PHUTHUMA NATHI

SHARE THE FUTURE

Integrated annual report to the shareholders of Phuthuma Nathi Investments (RF) Limited for the year ended 31 March 2021



MULTICHOICE

ENRICHING LIVES

MultiChoice South Africa Holdings Proprietary Limited

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OVERVIEW

Phuthuma Nathi will receive

ZAR1.5bn

of the ZAR6.0bn dividend declared by MultiChoice SA

Phuthuma Nathi shareholders own

25%

of MultiChoice SA through the Phuthuma Nathi entity



The MultiChoice SA and Phuthuma Nathi AGMs will be held virtually on

25 August 2021 at 12:00


The Voice
South Africa

MULTICHOICE SA PERFORMANCE HIGHLIGHTS

8.9m
subscribers(1)

ZAR8.5bn
core headline earnings

ZAR6.0bn
declared in dividends to MultiChoice SA shareholders

ZAR420m
spent on CSI projects(2)

Level 1
BBBEE status

ZAR11.5bn
preferential procurement spend

ZAR7.1bn
total tax contribution

3 683
permanent employees

(1) *90-day active subscribers.*
(2) *Includes non-cash advertising contributions of ZAR260m.*

ABOUT THIS REPORT

Scope, boundary and audience

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

The purpose of this report is to share with our Phuthuma Nathi shareholders how we create value over the short and long term.

Basis of preparation

We present our integrated annual report for the financial year from 1 April 2020 to 31 March 2021 (referred to as FY21). 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)[1]
- The requirements of the Companies Act No 71 of 2008, as amended (Companies Act or the Act)

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 and its shares in Phuthuma Nathi 2 (Phuthuma Nathi Investments 2 (RF) Limited).
MultiChoice SA	Refers to MultiChoice South Africa Holdings Proprietary Limited and its subsidiaries.
MultiChoice Group	Refers to MultiChoice Group Limited, the holding company of MultiChoice SA.
Broad-based black economic empowerment (BBBEE)	BBBEE is a government policy designed to advance economic transformation and enhance the economic participation of black people (African, coloured and Indian people who are South African citizens) in the South African economy.
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.
Dividends	If a company is profitable, has positive reserves and sufficient cash, 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 have to satisfy certain rules before authorising a dividend.
Financial year (FY)	The 12-month period a company uses to calculate its profit and income tax. For MultiChoice SA and Phuthuma Nathi, the 2021 financial year is from 1 April 2020 to 31 March 2021 and is also referred to as FY21.
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.
Equity Express Securities Exchange (EESE)	EESE 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 EESE has restrictions on who can participate to support companies' transformation goals.

[1] *Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all of its rights are reserved.*

Assurance

The information in this report was reviewed by the Phuthuma Nathi and MultiChoice Group audit committees and approved by the Phuthuma Nathi and MultiChoice SA boards, as relevant for each.

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 2021 and the Phuthuma Nathi audited consolidated and company annual financial statements for the year ended 31 March 2021, are reflected accurately. The full consolidated and company annual financial statements are available on Phuthuma Nathi and MultiChoice SA's websites (www.phuthumanathi.co.za and www.multichoice.com/multichoice-south-africa/) and at our registered office on arrangement with the company secretary.

Refer to page 64 for the auditor's report on MultiChoice SA's summarised consolidated and company annual financial statements and to page 17 for the report on Phuthuma Nathi's summarised consolidated and company annual financial statements.

Non-financial information

EmpowerLogic verified all BBBEE information in this report.

Navigation and feedback

For ease of reference, we included key terms used in the report on page 4. We encourage and value feedback on this report. Feedback can be sent to cosec@multichoice.com

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

Connect with us on social media:

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 report was approved by the Phuthuma Nathi board on 9 June 2021 and by the MultiChoice SA board on 10 June 2021. Each board collectively assessed and unanimously approved the content of this report and believes it provides a true account of the company's performance and that it addresses all material matters relating to MultiChoice SA's ability to create value in the short, medium and long term.

On behalf of the boards



Mandla Langa
Chair: Phuthuma Nathi



Imtiaz Patel
Chair: MultiChoice SA

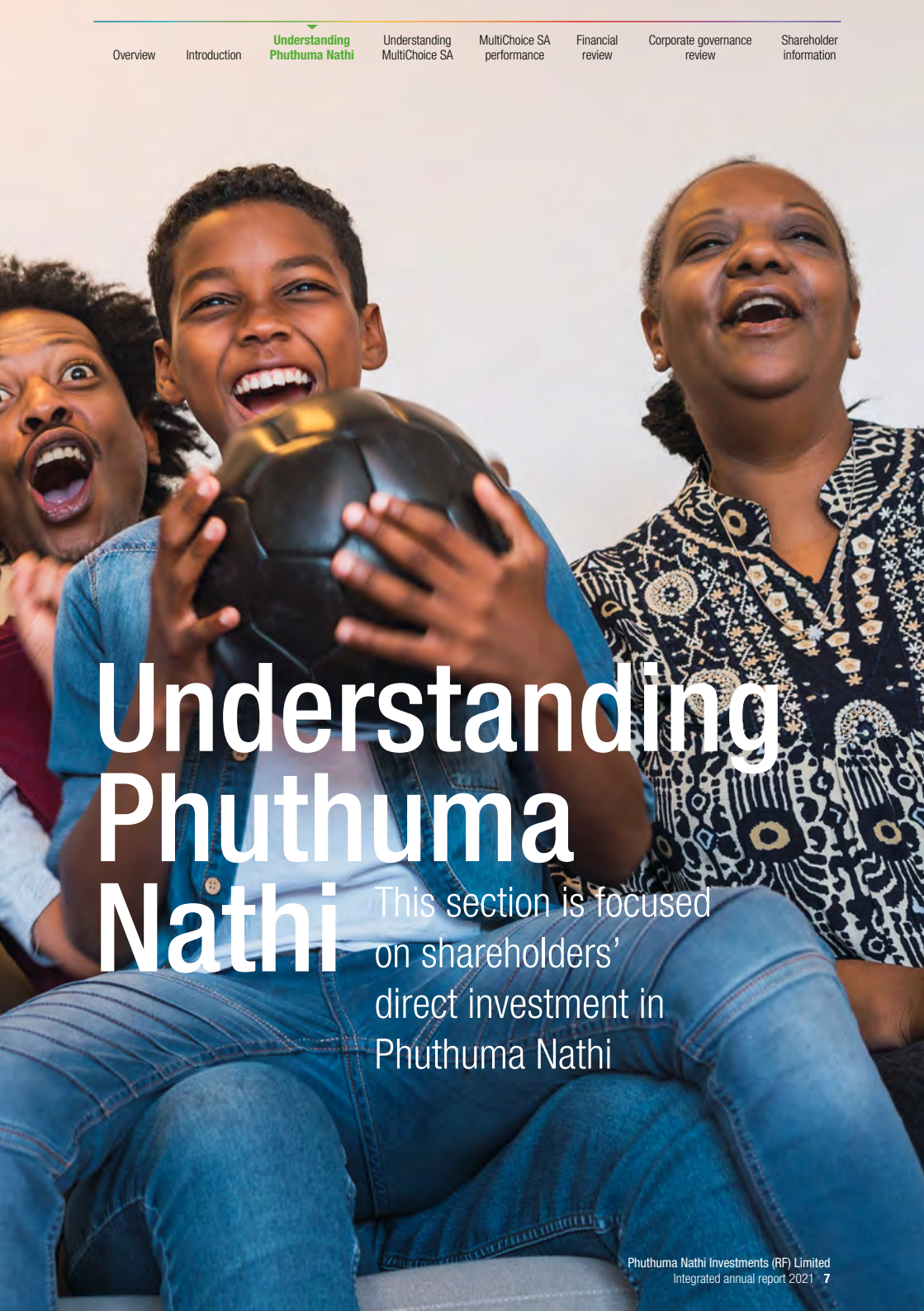
Our reporting suite

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.investors.multichoice.com/results-and-reports.

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





Understanding Phuthuma Nathi

This section is focused on shareholders' direct investment in Phuthuma Nathi

LETTER FROM THE PHUTHUMA NATHI CHAIR



"During a challenging period in our shareholders' lives, I am grateful that MultiChoice SA continues to support a broad base of empowered shareholders through the Phuthuma Nathi share scheme."

Mandla Langa
Chair: Phuthuma Nathi

Dear shareholder

On behalf of the Phuthuma Nathi board, it is my pleasure to present our integrated annual report to you, the shareholders of the Phuthuma Nathi share scheme.

Phuthuma Nathi owns a 25% direct investment in MultiChoice SA. Therefore, Phuthuma Nathi shareholders have an indirect interest in MultiChoice SA through the Phuthuma Nathi share scheme. As South Africans, I know we are all familiar with the leading brands of MultiChoice SA and have been entertained by its local, sporting and international content for many years.

Phuthuma Nathi is proud to have 80 229 black shareholders as at year-end (FY20: 81 479), comprising individuals, stokvels and black-owned companies. We have heard many heart-warming stories about how this share scheme positively impacts our shareholders' lives. We are thrilled that your investment in Phuthuma Nathi has continued to deliver value, with ZAR1.5bn in dividends paid to shareholders in FY21. This brought the total dividends paid to Phuthuma Nathi by MultiChoice SA since inception to ZAR13.4bn. Various Phuthuma Nathi shareholders have not as yet claimed their annual dividends, which have been paid out since the share scheme started in 2006. A media campaign was launched to find these shareholders to give them the money that is rightfully theirs. To date, more than ZAR48m of unclaimed dividends were paid.

During a challenging period in our shareholders' lives, I am grateful that MultiChoice SA continues to support a broad base of empowered shareholders through the Phuthuma Nathi share scheme.

The year in review

Following an eventful FY20 for Phuthuma Nathi shareholders, FY21 delivered a lot less activity from a shareholding perspective. You may recall that Phuthuma Nathi shareholders were offered the opportunity to exchange a portion of their Phuthuma Nathi shares for MultiChoice Group shares, which are

listed on the JSE, while Phuthuma Nathi acquired 100% of the share capital of Phuthuma Nathi 2 from Phuthuma Nathi 2 shareholders. We since moved forward with one, consolidated listed share scheme on the EESE, making trading in Phuthuma Nathi shares simpler. If you exchanged a portion of your Phuthuma Nathi shares for MultiChoice Group shares, I recommend visiting the MultiChoice Group website www.investors.multichoice.com/reporting-and-results-overview for its full integrated annual report and other financial reporting information.

COVID-19 and its associated lockdowns negatively impacted South African and global economies. Refer to our discussion of the external operating environment for more information on page 39. Despite this challenging context, MultiChoice SA delivered robust results, supported by its prudent cost-saving initiatives as well as the deferral of the costs of certain sport events into the next financial year, which improved profitability despite muted revenue growth. Refer to the performance section for more information about the steps implemented by the MultiChoice SA management team to navigate the challenging operating context. I would also recommend that you read about MultiChoice SA's strategic pillars on page 48, and review the risks and opportunities section on page 43 to understand the matters impacting MultiChoice SA's ability to create and preserve value for its diverse stakeholders. In addition to the financial value created, MultiChoice SA remains committed to creating sustainable value for its diverse stakeholders, ensuring it remains a well-respected corporate citizen of South Africa.

The details of these initiatives are on pages 34 to 38.

Share price

With regard to the Phuthuma Nathi share price, it is important to remember that directly or indirectly investing in a company represents a share of ownership in that company, and as owners of that company, you participate in the good times and bad. Company share prices fluctuate over time; it is important that you contextualise these fluctuations by assessing the company's underlying performance and current market conditions. In this regard, we are pleased by MultiChoice SA's solid performance considering the current operating environment.

The Phuthuma Nathi share price increased from ZAR84.50 per share at 31 March 2020 to ZAR133.00 per share at 31 March 2021, a 57% increase year on year (YoY).

In FY20, a decline in our share price reflected the challenging operating context and pressure on equity markets from the COVID-19 pandemic and associated lockdowns. However, global equity markets recovered during FY21 and the Phuthuma Nathi share price reflected a similar recovery at year-end. The Phuthuma Nathi share price will not necessarily track broader equity market trends or MultiChoice SA's underlying performance exactly, as the share price is ultimately influenced by demand from those wishing to buy shares and supply from those wishing to sell shares.

"MultiChoice SA delivered robust results, supported by its prudent cost-saving initiatives as well as the deferral of the costs of certain sport events into the next financial year, which improved profitability despite muted revenue growth."

LETTER FROM THE PHUTHUMA NATHI CHAIR continued

Dividend

The MultiChoice SA board recommended a dividend of ZAR6bn to its shareholders. The Phuthuma Nathi board will distribute the full value received and declare a dividend of ZAR1.5bn (FY20: ZAR1.5bn). This amounts to ZAR22.22 per Phuthuma Nathi ordinary share to be paid to shareholders (FY20: ZAR22.22).

The declaration of this dividend is subject to the approval of the MultiChoice SA ZAR6bn dividend, which will be confirmed at the MultiChoice SA AGM on 25 August 2021. On approval, the Phuthuma Nathi dividend will be payable to shareholders recorded in the share register on 25 August 2021 and paid on or about 6 September 2021.

After the 20% dividend tax (amounting to ZAR4.44 per share) is removed, Phuthuma Nathi shareholders will receive a net dividend of ZAR17.78 per share (FY20: ZAR17.78).

Directors and company secretary

During FY21 the Phuthuma Nathi board consisted of three directors: Calvo Mawela, Clarissa Mack and Mandla Langa. Herman Wessels was recently appointed as a director by the board and will stand for election by shareholders at the upcoming AGM.

The profiles of the current directors are on page 15.

Carmen Miller replaced Rochelle Gabriels as company secretary with effect from 11 June 2020 and remains in her role.

Closing

The MultiChoice SA and Phuthuma Nathi AGMs will be conducted virtually, because a physical meeting is not possible due to COVID-19 social distancing regulations. This is in line with how we successfully conducted the FY20 AGMs.

For more information, please refer to the virtual meeting guide on page 137.

The AGM will be broadcast live on DStv channel 196. To watch the live broadcast, shareholders must submit the form on page 138 to phuthumanathi@singularservices.co.za by Friday 20 August 2021 to enable processing.

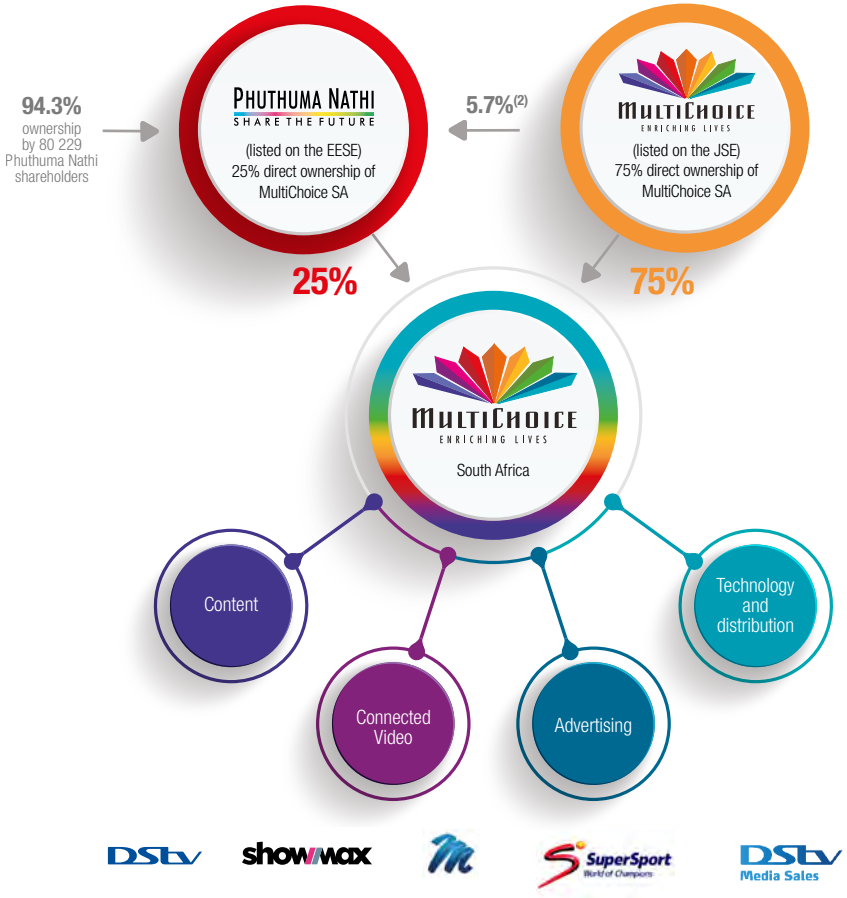
From myself and my colleagues on the board, thank you for your continued support. I look forward to engaging with you at our AGM.

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.co.za.



Mandla Langa
Chair: Phuthuma Nathi

GROUP STRUCTURE[1]



Phuthuma Nathi (listed on the EESE)

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 service in South Africa, providing world-class local and international content to 8.9m 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) The graphic above 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.

SNAPSHOT OF OUR HISTORY

2006 to 2008

Phuthuma Nathi launched

Phuthuma Nathi 1 was launched in 2006, and Phuthuma Nathi 2 (a smaller replica) was launched in 2007. As one of the largest BBBEE transactions in South Africa, the schemes acquired a combined 20% stake in MultiChoice SA.

2011

Trading started

The shares began trading publicly 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 ZAR1.2bn.



2020

Latest dividend paid

Phuthuma Nathi shareholders continued to benefit from dividend payments, receiving ZAR1.5bn in August 2020 following approval at the 2020 AGM despite the challenging economic environment.





2019

Phuthuma Nathi shareholding in MultiChoice SA increased to 25%

To underpin the commitment by MultiChoice SA and Naspers to socio-economic transformation and BBBEE, Naspers and MultiChoice SA allocated an additional 5% stake in MultiChoice SA to Phuthuma Nathi for no consideration.

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 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.

UNDERSTANDING YOUR RETURN ON INVESTMENT

As a Phuthuma Nathi investor, it is important to understand how your shares can potentially create value over time. Through Phuthuma Nathi, MultiChoice SA provides long-term, far-reaching benefits to BBBEE shareholders, with an estimated total return on investment of approximately 27 times since inception[1].

Cash flow through dividends

The directors may choose to pay dividends to the shareholders periodically. While dividends are never guaranteed, they offer investors periodic cash distributions depending on how well the company performs.

Capital growth through share price increases

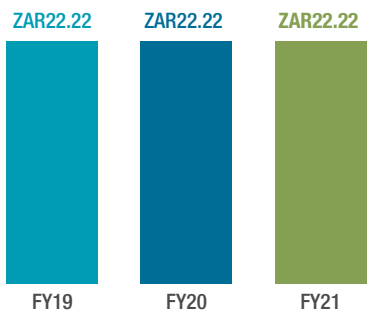
Over the medium to long term, the shares in a company can become increasingly valuable depending on how well the company performs and how much demand there is for ownership of its shares. This is referred to as capital growth. It is important to remember the value of shares can also decline if a company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



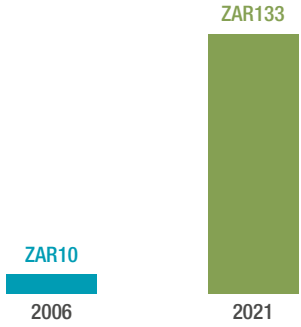
ZAR13.4bn
in dividends since inception

For example, if you purchased a Phuthuma Nathi share at inception for ZAR10 per share, this share was worth ZAR133.00 per share at 31 March 2021 based on the last publicly traded value on that day. This means your initial investment of ZAR10 has grown on average by roughly 20% per year.

Dividend declared per Phuthuma Nathi share



Capital growth through share price increase



[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.*

OUR PHUTHUMA NATHI BOARD OF DIRECTORS



Mandla Langa (71)

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, 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 Primedia, Phuthuma Nathi 1 and 2, and South African Screenwriters' Laboratory. Mandla is a recipient of honorary doctorates from the Universities of Fort Hare and Witwatersrand.
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.



Herman Wessels (76)

Herman is a chartered accountant (BCom, CTA and CA(SA)) and was a partner at PricewaterhouseCoopers Inc (PwC) from 1972 to 2005. He serves as a director of Keeromstraat 30 Beleggings and Naspers Beleggings, Swiss Re Life and Health Africa and Just Retirement South Africa.



Calvo Mawela (44)

Calvo is the chief executive officer (CEO) of the MultiChoice Group and 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 ICT Policy Review Panel. He also served as a commissioner to the Presidential Commission on 4IR. He holds a Bachelor of Science in Electrical Engineering from the University of KwaZulu-Natal, a Management Advancement Programme Postgraduate Diploma from Wits Business School, and a Postgraduate Diploma in Economics for Competition Law from King's College (London).



Clarissa Mack (53)

Clarissa is the regulatory group executive for the MultiChoice Group. She graduated with an LLB from the University of Cape Town and soon after completed a Master's in Law at Georgetown University in Washington DC (United States of America). She also holds a Diploma in Economics for Competition Law from King's College London. After serving her legal articles at Cheadle, Thompson & Haysom attorneys, she joined M-Net, and later MultiChoice SA and MIH. Clarissa was intimately involved in the launch of the current Phuthuma Nathi scheme.

PHUTHUMA NATHI AUDIT COMMITTEE REPORT

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 South African Companies Act No 71 of 2008 (the Act).

Functions of the audit committee

- Reviewed the year-end consolidated and company annual financial statements, culminating in a recommendation to the board to adopt them.
  In the course of its review the committee:
  - took appropriate steps to ensure that the consolidated and company annual financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Act;
  - considered and, when appropriate, made recommendations on internal financial controls;
  - dealt with concerns or complaints relating to accounting policies, the auditing or content of consolidated and company annual financial statements, and internal financial controls;
- Reviewed the external audit report on the consolidated and company annual financial statements;
- Verified the independence of the external auditor and nominated PricewaterhouseCoopers Inc. as the auditor for 2021 and noted the appointment of Alinah Motaung as the designated auditor;
- Approved audit fees and engagement terms of the external auditor; and
- Approved the non-audit services provided by the external auditor.

The names of the members who were in office at the date of this report are provided below.

Members of the audit committee

- C Mawela[1]
- M Langa
- C Mack
- H Wessels[2]

(1) Resigned with effect from close of business on 9 June 2021.
(2) Appointed with effect from 12 May 2021.

The committee members as at the date hereof are recommended for election as committee members by shareholders at the AGM to be held on 25 August 2021.

Attendance

The external auditor, in its capacity as auditor to the company, attended and reported at the meeting of the audit committee. Relevant managers attended meetings by invitation.

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

9 June 2021

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

To the shareholders of Phuthuma Nathi Investments (RF) Limited

Opinion

The summary consolidated and separate financial statements of Phuthuma Nathi Investments (RF) Limited, set out on pages 18 to 27 of the Integrated annual report to the shareholders of Phuthuma Nathi Investments (RF) Limited for the year ended 31 March 2021, which comprise the summary consolidated and company statements of financial position as at 31 March 2021, the summary consolidated and company statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated and separate financial statements of Phuthuma Nathi Investments (RF) Limited for the year ended 31 March 2021.

In our opinion, the accompanying summary consolidated and separate financial statements are consistent, in all material respects, with the audited consolidated and separate financial statements, in accordance with IAS 34 *Interim Financial Reporting*, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Summary consolidated and separate financial statements

The summary consolidated and separate financial statements do not contain all the disclosures required by IFRS and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summary consolidated and separate financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated and separate financial statements and the auditor's report thereon. The summary consolidated and separate financial statements and the audited consolidated and separate financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated and separate financial statements.

The audited consolidated and separate financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated and separate financial statements in our report dated 11 June 2021.

Directors' responsibility for the summary consolidated and separate financial statements

The directors are responsible for the preparation of the summary consolidated and separate financial statements in accordance with IAS 34 *Interim Financial Reporting*, 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 separate financial statements are consistent, in all material respects, with the audited consolidated and separate 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*.

PricewaterhouseCoopers Inc

PricewaterhouseCoopers Inc
Director: AM Motaung
Registered Auditor
Johannesburg

11 June 2021

SUMMARISED ANNUAL FINANCIAL STATEMENTS

CONSOLIDATED AND COMPANY STATEMENTS OF FINANCIAL POSITION

as at 31 March 2021

	Group		Company	
	2021 ZAR'000	2020 ZAR'000	**2021 ZAR'000**	2020 ZAR'000
Assets				
Non-current assets	**6 638 918**	7 053 344	**6 638 918**	7 053 344
Investment in associate	**6 638 918**	7 053 344	**6 638 918**	7 053 344
Current assets	**178 044**	153 325	**178 044**	153 051
Trade and other receivables	**107 355**	59 336	**107 355**	59 336
Cash and cash equivalents	**70 689**	93 989	**70 689**	93 715
Total assets	**6 816 962**	7 206 669	**6 816 962**	7 206 395
Equity and liabilities				
Equity reserves attributable to the company's equity holders	**6 637 032**	7 051 487	**6 637 032**	7 051 589
Share capital and premium	**2 814 075**	2 814 075	**2 814 075**	2 814 075
Other reserves	**406 673**	1 296 189	**406 673**	1 296 189
Accumulated profit	**3 416 284**	2 941 223	**3 416 284**	2 941 325
Current liabilities	**179 930**	155 182	**179 930**	154 806
Other payables	**179 930**	155 182	**179 930**	154 806
Total equity and liabilities	**6 816 962**	7 206 669	**6 816 962**	7 206 395

The accompanying notes form an integral part of these summarised consolidated and company annual financial statements.

SUMMARISED ANNUAL FINANCIAL STATEMENTS

CONSOLIDATED AND COMPANY STATEMENTS OF PROFIT OR LOSS

for the year ended 31 March 2021

	Group		Company	
	2021 ZAR'000	2020 ZAR'000	**2021 ZAR'000**	2020 ZAR'000
Operating expenses	**(743)**	(204)	**(743)**	(102)
Operating loss	**(743)**	(204)	**(743)**	(102)
Share of equity-accounted results of associate	**1 975 090**	1 120 188	**1 975 090**	1 120 188
Profit before taxation	**1 974 347**	1 119 984	**1 974 347**	1 120 086
Taxation	**–**	–	**–**	–
Profit for the year	**1 974 347**	1 119 984	**1 974 347**	1 120 086
Earnings per share				
Earnings per share based on 67 500 000 (2020: 67 500 000) issued shares	**29.25**	16.59	**29.25**	16.59

The accompanying notes form an integral part of these summarised consolidated and company annual financial statements.

CONSOLIDATED AND COMPANY STATEMENTS OF COMPREHENSIVE INCOME

for the year ended 31 March 2021

	Group		Company	
	2021 ZAR'000	2020 ZAR'000	**2021 ZAR'000**	2020 ZAR'000
Net profit for the year	**1 974 347**	1 119 984	**1 974 347**	1 120 086
Total other comprehensive income, net of tax, for the year:				
Items that may be reclassified subsequently to profit or loss				
Share of changes in associate's other comprehensive income items	**(889 516)**	411 834	**(889 516)**	411 834
Total comprehensive income	**1 084 831**	1 531 818	**1 084 831**	1 531 920

The accompanying notes form an integral part of these summarised consolidated and company annual financial statements.

SUMMARISED ANNUAL FINANCIAL STATEMENTS

CONSOLIDATED AND COMPANY STATEMENTS OF CHANGES IN EQUITY

for the year ended 31 March 2021

Group	Share capital and share premium ZAR'000	Other reserves[1] ZAR'000	Accumulated profit ZAR'000	Total equity ZAR'000
Restated balance at 1 April 2019[2]	450 000	884 355	2 821 239	4 155 594
Profit for the year	–	–	1 119 984	1 119 984
Other comprehensive income	–	411 834	–	411 834
Issue of shares	2 364 075	–	–	2 364 075
Dividend declared	–	–	(1 000 000)	(1 000 000)
Balance at 1 April 2020	2 814 075	1 296 189	2 941 223	7 051 487
Profit for the year	**–**	**–**	**1 974 347**	**1 974 347**
Other comprehensive income	**–**	**(889 516)**	**–**	**(889 516)**
Liquidation distribution[3]	**–**	**–**	**714**	**714**
Dividends declared	**–**	**–**	**(1 500 000)**	**(1 500 000)**
Balance at 31 March 2021	**2 814 075**	**406 673**	**3 416 284**	**6 637 032**
Company				
Restated balance at 1 April 2019[2]	450 000	884 355	2 821 239	4 155 594
Profit for the year	–	–	1 120 086	1 120 086
Other comprehensive income	–	411 834	–	411 834
Issue of shares	2 364 075	–	–	2 364 075
Dividends declared	–	–	(1 000 000)	(1 000 000)
Balance at 1 April 2020	2 814 075	1 296 189	2 941 325	7 051 589
Profit for the year	**–**	**–**	**1 974 347**	**1 974 347**
Other comprehensive income	**–**	**(889 516)**	**–**	**(889 516)**
Liquidation distribution[3]	**–**	**–**	**612**	**612**
Dividends declared	**–**	**–**	**(1 500 000)**	**(1 500 000)**
Balance at 31 March 2021	**2 814 075**	**406 673**	**3 416 284**	**6 637 032**

[1] Other reserves consist of fair value reserve from gains and losses on available-for-sale investments, foreign currency translation reserve, hedging reserve and share-based payment reserve.

[2] As part of the unbundling of Naspers Limited in 2019, the company was given an additional 3.33% stake in MCSAH for nominal consideration. At the conclusion of the fair value exercise assessment in 2020, an additional gain on empowerment transaction of ZAR135.4 million was recognised and the 2019 balances were restated accordingly.

[3] In the current year the subsidiary Phuthuma Nathi Investments 2 (RF) Limited embarked on a liquidation process. The result of this process was a liquidation distribution of the retained earnings of Phuthuma Nathi Investments 2 (RF) Limited to its parent company, Phuthuma Nathi Investments (RF) Limited. The transaction was treated as an equity transaction.

The accompanying notes form an integral part of these summarised consolidated and company annual financial statements.

SUMMARISED ANNUAL FINANCIAL STATEMENTS

CONSOLIDATED AND COMPANY STATEMENTS OF CASH FLOWS

for the year ended 31 March 2021

	Group		Company	
	2021 ZAR'000	2020 ZAR'000	**2021 ZAR'000**	2020 ZAR'000
Cash flows from operating activities				
Cash outflow from operations	**(52 988)**	(62 052)	**(52 612)**	(62 326)
Dividends received from associate	**1 500 000**	1 000 000	**1 500 000**	1 000 000
Net cash generated from operating activities	**1 447 012**	937 948	**1 447 388**	937 674
Cash flows from financing activities				
Dividends paid to ordinary shareholders	**(1 471 026)**	(990 805)	**(1 471 026)**	(990 805)
Liquidation distribution[1]	**714**	–	**612**	–
Net cash utilised in financing activities	**(1 470 312)**	(990 805)	**(1 470 414)**	(990 805)
Net movement in cash and cash equivalents	**(23 300)**	(52 857)	**(23 026)**	(53 131)
Cash and cash equivalents at the beginning of the year	**93 989**	146 846	**93 715**	146 846
Cash and cash equivalents at the end of the year	**70 689**	93 989	**70 689**	93 715

[1] *In the current year the subsidiary Phuthuma Nathi Investments 2 (RF) Limited embarked on a liquidation process. The result of this process was a liquidation distribution of the retained earnings of Phuthuma Nathi Investments 2 (RF) Limited to its parent company, Phuthuma Nathi Investments (RF) Limited. The transaction was treated as an equity transaction.*

The accompanying notes form an integral part of these summarised consolidated and company annual financial statements.

SUMMARISED ANNUAL FINANCIAL STATEMENTS

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2021

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 IFRS and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee (APC) and the Financial Pronouncements as issued by the Financial Reporting Standard Council (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 and are consistent with those accounting policies applied in the preparation of the previous annual 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 2020.

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/financial-reporting/.

Consolidation transaction

During the prior year, Phuthuma Nathi Investments (RF) Limited acquired 100% of the share capital of Phuthuma Nathi Investments 2 (RF) Limited, from the Phuthuma Nathi Investments 2 (RF) Limited shareholders. As a result, Phuthuma Nathi Investments 2 (RF) Limited became a wholly owned subsidiary of Phuthuma Nathi Investments (RF) Limited.

Phuthuma Nathi Investments 2 (RF) Limited distributed its 8.33% interest in MCSAH, as a dividend in specie to its parent, Phuthuma Nathi Investments (RF) Limited. The transaction was unconditionally approved by the shareholders of Phuthuma Nathi Investments (RF) Limited and Phuthuma Nathi Investments 2 (RF) Limited, effective on the 28 November 2019. The fair value of the investment received as a dividend in specie was ZAR2 364 million. The company had accounted for the distribution received as a return of capital which was taken against the cost of the investment in Phuthuma Nathi Investments 2 (RF) Limited. This had resulted in the remaining assets and liabilities in Phuthuma Nathi Investments 2 (RF) Limited being insignificant. Phuthuma Nathi Investments 2 (RF) Limited is a 100% owned subsidiary of the company and therefore consolidated into the group's financial information.

In exchange for this acquisition, the company issued its own shares to the Phuthuma Nathi Investments 2 (RF) Limited shareholders at a 1:1 exchange ratio.

In determining the fair value of the consideration, the company used the fair value of its shares issued (average listed share price on the effective date). A final fair value exercise was done on acquisition date and notional goodwill of ZAR87.9 million recognised.

The fair value exercise for the acquisition of an additional stake in an existing associate incorporated fair value information at the date when the additional interest was acquired. There was no step up or remeasurement of the previously held interest, because there was no change in the status of the investment.

During the current financial year, Phuthuma Nathi Investments 2 (RF) Limited is in the process of being liquidated and all remaining assets, liabilities and reserves transferred to Phuthuma Nathi Investments (RF) Limited.

SUMMARISED ANNUAL FINANCIAL STATEMENTS

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

for the year ended 31 March 2021

Investment in associate

As at the beginning of the financial period the company had 25% interest in MCSAH, a company incorporated and with its principal place of business in South Africa. The company increased its stake in MCSAH by 8.33% in the prior period through a dividend in specie received from its subsidiary (Phuthuma Nathi Investments 2 (RF) Limited) valued at ZAR2 364 million, which is the fair value of the investment in MCSAH. This increased the company's total investment in MCSAH to 25% as at the beginning of the current financial period.

The company recognised notional goodwill of ZAR87.9 million in the prior financial period for the additional 8.33% share acquired in an existing associate, MCSAH, as a dividend in specie. The company also recognised a gain on empowerment transaction of ZAR851 million in the prior financial period.

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

	Group		Company	
	2021 ZAR'000	2020 ZAR'000	**2021 ZAR'000**	2020 ZAR'000
Movement in carrying amount				
At the beginning of the year	**7 053 344**	4 157 246	**7 053 344**	4 157 246
Share of net profit	**1 975 090**	1 120 189	**1 975 090**	1 120 189
Share of changes in other reserves	**(889 516)**	411 834	**(889 516)**	411 834
Dividends received	**(1 500 000)**	(1 000 000)	**(1 500 000)**	(1 000 000)
Additional investment acquired during the year	**–**	2 364 075	**–**	2 364 075
Carrying amount at the end of the year	**6 638 918**	7 053 344	**6 638 918**	7 053 344
Analysis of carrying amount				
Cost	**2 250 000**	2 250 000	**2 250 000**	2 250 000
Additional investment	**2 364 075**	2 364 075	**2 364 075**	2 364 075
Share of equity-accounted results of associate	**(40 195)**	536 488	**(40 195)**	536 488
Share of changes in associate's other comprehensive income items	**1 214 031**	1 051 774	**1 214 031**	1 051 774
Gain on empowerment transaction	**851 007**	851 007	**851 007**	851 007
Carrying amount at the end of the year	**6 638 918**	7 053 344	**6 638 918**	7 053 344
Reconciliation of carrying amount				
Share of net assets of associate	**2 883 720**	3 053 021	**2 883 720**	3 053 021
Notional goodwill on initial acquisition	**1 910 000**	1 910 000	**1 910 000**	1 910 000
Fair value upliftment on net identifiable assets	**1 757 228**	2 002 353	**1 757 228**	2 002 353
Notional goodwill on additional investment	**87 970**	87 970	**87 970**	87 970
Carrying amount at the end of the year	**6 638 918**	7 053 344	**6 638 918**	7 053 344

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

SUMMARISED ANNUAL FINANCIAL STATEMENTS

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

for the year ended 31 March 2021

Summarised financial information of unlisted associate as per its annual financial statements

	2021 ZAR'm	2020 ZAR'm
Summarised consolidated income statement		
Revenue	**41 034**	40 962
Other income and expenses	**(20 247)**	(21 364)
Gross profit	**20 787**	19 598
Other gains	**41**	70
Net loss allowance on trade receivables	**(121)**	(90)
Selling, general and administration costs	**(8 683)**	(8 842)
Operating profit	**12 024**	10 736
Finance income	**330**	360
Foreign exchange differences	**701**	(1 394)
Impairment of equity-accounted investment	**–**	(28)
Share of equity-accounted investment results	**(18)**	(12)
Finance costs	**(649)**	(644)
Profit before taxation	**12 388**	9 018
Taxation	**(3 536)**	(2 497)
Profit after taxation	**8 852**	6 521
Other comprehensive income	**(2 734)**	1 787
Total comprehensive income	**6 118**	8 308

SUMMARISED ANNUAL FINANCIAL STATEMENTS

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

for the year ended 31 March 2021

Investment in associate continued

Summarised financial information of unlisted associate as per its annual financial statements continued

	2021 ZAR'm	2020 ZAR'm
Summarised consolidated statement of financial position		
Assets		
Non-current	**14 706**	17 452
Current	**17 688**	17 787
Total assets	**32 394**	35 239
Liabilities		
Non-current	**9 658**	12 195
Current	**11 197**	10 832
Total liabilities	**20 855**	23 027
Total net assets	**11 539**	12 212
Equity reserves attributable to the company's equity holders	**11 534**	12 212
Non-controlling interests	**5**	–
	11 539	12 212
Reconciliation of carrying amount		
Opening net assets	**12 212**	10 300
Profit for the period	**8 847**	6 521
Other comprehensive income	**(2 734)**	1 787
Hedging reserve basis adjustment	**(775)**	–
Share-based payment reserve	**(37)**	(378)
Dividends paid	**(5 979)**	(6 018)
Closing net assets	**11 534**	12 212
Group and company share (%)	**25**	25
Group and company share (ZAR)	**2 884**	3 053
Group and company share carrying amount	**2 884**	3 053

SUMMARISED ANNUAL FINANCIAL STATEMENTS

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

for the year ended 31 March 2021

Related parties

Associate – MultiChoice South Africa Holdings Proprietary Limited
Subsidiary of associate – MultiChoice South Africa Proprietary Limited
Subsidiary – Phuthuma Nathi Investments 2 (RF) Limited

	Group		Company	
Dividend received	**2021 ZAR'000**	2020 ZAR'000	**2021 ZAR'000**	2020 ZAR'000
MultiChoice South Africa Holdings Proprietary Limited	**1 500 000**	1 000 000	**1 500 000**	1 000 000

	Group		Company	
Amounts due to related parties	**2021 ZAR'000**	2020 ZAR'000	**2021 ZAR'000**	2020 ZAR'000
MultiChoice South Africa Proprietary Limited	**4 905**	8 103	**4 905**	8 001
Phuthuma Nathi Investments 2 (RF) Limited	**–**	–	**–**	653
	4 905	8 103	**4 905**	8 654

The above current balance, with MultiChoice South Africa Proprietary Limited, is unsecured, interest free and has no fixed terms of repayment. Prior year amounts due to Phuthuma Nathi Investments 2 (RF) Limited related to a cash balance owing at year-end.

As per the memorandum of incorporation (MOI), 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 South Africa 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 2021 in terms of the MOI requirements:

	Group		Company	
	2021 ZAR'000	2020 ZAR'000	**2021 ZAR'000**	2020 ZAR'000
Income	**2 025**	7 909	**2 025**	7 909
Expenses	**(17)**	(390)	**(17)**	(287)
Other amounts paid	**(5 206)**	(36 294)	**(5 104)**	(36 499)
	(3 198)	(28 775)	**(3 096)**	(28 877)

Related party income relates to interest earned on unclaimed dividends and expenses relate to bank charges on bank accounts. Other amounts paid relate to repayments of the outstanding balances during the year.

SUMMARISED ANNUAL FINANCIAL STATEMENTS

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

for the year ended 31 March 2021

Transactions with non-executive directors

As per the MOI, directors of Phuthuma Nathi Investments (RF) Limited shall not earn directors' fees from either the company or any related company as compensation for their duties as Phuthuma Nathi Investments (RF) Limited directors.

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 2021:

	Group		Company	
Name	**Number of shares held 2021**	Number of shares held 2020	**Number of shares held 2021**	Number of shares held 2020
C Mack[1]	**50 001**	50 001	**50 001**	50 001
M Langa[1]	**4 582**	4 582	**4 582**	4 582
C Mawela[1]	**4 000**	4 000	**4 000**	4 000
	58 583	58 583	**58 583**	58 583

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

The accompanying notes form an integral part of these summarised consolidated and company annual financial statements.

Subsequent events

Dividend

The MultiChoice SA board recommends a dividend of ZAR6.0 billion (2021: ZAR6.0 billion) to its shareholders. The Phuthuma Nathi board will declare a dividend of ZAR1.5 billion (2021: ZAR1.5 billion). This amounts to 2 222.22 cents per Phuthuma Nathi ordinary share to be paid to shareholders (2021: 2 222.22 cents).

The declaration of this dividend is subject to the approval of the MultiChoice SA board, which will be confirmed at the MultiChoice SA AGM on 25 August 2021. On approval, the Phuthuma Nathi dividend will be payable to shareholders in the share register on 25 August 2021 and paid on or about 6 September 2021.

After the 20% dividend tax, amounting to 444.44 cents per share is removed, Phuthuma Nathi shareholders will receive a net dividend of 1 777.78 cents per share (2021: 1 777.78 cents per share).

COVID-19

The coronavirus (COVID-19) pandemic has had a significant impact across the world and as a result management has assessed the impact on the group and company's operations. The group and company's major investment is in MCSAH and the directors have therefore assessed the impact on MCSAH's operations.

In the short term, MCSAH has reacted swiftly in implementing its business continuity plans. The considerations around the impact of the pandemic on MCSAH have been documented in its annual financial statements where applicable.

Directors

Herman Wessels was appointed as a director with effect from 12 May 2021.





Understanding MultiChoice SA

Phuthuma Nathi's underlying investment

JOINT LEADERSHIP REVIEW FROM THE MULTICHOICE SA CHAIR AND CHIEF EXECUTIVE OFFICER



"The COVID-19 pandemic, while bringing many challenges to all and a great loss to some, taught us somewhat about the art of the possible."



Imtiaz Patel
Chair

Calvo Mawela
CEO

This has certainly been a year like no other, and it is quite remarkable to reflect on how much our business has continued to evolve in the face of so many challenges and disruptions. A few years ago, it would have been hard to believe a scenario where thousands of our employees could effectively and productively work from home, with our call centre fully functional offsite. Yet here we are, living out a new normal while continuing to deliver exceptional results.

The COVID-19 pandemic, while bringing many challenges to all and a great loss to some, taught us somewhat about the art of the possible. Our teams rallied not only to keep the lights on, but to excel, drive innovation and delight our customers: from a SuperSport team that managed to fill its channels with compelling sport programming in the middle of a global halt on live sport, to the filming of whole TV series in COVID-19 production bubbles, and to launching multiple new products and services, despite several challenges.

We started the year confronted with severe disruptions to our programming schedules, a bleak macro-economic forecast and a sharply weaker exchange rate. In the face of these challenges, we have delivered. We produced a significant 4 567 hours of local content despite production disruptions, grew our subscriber base by 0.5m to 8.9m at year-end despite significant consumer pressure (including mass market growth of 14%), and continued to drive over the top (OTT) adoption as evidenced by ongoing growth in our Showmax paying subscriber base. Underpinned by operational excellence, tight cost control and some benefit from deferred sport events costs into the next financial year, we delivered strong financial results despite currency weakness and modest revenue growth.

More details of our segment operational performance can be found on pages 60 to 61.

When it comes to our content strategy, we continue our focus on stepping up our investment in local content as a key differentiator. In so doing, we support the broader video entertainment industry through job creation, backing producers, and honing skills through initiatives like the MultiChoice Talent Factory (MTF). The uniquely African stories that we

tell resonate with our audiences and demand continues to grow. This year, we increased the number of hours of local content produced by 19%, creating 43 local dramas, 29 telenovelas and 18 comedy series. We also completed five co-productions with esteemed global partners.

We remain the largest funder of sport in South Africa and are now the sponsor of the Premier Soccer League (PSL) in South Africa, which was rebranded as the DStv Premiership. SuperSport's programming is truly world-class, and in keeping to our promise of offering the world's greatest football, we were able to secure the rights to the English Premier League (EPL) and UEFA Champions League for another three years after the current agreements conclude, as well as continental rights to the FIFA World Cup 2022 in Qatar.

More details of our local, international and sporting highlights can be found on pages 58 and 59.

Looking at our broader strategy, we are incredibly pleased with the progress we have made this year in delivering against our strategic priorities.

In addition to growing our pay-TV and OTT businesses, we announced an array of new technologies, products and services to further expand our world of value and choice for customers. These included a rewards scheme, a movie bundle, a community or stokvel scheme, a sport offering on Showmax, the integration of third-party subscription video on demand (SVOD) services onto our platform, and the launch of the Explora Ultra set-top box. The latter won the TV Gadget of the Year award from *Stuff* magazine, beating numerous offerings from global technology giants. These products enable us to build an entertainment ecosystem to which we intend to continuously add more products and services to expand our ecosystem and keep our customers engaged.

Our talent remains vital for success, and we strive to create a workplace where our people feel nurtured, challenged, inspired and valued. We are proud of what we were able to achieve in trying times, and the resilience and flexibility that our employees have shown. We are especially grateful to our essential employees who are displaying loyalty and courage in coming to work daily to serve our business and our customers and have been doing so throughout the pandemic.

Our employees and many of our other stakeholders, including suppliers and customers, were severely impacted by the outbreak. Read about our initiatives to assist them during this time on page 40.

Going forward, subject to a stable regulatory environment and the unknown impact of the COVID-19 pandemic, we will continue scaling our video entertainment services, focusing on both traditional linear broadcasting and streaming services. In addition, we plan to further increase our investment in local content and pursue new growth opportunities that will enhance customer experiences and revenue prospects. We are enjoying good momentum – we are seeing our advertising business recover, we have plans to further enhance our entertainment ecosystem and we look forward to an exceptional slate of local content and meaningful return of sport as we catch up on the events missed in FY21.

We are, however, cognisant of ongoing consumer pressure in what remains an uncertain COVID-19 environment, potential macro-economic volatility and the need to absorb deferred content costs in the next financial year to broadcast the large sport events that were delayed in FY21 like UEFA Euro 2020 and the Olympics. We will look to counter these headwinds through tight cost control and by driving operational excellence.

We believe we are well positioned for the future and remain excited about the long-term prospects of the business. We celebrate our 36-year legacy and the many stories we have told and look forward to our future as we continue to enrich the lives of our customers, people and communities.



Imtiaz Patel
Chair



Calvo Mawela
CEO

HOW WE CREATE VALUE – OUR BUSINESS MODEL

Business activities

Curate great content

LOCAL
produced or acquired

SPORT
produced or acquired

INTERNATIONAL
acquired or distributed

Package content into our own channels

37 proprietary GE channels[1,2]
56 sports channels[1]
2 OTT services

Acquire pre-packaged channels

50 international GE channels[2]
13 local GE channels[2]
16 news channels[2]

Aggregate channels into tiered packages

Sell advertising slots on select channels through the DStv Media Sales division



Distribute to customers across multiple platforms

Satellite technology

OTT technology

Launch new products and services

Launch new products and services into the ecosystem to offer customers an expanded entertainment offering

Sales and customer experience

Marketing and awareness, loyalty, value-added services, customer service, subscription and decoder sales

[1] *Some of these channels are packaged for other African markets and sold on to them.*
[2] *GE refers to general entertainment content. Numbers shown exclude religion, specialist, free-to-air and audio channels.*

What we deliver: Our products and services

Satellite pay-TV



DStv direct to home (DTH)

Six core DStv bouquets



At varying price points

150 linear channels



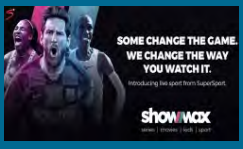
With **commercial advertising** sales via DStv Media Sales

On-demand service



Catch Up, movie package **(ADD Movies)** and movie rental **(BoxOffice)** services

SVOD service



Showmax provides a standard and mobile service, and now also offers sport

Streaming service



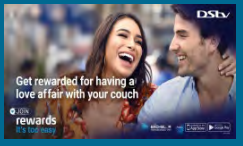
DStv streaming service offered as a value-added service for DTH customers, and offered as a standalone streaming service

Connected devices



New **DStv Explora Ultra decoder** with built-in internet connectivity complements our existing set-top box models

Value-added services



Additional value-added services like **DStv Rewards, DStv Communities** and our **insurance products**

Aggregated services



Third-party SVOD services available through our DStv Explora Ultra set-top box

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, our home and where we operate, we recognise the role we play in creating value for our direct and indirect shareholders, employees, suppliers, regulators and broader communities.

Value created

ZAR28.7bn subscription revenue + **ZAR2.4bn** advertising revenue + **ZAR9.9bn** other revenue[1] = **ZAR41.0bn** total value created from customers

[1] *Other revenue includes decoder sales, installation fees, licensing and production revenue, and reconnection fees.*

Value distributed

Customers

- 24/7 entertainment anytime, anywhere through tailored packages and streaming services
- Award-winning local content that tells South African stories
- World-class sport content
- Funding and development of local sport
- Extensive access to international content
- A broader ecosystem of entertainment options, brought to life by new products and services

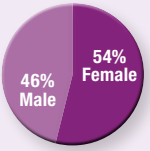
People

3 683 people permanently employed

ZAR3.4bn paid in remuneration and benefits

55 185 enrolments on learning platforms

Employee gender diversity



ZAR188m spent on skills development, of which 44% related to developing female talent

1 061 employees formally trained during FY21

Shareholders

ZAR11.7bn trading profit[1]	**ZAR8.5bn** core headline earnings	**ZAR6.0bn** dividends declared

Government and regulators

ZAR7.1bn total tax contribution[2]	**ZAR3.4bn** total tax paid[2]	**ZAR3.7bn** total tax collected[2]

Suppliers

ZAR11.5bn spent on local South African suppliers (81% with BBBEE compliant suppliers)	**ZAR3.3bn** spent on South Africa small, medium and micro-enterprises (SMMEs)	**ZAR2.3bn** spent on South African suppliers who are at least 30% women-owned
1 240 accredited installers, employing 3 827 trained technicians	**ZAR15.0bn** invested in content	**ZAR2.6bn** spent on set-top box purchases

Society

Level 1
BBBEE status

ZAR420m
spent on CSI projects

DStv Diski Challenge produced
>160 players
who played for national teams

86 students
were trained through MTF (previously Magic in Motion) over the past six years

Let's Play built multipurpose sports fields at
4 schools



[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 and includes regulatory fees. The tax paid amount is the actual cash tax incurred and paid by MultiChoice SA in FY21 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).*

FLAGSHIP CORPORATE SOCIAL INVESTMENT

We want to make a meaningful and lasting impact in the communities where we operate. For this reason, our corporate social investment (CSI) initiatives focus on creating employment opportunities, developing up-and-coming filmmakers and nurturing future sport stars.



SuperSport Let's Play

SuperSport's Let's Play gives young people the opportunity to participate in sport activities. This provides much needed social and physical stimulation, which positively impacts their overall wellness.

In the past year, we built multipurpose sport fields at four schools in Mpumalanga, Eastern Cape and Northern Cape. These fields open access to state-of-the-art sporting facilities for disadvantaged schools and communities. In total, 3 360 learners have access to play five different sports: hockey, five-a-side soccer, tennis, volleyball and netball.

We also launched My First Swing, an exciting outreach programme to develop an interest in golf. Youngsters from rural and township communities, between 7 and 12 years old, participate in golf clinics hosted by Let's Play ambassador, Nobuhle Dlamini.

Over the past 12 years, Let's Play has reached more than 1.5m children in thousands of schools and communities.



DStv Diski Challenge

The DStv Diski Challenge is a multifaceted development programme offering the PSL reserve teams the chance to play in a competition, broadcasting internships for young people and free broadcast rights to the football competition for regional TV stations.

Due to COVID-19, the 2020/21 tournament was suspended at the beginning of the season. A revised competition in a knock-out format was later introduced with 59 games played.

The DStv Diski Challenge is an important platform for player development for PSL teams. In total, 31 players were promoted to the PSL first teams at the beginning of this season, and 199 new players joined the DStv Diski Challenge.

Since inception, more than 230 players have been promoted to PSL first teams. Today, almost every one of the 32 teams in the PSL has a Diski Challenge graduate in its squad. To date, more than 160 players have represented South African national teams in international competitions.

SuperSport United Academy

The academy is a soccer development programme for young people. It aims to fast track future professional football stars and support players.

This year, 25 fulltime players received support through payment of full boarding and lodging, world-class coaching and medical attention. Players also receive life skills and media training, as well as educational and sport scientific support. The focus is on developing the players holistically.

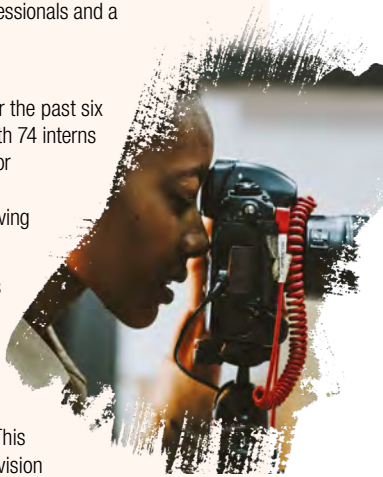


MultiChoice Talent Factory

The MultiChoice Talent Factory (MTF) invests in the creative industry in 14 countries across Africa to grow a pipeline of African storytellers. It includes a 12-month filmmaking internship programme offered through film academies, masterclasses for training and upskilling industry professionals and a pan-African digital networking portal for creatives. The internship programme includes producing films for broadcast on M-Net local channels and Showmax.

The four MTF academies are in Kenya, Nigeria, Zambia, and South Africa. Over the past six years, 206 storytellers have been trained. This past year, MTF went virtual with 74 interns from 14 countries across Africa. They created four movies and 16 short films for broadcast on M-Net local channels and Showmax and seven public service announcements (PSAs) for the United Nations #PledgetoPause campaign involving talent from across the continent.

In total, 60 interns from 13 countries across Africa went through an intensive three-week online course offered by the New York Film Academy.



MTF also launched a scriptwriting incubator programme – a first for Africa. This is run in partnership with the University of the Witwatersrand's Film and Television Department and Tshedza Pictures. Twelve young South Africans were selected for a 12-month programme that offers practical workplace experience and mentorship from experienced South African producers and scriptwriters.

The initiatives above are just a few of our CSI highlights. The MultiChoice Group supports several other initiatives in communities, more details of which can be found on our website www.multichoice.com/enriching-lives.

Key focus areas going forward

Our CSI initiatives play an important role in strengthening our brand, developing talent pipelines in TV, film and sport, and sustaining relationships with our stakeholders, including authorities, partners and customers. We plan to launch SuperSport Schools and the DStv Netball Schools Challenge in the next year. Our flagship programmes, the DStv Diski Challenge and MTF, will remain an important part of our initiatives. We will establish news bureaus for regional community TV and include new elements in our accelerator programme for SMMEs. We will also continue to partner with the United Nations on COVID-19 awareness campaigns, as well as with civil society to highlight gender-based violence.

SOCIO-ECONOMIC TRANSFORMATION INITIATIVES

MultiChoice SA is a level 1 BBBEE contributor. We are committed to transforming our broader industry and contribute to an inclusive society and do so through initiatives such as our enterprise development and preferential procurement programmes.

Enterprise development

MultiChoice SA established the MultiChoice Enterprise Development Trust in 2012 to support and grow start-ups and small enterprises. The trust relaunched its fund as the MultiChoice Innovation Fund.

The fund gives black majority-owned start-ups and small businesses with groundbreaking ideas in the technology, e-commerce, digital content, and the film and media space, a boost to create their future today. The support fast tracks these entrepreneurs to industry leaders and creates much needed employment opportunities. The fund has a strong focus on SMMEs owned by young and female entrepreneurs. Since inception, the fund has disbursed ZAR252m in loans, grants and business development expenses to assist beneficiaries in acquiring skills and assets.

This past year, the fund partnered with 10 businesses to enable them to accelerate their future plans, adding to the existing fund beneficiaries. These businesses operate in food delivery, online payments, digital marketing and innovative content creation in the publishing and film production industries. In total, 47 new jobs were created.

Since inception the fund has disbursed

ZAR252m

in loans, grants and business development expenses to assist beneficiaries in acquiring skills and assets

MULTICHOICE INNOVATION FUND

Powered by the MultiChoice Enterprise Development Trust

The fund focuses on more than just funding – the businesses receive support throughout their journey to hone their skills in management, legal and compliance, finance and business development. The aim is to create self-sustaining, successful businesses owned by empowered entrepreneurs. More than ZAR37m was distributed to small businesses in FY21.

Preferential procurement

Our preferential procurement programme supports SMMEs who play a critical role in growing the economy and job creation. MultiChoice SA's preferential procurement spend was ZAR11.5bn during FY21. 81% of this spend was on black-owned businesses, and 20% on black women-owned businesses.

We support six regional TV stations in South Africa through our enterprise development. We provide the latest broadcast equipment, training in production and business education and management as well as funding to produce local stories. We also offer free broadcasting rights (valued at ZAR360m) to the DStv Rugby Challenge and DStv Diski Challenge.

OUR EXTERNAL ENVIRONMENT

We operate in a dynamic industry. This requires us to anticipate and adapt to shifting circumstances in a way that allows us to consistently pursue our longer-term strategic objectives and provide the best video entertainment products and services to our customers.

South African economy

- Macro-economic difficulties include low economic growth, periodic load shedding, critical policy uncertainty, and rising unemployment. However, the inflationary environment has remained benign on the back of soft demand.
- The South African rand weakened by 9% YoY on average against the US dollar with growing concerns around the trajectory of South Africa's public debt balance and limited appetite for the public sector belt-tightening required (although it began strengthening towards year-end).

Competitive environment

- The market remains increasingly competitive across the spectrum, notably with regard to vibrant free-to-air (FTA) and online competitors, and requires us to offer better value and differentiated services to our customers to remain competitive.

COVID-19

- The COVID-19 pandemic and associated lockdowns have been impacting the globe for over a year, and it will still be some time before vaccinations are fully rolled out in South Africa. This has placed additional pressure on an already challenging situation.

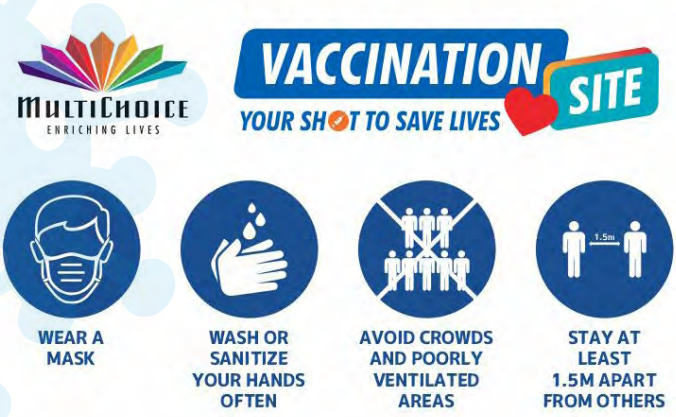
Read about our response later in this section on pages 40 and 41.

Consumer behaviour is changing

- Rising numbers of smartphones, along with faster mobile internet connections and declining data costs, mean that more consumers are viewing on-demand content on connected devices. These trends are complemented by improvements in fixed broadband connectivity (penetration and affordability). South Africa still has a long way to go, but the trends are encouraging.
- The internet and improvements in connectivity are catalysts for new and evolving business models in the video entertainment space, with traditional linear pay-TV and FTA services increasingly competing with new paid and advertising supported streaming services.
- 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 it.
- 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 and adapting our overall strategy to account for changing trends. That being said, it is important to adopt a measured approach to change that is suitable in the context of the market, considering the significantly slower speed of change than what we see in developed markets.

OUR RESPONSE TO COVID-19

It has been more than a year since the World Health Organization declared COVID-19 a pandemic and worldwide governments instituted lockdown measures. We responded swiftly to implement comprehensive relief measures for our employees, customers and communities.





Employees

The measures we introduced at the start of the pandemic remain in place: suspension of international and local travel, working from home, and equipping employees with the tools to work remotely and communicate digitally. For employees who have to be onsite, we have social distancing and sanitising measures in place across our buildings, including health checks. Our employees have access to free professional medical advice on our employee wellness platform.

More recently, we established our first MultiChoice Vaccination Site at our head office in Randburg to provide vaccinations to consenting and eligible employees in order to further safeguard our people against the virus and to support the national government in its Mass Vaccination Programme.

Customers

We always strive to keep our customers informed, educated and entertained. During the stricter level 4 and 5 lockdowns, we stepped up our efforts and introduced pop-up channels, opened Premium channels to lower tiers, dropped prices and increased movies on our BoxOffice service, made news channels available to all DStv packages, offered more general entertainment for kids and strengthened our educational channels for the benefit of learners.

Several sporting events were either postponed or cancelled entirely. This gave us the opportunity to revisit classic sporting moments and broadcast more sport documentaries. As sporting events started again, we ensured our customers had a front row seat to all the action.





Communities

We worked with governments across the continent to support relief efforts. We donated personnel protective equipment to hospitals, health centres and non-governmental organisations to protect frontline workers across Africa. We also donated food parcels to support less fortunate communities. We worked with the World Health Organization on an African educational campaign on COVID-19 in vernacular languages.
We created seven PSAs which were broadcast across the continent. We also created seven PSAs for the United Nations #PledgetoPause campaign, which were broadcast on our DStv, digital and social media platforms across the continent. The total value of promoting this campaign on air is approximately ZAR138m and we are proud to have contributed to this good cause.

We remain committed to using our reach and resources to support ongoing efforts in all our markets.


THE
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RISKS AND OPPORTUNITIES

We actively evaluate and cultivate a pipeline of opportunities that are aligned to our purpose and broad strategic priorities.

Our opportunities and how we address them

Large and growing addressable market

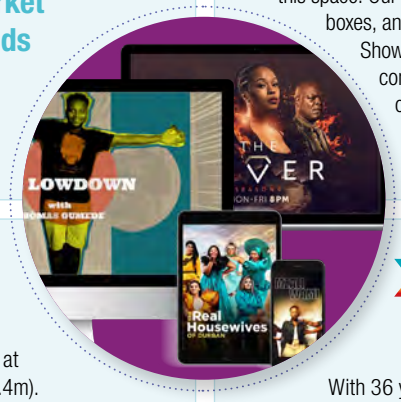
The rising global demand for video entertainment creates opportunities for us. Driving customer growth and improving customer retention is a strategic priority for us. We seek to offer value now and into the future. As such, we are investing in the growth of our overall subscriber base in the context of what we estimate to be an

addressable market of 14m households

in South Africa.

Fast growing OTT (streaming) market

As broadband becomes more widely used in a given market, the demand for paid and free streaming content typically increases. In South Africa, more consumers are using broadband as the device and data costs become cheaper. We already offer devices and services to address the consequent growth in demand for streaming content and continue enhancing our ecosystem in this space. Our connected Explora set-top boxes, and DStv streaming and Showmax services were complemented by the launch of our new DStv Explora Ultra set-top box and third-party SVOD partnerships in FY21.



Sizeable and engaged subscriber base

We had an 8.9m 90-day active subscriber base as at 31 March 2021 (FY20: 8.4m). This base provides economies of scale that allow us to enhance our customer value proposition by developing a broader ecosystem of entertainment and related services.

Deep understanding of the customer journey

Given that we provide an uninterrupted 24/7, 365 days a year service, we have numerous touchpoints with our customers beyond our broadcast and streaming signals. This creates an opportunity for us to seek continual improvements in customer satisfaction.

Deep understanding of customer entertainment needs

With 36 years' experience in understanding the needs and preferences of our subscribers across a diverse base (nationality, language, culture, economic status, age and gender), we are well placed to meet their evolving entertainment needs.

We complement our market experience with detailed subscriber viewership analytics to ensure we create and license the best entertainment for our various target markets. Our focus is on providing customers with local content that resonates culturally and is a differentiator, alongside the very best in sport and international entertainment.

RISKS AND OPPORTUNITIES continued

Our risks and how they are mitigated

At MultiChoice SA, decision-making is supported by a robust risk management process that identifies and seeks to address potential risks.

Description	Mitigation
Regulatory and licensing We operate in a highly regulated industry where changes in regulatory policy and legislative frameworks can have a significant impact on our business and operating model.	• Our focus remains on full compliance with existing regulations. • We continue engaging with regulators and industry bodies proactively. • We conduct ongoing regulatory reviews and maintain contact with regulatory authorities and public industry bodies. • Our dedicated, 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 the impact on the industry of proposed regulations.
Economy Macro-economic challenges, such as currency depreciation or volatility, slow economic growth, unemployment, electricity shortages and, more recently, the impact of the COVID-19 pandemic, place pressure on our economy. Consumers are affected by the consequent pressure on disposable income, which potentially affects our addressable market, and growth and retention prospects.	• We understand the pressure our customers face and remain focused on customer-centricity and affordability. • We continue focusing on reducing costs and improving efficiencies. • We hedge our foreign exchange exposures for a minimum of 18 months, up to 36 months in terms of our treasury policy. • We continue moving more costs into local currency. • We offer customers various options suited to their circumstances, supporting value for money with the flexibility to adjust to their own unique and changing circumstances. • We continue investing in new products, services and businesses to diversify revenue streams into the future.

Description	Mitigation
Disruption and competition The landscape remains increasingly competitive with strong global and local competitors and new entrants. Consumers have credible alternatives from multiple sources in terms of video entertainment. Further, there is aggressive competition for content rights when contracts are up for renewal and some content providers may choose to go directly to consumers, withdrawing rights from us.	• We understand entertainment and technology are evolving as are consumption habits. As such, we continuously invest in product and service innovations, focusing on better products, value and customer service. • Retaining attractive content rights is a priority, as is investing in our platforms and partnerships to maximise mutual benefits. • We continue exploring opportunities for relationships with telecommunications companies (telcos) and other platforms to enhance our value proposition.
Cybersecurity The security of our information assets, including content, and customer and employee information, is critical. Failure to protect these assets poses a legal and reputational risk.	• Ongoing investment 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, focusing on the content value chain and protection of customer and employee information. • International studios undertake security assessments from time to time in support of their agreements with us. • We achieved Content Delivery and Security Association certification during the year. The Content Delivery and Security Association is an international content protection certification.
Securing content Access to quality content at the right price is a major business consideration. Content rights, both general entertainment and sport, are highly sought after. Further, currency fluctuations and renewals can lead to increased costs.	• Rights are regularly reviewed with due consideration for the economic value of each set of rights, and bids are tabled accordingly. • We continue to aggressively increase investment in local content. • We maintain our relationships with rights owners to maximise mutual benefits. • We offer customers various options suited to their circumstances, supporting value for money with the flexibility to adjust to their own unique and changing circumstances.

RISKS AND OPPORTUNITIES continued

Description	Mitigation
Technology Technology is integral to our strategy and operations. For example, the availability and stability of the billing system is critical to the achievement of strategic objectives. In addition, the stability and scalability of the DStv streaming and Showmax platforms are imperative to drive our OTT initiatives.	• 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 was developed and is being implemented throughout the company. 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 in key equipment and platforms was built at the disaster recovery site at our Samrand and Isando operational facilities.
Third-party risk management We work with many third parties, and weaknesses and inadequacies in their management could potentially expose our business to a wide range of risks, such as reputational, information security, legal compliance, business interruption and other operational risks.	• Significant progress is being made regarding the management of third parties. A detailed third-party risk management (TPRM) framework was approved in FY20 and has been implemented. • All third parties we do business with are subject to this risk management framework, which results in a firm foundation for their effective management. • Annual ongoing monitoring of all third parties with which we do business is a key part of the TPRM framework. • In addition, standard anti-bribery and anti-corruption clauses are added into third-party contracts wherever possible.
Business continuity management MultiChoice SA must be able to anticipate, prepare for, respond to and recover an appropriate level of service in the event of an interruption. This includes technology failures in broadcasting/digital playout, customer service, billing/payment systems and payroll. The business continuity management programme is focused on people, processes, systems and information.	• Business continuity management is well established and continuously improved. All operational and functional areas in the company have documented and tested business continuity plans. • The business continuity management programme is well governed through internal executive committees with regular reporting to the board and its committees.

Description	Mitigation
Piracy The illegal retransmission and piracy of content, including illegal connections, file sharing, password sharing, illegal internet streaming of sporting content and the piracy of local content, remain key risks to the business.	• MultiChoice Group continuously invests in its platform and application security division, Irdeto, which offers cybersecurity and anti-piracy solutions in media and gaming.
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 artificial intelligence (AI); all areas that experience skills shortages globally. However, the focus on talent and competence is not limited to these areas.	• 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. • 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 programmes.
Impact of extended pandemic and lockdown on employees and their families The extended pandemic and resultant lockdowns (and the consequences thereof) are having an adverse impact on the wellbeing of our employees and their families.	• We continue supporting our employees to the greatest extent possible by providing financial support (such as data and stationery) during the period of working from home and uninterrupted power supplies at homes of essential employees to deal with power outages. • We arrange frequent initiatives with our wellness partner where employees can engage either in a session or individually at their own time regarding physical or mental health concerns. • Financial fitness sessions are also arranged for employees.
Currency depreciation or volatility Exposure to currency depreciation or volatility is inherent to the business, with revenue earned in South African rand and a large portion of the cost base in US dollar.	• We hedge currency exposure according to our hedging policy. In addition, we are looking at areas to move more costs to local currency. • Macro-economics and central bank actions are actively monitored, and we have a constant and active dialogue with local banks.

OUR STRATEGIC PRIORITIES

Key strategic priorities

MultiChoice SA is part of the MultiChoice Group. Below is the detail of the strategic elements MultiChoice SA drives in that context.



Lead in content and differentiate in local and sport

In an evolving video entertainment industry, a differentiated content strategy is key to remaining relevant. A key strength lies in our local content expertise and the appeal of our local and international sport offerings. We continue driving these two elements of our content strategy while maintaining a compelling international general entertainment content portfolio to complete our comprehensive product offering.

Our significant and growing investment in local content sets us apart from international competitors, especially as our viewers love content and stories in their own languages, with local actors and stories that resonate culturally. In addition, local content is often cheaper than international general entertainment content and helps us reduce our exposure to US dollar input costs. Owning this content also provides greater control over how we manage and leverage it across our products and services. On the sport front, we remain committed to exciting customers with the best local and international sport while carefully managing the cost of acquiring sport broadcasting rights. Our production capability is unmatched on the African continent and is globally recognised by peers and sport bodies for its professionalism and quality.



Leverage scale and enhance ecosystem

The digital world brought with it fundamental shifts in the video entertainment industry and created new ways for us to engage with our customers who are no longer necessarily looking for a single video entertainment service and often opt for a portfolio of entertainment options instead. Therefore, an opportunity exists for an aggregator like us to provide a single, seamless customer interface into an entertainment ecosystem. Given our scale, distribution capabilities and core competencies, our proven track record in content curation, our investment in our relationships with content suppliers and our established payment collection capabilities, we are well positioned to fulfil such an aggregator role. We intend to set ourselves up for future success in this regard, and we will continue looking for new opportunities to further expand our existing ecosystem, offering new products to enhance our customers' experiences and increase our revenues.

Drive growth and retention

Growing and maintaining a healthy subscriber base remains key to our success and is a critical factor for driving returns. Our aim is to continue capturing the mass and mid market growth opportunity. Our costs are largely fixed with growth and scale imperative for supporting margins. Leveraging a sizeable subscriber base also brings meaningful opportunities through new product innovation. At the same time, we remain focused on driving improvements in customer activity levels, retention and loyalty, which are equally critical to sustaining growth.

Accelerate OTT capabilities

A significant aspect of our track record involves the pursuit of innovation in our product and service offerings, with the aim of catering for our customers' ever-evolving needs. Although there are some challenges around broadband access and affordability, customer behaviour is increasingly moving online. Therefore, it is important that our content is available online on any connected device at any time.

We are looking to accelerate the uptake of our OTT products by differentiating and strengthening our content line-up (particularly local content and sport), driving strategic partnerships, improving the user experience of our OTT products and platforms, and launching new business models that leverage content assets and serve changing consumer habits.

Maintain operational excellence and sustain cost reduction

Our aim is to keep the organic growth in our cost base below the organic growth in our revenue base, thereby supporting margin stability. We continuously strive for operating 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. Another key element of this strategy is our ongoing initiatives to embed analytics and AI in the organisation, focusing on improving customer experience, driving revenue, enhancing content discovery and reducing costs.

For a detailed review of the MultiChoice Group's strategy, refer to the MultiChoice Group integrated annual report, available at www.investors.multichoice.com/integrated-annual-reports.





MultiChoice SA performance

Operational review for the year ended 31 March 2021

CONTENT

Content is at the core of our business and our content offering sets us apart from our competitors. From the shows we produce and the channels we acquire, to our scheduling strategy – our key ambition is to ensure our customers are delighted with great entertainment all year round. We offer a diverse set of channels to cater to our customers' diverse needs. Demand for local content and channels continues to grow, with audiences wanting to see more local stories.





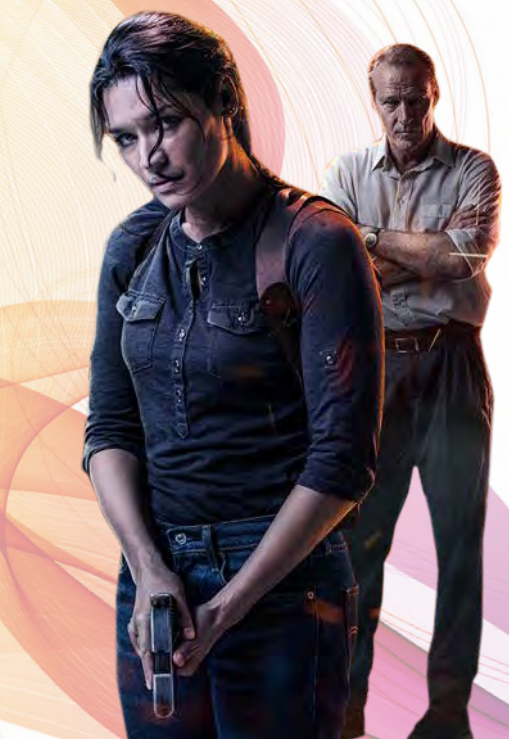






M-Net

M-Net 101 emerged out of lockdown having retained its status as the most watched channel on DStv Premium and continues to provide the best of the best in both local and international entertainment. *M-Net 101* provided both a compelling live and on-demand viewer experience, with its prime time line-up of much loved returning series, and new big-ticket international series, blockbuster films and high-quality local stories. *M-Net 101* integrated its linear proposition into a multiplatform world, with previews and boxsets curated on Catch Up and the DStv app. These exciting changes give consumers the ability to engage with content on the platform of their choice with access to enhanced content discovery and a personalised app experience.



Despite the challenges the film and TV industry faced during the initial phases of the COVID-19 pandemic, *M-Net 101* launched several prominent productions such as *Legacy*, the channel's English telenovela, which premiered in September 2020. *M-Net 101* also successfully executed two big format reality shows, *The Bachelorette SA* season one and *Survivor SA* season eight, in the safety of a production bubble, and more importantly, without one COVID-19 incident. *The Bachelorette SA* season one went on to achieve an audience reach of above 200 000 DStv Premium viewers. *Survivor SA* season eight is scheduled for June 2021. Notably, seasons six and seven of *Survivor SA* were sold internationally to an Australian SVOD service, and a deal is in negotiation for season eight.

Reyka, M-Net 101's next big scripted co-production with international producer Fremantle, completed production in February 2021 and is set to launch on Sunday nights in July 2021. The series stars one of South Africa's most formidable stars and TV exports, Kim Engelbrecht, alongside *Game of Thrones* alumnae, Iain Glenn. *M-Net 101* launched three scripted English series during lockdown, building its local Thursday line-ups. The family melodrama, *Still Breathing*, the suspense drama, *Inconceivable*, and the high-octane action drama, *Lioness*, launched to stellar reviews. *Lioness* was the most popular *M-Net 101* local drama, regularly attracting just under a quarter-million DStv Premium viewers. All three shows have international distribution offers and aided in growing the English local catalogue for the company.

South African local channels

Our proudly South African premier video entertainment brands, *kykNET* and *Mzansi Magic*, had a prolific year showcasing authentic local productions and honing local talent.

Over the past year, *kykNET* celebrated 21 years on air with an exciting birthday campaign that amplified the channel's role as a key cultural touchstone. *Mzansi Magic* celebrated its 10th birthday with the Dankie Mzansi campaign, which provided a nostalgic mix of the channel's era-defining programmes on Catch Up in July 2020.

CONTENT continued

The proactive planning of the local channel teams proved to be a crucial asset during lockdown, resulting in minimal impact on production schedules, budgets and viewer experience.
In adhering to the national lockdown, most productions came to a halt. The MultiChoice Group decided to implement measures to safeguard the sustainability of production houses, and the income of cast and crew members. The company set aside an initial ZAR80m towards a COVID-19 relief fund. The fund was created for productions that could not deliver due to lockdown regulations, and enabled production houses to apply for funding to continue paying the cast and crew's salaries. In total, 16 local productions benefited from this; 11 in South Africa and five in the Rest of Africa.

kykNET

kykNET maintained its strong performance in the DStv Premium Afrikaans market through a mix of successful, long-running programming and the infusion of exciting new content that strengthened linear viewing. The lockdown period ensured that *eNuus* remained the biggest linear viewing driver, as *kykNET's* viewers sought up to date reporting in Afrikaans of fast moving news events. The reality series, *Boer Soek 'n Vrou*, once again emerged as the most viewed programme, attracting approximately a third of the Afrikaans viewer base per episode. *Binnelanders* was the top performing soapie on *kykNET* and achieved 24% growth YoY. *Suidooster* and *Getroud Met Rugby* also saw significant YoY growth of 37% and 20% respectively. *kykNET* also produced a staggering eight dramas over the year, with *Spoorloos* securing slightly over a quarter of the Premium Afrikaans market during its run.



Content like *Arendsvlei, Suidooster* and *Koortjies Met Jonathan Rubain* ensured that *kykNET & kie* further extended its reach into the Afrikaans market. Since October 2020, an additional *Arendsvlei* episode was broadcast per week, helping to significantly entrench viewership. *kykNET & kie's* ability to deliver captivating stories was evident as *Suidooster* explored the issue of polygamy and generated over 17m mentions on social media (a record in the history of the *kykNET* channels).

fliekNET! launched in September 2020 and quickly became a top performing movie channel. Notably, the 50-minute *Storiefilms* commissioned for *fliekNET!* were welcomed by the industry as they provided much needed job opportunities for artists. *kykNET* received positive media exposure for being an enabling partner to the industry, underscoring the quality of Afrikaans filmmaking. *Racheltjie de Beer* and *Poppie Nongena* competed at multiple festivals such as the San Diego Film Festival and secured distribution deals in North and Latin America, as well as Europe.

Mzansi Magic

Throughout the tumultuous COVID-19 pandemic period, *Mzansi Magic* continued to champion homegrown storytelling through an abundance of experiences in contemporary South Africa. Our agility and collaboration with industry players were demonstrated when *Mzansi Magic* hosted the 27th edition of the South African Music Awards in August 2020. Unlike previous editions of the South African Music Awards, the ceremony was broken into five episodes that aired between 3 and 7 August 2020. In partnership with Vodacom, the first four episodes were streamed to music fans, and the finale was broadcast live on *Mzansi Magic* on the fifth evening.

Evergreen favourite, *The Queen*, continued its strong performance in late prime time as it held onto just under half of the DStv Compact market. *The River*

and *Date My Family* continued to drive ratings and social media engagement on *Mzansi Magic* – with each show regularly attracting over 1m viewers per episode and featuring among the top 10 most tweeted *Mzansi Magic* programmes. The new telenovela, *Gomora*, broke viewership records as it increased viewership in its timeslot by over 140% YoY and emerged as the most watched programme on the channel. Despite going on a month-long production break at the height of the national lockdown, *Gomora* walked away with four wins at the Royalty Soapie Awards – including most popular soapie of the year, outstanding directing team, outstanding supporting actress (Sannah Mchunu) and outstanding newcomer (Sicelo Buthelezi).

One of the new reality series, *Mnakwethu*, showcased *Mzansi Magic's* expertise in developing content that fuses traditional African rites and beliefs with evolving urban lifestyles. *Mnakwethu* also birthed a highly successful spin-off, *Mnakwethu: Happily Ever After?*, that excelled across linear, Catch Up, OTT and social media platforms. As the sun sets on *Isibaya* after almost a decade, the new telenovela, *Diep City,* paves the way for further growth on *Mzansi Magic.*



CONTENT continued

Boosting South African films

Supporting local filmmakers and the South African film industry remains a priority for us.

Over the past year, *M-Net* invested in developing and producing nearly 40 local pre-sales and high-end made-for-TV films. Despite the near shutdown of the local industry due to the COVID-19 pandemic and subsequent lockdown, *M-Net* was able to assist in breathing life back into an industry that was adversely affected. Notable films included:

- *Barakat*, a family comedy focused on the Muslim community and directed by rising talent, Amy Japhta. The movie made waves internationally, winning 12 nominations at the Idyllwild International Festival of Cinema and awards at three other international film festivals.
- *Gaia*, an unsettling horror film, won numerous awards, including a prestigious featured premiere at South by Southwest (SXSW), and received international distribution into North America by Decal (which is responsible for the distribution of Oscar-winning *Parasite*).
- Our second Dalene Matthee feature film, *Toorbos*, was selected as this past year's foreign film entry to the Academy Awards by the National Film and Video Foundation for South Africa.

Third-party channels

Our comprehensive slate of third-party local and international channels delivers on our promise to bring the biggest and best brands home. It includes a wide variety of award-winning shows across genres.

This year, we added a wider variety of international foreign content to our offering, in line with the global audience demand and appetite for non-American-based content. In addition to the best of British content, we introduced Mexican and Turkish novellas and the award-winning Korean drama channel, *TVN*. We also added *KIX*, a new martial arts movie channel from Hong Kong.

During lockdown, we continued to delight our customers with our brand of kids offering and the addition of the *Toonami* and *ZooMoo* pop-up channels. We enhanced the *Mindset* curriculum proposition with the launch of *Mindset Pop*, a pop-up channel offering primary school curriculum content, and we made matric curriculum content available on Catch Up via *Woza Matrics*.

FY21 was a big year for news, as local news viewing dominated with COVID-19 updates. To address this critical audience demand, we ensured that each presidential address during lockdown was available on Catch Up. In extending our local and international news offering, *Africanews* was added to our line-up









in FY21. Increased interest in political news further elevated the importance of news viewing this past year, with all news channels offering extensive coverage of the American and other presidential elections.

Our best-in-class documentary channels offered a wide range of features and blue-chip docuseries to our platform, including topical content such as *Discovery Channel's Pandemic: COVID-19* and *COVID-19: Battling the Virus, Curiosity's Breakthrough: Combatting the Outbreak*, the *History Channel's America's Great Divide: From Obama To Trump* and *The Trump Dynasty, and BBC's The Trump Effect: How He Changed America*. In addition, viewers were treated to BAFTA award-winning narrator David Attenborough with *Seven Worlds, One Planet* and *A Perfect Planet*, produced by the BBC Studios Natural History Unit.

On the international reality front, we saw the end of one era and the beginning of another. *E! Entertainment* aired the final season of the reality series that spawned an industry, *Keeping Up with the Kardashians*, while the *TLC* reality franchise *90-day Fiancé* and its accompanying spin-off shows generated cult-like fandom and enjoyed an unprecedented surge in viewing.

We extended the local third-party channel slate this fiscal, adding the first pan-African lifestyle channel, *Honey*, to our platform and local documentary channel, *Wild Earth*, which features two live daily game drives.

We continued to see an increase in third-party local content from international channels, with *BET* adding the local telenovela, *Isono*, and the celebrity-driven reality series *Mbau Reloaded* and *Her Majesty Busiswa*, during the year. *MTV* sustained popularity with local reality series *Moonchild, Lasizwe* and *Have Faith*. *E! Entertainment* launched a successful second season of SAFTA award-winning *Celebrity Game Night* with host Anele Mdoda, while *BBC Lifestyle* continued with the sixth season of the ever-popular *Come Dine with Me SA*.

Our existing local third-party channels also continued to enjoy success on our platform. *Moja Love's* popularity continued with the introduction of new emotive, resolution-based realities, including top-rated *Dlozi' Lami* and *Uthando Noxolo*. *VIA* enjoyed continued success with many new local shows along with popular favourites such as local crime series *Huisgenoot Ware Lewensdramas* and the weekly popular talk show, *Minki*.

MultiChoice Studios

With the likes of *Lioness* being selected as a hot pick by Television Business International and *Dam* scoring a 9/10 rating on IMDb, demand for our content from global buyers is at an all-time high and gaining momentum, albeit off a low base. This was demonstrated by the various international distribution offers that we received for these two properties. *Trackers*, our co-production with HBO, was licensed to Canal+ and will be dubbed into French.

Not only are our new titles driving global demand, but our more established library titles, including *The Queen, The River* and *Gomora,* perform well with local audiences while also being firm favourites for international buyers licensing follow-up seasons. The Mzansi catalogue in particular has been a significant contributor to our deals.

FTA channels on the African continent experienced content shortages due to the COVID-19 pandemic. This enabled the conclusion of several new licensing deals for shows including *Jacob's Cross, Maza, Chasing the Light, Collateral, Living the Dream with Somizi, The Ranakas, Tali's Wedding Diaries, Date My Family*, and *Griekwastad*, among others. This demonstrates the longevity of our library content, which still proves to be popular after it has been fully utilised on our platform.

CONTENT continued

SuperSport

Notwithstanding the immense challenges of the year under review, SuperSport celebrated many amazing wins over the past 12 months.

Perhaps the greatest of these was the SuperSport production teams' ability to continue producing outstanding content during the pandemic, aided by SuperSport instituting strict protocols that employees embraced. Operating in bubbles and often away for long absences, employees embodied SuperSport's can-do spirit.

Given the absence of live sport for several months, SuperSport created the on-air Relive campaign. The energy and creativity behind this ensured it was a success and piqued interest in documentary content.

In a seismic shift, SuperSport launched thematic channels to much acclaim last September, ensuring improved content discovery and a better user experience. This drove a 24% increase in the average time spent watching sport.

SuperSport maintained its standing with key acquisitions of the EPL, UEFA Champions League, the FIFA World Cup, WTA Tour and ESPN channels, together with a growing commitment to women's sport. It also kicked off an exciting new sponsorship agreement with the PSL in South Africa, with the league now branded the DStv Premiership.

SuperSport's new app hit the market and reflected a brand in tune with modern trends, being intuitive, customisable and packed with features. It boasts over 1.4m downloads since last October with 730 000 average monthly users at year-end.

Storytelling was also given prominence, chiefly with the production and broadcast of *Chasing the Sun*, a sweeping documentary about the Springboks' Rugby World Cup triumph that set new standards for excellence.

However, against this successful backdrop, SuperSport mourned the passing of much loved rugby presenter and commentator, Kaunda Ntunja, whose death from illness shook South Africa.






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Curran pulls out of Big Bash over 'bubble' fatigue


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DStv is proud to take the reins as the new sponsor of the Premier Soccer League. Be part of the most exciting football league in Africa.
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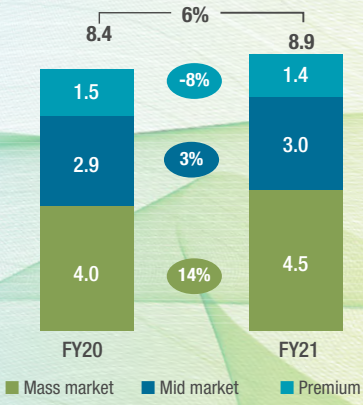
MULTICHOICE SA PERFORMANCE REVIEW

Our operating performance

MultiChoice SA demonstrated a resilient performance despite having to contend with heightened consumer pressure, limited live sport in 1H FY21 and the devastating impact of the COVID-19 lockdowns on the hospitality industry. Notwithstanding these challenges, we were able to grow our 90-day active subscriber base by 0.5m subscribers and recorded the second highest growth in new subscribers in history. This is testament to the ongoing attractiveness of our products, especially as consumers spend more time at home.

8.9m
total subscribers[1]

90-day active subscribers (m)



Our mass market segment in particular sustained strong growth of 14% YoY despite an average 4.2% price increase at the beginning of the year. We remain excited about the mass market opportunity and regard our Access base as a springboard for future revenue growth and average revenue per user (ARPU) uplift as income levels of consumers improve over time. We are already seeing some of this materialise through upgrades within the mass segment, driven by intentional campaigns and upgrade strategies.

0.5m
subscriber growth[1]

Our mid market segment increased by 3% YoY, with growth invigorated by our decision to keep Compact prices flat this year, given the heightened level of indebtedness and consumer pressure that we were witnessing. In addition our sponsorship of the PSL Premiership, renamed the DStv Premiership, is having a positive impact on driving awareness of our DStv brand.

The Premium segment was impacted by a combination of factors including affordability, disruptions to our general entertainment line-up and a lack of live sport, ultimately impacting revenue generation negatively. While there is still a healthy base of Premium subscribers, we are seeing a gradual shift in revenue contribution, as the mid and mass segments continue growing and becoming more prominent in our revenue mix. Nevertheless, we still see potential for the mid market segment to upgrade to Premium tiers as economic circumstances improve in time. We have focused upgrade strategies such as open periods and preview episodes to help customers discover shows that they may enjoy on higher packages.

14%
growth in mass market segment

(1) 90-day active subscribers.

The ongoing shift in subscriber mix, combined with the impact of content line-up disruptions including limited live sport and the inability of our commercial subscribers to trade, resulted in ARPU declining by 5% from ZAR290 to ZAR276.

ZAR276
ARPU

The introduction of several new products and services this year such as DStv Rewards, Add Movies and DStv Communities, as well as the introduction of 12 and 24-month subscriptions are important tools to improve retention and ARPU.

A substantial portion of our market has sporadic income and is not continuously active. Therefore, we have a large base of dormant customers who own a decoder but are not always active. In this context, activating and then retaining dormant customers is critical to our success.

293
active days

Active days, a measure of the proportion of the year that our customers are actively connected to our services, finished on 293 days. This was nine days higher than the prior year, and although the lockdowns had some positive impact, this was a significant achievement considering all the challenges faced this year.

The COVID-19 pandemic had a negative impact on advertising spend across all mediums. TV spend in South Africa declined around 18%. DStv Media Sales managed to grow market share over this period due to various initiatives, including flexible pricing, active trade marketing and the development of new products. DStv Media Sales also worked on a business transformation project involving training for its employees around launching the business into the digital future.

We continue driving operational efficiencies and digital agility, with COVID-19 accelerating the pace of digital adoption in the business. We strive to create digital customer experiences supported by clear design principles of Easy to Join, Great to Stay and Watch your Way, and our customer ecosystem is now fully digitised such that a customer can join, watch, pay, get help and be rewarded entirely online. In digital customer service, our efforts continue yielding results. Our WhatsApp, web and DStv app self-service platforms continue delivering a strong uptake with user growth of 77% overall.

70%
customer interaction on self-service channels

Digital payments more than doubled, and our self-service channels overall account for 70% of all customer interactions, reducing the need for in-person contact. In addition, our call centre is now fully operational offsite, with employees working from home while improving customer satisfaction levels.





Financial review

Financial review for the year ended 31 March 2021

REPORT OF THE INDEPENDENT AUDITOR

Independent auditor's report on the summary consolidated financial statements

To the shareholders of MultiChoice South Africa Holdings Proprietary Limited

Opinion

The summary consolidated financial statements of MultiChoice South Africa Holdings Proprietary Limited, set out on pages 65 to 77, which comprise the summary consolidated statement of financial position as at 31 March 2021, the summary consolidated income statements, the summary consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of MultiChoice South Africa Holdings Proprietary Limited for the year ended 31 March 2021.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with IAS 34 *Interim Financial Reporting* and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Summary consolidated financial statements

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

The Audited consolidated financial Statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 11 June 2021.

Directors' responsibility for the summary consolidated financial statements

The directors are responsible for the preparation of the summary consolidated financial statements in accordance with the IAS 34 *Interim Financial Reporting* 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 financial statements are consistent, in all material respects, with the audited consolidated 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*.

PricewaterhouseCoopers Inc

PricewaterhouseCoopers Inc
Director: Dirk Höll
Registered Auditor

Johannesburg

11 June 2021

SUMMARISED ANNUAL FINANCIAL STATEMENTS

CONSOLIDATED AND COMPANY STATEMENTS OF FINANCIAL POSITION

as at 31 March 2021

	Group		Company	
	2021 ZAR'm	2020 ZAR'm	**2021 ZAR'm**	2020 ZAR'm
Assets				
Non-current assets	**14 706**	17 452	**16 875**	16 875
Property, plant and equipment[1]	**8 813**	9 496	**–**	–
Goodwill and other intangible assets[2]	**4 492**	3 777	**–**	–
Investments and loans	**54**	137	**–**	–
Derivative financial instruments[3]	**–**	1 789	**–**	–
Deferred taxation[4]	**1 347**	2 253	**–**	–
Investments in subsidiaries	**–**	–	**16 875**	16 875
Current assets	**17 688**	17 787	**–**	–
Inventory[5]	**211**	209	**–**	–
Programme and film rights	**2 838**	3 063	**–**	–
Trade and other receivables[6]	**4 503**	3 338	**–**	–
Amounts due from related parties[7]	**8 632**	6 564	**–**	–
Derivative financial instruments[3]	**15**	2 878	**–**	–
Cash and cash equivalents	**1 489**	1 735	**–**	–
Total assets	**32 394**	35 239	**16 875**	16 875
Equity and liabilities				
Equity reserves attributable to the company's equity holders	**11 534**	12 212	**16 875**	16 875
Share capital	**17 216**	17 216	**16 875**	16 875
Other reserves	**(13 632)**	(10 073)	**–**	–
Retained earnings	**7 950**	5 069	**–**	–
Non-controlling interest	**5**	–	**–**	–
Total equity	**11 539**	12 212	**16 875**	16 875
Non-current liabilities	**9 658**	12 195	**–**	–
Lease liabilities[8]	**8 080**	10 776	**–**	–
Long-term loans and other liabilities	**2**	138	**–**	–
Amounts due to related parties[9]	**875**	–	**–**	–
Derivative financial instruments[3]	**473**	–	**–**	–
Deferred taxation[10]	**228**	1 281	**–**	–
Current liabilities	**11 197**	10 832	**–**	–
Lease liabilities[8]	**921**	1 072	**–**	–
Programme and film rights	**3 821**	4 144	**–**	–
Provisions	**228**	23	**–**	–
Accrued expenses and other current liabilities	**4 408**	4 895	**–**	–
Amounts due to related parties	**771**	224	**–**	–
Derivative financial instruments[3]	**990**	–	**–**	–
Taxation liabilities	**58**	474	**–**	–
Total equity and liabilities	**32 394**	35 239	**16 875**	16 875

(1) Property, plant and equipment decreased due to current year depreciation charge of ZAR1.2bn and disposals of ZAR86m, partly compensated by fixed asset additions of transmission equipment, computers and office equipment totalling ZAR581m.
(2) Other intangible assets increase includes work-in-progress related to the multi-year investment programme to upgrade the group's customer service, billing and data capabilities.
(3) Movement relates primarily to the ZAR appreciation against the USD from a closing rate of ZAR17.86 in FY20 to ZAR14.78 in FY21.
(4) Deferred taxation asset has reduced primarily due to a reduction in the deferred taxation on lease liabilities.
(5) The inventory balance includes an allowance of ZAR249m for slow-moving and obsolete inventories. The total allowance charged to the income statement to write inventory down to net realisable value amounted to ZAR217m (2020: ZAR13.6m). There was a utilisation of the provision which went through the income statement of ZAR367.2m (2020: ZARnil).
(6) Trade and other receivables increased primarily due to higher prepayments made for content.
(7) Amounts due from related parties increased primarily due to increased cashpool balances held with MultiChoice Group Treasury Services Proprietary Limited.
(8) Lease liabilities decreased due to current year repayments and the reduction in liability due to the ZAR appreciation against the USD from a closing rate of ZAR17.86 in FY20 to ZAR14.78 in FY21.
(9) Non-current portion of working capital loan from MultiChoice Group Treasury Services Proprietary Limited.
(10) Deferred taxation liability has reduced primarily due to a reduction in the deferred taxation liability on hedging reserve.

The accompanying notes form an integral part of these summarised consolidated and company annual financial statements.

SUMMARISED ANNUAL FINANCIAL STATEMENTS

CONSOLIDATED AND COMPANY STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 March 2021

		Group		Company	
	Notes	**2021 ZAR'm**	2020 ZAR'm	**2021 ZAR'm**	2020 ZAR'm
Revenue	3	**41 034**	40 962	**–**	–
Cost of providing services and sale of goods[1]		**(20 247)**	(21 364)	**–**	–
Selling, general and administration expenses		**(8 683)**	(8 842)	**–**	–
Net impairment loss on trade receivables		**(121)**	(90)	**–**	–
Other operating gains – net		**41**	70	**–**	–
Operating profit		**12 024**	10 736	**–**	–
Interest income	4	**330**	360	**–**	–
Interest expense	4	**(649)**	(644)	**–**	–
Net foreign exchange translation gains/(losses)	4	**701**	(1 394)	**–**	–
Dividend received		**–**	–	**6 000**	6 000
Share of equity-accounted results		**(18)**	(12)	**–**	–
Other losses		**–**	(28)	**–**	–
Profit before taxation		**12 388**	9 018		
Taxation		**(3 536)**	(2 497)	**–**	–
Profit for the year		**8 852**	6 521	**6 000**	6 000
Attributable to:					
Equity holders of the group		**8 847**	6 521	**6 000**	6 000
Non-controlling interest[2]		**5**	–	**–**	–
		8 852	6 521	**6 000**	6 000
Basic and diluted earnings for the year		**8 847**	6 521	**6 000**	6 000
Basic and diluted earnings per ordinary share (SA cents)		**2 458**	1 811	**1 667**	1 667

[1] *The reduction in the cost of providing services and sale of goods is due to lower content costs in the current year. These lower content costs are due to the delay in sport events due to COVID-19 which reduces content amortisation, refunds received from content owners for content received in different formats and the non-recurrence of major sporting events that occurred in the prior year.*

[2] *On 12 February 2020, SuperSport International Holdings Proprietary Limited purchased a controlling interest of 51% in Canzocube Proprietary Limited for the value of ZAR3m. The business provides school sports live streaming services and provides content to the platform.*

The accompanying notes form an integral part of these summarised consolidated and company annual financial statements.

SUMMARISED ANNUAL FINANCIAL STATEMENTS

CONSOLIDATED AND COMPANY STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME continued

for the year ended 31 March 2021

	Group	
	2021 ZAR'm	2020 ZAR'm
Profit for the year	**8 852**	6 521
Total other comprehensive income for the year:		
Fair value losses on investments held at fair value	**(102)**	(54)
Hedging reserve[1]	**(2 632)**	1 841
• Net fair value (losses)/gains	**(3 483)**	2 665
• Hedging reserve recycled to the income statement	**25**	157
• Hedging reserve recycled to the statement of financial position	**–**	(379)
• Net tax effect of movements on hedge reserve	**826**	(602)
Total comprehensive income for the year	**6 118**	8 308
Attributable to:		
Equity holders of the group	**6 113**	8 308
Non-controlling interests	**5**	–
	6 118	8 308

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

The accompanying notes form an integral part of these summarised consolidated and company annual financial statements.

SUMMARISED ANNUAL FINANCIAL STATEMENTS

CONSOLIDATED AND COMPANY STATEMENTS OF CHANGES IN EQUITY

for the year ended 31 March 2021

	Group					Company		
	Share capital[1] ZAR'm	Other reserves[2] ZAR'm	Retained earnings ZAR'm	Non-controlling interest ZAR'm	Total equity ZAR'm	Share capital[1] ZAR'm	Retained income ZAR'm	Total equity ZAR'm
Balance at 1 April 2019	17 216	(11 283)	4 367	–	10 300	16 875	–	16 875
Profit for the year	–	–	6 521	–	6 521	–	6 000	6 000
Other comprehensive income	–	1 787	–	–	1 787	–	–	–
Total comprehensive income for the year	–	1 787	6 521	–	8 308	–	6 000	6 000
Other movements	–	(42)	18	–	(24)	–	–	–
Share-based compensation movement	–	(535)	181	–	(354)	–	–	–
Dividend paid	–	–	(6 018)	–	(6 018)	–	(6 000)	(6 000)
Balance at 1 April 2020	17 216	(10 073)	5 069	–	12 212	16 875	–	16 875
Profit for the year	**–**	**–**	**8 847**	**5**	**8 852**	**–**	**6 000**	**6 000**
Other comprehensive loss	**–**	**(2 734)**	**–**	**–**	**(2 734)**	**–**	**–**	**–**
Total comprehensive income for the year	**–**	**(2 734)**	**8 847**	**5**	**6 118**	**–**	**6 000**	**6 000**
Hedging reserve basis adjustment[3]	**–**	**(775)**	**–**	**–**	**(775)**	**–**	**–**	**–**
Share-based compensation movement	**–**	**(50)**	**13**	**–**	**(37)**	**–**	**–**	**–**
Dividend paid[4]	**–**	**–**	**(5 979)**	**–**	**(5 979)**	**–**	**(6 000)**	**(6 000)**
Balance at 31 March 2021	**17 216**	**(13 632)**	**7 950**	**5**	**11 539**	**16 875**	**–**	**16 875**

(1) Share capital includes share premium.
(2) Other reserves include the hedging reserve, fair value reserve and foreign currency translation reserve.
(3) Relates to the basis adjustment (net of tax of ZAR270m) on programme and film rights assets as content comes into licence.
(4) Relates to dividends paid to MultiChoice Group Limited (ZAR4.5bn) and Phuthuma Nathi Investments (RF) Limited (ZAR1.5bn).

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

SUMMARISED ANNUAL FINANCIAL STATEMENTS

CONSOLIDATED AND COMPANY STATEMENTS OF CASH FLOWS

for the year ended 31 March 2021

	Group	
	2021 ZAR'm	2020 ZAR'm
Cash generated from operating activities	**12 154**	13 114
Interest income received	**338**	370
Interest expense paid	**(465)**	(412)
Dividend received	**–**	21
Taxation paid	**(3 023)**	(3 041)
Settlement of share-based compensation awards[1]	**(214)**	–
Net cash generated from operating activities	**8 790**	10 052
Cash flows from investing activities		
Property, plant and equipment acquired	**(487)**	(386)
Proceeds from sale of property, plant and equipment	**88**	–
Intangible assets acquired[2]	**(754)**	(243)
Proceeds from sale of intangible assets	**9**	–
Insurance proceeds on property, plant and equipment	**35**	–
Cash movements in other investments and loans	**(62)**	(35)
Net cash utilised in investing activities	**(1 171)**	(664)
Cash flows from financing activities		
Proceeds from related party funding	**2 089**	252
Repayments of related party funding	**(2 899)**	(2 950)
Repayments of lease liabilities[3]	**(998)**	(625)
Gain on matured foreign exchange contracts related to lease liabilities	**66**	–
Purchases of shares for group share schemes[4]	**(135)**	(524)
Dividend paid	**(5 979)**	(6 018)
Net cash utilised in financing activities	**(7 856)**	(9 865)
Net movement in cash and cash equivalents	**(237)**	(477)
Foreign exchange translation adjustments on cash and cash equivalents	**(9)**	132
Cash and cash equivalents at the beginning of the year	**1 735**	2 080
Cash and cash equivalents at the end of the year	**1 489**	1 735

(1) Relates to the settlement paid to employees due to the closure of the MultiChoice 2008 SAR scheme.

(2) The increase relates primarily to the group's investment in a multi-year programme to upgrade the group's customer service, billing and data capabilities.

(3) The increase is primarily due to the weaker average ZAR rate against the USD of ZAR16.30 (FY20: ZAR14.99) and the end of a contractual agreement on the southern Africa transponder lease whereby an upfront payment reduced lease payments for the first 36 months of the lease term. Regular monthly lease payments resumed from October 2019 resulting in increased outflows.

(4) Relates to the purchase of group shares which were used to settle the group's share-based compensation awards.

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

SUMMARISED ANNUAL FINANCIAL STATEMENTS

CONSOLIDATED AND COMPANY STATEMENTS OF CASH FLOWS

continued

for the year ended 31 March 2021

	Company	
	2021 ZAR'000	2020 ZAR'000
Cash flows from operating activities		
Dividend received[1]	**6 000**	6 000
Dividend paid[1]	**(6 000)**	(6 000)
Net cash generated from operating activities	**–**	–

[1] *MultiChoice South Africa Holdings Proprietary Limited (MCSAH) receives dividend income from MultiChoice South Africa Proprietary Limited (MCSA). MCSAH declares the same amount as a dividend to MCSAH shareholders, being MultiChoice Group Limited (MCG) and Phuthuma Nathi Investments (RF) Limited (PN). The dividend payment is made directly from MultiChoice Proprietary Limited, a subsidiary of MCSA to MCG and PN hence no cash flow takes place in MCSAH.*

The accompanying notes form an integral part of these summarised consolidated and company annual financial statements.

SUMMARISED ANNUAL FINANCIAL STATEMENTS

NOTES TO THE SUMMARISED ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2021

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 IFRS 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 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: www.multichoice.com/multichoice-south-africa/reports-and-financial-information/.

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

The summarised 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 2020. None of the new or amended accounting pronouncements that are effective for the financial year commencing 1 April 2020 had a material impact on the company and group.

2. COVID-19 considerations

Overview

COVID-19 continues to disrupt the operations and financial reporting processes of the majority of businesses globally, including MCSAH customers, employees and other stakeholders. Based on the magnitude of the pandemic and its potential impact on the consolidated annual financial statements, management has conducted an updated review of all possible financial effects the virus could have on the measurement, presentation and disclosure provided.

SUMMARISED ANNUAL FINANCIAL STATEMENTS

NOTES TO THE SUMMARISED ANNUAL FINANCIAL STATEMENTS

continued

for the year ended 31 March 2021

2. COVID-19 considerations continued

Consideration of potential impact

Key areas considered are reflected in the table below, including whether or not they were deemed to have a significant impact on the group:

COVID-19 consideration	Assessment	Potential impact
Programme and film rights (recoverability and classification)	General entertainment content assets will be recovered through the airing of content, with productions largely resuming as normal across the group in early FY21. Based on the success of the safety protocols implemented, the cancellation and deferral of sport events are considered less likely than at 31 March 2020.	Low (general entertainment) Low (sports rights)[1]
Subsequent events	COVID-19 was assessed as being prevalent in the group's markets before 31 March 2021 however no material changes expected during the subsequent event period.	Low[1]
Hedging on uncertain sports right obligations	Forecast transactions that relate to upcoming seasons or events, unless formally cancelled, still meet the 'highly probable' criteria. The group deems it unlikely that there will be material disruptions going forward as the safety protocols are working well.	Low[2]

[1] Potential impact was adjusted from high at 31 March 2020 to moderate at 30 September 2020 and has now been adjusted to low due to the risk assessment of the probability that this will materialise reducing.

[2] Potential impact has been adjusted from moderate at 31 March 2020 and 30 September 2020 to low due to the risk assessment of the probability that this will materialise reducing.

Update on areas that had a potentially high/moderate impact as at 31 March 2020

The group's assessment of the following items has changed from potentially having a high/moderate impact in the prior year to having a potentially low impact on the group at 31 March 2021.

Programme and film rights

As at 31 March 2020, the group disclosed a high risk related to the likelihood of sport events (in respect of which the group has the broadcasting rights) taking place and the associated contractual rights in the event that these are expected to or have been cancelled. The group engaged with rights owners to negotiate refunds for the disruption to the business and subscribers due to a truncated season as well as games, delays in seasons and fixtures held behind closed doors. These refunds were deducted against payments for future seasons. The refunds are treated as a reduction in the amortisation costs for the interrupted portion of the season. The contracts were finalised and the group reached consensus with right owners on seasons going forward. The group does not expect any further significant interruption which would affect the broadcast of its sports rights going forward

SUMMARISED ANNUAL FINANCIAL STATEMENTS

NOTES TO THE SUMMARISED ANNUAL FINANCIAL STATEMENTS
continued
for the year ended 31 March 2021

2. COVID-19 considerations continued

Hedging on uncertain sports right obligations

As at 31 March 2020, forecast transactions that relate to upcoming seasons or events, unless formally cancelled, still meeting the 'highly probable' criterion was considered as a moderate risk. In line with the disclosures provided above for programme and film rights, the group does not expect material disruptions going forward as the safety protocols seem to be working well.

Subsequent events

Due to the increased certainty associated with the financial reporting effects of COVID-19 on the group, the impact of subsequent events materialising due to COVID-19 was reassessed as low at 31 March 2021. Refer to note 8 for subsequent events disclosure.

3. Revenue

	Group	
	2021 ZAR'm	2020 ZAR'm
Subscription fees	**28 730**	28 405
Advertising	**2 443**	2 797
Set-top boxes	**987**	855
Installation fees	**324**	332
Programming and sub-licensing	**5 625**	5 808
Management fee income	**1 491**	1 215
Other revenue[1]	**1 434**	1 550
	41 034	40 962

[1] *Other revenue primarily includes reconnection fees, insurance premiums, sponsorship fees and production revenue.*

4. Interest income/(expense)

	Group	
Interest income	**2021 ZAR'm**	2020 ZAR'm
Loans and bank accounts	**307**	337
Other	**23**	23
	330	360

SUMMARISED ANNUAL FINANCIAL STATEMENTS

NOTES TO THE SUMMARISED ANNUAL FINANCIAL STATEMENTS
continued
for the year ended 31 March 2021

4. Interest income/(expense) continued

	Group	
Interest expense	**2021 ZAR'm**	2020 ZAR'm
Loans and overdrafts	**(30)**	(2)
Transponder lease liabilities	**(406)**	(405)
Other[1]	**(213)**	(237)
	(649)	(644)

[1] Other primarily includes financing element related to the discounting of the content liabilities.

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

	Group	
Net profit/(loss) from foreign exchange translation and fair value adjustments on derivative financial instruments	**2021 ZAR'm**	2020 ZAR'm
On translation of assets and liabilities	**483**	27
On translation of transponder lease liabilities[1]	**1 924**	(2 208)
Losses on translation of forward exchange contracts[2]	**(3 532)**	(2 782)
Gains on translation of forward exchange contracts[2]	**1 646**	3 569
Net foreign exchange translation gains/(losses)	**701**	(1 394)

[1] Movement relates to ZAR appreciation from a closing rate of ZAR17.86 in FY20 to ZAR14.78 in FY21.
[2] The movement relates primarily to the ZAR appreciation against the USD from a closing rate of ZAR17.86 in FY20 to ZAR14.78 in FY21 and additional forward exchange contracts executed during FY21 which resulted in an increase in the achieved average hedge rate from ZAR14.70 in FY20 to ZAR16.51 in FY21.

SUMMARISED ANNUAL FINANCIAL STATEMENTS

NOTES TO THE SUMMARISED ANNUAL FINANCIAL STATEMENTS

continued

for the year ended 31 March 2021

5. 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 2021 amount to ZAR2.0m (2020: ZAR65.1m).

(b) Programme and film rights

At 31 March 2021 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 ZAR35.6bn (2020: ZAR31.2bn).

(c) Set-top boxes

At 31 March 2021 the group had entered into contracts for the purchase of set-top boxes (decoders). The group's commitments in respect of these contracts amount to ZAR1.0bn (2020: ZAR1.2bn).

(d) Assets pledged as security

The group pledged property, plant and equipment with a net carrying value of ZAR6.2bn (2020: ZAR6.8bn) as security against certain assets acquired in terms of lease liabilities.

(e) Other commitments

At 31 March 2021 the group had entered into contracts for the receipt of various services. These service contracts are for the receipt of advertising, transmission services, computer and decoder support services and access to networks. The group's commitments in respect of these agreements amount to ZAR4.2bn (2020: ZAR3.6bn).

NOTES TO THE SUMMARISED ANNUAL FINANCIAL STATEMENTS

continued

for the year ended 31 March 2021

6. Liquidity management

Guarantees

The group has financial guarantees and foreign exchange guarantees of ZAR14.5bn (Restated 2020[1]: ZAR14.9bn) 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.

[1] *FY20 has been restated to align with the requirements of IFRS 7 and the inclusion of internal group guarantees.*

7. 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.

(a) 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 2021 ZAR'm**	Fair value 2020 ZAR'm	Valuation method	Level in fair value hierarchy
Investments held at fair value through other comprehensive income	_	102	Quoted prices in a public market	Level 1
Forward exchange contracts	**(1 463)**	4 619	Fair value using forward exchange rates that are publicly available	Level 2
Currency depreciation features	**15**	48	The fair value is calculated based on the LIBOR rate of 0.11%	Level 3

SUMMARISED ANNUAL FINANCIAL STATEMENTS

NOTES TO THE SUMMARISED ANNUAL FINANCIAL STATEMENTS
continued

for the year ended 31 March 2021

Currency depreciation features – relate to clauses in content acquisition agreements that provide the group with protection in the event of significant depreciation of the purchasing entity'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. Key inputs used in measuring fair value include the terms and benchmark rates contained in content acquisition agreements and spot exchange rates prevailing at the relevant measurement dates.

Fair values are mainly determined using observable inputs, which reflect the market conditions including that of COVID-19 in their expectations of future cash flows related to the asset or liability at 31 March 2021.

8. Subsequent events

Dividend

The board declares a gross dividend of 1 666.67 cents per share (ZAR6.0bn). This dividend declaration is subject to approval of the MultiChoice South Africa Holdings Proprietary Limited dividend at its AGM on Wednesday, 25 August 2021.

There have been no other events that occurred after the reporting date, including events associated with COVID-19, that could have a material impact on the consolidated annual financial statements.





Corporate governance review

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

OUR BOARD OF DIRECTORS



Mohamed Imtiaz Ahmed (Imtiaz) Patel (57)
Chair and non-executive director | HDipEdu | Appointed 12 November 2019 | South African

Imtiaz was previously the Naspers video entertainment segment and CEO of the MultiChoice Group, MultiChoice SA and SuperSport International. He won 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 Higher Diploma in Education from the University of the Witwatersrand, 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.



Jabulane Albert (Jabu) Mabuza (63)
Lead non-executive director | DCom (Honoris Causa) | Appointed 5 July 2019 | South African

Jabu served as the chair of Sun International Limited and Net 1 UEPS Technologies, Inc. He was previously the interim executive chair and acting group chief executive of Eskom SOC Limited, chair of Telkom SA SOC Limited, Anheuser-Busch InBev/SABMiller – Africa, Business Leadership South Africa, and the Casino Association of South Africa. He served as the president of South Africa's apex business body, Business Unity South Africa, until 2018. Outside of South Africa, he served on the boards of Tanzania Breweries Limited and Castle Brewing Company in Kenya, on the Corporate Council on Africa in Washington DC as a board member, and on the World Travel and Tourism Council in England (United Kingdom) as an executive committee member; he was chair of the Regional Business Council for the World Economic Forum; participated in the B20 G20 Delegation to all the B20/G20 Summits and matters over the years; and was appointed to the Concordia Leadership Council based in New York (United States of America). Jabu holds a Doctorate in Commerce (Honoris Causa) from the University of the Witwatersrand.

Sadly Jabu passed away on 16 June 2021.



Calvo Phedi Mawela (45)
CEO | BScEng (Electrical) | Appointed 1 November 2018 | South African

Calvo is the CEO of the MultiChoice Group and 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 ICT Policy Review Panel. He also served as a commissioner to the

Presidential Commission on 4IR. He holds a Bachelor of Science in Electrical Engineering from the University of KwaZulu-Natal, a Management Advancement Programme Postgraduate Diploma from Wits Business School, and a Postgraduate Diploma in Economics for Competition Law from King's College, London.



Timothy Neil (Tim) Jacobs (52)
CFO | HDipAcc and CA(SA) | Appointed 1 November 2018 | South African

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



James Hart du Preez (62)
Non-executive director | CA(SA) | CD(SA) | Appointed 1 April 2021 | South African

James is a CA(SA) who was admitted as a partner PwC in 1996 as the clients and markets development leader for PwC Africa 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 consults for Citadel Wealth Management in a business development and marketing capacity. He is also a Chartered Director (SA) (CD(SA)) of the Institute of Directors in South Africa NPC.



Elias Masilela (57)
Non-executive director | BSocSci (Economics and Statistics) and MSc (Economic Policy and Analysis) | Appointed 1 April 2015 | South African

Elias previously served as the CEO of the Public Investment Corporation Limited, the head of policy analysis at Sanlam Limited and the deputy director general at the National Treasury. He is also chair of Sanlam, Ingagaru Investments and Capital Harvest. He is a member of several strategic boards in South Africa. 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.

OUR BOARD OF DIRECTORS continued



Adv Kgomotso Ditsebe Moroka (67)

Non-executive director | BProc and LLB | Appointed 8 March 2007 | South African

Kgomotso is a senior counsel of the High Court of South Africa. She holds 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 West and an LLB from the University of the Witwatersrand.



Francis Lehlohonolo Napo (Nolo) Letele (72)

Non-executive director | BSc (Hons) (Electronic Engineering) | Appointed 14 September 2006 | South African

Nolo is a chartered engineer with a Bachelor of Science in Electronics (Honours) and an MIEE United Kingdom. He received several awards in his tenure at MultiChoice SA as group chief executive and subsequently executive chair, notably the Lifetime Africa Achievement Prize for Media Development in Africa, the prestigious Naspers Phil Weber Award, and the Black Business Executive Circle Chairman's Award. He has also been cited for several achievements by the media in South Africa. Nolo also sits on the Naspers board and the Specialised Insurance Company (Lesotho) board.



Christine Mideva Sabwa (48)

Non-executive director | Certified Public Accountant of Kenya | Appointed 11 June 2020 | Kenyan

Christine has a strong background in accounting and her experience spans numerous industries, including financial services, telecommunications (digital finance) and insurance. Over the past 21 years, she gained experience in audit, 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 was one of the first Kenyans to be expatriated to Standard Bank South Africa where she served as 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 in Kenya.



Dr Fatai Adegboyega Sanusi (59)

Non-executive director | MBBS, FRCOG | Appointed 11 June 2020 | British Nigerian

Fatai is a senior consultant in the United Kingdom National Health Service, serving in this position for 19 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 and future planning. 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.



Louisa Stephens (44)

Non-executive director | BBusSc (Finance), CA(SA) and CD(SA) | Appointed 6 August 2018 | South African

Louisa is the founder of Prime Select Holdings. She serves as a director of Royal Bafokeng Platinum Proprietary Limited, Tongaat Hulett Limited and the Institute of Directors in South Africa NPC. She previously served as a director of African Bank Limited, South Ocean Limited and AFGRI Limited, and held management position as chief investment officer of Circle Capital Ventures, General Manager: Finance & Investments at Nozala Investments and fund manager at the uMnotho Fund at the National Empowerment Fund. She holds a Bachelor of Business Science and Bachelor of Accounting and is a CA(SA) and CD(SA).



John James (Jim) Volkwyn (63)

Non-executive director | CA(SA) | Appointed 8 March 2007 | South African

Jim has been a director of MultiChoice SA since March 2007. He previously served as CEO of the Naspers global video entertainment segment. He holds a Bachelor of Commerce (Honours) from the University of Cape Town and is a CA(SA).

SUMMARISED GOVERNANCE REVIEW

We continue entrenching the principles of sound corporate governance throughout our 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 company's stakeholders to create a successful and sustainable business that delivers on our strategic objectives.

MultiChoice SA governance framework

The board is the custodian of corporate governance. The board, supported by its holding company's governance structures, is responsible for ensuring the appropriate principles and practices of King IV are applied and embedded in MultiChoice SA's governance practices.

A disciplined reporting structure ensures the board is fully apprised of subsidiary activities, risks and opportunities. All controlled entities in MultiChoice SA are expected to demonstrate good governance as set out in King IV, taking into account proportionality considerations. This means the practices needed to demonstrate MultiChoice SA's governance in terms of King IV are applied across the business as appropriate.

Business and governance structures have clear approval frameworks that are annually reviewed and aligned to the approved levels of authority annually reviewed 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. Additionally, the board 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 88



Good performance
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Legitimacy
Page 91



Effective control
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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 the King IV principles.



For a more detailed review, see the King IV application report on our website www.multichoice.com/multichoice-south-africa/reports-and-financial-information/.

MultiChoice SA continues developing its governance policies, practices and procedures in line with an integrated governance, risk and compliance framework. The board is satisfied 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 are 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

During the year, the board decided to delegate oversight for remuneration, audit, risk, nomination, social and ethics to the relevant MultiChoice Group committees. This decision was made to ensure greater alignment across the entire MultiChoice Group, remove 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

The responsibilities delegated to each MultiChoice Group committee are formally documented in their terms of reference. All committees have clear roles and responsibilities as outlined in their committee charters.

Board meeting attendance

Name	Designation	Initial appointment date	Attendance
Imtiaz Patel	Non-executive director	12 November 2019	5/5
Calvo Mawela	Executive director	1 November 2018	5/5
Tim Jacobs	Executive director	1 November 2018	5/5
Steve Pacak	Non-executive director	1 April 2009	5/5
Jabu Mabuza	Non-executive director	5 July 2019	5/5
Louisa Stephens	Non-executive director	6 August 2018	5/5
Adv Kgomotso Moroka	Non-executive director	8 March 2007	5/5
Elias Masilela	Non-executive director	1 April 2015	4/5
Khulu Sibiya	Independent non-executive director	8 March 2007	2/2[1]
Salukazi Dakile-Hlongwane	Independent non-executive director	8 March 2007	2/2[1]
Don Eriksson	Non-executive director	8 March 2007	2/2
Nolo Letele	Non-executive director	14 September 2006	5/5
Jim Volkwyn	Non-executive director	8 March 2007	5/5
Christine Sabwa	Non-executive director	11 June 2020	3/3[2]
Dr Fatai Sanusi	Non-executive director	11 June 2020	3/3[2]
James du Preez	Non-executive director	1 April 2021	0/0[3]

[1] *Khulu Sibiya, Salukazi Dakile-Hlongwane and Don Eriksson retired as directors with effect from 11 June 2020.*
[2] *Christine Sabwa and Dr Fatai Sanusi were appointed as directors after the first quarter of FY21 and only attended three meetings as directors.*
[3] *James du Preez was appointed to the board post year-end and did not attend any meetings for the period under review.*

SUMMARISED GOVERNANCE REVIEW continued

Director changes	
Jabu Mabuza	Elected as lead director effective 3 April 2020. Sadly he passed away on 16 June 2021
Salukazi Dakile-Hlongwane	Retired with effect from 11 June 2020
Khulu Sibiya	Retired with effect from 11 June 2020
Don Eriksson	Retired with effect from 11 June 2020
Christine Sabwa	Appointed with effect from 11 June 2020
Dr Fatai Sanusi	Appointed with effect from 11 June 2020
Steve Pacak	Retired with effect from 1 April 2021
James du Preez	Appointed with effect from 1 April 2021
Jim Volkwyn	Appointed as lead director effective 1 July 2021

Board composition and succession

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 legislation 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 (referred to as the financial director by the JSE) are board members. To support the board, where necessary, subject matter experts are available for matters requiring specialised guidance.

As at year-end, the board comprised 12 directors. 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 on 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.

Performance and future focus

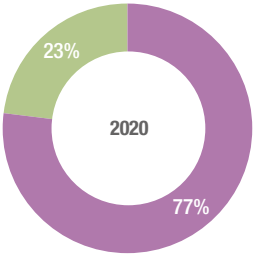
A key focus area during the reporting period was the group's short and long-term strategy. For the year under review, the board is satisfied that it has fulfilled its duties in accordance with its charter.

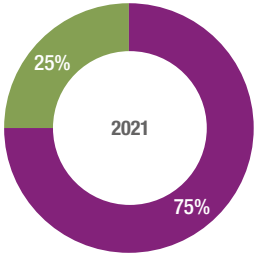
Looking ahead, the board will focus on:

- Continuing to provide strategic direction
- Monitoring management implementation and progress of strategic objectives
- Stakeholder engagement, relationships and activities, and business impacts
- Monitoring ethical conduct
- Assessing the ongoing impact of the COVID-19 pandemic on the business and management's actions to mitigate these impacts

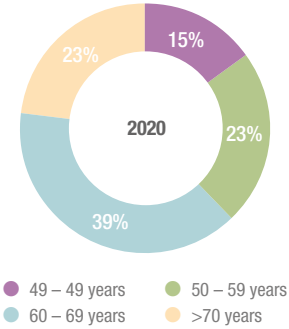
Board composition as at 31 March 2021

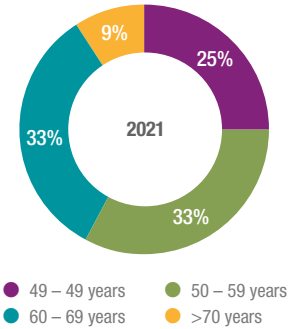
Board gender diversity



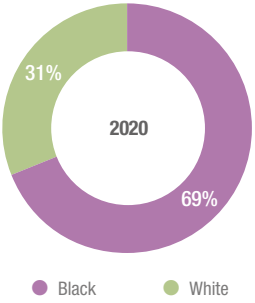


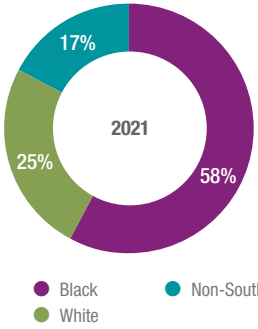
Board age diversity





Board racial diversity





ENTRENCHING AN ETHICAL CULTURE

The board is committed to entrenching an ethical culture 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 MultiChoice SA board endorsed and adopted the MultiChoice Group's code of ethics and conduct policy (the code), which sets out the standards for business conduct throughout the MultiChoice Group and is supported by a wide range of group policies.

For more information, refer to www.investors.multichoice.com/pdf/policies-and-charters/mcg-code-of-ethics-and-conduct-policy.pdf.

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 whistleblower policy. 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. Reference to our code is included in third-party procurement contracts. 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, political contributions, bribes, fraud, money laundering and acceptable business conduct. MultiChoice SA applies the code with regard to conflict of interest and political contributions. The board social and ethics committee is responsible for overseeing and reporting on business-related ethics, considering specific disclosures and best practice as recommended by King IV.

As a leading company who 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. MultiChoice SA applies the MultiChoice Group's anti-bribery and anti-corruption policy with regard 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.

The risk management function monitors our whistleblower facility operated by Deloitte's Tip-offs Anonymous, which is available in English, Setswana, IsiZulu, Tshivenda, Sesotho or IsiXhosa. The whistleblower policy states that allegations are handled confidentially, can be made anonymously and the whistleblower/s 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.

The MultiChoice Group's social and ethics committee, which reports to the board, assumes responsibility for the governance of ethics in the MultiChoice Group by setting the direction of how it should be approached in the business. Internal audit and risk management functions support the MultiChoice Group social and ethics committee.

Ethics training is included in onboarding for new employees, who are also introduced to the principles of the code and related policies, and relevant case studies are discussed. Ethics-related e-learning modules on the code and the whistleblower policy are part of the MultiChoice Academy platform, which is available to all employees. The e-learning training modules cover all employees (including part time employees and contractors) and the effectiveness of the e-learning training modules is closely monitored. Employees are required to complete the ethics e-learning module every two years. The competition e-learning module was also rolled out to a defined employee target group.

Communication messages on key ethical risks, such as anti-bribery and anti-corruption, conflicts of interest, health and safety (COVID-19), fraud, data privacy, third parties, competition and gifts were distributed to all employees in accordance with our annual ethics training and awareness plan. Communication messages from the MultiChoice Group CEO also introduced the code of ethics and conduct and related ethics handbook to all employees.

The MultiChoice Group annual legal compliance conference was held virtually with senior leaders, who were privileged to listen to subject matter experts, including Prof Mervyn King, among others, on topics of governance, data privacy and financial crime.

Performance and future focus

A key focus area during the reporting period was adopting and implementing the following initiatives set by the MultiChoice Group:

- Reviewing the adequacy and effectiveness of monitoring activities
- Conducting an opportunity ethics risk assessment to assess the effectiveness of the ethics programme
- Reviewing our whistleblowing and internal speak-up mechanisms
- Approval and implementation of a revised code and an ethics handbook
- Ethics and conflict of interest-related training and awareness campaigns

Going forward, we will focus on:

- Continuously entrenching ethics throughout the business through training and awareness campaigns
- Continuously monitoring ethics performance
- Enhancing anti-bribery and anti-corruption awareness and improving controls

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 annually with the executive team in November to review the specific strategic priorities. In April 2021, 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 published e-learning modules aimed at our directors and senior management at the beginning of 2020. These modules were tailored to our internal policies and processes and cover the following topics:

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

Board evaluations

The board and its committee charters include the onus of annual assessments. Assessments of the performance of the board, individual directors and its committees are conducted every second year. However, performance in general is considered every year as part of the review of the board's composition and its committees. The lead independent director leads the evaluation of the chair.

Directors conducted a peer review which concluded that the board comprises a balance of skills with sufficient learning opportunities to aid the development of new directors.

An online board evaluation, aimed at considering the board's performance as a whole, was conducted. The evaluation did not identify any significant areas of improvement and the board's performance was considered to be satisfactory.

Going forward, the board will continue focusing on improving and refining its processes and the MultiChoice Group nomination committee will review and refine its evaluation practices.

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 under way, 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

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.

MultiChoice SA implemented the legal compliance programme led by the MultiChoice Group head of legal compliance.

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:

- Ethics policy, management processes and culture
- Entrenching reporting and monitoring mechanisms to the social and ethics committee
- Reputational risks
- Stakeholder engagements

Going forward, we will focus on:

- Continuously monitoring and reporting on ethics culture, reporting mechanisms, reputational risks and sustainable development initiatives

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.

Chair, lead independent director and CEO

Imtiaz Patel, a non-executive director, is the board chair.

During FY21, Jabu Mabuza filled the role of lead director and stepped in as chair in all matters where an actual or perceived conflict could exist and where it would be inappropriate for the chair to deal with the matter concerned.

The board satisfied itself that Jabu acted with independence of mind and judgement and there was no interest, position, association or relationship likely to unduly influence or cause bias in decision-making in the company's best interests. Sadly Jabu passed away on 16 June 2021. The board appointed Jim Volkwyn as lead director with effect from 1 July 2021.

The CEO, Calvo Mawela, is responsible for leading the implementation and execution of the approved strategy, policy and operational planning of the MultiChoice Group (including MultiChoice SA), and ensuring MultiChoice SA's day-to-day affairs are appropriately supervised and controlled.

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 122 to 128 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, annually reviews the competence, qualifications and experience of the company secretary 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



Letter from the remuneration committee

Dear shareholder,

Jabu Mabuza sadly passed away on 16 June 2021. As chair of the MultiChoice Group remuneration committee, he was instrumental in the implementation of key and strategic decisions taken during FY21 as detailed in this report. He also ensured that we as the committee delivered on our required responsibilities to the board and shareholders. This report was approved by Jabu prior to his passing and therefore is presented by all committee members. He will be missed.

Regards

The MultiChoice Group remuneration committee

Shareholder alignment

We are committed to maintaining a strong relationship with our shareholders, built on trust and a clear understanding of our remuneration policy and the practices we have implemented. Our report details the progress we have made in engaging with you, our shareholders, and steps are taken to incorporate your feedback, where practical to do so.

Strategic objectives

In line with our commitment to fair and responsible remuneration, we continuously review our remuneration policies and practices to ensure they remain fit for purpose and align with our strategic objectives. We are satisfied that our total reward offerings balance shareholder interests with the need to reward and retain key and critical skills.

Independent remuneration adviser

We appointed Bowman Gilfillan as independent adviser to the remuneration committee, and we are satisfied that their advice is objective and independent.



KING IV™

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

Part 1

The background statement

The background statement provides context around performance and how this influenced our remuneration decisions.

Part 2

The remuneration policy

The remuneration policy is a forward-looking section that provides an overview of our remuneration philosophy and policy.

Part 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 FY21 remuneration policy.

REMUNERATION REPORT continued

Part 1: The background statement

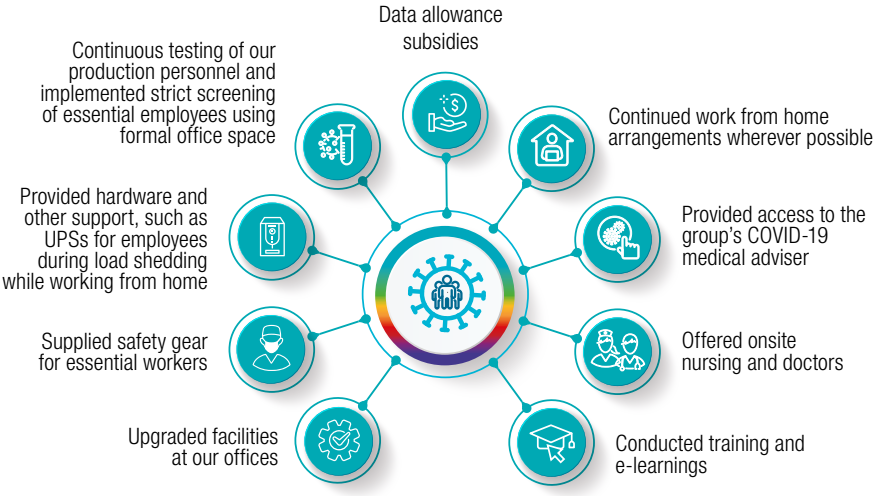
Factors that influenced our remuneration decisions

The video entertainment industry is encountering an unprecedented change in dynamics from competition, technology and changing customer preferences. As a result, we have expanded our video entertainment ecosystem and revenue prospects by offering new products and services and pursuing new growth opportunities organically and through investments.

We have continued to aggressively manage costs during these tough economic times to ensure we maximise value creation and are adequately prepared for future uncertainties. At the same time, we have focused on the ongoing development of all our employees and incorporated new skills for a changing environment. We strive to make a meaningful impact in the communities where we operate.

COVID-19

Our employees are instrumental to our ability to continue delivering high-quality services to our customers. In response to the impact of COVID-19 and the associated lockdowns during the past year, we supported our employees through several initiatives, including the following:



We continue to monitor the impact of COVID-19 on our workforce and remain committed to supporting our employees.

Aligning incentives with our strategy

The MultiChoice Group has started accelerating on the opportunity to leverage our customer base of 20.9m subscribers (100m individuals) as we expand our offering through an array of new services. The future success of this strategy depends on the careful identification of investment opportunities such as the recently concluded investment in BetKing by MultiChoice Group, which has already delivered in line with expectations.

We have reviewed our remuneration approach to align with the changing environment, specifically focusing on executive incentives and linking these to aggressive performance hurdles. This is to ensure we create a fit-for-purpose remuneration strategy for the type of organisation we are building for the future, while improving alignment with shareholders. The following updates were made:

Awards linked to performance measures

Taking into account feedback from our shareholders, we changed the structure of the executive long-term incentive (LTI) awards to be 100% linked to performance targets (75% in FY21 and 50% in FY20). No further restricted share unit (RSU) awards, without company performance measures, will be made to executive committee members going forward. Further detail is provided on page 106.

Short-term incentives (STI) and LTI benchmark review

We reviewed our performance incentive policies against the market and found that both STI and LTI on-target and stretch percentages were below the average of MultiChoice Group's peer group.
The STI component was left unchanged and we increased the LTI component as we believe this will ensure alignment to shareholder interests. This was implemented through the change in the annual award, from a multiple approach to a percentage of salary approach, which is a more common remuneration practice. The implementation of this new approach ensured that our blended outcome for both STI and LTI aligns with the market.

Phantom performance share (PPS) plan

Given the importance of successful new investments in driving our future growth strategy, we implemented an LTI plan in the form of a new PPS plan, which is linked to aggressive performance hurdles for new strategic investments.

This plan provides executives with exposure to the growth in shareholder value of the portfolio of strategic investments, such as MultiChoice Group's recent investment in BetKing which are intended to have a transformational impact on the nature and value of the group over time. A key feature of the PPS is the particularly stretching performance conditions that were applied, where there is no vesting if portfolio returns are at or below 12.5% per annum (our approximate group cost of capital), and full vesting only occurs at superior returns of 25% per annum (i.e. double our approximate group cost of capital).

The returns are measured on the growth in portfolio value using external valuation inputs where possible. The valuations will be conducted annually and will be based on the following methods (in order of priority):

1) The latest arm's length share transaction, which has occurred not longer than 24 months preceding the measurement date, for a minimum of 5% of the asset valuation.
2) 100% current year earnings x earnings multiple plus net cash/less net debt. The earnings metric and multiple are approved by the committee when a relevant portfolio asset is added.
3) An independent third-party valuation, where no clear transaction value exists, for example in a start-up scenario. This valuation will only be valid for three years, after which methods 1 and 2 would become applicable.

REMUNERATION REPORT continued

Part 1 continued

The PPS awards vest over a period of four to five years.

The PPS portion of the LTI will replace the 25% RSUs that previously did not have any performance conditions attached to them. PPS shares will be awarded to executive committee members who qualify to participate in this plan. A maximum of 25% of the annual share allocation can be PPSs with the remainder of the allocation being performance share units (PSUs). This weighting ensures executives are focused on both the new investments as well as the core business.

MultiChoice share appreciation rights (SAR) scheme

We approved the closure of the MultiChoice SAR scheme. The SAR scheme was considered outdated, as it was created in a different context and was no longer meeting the objectives of an LTI scheme for the group. Further detail is provided on page 113.

Key focus areas and decisions taken during the reporting period

The MultiChoice Group remuneration committee met four times before the financial year-end and is satisfied that it achieved its objectives and complied with its statutory duties. A key focus of this year's activity was to address shareholder concerns around the remuneration policy and the implementation thereof. In addition, the following key decisions were made:

- Approved the executive committee goals and targets for FY22.
- Approved the FY21 executive committee increases, FY20 bonus as well as share awards.
- Approved the non-executive director fees.
- Approved the salary increases, bonuses and share awards for all employees.
- Approved the closure of the MultiChoice SAR scheme.
- Approved the new PPS plan and first allocations.

Non-binding advisory vote on remuneration policy and implementation report

The remuneration policy and implementation report, as set out in Parts 2 and 3 of this remuneration report, will be tabled for separate non-binding advisory votes at the AGM on 25 August 2021. If 25% or more of the voting rights exercised vote against either the remuneration policy or implementation report or both, the board will take steps, in good faith and with best reasonable effort, to do the following as a minimum:

- Implement an engagement process to ascertain the reasons for the dissenting votes.
- Address legitimate and reasonable objections and concerns raised appropriately, which may include amending the remuneration policy, or clarifying or adjusting remuneration governance and/or processes.
- Report on the above in the following year's remuneration report.

Part 2: The remuneration policy

This report specifically deals with the group's policy as it applies to the executive directors who are the group's only prescribed officers. To provide a more comprehensive view, policies applicable either to different levels of employee and/or different geographic areas are included where appropriate.

Remuneration philosophy

Our remuneration philosophy is underpinned by the group's strategy 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 endeavour at all times 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 he/she 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 the business' sustainable performance and shareholder value creation over the long term.

Talent and fairness

We aim to be the preferred employer for candidates and current employees in the entertainment and digital platform security sectors and to be recognised as a leading employer in the markets where we operate.

We focus on recruiting experienced talent for critical areas in terms of our product development and service delivery (such as technology, data, digital and content). We also provide opportunities for new, young talent to learn and develop. These, combined with our other internal disciplines, are important to scale our business and deliver our strategic and operational imperatives.

We strive to recruit and retain the best calibre of executive talent to lead the organisation and create value for our stakeholders. Balancing the levels of executive remuneration with the demand to remain competitive in attracting global talent in the video entertainment industry has become challenging. However, our internal talent development practices enable internal leadership promotions to key positions in the business, such as the appointment of the CEO: MultiChoice SA, CEO: General Entertainment and Connected Video and CEO: SuperSport roles.

Our investments and collaboration with leading educational institutions, industry bodies, partners and subject matter experts enable us to recruit and build young talent to drive our business forward. We grow local talent through MultiChoice Talent Factory which seeds, incubates and nurtures African storytellers. We further develop deep technical TV, film, technology, engineering and data science expertise in partnership with prestigious global institutions like the New York Film Academy, Duke University, Henley Business School and leading local institutions in each country such as the University of Pretoria and Wits in South Africa.

REMUNERATION REPORT continued

Part 2 continued

The Chairman's Top Leaders Programme partners with Harvard Business School and aims to build executive capability and capacity.

We continuously monitor the level of fair and responsible pay for all our employees. As a starting point, our minimum salary in South Africa is substantially above the minimum wage requirements set by the government and, on average, 7% higher than the median salary in the market for the same role. We are proud of the suite of benefits offered to our employees (detailed on page 101), which we believe is highly competitive in our markets.

Our remuneration structure

Our approach to remuneration focuses on the following strategic principles:



Our remuneration policy and pay decisions are driven by and linked to the following principles:

Element	Description	Performance condition	Eligibility	Strategic principle
Guaranteed pay	We follow the local market practice of total cost to company (TCTC) remuneration, which comprises a basic salary plus cash and non-cash benefits. Guaranteed pay is reviewed annually and any increases are typically effective from June each year.	Personal performance is the primary driver for pay increases but also factors in salary movements in the local market and local economic indicators such as inflation to ensure increases are fair, sensible and market competitive.	All employees	
Benefits	A suite of competitive employee benefits. 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 highly competitive benefits • An early childhood development allowance and an onsite crèche • Discounts on DStv subscriptions for employees and up to three family members	None	All employees	

REMUNERATION REPORT continued

Part 2 continued

Element	Description	Performance condition	Eligibility	Strategic principle
STI	Annual performance-related incentives to align the remuneration of employees with the annual business performance to drive long-term shareholder value creation.	Group and individual performance targets.	All employees subject to eligibility criteria	
LTI	Share awards to incentivise executives and senior management on the delivery of long-term strategic goals.	Strategic group targets aligned with shareholder expectations.	Executives, senior management and scarce and critical skills	

Benchmarking

We strive to be consistent, offering remuneration structures that help attract and retain the best talent in our market. We consider market practices, business requirements and the calibre of the individual in our recruitment processes.

We benchmark our remuneration using the Old Mutual Remchannel Survey. For executives, who we sometimes recruit globally, we use the LMO Executive Survey and the Willis Towers Watson Executive Survey. In addition, we use bespoke benchmarking using input from our remuneration adviser when appropriate.

We target our guaranteed salary at the median of the market with exceptions based on performance and critical skills.

Remuneration Policy applicable to Executive directors

Pay mix

Each element of the total pay mix of executive directors is linked to creating shareholder value over time and to the business performance in a specific year. The ratio of guaranteed versus variable pay differs for each level in the organisation, with the weighting on variable performance-based pay higher at executive and senior levels compared to lower-level employees. The remuneration committee reviews both targets and the on-target values for each element every year, to ensure they remain relevant, competitive, drive the right behaviours and enhance overall shareholder value. The actual pay mix for executive directors is disclosed in the implementation report.

REMUNERATION REPORT continued

Part 2 continued

	Purpose and description	Calculation
TCTC	Non-variable remuneration with consideration to specific requirements of the role.	Market conditions, group performance, internal comparability, individual performance and responsibility are taken into consideration and reviewed annually.
STI	Motivate executive directors to achieve short-term strategic, financial and non-financial objectives over a one-year performance period. Targets are set at MultiChoice Group level and at segment/business unit/country level. The individual performance measures for each executive director are tailored to their roles and responsibilities. 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. The discreet objectives for individuals are specific to their business units. We combine these with the group targets to ensure that the overall benefit accrues to the group.	All executive directors have an on-target bonus percentage which is used to calculate the bonus. The calculation to determine the performance outcome is detailed below: **TCTC/base salary** x On-target bonus % **80%** x Individual performance % **0% to 110%** x Company performance % **0% to 120%**
LTI	Retain and motivate employees who are key to the delivery of the group's long-term strategy. A robust governance process is in place to ensure that the LTIs are appropriately awarded and administered.	Executive directors participate in the following schemes with 100% of awards being linked to performance targets in line with the vesting rules: • MultiChoice Group RSU scheme with performance conditions in the form of PSU (PSU: 75% to 100%) • PPS plan (PPS: max 25%) Detail on each plan is outlined in the table below on page 106. Executive director awards are split between the following LTI performance plans: CEO: **PSU 75%**, **PPS 25%** CFO: **PSU 75%**, **PPS 25%** Awards are normally granted annually. Dividends are not payable on unvested shares.

Performance measures	On-target and stretch outcomes
N/A	N/A

For FY22, the company performance measures and weightings are set out below:

Performance measure	Weighting
Revenue	**25%**
Core headline earnings	**25%**
Free cash flow	**25%**
Subscriber growth*	**25%**

** Weighted equally between South Africa, Rest of Africa and Showmax.*

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.

The on-target and maximum STI as a percentage of salary are set out in the table below:

	FY22	
	STI On-target	STI stretch
CEO	**80%**	**106%**
CFO	**80%**	**106%**

PSU

For FY22, the group performance measures and weightings are set out below:

Performance measure	Weighting
Core headline earnings per share (core HEPS)	**25%**
Free cash flow (cumulative)	**50%**
Return on capital employed	**25%**

Performance below threshold results in a 0% vesting for the specific measure. Between threshold and stretch, we apply linear progression of the vesting from 50% to 100%. The maximum vesting that can take place is 100% of the shares awarded.

PPS plan

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% per annum, and 100% vesting is achieved at a growth in the portfolio value of 25% per annum, with linear interpolation between these levels.

The annual LTI award percentages are set out in the table below:

	LTI maximum as % of salary
CEO	**215%**
CFO	**185%**

These are determined based on market comparisons as provided by our independent adviser.

REMUNERATION REPORT continued

Part 2 continued

The table below sets out the MultiChoice Group LTI schemes:

Current	New
MultiChoice RSUs and PSUs	**PPS plan**
Detail of award	
An award of MultiChoice Group shares registered to the participants subject to an employment condition (continued tenure). For the executive committee, achievement of performance conditions applies.	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.
Value delivered to the participant	
Full value delivered to the participant	Full value delivered to the participant.
Vesting detail	
• RSUs vest over four years in two equal tranches in years three and four • PSUs vest 100% after three years • Executives' awards are 100% RSUs with performance conditions (PSUs) • Quantum of PSU vesting is dependent on the achievement of performance conditions • Settlement of the awards will take place on the respective vesting date of the awards and at the board's discretion	• PPS units vest over five years in two equal tranches in years four and five • Vested units are settled on exercise by delivery of group shares, up to the tenth anniversary of the award date • 100% of awards are linked to performance conditions • The returns are measured based on the growth in the portfolio valuation • The minimum vesting performance threshold is 12.5% per annum, and 100% vesting at a growth in the portfolio value of 25% per annum, with linear interpolation between these levels • The portfolio performance is calculated at the date of vesting in year four and in year five
Changes made	
For executive committee members, 100% of awards are subject to performance conditions (previously it was 75%)	This is a new scheme.

Malus and clawback

We believe inappropriate conduct should not be rewarded. To protect stakeholders against inappropriate conduct by executives, malus and clawback provisions were introduced on all variable pay (STI and LTI) for executives.

These provisions enable us to recover variable remuneration awards made, based on the occurrence of a trigger event caused by the participant, which led to loss or damage incurred by the group. Trigger events include, but are not limited to:

- The group or any subsidiary's financial statements having been materially restated.
- The executive having deliberately misled the group or any subsidiary, the market and/or the group's shareholders regarding the financial performance or position of the group.
- The executive's actions brought the group, subsidiary and/or the executive's business unit into significant disrepute.
- The executive's actions amounted to gross misconduct or a material error.
- The subsidiary or the business unit in which the executive works having suffered a material failure of risk management.
- Any other matter which, in the reasonable opinion of the remuneration committee, is required to be taken into account to comply with prevailing legal and/or regulatory requirement.

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

Part 2 continued

LTI termination provisions

Death, ill health, disability or other 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 will be reviewed by the remuneration committee on a case-by-case basis.
Redundancy or termination as a result of a business disposition/ change of control or 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 PSUs and PPSs will be reviewed by the remuneration committee on a case-by-case basis.
For other causes	All unvested awards will lapse.

MSR

To encourage individual shareholding in the group and to align with shareholders' interests, the following minimum shareholding is required for the executive committee:

	MSR as % of salary
CEO	**300%**
CFO	**200%**
Executive committee	**100%**

To allow time for the executives to build up a shareholding in the MultiChoice Group as a newly listed company, these MSR requirements are to be met by FY24 for current executives. The timeframe for new executive committee members is five years from the date of appointment.

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 and prescribed officers 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, his/her package will typically be in line with the principles as outlined on page 100. 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 or shares.

Termination policy

Payments *in lieu* of notice may be made to executives for the unexpired portion of the notice period. On cessation, 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 his/her departure.

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 or not these meet the group's needs. Directors are invited to give their input in identifying potential candidates. Members of the MultiChoice Group nomination committee propose suitable candidates for consideration by the board. 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

Directors on the MultiChoice Group board have cross-membership on the South African major subsidiary boards: MultiChoice South Africa Holdings Proprietary Limited and MultiChoice South Africa Proprietary Limited.

Non-executive directors with such cross-memberships receive a single fee at a MultiChoice Group level.

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.

Non-binding advisory vote on remuneration policy

The remuneration policy, as set out in Part 2, will be subject to a non-binding advisory vote by shareholders at the AGM on 25 August 2021.

REMUNERATION REPORT continued

Part 3: The implementation report

This section explains how the remuneration policy was implemented in the reporting year and reflects the resulting payments each executive director received (backward looking). All decisions in relation to executive remuneration were made in line with our remuneration policy for this financial year.

Guaranteed pay (TCTC/base salary) adjustments

In determining any increases for executives, we considered personal performance, business performance, market benchmarks and local economic indicators. These contributions are in line with market norms and constitute a modest portion of the individual's total remuneration.

Below we show the guaranteed remuneration of the executive directors for FY22 as approved by the remuneration committee in June 2021.

	CP Mawela[1]		TN Jacobs	
	Base salary (US$'000)	FY22 increase (%)	TCTC (ZAR'000)	FY22 increase (%)
Guaranteed pay	**665**	**2.5**	**7 788**	**3.8**

[1] *Calvo Mawela is paid in US dollar, which is aligned with the MultiChoice Group Dubai-based contracts and considers Dubai's cost of living and typical expatriate benefits for Dubai. This allows Calvo to focus significant time on the Rest of Africa segment and be closer to the management team with more accessible travel into African countries and to international stakeholders.*

FY21 STI outcomes

Financial/group goals

In the following tables we outline the actual STI outcomes for each financial performance measure relative to the target set at the beginning of the financial year:

FY21	Weight	Threshold (80%)	Target (100%)	Stretch (120%)	Payout (%)
Revenue (ZAR'bn)	25	2% below target	On-target	2% above target	30
Core headline earnings (ZAR'bn)	25	10% below target	On-target	10% above target	30
Free cash flow (ZAR'bn)	25	10% below target	On-target	10% above target	30
Subscriber growth ('000)	25	5% below target	On-target	5% above target	30
Total group outcome					**120**

Individual goals

Based on a combination of group and individual performance (as detailed in the remuneration policy) the resultant STI awards which were approved for the CEO and CFO are detailed below.

	A	B	C	D	E = C x D	F = A x B x E	G	H = (F + G)/A
Executive director/ prescribed officer	FY21 TCTC/ base salary as at 31 March 2021 ('000)	On-target bonus (%)	Group/ financial goals achieved weighted outcome (%)	Personal goals achieved weighted outcome (%)	Total outcome (%)	FY21 bonus ('000)	FY21 Additional bonus ('000)	FY21 bonus as % of TCTC/ base salary
C P Mawela (US$)	**649**	**80**	**120%**	**98.01**	**117.6**	**610**	**–**	**94**
T N Jacobs (ZAR)	**7 503**	**80**	**120%**	**94.82**	**113.7**	**6 824**	**–**	**91**

[1] *Calvo has achieved good outcomes for the business under very difficult Covid-19 conditions – from the safety of our colleagues to galvanising the business into action for increasing local content, renewing rights deals, making strategic investments and overall delivering very positive results.*

[2] *Tim has been instrumental in ensuring we deliver on our cost-saving targets and delivering on key strategic projects.*

REMUNERATION REPORT continued

Part 3 continued

FY21 LTI vesting outcomes

In FY21, the outcome of the 2019 PSU awards will vest as detailed in the table below.

FY21	Weight	Threshold (50% vesting)	Target (75% vesting)	Stretch (100% vesting)	Vesting (%)
Core HEPS (ZAR)	25	5% below target	On-target	5% above target	100
Free cash flow (cumulative ZAR'bn)	50	5% below target	On-target	5% above target	100
Return on capital employed (%)	25	5% below target	On-target	5% above target	100
Total group outcome					**100**

Closure of the MultiChoice SAR scheme

As disclosed in prior reports, no new awards have been made under the MultiChoice SAR scheme following the introduction of the MultiChoice RSU scheme in 2019.

During the year, we further considered the appropriateness of the SAR scheme and whether current unvested awards are still fit for purpose for the group. The following key factors were considered:

1. The scheme was implemented in 2008 when the group was a pure pay-TV business. At the time of listing the MultiChoice Group, the board determined that this scheme was no longer fit for purpose and no new allocations were made.
2. The valuation formula was prejudicial to participants – three historic years' performance was used while shareholders benefited from current year performance and the expectation of future performance. This value gap was increasing as the group performed strongly in recent years. This created misalignment between shareholders and participants.
3. The scheme did not take into account strategic long-term value creation for the group for example the value strategy in Rest of Africa, as it was backward looking.
4. The impact of external factors such as currency depreciation and electricity shortages in the Rest of Africa severely impacted the value of the plan. While we recognise that foreign exchange movements impact shareholders as well as participants, 68% of scheme participants are employed in the South African operations. These employees would have received an additional benefit of 49% per SAR based on the South African segment's standalone performance. Rest of Africa has been reducing losses consistently over the past three years despite sharp currency depreciation and other uncontrollable external factors. The SAR price would have shown an 83% increase on the current price if it were not for currency impacts which were beyond the group and participant's control.
5. The scheme did not take any account of new investments and products launched outside of the pure pay-TV business, which were key long-term focus areas for management. As a result, the scheme was misaligned with the group's strategy.
6. Given the factors listed above, there was no alignment of executive LTIs and shareholder value creation under this scheme, and employee morale was negatively affected despite outperformance in recent years.

After considering the above, the committee approved the closure and acceleration of the SAR scheme for all participants, including executive directors, in December 2020 in accordance with the rules of the scheme. The acceleration of the scheme included a 12% premium on the current value to recognise the strong unrewarded operational effort over the past six years and a forecast of the FY21 financial performance.

REMUNERATION REPORT continued

Part 3 continued

Executive directors' remuneration
Executive director single figure remuneration



Group CEO: Calvo Mawela

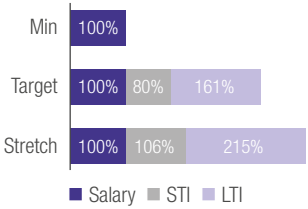
- Calvo's on-target STI is 80% of his salary. The stretch multiplier is 120% for group targets and 110% for individual targets. No STI is paid should group and/or individual threshold targets be missed.
- Calvo's stretch LTI award is 215% of his salary, with PSU on-target performance at 75% and threshold performance at 50% of the stretch award.
- From March 2021 going forward, LTI awards are 100% subject to performance conditions.
- No dividends are paid on share awards.

Name	Share plan	Offer date	Number of shares	Offer price (ZAR)	
Calvo Mawela	MCA 2008 SAR Plan	15 Sep 2015	16 242	113.19	
		01 Sep 2016	13 958	116.30	
		01 Sep 2016	13 958	116.30	
		28 Jun 2017	10 594	94.39	
		28 Jun 2017	10 594	94.39	
		28 Jun 2017	10 595	94.39	
		27 Jun 2018	26 119	77.19	
		27 Jun 2018	26 119	77.19	
		27 Jun 2018	26 119	77.19	
	MultiChoice Group RSU[1]	18 Jun 2019	61 162	–	
		18 Jun 2019	61 162	–	
		18 Jun 2019	61 162	–	
		18 Jun 2019	61 162	–	
	MultiChoice Group RSU[2]	10 Jun 2020	51 147	–	
		10 Jun 2020	51 147	–	
		10 Jun 2020	51 147	–	
		10 Jun 2020	51 149	–	
	MultiChoice Group RSU[2]	17 Nov 2020	80 820	–	
	MultiChoice Group RSU[3]	31 Mar 2021	120 809	–	
	Phantom Performance Share Plan 2021[4]	31 Mar 2021	42 767	–	
		31 Mar 2021	42 767	–	

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.*

Element	FY21 (USD'000)	FY20[1] (USD'000)
Base salary	**646**	571
Pension	**78**	67
Benefits[2]	**181**	227
Short and medium-term incentive[3]	**993**	726
LTI – PSU/RSU[4]	**534**	–
LTI – SAR[5]	**197**	–
Total single figure	**2 629**	1 591

CEO: Pay mix



1 *Calvo Mawela moved to a MultiChoice Group Dubai-based contract during FY20. The average exchange rate between USD and ZAR has been applied for comparison purposes.*
2 *Benefits exclude pension and include all benefits not included in TCTC/base salary such as medical benefits, fringe benefits, family benefits, travel, long-service and disability benefits.*
3 *The STI reflects the bonus paid based on the performance of the relevant financial year. During 2017 MultiChoice SA approved a medium-term incentive scheme. The scheme was designed to incentivise the delivery of key business results in FY18 and FY19, with payments taking place in FY20 and FY21.*
4 *The LTI RSU and PSU values reflected are for the June 2019 awards with performance period ending in FY21. Calvo's RSU and PSU awards were converted to USD using the year-end (March 2021) exchange rate.*
5 *The LTI value reflects the value of SARs that were exercised in FY21 and converted to USD using the November 2020 exchange rate.*

	Release date	Share price as at 31 March 2021 (ZAR)	Value of awards settled during the financial year ending 31 March 2021 (ZAR)	Intrinsic value per award of unvested shares as at 31 March 2021 (ZAR)
	15 Sep 2020	110.00	–	–
	01 Sep 2020	110.00	–	–
	23 Nov 2020	110.00	–	–
	23 Nov 2020	110.00	165 372	–
	23 Nov 2020	110.00	165 372	–
	23 Nov 2020	110.00	165 388	–
	23 Nov 2020	110.00	856 964	–
	23 Nov 2020	110.00	856 964	–
	23 Nov 2020	110.00	856 964	–
	18 Jun 2021	128.95	–	7 886 840
	18 Jun 2022	128.95	–	7 886 840
	18 Jun 2023	128.95	–	7 886 840
	18 Jun 2024	128.95	–	7 886 840
	10 Jun 2022	128.95	–	5 474 187
	10 Jun 2023	128.95	–	5 474 187
	10 Jun 2024	128.95	–	5 474 187
	10 Jun 2025	128.95	–	5 474 401
	17 Nov 2023	128.95	–	7 764 196
	31 Mar 2024	128.95	–	10 281 692
	31 Mar 2025	121.42	–	1 869 397
	31 Mar 2026	121.42	–	1 869 397

REMUNERATION REPORT continued

Part 3 continued



Group CFO: Tim Jacobs

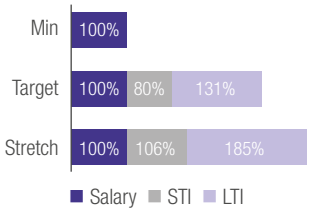
- Tim's on-target STI is 80% of his salary. The stretch multiplier is 120% for group targets and 110% for individual targets. No STI is paid should group and/or individual threshold targets be missed.
- Tim's stretch LTI award is 185% of his salary, with PSU on-target performance at 75% and threshold performance at 50% of the stretch award.
- From March 2021 going forward, LTI awards are 100% subject to performance conditions.
- No dividends are paid on share awards.

Name	Share plan	Offer date	Number of shares	Offer price (ZAR)	
Tim Jacobs	MCA 2008 SAR Plan	03 Dec 2018	151 142	77.19	
		03 Dec 2018	151 142	77.19	
		03 Dec 2018	151 143	77.19	
	MultiChoice Group RSU[1]	18 Jun 2019	15 768	–	
		18 Jun 2019	15 768	–	
		18 Jun 2019	15 768	–	
		18 Jun 2019	15 769	–	
	MultiChoice Group RSU[2]	10 Jun 2020	21 207	–	
		10 Jun 2020	21 207	–	
		10 Jun 2020	21 207	–	
		10 Jun 2020	21 207	–	
	MultiChoice Group RSU[2]	17 Nov 2020	59 652	–	
	MultiChoice Group RSU[3]	31 Mar 2021	80 732	–	
	Phantom Performance Share Plan 2021[4]	31 Mar 2021	28 579	–	
		31 Mar 2021	28 580	–	

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.*

Element	FY21 (ZAR'000)	FY20 (ZAR'000)
TCTC	**6 241**	5 128
Pension	**979**	756
Benefits[1]	**72**	319
Short-term incentive[2]	**6 825**	4 017
LTI – PSU/RSU[3]	**2 033**	–
LTI – SAR[4]	**14 877**	–
Total single figure	**31 026**	10 220

CFO: Pay mix



[1] *Benefits exclude pension and include all benefits not included in TCTC/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.*
[3] *The LTI RSU and PSU values reflected are for the June 2019 awards with the performance period ending in FY21.*
[4] *The LTI value reflects the value of SARs that were exercised in FY21.*

	Release date	Share price as at 31 March 2021 (ZAR)	Value of awards settled during the financial year ending 31 March 2021 (ZAR)	Intrinsic value per award of unvested shares as at 31 March 2021 (ZAR)
	23 Nov 2020	110.00	4 958 969	–
	23 Nov 2020	110.00	4 958 969	–
	23 Nov 2020	110.00	4 959 002	–
	18 Jun 2021	128.95	–	2 033 284
	18 Jun 2022	128.95	–	2 033 284
	18 Jun 2023	128.95	–	2 033 284
	18 Jun 2024	128.95	–	2 033 413
	10 Jun 2022	128.95	–	2 269 753
	10 Jun 2023	128.95	–	2 269 753
	10 Jun 2024	128.95	–	2 269 753
	10 Jun 2025	128.95	–	2 269 753
	17 Nov 2023	128.95	–	5 730 633
	31 Mar 2024	128.95	–	6 870 858
	31 Mar 2025	121.42	–	1 249 222
	31 Mar 2026	121.42	–	1 249 266

REMUNERATION REPORT continued

Part 3 continued

Non-executive directors' fees

The fees paid to non-executive directors by the group are set out below:

2021 Non-executive directors	Directors' remuneration		Directors' fees		Committee and trustees fees and other fees		
	Paid for services to the company R	Paid for services to other group companies R	Paid for services to the company R	Paid for services to other group companies R	Paid for services to the company R	Paid for services to other group companies R	Total R
DG Eriksson (resigned 11 June 2020)	–		127 863	135 000	–	843 215	1 106 078
FLN Letele*	3 007 072	–	127 863	678 750	–	252 641	4 066 326
E Masilela		–	127 863	678 750	–	335 000	1 141 613
KD Moroka**		1 500 000	127 863	678 750	–	737 782	3 044 395
SJZ Pacak		–	127 863	678 750	–		806 613
L Stephens		–	127 863	678 750	–	1 098 000	1 904 613
JJ Volkwyn***		3 003 687	–	–	–	–	3 003 687
CM Sabwa		–	–	678 750	–	565 000	1 243 750
FA Sanusi		–	–	–	–	–	–
S Dakile-Hlongwane			127 863	–	–	–	127 863
KB Sibiya			127 863	–	–		127 863
MI Patel****		58 288 533	–	–	–	–	58 288 533
J Mabuza			127 863	950 625		395 000	1 473 488
	3 007 072	62 792 220	1 150 763	5 158 125	–	4 226 638	76 334 819

* *Final payment related to previous role as MultiChoice SA executive.*

** *Director remuneration based on consultancy agreement for professional advisory services to the company and its subsidiaries.*

*** *Director remuneration based on agreement whereby Jim Volkwyn provides consultancy services to MultiChoice Group.*

**** *MI Patel changed from MCG Executive Chairman to Non-executive Chairman on 1 October 2020. Disclosure includes payment as an executive and, with effect from 1 October, as a consultant providing professional services to MultiChoice Group. The disclosure includes the SARs payment of R15 548 055 received as a result of the closure of the MultiChoice SAR scheme.*

Termination payments

No termination payments were made to executive and non-executive directors on termination of employment or office in FY21.

Compliance

There were no deviations from the remuneration policy in FY21.

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 25 August 2021.


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The MultiChoice SA and Phuthuma Nathi annual general meetings (AGMs) will be held at 12:00 on Wednesday 25 August 2021

Shareholders wishing to vote prior to the AGMs can log in to their EESE shareholder account (www.eese.co.za) 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 12:00 Monday 23 August 2021 to allow for processing.

A live broadcast of the AGMs will take place on DStv channel 196. To watch the live broadcast shareholders must submit the application form on page 138 to phuthumanathi@singularservices.co.za by no later than Friday 20 August 2021 to allow for processing.

Shareholders who wish to participate (speak and vote) at the AGMs must submit the Application on page 135 to phuthumanathi@singularservices.co.za by no later than 10:45 on Wednesday 25 August 2021.



NOTICE OF ANNUAL GENERAL MEETING

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

Notice is given in terms of the Companies Act of South Africa, 71 of 2008, as amended (the Act), that the 15th annual general meeting (AGM) of the company will be held at 12:00 on Wednesday 25 August 2021 by electronic participation.

As the board has determined that it is appropriate that the AGM be held by way of electronic participation and not by way of an in-person meeting, the AGM will only be accessible through electronic communication. Accordingly, the services of The Meeting Specialist Proprietary Limited (TMS) have been retained to remotely host the AGM on an interactive electronic platform in order to facilitate remote participation and voting by shareholders.

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 the electronic 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 Equity Express Security Exchange (EESE) 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 Phuthuma Nathi may determine appropriate for such notification to shareholders.

Purpose of meeting

The purpose of the AGM is:

(i) To present the audited consolidated annual financial statements of the company for the year ended 31 March 2021 (FY21)

(ii) To consider and, if approved, to adopt with or without amendment, the resolutions set out below

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

Record dates

The notice record date, being the record date to determine which shareholders would receive this AGM notice together with the report, is Tuesday 20 July 2021.

The voting record date, being the record date on which an individual must be registered as a shareholder in the company's securities register for the purposes of being entitled to attend and vote at the AGM, is Monday 23 August 2021.

Attendance and voting at the AGM

Only persons present in person/virtually 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. As the AGM will be facilitated by TMS as an electronic meeting, shareholders and their appointed proxies will be required to apply to participate (ie be present to speak and vote) at the AGM. To apply for participation at the AGM, shareholders and their appointed proxies must complete and deliver the form on page 135 of the integrated annual report to the company's transfer secretaries. This form and required supporting documents (the Application) must be delivered to the company's transfer secretaries, Singular Services, a division of Singular Systems Proprietary Limited (Singular).

The Application must be delivered to:
(a) 25 Scott Street, Waverley, 2090 or
(b) PO Box 1266, Bramley, 2018 or
(c) phuthumanathi@singularservices.co.za

Shareholders are advised to take note of postal delivery times and any restrictions on postal services in place when posting the Application as no late postal deliveries will be accepted. Shareholders are encouraged to email Applications to phuthumanathi@singularservices.co.za to ensure that their Applications are received and processed in time.

Shareholders who wish to participate (ie attend and vote) at the AGM must have delivered the Application by 10:45 on Wednesday 25 August 2021.

Each shareholder, who has complied with the Application requirements, will be contacted between Monday 16 August 2021 and 11:00 on Wednesday 25 August 2021 via email/mobile with a unique link to allow them to participate in the virtual AGM.

Votes at the AGM will be taken by way of a poll and not by a show of hands. Each shareholder present in person/virtually or represented by proxy will be entitled to one vote for every share held by such shareholder. The registrars will identify each shareholder's individual shareholding so that the number of votes that each shareholder has at the meeting will be linked to the number of votes which each shareholder will be able to exercise at the meeting. The voting process for shareholders to participate electronically is detailed in the shareholders' virtual meeting guide on page 137 and on the company's website at www.multichoice.com/multichoice-south-africa/reports-and-financial-information/.

Forms of proxy and voting prior to the AGM

A shareholder may appoint a proxy at any time. A form of proxy, which includes the relevant instructions for its completion, is attached for the use of shareholders who wish to be represented at the AGM.

The form of proxy may also be obtained from the company's website at www.multichoice.com/multichoice-south-africa/reports-and-financial-information/. For practical purposes, it is requested that forms of proxy reach the transfer secretaries of the company, Singular, at 25 Scott Street, Waverley, 2090 or PO Box 1266, Bramley, 2018 or phuthumanathi@singularservices.co.za by no later than 10:45 on Wednesday 25 August 2021. Shareholders are advised to take note of postal delivery times and any restrictions on postal services in place when posting any forms of proxy as no late postal deliveries will be accepted. Shareholders are encouraged to email forms of proxy to phuthumanathi@singularservices.co.za in order to ensure that all shareholder votes are received.

A proxy (appointed by a shareholder) who wishes to participate (attend, speak and/or vote) at the AGM must complete and submit the application form for electronic participation as well.

Completion of a form of proxy will not preclude such a shareholder from attending and voting (in preference to that shareholder's proxy) at the AGM. Shareholders who have previously submitted a form of proxy for a proxy to attend and vote at the AGM on their behalf, but have, since submitting the form of proxy, decided to rather attend and vote at the AGM themselves (rather than by proxy representation), must apply to do so by delivering the Application on page 135 of this integrated annual report to Singular as set out above by no later than 10:45 on Wednesday 25 August 2021.

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 EESE shareholder account (www.eese.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 2 August until 11:00 on Monday 23 August 2021.

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

As stated above, participation at the AGM will only be by electronic means. Electronic facilities will be made available for this purpose and may be accessed at the shareholder's cost. Shareholders and proxies appointed by shareholders who wish to participate electronically in the AGM are required to follow the shareholders' virtual meeting guide on page 137 of this integrated annual report. Shareholders participating electronically may still appoint a proxy to vote on their behalf at the AGM. Neither the company, Singular, TMS nor EESE can be held accountable in

NOTICE OF ANNUAL GENERAL MEETING continued

case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which prevent any shareholder from participating in and/or voting at the AGM.

Live broadcast

A live broadcast of the AGM will take place on DStv channel 196. To watch the live broadcast, shareholders must submit the form on page 138 to phuthumanathi@singularservices.co.za by no later than Friday 20 August 2021 to allow for processing.

The broadcast on DStv is for shareholders who would like to watch the AGM proceedings but not interact with the panel or vote during the AGM proceedings. To interact with the panel and vote during the AGM, shareholders must follow the instructions on the previous pages for attendance and voting at the AGM.

Majority required for the adoption of resolutions

Each ordinary resolution requires the support of a simple majority (that is, 50% plus one) of the total number of voting rights exercised on the resolution in order to be adopted.

Each special resolution requires the support of at least 75% (that is, 75% or more) of the total number of voting rights exercised on the resolution in order to be adopted.

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 voting rights exercised on the resolution be cast against the resolution, the board of directors of the company (board) will undertake to engage with identified dissenting shareholders on the reasons for such dissent and to take appropriate action (as the board may determine in its discretion) to address issues raised, as envisaged in the King Report on Corporate Governance™ for South Africa, 2016 (King IV).

In accordance with the Act, votes recorded as abstentions are not taken into account for purposes of determining the final percentage of votes cast in favour of resolutions.

Presentation of annual financial statements and reports

The suite of reports of the company, comprising the documents set out below, was made available to shareholders on 27 July 2021 and can be obtained on the company's website and at the company's registered office (details are included in this integrated annual report):

- Integrated annual report
- Consolidated annual financial statements of the company, incorporating among others, the directors' report and the independent auditor's report for the financial year ended 31 March 2021, as required in terms of sections 30(3)(d) and 61(8)(a) of the Act

The annual financial statements and the full reporting suite are available at www.multichoice.com/multichoice-south-africa/reports-and-financial-information/.

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 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 2021. The consolidated annual financial statements and the full reporting suite are available at www.multichoice.com/multichoice-south-africa/reports-and-financial-information/.

2. **Ordinary resolution number 2: Election of directors appointed to the board during the year**
   To elect Mr James Hart du Preez as an independent non-executive director who was appointed to the board subsequent to the 26 August 2020 AGM and is eligible for election as a director of the company.

A brief biography in respect of the director is available on page 81 of this report.

The board and the nomination committee are satisfied that Mr James Hart du Preez has the necessary qualifications, skills and experience to fulfil the duties as a director. The board unanimously recommends that the election of Mr James Hart du Preez be approved by shareholders of the company.

3. **Ordinary resolution number 3: Re-election of directors**
To elect, by separate resolution, the following directors, who retire by rotation in terms of article 5.1.6 of the MOI and being eligible, offer themselves for re-election as directors of the company:
3.1 Mr Francis Lehlohonolo Napo Letele
3.2 Dr Fatai Adegboyega Sanusi
3.3 Mr John James Volkwyn

Their brief biographical details are included in this integrated annual report.

The board unanimously recommends that the re-election of directors in terms of ordinary resolution number 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.

4. **Ordinary resolution number 4: Reappointment of independent external auditor**
To reappoint, on the recommendation of the company's audit committee, the firm PricewaterhouseCoopers Inc as independent registered external auditor of the company (noting that Mr Dirk Höll is the individual registered auditor of that firm who will undertake the audit) for the period until the next AGM of the company.

5. **Ordinary resolution number 5: Authorisation of distribution**
To authorise a distribution of 1 666.67 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 ZAR6bn payable to its ordinary shareholders on or about 6 September 2021. The board has approved a distribution of 1 666.67 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.

Non-binding advisory resolutions

1. **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 in the integrated annual report.

2. **Non-binding advisory resolution number 2: Endorsement of the company's implementation of the remuneration policy**
To endorse the company's implementation of the remuneration policy, as set out in the remuneration report in the integrated annual report.

Special resolutions

1. **Special resolution number 1: General authority to repurchase shares in terms of section 48 of the Act**
To authorise the board, by way of a renewable general authority, to approve the acquisition of the company's shares by the company or any subsidiary of the company, upon such terms as the board may determine, in each instance in terms of and subject to the MOI and the Act.

The reason for and effect of special resolution number 1 is to grant the company and/or a subsidiary of the company a general authority in terms of the Act to acquire the company's shares.

NOTICE OF ANNUAL GENERAL MEETING continued

The directors record that, although there is no immediate intention to effect a repurchase of the shares of the company, they will continually review the company's position, having regard to prevailing circumstances and market conditions, in considering whether to effect any repurchases as contemplated in special resolution number 1.

2. **Special resolution number 2: General authority to provide financial assistance in terms of section 44 of the Companies Act**
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 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.
   (ii) Be limited, in respect of directors and prescribed officers, to financial assistance in relation to the acquisition of securities as contemplated in (i).

   The reason for and effect of special resolution number 2 is to authorise the provision of financial assistance to the potential recipients as set out in the resolution for the purpose of facilitating the company's normal commercial and financing activities within and among the company's group of companies.

3. **Special resolution number 3: General authority to provide financial assistance in terms of section 45 of the Companies Act**
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.

   The reason for and effect of special resolution number 3 is to authorise the provision of financial assistance to the potential recipients as set out in the resolution for the purpose of facilitating the company's normal commercial and financing activities within and among the company's group of companies.

Ordinary resolution

6. **Ordinary resolution number 6: Authorisation to implement resolutions**
To authorise each of the directors of the company 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 the AGM.

Other business

To transact such other business as may be transacted at an AGM.

By order of the board



Carmen Miller
Company secretary

27 July 2021

FORM OF PROXY

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

For use by shareholders at the annual general meeting (AGM) to be held on Wednesday, 25 August 2021 at 12:00 by electronic participation.

I/We (name in block letters)

Identity number/registration number

of (address)

being the holder(s) of _____ shares in the company, hereby appoint (see note 1)

1. _____ or failing him/her

2. _____ or failing him/her

3. the chair of the company, or failing him/her, 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 on Wednesday 25 August 2021 or at any adjournment, and generally to act as my/our proxy at this meeting.

I/We desire to vote as follows (see note 8):

		For	Against	Abstain
Ordinary resolution number 1	Presenting the annual reporting suite			
Ordinary resolution number 2	Election of Mr James Hart du Preez as a non-executive director			
Ordinary resolution number 3	Re-election of directors:			
	3.1 Francis Lehlohonolo Napo Letele			
	3.2 Fatai Adegboyega Sanusi			
	3.3 John James Volkwyn			
Ordinary resolution number 4	Reappointment of independent external auditor – PwC			
Ordinary resolution number 5	Authorisation of distribution			
Non-binding advisory resolution number 1	Endorsement of the company's remuneration policy			
Non-binding advisory resolution number 2	Endorsement of the company's implementation of the remuneration policy			
Special resolution number 1	General authority to repurchase shares in terms of section 48 of the Act			
Special resolution number 2	General authority to provide financial assistance in terms of sections 44 of the Act			
Special resolution number 3	General authority to provide financial assistance in terms of sections 45 of the Act			
Ordinary resolution number 6	Authorisation to implement resolutions			

Signed at _____ on this _____ day of _____ 2021

Signature of authorised representative of shareholder or individual shareholder

Each shareholder is entitled to appoint one or more proxies (who need not be a shareholder(s) of the company).

Please read notes to the proxy set out overleaf.

NOTES TO THE FORM OF PROXY

The following provisions shall apply in relation to proxies:

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 appointment 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 document 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 document used to appoint the proxy: (i) 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; (ii) the appointment is revocable unless the proxy appointment expressly states otherwise; and (iii) 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. The proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder determined by the document appointing the proxy.
8. A shareholder's instructions to the proxy must be indicated by inserting an 'X' in the appropriate box.
9. 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.
10. Documentary evidence establishing the authority of the person signing this form of proxy in a representative capacity must be attached to the proxy document unless previously recorded by the company or waived by the chair of the AGM.
11. 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 at 25 Scott Street, Waverley, 2090 or PO Box 1266, Bramley, 2018 or phuthumanathi@singularservices.co.za, to reach them by no later than 10:45 Wednesday 25 August 2021. As 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. A proxy appointment shall be suspended should a shareholder wish to participate in the meeting in person after having submitted the form of proxy.
12. A proxy (appointed by a shareholder using this form or any other proxy document) who wishes to participate (attend, speak and/or vote) at the AGM must complete and submit the application form for electronic participation as well.

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 given in terms of the Companies Act of South Africa No 71 of 2008, as amended (the Act), that the 15th annual general meeting (AGM) of the company will be held by electronic participation immediately after the AGM of MultiChoice South Africa Holdings Proprietary Limited (MultiChoice SA), which is scheduled to be held at 12:00 on Wednesday 25 August 2021.

As the board has determined that it is appropriate that the AGM be held by way of electronic participation and not by way of an in-person meeting, the AGM will only be accessible through electronic communication. Accordingly, the services of The Meeting Specialist Proprietary Limited (TMS) have been retained to remotely host the AGM on an interactive electronic platform, in order to facilitate remote participation and voting by shareholders.

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 the electronic 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 Equity Express Security Exchange (EESE) 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 Phuthuma Nathi may determine appropriate for such notification to shareholders.

Purpose of meeting

The purpose of the AGM is:

(i) To present the audited consolidated annual financial statements of the company for year ended 31 March 2021 (FY21)
(ii) To consider and, if approved, to adopt with or without amendment, the resolutions set out below
(iii) To transact any other business as may be transacted at an AGM in terms of the Act and the MOI of the company

Record dates

The notice record date, being the record date to determine which shareholders would receive this AGM notice together with the report, is Tuesday 20 July 2021.

The voting record date, being the record date on which an individual must be registered as a shareholder in the company's securities register for the purposes of being entitled to attend and vote at the AGM, is Monday 23 August 2021.

Attendance and voting at the AGM

Only persons present in person/virtually 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. As the AGM will be facilitated by TMS as an electronic meeting, shareholders and their proxies will be required to apply to participate (ie be present to speak and vote) at the AGM. To apply for participation at the AGM, shareholders and their appointed proxies must complete and deliver the form on page 135 of the integrated annual report to the company's transfer secretaries. This form and required supporting documents (the Application) must be delivered to the company's transfer secretaries, Singular Services, a division of Singular Systems Proprietary Limited (Singular).

The Application must be delivered to:

(a) 25 Scott Street, Waverley, 2090 or
(b) PO Box 1266, Bramley, 2018 or
(c) phuthumanathi@singularservices.co.za

Shareholders are advised to take note of postal delivery times and any restrictions on postal services in place when posting the Application as no late postal deliveries will be accepted. Shareholders are encouraged to email Applications to phuthumanathi@singularservices.co.za to ensure that their Applications are received and processed in time.

NOTICE OF ANNUAL GENERAL MEETING continued

Shareholders who wish to vote at the AGM must have delivered the Application by 10:45 on Wednesday 25 August 2021.

Each shareholder, who has complied with the Application requirements, will be contacted between Monday 16 August 2021 and 11:00 on Wednesday 25 August 2021 via email/mobile with a unique link to allow them to participate in the virtual AGM.

Votes at the AGM will be taken by way of a poll and not by a show of hands. Each shareholder present in person/virtually or represented by proxy will be entitled to one vote for every share held by such shareholder. The registrars will identify each shareholder's individual shareholding so that the number of votes that each shareholder has at the meeting will be linked to the number of votes which each shareholder will be able to exercise at the meeting. The voting process for shareholders to participate electronically is detailed in the shareholders' virtual meeting guide on page 137 and on the company's website at www.phuthumanathi.co.za/information/other-information/.

Forms of proxy and voting prior to the AGM

A shareholder may appoint a proxy at any time. A form of proxy, which includes the relevant instructions for its completion, is attached for the use of shareholders who wish to be represented at the AGM.

The form of proxy may also be obtained from the company's website at www.phuthumanathi.co.za/information/other-information/.

For practical purposes, it is requested that forms of proxy reach the transfer secretaries of the company, Singular, at 25 Scott Street, Waverley, 2090 or PO Box 1266, Bramley, 2018 or phuthumanathi@ singularservices.co.za by no later than 10:45 on Wednesday 25 August 2021. Shareholders are advised to take note of postal delivery times and any restrictions on postal services in place when posting any forms of proxy as no late postal deliveries will be accepted. Shareholders are encouraged to email forms of proxy to phuthumanathi@singularservices.co.za in order to ensure that all shareholder votes are received.

A proxy (appointed by a shareholder) who wishes to participate (attend, speak and/or vote) at the AGM must complete and submit the application form for electronic participation as well.

Completion of a form of proxy will not preclude such a shareholder from attending and voting (in preference to that shareholder's proxy) at the AGM. Shareholders who have previously submitted a form of proxy for a proxy to attend and vote at the AGM on their behalf, but have, since submitting the form of proxy, decided to rather attend and vote at the AGM themselves (rather than by proxy representation), must apply to do so by delivering the Application on page 135 of this integrated annual report to Singular as set out above by no later than 10:45 on Wednesday 25 August 2021.

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 EESE shareholder account (www.eese.co.za), or contact 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 2 August 2021 until 11:00 on Monday 23 August 2021.

Shareholders who have made use of 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

As stated above, participation at the AGM will only be by electronic means. Electronic facilities will be made available for this purpose and may be accessed at the shareholder's cost. Shareholders and proxies appointed by shareholders who wish to participate electronically in the AGM are required to follow the shareholders' virtual meeting guide on page 137 of this integrated annual report. Shareholders participating electronically may still appoint a proxy to vote on their behalf at the AGM. Neither the company, Singular, TMS or EESE can be held accountable in case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which

prevent any shareholder from participating in and/or voting at the AGM.

Live broadcast

A live broadcast of the AGM will take place on DStv channel 196. To watch the live broadcast, shareholders must submit the form on page 138 to phuthumanathi@singularservices.co.za by no later than Friday 20 August 2021 to allow for processing.

The broadcast on DStv is for shareholders who would like to watch the AGM proceedings but not interact with the panel or vote during the AGM proceedings. To interact with the panel and vote during the AGM, shareholders must follow the instructions on the previous pages for attendance and voting at the AGM.

Majority required for the adoption of resolutions

Each ordinary resolution requires the support of a simple majority (that is, 50% plus one) of the total number of voting rights exercised on the resolution in order to be adopted.

In accordance with the Act, votes recorded as abstentions are not taken into account for purposes of determining the final percentage of votes cast in favour of resolutions.

Presentation of annual financial statements and reports

The suite of reports of the company, comprising the documents set out below, was made available to shareholders on 27 July 2021 and can be obtained on the company's website or at the company's registered office:

- Consolidated annual financial statements of the company
- Incorporating among others, the directors' report, the independent auditor's report, and the audit committee report for the financial year ended 31 March 2021, as required in terms of sections 30(3)(d) and 61(8)(a) of the Act

The annual financial statements and the full reporting suite are available at www.phuthumanathi.co.za/information/financial-reporting/.

Dividend

Subject to the approval of the MultiChoice SA dividend by shareholders at the MultiChoice SA shareholder meeting on 25 August 2021, the Phuthuma Nathi board has, pursuant to article 7.4 of the MOI, declared a dividend of 2 222.22 cents per Phuthuma Nathi share. The dividend will flow from MultiChoice SA to Phuthuma Nathi and then to Phuthuma Nathi shareholders.

Dividend tax of 20% amounts to 444.44 cents per Phuthuma Nathi share. Phuthuma Nathi shareholders will therefore receive a net dividend of 1 777.78 (prior year: 1 777.78) cents per share. The dividend proposed in this report will be paid from reserves. If approved by MultiChoice SA shareholders, the dividend will be payable to Phuthuma Nathi shareholders recorded in the Phuthuma Nathi share register on 25 August 2021 and paid on or about 6 September 2021.

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 annual financial statements (including, among others, the directors' report, the independent auditor's report and the audit committee report) for the financial year ended 31 March 2021. The consolidated annual financial statements and the full reporting suite are available at www.multichoice.com/multichoice-south-africa/reports-and-financial-information/ and www.phuthumanathi.co.za/information/financial-reporting/.

2. **Ordinary resolution number 2: Election of Herman Wessels**
   To elect Mr Herman Wessels as an independent non-executive director who was appointed to the board subsequent to the 26 August 2020 AGM and is eligible for election as a director of the company.

NOTICE OF ANNUAL GENERAL MEETING continued

A brief biography in respect of the director is available on page 15 of this report.

The board and the nomination committee are satisfied that Mr Herman Wessels has the necessary qualifications, skills and experience to fulfil the duties as a director. The board unanimously recommends that the election of Mr Herman Wessels be approved by shareholders of the company.

3. **Ordinary resolution number 3: Re-election of Mandla Langa**
To re-elect Mr Mandla Langa, who retires by rotation and being eligible, offers himself for re-election as a director of the company.

His brief biographical details are included in this integrated annual report.

The board unanimously recommends that the re-election of the director in terms of resolution number 3 be approved by shareholders of the company.

4. **Ordinary resolution number 4: Reappointment of independent external auditor**
To reappoint, on the recommendation of the company's audit committee, the firm PricewaterhouseCoopers Inc as independent registered external auditor of the company (noting that Ms Alinah Motaung is the individual registered auditor of that firm who will undertake the audit) for the period until the next AGM of the company.

5. **Ordinary resolution number 5: Appointment of audit committee members**
To appoint, on the recommendation of the board, and subject to the passing of ordinary resolution 3 (in respect of Mr Mandla Langa), as audit committee members of the company as required in terms of the Act and recommended by King IV (principle 8) and each by separate resolution:
5.1 Mr Mandla Langa
5.2 Ms Clarissa Mack
5.3 Mr Herman Wessels

Their brief biographical details are included in this integrated annual report.

The board is 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 Regulations 2011. 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) and other regulations and guidelines applicable to the company. They keep up to date with developments affecting their required skills set.

The appointment 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.

6. **Ordinary resolution number 6: Authorisation to implement resolutions**
To authorise each of the directors of the company 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.

Other business

To transact such other business as may be transacted at the AGM.

By order of the board



Carmen Miller
Company secretary

27 July 2021

FORM OF PROXY

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 at the annual general meeting (AGM) to be held on Wednesday 25 August 2021 by electronic participation.

I/We (name in block letters) _____

Identity number/registration number _____

of (address) _____

being the holder(s) of _____ shares in the company, hereby appoint (see note 1)

1. _____ or failing him/her

2. _____ or failing him/her

3. the chair of the company, or failing him/her, 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 on Wednesday 25 August 2021 or at any adjournment, and generally to act as my/our proxy at this meeting.

I/We desire to vote as follows (see note 8):

		For	Against	Abstain
Ordinary resolution number 1	Presenting the annual reporting suite			
Ordinary resolution number 2	Election of Herman Wessels as independent non-executive director			
Ordinary resolution number 3	Re-election of Mandla Langa			
Ordinary resolution number 4	Reappointment of independent external auditor			
Ordinary resolution number 5	Appointment of audit committee members:			
	5.1 Mandla Langa			
	5.2 Clarissa Mack			
	5.3 Herman Wessels			
Ordinary resolution number 6	Authorisation to implement resolutions			

Signed at _____ on this _____ day of _____ 2021

Signature of authorised representative of shareholder or individual shareholder _____

Each shareholder is entitled to appoint one or more proxies (who need not be a shareholder(s) of the company).

Please see the notes on the next page.

NOTES TO THE FORM OF PROXY

The following provisions shall apply in relation to proxies:

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 appointment 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 document 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 the document used to appoint the proxy: (i) 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; (ii) the appointment is revocable unless the proxy appointment expressly states otherwise; and (iii) 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. The proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder determined by the document appointing the proxy.
8. A shareholder's instructions to the proxy must be indicated by inserting an 'X' in the appropriate box.
9. 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.
10. Documentary evidence establishing the authority of the person signing this form of proxy in a representative capacity must be attached to the proxy document unless previously recorded by the company or waived by the chair of the AGM.
11. 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 at 25 Scott Street, Waverley, 2090 or PO Box 1266, Bramley, 2018 or phuthumanathi@singularservices.co.za, to reach them by not later than 10:45 on Wednesday 25 August 2021. As 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. A proxy appointment shall be suspended should a shareholder wish to participate in the meeting in person after having submitted the form of proxy.
12. A proxy (appointed by a shareholder using this form or any other proxy document) who wishes to participate (attend, speak and/or vote) at the AGM must complete and submit the application form for electronic participation as well.

APPLICATION FORM FOR ELECTRONIC PARTICIPATION IN THE MULTICHOICE SA AND PHUTHUMA NATHI AGMs

Instructions

- The AGMs of MultiChoice SA and Phuthuma Nathi will be by way of electronic participation only. The electronic meeting will be facilitated by TMS. Shareholders or their appointed proxies who wish to participate (attend, speak and vote) at the AGMs (Participants) to be held on Wednesday 25 August 2021, must apply to Singular, MultiChoice SA and Phuthuma Nathi's transfer secretary.
- In order to apply, Participants must deliver this form together with a certified copy of the Participant's identity document or passport (the Application) to Singular by no later than 10:45 on Wednesday 25 August 2021. The Application must be delivered to:
  (a) 25 Scott Street, Waverley, 2090
  (b) PO Box 1266, Bramley, 2018 or
  (c) phuthumanathi@singularservices.co.za
- Posting of the Application to Singular's physical or postal address above is at the risk of the Participant. As a result of delays in postal services and restrictions which may apply to postal services, Participants are encouraged to email their forms to the email address provided above.
- Participants will be able to vote during the AGMs through an electronic participation platform. Such Participants, should they wish to have their vote(s) counted at the relevant AGMs, must provide Singular with the information requested below and a certified copy of their ID or passport.
- Each shareholder, who has complied with the requirements below, will be contacted between Monday 16 August 2021 and 11:00 on Wednesday 25 August 2021 via email/mobile with a unique link to allow them to participate electronically in the virtual AGMs.
- The cost of the Participant's phone call or data usage will be at his/her own expense and will be billed separately by his/her own telephone service provider.
- The cut-off time, for administrative purposes, to participate in the meeting will be 10:45 on Wednesday 25 August 2021.
- The Participant's unique access credentials will be forwarded to the email/cell number provided on the next page.

Application form

Name and surname of shareholder
Name and surname of shareholder representative (if applicable)
ID number
Email address
Cellphone number
Telephone number
Shareholder account number
Number of shares
Signature
Date

By signing this form, I agree and consent to the processing of my personal information above for the purpose of participation in the AGMs.

APPLICATION FORM FOR ELECTRONIC PARTICIPATION IN THE MULTICHOICE SA AND PHUTHUMA NATHI AGMs

continued

Terms and conditions for participation at the MultiChoice SA and Phuthuma Nathi AGMs via electronic communication

- The cost of dialling in using a telecommunication line/webcast/web streaming to participate in the AGMs is for the expense of the Participant and will be billed separately by the Participant's own telephone service provider.
- The Participant acknowledges that the telecommunication lines/webcast/web streaming are provided by a third party and indemnifies MultiChoice SA, Phuthuma Nathi, Singular, EESE and TMS and/or its third-party service providers against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the telecommunication lines/webcast/web streaming, whether or not the problem is caused by any act or omission on the part of the Participant or anyone else. In particular, but not exclusively, the Participant acknowledges that he/she will have no claim against MultiChoice SA, Phuthuma Nathi, Singular, EESE and TMS and/or its third-party service providers, whether for consequential damages or otherwise, arising from the use of the telecommunication lines/webcast/web streaming or any defect in it or from total or partial failure of the telecommunication lines/webcast/web streaming and connections linking the telecommunication lines/webcast/web streaming to the AGMs.
- Participants will be able to vote during the AGM through an electronic participation platform. Such Participants, should they wish to have their vote(s) counted at the AGMs, must act in accordance with the requirements set out above.
- Once the Participant has received the link, the onus to safeguard this information remains with the Participant.
- The Application will only be deemed successful if this application form is (i) fully completed and signed by the Participant, (ii) is accompanied by a certified copy of the Participant's ID or passport, and (iii) is delivered to Singular or emailed to phuthumanathi@singularservices.co.za.

Shareholder name

Signature

Date

VIRTUAL AGM GUIDE

How to participate and vote at the MultiChoice SA and Phuthuma Nathi AGMs

Introduction

MultiChoice SA and Phuthuma Nathi will hold virtual AGMs. The steps below will guide you on how to participate and vote in the meeting.

Please note that you can only follow the steps below after your application to attend the meeting has been approved, and you received confirmation of attendance from Singular.

To attend the meeting, you need a cellphone, tablet or computer that can connect to the internet. You also need a functioning/current email address.

Participating in the meeting

You can either type your question and send it through the platform or address your question directly to the chair.

To type a question

Click the Q&A icon on the bottom of your screen, type your name, the resolution number, your question and then press Enter or Send.

To address the chair

Click the Raise Your Hand icon. Wait for the chair to identify you and allow you to address the meeting.

Accessing the meeting

1. You will receive a registration link from TMS closer to the date of the meeting.
2. Please click the link and complete the registration form.
3. Once your registration has been approved, you will receive an email invitation to the actual meeting.
4. The email contains the meeting ID and password and the link to the meeting platform.
5. Click on the link and then enter the meeting ID and password to join the meeting.

Voting in the meeting

1. Shareholders who are eligible to vote will receive two voting links through the email and SMS from TMS meetings approximately 60 minutes before the start of the meeting.
2. One voting link is for voting in the MultiChoice SA AGM and the other voting link is for voting in the Phuthuma Nathi AGM.
3. Click the Vote Now link and you will be directed to a voting platform.
4. Voting will be available on all the resolutions when the chair opens the meeting.
5. All resolutions published in the notice will appear, with the votes automatically defaulted to Abstain.
6. You can vote either ‘For’, ‘Against’ or you can leave the default ‘Abstain’.
7. You can vote on resolutions individually or on all resolutions simultaneously.
8. Once you have voted on all the resolutions, click the Submit button at the bottom of the electronic ballot form.
9. Once you click Submit, your votes cannot be retracted or revoted.

LIVE BROADCAST OF THE AGMs ON DStv CHANNEL 196

12:00 Wednesday 25 August 2021

Shareholders who wish to watch the MultiChoice SA and Phuthuma Nathi AGMs on DStv must complete and submit the form below to phuthumanathi@singularservices.co.za by 20 August 2021.

The purpose of the broadcast is to afford shareholders who are not part of the AGM the opportunity to watch the proceedings on TV. Please note that shareholders who will be watching the broadcast will not be able to participate, ask questions or vote as the AGMs will be conducted on a virtual platform.

Shareholders who wish to participate, ask questions or vote at the AGMs must follow the instructions outlined on page 135.

Name Surname

Phuthuma Nathi shareholder account number

Decoder smartcard number
(displayed on the back of the smartcard)

Telephone number Cellphone number

Physical address

City Province Code

Email

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)

PHUTHUMA NATHI
SHARE THE FUTURE

Registration number
2006/0015187/06

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
PricewaterhouseCoopers Inc
Registration number 1998/012055/21
4 Lisbon Lane, Waterfall City, Jukskei View, 2090
(Private Bag X36, Sunninghill, 2157)

Trading helpdesk and transfer secretaries
Singular Services, a division of Singular Systems Proprietary Limited
Registration number 2002/001492/07
25 Scott Street, Waverley, 2090
(PO Box 1266, Bramley, 2018)

Independent auditor
PricewaterhouseCoopers Inc
Registration number 1998/012055/21
4 Lisbon Lane, Waterfall City, Jukskei View, 2090
(Private Bag X36, Sunninghill, 2157)

Call centre helpline
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 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 (including the potential impact of COVID-19); 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.

