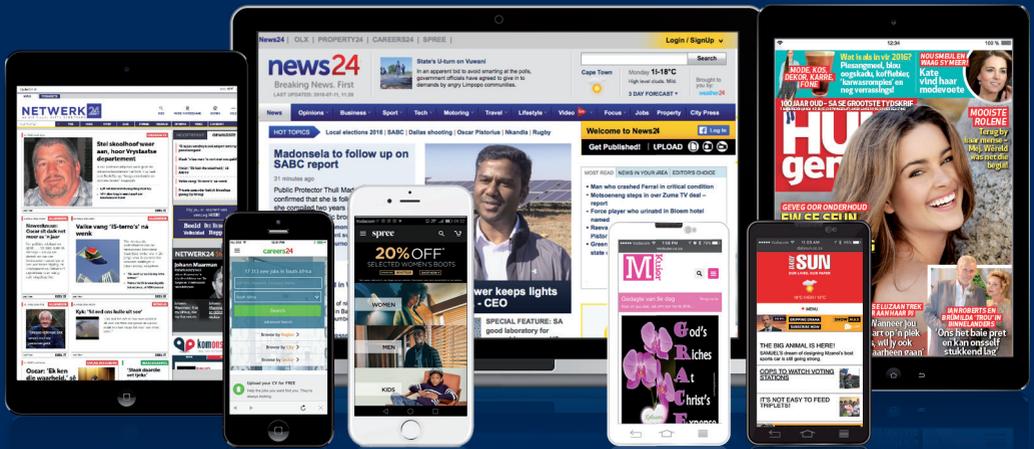


2016

MEDIA24



Media24 Holdings Proprietary Limited

2016 INTEGRATED ANNUAL REPORT TO
SHAREHOLDERS OF WELKOM YIZANI

WELKOM
YIZANI

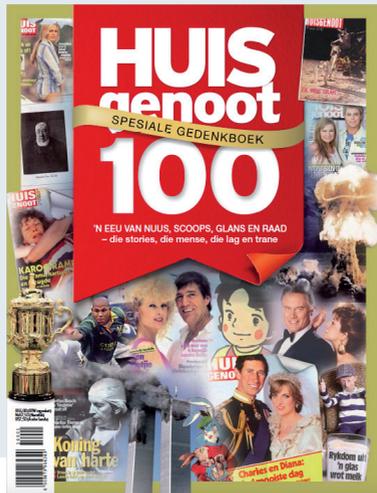


Huisgenoot 100

In 2016 Huisgenoot celebrated

100 years

of bringing the people and events of the world and South Africa into Afrikaans homes and hearts.



WeCan24

WeCan 24

continues to reach schools around the country and has provided training to more than 1 000 learners.

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Shareholder information

Annual general meetings will be held at Nasdak, Media24 Centre, 40 Heerengracht, Cape Town on Monday 29 August 2016 at 11:00.

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Scope of report and assurance

This is the sixth integrated annual report in which financial and non-financial performance is combined for a more holistic understanding of the group. It covers the financial year from 1 April 2015 to 31 March 2016. Feedback can be communicated directly to gri@media24.com.

The report has been prepared using the guidelines of the Global Reporting Initiative (GRI G4) and the recommendations of the latest King Report on Corporate Governance in South Africa (King III).

This report includes the financial performance of the Media24 Holdings group and its subsidiaries. In addition, Novus Holdings Limited prepared its own separate integrated annual report for the 2015/2016 financial year. The scope of reporting on non-financial performance covers the entire Media24 Holdings group unless specifically stated otherwise. We continue to develop our group reporting standards to make our disclosure increasingly meaningful and measurable for our stakeholders.

The financial information extracted from the audited Media24 Holdings Proprietary Limited consolidated annual financial statements for the year to 31 March 2016 has been reflected correctly in this integrated annual report. Refer to pages 55 and 58 for the report of PricewaterhouseCoopers Inc. (PwC). The broad-based black economic empowerment (BBBEE) information was verified by AQRate Verification Services.

Statement of the board of directors on the integrated annual report

The audit committee has reviewed the integrated annual report and the board has reviewed and approved it. The annual financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) and the South African Companies Act No 71 of 2008, as amended, while the integrated annual report was prepared using the guidelines of the GRI G4 and recommendations of King III. In our view, the integrated annual report and financial statements fairly reflect the true financial position of the group and its operations as at 31 March 2016, as described in the integrated annual report.

On behalf of the board



Rachel Jafta

Chair

Cape Town

17 June 2016

Forward-looking statements

This report may contain forward-looking statements as defined in the United States Private Securities Litigation Reform Act of 1995. Words such as "believe", "anticipate", "intend", "seek", "will", "plan", "could", "may", "endeavour" and similar expressions are intended to identify such forward-looking statements, but are not the exclusive means of identifying such statements. While these forward-looking statements represent our judgements and expectations, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations. These include factors that could adversely affect our businesses and financial performance. We are not under any obligation (and expressly disclaim any such obligation) to update or alter our forward-looking statements as a result of new information, future events or otherwise. Investors are cautioned not to place undue reliance on any forward-looking statements in this report.

The Media24 group

MEDIA 24

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INTEGRITY

The Media24 group

Our business

Media24 is a leading media group in Africa and part of Naspers Limited. Media24 Proprietary Limited (a private company), was incorporated in 1950 as a public limited liability company. Its oldest newspaper, Die Burger, was first published in 1915.

The group has interests in newspapers, magazines and digital publishing, as well as printing, distribution, book publishing, ecommerce and financial data. Most of our businesses are market leaders in their sectors. These activities are conducted primarily in South Africa, with some operations in neighbouring countries and expansion into select territories in the rest of Africa, such as Nigeria.



Novus Holdings (printing)

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News

Page 24

Lifestyle

Page 24



On the Dot

Page 25

Books

Page 24

24.com

Page 24



Ecommerce

Page 25

INET BFA

Page 25

Our purpose

Building communities through content, technology and commerce.

What we do

We create experiences. Through excellent journalism, and products and services that are relevant and useful, we serve our customers wherever they are.

How we do it

We use customer insights to develop and deliver products that inform, entertain, educate and connect audiences.

Our values

COURAGE · INTEGRITY · ACCOUNTABILITY · RESPECT

Our seven key behaviours



WE ARE A TEAM

WE PUT OUR CUSTOMERS FIRST



WE PLAY TO WIN

WE EXECUTE FAST



WE EMPLOY ONLY THE BEST

WE KEEP LEARNING



WE HAVE FUN

Chair's report

Like media companies worldwide, Media24 remains in transition.

Rachel Jafta



Overview

We are pleased to report that Media24 performed well during the past year. Operating conditions were tough, but the management team was successful in implementing major cost-saving initiatives in the traditional print media operations. This laid the foundation for the group's good financial results the past year.

The publishing divisions – Lifestyle (previously Magazines), News, Books and 24.com's digital media channels – produce quality educational and literary content and all Media24's businesses play an active role in empowering communities through various initiatives. We include details of these later in the report. We continued our efforts to support businesses that create employment and contributed substantially to the development of skills in journalism and related media fields. Like media companies worldwide, Media24 remains in transition. Traditional revenue sources are declining and we continue to adapt and invest in our new growth businesses.

Welkom Yizani

Welkom Yizani, established as Media24's black economic empowerment scheme in 2006, started trading its shares in 2013. Existing shareholders can trade their shares while new qualifying shareholders can buy shares online or make use of the Welkom Yizani call centre. In the past year Naspers Limited, preference shareholder in Welkom Yizani, agreed to the redemption of 32 855 569 preference shares, which it held in Welkom Yizani, at a nominal amount, resulting in a decrease of R382 431 843 in Welkom Yizani's liabilities as at year-end, and a corresponding limitation of Welkom Yizani's future obligations towards Naspers as preference shareholder.

In 2014 the Registrar of Securities Services (the Registrar) indicated that all traditional over-the-counter trading platforms like Welkom Yizani should regularise their affairs in terms of the Financial Markets Act, 2012. Welkom Yizani continues to

build on the positive engagement it has had with the Registrar thus far and remains committed to complying with any directives and/or conditions issued by the Registrar. As at 31 March 2016 Welkom Yizani had 92 419 shareholders.

Dividend

The Media24 board recommends that a dividend of R39,3m be declared to its shareholders, subject to approval by shareholders at the annual general meeting on Monday 29 August 2016. Welkom Yizani will receive R5,9m (2015: R21,7m). The Welkom Yizani board recommends that an ordinary dividend of R5,8m (2015: R4,3m) be declared to ordinary shareholders. This will result in a dividend of 40 cents per ordinary share (2015: 29,4 cents per ordinary share) before dividend tax. After deducting dividend tax of 15%, Welkom Yizani ordinary shareholders will receive a net dividend of 34 cents per ordinary share (2015: 25 cents per ordinary share). No preference share dividends will be declared (2015: 46,6 cents per preference share).

Dividends will be payable to shareholders recorded in the books on Monday 29 August 2016 and will be paid on or about Thursday 1 September 2016. All dividends will be declared from income reserves.

Governance

Governance is essential for our stakeholders. The board manages the group's business with integrity and by applying appropriate corporate governance practices. Where Media24 subsidiaries are managed by independent boards of directors, a disciplined reporting structure ensures that the Media24 Holdings board is apprised of subsidiary activities, risks and opportunities. Detailed strategies and business plans are reviewed annually. Measuring performance against predetermined targets underpins management's remuneration. We continuously evaluate areas where governance can be strengthened at a

corporate and subsidiary level. Further details about our application of the King III principles are available at www.media24.com.

Regulatory environment in which we operate

The big regulatory challenges for the year ahead remain competition law investigations. The Protection of State Information Bill (the Secrecy Bill), which has been referred to the President for signature, remains dormant. Parliament has yet to deliberate on a report by the Print and Digital Media Transformation Task Team (PDMTTT) on transformation of the industry, as well as the Press Freedom Commission's report on media regulation.

Legislation to restrict the advertising of liquor and food is still in limbo. Only once the draft legislation is referred to Parliament will Media24 be able to participate in the public consultation process. It is still too early to predict what restrictions will be put on print media.

The regulation of online activity and content has received much attention from regulators, but most of the draft regulation remains under consideration after submissions were made, except for the Film and Publications Amendment Bill which has been tabled in Parliament. This bill is undergoing a public consultation process and Media24 is participating in these consultations through the industry bodies.

Directors

In terms of the company's memorandum of incorporation, one third of directors retire annually and reappointment is not automatic. Hein Willemse, Jo-Ann Held and Salie de Swardt, who retire by rotation, are eligible and offer themselves for re-election. Shareholders will be asked to consider their re-election at the upcoming annual general meeting, notice of which is contained in this report.

The board further recommends that shareholders appoint Salie de Swardt, Trevor Petersen and Jo-Ann Held as audit committee members. Shareholders will also be asked to consider their appointment at the annual general meeting.

Brief biographical details of all the directors are provided on pages 40 and 41 of this report.

I would like to thank my fellow board members for their continued support. We also recognise the commitment, passion and excellence of Media24's management team and all our employees. Your contributions are appreciated.



Rachel Jafta

Chair

17 June 2016



Chief executive's report



Esmaré Weideman

The unwavering dedication, passion, resilience, bravery and entrepreneurial spirit of our teams have the greatest impact on our success.

Overview

Media24 delivered a strong financial performance in the past financial year. Revenue of R8,1bn was 2% weaker, but trading profit of R400m (refer to summarised financials for reconciliation) was 62% higher than the prior year. This was mainly as a result of cost reductions in our mature print publishing operations. Several initiatives are under way to drive efficiencies even further to reduce the cost base. At the same time, we continued to invest to build momentum in our growth portfolio comprising digital media through 24.com, efashion business, Spree, and online recruitment portal, Careers24.

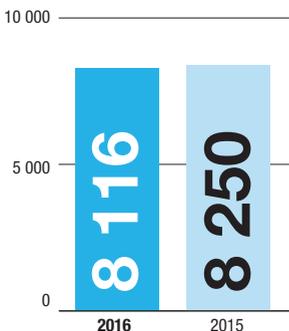
On the operational front, we retained our market-leading positions in newspapers, magazines and online publishing. Careers24 made good gains in key metrics and posted a solid set of results, while Spree grew its number of shoppers substantially and signed up more local and international fashion brands. We ramped up our fulfilment activities and added more retail clients to those already using our warehousing and delivery services. News24 substantially grew its audience on mobile web and apps, while Netwerk24 – the home of Afrikaans online news journalism – bulked

up its reporting team and entrenched itself as the country's largest paid-for news site. We reorganised 24.com's digital media operations to sharpen our focus on product, user experience and the commercial aspect as we continue to build market share, especially on mobile. Our combined reach grew to 13m unique browsers per month, with almost 77% via mobile devices. Our news and book publishing divisions collected the usual string of industry prizes for journalistic and publishing excellence, while the digital and ecommerce teams also scooped several prestigious awards. The Afrikaans lifestyle channel VIA successfully made its TV debut and received a warm welcome in the market. Our printing operation, Novus Holdings, achieved satisfying results in its core business, established its first digital print operation and invested further in its diversification programme.

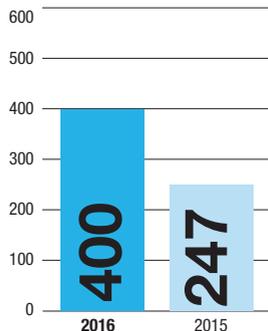
Sustainable development

Media24 strives to serve its customers by creating experiences, and building and delivering products that inform, entertain, educate and connect audiences. We also seek to provide an acceptable return to our investors. In addition, we clearly understand our role as a responsible corporate

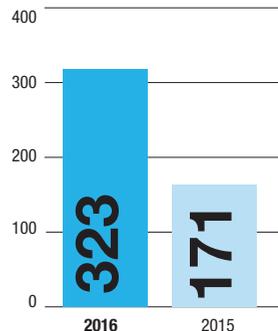
Revenue (R'm)



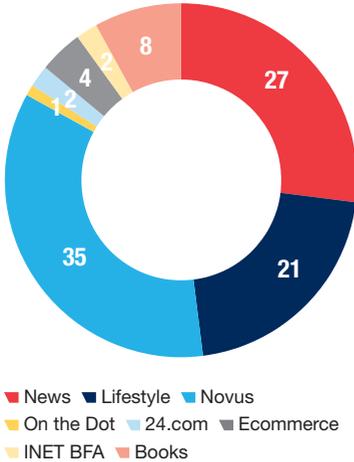
Trading profit (R'm)



Free cash flow (R'm)



Revenue per segment (%)



citizen and the importance of making a contribution beyond what is delivered through our core operations daily. We regularly review our progress in building a balanced, sustainable enterprise and identifying areas for improvement.

Managing sustainability

The Media24 board determines the business strategy and is ultimately responsible for overseeing the group's performance. Our management team provides leadership and implements agreed-upon strategies, as guided by our code of business ethics and conduct.

Our sustainable development framework is built upon our core competencies and our company values – courage, integrity, accountability and respect – and a clear understanding of the key issues and concerns affecting our major stakeholders. These tie in with our risk management processes, which integrate financial and non-financial risk identification, management and monitoring.

The board is also responsible for the integrity of integrated reporting. The audit committee oversees sustainability issues and assists the board in its review by ensuring the information in the integrated annual report is accurate and reliable when compared to the financial results. In line with our previous integrated annual reports, Media24 will continue to record the group's social, environmental and economic impact on the communities in which we operate.

Our people

People are our most valued asset and form the heartbeat of Media24. We always aim to attract, develop and retain the best talent to create a diverse workforce and maintain our competitive advantage. The unwavering dedication, passion, resilience, bravery and entrepreneurial spirit of our teams have the greatest impact on our success. I'm incredibly proud of our teams' hard work to help reposition the company for a sustainable future.

Future outlook

Globally, the print media industry continues to contract amid significant structural shifts. This includes a rapidly changing advertising landscape and the migration of users from print to digital platforms on which substantial revenues are yet to follow. The South African industry largely follows the receding trend of



developed markets, albeit more gradually. Like our international peers, Media24's print media operations continue to face headwinds, with a gloomy economic climate, tightening consumer spend and a volatile exchange rate adding to our challenges. We expect the local trading environment to remain tough. While several initiatives are under way to drive efficiencies and further reduce the cost base, we are unlikely to sustain the current earnings performance in the near to medium term.

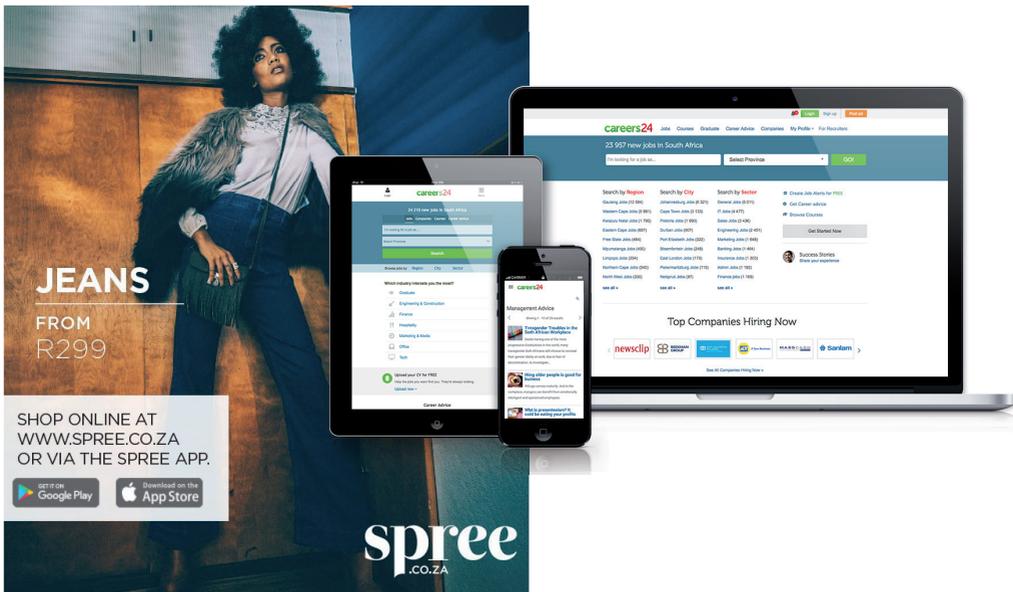
Accelerating the migration of audiences and advertisers onto digital – mobile in particular – platforms are key to Media24's future. In parallel, further capital is needed to expand Spree's market share and build Careers24 into a clear winner. Continued investment in these and other businesses is crucial for long-term viability and carries a short- to medium-term impact on profitability.

As a management team, we remain committed to ready the business for long-term viability. We will continue to diversify our portfolio, drive efficiency and profitability in our print media operations and pursue opportunities that will ultimately deliver long-term returns to our shareholders and make positive contributions to the communities in which we operate.

As custodians of the country's strongest and most loved print and digital media brands, Media24 remains committed to producing quality independent journalism, a strong and vibrant media sector and navigating new frontiers to continue serving our customers, wherever they are.



Esmaré Weideman
Chief executive
17 June 2016



JEANS
FROM
R299

SHOP ONLINE AT
WWW.SPREE.CO.ZA
OR VIA THE SPREE APP.

GET IT ON
Google Play

Download on the
App Store

spree
.CO.ZA

The Careers24 website on the laptop shows:

- 23 957 new jobs in South Africa
- Search by Region, City, Sector
- Search by Keyword
- Search by Salary
- Search by Employer
- Top Companies Hiring Now: newsclip, M&P, etc.

Strategy, stakeholder engagement and risk management

MEDIA 24



Strategy

In an ever-changing media landscape, Media24's aim is to build communities through content, technology and commerce.



■ We are building a diversified media company with a portfolio of market-leading print and digital content products and ecommerce solutions in Africa.



■ We also want to contribute to the communities in which we operate.

STRATEGIC FOCUS

■ We create experiences and strive to serve our customers, wherever they are, through excellent journalism, and products and services that are relevant and useful.



■ To retain our competitive edge, we aim to attract and retain the best talent – we believe people with a passion for excellence form the core of Media24.



How do we do this



Attract the best talent

We strive to attract the best talent – ranging from journalists to engineers and ecommerce and sales staff – and to train, develop and keep the best talent in the group.



Profitable organic growth and strategic investments

We aim to achieve and maintain leading market positions by driving efficiencies in print publishing; diversifying into new revenue streams; investing in digital media, ecommerce and job classifieds; and expanding into other African territories that show high growth potential.



Diversify and expand the reach of our media brands

We leverage our existing audiences, content and distribution channels to build and support new ventures. This ranges from print brand extensions to public events and ecommerce ventures.



Grow digital audiences and deepen user engagement

Our integrated digital media platforms offer value to both our audiences and advertisers. We are migrating users from print to digital and are building new audiences by offering useful services with a great user experience – particularly on mobile devices – and continually invest in advertising technology and data analytics.



Work with regulators and industry bodies

Media24 has a wide range of stakeholders. Refer to the stakeholder engagement section in our online integrated annual report for details of our interaction with them.



Use our expertise to benefit local communities

We use our skills and resources to benefit the local communities in which we operate. This is illustrated in the social review section in our online integrated annual report.

Stakeholder engagement

Media24 strives for open and proactive engagement with stakeholders to remain relevant to the South African agenda, which seeks to overcome the socio-economic challenges facing our country.

We have a wide range of stakeholders that are partners in our business.

These include our employees, customers, shareholders, partners, industry bodies, government and investors. We use various methods to engage with our stakeholders, and dialogue and feedback are encouraged. The head

of corporate affairs is the custodian of stakeholder engagement and is supported by the CEO and divisional managers.

The following table demonstrates our continuous efforts aimed at strengthening relations with our stakeholders.

	Why we engage	How we engage
Employees/Staff	<ul style="list-style-type: none"> To be an employer of choice that provides a safe, positive and motivating working environment. To foster a culture where employees live the corporate values and behaviours. To understand and respond to staff needs and concerns. To provide strategic direction and clarity on how staff contributes to the bigger picture. To retain the best talent. To provide leadership, training and development. To allow for two-way communication to enable our employees to share ideas. 	<ul style="list-style-type: none"> Ongoing engagement via line management. Constructive feedback and an open door policy. Roadshows, weekly electronic newsletters, workshops, management briefings and internal communications. Knowledge-sharing sessions on industry topics. Annual leadership conference. Annual staff engagement surveys. Investment in leadership training and development. Active encouragement of staff volunteerism and participation in our corporate social responsibility (CSR) programmes.



	Why we engage	How we engage
Shareholders	<ul style="list-style-type: none"> To keep shareholders informed of company developments and strategy implementation. To build on Media24's profile as a responsible corporate citizen. To retain and build upon the trust placed in the company. 	<ul style="list-style-type: none"> Media24 Holdings and Welkom Yizani annual general meetings. Media24 Holdings integrated annual report distributed to Welkom Yizani shareholders. Media24 (www.media24.com) and Welkom Yizani (www.welkomyizani.co.za) websites.
Customers	<ul style="list-style-type: none"> To gain a better understanding of our customers, their aspirations and needs. To deliver relevant and useful products and services to our customers. To improve our products and test ideas. To promote our products, build our brands and encourage loyalty. To ensure that we maintain high service levels. 	<ul style="list-style-type: none"> Social media platforms. Focus groups and panels. Functions/public events. Emails. Letters to editors. Customer service call centres. Customer satisfaction surveys. Net Promoter Scores®.
Industry bodies	<ul style="list-style-type: none"> To build our strategic business partnerships. To partner with business associations to promote common issues affecting the industry. To learn from best practices and share information that will benefit the industry. To facilitate mutually beneficial learning opportunities to influence and/or promote common issues. 	<ul style="list-style-type: none"> Participation in Publishers Support Services (PSS) (which has replaced Print and Digital Media South Africa) and engagement with various organisations such as the Audit Bureau of Circulations of South Africa (ABC), the Print Research Council (PRC), the South African National Editors' Forum (Sanef), the South African Publishers Association (Pasa), the Media Development & Diversity Agency (MDDA), the Association of Independent Publishers (AIP) and the Advertising Standards Authority (ASA). Novus Holdings is a member of the Print Industries Federation of Southern Africa (Pifsa).
Influencers	<ul style="list-style-type: none"> To influence policy decisions for the benefit and long-term viability of the industry. To establish partnerships to improve the lives of the communities we serve. 	<ul style="list-style-type: none"> Public engagement processes. Scheduled meeting with decisionmakers. Representatives serve on industry bodies.



Risk management

As a leading media group operating in a competitive and an ever-changing market, the group is exposed to a wide range of risks, some of which could have serious consequences.

Risk philosophy

The group is committed to identifying and managing risk. As such, we apply appropriate corporate governance principles and relevant rules and regulations. The board is responsible for the governance of risk and is satisfied with the effectiveness of the risk management process. The risk committee monitors risk management and is responsible for assessing related plans and processes. A risk register is maintained of significant risks facing the group, and management's actions to manage these risks within the board-approved ranges of tolerance are monitored.

As a leading media group operating in a competitive and an ever-changing market, the group is exposed to a wide range of risks, some of which may have material consequences.

Identifying risks and drafting plans to manage these risks also form part of each business unit's business plan.

Risk management policy

The group maintains a transparent risk profile by using a structured, formal and planned approach to risk management. The identification, management and reporting of risks are embedded in its business activities and processes. The group's risk management policy applies to all operations where Media24 directly or indirectly has more than 50% ownership or management control. The policy applies to risks the group faces in executing its strategy, operations, reporting and compliance activities, and is reviewed annually. The risk committee is responsible for reviewing these processes. The group risk manager advises on, formulates, oversees and manages the

risk management system. She monitors the group's risk profile, ensuring major risks are identified and reported at the appropriate level in the group.

Risk framework

The Media24 enterprise-wide risk management (ERM) framework is designed to ensure significant risks and related incidents are identified, documented, managed, monitored and reported in a consistent and structured manner across the group. It is modelled on the Committee of the Sponsoring Organisations of the Treadway Commission Framework for Enterprise-wide Risk Management (COSO ERM), as well as the internationally accepted Control Objectives for Information and Related Technology (COBIT) framework for the governance of information technology. The risk management process is subject to continuous improvement.



Material issues and how we manage these

This section identifies the main risks that may affect the group. It is not intended to provide an extensive analysis and discussion of all the group's risks. Some risks are not within the control of the group and other factors, besides those

listed, may affect the overall performance of the group. Despite the structured approach to risk identification in the group, some risks may be unknown at present and other risks currently regarded as immaterial, may become material in the future.

At present the following major group risks are evident among a wide range of potential exposures:

	Description of material issue	How we manage the issue
Strategic and operational	<ul style="list-style-type: none"> The group operates in fiercely competitive and sometimes maturing markets. 	<ul style="list-style-type: none"> Delivering quality products and services to customers. Offering a compelling price/value proposition. Leaders in innovation. Investing in non-traditional areas to diversify the company for future growth.
	<ul style="list-style-type: none"> With technology forming such an integral part of our operations, there is a risk that the group may be caught off-guard by new technologies or startups or the speed of development. 	<ul style="list-style-type: none"> Fostering a 'mobile-first' culture and strategy. Significant investment in digital product offering, content and quality.
	<ul style="list-style-type: none"> Operating in the media and entertainment industry in South Africa, the group is sensitive to political and other events that may influence the local and global economy. 	<ul style="list-style-type: none"> Building unique relationships with customers through content, social media, special events and digital platforms. Continuously exploring ways to enhance the quality of our offering and developing new target markets.
	<ul style="list-style-type: none"> Shrinking circulation and advertising revenues in relation to print publications. 	<ul style="list-style-type: none"> Quality and relevant content remains a focus area. Stringent cost control measures are in place. A strategy to diversify revenue streams is in place.
	<ul style="list-style-type: none"> There is a risk that our digital operations may fail to reach the scale required to generate substantial profits. 	<ul style="list-style-type: none"> All digital assets have been consolidated and/or are being repositioned to build scale and drive revenue.
Financial and related reporting risks	<p>Description of material issue</p> <ul style="list-style-type: none"> The group has substantial foreign currency denominated input costs, eg paper and printing equipment. Unpredicted foreign currency movements against the South African rand may cause substantial losses. 	<p>How we manage the issue</p> <ul style="list-style-type: none"> A policy is in place to manage foreign currency risk.

	Description of material issue	How we manage the issue
Our operations	<ul style="list-style-type: none"> A sudden unforeseen event could damage the group's assets and interrupt day-to-day operations. 	<ul style="list-style-type: none"> Precautionary measures, as well as comprehensive short-term insurance, are in place.
	<ul style="list-style-type: none"> Software issues, including security breaches could interrupt publishing, printing, distribution and online activities, resulting in loss of income. 	<ul style="list-style-type: none"> Rigorous testing programmes are in place. There is an ongoing quality assurance process. Appropriate information technology (IT) systems are in place to support the business.
	<ul style="list-style-type: none"> Unavailability of top talent, particularly in digital and ecommerce environments. 	<ul style="list-style-type: none"> Talent management strategies and succession planning initiatives are in place. Our extensive training programmes include management courses and we offer journalism, ecommerce and engineering internships.
Health, safety and environment	<ul style="list-style-type: none"> An incident at our facilities, causing death or serious injury while on duty as a result of non-compliance with the South African Occupational Health and Safety Act, may lead to criminal liability, fines and penalties to the company, its directors and/or officers. Our journalists are regularly exposed to unsafe circumstances. 	<ul style="list-style-type: none"> We perform regular health and safety reviews and staff training. The consequences of non-compliance with relevant legislation are communicated to management and remedial action is taken where appropriate. Protection is arranged for journalists when required. Various external assurance providers assess our control measures and risks.
	<ul style="list-style-type: none"> Materials and energy used in operations may harm the environment. These include electricity, water, paper, fluids and harmful gases. 	<ul style="list-style-type: none"> Our carbon footprint is measured. Paper, as well as dust, is recycled where possible. Waste is disposed of responsibly. Regenerative thermal oxidisers are in place. Toluene is recycled at the Novus Holdings gravure printing presses.
Regulatory and compliance issues	<ul style="list-style-type: none"> Non-compliance with a range of regulation and legislation could result in financial penalties. 	<ul style="list-style-type: none"> A regulatory and legal compliance programme is in place. Active participation in regulatory matters.
	<ul style="list-style-type: none"> Published articles might be defamatory and/or provide an inaccurate account of actual events. Defamation lawsuits can result in significant losses and reputational damage. A much stricter press code is now in place. 	<ul style="list-style-type: none"> Editorial processes ensure the highest standards. Legal counsel guides journalists and editors on articles that may be defamatory. Short-term insurance is in place. Newspapers have ombudsmen in place. All our publishing units subscribe to the South African Press Code and training programmes are in place.

Balancing profit, people and our planet

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RESPEK COURAGE INTEGRITY
COURAGE
AGE INTEGRITY
RESPEK RESPECT MOED
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MEDIA 24



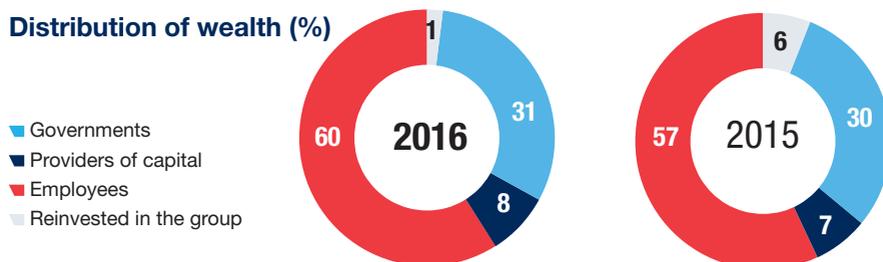
Balancing profit, people and our planet

Media24 recognises that sustainable development is a global imperative that results in opportunities as well as risks for business. As a leading media company, Media24 aims to position itself to meet such challenges. As Media24 expands its business, it aims to contribute to the communities in which it operates, develop its own people, contribute to general economic prosperity, and minimise its impact on the environment.

Value-added statement for the year ended 31 March

	31 March	
	2016 R'm	2015 R'm
Revenue	8 116	8 250
Cost of generating revenue	4 675	4 702
Value added	3 441	3 548
Income from investments	52	48
Wealth created	3 493	3 596
<i>Wealth distribution:</i>		
Employees		
Salaries, wages and benefits	2 081	2 058
Providers of capital	268	258
Finance cost	23	113
Dividends paid	245	145
Governments		
Total tax paid	1 096	1 087
Reinvested in the group	48	193
Depreciation and amortisation	321	342
Other capital items	60	163
Retained earnings	(333)	(312)
Wealth distributed	3 493	3 596

Distribution of wealth (%)



Performance review

Financial review

This review sets out highlights of the group's financial performance for the past year. Full details appear in the annual financial statements of the company.

Revenues

2016
R8,1bn
-2%

- Consolidated group revenues declined by **2%** to **R8,1bn** for the year. Printing revenue grew by **3%**, primarily due to additional third-party contracts secured by Novus Holdings. The group's focus on growing its non-print revenues gained further impetus, with main contributors including ecommerce activities (**+31%**), digital advertising (**+11%**), digital subscriptions (**+68%**), our new lifestyle TV channel, VIA, and Novus Holdings' investment in tissue plants (**+23%**).
- Advertising revenue declined by **7%**, in line with the market, due to the shift away from print media and a lacklustre economy. Print circulation revenue declined by **11%**. Print subscription revenues remain hampered by the unstable national postal service. Revenues from book publishing and sales increased by **4%** on the back of Jonathan Ball Publishers' strong local catalogue (**22%** growth year on year) and substantial schoolbook orders from Botswana. This was however offset by a sharp decline in schoolbook and book club revenues in South Africa.

Trading profit

2016
R400m
+62%

- Consolidated trading profit climbed by **62%** to **R400m**. Substantial cost reductions across our print media businesses and prudent spending in our growth portfolio more than offset declines in revenues. Novus Holdings grew trading profit by **7%**. Our logistics arm, On the Dot, and our Books division achieved solid turnarounds, while the News division grew trading profit by **13%**. INET BFA also increased trading profit thanks to cost reductions. Reducing costs to counter lower revenues in our traditional print media portfolio remained a key focus groupwide.
- The group continues to make substantial investments in digital media, ecommerce, online job classifieds and other growth opportunities to diversify operations. This carries the associated short- to medium-term impact on trading profitability.

Free cash flow

2016
R323m
+89%

- The group's free cash flow nearly doubled from the previous financial year. The **20%** higher trading profit (adjusted for non-cash items), a concerted focus on working capital, which improved inflows by **38%**, and lower capital investment were contributing factors. This was partly offset by higher tax and lower investment income. Our programme to optimise levels of investment in working capital across all divisions remains a key focus area.

Three-year review

	2016 R'm	2015 R'm	2014 R'm
Income statement			
Revenue	8 116	8 250	8 171
Trading profit	400	247	519
Cash flow statement			
Free cash flow	323	171	95
Statement of financial position			
Total assets	5 970	6 104	5 872
Total equity	3 191	3 424	2 335
Total liabilities	2 779	2 680	3 537

Summarised annual financial statements and complete annual financial statements

The summarised annual financial statements appear on pages 52 to 53 of the integrated annual report. The complete annual financial statements for the year to 31 March 2016 are available on www.media24.com. A printed copy of the annual financial statements is available from the chief financial officer, Abduraghman (Manie) Mayman, at the registered office of the company (see details on page 50).

Operational and non-financial review

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MEDIA 24

Operational review

Despite a challenging year with continued shortfalls in advertising and circulation revenue, the **News** division delivered a strong trading performance. This was, however, largely thanks to continued cost-cutting measures. The division retained its leading advertising and circulation market share. Our Sunday titles recorded a substantial contraction, mirroring what is happening with Sunday newspapers around the world. South Africa's largest daily newspaper, Daily Sun, again delivered handsome profits and Soccer Laduma's stable performance helped offset circulation declines across the portfolio. Local titles grew their profitability by 18% with a number of titles reaching record advertising levels – notably TygerBurger, PE Express and those in Boland Newspapers.

Media24 **Lifestyle** (previously the Magazine division) outperformed profit expectations, with substantial contributions from our portfolio of monthly titles and contract publishers New Media Publishing. This division benefited from a continued focus on developing new revenue streams and stringent cost management. Our total readership market share remained stable at around 80% according to All Media & Products Survey (AMPS) and we retained our advertising and circulation (print and digital) market leadership among the industry's top five publishers. Social media audiences across the portfolio grew by 35% year on year and mobile devices now account for 75%

of access to Lifestyle's digital platforms. Efforts to advocate the power of magazines and educate the market about our digital reach were well received by advertisers and agencies alike.

With more than 13m monthly unique browsers across all its platforms, news and entertainment portal **24.com** remains the leader among its local peers in terms of both reach and display advertising. The shift from web to mobile – and apps in particular – continues unabated with 77% of total traffic now coming via mobile browsers and apps. Our digital flagship, News24, retained its lead as the top-ranked free news app on both iOS and Android in Africa and now services more than 1,4m active app users every month. Netwerk24, our paid-for digital destination offering the best of Afrikaans online news journalism, continues to grow rapidly.



Our **Books** division increased its leading position in the local trade-publishing market, with both NB Publishers and Jonathan Ball Publishers showing strong gains year on year. Print book sales were buoyant



and ebook sales plateaued in line with international trends. Local schoolbooks retracted, but orders from Botswana showed a healthy recovery from the prior year. We divested from the book club business Leisure Books/Leserskring due to the outdated business model and strained trading conditions. Van Schaik Publishers held market share and posted a good financial performance despite instability in the academic market.

careers24

The online recruitment classifieds business, **Careers24**, showed good growth in terms of audience, job listings and its candidate base in a competitive market. In the past year we also launched employer branding and company review products to enhance the value proposition to employers and job candidates.

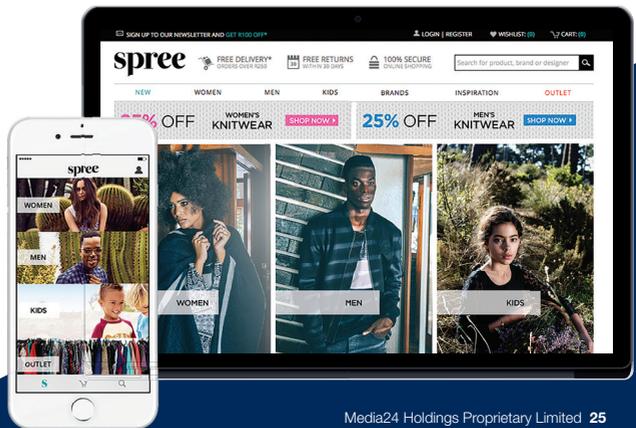
In the **Ecommerce** division, online shopping business, Spree, gained more international brands and recorded good growth across key metrics amid strong competition and slower than expected growth in the local online retail market. The new shopping apps on Android and iOS have performed very well since inception. On the Dot's fulfilment operation (now housed within Ecommerce) strengthened its leading position by securing new contracts with large retailers, extending current contracts and through further investment

in infrastructure to deliver a superior last-mile customer experience.

INET BFA successfully rolled out an all-new version of its flagship IGraph platform to 40% of its subscriber base, while doubling sales of its global platform, Fronteer, in South Africa and sub-Saharan Africa. The financial data services market is undergoing comprehensive structural changes amid new low-cost entrants and regulatory reform that carries compliance charges and resultant cost cutting by fund managers. In this regard, we've stepped up business development initiatives and competitiveness through product excellence.

On the Dot's media logistics operation made good progress with initiatives to reduce its cost base by eliminating unprofitable routes. Initiatives to counter shrinking newspaper and magazine volumes are ongoing.

Novus Holdings showed satisfactory results in its core printing business. The diversification programme is well under way and receives continued focus and increased investment. In the past year Novus entered the printed flexible packaging market with the successful commissioning of a new packaging gravure press. The tissue expansion project is progressing well and extended production capacity will be available in the new financial year. Novus also established its first digital print operation, Novus Print Solutions, to cater for increased demand for shorter run digital printing.



Non-financial review

Social review

Media24 takes its responsibility towards the communities in which it operates seriously. We promote the well-being of society, our customers and our employees by contributing to initiatives that improve the quality of life in these communities.

Media24 is committed to connecting its brands with people and aims to be of service to the communities in which it operates. We focus on education, digital media training and enterprise development and in the past year invested more than **R60m** in cash, goods and media coverage in several community projects. The group also supports communities through projects that are directly related to needs within the community.

- We respect human rights.
- We support black-owned businesses by actively seeking such suppliers.
- We conduct business fairly, ethically and with integrity.
- Our code of business ethics and conduct defines our culture.

Community

In the past year:

- Six aspiring journalists with disabilities were placed in a formal media learnership, trained as community journalists over a 10-day period and given writing coaching sessions twice a month for six months.
- Over 200 publishers and editors, all members of the Association of Independent Publishers (AIP), were trained in the basics of digital publishing over a 12-month period with Seta (Sector Education and Training Authority) funding.
- 218 000 free newspapers were distributed, benefiting more than 2 650 schools and more than 730 000 learners nationwide.
- Our Spelling Bee competition helped improve learners' proficiency in English as a second language.
- We trained 2 300 teachers in the use of digital content and technology in the classroom.
- The Paarl Media Bursary Fund awarded 13 bursaries to the value of R10m in the 2016 academic year. In total, since the bursary fund launched in 2008, a total of 89 bursaries have been awarded.
- Via Afrika continues to set up Via Afrika Digital Education Centres (VADECs) in communities.



Media24 values its people.

Our work environment is designed to promote collaboration, with open-plan offices where possible. We encourage work/life balance by giving staff the option of flexible working hours, provided that operational requirements can accommodate this.

Benefits include:

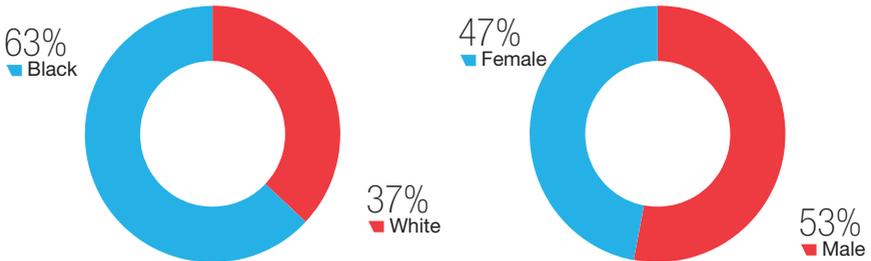
- Retirement benefits.
- Medical aid benefits.
- Post-employment medical aid benefits.
- Long-service benefits.
- Equity compensation benefits.

- We invest in the continuous development of our people.
- We reward employees fairly.
- We encourage our employees to contribute to sustainability and innovation initiatives in the group.
- We respect and encourage the rights of our employees and celebrate their diversity.
- We encourage employees to report, through secure channels, any areas where the group might be failing in its business conduct and values.

People

The group complies with labour legislation in its respective operating areas. In South Africa, Media24's statutory reports are submitted to the relevant government departments.

The breakdown of the group's consolidated annual employment equity status for full-time employees as at 31 March 2016 is shown below:



Appropriate and representative consultative forums protect the interests of employees across the group and provide valuable input for decisionmaking.



Celebrating diversity at MEDIA24

At Media24 we believe transformation and diversity underpin everything we do. We are fully committed to the Constitution of South Africa, the Employment Equity Act and all laws and regulations governing freedom of expression, freedom of association, and the protection of the dignity and rights of our employees.

Media24's diversity policy aims to acknowledge and promote diversity in the workplace and ensure that we manage diversity effectively.

We believe diversity is good for our business.

Media24 invested some R53m in the past financial year in developing employees at various levels. Despite tough trading conditions, we have continued to increase our investment in training year on year.

Skills development

The Media24 Academy's 2015 programme saw 17 graduates complete a six-month internship, with eight offered temporary or permanent positions at Media24. In addition, all 18 of the 2014 bursary holders completed their 12-month internship and 10 have been placed in permanent positions.

This year's Graduate Programme, which commenced in February 2016, accommodates 22 graduates who completed intensive in-house training before starting on a structured 12-month programme.

Media24's first Apex Future Leaders programme came to an end in March 2016. Six black candidates (five females and one male) were in full-time training over a two-year period to prepare them for senior management roles. A further five candidates remained in their existing jobs while also attending Apex classes on a part-time basis.

Some of the beneficiaries of Media24 Academy initiatives over the past year:

- 13 journalism honours students, four computer science honours students and one photography student were awarded bursaries in 2014 and completed their internships in 2015 (90% black and 83% women).
- 17 graduates completed the Graduates in Media programme for six months in 2015 (90% black and 53% women), with eight placed at Media24.
- Two black Afrikaans-speaking journalism honours students were given bursaries for 2015 and are doing internships in 2016.
- A total of 22 graduates (100% black and 77% women) – in journalism, multimedia, computer science and product management – attended an induction programme in January and started their 12-month internship on 1 February 2016.
- Seven students were awarded bursaries to complete their journalism honours degrees in 2016, three of them black Afrikaans speakers.
- Two star Media24 employees, previous Academy bursary holders, were awarded bursaries to study towards an MSc in journalism at Columbia University in New York.

The Novus Academy focuses on developing printing skills, as well as the leadership and management skills needed to run a successful printing business. The printing qualifications offered by the Academy are not only accredited locally, but also internationally by the City & Guilds of London Institute. This academy has implemented a sophisticated electronic learning management system for employees to complete training and be assessed electronically. A core part of the training offered by the Academy is apprenticeships in printing trades.

Development



Corporate social responsibility

Media24's corporate social responsibility initiatives are focused on education, digital media training and enterprise development. The company plays a meaningful role in developing independent publishers of community titles. Last year, it provided digital media training to 200 members of the Association of Independent Publishers (AIP) and also ran a training and internship programme for black journalists with disabilities in partnership with the non-governmental organisation (NGO) This Ability.

Our flagship projects

Our flagship corporate social responsibility (CSR) project, WeCan24, offers digital journalism training to high school learners and teachers across South Africa, enabling them to publish their school and other local news on the free platform. In its first year WeCan24 reached nearly 350 schools nationwide and trained more than 1 000 learners and 500 teachers. The company also plays a meaningful role in developing independent publishers of community titles. Over the years more than 360 000 learners in some 1 000

schools nationwide have benefited from Media24's education in the classroom initiatives, including supplementary educational material published in its weekly magazines Huisgenoot, YOU and DRUM throughout the year.

Media24 Rachel's Angels is a youth mentorship and empowerment programme that pairs grade 11 high school learners with Stellenbosch University (SU) mentors for a two-year period with the aim to improve the learners' academic performance. Last year participating learners obtained a 95,6% pass rate, while the mentees obtained 213 distinctions in their studies at SU. The Rachel's Angels Trust is currently in its final cycle.

The group supports digital education in communities through four Via Afrika Digital Education Centres, refurbished shipping containers fitted with Android tablets and preloaded with the latest educational programmes and apps, as well as textbooks developed by educational publisher Via Afrika. All the primary school training centres offer free or sponsored internet connectivity. Data and educator training is also provided.



Sustainable investment

Media24 was named South Africa's employer of choice in media at the annual Graduate Employers' Association awards for the third year in a row. Last year it awarded seven bursaries to students to complete their honours degree in journalism in South Africa, sponsored two talented black female staffers to complete their MSc in journalism at Columbia University and offered 39 internships to graduates in fields such as journalism, commerce, computer science and multimedia.

Transformation

Media24 continues to drive transformation as a strategic and commercial imperative. Various initiatives are in place to develop appropriate skills and responsible procurement practices. Media24 has made solid progress with its transformation aims in recent years. These are tracked against a scorecard under

the Department of Trade and Industry's code of good practice for black economic empowerment (BEE).

In terms of the latest scorecard prepared by its BEE verification agency, Media24 attained a level 4 status with a 100% procurement recognition on BEE spend under the revised BEE codes. The group scored full points for socio-economic development and the sub-elements of enterprise development and supplier development. Black ownership is now 52,94% (45,82% in the prior year).

Welkom Yizani, Media24's broad-based BEE scheme launched in 2006, remains the biggest BEE share offer in South African print media industry. Welkom Yizani enables eligible black people and groups to indirectly acquire equity in Media24 Holdings. The scheme's retention period came to an end in December 2013 and shareholders are able to trade their shares to eligible black people through an online trading platform.



In the past year Naspers Limited, preference shareholder in Welkom Yizani, agreed to the redemption of 32 855 569 preference shares, which it held in Welkom Yizani at a nominal amount, resulting in a decrease of R382 431 843 in Welkom Yizani liabilities as at year-end, and a corresponding limitation of Welkom Yizani's future obligations towards Naspers as preference shareholder.

In 2014 the Registrar of Securities Services (the Registrar) indicated that all traditional over-the-counter trading platforms like Welkom Yizani should regularise their affairs in terms of the Financial Markets Act, 2012. Welkom Yizani continues to build on the positive engagement it has had with the Registrar thus far. Welkom Yizani remains committed to complying with any directives and/or conditions issued by the Registrar.

Employment equity

Media24 maintained or improved the representation of black staff at all levels of management, but only achieved some of the targets set out in its employment equity (EE) plans submitted to the Department of Labour for the year ending September 2015. Highlights are listed below:

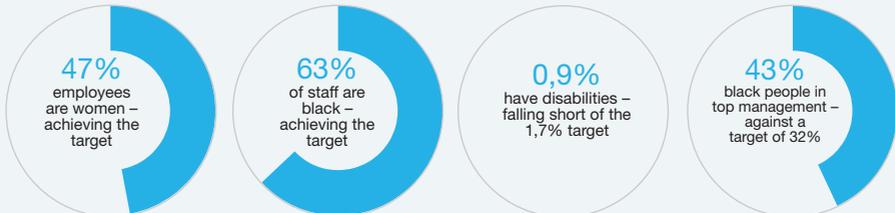
The first Apex Future Leaders programme aimed at driving transformation and black representation at management level was successfully completed in March 2016. Three of the part-time candidates were promoted during the course of the programme and all full-time candidates were placed in permanent positions by the end of the programme (five with Media24 and one externally). This year the programme will be expanded to offer 40 places to talented black employees in Media24 and a further 10 to staff of the Government Communication and Information System (GCIS).

Black economic empowerment partners

Media24 and other South African Naspers group companies have combined their buying power in South Africa in a centralised procurement company called CommerceZone, which implemented a BEE procurement policy. Suppliers' BEE performance is evaluated against specific criteria and must be improved annually. Media24 achieved 18,2 out of 20 points for preferential procurement of goods and services from all suppliers.

Employment equity

Media24 maintained or improved the representation of black staff at all levels of management, but only achieved some of the targets set out in its employment equity plans.



Health and safety

- We perform regular risk assessments of health and safety conditions at our facilities.
- We aim to have an injury-free workplace.
- We train people at our higher-risk facilities in matters of health and safety.
- We monitor management's mitigating actions through regular operational, internal and external auditing and reporting processes.
- A healthy workforce contributes to business success. We provide medical aid and wellness programmes to our staff.
- We aim to comply with the relevant laws.

The workplace

Implementing a healthy, safe workplace at both administrative and production facilities is a priority. Health and safety committees ensure compliance with applicable regulations, in line with local legislation where required. Only trained employees sit on these committees. Regular occupational health and safety risk control audits are conducted by operational entities and improvements made as required. Significant matters are reported to, and monitored by, Media24's audit and risk committees.

Media24's distribution and printing operations make extensive use of contractors and organisers. Most of these workers are from previously disadvantaged communities and receive training in performing their jobs safely and effectively.

The nature of the printing business, which owns and manages printing facilities, makes it the area in the Media24 group with the highest inherent risk for injuries on duty. The Media24 safety, health and environment committee (a board committee) also monitors significant related issues in the workplace.

Monitoring

Media24 monitors the buildings in which it operates and conducts annual health, safety and environmental compliance audits, as well as building scans. Injuries on duty are stringently monitored, and the company aims to have no injuries or deaths on duty. Novus Holdings has rigorous internal monitoring processes in place.

MENTAL HEALTH AWARENESS

Hi Everyone!

Hope you are all walking with a Spring in your step as we welcome the new season!

Wellness is not only about your physical wellbeing. It is also about being well on the inside. This month we celebrate mental health awareness - this means we give thanks to our minds and emotions! We encourage you to exercise your thoughts, smile daily and be happy!

We have come up with fun brain teasers to stimulate your mind and keep you happy! Have some fun by answering both brain teasers every Friday in September. Send them back to us on the same day, and you will be considered for the M24 mental health champion prize! We have also added 6 easy ways on how to stay mentally healthy and a quiz to assess your stress!

Enjoy!

The Wellness Team

Fruit Math Equation

1. = 12

2. + + 8 =

3. + + 1 = 20

4. + + = ?

5. - =

Wellness Brain Teaser

Word search grid containing letters for finding wellness-related words.

Wellness-related terms listed below the grid:

- Happiness
- Relaxation
- Feelings
- Holidays
- Volunteer
- Self-awareness
- Family
- Nutrition
- Self Esteem
- Confidence
- Motivation
- Mindful
- Participation
- Balance
- Friends
- Vitamins
- Exercise
- Support
- Wellbeing
- Learning
- Eating
- Endurance
- Goals
- Mood

MEDIA24

Wellness

Several wellness programmes are operated by the group in a preventative approach to employee health, including HIV/Aids testing. Regular eye and hearing tests are performed on drivers and staff exposed to noise. Professional and independent psychological and social support is provided for staff.

Media24 and Novus Holdings offer wellness days, in partnership with a leading health insurance company, at many of their offices across South Africa. Health services offered include hypertension and blood sugar testing (for diabetes), cholesterol testing, HIV/Aids counselling and testing and a number of risk control programmes. Novus Holdings also has wellness centres at certain printing facilities.

HIV/Aids and tuberculosis

Media24 is acutely aware of the HIV/Aids and tuberculosis pandemics in Africa, and the social and economic implications of these illnesses. Voluntary testing, comprehensive health management and medical treatment programmes are available on the medical aid scheme.

Environment

The group evaluates the direct impact of its activities on the environment as part of its risk management process.

Our initiatives around energy efficiency and waste management are ongoing. The current electricity crisis in the country has impacted our carbon footprint, as well as our cost base negatively. We have sufficient generator capacity in the group, but it is a costly source of electricity in terms of maintenance and operation.

The most significant impact remains the use of electricity (scope 2 emissions). Printing operations are primarily based in South Africa where the main source of electricity is coal. These operations measure their gross carbon footprint in scope 1 and 2 emissions in accordance with the Greenhouse Gas Protocol (GHG Protocol), the accepted international standard for accounting and reporting on emissions. The GHG Protocol was created in 2001 when the World Resources Institute and World Business Council for Sustainable Development identified a need for consistency in how organisations accounted for and reported on emissions.

Electricity accounts for 100%

of scope 2 emissions (94% of total emissions) in our operations. A continuous supply of quality electricity is vital to the continuity of our operations. To mitigate this risk, we installed generators at key premises several years ago to ensure a continuous supply of electricity during power outages.

Media24 continued implementing green initiatives to reduce its carbon footprint to 117 544 tonnes of CO₂e during the past year (2015: 125 021 tonnes of CO₂e). The group consolidated its distribution locations, resulting in a lower carbon footprint. Electricity usage at the printing facilities were also lower than 2015 due to load shedding. Load shedding caused an increase in scope 1 emissions due to the use of generators. Printing operations contribute 87% to the total carbon emissions of the Media24 group.

Our impact on the environment and our response

Media24's operations are diverse, ranging from printing plants to ecommerce platforms. Each type of business has a unique impact on the environment and requires different solutions to limit impact.

The group mainly produces newspapers, magazines and books. It recycles all unsold newspapers and magazines. Through informative articles published in its newspapers and magazines, and on our digital platforms, consumers are also educated to effectively lower their impact on the environment. Although Media24 recycles all unused paper and unsold products, it is in the group's commercial interest to use paper efficiently, limit paper destined to be recycled and minimise unsold products.

Printing facilities

In terms of its operating philosophy, Novus Holdings runs high-quality processes with the least environmental impact. The Novus Holdings group is dedicated to creating a cleaner and greener culture by

raising awareness of environmental issues, and strives to implement the latest applicable technologies across its business. This enables Novus Holdings to reduce emissions and its carbon footprint in a variety of ways.

Novus Holdings is amongst the leading South African companies in assessing, recognising and mitigating the impact of its print production processes on natural resources. The group has proactively implemented practices and policies to minimise the effect on the environment and has to date invested over R100m in environmentally responsible practices to reduce, reuse and recycle while still delivering superior products.

Under the Paarl Media Group name, Novus Holdings was the first African printing organisation to receive the Forest Stewardship Council (FSC) – FSC-C022948 Chain of Custody (CoC) certification. Novus Holdings also holds a certification from

the Programme for Endorsement of Forest Certification (PEFC) at Paarl Media Cape and Paarl Media Paarl. Both FSC and PEFC are independent verifications that the products printed can be traced back from their point of origin to responsible, well-managed forestry, controlled and recycled resources.

Customers can choose from a range of international and local environmentally sustainable paper stock options.

Internet

The environmental impact of our internet businesses is limited mainly to the use of electricity.

Fines

In the past year there were no environmental accidents, nor were any environmental fines imposed by government. The group will continue to refine its processes for managing its impact on the environment.



Awards

- Gridwatch** Bronze in the mobile app category at the 2016 IAB SA Bookmarks Awards
- New Media** Bronze award in the specialist publisher sites category for VISI magazine at the 2016 IAB SA Bookmarks Awards
- Spree** Bronze among ecommerce sites at the 2016 IAB SA Bookmarks Awards

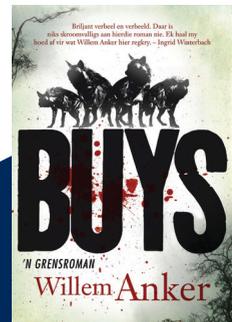
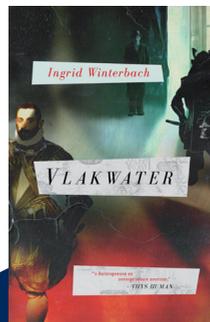


- Beeld** Frewin Trophy at Sikuville Journalism Awards
- The Witness** McCall Trophy at Sikuville Journalism Awards
- Rapport** Joel Mervis Trophy at Sikuville Journalism Awards, four out of eight categories at the ATKV Veertjies and the Taco Kuiper prize for investigative journalism at the Sikuville Journalism Awards
- Daily Sun** Best newspaper in the Sunday Times Top Brands Awards and coolest daily newspaper in the Sunday Times Generation Next Survey Awards
- TygerBurger** Best local paper at the MDDA-Sanlam Local Newspaper Awards



35

literary prizes won – more than ever before – as well as a film prize, and four titles were released on the big screen



Corporate governance

The board of directors manages the group's business with integrity and by applying appropriate corporate governance principles.

Introduction

Media24 is a leading media group in Africa. It is a subsidiary of Naspers Limited, a company listed on the JSE Limited's stock exchange (JSE) and the London Stock Exchange (LSE). Media24 complies with the Listings Requirements of the JSE as well as legislation applicable to publicly listed companies in South Africa (where applicable to a subsidiary of a company listed on the JSE) and the guidelines in the King Code and Report on Corporate Governance for South Africa 2009 (King III).

Compliance with the applicable JSE and LSE listings requirements is monitored by the audit committee of the board. The board's audit, risk, human resources and remuneration, nomination, and safety, health and environment committees fulfil key roles in ensuring good corporate governance. The group uses independent external advisers to monitor regulatory developments to enable management to make recommendations to the Media24 board on matters of corporate governance.

Application of and approach to King III

The board and its committees must ensure that the principles and practices of King III are applied and embedded in the governance practices of group companies.

A disciplined reporting structure ensures that the Media24 Holdings board is fully apprised of subsidiary activities, risks and opportunities. All subsidiaries and controlled entities in the group are required to subscribe to the relevant principles of King III. Business and governance structures have clear approval frameworks. Compliance, as well as progress, is monitored by the Media24 audit and risk

committees and reported to the Media24 board.

For a review of Media24's application of King III, click [here](#).

Business ethics statement

The group's code of business ethics and conduct was revised during the year and is available at www.media24.com.

This code applies to all directors and employees in the group. Ensuring that group companies adopt appropriate processes and establish supporting policies and procedures is an ongoing mandate. Management focuses on policies and procedures that address key ethical risks, such as conflicts of interest, accepting inappropriate gifts and unacceptable business conduct.

The human resources and remuneration committee acts as the overall custodian of business ethics. The disciplinary codes and procedures of the various group companies serve to ensure compliance with the policies and practices that underpin the overall code of business ethics and conduct. Unethical behaviour by senior staff members, as well as the manner in which the applicable company's disciplinary code was applied in such instances, is reported to this committee.

Media24 is committed to conducting its business on the basis of compliance with the law, with integrity and with proper regard for ethical business practices.

Whistle-blowing facilities are in place, enabling all employees to anonymously report unethical conduct in the workplace.

Compliance framework

Media24 has a legal compliance programme that involves preparing and

maintaining inventories of material laws and regulations applicable to each business unit; implementing policies and procedures based on these laws and regulations; establishing processes to control and supervise compliance and mitigate risks; monitoring compliance; implementing effective training and awareness programmes and reporting to the various boards and management in the group on the effectiveness of compliance efforts.

Media24's general manager of legal and regulatory affairs is the chair of the legal compliance committee and reports on the progress of this committee to the risk committee of the board.

The board

Composition

The details of directors as at 31 March 2016 are set out on pages 40 and 41 of this report.

Media24 has a unitary board, which fulfils overseeing and controlling functions. The board has a charter evidencing a clear division of responsibilities. Most board members are non-executive directors and independent of management. To ensure no one individual has unfettered powers of decision-making and authority, the roles of chair and chief executive are separate, ensuring a clearly defined division of responsibilities.

As at 31 March 2016 the board comprised seven independent non-executive directors, one non-executive director and two executive directors. Six directors (60%) were from previously disadvantaged groups and five directors (50%) were female.

The chair

The chair, Rachel Jafta, is an independent non-executive director. Ruda Landman was reappointed as the lead independent director on 20 November 2015 and deals with all matters not dealt with by the independent non-executive chair.

The chief executive

The chief executive reports to the board and is responsible for the day-to-day business of the group and the implementation of policies and strategies adopted by the board. Chief executives and general managers of the various businesses assist her in this task. Board authority conferred on management is delegated through the chief executive, in accordance with approved authority levels.

Orientation and development

An induction programme is held for new members of the board and key committees. This programme, tailored to the specific needs of individual appointees, involves industry and company-specific orientation and includes meetings with senior management. The company secretary supports the chair with the induction and orientation of directors and arranges specific training where required.

Conflicts of interest

Potential conflicts are appropriately managed to ensure that candidate and existing directors have no conflicting interests between their obligations to the company and their personal interests. Any interest in contracts with the company must be formally disclosed and documented. Directors must also adhere to a policy on trading in Naspers, Phuthuma Nathi and Welkom Yizani securities that was adopted by Media24.

Independent advice

Individual directors may, after consulting with the chair or the chief executive, seek independent professional advice, at the expense of the company, on any matter connected with the discharge of their responsibilities as directors.

Board meetings and attendance

The board meets at least four times a year, and when required by circumstances. The executive committee attends to urgent matters that cannot be postponed until

the next scheduled board meeting. The board held five meetings during the past financial year. Non-executive directors meet at least once annually without the chief executive, the director responsible for the finance function and the chair, to discuss the performance of these individuals. Details of attendance at meetings are provided on page 42.

Evaluation

The nomination committee carries out the annual evaluation process. The performance of the board and its committees, as well as the chair of the board, with reference to their respective mandates in terms of the board charter and the charters of its committees, is appraised. The committees perform self-evaluations against their charters for consideration by the board.

In addition, the performance of each director is evaluated by the other board members, using an evaluation questionnaire. The chair of the nomination committee discusses the results with each director and identifies possible training needs or areas requiring attention. Where a director's performance is considered unsatisfactory, the board will not recommend re-election.

A consolidated summary of the evaluation is reported to and discussed by the board, including any actions required. The lead independent director leads the discussion of the performance of the chair, with reference to the results of the evaluation questionnaire, and provides feedback to the chair.

The annual evaluation process showed that the board and its committees had functioned well and discharged their duties as per the mandates in their charters. Furthermore, the independence of each director was evaluated. The board determined that although some directors had served as members for nine years or longer, they all demonstrated that they were independent in character and judgement and there were no relationships

or circumstances that were likely to affect or could appear to affect their independence.

Board committees

While the whole board remains responsible and accountable for the performance and affairs of the company, it delegates certain functions to board committees and management to assist in properly discharging its duties. Appropriate structures for these delegations are in place, accompanied by monitoring and reporting systems.

Each committee acts within agreed, written terms of reference. The chair of each committee reports at each scheduled board meeting. The chair of each committee is a non-executive director and is required to attend annual general meetings to answer questions. The established board committees in operation during the financial year were the audit, risk, human resources and remuneration, nomination, and safety, health and environment committees. The board is satisfied that the committees properly discharged their responsibilities over the past year. Details of attendance at meetings appear on page 43.

Internal control systems

As part of the overall management of risk, the group operates a system of internal controls in all material subsidiaries and joint ventures to prevent, detect and mitigate risks. The group's system of internal controls is designed to provide reasonable – and not absolute – assurance on the achievement of company objectives, including integrity and reliability of the financial statements; safeguarding, verifying and maintaining accountability of its assets; and detecting fraud, potential liability, loss and material misstatement, while complying with regulations. For those entities in which Media24 does not have a controlling interest, the directors representing Media24 on these boards seek assurance that significant risks are

managed and systems of internal control are effective.

However, all control systems have shortcomings, including the possibility of human error or flouting of control measures. Even the best internal control system therefore only provides partial assurance that risk will be mitigated. Management regularly reviews risks and the design and effectiveness of the internal control system to address these, assisted by work and reports from internal audit on the adequacy and operational effectiveness of controls, which may indicate opportunities for improvement.

The external auditor also considers elements of the internal control system as part of its audit and communicates deficiencies when identified.

The board reviewed the effectiveness of controls for the year ended 31 March 2016 – principally through a process of management’s self-assessment – including formal confirmation in the form of representation letters by executive management. Consideration was given to input from the risk management process, as well as reports from internal audit and the external auditor. Where necessary, programmes for corrective actions have been initiated. Nothing has come to the attention of the board, external or internal auditors to indicate any material breakdown in the functioning of internal controls during the year under review.

Internal audit

An internal audit function is in place throughout the group. The head of internal audit reports to the chair of the Media24 audit committee, with administrative reporting to the director responsible for the finance function. A large part of the internal audit fieldwork is outsourced.

Non-audit services

The group’s policy on non-audit services provides guidelines on dealing with audit, audit-related, tax and other non-audit services that may be provided by

Media24’s independent external auditor to group entities. It also sets out services that may not be performed by the independent external auditor.

IT governance

Information technology (IT) governance is integrated in the operations of the Media24 businesses. Management of each subsidiary and business unit is responsible for ensuring effective IT governance. Internal audit provides independent assurance to the audit committee on the effectiveness of IT governance.

Company secretary

The company secretary, Lurica Klink, is responsible for providing the board with guidance on discharging its responsibilities in terms of legislation and regulatory requirements. Directors have unlimited access to the advice and services of the company secretary. She plays an active role in the company’s corporate governance and ensures that in accordance with the pertinent laws, the proceedings and affairs of the board, the company itself and, where appropriate, shareholders are properly administered. She is also the company’s delegated information officer. The company secretary monitors directors’ dealings in Naspers, Phuthuma Nathi and Welkom Yizani shares and ensures adherence to closed periods. She attends all board and committee meetings.

Shareholders

The board encourages shareholders to attend the annual general meeting, notice of which is contained in this integrated annual report, where shareholders have the opportunity to put questions to the board, management and the chairs of the various board committees.

The company’s website, www.media24.com, provides the latest and historical financial and other information, including financial reports.

Board

The board of directors manages the group's business with integrity and by applying appropriate corporate governance practices.

**Rachel
Jafta**



Rachel (55) MEcon and PhD, is a professor in economics at Stellenbosch University. She joined Naspers as a director in 2003 and was appointed a director of Media24 in 2007. She is a director of Econex, chair of the Cape Town Carnival Trust and a member of the management committee of the Bureau for Economic Research at Stellenbosch University. She was appointed chair of the Media24 board in April 2013.

**Esmaré
Weideman**



Esmaré (54) obtained the qualifications BCom and BJournalismHons (both cum laude) at Stellenbosch University. She has more than 25 years' experience as a journalist, political writer, news editor and an editor at some of the country's most prestigious publications. She was editor-in-chief of Media24's flagship weekly magazines Huisgenoot, YOU and DRUM, before being appointed as chief executive of Media24 in 2011. She is a director of Media24 and Novus Holdings Limited.

**Hein
Willemse**



Hein (58) holds BAHons (cum laude), MA (cum laude), MBL and DLitt degrees. He is currently professor of literature in the Department of Afrikaans at the University of Pretoria. He serves on various national and international subject associations and community organisations.

**Salie
de Swardt**



Salie (72) holds the qualifications BAHons and BEcon from Stellenbosch University and was a Nieman Fellow at Harvard University. During his career with Naspers he served as financial editor and editor of Beeld. He was also the founding editor of Finansies & Tegniek (now Finweek), chief executive of Media24 Magazines and managing director of Media24 from 2000 until his retirement in 2005.

**Manie
Mayman**



Manie (61) is a chartered accountant and holds the qualifications BComptAccHons and BComHons (financial management) from Unisa. He is a former financial director of BP Southern Africa Proprietary Limited. He was appointed as the Media24 director responsible for the finance function in January 2014.

**Jo-Ann
Held**



Jo-Ann (35) obtained a BComLaw degree at Stellenbosch University. She is a media entrepreneur who also produced and presented her own prime-time television show, *Glambition*, and is a celebrity advocate for Unicef. She has several enterprises and is a director of Partnership Investments, the Western Cape Board of Ubuntu Botho (part of Sanlam), and serves on the advisory board of the Stellenbosch University Business School and the board of M&C Saatchi Abel.

**Debra
Meyer**



Debra (49) is a professor of biochemistry and executive dean of the Faculty of Science at the University of Johannesburg. She was a Fulbright Scholar at the University of California, Davis, where she obtained a PhD in biochemistry and molecular biology. She completed modules in media strategy and academic leadership at Harvard and Gibs (the University of Pretoria's business school). She serves as trustee or board member of several organisations.

**Koos
Bekker**



Koos (63) led the founding team of the M-Net/MultiChoice pay-television business in 1985. He was also a founder of MTN. Koos headed the MIH group in its international expansion and entry into the internet until 1997, when he became chief executive of Naspers. On 31 March 2014 he retired as chief executive of Naspers and stepped down from the board. On 17 April 2015 he was reappointed to the Naspers board as non-executive chair, succeeding Ton Vosloo. His qualifications include BAHons and an honorary doctorate in commerce from Stellenbosch University, an LLB (Wits) and an MBA from Columbia University, New York.

**Trevor
Petersen**



Trevor (60) is a chartered accountant with more than 30 years' experience. He obtained a BComHons degree in financial management from the University of Cape Town in 1987. He was an executive partner at PricewaterhouseCoopers Inc. and currently serves on the boards of Mediclinic International PLC, the listed mining company, Petmin Limited, and a number of other corporates.

**Ruda
Landman**



Ruda (62) obtained a BAHons and HED at Stellenbosch University and worked as a journalist for 30 years, 19 of which as copresenter of the M-Net programme *Carte Blanche*. Since 2007 she has been freelancing in the communications and media field. She was awarded an honorary doctorate by Stellenbosch University in 2011 for her work as a journalist.

Directors and attendance at meetings

	Date first appointed in current position	Date last appointed	Five board meetings held during the year. Attendance:	Category
R C C Jafta	9 February 2007	31 August 2015	5	Independent non-executive
G M Landman	14 September 2006	31 August 2015	5	Independent non-executive
S S de Swardt	14 September 2006	1 September 2014	5	Independent non-executive
S J Z Pacak ⁽¹⁾	1 April 2009	1 September 2014	1	Non-executive
E Weideman	1 July 2011	16 September 2011	5	Executive
D Meyer	1 April 2013	31 August 2015	5	Independent non-executive
H S S Willemse	21 November 2013	21 November 2013	4	Independent non-executive
L N Jonker ⁽²⁾	21 November 2013	21 November 2013	1	Independent non-executive
J C Held	1 January 2014	1 January 2014	5	Independent non-executive
A Mayman	1 January 2014	1 January 2014	5	Executive
J P Bekker ⁽³⁾	1 April 2015	1 April 2015	5	Non-executive
T D Petersen ⁽⁴⁾	1 July 2015	1 July 2015	3	Independent non-executive

Notes

⁽¹⁾ Resigned 30 June 2015.

⁽²⁾ Retired 30 June 2015.

⁽³⁾ Appointed 1 April 2015.

⁽⁴⁾ Appointed 1 July 2015.

Committees and attendance

	Executive committee		Human resources and remuneration committee ⁽¹⁾		Nomination committee ⁽¹⁾		Safety, health and environment committee ⁽¹⁾		Audit committee ⁽¹⁾		Risk committee	
	No meetings held during the year.		Three meetings held during the year. Attendance:				Two meetings held during the year. Attendance:		Four meetings held during the year. Attendance:			
R C C Jafta			✓	3	✓	3						
G M Landman			✓	3	✓	3	✓	2				
S S de Swardt									✓	4	✓	4
S J Z Pacak ⁽²⁾											✓	1
E Weideman											✓	4
D Meyer			✓	3	✓	3	✓	2				
H S S Willemse							✓	2				
L N Jonker ⁽³⁾									✓	1	✓	1
J C Held									✓	4	✓	4
A Mayman											✓	4
J P Bekker ⁽⁴⁾												
T D Petersen ⁽⁵⁾									✓	3	✓	3

Notes

✓ Member

⁽¹⁾ Executive director(s) attend by invitation.

⁽²⁾ Resigned 30 June 2015.

⁽³⁾ Retired 30 June 2015.

⁽⁴⁾ Appointed 1 April 2015.

⁽⁵⁾ Appointed 1 July 2015.

Remuneration report

for the year ended 31 March 2016

Human resources and remuneration committee and its role

The human resources and remuneration committee, chaired by Ruda Landman, comprises only independent non-executive directors. Non-executive directors and certain members of management attend meetings by invitation as appropriate. The committee met three times during the past financial year.

The main responsibilities of the human resources and remuneration committee are to:

- determine and approve the group's general remuneration policy, which must be tabled at each annual general meeting for a non-binding advisory vote by shareholders
- prepare an annual remuneration report for inclusion in the company's integrated annual report
- annually review and approve the remuneration packages of the most senior executives, including incentive schemes and increases, ensuring they are appropriate and in line with the remuneration policy
- annually appraise the performance of the chief executive
- annually review the remuneration of non-executive directors of the board and its committees; proposals are recommended to the board for final approval by shareholders at the annual general meeting; remuneration must be approved by shareholders in advance
- fulfil delegated responsibilities related to the Media24 group's share-based incentive plans, for example the appointment of trustees and compliance officers
- approve most senior appointments and promotions
- review incidents of unethical behaviour by senior managers and the chief executive

- annually review the company's code of business ethics and conduct
- annually review the committee's charter and, if appropriate, recommend required amendments for approval by the board
- approve amendments to the Media24 group's share-based incentive plans
- perform an annual self-assessment of the effectiveness of the committee, reporting these findings to the board of directors, and
- review employment equity and skills development plans in the workplace.

Remuneration strategy and policy

With its remuneration strategy, Media24 aims to attract, motivate and retain competent leaders in its drive to create sustainable shareholder value. We aim to recognise top performance and attract entrepreneurs and the best creative engineers and journalists to grow the value of the group.

Our remuneration policies and practices align the remuneration and incentives of executives and employees to the group's long-term business strategy.

Primary objectives include:

- to promote superior performance
- to direct employees' energies towards key business goals
- to achieve the most effective returns for employee spend
- to address diverse needs across differing cultures, and
- to have a credible remuneration policy.

Media24 has an integrated approach to reward strategy, with a balanced design that aligns reward components with the strategic direction and business-specific value drivers of Media24.

Overview of remuneration

Non-executive directors of Media24 Proprietary Limited receive annual remuneration as opposed to a fee per meeting. This recognises the ongoing responsibility of directors for the efficient control of the company. This remuneration is augmented by compensation for services on committees of the board. A premium is payable to the chair of the board, as well as to the chairs of the committees.

Independent advice is sought to help the human resources and remuneration committee review directors' remuneration annually. This remuneration is not linked to the Media24 share price or performance. Non-executive directors do not qualify for the allocation of shares in terms of the group's incentive schemes. The board annually recommends the remuneration of non-executive directors for approval by shareholders in advance.

In remunerating executives, the group strives to align the interests of executives and shareholders. Accordingly, the focus is not primarily on a guaranteed annual remuneration package, but on individual incentive plans linked to the creation of shareholder value.

Media24 usually structures packages on a total-cost-to-company basis (which incorporates base pay, and may include a car allowance, pension, medical aid and other optional benefits). In addition, most executives qualify for individual and/or team performance incentives. At senior level we avoid standardised packages and aim to tailor the compensation structure to the needs of the specific business.

Remuneration packages are reviewed annually and compared with reported figures for similar positions to ensure they are fair and comparable. Packages in the Media24 group are structured to be in line with the median of the market, but with the proviso that for key talent, both professional and executive, a positioning closer to or at the upper-quartile level of peer companies

is required. We have no specific group policy to, for example, pay the median. Most executives have an annual cash bonus scheme, provided that strategic and operational objectives are met.

Annual bonus

The annual bonus may comprise a variable component based on achieving financial and operational objectives, as well as fixed amounts for achieving specific discrete objectives. The incentive for each executive is agreed annually in advance. The incentives are based on targets that are verifiable and aligned to the group's business plan, risk management policy and strategy. If targets are not met, no bonus is paid.

Long-term incentives

Long-term incentives are generally share-based incentive schemes in respect of Media24 shares and/or shares or appreciation rights in the respective companies or subsidiaries. These awards normally vest over a period of five years and must be exercised within five to ten years from the date of grant. The shares/appreciation rights are not free. The employee is offered the shares/appreciation rights at market value on the day of the award. Employees therefore benefit only if they, together with colleagues in that unit, can create additional value over the vesting period ahead. The performance condition is thus creating net new value above the value on the date of issue. The human resources and remuneration committee conducts annual reviews (at different stages in the year) of share awards. In addition, if a particular group company employs people during the year, the human resources and remuneration committee may also decide to make awards to those individuals at the time. No awards of shares/appreciation rights are made during a closed period for trading, and backdating of awards

is prohibited. There is no repricing and automatic regranting of underwater shares/appreciation rights. Guidelines for making awards have been set.

There is no automatic entitlement to bonuses or early vesting of share-based incentives should an executive leave the employment of the company. There is a maximum number of shares/appreciation rights that may be awarded in aggregate and to any individual for each share-based incentive scheme.

Service contracts

Executives' contracts are generally subject to local terms and conditions of employment. Top executive and non-executive directors' contracts do not contain golden parachute clauses. None is linked to any restraint payment.

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

Share-based incentive schemes

The group operates a number of share-based incentive schemes. Full details appear in the annual financial statements, available at www.media24.com.

There is no dilution as these are share appreciation rights. There is a maximum number of shares/appreciation rights that can be allocated in aggregate and to any individual.

Executive directors' contracts

No executive director has a notice period of more than one year. No executive director's service contract includes predetermined compensation as a result of termination exceeding one year's salary and benefits. The executive directors have indefinite employment contracts.

Non-executive directors' terms of appointment

Appointments to the board

The board has adopted a policy on procedures for the appointment and orientation of directors. The nomination committee periodically assesses the skills represented on the board by non-executive directors and determines whether these skills meet the company's needs. Annual self-evaluations conducted by the board and its committees assist in this regard. Directors are invited to give their input in identifying potential candidates. The members of the nomination committee, who are all independent, propose suitable candidates for consideration by the board. A fit and proper evaluation is performed for each candidate identified.

Retirement and re-election of directors

All non-executive directors are subject to retirement and re-election by shareholders every three years. In addition, all non-executive directors are subject to election by shareholders at the first suitable opportunity in the case of an interim appointment. The names of non-executive directors submitted for election or re-election are accompanied by brief biographical details to enable shareholders to make an informed decision on their election. The reappointment of non-executive directors is not automatic.

Directors' remuneration

	Notes	31 March	
		2016 R'000	2015 R'000
Directors' emoluments			
Non-executive directors			
Fees for services as directors		4 266	4 248
Fees for services as directors of subsidiary companies		—	299
		4 266	4 547
Non-executive directors' fees for services as directors			
Directors' fees		2 791	2 825
Committee and trustee fees	1, 2	1 475	1 423
		4 266	4 248

Notes

1. Committee fees include fees for attending audit committee, risk committee, human resources and remuneration committee, nomination committee, safety, health and environment committee, and executive committee meetings of the board.

2. Trustee fees are fees for attending various trustee meetings of the company's retirement fund.

The remuneration of executive directors and key management totalled R60m (2015: R38m), comprising salaries and bonuses of R48m (2015: R36m), post-employment benefits of R3m (2015: R3m) and a share-based expense of R9m (2015: -R1m).

Report of the audit committee

for the year ended 31 March 2016

The audit committee has pleasure in submitting this annual integrated report, as required by section 94 of the South African Companies Act No 71 of 2008, as amended (the Act).

Functions of the audit committee

The audit committee has adopted formal terms of reference, delegated to it by the board of directors, as its audit committee charter.

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

- Reviewed the interim and year-end financial statements, culminating in a recommendation to the board to adopt them. In the course of its review the committee:
 - took 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 Companies Act of South Africa
 - considered and, when appropriate, made recommendations on internal financial controls
 - dealt with concerns or complaints relating to accounting policies, internal audit, the auditing or content of annual financial statements, and internal financial controls, and
 - reviewed legal matters that could have a significant impact on the organisation's annual financial statements.
- Reviewed the external audit reports on the annual financial statements.
- Approved the internal audit charter and internal audit plan.
- Reviewed the internal audit and risk management reports and, where relevant, made recommendations to the board.
- Evaluated the effectiveness of risk management, control and governance processes.
- Verified the independence of the external auditor, nominated PricewaterhouseCoopers Inc. as the auditor for 2016 and noted the appointment of Hugo Zeelie as the designated auditor.
- Approved the audit fees and engagement terms of the external auditor.
- Determined the nature and extent of allowable non-audit services and approved contract terms for the provision of non-audit services by the external auditor.

Members of the audit committee and attendance at meetings

The audit committee had the following non-executive directors as members during the past year: Salie de Swardt, Lourens Jonker and Jo-Ann Held. Lourens Jonker retired on 30 June 2015. Trevor Petersen was appointed as a director and audit committee member with effect from 1 July 2015.

The committee meets at least three times per year in accordance with its charter. During the year under review, four meetings were held. Details of attendance are provided on page 43 of this integrated annual report.

All members act independently as described in section 94 of the Act.

Internal audit

The audit committee oversees the group's financial statements and the reporting

Name of committee member	Qualifications
S S de Swardt	BAHons, BEcon and Nieman Fellowship (Harvard)
L N Jonker	BScAgric (retired on 30 June 2015)
J C Held	BComLaw
T D Petersen	BComHons (financial management), CA(SA) (appointed 1 July 2015)

process, including the system of internal control. It is responsible for ensuring that the group's internal audit function is independent and has the necessary resources, standing and authority in the organisation to enable it to discharge its duties. Furthermore, the audit committee oversees cooperation between the internal and external auditors, and serves as a link between the board of directors and these functions.

Attendance

The internal and external auditors, in their capacity as auditors to the group, attended and reported at all meetings of the audit committee. The group's risk management function was also represented. Certain directors and relevant senior managers attended meetings by invitation.

Confidential meetings

Audit committee agendas provide for confidential meetings between committee members and the internal and external auditors.

Independence of external auditor

During the year under review the audit committee reviewed a representation by the external auditor and, after conducting its own review, confirmed the independence of the auditor.

Expertise and experience of the director responsible for the finance function

The audit committee has satisfied itself that the director responsible for the finance function 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.

Discharge of responsibilities

The committee determined that during the financial year under review it had discharged its legal and other responsibilities as outlined in terms of its charter, details of which are included on page 48 of this integrated annual report. The board concurred with this assessment.



S S de Swardt

Chair: Audit committee
17 June 2016

MEDIA24

Media24 Holdings Proprietary Limited

Registration number

2006/021408/07

Company secretary

Lurica Klink

MultiChoice City, 144 Bram Fisher Drive,
Randburg 2194
(PO Box 1502, Randburg 2125)

Registered office

40 Heerengracht, Cape Town 8001
(PO Box 2271, Cape Town 8000)

Joint attorneys and tax advisers

Webber Wentzel Bowens

10 Fricker Road, Illovo Boulevard,
Johannesburg 2196
(PO Box 61771, Marshalltown 2107)

Joint attorneys

Werksmans Inc.

Level 1, no 5 Silo Square, V&A Waterfront,
Cape Town 8001
(PO Box 1471, Cape Town 8000)

Independent auditor

PricewaterhouseCoopers Inc.

No 5 Silo Square, V&A Waterfront,
Cape Town 8001
(PO Box 2799, Cape Town 8000)



Welkom Yizani Investments (RF) Limited

Registration number

2006/021434/06

Company secretary

Lurica Klink

MultiChoice City, 144 Bram Fischer Drive,
Randburg 2194
(PO Box 1502, Randburg 2125)

Registered office

40 Heerengracht, Cape Town 8001
(PO Box 2271, Cape Town 8000)

Transfer secretaries

Equity Express, a division of Singular Systems Proprietary Limited

(Registration number: 2002/001492/07)
71 Corlett Drive, Birnam 2196
(PO Box 1266, Bramley 2018)

Independent auditor

PricewaterhouseCoopers Inc.

No 5 Silo Square, V&A Waterfront,
Cape Town 8001
(PO Box 2799, Cape Town 8000)

Trading helpdesk

Equity Express, a division of Singular Systems Proprietary Limited

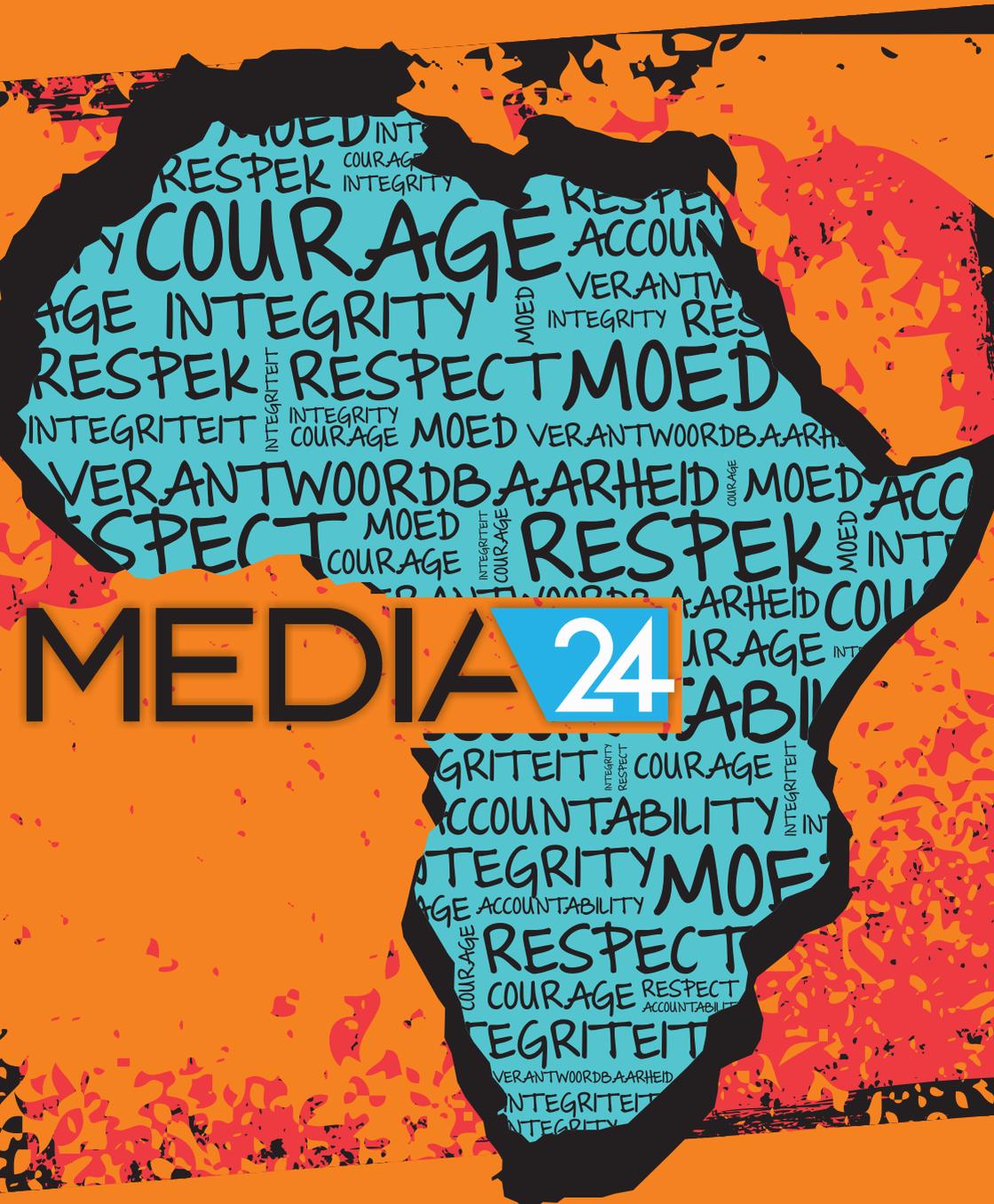
(Registration number: 2002/001492/07)
71 Corlett Drive, Birnam 2196
(PO Box 1266, Bramley 2018)



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www.media24.com // www.welkomyizani.co.za

Financial statements



MEDIA 24

MEDIA24 Summarised annual financial statements

Summarised consolidated statements of financial position at 31 March

	Group		Company	
	2016 R'000	2015 R'000	2016 R'000	2015 R'000
Assets				
Non-current assets	3 362 231	3 434 918	3 503 772	6 045 689
Current assets	2 608 012	2 669 439	—	—
Total assets	5 970 243	6 104 357	3 503 772	6 045 689
Equity				
Total shareholders' interest	1 896 102	2 201 549	3 052 331	5 802 331
Non-controlling interests	1 294 892	1 222 375	—	—
Total equity	3 190 994	3 423 924	3 052 331	5 802 331
Liabilities				
Non-current liabilities	535 385	608 080	—	—
Current liabilities	2 243 864	2 072 353	451 441	243 358
Total equity and liabilities	5 970 243	6 104 357	3 503 772	6 045 689

Summarised consolidated income statements

for the year ended 31 March

	Group		Company	
	2016 R'000	2015 R'000	2016 R'000	2015 R'000
Revenue	8 116 216	8 249 950	—	—
Expenses	(7 832 402)	(8 126 805)	(2 750 000)	—
Dividends received	—	—	244 804	144 804
Operating profit/(loss)	283 814	123 145	(2 505 196)	144 804
Finance costs, net	(15 094)	(140 973)	—	—
Share of equity accounted results	20 535	27 463	—	—
Profit/(Loss) on sale of investment	33 738	(6)	—	—
Profit/(Loss) before taxation	322 993	9 629	(2 505 196)	144 804
Taxation	(220 343)	(128 274)	—	—
Net profit/(loss) for the year	102 650	(118 645)	(2 505 196)	144 804
Attributable to:				
Equity holders of the group	(79 660)	(162 921)	(2 505 196)	144 804
Non-controlling interests	182 310	44 276	—	—
	102 650	(118 645)	(2 505 196)	144 804

Summarised consolidated statements of cash flows

for the year ended 31 March

	Group		Company	
	2016 R'000	2015 R'000	2016 R'000	2015 R'000
Net cash from operating activities	653 723	434 951	244 804	144 804
Net cash utilised in investing activities	(331 098)	(476 883)	—	—
Net cash (utilised in)/from financing activities	(295 529)	968 001	(244 804)	(144 804)
Net increase in cash and cash equivalents	27 096	926 069	—	—
Forex translation adjustments on cash and cash equivalents	883	566	—	—
Cash and cash equivalents at the beginning of the year	491 220	(435 415)	—	—
Cash and cash equivalents at the end of the year	519 199	491 220	—	—

Reconciliation of operating profit to trading profit

for the year ended 31 March

	Group		Company	
	2016 R'000	2015 R'000	2016 R'000	2015 R'000
Operating profit/(loss)	283 814	123 145	(2 505 196)	144 804
Amortisation of intangible assets	11 285	8 578	—	—
Other losses	70 234	115 429	—	—
Sharebased expense – equity	34 802	—	—	—
Trading profit/(loss)	400 135	247 152	(2 505 196)	144 804

Statement of responsibility by the board of directors

for the year ended 31 March 2016

The summarised annual financial statements of the group are the responsibility of the directors of Media24 Holdings Proprietary Limited. In discharging this responsibility, they rely on the management of the group to prepare the annual financial statements in accordance with International Financial Reporting Standards (IFRS) and the South African Companies Act No 71 of 2008. As such, the summarised 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 summarised annual financial statements and are satisfied that the systems and internal financial controls implemented by management are effective.

The directors believe that the company and group have adequate resources to continue operations as a going concern in the foreseeable future, based on forecasts and available cash resources. The annual financial statements support the viability of the company and the group.

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 group annual financial statements from which the summarised annual financial

statements were derived. The directors believe that all representations made to the independent auditor during the audit were valid and appropriate. The audit report of PricewaterhouseCoopers Inc. is presented on page 55.

The summarised annual financial statements were approved by the board of directors on 17 June 2016 and were signed on its behalf by:



R C C Jafta

Chair

17 June 2016



E Weideman

Chief executive

Report of the independent auditor on the summarised consolidated and separate annual financial statements

TO THE SHAREHOLDERS OF MEDIA24 HOLDINGS PROPRIETARY LIMITED

The summarised consolidated and separate financial statements, which comprise the summarised condensed consolidated and separate statements of financial position as at 31 March 2016, the summarised consolidated and separate income statements and the summarised consolidated and separate statements of cash flows for the year then ended, were derived from the audited consolidated and separate financial statements of Media24 Holdings Proprietary Limited for the year ended 31 March 2016. We expressed an unmodified audit opinion on those consolidated and separate financial statements in our report dated 17 June 2016. Our auditor's report on the audited consolidated and separate financial statements contained an Other Matter paragraph: "Other reports required by the Companies Act" (refer below).

The summarised consolidated and separate financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summarised consolidated and separate financial statements, therefore, is not a substitute for reading the audited consolidated and separate financial statements of Media24 Holdings Proprietary Limited.

Directors' responsibility for the summarised consolidated and separate financial statements

The company's directors are responsible for the preparation of a summary of the audited consolidated and separate financial statements in accordance with the requirements of the Companies Act of South Africa as applicable to summarised financial statements.

Auditor's responsibility

Our responsibility is to express an opinion on the summarised consolidated and separate annual financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 "Engagements to Report on Summary Financial Statements".

Opinion

In our opinion, the summarised consolidated and separate financial statements derived from the audited consolidated and separate financial statements of Media24 Holdings Proprietary Limited for the year ended 31 March 2016 are consistent, in all material respects, with those consolidated and separate financial statements, in accordance with the requirements of the Companies Act of South Africa as applicable to summarised financial statements.

Other reports required by the Companies Act

The "Other reports required by the Companies Act" paragraph in our audit report dated 17 June 2016 states that as part of our audit of the consolidated and separate financial statements for the year ended 31 March 2016, we have read the Directors' Report and the Audit Committee's Report for the purpose of identifying whether there are material inconsistencies between these reports and the audited consolidated and separate financial statements. These reports are the responsibility of the respective preparers. The paragraph also states that, based on reading these reports, we have not identified material inconsistencies between these reports and the audited consolidated and separate financial statements.

The paragraph furthermore states that we have not audited these reports and accordingly do not express an opinion on these reports. The paragraph does not have an effect on the summarised consolidated and separate financial statements or our opinion thereon.



PricewaterhouseCoopers Inc.

Director: H Zeelie

Registered auditor

Cape Town, South Africa

17 June 2016

Directors' statement of responsibility

for the year ended 31 March 2016

The directors are responsible for the preparation, integrity and fair presentation of the annual financial statements and group annual financial statements of Welkom Yizani Investments (RF) Limited. The group financial statements presented on pages 61 to 79 have been prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act of South Africa, and include amounts based on judgements and estimates made by management.

The directors consider that, in preparing the financial statements of the group, they have used the most appropriate accounting policies, consistently applied and supported by reasonable prudent judgements and estimates, and that all IFRS that they consider to be applicable, have been followed. The financial statements fairly present the results of operations for the year and the financial position of the group and company at year-end in accordance with IFRS. The financial statements are prepared by Affrin Janjiker, a chartered accountant (SA) and supervised by Alwaan Sharief, a chartered accountant (SA) in the latter's capacity as chief financial officer: Corporate Services, Media24 Proprietary Limited.

The directors have the responsibility for ensuring that accounting records are kept. The accounting records should disclose, with reasonable accuracy, the financial position and results of the company to enable the directors to ensure that the financial statements comply with the relevant legislation.

The company operates in an established control environment, which is documented and regularly reviewed. This incorporates risk management and internal control

procedures, which are designed to provide reasonable, but not absolute, assurance that assets are safeguarded and the risks facing the business are being controlled. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the period under review.

The going-concern basis has been adopted in preparing the annual financial statements. The directors have no reason to believe that the group and company will not be going concerns in the foreseeable future, based on forecasts and available cash resources. These annual financial statements support the viability of the group and company.

The annual financial statements have been audited by the independent auditor, PricewaterhouseCoopers Inc., who 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. The directors believe that all representations made to the independent auditor during the audit are valid and appropriate.

The audit report of PricewaterhouseCoopers Inc. is presented on page 58.

The financial statements were approved by the board of directors and are signed on its behalf by:



R C C Jafta
Chair

17 June 2016



P O Goldhalk
Director

Certificate by the company secretary

for the year ended 31 March 2016

In terms of section 88(2)(e) of the Companies Act No 71 of 2008, I, Lurica Jineanne Klink, being the company secretary of Welkom Yizani Investments (RF) Limited, certify that the company has, for the period under review, lodged all returns and notices required of a public company with the Registrar of Companies, and that all such returns are, to the best of my knowledge and belief, true, correct and up to date. The financial statements were prepared in terms of section 29.



L J Klink

Company secretary

17 June 2016

Report of the independent auditor

to the shareholders of Welkom Yizani Investments (RF) Limited

We have audited the group and separate annual financial statements of Welkom Yizani Investments (RF) Limited as set out on pages 61 to 79, which comprise the statement of financial position as at 31 March 2016, and the statements of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the financial statements

The company's directors are responsible for the preparation and fair presentation of these 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 the group and separate financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these group and separate financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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

entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the group and separate financial statements present fairly, in all material respects, the group and separate financial position of Welkom Yizani Investments (RF) Limited as at 31 March 2016, and its group and separate financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the Companies Act of South Africa.

Other reports required by the Companies Act

As part of our audit of the group and separate financial statements for the year ended 31 March 2016, we have read the directors' report, the audit committee's report and the company secretary's certificate for the purpose of identifying whether there are material inconsistencies between these reports and the audited financial statements. These reports are the responsibility of the respective preparers. Based on reading these reports we have not identified material inconsistencies between this report and the audited group and separate financial statements. However, we have not audited these reports and accordingly do not express an opinion on these reports.



PricewaterhouseCoopers Inc.

Director: V Harri

Registered auditor

Cape Town

17 June 2016

Report of the audit committee

for the year ended 31 March 2016

As the company's only asset is an investment in Media24 Holdings Proprietary Limited, the board deems it appropriate that all its members be appointed to the audit committee. The audit committee has pleasure in submitting this report, as required by sections 94(7)(a) of the Companies Act (the Act).

Functions of the audit committee

The audit committee has discharged the functions ascribed to it in terms of the Act as follows:

- Reviewed the annual financial statements, culminating in a recommendation to the board to adopt them. In the course of its review, the committee:
 - o took appropriate steps to ensure that the annual financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Act
 - o considered and, when appropriate, made recommendations on internal financial controls
 - o dealt with concerns or complaints relating to accounting policies, internal audit, the auditing or content of annual financial statements, and internal financial controls, and
 - o reviewed legal matters that could have a significant impact on the organisation's financial statements.
- Reviewed the external audit reports on the annual financial statements.
- Verified the independence of the external auditor, nominated PricewaterhouseCoopers Inc. as the auditor for 2016/2017 and noted the appointment of Viresh Harri as the designated auditor.

- Approved the audit fees and engagement terms of the external auditor.
- No non-audit services have been provided by the external auditor.

Members of the audit committee

The audit committee consists of the non-executive directors of the company. All the members act independently as described in section 94 of the Act.

Attendance

The external auditor, in his capacity as auditor to the company, attended and reported at the meeting of the audit committee.

Independence of external auditor

During the year under review the board and audit committee conducted its own review and confirmed the independence of the external auditor.

On behalf of the audit committee of the board



R C C Jafta

Chair: Audit committee

17 June 2016

Directors' report

for the year ended 31 March 2016

Nature of operations

Welkom Yizani Investments (RF) Limited was incorporated on 10 July 2006 under the laws of the Republic of South Africa. The principal activities of Welkom Yizani Investments (RF) Limited are to:

- a) carry on the main business of holding only Media24 Holdings Proprietary Limited ordinary shares, cash and such assets as are received and acquired solely by virtue of, or in relation to, the holding of Media24 Holdings Proprietary Limited ordinary shares
- b) receive and distribute dividends and other distributions in terms of its holding in Media24 Holdings Proprietary Limited, and
- c) provide a platform for over-the-counter trading of shares in Welkom Yizani Investments (RF) Limited effective 9 December 2013. The Financial Services Board has granted Welkom Yizani Investments (RF) Limited an extension of its exemption for the over-the-counter trading of its shares until 31 August 2016.

Operating and financial review

The financial results of the group and company are set out on pages 61 to 79.

Share capital

Refer to note 6 for details of the authorised and issued share capital.

Dividends

The board recommends that dividends of 40 cents per ordinary share, but no dividend per preference share be declared (2015: 29,4 cents per ordinary share and 46,6 cents per preference share). No special dividends are recommended (2015: a one-off special dividend of 20,5 cents per ordinary share and 32,2 cents per preference share). In considering the recommendation to pay dividends, the board has taken into account the financial status of the company and the payment of dividends subject to the successful application of the solvency and liquidity test as set out in section 4 of the Companies Act of 2008. The dividend will be noted at the annual general meeting (AGM) to be held on 29 August 2016 by way of an ordinary resolution and is subject to approval by the shareholders.

Directors, company secretary and auditor

The directors of the company are listed below and the company secretary is Ms L J Klink. The street and postal addresses for the company secretary, as well as those of the company, are detailed on page 50.

Name	Date appointed	Category
R C C Jafta	28 November 2012	Independent, non-executive
P O Goldhawk	22 June 2007	Independent, non-executive
A H Adhikari	14 October 2010	Independent, non-executive
J C Held	2 September 2014	Independent, non-executive

PricewaterhouseCoopers Inc. was appointed in office as auditor in accordance with section 90(6) of the South African Companies Act of 2008.

Subsequent event

On 10 May 2016 the board authorised the redemption of 4 440 049 Naspers preference shares for a preference redemption price of R54 752. The remaining preference share premium and accumulated preference share dividends will be waived as per agreement with the Naspers board of directors.

Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

Signed on behalf of the board



R C C Jafta

Chair

17 June 2016

Statements of financial position

for the year ended 31 March

		Group		Company	
	Notes	2016 R'000	2015 R'000	2016 R'000	2015 R'000
Assets					
Non-current assets		525 565	641 848	525 565	603 709
Investment in associate	3	525 565	641 848	525 565	603 709
Current assets		10 309	8 789	10 309	8 789
Other receivables	5	308	369	308	369
Cash and cash equivalents	11	10 001	8 420	10 001	8 420
Total assets		535 874	650 637	535 874	612 498
Equity and liabilities					
Capital and reserves		477 226	208 563	477 226	170 424
Share capital and premium	6	146 022	146 022	146 022	146 022
Other reserves		188 337	185 484	—	—
Accumulated profit/(loss)		142 867	(122 943)	331 204	24 402
Non-current liabilities		—	373 000	—	373 000
Long-term liabilities	7	—	373 000	—	373 000
Current liabilities		58 648	69 074	58 648	69 074
Current portion of long-term liabilities	7	51 535	63 287	51 535	63 287
Payables	8	1 926	1 954	1 926	1 954
Shareholders for dividend		5 125	3 833	5 125	3 833
Taxation		62	—	62	—
Total equity and liabilities		535 874	650 637	535 874	612 498
Net asset value per share	13	R32,69	R14,29	R32,69	R11,67

Statements of comprehensive income

for the year ended 31 March

	Notes	Group		Company	
		2016 R'000	2015 R'000	2016 R'000	2015 R'000
Share of net loss of associate	3	(33 264)	(45 753)	—	—
Investment income – dividends received		—	—	36 721	21 721
Administration costs	9.1	(91)	(83)	(91)	(83)
Impairment of investment in associate	3	(49 151)	—	(78 144)	—
Other income	9.2	382 432	497	382 432	497
Finance costs – net	10	(26 750)	(25 339)	(26 750)	(25 339)
Profit/(loss) before taxation		273 176	(70 678)	314 168	(3 204)
Taxation	12	(81)	—	(81)	—
Net profit/(loss) for the year		273 095	(70 678)	314 087	(3 204)
Profit/loss attributable to:					
Owners of the parent		273 095	(70 678)	314 087	(3 204)
Basic earnings/(loss) per share	13	R18,90	(R0,28)	R21,51	(R0,22)
Headline earnings/(loss) per share	13	(R3,93)	(R0,28)	R0,67	(R0,22)
Net profit/(loss) for the year		273 095	(70 678)	314 087	(3 204)
Other comprehensive income					
Share of changes in associate's other comprehensive income	3	2 853	66 650	—	—
Total comprehensive income/(loss) for the year		275 948	(4 028)	314 087	(3 204)
Attributable to:					
Owners of the parent		275 948	(4 028)	314 087	(3 204)

Statements of changes in equity

for the year ended 31 March

Group	Stated capital R'000	Other reserves R'000	Accumulated profit/(loss) R'000	Total R'000
Balance at 1 April 2014	146 022	118 834	(47 904)	216 952
Total comprehensive income for the year	—	66 650	(70 678)	(4 028)
Net loss	—	—	(70 678)	(70 678)
Other comprehensive income	—	66 650	—	66 650
Distribution to owners of the company				
Dividends paid	—	—	(4 361)	(4 361)
Balance at 31 March 2015	146 022	185 484	(122 943)	208 563
Balance at 1 April 2015	146 022	185 484	(122 943)	208 563
Total comprehensive income for the year	—	2 853	273 095	275 948
Net profit	—	—	273 095	273 095
Other comprehensive income	—	2 853	—	2 853
Distribution to owners of the company				
Dividends paid	—	—	(7 285)	(7 285)
Balance at 31 March 2016	146 022	188 337	142 867	477 226
Company				
Balance at 1 April 2014	146 022	—	31 967	177 989
Loss for the year	—	—	(3 204)	(3 204)
Distribution to owners of the company				
Dividends paid	—	—	(4 361)	(4 361)
Balance at 31 March 2015	146 022	—	24 402	170 424
Balance at 1 April 2015	146 022	—	24 402	170 424
Profit for the year	—	—	314 087	314 087
Distribution to owners of the company				
Dividends paid	—	—	(7 285)	(7 285)
Balance at 31 March 2016	146 022	—	331 204	477 226

Statements of cash flows

for the year ended 31 March

	Note	Group		Company	
		2016 R'000	2015 R'000	2016 R'000	2015 R'000
Cash flow from operating activities		38 292	22 138	38 292	22 138
Cash generated from operations	14	1 234	105	1 234	105
Interest paid		(62)	(64)	(62)	(64)
Interest received		418	376	418	376
Dividends received		36 721	21 721	36 721	21 721
Taxation paid		(19)	—	(19)	—
Cash flow from financing activities		(36 711)	(22 146)	(36 711)	(22 146)
Dividends paid		(7 285)	(4 765)	(7 285)	(4 765)
Preference dividends paid		(29 393)	(17 381)	(29 393)	(17 381)
Preference share redemption		(33)	—	(33)	—
Change in cash and cash equivalents for the year		1 581	(8)	1 581	(8)
Cash and cash equivalents at the beginning of the year		8 420	8 428	8 420	8 428
Cash and cash equivalents at the end of the year		10 001	8 420	10 001	8 420

Notes to the group annual financial statements

for the year ended 31 March

1. Summary of significant accounting policies

The annual financial statements are presented in accordance with, and comply with, International Financial Reporting Standards (IFRS) and the International Financial Reporting Interpretations Committee (IFRIC) interpretations issued and effective at the time of preparing these annual financial statements. The annual financial statements are prepared according to the historic cost convention.

The preparation of the annual financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the group's accounting policies. These estimates and assumptions affect the reported amounts of assets, liabilities and contingent liabilities at the statement of financial position date, as well as the reported income and expenses for the year. 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 significantly differ from these estimates.

Refer to note 2, as well as the individual notes for details of estimates, assumptions and judgements used.

1.1 Investment in associates

The company carries the investments in associate at cost and are written down only when there is an impairment. Dividends are brought

into account when declared. On disposal of an associate, the difference between the net proceeds and carrying amount is charged or credited to the statement of comprehensive income.

Investments in associated companies are accounted for under the equity method. Associated companies are those companies in which the group generally has between 20% and 50% of the voting rights, or over which the group exercises significant influence, but which it does not control. The group's investment in associates includes goodwill and other intangible assets identified on acquisition, net of any accumulated amortisation and impairment loss.

Equity accounting involves recognising in the income statement the group's share of the associate's post-acquisition results net of taxation and minority interests in the associate. The group's share of post-acquisition movements in other reserves is accounted for in the other reserves of the group. The group's interest in the associate is carried on the statement of financial position at cost, adjusted for the group's share of the change in post-acquisition net assets, and inclusive of goodwill and other identifiable intangible assets recognised on acquisitions. Where the group's share of losses in the associate equals or exceeds the carrying amount of its investment, the carrying amount of the investment, as well as any loans to the associate, is reduced to nil and no further losses are recognised, unless the group has incurred obligations to the associate or the group has guaranteed or

Notes to the group annual financial statements

for the year ended 31 March continued

committed to satisfying obligations of the associate.

Unrealised gains and losses on transactions between the group and its associates are eliminated to the extent of the group's interest in the associates, unless the loss provides evidence of an impairment of the asset transferred.

Accounting policies of associates have been changed where necessary to ensure consistency of the policies adopted by the group.

Group refers to a significant associate company held by Welkom Yizani and these are the economic interest financial statements.

An impairment loss is recognised in the statement of comprehensive income when the carrying amount of an asset exceeds its recoverable amount. An asset's recoverable amount is the higher of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable willing parties, or its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

1.2 Financial assets

The classification of financial assets depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. Fair value through other comprehensive income financial assets are non-derivatives that are either designated in this category or not classified in any other category. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the statement of financial position sheet date. During the year and at 31 March 2016, the group and company had no fair value through other comprehensive income financial assets.

1.3 Other receivables

Other receivables are originally carried at fair value and subsequently measured at amortised cost using the effective-interest method, less provision made for impairment of these receivables.

1.4 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. Cash and cash equivalents comprise cash on hand and deposits held on call with banks.

1.5 Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively

Notes to the group annual financial statements

for the year ended 31 March continued

enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations where the applicable tax regulations are subject to interpretation and establishes provisions, where appropriate, on the basis of amounts expected to be paid to tax authorities.

The normal South African company tax rate used at the statement of financial position date is 28% (2015: 28%).

Deferred taxation is provided in full, using the statement of financial position liability method for all taxable or deductible temporary differences arising between the tax base and liabilities (including derivatives) and their carrying values for financial reporting purposes. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences and unused tax losses can be utilised.

1.6 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified either as financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual

interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Compound instruments

The component parts of compound instruments are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not substantially remeasured.

1.7 Revenue recognition

Dividend income is recognised when the right to receive payment is established.

1.8 Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.9 Interest income

Interest is accrued on a time-proportion basis, recognising the effective yield on the underlying assets.

Notes to the group annual financial statements

for the year ended 31 March continued

1.10 Dividend distributions

Dividend distributions to the company's shareholders are recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

1.11 New standards and interpretations

Amendments to IFRS 10, IFRS 12 and IAS 27 *Investment Entities* – 1 January 2014

Amendment to IAS 32 *Offsetting Financial Assets and Financial Liabilities* – 1 January 2014

Amendment to IAS 36 *Recoverable Amount Disclosures for Non-financial Assets* – 1 January 2014

IFRS 9 *Financial Instruments* – 1 January 2018

Amendments to IFRS 10 and IAS 28 *Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture* – postponed (initially 1 January 2016)

Amendments to IFRS 10, IFRS 12 and IAS 28 for Investment entities *Applying the Consolidation Exception* – 1 January 2016

Amendment to IAS 1 *Disclosure Initiative* – 1 January 2016

Amendments to IAS 16 and IAS 38 *Clarification of Acceptable Methods of Depreciation and Amortisation* – 1 January 2016

Amendment to IAS 27 *Equity Method in Separate Financial Statements* – 1 January 2016

Amendments to IAS 12 *Income Taxes* – 1 January 2017

Amendments to IAS 7 *Cashflow Statements* – 1 January 2017

2. Critical accounting estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable in the circumstances.

The group applies judgement when assessing the impairment of goodwill included in its investment in associate carrying amount (refer to note 1.1).

Notes to the group annual financial statements

for the year ended 31 March continued

3. Investment in associate

The company has a 15% interest in Media24 Holdings Proprietary Limited, a company incorporated in South Africa. This is an unlisted investment. This investment is classified as an investment in associate, as significant influence was established through board representation even though the group only has a 15% interest.

	Group		Company	
	2016 R'000	2015 R'000	2016 R'000	2015 R'000
Movement in carrying amount				
At the beginning of the year	641 848	642 672	603 709	603 709
Share of net loss	(33 264)	(45 753)	—	—
Share of changes in other comprehensive income	2 853	66 650	—	—
Dividends received	(36 721)	(21 721)	—	—
Impairment of investment	(49 151)	—	(78 144)	—
	525 565	641 848	525 565	603 709

The group/company recognised an impairment loss against this investment during the financial year ended 31 March 2016, due to the fact that the recoverable amount of this investment was less than the carrying value. An impairment loss of R78,14m was recognised (group: R49,15m).

Summarised financial information of unlisted associate as per the annual financial statements – Media24 Holdings Proprietary Limited

	Media24	
	2016 R'000	2015 R'000
Current		
Assets		
Cash and cash equivalent	531 484	641 318
Other current assets (excluding cash)	2 076 528	2 028 121
Total current assets	2 608 012	2 669 439
Liabilities		
Financial liabilities (excluding trade payables)	(1 780 924)	(1 667 635)
Other current liabilities (including trade payables)	(462 940)	(404 718)
Total current liabilities	(2 243 864)	(2 072 353)

Notes to the group annual financial statements

for the year ended 31 March continued

	Media24	
	2016 R'000	2015 R'000
Non-current		
Assets	3 362 231	3 434 918
Liabilities		
Financial liabilities	(25 725)	(86 389)
Other liabilities	(509 660)	(521 691)
Total non-current liabilities	(535 385)	(608 080)
Net assets	3 190 994	3 423 924
Summarised statement of comprehensive income		
Revenue	8 116 216	8 249 951
Interest income	31 231	20 227
Interest expense	(22 194)	110 305
Pre-tax profit/(loss) from continuing operations	322 992	9 629
Income tax expense	(220 342)	(128 274)
Post-tax profit/(loss) from continuing operations	102 650	(118 645)
Post-tax profit from discontinued operations	—	—
Other comprehensive income/(expense)	7 650	(27 138)
Total comprehensive income/(expense)	110 300	(145 783)
Reconciliation of summarised financial information		
Net assets at the beginning of the year	2 201 549	2 064 942
Profit/(Loss) for the period	102 650	(118 645)
Total other comprehensive income/(expense)	7 650	(27 138)
Share-based compensation movement	35 251	7 784
Acquisition of subsidiaries/joint ventures	(42 712)	(5 728)
Disposal of subsidiaries/joint ventures	757	1 139 999
Dividends	(336 024)	(173 019)
Other movements	(502)	265 680
Non-controlling interest share of movement for the period	(72 517)	(952 326)
Net assets at the end of the year	1 896 102	2 201 549
Interest in associate (15%)	284 415	330 232
Net identifiable assets	192 309	213 625
Goodwill	48 841	97 991
Carrying value	525 565	641 848

Notes to the group annual financial statements

for the year ended 31 March continued

4. Related parties

The chair (Rachel Jafta) holds in aggregate 430 (2015: 430) ordinary shares in the company. Ashoek Adhikari and Lurica Klink as trustees of the Rubato Trust and Kambule Trust, which owns 1 167 129 (2015: 1 167 129) and 303 588 (2015: 32 738) shares in aggregate, respectively. Jo-Ann Held, a non-executive director, holds in aggregate 430 (2015: 430) ordinary shares in the company.

Directors of the company received no directors' fees or remuneration.

Included in other receivables is an amount of R289 632 (2015: R350 000) due from Media24 Proprietary Limited.

5. Other receivables

	Group		Company	
	2016 R'000	2015 R'000	2016 R'000	2015 R'000
Tax	—	4	—	4
Interest on call accounts	18	15	18	15
Due by Media24 Proprietary Limited	290	350	290	350
	308	369	308	369

6. Share capital and premium

Authorised				
30 000 000 ordinary shares of R0,0000001 each	—	—	—	—
Issued (and fully paid up)				
14 600 001 (2015: 14 600 001) ordinary shares of R0,0000001 each	—	—	—	—
Share premium	146 022	146 022	146 022	146 022
	146 022	146 022	146 022	146 022

Capital management

The group's objective when managing capital is to safeguard the entity's ability to continue as a going concern, so that it can continue to provide adequate returns for shareholders and benefits for other stakeholders.

Notes to the group annual financial statements

for the year ended 31 March continued

7. Long-term liabilities

	Group		Company	
	2016 R'000	2015 R'000	2016 R'000	2015 R'000
4 444 431 (2015: 37 300 000) variable rate, cumulative redeemable preference shares of R0,001 each	4	37	4	37
– Opening balance	37	37	37	37
– Settled	(33)	—	(33)	—
Share premium	44 407	372 963	44 407	372 963
– Opening balance	372 963	372 963	372 963	372 963
– Share premium waived by shareholder	(328 556)	—	(328 556)	—
	44 411	373 000	44 411	373 000
Current portion of long-term liabilities (accrued preference share dividends)	7 124	63 287	7 124	63 287
– Opening balance	63 287	55 017	63 287	55 017
– Current year dividends	27 106	25 651	27 106	25 651
– Dividends paid	(29 393)	(17 381)	(29 393)	(17 381)
– Accumulated preference share dividends waived by shareholder	(53 876)	—	(53 876)	—
	51 535	436 287	51 535	436 287

32 855 569 (2015: nil) preference shares were redeemed during the year.

On 30 March 2016 the board resolved to authorise the redemption of 32 855 569 Naspers preference shares on the preference redemption date (31 March 2016), for a preference redemption price of R32 856. Share premium and accumulated preference share dividends of R328 555 690 and R53 876 153 (total: R382 431 843) were written off during the 2016 year.

On 10 May 2016 the board authorised the redemption of 4 440 049 Naspers preference shares on the preference redemption date (10 May 2016), for a preference redemption price of R54 752. The remaining share premium and accumulated share dividend will be written off as per agreement with the Naspers board.

Preference shares bear interest at 65% (2015: 65%) of the prime rate. There are no fixed terms of payment of interest. Interest payments will be made upon approval by the directors. The preference shares are held by Naspers Limited.

These preference shares are redeemable on any of the following preference redemption dates:

- compulsorily after 10 years being 8 December 2016 or such extended period as permitted by the preference shareholders, or
- shareholders' agreement at the option of the preference shareholders, or
- voluntarily by Welkom Yizani Investments (RF) Limited within three years out of sufficient cash resources, or
- compulsory after three years out of sufficient cash resources.

Notes to the group annual financial statements

for the year ended 31 March continued

8. Payables

	Group		Company	
	2016 R'000	2015 R'000	2016 R'000	2015 R'000
Amounts owing to investors	761	765	761	765
Refunds due to unsuccessful share applicants	637	644	637	644
Other payables	382	401	382	401
Audit fees accrued	86	136	86	136
VAT	55	3	55	3
Securities transfer tax	5	5	5	5
	1 926	1 954	1 926	1 954

9.1 Administration costs

Audit fees	86	83	86	83
Administration fee	5	—	5	—
	91	83	91	83

9.2 Other income

Waivered preference share premium and accumulated dividend	382 432	—	382 432	—
Other	—	497	—	497
	382 432	497	382 432	497

10. Finance costs – net

Interest paid				
Interest on refunds to unsuccessful share applicants	(62)	(64)	(62)	(64)
Interest on preference shares	(27 106)	(25 651)	(27 106)	(25 651)
	(27 168)	(25 715)	(27 168)	(25 715)
Interest received				
Interest on current accounts	232	177	232	177
Interest on call accounts	186	199	186	199
	418	376	418	376
Net finance costs	(26 750)	(25 339)	(26 750)	(25 339)

Notes to the group annual financial statements

for the year ended 31 March continued

11. Cash and cash equivalents

	Group		Company	
	2016 R'000	2015 R'000	2016 R'000	2015 R'000
Cash and cash equivalents attributable to the company	9 240	7 655	9 240	7 655
Cash and cash equivalents held on behalf of investors	761	765	761	765
	10 001	8 420	10 001	8 420

Credit quality of cash at bank and short-term deposits, excluding cash on hand

The credit quality of cash at bank and short-term deposits, excluding cash on hand that are neither past due nor impaired, can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:

Credit rating

	2016 R'000	2015 R'000
ABSA Bank Limited - Fitch BBB	8 669	7 153
FirstRand Bank Limited - Fitch BBB	1 332	1 267
	10 001	8 420

12. Taxation

	Group		Company	
	2016 R'000	2015 R'000	2016 R'000	2015 R'000
Major components of the tax expense				
Current				
Local income tax - current period	81	—	81	—
	81	—	81	—

Notes to the group annual financial statements

for the year ended 31 March continued

13. Basic earnings/(loss) per share

	Group		Company	
	2016 R'000	2015 R'000	2016 R'000	2015 R'000
Profit/(Loss) from continuing operations attributable to owners of the parent	275 948	(4 028)	314 087	(3 204)
Profit from discontinuing operations attributable to owners of the parent	—	—	—	—
Total	275 948	(4 028)	314 087	(3 204)
Weighted average number of ordinary shares in issue ('000)	14 600	14 600	14 600	14 600
Basic earnings/(loss) per share	R18,90	(R0,28)	R21,51	(R0,22)

Headline earnings is calculated based on Circular 2/2013 issued by the South African Institute of Chartered Accountants.

Reconciliation between profit attributable to owners of the parent and headline earnings

Profit/(Loss) for the year	275 948	(4 028)	314 087	(3 204)
Remeasurement of items				
Waivered preference share premium and accumulated dividend	(382 432)		(382 432)	
Gross	(382 432)	—	(382 432)	—
Tax effect	—	—	—	—
Impairment of investment	49 151		78 144	
Gross	49 151	—	78 144	—
Tax effect	—	—	—	—
Headline earnings/(loss) for the year	(57 333)	(4 028)	9 799	(3 204)
Weighted-average number of ordinary shares in issue ('000)	14 600	14 600	14 600	14 600
Headline earnings/(loss) per share	(R3,93)	(R0,28)	R0,67	(R0,22)
Net asset value per share				
Total net asset value	477 226	208 563	477 226	170 424
Total number of ordinary shares in issue ('000)	14 600	14 600	14 600	14 600
Net asset value per share	R32,69	R14,29	R32,69	R11,67

Notes to the group annual financial statements

for the year ended 31 March continued

14. Cash generated from operations

	Group		Company	
	2016 R'000	2015 R'000	2016 R'000	2015 R'000
Profit/(loss) before taxation	273 176	(70 678)	314 168	(3 204)
Adjusted for:				
– Dividends received	—	—	(36 721)	(21 721)
– Share of net profit of associate	33 264	45 753	—	—
– Impairment	49 151	—	78 144	—
– Finance costs	26 750	25 339	26 750	25 339
– Waivered preference share premium and accumulated dividend	(382 432)	—	(382 432)	—
Cash flow before changes in working capital	(91)	414	(91)	414
Changes in working capital	1 325	(309)	1 325	(309)
Payables	(28)	(332)	(28)	(332)
Other receivables	61	23	61	23
Shareholders for dividends	1 292	—	1 292	—
	1 234	105	1 234	105

Notes to the group annual financial statements

for the year ended 31 March continued

15. Financial risk management

The group's activities expose it to a variety of financial risks, specifically interest rate risk, credit risk and liquidity risk. The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance. Risk management is carried out under policies approved by the board of directors.

The group's interest rate risk arises primarily from its long-term borrowings issued at a variable interest rate. Based on simulations performed, the impact on profit or loss before tax of a 100 basis-point increase in the prime interest rate would be a decrease or increase of R0,51m (2015: R4,36m) respectively.

Capital risk management

For capital management purposes the current level of capital in the group is defined as the difference between the total assets and total liabilities of the group. The capital employed is managed on a basis that enables the group to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The group monitors capital on the basis of the debt to equity ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowing (including current and non-current borrowings and bank overdrafts as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as capital and reserves attributable to owners of the parent as shown in the statement of financial position.

The main focus of the group's capital management is to ensure liquidity, in the form of short-term borrowing facilities, in order to have sufficient available funding for the group's working capital requirements.

Foreign exchange risk

The company is not exposed to any significant foreign exchange risk.

Price risk

The company is not exposed to commodity price risk.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The company only deposits cash with major banks with high quality credit standing and limits exposure to any one counterparty.

Notes to the group annual financial statements

for the year ended 31 March continued

Financial Instruments

	2016 R'000	2015 R'000
Bank deposit	10 001	8 420
Other receivables	249	369

Liquidity risk

The company maintains a prudent liquidity risk management, which implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities, as well as arrangements with related parties.

The table below analyses the company's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. Derivative financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed in the table are the contractual undiscounted cash flows:

At 31 March 2016	Carrying value R'000	Total contractual cash flows R'000	Less than 1 year R'000
Long-term liabilities	51 535	52 320	52 320
Shareholders' dividends	5 125	5 125	5 125
Other payables	1 988	1 988	1 988

At 31 March 2015	Carrying value R'000	Total contractual cash flows R'000	Less than 1 year R'000
Long-term liabilities	436 287	464 529	63 287
Shareholders' dividends	3 833	3 833	3 833
Other payables	1 954	1 954	1 954

Notes to the group annual financial statements

for the year ended 31 March continued

16. Fair value of financial instruments

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair-value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair-value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices).
- Level 3 fair-value measurements are those derived from valuation techniques that include inputs for the assets or liability that are not based on observable market data (unobservable inputs).

	31 March 2016			
	Level 1 R'000	Level 2 R'000	Level 3 R'000	Total R'000
Investment in associate	—	—	525 565	525 565

The fair value of the investment in associate was determined using the discounted cash flow model. The weighted average cost of capital of 14% was used and cash flows for 10 years were projected.

Sensitivity analysis

A sensitivity analysis of a 1% change in the weighted average cost of capital is shown for the significant unobservable input below:

- An increase in the weighted average cost of capital by 1% reduces the valuation by 8%.
- A decrease in the weighted average cost of capital rate by 1% increases the valuation by 10,2%.

17. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

18. Subsequent event

On 10 May 2016 the board authorised the redemption of 4 440 049 Naspers preference shares for a preference redemption price of R54 752. The remaining preference share premium and accumulated preference share dividends will be written off as per agreement with the Naspers board of directors.

Board of directors



**Rachel
Jafta**

Rachel Jafta (55), MEcon and PhD, is a professor in economics at Stellenbosch University (SU). She joined Naspers as a director in 2003 and was appointed a director of Media24 in 2007. She is a director of Econex, chair of the Cape Town Carnival Trust and a member of the management committee of the Bureau for Economic Research at SU. She was appointed chair of the Media24 board in April 2013.



**Jo-Ann
Held**

Jo-Ann Held (35) obtained a BComLaw degree at Stellenbosch University. She is a media entrepreneur who also produced and presented her own prime-time television show, Glambition, and is a celebrity advocate for Unicef. She has several enterprises and is a director of Partnership Investments, the Western Cape Board of Ubuntu Botho (part of Sanlam), the advisory board of the Stellenbosch University Business School and the board of M&C Saatchi Abel.



**Ashoek
Adhikari**

Ashoek Adhikari (53) is the general manager responsible for legal services at Media24. He is an attorney by profession and, after having practised law for 10 years he moved into the public sector, where he held various positions in the provincial administration of the Western Cape. Before moving to Media24, he was the chief operating officer in the Office of the Premier. He is currently chair of the audit committee of the Attorneys Fidelity Fund and serves on the boards of Accelerate Cape Town, Isandla Institute and the Economic Development Partnership for the Western Cape.



**Peter
Goldhawk**

Peter Goldhawk (69) is a chartered accountant and a retired partner of PricewaterhouseCoopers Inc. He is now a director of Goldhawk Corporate Advisory. He was responsible for the development and management of the Phuthuma and Phuthuma Futhi BEE schemes implemented in M-Net and SuperSport in the late 1990s and has been integrally involved in the launch of the current MultiChoice and Media24 BEE schemes through Phuthuma Nathi and Welkom Yizani respectively. He is a member of the Issuer Regulatory Advisory Committee of the JSE and a director of the Directorate of Market Abuse of the Financial Services Board.

Notice of annual general meeting

Notice is hereby given in terms of the Companies Act No 71 of 2008, as amended (the Act), that the tenth annual general meeting of **Media24 Holdings Proprietary Limited (the company)** will be held at Nasdak, Media24 Centre, 40 Heerengracht, Cape Town on **Monday 29 August 2016 at 11:00.**

Please note that the registration counter for purposes of registration to vote at this meeting on Monday 29 August 2016, will close at 10:45 on that day.

Record date, attendance and voting

The record date for the meeting is **Monday 15 August 2016**, being the date on which a person must be registered as a shareholder of the company for purposes of being entitled to attend and vote at the annual general meeting.

A shareholder entitled to attend and vote at the meeting is entitled to appoint one or more person(s) as a proxy or proxies to attend, participate in and vote at the meeting in the place of the shareholder. A proxy need not be a shareholder of the company.

A form of proxy, which includes the relevant instructions for its completion, is attached for the use of shareholders who wish to be represented at the annual general meeting. Completion of a form of proxy will not preclude such a shareholder from attending and voting (in preference to that shareholder's proxy) at the annual general meeting.

Identification of meeting participants

Kindly note that before any person may attend or participate in a shareholders' meeting, that person must present reasonably satisfactory identification and the person presiding at the meeting must be reasonably satisfied that the right of that person to vote, either as a shareholder or as a proxy for a shareholder, has been reasonably verified. Forms of identification include valid identity documents, driver's licences and passports.

Purpose of meeting

The purpose of the meeting is: (i) to present the directors' report, the audited annual financial statements of the company for the immediately preceding financial year and the audit committee report; (ii) to consider and, if approved, to adopt,

with or without amendment, the resolutions set out herein; and (iii) to consider any matters raised by the shareholders of the company, with or without advance notice to the company.

Electronic participation

Shareholders entitled to attend and vote at the meeting or proxies of such shareholders shall be entitled to participate in the meeting (but not vote) by electronic communication. Should a shareholder wish to participate in the meeting by electronic communication, the shareholder concerned should advise the company thereof by no later than **09:00 on Wednesday 17 August 2016** by submitting via registered mail addressed to the company (for the attention of Ms L J Klink), relevant contact details, as well as full details of the shareholder's title to shares issued by the company and proof of identity, in the form of certified copies of identity documents and written confirmation from the transfer secretary confirming the shareholder's title to the shares.

Upon receipt of the required information, the shareholder concerned will be provided with a secure code and instructions to access the electronic communication during the annual general meeting. Shareholders must note that access to the electronic communication will be at the expense of the shareholders who wish to use the facility.

Ordinary resolutions

Each of the following ordinary resolutions requires the support of a majority of votes exercised by shareholders present or represented by proxy at this meeting in order to be adopted:

1. To consider and accept the annual financial statements of the company and the group for the twelve (12) months ended 31 March 2016 and the reports of the directors, the auditor and the audit committee.

The summarised annual financial statements are included in the integrated annual report of which this notice forms part.

The complete annual financial statements of the company for the preceding financial year can be obtained at **www.media24.com**. A copy is also available on request during normal business

hours at Media24's registered office:
40 Heerengracht, Cape Town 8001
(contact person – Mr A Mayman).

2. To approve a dividend of R39,3m in the issued share capital of the company, as proposed by the board, after the board applied the solvency and liquidity tests contemplated in the Act, in terms of which it has concluded that the company will satisfy such tests immediately after completing the proposed distribution.
3. To reappoint, on the recommendation of the company's audit committee, PricewaterhouseCoopers Inc. as the independent registered auditor of the company (noting that Mr V Harri is the individual registered auditor of that firm who will undertake the audit) for the period until the next annual general meeting of the company.
4. To elect Prof H S S Willemse, Mr S S de Swardt and Mrs J C Held, who retire by rotation and, being eligible, offer themselves for re-election as directors. Their brief biographical details are included in the integrated annual report.

The board unanimously recommends that the re-election of directors in terms of resolution 4 be approved by the shareholders of the company. The re-election of each director will be carried out in separate ordinary resolutions.

5. To appoint the audit committee members as required by the Act and as recommended by the King Report on Corporate Governance for South Africa 2009 (King III) (chapter 3).

The board and the nomination committee are satisfied that the company's audit committee members are suitably skilled and experienced independent non-executive directors. Collectively they have sufficient qualifications and experience to fulfil their duties, as contemplated in regulation 42 of the Companies Regulations 2011. They have a comprehensive understanding of financial reporting, internal financial controls, risk management and governance processes within the company, as well as International Financial

Reporting Standards and other regulations and guidelines applicable to the company. They keep up to date with developments affecting their required skills set.

The board and the nomination committee therefore unanimously recommend the appointment of Messrs S S de Swardt and T D Petersen, and Mrs J C Held as members of the audit committee. Their brief biographical details are included in the integrated annual report.

The appointment of the members of the audit committee will be conducted by way of a separate ordinary resolution in respect of each person.

6. To endorse the company's remuneration policy, as set out in the remuneration report, included in the integrated annual report, by way of a non-binding advisory vote.

The following special resolutions will be considered at the annual general meeting and, if approved, will be adopted with or without amendment:

Special resolutions

Each of the special resolutions below requires the support of at least 75% of the votes in respect of the relevant resolution exercised by shareholders present or represented by proxy at this meeting in order to be adopted.

1. That the company or any of its subsidiaries be and are hereby authorised to acquire ordinary shares issued by the company from any person whatsoever (including any director or prescribed officer of the company or any person related to any director or prescribed officer of the company), in terms of and subject to the Act.
The reason for and effect of special resolution number 1 is to grant the company the general authority in terms of the Act for acquisition of the company's ordinary shares by the company or a subsidiary of the company.
2. That the company, as authorised by the board, may generally provide, in terms of and subject to the requirements of section 44 of the Act, any

financial assistance by way of a loan, guarantee, the provision of security or otherwise to a related or inter-related company or corporation, or to a member of a related or inter-related corporation for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company, pursuant to the authority hereby conferred upon the board for these purposes.

The reason for and effect of special resolution number 2 is to approve generally the provision of financial assistance to the potential recipients as set out in the resolution.

3. That the company, as authorised by the board, may generally provide, in terms of and subject to the requirements of section 45 of the Act, any direct or indirect financial assistance to a related or inter-related company or corporation, or to a member of a related or inter-related corporation, pursuant to the authority hereby conferred upon the board for these purposes.

The reason for and effect of special resolution number 3 is to approve generally the provision of financial assistance to the potential recipients as set out in the resolution.

Ordinary resolution

7. Each of the directors of the company is hereby authorised to perform all such acts and sign all such documentation as may be necessary to effect the implementation of the ordinary and special resolutions adopted at this annual general meeting.

Other business

To transact any other business that may be transacted at an annual general meeting.

General

Subject to the proxies given by Welkom Yizani Investments (RF) Limited (Welkom Yizani) to its shareholders to vote at the annual general meeting of the company in its stead, the ordinary shareholders of the company are entitled to attend, speak and vote at the annual general meeting (with each ordinary share in the company giving its holder one vote).

Votes at the annual general meeting will be taken by way of a poll and not on a show of hands. Each ordinary shareholder present or represented by proxy will be entitled to that number of votes equal to the number of ordinary shares held by such ordinary shareholder.

Forms of proxy must be deposited at Equity Express, a division of Singular Systems Proprietary Limited, 71 Corlett Drive, Birnam 2196 or PO Box 1266, Bramley 2018 to reach them not less than forty-eight (48) hours (Saturdays, Sundays and public holidays are not taken into consideration) before the annual general meeting to allow for processing of such proxies. All other proxies must be handed in at registration desks at Nasdak, Media24 Centre prior to the commencement of the annual general meeting.

Pursuant to the provisions of article 6.8 of the memorandum of incorporation of the company, each shareholder of Welkom Yizani has been irrevocably appointed as a proxy for Welkom Yizani and is entitled, at the annual general meeting of the company, to exercise one vote for each share that the relevant shareholder holds in Welkom Yizani.

By order of the board



L J Klink
Company secretary
Cape Town
29 July 2016

Notice of annual general meeting

Notice is hereby given in terms of the Companies Act No 71 of 2008, as amended (the Act), that the tenth annual general meeting of **Welkom Yizani Investments (RF) Limited (the company)** will be held at Nasdak, Media24 Centre, 40 Heerengracht, Cape Town on **Monday 29 August 2016**, immediately after the conclusion of the Media24 Holdings Proprietary Limited annual general meeting, which is scheduled to be held at **11:00** on that day.

Please note that the registration counter for purposes of registration to vote at this meeting on Monday 29 August 2016 will close at 10:45 on that day.

Record date, attendance and voting

The record date for the meeting is **Monday 15 August 2016**, being the date on which a person must be registered as a shareholder of the company for purposes of being entitled to attend and vote at the annual general meeting.

A shareholder entitled to attend and vote at the meeting is entitled to appoint one or more person(s) as a proxy or proxies to attend, participate in and vote at the meeting in the place of the shareholder. A proxy need not be a shareholder of the company.

A form of proxy, which includes the relevant instructions for its completion, is attached for the use of shareholders who wish to be represented at the annual general meeting. Completion of a form of proxy will not preclude such shareholder from attending and voting (in preference to that shareholder's proxy) at the annual general meeting.

Votes at the annual general meeting will be taken by way of a poll and not on a show of hands. Each ordinary shareholder present or represented by proxy will be entitled to that number of votes equal to the number of ordinary shares held by such ordinary shareholder or his/her proxies.

Identification of meeting participants

Kindly note that meeting participants (including proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in a shareholders' meeting. Forms of identification include valid identity documents, driver's licences and passports.

Purpose of meeting

The purpose of the meeting is: (i) to present the directors' report, the audited annual financial statements of the company for the immediately preceding financial year and the audit committee report; (ii) to consider and, if approved, to adopt, with or without amendment, the resolutions set out below; and (iii) to consider any matters raised by the shareholders of the company, with or without advance notice to the company.

Electronic participation

Shareholders entitled to attend and vote at the meeting or proxies of such shareholders shall be entitled to participate in the meeting (but not vote) by electronic communication. Should a shareholder wish to participate in the meeting by electronic communication, the shareholder concerned should advise the company thereof by no later than **09:00** on **Wednesday 17 August 2016** by submitting via registered mail addressed to the company (for the attention of Ms L J Klink) relevant contact details, as well as full details of the shareholder's title to securities issued by the company and proof of identity, in the form of certified copies of identity documents and written confirmation from the transfer secretary confirming the shareholder's title to the shares.

Upon receipt of the required information, the shareholder concerned will be provided with a secure code and instructions to access the electronic communication during the annual general

Notice of annual general meeting continued

meeting. Shareholders must note that access to the electronic communication will be at the expense of the shareholders who wish to use the facility.

Ordinary resolutions

Each of the ordinary resolutions below requires the support of a majority of votes exercised by shareholders present or represented by proxy at the meeting in order to be adopted:

1. To consider and accept the annual financial statements of the company for the twelve (12) months ended 31 March 2016, as well as the reports of the directors, the auditor and the audit committee.

The summarised annual financial statements of the company for the preceding financial year are included in the integrated annual report of which this notice forms part. The complete annual financial statements of the company for the preceding financial year can be obtained at www.welkomyizani.co.za.

A copy is also available on request during normal business hours at the company's registered office:
40 Heerengracht, Cape Town 8001
(contact person – Mr A Mayman).

2. After having applied the solvency and liquidity tests contemplated in the Act, in terms of which it has concluded that the company will satisfy such tests immediately after completing the proposed distribution, the board approved that a dividend of 40 cents per ordinary share be declared, which the shareholders hereby approve.
3. To reappoint, on the recommendation of the company's audit committee, PricewaterhouseCoopers Inc. as independent registered auditor of the company (noting that Mr V Harri is the

individual registered auditor of that firm who will undertake the audit) for the period until the next annual general meeting of the company.

4. To elect Mrs J C Held, who retires by rotation and, being eligible, offers herself for re-election as a director of the company. Her brief biographical details are included in the integrated annual report. The board unanimously recommends that the re-election of Mrs Held in terms of resolution 4 be approved by the shareholders of the company.
5. To appoint audit committee members as required in terms of the Act and as recommended by the King Report on Corporate Governance for South Africa 2009 (King III) (chapter 3).

The board is satisfied that the company's audit committee members are suitably skilled and experienced independent non-executive directors. Collectively they have sufficient qualifications and experience to fulfil their duties, as contemplated in regulation 42 of the Companies Regulations 2011. They have a comprehensive understanding of financial reporting, internal financial controls, risk management and governance processes within the company, as well as International Financial Reporting Standards and other regulations and guidelines applicable to the company. They keep up to date with developments affecting their required skills set.

The board therefore unanimously recommends the appointment of Prof R C C Jafra, Messrs P O Goldhawk and A H Adhikari, and Mrs J C Held as members of the audit committee. Their brief biographical details are included in the integrated annual report. The appointment of members of the audit

committee will be conducted by way of a separate ordinary resolution in respect of each individual.

- Each of the directors of the company is hereby authorised to do all things, perform all acts and sign all documentation necessary to effect the implementation of the ordinary resolutions adopted at this annual general meeting.

Other business

To transact such other business as may be transacted at an annual general meeting.

General

Forms of proxy must be deposited at the company's transfer secretaries, Equity Express, a division of Singular Systems Proprietary Limited, 71 Corlett Drive, Birnam 2196 or PO Box 1266, Bramley 2018, to reach them not less than forty-eight (48) hours (Saturdays, Sundays and public holidays shall not be taken into account) before the annual general meeting to allow for processing of such proxies. All other proxies must be handed in at the registration desks at Nasdak, Media24 Centre prior to the commencement of the annual general meeting.

By order of the board



L J Klink

Company secretary
29 July 2016
Cape Town

MEDIA24 Form of proxy // Volmagvorm

MEDIA24 HOLDINGS PROPRIETARY LIMITED // MEDIA24 BEHEREND EIENDOMS BEPERK
 (Incorporated in the Republic of South Africa) // (Geïnkorporeer in die Republiek van Suid-Afrika)
 (Registration number: 2006/021408/07) // (Registrasienommer: 2006/021408/07)
 (the company) // (die maatskappy)

For use by shareholders at the tenth annual general meeting to be held in Nasdak, Media24 Centre, 40 Heerengracht, Cape Town on Monday 29 August 2016 at 11:00. Note that the registration counter for purposes of registration to vote at this meeting on Monday 29 August 2016 will close at 10:45 on that day. // Vir gebruik deur aandeelhouers by die tiende algemene jaarvergadering wat op Maandag 29 Augustus 2016 om 11:00 in Nasdak, Media24-sentrum, Heerengracht 40, Kaapstad gehou sal word. Neem kennis dat die registrasietoonbank vir registrasie om by hierdie vergadering op Maandag 29 Augustus 2016 te kam stem, om 10:45 op daardie dag sal sluit.

I/We // Ek/Ons

of // van

identity number/registration number // identiteitsnommer/registrasienommer

(address) // (adres)

being a holder(s) of // wat 'n houer(s) is van

Welkom Yzani ordinary shares in the company, hereby appoint according to my authorisation (see note 1) //

Welkom Yzani- gewone aandele in die maatskappy, stel hiermee aan volgens my magtiging (sien aantekening 1)

1.

of // van

or, failing him/her, // of, indien nie hy/sy nie

2.

of // van

or, failing him/her, // of, indien nie hy/sy nie

3. the chair of the company or, failing him/her, the chair of the annual general meeting as my/our proxy to vote for me/us on my/our behalf at the annual general meeting of the company to be held in Nasdak, Media24 Centre, 40 Heerengracht, Cape Town, on Monday 29 August 2016 at 11:00 on that day or at any adjournment thereof, and generally to act as my/our proxy at the said annual general meeting. // die voorsitter van die maatskappy of, indien nie hy/sy nie, die voorsitter van die algemene jaarvergadering as my/ons gevolmagtigde om namens my/ons te stem by die algemene jaarvergadering van die maatskappy wat op Maandag 29 Augustus 2016 om 11:00 op daardie dag sal plaasvind in Nasdak, Media24-sentrum, Heerengracht 40, Kaapstad, of by enige verdrag daarvan, en oor die algemeen as my/ons gevolmagtigde by genoemde algemene jaarvergadering op te tree.

I/We desire to vote as follows (see note 8): // Ek/Ons wil soos volg stem (sien aantekening 8):

	In favour of // Ten gunste van	Against // Teen	Abstain // Buite stemming
Ordinary resolution 1: Acceptance of annual financial statements. // Gewone besluit 1: Aanvaarding van finansiële jaarstate.			
Ordinary resolution 2: Approval of dividend. // Gewone besluit 2: Goedkeuring van dividend.			
Ordinary resolution 3: Appointment of auditor. // Gewone besluit 3: Aanstelling van outiditeur.			
Ordinary resolution 4: Re-election of the following directors: // Gewone besluit 4: Herkiesing van die volgende direkteure:			
Prof H S S Willemse // Prof H S S Willemse			
Mrs J C Held // Mev J C Held			
Mr S S de Swardt // Mnr S S de Swardt			
Ordinary resolution 5: Appointment of audit committee members: // Gewone besluit 5: Aanstelling van auditkomiteelede:			
Mr S S de Swardt // Mnr S S de Swardt			
Mr T D Petersen // Mnr T D Petersen			
Mrs J C Held // Mev J C Held			
Ordinary resolution 6: Endorse company's remuneration policy. // Gewone besluit 6: Onderskryf maatskappy se vergoedingsbeleid.			
Special resolution 1: General authority for the company or any of its subsidiaries to acquire its own shares. // Spesiale besluit 1: Algemene magtiging aan die maatskappy of enige van sy filiale om sy eie aandele te verkry.			
Special resolution 2: Approval of the provision of financial assistance in terms of section 44 of the Companies Act, 2008. // Spesiale besluit 2: Goedkeuring vir die voorsiening van finansiële bystand ingevolge artikel 44 van die Maatskappywet, 2008.			
Special resolution 3: Approval of the provision of financial assistance in terms of section 45 of the Companies Act, 2008. // Spesiale besluit 3: Goedkeuring vir die voorsiening van finansiële bystand ingevolge artikel 45 van die Maatskappywet, 2008.			
Ordinary resolution 7: Authorisation to implement all resolutions adopted at the annual general meeting. // Gewone besluit 7: Magtiging om alle besluite wat op die algemene jaarvergadering aangeneem is, uit te voer.			

Signed at // Geteken te

on this // op hierdie day of // dag van

2016

Signature // Handtekening

Assisted (where applicable) // Bygestaan deur (waar van toepassing)

Each shareholder is entitled to appoint one or more proxies (who need not be a shareholder(s) of the company). // Elke aandeelhouer is geregtig om een of meer gevolmagtigde(s) (wat nie 'n aandeelhouer(s) van die maatskappy heef te wees nie) aan te stel.

Please see notes on page 88. // sien aantekeninge op bladsy 88.

Notes to the form of proxy

The following provisions shall apply in relation to proxies:

1. A shareholder of the company may appoint any individual (including an individual who is not a shareholder of the company) as a proxy to participate in, and speak and vote at, the annual general meeting of the company. A shareholder may therefore insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting "the chair of the company or, failing him/her, the chair of the annual general meeting". The person whose name stands first on the proxy form and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. A shareholder may appoint two or more persons concurrently as proxies and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder.
3. A proxy instrument must be in writing, dated and signed by the shareholder.
4. A proxy may delegate his/her authority to act on behalf of the shareholder to another person subject to any restrictions set out in the instrument appointing the proxy.
5. A copy of the instrument appointing a proxy must be delivered to the company, or to any other person on behalf of the company, before the proxy exercises any rights of the shareholder at the annual general meeting.
6. Irrespective of the form of instrument used to appoint the proxy: (i) the appointment is suspended at any time and, to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder; (ii) the appointment is revocable unless the proxy appointment expressly states otherwise; and (iii) if the appointment is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing or making a later inconsistent appointment of a proxy and delivering a copy of the revocation instrument to the proxy and the company.
7. The proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction except to the extent that the memorandum of incorporation of the company, or the instrument appointing the proxy, provides otherwise.
8. A shareholder's instructions to the proxy must be indicated by the insertion of an "X" in the appropriate box provided. Failure to comply with the above will be deemed to authorise the chair of the annual general meeting, if he/she is the authorised proxy, to vote in favour of the resolutions at the annual general meeting, or any other proxy to vote or abstain from voting at the annual general meeting as he/she deems fit, in respect of the shareholder's total holding.
9. Every shareholder present in person or by proxy and entitled to vote shall, on a show of hands, have only one vote and, upon a poll, every shareholder shall have one vote for every ordinary share held.
10. Documentary evidence establishing the authority of the person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the company or waived by the chair of the annual general meeting.
11. Forms of proxy must be lodged with, or posted to, the transfer secretaries, Equity Express, a division of Singular Systems Proprietary Limited, 71 Corlett Drive, Birnam 2196 or PO Box 1266, Bramley 2018 to reach them not less than forty-eight (48) hours (Saturdays, Sundays and public holidays shall not be taken into consideration) before the annual general meeting to allow for processing of such proxies. All other proxies must be handed in at the registration desks at Nasdaq, Media24 Centre prior to the commencement of the annual general meeting.

Aantekeninge by die volmagvorm

Die volgende sal van toepassing wees ten opsigte van gevormagtigdes:

1. 'n Aandeelhouer van die maatskappy kan enige persoon (insluitend 'n persoon wat nie 'n aandeelhouer van die maatskappy is nie) as 'n gevormagtigde benoem om aan die algemene jaarvergadering van die maatskappy deel te neem, daarop te praat en daarop te stem. 'n Aandeelhouer mag dus die naam van 'n gevormagtigde of die name van twee alternatiewe gevormagtigdes van die aandeelhouer se keuse in die toepasslike ruimte invul, met of sonder skraping van "die voorsitter van die maatskappy of, indien nie hy/sy nie, die voorsitter van die algemene jaarvergadering". Die persoon wie se naam eerste op die volmagvorm verskyn en wat by die algemene jaarvergadering teenwoordig is, sal daarop geregtig wees om as gevormagtigde op te tree met uitsluiting van diegene wie se name daarna volg.
2. 'n Aandeelhouer mag twee of meer persone gelyktydig as gevormagtigdes benoem en meer as een gevormagtigde benoem om stemreg uit te oefen wat verbonde is aan verskillende sekuriteite wat deur die aandeelhouer gehou word.
3. 'n Volmaginstrument moet op skrif, gedateer en deur die aandeelhouer onderteken wees.
4. 'n Gevormagtigde mag sy/haar gesag om namens die aandeelhouer op te tree aan 'n ander persoon deleger, onderhewig aan enige beperkings soos uiteengesit in die instrument waarvolgens die gevormagtigde benoem is.
5. 'n Afskrif van die instrument waarvolgens 'n gevormagtigde benoem is, moet by die maatskappy afgelewer word, of aan enige ander persoon namens die maatskappy, voordat die gevormagtigde enige regte van die aandeelhouer by die algemene jaarvergadering uitoefen.
6. Ongeag die formaat van die instrument wat gebruik word om die gevormagtigde te benoem: (i) word die benoeming op enige tydstop opgeskort en in soverre die aandeelhouer besluit om direk en persoonlik te handel in die uitoefening van enige regte as 'n aandeelhouer; (ii) kan die benoeming herroep word, tensy die gevormagtigdebenoeming uitdruklik anders bepaal; en (iii) indien die benoeming herroep kan word, mag 'n aandeelhouer die gevormagtigdebenoeming herroep deur dit skriftelik te kanselleer of later 'n onverenigbare benoeming van 'n gevormagtigde te doen en 'n afskrif van die herroepingsinstrument by die gevormagtigde en die maatskappy af te lewer.
7. Die gevormagtigde is geregtig daarop om enige stemreg van die aandeelhouer sonder aanwysing uit te oefen of hom/haar daarvan te weerhou om dit uit te oefen, behalve in soverre die maatskappy se akte van oprigting of die instrument waarvolgens die gevormagtigde benoem is anders bepaal.
8. 'n Aandeelhouer se opdragte aan die gevormagtigde moet aangeduid word deur 'n "X" in die toepasslike ruimte aan te bring. Versuim om dit na te kom, sal geag word om die voorsitter van die algemene jaarvergadering, indien hy/sy die gevormagtigde gevormagtigde is, te magtig om ten gunste van die besluite by die algemene jaarvergadering te stem, of enige ander gevormagtigde te magtig om by die algemene jaarvergadering na goeddunke te stem of buite stemming te bly, ten opsigte van die aandeelhouer se totale aandeelhouing.
9. Elke aandeelhouer wat self teenwoordig is of deur 'n gevormagtigde verteenwoordig word en daarop geregtig is om te stem, het met die opsteek van hande slegs een stem en, in 'n stemming met stembriefies, een stem vir elke gewone aandeel wat daardie aandeelhouer hou.
10. Stawende dokumente ter bevestiging van die magtiging van die persoon wat hierdie volmagvorm in 'n verteenwoordigende hoedanigheid teken, moet by hierdie volmagvorm aangeheg wees, tensy dit voorheen deur die maatskappy aangeteken is of deur die voorsitter van die algemene jaarvergadering kwytgeskeld is.
11. Volmagvorms moet ingedien word by of gepos word aan die oordragsekretaris van die maatskappy, Equity Express, 'n afdeling van Singular Systems Eiendoms Beperk, Corlettrylaan 71, Birnam 2196 of Postbus 1266, Bramley 2018, om hulle teen nie later nie as agt-en-veertig (48) uur (Saterdag, Sondag en vakansiedae word nie in berekening gebring nie) voor die algemene jaarvergadering te bereik om voorsiening te maak vir die verwerking van sodanige volmagvorms. Alle ander volmagvorms moet by die registrasietouanke by Nasdaq, Media24-Sentrum ingehandig word voor die aanvang van die algemene jaarvergadering.

WELKOM YIZANI INVESTMENTS (RF) LIMITED // WELKOM YIZANI BELEGGINGS (RF) BEPERK

(Incorporated in the Republic of South Africa) // (Geïnkorporeer in die Republiek van Suid-Afrika)

(Registration number: 2006/021434/06) // (Registrasienuommer: 2006/021434/06)

(the company) // (die maatskappy)

For use by shareholders at the tenth annual general meeting to be held in Nasdak, Media24 Centre, 40 Heerengracht, Cape Town on Monday 29 August 2016 immediately after the conclusion of the annual general meeting of Media24 Holdings Proprietary Limited, which is scheduled to be held at 11:00 on that day. Note that the registration counter for purposes of registration to vote at this meeting on Monday 29 August 2016, will close at 10:45 on that day. // Vir gebruik deur aandeelhouders by die tiende algemene jaarvergadering wat op Maandag 29 Augustus 2016 gehou word onmiddellik ná afsluiting van die algemene jaarvergadering van Media24 Beherend Eendoms Beperk, wat om 11:00 op daardie dag sal plaasvind in Nasdak, Media24-sentrum, Heerengracht 40, Kaapstad. Neem kennis dat die registrasietoonbank vir doeleindes van registrasie om by hierdie vergadering te kan stem op Maandag 29 Augustus 2016 om 10:45 op daardie dag sal sluit.

I/We // Ek/Ons

of // van

identity no//registration no // identiteitsnr//registrasiennr

(address) // (adres)

being a holder(s) of // wat 'n houer(s) is van

Welkom Yizani ordinary shares in the company, hereby appoint according to my authorisation (see note 1) //

Welkom Yizani- gewone aandele in die maatskappy, stel hiermee aan volgens my magtiging (sien aantekening 1)

1.

of // van

or, failing him/her, // of, indien nie hy/sy nie

2.

of // van

or, failing him/her, // of, indien nie hy/sy nie

3. the chair of the company or, failing him/her, the chair of the annual general meeting as my/our proxy to vote for me/us on my/our behalf at the annual general meeting of the company to be held in Nasdak, Media24 Centre, 40 Heerengracht, Cape Town on Monday 29 August 2016 immediately after the conclusion of the annual general meeting of Media24 Holdings Proprietary Limited, which is scheduled to be held at 11:00 on that day or at any adjournment thereof, and generally to act as my/our proxy at the said annual general meeting. // die voorsitter van die maatskappy of, indien nie hy/sy nie, die voorsitter van die algemene jaarvergadering as my/ons gevolmagtigde om namens my/ons te stem by die algemene jaarvergadering van die maatskappy wat op Maandag 29 Augustus 2016 gehou word, onmiddellik ná afsluiting van die algemene jaarvergadering van Media24 Beherend Eendoms Beperk wat om 11:00 op daardie dag sal plaasvind in Nasdak, Media24-sentrum, Heerengracht 40, Kaapstad of by enige verdragging daarvan, en oor die algemeen as my/ons gevolmagtigde by genoemde algemene jaarvergadering op te tree.

I/We desire to vote as follows (see note 8): // Ek/Ons will soos volg stem (sien aantekening 8):

In favour of // Ten gunste van	Against // Teen	Abstain // Buite stemming
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Ordinary resolution 1: Acceptance of annual financial statements. // Gewone besluit 1: Aanvaarding van finansiële jaarstate.			
Ordinary resolution 2: Approval of ordinary share dividend. // Gewone besluit 2: Goedkeuring van gewoneaandeel-dividend.			
Ordinary resolution 3: Appointment of PricewaterhouseCoopers Inc. as auditor. // Gewone besluit 3: Aanstelling van PricewaterhouseCoopers Geïnk. as outfeitor.			
Ordinary resolution 4: Re-election of the following director: J C Held. // Gewone besluit 4: Herkiesing van die volgende direkteur: J C Held.			
Ordinary resolution 5: Appointment of audit committee members: // Gewone besluit 5: Aanstelling van outdiktomiteede:			
Prof R C C Jaftha // Prof R C C Jaftha			
Mr P O Goldhawk // Mnr P O Goldhawk			
Mr A H Adhikari // Mnr A H Adhikari			
Mrs J C Held // Mev J C Held			
Ordinary resolution 6: Authorisation to implement all resolutions adopted at annual general meeting. // Gewone besluit 6: Magtiging om alle besluite wat op die algemene jaarvergadering aanvaar is, uit te voer.			

Signed at // Geteken te

on this // op hierdie

day of // dag van

2016

Signature // Handtekening

Assisted (where applicable) // Bygestaan deur (waar van toepassing)

Each shareholder is entitled to appoint one or more proxies (who need not be a shareholder(s) of the company). // Elke aandeelhouer is geregtig om een of meer gevolmagtigde(s) (wat nie 'n aandeelhouer(s) van die maatskappy hoef te wees nie) aan te stel.

Please see notes on page 90. // sien aantekeninge op bladsy 90.

Notes to the form of proxy

The following provisions shall apply in relation to proxies:

1. A shareholder of the company may appoint any individual (including an individual who is not a shareholder of the company) as a proxy to participate in, and speak and vote at, the annual general meeting of the company. A shareholder may therefore insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting "the chair of the company or, failing him/her, the chair of the annual general meeting". The person whose name stands first on the proxy form and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. A shareholder may appoint two or more persons concurrently as proxies and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder.
3. A proxy instrument must be in writing, dated and signed by the shareholder.
4. A proxy may delegate his/her authority to act on behalf of the shareholder to another person subject to any restrictions set out in the instrument appointing the proxy.
5. A copy of the instrument appointing a proxy must be delivered to the company, or to any other person on behalf of the company, before the proxy exercises any rights of the shareholder at the annual general meeting.
6. Irrespective of the form of instrument used to appoint the proxy: (i) the appointment is suspended at any time and, to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder; (ii) the appointment is revocable unless the proxy appointment expressly states otherwise; and (iii) if the appointment is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing or making a later inconsistent appointment of a proxy and delivering a copy of the revocation instrument to the proxy and the company.
7. The proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction except to the extent that the memorandum of incorporation of the company, or the instrument appointing the proxy, provides otherwise.
8. A shareholder's instructions to the proxy must be indicated by the insertion of an "X" in the appropriate box provided. Failure to comply with the above will be deemed to authorise the chair of the annual general meeting, if he/she is the authorised proxy, to vote in favour of the resolutions at the annual general meeting, or any other proxy to vote or abstain from voting at the annual general meeting as he/she deems fit, in respect of the shareholder's total holding.
9. Every shareholder present in person or by proxy and entitled to vote shall, on a show of hands, have only one vote and, upon a poll, every shareholder shall have one vote for every ordinary share held.
10. Documentary evidence establishing the authority of the person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the company or waived by the chair of the annual general meeting.
11. Forms of proxy must be lodged with, or posted to, the transfer secretaries, Equity Express, a division of Singular Systems Proprietary Limited, 71 Corlett Drive, Birmam 2196 or PO Box 1266, Bramley 2018 to reach them not less than forty-eight (48) hours (Saturdays, Sundays and public holidays shall not be taken into consideration) before the annual general meeting to allow for processing of such proxies. All other proxies must be handed in at the registration desks at Nasdaq, Media24 Centre prior to the commencement of the annual general meeting.

Aantekeninge by die volmagt vorm

Die volgende sal van toepassing wees ten opsigte van volmagtigdes:

1. 'n Aandeelhouer van die maatskappy kan enige persoon (insluitend 'n persoon wat nie 'n aandeelhouer van die maatskappy is nie) as 'n volmagtigde benoem om aan die algemene jaarvergadering van die maatskappy deel te neem, daarop te praat en daarop te stem. 'n Aandeelhouer mag dus die naam van 'n volmagtigde of die name van twee alternatiewe volmagtigdes van die aandeelhouer se keuse in die toepasslike ruimte invul, met of sonder skraping van "die voorsitter van die maatskappy of, indien nie hy/sy nie, die voorsitter van die algemene jaarvergadering". Die persoon wie se naam eerste op die volmagt vorm verskyn en wat by die algemene jaarvergadering teenwoordig is, sal daarop geregtig wees om as volmagtigde op te tree met uitsluiting van diegene wie se name daarna volg.
2. 'n Aandeelhouer mag twee of meer persone gelyktydig as volmagtigdes benoem en meer as een volmagtigde benoem om stemreg uit te oefen wat verbonde is aan verskillende sekuriteite wat deur die aandeelhouer gehou word.
3. 'n Volmagtinstrument moet op skrif, gedateer en deur die aandeelhouer onderteken word.
4. 'n Volmagtigde mag sy/haar gesag om namens die aandeelhouer op te tree aan 'n ander persoon deleger, onderhewig aan enige beperkings soos uiteengesit in die instrument waarvolgens die volmagtigde benoem is.
5. 'n Afskrif van die instrument waarvolgens 'n volmagtigde benoem is, moet by die maatskappy afgelewer word, of aan enige ander persoon namens die maatskappy, voordat die volmagtigde enige regte van die aandeelhouer by die algemene jaarvergadering uitoefen.
6. Ongeag die formaat van die instrument wat gebruik word om die volmagtigde te benoem: (i) word die benoeming op enige tydstop opgeskort en in soverre die aandeelhouer besluit om direk en persoonlik te handel in die uitoefening van enige regte as 'n aandeelhouer; (ii) kan die benoeming herroep word, tensy die volmagtigdebenoeming uitdruklik anders bepaal; en (iii) indien die benoeming herroep kan word, mag 'n aandeelhouer die volmagtigdebenoeming herroep deur dit skriftelik te kanselleer of later 'n onverenigbare benoeming van 'n volmagtigde te doen en 'n afskrif van die herroepingsinstrument by die volmagtigde en die maatskappy af te lewer.
7. Die volmagtigde is geregtig daarop om enige stemreg van die aandeelhouer sonder aanwysing uit te oefen of hom/haar daarvan te weerhou om dit uit te oefen, behalve in soverre die maatskappy se akte van oprigting of die instrument waarvolgens die volmagtigde benoem is anders bepaal.
8. 'n Aandeelhouer se opdragte aan die volmagtigde moet aangedui word deur 'n "X" in die toepasslike ruimte aan te bring. Versuim om dit na te kom, sal geag word om die voorsitter van die algemene jaarvergadering, indien hy/sy die gemagtigde volmagtigde is, te magtig om ten gunste van die besluite by die algemene jaarvergadering te stem, of enige ander volmagtigde te magtig om by die algemene jaarvergadering na goedgekeurde stem of buite stemming te bly, ten opsigte van die aandeelhouer se totale aandeelhouing.
9. Elke aandeelhouer wat self teenwoordig is of deur 'n volmagtigde verteenwoordig word en daarop geregtig is om te stem, het met die opsteek van hande slegs een stem en, in 'n stemming met stembriefies, een stem vir elke gewone aandeel wat daardie aandeelhouer hou.
10. Stawende dokumente ter bevestiging van die magtiging van die persoon wat hierdie volmagt vorm in 'n verteenwoordigende hoedanigheid teken, moet by hierdie volmagt vorm aangeheg wees, tensy dit voorheen deur die maatskappy aangeteken is of deur die voorsitter van die algemene jaarvergadering kwytgeskied is.
11. Volmagt vorms moet ingedien word by of gepos word aan die oordragsekretaris van die maatskappy, Equity Express, 'n afdeling van Singular Systems Eiensdome Beperk, Corlettlyaan 71, Birmam 2196 of Posbus 1266, Bramley 2018, om hulle teen nie later nie as agt-en-veertig (48) uur (Saterdag, Sondag en vakansiedae word nie in berekening gebring nie) voor die algemene jaarvergadering te bereik om voorsiening te maak vir die verwerking van sodanige volmagt vorms. Alle ander volmagt vorms moet by die registrasietoonbanke by Nasdaq, Media24-Sentrum ingehandig word voor die aanvang van die algemene jaarvergadering.