

MultiChoice Group

Consolidated annual financial statements
for the year ended 31 March 2022

Statement of responsibility by the board of directors

for the year ended 31 March 2022

The consolidated annual financial statements are the responsibility of the directors of MultiChoice Group Limited. In discharging this responsibility, the directors rely on management to prepare the consolidated annual financial statements presented on pages 1 to 93 in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and Interpretations as issued by the IFRS Interpretations Committee (IFRIC), the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee (APC), Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council (FRSC), the Johannesburg Stock Exchange (JSE) Listings Requirements and the requirements of the South African Companies Act, No 71 of 2008 as amended (the Companies Act). The group also subscribes in all its activities to principles of best practice and corporate governance, as set out in the King IV Report on Corporate Governance for South Africa 2016 (King IV™). In conformity with IFRS, the consolidated annual financial statements include amounts based on judgements and estimates made by management. The information given is comprehensive and presented in a responsible manner.

The directors accept responsibility for the preparation, integrity and fair presentation of the consolidated annual financial statements. No facts have been omitted or untrue statements made that would make the consolidated annual financial statements false or misleading. Internal financial controls have been put in place to ensure that material information relating to MultiChoice Group Limited and its consolidated subsidiaries have been provided to effectively prepare the consolidated annual financial statements. The group operates in an established control environment, which is documented and regularly reviewed. The group's risk committee plays an integral role in risk management.

The group's internal audit function, which operates unimpeded by operational management, and has unrestricted access to the group's audit committee, assesses and, when necessary, recommends improvements to the system of internal control and accounting practices, based on audit plans that take cognisance of the relative degrees of risk of each function or aspect of the business.

The directors believe that the group has adequate resources to continue operations as a going concern in the foreseeable future, based on budgets, cash flow forecasts and available cash resources. The consolidated annual financial statements, reflecting the current financial position and existing borrowing facilities, support the viability of the group. The preparation of the consolidated annual financial statements was supervised by the group's Chief Financial Officer, Tim Jacobs CA(SA). These results were made public on 9 June 2022.

The independent auditing firm PricewaterhouseCoopers Inc., which was given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, the board of directors and committees of the board, has audited the consolidated annual financial statements. The directors believe that all representations made to the independent auditors during their audit were valid and appropriate. A copy of PricewaterhouseCoopers Inc.'s unqualified audit report is presented on pages 16 to 23.

The consolidated annual financial statements were approved by the board of directors on 9 June 2022 and are signed on its behalf by:



Imtiaz Patel
Chair



Calvo Mawela
Chief executive officer

Company Secretary's Certification and CEO and CFO responsibility statement

for the year ended 31 March 2022

Company Secretary's Certification

In terms of section 88(2)(e) of the Companies Act No 71 of 2008, in my capacity as company secretary of MultiChoice Group Limited, I confirm that for the year ended 31 March 2022 the company has lodged with the Registrar of Companies and the Companies and Intellectual Property Commission, all such returns and notices as are required of a public company in terms of the Companies Act and that all such returns and notices are, to the best of my knowledge, true, correct and up to date.



Carmen Miller
Company Secretary
9 June 2022

CEO and CFO responsibility statement

The directors, whose names are stated below, hereby confirm that:

(a) the consolidated annual financial statements set out on pages 1 to 93, fairly present in all material respects the financial position, financial performance and cash flows of MultiChoice Group Limited in terms of IFRS;

(b) no facts have been omitted or untrue statements made that would make the consolidated annual financial statements false or misleading;

(c) internal financial controls have been put in place to ensure that material information relating to MultiChoice Group Limited and its consolidated subsidiaries has been provided to effectively prepare the consolidated annual financial statements of MultiChoice Group Limited; and

(d) the internal financial controls are adequate and effective and can be relied upon in compiling the consolidated annual financial statements, having fulfilled our role and function within the combined assurance model pursuant to principle 15 of the King Code. Where we are not satisfied, we have disclosed to the Audit Committee and the external auditors the deficiencies in design and operational effectiveness of the internal financial controls and any fraud that involves directors, and have taken the necessary remedial action. It is noted that there were no occurrences of fraud involving directors during the year.



Calvo Mawela
Chief executive officer (CEO)
9 June 2022



Tim Jacobs
Chief financial officer (CFO)
9 June 2022

Report of the audit committee

for the year ended 31 March 2022

I am pleased to present the report of the audit committee (the committee) for the year ended 31 March 2022 (FY22). The committee submits this report, as required by section 94 of the South African Companies Act No 71 of 2008 (the Act).

Members of the audit committee and attendance at meetings

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

During FY22, four meetings were held. The internal and external auditors, in their respective capacity as auditors to the group, attended and reported at all formal meetings of the committee. Both internal and external auditors have unrestricted access to the committee through the chair as well as the opportunity at one meeting per year to report to the committee in the absence of management. The chairperson of the board, group CEO, group CFO, group company secretary, corporate CFO and group general counsel while not members, attend committee meetings by invitation.

The names of the members who were in office during FY22, and up to the date of this report, and the details of the committee meetings attended by each of the members are reflected below.

Name of member	Qualifications	Attendance	Category
L Stephens	BBSc, BCom (Hons), CA(SA), CD(SA)	4/4	Independent non-executive (chair)
CM Sabwa	BCom (Accounting), CPA(K)	4/4	Independent non-executive
E Masilela	BSocSci (Economics and statistics) and MSc (Economic Policy and Analysis)	4/4	Independent non-executive
JH du Preez	CA(SA), CD(SA)	4/4	Independent non-executive

The board and the nomination committee unanimously recommend to shareholders at the Annual General Meeting (AGM) that the current committee members be re-elected.

Responsibilities

The committee has adopted formal terms of reference, delegated by the board of directors, as set out in its charter.

The committee has discharged its responsibilities in terms of its charter and ascribed to it in terms of the Act as follows:

Financial controls

- Review and approve for presentation to and approval by the board, the group's integrated annual report, annual financial statements, interim and provisional reports, and any other group press releases with material financial or internal control impacts. These reviews included:
  - taking appropriate steps to ensure the annual financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Act.
  - considering and, when appropriate, making recommendations on internal financial controls.
  - dealing with concerns or complaints on accounting policies, internal audit, the auditing or content of the annual financial statements, and internal financial controls.
  - reviewing key audit matters raised by the external auditor and management's response thereto.
  - reviewing legal matters that could have a significant impact on the annual financial statements.
  - compiling a report to be inserted in the annual financial statements, describing how the audit committee carried out its functions.
- Disclose in the integrated annual report significant matters that the audit committee has considered in relation to the annual financial statements, and how these were addressed by management.
- Reviewed the ability of the group to continue as a going concern, including an analysis of the group's liquidity and solvency and recommend it to the board for approval.

External Auditor

- Receive all audit reports directly from the external auditor.
- Annually review the external auditor's performance and disclose the committee's views on the quality of the external audit, with reference to audit quality indicators such as those that may be included in inspection reports issued by external audit regulators.
- Evaluate the lead partner of the external auditor, Brett Stephen Humphreys, who will be subject to rotation as required by regulations.
- Present the committee's conclusions on the external auditor to the board, preceding the annual request to shareholders to approve the appointment of the external auditor.
- Approve the external auditor's terms of engagement and remuneration.
- Evaluate and provide commentary on the external auditor's audit plans, scope of findings, identified issues and reports.
- Develop a policy for the board to approve non-audit services performed by the external auditor. Approve non-audit services provided by the external auditor in accordance with this policy.
- Present the committee's conclusions in respect of the nomination for appointment as external auditors to the MultiChoice Group Limited (MCG) and MultiChoice South Africa Holdings Proprietary Limited (MCSAH) boards and consideration of audit firm rotation as required by applicable regulations, preceding the annual request to MCG or MCSAH shareholders to approve the appointment of the external auditors.

Internal Audit

- Approve and recommend to the board for approval, the internal audit charter, which must be reviewed annually.
- Oversee the internal audit function and assist the board in fulfilling the following responsibilities:
  - set the direction for internal audit arrangements needed to provide objective and relevant assurance contributing to the effectiveness of governance, risk management and control processes.
  - ensure that arrangements for internal audit provide for the necessary skills and resources to address the complexity and volume of risk faced by the group, and that internal audit is supplemented as required by specialists.
  - confirm the appointment of the head of the group's internal audit function and periodically review her performance.
  - monitor that internal audit follows an approved risk-based internal audit plan, review the organisational risk profile regularly, and propose adaptations to the internal audit plan accordingly.
  - ensure internal audit provides a statement annually as to the effectiveness of the company's governance, risk management and control processes.
  - ensure the internal audit function is subject to an external, independent quality review every four years.
  - obtain confirmation annually from the head of the group's internal audit function that internal audit conforms to a recognised industry code of ethics and internal auditing standards.
  - review internal audit and the risk committee's reports to the audit committee.

Combined Assurance

- Ensure that the arrangements for assurance services are effective in achieving the following objectives:
  - enabling an effective internal control environment,
  - supporting the integrity of information used for internal decision-making by management, the board and its committees, and
  - supporting the integrity of external reports.
- Ensure a combined assurance model is applied which incorporates and optimises the various assurance services and functions so that, taken as a whole, they support the objectives of assurance.
- Ensure that the combined assurance model is designed and implemented to cover effectively the group's significant risks and material matters through a combination of assurance service providers and functions as is appropriate for the group.
- Disclose in the integrated report the arrangements in place for combined assurance and the committee's views on its effectiveness.

Other matters

- Review procedures to ensure that the listing requirements of the Johannesburg Stock Exchange (JSE) are complied with.
- Review practices with reference to the King IV™ Code on Corporate Governance and make specific disclosures recommended by the code.
- Monitor compliance with board-approved group levels of authority.
- Establish procedures for the receipt, retention and treatment of complaints received on accounting, internal control, auditing matters, risk management and management of other fraudulent activities, including procedures for confidential, anonymous reporting by employees.
- Annually evaluate the performance and appropriateness of the expertise and experience of the chief financial officer and the finance function and disclose the results in the integrated annual report.
- Evaluate the effectiveness of risk management, financial controls and governance processes.
- Review audit committee reports and charters of all major subsidiaries, as well as their annual assessment of charter compliance.
- Review the JSE Limited's report on the proactive monitoring of annual financial statements and ensure correct application in the group's reported financial information.

Key areas of focus during FY22

The committee's key focus areas during the year included:

- discharging its functions in terms of its charter.
- assessing the impact of changes to accounting standards and the JSE Listings Requirements.
- reviewing implementation of King IV™ recommendations.
- review of material group programme updates including Technology Modernisation.
- focusing regularly on the group's working capital requirements and ensuring that the group and its subsidiaries continue to operate as going concerns.
- review of the group's treasury risks including illiquid cash, foreign exchange and counterparty risk management.
- oversight and conclusion of the groups mandatory audit firm rotation selection process, as well as the shadowing process undertaken by Ernst & Young (EY) during FY22.
- ensuring the internal financial control and reporting impacts of COVID-19 are adequately addressed.
- reviewing at each meeting the accounting for taxation provisions and contingencies.
- reviewing at each meeting the schedule of non-audit services provided by external audit and ensuring compliance with the group policy.

Financial statement reporting issues

The committee's main responsibility in relation to the group's financial reporting is to review, with both management and the external auditor, the appropriateness of the annual financial statements with its primary focus being on:

- the quality and acceptability of accounting policies and practices,
- material areas where significant judgements have been made, along with any significant assumptions or estimates, or where significant issues have been discussed with or challenged by the external auditor, and
- an assessment of whether the annual financial statements, taken as a whole, are fair and balanced.

The significant judgements, issues and conclusions reached, or actions taken by the committee in relation to the FY22 annual financial statements are outlined below.

Each of the matters were discussed with the external auditor and, where appropriate, have been addressed as key audit matters in the report on the audit of the consolidated annual financial statements on pages 16 to 23.

Significant reporting matter	How the audit committee addressed the matter
Accounting for Taxation Due to the inherently complex nature of tax exposures in developing markets, specifically within the Rest of Africa segment, the group has recognised material tax liabilities and contingencies in the consolidated annual financial statements. A large degree of management judgement is exercised in estimating potential exposures where the interpretation of tax laws and regulations is subjective. This reporting matter is addressed in the following notes to the consolidated annual financial statements: • Note 8 - Taxation; • Note 9 - Deferred taxation; and • Note 13 - Commitments and contingencies.	This reporting matter was addressed by the audit committee as follows: • Review of updates on the group's assessment on uncertain tax matters from management, including internal and external tax specialists, and legal opinions where necessary; • Challenging both management and the external auditor on the judgements underpinning the measurement and disclosure of uncertain tax matters. Consequently, the audit committee was satisfied with the approach adopted in the consolidated annual financial statements.
Acquisition of additional interest in KingMakers On 29 October 2021, the Group increased its shareholding in Blue Lake Ventures Limited ("KingMakers") to 49.23% for a total consideration of USD282m (ZAR4.2bn). As part of the additional acquisition, 10% of the issued shares in KingMakers were sold to the KingMakers share scheme on loan which resulted in the Group reducing its shareholding by 2%. The substance of this sale is that the Group has issued an instrument with a similar profile as an option instrument and therefore accounted for the transaction as such. The fair value of this option liability of USD12m (ZAR189m) was capitalised against the investment carrying value. As a result, the effective interest used to equity-account the Group's share of KingMakers' post acquisition equity reserves was 51.23%. The acquisition of the additional interest in KingMakers was considered a significant reporting matter due to the following significant judgement areas: • Determining that the Group still exerts significant influence over KingMakers; and • The identification and fair value measurement of the identifiable intangible assets. This reporting matter is addressed in the following notes to the consolidated annual financial statements: • Note 24 – Investment in associates and joint ventures • Note 28 – Fair value of financial instruments	This reporting matter was addressed by the audit committee as follows: • Challenging both management and the external auditor on the judgements underpinning the identification and measurement of separately identifiable intangible assets acquired as well as the fact that the group still exerts significant influence over KingMakers; • Ensuring that based on the latest developments and discussion with management, managements accounting policies have been appropriately recognised and disclosed in the consolidated annual financial statements; • Discussing with management and the external auditors on the IFRS compliance of accounting for this associate. Consequently, the audit committee was satisfied with the approach adopted in the consolidated annual financial statements.

Other reporting matters

The committee has reviewed and is satisfied with the adequacy and effectiveness of accounting policies, financial and other internal control systems, and the financial reporting processes which are operating effectively. In doing so the committee considered all entities included in the consolidated annual financial statements and has had access to all relevant financial information to allow the committee to effectively prepare and report on the financial statements.

The committee reviewed the adoption and calculation of the group's non-IFRS measures including organic trading profit, core headline earnings and free cash flow. The committee was satisfied that these measures are key to understanding the financial performance of the group and further concluded that the adoption and calculation was appropriate.

Internal audit

The committee is responsible for ensuring that the group's internal audit function is independent and has the necessary resources, standing and authority in the group to discharge its duties.

The committee oversees cooperation between internal and external auditors and serves as a link between the board of directors and these functions. The group head of internal audit reports functionally to the chair of the committee and administratively to the group CFO. An assessment of the effectiveness of the internal audit function, as well as the head of internal audit, is performed annually by the committee. Based on the assessment, the committee is of the opinion that the internal audit function, as well as the head of internal audit, are effective.

Effectiveness of the group's internal financial controls

The committee reports to the board that it is of the opinion that, based on enquiries made and the reports from the internal and external auditors on findings from the audit of the consolidated annual financial statements, the risk management processes and systems of internal control of the group were effective for the year under review. No material weaknesses in financial controls of the group and its subsidiaries were reported for the year under review.

Independence and effectiveness of the external auditor

PricewaterhouseCoopers Inc. (PwC) was reappointed as auditor of the group until the next AGM. PwC has been the auditor of the group since December 2018. The committee believes that PwC has observed the highest level of business and professional ethics. The committee is satisfied that PwC has, at all times, acted with unimpaired independence.

Details of fees paid to PwC are disclosed in note 6 to the consolidated annual financial statements. All non-audit services provided by PwC were approved by the committee during the current financial year in accordance with the board-approved policy on non-audit services performed by the external auditor. The audit committee approved the provision of non-audit services that it believes are routine and recurring services that would not impair the independence of PwC and are consistent with the principles of the Code of Professional Conduct set by the Independent Regulatory Board for Auditors. Approved services included general consulting advice and limited tax consulting advice such as tax compliance. Services approved for FY22 amounted to ZAR1.2m (FY21: ZAR2.9m) for tax consulting and ZAR2.5m (FY21: ZAR2.8m) for other services.

During FY22, the committee reviewed representations by PwC and, after conducting its own review, confirmed the independence of PwC. The quality of the external audit for FY22 was reviewed, focusing on a range of factors considered relevant to audit quality and feedback from PwC on their performance against their own objectives. Based on this review, the committee concluded the external audit to be satisfactory. It was confirmed that no unresolved issues of concern exist between the group and the external auditors.

The partner responsible for the audit is required to rotate every five years. Brett Stephen Humphreys has been the audit partner for four financial years.

The committee, in accordance with paragraph 3.84(g)(iii) of the JSE Listings Requirements, satisfied itself that PwC and designated auditor, Brett Stephen Humphreys, are accredited on the JSE list of auditors and advisers, and further confirms that it assessed the suitability of PwC and Brett Stephen Humphreys. The committee, as part of its assessment, requested and reviewed the information detailed in paragraph 22.15(h) of the JSE Listings Requirements from the external auditor.

Mandatory audit firm rotation and external auditor for FY24

During FY21, the group commenced its process in line with IRBA's mandatory audit firm rotation regulations, which requires the company to rotate auditors at the latest by FY24 (the period from 1 April 2023 to 31 March 2024). After a formal selection process concluded during FY22, the audit committee has selected EY as the recommended external auditors from FY24. To ensure a seamless transition process EY will be responsible for the audit of the Rest of Africa segment in FY23, prior to taking over full group audit responsibilities in FY24.

The EY partner responsible for the audit will be Charles Trollope.

During the selection process the committee reviewed representations by EY and, after conducting its own review, confirmed the independence of EY. In addition, the committee, in accordance with paragraph 3.84(g)(iii) of the JSE Listings Requirements, satisfied itself that EY and designated auditor are accredited on the JSE list of auditors and advisers, and further confirms that it assessed the suitability of EY and Charles Trollope by reviewing the information detailed in paragraph 22.15(h) of the JSE Listings Requirements from the external auditor.

Recommended external auditor for FY23 and FY24

Accordingly, the committee recommends the reappointment of PwC (noting the designated auditor as Brett Humphreys) as the external auditor for FY23, with EY acting as component auditors for the Rest of Africa segment. Further, the committee recommends the appointment of EY as the external auditors for FY24 (noting the designated auditor as Charles Trollope, at the next AGM).

Confidential meetings

Audit committee agendas provide for confidential meetings between committee members and the internal and external auditors, separately and independently from management.

Expertise and experience of the group's CFO and the finance function

As required by the King IV™ principle 8 practice 59f and the JSE Limited Listings Requirements 3.84(g), the audit committee has satisfied itself that the group CFO has the appropriate expertise and experience. In addition, the committee satisfied itself that the composition, experience and skills set of the finance function met the group's requirements. Based on an assessment performed annually, the committee is of the opinion that the finance function, as well as the CFO, is effective.

Combined assurance

The board does not only rely on the adequacy of the embedded internal control process in the business but considers reports on the effectiveness of risk management activities from the risk committee. The committee ensures that the assurance functions of management as well as internal and external audit are sufficiently integrated and is satisfied that these together are effective for combined assurance. The board obtains assurance through the following:

- Senior management and the risk committee considers the group's risk strategy and policy, along with the effectiveness and efficiency thereof. The risk committee also considers the adequacy of risk management strategies, systems of internal control, risk profiles and legal compliance. The audit committee receives assurance from the risk committee that risk management activities are sufficient and effective.
- Information technology governance is assessed by the committee through reporting at each meeting from the group chief information officer.
- The annual renewal of insurance (including directors' and officers' insurance) is specifically considered together with risk management and the group's external insurance consultants.
- The committee considers the systems of internal control, internal and external audit reports and reviews the independence of the auditor, the extent and nature of audit engagements, scope of work and findings.
- This committee also reviews the level of disclosure in the annual financial statements and the appropriateness of accounting policies adopted by management and jointly with the risk committee considers material issues of fraud and reporting on fraud.
- The board reviews the performance of the committee against its charter.

The chair of the committee reports to the board at the board meeting following each committee meeting on matters addressed by the committee at its last meeting.

Discharge of responsibilities

The committee determined that, during FY22, it had discharged its legal and other responsibilities as outlined in terms of its charter, details of which are included in the full corporate governance report on www.multichoice.com. The board concurred with this assessment.

Key focus areas going forward

The committee's key focus areas for the next financial year include:

- discharging its functions in terms of its charter.
- focusing regularly on the group's working capital requirements and ensuring that the group and its subsidiaries continue to operate as going concerns.
- review of the group's treasury risks including foreign exchange, liquidity shortages, management of debt and covenants and counterparty risk management.
- monitoring the performance and audit quality of external auditors, including the audit rotation process.
- reviewing at each meeting the management of tax matters together with the accounting for taxation provisions and contingencies.
- reviewing at each meeting the schedule of non-audit services provided by external audit and ensuring compliance with the group policy.
- review of material group programme updates including internal audit's assurance assessment thereof.



Louisa Stephens
Chair: Audit committee
9 June 2022

1. Nature of business

MultiChoice Group (MCG or the group) operates video-entertainment subscriber platforms in South Africa and sub-Saharan Africa (50 countries in total) and offers satellite (DTH), digital terrestrial television (DTT), over-the-top (OTT) and related video-entertainment services. Video-entertainment is a commercial service that provides packages of video and audio programming to consumers, typically for a monthly charge.

2. Financial review

During the year ended 31 March 2022 (FY22), MCG continued to scale its core business platform and expand its ecosystem by increasing the variety of services offered to customers. The group added 0.9m 90-day active subscribers to close the year on 21.8m subscribers, an increase of 5% year-on-year (YoY). The subscriber base in the Rest of Africa maintained its solid growth trajectory, increasing 7% YoY primarily on the back of investment in successful local content productions and live sporting events. The South Africa business reached the 9m subscriber milestone, but growth rates were subdued due to the tough ongoing economic environment and elevated prior year numbers as consumers prioritised video entertainment during the COVID-related lockdowns. The 90-day subscriber base comprises 12.8m households (59%) in the Rest of Africa and 9.0m households (41%) in South Africa.

Group revenue increased 3% (7% organic) to ZAR55.1bn, with the stronger ZAR resulting in a reduction in revenue contribution from the Rest of Africa and Technology businesses upon translation. Subscription revenues amounted to ZAR45.3bn, representing solid 5% organic growth. Advertising revenues rebounded after the negative impact of COVID-19 in the prior year, growing 37% YoY (40% organic). Irdeto's revenues were affected by the COVID-19 pandemic, silicon shortages, and supply chain disruptions, which resulted in a 9% reduction on an organic basis.

Despite the ZAR1.1bn impact from the normalisation of content costs that were deferred into the current financial year from the prior year, group trading profit remained flat at ZAR10.3bn (1% organic growth). Trading profit margins were steady at 19%, benefitting from a 14% (24% organic) narrowing in trading losses in the Rest of Africa, the recovery in advertising revenue and a continued focus on cost control across the business. Total content costs increased 9% (13% organic) mainly due to acquisition of rights to popular sporting events such as Euro 2020, the British and Irish Lions Rugby Tour and the Tokyo Olympics, as well as a continued ramp up in local content investment and non-recurring content refunds received in the prior year.

The group's well-established cost optimisation programme delivered another ZAR1.2bn in cost savings, with major contributions from renegotiated contracts for sports rights and international general entertainment content. Operating leverage was marginally negative as the sharp content cost normalisation was not fully offset by revenue growth.

MCG continued its strategic shift of differentiation through local content. The investment in local content was stepped up to produce 6 028 additional hours, representing growth of 32% YoY and accounting for 47% of total general entertainment content spend. As a result, the total local content library is now approaching 70 000 hours. Further to the five major channels launched in the first half of the financial year, the group expanded its offering by launching two Portuguese-focused channels in Angola and Mozambique. In South Africa, the group's second major co-production, *Reyka*, was broadcast to critical acclaim during Sunday night prime time and has garnered international interest. *Recipes for Love and Murder*, the group's latest co-production, was launched late in the financial year with positive early audience share.

Core headline earnings, the board's measure of sustainable business performance, increased by 6% YoY to ZAR3.5bn. This represents a strong recovery from the 26% decrease reported at the half year as activities normalised in the second half relative to the prior year and a weaker ZAR reduced realised losses on foreign exchange contracts.

Consolidated free cash flow of ZAR5.5bn decreased ZAR0.2m or 3% YoY. This was due to several once-off payments, including the ZAR0.6bn in tax security deposits made in relation to the ongoing Nigerian tax audit, ZAR0.3bn in chipset prepayments to secure the FY23 set-top box supply amidst a global chipset shortage and a ZAR0.2bn prepayment made on additional satellite capacity for the Rest of Africa.

As part of the group's periodic asset review process, and in line with its conservative accounting policies, a loss on the derecognition of information technology assets amounting to ZAR0.3bn was recognised in the current year.

The group paid direct cash taxes of ZAR3.6bn and remains one of the largest tax payers in Africa. The amount was lower than the prior year due to a lower third top-up tax payment and reduced profitability in South Africa.

Net interest paid decreased by ZAR36m to ZAR497m. This is attributed to a reduction in USD interest on the group's transponder leases due to a stronger average ZAR during the year, higher interest rates in South Africa benefitting interest income, offset by an increase in interest paid of ZAR115m related to the working capital and KingMakers term loans.

2. Financial review (continued)

The strength of the balance sheet remains a core focus in supporting new investment opportunities and providing short-term funding for Rest of Africa. Some ZAR8.1bn in net assets, including ZAR6.2bn in cash and cash equivalents, combined with ZAR5.0bn in available facilities, provide ZAR11.2bn in financial flexibility to fund the group's operations. This strong financial position is after ZAR4bn was utilised to settle the MCG and Phuthuma Nathi (PN) dividends in September and an early ZAR0.5bn repayment of the KingMakers term loan in March to reduce the impact of non-deductible interest costs in future years.

Notwithstanding liquidity constraints in Nigeria, the group continued to extract cash throughout the year. Cash holdings of ZAR2.5bn (FY21: ZAR2.5bn) held in Nigeria, Angola and Zimbabwe remain exposed to weaker currencies.

3. Segmental review

South Africa

The South African business faced an increasingly difficult consumer climate, with FY22 growth rates impacted by rising unemployment levels, intermittent loadshedding and a short disruption caused by the tragic July riots in Durban and Johannesburg. YoY comparisons, reflecting muted growth of 1% or 0.1m subscribers on a 90-day active basis, were also distorted by the boost to prior year subscriptions when consumers prioritised video entertainment services during strict COVID-related lockdowns.

Revenue increased 4% to ZAR35.6bn. This was attributed to a ZAR0.8bn recovery in advertising revenue and a 1% increase in subscription revenues, driven by subscriber growth in the mass market and the uplift from annual price increases. The return of live sport and other value adding initiatives, contributed to reducing churn on Premium relative to the prior year. Although the ongoing change in customer mix resulted in monthly 90-day average revenue per user (ARPU) dropping from ZAR277 to ZAR269, the 3% decline YoY is less than prior years and was underpinned by the improved Premium trend, annual price increases and a partial recovery in commercial subscription revenues.

Trading profit declined marginally by 1% to ZAR11.0bn, representing a trading margin of 31%. Profitability was supported by the recovery in advertising revenues and the group's ongoing cost-optimisation programme but was negatively impacted by consumer pressure in the middle market, as well as a normalisation of content costs and sales and marketing expenses.

SuperSport yet again delivered world class productions given a bumper calendar of major sporting events. Record viewership was achieved for Euro 2020, the British and Irish Lions and the Tokyo Olympics. SuperPicks, a free-to-play predictor game and the group's first product collaboration with KingMakers, was launched in Nigeria at the start of the 2021/2022 English Premier League season and already has 0.5m registered users. Content renewals for the year included US golf and all tennis majors, SA athletics, the European football championships, Serie A, the FA Cup, and the new United Rugby Championship. SuperSport Schools, now 100% owned by the group, represents an exciting opportunity to develop schools sport and the app has already broadcasted 5 249 live games of schools sport during FY22.

Growth in Connected Video users on the DStv app and Showmax service is outpacing the market and the unit economics of this business keeps improving. Paying Showmax subscribers were up 68% YoY, whilst overall monthly online users increased a pleasing 28% YoY. A major driver of this segment has been the ongoing focus on localisation, including expanding local payment channels and the enabling of local billing in various markets. In addition, local content was stronger than ever with titles like *DevilsDorp*, the *Real Housewives* franchise and *The Wife*. Showmax Pro delivered an enhanced customer experience, which included the Tokyo Olympics, Euro 2020 and every English Premier League game.

In terms of product offering, MCG's Explora Ultra set-top box allows DStv customers to seamlessly enjoy the best of local content, sport, kids entertainment and news, whilst also offering access to third party applications such as Showmax, Netflix and Amazon. The announcement of DStv as official launch partner of Disney+ in South Africa is a further extension of the group's aggregation strategy, bringing customers access to more content, as well as the convenience of addressing all their entertainment needs in one central place. DStv Internet, which was launched in September, is seeing an acceleration in growth rates. The DStv Rewards programme, which supports retention and has been successful in reducing dormancy, is gaining good traction and is approaching a million customers after just 18 months. Digital adoption continues to track well with around 75% of customer touch-points now being managed through the group's self-service channels. Due to the ongoing global silicon chip shortage the DStv Streama launch has been delayed and is now expected to launch in the first half of the next financial year.

3. Segmental review (continued)

Rest of Africa

The Rest of Africa business, which benefited from the popularity of local content such as *Big Brother Naija* and live sporting events, grew its 90-day active subscriber base by 0.9m subscribers to 12.8m. Whilst revenue of ZAR17.9bn reflects a strong 14% organic increase, it is only 4% higher than the prior year due to the impact of translating Rest of Africa's USD revenues at a stronger ZAR for reporting purposes. Subscription revenue grew at similar rates and contributed ZAR16.3bn. 90-day ARPU improved by ZAR6 on an organic basis to ZAR110, supported by a stable DTH subscriber mix, the success of the GOtv Supa bouquet (DTT) and inflationary price increases in most markets.

Trading losses amounted to ZAR1.2bn, representing a 24% improvement YoY on an organic basis. Strong growth in subscription revenues was somewhat offset by an increase in content costs due to a normalised sporting schedule, increased local content investment and non-recurring content refunds received in the prior year.

Local currency depreciation was less severe, resulting in an overall headwind on reported results of only ZAR0.1bn (FY21: ZAR1.2bn). Major currency movements on average against the USD were the Nigerian Naira (-5%), Ghanian Cedi (-7%), Angolan Kwanza (+5%), Zambian Kwacha (+7%) and the Mozambiquan Metical (+11%). Although liquidity challenges continued in Nigeria, the group successfully repatriated cash throughout the financial year, albeit at a premium to the official rate. Consequently, local cash balances in Nigeria were maintained at ZAR2.3bn (USD155m).

Technology segment

Irdeto, the group's technology segment, was impacted by global silicon shortages affecting supply chains, as well as COVID-19 related disruptions in large markets such as India. Revenues of ZAR1.5bn were further depressed by the impact of a stronger ZAR upon translation from USD, down 16% YoY (-9% organic). The segment contributed ZAR0.5bn to group trading profit with margins strong at 33%.

During the current year, Irdeto continued to gain market share in media security by winning four new Tier-1 customers, including Sky New Zealand, a leading telecom and media operator in Australasia. Beyond video, Irdeto grew its device security business, expanded its deployment of connected vehicles with Hyundai, and started new projects like providing security software to large logistics companies. Irdeto's Trusted Home product was rolled out in South Africa as part of the DStv Internet launch, offering customers enhanced home network security, parental controls and Wi-Fi management solutions. Irdeto was also recognised through numerous industry awards, including the Cybersecurity Company of the Year award at the 2022 Cybersecurity Excellence Awards.

4. KingMakers

On 29 October 2021, the group increased its shareholding in KingMakers from 20% to 49.23% for USD282m and settled the contingent consideration of USD31m related to the initial 20% investment. USD300m of the transaction was economically hedged at an all-in rate of ZAR:USD14.56, with the remaining USD12m settled out of the group's USD cash reserves. The transaction was primarily funded by a ZAR4bn term loan concluded in November 2021. The loan has a five-year term and bears interest at the three-month Johannesburg Interbank Agreed Rate (JIBAR) +1.35%. Based on additional liquidity on hand at year end, a decision was taken to make an early ZAR500m repayment on the loan to lessen the impact of non-deductible interest in future years.

KingMakers delivered USD131m (ZAR2.0bn) in revenues, representing robust growth of 68% YoY. It recorded a loss after tax (excluding amortisation on intangible assets identified on acquisition and MCG purchase price allocation adjustments) amounting to USD19m (ZAR0.3bn) as increased revenues were offset by investment in people, product and technology to further scale the business. Although revenues are still primarily generated in Nigeria, the business is now also active in Kenya, Ghana and Ethiopia. The product and market expansion plans are fully funded through the MCG investment and KingMakers had USD203m (ZAR3.0bn) of cash available at 31 December 2021.

5. Nigeria tax audit

The group has two ongoing Nigerian tax matters, one involving MultiChoice Nigeria Limited and one involving MultiChoice Africa Holdings B.V.. After receiving assessments from the Nigerian Federal Inland Revenue Service (FIRS), the group disputed these claims and appeared in front of the Tax Appeal Tribunal with both matters being postponed on various occasions.

On 16 February 2022, an agreement was reached with the FIRS that legal proceedings will be stayed and that an integrated tax audit will commence during March 2022 for both the MultiChoice Nigeria and MultiChoice Africa Holdings BV matters. The audit process, which covers corporate income tax, value added tax and transfer pricing, remains ongoing with all parties fully co-operating.

As part of the process, the group has made ZAR0.6bn in tax security deposits on a without-prejudice and good faith basis. These have been recorded as current receivables pending the outcome of the audit process.

Based on the latest facts and circumstances available, no tax provision has been made, nor has a contingent liability been disclosed in the FY22 results. The group maintains its position as a law abiding corporate citizen and continues to engage constructively with FIRS to bring the audit to a timely and fair conclusion.

6. Share transactions

In order to preserve cash reserves, the group transferred a further 3.8m treasury shares (valued at ZAR0.4bn on the date of transfer between two group companies), to fund the current year's awards to employees under the group's restricted stock unit (RSU) share plan.

The group's buy-back programme, implemented in FY20, has now realised ZAR105m in cash savings (calculated as the difference between the average share buyback price and the spot price at the time of transferring the shares into the share trust). Based on the success of this approach, a further 2.5m shares were purchased in the second half of the current financial year at an average price of ZAR121 per share to fund future RSU share awards. As a result, a total of 4.6m shares at an average price of ZAR113 per share remain unallocated for future use at the end of FY22.

7. Subsequent events

Other than the declaration of the dividend after the reporting date, as explained in point 9 below, there have been no other events that occurred after the reporting date that could have a material impact on the consolidated annual financial statements.

8. Corporate social responsibility

The group continued to play its role as a responsible corporate citizen. This included the ongoing investment in the MultiChoice Innovation Fund and the broader African broadcasting industry, as well as initiatives to drive increased employment equity and gender equality across the group's employee base. MCG also supported South African businesses at the Dubai Expo, raising more than ZAR150m from global investors for these local entrepreneurs in the process.

Sport is another area where the group has a meaningful impact on society. Not only does MCG play a crucial role in the development and broadcasting of schools sport through its SuperSport Schools initiative, but it is also stepping up its investment in woman's sport. This includes support for the SA Netball team leading up to the 2023 World Cup in South Africa, where SuperSport will be the host broadcaster and production will be delivered by a world first all-female production crew.

Furthermore, in recognition of the group's continued contribution to support the communities that it operates in, MCG was one of only two South African companies to be named on the 2021 "Change the World list", compiled by Fortune magazine. During September 2021, the group also partnered with 13 other global companies to support the Earthshot prize, which seeks to find and fund extraordinary solutions to the world's greatest environmental challenges by 2030.

9. Dividend

The board has declared a gross dividend of ZAR2.5bn or 565 SA cents per listed ordinary share for FY22. This dividend declaration is subject to approval of the MultiChoice South Africa Holdings Proprietary Limited (MCSAH) dividend at its annual general meeting on Wednesday, 24 August 2022. The finalisation date for the dividend declaration by the company will be Thursday, 25 August 2022. Subject to the aforementioned MCSAH approval, dividends will be payable to the company's shareholders recorded in the register on the record date, being Friday, 9 September 2022. The last date to trade cum dividend will be on Tuesday, 6 September 2022 (shares trade ex-dividend from Wednesday, 7 September 2022). Share certificates may not be dematerialised or re-materialised between Wednesday, 7 September 2022 and Friday, 9 September 2022, both dates inclusive. The dividend payment date will be Monday, 12 September 2022. The dividend will be declared from income. It will be subject to the dividend tax rate of 20%, yielding a net dividend of 452 SA cents per listed ordinary share to those shareholders not exempt from paying dividend tax. Dividend tax will be 113 SA cents per listed ordinary share. The issued ordinary share capital as at 9 June 2022 was 442.5m ordinary shares (including 17.0m shares held in treasury). The company's income tax reference number is 9485006192.

10. Outlook

As a platform of choice, the group will look to further expand its ecosystem by identifying growth opportunities that leverage its scale and local capabilities. MCG will continue to be a trusted partner for its customers' evolving needs, enriching their lives by delivering entertainment and relevant consumer services underpinned by technology.

The group will continue to focus on and drive penetration of its video entertainment services across the African continent, offering customers an array of unique and rich media content in a convenient and cost effective way. More specifically, the year ahead will see the group increasing its investment in local content, targeting an allocation of 50% of total general entertainment spend by FY24. As a key differentiator, local content and select sporting events such as the English Premier league, UEFA Champions League and the 2022 FIFA World Cup will contribute to the uptake of the group's linear and streaming services.

Returning the Rest of Africa business to profitability in FY23, generating strong cash flows and maintaining a strong balance sheet whilst innovating and building out our platform remain our key pillars for long term value creation.

11. Share capital

There were no changes in the group's share capital during the year. Refer to note 25.

12. Property, plant and equipment

At 31 March 2022 the group's investment in property, plant and equipment amounted to ZAR13.1bn (FY21: ZAR15.0bn). Details are reflected in note 17.

Capital commitments at 31 March 2022 amounted to ZAR276.8m (FY21: ZAR34.1m). Refer to note 13.

13. Directorate

Mr SJZ Pacak retired as an independent non-executive director with effect from 1 April 2021.

Mr JH du Preez was appointed as an independent non-executive director with effect from 1 April 2021.

Mr JA Mabuza, the group's lead independent director, sadly passed away on 16 June 2021. Mr JJ Volkwyn was appointed as the lead independent director with effect from 1 July 2021.

Mr FLN Letele retired as a non-executive director with effect from 1 December 2021.

No other changes have been made to the directorate of the group.

The directors' names, details and meeting attendance are presented below and the group company secretary's name, business and postal addresses are presented on page 92. Directors' shareholdings in the issued share capital of the group are disclosed in note 31.

13. Directorate (continued)

Directors and attendance at meetings during the 2022 financial year:

	Date first appointed	Board	Audit	Risk	Remuneration	Nomination	Social and ethics	Category
		Attendance						
MI Patel	6 December 2018	7/7	*	4/4	*	4/4	*	NE
CP Mawela	6 December 2018	7/7	*	4/4	*	*	4/4	Executive - CEO
TN Jacobs	6 December 2018	7/7	*	4/4	*	*	4/4	Executive - CFO
FLN Letele[1]	6 December 2018	5/5	*	*	*	*	3/3	NE
KD Moroka	6 December 2018	6/7	*	*	6/6	4/4	4/4	INE
JJ Volkwyn[2]	6 December 2018	6/7	*	*	6/6	4/4	*	Lead INE
E Masilela	6 December 2018	7/7	4/4	4/4	*	*	*	INE
L Stephens	6 December 2018	7/7	4/4	4/4	*	4/4	*	INE
CM Sabwa	14 May 2019	7/7	4/4	4/4	*	*	4/4	INE
JA Mabuza[3]	5 July 2019	0/1	*	*	0/1	0/1	*	Lead INE
FA Sanusi	5 July 2019	7/7	*	*	*	*	4/4	INE
JH du Preez[4,5]	1 April 2021	6/7	4/4	4/4	4/4	*	*	INE
SJZ Pacak[6]	6 December 2018	*	*	*	*	*	*	INE

** Not a member*
1 FLN Letele retired with effect from 1 December 2021. Accordingly, he was only eligible to attend 5 of the 7 board meetings and 3 of the 4 social and ethics committee meetings held during the reporting period.
2 JJ Volkwyn was appointed as lead independent director of the board and chair of the remuneration committee with effect from 1 July 2021.
3 JA Mabuza passed away on 16 June 2021. Accordingly, JA Mabuza did not attend any board or committee meetings during the reporting period.
4 JH du Preez was appointed as a member of the audit and risk committees with effect from 1 April 2021.
5 JH du Preez was also appointed as a member of the remuneration committee with effect from 1 July 2021. Accordingly, he was only eligible to attend 4 of the 6 meetings held during the reporting period.
6 SJZ Pacak retired with effect from 1 April 2021. Accordingly, he was not eligible to attend any board or committee meetings during the reporting period.

14. Group company secretary

Carmen Miller is the appointed group company secretary since 11 June 2020.

Independent auditor's report

To the Shareholders of MultiChoice Group Limited

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of MultiChoice Group Limited (the Company) and its subsidiaries (together the Group) as at 31 March 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

What we have audited

MultiChoice Group Limited 's consolidated financial statements set out on pages 24 to 91 comprise:

- the consolidated statement of financial position as at 31 March 2022;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

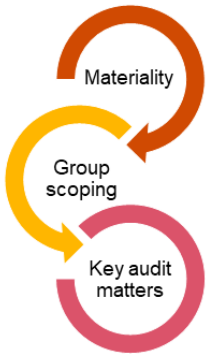
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

Our audit approach

Overview



Overall group materiality

- Overall group materiality: R552,400,000, which represents 1% of consolidated revenue.

Group audit scope

We performed full scope audits, in accordance with determined materiality, on all significant components in terms of their financial significance and risk to the consolidated results and in respect of the centralised functions. For non-significant components we performed either full scope audit procedures, review procedures or specified audit procedures based on the associated risk of the component.

Key audit matters

- Accounting for taxation
- Acquisition of an additional stake in Blue Lake Ventures Limited ("KingMakers")

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall group materiality	R552,400,000
How we determined it	1% of Consolidated revenue
Rationale for the materiality benchmark applied	We selected consolidated revenue as our materiality benchmark because, in our view, it reflects the activity levels of the Group and it is a benchmark against which the performance and growth of the Group can be consistently measured in circumstances of volatile year-on-year earnings that is attributable to foreign exchange volatility. We chose 1% based on our professional judgement, after consideration of the range of qualitative materiality thresholds that we would typically apply.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The scoping included consideration of financially significant components, risk characteristics as well as taking into consideration the sufficiency of work performed over material line items in the consolidated financial statements.

The Group operates in multiple different geographical locations including South Africa, the Rest of Africa (including the following main markets: Nigeria, Angola, Kenya and Zambia), Europe (including its main market in the Netherlands). We performed full scope audits, in accordance with determined materiality, on all significant components in terms of their financial significance and risk to the group results and in respect of the centralised functions.

In addition, non-significant components have been subjected to either full scope audit procedures, review procedures or specified audit procedures based on the associated risk of the component. The group engagement team also performed an audit over the consolidation process.

We ensured that the audit teams, both at group and component levels, included the appropriate skills and competencies; experts in valuations, information technology, actuarial and specialists in tax were included in the team structures.

In establishing the overall approach to the group audit and in order to issue our audit opinion on the consolidated financial statements of the Group, we determined the extent of the work that needed to be performed by us, as the group engagement team, and the component audit teams operating under our instructions. All the component teams comprised PwC network firms. Where the work was performed by component auditors, we determined the level of involvement necessary in the audit work at those components to be able to conclude whether sufficient and appropriate audit evidence has been obtained as a basis for our opinion on the consolidated financial statements as a whole.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	*How our audit addressed the key audit matter*
Accounting for taxation *The entities listed in Note 23 ("Investments in subsidiaries") to the consolidated financial statements operate across many tax jurisdictions. Due to the inherent nature of tax exposures in developing markets, specifically within the Rest of Africa segment, these entities have recognised tax liabilities and have disclosed contingencies in relation to these tax exposures.* *Management have applied their judgement to estimate the exposure and the likelihood that a claim will succeed, or whether a liability will arise where the interpretation of the applicable tax laws and regulations were considered to be subjective.* *Accounting for these material tax exposures was considered to be a matter of most significance to our audit due to the:* • *magnitude, complexity and nature of these exposures;* • *significant level of management judgement involved in interpreting tax laws and regulations that are considered subjective; and* • *application of the principles of IFRS Interpretations Committee - Uncertainty over income tax treatments IFRIC 23 ("IFRIC 23") and International Accounting Standard Provisions, contingent liabilities and contingent assets IAS 37 ("IAS 37") - in measuring the tax exposures* *Refer to the following notes to the consolidated financial statements:* • *Note 8: Taxation;* • *Note 9: Deferred taxation; and* • *Note 13: Commitments and contingencies.*	*Making use of our international tax and transfer pricing expertise, we evaluated management's assessment of the probability of outflows for tax exposures relating to withholding tax, value-added tax, transfer pricing and permanent establishment and other related taxes.* *Our evaluation included meetings with the Group's local tax advisers and local management to discuss the significant exposures and to evaluate the reasonableness of management's conclusions.* *To assess management's assessment, we inspected the correspondence received by management from the respective tax authorities and external tax advisers. Where exposures were deemed to be probable, we inspected the accounting records to test whether management had appropriately recognised these tax exposures in accordance with the principles of IFRIC 23 and IAS 37. No material differences were noted.* *We assessed the inputs into a sample of management's calculations of the tax exposures and the related tax balances and considered whether the principles applied are aligned to the requirements of IFRIC 23 and IAS 37. The inputs were assessed by comparing the percentages applied in determining the liabilities, interest and penalties to external sources, and the amounts used in the calculations were agreed to the underlying audited figures. No material differences were noted.*

Key audit matter	*How our audit addressed the key audit matter*
Acquisition of an additional stake in Blue Lake Ventures Limited ("KingMakers") *On 29 October 2021, the Group increased its shareholding in Blue Lake Ventures Limited ("KingMakers") to 49.23% of the issued share capital for a total consideration of USD282m (ZAR4.238bn). The consideration consisted of a USD100m (ZAR1.505bn) cash payment for the subscription for shares into the business and a USD182m (ZAR2.733bn) partial buyout of minority shareholders.* *As part of the additional acquisition of shares in KingMakers, 10% of the issued shares in KingMakers were sold to the KingMakers share scheme on loan which resulted in the Group reducing its shareholding by 2% (before the acquisition transaction was finalised). The substance of this sale is that the Group has issued an instrument with a similar profile as an option instrument and therefore accounted for the transaction as such. The fair value of this option liability of USD12m (ZAR189m) was capitalised against the investment carrying value. As a result, the effective interest used to equity-account the Group's share of KingMakers' post acquisition equity reserves was 51.23%.* *Management exercised significant judgement in concluding that this increased shareholding resulted in the Group still exerting significant influence over KingMakers, as defined per International Accounting Standard 28 - Investments in associates and joint ventures ("IAS 28"). Significant judgement was also exercised by management on the identification and valuation of the separately identifiable intangible assets acquired within KingMakers.* *Management engaged external valuation experts who applied their judgement to assist management in determining the fair value of the identifiable intangible assets which were recognised at acquisition. These intangible assets are not recorded separately in the consolidated financial statements as the investment is disclosed in a single line item as "Investment in associates and joint ventures". However, the fair values of the identified*	*We inspected the salient terms and conditions of the acquisition contracts and used these to assess the appropriateness of the accounting treatment and the classification of the investment in KingMakers as an associate. We evaluated management's conclusion on the de facto control with reference to the group's representation on the board of directors of KingMakers. No exceptions were noted with respect to the group's continued significant influence over KingMakers.* *We inspected the underlying documentation regarding the purchase consideration paid and the share certificates underlying the shares held in KingMakers, to assess the accuracy of the number the shares acquired. No material differences were noted.* *We obtained the purchase price allocation performed by management (assisted by management's expert) and by making use of our internal valuation expertise, we evaluated the models used by management's expert to calculate the fair values of the separately identifiable intangible assets acquired. Based on the results of our evaluation, we accepted the models utilised by management.* *We recalculated the fair value of the identifiable intangible assets (KingMakers brand, customer relationships and internally developed software) using our own independent inputs. In performing these recalculations, we evaluated the key assumptions used in management's valuation including the forecasted cash flows, tax amortisation benefit, discount rate, growth rates, EBITDA margins, royalty rates, contributory asset charges and terminal growth rates by recalculating the assumptions and/or comparing these assumptions to those of comparable companies using acceptable valuation benchmarking techniques. No material differences were noted.* *We evaluated the completeness of the separately identifiable intangible assets as outlined in the purchase price allocation by*

Key audit matter	How our audit addressed the key audit matter
intangibles form the basis for additional amortisation charges and similar adjustments that will be reflected in the Group's share of the associate's equity accounted results in the current and subsequent years. *The acquisition of KingMakers was considered to be a matter of most significance to our audit due to:* • *The significant judgement applied by management in determining that the Group still exerts significant influence over KingMakers; and* • *The significant judgement applied by management in the identification and fair value measurement of the identifiable intangible assets.* *Refer to the following notes to the consolidated financial statements:* • *Note 24 - Investment in associates and joint ventures; and* • *Note 28 - Fair value of financial instruments.*	*comparing those assets to identifiable intangible assets of comparable companies. No additional identifiable intangible assets were noted that were required to be recognised.*

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "*MultiChoice Group Consolidated annual financial statements for the year ended 31 March 2022",* and the document titled *"MultiChoice Group Limited annual financial statements for the year ended 31 March 2022"* ", which includes the Company Secretary's Certification, Report of the audit committee and Directors' report to shareholders as required by the Companies Act of South Africa, which we obtained prior to the date of this auditor's report, and the other sections of the document titled "*MultiChoice Group Limited Integrated annual report 2022* ", which is expected to be made available to us after that date. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated financial statements

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.[1]

In preparing the consolidated financial statements, the directors are responsible for assessing the Groups ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the

[1] The examination of controls over the maintenance and integrity of the Group's website is beyond the scope of the audit of the financial statements. Accordingly, we accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of Multichoice Group Limited for 38 years.

PricewaterhouseCoopers Inc

PricewaterhouseCoopers Inc.
Director: BS Humphreys
Registered Auditor
Johannesburg, South Africa
9 June 2022

Consolidated statement of financial position

as at 31 March 2022

	Note	2022 ZAR'm	2021 ZAR'm
Assets			
Non-current assets		**25 576**	**23 379**
Property, plant and equipment	17	**13 060**	14 964
Goodwill and other intangible assets	22	**4 947**	5 008
Investments and loans		**255**	119
Investment in associates and joint ventures	24	**5 878**	1 745
Amounts due from related parties	27	**54**	17
Derivative financial instruments	11	**12**	8
Deferred taxation	9	**1 370**	1 518
Current assets		**17 265**	**18 949**
Inventory	19	**811**	659
Programme and film rights	18	**5 256**	5 633
Trade and other receivables	20	**4 696**	3 302
Amounts due from related parties	27	**10**	51
Derivative financial instruments	11	**136**	340
Restricted cash	21	**201**	427
Cash and cash equivalents	21	**6 155**	8 537
TOTAL ASSETS		**42 841**	**42 328**
Equity and Liabilities			
Equity reserves attributable to the group's equity holders		**10 952**	**12 426**
Share capital	25	**454**	454
Other reserves	26	**(14 175)**	(13 518)
Retained earnings		**24 673**	25 490
Non-controlling interests		**(2 876)**	(2 912)
TOTAL EQUITY		**8 076**	**9 514**
Non-current liabilities		**13 875**	**14 254**
Lease liabilities	11	**10 656**	12 432
Long-term loans	11	**2 721**	1 213
Derivative financial instruments	11	**320**	358
Deferred taxation	9	**178**	251
Current liabilities		**20 890**	**18 560**
Lease liabilities	11	**1 822**	1 978
Short-term loans	11	**1 300**	683
Programme and film rights	11	**3 505**	3 826
Provisions	15	**364**	525
Accrued expenses and other current liabilities	14	**10 272**	9 195
Derivative financial instruments	11	**971**	598
Taxation liabilities	8	**2 656**	1 755
TOTAL EQUITY AND LIABILITIES		**42 841**	**42 328**

The accompanying notes are an integral part of the consolidated annual financial statements.

Consolidated income statement

for the year ended 31 March 2022

	Note	2022 ZAR'm	2021 ZAR'm
Revenue	5	**55 240**	53 338
Cost of providing services and sale of goods	6	**(29 769)**	(27 812)
Selling, general and administration expenses	6	**(14 852)**	(15 048)
Net impairment loss on trade receivables	20	**(58)**	(152)
Other operating (losses)/gains - net	7	**(265)**	132
Operating profit	6	**10 296**	**10 458**
Interest income	12	**260**	366
Interest expense	12	**(1 210)**	(1 080)
Net foreign exchange translation losses	12	**(2 118)**	(757)
Share of equity-accounted results	24	**(134)**	(58)
Other losses	7	**-**	(25)
Profit before taxation		**7 094**	**8 904**
Taxation	8	**(4 210)**	(4 827)
Profit for the year		**2 884**	**4 077**
Attributable to:			
Equity holders of the group		**1 358**	2 161
Non-controlling interests		**1 526**	1 916
		2 884	**4 077**
Earnings per share			
Basic and diluted earnings for the year (ZAR'm)		**1 358**	2 161
Basic earnings per ordinary share (SA cents)	4	**318**	506
Diluted earnings per ordinary share (SA cents)	4	**309**	497

The accompanying notes are an integral part of the consolidated annual financial statements.

Consolidated statement of comprehensive income

for the year ended 31 March 2022

	2022 ZAR'm	2021 ZAR'm
Profit for the year	**2 884**	**4 077**
Total other comprehensive income for the year:		
Exchange (losses)/gains arising on translation of foreign operations[1,2,3]	**(32)**	44
Fair value losses on investments held at fair value	**-**	(102)
Hedging reserve[1]	**(781)**	361
- Net fair value losses[4]	**(570)**	(898)
- Hedging reserve recycled to the income statement[4]	**(367)**	453
- Net tax effect of movements in hedging reserve[5]	**156**	806
Total comprehensive income for the year	**2 071**	**4 380**
Attributable to:		
Equity holders of the group	**548**	2 281
Non-controlling interests	**1 523**	2 099
	2 071	**4 380**

1 These components of other comprehensive income may subsequently be reclassified to the consolidated income statement during future reporting periods.
2 Relates to the translation of Rest of Africa and Technology segments, which have a USD reporting currency.
3 The movement relates primarily to the ZAR appreciation against the USD from a closing rate of ZAR14.78 in FY21 to ZAR14.61 in FY22. This movement is recognised in other reserves on the consolidated statement of changes in equity.
4 The movement relates primarily to the ZAR appreciation against the USD from a closing rate of ZAR14.78 in FY21 to ZAR14.61 in FY22 and additional forward exchange contracts executed during FY22 which resulted in a decrease in the achieved average hedge rate on cash flow hedges from ZAR16.40 in FY21 to ZAR15.89 in FY22.
5 The movement relates to tax on net fair value losses recognised in the South Africa segment as detailed in footnote 4 above which are taxed at 28%. Fair value gains/losses in the Rest of Africa segment, which offset the fair value losses in South Africa, are non-taxable.

The accompanying notes are an integral part of the consolidated annual financial statements.

Consolidated statement of changes in equity

for the year ended 31 March 2022

	Share capital	Other reserves[1]	Retained earnings	Non-controlling interests	Total equity
	ZAR'm	ZAR'm	ZAR'm	ZAR'm	ZAR'm
Balance at 1 April 2020	**454**	**(13 048)**	**25 316**	**(2 917)**	**9 805**
Profit for the year	-	-	2 161	1 916	4 077
Other comprehensive income	-	120	-	183	303
Total comprehensive income for the year	**-**	**120**	**2 161**	**2 099**	**4 380**
Hedging reserve basis adjustment[2]	-	(590)	-	(175)	(765)
Share-based compensation movement	-	-	391	-	391
Purchase of shares for group share schemes[3]	-	-	(152)	-	(152)
Other share-based compensation movements[4]	-	-	(245)	2	(243)
Transactions with non-controlling interests[5]	-	-	430	(430)	-
Dividends declared[6,10]	-	-	(2 411)	(1 491)	(3 902)
Balance at 1 April 2021	**454**	**(13 518)**	**25 490**	**(2 912)**	**9 514**
Profit for the year	**-**	**-**	**1 358**	**1 526**	**2 884**
Other comprehensive loss	**-**	**(810)**	**-**	**(3)**	**(813)**
Total comprehensive income for the year	**-**	**(810)**	**1 358**	**1 523**	**2 071**
Treasury shares acquired[7]	**-**	**(308)**	**-**	**-**	**(308)**
Treasury shares disposed[8]	**-**	**152**	**(152)**	**-**	**-**
Hedging reserve basis adjustment[2]	**-**	**309**	**-**	**93**	**402**
Share-based compensation movement	**-**	**-**	**420**	**-**	**420**
Purchase of shares for group share schemes[3]	**-**	**-**	**(87)**	**-**	**(87)**
Transactions with non-controlling interests[9]	**-**	**-**	**62**	**(74)**	**(12)**
Dividends declared[6,10]	**-**	**-**	**(2 418)**	**(1 506)**	**(3 924)**
Balance at 31 March 2022	**454**	**(14 175)**	**24 673**	**(2 876)**	**8 076**

1 Other reserves include treasury shares, the hedging reserve, fair value reserve and foreign currency translation reserve (note 26).
2 Relates to the basis adjustment (net of tax gains of ZAR93m (FY21: ZAR208m tax losses) on other reserves and tax gains of ZAR28m (FY21: ZAR63m tax losses) on non-controlling interests) on programme and film right assets as content comes into licence.
3 Primarily relates to the settlement of share-based compensation benefits.
4 Primarily relates to the closure of the MCA 2008 SAR scheme during FY21.
5 Relates primarily to two transactions in FY21. One whereby MultiChoice Africa Holdings B.V. transferred assets held in GOtv Zambia Proprietary Limited (51% owned by the group) to GOtv Broadcasting Zambia (25% owned by the group) at an amount equal to the fair value of the assets transferred. The fair value of the net assets transferred was ZAR179m. There was no carrying value related to the non-controlling interest in GOtv Broadcasting Zambia prior to this transaction. No cash consideration was paid. The second was a dilution of MultiChoice Africa Holdings B.V's interest in GOtv Kenya Limited from 100% to 70% due to local shareholding requirements. There was no carrying value related to the non-controlling interest in GOtv Kenya Limited prior to this transaction. No cash consideration was received.
6 Non-controlling interests dividends relate primarily to dividends paid to PN.
7 The group acquired a further 2.5m treasury shares at an average price of ZAR121 per share to fund future RSU share awards. As at 31 March 2022, the group holds 17.0m treasury shares at an average value of ZAR108 per share.
8 During the current year treasury shares were utilised to settle the group's share-based compensation benefits.
9 Relates to two transactions, the first relating to a dilution of MultiChoice Africa Holdings. B.V.'s interest in GOtv Uganda Limited from 100% to 85% due to local shareholding requirements. GOtv Uganda Limited had a negative net asset value of ZAR598m and there was no carrying value related to the non-controlling interest in GOtv Uganda Limited prior to this transaction. No cash consideration was received. This transaction resulted in a increase of ZAR90m in retained earnings and a decrease of ZAR90m in non-controlling interest. The second related to the group acquiring the remaining 49% interest in SuperSport Schools in March 2022. SuperSport Schools is now 100% owned by the group. The carrying value of the non-controlling interest prior to this transaction was negative ZAR15.7m. Cash consideration paid amounted to ZAR8.75m with a further ZAR3.75m payable during FY23 based on the achievement of service conditions attached to the transaction. This transaction resulted in a decrease of ZAR28m in retained earnings and a increase of ZAR16m in non-controlling interest.
10 Dividends declared exclude dividends related to treasury shares held by the group. The group declared a gross dividend of 565 SA cents per listed ordinary share in FY21 (FY20: 565 SA cents).

The accompanying notes are an integral part of the consolidated annual financial statements.

Consolidated statement of cash flows

for the year ended 31 March 2022

	Note	2022 ZAR'm	2021 ZAR'm
Cash flows from operating activities			
Cash generated from operating activities	10	**12 723**	13 909
Interest income received		**255**	263
Interest costs paid		**(752)**	(796)
Settlement of share-based compensation awards[1]		**-**	(349)
Taxation paid[2]		**(3 572)**	(4 095)
Net cash generated from operating activities		**8 654**	**8 932**
Cash flows from investing activities			
Property, plant and equipment acquired		**(626)**	(755)
Proceeds from sale of property, plant and equipment		**15**	54
Intangible assets acquired	22	**(462)**	(858)
Proceeds from sale of intangible assets		**15**	9
Decrease/(increase) in restricted cash		**221**	(79)
Investment in associate	24	**(4 244)**	(1 351)
Loans to Enterprise Development Trust beneficiaries		**(39)**	(28)
Repayment of Enterprise Development loans		**9**	21
Loans to related parties		**-**	(39)
Cash received from other investments and loans		**29**	-
Cash paid for other investments and loans[3]		**(153)**	(50)
Net cash utilised in investing activities		**(5 235)**	**(3 076)**
Cash flows from financing activities			
Proceeds from long and short-term loans raised	11	**5 453**	2 000
Repayments of long and short-term loans	11	**(2 866)**	(631)
Settlement of contingent consideration	11	**(467)**	-
Repayments of lease liabilities	11	**(2 007)**	(1 855)
Purchases of shares for group share schemes[4]		**(87)**	(152)
Repurchase of treasury shares		**(308)**	-
Transactions with non-controlling interests[5]		**(9)**	-
Dividends paid by holding company		**(2 418)**	(2 411)
Dividends paid by subsidiaries to non-controlling shareholders		**(1 506)**	(1 491)
Net cash utilised in financing activities		**(4 215)**	**(4 540)**
Net movement in cash and cash equivalents		**(796)**	1 316
Foreign exchange translation adjustments on cash and cash equivalents[6]		**(1 586)**	(1 924)
Cash and cash equivalents at the beginning of the year		**8 537**	9 145
Cash and cash equivalents at the end of the year	21	**6 155**	**8 537**

1 Relates to the settlement paid to employees due to the closure of the MultiChoice 2008 SAR scheme in the prior year.
2 Decrease relates to a lower third top-up payment and reduced profitability in the South Africa segment.
3 In FY22, the group made a USD10m investment in Trust Machines SPV, LLC applications and platforms (note 28).
4 Relates to the purchase of group shares, which were used to settle the group's share-based compensation awards.
5 In March 2022, the group acquired the remaining 49% of shares in SuperSport Schools. SuperSport Schools is now 100% owned by the group.
6 Includes losses of ZAR1.1bn (FY21: ZAR575m) incurred in Nigeria, within the Rest of Africa segment, due to differences between the I&E rate used by the group for translation and the parallel rate at which cash has been extracted.

The accompanying notes are an integral part of the consolidated annual financial statements.

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1. Basis of preparation

The consolidated annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and Interpretations as issued by the IFRS Interpretations Committee (IFRIC), the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee (APC), Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council (FRSC), the Johannesburg Stock Exchange (JSE) Listings Requirements and the requirements of the South African Companies Act No 71 of 2008 as amended (the Act). The group also subscribes in all its activities to principles of best practice and corporate governance, as set out in the King IV Report on Corporate Governance for South Africa 2016 (King IV™).

The consolidated annual financial statements include amounts based on judgements and estimates made by management.

The consolidated annual financial statements are prepared using the historic cost convention apart from certain financial instruments (including derivative instruments) which are stated at fair value.

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

The consolidated annual financial statements are presented in South African Rand (ZAR), which is the group's presentation currency, rounded to the nearest million. The consolidated statement of financial position was prepared using a closing USD exchange rate at 31 March 2022 of 14.61:1 (31 March 2021: 14.78:1) which has been utilised for the consolidation of the Rest of Africa and Technology segments that have a USD presentation currency. The consolidated income statement and statement of comprehensive income were prepared using the average USD exchange rate for the year ended 31 March 2022 of 14.93:1 (31 March 2021: 16.30:1).

The group has adopted all new and amended accounting pronouncements issued by the IASB that are effective for financial years commencing 1 April 2021. A number of amendments to accounting pronouncements are effective from 1 January 2021, but they do not have a material effect on the group's consolidated annual financial statements. The assessment of these pronouncements has been provided in note 2.

Trading profit includes the finance cost on transponder lease liabilities and the derivative profit or loss impact relating to economic hedges (i.e. futures) against foreign currency movements, but excludes the amortisation of intangible assets (other than software), impairment/derecognition of assets, equity-settled share-based payment expenses, cash-settled share-based payment expenses on closure of schemes, severance provisions raised and other operating gains/losses.

2. Principal accounting policies

The principal accounting policies applied in the preparation of the consolidated annual financial statements are set out in the relevant notes.

The accounting policies have been consistently applied to all years presented other than for the impact of the new accounting pronouncements adopted during the current year.

2. Principal accounting policies (continued)

The group adopted the following new accounting pronouncements, set out below, during the current year.

Accounting pronouncement	Adoption impact
COVID-19-Related Rent Concession – Amendment to IFRS 16 Leases	In May 2020, the IASB amended IFRS 16 Leases to provide lessees with a practical expedient that relieves a lessee from assessing whether a COVID-19-related rent concession is a lease modification. In March 2021, the IASB issued COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16). This amendment extends the date a lessee is permitted to apply the practical expedient by a year from payments due on or before 30 June 2021 to payments due on or before 30 June 2022. The amendments did not have a material impact for the group.
IFRS 4 Insurance Contracts – deferral of IFRS 9 (effective 1 January 2021)	These amendments defer the date of application of IFRS 17 by two years to 1 January 2023 and change the fixed date of the temporary exemption in IFRS 4 from applying IFRS 9, Financial instruments until 1 January 2023. The amendments did not have a material impact for the group.
Interest Rate Benchmark Reform Phase 2 – The amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Amendment requirements relating to changes in the basis for determining contractual cash flows of financial assets, financial liabilities and lease liabilities, hedge accounting and disclosures. The amendment to IFRS 16 enables a company to apply a practical expedient to account for a lease modification required by the interbank offered rate (IBOR) reform. The amendments to IAS 39 enable (and require) companies to continue hedge accounting in circumstances when changes to hedged items and hedging instruments arise as a result of changes required by the IBOR reform by requiring companies to amend their hedging relationships to reflect: • designating an alternative benchmark rate as the hedged risk; • changing the description of the hedged item, including the designated portion, or of the hedging instrument; or • changing the description of how the entity would assess hedge effectiveness. The amendments did not have a material impact for the group.

Accounting judgements and sources of estimation uncertainty

The preparation of the consolidated annual financial statements necessitates the use of estimates, assumptions and judgements by management. These estimates and assumptions affect the reported amounts of assets, liabilities and contingent assets and liabilities at the statement of financial position date as well as reported income and expenses. Although estimates are based on management's best knowledge and judgement of current facts as at the statement of financial position date, the actual outcome may differ.

Where relevant, the group has provided sensitivity analysis demonstrating the impact of changes in key estimates and assumptions on reported results.

The significant accounting estimates and judgements have been set out in the note to which it relates, these are:

	Note reference	Estimate/judgement relates to:	Judgement versus Estimate
Equity compensation benefits	6	Valuation/estimates of vesting	Estimate
Taxation liabilities	8	Uncertainties around timing, quantum and amount	Judgement
Deferred taxation assets	9	Uncertainties around future financial performance	Judgement
Leases	11	Determination of the incremental borrowing rate	Estimate
Property, plant and equipment	17	Residual values and useful lives	Estimate
Programme and film rights	18	Amortisation period	Estimate
Goodwill and other intangible assets	22	Impairment	Estimate
Investment in associates and joint ventures	24	Purchase price allocation valuation	Estimate

2. Principal accounting policies (continued)

COVID-19 considerations

Management has conducted an updated review of all possible financial effects that COVID-19 could have on the measurement, presentation and disclosure provided in the consolidated annual financial statements. The conclusion reached was that the potential impact is not material to the consolidated annual financial statements. Management will continue to monitor COVID-19 developments.

Russian invasion of Ukraine

The Russian invasion of Ukraine, alongside the imposition of international sanctions, have a pervasive economic impact, not only on businesses within Russia and Ukraine, but also globally where businesses engage in economic activities that might be affected. The group has assessed the potential impact of the above and concluded that the potential impact is not material to the consolidated annual financial statements.

Environmental responsibility

Most of the group's office buildings are environmentally friendly or, where possible, retrofitted for energy and water efficiency. Our primary environmental impact arises from using coal-fired electricity, which is the primary source of energy in many of the countries where we operate. During electricity outages, we use fuel such as diesel to power generators. The group measures its carbon footprint from scope 1 and 2 emissions according to the Greenhouse Gas Protocol. The group has assessed the potential climate change risk as not material to the consolidated annual financial statements.

PART I. SEGMENTS

3. Segmental information

Operating segments are identified on the basis of internal reports about components of the group that are regularly reviewed by the chief operating decision maker (CODM) in order to allocate resources to the segments and to assess their performance. The CODM has been identified as the executive directors of the group. No change has occurred in segment identification since the prior year.

The group has identified its operating segments based on its business by geography or product as follows: South Africa, Rest of Africa and Technology. Below are the types of services and products from which each segment generates revenue:

South Africa – offers digital satellite television and online services (including subscription and transactional video on demand) to subscribers in South Africa.

Rest of Africa – offers digital satellite television, online services (including subscription and transactional video on demand) and digital terrestrial television services to subscribers across 50 African countries, excluding South Africa.

Technology – through the Irdeto group, provides digital content management and protection systems to group companies and customers globally to protect, manage and monetise digital media on multiple platforms.

Sales between the above segments are eliminated in the "Eliminations" row in the tables below. Unless contrary is indicated in footnotes the revenue from external parties and all other items of income, expenses, profits and losses reported in the segment report are measured in a manner consistent with that in the consolidated income statement.

The revenues from external customers for each major group of products and services are disclosed in note 5. The group is not reliant on any one major customer as the group's products are primarily consumed by the general public in a large number of countries.

Segmental revenue and results

Revenue

Years ended 31 March	**2022 (ZAR'm)**			**2021 (ZAR'm)**		
	External	**Inter-segment**	**Total**	**External**	**Inter-segment**	**Total**
South Africa	**35 615**	**7 750**	**43 365**	34 327	6 588	40 915
Rest of Africa	**18 081**	**199**	**18 280**	17 162	281	17 443
Technology	**1 544**	**1 666**	**3 210**	1 849	1 638	3 487
Eliminations	**-**	**(9 615)**	**(9 615)**	-	(8 507)	(8 507)
Total	**55 240**	**-**	**55 240**	**53 338**	**-**	**53 338**

	2022 (ZAR'm)				**2021 (ZAR'm)**			
Revenue by nature	**South Africa**	**Rest of Africa**	**Technology**	**Total**	**South Africa**	**Rest of Africa**	**Technology**	**Total**
Subscription fees	**28 956**	**16 468**	**-**	**45 424**	28 794	15 817	-	44 611
Advertising	**3 258**	**651**	**-**	**3 909**	2 443	405	-	2 848
Set-top boxes	**1 069**	**801**	**-**	**1 870**	987	802	-	1 789
Installation fees	**321**	**-**	**-**	**321**	324	-	-	324
Technology contracts and licensing	**-**	**-**	**1 544**	**1 544**	-	-	1 849	1 849
Other revenue	**2 011**	**161**	**-**	**2 172**	1 779	138	-	1 917
Total external revenue	**35 615**	**18 081**	**1 544**	**55 240**	**34 327**	**17 162**	**1 849**	**53 338**

3. Segmental information (continued)

2022

	ZAR'm Year ended 31 March 2022						
	Revenue[1]	**COPS[2]**	**SGA[3]**	**Depreciation**	**Software amortisation**	**Lease interest[4]**	**Trading profit/ (loss)[1]**
South Africa	**43 365**	**(22 242)**	**(8 421)**	**(1 181)**	**(161)**	**(328)**	**11 032**
Rest of Africa[1]	**18 117**	**(13 176)**	**(4 788)**	**(1 157)**	**-**	**(209)**	**(1 213)**
Technology	**3 210**	**(1 107)**	**(1 449)**	**(123)**	**(16)**	**-**	**515**
Eliminations	**(9 615)**	**8 695**	**920**	**-**	**-**	**-**	**-**
Total	**55 077**	**(27 830)**	**(13 738)**	**(2 461)**	**(177)**	**(537)**	**10 334**

2021

	ZAR'm Year ended 31 March 2021						
	Revenue[1]	**COPS[2]**	**SGA[3]**	**Depreciation**	**Software amortisation**	**Lease interest[4]**	**Trading profit/ (loss)[1]**
South Africa	40 915	(19 438)	(8 545)	(1 223)	(171)	(406)	11 132
Rest of Africa[1]	17 515	(12 740)	(4 702)	(1 199)	-	(282)	(1 408)
Technology	3 487	(1 185)	(1 585)	(151)	-	-	566
Eliminations	(8 507)	7 545	962	-	-	-	-
Total	**53 410**	**(25 818)**	**(13 870)**	**(2 573)**	**(171)**	**(688)**	**10 290**

1 Total group revenue and trading profit and Rest of Africa revenue and trading profit presented above includes losses of ZAR163m (FY21: gains of ZAR72m) related to fair value movements on Nigeria futures contracts.

2 Refers to cost of providing services and sale of goods. Segmental COPS excludes depreciation of ZAR1 844m (FY21: ZAR1 920m) (note 6) and amortisation of ZAR95m (FY21: ZAR74m) (note 23).

3 Refers to selling, general and administration expenses. Segmental SGA includes other operating gains amounting to ZARnil (FY21: ZAR15m) (note 7) and net impairment losses on trade receivables of ZAR58m (FY21: ZAR152m). It excludes depreciation of ZAR617m (FY21: ZAR653m) (note 6), amortisation of ZAR135m (FY21: ZAR162m) (note 23), equity-settled share-based compensation of ZAR420m (FY21: ZAR391m) (note 6) and cash-settled share-based compensation due to closure of SAR scheme of ZARnil (FY21: ZAR98m).

4 Relates to interest on transponder leases only.

	2022 ZAR'm	2021 ZAR'm

3. Segmental information (continued)

Trading profit as presented in the segment disclosure is the CODM and management's measure of each segment's operational performance. A reconciliation of the segmental trading profit to operating profit as reported in the income statement is provided below:

Trading profit per segmental income statement	**10 334**	10 290
Adjusted for:		
Interest on transponder leases (note 12)	**537**	688
Amortisation of intangibles (other than software)	**(53)**	(65)
Other operating (losses)/gains - net (note 7)[1]	**(265)**	117
Equity-settled share-based compensation	**(420)**	(391)
Severance provision	**-**	(11)
Cash-settled share-based payments on closure of SAR scheme[2]	**-**	(98)
Fair-value movements on futures contracts	**163**	(72)
Operating profit per the income statement[3]	**10 296**	**10 458**

1 Excludes ZARnil (FY21: ZAR15m) of other operating gains which are included in both trading profit and operating profit.
2 Relates to once-off expense on the closure of the MultiChoice 2008 SAR scheme in the prior year.
3 The consolidated income statement discloses all reporting items from consolidated operating profit to consolidated profit before taxation.

Geographical information

The group operates in the following geographical areas:

Africa - The group derives revenues from video-entertainment platform services and technology products and services predominately to individual consumers. The group is domiciled in South Africa which is managed and consequently presented separately. The main markets throughout the Rest of Africa include Nigeria, Angola, Kenya and Zambia. The Rest of Africa is managed independently by a dedicated team and is consequently presented as a single segment.

Europe - The group generates revenue from technology products and services provided by subsidiaries based in the Netherlands, France and the United Kingdom. These revenues are primarily business to business.

Other - The group generates revenue from technology products and services provided by subsidiaries primarily based in Canada, the United States of America, Brazil and India.

	Africa				
31 March 2022	**South Africa ZAR'm**	**Rest of Africa ZAR'm**	**Europe ZAR'm**	**Other ZAR'm**	**Total ZAR'm**
External consolidated revenue	**35 615**	**18 081**	**1 185**	**359**	**55 240**
Consolidated assets[1]	**12 453**	**10 539**	**893**	**-**	**23 885**

	Africa				
31 March 2021	**South Africa ZAR'm**	**Rest of Africa ZAR'm**	**Europe ZAR'm**	**Other ZAR'm**	**Total ZAR'm**
External consolidated revenue	34 327	17 162	1 435	414	53 338
Consolidated assets[1]	13 274	7 382	1 061	-	21 717

1 Consolidated assets includes property, plant and equipment, goodwill and other intangible assets and Investments in associates and joint ventures.

Revenue is allocated to a geographic area based on the location of subscribers or users/customers.

Assets are allocated to a geographic area based on the location of the assets, subscribers or customers.

PART II. INCOME STATEMENT

4. Earnings per share

Earnings per share (EPS) is a measure of the group's profit for the year allocated to each outstanding ordinary share. It is calculated by dividing profit after tax attributable to equity holders of the group by the weighted average number of ordinary shares in issue during the year, excluding treasury shares.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares and is based on the profit after tax attributable to equity holders of the group, adjusted for the after tax dilutive effect. The company has dilutive potential ordinary shares which comprise restricted share units (RSU) issued in terms of the group's share scheme.

The group is required to calculate headline earnings per share in accordance with the JSE Listings Requirements, determined by reference to the South African Institute of Chartered Accountants' Circular 1/2021 'Headline Earnings'. Headline earnings per share is calculated by dividing headline earnings by the weighted average number of shares in issue during the year, excluding treasury shares.

Years ended 31 March		**2022**				**2021**			
Reconciliation of basic and diluted earnings to basic and diluted headline earnings	**Note**	**Gross**	**Taxation**	**Non-controlling interests**	**Net**	**Gross**	**Taxation**	**Non-controlling interests**	**Net**
		ZAR'm	**ZAR'm**	**ZAR'm**	**ZAR'm**	**ZAR'm**	**ZAR'm**	**ZAR'm**	**ZAR'm**
Basic and diluted earnings attributable to equity holders of the group					**1 358**				2 161
Headline earnings adjustments:									
Reversal of impairment of property, plant and equipment	17	**-**	**-**	**-**	**-**	(76)	1	1	(74)
Derecognition of intangible assets	22	**287**	**(64)**	**(52)**	**171**	-	-	-	-
Impairment of programme and film rights	18	**208**	**(58)**	**(35)**	**115**	69	(19)	(11)	39
Impairment of investments		**-**	**-**	**-**	**-**	9	-	(2)	7
Reversal of impairment of joint ventures		**(8)**	**2**	**1**	**(5)**	-	-	-	-
(Profit)/loss on sale of property, plant and equipment	7	**(5)**	**(1)**	**2**	**(4)**	15	(2)	(1)	12
Insurance proceeds	7	**-**	**-**	**-**	**-**	(35)	10	6	(19)
Profit on sale of intangible assets	7	**(13)**	**4**	**3**	**(6)**	(15)	4	3	(8)
Basic and diluted headline earnings attributable to equity holders of the group					**1 629**				**2 118**

	2022 ZAR'm	2021 ZAR'm

4. Earnings per share (continued)

Basic and diluted headline earnings for the year (ZAR'm)	**1 629**	2 118
Basic headline earnings per ordinary share (SA cents)	**381**	496
Diluted headline earnings per ordinary share (SA cents)[1]	**371**	487
Net number of ordinary shares issued (million)		
- at year-end[2,3]	**426**	427
- at year end (including treasury shares)[2]	**443**	443
- weighted average for the year	**427**	427
- diluted weighted average for the year[1]	**439**	435

1 As at 31 March 2022, 11.4m RSUs have been awarded to employees and remain unvested resulting in a dilutive impact in the current year (FY21: 10.1m awarded).
2 As at 31 March 2022, the group held 17.0m treasury shares which resulted in a decrease in the number of ordinary shares issued (FY21: 15.6m treasury shares).
3 During FY22, the group transferred 3.8m (with a value of ZAR0.4bn at the date of transfer) of the 10.1m treasury shares purchased by MultiChoice Group Treasury Services Proprietary Limited as part of a general share buyback in FY20 to the MultiChoice Group Restricted Share Plan Trust (a fellow group company) to fund the FY22 awards under the group's RSU scheme. An additional 2.5m shares were repurchased by MultiChoice Group Treasury Services Proprietary Limited as part of a general share buy-back to fund future RSU share awards. 1.2m RSUs were exercised during the year which reduced the number of treasury shares held by the group at 31 March 2022.

5. Revenue

The group recognises revenue from the following major sources:

- **Subscription fees**
- **Set-top box sales**
- **Installation revenue**
- **Advertising revenue**
- **Technology contracts and licensing**
- **Other revenue**

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The group recognises revenue when it transfers control of a product or service to a customer.

Revenue is measured as the fair value of the consideration received or receivable from the sale of goods and services in the ordinary course of the group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the group.

Subscription fees

Pay-television, subscription video-on-demand, transactional video-on-demand and access fees are earned over the period the services are provided. Subscription revenue arises from the monthly advanced billing of subscribers for pay-television and online services provided by the group. Subscribers are required to pay subscription fees in advance. Revenue is recognised in the month the service is rendered. Subscription revenue received in advance of the service being provided is recorded as deferred revenue as part of accrued expenses and other current liabilities and recognised as revenue in the month the service is provided.

Set-top box sales

Revenue is recognised at a point in time, when the devices are provided to the customer. Payments for the devices are either received upon delivery of the device or through extension of credit to the customer. Repayment terms for credit sales are up to 24 months, however the extended repayment terms are deemed insignificant to the group.

Installation revenue

Installation revenue on devices is recognised when the device is installed and the customer is connected. Payments for the installation are either received upon delivery of the device or through extension of credit to the customer. Repayment terms for credit sales are up to 24 months, however the extended repayment terms are deemed insignificant to the group.

	2022 ZAR'm	2021 ZAR'm

5. Revenue (continued)

Advertising revenue

The group primarily derives advertising revenues from advertisements broadcast on its video-entertainment platforms and shown online on its websites and instant messaging windows as well as sponsorship revenues earned on major broadcast events. Advertising revenues from video-entertainment platforms are recognised upon showing. Online advertising revenues are recognised over the period in which the advertisements are displayed. Sponsorship revenues are recognised over the period of the event. Advertising revenue is billed in arrears with 45-day payment terms.

Technology contracts and licensing

For contracts with multiple obligations (e.g. maintenance and other services), the transaction price is allocated between each of the performance obligations based on the price that the group would charge if the goods or services were sold separately.

The group recognises revenue allocated to maintenance and support fees, for on-going customer support and product updates, ratably over the period of the relevant contracts. Contract periods generally range from between 3-5 years. Payments for maintenance and support fees are generally made in advance and are non-refundable. For revenue allocated to consulting services and for consulting services sold separately, the group recognises revenue as the related services are performed.

The group enters into arrangements whereby application software is licensed to network operators. Where all of the software under the arrangement has been delivered, the revenue is recognised based on the number of subscribers at a point in time. Under arrangements where the group has committed to deliver unspecified future applications, the revenue earned on the delivered applications is ratably recognised over the subscription period. Standard payment terms for network operators are 30 days.

Other revenue

Other revenue primarily comprises of decoder insurance premiums relating to the decoders of the pay-television subscribers, sub-licensing revenue relating to the provision of content to other broadcasters and reconnection fees relating to amounts charged to customers for the reconnection of their pay-television services. The revenue for the insurance premiums is recognised over time, as and when the services are rendered. The revenue from sub-licensing is recognised over time as content and services are delivered. The revenue for the reconnection fees is recognised at a point in time when the customer has been reconnected.

Subscription fees	**45 424**	44 611
Advertising	**3 909**	2 848
Set-top boxes	**1 870**	1 789
Installation fees	**321**	324
Technology contracts and licensing	**1 544**	1 849
Other revenue	**2 172**	1 917
	55 240	**53 338**

The following table shows unsatisfied performance obligations resulting from long-term technology contracts as at 31 March 2022.

Aggregate amount of the transaction price allocated to long-term technology contracts that are partially or fully unsatisfied	151	109

Management expects that 38% of the transaction price allocated to the unsatisfied contracts as of 31 March 2022 will be recognised as revenue during FY23 (ZAR58m) and 38% (ZAR58m) will be recognised as revenue during FY24. The remaining 24% (ZAR35m) will be recognised as revenue in FY25 and thereafter. The amount disclosed above does not include variable consideration which is constrained.

Management expects that 42% of the transaction price allocated to the unsatisfied contracts as of 31 March 2021 will be recognised as revenue during FY22 (ZAR46m) and 16% (ZAR17m) will be recognised as revenue during FY23. The remaining 42% (ZAR46m) will be recognised as revenue in FY24 and thereafter. The amount disclosed above does not include variable consideration which is constrained.

	2022 ZAR'm	2021 ZAR'm

5. Revenue (continued)

All other technology contracts are for periods of 1 year. As permitted under *IFRS 15*, the transaction price allocated to these unsatisfied contracts is not disclosed and is also not material.

6. Expenses by nature

Operating profit includes the following items:

(a) Cost of providing services and sale of goods (COPS)

Content[1]	**19 477**	17 951
Set-top box purchases	**5 750**	5 165
Depreciation: Owned assets (note 17)	**502**	554
Depreciation: Right-of-use asset for transponders (note 17)	**1 342**	1 366
Agency commissions[2]	**755**	740
Subscriber transaction fees[2]	**561**	546
Other[2,3]	**1 382**	1 490
	29 769	**27 812**

1 Included in content is amortisation of programme and film rights of ZAR14.2bn (FY21: ZAR11.6bn). Refer to note 18.
2 The comparatives (FY21) have been reclassified to disclose additional line items separately. These changes did not impact any of the primary statements nor did it impact any other financial information previously presented.
3 Includes various cost items such as licence fees, communication and network costs.

(b) Selling, general and administration expenses (SGA)

Employee costs	**6 179**	6 411
Sales and marketing	**2 635**	2 351
Depreciation: Owned assets (note 17)	**423**	455
Depreciation: Right-of-use asset for buildings (note 17)	**191**	194
Depreciation: Right-of-use asset for vehicles (note 17)	**3**	4
Short-term leases	**19**	34
Low-value leases	**-**	3
Auditors remuneration	**59**	58
Software licence costs[1]	**718**	711
Maintenance costs[1]	**836**	1 104
Consulting costs[1]	**582**	613
Other[1,2]	**3 207**	3 110
	14 852	**15 048**

1 The comparatives (FY21) have been reclassified to disclose additional line items separately. These changes did not impact any of the primary statements nor did it impact any other financial information previously presented.
2 Includes various cost items such as administration and general overhead costs.

(c) Employee-related expenditure

Employee remuneration is charged to the income statement and recognised as an expense in the period in which the employees render the related service.

Short-term employee benefits

Short-term employee benefits include salaries and wages, medical-aid contributions, paid vacation leave, sick leave and incentive bonuses.

Long-term employee benefits

Long-term employee benefits are those benefits that are expected to be wholly settled more than 12 months after the end of the annual reporting period in which the services have been rendered and are discounted to their present value.

	2022 ZAR'm	2021 ZAR'm

6. Expenses by nature (continued)

Retirement benefits

The group provides retirement benefits to its full-time employees, by means of monthly contributions to a defined contribution pension fund. The assets of this fund are held in separate trustee administered funds. The group's contribution to the retirement fund is recognised as an expense in the period in which the employees render the related service.

Termination benefits

The group recognises termination benefits when it is demonstrably committed to either terminate the employment of employees before the normal retirement date or provide termination benefits as a result of an offer made to encourage voluntary redundancy.

Where termination benefits fall due more than 12 months after the reporting period, they are discounted. In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits is based on the number of employees expected to accept the offer. Termination benefits are immediately recognised as an expense in the consolidated income statement.

Equity-settled share-based compensation benefits

MultiChoice Group Limited (MCG) operates a number of equity-settled compensation plans which allow certain employees the right to receive ordinary shares in MCG after a prescribed period and for some participants (the executive committee and certain key members of senior management) subject to performance conditions. In terms of these plans, employees are offered awards in the form of either, restricted stock units (RSUs), RSUs with performance conditions (PSUs), Phantom Performance Shares (PPS) and in prior years, share appreciation rights (SARs). As MCG grants these awards and has the obligation to settle the awards in MCG shares, the schemes have been recognised as equity-settled.

All awards are granted subject to the completion of a requisite service period by employees, ranging from two to five years. The awards granted vest in tranches which results in a comparatively higher charge in earlier years.

Equity-settled share-based payments are measured at fair value at the date of the grant. The fair value determined at the grant date of the equity-settled share-based payments is charged as employee costs, with a corresponding increase in equity, on a straight-line basis over the period that the employees become unconditionally entitled to the shares, adjusted to reflect management's estimate of the awards that will vest. These equity-settled share-based payments are not subsequently revalued. In respect of RSU's, awards are automatically settled in MCG equity instruments on the vesting date.

Staff costs

The group had 7 204 permanent employees in FY22 (FY21: 7 028).

The total cost of employment of all employees, including subsidiary executive directors, was as follows:			
Salaries, wages and bonuses		**6 040**	6 096
Cash-settled share-based payments on closure of SAR scheme	6.1	**-**	98
Equity-settled share-based compensation	6.1/6.2	**420**	391
Retirement benefit costs		**281**	306
Medical aid fund contributions		**253**	280
Severance		**19**	47
Other costs[1]		**136**	99
Total staff costs		**7 149**	**7 317**
Included in cost of providing services and sale of goods[2,3]		**970**	906
Included in selling, general and administration expenses		**6 179**	6 411
		7 149	**7 317**

1 Other costs primarily includes training and recruitment costs.
2 Primarily relates to local production staff costs which gets included within content costs.
3 Staff costs included in COPS are allocated to the following line items, salaries, wages and bonuses ZAR854m (FY21: ZAR800m), retirement benefit costs ZAR86m (FY21: ZAR72m), and other costs ZAR30m (FY21: ZAR34m).

6. Expenses by nature (continued)

6.1. SARs

In previous years the group had granted share appreciation rights (SARs) which allowed certain employees to earn a long-term incentive amount calculated with reference to the increase in the underlying entity's share price between the offer date of the SARs to the date the employee exercises their right. In respect of the SARs on exercise date, following completion of the vesting period, awards were settled with employees in the equity instruments of MCG and are therefore equity-settled.

The SARs were granted subject to the completion of a requisite service period by employees. The SARs granted were subject to tranche vesting. The SARs expired ten years from the date of offer. One third of SAR's in the MultiChoice 2008 SAR Scheme vested after years three, four and five from grant date. One fifth of the SAR's in the Irdeto Holdings B.V. 2012 Scheme vested after years one, two, three, four and five.

The MultiChoice 2008 SAR scheme was created as a long-term incentive plan for the MultiChoice South Africa (SA) and Rest of Africa (ROA) businesses. During the year ended 31 March 2019, at the time of unbundling from Naspers, the SAR scheme was discontinued (i.e. no further SARs were issued and normal vesting for existing SARs continued).

In FY21, management reassessed the effectiveness of the scheme as a long-term incentive plan and concluded it was no longer meeting its purpose. The scheme was therefore closed following board approval and a 75%+ vote from participants on 23 November 2020 (the effective date). Going forward, this simplifies the group's share scheme profile with future awards being made through the existing RSU plan, and the new plans explained further in 6.3 and 6.4.

The closing down of the scheme included the following terms:

- full acceleration of all unvested awards,
- full and final cash settlement at a value of ZAR110 per SAR,
- the removal of any remaining vesting conditions.

This change resulted in an accelerated share-based payment expense being recorded in terms of the requirements of *IFRS 2 Share based payments* amounting to ZAR98m based on the amended fair value of the scheme at the effective date of ZAR638m.

The fair value of the awards were calculated using the Bermudan binomial tree model, taking into account the following significant assumptions:

	MCA 2008		Irdeto 2012	
Movement in number of SARs	**Number of options**	**Average exercise price per option (ZAR)**	**Number of options**	**Average exercise price per option (USD)**
Outstanding at 31 March 2020	26 997 533	99	527 559	36
Exercised during the year[1]	(14 135 562)	85	(167 936)	31
Forfeited during the year	(1 451 270)	103	(7 647)	46
Expired during the year	(3 445)	92	-	-
Cancelled during the year	(11 407 256)	117	-	-
Outstanding at 31 March 2021	-	-	351 976	39
Exercised during the year[1]	-	-	(121 933)	39
Forfeited during the year	-	-	(10 846)	45
Outstanding at 31 March 2022	**-**	**-**	**219 197**	**39**

1 The weighted average share price at the date of exercise of the options exercised during the year for the MCA 2008 and the Irdeto 2012 schemes was nil and USD66 respectively (FY21: ZAR109 and USD56).

Both SAR schemes were closed to new participants in previous years and as a consequence there have been no new grants related to these schemes in the current and prior year.

6. Expenses by nature (continued)

6.2. RSUs

Employees of the group participate in the MCG Restricted Stock Plan Trust (RSU) which has allocated awards in line with the table below since FY21. RSUs are granted to employees by MultiChoice Group Limited who has the obligation to settle the awards. As such, the RSU awards are classified as equity-settled.

Award date	Staff level	Split of award	Vesting period	Vesting split
Before 27 August 2020	Executive committee	50% RSU 50% PSU	4 years	50% equally from year 3
Before 27 August 2020	Rest of organisation	100% RSU	5 years	25% equally from year 2
After 27 August 2020	Rest of organisation (excluding executive committee/certain senior managers)	100% RSU	4 years	50% equally from year 3
November 2020	Executive committee/certain senior managers	25% RSU 75% PSU	RSU: 4 years PSU: 3 years	RSU: 50% equally from year 3 PSU: 100% in year 3
March 2021 onwards	Executive committee/certain senior managers	100% PSU	3 years	100% in year 3

Performance conditions include budgeted core headline earnings per share, return on capital employed and cumulative free cash flow over a 3-year period. The vesting percentages for each measure, for performance below threshold, at threshold, target, and stretch and above will be 0%, 50%, 75% and 100% respectively, with linear interpolation between these levels.

In all of the above RSU allocations, RSUs are automatically settled with participants on the vesting date and do not have an exercise price.

The shares in terms of the RSU scheme are administered by The MultiChoice Group Restricted Share Plan Trust, which is a consolidated entity of the group. The shares are acquired on market and are held as treasury shares until such time as they vest. Forfeited shares are reallocated in subsequent grants. Under the terms of the trust deed, MultiChoice Group Limited and its subsidiaries are required to provide the trust with the necessary funding for the acquisition of the shares at the time of the grant.

The fair value of the RSUs at grant date (weighted average: FY22: ZAR104.39 (FY21: ZAR96.92)) was estimated by taking the market value of the MCG shares on that date less the present value of future dividends that will not be received by employees during the vesting period.

Movement in number of RSUs	**MultiChoice Group RSU (ZAR)**
Outstanding at 31 March 2020	5 366 288
Granted during the year	5 620 390
Exercised during the year	(48 076)
Forfeited during the year	(910 459)
Outstanding at 31 March 2021	10 028 143
Granted during the year	3 631 507
Exercised during the year	(1 196 446)
Forfeited during the year	(1 095 929)
Outstanding at 31 March 2022	**11 367 275**
Weighted average remaining contractual life (years)	3.2

6. Expenses by nature (continued)

6.2. RSUs (continued)

The fair value of the equity-settled options are calculated at grant date using the Bermudan binomial tree model, taking into account the following significant assumptions:

Weighted average 2021	MultiChoice Group RSU
Expected dividend yield (%)	4.8
Expiry date (years)	4.0
2022	
Expected dividend yield (%)	4.7
Expiry date (years)	4.0

6.3. Irdeto phantom share option scheme

During FY21, the group created a new phantom share option scheme for the employees of the Technology segment, Irdeto. This was done to align Irdeto long term incentives to the Irdeto business objectives, rather than the overall group. As the scheme will be settled with MCG shares, it has been classified as an equity-settled share based payment arrangement. The vesting period is phased over a four-year period, where participants will receive 50% of their awards granted in year 3 and the remaining 50% in year 4, should performance conditions be met.

Performance conditions include total revenue, external business revenues, earnings before interest, tax, depreciation, and amortisation (EBITDA) and cumulative free cash flow over a 3 year period. The vesting percentages for each measure, for performance below threshold, at threshold, target, and stretch and above will be 0%, 50%, 75% and 100% respectively, with linear interpolation between these levels.

The scheme is valued using a fixed, pre-determined multiple of demonstrated sustainable EBITDA to eliminate subjectivity in the valuation as far as possible. This is calculated as follows:

(Valuation EBITDA x EBITDA Multiple) plus net cash / less net debt.

The weighted average fair value of the phantom shares at grant date was USD45.82 (FY21: USD35.47). The fair value of the awards were calculated using the Bermudan binomial tree model, taking into account the following significant assumptions:

Movement in number of Irdeto options	Number of options
Outstanding at 31 March 2020	-
Granted during the year	211 022
Exercised during the year	(736)
Forfeited during the year	(3 401)
Outstanding at 31 March 2021	206 885
Granted during the year	146 577
Exercised during the year	(2 098)
Forfeited during the year	(33 188)
Outstanding at 31 March 2022	**318 176**

6. Expenses by nature (continued)

6.3. Irdeto phantom share option scheme (continued)

Weighted average	2022	2021
Fair value of RSU at measurement date (USD)	**46**	35
Exercise price (USD)	**-**	2
Risk-free interest rate[1] (%)	**1.1**	0.4
Annual suboptimal rate[2] (%)	**100.0**	101.3
Expected volatility[3] (%)	**57.8**	53.9
Weighted average remaining contractual life (years)	**3.3**	3.4
Option life (years)	**6.3**	5.7

1 Based on the zero rate bond yield.
2 Based on the portion of vested options that were exercised annually.
3 Determined using historical daily share prices of listed companies with similar operations to Irdeto.

6.4. MCG Phantom Performance Share scheme

On 31 March 2021, the group initiated a new long-term incentive scheme, the Phantom Performance Share (PPS) scheme. The value of this scheme is linked to the value of the portfolio of new investments. PPS units will vest over five years in two equal tranches in years four and five. 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 scheme will be settled with MCG shares and therefore it has been classified as an equity-settled share based payment arrangement.

The fair value of the awards were calculated using the Bermudan binomial tree model, taking into account the following significant assumptions:

Movement in number of PPS units	Number of units
Outstanding at 31 March 2020	-
Granted during the year	319 748
Outstanding at 31 March 2021	319 748
Outstanding at 31 March 2022	**319 748**

Weighted average	2022	2021
Fair value of PPS Units at measurement date (ZAR)	*	99
Risk-free interest rate[1] (%)	*	7.5
Annual suboptimal rate[2] (%)	*	100.0
Expected volatility[3] (%)	*	36.5
Weighted average remaining contractual life (years)	*	4.5
Option life (years)	*	10

** No PPS grants were made during the current year.*
1 Prior year based on the zero rate bond yield.
2 Prior year based on the portion of vested options that were exercised annually.
3 Prior year determined using historical daily share prices of MCG shares.

		2022 ZAR'm	2021 ZAR'm

7. Other (losses)/gains - net

Other operating (losses)/gains - net	**Note**		
Derecognition of intangible assets[1]	22	**(287)**	-
Profit/(loss) on sale of property, plant and equipment		**5**	(15)
Profit on sale of intangible assets		**13**	15
Reversal of impairment of property, plant and equipment	17	**-**	76
Insurance proceeds		**-**	35
Fair-value adjustment		**4**	6
Other gains		**-**	15
		(265)	**132**
Other losses			
Acquisition-related costs		**-**	(25)

1 Relates to the derecognition of information technology assets in the current year as part of the group's periodic asset review process, and in line with its conservative accounting policies.

8. Taxation

The tax charge is determined based on taxable income for the year and includes current tax, deferred tax and dividend withholding tax.

The current tax charge is the tax payable on the taxable income for the financial year applying enacted or substantively enacted tax rates.

Deferred tax is provided for on all temporary differences between the carrying amount of assets and liabilities for accounting purposes and the amounts used for tax purposes. No deferred tax is provided on temporary differences relating to:

- the initial recognition of goodwill; and
- investments in subsidiaries and interests in joint arrangements to the extent that the temporary difference will probably not reverse in the foreseeable future and the control of the reversal of the temporary difference lies with the parent, investor, joint venturer or joint operator.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which deductible temporary differences and unused tax losses can be utilised.

Deferred tax assets have been recognised for the carry forward amount of unused tax losses relating to the group's operations where there is evidence that it is probable that sufficient taxable profits will be available in the future to utilise all tax losses carried forward. The estimated tax losses available may be subject to various statutory limitations as to its usage. The group has not recognised any deferred tax assets for carry forward unused tax losses in any of the years presented.

The holding company tax rate is 28% for all financial years presented. During the 2022 budget speech by the South African minister of finance on 23 February 2022, the minister confirmed a rate change from 28% to 27% which was considered to be substantively enacted from this date. On this basis, deferred taxation was raised at the reduced tax rate of 27%. Current income tax for the current year remained unchanged at 28%.

Dividends paid to shareholders that are not exempted from dividend withholding tax under South African tax law are subject to dividend withholding tax at a rate of 20%. This tax is on the shareholders and is not recognised in the consolidated income statement.

	2022 ZAR'm	2021 ZAR'm

8. Taxation (continued)

Major components of the tax expense

Current		
South Africa	**3 003**	2 594
Current year	**3 045**	2 461
Prior year	**(42)**	133
Foreign taxation	**1 113**	1 343
Current year	**1 123**	1 313
Prior year	**(10)**	30
	4 116	**3 937**
Deferred		
South Africa	**74**	867
Current year	**27**	937
Prior year	**47**	(70)
Foreign taxation - Current year	**20**	23
	94	**890**
Total taxation per income statement	**4 210**	**4 827**
Reconciliation of taxation		
Taxation at statutory rate of 28%	**1 986**	2 493
Adjusted for:		
Non-deductible expenses[1]	**511**	234
Initial recognition of prior year taxes	**(5)**	93
Non-taxable income[2]	**(277)**	(197)
Differences not provided for	**1 050**	1 069
Unrecognised RoA losses[3] and other unprovided timing differences[4]	**1 060**	1 159
Assessed losses utilised	**(10)**	(90)
Foreign withholding taxes and other direct taxes	**704**	739
Other uncertain tax positions	**146**	276
Tax adjustment for foreign taxation rates	**22**	104
Change in South African tax rate[5]	**35**	-
Tax attributable to equity-accounted earnings	**38**	16
Taxation per Income statement	**4 210**	**4 827**

1 Includes expenditure, interest and penalties which are not deductible in terms of local in-country tax regulations.
2 Includes revenue, profit on sale of fixed assets, foreign exchange gains, interest and rental income which are not taxable in terms of local Rest of Africa in-country tax regulations.
3 Unrecognised MAH BV losses of ZAR513m (FY21: ZAR405m) will not result in deferred tax assets due to local in-country tax regulations.
4 Other unprovided temporary differences relate to temporary differences on provisions, capital allowances and exchange differences.
5 FY22 includes the impact of the rate change in South Africa from 28% to 27%, which was considered to be substantively enacted from 23 February 2022. On this basis, deferred taxation for South Africa was raised at the reduced tax rate of 27%.

The group is subject to income taxes in numerous jurisdictions. As a result, significant judgement is required in determining the group's provision for income taxes. There are numerous calculations and transactions for which the ultimate tax position is uncertain during the ordinary course of business.

The group recognises tax liabilities for anticipated tax issues based on estimates of whether the payment of additional taxes will be probable. In determining whether an interpretation and/or application of the various tax rules may result in a dispute of which the outcome may not be favourable to the group, the group seeks, where relevant, expert advice to determine whether an unfavourable outcome is probable, possible or remote. Where payment is determined to be possible but not probable the tax exposure is disclosed as a contingent liability, refer to note 13.

	2022 ZAR'm	2021 ZAR'm

8. Taxation (continued)

Where the final outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax in the period in which such determination is made.

9. Deferred taxation

Reconciliation of deferred tax asset

At beginning of year	**1 267**	1 104
Debited to income statement	**(94)**	(891)
Charged to other comprehensive income and directly through equity	**35**	1 077
Foreign exchange effects	**(16)**	(23)
	1 192	**1 267**

Deferred tax is attributable to the following temporary differences

Assets		
Provisions and other current liabilities	**431**	466
Lease liabilities	**2 173**	2 520
Income received in advance	**199**	211
Receivables and other current assets (Assets)	**114**	115
Hedging reserve	**355**	333
Other[1]	**322**	25
	3 594	**3 670**
Liabilities		
Property, plant and equipment	**(33)**	(23)
Intangible assets	**(50)**	(58)
Receivables and other current assets (liabilities)	**(84)**	(66)
Right-of-use assets	**(1 503)**	(1 741)
Programme and film rights	**(408)**	(471)
Other[2]	**(324)**	(44)
	(2 402)	**(2 403)**

1 Other includes programme and film rights, tax losses carried forward, capital losses and unrealised foreign exchange gains.
2 Other includes derivative liabilities and share-based compensation.

For all temporary differences noted, the current year movement has been recognised in profit and loss with the exception of changes in the fair value of derivative financial instruments that relate to cash flow hedges which have been recognised in other comprehensive income.

9. Deferred taxation (continued)

The group has tax losses carried forward of approximately ZAR19.1bn (FY21: ZAR22.8bn). A summary of the tax losses carried forward at 31 March by tax jurisdiction and the expected expiry dates are set out below:

2022	**Rest of Africa**	**Latin America and USA[1]**	**Total[2]**
	ZAR'm	**ZAR'm**	**ZAR'm**
Expires in year one	**53**	**-**	**53**
Expires in year two	**267**	**-**	**267**
Expires in year three	**1 152**	**-**	**1 152**
Expires in year four	**1 707**	**-**	**1 707**
Expires in year five	**442**	**-**	**442**
Expires after year five	**9 770**	**5 671**	**15 441**
	13 391	**5 671**	**19 062**

2021	**Rest of Africa**	**Latin America and USA[1]**	**Total[2]**
	ZAR'm	**ZAR'm**	**ZAR'm**
Expires in year one	130	-	130
Expires in year two	135	-	135
Expires in year three	525	-	525
Expires in year four	1 074	-	1 074
Expires in year five	939	-	939
Expires after year five	14 143	5 821	19 964
	16 946	**5 821**	**22 767**

1 Technology segment tax jurisdictions.
2 The decrease in total tax losses carried forward is primarily due to the ZAR appreciation against the USD from a closing rate of ZAR14.78 in FY21 to ZAR14.61 in FY22 and decreased losses in the Rest of Africa segment.

		2022 ZAR'm	2021 ZAR'm

PART III. CASH FLOWS AND LIABILITY MANAGEMENT

10. Cash generated from operations

	Note		
Operating profit		**10 296**	**10 458**
Adjustments:			
Non-cash and other		**17 593**	15 675
Depreciation and amortisation	17/22	**2 691**	2 809
Share-based compensation expenses	6	**420**	489
Net realisable value adjustments on inventory	19	**598**	326
Reversal of net realisable value adjustments on inventory[1]	19	**(425)**	(467)
Net impairment loss on trade receivables	20	**58**	152
Hedge accounting revaluations		**(382)**	136
Amortisation of programme and film rights	18	**14 168**	11 649
Movement in legal and tax provisions	15	**(28)**	260
Derecognition of intangible assets	22	**287**	-
Other[2]		**206**	321
Working capital		**(15 166)**	**(12 224)**
Cash movement in trade and other receivables[3]		**(1 115)**	156
Cash movement in accrued expenses and other current liabilities		**1 100**	(195)
Cash movement in programme and film rights		**(14 823)**	(12 380)
Cash movement in inventory		**(328)**	195
Cash generated from operating activities		**12 723**	**13 909**

1 Primarily relates to an increase in set-top box prices during the year.
2 Primarily relates to taxation and general accruals raised in the Rest of Africa segment.
3 FY22 includes tax security deposits paid related to the Nigeria tax audit of ZAR0.6bn.

11. Liabilities funding operations

The group's long-term sources of financing primarily consist of term loans to finance the group's working capital requirements and mergers and acquisitions, lease liabilities for transponder capacity and amounts due for programme and film rights.

Financial liabilities include current and non-current debt. Financial liabilities are classified as current unless the borrowing entity has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Financial liabilities, other than those arising under leases, are initially recognised at fair value, net of transaction costs incurred and are subsequently stated at amortised cost.

Leases

Lease liabilities are initially measured at the present value of the lease payments and are subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the group:

- where possible, uses recent third-party financing received, adjusted to reflect changes in financing conditions since this financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the group, which does not have recent third-party financing; and/or
- makes adjustments specific to the lease, e.g. term, country, currency and security.

11. Liabilities funding operations (continued)

At inception, the rate used for transponder leases is determined using a 3 month US LIBOR plus a premium of 1.75% for the incremental borrowing rate. The incremental borrowing rate is unchanged for the duration of lease.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The group applies judgement in assessing whether it is reasonably likely that options will be exercised. Factors considered include how far in the future an option occurs, the group's business planning cycle, significance of related leasehold improvements and past history of terminating/not renewing a lease.

The group is not exposed to potential future increases in variable lease payments based on an index or rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the consolidated income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Certain lease contracts include both lease and non-lease components. The group has elected the practical expedient to account for non-lease components as part of its lease liabilities and right-of-use assets.

Financial liabilities are derecognised when the obligation in the contract is discharged, cancelled or has expired. Premiums or discounts arising from the difference between the fair value of debt raised and the amount repayable at maturity date are charged to the consolidated income statement as interest expense based on the effective interest rate method.

Derivative instruments and hedge accounting

Hedging strategy

The group applies hedging where economically viable for periods up to 36 months as part of its foreign currency risk management strategy which is reviewed regularly by the group risk committee and the board of directors. This provides certainty in terms of future financial assets and obligations denominated in foreign currency and allows the group to set achievable financial plans and deliver sustainable returns to shareholders. This is applied in the South Africa, Rest of Africa and Technology segments through forward exchange contracts (FECs), non-deliverable forwards (NDFs) and futures instruments in Nigeria.

Hedging of foreign currency costs

In the South Africa segment, where entities have ZAR as their functional currency, the group uses FECs to hedge exposures arising from its cash obligations denominated in US dollars and Euros. These include transponder lease payments and US dollar and Euro denominated payments to purchase sport and general entertainment content. This is performed for all cash obligations within the next 18 months and can be extended up to 36 months for contractually committed exposures, in terms of the group treasury policy.

Hedging of local currency remittances

Where economical, FECs, NDFs and futures (hedging instruments) are used to hedge currency risk relating to local currency remittances in the Rest of Africa segment. This is performed by implementing hedging instruments centrally to secure a foreign exchange rate for all cash to be extracted in the future for periods up to 13 months in markets such as Nigeria, Kenya, Zambia and Ghana. This protects the group against foreign currency depreciation (especially in markets which experience liquidity challenges) and provides certainty of cash remittance rates in markets where FECs and NDFs are used.

Hedging of operating costs in the Technology segment

The Technology segment utilises FECs and NDFs to hedge operational costs to provide certainty of foreign exchange rates for financial planning purposes.

Hedge accounting

The group applies hedge accounting where all the relevant criteria are met.

11. Liabilities funding operations (continued)

The group designates hedging instruments taken out as either a cash flow hedge or fair value hedge as follows:

- *Cash flow hedge*: hedge of the foreign currency risk of a firm commitment to purchase programming and channels, operating costs in the Technology segment and in the Rest of Africa for local in-country remittances;
- *Fair value hedge*: hedge of the fair value of recognised transponder lease liabilities and in the Rest of Africa for local in-country remittances and futures in Nigeria.

FECs and NDFs in the Rest of Africa segment are designated as cash flow hedges whilst the Nigerian futures are designated as fair value hedges.

Changes in the fair value of FECs that are designated, and qualify, as cash flow hedges are recognised in other comprehensive income and the ineffective part of the hedge is recognised in the consolidated income statement. The amounts deferred in other comprehensive income are transferred to the consolidated income statement and classified as income or expense in the same periods during which the hedged transaction affects the consolidated income statement. The amounts transferred are recognised in either 'cost of providing services and sale of goods' or 'selling, general and administration expenses'. To the extent that amounts deferred in other comprehensive income pertain to hedges of programme and film rights, these amounts are subsequently transferred to the initial cost of the asset when it is recognised in the consolidated statement of financial position (basis adjustment) and is recognised subsequently to the consolidated income statement as the asset is amortised. This basis adjustment is presented directly in the consolidated statement of changes in equity and not through other comprehensive income.

Changes in the fair value of derivatives that are designated, and qualify, as fair value hedges are recorded in the consolidated income statement, along with changes in the fair value of the hedged asset or liability that is attributable to the hedged risk. These are presented in 'interest (expense)/income' (note 12).

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

For hedges of foreign currency purchases, the group enters into hedge relationships where the critical terms (notional value and timing of exposure) of the hedging instrument match the terms of the hedged item. In addition, the gain or loss on the hedged item (which for transponder lease liabilities is designated as the portion of the contractual cash flows covered by forward exchange contracts) is compared to the gain or loss on the hedging instrument to ensure the hedging relationship is effective. The group therefore performs a qualitative and quantitative assessment of effectiveness.

Rebalancing occurs when adjustments need to be made to the hedged instrument due to a material change in the underlying hedged item. This is treated as a continuation of the hedging relationship.

Hedge ineffectiveness is assessed and recognised immediately in the consolidated income statement before adjusting the hedging relationship.

In hedges of foreign currency purchases, ineffectiveness may arise if the timing of the forecast transaction changes significantly from what was originally estimated, the total amount of the hedged item reduces or if there are changes in the credit risk of either party to the hedging relationship.

Hedge accounting is discontinued in its entirety when the hedging relationship no longer meets the risk management objective, the hedging relationship no longer complies with the qualifying criteria or the hedging instrument has been sold or terminated.

Partial discontinuation occurs when a portion of the forecast transaction is no longer highly probable, or a portion of the hedged item is no longer part of the hedging relationship due to an adjustment to the hedge ratio (percentage cover in relation to highly probable forecasted transactions).

Contingent consideration

In FY21, the group acquired a 20% shareholding in KingMakers (note 24). The transaction was structured to include an upfront investment with the potential for further payments of up to USD31m (ZAR0.5bn) should certain earn-out targets be met between December 2021 and December 2023, or the valuation paid was supported by future equity transactions. The contingent consideration was initially and subsequently measured at fair value. In FY22, the group increased its investment in KingMakers which triggered the full USD31m payment, which was made in November 2021.

	2022 ZAR'm	2021 ZAR'm

11. Liabilities funding operations (continued)

(a) Interest-bearing: Lease liabilities	**10 656**	**12 432**
Total liabilities	**12 478**	14 410
Less: Current portion	**(1 822)**	(1 978)
(b) Interest-bearing: Loans and other liabilities (A)	**2 677**	**887**
Total liabilities	**3 977**	1 387
Less: Current portion	**(1 300)**	(500)
(c) Non-interest-bearing: Programme and film rights	**-**	**-**
Total liabilities	**3 505**	3 826
Less: Current portion	**(3 505)**	(3 826)
(d) Non-interest-bearing: Loans and other liabilities (B)	**44**	**326**
Total liabilities	**44**	509
Less: Current portion	**-**	(183)
Total non-current liabilities	**13 377**	13 645
Total non-current loans and other liabilities (A)+(B)	**2 721**	1 213

The impact of these liabilities on the group's liquidity is disclosed in note 16.

Reconciliation of liabilities arising from financing activities	**Lease liabilities**	**Interest bearing liabilities**	**Related-party loans**	**Non-Interest bearing liabilities**
	2022 ZAR'm	**2022 ZAR'm**	**2022 ZAR'm**	**2022 ZAR'm**
Balance at 1 April 2021	**14 410**	**1 387**	**-**	**509**
Additional liabilities recognised[1,2]	**135**	**5 450**	**-**	**3**
Repayments[1,2,3,4,5]	**(2 590)**	**(3 004)**	**-**	**(473)**
Interest accrued	**583**	**144**	**-**	**-**
Foreign exchange translation[6]	**(60)**	**-**	**-**	**5**
Balance at 31 March 2022	**12 478**	**3 977**	**-**	**44**
Less: Current portion	**(1 822)**	**(1 300)**	**-**	**-**
Non-current liabilities	**10 656**	**2 677**	**-**	**44**

1 A ZAR4bn term loan was concluded in November 2021 to fund the group's additional investment in KingMakers. The loan has a five-year term and bears interest at three-month JIBAR + 1.35%. As at 31 March 2022, ZAR900m of this loan had been repaid.
2 During FY22, the group utilised short term banking facilities of ZAR1.450bn. The facilities attracted interest at a market-related interest rate. The facilities were utilised for working capital in the group. As at 31 March 2022, all these facilities had been fully repaid.
3 An amortising working capital loan of ZAR1.5bn was concluded in FY21. The loan has a three-year term and bears interest at three-month JIBAR + 1.70%. As at 31 March 2022, ZAR625m of this loan had been repaid with ZAR500m paid during FY22.
4 Capital repayments of ZAR2 007m are included in repayment of lease liabilities within financing activities and ZAR583m is included as part of interest costs paid within operating activities in the cash flow statement. Capital repayments of ZAR2 866m are included in repayment of long and short term loans within financing activities and ZAR144m is included as part of interest costs paid within operating activities in the cash flow statement.
5 Repayments of non-interest bearing liabilities includes ZAR467m related to the payment of contingent consideration as a result of the group's increased investment in KingMakers (Note 24).
6 This item is non-cash in nature.

11. Liabilities funding operations (continued)

Reconciliation of liabilities arising from financing activities	Lease liabilities	Interest bearing liabilities	Related-party loans[1]	Non-Interest bearing liabilities
	2021 ZAR'm	2021 ZAR'm	2021 ZAR'm	2021 ZAR'm
Balance at 1 April 2020	18 951	14	185	64
Additional liabilities recognised[2,3]	454	2 000	-	-
Repayments[2,3,4]	(2 585)	(654)	-	(6)
Interest accrued	730	29	-	-
Foreign exchange translation[5]	(3 140)	(2)	7	(7)
Transferred to amounts due from related parties	-	-	(192)	-
Contingent consideration recognised[6]	-	-	-	458
Balance at 31 March 2021	14 410	1 387	-	509
Less: Current portion	(1 978)	(500)	-	(183)
Non-current liabilities	12 432	887	-	326

1 During FY21, a set-off agreement was entered into between equity investees, MultiChoice Africa Holdings BV and GOtv Zambia Limited whereby amounts were set-off. This transaction is non-cash in nature.
2 An amortising working capital loan of ZAR1.5bn was concluded in FY21. The loan has a three-year term and bears interest at three-month JIBAR + 1.70%. As at 31 March 2021, ZAR125m of this loan had been repaid.
3 During FY21, the group utilised a short-term banking facility for ZAR500m. The facility attracted interest at a market related interest rate. The facility was utilised for working capital in the group. As at 31 March 2021, the facility had been fully repaid.
4 Capital repayments of ZAR1 855m are included in repayment of lease liabilities within financing activities and ZAR730m is included as part of interest costs paid within operating activities in the cash flow statement. Capital repayments of ZAR631m are included in repayment of long and short-term loans within financing activities and ZAR29m is included as part of interest costs paid within operating activities in the cash flow statement.
5 This item is non-cash in nature.
6 Relates to the USD earn-out provisions, to be settled in cash, as a result of the group's acquisition of KingMakers (note 24).

a) Interest-bearing: Lease liabilities

Asset leased	Related platform[1]	Years of final repayment (calendar year)	Weighted average year-end interest rate	2022 ZAR'm	2021 ZAR'm
Transponder 1-21[2]	SA DTH	2027-2031	3.50-4.98%	**7 907**	8 890
E36 B&C transponder[2,3]	RoA DTH	2025-2031	3.93-6.00%	**3 785**	4 642
IS 904 Intelsat Transponder 1-10, 13[2]	RoA DTT	2024	3.59-5.11%	**196**	249
Land and buildings		2022-2034	2.85-30.00%	**572**	596
Other assets		2022-2029	5.83-8.00%	**18**	33
Total lease liabilities				**12 478**	**14 410**

1 South Africa direct-to-home (SA DTH), Rest of Africa direct-to-home (RoA DTH) and Rest of Africa digital terrestrial television (RoA DTT).
2 All transponder leases are denominated in US dollars.
3 The W7 transponder lease disclosed in the prior year has been combined with the E36 B&C transponder leases. The W7 transponder was renamed E36B in previous years and forms part of the same lease agreement.

The maturity analysis of the lease liabilities is as follows:

	2022 ZAR'm	2021 ZAR'm
Within one year	**2 231**	2 518
Two to five years	**7 602**	8 233
More than five years	**4 646**	6 216
Less finance charges	**(2 001)**	(2 557)
Carrying amount of lease liabilities	**12 478**	**14 410**

11. Liabilities funding operations (continued)

(b) Interest-bearing: Loans and other liabilities

Unsecured	Loan utilised for	Currency of year-end balance	Years of final repayment (calendar year)	Weighted average year-end interest rate	2022 ZAR'm	2021 ZAR'm
Austrian government	Research and development	EUR	2022-2024	0.75%	**2**	12
Term loan	Working capital	ZAR	2023	3 month JIBAR +1.7%	**875**	1 375
Term loan[1]	KingMakers acquisition	ZAR	2026	3 month JIBAR +1.35%	**3 100**	-
Total					**3 977**	**1 387**

1 During FY22, the group made an early repayment of ZAR500m on this term loan due to cash availability in the group.

(c) Non-interest-bearing: Programme and film rights

Unsecured	Currency of year-end balance	Years of final repayment (calendar year)[1]	2022 ZAR'm	2021 ZAR'm
Various trade suppliers	ZAR	2023	**2 320**	-
Various trade suppliers	USD	2023	**1 138**	-
Various international production studios	USD	2023	**22**	-
Various trade suppliers	ZAR	2023-2027	**12**	28
Various trade suppliers	EUR	2023	**11**	-
Various trade suppliers	GBP	2023	**2**	-
Various trade suppliers	ZAR	2022	**-**	2 456
Various trade suppliers	USD	2022	**-**	1 335
Various trade suppliers	EUR	2021	**-**	5
Various trade suppliers	GBP	2021	**-**	2
Total programme and film rights			**3 505**	**3 826**

1 Relates to the length of studio contracts and does not correlate to the recognition of liabilities. In line with the accounting policy of the group (note 18), all liabilities are current in nature.

(d) Management of foreign currency exposure on cash obligations

A significant portion of the group's cash obligations under contracts for transponder leases as well as programming and channels are denominated in US Dollars and Euro's. In the Rest of Africa segment, for local in-country remittances forward foreign exchange cover is either not available in certain territories or is uneconomical and accordingly exposures in those territories are not hedged. The group uses forward exchange contracts, non-deliverable forwards (NDFs) and futures to hedge the exposure to foreign currency risk. The group generally covers forward 100% of highly probable forecasted exposures in foreign currency for a minimum of 18 months and committed exposures up to three years. This results in the group typically taking out cover as follows:

- Programming and channels and operating costs: 100% of all highly probable forecasted exposures to purchase programming and channels and operating costs except in territories where forward exchange cover is not available or is uneconomical. and
- Transponder lease payments: due to the long-term nature of the transponder lease agreements, the group only takes out cover for up to three years of lease payments. A portion of the foreign exchange movement in the recognised lease liability is therefore unhedged.

Market Risk

The group uses a combination of forward exchange contracts, non-deliverable forwards and futures to hedge its exposure to foreign currency risk. Under the group's policy, an economic relationship should exist between the hedged item and hedging instrument.

	2022 ZAR'm	2021 ZAR'm

11. Liabilities funding operations (continued)

The group designates the contracted forward rate of foreign currency hedges in the hedge relationships. The contracted forward rate is determined with reference to relevant market exchange rates. The differential between the contracted forward rate and the spot market exchange rate is defined as the forward points. This differential is discounted where it is material.

The fair value of the derivative financial instruments, and whether those derivatives were designated in a hedge relationship or not, is set out below:

Non-current assets		
Forward exchange contracts	**-**	1
Interest rate swap	**12**	7
Current assets	**136**	340
Forward exchange contracts	**13**	48
Futures contracts	**97**	262
Currency depreciation features[1]	**26**	30
Non-current liabilities		
Forward exchange contracts	**(138)**	(358)
Derivative option (note 24)	**(182)**	-
Current liabilities		
Forward exchange contracts	**(971)**	(598)
Net derivative liabilities	**(1 143)**	**(608)**

1 Currency depreciation features relate to clauses in content acquisition agreements that provide the group with a contractually specified level of currency depreciation protection.

The following amounts were recognised in the consolidated income statement in relation to the forward exchange contracts:

Net loss on forward exchange contracts	**(223)**	(1 653)

Movements in the hedging reserve related to cash flow hedges are detailed below. The amount deferred is expected to realise over three years in line with the maturity of the forward exchange contracts.

Opening balance	**(89)**	(464)
Net fair value losses recognised in other comprehensive income	**(570)**	(898)
Derecognised and added to asset	**523**	(1 045)
Derecognised and reported in revenue	**130**	163
Derecognised and reported in cost of providing services and sale of goods	**(537)**	327
Derecognised and reported in finance cost	**40**	(37)
Tax effects	**35**	1 077
Non-controlling interests	**11**	788
Closing balance	**(457)**	**(89)**

11. Liabilities funding operations (continued)

Exposure to foreign currency on uncovered commitments

The below details the group's uncovered commitments that are denominated in a currency other than the functional currency of the settling entity:

Uncovered commitments:	**2022 Currency amount of commitments 'm**	**2022 ZAR'm**	**2021 Currency amount of commitments 'm**	**2021 ZAR'm**
US dollar[1]	**400**	**5 916**	629	9 429
South African Rands	**13**	**13**	14	14
Euro[2]	**28**	**420**	64	1 039
Other currencies[3]	**22 978**	**798**	13 739	764
		7 147		**11 246**

1 The decrease in uncovered USD commitments relates primarily to the execution of additional forward exchange contracts in the current year and the unwinding of previous commitments as content comes into licence and falls within the group's 36 month hedging window as allowed by the group treasury policy.
2 The decrease in uncovered Euro commitments relates primarily to the unwinding of previous commitments that were not replaced by new commitments due to ongoing negotiations.
3 Includes Nigeria naira, Ugandan shilling, Tanzanian shilling, British pound and Australian dollar. The increase in local currency uncovered commitments primarily relates to new content deals in Uganda and Tanzania. These deals are not hedged by the group.

Effects of hedge accounting on financial position and performance

The effects of the foreign currency related hedging instruments on the group's financial position and performance are as follows:

Forward exchange contracts	**2022**		**2021**	
	Cash flow hedges	**Fair value hedges**	**Cash flow hedges**	**Fair value hedges**
Carrying amount per currency pair - asset/(liability) (ZAR'm)				
- USD/ZAR	**(681)**	**(260)**	(227)	(603)
- EUR/ZAR	**(104)**	**-**	(48)	(1)
- USD/NGN	**-**	**(30)**	-	39
- Other[1]	**(42)**	**(10)**	(26)	11
	(827)	**(300)**	**(301)**	**(554)**
Notional amount per currency pair - buy/(sell)				
- USD/ZAR - (USD'm)	**990**	**260**	303	460
- EUR/ZAR - (EUR'm)	**52**	**-**	48	1
- USD/NGN - (NGN'bn)	**-**	**(68)**	-	(118)
- Other	**1**	**1**	1	1
Maturity date range	**April 2022 - April 2024**	**April 2022 - December 2023**	April 2021 - December 2022	April 2021 - December 2022
Hedge ratio per currency pair				
- USD/ZAR	**100 %**	**100 %**	100 %	100 %
- EUR/ZAR	**100 %**	**100 %**	100 %	100 %
- USD/NGN	**100 %**	**100 %**	100 %	100 %
- Other	**1**	**1**	1	1

11. Liabilities funding operations (continued)

Forward exchange contracts (continued)	**2022**		**2021**	
	Cash flow hedges	**Fair value hedges**	**Cash flow hedges**	**Fair value hedges**
Change in value of hedged item used to determine hedge effectiveness per currency pair - gain/(loss) (ZAR'm)				
- USD/ZAR	**(1 162)**	**(254)**	1 302	(1 345)
- EUR/ZAR	**(148)**	**(4)**	37	13
- USD/NGN	**-**	**(134)**	-	67
- Other[1]	**(90)**	**(3)**	(123)	(5)
	(1 400)	**(395)**	**1 216**	**(1 270)**
Weighted average hedged rate per currency pair for the year				
- USD/ZAR	**15.89**	**16.08**	16.40	16.61
- EUR/ZAR	**18.87**	**-**	18.97	20.03
- USD/NGN	**-**	**438.83**	-	422.84
- Other	**1**	**1**	1	1

1 Other relates to multiple immaterial hedging currency pairs.

Sensitivity analysis

Foreign exchange risk

Some entities in the group have a functional currency other than the US dollar. These entities hold significant US dollar liabilities, (e.g. Transponder leases (Note 11(a)), resulting in foreign exchange profit and loss exposures (Note 12). In addition, a significant portion of the group's programme and film rights purchases are in US dollar whereas the corresponding revenues are in local currencies, which exposes the group to cash flow foreign exchange risk. As explained in note 11(d) the group enters into hedging arrangements to partially mitigate this risk.

The group's sensitivity to a 10% weakening in the Rand against the US dollar, Euro and British pound are shown below. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for the above percentage change in foreign currency rates.

A 10% weakening of the Rand against the US Dollar, Euro and British Pound would result in profit after tax increasing by ZAR547.6m (FY21: decrease ZAR202.7m). Changes in other equity would increase by ZAR0.3bn (FY21: increase ZAR0.7bn). A 10% strengthening of the Rand against the US Dollar would result in the inverse result from the sensitivity provided above.

Interest rate risk

The majority of the group's borrowings relate to transponder leases that have fixed interest rates (note 11(a)) and term loans that have variable interest rates (note 11(b)).

The group is primarily exposed to interest rate fluctuations of the South African Repo/JIBAR, US/GBP LIBOR and EURIBOR rates. The following changes in the rates represent management's best estimate of the impact of the change in rates on the group at the respective year-ends:

- South African Repo/JIBAR rate increases by 100 basis points (FY21: increases by 100 basis points)

- US/GBP LIBOR and EURIBOR rates increases by 100 basis points each (FY21: increases by 100 basis points each)

If interest rates changed as stipulated above and all other variables were held constant, specifically foreign exchange rates, the group's profit after tax would increase by ZAR15.8m (FY21: increase ZAR25.5m).

Total equity would be unaffected by the above changes in interest rates (FY21: ZARnil).

	2022 ZAR'm	2021 ZAR'm

11. Liabilities funding operations (continued)

Group policy is to maintain a minimum fixed/floating interest rate target ratio of 50% on all external long-term borrowings. In the previous year, the group entered into long-term borrowings at floating rates (JIBAR plus 1.7%) and swapped it into a fixed rate (5.75%) which is lower than the rate available if the group borrowed at fixed rates directly. In the current year, the KingMakers transaction term loan entered into was not swapped into a fixed rate, as it would have been uneconomical for the group and this decision was approved by the risk committee. The group's borrowings at a variable rate were denominated in ZAR.

12. Interest (expense)/income

Interest expense		
Loans and overdrafts[1]	**(160)**	(53)
Leases[2]	**(583)**	(730)
Other[3]	**(467)**	(297)
	(1 210)	**(1 080)**

1 Increase relates primarily to interest on working capital term loan of ZAR64m (FY21: ZAR29m) and KingMakers term loan of ZAR80m (FY21: ZARnil).
2 Relates primarily to transponder leases of ZAR537m (FY21: ZAR688m).
3 Relates primarily to interest accrued to revenue authorities in the Rest of Africa of ZAR274m (FY21: ZAR101m) and the discounting of liabilities in relation to programme and film rights of ZAR144m (FY21: ZAR176m).

Interest income		
Loans and bank accounts	**192**	232
Other	**68**	134
	260	**366**

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

Net loss from foreign exchange translation and fair value adjustments on derivative financial instruments		
On translation of assets and liabilities	**(848)**	(452)
Cash extraction losses[1]	**(1 139)**	(575)
On translation of transponder leases[2]	**92**	1 923
Gains on translation of forward exchange contracts[3]	**1 762**	1 799
Losses on translation of forward exchange contracts[3]	**(1 985)**	(3 452)
Net foreign exchange translation losses	**(2 118)**	**(757)**

1 Includes losses incurred in Nigeria, within the Rest of Africa segment, due to differences between the I&E rate used by the group for translation and the parallel rate at which cash has been extracted.

2 Movement primarily relates to ZAR appreciation against the USD from a closing rate of ZAR14.78 in FY21 to ZAR14.61 in FY22.

3 The movement relates primarily to the ZAR appreciation against the USD from a closing rate of ZAR14.78 in FY21 to ZAR14.61 in FY22 and additional forward exchange contracts executed during FY22 which resulted in a decrease in the achieved average hedge rate on fair value hedges from ZAR16.61 in FY21 to ZAR16.08 in FY22.

13. 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 internally generated funds and existing facilities.

Commitments

(a) Capital expenditure

Commitments in respect of contracts placed for capital expenditure at 31 March 2022 amount to ZAR276.8m (FY21: ZAR34.1m). The group's capital expenditure commitments increased primarily due to contracts entered into during FY22 for a new outside broadcast vehicle in SuperSport.

	2022 ZAR'm	2021 ZAR'm

13. Commitments and contingencies (continued)

(b) Programme and film rights

At 31 March 2022 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 ZAR36.6bn (FY21: ZAR36.6bn).

(c) Set-top boxes

At 31 March 2022 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 ZAR3.1bn (FY21: ZAR1.4bn). The increase was primarily due to increased orders to secure the supply of set-top boxes for FY23 to support sales volumes during the 2022 FIFA World Cup.

(d) Guarantees

The group has guarantees of ZAR47.4m (FY21: ZAR47.5m) primarily in respect of obligations for service contracts.

(e) Assets pledged as security

The group pledged property, plant and equipment with a net carrying value of ZAR8.8bn (FY21: ZAR10.1bn) as security against certain assets acquired in terms of leases. Refer to note 17 for further details.

(f) Other commitments

At 31 March 2022 the group had entered into contracts for the receipt of various services. These service contracts are for transmission services, computer and decoder support services, access to networks and contractual relationships with customers, suppliers and employees. The group's commitments in respect of these agreements amount to ZAR4.0bn (FY21: ZAR4.6bn).

(g) Lease commitments

The group has the following short-term and low value lease commitments:

Minimum lease payments due		
Payable in year one	**6**	15
Payable later than one year but not later than five	**2**	-
	8	**15**

The group leases office equipment (low value), warehouse (short-term) and office buildings (short-term) under various non-cancellable leases.

Contingencies

Taxation matters

The group operates a number of businesses in jurisdictions where taxes may be payable on certain transactions or payments. The group continues to seek relevant advice and works with its advisers to identify and quantify such tax exposures. The group's current assessment of possible but unlikely withholding and other tax exposures, including interest and potential penalties, amounts to approximately ZAR0.4bn (FY21: ZAR0.2bn). No provision has been made as at 31 March 2022 for these possible exposures.

	2022 ZAR'm	2021 ZAR'm

14. Accrued expenses and other current liabilities

Trade payables[1]	**1 971**	1 326
Deferred income[2]	**3 328**	3 158
Accrued expenses	**2 027**	2 089
Taxes and other statutory liabilities[3]	**1 480**	867
Employee benefits	**1 223**	1 348
Bonus accrual	**912**	976
Accrual for leave	**292**	325
Severance	**19**	47
Other current liabilities	**243**	407
	10 272	**9 195**

1 Increase relates primarily to higher inventory purchases in the Rest of Africa segment to support set-top box sales volumes during the 2022 FIFA World Cup.
2 Relates to subscription fees received from customers in advance. Subscription fees received in advance which are outstanding at the end of the prior year are recognised during the following year as the subscription services are provided.
3 Increase relates primarily to an increase in VAT provisions in the Rest of Africa segment.

15. Provisions

Warranties	**61**	73
Legal and tax provisions	**288**	435
Lease decommissioning provisions	**15**	17
	364	**525**

Warranty provisions arise from the group's obligation to repair set-top boxes under a 12-month warranty period in the South Africa and Rest of Africa segments. These provisions are therefore expected to be fully utilised in the next 12 months, with warranty provisions on new set-top box sales being recognised.

The group is currently involved in various litigation matters. The legal and tax provisions have been estimated based on legal counsel and management's estimates of costs and probable claims. These also include estimated amounts related to other regulatory matters. Legal proceedings tend to be unpredictable in terms of timing of settlement, however management's best estimate is that these matters will be resolved within the next 12 months.

Lease decommissioning provisions are recognised at the present value of anticipated costs to restore leased office premises back to base building specifications in the technology segment. These outflows are contractually required over the next 12 months.

The movement in legal and tax and lease decommissioning provisions during the year was as follows:

Legal and tax provisions:		
Balance at 1 April	**435**	74
Additional provisions charged to the income statement	**75**	266
Provisions reversed to the income statement	**(102)**	-
Provisions (charged to)/credited from other accounts	**(2)**	132
Provisions utilised	**(117)**	-
Foreign currency translation effects	**(1)**	(37)
Balance at 31 March	**288**	**435**
Lease decommissioning provisions:		
Balance at 1 April	**17**	27
Provisions reversed to the income statement	**-**	(6)
Provisions utilised	**(1)**	-
Foreign currency translation effects	**(1)**	(4)
Balance at 31 March	**15**	**17**

	2022 ZAR'm	2021 ZAR'm

16. Liquidity management

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. In terms of the memorandum of incorporation of the company, no limitation is placed on its borrowing capacity.

Committed/on call	**2 500**	2 500
Uncommitted	**2 500**	2 500
	5 000	**5 000**

The group's current liabilities exceed its current assets in FY22. The group however has access to additional cash resources within the group to meet its cash obligations as they fall due within the next 12 months.

The following analysis details the remaining contractual maturity of the group's non-derivative and derivative financial liabilities. The analysis is based on the undiscounted cash flows of financial liabilities based on the earliest date on which the group can be required to settle the liability. The analysis includes both interest and principal cash flows.

31 March 2022	**Carrying value**	**Contractual cash flows**	**0-12 months**	**1-5 years**	**5 years+**
Non-derivative financial liabilities					
Interest-bearing: Lease liabilities	**12 478**	**14 479**	**2 231**	**7 602**	**4 646**
Interest-bearing: Loans and other liabilities	**3 977**	**4 362**	**1 490**	**2 872**	**-**
Non-interest-bearing: Programme and film rights	**3 505**	**4 281**	**4 267**	**14**	**-**
Non-interest-bearing: Loans and other liabilities	**44**	**44**	**1**	**27**	**16**
Trade payables	**1 971**	**1 971**	**1 971**	**-**	**-**
Accrued expenses and other current liabilities	**2 038**	**2 038**	**2 038**	**-**	**-**
Derivative financial (liabilities)/assets					
Forward exchange contracts - inflow	**13**	**306**	**276**	**30**	**-**
Forward exchange contracts - outflow	**(1 109)**	**(1 324)**	**(1 146)**	**(176)**	**(2)**
Futures contracts	**97**	**97**	**97**	**-**	**-**
Currency devaluation features	**26**	**26**	**26**	**-**	**-**
Interest rate swap	**12**	**12**	**8**	**4**	**-**
Derivative option (note 24)	**(182)**	**(182)**	**-**	**-**	**(182)**
	22 870	**26 110**	**11 259**	**10 373**	**4 478**

31 March 2021	**Carrying value**	**Contractual cash flows**	**0-12 months**	**1-5 years**	**5 years+**
Non-derivative financial liabilities					
Interest-bearing: Lease liabilities	14 410	16 966	2 518	8 233	6 215
Interest-bearing: Loans and other liabilities	1 387	1 478	558	920	-
Non-interest-bearing: Programme and film rights	3 826	4 348	4 319	29	-
Non-interest-bearing: Loans and other liabilities[1]	51	51	9	23	19
Contingent consideration[2]	458	458	183	275	-
Trade payables	1 326	1 326	1 326	-	-
Accrued expenses and other current liabilities	2 168	2 168	2 168	-	-
Derivative financial (liabilities)/assets					
Forward exchange contracts - inflow	49	648	510	134	4
Futures contracts	262	262	262	-	-
Forward exchange contracts - outflow	(956)	(1 607)	(1 102)	(505)	-
Currency devaluation features	30	30	30	-	-
Interest rate swap	7	7	-	6	1
	23 018	**26 135**	**10 781**	**9 115**	**6 239**

1 Excludes FY21 USD earn-out provisions as a result of the group's initial acquisition of KingMakers.
2 Includes FY21 USD earn-out provisions (note 11) as a result of the group's initial acquisition of KingMakers.

PART IV. ASSETS TO SUPPORT OUR OPERATIONS

17. Property, plant and equipment

The group's property, plant and equipment is acquired either as an outright purchase or, in the case of transmission equipment and certain land and buildings, by entering into a lease.

Property, plant and equipment is stated at cost plus any cost to prepare these assets for their intended use, less accumulated depreciation and accumulated impairment losses.

Subsequent costs, including major renovations, are included in an asset's carrying value or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. Repairs and maintenance are charged to the consolidated income statement.

Right-of-use assets are initially measured at cost. The cost consists of the initial lease liability plus any lease payments made to the lessor at or before the commencement date (less any lease incentives received), plus the initial estimate of the restoration costs and any initial direct costs incurred by the group.

Right-of-use assets are subsequently measured at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability. Right-of-use assets are depreciated over the shorter of the assets' useful lives and the lease term on a straight-line basis. Lease payments, under the right-of-use model, are disclosed as depreciation and interest expense.

Land is not depreciated as its deemed to have an indefinite life. All other property, plant and equipment is depreciated to its estimated residual value on a straight-line basis over its expected useful life.

The depreciation methods estimated remaining useful lives and residual values are reviewed at least annually. The estimation of the useful lives of property, plant and equipment is based on historic performance as well as expectations about future use and therefore requires a significant degree of judgement to be applied by management.

	South Africa	**Rest of Africa**	**Technology**
Buildings - owned	10 to 50 years	5 to 50 years	n/a
Right-of-use – Buildings - leased	5 years	5 to 50 years	1 to 10 years
Improvements to buildings - owned	4 to 50 years	5 to 50 years	n/a
Improvements to buildings - leased	5 years	n/a	3 to 10 years
Manufacturing equipment	n/a	n/a	5 years
Office equipment	2 to 10 years	2 to 5 years	3 to 5 years
Computer equipment	1 to 10 years	3 to 5 years	1 to 5 years
Furniture	5 years	2 to 5 years	n/a
Vehicles	2 to 10 years	4 to 5 years	n/a
Transmission equipment - owned	5 to 20 years	5 to 10 years	n/a
Right-of-use – transmission equipment - leased	15 years	3 to 15 years	n/a

The carrying value of work-in-progress primarily comprises digital terrestrial transmission broadcasting equipment and land and buildings that are under construction.

The group recognised impairment losses of ZARnil (FY21: ZAR76m reversal of impairment losses) on property, plant and equipment (FY21: primarily relating to Uganda DTT transmission sites due to a better than expected subscriber base on the DTT Platform). The reversal of impairment losses has been included in "Other (losses)/gains – net" in the consolidated income statement. The recoverable amounts of these assets amounted to ZARnil (FY21: ZAR76m).

The group has pledged property, plant and equipment with a carrying value of ZAR8.8bn (FY21: ZAR10.1bn) as security against certain assets acquired in terms of leases. The pledge primarily relates to assets acquired in terms of transponder leases. The pledge would come into effect should default on the lease payments occur.

17. Property, plant and equipment (continued)

	Land and buildings	Right-of-use - buildings	Transmission equipment	Right-of-use for transmission equipment	Vehicles, furniture, computers and office equipment[1]	Total
	ZAR'm	ZAR'm	ZAR'm	ZAR'm	ZAR'm	ZAR'm
1 April 2021						
Cost	**2 570**	**1 281**	**6 770**	**18 756**	**2 668**	**32 045**
Accumulated depreciation and impairment	**(680)**	**(635)**	**(5 517)**	**(8 645)**	**(1 913)**	**(17 390)**
Carrying value at 1 April 2021	**1 890**	**646**	**1 253**	**10 111**	**755**	**14 655**
Foreign currency translation effects	**(27)**	**(7)**	**(16)**	**(32)**	**(5)**	**(87)**
Transfer from work-in-progress	**73**	**-**	**69**	**-**	**36**	**178**
Acquisitions	**26**	**101**	**141**	**15**	**349**	**632**
Disposals/scrappings[2]	**(51)**	**-**	**-**	**-**	**(8)**	**(59)**
Depreciation	**(102)**	**(191)**	**(517)**	**(1 342)**	**(309)**	**(2 461)**
31 March 2022						
Cost	**2 561**	**1 298**	**6 610**	**18 671**	**2 467**	**31 607**
Accumulated depreciation and impairment	**(752)**	**(749)**	**(5 680)**	**(9 919)**	**(1 649)**	**(18 749)**
Carrying value excluding work-in-progress	**1 809**	**549**	**930**	**8 752**	**818**	**12 858**
Work-in-progress[3]						**202**
Total carrying value at 31 March 2022						**13 060**

1 Includes leased vehicles, furniture, computers & office equipment with a carrying values of ZAR10.9m as at 31 March 2022.
2 Includes non-cash scrappings of ZAR80m.
3 Movements in work-in-progress during FY22 relate to transfers out of work-in-progress amounting to ZAR178m, disposals[2] of ZAR31m, foreign exchange translation effects of ZAR8m and acquisitions of ZAR110m.

17. Property, plant and equipment (continued)

	Land and buildings	Right-of-use - buildings	Transmission equipment	Right-of-use for transmission equipment	Vehicles, furniture, computers and office equipment[1]	Total
	ZAR'm	ZAR'm	ZAR'm	ZAR'm	ZAR'm	ZAR'm
1 April 2020						
Cost	2 686	1 351	7 491	20 248	2 751	34 527
Accumulated depreciation and impairment	(631)	(596)	(5 717)	(8 187)	(1 956)	(17 087)
Carrying value at 1 April 2020	2 055	755	1 774	12 061	795	17 440
Foreign currency translation effects	(127)	(126)	(223)	(857)	(68)	(1 401)
Transfer from work-in-progress	43	-	5	-	30	78
Acquisitions	46	218	206	273	414	1 157
Disposals/scrappings[2]	(22)	(7)	(13)	-	(80)	(122)
Reversal of impairment	-	-	72	-	4	76
Depreciation	(105)	(194)	(568)	(1 366)	(340)	(2 573)
31 March 2021						
Cost	2 570	1 281	6 770	18 756	2 668	32 045
Accumulated depreciation and impairment	(680)	(635)	(5 517)	(8 645)	(1 913)	(17 390)
	1 890	646	1 253	10 111	755	14 655
Work-in-progress[3]						309
Total carrying value at 31 March 2021						**14 964**

1 Includes leased vehicles, furniture, computers & office equipment with a carrying values of ZAR6.5m as at 31 March 2021.
2 Includes non-cash scrappings of ZAR53m.
3 Movements in work-in-progress during FY21 are not considered to be material.

18. Programme and film rights

Programme and film rights are recognised at cost when the rights come into licence or the period to which the sports event relates commences. The group may make prepayments for programme and film rights which are recognised as prepayment assets within programme and film rights on the consolidated statement of financial position, until such time as the asset meets the criteria for initial recognition as a programme and film right.

The operating cycle for content is 18-24 months which is based on either the average period it takes to generate new content or the average license period of the acquired content. Therefore, unless the average periods are expected to exceed 24 month, programme and film rights are classified as current on the consolidated statement of financial position.

The group often contracts for programme and film rights in advance. These non-cancellable contracts are disclosed as commitments (refer note 13), unless a prepayment has been made.

The table below reflects the accounting policies applicable to programme and film rights, split between general entertainment programming (it should be noted that local sports productions follow the same accounting policy) and sports events rights:

	General entertainment	**Sports events rights**
Nature	Rights to broadcast programmes, series and films including local productions (including co-productions).	Rights to broadcast sports events.
Initial recognition and measurement		
Date recognised as an asset	*Purchased:* Date the rights come into license. *Produced:* Capitalised as incurred.	Start of the period to which the events relate.
Measurement on initial recognition	*Purchased (no prepayment):* Purchase price translated at spot rate on the purchase date. *Purchased (prepayment):* The right will be recorded at the spot rate on prepayment date for the portion of the right prepaid and at the spot rate on licence date for the portion of the licence not prepaid. *Produced:* All costs necessary to produce and complete a programme. Costs in excess of the expected net realisable value of the production are assessed on an ongoing basis and expensed accordingly.	*Purchased (no prepayment):* Purchase price translated at spot rate on the date of initial recognition. *Purchased (prepayment):* Any amounts prepaid are recognised at the spot rate on the date of each payment transaction. A blended rate results on initial recognition based on the weighting and timing of advance payments made. Payments made to negotiate and secure the broadcasting of sports events are expensed as incurred.
	Gains and losses recognised on forward exchange contracts entered into to hedge foreign currency cash flows are capitalised to the asset on the date of initial recognition.	
Subsequent measurement		
Pattern of recognition as an expense	Based on contractual screenings or expensed where management have confirmed that it is their intention that no further screenings will occur.	Based on the period to which the events relate.
Average period over which expense is recognised	Programme and film rights are on average expensed over 5-7 television screenings.	Sports rights are expensed on a straight-line basis over the period to which the events relate.
Impairment	Unscreened content is assessed and any unscheduled content or content that will not be screened is written off immediately.	Sports rights are assessed for impairment by assessing the likelihood of the sporting event being cancelled based on facts and circumstances available as well as contractual rights to recover these rights through cash.

	2022 ZAR'm	2021 ZAR'm

18. Programme and film rights (continued)

Cost price	**12 837**	11 153
Accumulated amortisation and impairment	**(10 213)**	(8 448)
Carrying value of programme and film rights assets	**2 624**	2 705
Prepayments for programme and film rights[1]	**2 632**	2 928
Total programme and film rights	**5 256**	**5 633**

1 Includes work-in-progress amounts related to co-productions amounting to ZAR89m (FY21: ZAR67m).

The movement in programme and film right assets for the year is set out below:

Cost	**11 153**	15 619
Accumulated amortisation and impairment	**(8 448)**	(12 642)
Opening carrying value at 1 April	**2 705**	2 977
Acquisitions	**14 087**	11 377
Amortisation and impairment[1]	**(14 168)**	(11 649)
Closing carrying value at 31 March	**2 624**	2 705
Cost	**12 837**	11 153
Accumulated amortisation and impairment	**(10 213)**	(8 448)

1 Includes impairment of ZAR208m (FY21: ZAR69m) in the South Africa segment primarily relating to rights which lacked commercial value and/or were older than 3 years. This occurs where content is not scheduled a sufficient amount of times within the 3 year period and is written off in line with the group's conservative accounting policies. Impairment of programme and film rights has been recognised in COPS within the consolidated income statement.

19. Inventory

Inventory is stated at the lower of cost and net realisable value (NRV). The cost of inventory is determined by means of the weighted average method.

Net realisable value is the estimate of the selling price, less the costs of completion and selling expenses. Allowances are made for obsolete, unusable and unsaleable inventory and for latent damage first revealed when inventory items are taken into use or offered for sale.

Net realisable value write-downs relate primarily to set-top box subsidies. The group sells set-top boxes below cost as part of its marketing strategy to acquire subscribers. However, set-top boxes are not necessarily sold at the same time as a customer signs up for a subscription service, therefore the two events are considered as separate transactions.

The group has reviewed its costing of inventories (decoders and associated components) and is satisfied that the appropriate considerations have been taken into account in measuring inventories.

Decoders and associated components	**1 422**	1 076
Allowance for slow-moving and obsolete inventories	**(611)**	(417)
	811	**659**

The total allowance charged to the consolidated income statement to write inventory down to net realisable value amounted to ZAR598m (FY21: ZAR326m). The total reversal of allowances credited to the consolidated income statement amounted to ZAR425m (FY21: ZAR467m).

20. Trade and other receivables

Trade and other receivables consist primarily of invoiced amounts from normal trading activities. The group has a relatively homogenous customer base, which is primarily residential in nature and is dispersed across many geographical areas. Trade and other receivables are recognised initially at fair value and subsequently stated at amortised cost using the effective interest rate method, less expected credit losses. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition. The group always recognises lifetime expected credit losses for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the group's historical credit loss experience over a minimum period of 12 months, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast of conditions at the reporting date, including time value of money where appropriate. The group has identified inflation, GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. Once a debt is considered irrecoverable it is written off as a bad debt.

The group has based the measurement of the expected credit losses on an unbiased, probability-weighted amount that is determined by evaluating a range of possible outcomes and reflecting the time value of money. The group operates a prepaid business model which limits exposure to credit losses on subscriptions revenues, the group's major revenue stream.

Expected credit losses

Trade receivables from commercial subscriptions and hardware

The group applies the *IFRS 9* simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables from the sales of commercial subscriptions and hardware have been grouped based on shared credit risk characteristics and the days past due.

Commercial receivables entail subscription fees charged to non-residential customers which primarily comprises hospitality customers. Hardware receivables relate to set-top box sales to distributors and retailers who sell the group's product. Both commercial and hardware customers are primarily extended 30 day payment terms.

The majority of these hardware receivables relate to retailers with low credit risk as they have a low risk of default and a strong capacity to meet contractual cash flow obligations as and when they become due. The group identifies specific credit loss allowances if these receivables are greater than 90 days.

Receivables are written-off after 365 days. No specific write-offs were recognised by the group during the current or prior year.

Trade receivables from technology customers

The majority of technology contract assets are subject to *IFRS 9* impairment tests. The group has applied the full lifetime expected credit loss method on a similar basis to trade receivables of commercial subscriptions and hardware sales. Defaults are considered based on contractual terms which are determined on a contract by contract basis.

Other receivables relating to sundry services and sales

The group applies an internal expected credit loss model on a similar basis to trade receivables of commercial subscriptions and hardware sales to measure the expected credit losses which uses a lifetime expected loss allowance for other receivables. Defaults are considered based on contractual terms which are determined on a contract by contract basis. After IFRS 9 assessments were conducted by the group, the expected credit loss was not determined to be material as the suppliers are reputable international entities and the group has not identified any factors which would result in the non-delivery of services, tax credits or receipts.

	2022 ZAR'm	2021 ZAR'm

20. Trade and other receivables (continued)

Related party receivables

In assessing the expected credit loss on related party receivable balances, the following was considered:

- Whether the borrower has sufficient available highly liquid current assets (which can be accessed immediately after taking into consideration any more senior external or internal loans which would need to be repaid) to repay the outstanding related party if the loan was demanded at reporting date. If sufficient highly liquid current assets could be accessed the probability of default would approximate 0%.
- If it was determined that the borrower does not have sufficient highly liquid current assets, the group would allow the borrower to continue trading or to sell assets over a period of time. A review of a cash flow forecast is performed to give an indication of the expected trading cash flows and/or liquid assets expected to be generated during the recovery period. The expected credit losses is limited to the effect of discounting the amount due on the loan over the period until cash is realised and repaid to the group. *IFRS 9* requires the discount rate to be the loan's effective interest rate. The related party receivables are interest free and repayable on demand and such have an effective interest rate of 0%. Accordingly, for such loans, discounting over the recovery period has no effect.

Upon assessment the expected credit loss was determined as immaterial.

As at 31 March 2022, the directors were unaware of any significant unprovided and/or uninsured concentrations of credit risk.

Trade receivables	**2 280**	2 289
Expected credit losses	**(729)**	(747)
Net trade receivables	**1 551**	1 542
Other receivables	**3 145**	**1 760**
Prepayments[1]	**1 236**	624
Staff debtors	**21**	18
Nigeria tax security deposit[2]	**566**	-
VAT and related taxes receivable	**429**	352
Sundry deposits	**11**	14
Other receivables[3]	**882**	752
Total trade and other receivables	**4 696**	**3 302**

The movement in the expected credit loss for trade receivables during the year was as follows:

Opening balance at 1 April	**(747)**	(820)
Additional allowances charged to the income statement	**(109)**	(215)
Allowances reversed through the income statement	**51**	63
Allowances utilised	**68**	168
Foreign currency translation effects	**8**	57
	(729)	**(747)**

1 Primarily relates to prepayments for software licenses, transponder leases and inventory. Increase relates primarily to inventory prepayments due to increased orders to support set-top box sales volumes during the 2022 FIFA World Cup.
2 Relates primarily to the tax security deposits paid in FY22 related to the Nigeria tax audit.
3 Primarily includes transmission debtors, accrued income (FY22: ZAR73m, FY21: ZAR84m) and clearing receipts (FY22: ZAR403m, FY21: ZAR296m).

The group has not pledged any of its trade receivables as security against its leases or other liabilities.

The group's maximum exposure to credit risk at the reporting date is the carrying value of the trade receivables mentioned above. The group does not hold any form of collateral as security relating to trade receivables.

Write offs mainly relate to residential customers with debt exceeding a 3 year period, where the debt has prescribed. Once a debtor has been written off, the group no longer pursues the collection of the debtor.

	2022 ZAR'm	2021 ZAR'm

20. Trade and other receivables (continued)

The ageing of trade receivables as well as the expected credit loss per age class is presented below:

	2022 Carrying value ZAR'm	2022 Impairment ZAR'm	2022 Loss rate (%)[1]	2021 Carrying value ZAR'm	2021 Impairment ZAR'm	2021 Loss rate (%)[1]
Current	**953**	**(68)**	**7**	**1 031**	**(50)**	**5**
Commercial subscriptions and hardware	***794***	***(66)***	***8***	*764*	*(48)*	*6*
Technology customers	***159***	***(2)***	***1***	*267*	*(2)*	*1*
Past due 30 to 59 days	**423**	**(32)**	**8**	**451**	**(30)**	**7**
Commercial subscriptions and hardware	***384***	***(21)***	***5***	*418*	*(30)*	*7*
Technology customers	***39***	***(11)***	***28***	*33*	*-*	*-*
Past due 60 to 89 days	**108**	**(30)**	**28**	**106**	**(26)**	**25**
Commercial subscriptions and hardware	***80***	***(23)***	***29***	*101*	*(26)*	*26*
Technology customers	***28***	***(7)***	***25***	*5*	*-*	*-*
Past due 90 to 119 days	**65**	**(34)**	**52**	**71**	**(31)**	**44**
Commercial subscriptions and hardware	***50***	***(30)***	***60***	*62*	*(31)*	*50*
Technology customers	***15***	***(4)***	***27***	*9*	*-*	*-*
Past due 120 days and older	**731**	**(565)**	**77**	**630**	**(610)**	**97**
Commercial subscriptions and hardware	***627***	***(540)***	***86***	*540*	*(540)*	*100*
Technology customers	***104***	***(25)***	***24***	*90*	*(70)*	*78*
	2 280	**(729)**	**32**	**2 289**	**(747)**	**33**

1 The total expected loss rate (%) represents an average percentage.

21. Cash and cash equivalents and restricted cash

21.1 Cash and cash equivalents

Cash and cash equivalents are accounted for at amortised cost and comprise cash on hand and deposits held on call, all of which are available for use by the group.

Cash and cash equivalents consist of:

Cash at bank and on hand	**6 155**	8 537

Cash and cash equivalents consists of South African accounts denominated in Rands and foreign bank accounts. Foreign accounts are translated to South African Rands using the closing spot rate at year-end. All foreign accounts translated at year-end amounted to ZAR4.9bn (FY21: ZAR5.0bn). Of the ZAR4.9bn, ZAR1.9bn (FY21: ZAR1.7bn) is held by entities with a different functional currency to the related cash and cash equivalents balances which exposes the group to foreign currency risk. Foreign accounts include US dollar accounts amounting to ZAR1.8bn (FY21: ZAR2.1bn) and Nigerian naira accounts of ZAR2.0bn (FY21: ZAR1.8bn).

Included in cash and cash equivalents are cash balances amounting to ZAR105m (FY21: ZAR93m) that primarily relate to fixed deposits with maturity dates shorter than 3 months, in terms of insurance regulations in South Africa, relating to the group's insurance business.

Included in cash and cash equivalents is an amount of ZAR2.3bn (FY21: ZAR2.1bn) relating to cash balances held by subsidiaries where lack of in-country foreign exchange liquidity restricts the ability of subsidiaries to remit cash to intermediate holding companies in US dollars. These cash balances are primarily held in Nigeria where the group can access the parallel market in Nigeria to remit cash at the parallel foreign exchange rate as disclosed in note 12. Local currency can still be utilised in-country and is therefore not considered restricted.

	2022 ZAR'm	2021 ZAR'm

21. Cash and cash equivalents and restricted cash (continued)

The group is exposed to certain concentrations of credit risk relating to its cash and cash equivalents in the Rest of Africa. It places its cash and cash equivalents, where possible, with major banking groups and high-quality institutions with relatively high credit ratings in that country. The group's treasury policy is designed to limit exposure to any one institution and the group invests its excess cash and cash equivalents in low-risk investment accounts. The counterparties that are used by the group are evaluated on a continuous basis. At the reporting date cash and cash equivalents were held with numerous financial institutions. As required by *IFRS 9*, cash balances have been assessed for expected credit losses. This has been performed through assessment of the counterparty risk of the related financial institutions where the cash is held, through adjusted credit risk factors. No expected credit losses have been provided for in the current or previous financial year as these were immaterial.

The risk rating grade of cash and cash equivalents and restricted cash are set out below. Given these credit ratings, management does not expect any counterparty to fail to meet its obligations.

2022	**External credit ratings**	**Cash and cash equivalents ZAR'm**	**Restricted Cash ZAR'm**
South Africa	BB- to AA+	**2 467**	**-**
Offshore USD Reporting Entities	A+	**500**	**-**
Rest of Africa	CCC/C to AA	**3 188**	**201**
		6 155	**201**
2021			
South Africa	BB- to AA+	4 717	-
Offshore USD Reporting Entities	BBB+ to A+	463	-
Rest of Africa	CCC/C to AA	3 357	427
		8 537	**427**

21.2 Restricted cash

Restricted cash comprises initial margin deposits on Nigerian futures hedging instruments that are not highly liquid and have maturities of greater than 3 months. These margin deposits are accounted for at amortised cost and are denominated in Nigerian naira.

As required by *IFRS 9*, this balance has been assessed for expected credit losses. This has been performed through assessment of the counterparty risk of the related financial institutions where the cash is held, through adjusted credit risk factors. No expected credit losses have been provided for in the current or prior financial year as these were immaterial.

Restricted cash	**201**	427

22. Goodwill and other intangible assets

Goodwill in a business combination is recognised at the acquisition date when the consideration transferred, and the recognised amount of non-controlling interests exceeds the fair value of the net identifiable assets of the entity acquired. Goodwill is tested for impairment annually or more frequently if there is an indicator of impairment.

Amortisation periods for intangible assets with finite useful lives vary in accordance with the expected benefits that are to be derived.

Patents	5 to 10 years
Title rights	5 to 10 years
Brand names and trademarks	8 to 30 years
Software	2 to 10 years
Intellectual property rights	20 to 30 years
Customer-related assets	8 to 10 years

22. Goodwill and other intangible assets (continued)

An impairment loss recognised for an asset in prior years is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised and the revised recoverable amount exceeds the carrying amount. The reversal of such an impairment loss is recognised in "Other (losses)/gains – net" in the consolidated income statement.

	Goodwill ZAR'm	Software ZAR'm	Other ZAR'm	Total ZAR'm
1 April 2021				
Cost	**4 558**	**1 690**	**3 725**	**9 973**
Accumulated amortisation and impairment	**(1 072)**	**(1 199)**	**(3 580)**	**(5 851)**
Carrying value at 1 April 2021	**3 486**	**491**	**145**	**4 122**
Foreign currency translation effects	**(5)**	**(2)**	**(8)**	**(15)**
Acquisitions	**-**	**91**	**13**	**104**
Transfers from work-in-progress	**-**	**16**	**-**	**16**
Disposals/scrappings[1]	**-**	**(2)**	**(4)**	**(6)**
Amortisation	**-**	**(177)**	**(53)**	**(230)**
31 March 2022				
Cost	**4 542**	**1 487**	**3 667**	**9 696**
Accumulated amortisation and impairment	**(1 061)**	**(1 070)**	**(3 574)**	**(5 705)**
Carrying value excluding work-in-progress	**3 481**	**417**	**93**	**3 991**
Work-in-progress[2]				**956**
Total carrying value at 31 March 2022				**4 947**

1 Includes non-cash scrappings of ZAR4m.
2 Movements in work-in-progress during FY22 relate to transfers out of work-in-progress to software amounting to ZAR16m, the derecognition of information technology assets in the current year as part of the group's periodic asset review process of ZAR287m and acquisitions of ZAR373m (includes ZAR15m of non-cash acquisitions) primarily related to the group's investment in a multi-year programme to upgrade the group's customer service, billing and data capabilities.

	Goodwill ZAR'm	Software ZAR'm	Other ZAR'm	Total ZAR'm
1 April 2020				
Cost	4 806	1 788	4 173	10 767
Accumulated amortisation and impairment	(1 297)	(1 327)	(3 989)	(6 613)
Carrying value at 1 April 2020	3 509	461	184	4 154
Foreign currency translation effects	(23)	(25)	(25)	(73)
Acquisitions	-	166	60	226
Transfers from work-in-progress	-	60	-	60
Disposals	-	-	(9)	(9)
Amortisation	-	(171)	(65)	(236)
31 March 2021				
Cost	4 558	1 690	3 725	9 973
Accumulated amortisation and impairment	(1 072)	(1 199)	(3 580)	(5 851)
Carrying value excluding work-in-progress	3 486	491	145	4 122
Work-in-progress[1]				886
Total carrying value at 31 March 2021				**5 008**

1 Movements in work-in-progress during FY21 relate to transfers out of work-in-progress to software amounting to ZAR60m and acquisitions of ZAR763m primarily related to the group's investment in a multi-year programme to upgrade the group's customer service, billing and data capabilities.

22. Goodwill and other intangible assets (continued)

Software not yet available for use

Included in the carrying amount of work-in-progress is the group's Technology Modernisation project with a carrying amount of ZAR837m (FY21: ZAR852m) that relates to cost capitalised for software not yet available for use. The group is committed to investing in the development of software to upgrade the company's digital, customer experience, billing, payments, partnership and data capabilities. The multi-year Technology Modernisation project relates to the development and implementation of a multi-year investment in internally generated software. The gross amount of software not yet available for use was evaluated for impairment by management at 31 March 2022, and it was determined that no impairment was required.

Impairment methodology:

Value-in-use

The recoverable amount of the Technology Modernisation project (the project) was determined based on a value-in-use calculation. The calculation mainly used cash flow projections based on financial budgets approved by management, covering a finite six-year operational forecast period. Cash flow forecasts are derived from an analysis of historic performance and knowledge of the current market, together with the group's views on the future achievable growth and the impact of committed initiatives, the results of which are reviewed by management on at least an annual basis. Management has made certain assumptions as to incremental revenue growth in the operational period in accordance with guidance obtained from industry specialists. In determining the value-in-use, the forecasted cash flows were discounted using the group's pre-tax discount rate.

Key assumptions and sensitivity analyses:

The key assumptions applied in the value-in-use model is a 19.6% pre-tax discount rate which is derived from the group's weighted average cost of capital as well as the forecasted cash flows reflecting expected benefits to be derived from the project.

Management has performed sensitivity analyses on the key assumptions in the impairment model using reasonable possible changes in these key assumptions:

- **Discount rate**: The discount rate used reflects both time value of money and other specific risks relating to the Technology Modernisation project. An increase of one percentage point in the discount rate would decrease the value-in-use by ZAR243m. A decrease of one percentage point in the discount rate would increase the value-in-use by ZAR256m.
- **Growth rate**: The group used steady growth rates to extrapolate revenues for the budget period cash flows. The growth rates were consistent with publicly available information relating to long-term average growth rates. An increase of one percentage point in the growth rate would increase the value-in-use by ZAR100m. A decrease of one percentage point in the growth rate would decrease the value-in-use by ZAR102m.
- **Forecasted revenue cash flows**: The forecasted revenue cash flows for the project's operational period, reflects the forecasted South Africa and Rest of Africa subscriber revenue growth for the operational period and the incremental revenue to be derived. An increase of three percentage points in the forecasted revenue cash flows would result in an increase in the value-in-use by ZAR178m and a decrease of three percentage points in the forecasted revenue cash flows would result in a decrease in the value-in-use by ZAR178m

22. Goodwill and other intangible assets (continued)

Impairment testing of goodwill

The group recognised impairment losses on goodwill of ZARnil (FY21: ZARnil).

The group has allocated goodwill to various cash-generating units. The recoverable amounts of these cash-generating units have been determined based on value in use calculations. Value in use is based on discounted cash flow calculations. The group based its cash flow calculations on three year budgeted and forecast information approved by the board of directors. Long-term average growth rates for the respective countries in which the entities operate or, where more appropriate, the growth rate of the cash-generating units, were used to extrapolate cash flows into the future. The discount rates used reflect specific risks relating to the relevant cash-generating units and the countries in which they operate while maximising the use of market observable data.

The group allocated goodwill to the following segments of cash-generating units:

31 March 2022 **Segments of cash-generating units**	**Carrying value ZAR'm**	**Basis of determination of recoverable amount**	**Pre-tax discount rate %**	**Growth rate %**
Technology	220	Value in use	12.0	(1.0)
South Africa	3 261	Value in use	19.4	4.0
	3 481			

31 March 2021 **Segments of cash-generating units**	**Carrying value ZAR'm**	**Basis of determination of recoverable amount**	**Pre-tax discount rate %**	**Growth rate %**
Technology	225	Value in use	12.0	1.0
South Africa	3 261	Value in use	21.7	5.0
	3 486			

The discount rate calculation is based on the specific circumstances of the group and its operating segments and is derived from its weighted average cost of capital, as a starting point. Pre-tax discount rates have been applied as value in use was determined using pre-tax cash flows. Impairment testing is performed using the appropriate local currency cash flows, and accordingly, discount rates take into account country risk premiums and inflation differentials as appropriate.

The group used steady growth rates to extrapolate revenues beyond the budget period cash flows. The growth rates were consistent with publicly available information relating to long-term average growth rates for each of the markets in which the respective CGU operated.

A reasonable change in the inputs used to the determine the value in use would not result in an impairment being recognised.

23. Investments in subsidiaries

All subsidiaries (except MultiChoice Angola Limitada which has a 31 December financial year-end due to in-country regulatory requirements) have the same financial year-end as MultiChoice Group Limited.

The following information relates to the group's interest in its significant subsidiaries:

Name of subsidiary	Effective % interest 2022	Effective % interest 2021	Nature of business	Country of incorporation	Functional currency	Direct/ indirect
South Africa						
MultiChoice South Africa Holdings Proprietary Limited	**76.8**	76.8	Investment holding	South Africa	ZAR	Direct
Electronic Media Network Proprietary Limited (M-Net)	**76.8**	76.8	Video-entertainment content provider	South Africa	ZAR	Indirect
SuperSport International Holdings Proprietary Limited	**76.8**	76.8	Video-entertainment content provider	South Africa	ZAR	Indirect
DStv Media Sales Proprietary Limited	**76.8**	76.8	Commercial airtime sales	South Africa	ZAR	Indirect
MultiChoice Proprietary Limited	**76.8**	76.8	Subscription television	South Africa	ZAR	Indirect
MultiChoice South Africa Proprietary Limited	**76.8**	76.8	Investment holding	South Africa	ZAR	Indirect
MultiChoice Support Services Proprietary Limited	**76.8**	76.8	Subscriber management, subscription video on demand and technical support services	South Africa	ZAR	Indirect
MultiChoice Group Treasury Services Proprietary Limited	**100.0**	100.0	Treasury services	South Africa	ZAR	Direct
MultiChoice Group Services Proprietary Limited	**100.0**	100.0	Support services	South Africa	ZAR	Direct
MultiChoice Group Holdings B.V.	**100.0**	100.0	Investment holding company for Dutch fiscal unity	The Netherlands	USD	Indirect
Mwendo Holdings B.V.	**100.0**	100.0	Foreign investment holding company	The Netherlands	USD	Indirect
Rest of Africa						
MultiChoice Africa Holdings B.V. Group	**100.0**	100.0	Investment holding/ subscription television	The Netherlands	USD	Indirect
MultiChoice Nigeria Limited	**79.0**	79.0	Subscription television	Nigeria	NGN	Indirect
MultiChoice Uganda Limited	**100.0**	100.0	Subscription television	Uganda	UGX	Indirect
MultiChoice Angola Limitada	**100.0**	100.0	Subscription television	Angola	AOA	Indirect
MultiChoice Zambia Limited	**51.0**	51.0	Subscription television	Zambia	ZMK	Indirect
MultiChoice Kenya Limited	**60.0**	60.0	Subscription television	Kenya	KSH	Indirect
MultiChoice Tanzania Limited	**87.8**	87.8	Subscription television	Tanzania	TSH	Indirect
Technology						
Irdeto B.V.	**100.0**	100.0	Technology development	The Netherlands	USD	Indirect

23. Investments in subsidiaries (continued)

The summarised financial information contained below relates to subsidiaries of the group that are considered to have significant non-controlling interests:

	MultiChoice Nigeria Limited	MultiChoice Nigeria Limited	MultiChoice South Africa Holdings Proprietary Limited	MultiChoice South Africa Holdings Proprietary Limited
	31 March 2022 ZAR'm	31 March 2021 ZAR'm	31 March 2022 ZAR'm	31 March 2021 ZAR'm
Summarised statement of financial position				
Non-current assets	**1 039**	1 152	**13 835**	14 706
Current assets	**3 465**	3 029	**18 573**	17 688
Total assets	**4 504**	**4 181**	**32 408**	**32 394**
Non-current liabilities	**2 087**	2 949	**7 771**	9 658
Current liabilities	**22 326**	20 492	**11 940**	11 197
Total liabilities	**24 413**	**23 441**	**19 711**	**20 855**
Accumulated non-controlling interests	**(4 181)**	(4 045)	**2 402**	2 126
Summarised income statement				
Revenue	**8 143**	7 708	**43 350**	41 034
Net (loss)/profit for the year	**(1 246)**	(1 863)	**7 252**	8 852
Other comprehensive income	**-**	-	**(449)**	(2 734)
Total comprehensive (loss)/income	**(1 246)**	**(1 863)**	**6 803**	**6 118**
Total comprehensive (loss)/income attributable to non-controlling interests	**(228)**	(292)	**1 560**	1 444
Dividends paid to non-controlling interests	**-**	-	**1 394**	1 394
Non-controlling interest movements directly through equity	**-**	-	**109**	(207)
Summarised statement of cash flows				
Cash flows generated from operating activities	**2 146**	3 187	**9 743**	8 790
Cash flows utilised in investing activities	**(121)**	(96)	**(844)**	(1 171)
Cash flows utilised in financing activities	**(882)**	(1 018)	**(9 025)**	(7 856)

		2022 ZAR'm	2021 ZAR'm
24. Investment in associates and joint ventures			
	Note		
Investment in associates	(a)	**5 861**	1 734
Investment in joint ventures	(b)	**17**	11
		5 878	**1 745**

Associates are entities over which the group exercises significant influence, but which it does not control or jointly control. Joint ventures are arrangements in which the group contractually shares control over an activity with others and in which the parties have rights to the net assets of the arrangement.

Investments in associates and joint ventures are accounted for in terms of the equity method. The acquired share in the investee's identifiable net assets, as well as goodwill arising, is calculated using fair-value information at the date of acquiring the interest. Goodwill is included in the carrying value of the investment in the associate or joint venture

Where the reporting periods of associates and joint ventures (equity accounted investments) are not coterminous with that of the group and/or it is impracticable for the relevant equity-accounted investee to prepare financial statements as of 31 March, the group applies an appropriate lag period of not more than three months in reporting the results of the equity accounted investees. Significant transactions and events that occur between the non-coterminous reporting periods are adjusted for. The group exercises judgement when determining the transactions and events for which adjustments are made.

The group's share of other comprehensive income and other changes in net assets of associates and joint ventures is recognised in the consolidated statement of comprehensive income.

a) Investment in associates

The carrying values of the group's investments in its unlisted associates are detailed below:

Blue Lake Ventures Limited (KingMakers)[1]	**5 764**	1 628
SafeRide Technologies Limited (SafeRide)	**-**	106
Questar Auto Technologies (Questar)	**92**	-
Zendascape Proprietary Limited (AURA)	**5**	-
	5 861	**1 734**

1 The group considers KingMakers as its only material associate.

24. Investment in associates and joint ventures (continued)

Name of company	Effective interest 2022 %	Effective interest 2021 %	Nature of the business	Country of incorporation[1]	Functional currency	Year end
Blue Lake Ventures Limited	**51.2**	20.0	Investment holding	Mauritius	USD	December
SafeRide Technologies Limited	**-**	22.4	Technology	Israel	USD	December
Questar Auto Technologies	**7.6**	-	Cybersecurity for autonomous vehicles	Israel	USD	December
Zendascape Proprietary Limited	**12.5**	-	Home security and medical response technology platform	South Africa	ZAR	February

1 Associates principle place of business is the same as country of incorporation.

KingMakers

In FY21, the group acquired a 20% investment in Blue Lake Ventures Limited, a sports betting business (operating as KingMakers). The transaction was structured with an upfront investment of USD81m (ZAR1.4bn) paid in cash and the potential for further payments of up to USD31m (ZAR0.5bn) should certain earn-out targets be met between December 2021 and December 2023, or the valuation paid was supported by future equity transactions. As the group exercises significant influence through its shareholding and board representation, the groups investment in KingMakers has been equity accounted as an associate from 1 October 2020.

On 29 October 2021, the group increased its investment in KingMakers which triggered the following:

- Sale of shares on loan account to the KingMakers share scheme (note 28);
- A USD100m subscription for shares into the business;
- A USD182m partial buy out of minority shareholders; and
- The payment of the contingent consideration of USD31m relating to the acquisition of the first 20% in KingMakers.

At the conclusion of the above transactions the group now owns 49.23% in KingMakers, however the group considered the economic ownership to be 51.23% due to the sale of shares to the KingMakers shares scheme which was considered to be the issuance of an option liability as explained in note 28. KingMakers will continue to be equity accounted after considering shareholder and board representation rights (including de facto control) available to the group. The equity accounting post the transaction occurred using the economic ownership taking into account the sale of shares on loan account as well as the additional acquisition of shares. The group also recognised a derivative option liability (included in the consideration paid for the additional ownership percentage) which is fairly valued in terms of IFRS 9 Financial Instruments (note 28).

SafeRide/Questar

SafeRide is a leading provider of multi-layer cybersecurity and data analytics solutions for connected and autonomous vehicles. In FY22, the group approved a merger transaction where the group transferred all of its shareholding in SafeRide in exchange for a 7.6% share of Questar Auto Technologies, a predictive vehicle health company that introduces cutting-edge AI technology for automotive. Questar was assessed to be an associate based on the group's board representation in the entity. The associate was initially measured at cost, represented by the fair value of the investment received (Questar).

AURA

In FY22, the group participated in a ZAR62m series A funding round into Zendascape Proprietary Limited trading as AURA during October 2021. The group committed to a ZAR31m equity investment for a 12.5% stake in AURA subject to conditions precedent. As at 31 March 2022 the group has released ZAR5m of the required funds for the equity investment. The rest of the cash will be due and payable once the conditions precedent have been met. The group owns 12.5% of the issued share capital of AURA and also has board representation. AURA was assessed to be an associate initially measured at cost.

	2022 ZAR'm	2021 ZAR'm

24. Investment in associates and joint ventures (continued)

Movement in carrying value of KingMakers investment:

Opening balance	**1 628**	-
Associate acquired - gross consideration	**4 471**	1 861
Net assets acquired - including intangible assets identified[1]	**1 854**	505
Goodwill	**2 617**	1 356
Share of net loss since acquisition	**(83)**	(12)
Share of other comprehensive loss since acquisition	**(4)**	-
Post acquisition purchase price adjustment[2]	**(55)**	(10)
Foreign exchange translation adjustment	**(193)**	(211)
Closing balance	**5 764**	**1 628**

1 Net assets acquired include separately identifiable assets considered in the final purchase price allocation. The fair values of separately identifiable assets include KingMakers brand ZAR344m (FY21:ZAR174m), cash and cash equivalents ZAR926m (FY21:ZAR270m), customer relationships ZAR406m (FY21:ZAR169m) as well as internally developed software ZAR17m (FY21:ZAR8m). Significant judgement was exercised on the identification and valuation of these assets acquired within KingMakers. The significant assumptions taken into account to value these assets included the forecast cash flows, tax amortisation benefit, discount rate, growth rates, EBITDA margins, royalty rates, contributory asset charges and terminal growth rates.
2 Relates to amortisation of intangible assets identified on acquisition as stipulated in footnote 1 above.

Summarised financial information of KingMakers:

The summarised financial information presented below represents the financial information of KingMakers for the year ended 31 December 2021 and in FY21 the three month period since acquisition.

Statement of comprehensive loss since acquisition:

Revenue	**1 958**	370
Cost of providing services and sale of goods	**(1 142)**	(286)
Gross profit	**816**	84
Other operating expenses	**(1 139)**	(175)
Operating loss	**(323)**	(91)
Finance costs	**(17)**	(1)
Loss before taxation	**(340)**	(92)
Taxation	**(8)**	(15)
Net loss for the period	**(348)**	(107)
Other comprehensive loss	**(11)**	(5)
Total comprehensive loss for the period	**(359)**	**(112)**

Statement of financial position as at 31 December 2021 and 2020:

Non-current assets	**2 447**	1 862
Current assets[1]	**3 050**	1 469
Total assets	**5 497**	**3 331**
Non-current liabilities	**775**	555
Current liabilities	**376**	577
Total liabilities	**1 151**	**1 132**

1 The current assets of KingMakers includes cash and cash equivalents of ZAR3bn (FY21: ZAR2bn).

	2022 ZAR'm	2021 ZAR'm

24. Investment in associates and joint ventures (continued)

Reconciliation of summarised financial information to carrying value of KingMakers investment:		
Groups share in the net assets	**2 249**	440
Goodwill	**3 681**	1 258
Fair-value step-up as a result of the additional interest acquired	**(166)**	-
Foreign currency translation reserve	**-**	(70)
Carrying amount of the investment	**5 764**	**1 628**

No dividends have been declared by the associate since acquisition.

There have been no significant transactions in the three month lag period from 1 January 2022 to 31 March 2022.

As at 31 March 2022 the group's associates had no contingent liabilities.

Subsequent to taking up the additional equity in KingMakers and post the notional purchase price allocation having been completed with effect from 29 October 2021, the group assessed its investment from an impairment perspective and concluded that no impairment was necessary.

b) Investment in joint ventures

All of these entities are unlisted. They are all incorporated and have their principal place of business in South Africa. All these entities have the South African Rand as their functional currency:

Name of company	**Effective interest 2022 %**	**Effective interest 2021 %**	**Carrying value 2022 ZAR'm**	**Carrying value 2021 ZAR'm**
KwaZulu Natal Cricket Proprietary Limited[1]	**-**	50	**-**	(2)
Western Province Professional Cricket Proprietary Limited[1]	**-**	50	**-**	(3)
Titans Cricket Proprietary Limited[2]	**50**	50	**16**	15
SuperSportSAS (Pty) Ltd[3]	**50**	50	**1**	1
			17	**11**

1 During FY22, the group disposed of these investments.
2 30 April year-end.
3 30 June year-end.

As at 31 March 2022 the group's joint ventures had no contingent liabilities.

	2022 ZAR'm	2021 ZAR'm

PART V. OTHER DISCLOSURES

25. Share capital

Authorised
1 000 000 000 ordinary no par value shares

Issued		
442 512 678 (FY21: 442 512 678) ordinary shares	**454**	454

Capital management

The group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide adequate returns to shareholders and benefits for other stakeholders by pricing products and services commensurately with the level of risk.

The group relies upon distributions, including dividends, from its subsidiaries to generate the funds necessary to meet the obligations and other cash flow requirements of the group, in particular the Rest of Africa segment.

The group optimises the management of its capital through a centralised treasury holding company structure. This structure is approved by the South African Reserve Bank (SARB) and is managed by the group treasury function, under the supervision of the group chief financial officer. Key responsibilities of the group treasury include:

- Centralised cash management and yield maximisation;
- Foreign currency risk management (including the group hedging programme) on behalf of operating entities;
- Treasury policy compliance; and
- Group funding requirements.

Funding to subsidiaries is provided through a combination of loans and share capital, depending on country-specific requirements including legislation. Intergroup loan funding is generally considered to be part of the capital structure.

The group follows a risk-based approach to the determination of the optimal capital structure. The group manages the capital structure and makes adjustments when necessary due to changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or modify the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders through share buy-backs, issue new shares or sell assets to reduce debt.

The group does not have a formally targeted leverage policy. The group has specific financial covenants in place with certain financial institutions to govern its overall debt levels. The leverage ratio should be below or equal to 2.5 times and the interest cover ratio should be above or equal to 4 times. As at 31 March 2022 and 31 March 2021 and throughout the current and prior reporting periods, the financial covenants relating to leverage and interest cover were met.

There are no foreign exchange restrictions between banks of the common monetary area (CMA) member countries in respect of cross-border transactions amongst themselves. Lesotho, Namibia and Swaziland have their own monetary authorities and legislation. The application of exchange control within the CMA is governed by the multilateral monetary agreement. Investments and transfers of funds in Rand to/from South Africa and to/from other CMA countries do not require the approval of the SARB. South African registered private, public and listed companies are allowed to transfer capital for foreign direct investment purposes to any country outside the CMA, but based on the quantum of the investment the transfer is subject to authorised dealer or SARB approval.

MultiChoice Group Treasury Services Proprietary Limited is a registered domestic treasury management company with SARB and therefore allowed to hold African and offshore operations for foreign direct investment purposes.

	2022 ZAR'm	2021 ZAR'm

26. Other reserves

Other reserves as disclosed in the consolidated statement of changes in equity consists of the following reserves.

	Treasury shares	Hedging reserve	Fair-value reserve	Foreign currency translation reserve	Total other reserves
	ZAR'm	ZAR'm	ZAR'm	ZAR'm	ZAR'm
Balance at 1 April 2020	**(1 682)**	**(464)**	**(293)**	**(10 609)**	**(13 048)**
Exchange loss on translation of foreign operations[1]	-	-	-	(743)	(743)
Fair-value loss on investment held at fair-value	-	-	(102)	-	(102)
Net hedging reserve movements - net of tax	-	965	-	-	965
Hedging reserve basis adjustment[2]	-	(590)	-	-	(590)
Balance at 1 April 2021	**(1 682)**	**(89)**	**(395)**	**(11 352)**	**(13 518)**
Exchange loss on translation of foreign operations[1]	-	-	-	(133)	(133)
Net hedging reserve movements - net of tax	-	(677)	-	-	(677)
Hedging reserve basis adjustment[2]	-	309	-	-	309
Treasury shares acquired[3]	(308)	-	-	-	(308)
Treasury shares disposed[4]	152	-	-	-	152
Balance at 31 March 2022	**(1 838)**	**(457)**	**(395)**	**(11 485)**	**(14 175)**

1 Relates to the translation of Rest of Africa and Technology segments, which have a USD reporting currency.
2 Relates to the basis adjustment on programme and film right assets as content comes into licence.
3 The group acquired a further 2.5m treasury shares at an average price of ZAR121 per share to fund future RSU share awards.
4 During the current year treasury shares were utilised to settle the group's share-based compensation benefits.

27. Related parties

The group entered into transactions and has balances with related parties, including associates, directors (key management personnel), and shareholders. Transactions and balances that are eliminated on consolidation are not included below (Note 23). The transactions and balances with related parties are disclosed below:

(a) Related party balances

		Note		
Amounts due from related parties: Non-current		(i)	**54**	17
Amounts due from related parties: Current		(ii)	**10**	51
			64	**68**
(i) Amounts due from related parties: Non-current	**Nature of relationship**			
Other	Equity investees		**54**	17
(ii) Amounts due from related parties: Current	**Nature of relationship**			
Zendascape Proprietary Limited (AURA) (Note 24)	Associate		**8**	-
Blue Lake Ventures Limited (KingMakers) (Note 24)	Associate		**2**	-
Other	Equity investees		**-**	51
			10	**51**

Balances due from equity investees are unsecured, have fixed terms of repayment and carry interest at 1 year LIBOR plus 2.25%.

The balance due from AURA is unsecured, has fixed repayment terms and carries interest at the South African prime lending rate.

The balance due from KingMakers is unsecured, interest free and has fixed repayment terms.

	2022 ZAR'm	2021 ZAR'm

27. Related parties (continued)

(b) Related party transactions

During FY22 the group received advertising and sponsorship revenue of ZAR127m from KingMakers. This revenue has been recognised by the group in advertising revenue in note 5. The group did not enter into any material related party transactions during FY21 other than key management remuneration and directors remuneration as disclosed below.

Key management remuneration

Consolidated		
Short-term employee benefits	266	411
Long-term post-employment benefits	15	16
Share-based payment charge	116	106
Remuneration paid to key management	**397**	**533**
Non-executive directors		
Directors' fees	**32**	**77**

Key management remuneration and participation in share-based incentive plans

For shares listed on a recognised stock exchange as follows:

75 611 (FY21: 2 499 311) MCG shares were allocated during the 2022 financial year and an aggregate of 3 355 074 (FY21: 4 017 459) MCG shares were allocated and unvested as at 31 March 2022.

For share appreciation rights (SARs) and other schemes in unlisted companies as follows:

Nil (FY21: Nil) Irdeto SARs were allocated during the 2022 financial year and an aggregate of 4 666 (FY21: 18 338) Irdeto SARs were allocated and unvested as at 31 March 2022.

Nil (FY21: 19 419) Irdeto RSUs were allocated during the 2022 financial year and an aggregate of 19 419 (FY21: 19 419) Irdeto RSUs were allocated as at 31 March 2022.

Nil (FY21: 295 206) Phantom Performance Shares were allocated during the 2022 financial year and an aggregate of 265 874 (FY21: 295 206) Phantom Performance Shares were allocated as at 31 March 2022.

28. 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 2022 ZAR'm	Fair value 2021 ZAR'm	Valuation method	Level in fair value hierarchy
Financial assets				
Investments held at fair value through profit or loss	**146**	-	Based on the latest transaction value concluded by market participants at arm's length	Level 3
Investments held at fair value through profit or loss	**20**	-	Unit trusts comprising of quoted prices in a public market	Level 2
Forward exchange contracts	**13**	49	Fair value derived from forward exchange rates that are publicly available	Level 2
Futures contracts	**97**	262	Quoted prices in a public market	Level 1
Currency depreciation features	**26**	30	Discounted cash flow techniques	Level 3
Interest rate swap	**12**	7	Present value of the estimated future cash flows based on observable yield curves	Level 2
Financial liabilities				
Forward exchange contracts	**1 109**	956	Fair value derived from forward exchange rates that are publicly available	Level 2
Derivative option	**182**	-	Monte Carlo Simulation option pricing model	Level 3
Contingent consideration	**-**	458	Fair value derived from using present value of estimated future payments valuation technique	Level 3

In FY22, the group made a USD10m investment in Trust Machines SPV, LLC (Trust Machines) applications and platforms. MultiChoice does not have an unconditional right to the capital investment, nor the return made from this investment as there is no upfront guarantee for either the capital or the expected return. This was considered as an investment in equity. The group initially measured the investment at fair value and subsequently measured it at fair value through profit or loss. As at 31 March 2022, the investment has a fair value of ZAR146m. The transaction was effective on the on 16 November 2021. The business operations of Trust Machines have not materially changed from the effective date of the transaction and therefore the group based the fair value on the latest transaction value concluded by market participants at arm's length.

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

28. Fair value of financial instruments (continued)

During FY22, as part of the additional acquisition of shares in KingMakers (note 24), 10% of the shares in KingMakers were issued to the KingMakers share scheme. This resulted in the group reducing its shareholding to 18% (before the acquisition transaction was finalised). The subscription was for an amount of USD11m (ZAR167m) on loan account to the KingMakers share scheme. The loan account will be due and payable after 10 years. The only source of return for the ESOP will be through the shareholding in KingMakers. The only security on the loan for the group are the KingMakers shares themselves that have been issued. Management assessed the transaction and concluded that the substance is that the group issued an instrument with a similar profile as an option instrument and therefore accounted for the transaction as such. The option liability was initially measured at fair value and subsequently measured at fair value through profit or loss. The key inputs in using the Monte Carlo Simulation included the fair value of KingMakers of USD850m, a volatility of 62.88% and a dividend yield of 4-5%. The group used USD overnight index swap (OIS) curve to determine the risk-free rate. A 5% decrease in the volatility rate would result in an option value of USD12m, a 5% increase in the volatility rate would result in an option value of USD13m.

Contingent consideration related to earn-out provisions, to be settled in cash, as a result of the group's initial acquisition of KingMakers (note 24). The fair value measurement of the contingent consideration considered the most current probability estimates and assumptions, including changes due to the time value of money determined based on budget and forecast information related to KingMakers. Consideration was provided for a market related discount rate in determining the fair value of the contingent consideration. Based on the assessment of KingMakers budgets and forecasts relating to gross gaming revenue done by the group in FY21, the group assessed probability of payment to be 100%. The effect of discounting was considered to be immaterial. Post initial recognition, the contingent consideration had no material movement impacting profit or loss.

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

Fair values are 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 2022.

29. Subsequent events

Dividend

The board has proposed a gross dividend of ZAR2.5bn or 565 SA cents per listed ordinary share for FY22. The dividend will be declared from income. It will be subject to the dividend tax rate of 20%, yielding a net dividend of 452 SA cents per listed ordinary share to those shareholders not exempt from paying dividend tax. Dividend tax will be 113 SA cents per listed ordinary share. The expected dividend payment date will be Monday, 12 September 2022.

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

30. Recently issued accounting standards

The following new standards, interpretations and amendments to existing standards are not yet effective as at 31 March 2022 and have not been early adopted by the group. The group does not expect the changes to materially impact the consolidated annual financial statements.

Standard/Interpretation	Title	Effective date
IAS 1 Presentation of Financial Statements	*Classification of liabilities as current or non-current*	Deferred until accounting periods starting on or after 1 January 2024
IFRS 17 Insurance contracts	*IFRS 17 replaces IFRS 4*	Effective 1 January 2023
IFRS 4 Insurance Contracts	*Extension of the temporary Exemption*	Effective 1 January 2023
IFRS 3 Business Combinations	*Referencing update*	Effective 1 January 2022
Annual Improvements to IFRS Standards 2018–2020	*IAS 41, IFRS 9 and IFRS 1*	Effective 1 January 2022
IAS 37 Provisions, Contingent Liabilities and Contingent Assets	*Onerous Contracts— Cost of Fulfilling a Contract*	Effective 1 January 2022
IAS 16 Property, Plant and Equipment	*Proceeds before intended use*	Effective 1 January 2022
IFRS 3 Business Combinations, IAS 16 Property, Plant and Equipment, IAS 37 Provisions, Contingent Liabilities and Contingent Assets, on IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and IFRS 16 Leases	*Narrow scope amendments and some annual improvements*	Effective 1 January 2022
IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associate and Joint Ventures	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Effective date deferred indefinitely
IAS 1 Presentation of financial statements, IFRS Practice Statement 2 Making materiality judgements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	*Accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies*	Effective 1 January 2023
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	*Definition of accounting estimates*	Effective 1 January 2023
IAS 12 Taxation	*Deferred tax relate to-assets and liabilities arising from a single transaction*	Effective 1 January 2023

	2022 ZAR'm	2021 ZAR'm

31. Directors' emoluments

Executive directors and prescribed officers emoluments	**38**	**61**
Non-executive directors		
Fees for services as directors of the group	**32**	13
Remuneration for services to other group companies	**-**	61
Fees for services as directors of other group companies	*	3
	32	77
	70	**138**

** less than ZAR1m.*

No director has a notice period of more than one year.

Executives' contracts do not contain guaranteed payments on termination.

The individual directors received the following remuneration and emoluments:

2022	**Salary and other allowances**	**Annual cash bonuses and performance related payments**	**Pension contributions paid on behalf of the director**	**Total**
Executive directors	**ZAR'm**	**ZAR'm**	**ZAR'm**	**ZAR'm**
CP Mawela[1]	13.55	8.38	1.18	23.11
TN Jacobs[1]	7.46	6.82	0.64	14.92
	21.01	**15.20**	**1.82**	**38.03**

2021	**Salary and other allowances**	**Annual cash bonuses and performance related payments**	**Pension contributions paid on behalf of the director**	**Total**
Executive directors	**ZAR'm**	**ZAR'm**	**ZAR'm**	**ZAR'm**
CP Mawela[1,2]	13.48	20.13	1.26	34.87
TN Jacobs[1,3]	6.31	18.89	0.98	26.18
	19.79	**39.02**	**2.24**	**61.05**

1 Prescribed officer
2 The annual cash bonuses and performance related payments includes a SARs payment of ZAR3.14m received as a result of the closure of the MCA SAR plan.
3 The annual cash bonuses and performance related payments includes a SARs payment of ZAR14.88m received as a result of the closure of the MCA SAR plan.

Executive directors' annual performance payment is based on financial, operational and discrete objectives, which were approved by the remuneration committee in advance. The on-target percentage of the bonus is 80% of annual total cost to company. With exceptional company and individual performance, an executive can earn in excess of this, however this is capped at 106% of total annual cost to company. Remuneration is earned for services rendered in connection with the carrying on of the affairs of the company.

31. Directors' emoluments (continued)

2022	Directors' remuneration		Directors' fees[1]		Committee and trustee fees[2,3]		
	Paid for services to the group	Paid for services to other group companies	Paid for services to the group	Paid for services to other group companies	Paid for services to the group	Paid for services to other group companies	Total
Non-executive directors	**ZAR'm**	**ZAR'm**	**ZAR'm**	**ZAR'm**	**ZAR'm**	**ZAR'm**	**ZAR'm**
JH du Preez	-	-	0.75	-	0.46	-	1.21
FLN Letele[4]	-	-	0.56	-	0.09	0.14	0.79
E Masilela	-	-	0.75	-	0.34	-	1.09
KD Moroka[5]	1.50	-	0.75	-	0.48	0.28	3.01
SJZ Pacak[6]	-	-	-	-	-	-	-
L Stephens	-	-	0.75	-	0.79	0.35	1.89
JJ Volkwyn[5]	5.15	-	-	-	-	-	5.15
CM Sabwa	-	-	0.75	-	0.58	-	1.33
JA Mabuza[7]	-	-	0.27	-	0.10	-	0.37
FA Sanusi	-	-	0.75	-	0.12	-	0.87
MI Patel[8]	16.71	-	-	-	-	-	16.71
	23.36	**-**	**5.33**	**-**	**2.96**	**0.77**	**32.42**

1 Non-executive directors receive an annual fee for their attendance at board meetings.
2 Committee fees include fees for the attendance of the audit committee, risk committee, remuneration committee, nomination committee and the social and ethics committee meetings of the board.
3 Trustee fees include fees for the attendance of the various trustee meetings of the group. An additional fee may be paid to directors for work done as directors with specific expertise.
4 Retired with effect from 1 December 2021.
5 Director's remuneration based on consultancy agreement for professional advisory services to the group and its subsidiaries.
6 Resigned 1 April 2021.
7 JA Mabuza passed away on 16 June 2021.
8 Director remuneration based on a service and restraint agreement for the provision of various strategic and advisory support services to the group.

31. Directors' emoluments (continued)

2021	Directors' remuneration		Directors' fees[1]		Committee and trustee fees[2,3]		
	Paid for services to the group	Paid for services to other group companies	Paid for services to the group	Paid for services to other group companies	Paid for services to the group	Paid for services to other group companies	Total
Non-executive directors	**ZAR'm**	**ZAR'm**	**ZAR'm**	**ZAR'm**	**ZAR'm**	**ZAR'm**	**ZAR'm**
DG Eriksson[4]	-	-	0.14	0.13	0.08	0.76	1.11
FLN Letele[5]	-	3.00	0.68	0.13	0.12	0.14	4.07
E Masilela	-	-	0.68	0.13	0.34	-	1.15
KD Moroka[6]	1.50	-	0.68	0.13	0.46	0.28	3.05
SJZ Pacak	-	-	0.68	0.13	-	-	0.81
L Stephens	-	-	0.68	0.13	0.77	0.33	1.91
JJ Volkwyn[7]	3.00	-	-	-	-	-	3.00
CM Sabwa	-	-	0.68	-	0.57	-	1.25
JA Mabuza	-	-	0.95	0.13	0.40	-	1.48
FA Sanusi	-	-	0.68	-	0.12	-	0.80
MI Patel[8,9]	-	58.29	-	-	-	-	58.29
	4.50	**61.29**	**5.85**	**0.91**	**2.86**	**1.51**	**76.92**

1 Non-executive directors receive an annual fee for their attendance at board meetings.
2 Committee fees include fees for the attendance of the audit committee, risk committee, remuneration committee, nomination committee and the social and ethics committee meetings of the board.
3 Trustee fees include fees for the attendance of the various trustee meetings of the group. An additional fee may be paid to directors for work done as directors with specific expertise.
4 Resigned 11 June 2020.
5 Final payment related to previous role as MCSA Executive.
6 Director remuneration based on consultancy agreement for professional advisory services to the group and its subsidiaries.
7 Director remuneration based on agreement whereby JJ Volkwyn provides consultancy services to MultiChoice Group.
8 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, has a service and restraint agreement with the group.
9 Includes the following amounts earned as an executive director: salary and other allowances of ZAR10.84m, annual cash bonuses and performance related payments of ZAR39.17m (includes a SARs payment of ZAR15.55m received as a result of the closure of the MCA SAR plan) and pension contributions paid on behalf of the director of ZAR0.6m.

Non-executive directors are subject to regulations on appointment and rotation in terms of the company's memorandum of incorporation and the South African Companies Act.

31. Directors' emoluments (continued)

Directors' interest in the group's share incentive schemes

For details of the various share plans within the group refer to note 6.

2022

Name	Share plan	Offer date	Number of shares	Offer price	Release date	Option fair value R
CP Mawela	MultiChoice Group RSU[1]	18-Jun-19	61 162	0.00	18-Jun-22	130.80
		18-Jun-19	61 162	0.00	18-Jun-23	130.80
		18-Jun-19	61 162	0.00	18-Jun-24	130.80
		10-Jun-20	25 574	0.00	10-Jun-22	91.92
		10-Jun-20	25 573	0.00	10-Jun-22	91.71
		10-Jun-20	51 147	0.00	10-Jun-23	87.00
		10-Jun-20	51 147	0.00	10-Jun-24	82.32
		10-Jun-20	51 149	0.00	10-Jun-25	77.91
		17-Nov-20	10 102	0.00	17-Nov-23	109.92
		17-Nov-20	60 615	0.00	17-Nov-23	109.79
		17-Nov-20	10 103	0.00	17-Nov-24	105.08
		31-Mar-21	120 809	0.00	31-Mar-24	113.06
			589 705			
	Phantom Performance Share Plan 2021[2]	31-Mar-21	42 767	0.00	31-Mar-25	100.84
		31-Mar-21	42 767	0.00	31-Mar-26	97.53
			85 534			

2022

Name	Share plan	Offer date	Number of shares	Offer price	Release date	Option fair value R
TN Jacobs	MultiChoice Group RSU[1]	18-Jun-19	15 768	0.00	18-Jun-22	130.80
		18-Jun-19	15 768	0.00	18-Jun-23	130.80
		18-Jun-19	15 769	0.00	18-Jun-24	130.80
		10-Jun-20	10 604	0.00	10-Jun-22	91.92
		10-Jun-20	10 603	0.00	10-Jun-22	91.71
		10-Jun-20	21 207	0.00	10-Jun-23	87.00
		10-Jun-20	21 207	0.00	10-Jun-24	82.32
		10-Jun-20	21 207	0.00	10-Jun-25	77.91
		17-Nov-20	7 456	0.00	17-Nov-23	109.92
		17-Nov-20	44 739	0.00	17-Nov-23	109.79
		17-Nov-20	7 457	0.00	17-Nov-24	105.08
		31-Mar-21	80 732	0.00	31-Mar-24	113.06
			272 517			
	Phantom Performance Share Plan 2021[2]	31-Mar-21	28 579	0.00	31-Mar-25	100.84
		31-Mar-21	28 580	0.00	31-Mar-26	97.53
			57 159			

31. Directors' emoluments (continued)

2022

Name	Share plan	Offer date	Number of shares	Offer price	Release date	Option fair value R
MI Patel	MultiChoice Group RSU[1]	18-Jun-19	25 774	0.00	18-Jun-22	130.80
		18-Jun-19	25 774	0.00	18-Jun-23	130.80
		18-Jun-19	25 774	0.00	18-Jun-24	130.80
			77 322			

2021

Name	Share plan	Offer date	Number of shares	Offer price	Release date	Option fair value R
CP Mawela	MultiChoice Group RSU[1]	18-Jun-19	61 162	0.00	18-Jun-21	130.80
		18-Jun-19	61 162	0.00	18-Jun-22	130.80
		18-Jun-19	61 162	0.00	18-Jun-23	130.80
		18-Jun-19	61 162	0.00	18-Jun-24	130.80
		10-Jun-20	51 147	0.00	10-Jun-22	91.71
		10-Jun-20	51 147	0.00	10-Jun-23	86.80
		10-Jun-20	51 147	0.00	10-Jun-24	82.06
		10-Jun-20	51 149	0.00	10-Jun-25	77.66
		17-Nov-20	80 820	0.00	17-Nov-23	109.79
		31-Mar-21	120 809	0.00	31-Mar-24	113.06
			650 867			
	Phantom Performance Share Plan 2021[2]		42 767	0.00	31-Mar-25	100.84
			42 767	0.00	31-Mar-26	97.53
			85 534			

2021

Name	Share plan	Offer date	Number of shares	Offer price	Release date	Option fair value R
TN Jacobs	MultiChoice Group RSU[1]	18-Jun-19	15 768	0.00	18-Jun-21	130.80
		18-Jun-19	15 768	0.00	18-Jun-22	130.80
		18-Jun-19	15 768	0.00	18-Jun-23	130.80
		18-Jun-19	15 769	0.00	18-Jun-24	130.80
		10-Jun-20	21 207	0.00	10-Jun-22	91.71
		10-Jun-20	21 207	0.00	10-Jun-23	86.80
		10-Jun-20	21 207	0.00	10-Jun-24	82.06
		10-Jun-20	21 207	0.00	10-Jun-25	77.66
		17-Nov-20	59 652	0.00	17-Nov-23	109.79
		31-Mar-21	80 732	0.00	31-Mar-24	113.06
			288 285			
	Phantom Performance Share Plan 2021[2]	31-Mar-21	28 579	0.00	31-Mar-25	100.84
		31-Mar-21	28 580	0.00	31-Mar-26	97.53
			57 159			

31. Directors' emoluments (continued)

2021

Name	Share plan	Offer date	Number of shares	Offer price	Release date	Option fair value R
MI Patel	MultiChoice Group RSU[1]	18-Jun-19	25 774	0.00	18-Jun-21	130.80
		18-Jun-19	25 774	0.00	18-Jun-22	130.80
		18-Jun-19	25 774	0.00	18-Jun-23	130.80
		18-Jun-19	25 774	0.00	18-Jun-24	130.80
			103 096			

1 50% of RSUs awarded between June 2019 and September 2020, 75% of RSUs awarded in November 2020, and 100% of RSUs awarded in March 2021 are subject to performance conditions.
2 100% of Phantom Performance Share Scheme awards issued are subject to performance conditions.

Directors' interest in MultiChoice Group Limited shares

The directors of MultiChoice Group Limited (and their associates) had the following beneficial interest in MultiChoice Group Limited ordinary shares at 31 March:

2022

Name	Direct	Indirect	Total
MI Patel[1]	27 186	-	27 186
CP Mawela[2]	61 162	-	61 162
TN Jacobs[3]	11 338	-	11 338
JJ Volkwyn	5 000	-	5 000
FLN Letele[4]	88 836	-	88 836
	193 522	**-**	**193 522**

1 25 774 shares acquired through exercise of MultiChoice Group RSU offer in June 2021.
2 61 162 shares acquired through exercise of MultiChoice Group RSU offer in June 2021.
3 15 768 shares acquired through exercise of MultiChoice Group RSU offer in June 2021. 7 161 shares were sold on market on 18 June 2021.
4 Retired as a non-executive director with effect from 1 December 2021.

2021

Name	Direct	Indirect	Total
MI Patel	1 412	-	1 412
FLN Letele	88 836	-	88 836
SJZ Pacak[1]	376 635	254 000	630 635
JJ Volkwyn	5 000	-	5 000
TN Jacobs	2 731	-	2 731
JA Mabuza	9 850	-	9 850
	484 464	**254 000**	**738 464**

1 37 548 shares of SJZ Pacak's indirect beneficial holding was sold on market on 7 July 2020.

There have been no further changes to the directors' interests in the table above between the end of the financial year and 9 June 2022.

Administration and Corporate Information

for the year ended 31 March 2022

Company secretary

Carmen Miller
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Registration number

2018/473845/06
Incorporated in South Africa

External Auditor

PricewaterhouseCoopers Inc.

Transfer secretaries

Singular Systems Proprietary Limited
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ADR programme

The Bank of New York Mellon

Shareholder relations department

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Analysis of shareholders

for the year ended 31 March 2022

Size of holdings	Number of shareholders	Ordinary shares	% held
1 – 1000 shares	44 942	6 429 761	1.45 %
1001 – 10 000 shares	3 514	9 320 308	2.11 %
10 001 – 100 000 shares	698	23 624 372	5.34 %
100 001 – 1 000 000 shares	234	67 050 306	15.15 %
More than 1 000 000 shares	40	336 087 931	75.95 %

The following shareholders hold 5% or more of the ordinary issued share capital of the group:

Name	Ordinary shares	% held
Groupe Canal+ SA	81 604 353	18.44 %
Government Employees Pension Fund (PIC's GEPF)	61 001 913	13.79 %
M&G Investments	41 113 700	9.29 %
Allan Gray	32 723 626	7.40 %

Public shareholder spread

To the best knowledge of the directors, the spread of public shareholders in terms of paragraph 4.25 of the JSE Limited Listings Requirements at 31 March 2022 was 63.32%, represented by 49 419 shareholders holding 280 180 725 ordinary shares in the group. The non-public shareholders of the group comprising 9 shareholders representing 162 331 953 ordinary shares or 36.68% are analysed as follows:

Category	Ordinary shares	% of ordinary issued share capital
Share schemes	12 396 438	2.80 %
Treasury shares	4 556 467	1.03 %
Directors	193 522	0.04 %
Beneficial holders > 10%[1]	145 185 526	32.81 %

1 Beneficial ownership includes the direct shareholding held by an entity, as well as its indirect shareholding (i.e. held by institutions who manages funds on its behalf).