



MEDIA24

**Media24 Holdings
Proprietary Limited**

2017 INTEGRATED
ANNUAL REPORT TO
SHAREHOLDERS OF

WELKOM
YIZANI



**Media in a
transforming
world** We build communities through
content, technology and commerce

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Shareholder information

Annual general meeting

Date: Monday 28 August 2017

Time: 11:00

Registration: 09:00 - 10:45

Place: Nasdak

Media24 Centre
40 Heerengracht
Cape Town



IMAGES: GETTY IMAGES

Scope of report and assurance

This is the seventh integrated annual report in which Media24 Holdings Proprietary Limited (Media24) combines financial and non-financial information for a more holistic understanding of the group. It covers the financial year from 1 April 2016 to 31 March 2017. 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 King Report on Corporate Governance in South Africa (King III).

This report includes the financial performance of the Media24 group and its subsidiaries. In addition, Novus Holdings Limited (Novus) prepared its own separate integrated annual report for the 2016/17 financial year. The scope of reporting on non-financial performance covers the entire Media24 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 consolidated annual financial statements for the year to 31 March 2017 has been reflected correctly in this integrated annual report. Refer to page 49 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 2017, as described in the integrated annual report.

On behalf of the board



Rachel Jafta

Chair

Cape Town

15 June 2017

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.

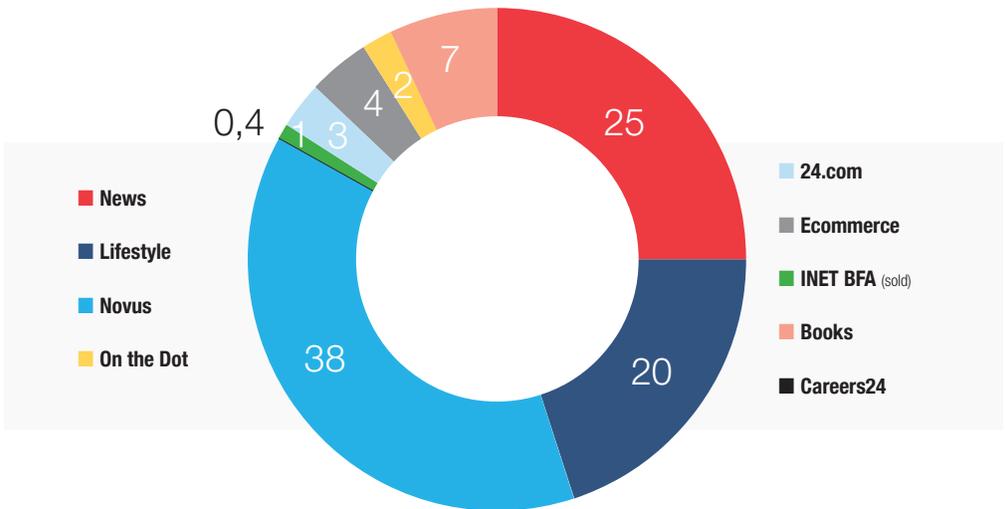
The Media24 group

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 digital publishing, newspapers and magazines, as well as printing, distribution, book publishing, ecommerce and online recruitment classifieds. 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.

Revenue per segment (%)



Our purpose

We build communities through content, technology and commerce.



What do we do

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

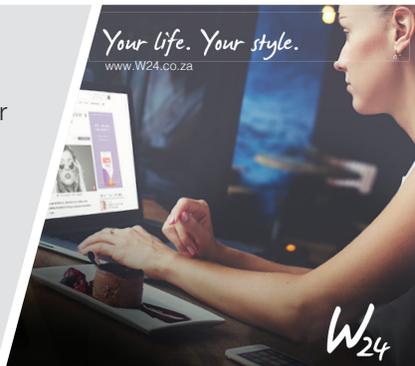


Our values and seven key behaviours



How we do it

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



Snapshot of the year in review

Ownership



black shareholders
in Welkom Yizani, the largest broad-based BEE scheme in South African print media industry

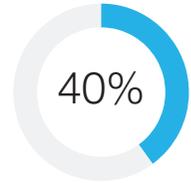


black people economic interest
in Media24 through Welkom Yizani and Naspers

Board



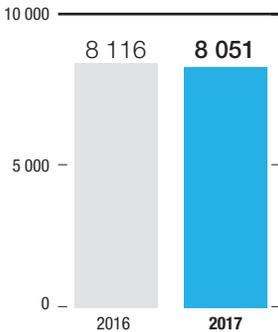
black directors



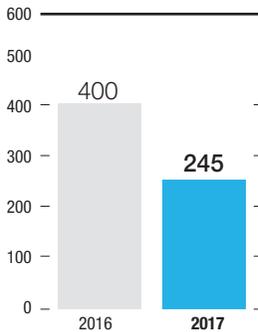
black female directors

Financial performance

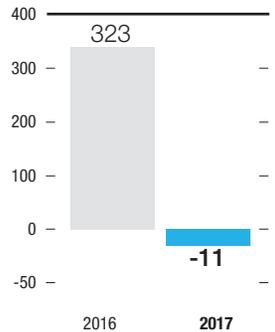
Revenue (R'm)



Trading profit (R'm)



Free cash flow (R'm)



Media24 attained a **level 3** grading with **110%** procurement recognition on black economic empowerment spend under the revised BEE codes

Training and development

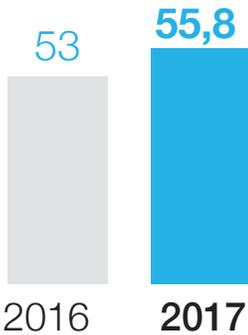


The Hub@Media24: Launched in partnership with CapaCiTi to fast-track skills development and foster a new generation of black engineers.

Apex Future Leaders Programme: Trained 38 Media24 candidates and 10 from the Government Communications and Information System (GCIS).

87% of training expenditure spent on black employees

■ Training expenditure (R'm)



24

interns completed a year-long programme to establish a talent pipeline



2016 Employer of Choice

MEDIA

sagea AWARDS

MEDIA24

R44m

invested in Seta-accredited training for black people





Chair's report

Rachel Jafta

Overview

We are pleased to report on a satisfactory performance by Media24 during the past financial year. Despite tough operating conditions, mainly due to continued structural changes in the print media industry and an adverse economy, the group recorded strong growth in ecommerce and digital media activities. In line with worldwide trends, Media24's traditional revenue sources are declining, but we continue to adapt and invest in our new growth businesses to counter this. Details of our performance during the past year are provided in the chief executive's report.

Media24 plays an active role in empowering communities through various initiatives. The biggest of these is WeCan24 – our flagship corporate social responsibility project offering digital journalism training to learners and teachers. We also continue to support businesses that create employment and contribute substantially to the development of skills in journalism and related media fields. We include details of all these initiatives later in the report.

Welkom Yizani

Welkom Yizani, established as Media24's broad-based black economic empowerment (BBBEE) in 2006, started trading its shares in 2013. Existing shareholders may trade their shares while new qualifying shareholders may buy shares online or make use of the Welkom Yizani call centre.

The Registrar of Securities Services (the Registrar) has indicated that all traditional over-the-counter trading platforms like Welkom Yizani should also regularise their affairs in accordance with the Financial Markets Act of 2012 (FM Act). Welkom Yizani has been engaging with the Financial Services Board (FSB) in this regard. As part of this process, MultiChoice (also part of the Naspers group) and

OUR TRANSFORMING WORLD OF MEDIA

"New apps such as News24 Edge and DailyKick that draw content from Daily Sun, Soccer Laduma and Kick Off into one convenient home, are important to become even more relevant to our users."

Andreij Horn, head of 24.com, Media24

Media24 have established the company Yizani Phuthuma Nathi (YPN), which has applied for an exchange licence to facilitate the trading of BBBEE shares issued by companies within the Naspers group. In the meantime, trading of Welkom Yizani shares on the current trading platform continues unaffected. Welkom Yizani continues to build on the positive engagement it has had with the Registrar and remains committed to complying with the FM Act. It is exempted from complying with the FM Act for a period of six months after the Registrar's decision on whether to grant an exchange licence to YPN. As at 31 March 2017 Welkom Yizani had 90 452 shareholders.

Dividend

The Media24 board recommends that a dividend of R42m be declared to its shareholders, subject to approval by shareholders at the annual general meeting on Monday 28 August 2017. Welkom Yizani will receive R6,3m (2016: R5,9m). The Welkom Yizani board recommends that an ordinary dividend of R6,2m (2016: R5,8m) be declared to its ordinary shareholders. This will result in a dividend of 42,5 cents per ordinary share (2016: 40 cents per ordinary share) before dividends withholding tax. After tax of 20% (2016: 15%), Welkom Yizani ordinary shareholders will receive a net dividend of 34 cents per ordinary share (2016: 34 cents per ordinary share). As in 2016, no preference share dividends will be declared.

Dividends will be payable to shareholders recorded in the books on Monday 28 August 2017, and will be paid on or about Thursday 31 August 2017.

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 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

The main regulatory challenges for the year ahead include competition law matters (cases and investigations) as well as legislative developments and proposed amendments affecting our industry. The latter includes the Protection of State Information Bill (Secrecy Bill), the Protection of Personal Information Act (POPI), the Cybercrimes and Cybersecurity Bill and the Hate Crimes and Hate Speech Bill. The basis for these legislative enactments may be founded in good intentions, but their practical implications may sometimes pose a threat to the constitutionally enshrined principles of press freedom and we will do all we can to defend the media against any such threats.

Legislation to restrict the advertising of alcohol is being considered by the Department of Trade and Industry. The Liquor Amendment Bill includes provisions prohibiting liquor advertising in print media and on the internet. This will affect the media and advertising industries to a large extent and we are closely monitoring developments.

Parliament has yet to deliberate on the report by the Print and Digital Media Transformation Task Team (PDMTTT) on transformation of the media industry, as well as the Press Freedom Commission's report on media regulation. Notably, Media24 has exceeded most of the targets set out in the PDMTTT report.

Media24 continues to support and adhere to regulation by the Press Council, a system we believe is credible and effective. We note with concern renewed talk of government regulation through a media appeals tribunal and will continue

to campaign for press freedom as enshrined in the South African constitution.

Directors

In terms of the company's memorandum of incorporation, one third of directors retire annually and reappointment does not occur automatically. Ruda Landman, Koos Bekker and Trevor Petersen, who retire by rotation, are eligible and offer themselves for re-election. The board further recommends that shareholders appoint Salie de Swardt, Trevor Petersen and Jo-Ann Held as audit committee members. Shareholders will be asked to consider these re-elections and appointments at the upcoming annual general meeting, notice of which is contained in this report. Brief biographical details of all the directors are provided on pages 38 and 39 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

15 June 2017





Chief executive's report

Esmaré Weideman

OUR TRANSFORMING WORLD OF MEDIA

Esmaré: "For us it is incredibly important to migrate our journalism, our readers and our advertisers online. Print media is in rapid decline worldwide and South Africa is no different. Media companies that don't take bold steps will not survive."

Overview

Over the past year we made encouraging progress in growing our digital media operations, opening up efficiencies in our print media portfolio and diversifying the business for future success.

24.com, which houses all our digital media brands, recorded substantial growth in audience and engagement, especially on mobile platforms. By year-end it had 17m monthly users (up 35% from the previous year) and an average of 388m monthly pageviews (up 41% year on year) – testimony to the leading position we have built in digital media in South Africa. It also made huge strides in improving its product offering through, among others, artificial intelligence and machine learning to personalise content according to users' interests. This use of technology in apps such as News24 Edge greatly improves the user experience. We also launched HuffPost South Africa, an important new voice in the South African media landscape and the first sub-Saharan African edition of this influential digital news brand. Netwerk24, our digital subscription platform, which is home to the best online news in Afrikaans, made several product improvements and entrenched itself as the country's largest paid-for news site.

Media24 won a record 18 awards at the 2017 IAB Bookmarks Awards, which recognises digital excellence.

Our other growth businesses, notably our online fashion business, Spree, and online recruitment classifieds business Careers24, also showed double-digit revenue growth. Spree, in particular, recorded stellar results: nett sales grew by 88%, daily transactions were up 76% and app sales more than doubled on the prior year.

VIA, our Afrikaans lifestyle television channel, showed excellent growth in its first full year, now

attracts a diverse viewership across age, gender and race, and won its first industry awards.

These initiatives are strategically important to diversify our revenue base for a sustainable future. Traditional media revenue continued to contract in line with international trends. This is due to the migration of audiences and advertisers to online platforms, where we are well positioned to capitalise on these changing consumer and advertising preferences. The lacklustre South African economy had a further negative impact on print advertising and circulation as advertisers cut back on marketing and consumers continue to tighten their belts.

In the past year we streamlined our print portfolio and substantially reduced our distribution costs by redesigning our delivery routes. We also retained our leading market share in terms of print circulation and advertising, and our excellent portfolio of newspaper and magazine brands won many industry prizes.

Our books divisions had a good year, winning more than 44 literary prizes and delivering strong results. Via Afrika, our schoolbook publisher, received a healthy boost in government textbook orders and Van Schaik Publishers delivered a steady profit margin despite continued instability in the academic market.

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 shareholders. As a responsible corporate citizen, we understand the importance of making a contribution beyond 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

The passion, dedication and excellence of our employees are what sets Media24 apart. Despite the demanding pace of change in our business, staff engagement levels are at an all-time high. This bears testimony to the resilience, focus and loyalty of our teams. As we say at Media24: "We love being here."

We always aim to attract, develop and retain the best talent to maintain our competitive advantage.

We are also focused on building diverse teams so we can learn from one another and best serve our diverse customers.

Future outlook

Strategically, we are fully focused on building out our digital media future and ramping up our investments in ecommerce and digital services to diversify our portfolio. While these investments carry a short- to medium-term impact on profitability, we believe they will deliver long-term returns to our shareholders and make a positive contribution to the communities in which we operate.

As we navigate these new frontiers, journalism remains at the heart of Media24. Print media in South Africa, like in the rest of the world, continues to decline amid significant structural shifts. Accelerating the migration of audiences and advertisers onto digital platforms is key to Media24's future.

We believe it is the quality and authenticity of our journalism that count, not the platforms on which we publish. As custodians of the country's strongest and most loved print and digital media brands, Media24 remains committed to serving South Africa's diverse people through media products they can call home, and to remain the ever-alert media watchdog a democratic society values, treasures and deserves.



Esmaré Weideman

Chief executive

15 June 2017



Strategic focus

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



We are building a diversified media company with market-leading mobile content products and ecommerce solutions in Africa.



Sign in to NetNuus to stay informed of today's news in Afrikaans

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 – people with a passion for excellence form the core of Media24.



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



How we do this

1 Attract the best talent

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

2 Profitable organic growth and strategic investments

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

3 Utilise the reach of media brands to diversify

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.

4 Grow digital reach and deepen user engagement

We are migrating our users from print to digital, and building personalised mobile products with best-in-class user experience to attract and engage users. At the same time, we are expanding our data analytics capability to better understand our audiences and offer advertisers targeted solutions.

5 Work with regulators and industry bodies

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

6 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 corporate social responsibility section.



Risk management

Effective risk management is key to ensuring Media24's sustainability. We are committed to continuously improve our risk management practices. We continue to enhance our resilience to withstand vulnerabilities and successfully navigate both risk and opportunity to ensure we protect and maximise stakeholder value. 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.

Risk governance

The board is responsible for the governance of risk and monitoring the effectiveness of the risk management process. Identifying risk and developing plans to manage risks are part of each business unit's business plan, which is approved annually by the board. A risk register and heat map of significant risks facing the group, and management's actions to manage these risks within the board-approved ranges of tolerance, are monitored by the risk committee. The chief executive is accountable to the board for the enterprise-wide management of risk.

Risk management policy and reporting

The group maintains a transparent risk profile by using a structured approach to risk management. Risk management is integral to the day-to-day operations of our businesses and the identification, management and reporting of risks are embedded in business activities and processes. The group's risk management policy is reviewed annually and applies to all operations in which Media24 directly or indirectly has more than 50% ownership or management control. The group risk manager advises on, formulates, oversees and manages the risk management system 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 that the management of significant risks and related incidents are monitored and reported in a structured manner. 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 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:

Strategic and operational	Risk	Response	Link to strategy
	<ul style="list-style-type: none"> ■ The group operates in fiercely competitive industries and markets. 	<ul style="list-style-type: none"> ■ Delivering quality products and services to customers. ■ Offering a compelling price/value proposition. ■ We are leaders in innovation. ■ Investing in non-traditional areas to diversify for future growth. 	<ul style="list-style-type: none"> ■ Profitable organic growth and strategic investments. ■ Utilise the reach of media products to diversify.
	<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 accelerated speed of development. 	<ul style="list-style-type: none"> ■ Fostering a ‘mobile-first’ culture and strategy. ■ Focusing on user experience, quality content and service excellence. 	<ul style="list-style-type: none"> ■ Grow digital reach and deepen user engagement. ■ Attract the best talent.
	<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. ■ A forex hedging policy is in place. 	<ul style="list-style-type: none"> ■ Work with regulators and industry bodies. ■ Use our expertise to benefit local communities.
	<ul style="list-style-type: none"> ■ Shrinking circulation and advertising revenues in relation to print publications. 	<ul style="list-style-type: none"> ■ Producing high-quality and relevant content. ■ Stringent cost control measures are in place. ■ Reducing our reliance on traditional print through digital strategies and diversification into ecommerce and job classifieds. 	<ul style="list-style-type: none"> ■ Profitable organic growth and strategic investments. ■ Utilise the reach of media brands to diversify.
	<ul style="list-style-type: none"> ■ Digital operations may fail to reach the scale required to generate substantial profits. 	<ul style="list-style-type: none"> ■ Digital assets have been consolidated to build scale. ■ Machine learning and artificial intelligence used to personalise products and accelerate engagement. 	<ul style="list-style-type: none"> ■ Grow digital reach and deepen user engagement.

Strategic and operational (continued)

Human capital

Regulatory and compliance

Risk	Response	Link to strategy
<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, business continuity plans and 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"> ■ A rigorous testing programme for system changes is in place. ■ Disaster recovery plans are tested regularly. ■ Cyber-resilience measures are implemented. 	
<ul style="list-style-type: none"> ■ Published articles might be defamatory and/or inaccurate. Defamation lawsuits may result in significant losses and reputational damage. ■ Fake news is published in the name of Media24 by an unauthorised third party. 	<ul style="list-style-type: none"> ■ Editorial control measures are in place to verify sources and facts. ■ Legal counsel guides journalists and editors. ■ Short-term insurance is in place. ■ The use of Media24's name and brands is continuously monitored to detect unauthorised use or accreditation. 	<ul style="list-style-type: none"> ■ Attract the best talent.
<ul style="list-style-type: none"> ■ Shortage of and high competition for specialist skills, particularly software engineers and developers. 	<ul style="list-style-type: none"> ■ Talent management strategies and succession planning initiatives are in place. ■ Engineering internships and partnering with training organisations. ■ Employer name-building in the digital recruitment space. 	<ul style="list-style-type: none"> ■ Attract the best talent.
<ul style="list-style-type: none"> ■ Non-compliance with a range of regulation and legislation may lead to criminal liability, fines and penalties to the company, its directors and/or officers. 	<ul style="list-style-type: none"> ■ A regulatory and legal compliance programme is in place and staff is trained. ■ Publishing units subscribe to the South African Press Code. ■ Newspaper ombudsmen are in place. ■ We actively participate in regulatory matters. 	<ul style="list-style-type: none"> ■ Work with regulators and industry bodies.

Health and safety

Financial and reporting

	Risk	Response	Link to strategy
Health and safety	<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 audits and train staff. Protection is arranged for journalists when required. External assurance providers assess our risks and control measures. 	
	<ul style="list-style-type: none"> Material and energy used in operations may harm the environment, depleting the earth's resources and contributing to high pollution levels. 	<ul style="list-style-type: none"> Our carbon footprint is measured. Paper is sourced from certified sustainable suppliers and recycled where possible. Water-saving initiatives are in place. Waste is disposed responsibly. Regenerative thermal oxidisers are in place. Toluene levels are monitored at Novus's gravure printing presses. 	
Financial and reporting	<ul style="list-style-type: none"> The group has substantial foreign currency denominated input costs, such as paper and printing equipment. Unpredicted foreign currency movements against the South African rand may cause substantial losses. 	<ul style="list-style-type: none"> Forex hedging policy. 	<ul style="list-style-type: none"> Profitable organic growth and strategic investments.
	<ul style="list-style-type: none"> Strain on cash flow due to decline in profitability of mature businesses while investing in growth businesses. 	<ul style="list-style-type: none"> Stringent cost control and working capital management. Cash flow forecasting. 	<ul style="list-style-type: none"> Profitable organic growth and strategic investments.

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, business partners, industry bodies, government and investors. We use various methods to engage with our stakeholders, and dialogue and feedback are encouraged. The following table demonstrates our continuous efforts aimed at strengthening relations with our stakeholders.

Shareholders

Why we engage

- 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 on the trust placed in the company.

How we engage

- Media24 and Welkom Yizani annual general meetings.
- Media24 integrated annual report distributed to Welkom Yizani shareholders.
- Media24 (www.media24.com) and Welkom Yizani (www.welkomyizani.co.za) websites.



Employees

Why we engage

- 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 behaviour.
- 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.



How we engage

- Ongoing engagement via line management.
- Regular and constructive performance feedback.
- An open-door policy.
- Chief executive roadshows, regular electronic newsletters, management briefings and internal communications.
- Workshops to share best practice.
- Knowledge-sharing sessions on industry topics.
- Annual leadership conference.
- Annual employee-engagement surveys.
- Investment in leadership training and development.
- Active encouragement of employees volunteerism and participation in our corporate social responsibility (CSR) programmes.



Influencers

Why we engage

- To influence policy decisions for the benefit and long-term viability of the industry.

How we engage

- Public engagement processes.
- Scheduled meetings with decisionmakers.
- Representatives serve on industry bodies.

Customers

Why we engage

- To gain a better understanding of our customers' 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 we maintain high service levels.



How we engage

- Social media platforms.
- Focus groups and panels.
- Functions/public events.
- Emails and letters to editors.
- Consumer/market research.
- Customer service call centres.
- Customer satisfaction surveys.
- Net Promoter Scores®.



Industry bodies

Why we engage

- To build our strategic business partnerships.
- To partner with business associations to promote common issues affecting the industry.
- To learn from best practice and share information that will benefit the industry.
- To facilitate mutually beneficial learning opportunities to influence and/or promote common issues.



How we engage

- Participation in Publishers Support Services (PSS) and engagement with various organisations, such as the Audit Bureau of Circulations of South Africa (ABC), the Print Research Council (PRC), the Press Council of South Africa (Press Council), the South African National Editors' Forum (Sanef), the South African Publishers Association (Pasa), the Media Development & Diversity Agency (MDDA) and the Association of Independent Publishers (AIP).
- Novus is a member of the Print Industries Federation of Southern Africa (Pifsa).

Balancing profit, people and our planet

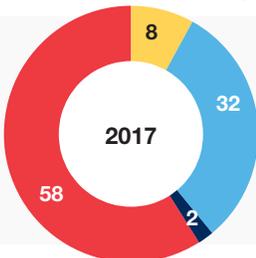
Media24 recognises that sustainable development is a global imperative that results in opportunities as well as risks for business. As a leading media company, Media24 aims to position itself to meet such challenges. As Media24 expands its business, it aims to contribute to the communities in which it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

Value-added statement

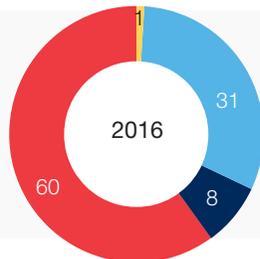
for the year ended 31 March

	2017 R'm	2016 R'm
Revenue	8 051	8 116
Cost of generating revenue	4 597	4 675
Value added	3 454	3 441
Income from investments	47	52
Wealth created	3 501	3 493
Wealth distribution:		
Employees		
Salaries, wages and benefits	2 045	2 081
Providers of capital		
Finance cost	21	23
Dividends paid	39	245
Government		
Total tax paid	1 104	1 096
Reinvested in the group		
Depreciation and amortisation	304	321
Other capital items	183	60
Retained earnings	(195)	(333)
Wealth distributed	3 501	3 493

Distribution of wealth (%)



- Employees
- Providers of capital
- Government
- Reinvested in the group



Performance review: Financial review

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

Revenues

R8,05bn

(2016: R8,1bn)



Notwithstanding good growth in turnover in ecommerce and digital media revenues, consolidated group revenue remained the same on an annual basis as a result of continued structural shifts in the print media sector, tough trading conditions and pressurised South African consumers. Advertising and circulation revenues declined by **6%** to **R3,1bn**, in line with industry trends. Printing revenue through Novus increased by **6%** to **R2,9bn** due to greater volumes in educational books as well as price inflation and growth in label printing. Overall book sales and publishing revenue for the group declined by **15%** following the sale of Leserskring/Leisure Books in the print fiscal.

However, the remaining books portfolio generated satisfactory revenue growth and a strong performance in schoolbook sales in South Africa offset lower than anticipated orders in Botswana and declines in the general trade sector. Pleasing revenue growth in our non-print portfolio resulted mainly from ecommerce activities (**+84%**), digital advertising (**+32%**), digital subscriptions (**+15%**) and tissue manufacturing (**+8%**). Overall, non-traditional diversification revenue sources grew **60%** year on year and now contribute **8%** of consolidated group revenues (**FY16: 5%**).

Trading profit

R245m

(2016: R400m)



Consolidated trading profit decreased by **39%** to **R245m**, largely as a result of Novus's cost inflation (mainly exchange related) along with once-off commissioning costs of diversification and plant amalgamation projects. Significant cost reductions in the print media business, mainly in media logistics and centralised group services (IT and finance shared services), partly offset lost advertising and circulation revenues. Cost reduction strategies and prudent spending have become critical success factors as the group continues to make substantial investment in its digital media, ecommerce and job classifieds businesses.

Group earnings were further affected by a **R139m** asset impairment relating to excess capacity in Novus; it was partly offset by a **R20m** profit on disposal of INET BFA.

Free cash flow

-R11m

(2016: R323m)



The group's free cash flow decreased significantly to a net outflow of **R11m**. This resulted mainly from a **R163m** decline in EBITDA, exacerbated by the growth-related investment in Spree inventory and lower accruals. This was partly offset by improved debtors days throughout the group.

Summarised consolidated and separate annual financial statements and complete annual financial statements

The summarised annual financial statements appear on pages 50 to 53 of this report. The complete annual financial statements for the year to **31 March 2017** are available on www.media24.com. A printed copy of the annual financial statements is available from the chief financial officer, **Cindy Hess**, at the registered office of the company (details are on page 47).

Performance review: Operational review

24.com

Our news and entertainment portal **24.com** grew its audience significantly over the past year and extended its leadership in terms of reach and engagement. Monthly unique browsers across its platforms grew by 35% year on year to reach 17m and pageviews increased by 41% to 388m, driven by mobile web and apps. News24 continues to lead the pack in terms of news apps in South Africa, and Afrikaans paid-for news platform Netwerk24 recorded strong growth in subscriptions. On the operational front, 24.com fired ahead with several new product releases for mobile, including News24 Edge, a personalised version of the News24 app, and personalised aggregator news app BounceNews which has its own editorial, marketing and management team in Nigeria. In addition, lifestyle brand Women24 was successfully repositioned as W24, coverage of the 2016 local election through the all-new Elections24 app bettered all previous records in terms of audience and engagement, and free newsflash app NetNuus received a warm welcome in the market. HuffPost South Africa was successfully launched in November 2016 and exceeded growth targets.

Print media

Despite continued revenue declines the group's **Print Media** division, comprising News, Lifestyle and On the Dot, recorded pleasing results.

Trading profit for the **News** division was in line with expectations, with lower revenues significantly offset by cost savings. We extended our advertising market leadership during the period. Media24 also retained its leading circulation market share among daily and Sunday newspapers and continued to gain ground in the local newspaper segment.

Daily Sun once again delivered a solid performance, while Soccer Laduma recorded substantial profit growth thanks to a strong uplift in advertising income. Our portfolio of local newspapers grew profitability with a number of titles reaching record advertising and profit levels.

In the **Lifestyle** division, standalones and other brand extensions produced healthy margins,

AL DIE NUUS, IN DIE PALM VAN JOU HAND

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Can Zidane be Real's Pep?

Memela: A fighting family becomes stronger

Morris: I had to make a change

Van Wyk: Our performance can't be blamed on friction - page 12

Marumo: Sundowns played like champions! - page 23

Filicci: I learnt to walk again! - page 24

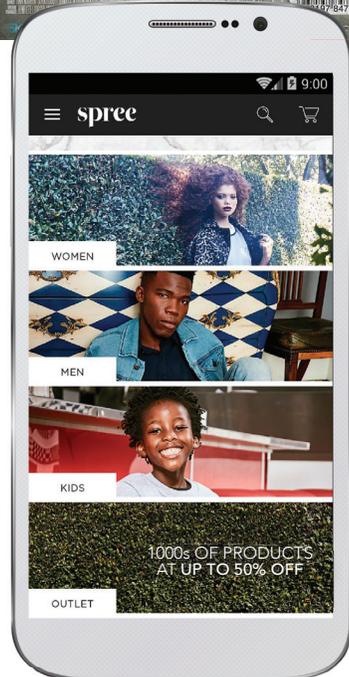
SUPPORTERS CLUB EDUCATE24 @SoccerLaduma SLTV

while stringent cost control and higher cover prices helped offset the impact of declining circulations. We relinquished the publishing rights to Grazia SA and Top Gear, while closing TopCar and transferring the publishing rights for Ideas/Idees and Lééf to the former respective editors. We remain the market leader in print and digital advertising and circulation, and our titles expanded their total brand reach with double-digit growth in digital audiences. Contract publishing business New Media yet again posted outstanding results as it continues to focus on new revenue streams. Matrix24, its new digital content agency that serves all Media24's digital platforms, gained momentum with two major content marketing campaigns. Syndication subsidiary Gallo Images also made record profits on the back of strong sales growth in new markets in Eastern Europe and Russia. Afrikaans weekly publication Huisgenoot celebrated its centenary with several special projects, including a standalone magazine, Karen Zoid's birthday song, *Waar was jy?*, and a romantic comedy film *Vir Die Voëls*, the fifth biggest Afrikaans box office earner to date.

Distribution business **On the Dot** delivered an exceptional performance driven by the ongoing rationalisation of its cost base.

Ecommerce

In the **Ecommerce** division, our online fashion business, Spree, significantly outperformed revenue expectations – driven by the Spree shopping apps and an expanded product range. During the year a second warehouse was launched. We added more local and international brands to the portfolio, launched a fully responsive website to offer an enhanced shopping experience and maintained high customer satisfaction levels despite increased traffic and transaction volumes. The fulfilment operation, operating under the On the Dot brand, rolled out ecommerce services in Johannesburg for two further large retail clients. It simplified its structure to focus on ecommerce services only, developed a click-and-collect app which enables customers to buy online and collect in store, and acquired a minority stake in a local crowdsourced delivery startup.



Careers24

The online recruitment classifieds business **Careers24** posted good revenue growth despite a weak jobs climate and heightened competition, which saw established global players making strong inroads. We made significant investments to improve the effectiveness of the platform and enhance the value proposition to both employers and job seekers. This resulted in improved sales and retention rates.

VIA

Lifestyle and entertainment television channel **VIA** saw exceptional audience growth in its first full year of operation. Afrikaans prime-time viewership grew by 44% over the past year, reaching almost 30% of DStv's total Afrikaans viewership at peak times. It is now the third biggest Afrikaans channel.

Books

Our **Books** portfolio posted excellent results, with both NB Publishers and Jonathan Ball Publishers retaining their top positions as the biggest local trade publisher and trade agency respectively. Print book sales were buoyant, but ebook sales remained flat. Van Schaik Publishers performed well amid campus instability, while schoolbook publisher Via Afrika benefited from solid government textbook orders.

Novus Holdings Limited

Novus's performance was negatively affected by the continued decline in print media volumes and increased production costs – specifically those affected by a weakened exchange rate. Earnings was further impacted by asset impairments recognised in relation to excess production capacity. In addition, the performance of the tissue operation was hampered by a disruption in the planned expansion of capacity through the introduction of a second mill. The labels project achieved profitability, driven by the first full-year inclusion of results as well as new clients being recruited. The group continues to enhance production efficiencies and to match capacity to market demand to drive profitability in its core printing operations.



Performance review: 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.

Community

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 we invested more than R54m 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.

Initiatives during the past year include:

- Over 200 publishers and editors, all members of AIP, were trained in digital publishing with Sector Education and Training Authority (Seta) funding.
- 808 500 free newspapers were distributed, benefiting more than 2 065 schools and more than 721 000 learners nationwide.
- We launched a programme for people with disabilities and presented 35 black people with disabilities, mostly in rural areas, with a national certificate in journalism. Four aspiring journalists with disabilities were placed in a formal media learnership programme and trained as community journalists.
- Using our four Via Afrika Digital Education Centres (our digital education initiative in communities), we trained 2 300 teachers in the use of digital content and technology in the classroom.
- During the past year WeCan24, our free flagship programme in multimedia journalism, trained 2 600 learners from 240 schools across South Africa.





- As part of the Media24 Volunteers24 initiative, Media24 staffers participated in various projects during the year, including painting a school hall, revamping classrooms and assisting in soup kitchens and food gardens, and painting murals at schools.
- The Paarl Media Bursary Fund awarded six new bursaries and 36 students continued their studies in the 2016 academic year. In total, since the bursary fund launched in 2008, 95 bursaries have been awarded to the combined value of R10m.



People

Media24 values its people. We were named South Africa's Employer of Choice in Media at the Graduate Employers' Association awards, for the fourth year in a row. As at 31 March 2017, Media24 had 6 210 employees.

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.

- We invest in the continuous development of our people.
- We reward employees fairly.
- We encourage employees to contribute to sustainability and innovation initiatives.
- 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.

Benefits include:

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

Skills development

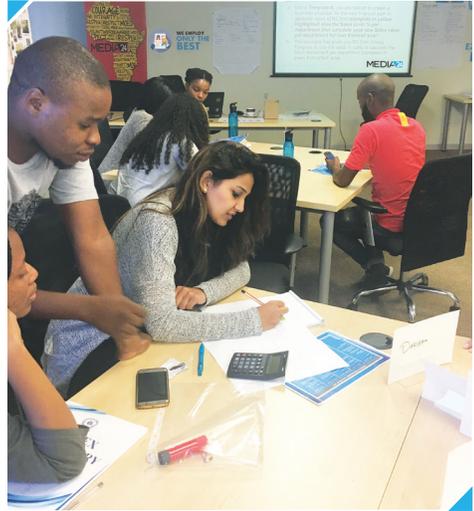
Media24 invested over R55m in developing employees and interns at various levels over the past year. Despite tough trading conditions, we have continued to increase our investment in training year on year.

The Media24 Academy's 2016 programme saw 24 graduates complete a one-year internship, with 15 offered temporary or permanent positions at Media24.

The Apex programme was expanded. Two programmes (Apex Executive and Apex Management) were launched in April 2016. In a ground-breaking public-private partnership, Media24 sponsored 10 Government Communication and Information System (GCIS) employees to take part in the programme. These 10 delegates and 37 Media24 employees, all black, graduated in December 2016.

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

- Fifteen multimedia and journalism graduates, three computer science graduates, two commerce graduates, one television and one book publishing graduate completed their internships in 2016 (100% black and 77% women). Sixteen were placed at Media24.
- A total of 20 graduates (100% black and 50% women) – in journalism, multimedia, computer science and product management – attended an induction programme in January 2017 and started their 12-month internships on 1 February.
- Four black students were awarded bursaries to complete their journalism honours degrees in 2017.
- Two black female staffers, previous Academy bursary holders, completed their MSc in journalism at Columbia University in New York. One returned to take up a position at HuffPost South Africa while the other received a scholarship to extend her stay for a further eight months.



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. Apprenticeships in printing trades form a core part of the training.

Corporate social responsibility

Media24's corporate social responsibility (CSR) 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 AIP and for the first time also ran a training and internship programme for black journalists with disabilities in partnership with the non-governmental organisation (NGO) ThisAbility.

Our flagship projects

Our flagship 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 the past year WeCan24 trained 2 600 learners based at 240 schools nationwide. 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.

The Media24 Rachel's Angels mentorship programme ran from 2007 to 2016 in the Western Cape. The programme followed a holistic approach to not only assist with academic performance and broaden the learners' horizons, but to build self-esteem and help them and their mentors find their purpose in life. At the launch of the programme, learners had a 92% pass rate that increased to 100% at the end of the programme.

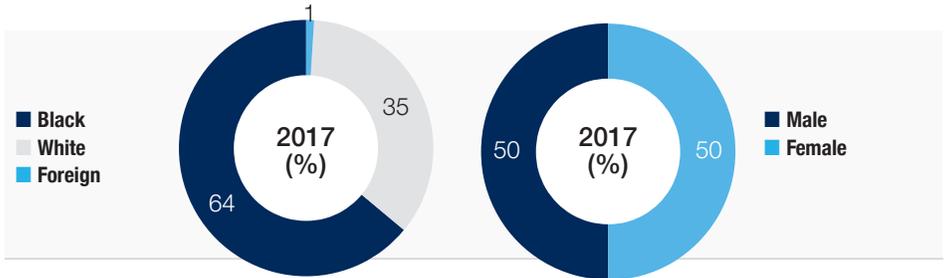
The group supports digital education in communities through four Via Afrika Digital Education Centres, refurbished shipping containers fitted with Android tablets and preloaded with the latest educational content developed by Via Afrika. This content includes a bouquet of educational apps and a suite of interactive, curriculum-aligned ebooks. Teachers at the schools where these centres have been established, receive regular training from Via Afrika to facilitate the effective long-term implementation of digital education in schools. Via Afrika also offers training sessions that are endorsed by the South African Council for Educators, the institute responsible

2 600 learners
based at 240 schools
were trained by

WeCan 24



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 2017 is shown below:



for the professional development of teachers in the country. Via Afrika, together with Volunteers24 and crowdfunding platform BackaBuddy, support further digital education through its I Support Education initiative: a platform where Media24 employees spearhead fundraising campaigns for teachers across the country to receive online training from the Via Afrika Digital Education Academy.

Transformation

With transformation a strategic and commercial imperative, Media24 continues to invest in strategic procurement, and skills and enterprise development. Various initiatives are in place to develop relevant skills and progressive procurement practices, the latter including preferred procurement from black-owned and black economic empowerment

(BEE) compliant service providers. The company has made substantial progress in meeting its transformation aims, outperforming many of its competitors in this regard. Media24 is the only media company of its size in South Africa with a female chair, chief executive and chief financial officer.

In terms of the latest scorecard prepared by its BEE verification agency, Media24 attained a level 3 status with a 110% procurement recognition on BEE spend under the revised BEE codes. The group scored full points for socio-economic development. Black people economic interest is now 53,7% (52,94% in the prior year).

Welkom Yizani, Media24's BBBEE scheme launched in 2006, remains the biggest BEE share offer in the South African print media industry. Welkom Yizani owns a 15% share in Media24 and enables eligible black people and groups to indirectly acquire equity in Media24. 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.

Over the past two financial years Naspers Limited (Naspers), preference shareholder in Welkom Yizani, undertook the following initiatives:

- In March 2016 Naspers reduced Welkom Yizani's liabilities with an amount of R382m when it agreed to waive preference share debt and accrued interest owed to Naspers.
- In May 2016 Naspers further reduced Welkom Yizani's liabilities by waiving preference share debt and accrued interest of R51,6m.



Naspers has waived a total amount of R434m of debt for the period March to May 2016. This means that Welkom Yizani's shareholders are now able to derive immediate economic benefit from their shares.

The Registrar indicated that all traditional over-the-counter trading platforms like Welkom Yizani should regularise their affairs in terms of the FM Act. Welkom Yizani has been engaging with the FSB to bring its affairs in line with the requirements of the FM Act.

As part of this process, MultiChoice (also part of the Naspers group) and Media24 have established the company YPN which has applied for an exchange licence to facilitate the trading of BBBEE shares issued by companies within the Naspers group. During said process, trading of Welkom Yizani shares on the current trading platform continues unchanged. Welkom Yizani continues to build on the positive engagement it has had with the Registrar and remains committed to complying with any directives and/or conditions issued by the Registrar. It is exempted from complying with the FM Act for a period of six months after the Registrar's decision on whether to grant an exchange licence to YPN. As at 31 March 2017, Welkom Yizani had 90 452 shareholders.

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 adheres to a BEE procurement policy. Suppliers' BEE performance

is evaluated against specific criteria and must be improved annually. Media24 achieved 18,22 out of 25 points for preferential procurement of goods and services from all suppliers.

Employment equity

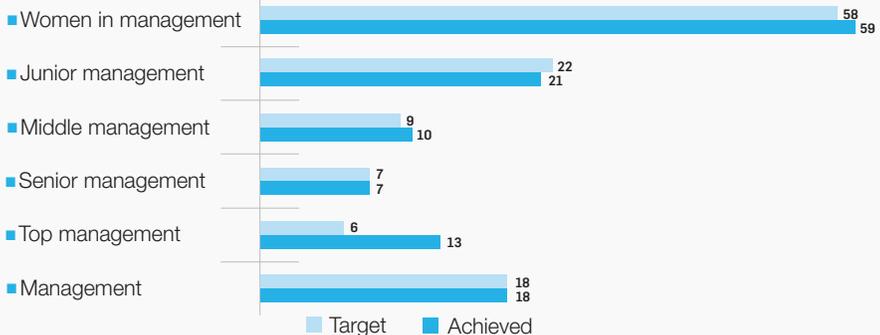
Media24 maintained or improved the representation of black employees at all levels of management and achieved its target of 18% black employees in management during the past financial year. We exceeded our target for black staff in top management (13% vs targeted 6%), matched our target of 7% in senior management, exceeded our target in middle management (10% vs targeted 9%) and fell slightly short of our target for junior management (21% vs targeted 22%). We exceeded our target for women in management (59% vs targeted 58%).

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

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 employees.
- We aim to comply with the relevant laws.

Employment equity



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 designated employees serve 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 training is regularly reviewed to ensure they can perform 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 regular 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 has rigorous internal monitoring processes in place.

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 employees.

Media24 and Novus 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 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

We reduce, reuse and recycle to limit our impact on the environment. 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.

Energy-efficient initiatives include:

- movement-activated lights
- energy-efficient air conditioners, and
- power factor correction and load balancing.

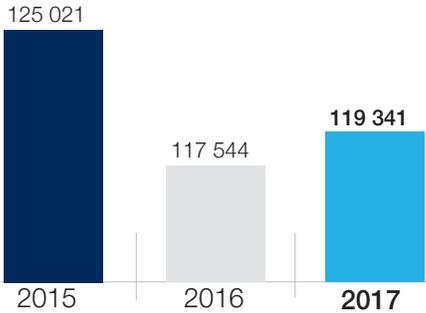
The group's main products are digital media platforms, newspapers and magazines and books. It recycles all unsold newspapers and magazines. Through informative articles published in newspapers and magazines, and on our digital platforms, consumers are also educated to effectively lower their impact on 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.

Our largest impact on the environment is our use of carbon-based electricity (scope 2 emissions), most notably at our printing plants. The focus remains on energy efficiency and measuring our carbon footprint.



Carbon footprint (CO₂e tonnes)

Media24's carbon footprint increased by 2% to 119 341 tonnes of CO₂e (2016: 117 544 tonnes of CO₂e) due to fewer instances of loadshedding compared to the previous year.



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.

We have also invested heavily in generators and uninterrupted power supplies to ensure seamless operation during power outages.

Water-saving initiatives have been implemented to ensure we proactively drive efficient and responsible water consumption.

Printing facilities

Novus runs high-quality processes with the least environmental impact. It is committed to reduce, reuse and recycle waste while still delivering superior quality products that increase customer confidence in the industry. Novus was the first African printing organisation to receive Forest Stewardship Council® (FSC®) FSC-C022948 Chain of Custody (CoC) certification, which it has held since 2008 at specific locations. It also holds Programme for Endorsement of Forest Certification™ (PEFC™) at Paarl Media Cape, Paarl Media KZN and Novus Print Solutions. Both FSC® and PEFC™ are independent verifications that the printed products can be traced back from their point of origin to responsible, well-managed forestry, and controlled and recycled resources. Customers can choose from a range of international and local environmentally sustainable paper stock options.

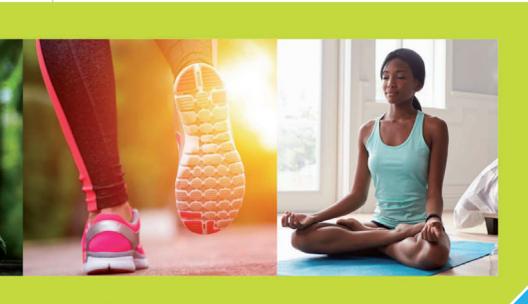


Digital

Electronic waste is one of the fastest growing components of the municipal solid waste stream. We manage our impact on the environment, making use of responsible service providers to recycle and dispose our electronic waste.

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.



Top awards won in the past year

IAB Bookmarks Awards

Won Best Digital Publisher and 17 other awards in 2017



Taco Kuiper

Rapport won the prize for Investigative Journalism for the second year running (awarded to Suzanne Venter)



World Digital Media Awards

Kickoff.com and Men's Health's bellyoff.co.za scooped awards in 2016

Sikuvile Journalism Awards

Wen Frewin, McCall and Joel Mervis trophies at the Sikuvile Journalism Awards, as well as four individual awards



Most Awards

Lifestyle was crowned Best Media Owner (Magazines) at MOST Awards



WAN-IFRA Digital Media Awards

Media24 won six out of 10 categories at WAN-IFRA's inaugural 2016 awards



FIPP Rising Star in Media

Huisgenoot's Mieke Vlok chosen as rising media star for 2016

ATKV Mediaveertjies

Media24 scooped all but one of the awards in 2016



44 literary prizes of which three books were turned into films

Corporate governance

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

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 fulfill 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.

In the 2017/2018 financial year we will effect system and process changes to enable implementation of recommended or alternative practices to demonstrate application of King IV's principles.

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 employees 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.

Whistleblowing 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 2017 are set out on pages 38 and 39 of this integrated annual 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 decisionmaking and authority, the roles of chair and chief executive are separate, ensuring a clearly defined division of responsibilities.

At 31 March 2017 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 six directors (60%) were female. Abduragman (Manie) Mayman retired as the Media24 group chief financial officer on 31 October 2016 and he was succeeded by Cindy Hess on 1 November 2016. On 1 February 2017 Manie retired as Media24's executive director responsible for the finance function, on which date he was replaced by Cindy in this capacity. On 1 April 2017 Manie was appointed a non-executive director of Media24 and Media24 Proprietary Limited.

The chair

The chair, Rachel Jafta, is an independent non-executive director. Ruda Landman was reappointed as the lead independent director on 17 June 2016 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 40 of this integrated annual report.

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 had 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 it 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 41.

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 2017 – 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.

Corporate governance: Board

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



Rachel Jafta

Rachel (56) has an MEcon and PhD and is a professor in economics at Stellenbosch

University. She is a director of Naspers and Econex and chair of the Cape Town Carnival Trust and the Media24 board.



Esmaré Weideman

Esmaré (55) obtained the qualifications BCom and BJournalismHons (both cum

laude) at Stellenbosch University. She has more than 25 years' experience as a journalist, political writer and news editor. 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 Novus Holdings Limited.



Cindy Hess

Cindy (41) is a chartered accountant and holds a BCom degree from the University of

the Western Cape and a postgraduate diploma in accounting from the University of Cape Town. She was appointed as Media24's chief financial officer on 1 November 2016. Prior to this, she was the chief financial officer of Pioneer Foods and, before that, the financial director of Sea Harvest.



Hein Willemse

Hein (59) 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 (73) 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.



Jo-Ann Held

Jo-Ann (36) obtained a BComLaw degree at Stellenbosch University. She is a media entrepreneur

who has presented and produced TV and online media properties for 17 years. She is a Goodwill Ambassador for Unicef and a director of Partnership Investments, the advisory board of the Stellenbosch University Business School and M&C Saatchi Abel.



Debra Meyer

Debra (50) 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).



Koos Bekker

Koos (64) 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 Peterson

Trevor (61) 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 (63) obtained a BAHons and HED at Stellenbosch University and worked as

a journalist for 30 years, 19 of which as co-presenter 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.



Manie Mayman

Manie (62) 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 the Media24 executive director responsible for the finance function until 1 November 2016 and was appointed a non-executive director on 1 April 2017.

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	29 August 2016	5	Independent 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	29 August 2016	5	Independent non-executive
J C Held	1 January 2014	29 August 2016	5	Independent non-executive
A Mayman ⁽¹⁾	1 January 2014	1 January 2014	4	Executive
J P Bekker	1 April 2015	1 April 2015	5	Non-executive
T D Petersen	1 July 2015	1 July 2015	5	Independent non-executive
C J Hess ⁽²⁾	1 February 2017	1 February 2017	1	Executive

Notes

⁽¹⁾ Retired as executive director on 1 February 2017. Appointed as non-executive director on 1 April 2017.

⁽²⁾ Appointed as executive director on 1 February 2017.

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.		Five meetings held during the year. Attendance:				Two meetings held during the year. Attendance:		Four meetings held during the year. Attendance:			
R C C Jaffa	✓		✓	5	✓	5						
G M Landman	✓		✓	5	✓	5	✓	2				
S S de Swardt	✓								✓	4	✓	4
E Weideman	✓										✓	4
D Meyer			✓	5	✓	5	✓	2				
H S S Willemse							✓	2				
J C Held									✓	4	✓	4
A Mayman ⁽²⁾	✓										✓	3
J P Bekker												
T D Petersen									✓	4	✓	4
C J Hess ⁽³⁾	✓										✓	1

Notes

✓ Member

⁽¹⁾ Executive director(s) attend meetings by invitation.⁽²⁾ Retired as executive director on 1 February 2017. Appointed as non-executive director on 1 April 2017.⁽³⁾ Appointed as executive director on 1 February 2017.

Remuneration report

for the year ended 31 March 2017

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 five 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 performance-related incentive scheme, provided that strategic and operational objectives are met.

Annual performance-related incentives

The annual performance-related incentives may comprise a variable component based on achieving financial and operational objectives, as well as fixed amounts for achieving specific separate objectives. If targets are not met, no incentives are paid.

Long-term incentives

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.

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 regrating of underwater shares/appreciation rights. Guidelines for making awards have been set.

There is no automatic entitlement to incentives 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.

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 for the year ended 31 March

	Notes	2017 R'000	2016 R'000
Directors' emoluments			
Non-executive directors			
Fees for services as directors		4 390	4 266
Fees for services as directors of subsidiary companies		—	—
		4 390	4 266
Non-executive directors' fees for services as directors			
Directors' fees		2 859	2 791
Committee and trustee fees	1,2	1 531	1 475
		4 390	4 266

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 R61m (2016: R60m), comprising salaries and bonuses of R47m (2016: R48m), post-employment benefits of R3m (2016: R3m) and a share-based expense of R11m (2016: R9m).

Report of the audit committee

for the year ended 31 March 2017

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 2017 and noted the appointment of Viresh Harri 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, Trevor Petersen and Jo-Ann Held.

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 41 of this 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 process, including the system of internal control. It is responsible for ensuring that the group's internal audit function

Name of committee member

S S de Swardt
J C Held
T D Petersen

Qualifications

BAHons, BEcon and Nieman Fellowship (Harvard)
BComLaw
BComHons (financial management), CA(SA)

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 in this report. The board concurred with this assessment.



S S de Swardt

Chair: Audit committee

15 June 2017

Administration and corporate information

MEDIA24

Media24 Holdings Proprietary Limited

Registration number
2006/021408/07

Group Company secretary

Lurica Klink
Media24 Centre, 40 Heerengracht,
Cape Town 8001
(PO Box 2271, Cape Town 8000)

Registered office

Media24 Centre, 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
Media24 Centre, 40 Heerengracht,
Cape Town 8001
(PO Box 2271, Cape Town 8000)

Registered office

Media24 Centre, 40 Heerengracht,
Cape Town 8001
(PO Box 2271, Cape Town 8000)

Trading helpdesk and 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)



Call centre 0860 12 12 24

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

MEDIA24 Summarised consolidated and separate annual financial statements

Statement of responsibility by the board of directors for the year ended 31 March 2017

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 49.

The summarised annual financial statements were approved by the board of directors on 15 June 2017 and were signed on its behalf by:



R C C Jafta
Chair
17 June 2017



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

Opinion

The summarised consolidated and separate annual financial statements of Media24 Holdings Proprietary Limited, set out on pages 50 to 53 of the Media24 Holdings Proprietary Limited annual report for the year ended 31 March 2017, which comprise the summarised consolidated and separate statements of financial position as at 31 March 2017, the summarised consolidated and separate income statements, reconciliation of operating profit to trading profit, summarised consolidated and separate changes in equity and summarised consolidated and separate cash flows for the year then ended, and related notes, are derived from the audited consolidated and separate annual financial statements of Media24 Holdings Proprietary Limited for the year ended 31 March 2017.

In our opinion, the accompanying summarised consolidated and separate annual financial statements are consistent, in all material respects, with the audited consolidated and separate annual financial statements, in accordance with the basis described in note 1 to the summarised consolidated and separate annual financial statements and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Summarised consolidated and separate annual financial statements

The summarised consolidated and separate annual 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 annual financial statements and the auditor's report

thereon, therefore, is not a substitute for reading the audited consolidated and separate annual financial statements and the auditor's report thereon.

The audited consolidated and separate annual financial statements and our report thereon

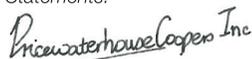
We expressed an unmodified audit opinion on the audited consolidated and separate annual financial statements in our report dated 15 June 2017.

Director's responsibility for the summarised consolidated and separate annual financial statements

The directors are responsible for the preparation of the summarised consolidated and separate annual financial statements in accordance with the basis described in note 1 to the summarised consolidated and separate annual financial statements and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summarised consolidated and separate annual financial statements are consistent, in all material respects, with the audited consolidated and separate annual financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.



PricewaterhouseCoopers Inc.

Director: Viresh Harri

Registered auditor

Cape Town, South Africa

15 June 2017

Summarised consolidated and separate statements of financial position at 31 March

	Group		Company	
	2017 R'000	2016 R'000	2017 R'000	2016 R'000
Assets				
Non-current assets	742 229	3 362 231	2 651 957	3 503 772
Current assets	1 355 468	2 545 512	—	—
Non-current assets classified as held for sale	3 541 051	62 500	—	—
Total assets	5 638 748	5 970 243	2 651 957	3 503 772
Equity				
Total shareholders' interest	1 626 079	1 896 102	2 200 516	3 052 331
Non-controlling interests	1 324 507	1 294 892	—	—
Total equity	2 950 586	3 190 994	2 200 516	3 052 331
Liabilities				
Non-current liabilities	238 236	535 385	—	—
Current liabilities	1 730 976	2 243 864	451 441	451 441
Non-current assets classified as held for sale	718 950	—	—	—
Total equity and liabilities	5 638 748	5 970 243	2 651 957	3 503 772

* The Novus group has been classified as held for sale on 31 March 2017.

Summarised consolidated and separate income statements

for the year ended 31 March

	Group		Company	
	2017 R'000	2016 R'000	2017 R'000	2016 R'000
Revenue	8 050 944	8 116 216	—	—
Expenses	(8 013 337)	(7 832 402)	(851 508)	(2 750 000)
Dividends received	—	—	39 267	244 804
Operating profit/(loss)	37 607	283 814	(812 241)	(2 505 196)
Finance costs, net	(35 022)	(15 094)	—	—
Share of equity accounted results	20 976	20 535	—	—
Profit/(Loss) on sale of investment	18 849	33 738	—	—
Profit/(Loss) before taxation	42 410	322 993	(812 241)	(2 505 196)
Taxation	(130 269)	(220 343)	(307)	—
Net (loss)/profit for the year	(87 859)	102 650	(812 548)	(2 505 196)
Attributable to:				
Equity holders of the group	(196 189)	(79 660)	(812 548)	(2 505 196)
Non-controlling interests	108 330	182 310	—	—
	(87 859)	102 650	(812 548)	(2 505 196)

Reconciliation of operating profit to trading profit

for the year ended 31 March

	Group		Company	
	2017 R'000	2016 R'000	2017 R'000	2016 R'000
Operating profit/(loss)	37 607	283 814	(812 241)	(2 505 196)
Amortisation of intangible assets (excluding software)	5 383	11 285	—	—
Other losses	162 133	70 234	851 508	2 750 000
Share-based compensation – equity-settled	40 374	34 802	—	—
Trading profit/(loss)	245 497	400 135	39 267	244 804

Summarised consolidated and separate statements of changes in equity

for the year ended 31 March

	Group		Company	
	2017 R'000	2016 R'000	2017 R'000	2016 R'000
Balance at the beginning of the year	3 190 994	3 423 924	3 052 331	5 802 331
Total comprehensive (loss)/profit for the year	(86 206)	110 300	(812 548)	(2 505 196)
(Loss)/Profit for the year	(87 859)	102 650	(812 548)	(2 505 196)
Total other comprehensive profit for the year	1 653	7 650	—	—
Other reserve movements	(27 189)	(7 206)	—	—
Dividends paid	(127 013)	(336 024)	(39 267)	(244 804)
Balance at the end of the year	2 950 586	3 190 994	2 200 516	3 052 331
Comprising:				
Shareholders' funds	1 626 079	1 896 102	2 200 516	3 052 331
Non-controlling interests	1 324 507	1 294 892	—	—
Total equity	2 950 586	3 190 994	2 200 516	3 052 331

Summarised consolidated and separate statements of cash flows

for the year ended 31 March

	Group		Company	
	2017 R'000	2016 R'000	2017 R'000	2016 R'000
Net cash from operating activities	324 202	653 723	38 960	244 804
Net cash utilised in investing activities	(118 128)	(331 098)	—	—
Net cash utilised in financing activities	(279 516)	(295 529)	(38 960)	(244 804)
Net (decrease)/increase in cash and cash equivalents	(73 442)	27 096	—	—
Forex translation adjustments on cash and cash equivalents	(834)	883	—	—
Reclassification of cash in held-for-sale disposal group	(227 224)	—	—	—
Cash and cash equivalents at the beginning of the year	519 199	491 220	—	—
Cash and cash equivalents at the end of the year	217 699	519 199	—	—

Notes to the summarised consolidated and separate annual financial statements for the year ended 31 March

1. Basis of preparation

The summarised consolidated and separate annual financial statements are prepared in accordance with the requirements of the Companies Act applicable to summary financial statements. The summarised consolidated and separate annual financial statements have been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS). The accounting policies applied in the preparation of the consolidated and separate annual financial statements from which the summarised consolidated and separate annual financial statements were derived are in terms of International Financial Reporting Standards and are consistent with those accounting policies applied in the preparation of the previous consolidated and separate annual financial statements.

Trading profit excludes amortisation of intangible assets (other than software), other gains or losses and equity-settled share-based compensation charges. Core headline earnings exclude non-recurring and non-operating items. We believe this is a useful measure of the group's sustainable operating performance. However, it is not a defined term under IFRS and may not be comparable with similarly titled measures reported by other companies.

2. Report of the independent auditor

These summarised consolidated and separate annual financial statements for the year ended 31 March 2017 have been audited by PricewaterhouseCoopers Inc., who expressed an unqualified opinion thereon. The auditor also expressed an unmodified opinion on the consolidated and separate annual financial statements from which these summarised consolidated and separate annual financial statements were derived. A copy of the auditor's report on the consolidated and separate annual financial statements are available for inspection at the company's registered office or the company's website www.media24.com, together with the financial statements identified in the respective auditor's reports. The consolidated and separate annual financial statements for the year ended 31 March 2017 have been available since 15 June 2017.

Summarised group and separate annual financial statements

Statement of responsibility by the board of directors

for the year ended 31 March 2017

The summarised annual financial statements of the group are the responsibility of the directors of Welkom Yizani Investments (RF) 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 12 June 2017 and were signed on its behalf by:



R C C Jafta

Chair

12 June 2017



P O Goldhawk

Director

Independent auditor's report on the summarised group and separate annual financial statements

TO THE SHAREHOLDERS OF WELKOM YIZANI INVESTMENTS (RF) LIMITED

Opinion

The summarised group and separate annual financial statements of Welkom Yizani Investments (RF) Limited, set out on pages 57 to 63 of the Media24 Holdings Proprietary Limited integrated annual report for the year ended 31 March 2017, which comprise the summarised group and separate statement of financial position as at 31 March 2017, the summarised group and separate statements of comprehensive income, group and separate changes in equity and summarised group and separate cash flows for the year then ended, and related notes, are derived from the audited group and separate annual financial statements of Welkom Yizani Investments (RF) Limited for the year ended 31 March 2017.

In our opinion, the accompanying summarised group and separate annual financial statements are consistent, in all material respects, with the audited group and separate annual financial statements, in accordance with the basis described in note 1 to the summarised group and separate annual financial statements and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Summarised group and separate annual financial statements

The summarised group and separate annual 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 group financial statements. Reading the summarised group and separate annual financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited group and separate annual financial statements and the auditor's report thereon.

The audited group and separate annual financial statements and our report thereon

We expressed an unmodified audit opinion on the audited group and separate annual financial statements in our report dated 12 June 2017.

Director's responsibility for the summarised group and separate annual financial statements

The directors are responsible for the preparation of the summarised group and separate annual financial statements in accordance with the basis described in note 1 to the summarised group and separate annual financial statements and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summarised group and separate annual financial statements are consistent, in all material respects, with the audited group and separate annual financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.



PricewaterhouseCoopers Inc.

Director: V Harri

Registered auditor

Cape Town

12 June 2017

Directors' report

for the year ended 31 March 2017

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) trading platform:

The Registrar of Securities Services (the Registrar) has indicated that all traditional over-the-counter trading platforms like Welkom Yizani should regularise their affairs in terms of the Financial Markets Act, 2012 (FM Act). Welkom Yizani has been engaging with the Financial Services Board (FSB) to bring its affairs in line with the requirements of the FM Act. As part of this process MultiChoice and Media24 have established the company Yizani Phuthuma Nathi (YPN) which has applied for an exchange licence to facilitate the trading of broad-based black economic empowerment shares issued by companies within the Naspers group. During the said process, trading of Welkom Yizani shares on the current trading platform continues unchanged. Welkom Yizani continues to build on the positive engagement it has had with the Registrar and remains committed to complying with any directives and/or conditions issued by the Registrar. It is exempted from complying with the FM Act for a period of 6 months after the Registrar's decision on whether or not to grant an exchange licence to YPN.

Dividends

The board recommends that dividends of 42,5 cents per ordinary share and no dividend per preference share be declared (2016: 40 cents per ordinary share). In considering the recommendation to pay dividend, 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 AGM to be held on 28 August 2017 by way of an ordinary resolution to be approved by the shareholders.

Directors, company secretary and auditor

The directors of the company are listed below and the company secretary is Lurica Jineanne Klink. The street and postal addresses for the company secretary are the same as those of the company as detailed on page 47. Pricewaterhouse Coopers Inc. was appointed in office as auditor in accordance with section 90(6) of the South African Companies Act 2008.

Name	Date appointed	Date resigned	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	30 September 2016	Independent non-executive
J C Held	2 September 2014		Independent non-executive
S R Ralarala	1 March 2017		Independent non-executive

Subsequent events

There are no events that occurred between the balance sheet date and the date of approval of the financial statement that are material to the financial affairs of the group.

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



Rachel Jafta

Chair

12 June 2017

Summarised group and separate statements of financial position for the year ended 31 March

	Note	Group		Company	
		2017 R'000	2016 R'000	2017 R'000	2016 R'000
Assets					
Non-current assets	3	397 839	525 565	397 839	525 565
Current assets		10 554	10 309	10 554	10 309
Total assets		408 393	535 874	408 393	535 874
Equity					
Capital and reserves		401 178	477 226	401 178	477 226
Liabilities					
Current liabilities		7 215	58 648	7 215	58 648
Total equity and liabilities		408 393	535 874	408 393	535 874

Summarised group and separate statements of comprehensive income for the year ended 31 March

	Note	Group		Company	
		2017 R'000	2016 R'000	2017 R'000	2016 R'000
Revenue		51 525	382 432	51 525	382 432
Operating expenses	3	(65 908)	(49 151)	(127 726)	(78 144)
Operating (loss)/profit		(14 383)	333 281	(76 201)	304 288
Share of net loss associate		(50 743)	(33 264)	—	—
Investment income – dividends received		—	—	5 890	36 721
Administration costs		(142)	(91)	(142)	(91)
Finance income/(costs) - net		512	(26 750)	512	(26 750)
(Loss)/Profit before tax		(64 756)	273 176	(69 941)	314 168
Taxation		(274)	(81)	(274)	(81)
Nett (loss)/profit for the year		(65 030)	273 095	70 215	314 087
Net (loss)/profit for the year		(65 030)	273 095	70 215	314 087
Share of changes in associate's other equity items		(5 185)	2 853	—	—
Total comprehensive (loss)/income for the year		(70 215)	275 948	(70 215)	314 087

Summarised group and separate statements of changes in equity for the year ended 31 March

	Stated capital	Preference share capital	Other reserves	Accumulated profit/(loss)	Total
	R'000	R'000	R'000	R'000	R'000
Group					
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
Balance at 1 April 2016	146 022	—	188 337	142 867	477 226
Total comprehensive income for the year	—	—	(5 185)	(65 030)	(70 215)
Net loss	—	—	—	(65 030)	(65 030)
Other comprehensive income	—	—	(5 185)	—	(5 185)
Reclassification of preference shares	—	7	—	—	7
Distribution to owners of the company					
Dividends paid	—	—	—	(5 840)	(5 840)
Balance at 31 March 2017	146 022	7	183 152	71 997	401 178
Company					
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
Balance at 1 April 2016	146 022	—	—	331 204	477 226
Loss for the year	—	—	—	(70 215)	(70 215)
Reclassification of preference shares	—	7	—	—	7
Distribution to owners of the company					
Dividends paid	—	—	—	(5 840)	(5 840)
Balance at 31 March 2017	146 022	7	—	255 149	401 178

The notes on pages 61 to 63 are an integral part of these financial statements.

Summarised group and separate statements of cash flows for the year ended 31 March

	Group		Company	
	2017 R'000	2016 R'000	2017 R'000	2016 R'000
Cash flow from operating activities	6 332	38 292	6 332	38 292
Cash flow from financing activities	(5 844)	(36 711)	(5 844)	(36 711)
Net increase in cash and cash equivalents	488	1 581	488	1 581
Cash and cash equivalents at the beginning of the year	10 001	8 420	10 001	8 420
Cash and cash equivalents at the end of the year	10 489	10 001	10 489	10 001

Notes to the summarised group and separate annual financial statements for the year ended 31 March

1. Basis of preparation

The summarised group and separate annual financial statements are prepared in accordance with the requirements of the Companies Act applicable to summary financial statements. The summarised group and separate annual financial statements have been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS). The accounting policies applied in the preparation of the group and separate annual financial statements from which the summarised group and separate financial statements were derived are in terms of International Financial Reporting Standards and are consistent with those accounting policies applied in the preparation of the previous group and separate annual financial statements.

2. Report of the independent auditor

These summarised group and separate annual financial statements for the year ended 31 March 2017 have been audited by PricewaterhouseCoopers Inc., who expressed an unqualified opinion thereon. The auditor also expressed an unmodified opinion on the group and separate annual financial statements from which these summarised group and separate annual financial statements were derived. A copy of the auditor's report on the group and separate annual financial statements are available for inspection at the company's registered office or the company's website www.media24.com, together with the financial statements identified in the respective auditor's reports. The group and separate annual financial statements for the year ended 31 March 2017 have been available since 12 June 2017.

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	
	2017 R'000	2016 R'000	2017 R'000	2016 R'000
Movement in carrying amount				
At the beginning of the year	525 565	641 848	525 565	603 709
Share of net loss	(50 743)	(33 264)	—	—
Share of changes in other comprehensive income	(5 185)	2 853	—	—
Dividends received	(5 890)	(36 721)	—	—
Impairment of investment	(65 908)	(49 151)	(127 726)	(78 144)
	397 839	525 565	397 839	525 565

The group/company recognised an impairment loss against this investment during the financial year ended 31 March 2017, due to the fact that the recoverable amount of this investment was less than the carrying value. A group impairment loss of R65,9m (2016: R49,1m) and company impairment loss of R127,7m (2016: R78,1m) was recognised

4. Long-term liabilities

	Group		Company	
	2017 R'000	2016 R'000	2017 R'000	2016 R'000
4 382 (2016: 4 444 431) variable rate, cumulative redeemable preference shares of R0.001 each	—	4	—	4
– Opening balance	4	37	4	37
– Settled	(4)	(33)	(4)	(33)
Share premium	—	44 407	—	44 407
– Opening balance	44 407	372 963	44 407	372 963
– Share premium waived by shareholder	(44 400)	(328 556)	(44 400)	(328 556)
Reclassification of preference shares to equity	(7)	—	(7)	—
	—	44 411	—	44 411
Current portion of long-term liabilities (accrued preference share dividends)	—	7 124	—	7 124
– Opening balance	7 124	63 287	7 124	63 287
– Current year dividends	—	27 106	—	27 106
– Dividends paid	—	(29 393)	—	(29 393)
– Accumulated preference share dividends waived by shareholder	(7 124)	(53 876)	(7 124)	(53 876)
	—	51 535	—	51 535

4 440 049 (2016: 32 855 569) preference shares were redeemed during the year.

On 10 May 2016 the board authorised the redemption of further 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 preference share dividend were waived as per agreement with Naspers board of directors.

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 respectively were waived during the 2016 year.

5. Basic (loss)/earnings per share

	Group		Company	
	2017 R'000	2016 R'000	2017 R'000	2016 R'000
Basic (loss)/earnings per share				
(Loss)/Profit from continuing operations attributable to owners of the parent	(70 215)	275 948	(70 215)	314 087
Profit from discontinuing operations attributable to owners of the parent	—	—	—	—
Total	(70 215)	275 948	(70 215)	314 087
Weighted-average number of ordinary shares in issue ('000)	14 600	14 600	14 600	14 600
Basic (loss)/earnings per share	(R4,81)	R18,90	(R4,81)	R21,51

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

(Loss)/Profit for the year	(70 215)	275 948	(70 215)	314 087
Remeasurement of items				
Waived preference share premium and accumulated dividend	(51 677)	(382 432)	(51 677)	(382 432)
– Gross	(51 677)	(382 432)	(51 677)	(382 432)
– Tax effect	—	—	—	—
Impairment of investment	65 908	49 151	127 726	78 144
– Gross	65 908	49 151	127 726	78 144
– Tax effect	—	—	—	—
Headline (loss)/earnings for the year	(55 984)	(57 333)	5 834	9 799
Weighted average number of ordinary shares in issue ('000)	14 600	14 600	14 600	14 600
Headline (loss)/earnings per share	(R3,82)	(R3,93)	R0,41	R0,67
Net asset value per share				
Total net asset value	401 178	477 226	401 178	477 226
Total number of ordinary shares in issue ('000)	14 600	14 600	14 600	14 600
Net asset value per share	R27,48	R32,69	R27,48	R32,69

Welkom Yizani board of directors

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



Rachel Jafta

Rachel (56) has an MEcon and PhD and is a professor in economics at Stellenbosch University. She is a director of Naspers and Econex and chair of the Cape Town Carnival Trust. She is the chair of the Media24 board.



Jo-Ann Held

Jo-Ann (36) obtained a BComLaw degree at Stellenbosch University. She is a media entrepreneur who has presented and produced TV and online media properties for 17 years. She is a Goodwill Ambassador for UNICEF and a director of Partnership Investments, the advisory board of the Stellenbosch University Business School and M&C Saatchi Abel.



Songezo Ralarala

Songezo (34) has been the Media24 head of legal and regulatory affairs since September 2016. He obtained his LLB at Stellenbosch University in 2006 and is an admitted attorney of the High Court of South Africa. He completed his articles with Abrahams & Gross Attorneys Inc. in Cape Town. Songezo worked at the Competition Tribunal of South Africa before his job as senior legal advisor of regulatory affairs at Telkom Limited from 2012 to 2016. Before joining Media24, he was Telkom's acting executive for its legal and regulatory division.



Peter Goldhawk

Peter (70) is a chartered account and a retired partner of PricewaterhouseCoopers Inc. He is now a director of Goldhawk Corporate Advisory. He has been integrally involved in the launch of 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.

MEDIA24 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 eleventh annual general meeting of **Media24 Holdings Proprietary Limited** (the company) will be held at Nasdak, Media24 Centre, 40 Heerengracht, Cape Town on **Monday 28 August 2017 at 11:00**.

Please note that the registration counter for purposes of registration to vote at this meeting on Monday 28 August 2017, will close at 10:45 on that day.

Record date, attendance and voting

The record date for the meeting is **Monday 14 August 2017**, 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 immediate 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 16 August 2017** 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 2017 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 – Ms C J Hess).

2. To approve a dividend of R42m 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 Mrs G M Landman and Messrs J P Bekker and T D Petersen, who retire by rotation and, being eligible, offer themselves for re-election as directors. Their brief biographical details appear on page 39 of this 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 confirm the appointment of Ms C J Hess and Mr A Mayman as directors of the company. Their brief biographical details appear on pages 38 and 39 of this report. The appointment of each director will be carried out in separate ordinary resolutions.
6. 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 appear on pages 38 and 39 of this 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.

7. 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

8. 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.

A shareholder may appoint a proxy at any time. For practical purposes, 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 the registration desks in Nasdaq, 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
26 July 2017



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 eleventh annual general meeting of **Welkom Yizani Investments (RF) Limited** (the company) will be held at Nasdak, Media24 Centre, 40 Heerengracht, Cape Town on **Monday 28 August 2017**, 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 28 August 2017 will close at 10:45 on that day.

Record date, attendance and voting

The record date for the meeting is **Monday 14 August 2017**, 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 immediate 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 16 August 2017** 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 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 2017, 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 – Ms C J Hess).

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 42,5 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 Mr P O Goldhawk, who retires by rotation and, being eligible, offers himself for re-election as a director of the company. His brief biographical details appear on page 64 of this report. The board unanimously recommends that the re-election of Mr Goldhawk in terms of resolution 4 be approved by the shareholders of the company.
5. To confirm the appointment of Mr S M Ralarala as director of the company. His brief biographical details appear on page 64 of this report.
6. 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 Jaftha, Messrs P O Goldhawk and S M Ralarala, and Mrs J C Held as members of the audit committee. Their brief biographical details appear on page 64 of this report.

The appointment of members of the audit committee will be conducted by way of a separate ordinary resolution in respect of each individual.
7. 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

A shareholder may appoint a proxy at any time. For practical purposes, 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 in Nasdak, Media24 Centre prior to the commencement of the annual general meeting.

By order of the board



L J Klink

Company secretary

Cape Town

26 July 2017

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) // (Registrasienuommer: 2006/021408/07)
(the company) // (die maatskappy)

For use by shareholders at the eleventh annual general meeting to be held in Nasdak, Media24 Centre, 40 Heerengracht, Cape Town on Monday 28 August 2017 at 11:00. Note that the registration counter for purposes of registration to vote at this meeting on Monday 28 August 2017 will close at 10:45 on that day. // Vir gebruik deur aandeelhouers by die elfde algemene jaarvergadering wat op Maandag 28 Augustus 2017 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 28 Augustus 2017 te kan stem, om 10:45 op daardie dag sal sluit.
I/We // Ek/Ons

of // van

identity number/registration number // identiteitsnommer/registrasienuommer

(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 28 August 2017 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 volmagtigde om namens my/ons te stem by die algemene jaarvergadering van die maatskappy wat op Maandag 28 Augustus 2017 om 11:00 op daardie dag sal plaasvind in Nasdak, Media24-sentrum, Heerengracht 40, Kaapstad, of by enige verdagging daarvan, en oor die algemeen as my/ons volmagtigde 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 ouditeur.			
Ordinary resolution 4: Re-election of the following directors: // Gewone besluit 4: Herkiesing van die volgende direkteure:			
Mrs G M Landman // Mnr G M Landman			
Mr J P Bekker // Mnr J P Bekker			
Mr T D Petersen // Mnr T D Petersen			
Ordinary resolution 5: Confirmation of appointment of the following individuals as directors: // Gewone besluit 5: Bevestiging van aanstelling van die volgende persone as direkteure:			
Ms C J Hess // Me C J Hess			
Mr A Mayman // Mnr A Mayman			
Ordinary resolution 6: Appointment of audit committee members: // Gewone besluit 6: Aanstelling van ouditkomiteeëdele:			
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 7: Endorse company's remuneration policy. // Gewone besluit 7: 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 Maatskappyywet, 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 Maatskappyywet, 2008.			
Ordinary resolution 8: Authorisation to implement all resolutions adopted at the annual general meeting. // Gewone besluit 8: 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 _____ 2017

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 daarop geregtig om een of meer volmagtigde(s) (wat nie 'n aandeelhouer(s) van die maatskappy hoef te wees nie) aan te stel.

Please see notes on page 72. // sien aantekeninge op bladsy 72.

Notes to the forms of proxy of Media24 Holdings (Pty) Ltd and Welkom Yizani Investments (RF) Ltd

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. A shareholder may appoint a proxy at any time. For practical purposes, 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 in Nasdak, Media24 Centre prior to the commencement of the annual general meeting.

Aantekeninge by die volmagvorms van Media24 Behering (Edms) Bpk en Welkom Yizani Beleggings (RF) Bpk

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 toepaslike 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, behalwe 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 aangedui word deur 'n 'X' in die toepaslike 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. 'n Aandeelhouer mag enige tyd 'n volmag aanstel. Vir praktiese redes moet volmagvorms ingedien word by of ge-pos word aan die oordragsekretaris van die maatskappy, Equity Express, 'n afdeling van Singular Systems Eiendoms Beperk, Corlett/laan 71, Birnam 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 volmagvorms. Alle ander volmagvorms moet by die registrasietoonbanke in Nasdak, Media24-sentrum ingedien word voor die aanvang van die algemene jaarvergadering.

Form of proxy // Volmagvorm

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) // (Registrasiënommer: 2006/021434/06)
 (the company) // (die maatskappy)

For use by shareholders at the eleventh annual general meeting to be held in Nasdak, Media24 Centre, 40 Heerengracht, Cape Town on Monday 28 August 2017 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 28 August 2017, will close at 10:45 on that day. // Vir gebruik deur aandeelhouers by die elfde algemene jaarvergadering wat op Maandag 28 Augustus 2017 gehou word onmiddellik ná afsluiting van die algemene jaarvergadering van Media24 Beherend Eiendoms 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 28 Augustus 2017 om 10:45 op daardie dag sal sluit.

I/We // Ek/Ons

of // van

identity number/registration number // identiteitsnommer/registrasiënommer

(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. _____ or, failing him/her, // of, indien nie hy/sy nie

2. _____ or, failing him/her, // of, indien nie hy/sy nie

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 28 August 2017 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 of the company's annual general meeting, and generally to act as my/our proxy at the said annual general meeting of the company, // die voorsitter van die maatskappy of, indien nie hy/sy nie, die voorsitter van die algemene jaarvergadering as my/ons gevollmagtigde om namens my/ons te stem by die algemene jaarvergadering van die maatskappy wat op Maandag 28 Augustus 2017 gehou word, onmiddellik ná afsluiting van die algemene jaarvergadering van Media24 Beherend Eiendoms Beperk wat om 11:00 op daardie dag sal plaasvind in Nasdak, Media24-sentrum, Heerengracht 40, Kaapstad of by enige verdrag van die algemene jaarvergadering van die maatskappy, en oor die algemeen as my/ons gevollmagtigde by genoemde algemene jaarvergadering van die maatskappy, 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 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 outiteur.			
Ordinary resolution 4: Re-election of the following director: Mr P O Goldhawk. // Gewone besluit 4: Herkiesing van die volgende direkteur: Mnr P O Goldhawk.			
Ordinary resolution 5: Confirmation of appointment of Mr S M Ralarala as director. // Gewone besluit 5: Bevestiging van aanstelling van mnr S M Ralarala as direkteur.			
Ordinary resolution 6: Appointment of audit committee members: // Gewone besluit 6: Aanstelling van ouditkomiteedele:			
Prof R C C Jaffa // Prof R C C Jaffa			
Mr P O Goldhawk // Mnr P O Goldhawk			
Mr S M Ralarala // Mnr S M Ralarala			
Mrs J C Held // Mev J C Held			
Ordinary resolution 7: Authorisation to implement all resolutions adopted at annual general meeting. // Gewone besluit 7: 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 _____ 2017

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 daarop geregtig om een of meer gevollmagtigde(s) (wat nie 'n aandeelhouer(s) van die maatskappy hoef te wees nie) aan te stel.

Please see notes on page 72 // sien aantekeninge op bladsy 72.

