MultiChoice Group – FY19 Results

The leading video entertainment platform in Africa

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Important information/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”, “endeavor” 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 judgments 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; ongoing and future acquisitions, changes to domestic and international business and market conditions such as exchange rate and interest rate movements; changes in the domestic and international regulatory and legislative environments; changes to domestic and international operational, social, economic and political conditions; the occurrence of labour disruptions and industrial action and the effects of both current and future litigation.

We are not under any obligation to (and expressly disclaim any such obligation to) revise or update any forward-looking statements contained in this report, whether as a result of new information, future events or otherwise. We cannot give any assurance that forward-looking statements will prove to be correct and investors are cautioned not to place undue reliance on any forward-looking statements contained herein.

MCG FY19 results call presenters

Imtiaz Patel
Group Executive Chairman
19 years in company
29 years industry experience

Calvo Mawela
Group CEO
12 years in company
18 years industry experience

Tim Jacobs
Group CFO
4 years in company
8 years industry experience

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Agenda

1 Overview

2 Strategic update

3 Operational update

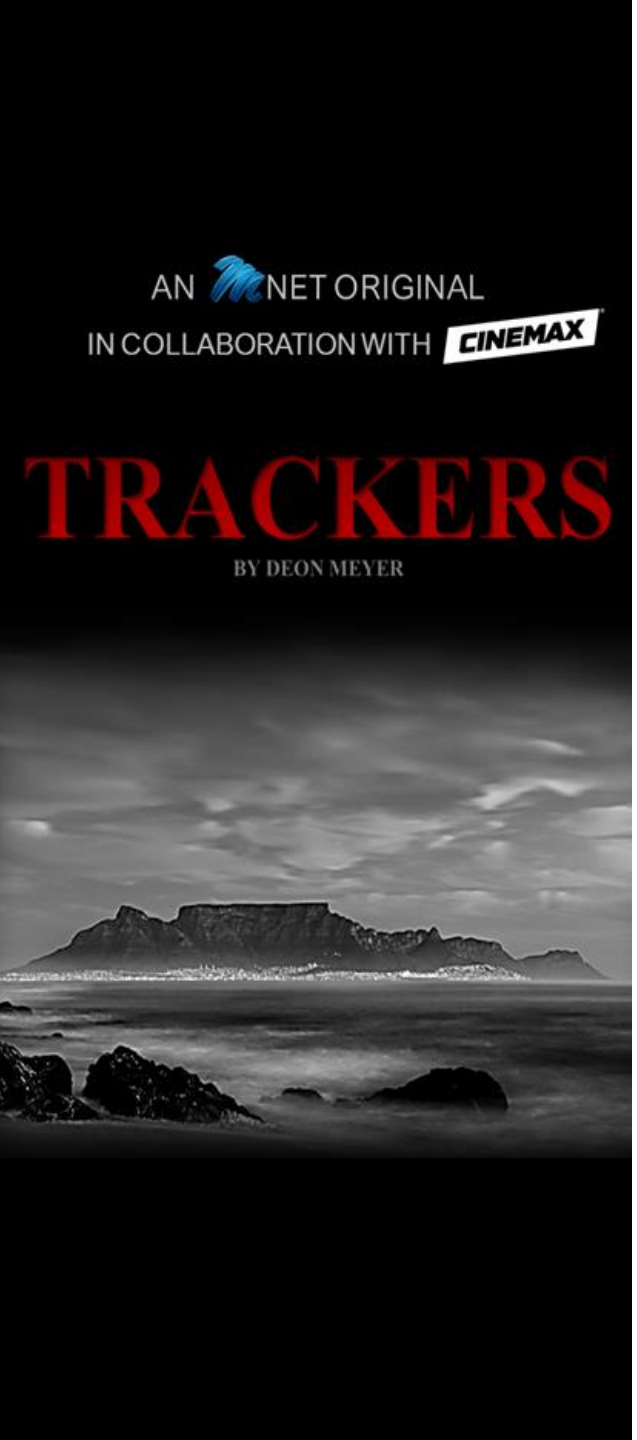
4 Financial update

5 Outlook

Solid results, delivered on FY19 objectives

FY19 Objectives	FY19 Highlights
Drive subscriber growth	Increased subscriber base by 12% to 15.1m active households Net additions of 1.6m, well above historic average Doubled monthly active Connected Video (OTT) users
Deliver solid financials	Revenue up 6% YoY to R50bn; trading profit up 11% YoY to R7bn Core headline earnings up 10% to R1.8bn Free cash flow doubled to R3.3bn
Invest more in local content	Stepped up production of local content to 4 600 hours Increased local content to 40% of total GE content spend (+2pp YoY) Local content library now ~50 000 hours
Optimise cost base	Delivered further cost savings of R1.3bn Strong operating leverage (cost growth < revenue growth) Reduced losses in RoA by R0.9bn

Note: Refer to Glossary of terms page for explanation of acronyms



Strategic update

The leading video entertainment platform in Africa

1. Offering exceptional content
2. Unlocking long-term growth opportunities
3. Returning RoA to profitability
4. Laying solid foundations for long-term OTT strategy
5. Delivering attractive financials and strong dividend prospects

1 | Substantial investment in quality local content

Local content: FY19 highlights

Produced 20 new local dramas

Uganda became 7th market in RoA to introduce local channel

Started selling local content internationally

Aired 2nd Showmax original production

Launched a new reality format

~50 000

Total hours in content library

4 600

Hours of local content produced

40%

Local content as % of GE content spend(1)

FY20 pipeline

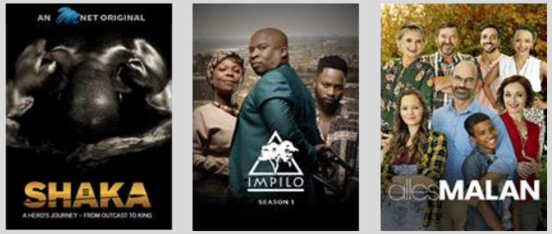
Co-productions with global partners

CINEMAX

Fremantle

52 new local movies

29 new local dramas



(1) GE content spend refers to general entertainment content spend, excluding sport

1 | The best sport and international content

FY19 highlights

FY20 pipeline

Sport

Leveraged FIFA World Cup

~7 500

Live events broadcast

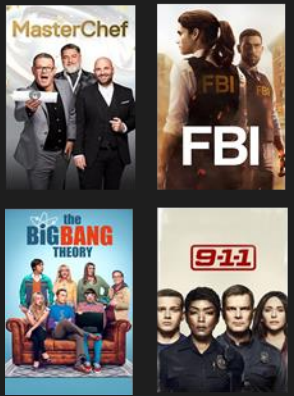
~700

Productions annually

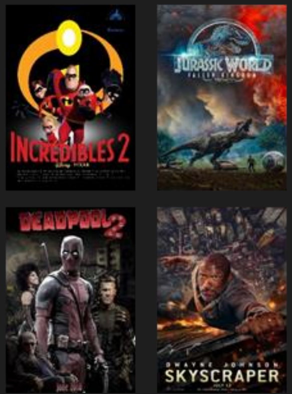
Continued to support local sport

International

Secured great international content and enhanced content discovery



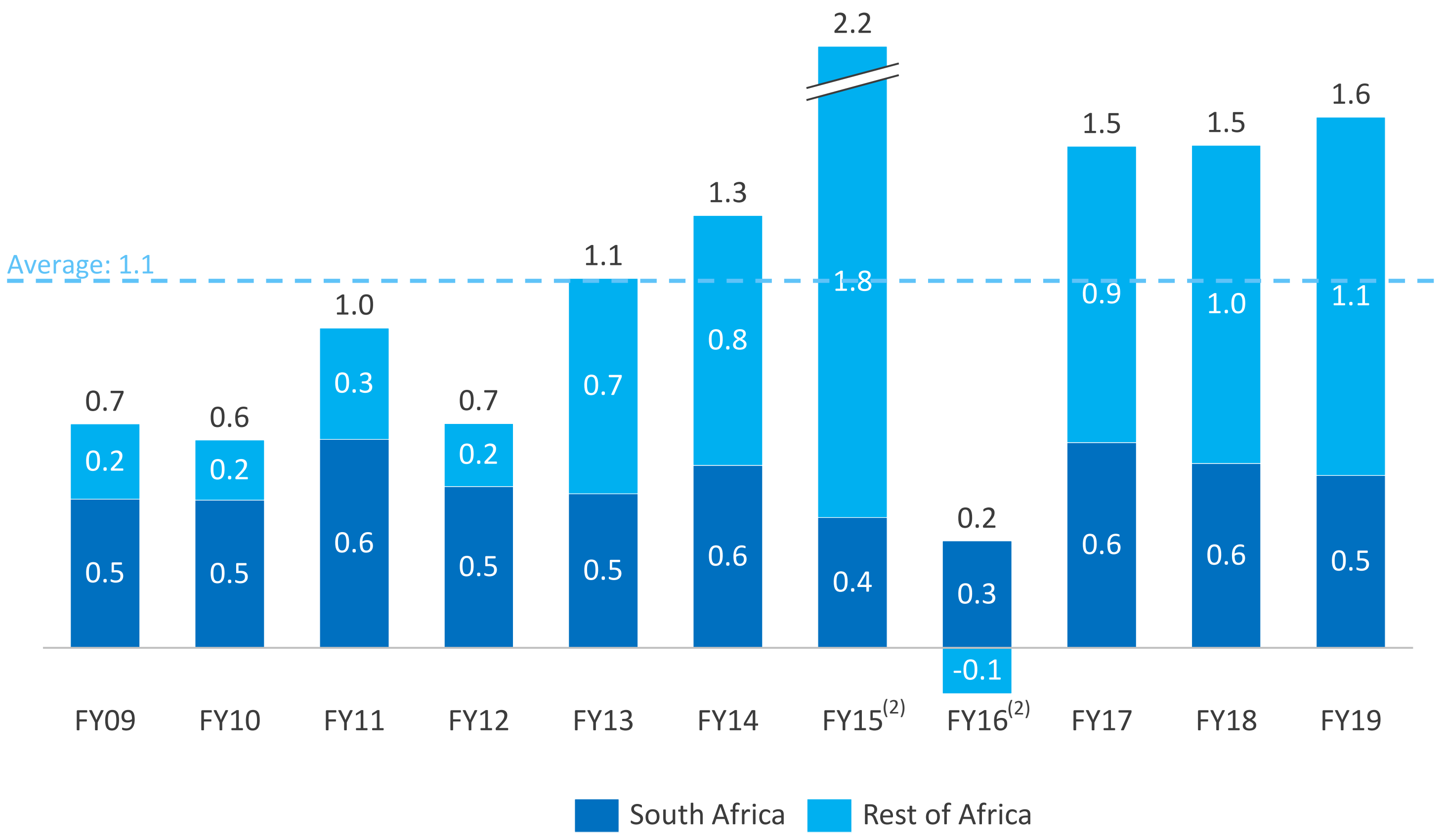
Bringing the magic of Hollywood to Africa



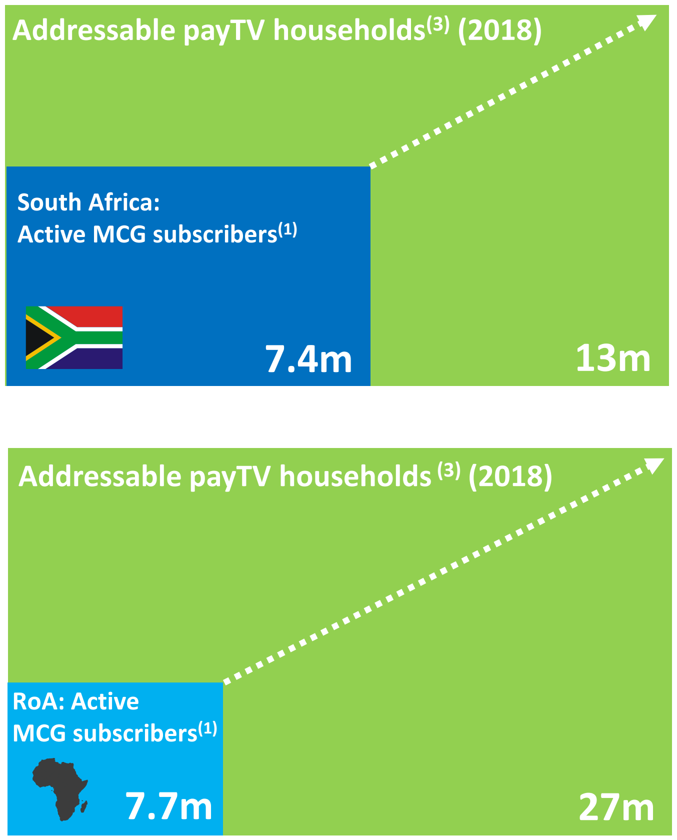
Created 5 movie pop up channels

2 | Strong growth into large, addressable market

Net subscriber additions (m)(1), above historic average



With potential for more growth(3)

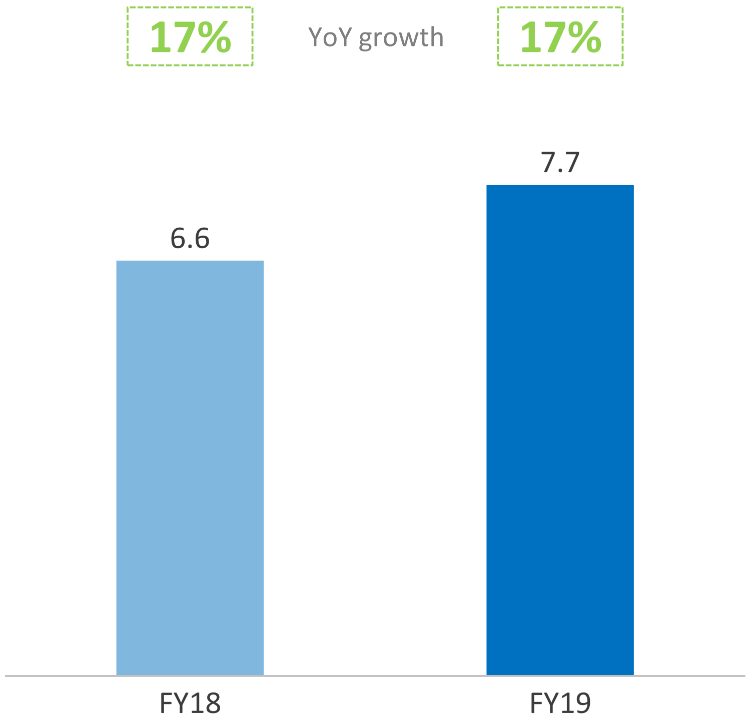


(1) Based on active subscribers, i.e. all subscribers that were active on the measurement day. This is typically lower than the number of subscribers when measured over a period of time (e.g. 90 days)
(2) FY15 growth fuelled by analogue switch off in Kenya as well as full year impact of DTT roll out in FY14 (10 markets). FY16 reflects impact of significant economic headwinds (end of commodity cycle, substantial FX depreciation)
(3) Based on TV households adjusted for affordability criteria (R2 000 income per month in SA and ~USD150 in RoA). Number of payTV households for RoA reflects combined total across MCG's 49 markets of operation

3 | Driving RoA back to profitability

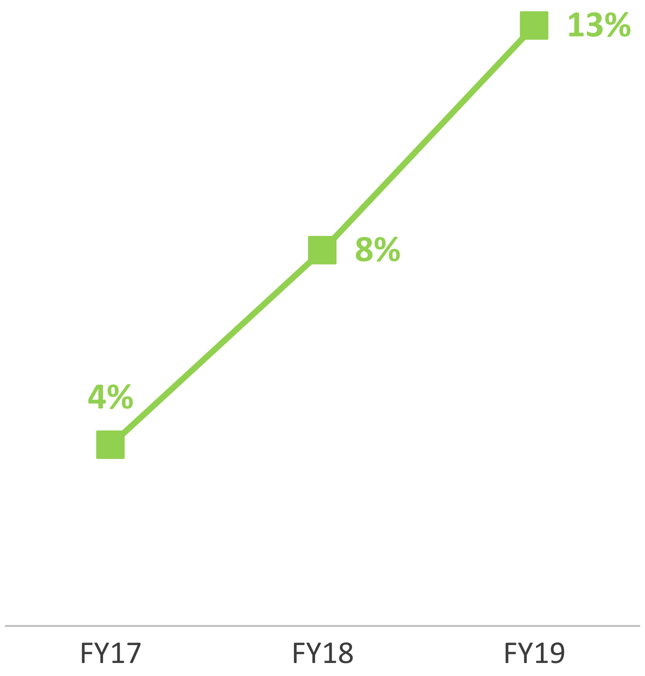
Strong subscriber growth

Subscribers (m)[(1)]



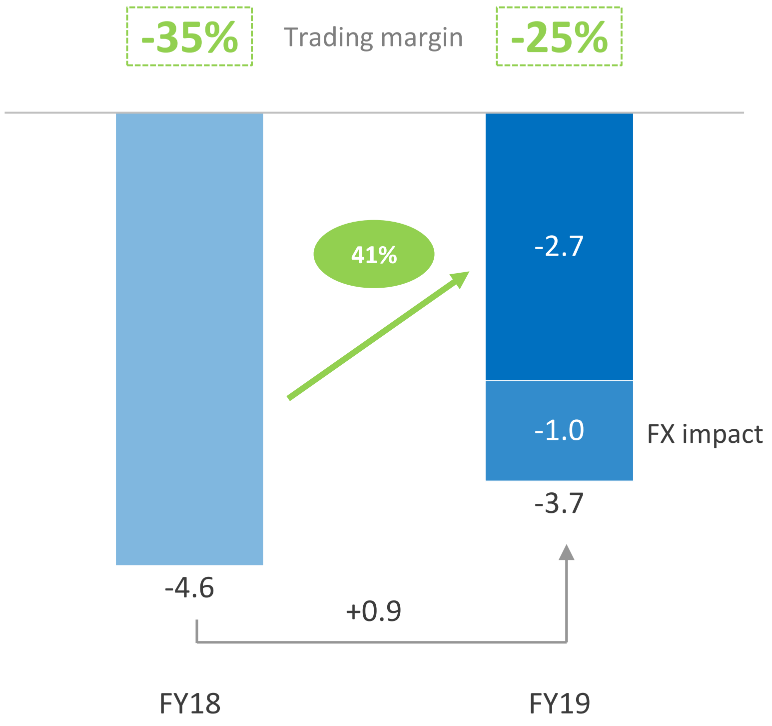
Revenue growth accelerated

YoY organic growth (%)



Reduced RoA losses

Trading loss (ZARbn)[(2)]



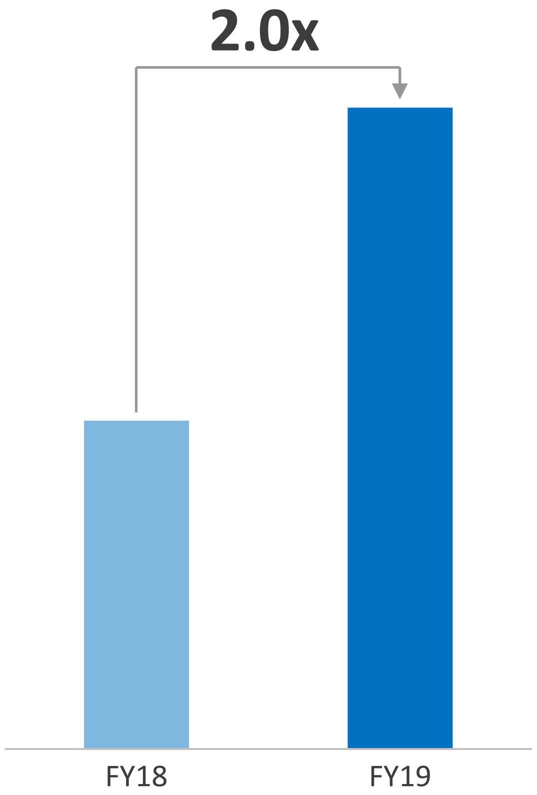
(1) Based on active subscribers, i.e. all subscribers that were active on the measurement day

(2) Trading loss includes an amount of R0.7bn relating to the FIFA World Cup investment. This has not been shown separately as the investment was repaid through additional subscriber growth generated in FY19

4 | Laying solid foundations for long-term OTT strategy

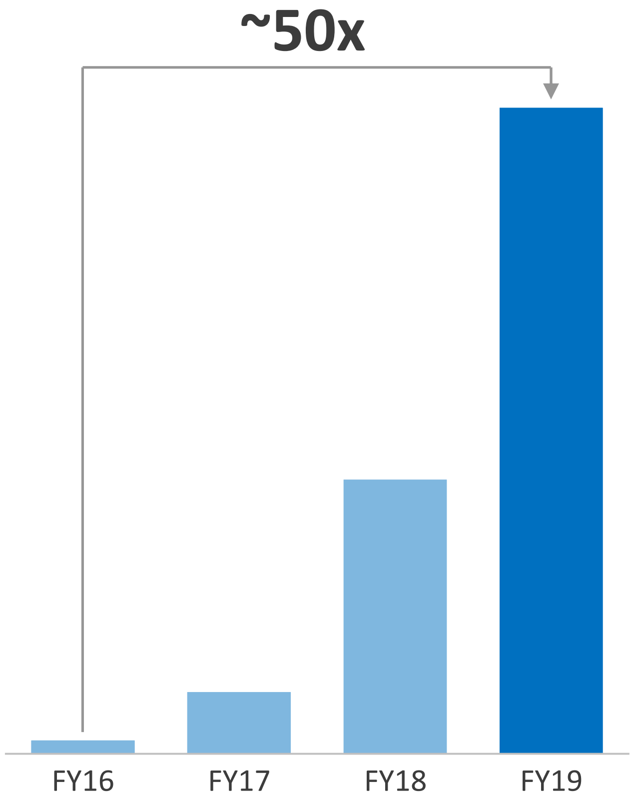
Strong growth in user base

Connected Video active users(1)



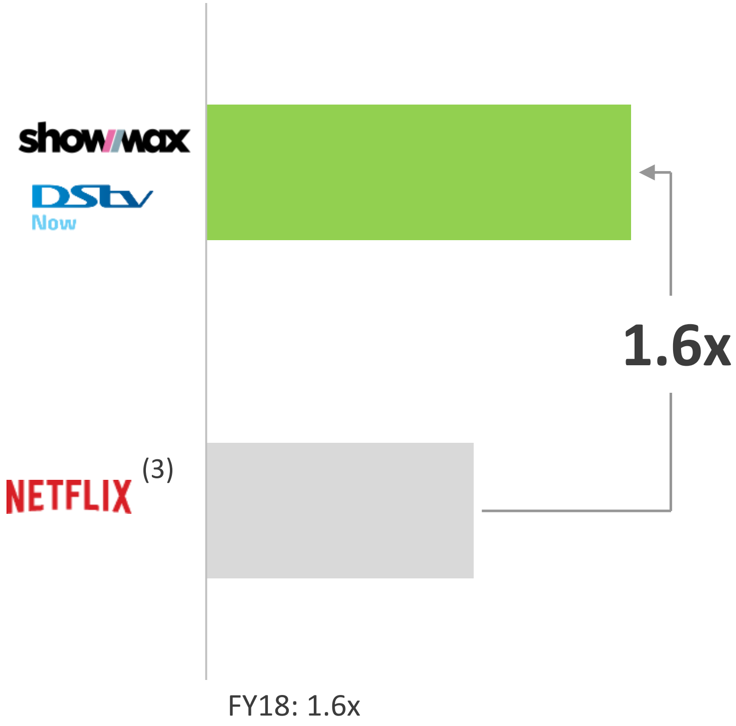
Increased activity on platforms

Play events(2)



Maintained competitive position

Relative size in active users



(1) Connected Video active users includes unique Showmax, DStv Now and connected *Explora* PVR users that have been active with a play event in the past 30 days. Users on multiple platforms are only counted once
(2) Play events are logged each time a user presses the play/watch button on either the DStv Now or Showmax platform. There is no minimum duration required
(3) MCG estimate of Netflix users

5 | Financial profile remains compelling

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1

Ongoing RoA turnaround

Reduced RoA trading loss
by **R0.9bn**

2

Strong cash generation

Doubled free cash flow
to **R3.3bn**

3

Financial flexibility

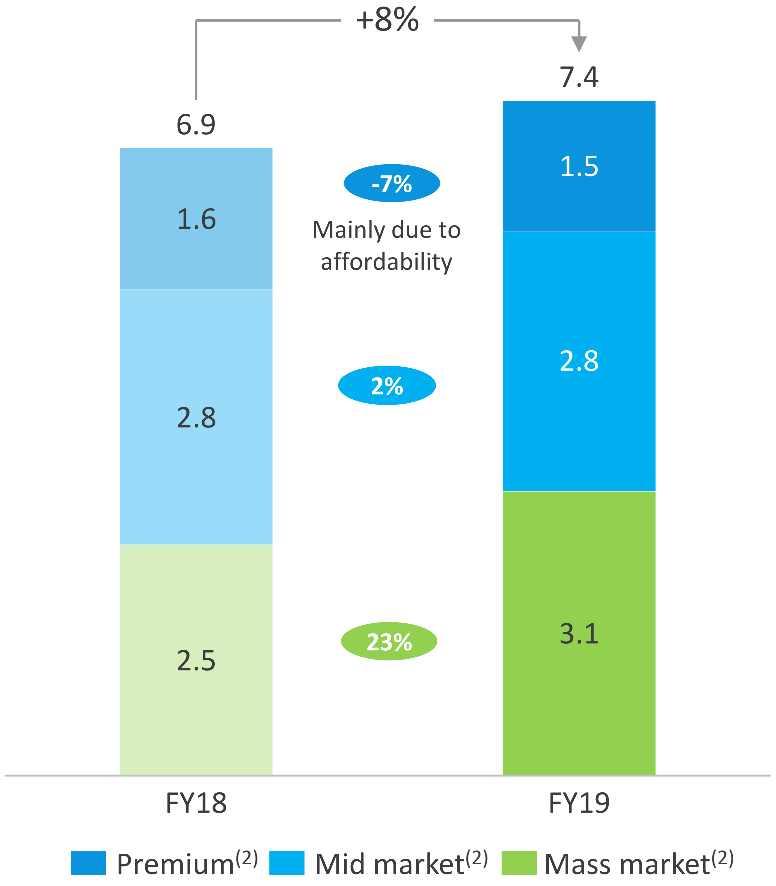
R6.7bn in cash and
R3.5bn in undrawn facilities

Operational update

South Africa: Substantial mass market growth in tough economy

Premium[2]
Mid market[2]
Mass market[2]

Subscriber growth (m)[1]

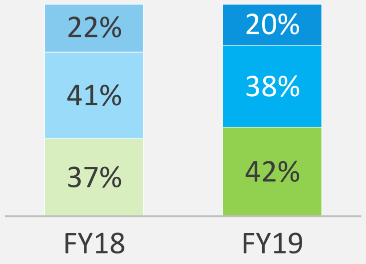


ARPU[3] and key drivers

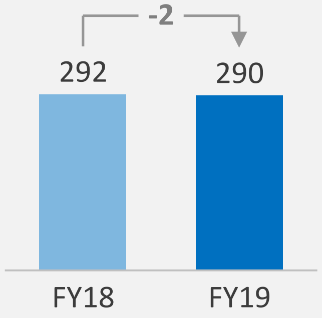
Price increases[4]

	FY18	FY19	FY20
Premium	4.2%	2.7%	0.3%
Mid	5.8%	5.5%	3.6%
Mass	0.9%	0.6%	5.2%

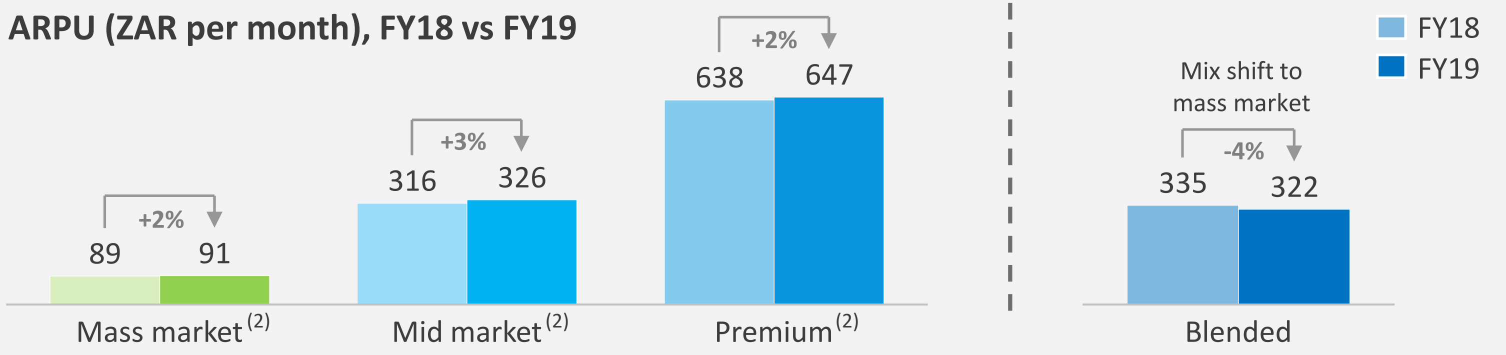
Subscriber mix



Active days[5]



ARPU (ZAR per month), FY18 vs FY19



(1) Refers to active subscribers, i.e. all subscribers that were active on the measurement day. Note: From FY20 our primary metric for reporting subscribers will change from active subscribers to 90-day active subscribers. Refer to slide 40 for more details
(2) Premium includes *Premium* and *Compact Plus* bouquets; mid market includes *Compac*t and *Commercial* bouquets and mass market includes *Family*, *Access* and *Easyview* bouquets
(3) ARPU calculated by dividing average monthly subscription fee revenue for the period by the average number of subscribers at the beginning and at the end of the period
(4) Price increases represent the weighted average increase per segment, based on the number of subscribers at the effective date of the increase (1 April of each year)
(5) Active days considers all customers that were active at any point in the last 12 months, and measures the average number of days that the customers were active in the period out of the total days they could potentially have been active

South Africa: Focusing on growth and upsell in the mass segment

Target fast-growing mass market segment

- 0.6m net additions in mass segment (+23% YoY)
- Strengthened *Family* bouquet by adding new entertainment and selected sports
- Strong traction in *Access* bouquet allowed for first price increase (FY20) since launch
- Enabled lower tiers to access *DStv Now* and *CatchUp*
- 6m households still addressable

South Africa: Expanding ecosystem to drive retention

Attract and retain customers with full entertainment offering

- Scaling *DStv Now* and *Showmax* (OTT)
  - Doubled monthly active OTT users
  - Enhanced recommendation engines and content discovery
  - Expanded *DStv Now* channels to mirror the full satellite selection
  - Regular cadence of product improvements
- Converted 19 channels to HD (67 in total)
- Launched new *DStv Business* packages
- Introduced *Joox* (music streaming service)

South Africa: Maintaining operational excellence and digital agility

Other operational developments

- Ongoing regulatory interaction:
  - Sport broadcasting review
  - PayTV market inquiry
- Improved operational efficiencies:
  - Enhanced self-service solutions
  - Discontinued print magazine, converted users to digital
  - Launched new *Explora* PVR
  - Closed legacy M-Net analogue and DStv Mobile broadcast businesses

RoA: Increased activity supports stable ARPU

Premium[2]
Mid market[2]
Mass market[2]

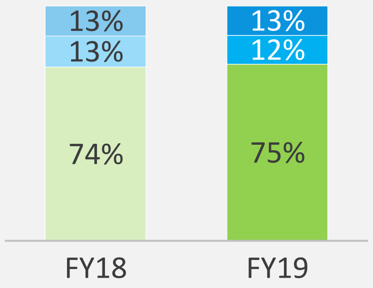
Subscriber growth (m)[1]

ARPU[3] and key drivers

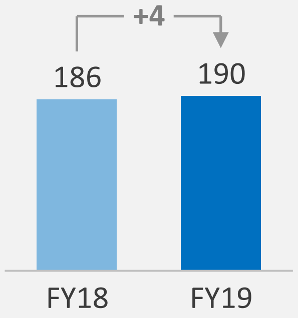
Price increases (FY19)[4]

Premium	7%	1%	0%
Mid	8%	2%	0%
Mass	-3%	11%	3%

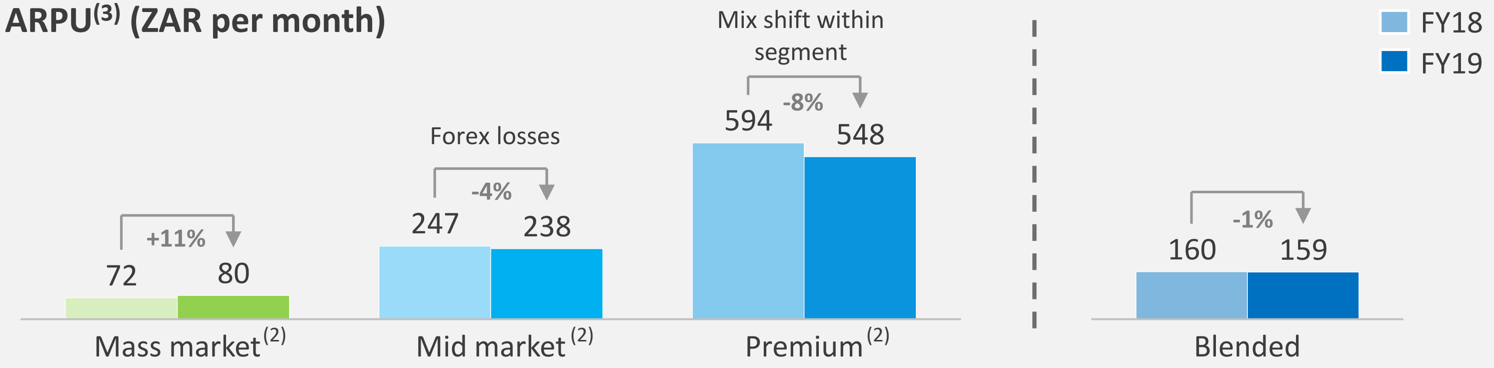
Subscriber mix



Active days[5]



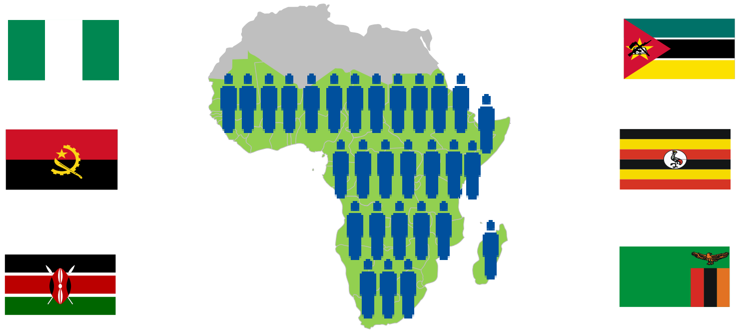
ARPU[3] (ZAR per month)



(1) Refers to active subscribers, i.e. all subscribers that were active on the measurement day. Note: From FY20 our primary metric for reporting subscribers will change from active subscribers to 90-day active subscribers. Refer to slide 40 for more details
(2) Premium includes *Premium* and *Compact Plus* bouquets; mid market includes *Compact* and *Commercial* bouquets and mass market includes *Family*, *Access*, *GOtv Max, GOtv Plus, GOtv Value* and *GOtv Lite* bouquets
(3) ARPU calculated by dividing average monthly subscription fee revenue for the period by the average number of subscribers at the beginning and at the end of the period
(4) Price increases reflect the weighted average local currency price increases per segment. These occurred at various dates throughout FY19
(5) Active days considers all customers that were active at any point in the last 12 months, and measures the average number of days that the customers were active in the period out of the total days they could potentially have been active

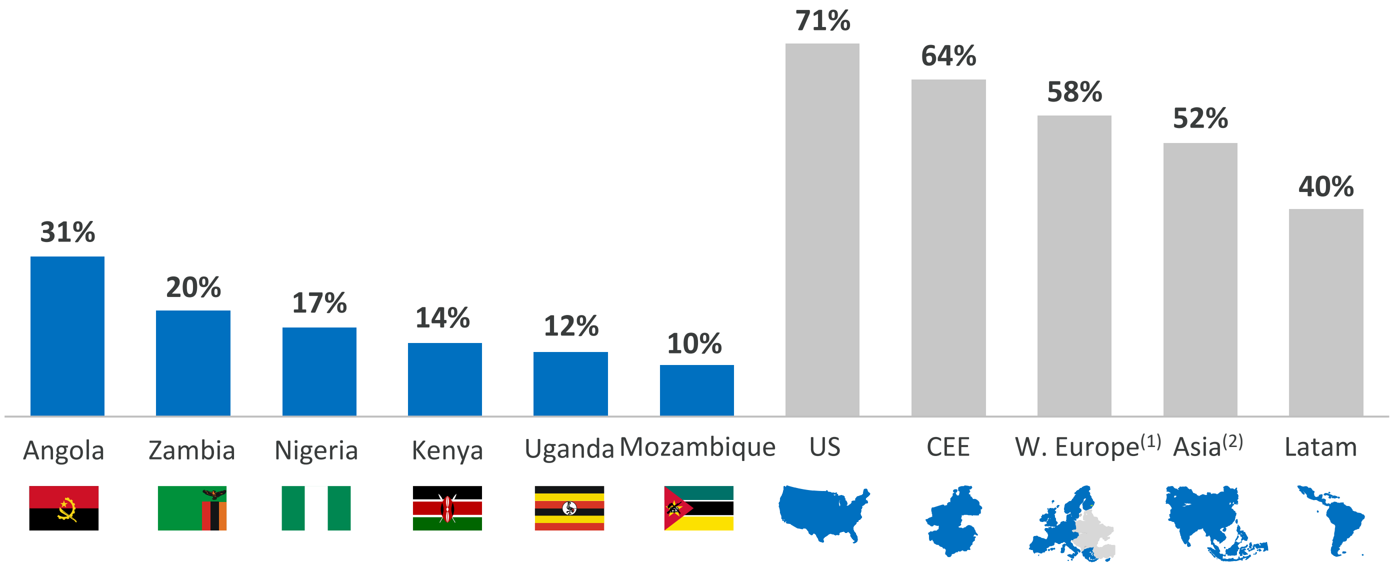
RoA: Focusing on driving scale to return to profitability

Take advantage of huge market opportunity



- 1.1m net additions (+17% YoY)
- Strong growth despite challenging economic environment:
  - average currency depreciation in key markets ~10%
  - includes Angola (-60%) and Zambia (-17%)
- 19m households still addressable

PayTV penetration (% of households, 2018E)



(1) Western Europe includes Austria, Belgium, Cyprus, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the UK
(2) Defined as "Asia Pacific"
Source: Ovum

RoA: Local content a key differentiator

Increased local content investment

- Boosted *Africa Magic Urban* channel with daily movie
- Launched *Pearl Magic* (Uganda); strengthened *Zambezi Magic* (Zambia), *Maisha Magic Bongo* (Tanzania) and *Maisha Magic* (Kenya)
- Launched a new 24hr movie channel and a series channel in Nigeria *(ROK2 & ROK3)*
- 60 students graduating from MultiChoice Talent Factory in September

Other operational highlights

- Nigerian DTH and DTT licenses renewed in March 2019
- Successfully renewed 11 other licenses
- Converted Angolan operation from agency to subsidiary
- Launched digital care channels (*WhatsApp, Facebook, MyDStv App*) in Nigeria and Kenya to enhance customer care efficiencies
  - Rolling out similar functionality in remaining markets in FY20

Irdeto: Continuing to support MCG while growing other revenues

MCG Support

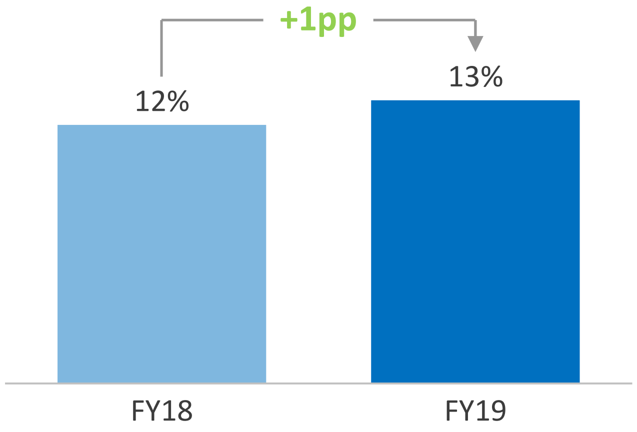
Deployed cardless conditional access solution to MCG

Delivered middleware stack for new *Explora* PVR

1.3m pirate households disconnected

External Media Security

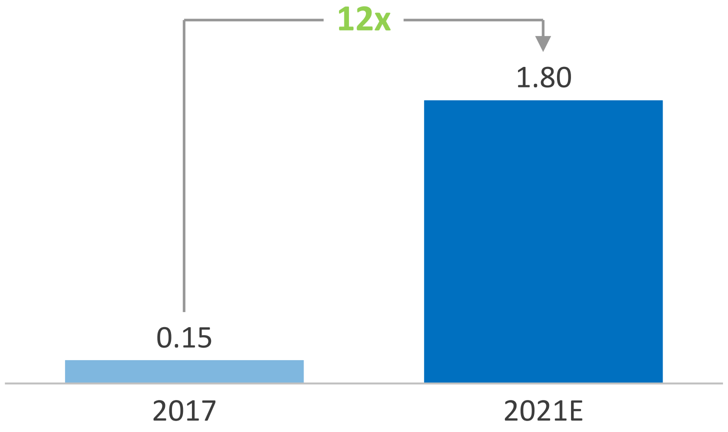
Irdeto market share[1]



- Second largest provider in global market (by volume)
- Secured major contracts with Tata Sky and Bharti Airtel (India) as well as D-smart (Turkey) during FY19

Connected Industries

Automotive cybersecurity market size, USDbn[2]



- Secured first two large multi-year customer wins with multinational automotive suppliers
- Exploring additional segments in the Internet of Things

Source: (1) ABI Research and Dataxis, Company estimates; (2) Visiongain "Automotive Cybersecurity Report 2016-2021" (Apr 2017)

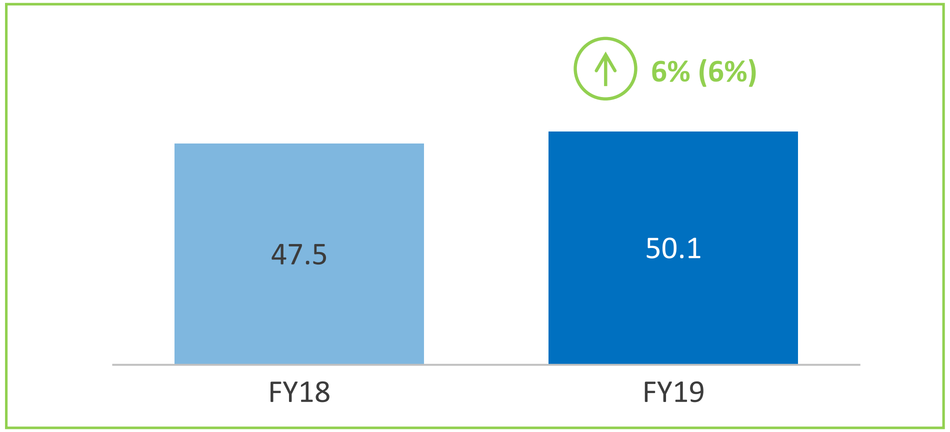
Financial update

Key financial highlights

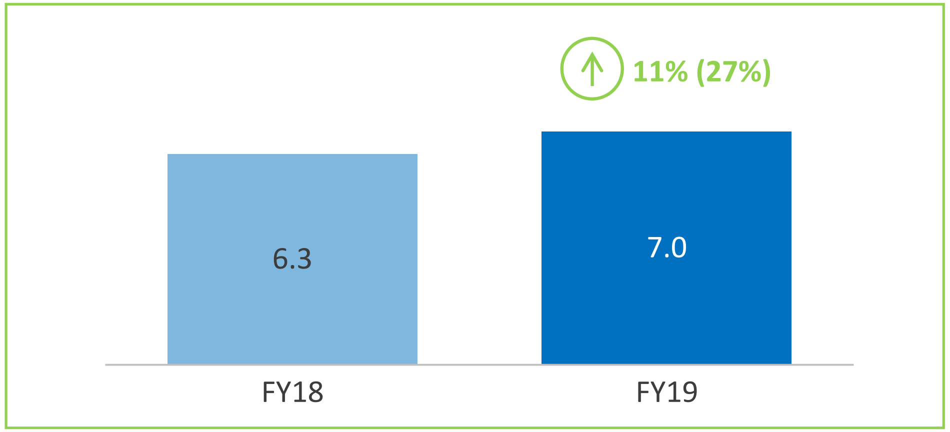
1. Solid revenue growth
2. Increased profitability
3. Healthy cash flow generation
4. Strong balance sheet with no financial debt
5. Attractive dividend prospects

Financial synopsis

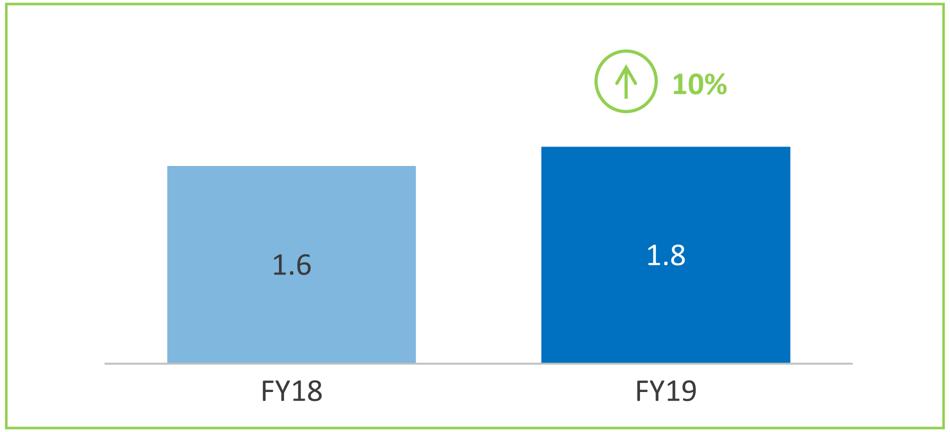
Revenue (ZARbn)[1]



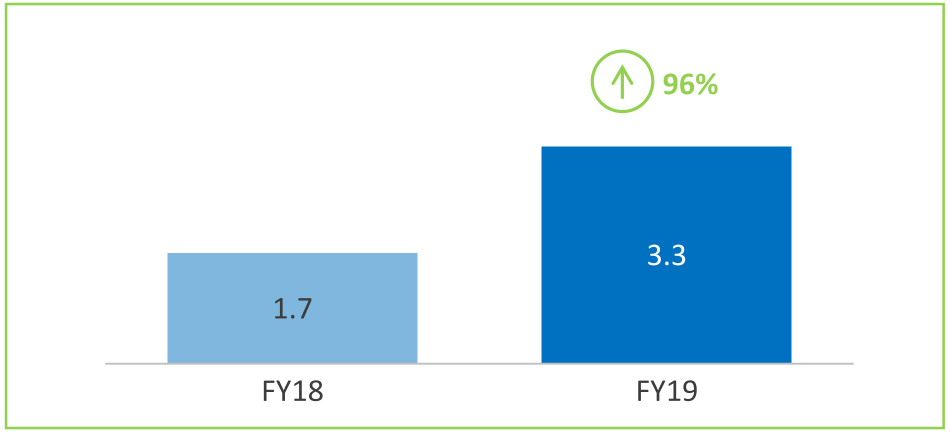
Trading profit (ZARbn)[1]



Core headline earnings (ZARbn)



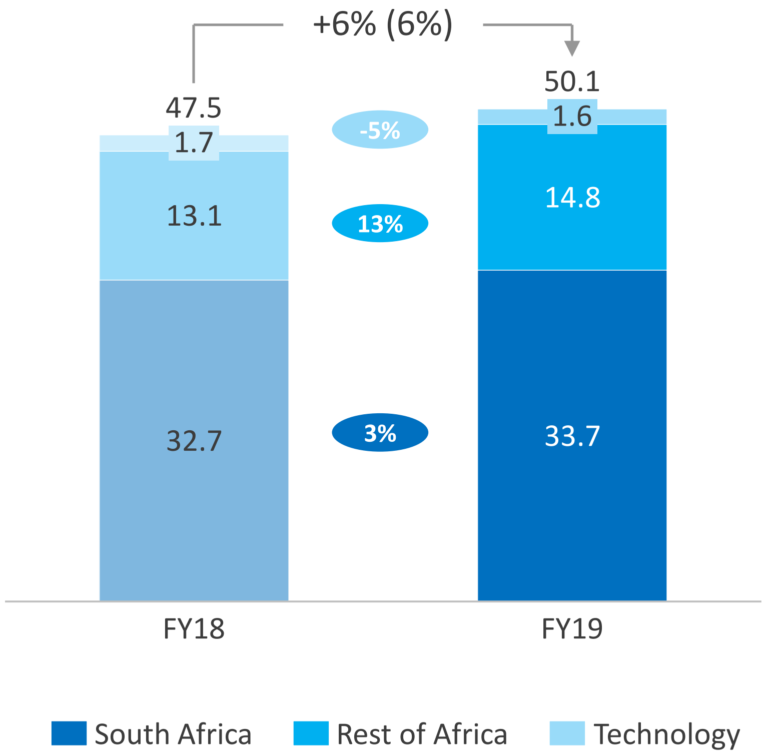
Free cash flow (ZARbn)



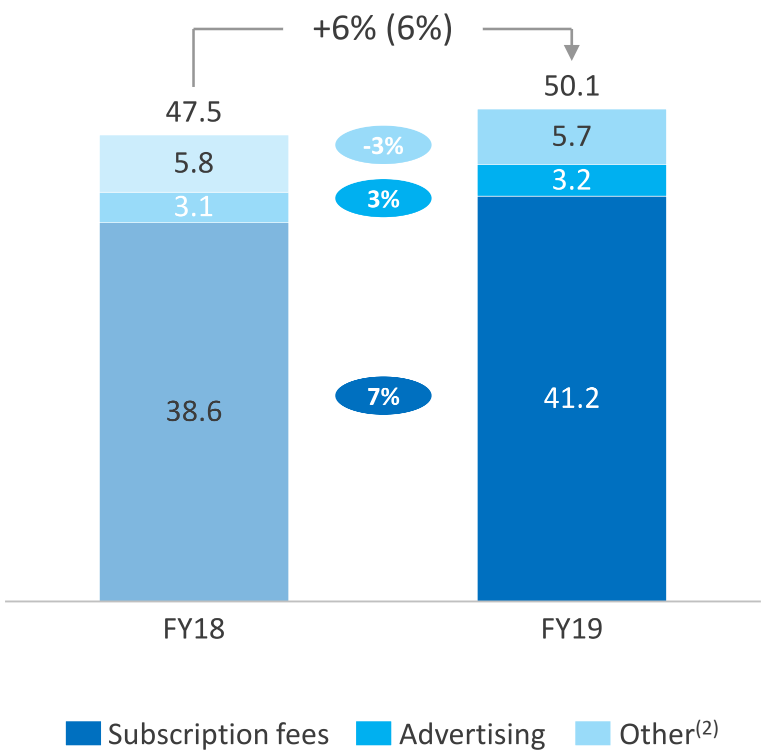
(1) Percentages reflect year-on-year growth. Numbers in brackets represent year-on-year organic growth (in constant currency, excluding M&A) on a like-for-like basis

1 | Solid revenue growth underpinned by increase in subscribers

Revenue by business segment (ZARbn)(1)



Revenue by nature (ZARbn)(1)



South Africa

- Benefit of 8% subscriber growth offset by:
  - change in subscriber mix impacting ARPU
  - absorbing 1% VAT increase (R240m) announced after annual price increase, as revenues reported net of VAT

Rest of Africa

- Driven by strong subscriber growth, increased subscriber active days and stable ARPUs

Technology

- Impacted by non-recurring projects which generated revenues in FY18

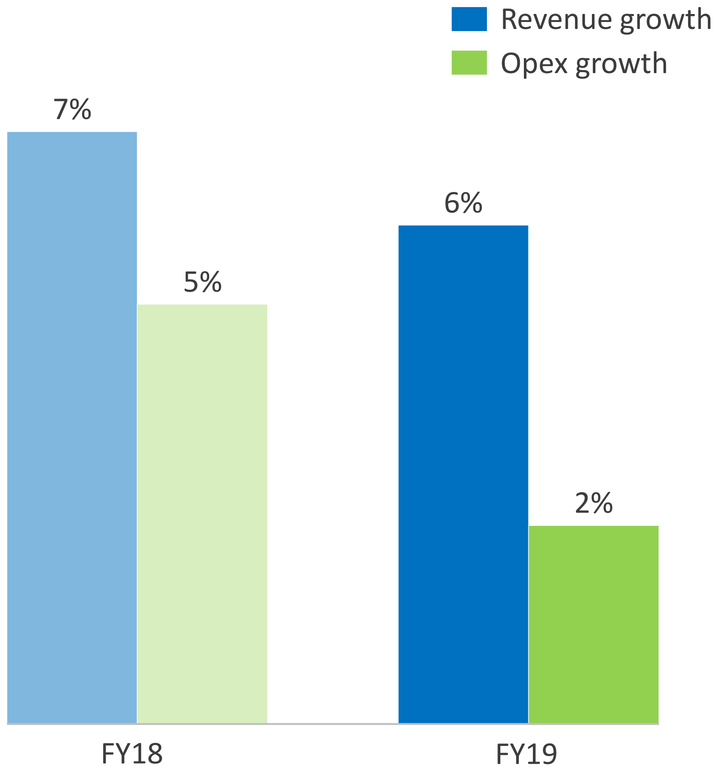
Subscription fee revenues

- Accounts for >80% of total revenues

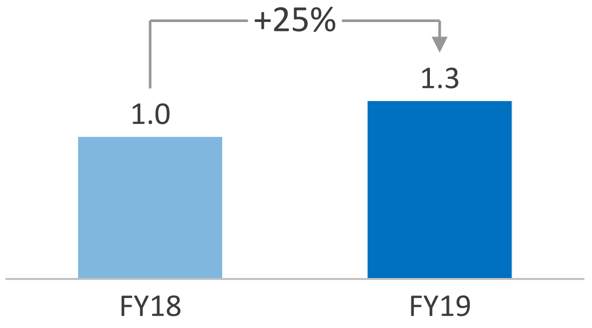
(1) Percentages reflect year-on-year growth. Numbers in brackets represent year-on-year organic growth (in constant currency, excluding M&A) on a like-for-like basis
(2) Other revenue includes gross set-top box decoder sales, installation fees, technology contracts and revenue, sub-licensing and production revenue and reconnection fees

2 | Positive operating leverage through ongoing cost savings

Operating leverage (organic)(1)



Cost savings



Key cost saving drivers:

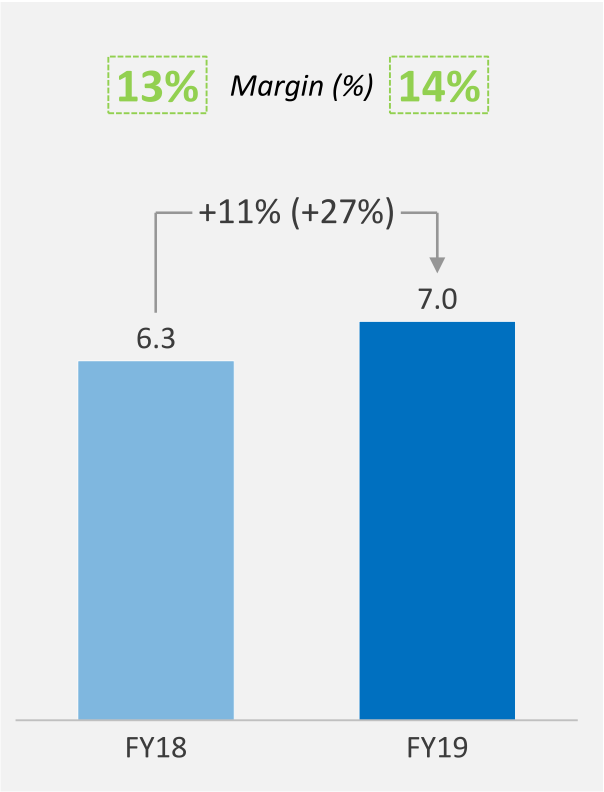
- Content
- Set-top boxes
- Sourcing synergies, digitisation, etc.(2)

- >80% of cost base is fixed
- Improved operating leverage:
  - opex increased only 2% YoY
  - revenue growth of 6% YoY
- Cost containment remains a priority
- Further savings opportunities exist

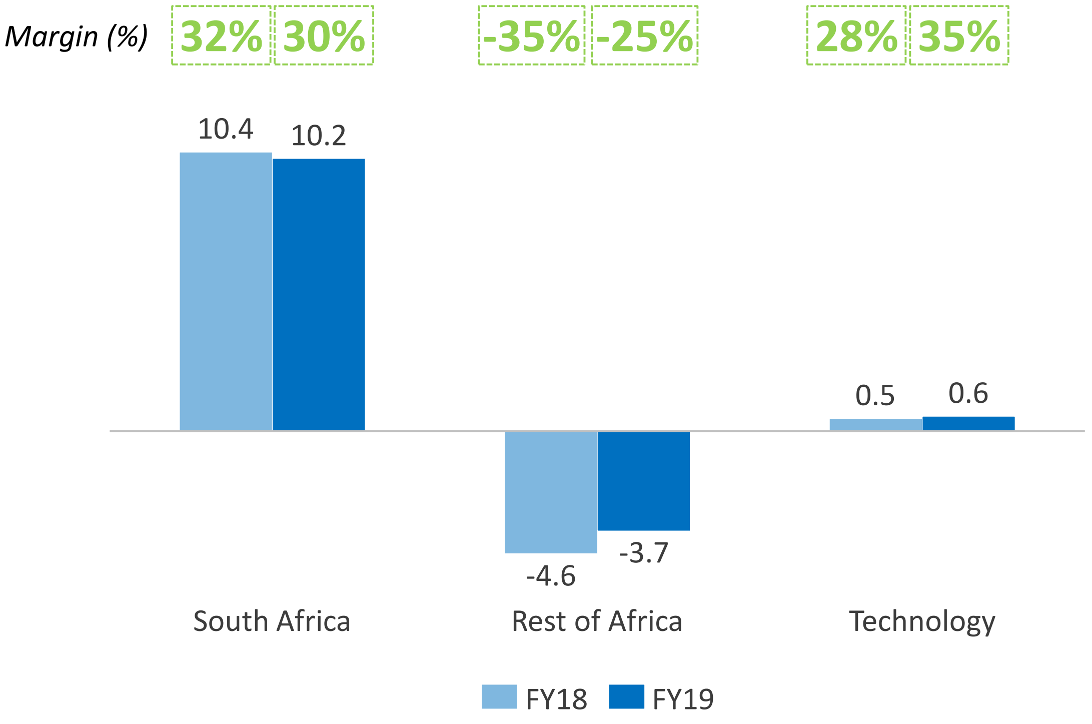
(1) Represents year-on-year organic growth (in constant currency, excluding M&A) on a like-for-like basis
(2) Includes headcount reduction, digitisation programmes and renegotiation of contract terms, among others

2 | Improving group profitability

Group trading profit (ZARbn)(1)



Trading profit by business segment (ZARbn)



South Africa margin broadly stable ~30%

- Impacted by:
  - R240m negative effect of absorbing 1% VAT increase
  - R150m investment in engineering capacity for Connected Video, previously funded by Naspers
- Mass market growth and cost savings offset decline in premium subscribers

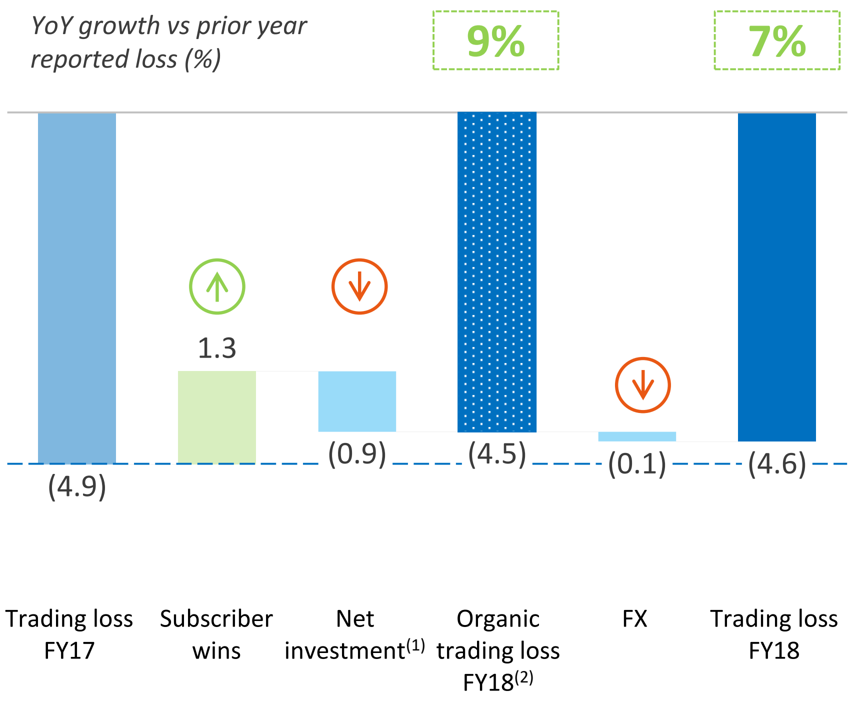
Rest of Africa material improvement in operating performance, increasing margins by 10pp, and contributing to uptick in overall group margin

Technology improved trading profit by 18% YoY, due to tight cost controls

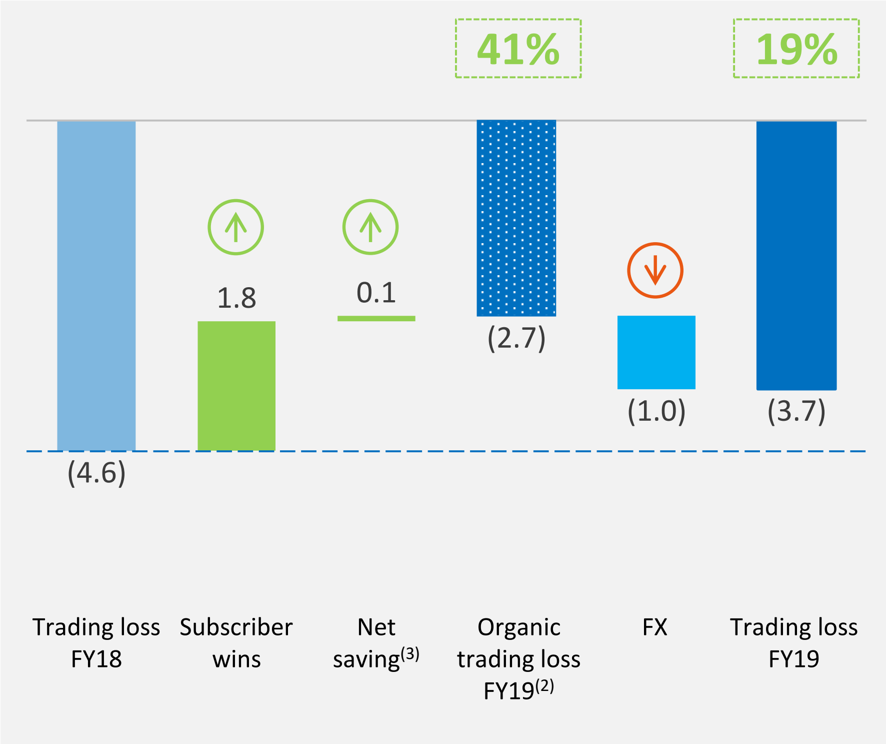
(1) Percentages reflect year-on-year growth. Numbers in brackets represent year-on-year organic growth (in constant currency, excluding M&A) on a like-for-like basis

2 | Rest of Africa turnaround continues

RoA trading loss bridge (FY17 – 18, ZARbn)



RoA trading loss bridge (FY18 – 19, ZARbn)

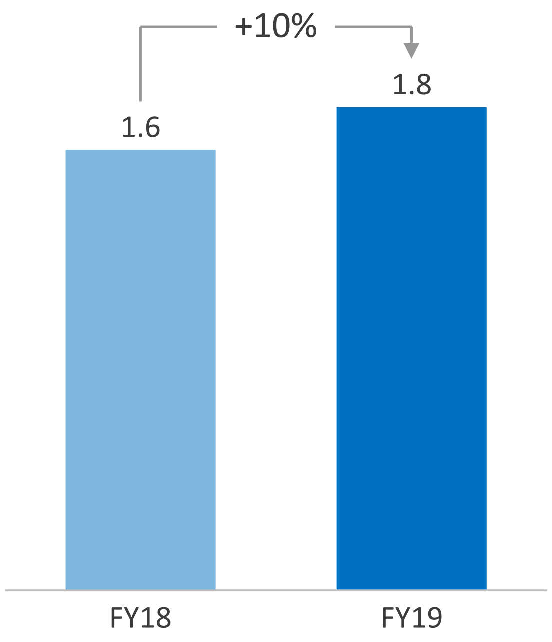


- Reduced trading losses by R0.9bn on a nominal basis (R1.9bn organically or 41% YoY)
- FX risk managed through active hedging of non-USD local currency cash flows, in markets where feasible
- FX impact more pronounced in FY19 mainly due to:
  - R0.5bn currency depreciation in Angola (60%)
  - R0.2bn associated with other currency depreciation, including Zambia (17%) and Ghana (11%)
  - R0.3bn effect of translating RoA business from USD to ZAR for reporting purposes
- Positive return on R0.7bn investment made to leverage specific growth opportunities in the year

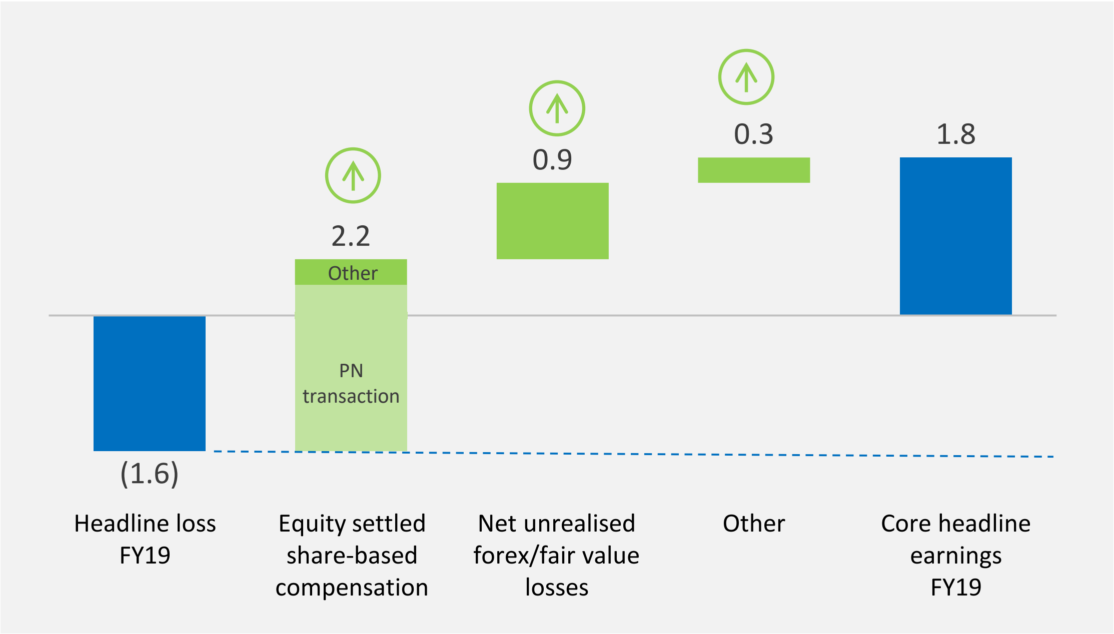
(1) Includes content rights optimisation and increased subscriber acquisition costs due to value strategy
(2) Excludes the impact of FX depreciation
(3) Includes content optimisation, FIFA World Cup investment and subscriber acquisition costs

2 | Core headline earnings up 10%

Core headline earnings (ZARbn)



Reconciliation: headline loss to core headline earnings (ZARbn)



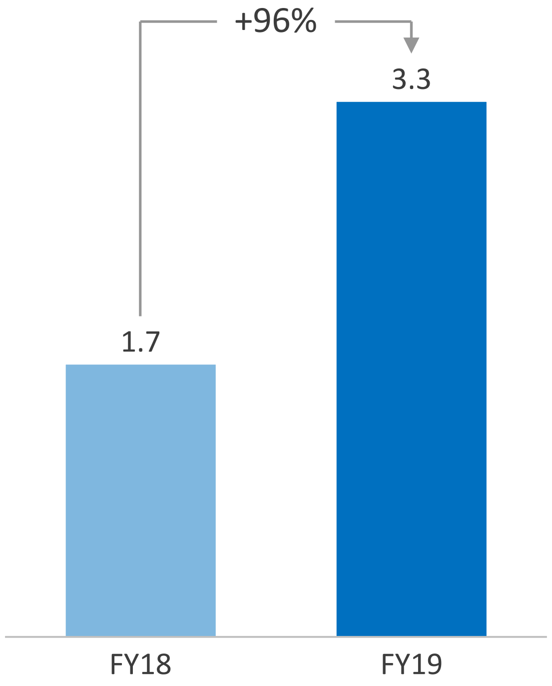
- Improvement in core headline earnings driven by strong trading performance
- Other: includes amortisation of intangible assets and acquisition-related costs

Phuthuma Nathi (PN) transaction

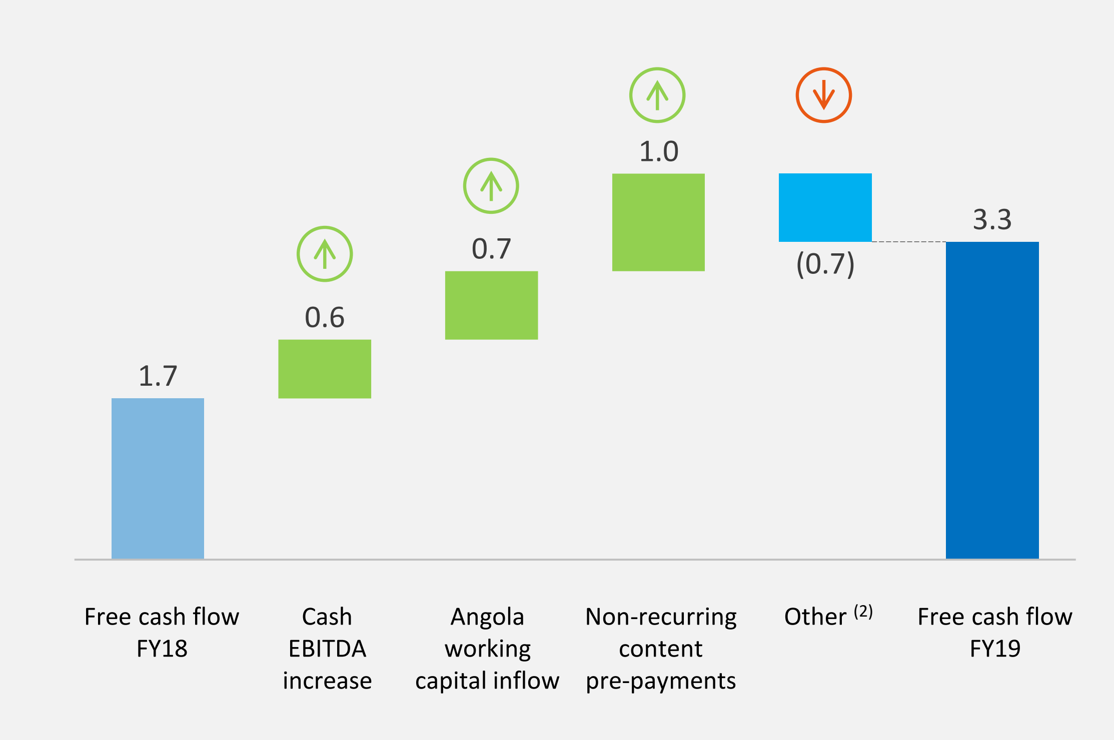
- Additional 5% stake in SA business allocated to PN to enhance BEE ownership
- Required to be accounted for in MCG results as an equity-settled share-based payment (IFRS 2)
- Resulted in once off charge of R1.9bn (net of minorities)
- FY20 will reflect full-year impact of increased minority shareholding from 20% to 25%

3 | Healthy cash flow generation

Free cash flow (ZARbn)[(1)]



Free cash flow returning to growth: FY18 – FY19 (ZARbn)[(1)]



Free cash flow increase driven by:

- Reduced losses in RoA (R0.9bn)
- Working capital inflow (R0.7bn) from improved cash remittances from Angola
- Normalisation of non-recurring FY18 content pre-payments (R1bn)

Gains offset partially by:

- Settlement of content liabilities (R0.3bn)
- Decoder inventory investment (R0.2bn)
- Capex increase (R0.2bn) mainly due to:
  - renewal of DTT license in Nigeria
  - investments in IT infrastructure
  - total capex of R1bn remains in line with historic 3-year average

(1) Free cash flow defined as trading profit + depreciation & amortisation + non-cash adjustments – change in net working capital – cash taxes – capex – finance lease repayments
(2) Relates largely to RoA inventory investment, but includes other working capital movements

4 | Liquidity provides flexibility

Net debt position

(ZARbn)	FY18	FY19
Capitalised finance leases	13.6	15.7
Loans & other liabilities	–	–
Total debt	***13.6***	***15.7***
Cash and cash equivalents	(4.0)	(6.7)
Total net debt	***9.6***	***9.0***
x EBITDA	1.0x	0.9x
Total liquidity available (cash + undrawn facilities)	**6.0**	**10.2**

Liquidity position (FY19)

Cash position
ZAR6.7bn
(FY18: R4bn)

Undrawn facilities
ZAR3.5bn

- Capitalised finance leases increased due to the effect of FX translation
- Cash position increased by R2.7bn YoY due to improved free cash flows
- Solid liquidity position
- Dividends of R1.5bn will be paid to Phuthuma Nathi in September 2019 (FY18: R1.3bn)

5 | Dividend intentions remain on track

Healthy financials

Cash conversion (FY19)[1]
90%

No financial debt
0.9x leverage[2]

Dividend

In line with communication at listing, the Board has not declared a dividend for FY19 but, subject to relevant factors and circumstances at the time[3], intends to declare a dividend of ZAR2.5bn for FY20

Dividend (FY20)
ZAR2.5bn

(1) Cash conversion defined as (EBITDA – capex) / EBITDA
(2) Includes R15.7bn of satellite leases as of March 2019
(3) Dividend payment (from capital) is subject to solvency and liquidity test

Outlook

Outlook

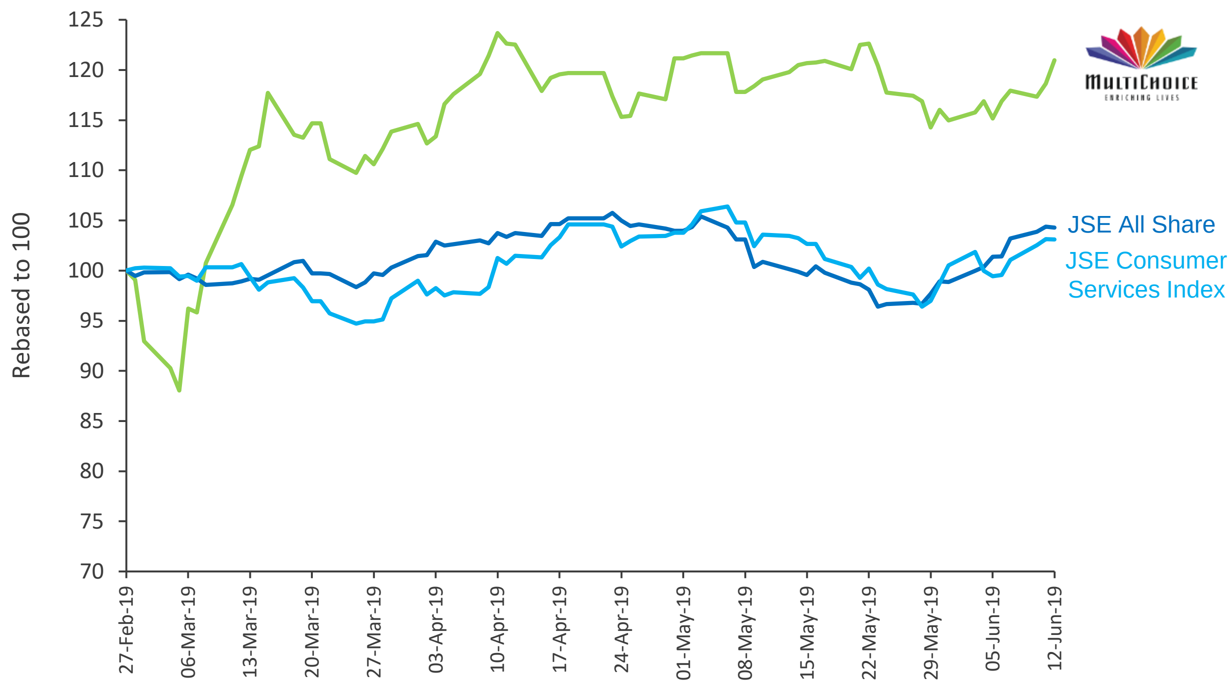
Content	• Continue to ramp up local content, financed by cost optimisation programme • Leverage benefits of major global sport events scheduled in FY20 • Expand OTT offering
South Africa	• Target further mass market growth, focus on premium segment retention and scale OTT user base • Deliver stable profit margins and cash flows
Rest of Africa	• Drive continued growth in the mid and mass markets • Focus on driving scale to return business to profitability in the medium term
Technology	• Grow external revenue and maintain margins • Increase market share in media security and connected industries
Group	• Drive sustained top line momentum and further margin expansion • Implement a flip-up transaction for PN shareholders during FY20 (as per PLS) • Deliver on intention to pay R2.5bn dividend for FY20

Appendix

MCG trading since listing

MCG share outperforming its benchmarks

Relative price performance



R95.50 Initial **listing price**

R131.10 **Highest closing** price since listing

6.0m Liquid - **average daily trading** volumes since listing

R41.9bn Market cap at listing – included **in JSE Top 40 Index**

R56.3bn **Market cap** as at 12 June 2019 (USD 3.8bn)

MCG structure post unbundling

Shareholders

Single class of shares

MultiChoice
ENRICHING LIVES

JSE listed: MCG

BEE

PHUTHUMA NATHI
SHARE THE FUTURE

Trading on EESE

25%

75%

100%

100%

100%

MultiChoice South Africa

Major subsidiaries include:
- MultiChoice South Africa Holdings (Pty) Ltd
- MultiChoice South Africa (Pty) Ltd
- MultiChoice (Pty) Ltd
- MultiChoice Support Services (Pty) Ltd (includes Showmax SA operations)
- Electronic Media Network (Pty) Ltd (M-Net)
- SuperSport International Holdings (Pty) Ltd
- DStv Media Sales (Pty) Ltd

MultiChoice Africa

Major subsidiaries include:
- MultiChoice Africa Holdings B.V. Group
- MultiChoice Nigeria Ltd (79%)
- MultiChoice Uganda Ltd (95%)
- MultiChoice Zambia Ltd (51%)
- MultiChoice Kenya Ltd (60%)
- MultiChoice Tanzania Ltd (60%)
- GOtv Kenya Ltd (70%)

irdeto

Major subsidiaries include:
- Irdeto B.V.
- Irdeto South Africa (Pty) Ltd

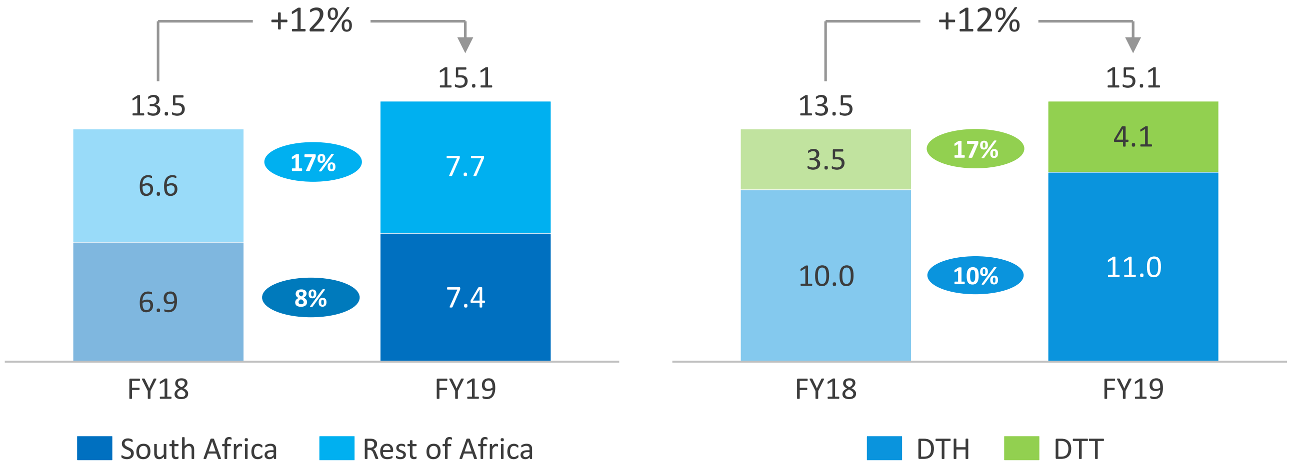
showmax

Major subsidiaries include:
- Showmax B.V.
- Showmax s.r.o.

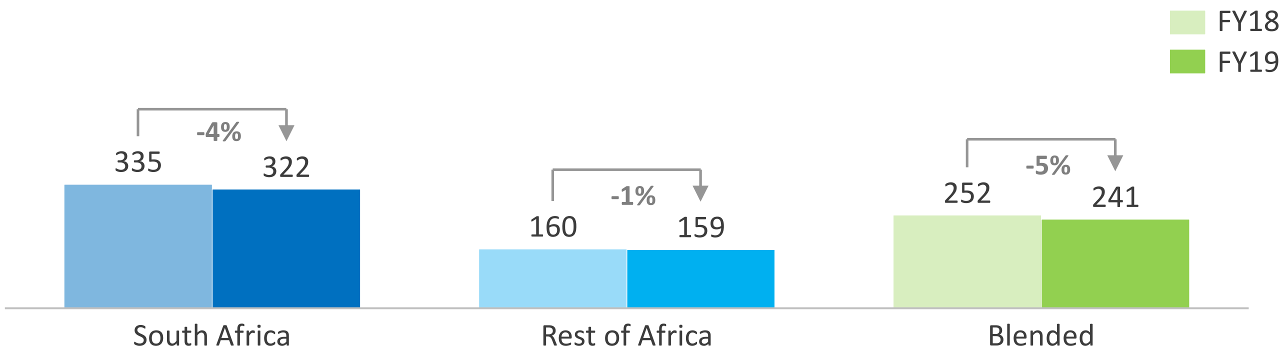
Note: Organogram depicts major group entities. Subsidiary shareholdings are 100% unless otherwise indicated

Strong subscriber growth, particularly in mass market segment

Subscribers (m)[1]



ARPU (ZAR per month)[2], FY18 vs FY19



Strong subscriber momentum:

- Growth driven predominantly by the mass market

Blended ARPU impacted by decrease in South Africa

South Africa

- ARPU reduction driven by:
  - mix shift towards middle and mass market
  - absorption of 1% VAT increase across all segments
  - offset slightly by price increases in some segments

Rest of Africa

- Downward ARPU trend has stabilised due to:
  - growth in GOtv Max bouquet (higher priced bouquet in mass segment) and premium segment
  - increase in active days due to improved retention capability
  - negated by some currency depreciation – mainly Angolan kwanza (-60%) and Zambian kwacha (-17%)

(1) Reflects active subscribers, i.e. all subscriber that were active on the measurement day. Note: From FY20 our primary metric for reporting subscribers will change from active subscribers to 90-day active subscribers. Refer to slide 40 for more details

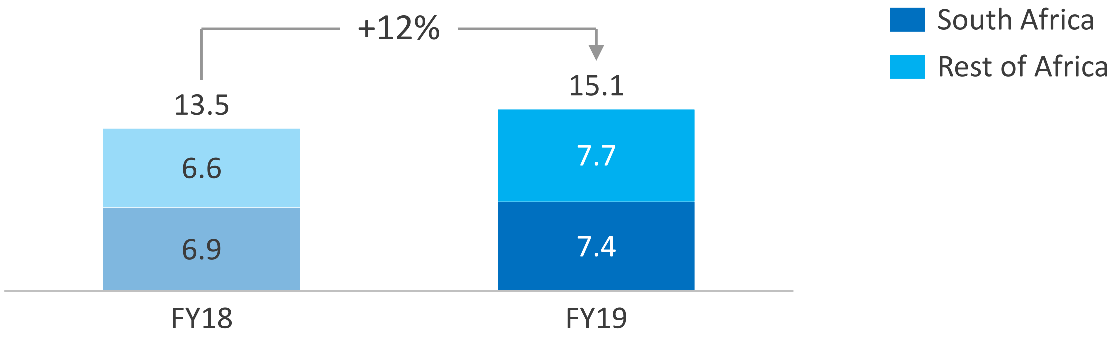
(2) ARPU calculated by dividing average monthly subscription fee revenue for the period by the average number of subscribers at the beginning and at the end of the period

Change in subscriber metrics from FY20

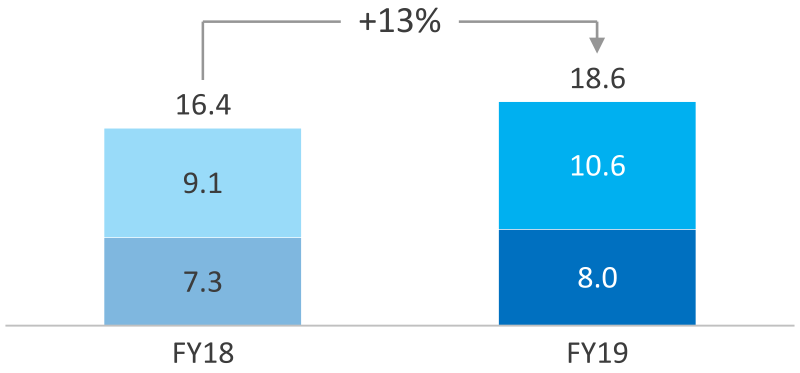
Current basis: Active at reporting date[1]

New basis: 90-day active[2]

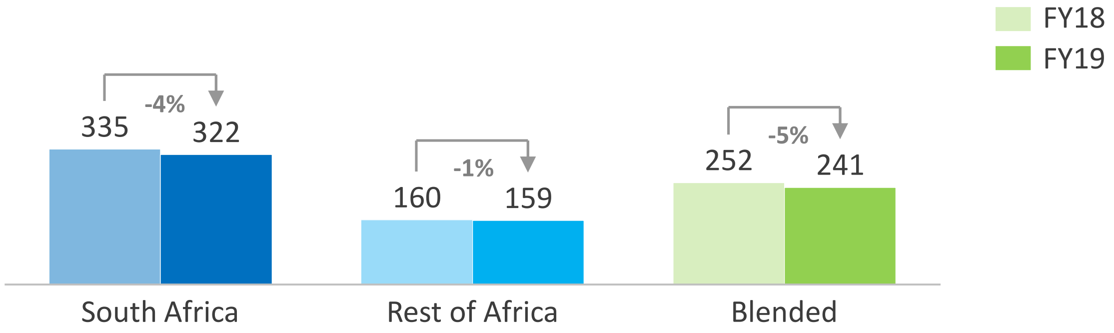
Subscribers (m)[1]



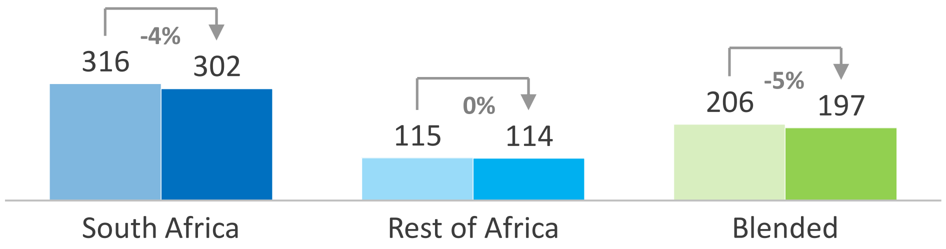
Subscribers (m)[2]



ARPU (ZAR per month)[3], FY18 vs FY19



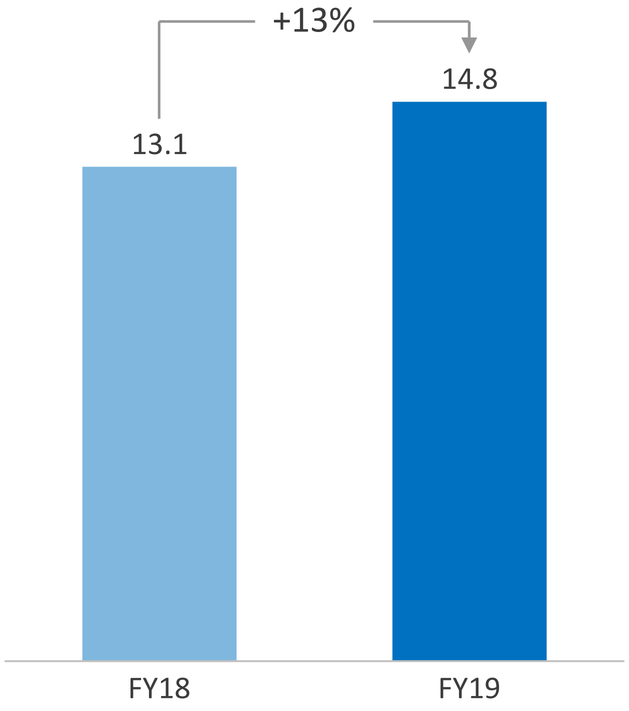
ARPU (ZAR per month)[3], FY18 vs FY19



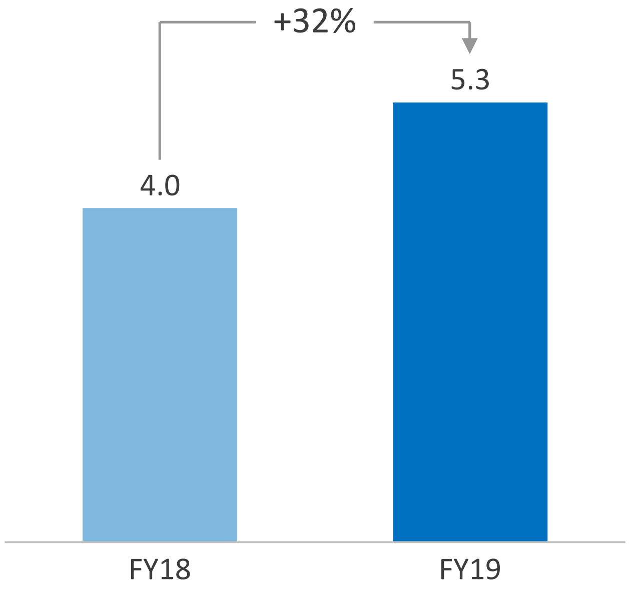
(1) Refers to active subscribers, i.e. all subscribers that were active on the measurement day
(2) Defined as all subscribers that have an active primary/principal subscription within the 90 day period on or before reporting date. This provides a better reflection of the activity on our base
(3) ARPU calculated by dividing average monthly subscription fee revenue for the period by the average number of subscribers at the beginning and at the end of the period

Solid revenue growth momentum in Rest of Africa

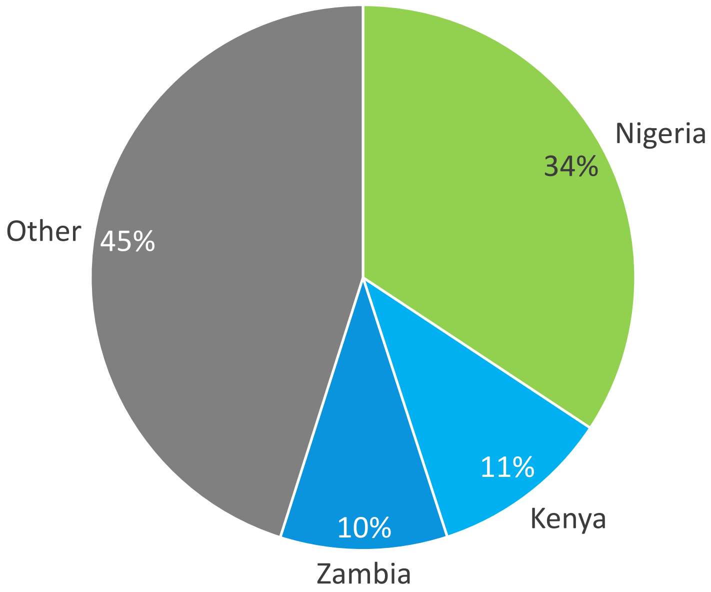
RoA revenue (ZARbn)



Nigeria revenue (ZARbn)



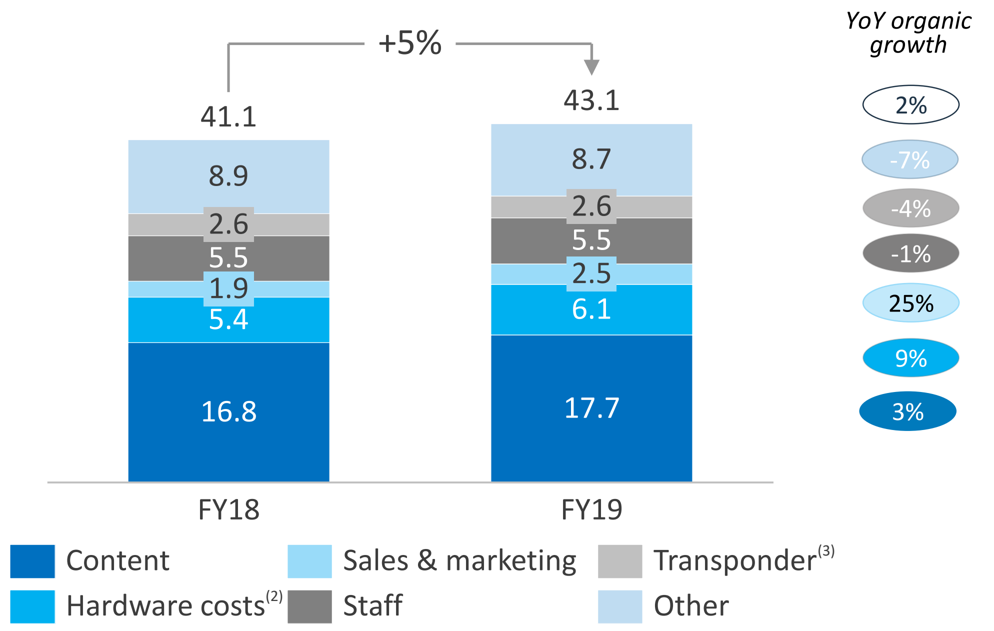
RoA revenue by country (%)(1)



(1) Refers to subscription revenue by country

Cost base controlled below revenue growth rate

COPS and SG&A costs (ZARbn)(1)



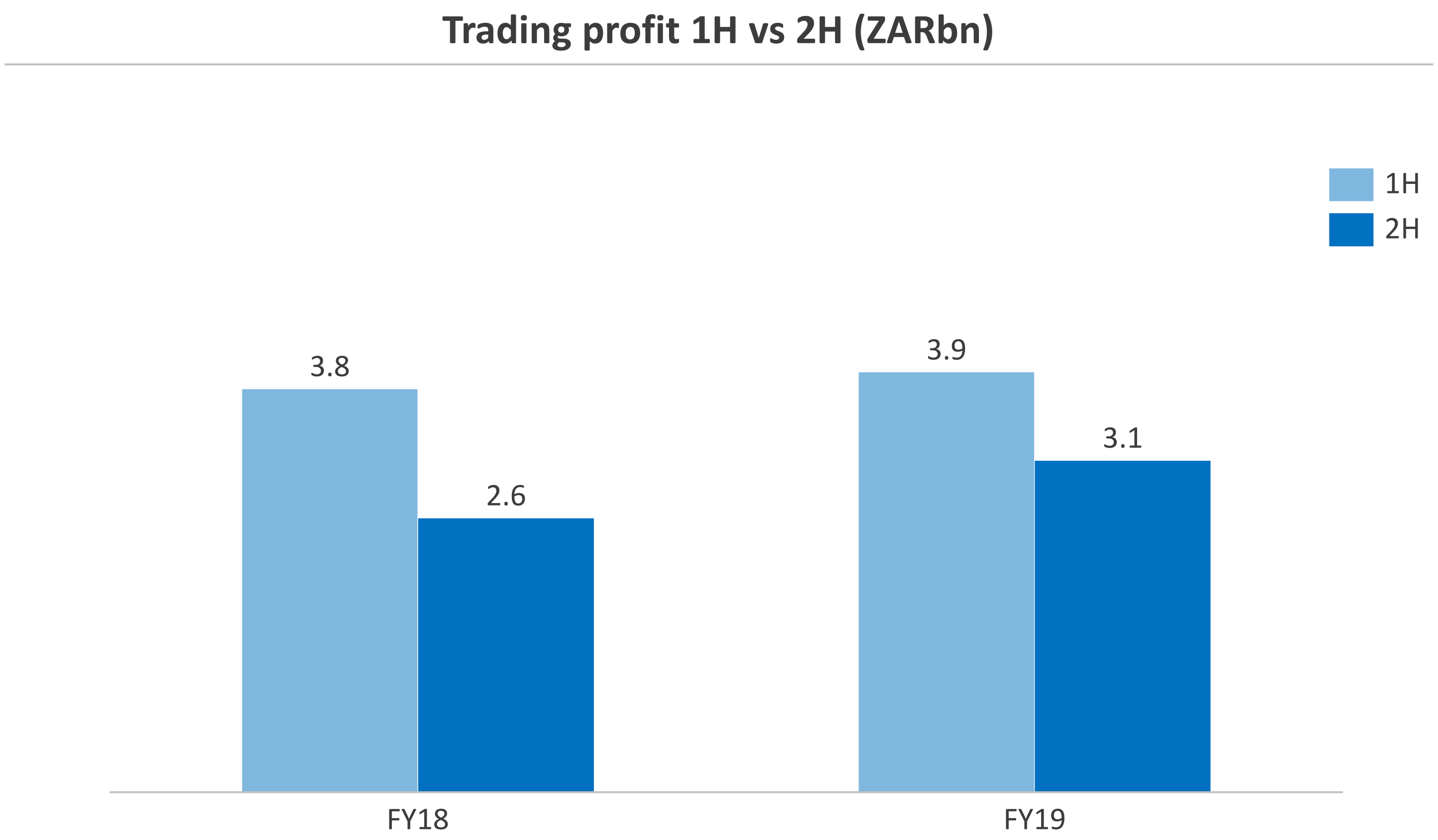
Net subsidies (ZARbn)

Hardware	FY18	FY19	YoY organic growth
Revenue	1.8	2.0	10%
Costs	(5.4)	(6.1)	9%
Net subsidies	**(3.6)**	**(4.1)**	**8%**

- **Content costs** growth below inflation, on the back of contract renegotiations and mix of local versus international general entertainment content
- **Hardware costs / net subsidies** increased YoY driven by subsidy investment in FIFA World Cup
- **Sales & marketing costs** increased by 25% organically YoY due to incremental marketing spend associated with the FIFA World Cup, retention campaigns in RoA and additional marketing spend in Connected Video to drive growth
- **Staff costs** decreased by 1% organically YoY, despite salary increases, due to cost savings derived from a group-wide restructuring initiative completed during the year
- **Transponder costs** remained relatively stable YoY
- **Other costs** includes IT, administration, maintenance and general overhead costs. Decrease of 7% organically YoY, in line with ongoing efforts to drive cost efficiencies within the business
- >80% of our **cost base** is fixed

(1) Percentage in arrow reflects year-on-year growth. Numbers in circles represent year-on-year organic growth (in constant currency, excluding M&A) on a like-for-like basis
(2) Hardware costs refer to STB costs
(3) Comprised of depreciation and interest

Business seasonality: typically higher opex in 2H



- Trading profit in second half of the year generally lower than first half
- Largely driven by seasonality in opex, including:
  - higher content costs associated with the football seasons in Northern Hemisphere
  - higher sales and marketing costs linked to Festive Season/Easter Holiday campaigns

Organic trading profit growth accelerated

Reconciliation of organic trading profit growth

Trading profit - ZARbn	FY17 reported[(1)]	FY18 organic[(2)]	FY18 organic growth	FY18 reported[(1)]	FY19 organic[(2)]	FY19 organic growth
South Africa	9.8	10.4	*7%*	10.4	10.2	*-2%*
Rest of Africa	(4.9)	(4.5)	*9%*	(4.6)	(2.7)	*41%*
Technology	0.4	0.4	*12%*	0.5	0.6	*21%*
Trading profit	**5.3**	**6.4**	*22%*	**6.3**	**8.1**	*27%*

YoY organic trading profit growth accelerated from 22% to 27%

South Africa growth impacted by:

- R240m negative effect of absorbing 1% VAT increase
- R150m investment in engineering capacity for Connected Video, previously funded by Naspers

Rest of Africa improved operating performance materially YoY with 41% organic reduction in trading loss

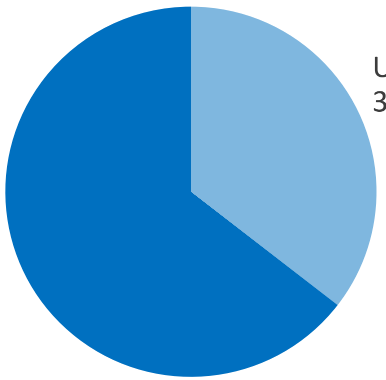
Technology delivered strong organic growth of 21% YoY, due to tight cost controls

(1) As reported in the annual financial statements
(2) Calculated after adjusting reported values for: (1) changes in FX rates and (2) M&A activity

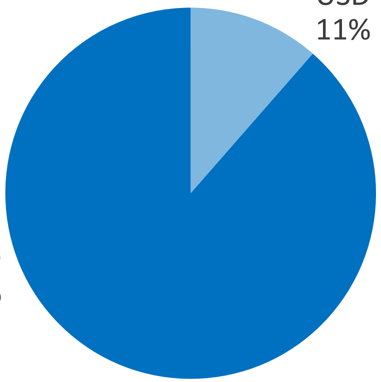
Currency exposure managed through hedging

Currency distribution (% FY19)

Cost base (Group)



Revenue (RoA)(1)



FX maturities: SA cover

Period	USDm	ZAR hedged rate
Month 1-12	912	13.64
Month 13-24	836	15.07
Month 25-36	369	16.04

FX exposure: RoA cover

Market [2]	% hedged
Nigeria	80%
Kenya	>=100%
Zambia	>=100%
Uganda	>=100%
Botswana	>=100%
Ghana	>=100%

- 11% of RoA revenues (12% in FY18) and 35% of group cost base (35% in FY18) are USD-denominated
- **USD input costs** primarily consist of:
  - international sport and GE content rights
  - satellite transponder leases
  - set-top box purchases
- Group applies active **hedging strategy** to manage foreign exchange exposure
- **South Africa:**
  - hedge USD-denominated costs
  - hedged up to **36 months** out
- **Rest of Africa:**
  - USD-denominated revenue (11%) not hedged
  - non-USD cash remittances are fully hedged in markets where feasible (i.e. FECs available at reasonable cost), equating to ~65% of overall RoA revenue
  - implies that only ~24% of revenues are not hedged
  - RoA hedged markets are covered for **12 months** out

(1) Relates to subscription fee revenue only and is shown as a proxy for cash flows, the latter being hedged
(2) All hedged markets are covered 12 months out and make up c.65% of RoA revenue. In certain instances, hedging cover can exceed 100% as it is based on forecasts

Working capital impacted by timing and seasonality

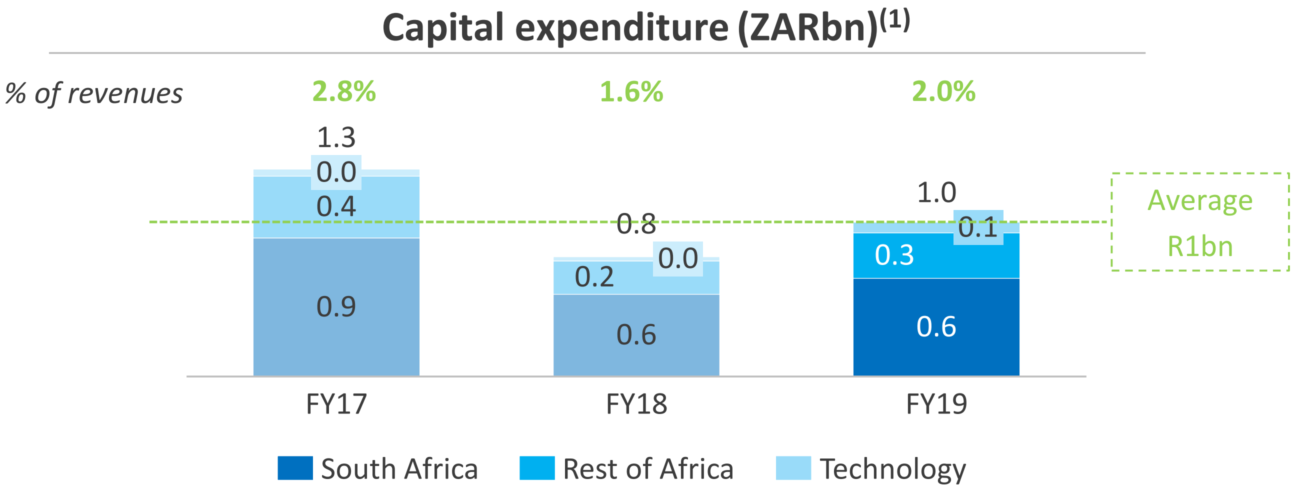
Net working capital movements (ZARbn)

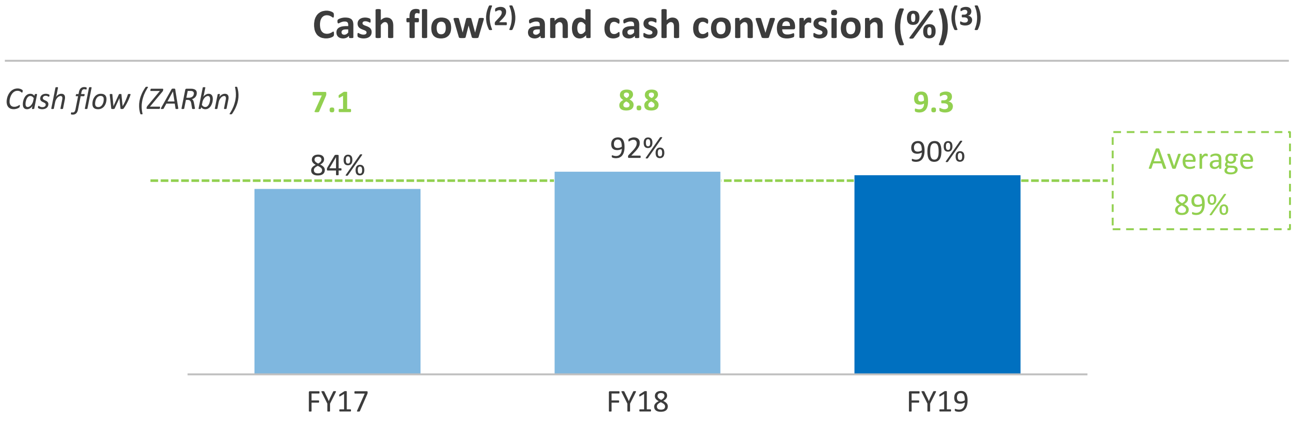
	FY17	FY18	FY19
Trade & other receivables	(0.9)	(0.6)	0.9
Payables & accruals[(1)]	0.2	(0.6)	(1.8)
Programme & film rights	0.0	(1.4)	(0.2)
Inventories	0.1	(0.4)	(0.6)
Change in net working capital	**(0.6)**	**(3.1)**	**(1.7)**

- Positive movement in **trade & other receivables** during FY19 mainly due to improved cash remittances from Angola
- **Payables & accruals** cash outflow in FY19 relates largely to the settlement of content liabilities, foreign exchange losses and timing of STB creditor payments
- **Programme & film rights** recovered in FY19 following a large cash outflow in FY18 driven by pre-payments on sport right renewals
- **Inventory** stock holdings in FY19 include stock for Easter promotions

(1) Includes related party current accounts

Low capital intensity and high cash conversion



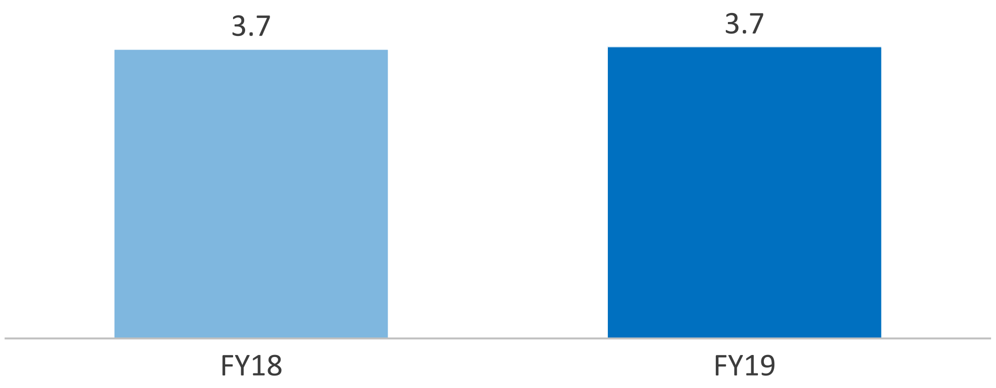


- **Low capital intensity** due to fully invested infrastructure
- **Capital expenditure** of R1bn below 3-year historic average. Increase YoY due to:
  - additional investments in IT infrastructure
  - renewal of DTT license in Nigeria
  - low prior year number due to offsetting proceeds from asset disposals
- **Cash conversion** remains high at ~90%

(1) Capital expenditures defined as PP&E acquired – proceeds from sale of PP&E + intangible assets acquired – proceeds from sale of intangible assets
(2) Cash flow defined as EBITDA – capex, (3) Cash conversion defined as (EBITDA – capex) / EBITDA

Stable cash tax profile

Cash taxes paid (ZARbn)



		FY18	FY19
South Africa	Cash taxes, ZARm	2 985	2 793
	Effective tax rate, %	27%	40%(1)
Rest of Africa	Cash taxes, ZARm	666	855
	Effective tax rate, %	n.m.	n.m.
Technology	Cash taxes, ZARm	13	21
	Effective tax rate, %	n.m.	n.m.

Stable cash taxes averaging R3.7bn per annum

South Africa

- Effective tax rate 40% (statutory tax rate 28%)
- Excluding effect of IFRS 2 charge associated with Phuthuma Nathi empowerment transaction, effective tax rate would be 28%

Rest of Africa

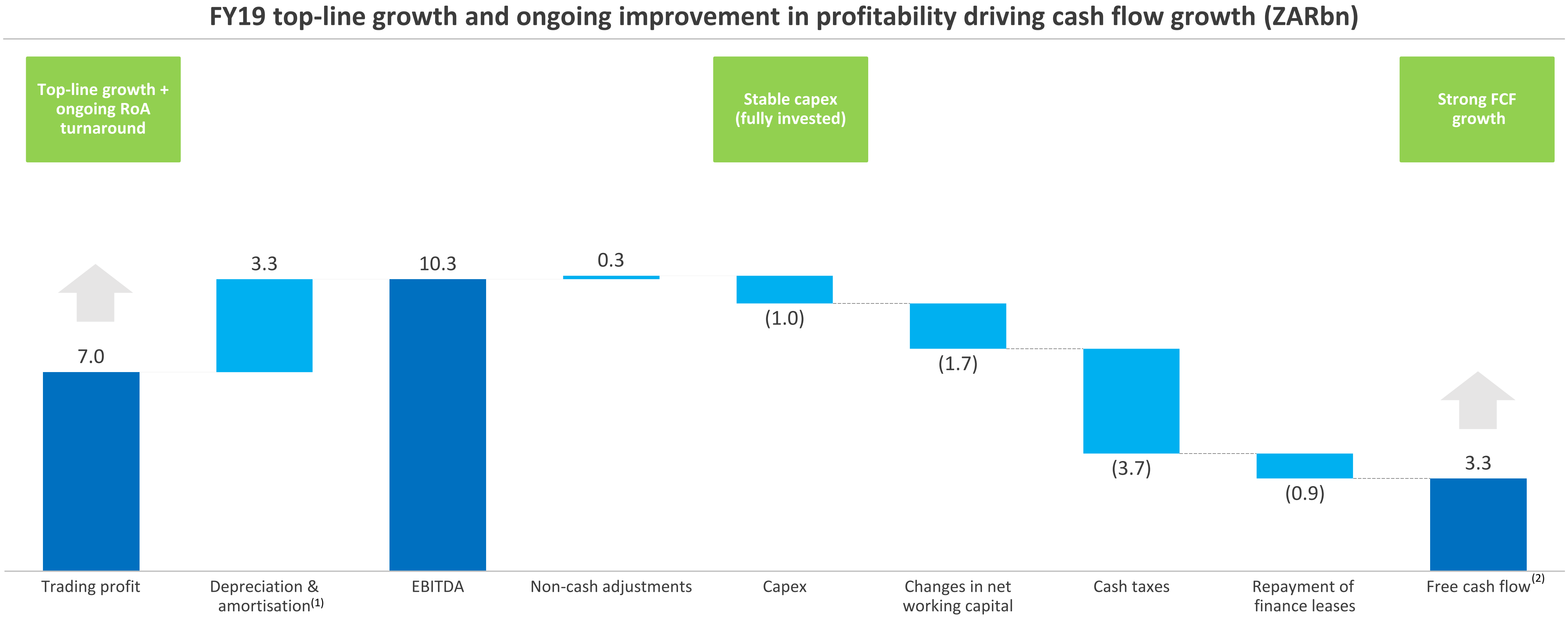
- Paid R0.9bn in cash taxes
- Taxes mainly a combination of withholding tax and corporate income tax (FY19 equates to ~6% of revenue)

Technology

- Subject to taxes in the Netherlands (statutory tax rate 25%)
- Offset by losses in RoA due to fiscal unity structure

(1) Includes effect of empowerment transaction. Excluding this, effective tax rate would have been 28%

Ongoing cash flow growth as profitability improves



(1) Includes depreciation on transponder leases
(2) Free cash flow before M&A and dividend payments

Conceptual framework for understanding non-controlling interests

	South Africa	Nigeria	Other
FY19 NCI profit allocation	**R0.6bn**	**-R0.3bn**	**R0.1bn**
	25% **of SA profit**	**21%** **of Nigeria loss**	**Immaterial**
	• Before February 2019: 20% • Changed to 25% from March 2019 due to increase in PN ownership • NCI allocated 25% share in empowerment transaction charge - this reduced the NCI effective share of profits to 17% for FY19	• 21% minority allocation	• Small NCI profit allocation to local entities, many of which are commission-earning (i.e. non-principal operations). These are generally profitable as bulk of costs are incurred at corporate level • Principal operations such as Namibia, Angola, and several GOtv entities are unlikely to have a meaningful NCI impact as many have small or immaterial NCI holdings

Note: Conceptual framework applicable for current business structure

Basis of preparation of consolidated financials

Accounting policy

- Moved from combined as required for listing to consolidated financials. No change in financial figures
- *IFRS15 Revenue from Contracts with Customers*
- *IFRS9 Financial Instruments*
- *IFRIC22 Foreign Currency Transactions and Advance Consideration*

Going concern

- Management of the Group has reasonable expectations that MultiChoice has resources for the continued operation of the business as a going concern

Taxation

- Historically entities filed separate tax returns, incl. South Africa
- All entities to continue to file separate tax returns
- Dutch entities are included in a fiscal unity structure and file consolidated tax return
  - Profits and losses to be pooled within the fiscal unity

Intercompany

- Transactions with Naspers disclosed as related party transactions in the consolidated financial statements until Unbundling
- Thereafter reflected as 3rd party

Interest

- Interest charge based on interest incurred by group entities on external borrowings
- Interest rate implicit in the lease, or group's borrowing rate used to calculate PV of min lease payments
- Interest expense based on effective interest rate

Equity

- Recognised at book value of net assets acquired
- Net assets contributed from Naspers included within retained earnings in the consolidated statement of changes in equity
- Other reserves include hedging, fair value and FX translation reserves

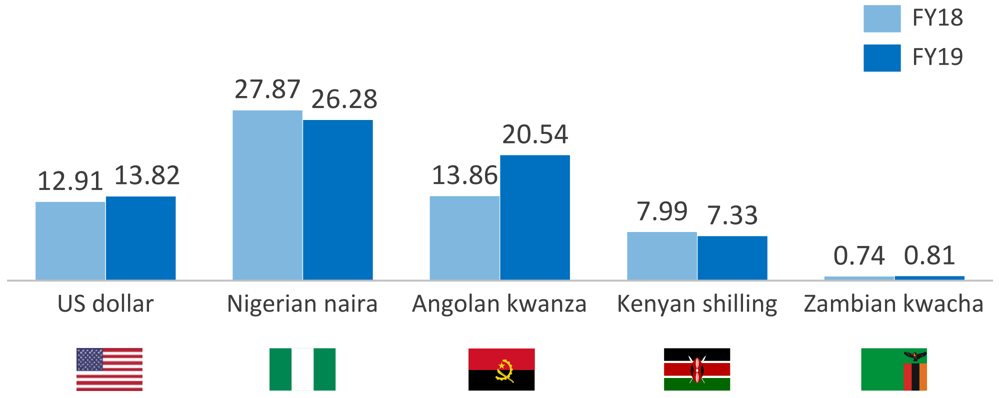
Explanation of organic metrics and growth rates

- Organic metrics (i.e. organic trading profit, costs and revenue) calculated after adjusting reported values for: (1) changes in FX rates and (2) M&A activity
- Compared to the prior period actual IFRS results to arrive at organic growth rates
- Assurance report provided by auditors in respect of this calculation

Adjustment 1: Changes in foreign exchange rates

- Calculated by translating the current period's results at the prior period's average FX rates (average of the monthly exchange rates for that period)

Average exchange rates used for translation, relative to ZAR(1):



Adjustment 2: Changes in group composition (M&A)

- Adjustments for acquisitions or disposals of subsidiaries made in both current and prior year
- For mergers, adjustment includes a portion of the prior year results of the entity with which the merger takes place
- The following M&A activity has been adjusted for in organic growth calculations for the current and prior years:

Period	Transaction	Basis of accounting	Business segment	Acquisition / disposal
FY18	Disposal of group's interest in MWEB	Subsidiary	South Africa	Disposal
FY18	Acquisition of group's interest in Denuvo	Subsidiary	Technology	Acquisition

(1) USD exchange rate presented as 1USD = ZAR, all other currencies presented as 1ZAR = FC

Summarised consolidated income statement

ZARm	2018	2019
Revenue	**47 452**	**50 095**
Cost of providing services and sale of goods	(27 588)	(29 203)
Selling, general and administration expenses	(13 058)	(13 496)
Other operating losses - net	(425)	(33)
Operating profit	**6 381**	**7 363**
Interest received	699	910
Interest paid	(1 548)	(1 437)
Net foreign exchange translation (losses)/gains	699	(1 492)
Empowerment transaction	-	(2 564)
Share of equity-accounted results	(97)	(171)
Other (losses)/gains – net	113	(112)
Profit before taxation	**6 247**	**2 497**
Taxation	(3 709)	(3 773)
(Loss)/profit for the year	**2 538**	**(1 276)**
Attributable to:		
Equity holders of the group	1 456	(1 644)
Non-controlling interest	1 082	368
	2 538	**(1 276)**
Basic and diluted (loss)/earnings per ordinary share (ZAR cents)	332	(374)

Summarised consolidated statement of cash flows

ZARm	2018	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operating activities	7 243	9 449
Interest income received	582	368
Interest costs paid	(734)	(673)
Taxation paid	(3 664)	(3 694)
Net cash generated from operating activities	**3 427**	**5 450**
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment acquired - net	(543)	(761)
Intangible assets acquired – net	(216)	(217)
Loans to related parties	(27 937)	(27 726)
Repayment of loans by related parties	27 510	28 590
Acquisitions of subsidiaries and businesses, net of cash acquired	(114)	(8)
Disposals of subsidiaries and businesses	141	-
Net cash utilised in investing activities	**(1 159)**	**(122)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long and short-term loans raised	1 541	1 755
Repayments of long and short-term loans	(1 509)	(1 813)
Proceeds from related party funding	6 607	4 573
Repayment of related party funding	(3 207)	(196)
Repayments of capitalised finance lease liabilities	(776)	(879)
Repayments of capital contribution from parent	(26)	(20)
Transactions with non-controlling interest (increase of controlling interest in Ugandan and Tanzanian subsidiaries)	-	(85)
Dividends paid by subsidiaries	(5 336)	(5 261)
Dividends paid by subsidiaries to non-controlling shareholders	(1 421)	(1 463)
Net cash utilised in financing activities	**(4 127)**	**(3 389)**
Net movement in cash and cash equivalents	**(1 859)**	**1 939**
Foreign exchange translation adjustments on cash and cash equivalents	(642)	740
Cash and cash equivalents at the beginning of the year	6 545	4 044
Cash and cash equivalents at the end of the year	**4 044**	**6 723**

Summarised consolidated balance sheet

ZARm	2018	2019
ASSETS		
Non-Current Assets	**24 101**	**23 684**
Property, plant and equipment	17 585	17 279
Goodwill and other intangible assets	4 190	4 283
Investments and loans	123	238
Amounts due from related parties	1 191	180
Derivative financial instruments	-	282
Deferred taxation	1 012	1 422
Current Assets	**14 477**	**17 319**
Inventory	461	924
Programme and film rights	4 910	5 133
Trade and other receivables	4 827	4 095
Amounts due from related parties	139	-
Derivative financial instruments	96	444
Cash and cash equivalents	4 044	6 723
Total Assets	**38 578**	**41 003**
Net asset value per ordinary share (ZAR cents)	(1 365)	2 231

ZARm	2018	2019
EQUITY AND LIABILITIES		
Equity reserves attributable to the Group's equity holders	(4 650)	12 538
Share capital	-	-
Other reserves	(7 156)	(12 445)
Retained earnings	2 506	24 983
Non-controlling interest	(1 343)	(2 743)
Total equity	**(5 993)**	**9 795**
Non-Current Liabilities	**28 526**	**15 186**
Capitalised finance leases	12 784	14 441
Long-term loans and other liabilities	189	59
Amounts due to related parties	15 000	134
Derivative financial instruments	404	4
Deferred taxation	149	548
Current Liabilities	**16 045**	**16 022**
Capitalised finance leases	819	1 290
Programme and film rights	2 206	2 493
Provisions	169	136
Accrued expenses and other current liabilities	11 430	11 885
Amounts due to related parties	316	-
Derivative financial instruments	1 105	218
Total Equity and Liabilities	**38 578**	**41 003**

Glossary of terms

ARPU	Average revenue per user
BEE	Black Economic Empowerment
Capex	Capital expenditure
COPS	Cost of providing services
DTH	Direct-to-Home Television
DTT	Digital Terrestrial Television
EBITDA	Earnings before interest, tax, depreciation and amortisation
EESE	Equity Express Securities Exchange
FCF	Free cash flow
FEC	Forward Exchange Contract
FX	Foreign exchange
FY	Financial year
GE	General entertainment
1H/2H	First half/second half of the financial year
HD	High Definition
IFRS	International Financial Reporting Standards
IT	Information technology
JSE	Johannesburg Stock Exchange
M&A	Mergers and acquisitions
MCG	MultiChoice Group
NCI	Non-controlling interest
Opex	Operating expenses
OTT	Over-the-top media services
PN	Phuthuma Nathi
PP&E	Property, plant and equipment
PLS	The MCG Pre-listing Statement
PV	Present value
PVR	Personal Video Recorder
RoA	Rest of Africa
SA	South Africa
SG&A	Selling, general and administration expenses
STB	Set Top Box
US	United States
VAT	Value-Added Tax
VE	Video entertainment
YoY	Year-on-year

Thank you!

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