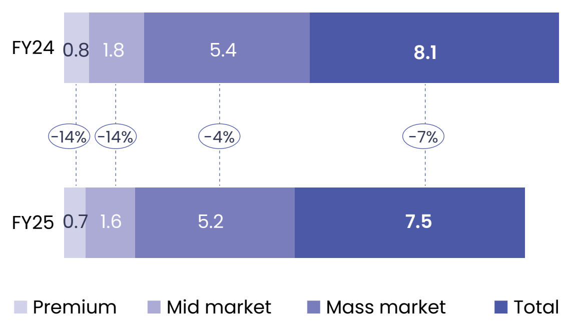
Rest of Africa operations

We operate in 49 markets across Africa. We aim to entertain and inspire with 24 dedicated local content channels, and a broad product offering across both DTH and DTT infrastructure with which we can satisfy varying degrees of customer affordability and needs.

Our contributions to Rest of Africa

- **2 686** full-time employees (FY24: 2 694)
- **ZAR4.2bn** total tax contribution (FY24: ZAR4.4bn)
- **Broadcasts across the continent in 45 languages**

Active subscribers (m)



The Rest of Africa segment accounts for 30.0% (FY24: 35.1%) of group revenue. We generated organic revenue growth of 3% YoY, while reported revenue declined by 23% YoY as the group was impacted by strong currency depreciation against stronger comparative rates in the prior year (FY24: 13% reported decline and 10% organic growth). The segment ended the year with 7.5m (FY24: 8.1m) active subscribers, down 7% YoY (FY24: down 13%). The Rest of Africa accounted for 51.6% (FY24: 51.5%) of our group active subscriber base at year-end.

FY25 was marked by continued macro-economic challenges for the Rest of Africa segment, as the business bore the full year impact of the prior year currency depreciations, most notably in Nigeria.

7.5m active subscribers (FY24: 8.1m)

This resulted in a weighted loss in currency value of over 26% YoY, on top of the 32% depreciation in the prior year, and caused a USD230m currency impact on US dollar revenue. Inflation across key markets continued to climb at a weighted average close to 20% and more than 30% in Nigeria and Angola, putting immense pressure on customer spending power and creating little room for discretionary spend. In addition, fuel shortages and increased piracy in Nigeria, coupled with extreme power shortages in Zambia (limiting electricity to 2-4 hours per day throughout most of the year) led to a loss of 543k subscribers in these two markets alone during the first half of the year. This context set up the business for another year with a strong focus on stabilising the subscriber base, implementing inflationary price increases and significant cost reduction.

Overall, the business ended the year with 7.5m active subscribers, 0.6m lower than the prior year, but was stable when compared to H1, indicating that reasonable stability in the subscriber base was maintained during the second half of the year.

Foreseeing pressure on revenues, the business embarked early in the year on further cost reduction initiatives, including a continuation of its strategy of unbundling of sales offers, with customers paying separately for decoder, dish kits, installation and their first month subscription. This further drove material reductions in subsidies (USD33m YoY) while still maintaining a healthy level of sales and bringing in better quality new subscribers. Other key areas of cost savings included marketing due to an increased focus on digital marketing, and content due to an increase of programming

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shared between linear channels and Showmax. Overall, the cost optimisation drive delivered over USD55m savings versus the prior year.

Cost saving initiatives were further supported by revenue enhancing initiatives. In 10 markets, the annual increase was split into two events, allowing increases to be passed earlier in the year and in lower increments. This benefited subscribers by allowing them time to adjust household spending to the new pricing, and also enabling the business to pass higher-than-planned increases overall to better keep up with inflation over the last few years. Consequently, the segment ended FY25 with local currency pricing around 31% higher YoY.

Other initiatives to drive revenue included the rollout of a new sales tool that allows for more points of sales to sell subscriptions, together with a new sales channel incentive scheme that promotes both sales and upgrades, a price promotion for GOtv Supa Plus and the recent launch of a new Compact Sports pack in Ethiopia to drive upgrades. From a partnership perspective, the DStv English Add-On bouquet that is sold in French-speaking markets via Canal+ was strengthened with additional key sporting properties and enjoyed strong uptake. We engaged six more broadband telco partners to assist in driving the rollout of DStv Stream across the continent, from which we expect to see a positive impact on subscribers in FY26 along with associated savings on decoder subsidies. In addition, there has been a concerted effort to drive improvements in the sales pipeline of the DStv Business (B2B) segment, which is beginning to yield fruit. The DStv Business subscriber base enjoyed strong growth of 23% YoY, with Nigeria growing by 36% YoY.

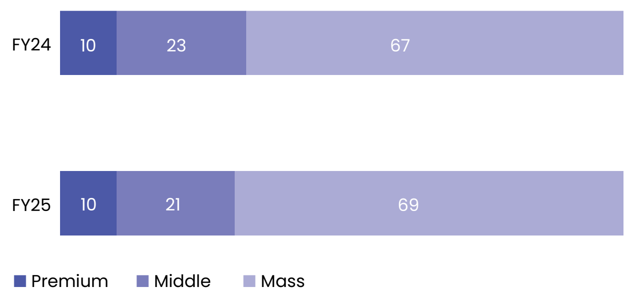
In terms of mix, a number of these initiatives (DStv Business, GOtv Supa+, Compact Sports) focused on the middle segment, which remained broadly stable at 21% of the total base for both FY24 and FY25. However, the business lost ground in the Premium segment, given its luxury nature coupled with increased emigrations in markets such as Nigeria and Angola. In terms of absolute numbers, the premium tier declined by 14% YoY (FY24: 9% decline), while the mid-market tier declined by 14% (FY24: 13% growth) driven largely by the power crisis in Zambia and a normalisation of the mix in Mauritius post the Showmax migration late in FY24. The mass market closed the year 4% down YoY (FY24: 20% decline), with growth in DTH offset by weak DTT performance which is heavily impacted by macro-economic factors.

The benefit of price increases was partially offset by a The benefit of price increases was partially offset by a weaker mix,

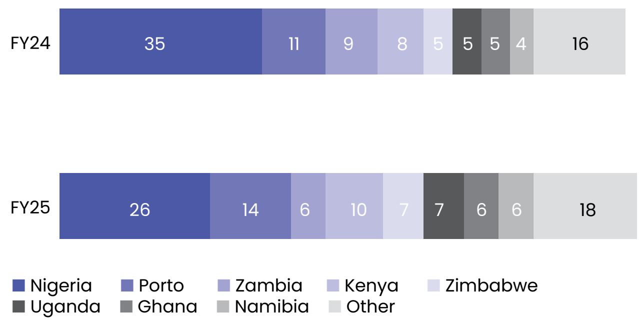
ZAR148 **ARPU (FY24: ZAR173)**

resulting in a 13% organic improvement in ARPU YoY (FY24: 13% improvement). However, this was not sufficient to offset the severe currency impact on reported ARPU, which declined 14% YoY from ZAR173 in FY24 to ZAR148 in FY25.

Subscriber mix
(% contribution to Rest of Africa subscriber base)



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



When considering the performance by country, the most notable feature is the further decline in Nigeria's contribution to total Rest of Africa revenue from 35% in FY24 to 26%, representing an 18 percentage point decline over two years (FY23 contribution was 44%). This was driven by the depreciation of the Nigerian naira which led to a material decline in YoY revenues. While this has been challenging for overall Rest of Africa results, there has now been a material rebalancing of the relative contributions of each country, which serves to diversify country risk going forward as there is less reliance on a single market.

It was a challenging year for the Nigerian market with a weak economy (high inflation and interest rates), fuel shortages, collapses in the national power grid, emigration of the

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middle and upper class and increased piracy all placing the business under pressure. We leveraged the Euros, *Big Brother* and the new football season to recover lost ground in terms of subscribers but still ended the year 13% down YoY (FY24: 18% decline). To address the rapid rise in inflation, a price increase of 25% was passed in May 2024, with a second increase of 19.5% in March 2025. These increases were not however sufficient to offset the 51% depreciation in the average Nigerian naira YoY, resulting in a 43% decline in USD revenues. Despite this, cash extractions amounted to USD156m, only 15% short of FY24's extraction of USD188m due to improved liquidity at less punitive rates. Notably, total cash extraction losses decreased from USD51m in FY24 to only USD4m in FY25.

Ghana, which along with Nigeria forms the Western segment, also experienced a 12% decline in active subscribers (FY24: 17%), suffering from similar challenges including hyper-inflation that put enormous pressure on customer affordability.

The Eastern markets remain highly competitive in terms of pay-TV as well as pressure from FTAs and piracy. A significant depreciation of the Ethiopian Birr by 46% on average YoY, forced price increase and cost containment measures that stalled growth. Countering this, the Kenyan shilling recovered 13%, while exchange rates in Uganda and Tanzania have been stable. Subscribers declined by 8% in the region (FY24: 6% decline), while US dollar revenues grew 4%.

Portuguese markets followed a similar trend to the Eastern region, with active subscribers declining by 6% YoY (FY24: 8% decline). The Angolan kwanza depreciated a further 14% YoY, but the business was successful in implementing a 25% price increase, the first in four years. Mozambique faced highly contested elections, resulting in prolonged civil unrest which weighted on subscriber growth and exacerbated liquidity shortages.

The Southern region experienced a highly challenging year due to lack of power, especially in Zambia where subscribers dropped by 42% YoY, with recovery only expected in the middle of next year. Additional cost measures were taken in Zambia including a temporary freeze on local productions, a drastic reduction in subsidy and marketing, and replacing owned branch offices with third-party agents for face-to-face support. Most Southern markets implemented higher-than-planned price increases as interventions to improve the overall Rest of Africa revenue position. In this context, Botswana stood out with a 9% increase in subscribers, whereas other markets were relatively flat, resulting in an overall 21% YoY decline in subscribers for the region (FY24: 6%).

Local content remains a critical pillar of our customer value proposition, and while we did not add any specific new channels this year, we continue to drive our local content strategy while also focusing on cost optimisation and return on investment. We continue to look for opportunities to use AI in our content development, including local sport productions (successfully implemented in the Zambian football league) as well as subtitling and dubbing where good progress is being made.

The Rest of Africa team took on the responsibility of the Showmax go to market strategy in the Rest of Africa markets. This included creating a more user-friendly onboarding process, increasing and improving payment integrations, and developing performance marketing across digital channels like Google and Facebook. A few early successes included the launch of partnerships in Tanzania and Kenya, the implementation of MTN mobile money payments in Ghana and Zambia, and the integration of Showmax into our field services sales tool to better leverage the linear sales structure.

We continue to drive digital adoption as a means of improving customer experience while unlocking cost savings. We offer a MyDStv app in 47 markets, MyGOtv app in eight markets, WhatsApp self-service in 12 markets and USSD service in 13 markets, with monthly digital adoption currently around 48%. Our extensive third-party payment network now covers integrations with 171 vendors across 40 countries including large retailers, fintech players, MNOs and banks. Our current focus is the aggregation of payment vendors to settle via a single service provider wherever possible at a reduced rate. Despite currency weakness against the US dollar, we collected USD121m on our self-service platforms over the course of the year (FY24: USD130m).

The business as a whole achieved customer satisfaction ratings of 72% (against a target of 72%) for DStv and 68% (against a target of 70%) for GOtv, with GOtv impacted by an isolated satellite issue, for which affected subscribers were duly compensated.