the audited consolidated annual financial statements of the company as approved by the board, including the directors' report, the report of the independent auditors and the report of the audit committee for the financial year ended 31 March 2024.

   The summary consolidated financial results are set out on pages 47 to 56 of the integrated report. The complete consolidated audited annual financial statements are available on the company's website at https://www.multichoice.com/multichoice-south-africa/reports-and-financial-information

b. To consider and, if approved, to adopt with or without amendment, the resolutions set out below.

c. To transact any other business as may be transacted at an AGM in terms of the Act and the memorandum of incorporation (MOI) of the company.

Important dates

Shareholders eligible to receive the AGM notice	Friday, 21 June 2024
Distribution of the integrated annual report enclosing the AGM notice, on or before	Friday, 28 June 2024
Online/telephonic proxy voting opens	Monday, 01 July 2024
Electronic participation request deadline	Friday, 23 August 2024
Voting record date	Friday, 23 August 2024
Proxy submission (proxy form, online and telephonic proxy voting) deadline for administrative purposes	Monday, 26 August 2024
Annual general meeting	Tuesday, 27 August 2024

Ordinary resolutions

1. Ordinary resolution number 1: Presenting the annual reporting suite

To present, consider and accept the annual reporting suite (incorporating the integrated annual report, the consolidated audited annual financial statements (including, among others, the directors' report, the independent auditors' report and the audit committee report) for the financial year ended 31 March 2024).

The consolidated audited annual financial statements and the full reporting suite are available on the company's website at https://www.multichoice.com/multichoice-south-africa/reports-and-financial-information.

2. Ordinary resolution number 2: Re-election of directors

To re-elect, each by way of separate ordinary resolution, the directors named below, who retire, in terms of article 5.1.6 of the MOI, and being eligible, offer themselves for re-election as directors of the company:

2.1 James Hart du Preez

2.2 Dr Fatai Sanusi

2.3 John James Volkwyn

Brief biographies in respect of each director are available on pages 58 and 59 of the integrated report.

The board unanimously recommends that the re-election of directors, in terms of ordinary resolutions numbered 2.1 to 2.3 be approved by shareholders of the company. The re-election is to be conducted as a series of votes, each of which is on the candidacy of a single individual to fill a single vacancy, and in each vote to fill a vacancy, each voting right entitled to be exercised, may be exercised once.

MultiChoice SA
Notice of annual general meeting continued

3. Ordinary resolution number 3: Appointment of the independent external auditor

To re-appoint, on the recommendation of the company's audit committee, the firm Ernst & Young Incorporated (EY) as independent registered external auditor of the company (noting that Lerato Sidubi is the individual registered auditor of that firm who will undertake the audit) until the next AGM.

4. Ordinary resolution number 4: Authorisation of distribution

To authorise a distribution of 1 527.78 cents per share, pursuant to article 6.3.2 of the MOI and in accordance with the recommendation of the board.

Subject to shareholder approval, the board approved a dividend of R5.5 billion payable to its ordinary shareholders on or about 9 September 2024. The board has approved a distribution of 1 527.78 cents per share, after having applied the solvency and liquidity test and reasonably concluded that the company will satisfy the solvency and liquidity test immediately after completing the proposed distribution.

5. Ordinary resolution number 5: Authorisation to implement resolutions

Each of the directors of the company is authorised to do all things, perform all acts and sign all documents necessary or desirable to effect the implementation of the ordinary and special resolutions adopted at this AGM.

Non-binding advisory resolutions

6. Non-binding advisory resolution number 1: Endorsement of the company's remuneration policy

To endorse the company's remuneration policy, as set out in the remuneration report on page 76 of the integrated report.

7. Non-binding advisory resolution number 2: Endorsement of the implementation of the remuneration policy

To endorse the company's implementation report relating to the payment of remuneration for the period which commenced on 1 April 2023 and ended on 31 March 2024 as set out on page 83 of the integrated annual report.

Special resolutions

8. Special resolution number 1: General authority to provide financial assistance in terms of section 44 of the Companies Act

To resolve that the board may authorise the company to generally provide any financial assistance in the manner contemplated and subject to the provisions of section 44 of the Companies Act to a director or prescribed officer of the company or of a related or inter-related company subject to (i) and (ii) below or to a related or inter-related company or corporation, or to a member of a related or inter-related corporation, pursuant to the authority hereby conferred upon the board for these purposes.

This authority relates to financial assistance for the subscription/purchase of securities in the company or a related or inter-related company and shall:

(i) include and also apply to the granting of financial assistance to a share incentive scheme of the group or the company and such share-based incentive schemes that are established in future (collectively the group's share-based incentive schemes) and participants thereunder (which may include directors, future directors, prescribed officers and future prescribed officers of the company or of a related or inter-related company) (participants) for the purpose of, or in connection with, the subscription of any option, or any securities issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company, pursuant to the administration and implementation of the group share-based incentive schemes, in each instance on the terms applicable to the group's share-based incentive scheme in question; and

(ii) be limited, in respect of directors and prescribed officers, to financial assistance in relation to the acquisition of securities as contemplated in (i).

9. Special resolution number 2: General authority to provide financial assistance in terms of section 45 of the Companies Act

To resolve that the company, as authorised by the board, may generally provide, in terms of and subject to the requirements of section 45 of the Companies Act, any direct or indirect financial assistance to a related or inter-related company or corporation, or to a member of a related or inter-related corporation, pursuant to the authority hereby conferred upon the board for these purposes.

This authority relates to any financial assistance to be provided by the company to, for instance, related or inter-related companies, and includes the provision of parent company guarantees and/or treasury management arrangements.

MultiChoice SA
Notice of annual general meeting continued

Majority required for the adoption of resolutions

Unless otherwise indicated, in order for the ordinary resolutions to be adopted, the support of a simple majority (that is, 50% plus one) of the total number of voting rights exercised on the resolutions is required.

The non-binding resolutions are of an advisory nature only and failure to pass these resolutions will therefore not have any legal consequences relating to the existing arrangements. Should 25% or more of the votes exercised on these non-binding resolutions be cast against either or both of these non-binding resolutions, the board undertakes to engage with identified dissenting shareholders as to the reasons therefor and take appropriate action (as determined at the discretion of the board) to reasonably address issues raised, as envisaged in King IV.

In order for the special resolutions to be adopted, the support of at least 75% of the total number of voting rights exercised on the resolutions is required.

Votes recorded as abstentions are not taken into account for the purposes of determining the final percentage of votes cast in favour of the resolutions. This is in line with the Companies Act.

Attendance

Shareholders are advised that, in terms of section 63(1) of the Companies Act, any person (including proxies) attending or participating in the AGM must present reasonably satisfactory identification before being entitled to attend or participate in and vote at the AGM. The company and Singular are obliged to validate each shareholder's entitlement to participate in and/or vote at the AGM before allowing a shareholder into the AGM venue.

Please note that on the day of the AGM the registration counter at the AGM venue will, for purposes of registering to vote at the AGM, close at 10:45 on Tuesday, 27 August 2024.

Voting

Only persons present at the AGM or represented by a valid proxy will be entitled to cast a vote on any matter put to a vote of shareholders.

Voting on all resolutions will take place by polling. Every shareholder of the company who is present at the AGM or is represented by proxy shall have one vote for every share in the company held by such shareholder.

Forms of proxy

A shareholder of the company may appoint any individual (including one who is not a shareholder of the company) as a proxy to participate in, speak and vote at the AGM of the company. A form of proxy, which includes the relevant instructions for its completion, is attached on page 89 of the integrated report. In order for the proxy to be effective and valid, it must be completed and delivered in accordance with the instructions contained in the proxy form.

For administration purposes, forms of proxy should be received at the applicable return address (as set out on page 90) by no later than 10:45 SAST on Monday, 26 August 2024.

Shareholders are to take note of postal delivery times and any restrictions on postal services in place when posting any forms as no late postal deliveries will be accepted. Shareholders are encouraged to email forms instead.

As an alternative to submitting forms of proxy, shareholders will be able to vote on the resolutions set out in this notice before the AGM by making use of the online voting platform. Shareholders can access the online voting platform by logging in to their I-Ex shareholder account (https://www.i-ex.co.za/) or contacting Singular telephonically at 0860 116 226 to cast such shareholder's proxy vote telephonically. The online voting platform and telephonic voting service will be available from 09:00 on Monday, 01 July 2024 until 10:45 on Monday, 26 August 2024.

Shareholders who use this online or telephonic voting service will be deemed to have appointed Singular as their proxy for purposes of voting at the AGM.

Electronic participation

Shareholders entitled to attend and vote at the AGM, or their proxies, will be entitled to participate in (but not vote at) the AGM by electronic communication. Should a shareholder wish to participate in the AGM electronically, the shareholder should advise the company by no later than 11:00 SAST on Friday 23 August 2024 by submitting via email to Singular (phuthumanathi@singularservices.co.za), a letter stating that the shareholder would like to attend the AGM electronically together with the shareholder's contact details; full details of that shareholder's title to securities issued by the company; and proof of identity (in the form of certified copies of identity documents and written confirmation from the transfer secretary confirming the shareholder's title to the shares). On receipt of the required information, the shareholder will be given a secure code and instructions to access electronic communication during the AGM. Shareholders must note that access to the electronic communication will be for their expense.

By order of the board

CC Miller
MultiChoice South Africa: company secretary

28 June 2024

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MultiChoice SA Proxy form

MultiChoice South Africa Holdings Proprietary Limited
(Incorporated in the Republic of South Africa)
Registration number: 2006/015293/07
(MultiChoice South Africa or the company)

For use by shareholders in respect of the annual general meeting (AGM) to be held at MultiChoice City, 144 Bram Fischer Drive, Randburg on Tuesday, 27 August 2024 at 11:00 SAST.

I/We (name in block letters)

Identity number/registration number

of (address)

being the holder(s) of shares in the company, hereby appoint (see notes overleaf)

1. or failing him/her

2. or failing him/her

3. the chair of the AGM as my/our proxy to vote for me/us on my/our behalf at the AGM of the company to be held at 11:00 SAST on Tuesday, 27 August 2024, or at any adjournment, and generally to act as my/our proxy at this meeting.

I/We desire to vote as follows:

		For	Against	Abstain
Ordinary resolution number 1	Presenting of annual reporting suite			
Ordinary resolution number 2	2.1 James Hart du Preez			
	2.2 Dr Fatai Sanusi			
	2.3 John James Volkwyn			
Ordinary resolution number 3	Reappointment of independent external auditor			
Ordinary resolution number 4	Authorisation of distribution			
Ordinary resolution number 5	Authorisation to implement resolutions			
Non-binding advisory resolution number 1	Endorsement of the company's remuneration policy			
Non-binding advisory resolution number 2	Endorsement of the remuneration implementation report			
Special resolution number 1	General authority to provide financial assistance in terms of section 44 of the Companies Act			
Special resolution number 2	General authority to provide financial assistance in terms of section 45 of the Companies Act			

Signed on 2024 at:

Signature of authorised representative of shareholder or shareholder:

Home number: Mobile number: Email address:

Please read notes to the proxy set out overleaf.

Notes to the form of proxy

Summary of the Rights of a Shareholder to be represented by proxy in terms of section 58 of the Companies Act read with the Company's MOI

1. A shareholder of the company may appoint any individual (including one who is not a shareholder of the company) as a proxy to participate in, speak and vote at the AGM of the company. A shareholder may therefore insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting 'the chair of the company, or failing him/her, the chair of the AGM'. The person whose name is first on the form of proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow.
2. A shareholder may appoint two or more persons concurrently as proxies and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder.
3. A proxy instrument must be in writing, dated and signed by the shareholder.
4. A proxy may not delegate his/her authority to act on behalf of the shareholder to another person.
5. A copy of the instrument appointing a proxy must be delivered to the company, or to any other person on behalf of the company before the proxy exercises any rights of the shareholder at the AGM.
6. Irrespective of the form of instrument used to appoint the proxy:
   a. the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in exercising any rights as a shareholder;
   b. the appointment is revocable unless the proxy appointment expressly states otherwise; and
   c. if the appointment is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing or making a later inconsistent appointment of a proxy and delivering a copy of the revocation instrument to the proxy and the company.
7. Every shareholder, present in person or by proxy and entitled to vote, will on a show of hands have only one vote and, on a poll, every shareholder will have one vote for every share held.
8. Documentary evidence establishing the authority of the person signing this form of proxy in a representative capacity must be attached to this form unless previously recorded by the company or waived by the chair of the AGM.
9. A shareholder's instructions to the proxy must be indicated by that shareholder in the appropriate space provided in this form, failing which the proxy shall not be entitled to vote at the AGM in respect of the shareholder's votes exercisable at that meeting. Where the proxy is the chair, failure to so comply will authorise the chair to vote in favour of the resolutions. A shareholder's instructions to the proxy must be indicated by inserting an X in the appropriate box. A proxy appointment shall be suspended should a shareholder wish to participate in the meeting in person after having submitted the form of proxy.
10. A shareholder may at any time appoint a proxy. For practical purposes, forms of proxy are requested to be lodged with the transfer secretaries, Singular Systems Proprietary Limited, 25 Scott Street, Waverley, 2090 or PO Box 1266, Bramley, 2018 or phuthumanathi@singularservices.co.za, to reach them not less than twenty-four (24) hours (not including Saturdays, Sundays and public holidays) before the AGM, that is by 10:45 SAST on Monday 26 August 2024. a result of delays in postal services and restrictions which may apply to postal services, shareholders are encouraged to email their forms of proxy to the address provided above.
11. The completion and lodging of this form of proxy will not preclude the shareholder from attending the AGM and speaking and voting in person at the meeting to the exclusion of any proxy appointed in terms hereof.
12. An instrument of proxy shall be valid for any adjournment or postponement of the AGM, as well as for the meeting to which it relates, unless the contrary is stated therein but shall not be used at the resumption of an adjourned AGM if it could not have been used at the AGM from which it was adjourned for any reason other than that it was not lodged timeously for the meeting from which the adjournment took place.
13. A vote cast or act done in accordance with the terms of a form of proxy shall be deemed to be valid despite:
    a. The death, insanity or any other legal disability or incapacity of the person appointing the proxy; or
    b. The revocation of the proxy; or
    c. The transfer of a share in respect of which the proxy was given, unless notice as to any of the abovementioned matters shall have been received by the company at its registered office or by the chair of the AGM at the place of the AGM, if not held at the registered office, before the commencement or resumption (if adjourned) of the AGM at which the vote was cast or the act was done or before the poll on which the vote was cast.
14. The authority of a person signing the form of proxy:
    a. Under a power of attorney; or
    b. On behalf of a company or close corporation or trust, must be attached to the form of proxy unless the full power of attorney has already been received by the company or the transfer secretaries.
15. Where shares are held jointly, all joint holders must sign.

Phuthuma Nathi
Notice of annual general meeting

Phuthuma Nathi Investments (RF) Limited
(Incorporated in the Republic of South Africa)
Registration number: 2006/015187/06
(Phuthuma Nathi or the company)

Notice is hereby given that the eighteenth annual general meeting (AGM) of the company will be held immediately after the AGM of MultiChoice South Africa Holdings Proprietary Limited (MultiChoice South Africa) which is scheduled to be held on Tuesday, 27 August 2024 at MultiChoice City 144 Bram Fischer Drive, Ferndale, Randburg at 11:00 South African Standard Time (SAST) (subject to any adjournment, postponement or cancellation) in order to consider, and if deemed fit, pass with or without modification, the resolutions as set out in this notice.

The company reserves the right to amend the means by which and the manner in which the AGM is convened as well as any details regarding participation in the AGM or the process for registration and submission of forms of proxy by notifying shareholders by no later than seven days prior to the date of the AGM through the issue of an announcement on the Integrated Exchange (I-Ex) website and/or publishing a notice on the company's corporate website and/or publishing a notice in widely circulated print media and/or any other means that the board of the company may determine appropriate for such notification to shareholders.

Purpose of meeting

The purpose of the AGM is:

a. To submit and receive the company's consolidated and company annual financial statements, as approved by the board, including the directors' report, the report of the independent auditors and the report of the audit committee for the financial year ended 31 March 2024.

   The summary consolidated and company financial results are set out on pages 12 to 19 of the integrated report. The complete consolidated audited annual financial statements are available on the company's website at https://www.phuthumanathi.co.za/information/financial-reporting/

b. To consider and, if approved, to adopt with or without amendment, the resolutions set out below.

c. To transact any other business as may be transacted at an AGM in terms of the Act and the memorandum of incorporation (MOI) of the company.

Important dates

Shareholders eligible to receive the AGM notice	Friday, 21 June 2024
Distribution of the integrated annual report enclosing the AGM notice, on or before	Friday, 28 June 2024
Online/telephonic proxy voting opens	Monday, 01 July 2024
Electronic participation request deadline	Friday, 23 August 2024
Voting record date	Friday, 23 August 2024
Proxy submission (proxy form, online and telephonic proxy voting) deadline for administrative purposes	Monday, 26 August 2024
Annual general meeting	Tuesday, 27 August 2024

Dividend

Subject to the approval of the MultiChoice South Africa dividend by shareholders at the MultiChoice South Africa shareholder meeting on Tuesday, 27 August 2024, the Phuthuma Nathi board has, pursuant to article 7.4 of the MOI, declared a dividend 2 037.03 cents per Phuthuma Nathi share. The dividend will flow from MultiChoice South Africa to Phuthuma Nathi and then to Phuthuma Nathi shareholders.

Dividend tax of 20% amounts to 407.41 cents per Phuthuma Nathi share. Phuthuma Nathi shareholders will therefore receive a net dividend of 1 629.63 (prior year: 1 629.63) cents per share. The dividend proposed in this report will be paid from reserves. If approved by MultiChoice South Africa shareholders, the dividend will be payable to Phuthuma Nathi shareholders recorded in the Phuthuma Nathi share register on Tuesday, 27 August 2024 and paid on or about 9 September 2024.

Ordinary resolutions

1. Ordinary resolution number 1: Presenting the annual reporting suite

To present, consider and accept the annual reporting suite (incorporating the integrated annual report, the consolidated and company annual financial statements (including, among others, the directors' report, the independent auditors' report and the audit committee report) for the financial year ended 31 March 2024).

The consolidated and company annual financial statements and the full reporting suite are available on the company's website at https://www.phuthumanathi.co.za/information/financial-reporting/

Phuthuma Nathi
Notice of annual general meeting continued

2. Ordinary resolution number 2: Re-election of directors

To re-elect Calvo Mawela, who retires by rotation and being eligible, offers himself for re-election as a director of the company:

A brief biography in respect of the director is available on page 60 of the integrated report. The board unanimously recommends that ordinary resolution number 2 be approved by shareholders of the company.

3. Ordinary resolution number 3: Appointment of the independent external auditor

To re-appoint, on the recommendation of the company's audit committee, the firm Ernst & Young Incorporated (EY) as independent registered external auditor of the company (noting that Lerato Sidubi is the individual registered auditor of that firm who will undertake the audit) for the period until the next AGM.

The audit committee recommends that EY be reappointed as the external auditors of the company until the next AGM.

The audit committee's recommendation has been approved by the board.

4. Ordinary resolution number 4: Appointment of audit committee members

To appoint, each by way of a separate ordinary resolution, the directors named below as audit committee members of the company, as required in terms of the Companies Act and recommended by the King Report on Corporate Governance™ for South Africa, 2016 (King IV*):

4.1 Mandla Langa (chair of the committee)

4.2 James Hart du Preez

4.3 Advocate Kgomotso Ditsebe Moroka

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Brief biographies in respect of each director are available on page 10 of the integrated report.

The board and the nominations committee are satisfied that the company's audit committee members are suitably skilled and experienced independent non-executive directors. Collectively, they have sufficient qualifications and experience to fulfil their duties, as contemplated in regulation 42 of the Companies Act. They have a comprehensive understanding of financial reporting, internal financial controls, risk management and governance processes in the company, as well as International Financial Reporting Standards (IFRS® Accounting Standards) and other regulations and guidelines applicable to the company. They keep up to date with developments affecting their required skills set.

The board unanimously recommend that the ordinary resolutions numbered 4.1 to 4.3 be approved by shareholders of the company. The appointments are to be conducted as a series of votes, each of which is on the candidacy of a single individual to fill a single vacancy, and in each vote to fill a vacancy, each voting right entitled to be exercised, may be exercised once.

5. Ordinary resolution number 5: Authorisation to implement resolutions

Each of the directors of the company is authorised to do all things, perform all acts and sign all documents necessary or desirable to effect the implementation of the resolutions adopted at this AGM.

Majority required for the adoption of resolutions

Unless otherwise indicated, in order for the ordinary resolutions to be adopted, the support of a simple majority (that is, 50% plus one) of the total number of voting rights exercised on the resolutions is required.

Votes recorded as abstentions are not taken into account for the purposes of determining the final percentage of votes cast in favour of the resolutions. This is in line with the Companies Act.

Attendance

Shareholders are advised that, in terms of section 63(1) of the Companies Act, No 71 of 2008 (Companies Act), any person (including proxies) attending or participating in the AGM must present reasonably satisfactory identification before being entitled to attend or participate in and vote at the AGM. The company and Singular are obliged to validate each shareholder's entitlement to participate in and/or vote at the AGM before allowing a shareholder into the AGM venue.

Please note that on the day of the AGM the registration counter at the AGM venue will, for purposes of registering to vote at the AGM, close at 10:45 on Tuesday, 27 August 2024.

Voting

Only persons present at the AGM or represented by a valid proxy will be entitled to cast a vote on any matter put to a vote of shareholders.

Voting on all resolutions will take place by polling. Every shareholder of the company who is present at the AGM or is represented by proxy shall have one vote for every share in the company held by such shareholder.

Phuthuma Nathi
Notice of annual general meeting continued

Forms of proxy

A shareholder of the company may appoint any individual (including one who is not a shareholder of the company) as a proxy to participate in, speak and vote at the AGM of the company. A form of proxy, which includes the relevant instructions for its completion, is attached on page 95 of the integrated report. In order for the proxy to be effective and valid, it must be completed and delivered in accordance with the instructions contained in the proxy form.

For administration purposes, forms of proxy should be received at the applicable return address (as set out on page 96) by no later than 10:45 SAST on Monday 26 August 2024.

Shareholders are to take note of postal delivery times and any restrictions on postal services in place when posting any forms as no late postal deliveries will be accepted. Shareholders are encouraged to email forms instead.

As an alternative to submitting forms of proxy, shareholders will be able to vote on the resolutions set out in this notice before the AGM by making use of the online voting platform. Shareholders can access the online voting platform by logging in to their I-Ex shareholder account (https://www.i-ex.co.za/) or contacting Singular telephonically at 0860 116 226 to cast such shareholder's proxy vote telephonically. The online voting platform and telephonic voting service will be available from 09:00 on Monday, 1 July 2024 until 10:45 on Monday, 26 August 2024.

Shareholders who use this online or telephonic voting service will be deemed to have appointed Singular as their proxy for purposes of voting at the AGM.

Electronic participation

Shareholders entitled to attend and vote at the AGM, or their proxies, will be entitled to participate in (but not vote at) the AGM by electronic communication. Should a shareholder wish to participate in the AGM electronically, the shareholder should advise the company by no later than 11:00 SAST on Friday, 23 August 2024 by submitting via email to Singular (phuthumanathi@singularservices.co.za) that shareholder's contact details; full details of that shareholder's title to securities issued by the company; and proof of identity (in the form of certified copies of identity documents and written confirmation from the transfer secretary confirming the shareholder's title to the shares). On receipt of the required information, the shareholder will be given a secure code and instructions to access electronic communication during the AGM. Shareholders must note that access to the electronic communication will be for their expense.

By order of the board

CC Miller
Phuthuma Nathi: company secretary

28 June 2024

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Phuthuma Nathi Proxy form

Phuthuma Nathi Investments (RF) Limited
(Incorporated in the Republic of South Africa)
Registration number: 2006/015187/06
(Phuthuma Nathi or the company)

For use by shareholders in respect of the annual general meeting (AGM) to be held at MultiChoice City, 144 Bram Fischer Drive, Randburg on Tuesday, 27 August 2024.

I/We (name in block letters)

Identity number/registration number

of (address)

being the holder(s) of shares in the company, hereby appoint (see notes overleaf)

1. or failing him/her
2. or failing him/her
3. the chair of the AGM as my/our proxy to vote for me/us on my/our behalf at the AGM of the company to be held at 11:00 SAST on Tuesday, 27 August 2024, or at any adjournment, and generally to act as my/our proxy at this meeting.

I/We desire to vote as follows:

		For	Against	Abstain
Ordinary resolution number 1	Presenting of annual reporting suite			
Ordinary resolution number 2	Re-election of director – Calvo Mawela			
Ordinary resolution number 3	Re-appointment of independent external auditor			
Ordinary resolution number 4	Appointment of audit committee members:			
	4.1 Mandla Langa			
	4.2 James Hart du Preez			
	4.3 Advocate Kgomotso Ditsebe Moroka			
Ordinary resolution number 5	Authorisation to implement resolutions			

Signed on 2024 at:

Signature of authorised representative of shareholder or shareholder:

Home number: Mobile number: Email address:

Please read notes to the proxy set out overleaf.

Notes to the form of proxy

Summary of the Rights of a Shareholder to be represented by proxy in terms of section 58 of the Companies Act read with the Company's MOI

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6. Irrespective of the form of instrument used to appoint the proxy:
    a. the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in exercising any rights as a shareholder;
    b. the appointment is revocable unless the proxy appointment expressly states otherwise; and
    c. if the appointment is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing or making a later inconsistent appointment of a proxy and delivering a copy of the revocation instrument to the proxy and the company.
7. Every shareholder, present in person or by proxy and entitled to vote, will on a show of hands have only one vote and, on a poll, every shareholder will have one vote for every share held.
8. Documentary evidence establishing the authority of the person signing this form of proxy in a representative capacity must be attached to this form unless previously recorded by the company or waived by the chair of the AGM.
9. A shareholder's instructions to the proxy must be indicated by that shareholder in the appropriate space provided in this form, failing which the proxy shall not be entitled to vote at the AGM in respect of the shareholder's votes exercisable at that meeting. Where the proxy is the chair, failure to so comply will authorise the chair to vote in favour of the resolutions. A shareholder's instructions to the proxy must be indicated by inserting an X in the appropriate box. A proxy appointment shall be suspended should a shareholder wish to participate in the meeting in person after having submitted the form of proxy.
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12. An instrument of proxy shall be valid for any adjournment or postponement of the AGM, as well as for the meeting to which it relates, unless the contrary is stated therein but shall not be used at the resumption of an adjourned AGM if it could not have been used at the AGM from which it was adjourned for any reason other than that it was not lodged timeously for the meeting from which the adjournment took place.
13. A vote cast or act done in accordance with the terms of a form of proxy shall be deemed to be valid despite:
    a. The death, insanity or any other legal disability or incapacity of the person appointing the proxy; or
    b. The revocation of the proxy; or
    c. The transfer of a share in respect of which the proxy was given, unless notice as to any of the abovementioned matters shall have been received by the company at its registered office or by the chair of the AGM at the place of the AGM, if not held at the registered office, before the commencement or resumption (if adjourned) of the AGM at which the vote was cast or the act was done or before the poll on which the vote was cast.
14. The authority of a person signing the form of proxy:
    a. Under a power of attorney; or
    b. On behalf of a company or close corporation or trust, must be attached to the form of proxy unless the full power of attorney has already been received by the company or the transfer secretaries.
15. Where shares are held jointly, all joint holders must sign.

Administration and corporate information

MultiChoice
ENRICHING LIVES

Registration number

2006/015293/07

Registered office

MultiChoice City
144 Bram Fischer Drive, Randburg, 2194
(PO Box 1502, Randburg, 2125)

Company secretary

Carmen Miller
MultiChoice City
144 Bram Fischer Drive, Randburg, 2194
(PO Box 1502, Randburg, 2125)

MultiChoice
Phuthuma Nathi
SHARE THE FUTURE

Registration number

2006/015187/06

Registered office

MultiChoice City
144 Bram Fischer Drive, Randburg, 2194
(PO Box 1502, Randburg, 2125)

Company secretary

Carmen Miller
MultiChoice City
144 Bram Fischer Drive, Randburg, 2194
(PO Box 1502, Randburg, 2125)

Attorneys and tax advisers

Webber Wentzel
90 Rivonia Road, Sandton, Johannesburg, 2196
(PO Box 61771, Marshalltown, 2107)

Independent auditor

Ernst & Young Inc
Registration number 2005/002308/21
102 Rivonia Road, Sandton
(Private Bag X14, Sandton, 2146)

Trading helpdesk and transfer secretaries

Phuthuma Nathi & MCSA
Singular Services Proprietary Limited
Registration number 2002/001492/07
25 Scott Street, Waverley, 2090
PO Box 1266, Bramley, 2018
phuthumanathi@singularservices.co.za

Phuthuma Nathi Call Centre

0860 116 226

www.phuthumanathi.co.za

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.

MultiChoice
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www.phuthumanathi.co.za