



Supplementary Discussion Document

ICASA's Inquiry into Subscription Television Broadcasting

11 July 2025



GOtv

showmax



DStv
Media Sales

ir.deta

TEAM

Byron du Plessis	CEO, MultiChoice Pty Ltd
Kwezi Mtengenya	GM: Regulatory Affairs, MultiChoice Pty Ltd
Wendy Ndlovu	GM: Markets & Competition, MultiChoice Group Limited
Stephan Malherbe	Genesis Analytics
Zoe van der Hoven	Genesis Analytics
Advocate Michelle Norton SC	Senior Counsel
Paul Cleland	Werksmans Attorneys
Samantha Sinden	Werksmans Attorneys



OVERVIEW OF TODAY'S PRESENTATION

- 1 Inquiry process

- 2 The competitive landscape today

- 3 ICASA's market assessment

- 4 Consideration of 3rd party submissions

- 5 Legal overview

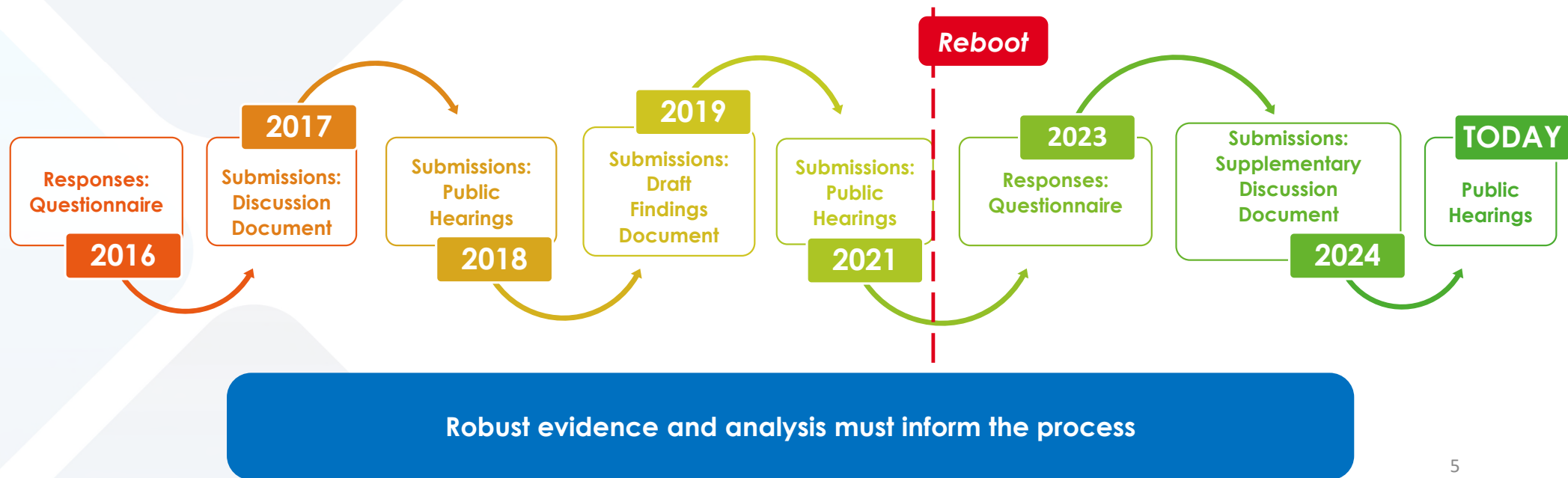
- 6 Concluding remarks

THE INQUIRY PROCESS



HOW ICASA GOT HERE

- Inquiry launched in **July 2016**
- In the 9 years since, ICASA has embarked on a substantial evidence gathering process with input from several AV industry stakeholders
- MultiChoice participated extensively throughout by providing detailed submissions, supported by evidence, ensuring that ICASA, at all times, had the latest information on the rapid evolution of the AV services market



WHERE WE ARE TODAY

What we foreshadowed in previous submissions is now undeniable

The facts show:



OTT service providers
are Pay TV and FTAs'
biggest competitors



ICASA's findings on
effective competition
and the absence of
SMP in the SDD are
correct

*(and, in fact, support a
wider market definition)*



ICASA can therefore
proceed to conclude
the Inquiry

***ICASA's preliminary findings affirm the presence of effective competition
and support a broader, modernised market definition***

PURPOSE OF THIS INQUIRY



This is an inquiry in terms of s4B of the ICASA Act and Chapter 10 of the ECA

Key jurisdictional facts:

Determine **whether there is effective competition** in relevant markets

Determine which, **if any**, licensees have SMP in **those markets where there is ineffective competition**

ICASA's findings are sound and consistent with the statutory test under s67 of the ECA

ICASA HAS DETERMINED THERE IS NO INEFFECTIVE COMPETITION

- Regardless of what the circumstances may have been when this Inquiry started 9 years ago, the world has moved on
- The facts show, and ICASA has found, that **there is effective competition** in all the retail and wholesale markets identified by ICASA
- ICASA has correctly found that:
 - "It is ... not necessary at this stage to identify a licensee with significant market power since **there is no indication of ineffective competition**" (para 4.17)
- ICASA's conclusion is further supported by market participants themselves who acknowledge the disruptive effect of OTTs



OUR COMPETITORS AGREE ...



NETFLIX

"[T]here exists a **competitive and dynamic** local audio-visual services sector" (para 3)

"[N]one of the players in the defined markets hold **significant market power** ... this **influx of competitors** has diluted the market concentration, making it difficult for any one player to enjoy the level of dominance required to exercise significant market power" (para 11)



"[P]latforms like Netflix and Showmax compete directly with traditional broadcasters " (para 20)



"[T]he **significant growth of OTT streaming is obvious for all to see**" (para 2.2)

SPORTS BODIES AGREE ...



SARU commends ICASA for "recognizing the dynamic nature of the audio-visual environment" (pg 1)



The NSL welcomes ICASA's recognition "that the competition landscape and related markets in audio-visual services have substantively changed" and welcome "ICASA's conclusion that wholesale and retail **markets are dynamic and competitive**" (pg 1)

PUBLIC INTEREST BODIES & POLICYMAKERS RECOGNISED CHANGING MARKET DYNAMICS



"MMA accepts the **disruptive nature of OTT** content services vis a vis broadcasting" and stresses that "**OTT services will continue to cannibalise the entire broadcasting market** as they are entirely unregulated by ICASA" (paras 12.2 and 12.7.4)



"Audio and audio-visual content consumption via the internet are fundamentally transforming the South African audio and audio-visual landscape creating a **broader content market than traditional broadcasting**" (2023 Draft White Paper, para 1.1.1 and 1.1.16)



2021 Competition Commission Position Paper on Competition in the Digital Economy observed that there has been "**digital disruption**" in broadcasting, with "*new technologies and the dynamic effects of convergence ... **changing the way consumers access audio-visual content***" (pg 48)

THE INQUIRY HAS ACHIEVED ITS OBJECTIVES



**Given the evidence, ICASA's
conclusion that "*there is no
indication of ineffective
competition*" is sound**

- No evidence has been provided, by any of the parties who commented on ICASA's Supplementary Discussion Document, that justifies ICASA departing from this conclusion
- ICASA can comfortably allow market forces to operate without any regulatory intervention
- ICASA has achieved what it set out to do and it can and should proceed to conclude this Inquiry as there is no evidentiary or lawful basis for regulatory intervention

THE COMPETITIVE LANDSCAPE TODAY



GOtv

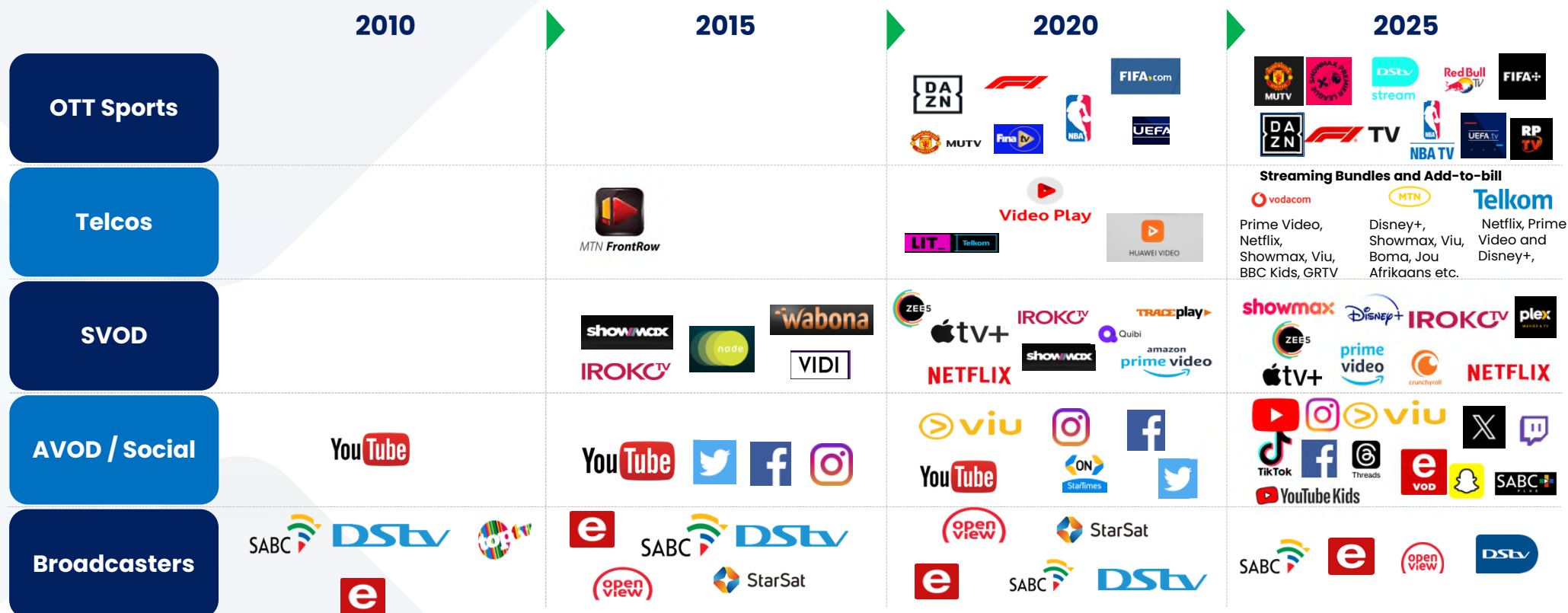
showmax



DStv
Media Sales

irdele

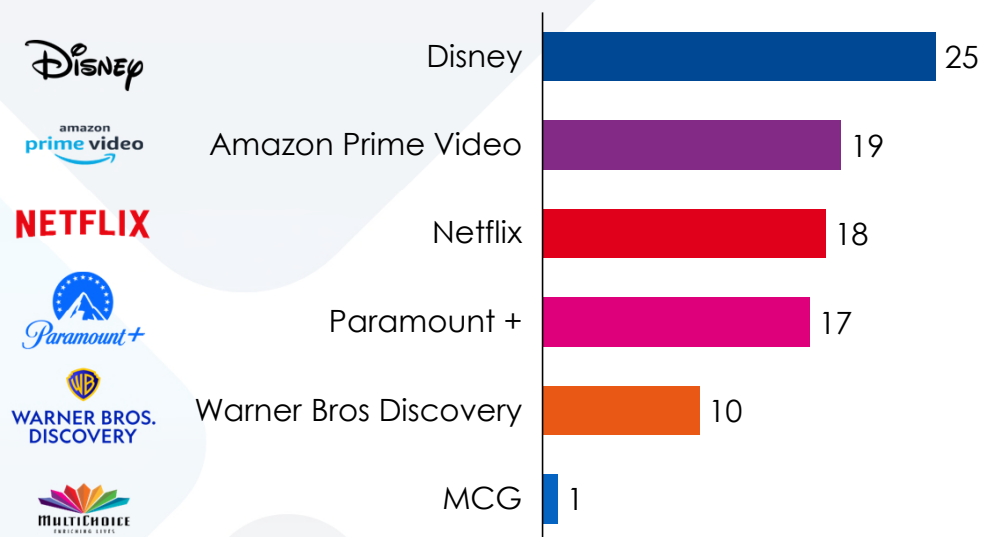
COMPETITION REMAINS INTENSE WITH PLAYERS ENTERING AND EXITING THE MARKET



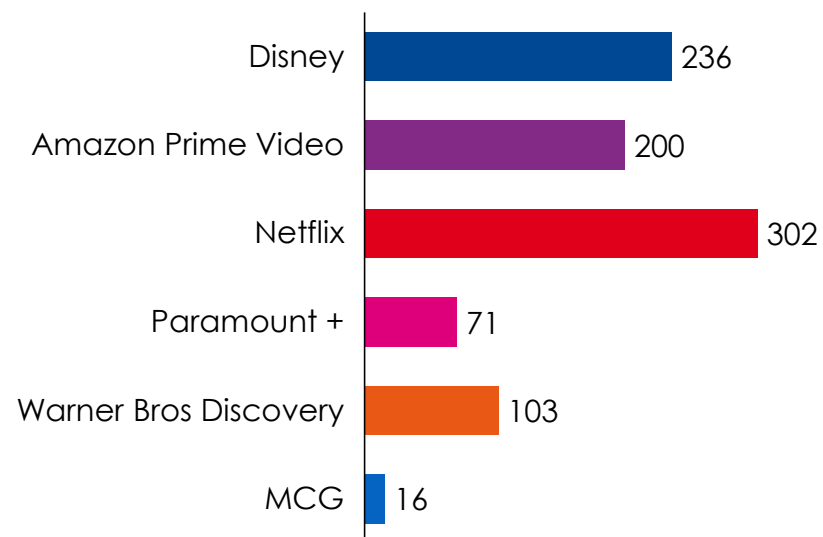
SCALE OF GLOBAL OTT PLAYERS



Global Content Budget (USD bn)



Subscriber base (m)



COMPETITIVE DATA PRICES ENABLE CONSUMPTION OF OTT SERVICES: FLTE



DStv Internet Prices

Current FY26 Products and Prices	FY26
25GB + 25GB + Router 24months	199
55GB + 55GB + Router 24months	319
110GB + 110GB + Router 24months	419
400GB + Router 24months	469

Market price points range from R295 – R1,049

Service Provider:	Name	FUP GB	Price	Speed	Term
MTN	Home internet Starter monthly	100GB	R295	10 Mbps	Monthly
MTN	Home internet Pro	300GB	R399	20 Mbps	Monthly
Vodacom	Home Internet 30Mbps	600GB	R449	30 Mbps	36 months
Vodacom	Home Internet 30Mbps	600GB	R449	30 Mbps	24 months
MTN	Home internet Pro Monthly	300GB	R465	20 Mbps	Monthly
Telkom	Telkom 5G Internet 40Mbps	1TB	R499	40 Mbps	Monthly
MTN	Home Internet Premium Monthly	500GB	R545	35 Mbps	Monthly
Vodacom	Home Internet 50Mbps	1TB	R599	50 Mbps	36 months
Vodacom	Home Internet 50Mbps	1TB	R599	50 Mbps	24 months
Rain	The101	None	R649	30 Mbps	Monthly
Vodacom	Home Internet 100Mbps	2TB	R699	100 Mbps	36 months
Telkom	Telkom 5G Internet 70Mbps	1.5TB	R699	70 Mbps	Monthly
Vodacom	Home Internet 100Mbps	2TB	R749	100 Mbps	24 months
MTN	Home Internet Ultra Monthly	800GB	R765	60 Mbps	Monthly
Rain	The101 Pro	None	R849	60 Mbps	Monthly
Telkom	Telkom 5G Internet 100Mbps	2TB	R999	100 Mbps	Monthly
Rain	The101 Pro Unlimited	None	R1049	Unlimited	Monthly

Source: Company Websites

COMPETITIVE DATA PRICES ENABLE CONSUMPTION OF OTT SERVICES: MOBILE STREAMING BUNDLES



Streaming-specific bundles

Network	Data Allocation	Duration	Additional Benefits	Hours of streaming on low	Price
MTN	1GB	7 days	Access to Showmax Mobile	8	R19
MTN	500MB	30 days	Access to Showmax Mobile	3	R45
MTN	500MB	30 days	Access to Disney+ Mobile	-	R49
MTN	2GB	30 days	Access to Disney+ Mobile	-	R69
MTN	500MB (video streaming data) 1 GB (live match data)	30 days	Access to Showmax Premier League Mobile	12 hours	R69
MTN	2GB (video streaming data) All live match data	30 days	Access to Showmax Premier League Mobile	Roughly 72 hours	R79
MTN	1 GB for Showmax Mobile 1 GB for Showmax Premier League	30 days	Access to Showmax Entertainment Mobile and Premier League	16 to 18	R99

Streaming hours on short term data bundles

Network	Data Allocation	Duration	Hours of streaming on low	Price
Vodacom	1GB	1 hour	Showmax: 10 Hours Netflix 4 hours YouTube 5 hours	R12
MTN	1GB	1 hour	Showmax: 10 Hours Netflix 4 hours YouTube 5 hours	R15
Telkom	1GB	24 hours	Showmax: 10 Hours Netflix 4 hours YouTube 5 hours	R29
Vodacom	1.5GB	24 hours	Showmax: 10 Hours Netflix 4 hours YouTube 5 hours	R32
Telkom	2GB	24 hours	Showmax: 10 Hours Netflix 4 hours YouTube 5 hours	R50

Source: MyBroadband: <https://mybroadband.co.za/news/cellular/561955-cheapest-ways-to-stream-with-mobile-data-in-south-africa.html>

AFFORDABLE DATA AND OTT SCALE HAS SEEN OTT SUBSCRIBERS GROW RAPIDLY IN SOUTH AFRICA

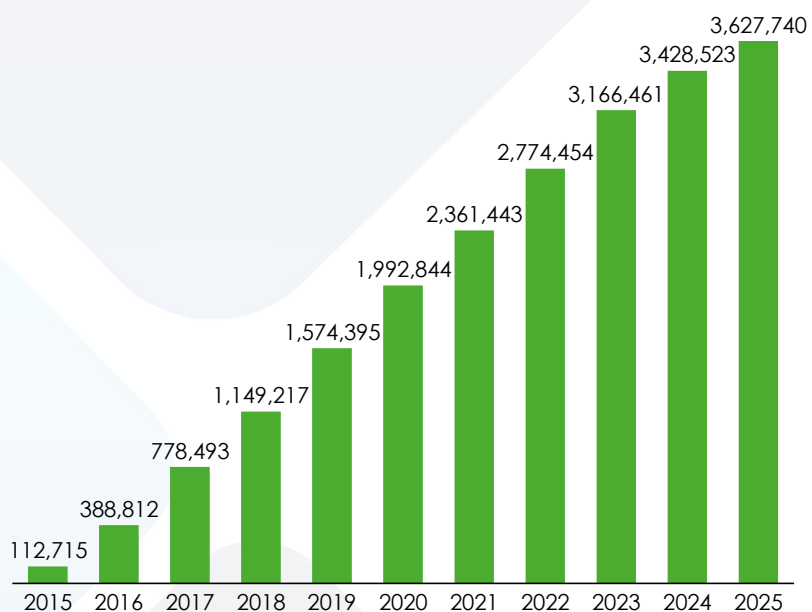
*"The Authority notes that the **OTT market has grown much faster than MultiChoice anticipated**, and its OTT rivals are also expanding rapidly as evidenced by Netflix having more subscribers than the DStv Premium product"*

ICASA SDD, para 3.20.1.14

eMEDIA CONTINUES TO GROW OPENVIEW AND AD REVENUE

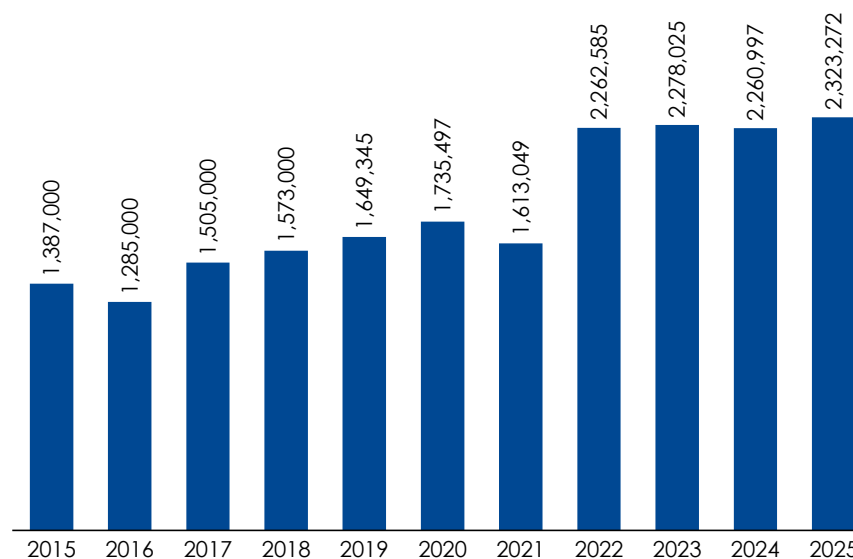


OVHD Decoder Activations



Decoder Activations

eMedia Advertising Revenue (R'000)



Ad Revenue

IMPACT ON MULTICHOICE

- OTT services constrain Pay TV and FTA alike
- MultiChoice has experienced consistent subscriber losses over the past 9 years



DStv bloodbath



South Africans are dumping DStv

**MultiChoice reports headline loss
as DStv subscriber numbers
dwindle**

MultiChoice is bleeding subscribers

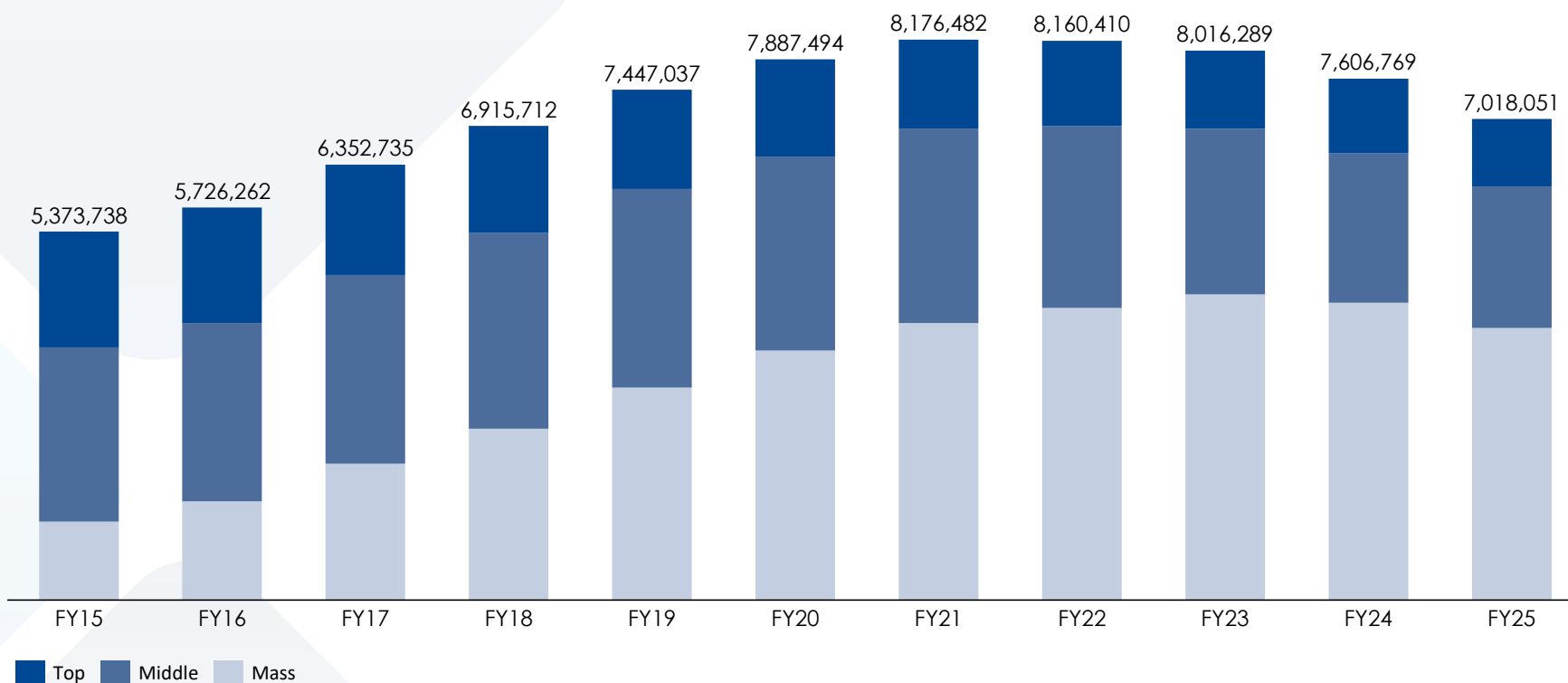
MultiChoice Group has lost 1.2 million linear broadcasting subscribers in the past year, a decline of about 8%.

By Duncan McLeod – 11 June 2025

OUR DStv SUBSCRIBER BASE IS DECLINING



DStv SA Subscriber Base



DS+ SUBSCRIBER BEHAVIOUR

- MultiChoice has been and is facing significant competition at all levels of the market
- This is evidenced by increased cord-cutting, cord-shaving and cord-nevers



Consumers terminate Pay TV services altogether and replace with OTT and/or FTA services.



Consumers downgrade to low-tier Pay TV services and combine with OTT and/or FTA services.



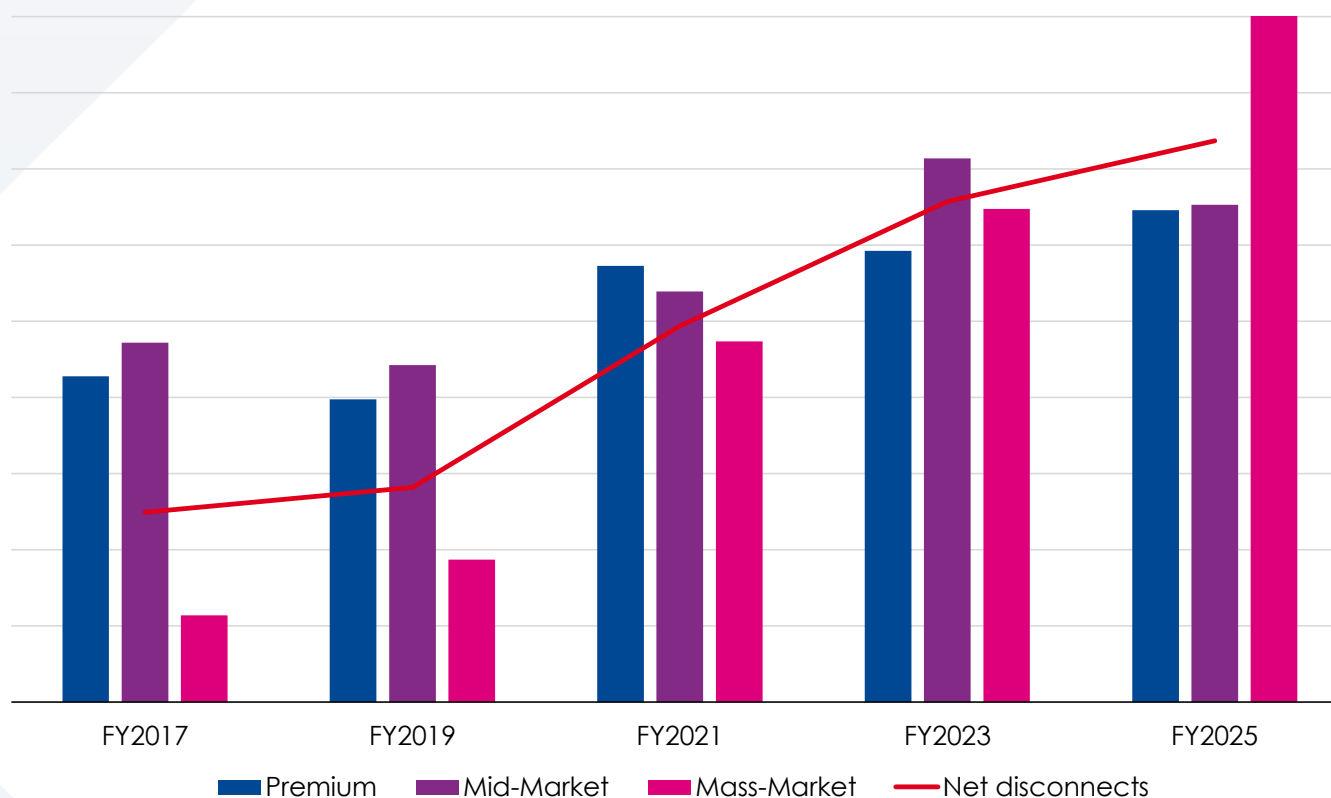
Consumers do not subscribe to Pay TV services at all and opt rather for OTT, FTA and/or pirated services.

INCREASED CORD-CUTTING IN ALL BOUQUETS



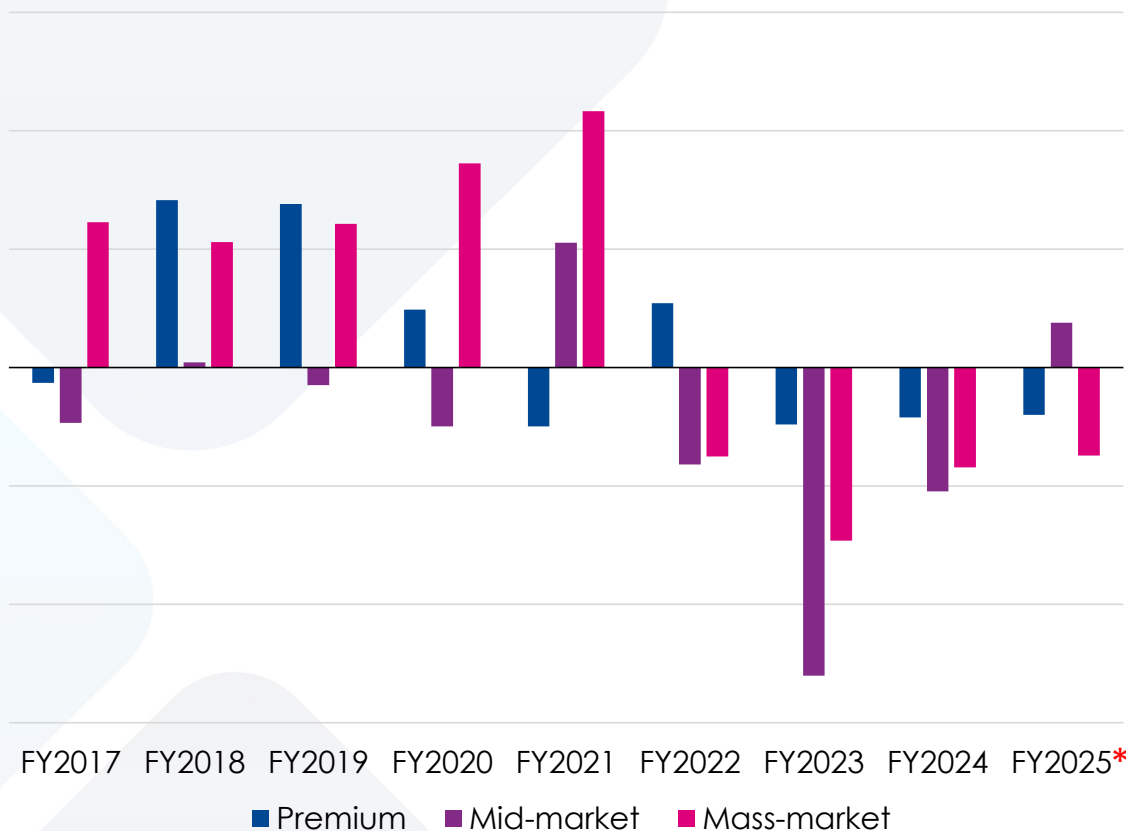
- Increased cord-cutting across all DStv bouquets demonstrates that subscribers are disconnecting and replacing DStv with alternative AV services

Net disconnects as % of subscriber base, FY2017-FY2025



INCREASED CORD SHAVING AS SUBSCRIBERS DOWNGRADE

Upgrades less Downgrades, FY2017-FY2025

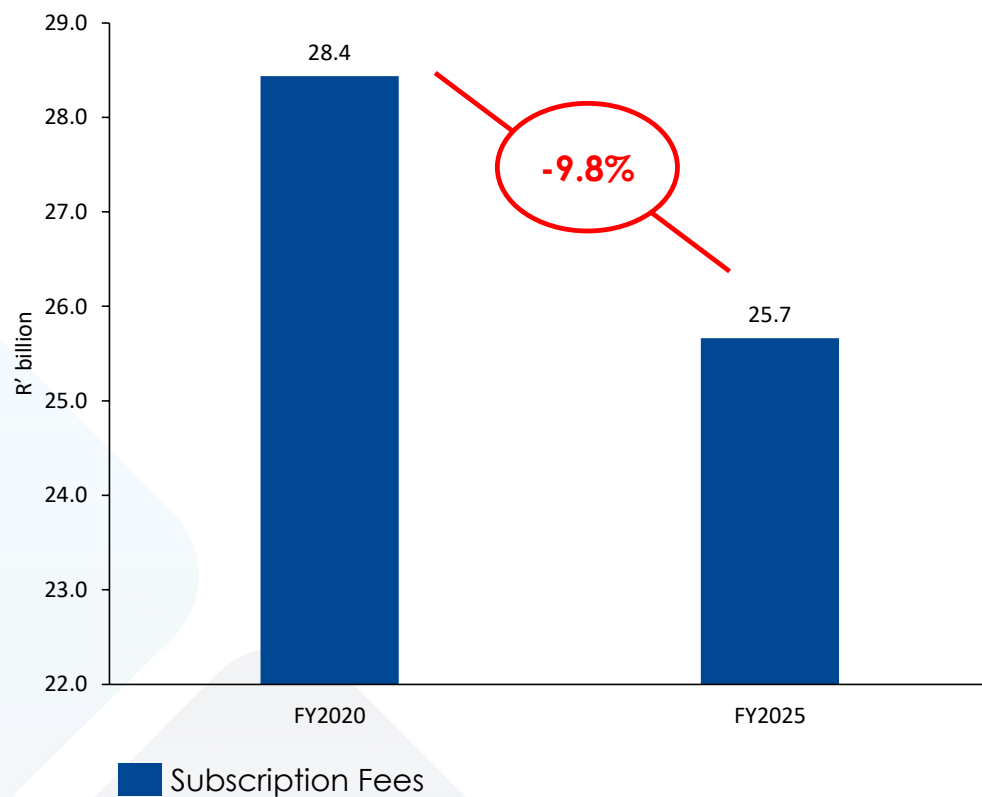


* 2025 data is understated due to promotional campaigns run in FY2025

- In recent years MultiChoice has seen an increase in the total number of downgrades.
- Between FY2017 and FY2021 there was a net upgrade position. From FY2022 there have been significantly more downgrades than upgrades

SUBSCRIPTION REVENUE IS DECLINING

DStv SA Subscription Revenue (R'bn)



Source: MultiChoice AFS



COST-CUTTING TO ENSURE CONTINUED VIABILITY

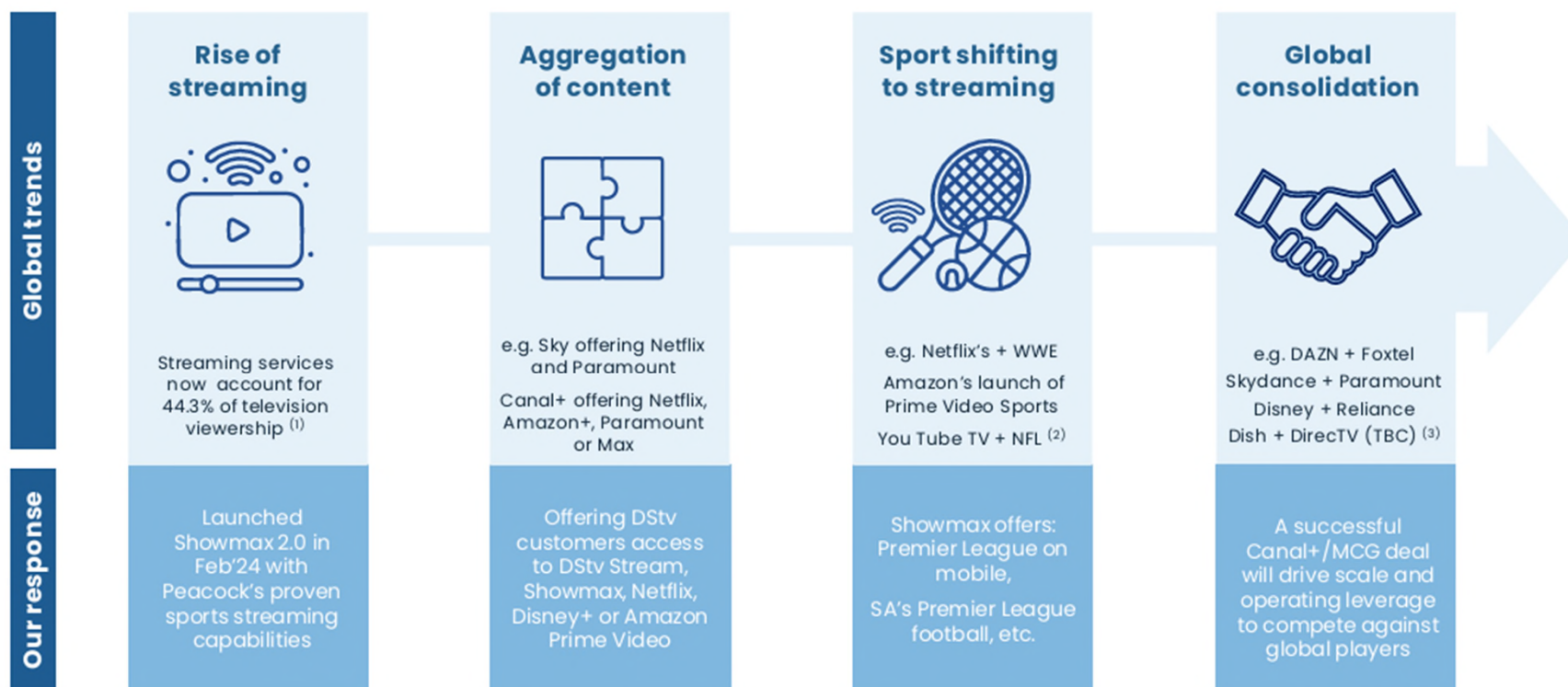


- MultiChoice has had to aggressively cut costs to ensure the continued viability of the group. This includes:
 - negotiating discounts with content suppliers
 - reduced investment in subsidies and marketing
 - freeze hiring of staff
- These efficiencies, among others, were implemented to manage costs and cash flows without unduly sacrificing the customer value proposition

**ZAR3.7bn in cost savings
achieved in FY2025 alone**

COMPETITIVE RESPONSES

In response to competition, shifts in consumer habits and changing industry dynamics, we have continued to proactively adapt to meet consumer needs



(1) As per The Gauge: Nielsen, April 2025.
(2) Ampere Analysis, (18/2/2025)
(3) Bain.com

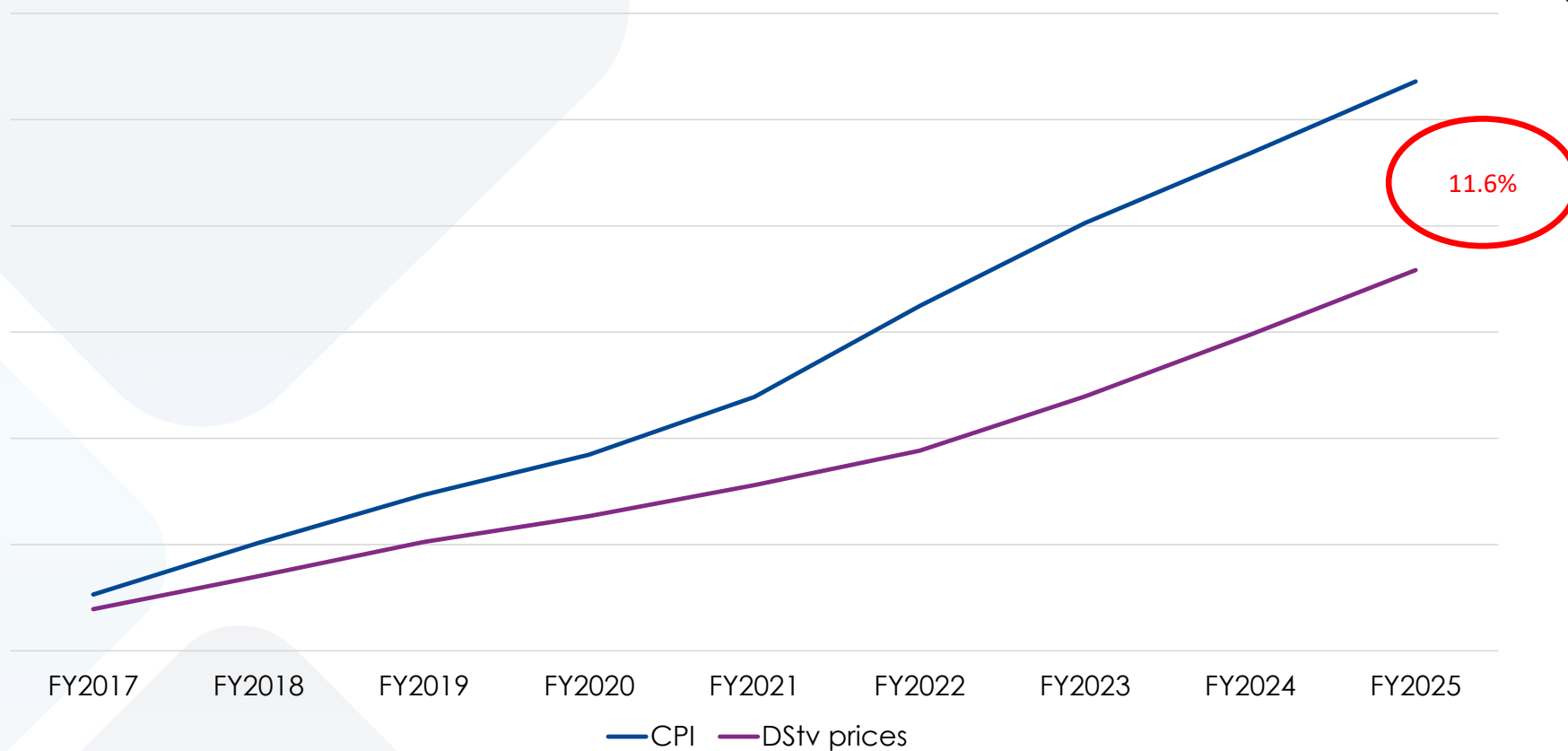
WE HAVE UPPED OUR SPEND IN AN EFFORT TO RETAIN AND REWARD CUSTOMERS



- MultiChoice has increased spend to ensure continued value to consumers, through:
 - Discounts
 - Rewards programmes
 - Showmax available to Premium subscribers at no extra cost and to Compact subscribers at a discounted rate
 - Enhanced customer experience
 - Improving customer value across all tiers



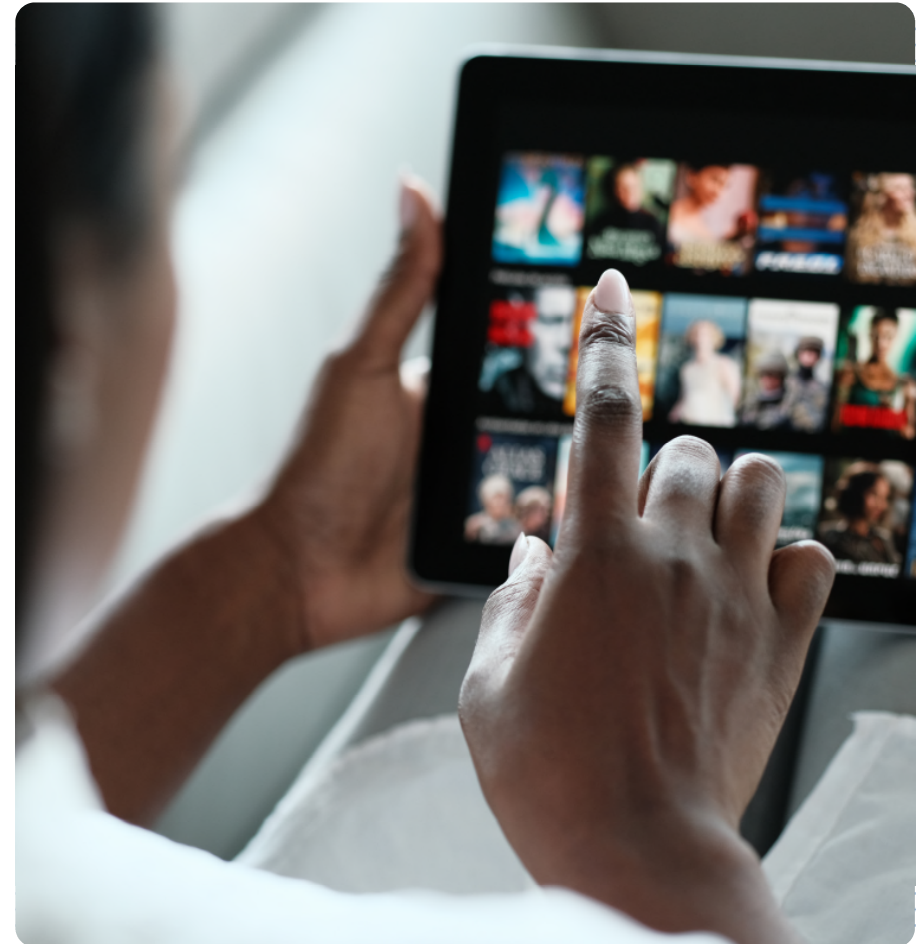
PRICING PRESSURE HAS MEANT THAT DSTV PRICE INCREASES REMAIN BELOW OR INLINE WITH INFLATION



Source: MultiChoice Pricing Data, StatsSA

WHAT THIS MEANS FOR MULTICHOICE

- **The competitive environment is dynamic and fluid**
 - Subscriber preferences continue to shift. For example, clear differences emerging in consumption patterns of different demographics, rate of linear vs on demand viewing, time spent viewing AV content etc that impact how retail AV providers think about the services they provide
 - Technology continues to evolve, making it easy for subscribers to switch from one retail AV service to another e.g. 'binge and bolt' phenomenon
 - In addition, subscribers are under pressure due to the macro-economic environment and are opting to watch the plethora of free services instead
- **In the face of all this, MultiChoice:**
 - continues to innovate its technology and services
 - remains focused on delivering value to our subscribers



ICASA'S RETAIL MARKET ASSESSMENT



GOtv

showmax



DStv
Media Sales

irdele

RETAIL MARKET DEFINITION: ICASA'S FINDINGS

- ICASA **defines two retail markets**

1. Retail distribution of premium subscription television and OTT services in South Africa

- In keeping with international regulatory peers¹, ICASA **correctly recognises OTTs as a powerful competitive constraint**
- There is in fact ample evidence that this constraint extends to lower tiers, i.e. a broader market than that defined by ICASA
 - Increased **accessibility** through mobile-only and bundled data deals
 - Increased **availability** through growing free and advertising-based OTTs (SABC+, eVOD, Viu)
 - Domestic competitors (e.g. SABC and Netflix) **recognise the competitive constraint of OTT** services on traditional broadcasters
 - The **tangible impact on MultiChoice** across all its bouquets
- Details on the above factors have been provided in written submissions by MultiChoice to ICASA

2. Retail distribution of basic-tier subscription television services and free-to-air television services in South Africa

EFFECTIVENESS OF COMPETITION: ICASA'S FINDINGS



ICASA correctly identifies that competition in both its retail markets is effective – given pervasive constraints from OTTs and FTAs

No barriers to entry that stop competition

- By leveraging the broadband ecosystem, OTT services are not restrained by legacy infrastructure and the associated costs
- Success of DTH entrants (e.g. Openview) proves that the proprietary STBs are not a barrier to entry and growth
- The dynamic, contestable content landscape has created ample content for compelling competing offerings

OTT has transformed the market

- Global OTTs leverage their massive subscriber bases and extraordinary original content capabilities
- These entities have also invested significantly into local content, leveraging this to build their domestic subscriber base
- Investment in varying business models to increase accessibility – e.g. mobile subscriptions and data deals

Expanded and improved FTA offering

- FTAs have well-established offerings often with high-quality local content (e.g. Uzalo, Skeem Saam, House of Zwide)
- FTAs are expanding their offering through the launch of OTT services

EFFECTIVENESS OF COMPETITION: DIRECT IMPACT ON MULTICHOICE



The competitive impact

- **Significant subscriber losses** (1.2 million since 2021 including 589 000 in the last year)¹
- **Disconnected subscribers are watching OTT and FTA**
- Significant **cord-nevers and cord-shavers** representing **revenue losses**
- These losses over time point to operating in a constrained environment

MultiChoice's responses are those of a firm facing competitive constraints

- **Its real prices have been declining** between FY2019 and FY2025
- **Value and services added** such as free or discounted access to Showmax and DStv stream
- **Cost saving drive**, e.g. staff hiring freeze; reduced marketing investment, and negotiations with content suppliers

The evidence clearly supports the conclusion of effective competition in ICASA's markets as well as broader markets

ICASA'S WHOLESALE MARKET ASSESSMENT



GOtv

showmax



DStv
Media Sales

irdele

WHOLESALE MARKET(S): ICASA'S FINDINGS

- ICASA has identified three wholesale content markets

Wholesale supply
and acquisition of
'premium' sports
content¹

Wholesale supply
and acquisition of
'premium' movies
and series²

Wholesale supply
and acquisition of
non-premium
content

- ICASA correctly recognises the highly dynamic and fluid nature of content markets and the difficulty in defining the notion of premium content
- As set out in MultiChoice's written submissions this dynamism points to a single broad wholesale content market
- The **evidence demonstrates effective competition even in ICASA's narrowly defined markets**. Content is readily available and contestable. No content is essential for downstream competition
- Details on the above factors and additional arguments on the effectiveness of competition have been provided in written submissions by MultiChoice to ICASA

EFFECTIVENESS OF COMPETITION: NO CONTENT IS ESSENTIAL



Competitors have succeeded with widely divergent and non-overlapping content choices

- Proliferation of OTT has brought with it increased availability of **high-quality content** from international and local sources within and across all categories, including sports and general entertainment
- The proliferation of competitive offerings, many **without content historically considered as 'premium' i.e. sports and first pay-tv window movies** (e.g. Openview and Netflix), confirms there is **no longer any content category that is essential for effective competition**
- **Local content is a powerful attractor and faces no constraints.** Note the highly popular local content invested in by local and international retailers including SABC, eMedia, MultiChoice and Netflix
- As a result, **historically 'premium' content is far less of a differentiator than before.** DStv loses subscribers despite its so called 'premium' content. Losses are largest for DStv bouquets with the most of said 'premium' content

ICASA is correct in finding that there is effective competition in the wholesale market defined by it
This is also true for a broad wholesale content market

THE SABC AND RBB'S CLAIM THAT COMPETITION FOR 'PREMIUM' SPORTS IS INEFFECTIVE IS FLAWED



OTTs are increasingly active and successful in the acquisition of 'premium' sports content

- OTTs (e.g. DAZN) outcompeted MultiChoice for 'premium' sports rights (IPL and FIFA Club World Cup)
- SABC broadcasts a wide range of sports content across its linear and OTT service
- Amazon, Apple TV, DAZN, Netflix purchase sports content internationally where deemed attractive

OTTs have access and funds to dramatically expand their sports offering

- Rights are contestable and become available at regular intervals
- OTTs budgets dwarf MultiChoice. These can be used towards purchasing sports content if they want to

Lack of incentive is not indicative of ineffective competition

- The growth of OTTs shows that sport is not 'must-have'. Other forms of content are effective substitutes

The SABC has demonstrated that it can access 'premium' sports rights

- The SABC holds a broad sports rights portfolio – including rights to the EPL
- The SABC has also opted – at times – to not put in its own competitive bids for FTA rights – such as the PSL
- Losing out on rights does not in and of itself demonstrate ineffective competition – it is the outcome of competition

CONSIDERATION OF 3RD PARTY SUBMISSIONS



GOtv

showmax



DStv
Media Sales

irdeto

RANGE OF ISSUES RAISED IN 3RD PARTY SUBMISSIONS

Six other parties made submissions on the SDD

- Three parties (SARU, PSL and Netflix) emphasised competitive dynamics and all reinforce ICASA's conclusion that there is effective competition
- Three parties (MMA, eMedia and SABC) recognised the growth of OTTs, but criticised certain aspects of the SDD

Those submissions :

- Criticise the SDD
- **But did not provide evidence which would justify ICASA departing from its conclusion that competition is effective**
- Time does not allow us to address all their arguments now
- Our focus here is to briefly address some of the core economic arguments made in the 3rd party submissions



NETFLIX



EMEDIA's CLAIM THAT OTT IS IN A SEPARATE MARKET TO PAY TV IS INCORRECT



Listing differences in characteristics between OTT and Pay TV is uninformative

- These are irrelevant when **consumers habitually choose – and flip –** between such offerings

Excluding services from the same market on a regulatory basis is flawed

- Markets are determined by **actual competitive interactions and consumer substitutability – not by the presence or absence of regulation**

Arguments on cost replication between OTT and DStv are misleading

- eMedia's calculations are flawed and do not reflect the appropriate basis of comparison
- ICASA has shown that the cost of OTT + uncapped internet is lower than DStv premium
- Relevant focus: **enough MultiChoice customers have access to broadband for OTT to act as a constraint¹**

Claims OTT is a complement rather than substitute for Pay TV are unfounded

- Multi-homing does not imply complementarity – consumers may **use multiple services precisely because they are substitutable**
- MultiChoice's decision to partner with OTTs is an attempt to keep STBs relevant; and is consistent with OTTs as a constraint
- Younger customers' increasing preference for OTT is a significant constraint on MultiChoice

THE SABC'S BID FOR MANDATORY ACCESS TO DSTV's EXCLUSIVE CONTENT WOULD UNDERMINE COMPETITION

Exclusivity is a fundamental feature of competition for customers in AV retail

- Requiring anyone to sub-license portions of its content simply because it is popular would **undermine its ability to compete and sharply reduce its incentive to invest in content**
- **The absence of specific content** in a provider's offering **does not indicate a constraint on access or a lack of effective competition downstream**
- **The SABC does not need access to the same content as DStv to compete.** SABC can and does invest in its own local productions which are highly popular and attract large audiences.



3RD PARTY SUBMISSIONS ARE DETACHED FROM MARKET REALITIES



ICASA's SDD is based on the dynamics underlying the modernised competitive environment, and recognizes the undeniable impact of new entrants and delivery technologies

- **Third party submissions** seek to exclude the role of OTTs. These submissions **ignore market realities** and the lived experience of all of us in this room
- Therefore these submissions, which may have been tenable a decade ago, are now **deeply anachronistic**
- Imposing regulation based on outdated market delineations would only serve to hurt local providers, to the ultimate benefit of global players

IN ADDITION, MANY IRRELEVANT ISSUES HAVE BEEN RAISED

SABC, MMA and eMedia have once again sought to distract ICASA with a shopping list of regulatory issues which are not relevant to this inquiry, including:

- Advertising
- Analogue switch off
- Channel authorisation process
- Codes of conduct
- Coverage area of community broadcasters
- Digital migration
- Frequency spectrum
- ICASA's failure to engage actively in the High Court ASO litigation
- Independent production quotas
- Listed national sporting events
- Local content measurement across bouquets
- Must carry obligations
- Public broadcaster's coverage obligations and the terrestrial / satellite split
- Sentech pricing to SABC for broadcasting signal distribution
- Sound broadcasting ownership restrictions
- "Use it or lose it" rules iro mux capacity

THIS INQUIRY IS NOT THE RIGHT FORUM FOR THESE ISSUES



**All these issues are
already comprehensively
dealt with by ICASA/the
Minister through separate
processes.**

**They are outside the
scope of this Inquiry**

**Even if ICASA were
minded to consider these
matters in this Inquiry, they
have no merit**

- Advertising
- Analogue swi
- Channel auth
- process
- Codes of con
- Coverage are
- community b
- Digital migrati
- Frequency spectrum

failure to en
n the High C
dent produ
ional sport
tent meas
uquets
y obligation

caster's
ligations and
/ satellite split
ng to SABC for
g signal
casting
strictions
it" rules iro
Y

LEGAL OVERVIEW



GOtv

showmax



DStv
Media Sales

irdeto

LEGAL OVERVIEW



ICASA's preliminary findings in the Supplementary Discussion Document reflect ICASA's consideration of the factors prescribed under section 67 of the ECA, and are:

- based on detailed up-to-date information on recent developments in a rapidly changing sector
- rationally connected to the information before ICASA and ICASA's reasons for the findings
- supported by further evidence and analysis contained in the written representations of key stakeholders

PROCEDURAL COMPLAINTS BY MMA AND EMEDIA ARE UNMERITED



Delays and "about-turn"

The objections disregard the clear duty that ICASA had, when it was apparent that its draft findings had been overtaken by rapid market changes, to consider the new market dynamics

"Scope shift"

The objection is based on the erroneous assumption that ICASA cannot consider the competitive constraints imposed on DStv by retail AV services that are not subscription broadcasting services

"Bias" towards MultiChoice

A serious allegation that is entirely unsubstantiated, merely inferred from the passage of time since the Inquiry commenced

Lack of institutional memory, broadcasting experience and knowledge

A derisory assertion that ignores the responsibility of the ICASA councillors conducting the Inquiry to take all relevant information and considerations into account in their decision-making

LEGAL OVERVIEW



The Inquiry should be concluded with final findings that in the relevant markets within the subscription broadcasting services value chain –

→ there is effective competition

→ no regulation under section 67(4) of the ECA is warranted

CONCLUDING REMARKS

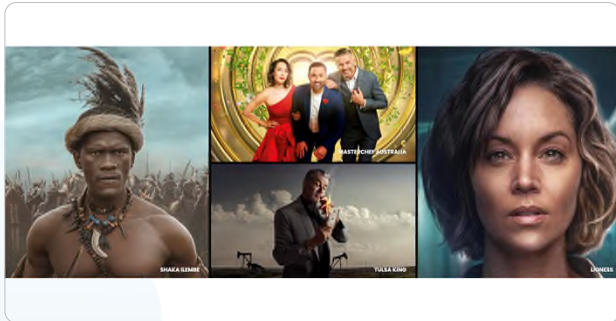


MULTICHOICE: STILL A SOUTH AFRICAN SUCCESS STORY

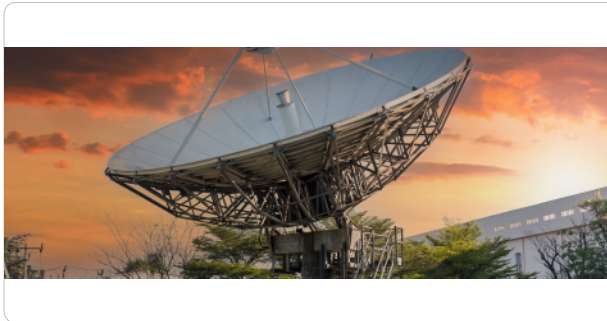


A local, homegrown company that has grown organically through its long-term investment in:

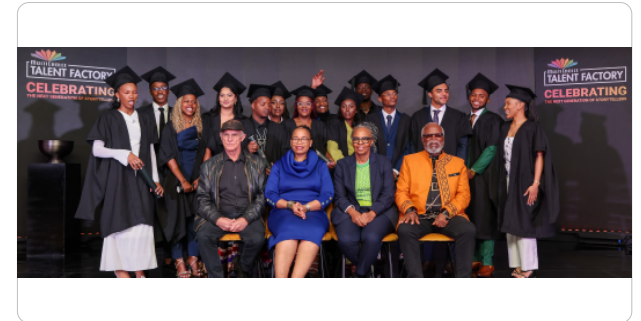
Local and international content



Satellite and broadcast infrastructure, technology and distribution systems



Employment, skills development and transformation of the industry



- Has continued to take risks to develop and grow its business when other companies are reluctant to do so
- Manages costs effectively to ensure that it continues to deliver subscriber value
- A significant direct and indirect contributor to the audio-visual industry and the SA economy

WE HAVE ALWAYS BEEN AN INVESTMENT AND TRANSFORMATION-DRIVEN COMPANY



50%

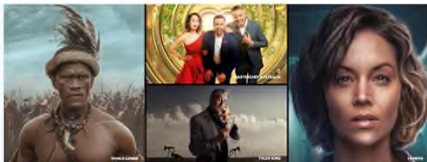
of group general entertainment content expenditure on local content (excluding local sport)

Group created

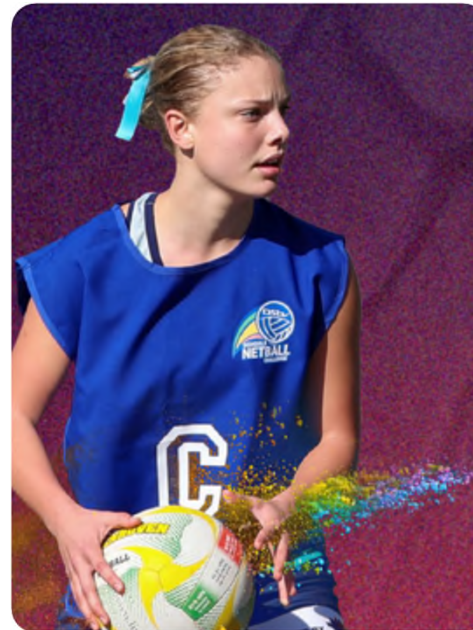
5 340

hours of local content on an annual basis

Results in thousands of jobs in the value chain



Investing in the future of the SA creative industry
4 key touch points namely:
film academy,
MultiChoice Talent Factory
portal, masterclasses and
MTF Extended Cut



Significant investment in sports content, including supporting developmental leagues (DStv Netball Challenge and Let's Play Playing Fields)

913

accredited installers, employing
4 017 trained technicians



R2.2bn

invested in
local decoder manufacturing 52

ROBUST COMPETITION IS A REALITY

- The environment in which we operate is unrecognizable from what it once was
- Competition will undoubtedly continue to intensify
- The growing impact of OTT services poses a direct threat to our viability, jeopardising our continued ability to deliver meaningful social impact, create local employment, and drive sustainable economic value for South Africa
- But we are determined to continue to create a meaningful difference in the communities we serve



ICASA'S CONCLUSIONS ARE ON POINT

- ICASA's conclusion that "*there is no indication of ineffective competition*" is sound
- No evidence has been provided by any of the parties who commented on ICASA's Supplementary Discussion Document that justifies ICASA departing from this conclusion
- If ICASA were to heed the self-serving criticism by the 3rd parties, ICASA would have to constrain an already constrained player whose competitors face no restrictions whatsoever, thereby distorting MultiChoice's ability to compete on the merits
- Given the evidence-based finding that competition is effective, ICASA should now proceed to:
 - publish a final findings document,
 - conclude this Inquiry, and
 - allow market forces to operate without regulatory intervention





Thank You



GOTV

showmax



DStv
Media Sales

ir.deta