

Connected Video operations

Metrics (% YoY growth)

Monthly active OTT users
+28% YoY⁽¹⁾

Play events
+52% YoY⁽²⁾

Paying Showmax subscribers
+68% YoY⁽³⁾

Grew SVOD market share by
3% YoY⁽⁴⁾

⁽¹⁾ Measured as at 31 March YoY, excluding free version of Showmax.

⁽²⁾ Measured as at 31 March YoY, relates to all paying customers including discounted DStv Add to Bill customers, but excluding free DStv Add to Bill customers.

⁽³⁾ Measured as at 31 March YoY, relates to all paying customers including discounted DStv Add to Bill customers, but excluding free DStv Add to Bill customers.

⁽⁴⁾ Based on internal estimates for our region.

Our operating performance

Connected Video develops and operates our non-linear, OTT video entertainment services for the group, spanning our sub-Saharan Africa markets through our DStv streaming and Showmax products, as well as select international markets with our Showmax service enjoyed by the African diaspora.

DStv via streaming is available as a companion product for existing DStv subscribers or as a standalone service for subscribers who want to stream the full DStv offering online without the need for a satellite dish installation or a dedicated set-top box. Showmax is a paid SVOD service available as a standalone product or as a value-added service to DStv Premium subscribers and at a 50% discount to customers on certain lower-tier DStv packages. We also have a cheaper mobile version for Showmax and Showmax Pro, which includes popular sports content at a higher price point. Our connected services are available on a wide variety of platforms, such as smartphones, smart mobile devices, desktop computers, laptops, gaming consoles, smart TVs, and the DStv Explora and Explora Ultra decoders. We will be launching our dedicated streaming device, Streama, in FY23 to provide even more device and service support to our digital native customers.

While an exceptional UI and UX are largely seen as table stakes by streaming consumers, our engineering teams continued to drive improvements through our DStv via streaming and Showmax platforms, with the former enjoying a revamp of its streaming UX. We have focused on improved content discovery through a redesigned home screen with tailored banner and hero images, auto play trailers, enhanced search functionality, and improved customer personalisation. We have also made big improvements to download reliability and overall platform stability and scalability over the last year. In a world first, we delivered personalised recommendations to customers who use Zapper devices which are not connected to the internet.

As always, though, the strength of our service is based on our ability to curate an exceptional content offering that includes the best local content, first and exclusive international series and movies, and kids' shows, as well as live sport on Showmax Pro. Our products are increasingly tailored for our core markets with dedicated Showmax Originals, local pricing, low payment integrations with a range of local payment channels, low data use settings, and strategic integrations with local telecommunications companies.

During FY22, our Connected Video services continued to grow, with users and play events up 28% and 52% respectively. This growth was driven by the production of the largest number of Showmax Originals to date, where we delivered 10 titles (up from six in FY21), targeted marketing campaigns, increased local content volumes in key markets, and fresh, high-quality international movies and series.

Our local content strategy continues to yield results, with popular shows like *The Wife*, *The Real Housewives of Durban*, *Life with Kelly Khumalo*, *Temptation Island*, *Ghana Jollof*, *Single Kiasi* and *Devilsdorp* driving growth in viewership numbers and social media hype. The Showmax Originals we created for the South African, Nigerian and Kenyan markets all topped the 'most watched' charts on Showmax. *The Wife* remained the most watched show in South Africa from November 2021 to March 2022. We continue to see a strong affinity for African storytelling, with local series and movies making up 60% or above of the top 10 most viewed series and movies for FY22 in all key markets. Various Showmax Originals set viewing records, earned five-star reviews, and won Kalasha and South African Film and Television awards.



Showmax Pro successfully streamed the Beijing 2022 Winter Olympic Games and the Total Energies Africa Cup of Nations 2021 in addition to top international and local football. As we head into FY23, we are ramping up our content offering further in our key markets with titles like *The Real Housewives of Lagos*, Kenyan originals *Igiza* and *Pepeta*, and many more locally produced dramas, reality shows and documentaries on the line-up. We continue bringing binge-worthy international shows such as *Euphoria*, *Halo*, and *Succession* to subscribers.

Within the Showmax environment, we continue to improve the relevance and timeliness of communication to our customer base through various communication channels and have added web push notification and in-app content cards. We will continue to drive further product enhancements into the future. With a strategy that offers African viewers a non-linear service designed exclusively for an African audience, Showmax and DStv streaming are well positioned to drive our group's digital entertainment strategy, and we are increasingly complementing our core service lines with an aggregation strategy that leverages our connected devices and third-party streaming service distribution agreements to create additional value for our viewers.

