CONSUMER INTEREST ANALYSIS REPORT

(Post the Transaction)

iMOBILITY (PTY) LTD

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Contents

1. Abstract

This report analyzes the telecom market in South Africa (SA) by first comparing the SA telecom market with other countries, and then, by using the trends found in other countries' telecom markets as a benchmark, determining how SA subscribers can anticipate better pricing in the future.

2. Background

South Africa, as the second-largest country in Africa, has a population of 58.56 million and a GDP in 2023 of $321 billion, ranking 39th in the world. South Africa and Nigeria often act as benchmarks for other African countries.

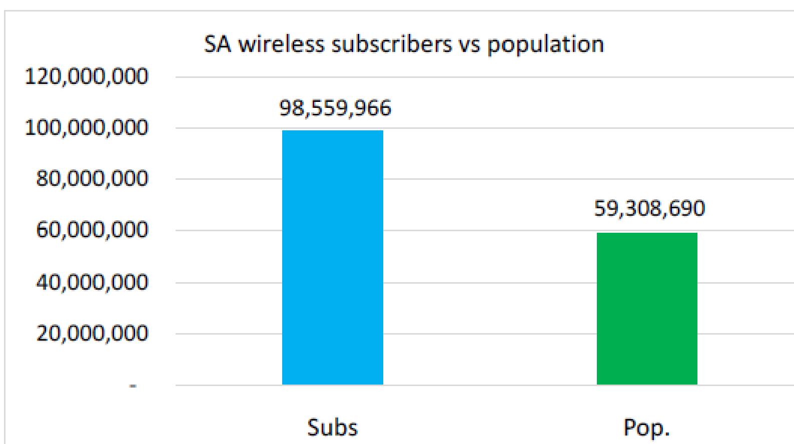
Telecommunication service requirements in SA have grown rapidly in the past five years. Recently, data requirements have grown especially quickly because of new technologies (like Artificial Intelligence and the Internet of Things) and the COVID-19 pandemic. The two key markets within the SA Telecom market are "to Business" (2B) and "to Consumers" (2C). Each of the two key markets has two main telecom infrastructures: wireless & fixed network. Together, they currently serve about 99M wireless subscribers in South Africa, meaning that every subscriber has on average 1.7 SIM cards (in **Figure 1**), excluding fixed network services' subscribers (such as xDSL and fiber). Later, when we analyze fixed network services (xDSL and fiber) separately (in **Table 1**), it will be seen that the coverage rate of South African operators is higher than those of operators in China and Germany.

South Africa's macroenvironment indicates that growth is gradually slowing. At the same time, an analysis of subscriber trends suggests that, while consumption in subscribers increased, willingness to pay has decreased. These two trends are likely due to the impact that COVID-19 had on the subscribers' incomes.

Table 1. Number of connections.

Connectivity Services	2017	2018	2019	2020	2021	2022	2023	2024	AGR (%), 2016-2024
Business Cnnections (Thousands)									
Internet Access - xDSL	404.34	392.48	346.35	322.95	299.48	257.71	200.71	138.33	-19.1%
Internet Access- Ftb	38.32	63.35	96.89	140.18	200.18	280.71	383.40	498.01	37.3%
*Others	93.20	92.78	94.78	99.33	105.17	112.12	119.12	125.73	6.1%
Total Connections	535.86	548.61	538.02	562.46	604.83	650.55	703.23	762.07	7.9%
Consumer Connections (Thousands)									
Internet Access - xDSL	577.63	618.87	629.68	579.48	541.12	468.96	384.28	282.60	-16.4%
Intemnet Access - Fth	13.07	36.10	81.75	173.66	280.57	436.82	620.37	749.08	44.1%
*Others	340.54	279.99	307.37	581.22	1129.99	1360.53	1526.23	1580.52	28.4%
Total Connections	931.24	934.97	1018.80	1334.37	1951.68	2266.32	2530.88	2612.20	18.3%

*IDC: Others including Dedicated Internet Access (DIA), Fixed Wireless Access (FWA), and Satellite (SAT).



Because of these trends, wireless operators in South Africa are facing a huge challenge in growing the Telecom market. However, due to data services becoming more common and popular in SA, communication service demands are still growing. We therefore forecast that wireless subscribers will continue growing, though they will not increase as quickly as they have over the past three years; fixed network subscribers' growth will remain constant or slightly decline due to the growth of wireless subscribers, which will take over some of the market from the fixed network.

The next question is whether the average unit price is cheaper or more expensive in South Africa than it is in other countries. The table compares South Afri-ca's unit prices to those of Germany and China to compare with South Africa (in **Table 2**,), and it clearly indicates that South Africa's market unit price is cheaper than that of Germany but more expensive than that of China. The unit price was influenced by macro-economic status and operators' operation capability. Generally, the unit price in SA is reasonable and unit prices will likely continue to decline.

Table 2. South Africa's unit prices vs Germany & China.

Country	GDP per Capita USD	Operator	Data (GB)	Package Price	Unit Price per GB	Unit Price USD/GB
SA	6001.40	Cell C	100	ZAR 199.00	1.99	0.145
		MTN	120	ZAR 269.00	2.24	0.163
		Vodacom	100	ZAR 899.00	8.99	0.655
		Telkom	80	ZAR 248.00	3.10	0.226
Germany	46,445.25	Congstar	200	EUR 45.00	0.23	0.274
		Lycamobile	50	EUR 79.99	1.60	1.951
		DT	20	EUR 20.00	1.00	1.220
		Vodafone	16	EUR 29.95	1.87	2.283
China	10,261.68	China Mobile	200	CNY 29.00	0.15	0.023
		China Telecom	200	CNY 19.00	0.10	0.015
		China Unicom	125	CNY 36.00	0.29	0.045

3. Key Requirements

The Authority requires **iMobility (Pty) Ltd ("iMobility")**, in accordance with Section 9.2 Appendix 9.3 Form G, to provide a Consumer interest analysis report post the transaction. This report looks at Consumer Interest Analysis post the transfer of the Licence for best practice consumer protection and at how the transferee will assist in ensuring that the regulations are adhered to representing consumers' interests. **iMobility** have also looked at how it will introduce a diverse choice of services for communities in the geographical areas where **iMobility** intend to operate.

4. iMobility (Pty) Ltd Business Services

iMobility Pty Ltd Business was established in 2016 and has been providing Wholesale Telecommunications services such as Voice Termination Locally and Internationally. iMobility Pty Ltd has predominantly focused on Voice Services and Sotware (Platform Services) for Unified Communications and Contact Center Services. iMobility's aim is to align it's Wholesale Services strategy by implementing direct Voice and SMS interconnections which will allow us to increase profitability, scale our capacity to cater for the anticipated growth and better service our customers through direct engagement / support / supply of services form Operators ultimately improving our overall Customer Experience and increasing revenues by becoming a 1st Tier provider of Telecommunications Services.

iMobility Pty Ltd currently services between 20 - 30 Million voice minutes monthly and will immediately realize additional profits once the necessary Voice and SMS interconnections are established.

NPO & BPO's Organizations can benefit greatly by partnering with iMobility. as this will place us in a position of negotiating better rates and providing optimal delivery service. Additionally, dedicated support and maintenance of services, our product offerings are intended for SME's and medium to Large Enterprises. We plan to add tremendous value in this sector by offering competitive pricing combined with great value.

A key focus aligned with our strategy as a Business is to assist NPO's with special rates and to work with BPO's in the industry to aid small businesses through our Platform services namely UCaaS/CCaaS

Obtaining the ECNS License will further enable iMobility to:

1. Establish a robust reliable network infrastructure, fostering seamless communication and interconnection between various platforms and networks
2. Access a broader range of Partners, including Telecommunications Operators
3. Further Expand our service offerings
4. Enhance our credibility and reputation in the market as a 1st Tier Provider of services
5. Increase our revenue potential through the provisioning of high-quality and reliable interconnection services

By being awarded the ECNS license iMobility Pty Ltd is confident that we will become a leading provider of wholesale Voice and Communication services in South Africa and abroad driving growth and innovation across the continent - to be marked as a leader of Voice and Communication services in the Telecommunication industry.

4.1. Our Services includes, but not limited to;

- The current product Suite Consists of the following services:
- UCaaS & CCaaS
- OmniChannel
    - AI
- Bulk SMS
- Wholesale Voice Services

*Disclaimer: Services will be enhanced over the tenure of the licensing being awarded.

*with the aim of including Direct Interconnections for Voice and SMS Services

5. Increase diversity of choice for Consumer and decreasing in price to Communicate

On 28 September 2018 ICASA published the finalised Call Termination Regulations, which came into effect on 1 October 2018. The promulgated interconnect rate decreased “Call Termination Amendment Regulations, 2018” there has been pressure on continual price decreases in the voice space and the continued increase in equipment and service costs could be over.

The Country is already experiencing low voice and data prices. iMobility wants to capitalize on the reduced Call termination rates to offer our Wholesale Partners "Better" voice pricing plans and look at new and innovative models based on the combined years of experience we have in the Telecommunications industry.

iMobility (Pty) Ltd understands the changing environment and will apply the applicable changes to our business models. This will allow us to reap the benefits of the new technologies. The best way to ensure iMobility does not miss out on this is to collaborate with the right Operators on a level of being a 1st Tier Provider of services

6. CONCLUSION

iMobility believes that the introduction of iMobility's Interconnection of Voice and SMS Services as a 1st Tier Provider to Africa and International Markets - will certainly be a contribution in bridging the Digital Divide.
iMobility seeks to foster strategic partnerships with organizations such as NPO's to empower them and to expand our reach of service offerings at profitable and sustainable rates .

iMobility will seize any opportunity to lower costs and increase efficiency as we see this as an advantage to us and our Partners as a "Licensee" While we are aware that the telecommunications industry faces unique challenges with a wide net of Partners, government regulation and increasing demand for fast and reliable services. These challenges give birth to new opportunities, iMobility will be at the forefront of rapidly emerging technologies and will be poised to revolutionize Telecommunications as we move into a new era of increased reliance on iMobility (Pty)'s services.

Regards,

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Authorized Representative
Date: 14 April 2025