



Media24 Holdings
Proprietary Limited

2019

INTEGRATED ANNUAL REPORT TO
SHAREHOLDERS OF WELKOM YIZANI





Contents

About this report

- 1 Statement by the board of directors on the integrated annual report
- 1 Forward-looking statements

Media24: Who we are

- 2 Our business
- 3 Our purpose
- 3 How we do it
- 3 Our motto
- 3 Our values

Chair and chief executive's report

- 4 Chair and chief executive's report

How we create value

- 8 Our strategy
- 9 Our stakeholder engagement

The past year

- 12 Our performance at a glance
- 13 Awards
- 14 Our business and financial performance
- 17 Our contribution to our communities
- 17 Value-added statement
- 18 Our people
- 18 Skills development
- 19 Employment equity
- 19 Health and safety
- 20 Corporate social responsibility
- 21 The workplace
- 21 Monitoring
- 22 Wellness
- 22 Transformation
- 22 Black economic empowerment partners
- 22 Environment
- 23 Electronic waste
- 23 Fines

Our approach to governance

- 24 Board of directors

- 28 Our risk governance: Managing risks and opportunities
- 36 Governance report
- 48 Remuneration report
- 54 Report of the audit committee

Financial reports

Media24

- 58 Statement of responsibility by the board of directors
- 59 Report of the independent auditor
- 60 Summarised consolidated financial statements
- 66 Notes to the summarised consolidated financial statements

Welkom Yizani

- 72 Board of directors
- 73 Statement of responsibility by the board of directors
- 74 Report of the independent auditor
- 75 Directors' report
- 76 Summarised group and separate annual financial statements
- 80 Notes to the summarised group and separate annual financial statements

Shareholder information

- 87 Administrative and corporate information

Media24

- 88 Notice of annual general meeting

Welkom Yizani

- 92 Notice of annual general meeting
- 95 Form of proxy: Media24 Holdings Proprietary Limited
- 96 Notes to the forms of proxy: Media24 Holdings Proprietary Limited and Welkom Yizani Investments (RF) Limited
- 97 Form of proxy: Welkom Yizani Investments (RF) Limited

About this report

The integrated report for Media24 Holdings Proprietary Limited (Media24) covers the financial year from 1 April 2018 to 31 March 2019. It extends beyond financial reporting to include non-financial performance (for the Media24 group, unless otherwise stated), opportunities, risks and outcomes attributable to or associated with our key stakeholders. Feedback is welcomed and can be communicated directly to gri@media24.com.

This report was prepared according to the framework of the International Integrated Reporting Council (IIRC), the South African Companies Act No 71 of 2008, as amended (the Act), the King IV^{TM(1)} Report on Corporate Governance for South Africa, 2016 (King IV) and International Financial Reporting Standards (IFRS).

We continue to focus on developing our group reporting standards to make our disclosure increasingly meaningful and measurable for our stakeholders. We apply the principle of materiality in assessing information to be included in our integrated report. This report therefore focuses particularly on those issues, opportunities and challenges that have a material effect on the group and its ability to be a sustainable business that consistently delivers value to shareholders and key stakeholders.

The financial information extracted from the audited Media24 consolidated annual financial statements for the year ended 31 March 2019 has been reflected correctly in this integrated annual report. Refer to page 59 for the report of PricewaterhouseCoopers Inc. (PwC). The broad-based black economic empowerment (BBBEE) information was verified by EmpowerLogic.

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 future expectations, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations. These include key factors that could adversely affect our businesses and financial performance, including: changes to IFRS and associated interpretations, applications and practices as they apply to past, present and future periods; domestic and international business and market conditions such as exchange rate and interest rate movements; changes in the domestic and international regulatory and legislative environments; changes to domestic and international operational, social, economic and political risks; and the effects of both current and future litigation. We are not under any obligation to (and expressly disclaim any obligation to) update or alter our forward-looking statements whether 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.

Note ⁽¹⁾ The Institute of Directors in Southern Africa NPC (IoDSA) owns all copyright and trademarks for King IV.

Statement by the board of directors on the integrated annual report

The audit committee has reviewed the integrated annual report and the board reviewed and approved it on 14 June 2019. 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 2019, as described in this integrated annual report.

On behalf of the board



Rachel Jafta
Chair
Cape Town
14 June 2019



Media24: Who we are

Our business

Media24 is South Africa's leading media group, with interests in digital media and services, newspapers, magazines, e-commerce, book publishing, print and distribution.



We publish some 25 consumer magazines and 80 newspapers and reach 16.7m average monthly unique browsers across our digital platforms. Most of our businesses are market leaders in their sectors. Our activities are conducted primarily in South Africa.



Revenue per segment

37%

News

26%

Lifestyle

15%

Ecommerce

11%

Books

6%

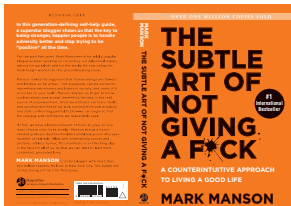
24.com

4%

On the Dot

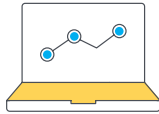
1%

Careers24



1

Our purpose



We build communities through excellent journalism, smart technology and innovative services.

2

How we do it



We tell stories that matter. We turn data into insights. We design solutions that work.

3

Our motto



We enrich lives 24/7.

4

Our values



- Courage
- Integrity
- Accountability
- Respect





Chair and chief executive's report

"We are pleased to report reasonable results for the financial year as Media24 continues to stand tall as a market leader in the South African media industry across most of the sectors in which we operate." - **Rachel Jafta: Chair**

Overview

We are pleased to report reasonable results for the financial year. This is testament to the resilience of the people of Media24 as they adapt to the challenges in the media industry with innovation, streamlined infrastructure, re-engineered business models and stringent cost management. As a result, our core business – print and digital media and related services – performed particularly well.

Boosted by the benefit of renegotiated printing contracts, the print media division (News, Lifestyle and On the Dot) countered the continued structural declines in print revenues with diversification projects and stringent cost management to deliver its highest profit in the past decade.

After a sluggish start, our digital media business (News24 and Netwerk24) saw revenues picking up in the second half of the financial year to offset earlier shortfalls and close slightly better than budget for the full year. Combined with the closure of the stand-alone news aggregators and other cost-saving initiatives, 24.com reduced its trading loss by more than a third year on year.

Media24 remains the home of quality journalism that contributes to our democracy by regularly leading the national conversation in turbulent times – evident also from the multiple awards our journalists, publications and digital channels have received in the past year.

Like elsewhere in the world, ecommerce is also growing at a solid rate in South Africa. Media24's investment in Fashion United SA, the result of Spree merging with Superbalist in October 2018 to become the largest fashion retailer in the country, places us in an excellent position to exploit this growth going forward. Although we incurred initial impairments related to the merger, our investment has already contributed strong revenues to our business.

More details of our financial and operational performance are published in the business and

financial performance section on pages 14 to 23.

Media24 and its people continued the proud tradition of enriching lives beyond our product offerings through active involvement in projects ranging from charity and goodwill initiatives to book donations to schools and learners, and educational bursary funds, literacy drives and training for young people. We also remained focused on transformation as a strategic and commercial imperative, making substantial progress in strategic procurement, and skills and enterprise development.

We closed this financial year standing tall as the market leader in the South African media industry across most of the sectors in which we operate.

Sustainable development

We strive to build communities through excellent journalism, smart technology and innovative services and 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. We regularly review our progress in building a balanced, sustainable enterprise and identify 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 strategies, as guided by our code of business ethics and conduct.

Our sustainable development framework is built on 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



"It has been a year of great change for Media24 as we repositioned our core media business to become a more focused operation while investing in the growth of our merged ecommerce business." - **Ishmet Davidson: Chief executive**

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

Media24 employees are people with a passion for excellence in everything we do. We expect of and encourage our staff to live according to our company values. In the past fiscal, staff engagement levels reached an all-time high, testimony to our employees feeling valued at Media24 despite the challenges our industry faces. We also believe in continuous learning and aim to attract and retain top talent in our industry in order to secure our leading market position. We build diverse teams to cater to our diverse customer base and help our staff to learn from each other.

Welkom Yizani

Welkom Yizani, established as Media24's broad-based black economic empowerment scheme in 2006, started trading its shares on an online trading platform in 2013. Between 2016 and 2017, Naspers Limited, preference shareholder in Welkom Yizani since inception, waived R434m in preference share debt and accrued interest owed to it by Welkom Yizani under the scheme rules. Welkom Yizani shareholders could, therefore, derive immediate economic benefit from their shares since 2017.

Welkom Yizani brought its affairs in line with the Financial Markets Act 2012 (the FM Act) on 23 November 2018 when it listed its shares on the Equity Express Securities Exchange (ESEE). As at 31 March 2019, Welkom Yizani had 88 213 (2018: 89 166) shareholders.

Dividend

The board recommends that, subject to the approval of shareholders at the annual general meeting on 26 August 2019, a dividend of R42m (2018: R42m) be





declared and paid to shareholders. Welkom Yizani's annual general meeting is also on 26 August 2019. Subject to approval by its shareholders, the Welkom Yizani board recommends that an ordinary dividend of R6.2m (2018: R6.2m) be declared to ordinary shareholders. This will result in a dividend of 42.5 cents per ordinary share (2018: 42.5 cents per ordinary share), before dividend tax. After deducting dividend tax, Welkom Yizani shareholders will receive a net dividend of 34 cents per ordinary share (2018: 34 cents per ordinary share).

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 and revised if necessary. 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 IV

principles appear in the governance section on pages 24 to 57.

Regulatory environment

The Copyright Amendment Bill is currently with the President to be signed into law after being passed without any amendments. The bill affects mainly our book publishing business and to a lesser extent our news and magazine divisions. We have and will continue to participate in initiatives to challenge the bill and the manner in which it was passed. The Competition Amendment Act will come into operation on a date to be gazetted and proposes radical changes to the Competition Act to address market concentration and the racially skewed spread of economic ownership. We await progress on the Communications Portfolio Committee's media transformation and diversity charter and the Department of Communication's related policy, both focusing on all elements of the black economic empowerment scorecard.

Directors

On 31 March 2019, Debra Meyer, Salie de Swardt, Manie Mayman and Ruda Landman stepped down as directors of Media24. Hein Willemse stepped down on 30 June 2018. The board thanks them for their valuable contribution and commitment to Media24 over the years. Their unique contributions

are highly valued and will be missed.

Esmaré Weideman and Khomotso Mthimunye were appointed non-executive directors from 1 April 2019 and 17 April 2019, respectively. Ishmet Davidson was appointed group chief executive and executive director of the Media24 board on 1 October 2018. Mobasheer Patel, Media24 group chief financial officer since 1 September 2018, was appointed ex officio as Media24's executive director responsible for the finance function from 1 December 2018.

In terms of the company's memorandum of incorporation, one third of directors retire annually and reappointment does not occur automatically. Trevor Petersen, Koos Bekker and Jo-Ann held, who retire by rotation, are eligible and offer themselves for re-election. The board further recommends that shareholders appoint Trevor Petersen, Khomotso Mthimunye 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 directors are provided on pages 24 to 25 of

this report. We thank our fellow board members for their continued support.

We also recognise the commitment, passion and excellence of Media24's management team and all our employees. Their contributions are appreciated.

Outlook

Media24 has in the past financial year built a strong foundation to continue repositioning the company for a sustainable future by growing our digital media operations, investing in our ecommerce business and maximising profitability in print media.

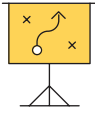


Rachel Jafta
Chair
14 June 2019



Ishmet Davidson
Chief executive





Our strategy

Media24 aims to build communities through excellent journalism, smart technology and innovative services.

- 1 We are building a diversified media company with interests in publishing, online services and ecommerce in South Africa.
- 2 We tell stories that matter, turn data into insights and design solutions that work.
- 3 It is part of our culture to employ only the best and we therefore aim to attract and retain top talent. People with a passion for excellence are the core of Media24.
- 4 We aim to contribute to the communities in which we operate.

How do we achieve this?

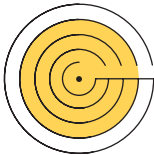


Attract the best talent:

Media24 aims to employ the best creative people, engineers, sales people and administrative and other personnel in the business. We believe in continuous learning.

Profitable organic growth and strategic investments:

We aim to maximise opportunities in print media while positioning Media24 for a sustainable future. We do this by investing in digital media, ecommerce and online job classifieds as well as other diversified businesses.



Use our brands' reach to diversify:

Our brands are established, trusted and respected. We are leveraging their power and popularity with diverse revenue-generating initiatives such as events, brand extensions and more.

Grow digital reach and deepen user engagement:

We measure the engagement and loyalty of our audiences by the time they spend on our apps and websites. We constantly aim to develop this by improving the user experience. We are also migrating our users and clients from print to digital and expanding our data-analytics capability to better understand our audiences and offer advertisers targeted solutions.



Work with regulators and industry bodies:

Media24 has a wide range of stakeholders. Refer to our stakeholder engagement section for details of our current interactions.

Use our expertise to benefit local communities:

At Media24 we are committed to using our skills, resources and people to benefit communities in which we operate. Please see our corporate social responsibility section for more details.



Our stakeholder engagement

Media24 strives for open and proactive engagement with key 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 who 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 key stakeholders, and dialogue and feedback are encouraged. The table below illustrates our continuous efforts to strengthen relations with our stakeholders.

Shareholders

Why we engage	How do we engage with this stakeholder group?	What are the main issues raised?	What is our response?
<ul style="list-style-type: none"> ■ To keep shareholders informed of company developments and strategy implementation. ■ To build on Media24's profile as a responsible corporate citizen. ■ To retain and build on the trust placed in the company. 	<ul style="list-style-type: none"> ■ 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. ■ Communication via post, if necessary. 	<ul style="list-style-type: none"> ■ Welkom Yizani share price in the market. ■ Shareholder assistance in Cape Town by means of a walk-in centre. Welkom Yizani's call and walk-in centre is in Johannesburg. 	<ul style="list-style-type: none"> ■ Shares trade on principle of willing buyers and sellers. ■ Media24 has a strategy to create shareholder value. ■ Duplicated call centre structure is not cost effective. During busy periods additional call centre agents are available.



Employees

Why we engage	How do we engage with this stakeholder group?	What are the main issues raised?	What is our response?
<ul style="list-style-type: none"> To provide a safe, positive and inspiring work environment. To understand and respond to staff needs and concerns. To provide strategic direction and clarity on our people's contributions. To retain the best talent. To provide leadership, training and development. 	<ul style="list-style-type: none"> Direct engagement with employees about performance and development, and other needs. Regular and ad hoc emailers and alternate monthly 24/7 newsletter. Employees are represented by employment equity forums. Regular meetings with staff and national roadshows with staff, to which all staff are invited. Annual staff survey invites employees to share their opinions. We recognise our employees' excellence. 	<ul style="list-style-type: none"> Mandatory medical aid membership (which many feel is unaffordable). Uncompetitive remuneration. Limited training budgets. Lack of transformation. Internal Afrikaans communication seen as barrier to true transformation. 	<ul style="list-style-type: none"> Medical aid membership was made voluntary and a more affordable medical insurance option was added. Media24 takes care to reward talent. We provide online training via Naspers's MyAcademy to all staff at no cost. We have an employment equity plan identifying barriers to transformation. It includes appropriate action plans. Internal communications in English and Afrikaans.

Customers

Why we engage	How do we engage with this stakeholder group?	What are the main issues raised?	What is our response?
<ul style="list-style-type: none"> To gain a better understanding of our customers' aspirations and needs. To deliver relevant and useful products and services to our customers. To ensure we maintain high service levels. 	<p>Media:</p> <ul style="list-style-type: none"> Subscription and customer call centre. Social media. Focus groups. Events. Emails and letters to editors. Consumer/market research. <p>Ecommerce:</p> <ul style="list-style-type: none"> Customer service call centre, surveys and Net Promoter Score (NPS). <p>Advertisers:</p> <ul style="list-style-type: none"> Key account managers. Regular presentations on market trends. <p>Ecommerce fulfilment clients:</p> <ul style="list-style-type: none"> Service-level agreements (SLAs). 	<p>Readers/users:</p> <ul style="list-style-type: none"> Content preferences and cover prices. Limited print stock in retail. Deliveries of print titles. <p>Advertisers:</p> <ul style="list-style-type: none"> Uncompetitive advertising rates. <p>Shoppers:</p> <ul style="list-style-type: none"> Delivery queries, quality and refunds. <p>Ecommerce fulfilment clients:</p> <ul style="list-style-type: none"> Delivery queries and rates. 	<p>Readers/users:</p> <ul style="list-style-type: none"> Input/feedback considered and responded to by editors. Continued focus on better user experience. Cost efficiencies to keep cover prices affordable. Constant demand planning to minimise sell-outs and returns. <p>Advertisers:</p> <ul style="list-style-type: none"> Proposals include audience profiles and reach/engagement to justify advertising rates. <p>Shoppers:</p> <ul style="list-style-type: none"> Call centre handles queries within strict service levels. <p>Ecommerce fulfilment clients:</p> <ul style="list-style-type: none"> Monitoring of performance against SLAs. Regular meetings.

Industry bodies

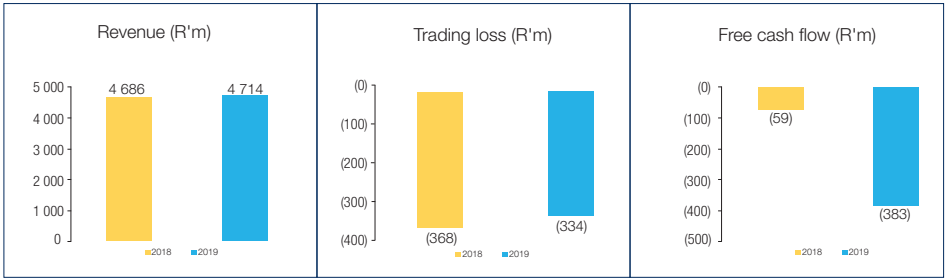
Why we engage	How do we engage with this stakeholder group?	What are the main issues raised?	What is our response?
<ul style="list-style-type: none"> ■ To build strategic business partnerships. ■ To learn from best practice and share information that will benefit the industry. 	<ul style="list-style-type: none"> ■ Participate in Publishers Support Services (PSS) and engage with various organisations, eg Audit Bureau of Circulations (ABC), Press Council of South Africa (PCSA), South African National Editors' Forum (Sanef), and Association of Independent Publishers (AIP). 	<ul style="list-style-type: none"> ■ Threats to press freedom in proposed legislation. ■ Media self-regulation. ■ Transformation of the media. ■ Safety of journalists. 	<ul style="list-style-type: none"> ■ Submissions on proposed legislation through industry bodies. ■ Support of media self-regulation through the PCSA. ■ Protection services for journalists provided where necessary.

Regulatory bodies

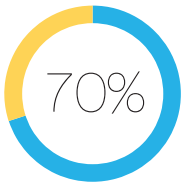
Why we engage	How do we engage with this stakeholder group?	What are the main issues raised?	What is our response?
<ul style="list-style-type: none"> ■ To ensure we are operating within the law and applicable regulations. ■ To ensure we have positive and beneficial relationships with regulatory bodies. ■ To protect our business from adverse policy and legislative provisions in future. 	<ul style="list-style-type: none"> ■ Regular meetings with stakeholders such as the Government Communication and Information System (GCIS) and the Competition Commission and Competition Tribunal. 	<ul style="list-style-type: none"> ■ Proposed regulations and legislation. ■ Transformation of print media sector. ■ Biased media reporting. ■ Competition law compliance. ■ Data privacy and cybersecurity. ■ BBBEE laws and regulations. 	<ul style="list-style-type: none"> ■ Submissions on proposed regulation and legislation. ■ Maintain transformation credentials. ■ Continuous awareness and training initiatives for journalists. ■ Strict adherence to regulatory compliance. ■ Competition law and data-privacy and cybersecurity training. Awareness for all employees who handle data. ■ Proactive BBBEE compliance, management and enhancement.



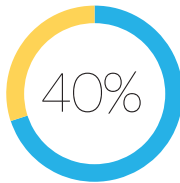
Our performance at a glance



Board:



Black directors



Female directors

Welkom Yizani:

± 80 000
black shareholders



The largest broad-based BEE scheme in South African print media industry

Training: 17 interns completed a year-long programme to establish a talent pipeline

77%

of training spent on black employees and R1m invested in Seta-accredited training for black people

R26m

spent on training for the year





Awards

Our business won a range of awards this past year, including:

3 WAN-IFRA 2018 African Digital Media Awards

NB Publishers' books and authors won **28** literary awards

New Media won **42** local and international editorial, design and publishing awards (print and digital)

2 SAB Sports Media Awards

Trade Publisher of the Year 2018 to Jonathan Ball Publishers



9 Forum of Community Journalists Excellence awards

8 IAB Bookmarks Awards, including a coveted Black Pixel for best digital publisher for 24.com for the third year running

Best Media Owner for Media24 Lifestyle at the MOST Awards



Photographer of the Year award at the Vodacom Journalist of the Year Awards

9 Sikuville Journalism Awards





Our business and financial performance

Overview

Media24 posted reasonable results for the financial year, with total revenue marginally up year on year (YoY) to R4.7bn and the trading loss decreasing by 9% to R334m. The mature businesses (newspapers, magazines, print distribution and book publishing) significantly improved profitability in the review period. At the same time, our growth businesses (digital media, ecommerce, ecommerce fulfilment, job classifieds and online services) showed strong revenue growth against the previous year. We continued to invest in digital media and ecommerce to diversify the group for the future while streamlining operations and lowering the cost base by focusing on our main digital news brands. Online audiences and user engagement remain significant and several initiatives were launched to improve user experience through smart technology.

Operational review

Making the most of our mature portfolio

Despite revenue declining 7% YoY, our print media division (News, Lifestyle and On the Dot) more than doubled profits to record its highest profit in over a decade on the back of renegotiated printing contracts and cost-saving initiatives.

Media24 maintained its print media reach – eight out of every ten newspapers and magazines consumed by South African adults in print or online are Media24 publications – and retained its advertising and circulation market leadership in both sectors. We publish five of the top ten paid-for newspaper titles, including Soccer Laduma, a very close second to the Sunday Times. Media24 Lifestyle publishes six of the top ten consumer magazines, including the top four.

Die Burger changed the frequency of its Eastern Cape edition from six days to print on Fridays only, with digital editions available Monday to Friday. Around 90% of print subscribers were retained, and the bulk of them converted to paying Network24 subscriptions, while Friday sales of the print edition increased by 5% over the past year.

On the Dot made considerable headway

tuis verfdit

Maak dit mooi met 'n verfkwas!
Nuuiste uitgawe nou beskikbaar.

NETWERK24
www.network24.com

www.soccerladuma.co.za
THE BIGGEST SOCCER PUBLICATION IN AFRICA

ISSUE NO: 1090
12-18 SEPTEMBER 2019
ON SALE EVERY WEDNESDAY
R3,90 INCL. VAT
21 YEARS OF PASSION

SOCCER LADUUUUUMA!

Shabba: No one gave me a chance

Should Messi be up for FIFA award?

Makgalwa: What Pitso told me

Siya special: Why Petersen to Downs failed

More Siya this week:

- Sendweleses per price tag on Rumlalo
- Chiefs to make decision on Mose in January
- Chiefs & Downs monitor Mkhona?

Khumalo: I felt that at SuperSport

Eymael: I don't know why he said that - page 8

Modiba: Maybe it's a national crisis... - page 22

Nxumalo: This only happens in SA - page 11

© soccer_laduma f Soccer Laduma @Soccer_Laduma (SLTV) SUPPORTERS CLUB (SLTV)

in building a variable cost base by starting to outsource its warehousing and distribution and recorded its highest profit ever.

Media24 acquired the minority shareholdings in Soccer Laduma and New Media Publishing and has incorporated these into the business. Soccer Laduma now earns more revenue from digital advertising than print advertising and recorded its highest profit in its 20-year history.

Our countrywide network of community newspapers deserve a special mention having delivered its highest profits ever.

VIA remains the most popular lifestyle channel among Afrikaans viewers on DSTv, maintaining a healthy 27% reach in this segment – almost triple its contractual requirement. Sponsorship revenue grew 36% and airtime revenue grew 63%.

It has been a year of muted success for our Books division. Excellent school-book sales in South Africa were offset by a sluggish economy hampering trade sales, no primary school-book orders from the Botswana government and disappointing sales of academic textbooks following an unexpected change in the payout policy of the National Student Financial Aid Scheme (NSFAS).

Focusing on our growth portfolio

With the merger of Spree and Superbalist (Naspers's other local fashion retailer) into Fashion United SA (FUSA) on 1 October 2018, Media24 now owns 50.95% of the largest fashion retailer in South Africa. Revenue grew 90% YoY due to rapid growth in ecommerce in general, and the merger with Superbalist. However, in the merger process, Media24 incurred significant losses from stock and other impairments.

Among South African publishers, 24.com leads by far with an audience market share of 35%, growing average daily unique browsers by 3% to 1.64m and average daily unique pageviews by 3.2% to 13.5m. Mobile access is now almost 89%. We launched a video-content platform in partnership with Oovvuu, which exceeded its target of 1m monthly views within three months. Netwerk24 grew its paying subscriber base by 32% YoY to nearly 50 000, further strengthening its position as the largest paywall news service in the country.

24.com grew its revenue 5% YoY and reduced



its loss by 36% in a combination of revenue growth, cost-cutting and closing its stand-alone news aggregators. With the closure of the aggregators, we are also now able to fully focus our limited engineering capacity on our two main news brands: News24 and Netwerk24. Business Insider South Africa rose to the top position in the business sector within three months and exceeded its revenue expectations by far.

Media24 was the first digital publisher globally to acquire the Google performance ad tech stack to expand audience-targeting capabilities in our quest to grow digital advertising revenue market share.

Financial review

Media24's revenue was marginally up YoY to R4.7bn and the trading loss decreased by 9% to R334m over this period. Core headline earnings improved by 46% YoY, due mainly to the changes in our minority shareholdings.

Pleasingly, through lower printing prices and ongoing cost-saving initiatives, trading profit in the mature portfolio improved 73% YoY despite a 7% revenue decline. Advertising and circulation revenues declined in line with structural declines in the industry, while book-publishing revenue decreased by 7% on lower textbook orders.

The growth portfolio recorded substantial revenue growth of 42% YoY, taking into account the impact of consolidating the FUSA results in the second half of the year. The growth businesses continued to invest to build scale. This, along with impairments taken in our fashion retailer business after the merger with Superbalist, resulted in trading losses being 36% higher than the prior year.

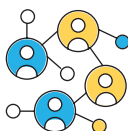
Cash used in operating activities was affected by the trading loss for the period and higher working capital levels, primarily due to the timing of stock purchases. This was partly offset by higher investment income and lower tax paid compared to the prior period.

Media24 continues to have a well-capitalised balance sheet to pursue its growth strategies, with R1.2bn of cash resources available to continue funding our operations as well as growth and diversification strategies for the foreseeable future.

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

The summarised annual financial statements appear on pages 60 to 71. The complete annual financial statements for the year to 31 March 2019 are available on www.media24.com. A printed copy of the annual financial statements is available from the group CFO, Mobasheer Patel, at the registered office of the company (details on page 87).





Our contribution to our communities

The value-added statement shows the total wealth created and how it was distributed, taking into account amounts retained and reinvested in the group. Value added is defined as the value created by the activities of a business and its employees and is calculated as revenue less the cost of generating that revenue.

Value-added statement

for the year ended 31 March

	2019	2018
	R'm	R'm
Revenue	4 714	6 457
Cost of generating revenue	2 860	3 757
Value added	1 854	2 700
Income from investments	129	92
Wealth created	1 983	2 792
Wealth distribution:		
Employees		
Salaries, wages and benefits	1 401	1 854
Providers of capital	46	1 290
Finance cost	4	15
Dividends paid	42	1 275
Government		
Total tax paid	689	993
Reinvested in the group	(153)	(1 345)
Depreciation and amortisation	89	86
Other capital items	33	353
Retained earnings	(275)	(1 784)
Wealth distributed	1 983	2 792

Note

⁽¹⁾ Effective 25 September 2017, the larger portion of Media24's investment in Novus Holdings was unbundled through the payment of a R1.2bn dividend to Naspers. In return Naspers subscribed for 70 B ordinary shares in Media24 Proprietary Limited to the value of R1.4bn. The Novus results for the six months are included in the consolidated numbers for 2018.

Our people

Media24 values its people. Our products and services depend on the creativity and insights of key staff, particularly journalists and engineers. Without them, we would not be able to achieve our business objectives.

In the past year, Media24 won the Sagea Employer of Choice among Graduates award for the sixth time in seven years; changed our conditions of service to allow employees more flexibility in their choice of medical cover; and achieved the highest participation and highest scores in our annual engagement survey. The participation rate was 90% and the overall engagement score was 75% (up from 71%). As at 31 March 2019, Media24 had 3 750 employees. At Media24:

- 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 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.

Skills development

Media24 invested R26m in developing 3 391 employees (77% for black employees) and interns at various levels over the past year. Amid tough trading conditions, we reduced our investment in training, but ensured vital learning needs were addressed and that we could grow our pool of black entry-level talent through internship programmes.

All our people have access to online learning through MyAcademy (the Naspers group's online learning platform); we offer staff bursaries for part-time study towards degrees and diplomas; staff attend local and international conferences to keep abreast of industry developments. Other training



JOIN US AT THIS YEAR'S WELLNESS EVENT!

12 & 13 SEPTEMBER
NASDAK, 09h00 - 16h00

LOADS OF FUN, FREE GIFTS & LUCKY DRAWS!

HEALTH SCREENINGS AND ASSESSMENTS
(remember to book your appointment)

STAND A CHANCE TO WIN 1 OF 5 R1000 CASH PRIZES, SPONSORED BY CAPTEC!

MEET THE PLAYERS!

Players from Kaizer Chiefs and Cape Town City will visit us on 12 September. You stand a chance to win VIP tickets to the PSL game on 15 September.

Special guests will offer you **FANTASTIC DEALS!**

- ABSA - NEW special deals
- FNB
- EMAS
- CAPTEC
- SA BLOODBANK - Register as a donor
- SPECSAVERS - Free eye screenings
- ALEXANDER FORBES, MEDIA24 RETIREMENT FUND, SANLAM and CAREWAYS
- HERBALIFE
- JUSTINE
- BARELY BLUSH BEAUTY SALON - Head, neck and shoulder massages for R120 per 15min*
- FOOD DEMO - 13h00 each day by Amy Hopkins
- VIRGIN ACTIVE - boost your energy levels with an activity class every day at 12h00 - 12h45*

*NB! PLEASE PRE-BOOK YOUR MESSAGE AND VIRGIN ACTIVE CLASS WITH JILL OCKHUIS AT jill.ockhuis@media24.com

SPECIAL OFFER

12/13/18



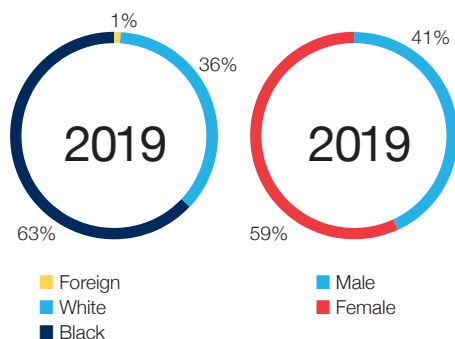
initiatives include leadership development and executive coaching.

Beneficiaries of Media24 Academy initiatives over the past year included:

- The Hub@Media24: 13 black computer science graduates received six months' intensive training as PHP, Java and Android developers. Twelve completed the programme and four have been offered employment or internships with Media24.
- Developed and ran accredited programmes in digital publishing and web design for 60 AIP members with funding of R1m from the Fibre Processing and Manufacturing (FP&M) Seta.
- A ten-month development programme for nine journalists with disabilities in partnership with ThisAbility, a non-profit organisation that publishes a newspaper by journalists with disabilities.
- Media24 Academy graduates in media: 17 graduates selected for a one-year internship and completed successfully; 10 were placed in permanent or fixed-term contract positions with Media24.

Employment equity

The group complies with labour legislation in its 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 fulltime employees at 31 March 2019 is shown below:



Media24 maintained or improved representation of black employees at all levels of management, but fell slightly short of its target of 23% black (African) employees in management in the review period, achieving 22%. Appropriate and representative consultative forums protect the interests of employees across the group and provide valuable input for decisionmaking.

We achieved the majority of our targets in our employment equity plan submitted to the Department of Labour:

- 59% of employees are women, on target.
- 63% of staff are black, on target.
- 0.6% have disabilities, short of our 1.6% target.
- 44% black staff in top management, above target of 40%.
- 54% black staff in management, achieving our target.

Health and safety

Occupational health and safety and employee wellness are important to Media24, as these promote physical as well as mental and emotional well-being of staff, which in turn affect productivity. Our employee wellness programme offers telephonic and face-to-face counselling to employees and their immediate families countrywide; we run wellness days that offer confidential on-site health screening (blood pressure, body mass index, cholesterol, blood sugar and HIV testing) as well as personalised wellness advice to each participant; all permanent employees have medical cover and access to the Discovery Vitality programme that offers discounts, incentives and rewards for healthy eating and exercising.

We had 55 injuries on duty in the reporting period, resulting in an injury-frequency rate of 0.8% per 100 000 hours worked during the year.

- 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 high-risk facilities in health and safety matters.
- We monitor management's health and safety systems 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 relevant laws and regulations.

Corporate social responsibility

Media24 has a proud tradition of enriching lives beyond our product offering. Projects range from book donations to schools and learners in historically disadvantaged communities and staff participation in charity and goodwill initiatives and fundraising, to educational bursary funds, literacy drives and journalism training for young people.

The WeCan24 programme, offering digital journalism training for learners and teachers across South Africa, concluded at the end of this financial year. In the 2020 financial year Media24 will join forces with the Naspers-funded WeCode24 programme for learners that is centered around learning to program computers.

In the past year, we invested over R15.6m in cash, goods and media coverage in several community projects. We support communities through projects directly related to expressed needs in the community. At Media24:

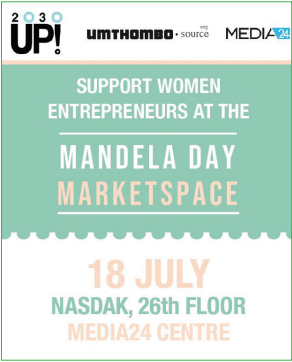
- We respect human rights.
- We support black-owned businesses by actively seeking such suppliers.
- We conduct business fairly, ethically and with integrity.
- Our code of business ethics and conduct defines our culture.

With our Volunteers24 programme, all permanent employees are entitled to three days' paid leave to support non-profit organisations or causes close to their hearts. In the past year, Media24 staff have volunteered a total of 747 days through this programme, giving time worth R982 000 to charitable causes.

Sector and project

Contribution (monetary and in kind)

EDUCATION	
<p>Literacy: Various projects support literacy, including sponsorship of advertising space (Beeld promotes the use of newspapers as learning material in schools), donations (books, newspapers and stationery) and assistance and support to schools and universities.</p>	<p>R4m (donated material and advertising space)</p> <p>R0.5m (professional services at no cost)</p>
<p>WeCan24: This programme provided journalism training for learners and teachers countrywide.</p>	<p>R1m (operational support, training and promotional material)</p>
<p>Various events and sponsorships: Sponsorships and community projects, including Beeld/Die Burger Children's Fund, Die Burger Youth Leaders' Conference, Rapport Education Fund and the Son WOW school literacy bursary fund.</p>	<p>R1.5m (this includes ad hoc disaster relief drives and collections)</p>
ARTS AND CULTURE	
<p>Festivals: Media24 supports the arts and in particular the Afrikaans national arts festivals with operational support, media coverage and activations and free advertising space.</p>	<p>R4m (Media24 contribution, including free advertising space)</p>

ENTERPRISE DEVELOPMENT	
<p>Marvel Technologies: Via Afrika contributed towards Marvel Technologies' professional teacher development programme in Gauteng. The programme focuses on integration with the Zibuza.net platform, a local online community offering user-generated resources catering for the early childhood development phase through to Grade 12.</p> <p>Mikateko Media: Media24 provided Mikateko Media, the black-female-owned subsidiary of New Media Publishing, with an interest-free loan to improve its infrastructure and grow the business.</p> <p>2030-UP!: Media24 partnered with Go Green Connect to help establish ten black-women-owned enterprises through the 2030-UP! programme. The funding provides these women with training and strategic support.</p>	<p style="text-align: center;">R1.3m (cash donation, grants and interest-free loan)</p> 
VOLUNTEERS24	
<p>Volunteers24: Staff use their entitled three days' paid leave (on a voluntary basis) to support causes close to their hearts.</p>	<p style="text-align: center;">R0.9m (monetary value of volunteer time)</p>
VARIOUS	
<p>Media coverage: Non-governmental organisations benefit from media coverage and advertising space.</p>	<p style="text-align: center;">R2.4m (value of media coverage)</p>
TOTAL	<p style="text-align: center;">R15.6m (full-year contribution)</p>

The workplace

Implementing a healthy, safe workplace at all our facilities is a priority. Health and safety committees ensure compliance with applicable regulations, in line with local legislation where required. The manager responsible for on-site health and safety ensures committee members are trained and the committee operates effectively. Regular occupational health and safety risk control audits are conducted by operational management and improvements made as required. The past year significant matters were reported to, and monitored by, Media24's safety, health and environment⁽¹⁾, and risk committees (both are board committees). Our distribution operations make extensive use of contractors and organisers. As most of these workers are from previously disadvantaged

communities, training is regularly reviewed to ensure they can perform their jobs safely and effectively. The Media24 safety, health and environment committee also monitored significant related issues in the workplace.

Note

⁽¹⁾ The safety, health and environment committee was dissolved on 31 March 2019.

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.

Wellness

The group's wellness programmes take a preventative approach to employee health. Regular eye and hearing tests are performed on drivers and staff exposed to noise. Professional independent psychological and social support is provided for employees.

Media24 offers wellness days, in partnership with a leading health insurance company, at many of its offices across South Africa. Health services include hypertension and blood sugar testing (for diabetes), cholesterol testing, HIV/Aids counselling and testing, and a number of risk control programmes.

In the past year we changed conditions of service to allow staff the choice between open medical schemes or insurance.

Transformation

With transformation being a strategic and commercial imperative, we continue to invest in strategic procurement, and skills and enterprise development. Various initiatives are developing relevant skills and progressive procurement practices, the latter including preferred procurement from black-owned and black economic empowerment-compliant (BEE-compliant) service providers. We have made substantial progress in meeting our transformation aims.

According to our latest BEE scorecard, Media24 attained a level 4 status with a 100% procurement recognition on BEE spend under the revised codes. The group scored full points for socio-economic development. Black people's economic interest is now 56.16% (60.17% in the prior year).

Welkom Yizani, established as Media24's BBBEE scheme in 2006, has been trading its shares on an online trading platform since 2013. Between 2016 and 2017, Naspers Limited (preference shareholder in Welkom Yizani since inception) waived R434m in preference share debt and accrued interest owed to it by Welkom Yizani in terms of the scheme rules. Welkom Yizani shareholders could, therefore, derive immediate economic benefit from their shares from 2017.

Welkom Yizani brought its affairs in line with the Financial Markets Act 2012 (the FM Act) on 23 November 2018 when it listed its shares on the Equity Express Securities Exchange (ESEE). As at

31 March 2019, Welkom Yizani had 88 213 (2018: 89 166) shareholders.

Black economic empowerment partners

Suppliers' BEE performance is evaluated against specific criteria and must be improved annually. Media24 achieved 17.67 out of 25 points for preferential procurement of goods and services from all suppliers.

Environment

We reduce, reuse and recycle to limit our impact on the environment. Media24's operations are diverse, and each type of business has a unique impact on the environment, and therefore requires different solutions to limit this impact.

Energy-efficient initiatives include:

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

We recycle all unsold newspapers and magazines. Through our online and print publications, we also regularly publish informative articles to educate consumers on ecofriendly ways to live. In addition to recycling, it is in our commercial interest to use paper efficiently, limit paper destined to be recycled and minimise unsold products. Media24 uses printers with a Sustainable Forestry Initiative Chain of Custody certification with materially all print work utilising paper from sustainable sources.

Our largest impact on the environment is our use of carbon-based electricity. Our focus remains on energy efficiency and measuring our carbon footprint. We have also invested heavily in generators and uninterrupted power supplies to ensure seamless operation during power outages.

Media24 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 under the Greenhouse Gas Protocol (GHG protocol), the accepted international standard for accounting and reporting on emissions.

In the 2019 financial year, our carbon footprint decreased by 27% to 10 008 tonnes of CO₂e (2018: 13 687 tonnes of CO₂e). The bulk of the reduction is attributed to the energy-efficient initiatives mentioned above, in particular at the

Media24 Centre and On the Dot.

South Africa has largely recovered from the severe drought of the past three years but remains water-stressed. Media24 continues to play its part to be a responsible water user and adhering to water restrictions, including continued awareness campaigns and initiatives to reduce the use of potable water. Our aim is to ensure 45% less water use than in 2015 (pre-drought).

Electronic waste

Electronic waste is one of the fastest-growing components of the municipal solid waste stream. We use responsible service providers to recycle and dispose of our electronic waste.

Fines

In the past year, there were no environmental accidents, and no environmental fines were imposed by government. The group continues to refine its processes for managing its impact on the environment.





Board of directors

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



Rachel Jafta

Rachel (58) has the degrees MEcon and PhD and is a professor in economics at Stellenbosch University. She is a director of Naspers and chair of the Cape Town Carnival Trust. She joined Naspers as a director in 2003 and was appointed a director of Media24 in 2007. She is a member of the South African Economic Society and serves on the management committee of the Bureau for Economic Research at Stellenbosch University. She has been chair of the Media24 board since April 2013. Since 2015, she has served on the international advisory council of Fundação Dom Cabral Business School, Brazil.



Khomotso Mthimunya

Khomotso (53) has a BRations degree from the University of Limpopo, BComptHons from Unisa and a Higher Diploma in tax law from the University of the Witwatersrand. She is a chartered accountant with over 20 years' experience and a member of the Independent Regulatory Board for Auditors, South African Institute of Chartered Accountants and Institute of Directors in Southern Africa. She has served on the boards of several companies in the public and private sectors and worked in the mining and financial services industries for, amongst others, BHP Billiton SA Limited, Standard Corporate & Merchant Bank and Absa.



Mobasheer Patel

Mobasheer (42) holds a BCom degree from the University of the Witwatersrand as well as a BComHons and a Higher Diploma in auditing from the University of Johannesburg (UJ). He qualified as a chartered accountant in 2001 and joined Old Mutual. He held several senior and board positions including CFO of Old Mutual Wealth & Investments. Mobasheer was appointed as CFO of Media24 in September 2018.



Trevor Petersen

Trevor (63) is a chartered accountant with over 30 years' experience. He obtained a BComHons in financial management from the University of Cape Town. He was an executive partner at PricewaterhouseCoopers Inc. and currently serves on the board of Mediclinic International plc.



Ishmet Davidson

Ishmet (54) holds a BCom degree and an MBA from the Edinburgh Business School at Scotland's Heriot Watt University, among other qualifications. He has 16 years' experience in the media industry and joined Media24 in 2012 as head of community newspapers. He became head of its news division in 2014, after which media distribution company On the Dot and Media24's magazine division were added to his responsibilities. He was appointed CEO of Media24 in October 2018.



Koos Bekker

Koos (66) helped found the M-Net/MultiChoice pay-television business. Launched in 1985, it gradually grew across Africa. He was also a founder of the cellular telephony group MTN. Koos headed the MIH group in its international roll-out until 1997. He then became chief executive of Naspers and led the group until 2014, during which time it expanded into internet. At present he is non-executive chair of Naspers. The group is now valued at US\$90bn and is the biggest investor in the internet not based in either the US or China. Internet investments and operations span many countries and markets across the world.



Esmaré Weideman

Esmaré (57) obtained the degrees BCom and BJournalismHons (both cum laude) from Stellenbosch University. She has over 25 years' experience as a journalist, political writer and editor. She was editor-in-chief of Media24's flagship weekly magazines Huisgenoot, YOU and DRUM before being appointed chief executive of Media24 in 2011, a position she held until her retirement in September 2018. Esmaré rejoined Media24 as a non-executive director on 1 April 2019.



Jo-Ann Held

Jo-Ann (38) obtained a BComLaw from Stellenbosch University. She is a media entrepreneur who has presented and produced TV and online media properties for 18 years. She is a goodwill ambassador for UNICEF and a director of the advisory board of Stellenbosch University Business School, Village and Life, and M&C Saatchi Abel.



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 Jaffa	9 February 2007	31 August 2015	5	Independent non-executive
G M Landman ⁽¹⁾	14 September 2006	28 August 2017	5	Independent non-executive
S S de Swardt ⁽¹⁾	14 September 2006	29 August 2016	5	Independent non-executive
T D Petersen	1 July 2015	28 August 2017	5	Independent non-executive
D Meyer ⁽¹⁾	1 April 2013	31 August 2015	4	Independent non-executive
H S S Willemse ⁽²⁾	21 November 2013	29 August 2016	2	Independent non-executive
J C Held	1 January 2014	29 August 2016	5	Independent non-executive
J P Bekker	1 April 2015	28 August 2017	5	Non-executive
A Mayman ⁽¹⁾	1 April 2017	28 August 2017	5	Non-executive
E Weideman ⁽³⁾	1 July 2011	16 September 2011	3	Executive
I M Davidson ⁽⁴⁾	1 October 2018	1 October 2018	2	Executive
M Patel ⁽⁴⁾	1 December 2018	1 December 2018	1	Executive

Notes

⁽¹⁾ Stepped down as a director on 31 March 2019.

⁽²⁾ Stepped down as a director on 30 June 2018.

⁽³⁾ Stepped down as executive director on 30 September 2018. Re-appointed as non-executive director on 1 April 2019.

⁽⁴⁾ Appointed as executive director.



Committees and attendance

	Executive committee ⁽¹⁾		Human resources and remuneration committee ⁽¹⁾		Nomination committee ⁽¹⁾		Safety, health and environment committee ⁽¹⁾		Audit committee ⁽¹⁾		Risk committee	
	One meeting held during the year.		Six meetings held during the year. Attendance:		Six meetings held during the year. Attendance:		Two meetings held during the year. Attendance:		Four meetings held during the year. Attendance:			
R C C Jaffa	✓	1	✓	6	✓	6						
G M Landman	✓	-	✓	6	✓	6	✓	2				
S S de Swardt	✓	1							✓	4	✓	4
E Weideman ⁽²⁾	✓	1									✓	4
D Meyer			✓	5	✓	5	✓	2				
H S S Willemse							✓	1				
J C Held									✓	4	✓	4
A Mayman ⁽³⁾							✓	1			✓	4
J P Bekker												
T D Petersen									✓	4	✓	4
I M Davidson ⁽⁴⁾	✓										✓	1
M Patel ⁽⁴⁾	✓										✓	1

Notes

✓ Member

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

⁽²⁾ Until 30 September 2018.

⁽³⁾ Appointed as safety, health and environment committee member on 1 July 2018.

⁽⁴⁾ Appointed as member with effect from 1 December 2018.



Our risk governance: Managing risks and opportunities

As a media group, we understand that the world in which we operate is continuously changing. We also understand that achieving our mission depends on how well we navigate risks and opportunities as they arise amid the uncertainties and unexpected circumstances we face as entrepreneurs every day.

While standards and frameworks are helpful, no risk management system or combined assurance model can give us absolute certainty that we fully understand all risks and opportunities. Although we strive to be effective in managing the risks posed in meeting our objectives, we acknowledge that there is always an element of uncertainty. We have recorded failures in the past and are likely to face some misses in future, given the residual risk we tolerate in pursuing value. Equally, we cannot be sure that we identify every opportunity soon enough to take full advantage.

We create sustainable value

We look at value in the broadest definition from the points of financial, social and environmental sustainability – as captured by the six capitals model. According to this model, businesses executing their strategies continuously transform different forms of capitals that are interdependent, with the value created (or destroyed) evident as a net effect across the capitals.

We believe value is determined both by our potential to perform in future (ability to create net positive capitals) and by performance itself (concrete net capital creation over time). These perspectives affect each other: low potential leads to performance issues, and vice versa. We address both potential and performance in developing our strategies. Building potential and delivering performance both involve transforming various capitals, and our strategic and operational decisions aim to maximise capital production (output) and minimise capital use (input), creating optimal value.

The levers that control the use and production of each capital comprise a combination of value drivers. Understanding these levers and managing value creation through them is the essence of

our objective-driven, dynamic opportunity and risk framework.

How we manage and govern risk

We promote a culture in which robust risk and opportunity management processes are understood to create and sustain competitive advantage. Therefore, we view these processes not as separate activities, but rather integrated into daily decisionmaking and good governance practices.

As a subsidiary of the Naspers group, we align our practices and policies to that of the group. Our risk management framework, system and processes draw on internationally recognised best business practices and frameworks. We promote sharing knowledge on issues and good management practice between businesses in the group.

Our policies and charters aim to govern the broad elements of the six capitals model. We realise and acknowledge that by the nature of our operations, we transform, impact or influence more than one capital and manage our risks accordingly. Our charters and policies direct how we mitigate these risks.

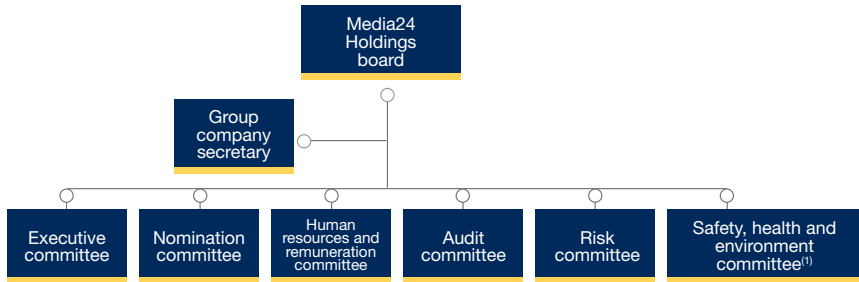
Responsibility

The board and management are accountable for the choices and decisions we make, how we execute these and for delivering a commensurate reward – ie value and efficiency in their broadest definitions – within the parameters of the risk profile the board deems acceptable. The responsibility for managing risk lies with the owner of risk: in most cases operational management, assisted by the finance function.

Group internal audit and risk support assess the effectiveness of the system of risk management and internal control and may also provide advice and guidance to the business.

The board's role

The board is kept updated on key risks and any developments, and ensures that adequate levels of assurance are provided on significant residual risks versus set tolerance levels. This is done through a combination of internal sources and independent assurance providers, including group internal audit

**Note**

⁽¹⁾ The safety, health and environment committee was dissolved on 31 March 2019.

and risk support, and the external auditor.

The board is assisted by various committees (refer to structure above) tasked with oversight and decisionmaking for our group, assisting the board in governing risks across the capitals. We have several policies and charters that govern the process and responsibilities for managing risk and opportunities.

The Media24 board approves the risk committee charter and risk management policy annually.

These documents are aligned with Naspers group policies, and enable executive management and operational divisions, to apply appropriate practices and principles in managing risk and opportunity. The risk committee assists the board to ensure risk is governed in a way that supports the group in setting and achieving its strategic objectives.

The board is responsible for the governance of risk and is satisfied with the effectiveness of the risk management process.

Analysing of and responding to different risks

Media24 group businesses are expected to apply a structured approach to identifying, assessing, analysing and responding to risk and opportunities within tolerance levels set by the board.

Our risk analysis focuses on the impact of risk on our objectives while not losing sight of opportunities. We consider our key risks relative to their impact on efficiently transforming capitals (ie the six capitals model) to ensure value for all stakeholders.

For risks we are not prepared to tolerate, we act to reduce our vulnerability. Depending on the importance of the risk relative to tolerance levels, active risk management varies by form and extent. We continuously enhance our control and monitoring measures to prevent or detect risks at the earliest

stage. We strive to evolve our risk management practices and techniques. As such, we consider best practices and follow group direction set by our holding company. In the review period, we continued to analyse risk using a risk-based approach.

Where we can, we explore ways to share or transfer risk. We run adequate insurance programmes to mitigate the risk of sudden losses caused by insurable risk events.

Our approach to risks and opportunities

In the face of uncertainty, risks may affect our goals in multiple ways but, equally, opportunities may arise, allowing us to exceed our targets. These risks and opportunities can be viewed as potential negative and positive deviations from our objectives. We believe we can create competitive advantage through the opportunities we identify and elect to pursue, and in the way we assess, manage and accept risk. It is a strategic approach to risks and opportunities.

Opportunities and risks matter most where they have the greatest impact on value, in its broadest sense, for our stakeholders. Therefore, we select opportunities and assess, manage and accept risks primarily on the basis of their potential impact on determined value drivers.

Our sustainability strategy

We are committed to good corporate governance and to applying the principles of King IV. These principles promote responsible corporate citizenship and sustainable development based on ethical leadership.

As part of the process of integrated thinking, responsible corporate citizenship and sustainable development, we reflect on our business model relative to the six capitals, as well as the risks and opportunities linked to the six capitals.

Financial capital

We are a for-profit organisation that invests in developing businesses to provide useful goods, products and services to customers and deliver a sustainable return to investors. Through our operations, we contribute to economic growth and employment opportunities in South Africa and Africa.

We aim to:

- invest in our country of operation by creating business for local suppliers, employing people and giving governments their due via taxes and levies
- manage our assets and liabilities conservatively in the interests of our investors and other stakeholders and in line with board-approved risk appetite
- focus on investing in business models and new technologies that hold promise for future growth and have the potential to scale
- report on our financial position and performance accurately in line with applicable accounting standards, and
- comply with relevant company laws and regulations.

Key risks to this capital, include:

- economic and political market disruptions
- fierce local and international competition and non-traditional players in the media sector
- shrinking circulation and advertising revenues in relation to our print publications
- digital operations that fail to reach required scale to generate substantial profits
- insufficient funding to realise our ambitions
- credit risk, counterparty risk, fraud-related crimes and theft, and
- financial misstatement and/or failure to accurately disclose in our public reports.

Measures to manage these key risks and maximise opportunities, include:

- we monitor economic and political developments as best as possible and adjust measures to reduce our vulnerability
- we try to understand our consumers' preferences and emerging trends, and tailor our offerings accordingly
- through robust planning and monitoring, we take action early to ensure we have the funds and

resources to realise our ambitions

- reduce our dependency on advertising revenue through our diversification strategy into the ecommerce market, digital services and subscription models (online market)
- we invest funds and manage our cash and funding needs in line with our group treasury policy which sets minimum standards to mitigate risk of counterparty default
- ensuring our forward exchange contracts are in line with group policy
- we take measures to prevent and detect fraud through strict internal controls on fund management processes
- we operate an effective internal control environment
- an anonymous whistleblowing line is in place to report fraud-related crimes, and
- the audit committee oversees the effectiveness of combined assurance.



Manufactured capital

Manufactured capital is key to our services and operations and may include:

- offices, distribution centres and warehouse buildings, furniture and equipment
- information and technology infrastructure and equipment
- distribution networks (such as retail outlets and courier services)
- public infrastructure such as roads for delivering goods
- vehicles, and
- stock.
- technical failures and cyber-incidents causing disruption
- stock obsolescence including excessive write-offs or impairments of assets due to poor planning, maintenance or safeguarding
- unforeseen capacity constraints from risks affecting the supply chain, logistics and processes (physical and electronic), and
- substandard product/service offering.

We aim to:

- ensure office buildings, warehouses, retail outlets, vehicles and equipment are efficient and well maintained, continuously enhance measures on security and fire-prevention infrastructure, and ensure businesses are adequately covered for insurable risks
- operate a secure and resilient technological infrastructure
- avoid obsolescence of products and services by procurement and stock management
- minimise excessive investment in stock, and
- manage our outsource partners to deliver on agreed service levels.

Key risks to this capital, include:

- destruction or impairment of assets due to natural or human-induced disasters

Measures to manage these key risks and maximise opportunities, include:

- robust business planning, including working capital management
- comprehensive short-term insurance
- physical security measures to protect assets
- business-continuity planning including disaster-recovery and testing
- rigorous testing of information and technology systems and app changes
- real-time cyberthreat monitoring and regular cyber-incident response testing
- supplier and external service provider selection
- regular performance evaluations of contracted service providers
- business and resource planning, including information and technology investment
- asset maintenance programmes, and
- focusing on customer experience, quality content and service excellence.



Intellectual capital

Intellectual capital (knowledge-based intangibles) includes intellectual property (IP) such as patents, copyrights, trademarks, domain names, confidential information as well as institutional knowledge, systems, procedures and culture.

We aim to:

- use intellectual capital to drive competitive advantage through customer-focused development and innovation strategies
- adequately protect our intellectual capital and not infringe on the rights of others
- produce, acquire and publish valuable content for consumption by our customers through our various platforms
- cultivate a positive, innovative and ethical culture in the group, and
- build intellectual capital by continuously investing in our people and knowledge-sharing programmes throughout the group.

Key risks to this capital, include:

- ineffective response, including insufficient innovation, to meet our customers' changing demands and consumption patterns
- improper use and/or inadequate protection of customer privacy, sensitive data and other confidential information
- failure to meet targets due to lack of innovation
- loss of market share, revenue and opportunities

through infringement, theft or misuse of IP rights

- reputational damage or liability due to fake news, infringement, theft or misuse of IP and rights of third parties by any of our businesses, and
- insufficient production of intellectual capital caused by inadequate human resource development and culture.

Measures to manage these key risks and maximise opportunities, include:

- developing strategically important IP assets as well as attracting, managing and developing talent, encouraging innovation, managing performance to meet targets
- protection of IP rights against infringement through effective cybersecurity measures guided by our global security policy
- group IP guidelines in place with monitoring and support provided by Naspers
- editorial control measures to verify sources and facts, and
- continuous monitoring of Media24's name and brands to detect unauthorised use or accreditation.



Social and relationship capital

We act in line with our values and code of business ethics and conduct, and we strive to build effective internal and external stakeholder relationships.

We aim to:

- create a sustainable network of diverse broad-based black economic empowerment suppliers and procurement partners
- build trust and maintain our businesses' licences to operate and use their brands
- cultivate an ethical culture
- engage with our stakeholders and respond to legitimate and reasonable issues
- meet the requirements of regulatory and financial authorities and participate in developing policies that benefit societies, and
- sustain corporate social initiatives that are focused, targeted and linked to business strategy.

Key risks to this capital, include:

- unethical behaviour in breach of our code of business conduct and ethics, including bribery, corruption and unfair treatment of stakeholders
- loss of consumer trust – such as fake news, failing to deliver on our service promise, data-security breaches, non-compliance and inferior products
- non-compliance with laws and regulations, specifically company law, data privacy, anti-bribery and anti-corruption, competition law, taxes and duties, consumer protection, anti-money-laundering, and international sanctions
- failure to maintain sustainable businesses that contribute to socio-economic development
- biased or unfair reporting in our media operations, and
- defamation lawsuits.

Measures to manage these key risks and maximise opportunities, include:

- code of business ethics and conduct in place with an anonymous whistleblowing line
- continuous engagement with regulators and industry bodies, and implementation of a robust legal compliance programme
- anti-bribery and anti-corruption initiatives included in legal compliance programme

- measuring and monitoring strength of customer relationships and strategy ensuring customer satisfaction
- adopting measures to protect customers (including existing frameworks and policies, training and awareness) and ensuring customer privacy and data security are managed and monitored, including measures to protect against cyberthreats
- managing stakeholder relationships and responding to legitimate and reasonable issues raised by key stakeholders
- editorial control measures to verify sources and facts
- adherence to the South African Press Code
- media ombudsmen
- maintaining editorial independence, and
- corporate social investment programmes that benefit the community and the business, such as learning and internship opportunities for students, and contributing to the human, intellectual and financial capitals of the business in the long term.



Human capital

Our employees' skills, capabilities and experience, as well their drive and engagement, are key to our success.

We aim to:

- attract and retain high-calibre individuals to execute our strategy and build sustainable businesses
- provide our employees with focused career development and training
- foster a safe and healthy working environment where people feel cared for, heard and supported in their ambitions
- reinforce the leadership pipeline and accelerate the growth of top talent
- support the ongoing development and growth of our businesses and equip our people with new skills for tomorrow
- develop core business skills in emerging technologies and media
- be fair and responsible in our remuneration practices under a pay-for-performance strategy
- encourage diversity in our teams and thinking, and
- comply with relevant labour laws.

Key risks to this capital, include:

- failing to attract and retain talent to execute strategy
- non-compliance with applicable health and safety, labour and employment equity, and black economic empowerment (BEE)

- inability of existing staff to adapt promptly to changes in market and innovation, and adapt business strategies accordingly
- unfair treatment and remuneration, and
- inadequate development of employees.

Measures to manage these key risks and maximise opportunities, include:

- building of an attractive employee value proposition to attract and retain talent, including learning and development initiatives, training and employee wellness initiatives
- annual engagement surveys to understand where we can improve
- compensation and incentive plans to attract key skills and reward exceptional performance
- engineering internships and partnerships with training organisations
- setting and monitoring BEE and employment equity (EE) targets
- our legal compliance programme ensures we comply with applicable occupational health and safety, labour, economic empowerment, transformation and diversity laws, and
- human resource policies and procedures to address talent attraction, management and retention, development, succession planning, fair and responsible remuneration, working conditions, grievance procedures and diversity.



Natural capital

We acknowledge that we are required to act in an environmentally responsible way. We are mindful of consuming electricity, fuel and especially water in our daily operations. As a media company, we publish and distribute paper-based books, newspapers and magazines, while our ecommerce businesses are buying and distributing goods to customers.

We aim to:

- comply with laws and regulations regarding the environment
- act in an environmentally responsible manner – adhere to water-preservation initiatives in South Africa, a water-stressed country, and
- enhance our digital offering as an alternative to printed publications.

Key risks to this capital, include:

- depletion of the earth's natural resources
- negative effects on society linked to pollution and global warming, and
- fines, penalties or new regulations, fees and taxes related to use of natural resources.

Measures to manage these key risks and maximise opportunities, include:

- adoption of appropriate environmentally sustainable practices to minimise the impact on natural capital, for example through energy- and water-saving initiatives as well as recycling
- endeavour to source paper from certified sustainable suppliers
- measuring our carbon footprint
- independent safety, health and environmental audits to ensure ongoing compliance with laws and regulations, and
- continuously optimising operations to minimise consumption and waste.

Key area of focus in the year – improving our cyber-resilience

Media24 follows Naspers's cybersecurity policy. In support of our digital strategy and with the continued worldwide trend of increasing cybercriminal activity, we recognise the importance of continuously enhancing our cyber-resilience capabilities. During the year we strengthened our 24-hour security operations centre which monitors security information and events in real time. We continue to perform regular cyber-simulation exercises to ensure that our cyber-incident response team is able to respond quickly to a threat, should it arise. As a subsidiary of the Naspers group, we benefit from sharing in threat intelligence information across the Naspers businesses. Regular penetration testing, ethical hacks and internal phishing campaigns are employed to validate our cybersecurity improvements and proactively identify new vulnerabilities. Data privacy remains a high priority.

Assurance statement

Our combined assurance model is designed and implemented to cover key risks through a combination of assurance service providers and functions as appropriate for our group. An overview of combined assurances per key risk is reported to the audit and risk committees. Our internal audit function is outsourced to Naspers, with the Media24 group head of internal audit reporting functionally to the Media24 audit committee, which approves and oversees the risk-based internal audit coverage plan. Where required, external parties such as forensic or data-analytics experts support this function. Other external assurance providers are enlisted as needed. The audit committee appoints the external auditor, reviews the auditor's independence annually and oversees the external audit. The committee makes recommendations to the board and assists the board in ensuring the integrity of external reports. The chief executive and CFO's annual sign-off process also covers financial reporting.

Governance report

Media24 is focused on sound corporate governance and effective leadership. The board of directors manages the group's business with integrity by applying appropriate corporate governance practices. Our aim is to keep abreast of regulatory developments, further enhance our governance standards, monitor and ensure compliance with relevant laws and regulations, and cultivate a thriving organisational ethical culture. We also aim to maintain a high standard of reporting and disclosure, keeping in mind the best interests of our stakeholders and disclosing what is relevant and critical to the sustainability of the group.

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

Our independent board of directors has its own governance practices and committees that comply with relevant governance and regulatory requirements. The board's audit, risk, human resources and remuneration, nomination, and safety, health and environment committees fulfil key roles in ensuring good corporate governance. The composition of the board and its committees is reviewed annually and, where required, amended. 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.

Governance framework and application of King IV

The Media24 board is the focal point and custodian of the group's corporate governance systems. The board and its committees must ensure that the principles and practices of King IV 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.

Business and governance structures have clear approval frameworks.

Governance and progress are monitored by the Media24 audit and risk committees and reported to the Media24 board.

In the review period, we effected system and process changes to align to King IV principles. A comprehensive analysis of our governance framework against King IV shows that the group complies with all key elements. Minor instances of non-compliance are either not applicable or under consideration.

Declaration by the board in terms of King IV

In line with the overriding principle in King IV of 'apply and explain', the board, to the best of its knowledge, believes the group has satisfactorily applied, or is embedding, processes that support the principles of King IV.

Business ethics

Our code of business ethics and conduct was revised during the year and is available at www.media24.com.

Media24 is committed to conducting its business on the basis of complying with the law, with integrity and proper regard for ethical business practices. Ensuring group companies adopt appropriate processes and establish supporting policies and procedures is an ongoing process. 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 is the overall custodian of business ethics. Disciplinary codes and procedures of group companies ensure compliance with policies and practices that underpin the code of business ethics and conduct. Media24 applies zero tolerance to code violations by taking the necessary action, including improving the control environment or instituting disciplinary, criminal or civil action. Unethical behaviour by senior employees, as well as the manner in which that company's disciplinary code was applied, is reported to this committee.

During the year, no cases of alleged unethical conduct were reported to the committee.

Media24 has an ethics officer as the central point of contact for advice on ethics-related queries, improprieties, allegations and complaints. The ethics officer reports on related matters via the Media24 executive management team to the human resources and remuneration committee.

A whistleblowing facility enables all employees to anonymously report unethical conduct in the workplace. All stakeholders are able to report unethical behaviour and wrongdoing anonymously and confidentially through the whistleblowing facility. Details of the whistleblower line appear on the Media24 website.

This year, a groupwide awareness campaign set the tone for reporting unethical business practices. Future focus areas include an ethics reawareness campaign.

Stakeholder relationships

We manage external and internal stakeholder relationships in an inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the business. Stakeholder management is included in progress reports and updates at board meetings. An overview of our stakeholders and stakeholder engagement appears on pages 9 to 11.

Sustainable development and corporate citizenship

Media24's commitment to sustainable development and corporate citizenship is articulated in its sustainable development policy. To support the board in fulfilling its governance role, the risk and safety, health and environment committees receive reports on Media24's sustainability approach and initiatives, using the six capitals framework. We recognise that sustainable development and economic, social and environmental protection are global imperatives that present both opportunities and risks for business. In building a company that empowers people and enriches communities, corporate citizenship is integral to the way we do business. An overview of our capitals and value creation appears on pages 29 to 35. In the past year, management enhanced its level of reporting to the risk, and safety, health and environment

committees on responsible corporate citizenship and sustainable development using the six capitals framework.

Gender and racial diversity statement

Media24's diversity policy has been in place since November 2017. In developing this policy at board level, we considered key aspects of diversity, including making good use of differences in the skills, geographical and industry experience, background, race, gender and other distinctions between members of the board. While no specific targets have been set for race or gender diversity due to the complex nature of our businesses, we are focused on achieving the appropriate balance of knowledge, skills, experience, diversity and independence.

Legal compliance framework

Legal compliance is the responsibility of Media24's general manager: legal and regulatory affairs, who oversees legal compliance for subsidiaries. The board has delegated responsibility for overseeing legal compliance to the risk committee. To assist this committee in discharging its responsibility, the general manager: legal and regulatory affairs reports on compliance matters to the committee which, in turn, reports to the board. Legal compliance is a standing agenda point.

A key focus area in FY19 was to improve alignment of policies and implement processes in terms of King IV. The Media24 board adopted the enhanced Naspers group legal compliance, anti-bribery and anti-corruption, sanctions, export controls and competition compliance policies in November 2017.

A quarterly legal compliance report is provided to the Media24 risk committee. This includes an overview of key compliance risk areas and mitigating measures, key regulatory developments, and material compliance incidents and investigations.

Planned areas of future focus for legal compliance include continuing to raise awareness across the group. Improvements to the framework will be made based on emerging risks, feedback from monitoring activities and a greater focus on third-party screening. With internal audit, we will also focus on our assurance framework.

Penalties

There were no material or repeated regulatory penalties, sanctions or fines for contravening statutory obligations. There were no inspections by environmental regulators or findings of non-compliance with environmental laws.

Media24 Proprietary Limited entered into a consent agreement with the Competition Commission in 2018, which was approved by the Competition Tribunal. It was agreed to pay an administrative penalty of R15m (provided for in the prior financial year), and a contribution of R4m, payable over three years to a fund to be administered through an industry trust to assist small black-owned media agencies. Media24 paid the penalty and is complying with the terms of the agreement in consultation with the commission.

Our board

Composition

Media24 has a unitary board with oversight and control functions. Its charter sets out a clear division of responsibilities. As required by King IV, 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 clear division of responsibilities.

At 31 March 2019, the board comprised six independent non-executive directors, two non-executive directors and two executive directors. Seven directors (70%) were from previously disadvantaged groups and four (40%) were female. On 31 March 2019, Debra Meyer, Salie de Swardt, Manie Mayman and Ruda Landman stepped down as directors of Media24. Hein Willemse stepped down on 30 June 2018. The board thanks them for their valuable contribution and commitment over the years. Esmaré Weideman and Khomotso Mthimunywe were appointed as non-executive directors from 1 April 2019 and 17 April 2019, respectively.

Ishmet Davidson was appointed group chief executive and executive director of the Media24 board on 1 October 2018. Mobasheer Patel, Media24 group chief financial officer since 1 September 2018, was appointed ex officio as Media24's executive director responsible for the finance function from 1 December 2018. Biographical details of all directors appear on

pages 24 and 25. The board's diversity policy is discussed on page 37.

How the board adds value

- Steering and providing strategic direction to the group and monitoring management's implementation and progress towards strategic objectives.
- Monitoring ethical conduct across the group.
- Monitoring key compliance with applicable laws and adopted codes and standards.
- Setting appropriate risk appetite thresholds and monitoring key risks and mitigation plans.
- Ensuring fair and responsible remuneration processes and policies are implemented.
- Monitoring stakeholder engagement and relationships.
- The board is assisted by its committees in fulfilling its duties.

The chair

The chair, Rachel Jafta, is an independent non-executive director.

Ruda Landman was reappointed lead independent director on 15 June 2018. After stepping down on 31 March 2019, Trevor Petersen was appointed in her stead. The lead independent director deals with all matters not dealt with by the chair, including:

- Managing potential conflicts of interest.
- Leading in the absence of the chair.
- Serving as a sounding board for the chair.
- Acting as an intermediary between the chair and other members if necessary.
- Strengthening independence on the board.

The chair guides the board as a whole and ensures it is efficient, focused and operates as a unit. The responsibilities of the chair include:

- Providing leadership to the board without limiting the principle of collective responsibility for decisions, while being aware of the individual duties of board members.
- In conjunction with the chief executive, representing the board in communicating with shareholders, other stakeholders and – indirectly – the general public.
- Assisted by the board and its committees, ensuring the integrity and effectiveness of the governance process.

- Maintaining regular dialogue with the group's chief executive on operational matters and continually consulting with other directors on any matter of concern, including managing conflicts of interest.
- In consultation with the chief executive and company secretary, ensuring appropriate content and order of the agendas of board meetings and that directors receive documentation promptly.
- Ensuring directors are properly informed about issues arising from board meetings and that relevant information is submitted to the board.
- Acting as a facilitator at board meetings to ensure a sound flow of opinions; the chair ensures adequate time is scheduled for discussions, and that they lead to logical and acceptable conclusions.
- Monitoring how board members work together and how individual directors perform and interact at meetings. The chair meets with directors annually to evaluate their performance.
- Recommending/appointing the executive team and ensuring proper succession planning and performance appraisals take place.
- Ensuring the company complies with relevant laws, governance principles, business ethics and appropriate best practice, and any failure to do so is justifiably explained.

Induction 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. Board members are also exposed to relevant trends in technology. The company secretary supports the chair with the induction and orientation of directors and arranges specific training if required. The company will continue with directors' development to build on expertise and develop an understanding of the business.

The chief executive

The chief executive reports to the board and is responsible for the day-to-day business of the group and implementing policies and strategies adopted by the board. Chief executives and general managers of the various businesses assist him in this task. Board authority conferred on management is delegated through the chief executive, in accordance with approved authority levels. The board is satisfied that the delegation-of-authority framework contributes to role clarity and the effective exercise of authority and responsibilities. Ishmet Davidson has been the appointed chief executive since 1 October 2018. He has no other professional commitments outside the Media24 group. Succession planning for the chief executive is considered annually.

The functions and responsibilities of the chief executive include:

- Developing the company strategy for consideration and approval by the board.
- Developing and recommending to the board annual business plans and budgets that support the company's long-term strategy.
- Monitoring and reporting to the board on the performance of the company.
- Establishing an appropriate organisational structure for the company to execute its strategic planning.

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 (applicable for the past year) and Welkom Yizani securities adopted by Media24.

Independent advice

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

Board meetings and attendance

The board meets at least four times a year and when required. The executive committee attends to urgent matters that cannot be postponed until the next scheduled board meeting. The board held five meetings in the review period.

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 on page 26. The company secretary acts as secretary to the board and its committees and attends all meetings. Members of the executive management attend meetings by invitation.

Evaluation

The nomination committee evaluates the performance of the board and its committees, as well as the chair of the board, against their respective mandates and charters. This is not facilitated externally. Until 2018, the board performed an annual formal in-house self-assessment of its own effectiveness, as well as that of its committees, individual members and its chair. From 2019, this formal process will be changed to every second year in line with King IV's recommendations. Performance in general is considered every year as part of the review of the composition of the board and its committees. The performance of the board and its committees, as well as the chair of the board, against their respective mandates in terms of the board charter and the charters of its committees, is appraised.

As part of the 2018 formal in-house assessment process, the performance of each director was evaluated by other board members, using an evaluation questionnaire. The chair discussed results with each director and identified possible training needs or areas requiring attention by that director. In terms of the process, where a director's performance is considered unsatisfactory, the board will not recommend re-election. A consolidated summary of the evaluation and any actions required are reported to and discussed by the board. 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 2018 formal evaluation process showed that the board and its committees had functioned well and discharged their duties as per mandates in their charters. The board is satisfied that the evaluation process is improving its performance and effectiveness. In 2019, the board considered, reflected and discussed the performance of the board, its committees and its chair. The board concluded that it was satisfied with the performance and effectiveness of the board, its

committees and the chair.

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

Each committee acts against agreed, written terms of reference. The chair of each committee reports at each scheduled board meeting. The chair of each committee is an independent non-executive director and is required to attend annual general meetings to answer questions. Established board committees in operation during the financial year were the audit, risk, human resources and remuneration, nomination, and safety, health and environment committees as detailed below. With effect from 1 April 2019, the safety, health and environment committee was disbanded and all matters considered by this committee became part of the mandate of the risk committee.

Details of attendance at meetings and members in office per committee for the review period are on page 27.

Executive committee

This committee comprises a majority of non-executive directors, one being the chair of the board (who also chairs this committee), plus two executive directors. The executive committee acts on behalf of the board in managing urgent issues when the board is not in session, subject to statutory limits and the board's limitations on delegation. The committee met once in the past year.

Audit committee

This committee, chaired by Trevor Petersen, comprises only independent non-executive

directors. All members are financially literate and have substantial business and financial acumen. The committee held four meetings during the year. The chief executive, director responsible for the finance function, Media24's head of internal audit, and general manager: Naspers finance attend committee meetings by invitation.

Both the internal and external auditors have unrestricted access to the committee through the chair. The internal and external auditors also report their findings to the committee with members of executive management not present. The chair of the board may not be a member of the audit committee, but may attend meetings by invitation.

This committee has the following responsibilities, in addition to its statutory responsibilities under the Companies Act:

- Review and approve for presentation to and approval by the board the company's integrated annual report, annual financial statements, interim and provisional reports, and any other company press releases with a material financial or internal control impact.
- Disclose in the integrated annual report any significant matters considered by the audit committee in the annual financial statements, and how these were addressed by the committee.
- Review the documented assessment of the viability of the company and group as going concerns, making relevant recommendations to the board.
- Receive all the external auditor's reports directly from the external auditor.
- Annually review the external audit and disclose the audit committee's views on the quality of the external audit with reference to indicators of audit quality, as could be included in inspection reports issued by external audit regulators.
- Evaluate the lead partner of the external auditor, who will be subject to regular rotation as required by applicable regulations.
- Present the committee's conclusions to the board on the nomination for appointment as external auditor, preceding the annual request to shareholders to approve this appointment.
- Approve the external auditor's terms of engagement and remuneration, and evaluate and provide commentary on the external auditor's audit plans, scope of findings, identified issues and reports.
- Develop a policy for the board to approve non-audit services performed by the external auditor, and approve these services in line with this policy.
- Receive notice of reportable irregularities (as defined in the Auditing Profession Act) that have been reported by the external auditor to the Independent Regulatory Board for Auditors.
- Evaluate the effectiveness of the internal audit function, including its purpose, activities, scope, adequacy and costs, and approve the annual internal audit plan and any material changes.
- Monitor the management of financial and other risks impacting the integrity of external reports issued by the company.
- Evaluate the efficiency of internal financial controls and disclose the committee's views on the efficiency of the design and application of internal financial controls, and about the nature and extent of any significant gaps in the design application or execution of internal financial controls that led to actual financial loss, fraud, corruption or errors. Such views are reported to the board and in the integrated annual report.
- Approve and recommend to the board for its approval the internal audit charter, which is reviewed annually.
- Monitor the internal audit function and assist the board in discharging the following responsibilities:
 - setting the direction for internal audit arrangements required to provide objective and relevant assurance that contributes to the effectiveness of governance, risk management and control processes
 - ensuring that arrangements for internal audit provide for the necessary skills and resources to address the complexity and level of risk faced by the company, and that internal audit is supplemented by specialists as required
 - confirming the appointment or dismissal of the head of the group's internal audit function and periodically reviewing his/her performance
 - monitoring that internal audit follows an approved risk-based internal audit plan, reviews the organisational risk profile regularly, and proposes amendments to the internal audit plan accordingly
 - ensuring internal audit annually provides a statement on the effectiveness of the company's governance, risk management and control processes

- ensuring this function is subjected to an external, independent quality review every five years, and
- obtaining confirmation annually from the head of the function that internal audit conforms to a recognised industry code of ethics.
- Review internal audit and the risk committee's reports.
- Review procedures to ensure compliance with the requirements of relevant stock exchanges, where applicable to Media24.
- Review procedures in light of King IV, and specific disclosures recommended by King IV.
- Monitor compliance with board-approved group levels of authority.
- Evaluate:
 - legal matters that may affect the financial statements, and
 - significant matters reported by the internal and external auditors, and any other parties, including:
 - implied potential risks to the group and recommendations on appropriate improvements
 - major unresolved accounting or auditing issues, and
 - progress on all unfinished matters reported by internal and external auditors.
- Establish procedures for the receipt, retention and treatment of complaints received on accounting, internal control and auditing matters, risk management and management of possibly fraudulent activities, including procedures for confidential, anonymous reporting by employees on questionable matters.
- Annually evaluate the performance and appropriateness of the finance function and the expertise and experience of the director responsible for this function. Results of the review are disclosed in the integrated annual report.
- Combined assurance: assist the board in fulfilling the following responsibilities:
 - ensuring arrangements for assurance services are effective in achieving the following objectives:
 - enabling an effective internal control environment
 - supporting the integrity of information used for internal decisionmaking by management, the board and its committees, and
 - supporting the integrity of internal reports.
 - ensuring a combined assurance model is applied that incorporates and optimises the various assurance services and functions, and when taken as a whole, support the objectives for assurance
 - ensuring the combined assurance model is designed and implemented to effectively cover the company's significant risks and material matters through a combination of assurance service providers and functions as appropriate for the company, and
 - disclosing in the integrated annual report the arrangements in place for combined assurance and the committee's views on their effectiveness.
- Report to shareholders at the annual general meeting on how the committee has fulfilled its duties under the Companies Act during the year.
- Execute assignments commissioned by the board.
- Annually review and assess the committee's charter and, if appropriate, recommend required amendments for approval by the board.
- Perform an annual assessment to determine whether the committee performed its responsibilities according to its charter and report on these findings to the board.
- Monitor related party transactions within authority levels approved by the board.

Human resources and remuneration committee

The human resources and remuneration committee was chaired by Ruda Landman until 31 March 2019. On 1 April 2019 she was succeeded by Trevor Petersen, an independent non-executive director on the board. Until the end of March the committee comprised a minimum of three independent non-executive directors. Its main objective is to fulfil the board's responsibility for strategic human resources issues, particularly focusing on the appointment, remuneration and succession of the most senior executives. Since 1 April 2019, the committee has comprised two independent non-executive directors and one non-executive director. The committee held six meetings in the review period. The chief executive, general manager: human resources, and certain non-executive directors attend meetings by

invitation. The remuneration report appears on pages 48 to 53.

Name	Qualifications	Six meetings held during the year. Attendance:	Category
Ruda Landman	BAHons and HED (Stellenbosch University)	6	Independent non-executive
Rachel Jaffa	MEcon and PhD (Stellenbosch University)	6	Independent non-executive
Debra Meyer	PhD (University of California)	5	Independent non-executive

Nomination committee

The main objective of this committee is to assist the board to determine, and regularly review, the size, structure, composition and effectiveness of the board and its committees, in the context of the company's strategy. For the past year, it comprised three independent non-executive directors. The chair of the board is Rachel Jaffa, an independent non-executive director. Since 1 April 2019, the committee has comprised two independent non-executive directors and one non-executive director. The committee held six meetings in the review period. The chief executive and certain non-executive directors attend meetings by invitation.

Name	Qualifications	Six meetings held during the year. Attendance:	Category
Ruda Landman	BAHons and HED (Stellenbosch University)	6	Independent non-executive
Rachel Jaffa	MEcon and PhD (Stellenbosch University)	6	Independent non-executive
Debra Meyer	PhD (University of California)	5	Independent non-executive

This committee's main responsibilities include:

- Annually review the structure, size and composition of the board and, where appropriate, make recommendations to the board. Several factors are taken into account when considering the composition of the board:
 - appropriate mix of knowledge, skills and experience, including business, commercial and industry experience needed to govern the company
 - appropriate mix of executive, non-executive and independent non-executive members
 - need for a sufficient number of members who qualify to serve on committees of the board
 - the need to secure a quorum at meetings
 - regulatory requirements, and
 - diversity as set out in the board diversity policy.
- Make recommendations to the board on appointing new directors. For all nominations, a fit-and-proper test must be conducted. Nominated candidates must complete the required declarations in compliance with the JSE Listings Requirements, and any other exchange on which the company's shares are listed, where applicable.
- Identify and nominate candidates to fill board vacancies.
- Approve the role and responsibilities of the chair and lead independent director and ensure a succession plan is in place for the chair.
- Formally evaluate every two years, and consider every alternate year, the board and individual directors to establish whether the service of any director should be terminated. This includes a recommendation to the board about reappointing directors who retire by rotation at the annual general meeting on the basis of their performance, including attendance at meetings of the board and its committees, as well as evaluating the independence of directors who have served for over nine years.
- Formally evaluate every two years, and consider every alternate year, the performance of the chair of the board and make recommendations to the board where necessary.
- Review the allocation of roles and associated responsibilities, composition and effectiveness of committees of the board collectively, and make recommendations to the board on:
 - the continuance (or not) of the service of any director as a member of any committee

- effective collaboration through cross-membership of committees
- ensuring adequate coverage of all matters delegated by the board, and
- ensuring an efficient approach on matters dealt with by more than one committee.
- Evaluate annually whether the committee has fulfilled its responsibilities against its charter, and report these findings to the board.
- Evaluate annually the performance and independence of the company secretary, and make necessary recommendations to the board.

Risk committee

For the past year, this committee comprised a minimum of three independent non-executive directors with risk management skills and experience, as well as one non-executive director, the chief executive and director responsible for the finance function. It was chaired by Salie de Swardt until 31 March 2019. He was succeeded by Trevor Petersen on 1 April 2019.

The chair of the board may be a member and serve as chair of this committee. As a whole, members have risk management skills and experience. The committee held four meetings in the past financial year. The general manager: legal and regulatory affairs, chief information officer, Media24's head of internal audit, and general manager: Naspers finance attend meetings by invitation.

The committee's main responsibilities are to:

- Review and approve for recommendation to the board a risk management policy and plan developed by management. The policy and plan are reviewed annually.
- Monitor implementation of the policy and plan, ensuring an appropriate enterprisewide risk management system is in place with adequate and effective processes that include strategy, ethics, operations, reporting, compliance, I&T and sustainability.
- Make recommendations to the board on risk indicators, levels of risk tolerance and risk appetite (namely, the board's propensity to take appropriate levels of risk) as well as the maximum potential loss the group has the capacity to tolerate.
- Monitor that risks are reviewed by management, and management considers and implements appropriate responses to identified risks, to ensure

Name	Qualifications	Four meetings held during the year. Attendance:	Category
Trevor Petersen	BComHons (financial management) (University of Cape Town) and CA(SA)	4	Independent non-executive
Salie de Swardt	BAHons and BEcon (Stellenbosch University) and Nieman Fellowship (Harvard)	4	Independent non-executive
Jo-Ann Held	BComLaw (Stellenbosch University)	4	Independent non-executive
Esmaré Weideman ⁽¹⁾	BCom and BJournalismHons (Stellenbosch University)	2	Executive
Manie Mayman	BComptAccHons and BComHons (financial management) (Unisa)	4	Non-executive
Ishmet Davidson ⁽²⁾	BCom and MBA (Heriot Watt University)	1	Executive
Mobasheer Patel ⁽³⁾	BCom (University of the Witwatersrand), BComHons and Higher Diploma in Auditing (University of Johannesburg)	1	Executive

Notes

⁽¹⁾ Retired on 30 September 2018.
⁽²⁾ Appointed as member on 1 December 2018.
⁽³⁾ Appointed as member on 1 December 2018.

these are managed within the levels of risk tolerance and appetite approved by the board.

- Exercise ongoing oversight of risk management and ensure that the following results are achieved:
 - assessing risks and opportunities arising from the environment in which the group operates, and resources utilised and impacted by the group
 - assessing opportunities and potential negative impacts on achieving group objectives
 - assessing the group's dependence on resources
 - designing and implementing appropriate risk responses
 - establishing and implementing business continuity arrangements to enable the group to operate under volatile conditions, and to withstand and recover from acute shocks, and
 - integrating and embedding risk management in the business activities and culture of the group.

- Ensure risk management assessments are performed regularly by management (and include the assessments required in the paragraph above).
- Ensure a general statement to the board about the effectiveness of the risk management system and process is issued by internal audit and reviewed prior to submission to the board by this committee.
- Review and approve the legal compliance policy and recommend this to the board for approval.
- Oversee compliance in a way that:
 - it is understood in terms of the obligations it creates, and the rights and protection it affords
 - compliance management takes a holistic view of how applicable laws and non-binding rules, codes and standards relate to one another, and
 - the regulatory environment is continually monitored and appropriate responses to changes and developments are formulated.
- Review and approve the I&T charter and recommend this to the board for approval.
- Oversee I&T management in such a way that it results in:
 - integration of people, technologies, information and processes across the company
 - integration of I&T risks into risk management of the entire company
 - arrangements to provide for business resilience
 - proactive monitoring of intelligence to identify and respond to incidents, including cyber-attacks and adverse social media events
 - management of the performance and risks of third-party and outsourced service providers
 - assessing the value delivered to the company through significant investments in I&T, including evaluation of projects throughout their life cycles and evaluation of significant operational expenditure
 - responsible disposal of obsolete I&T in a way that considers environmental impact and information security
 - ethical and responsible use of I&T, and
 - compliance with relevant laws.
- Oversee the management of information in such a way that it results in:
 - leveraging information to sustain and enhance the company's intellectual capital
 - an information architecture that supports confidentiality, integrity and availability of information
 - protecting the privacy of personal information, and
 - ongoing monitoring of information security.
- Oversee the management of technology in such a way

that it results in:

- technology architecture that enables achieving strategic and operational objectives, and
- managing risks in sourcing technology.
- Review reporting on risk management, I&T management and compliance management to be included in the integrated annual report, ensuring it is current, comprehensive and relevant.
- Annually evaluate whether the committee has fulfilled its responsibilities in terms of its charter, reporting these findings to the board.

Safety, health and environment committee

For the past year until 30 June 2018, this committee was chaired by Ruda Landman and comprised three members, all independent non-executive directors. Manie Mayman, a non-executive director, was appointed as a member on 1 July 2018. The committee held two meetings during the year. The chief executive, chief financial officer, and Media24's head of internal audit attend meetings by invitation.

Name	Qualifications	Two meetings held during the year. Attendance:	Category
Ruda Landman	BAHons and HED (Stellenbosch University)	2	Independent non-executive
Hein Willemsen ⁽¹⁾	BAHons, MA and DLitt (University of the Western Cape)	1	Independent non-executive
Debra Meyer	PhD (University of California)	2	Independent non-executive
Manie Mayman ⁽²⁾	BComptAccHons and BComHons (financial management) (Unisa)	1	Non-executive

Notes

⁽¹⁾ Stepped down on 30 June 2018.

⁽²⁾ Appointed on 1 July 2018.

With effect from 1 April 2019, the safety, health and environment committee was disbanded and all matters considered by this committee became part of the mandate of the risk committee.

The committee had the following main responsibilities:

- Approve the framework, policy and guidelines for environmental, health and safety management.
- Review and monitor implementation of group policies on environmental, health and safety issues.

- Monitor key indicators of accidents and incidents.
- Review the company's compliance with policies, guidelines and applicable local and international standards and relevant local laws on environmental, health and safety issues.
- Review annual reporting on environmental, health and safety issues.

Media24 does not have a social and ethics committee. In terms of the Companies Act, Media24 is exempted from establishing this committee as it is a subsidiary of Naspers Limited, which has a social and ethics committee that deals with related responsibilities on behalf of Media24 and other Naspers subsidiaries. The chair of the Media24 board and its chief executive are members of the Naspers social and ethics committee and report to that committee on the triple context (people, planet and profit) on behalf of Media24. Enhanced reporting on social and ethics issues the past year was reported to the Media24 board by the chief executive.

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. This system is designed to provide reasonable 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 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.

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. Management is 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 2019 – principally through a process of management self-assessment that culminated in formal confirmation by executive management. Input from the risk management process and reports from internal audit and the external auditor were considered. 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 in the review period.

Internal audit

An independent internal audit function is in place in the group. The head of internal audit reports to the chair of the Media24 audit committee, and administratively to the head of internal audit of Naspers.

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.

The audit committee preapproves audit and non-audit services to ensure these do not impair the auditor's independence and comply with legislation. Under our guiding principles, the auditor's independence will be deemed impaired if the auditor provides a service where the auditor:

- functions in the role of management of the company, or
- audits his/her own work, or
- serves in an advocacy role for the company.

Information and technology (I&T) governance

The risk committee assists the board in overseeing I&T-related matters, and I&T governance is a standing point on its agenda. I&T objectives have also been included in its charter. The committee

considers the risk register as well as reports on I&T from the chief information officer, internal and external audit and our legal compliance function.

As a subsidiary of Naspers, we act in line with its good governance guidelines, which include I&T governance-related matters. At a Media24 group level, we annually submit a formal report on the extent to which we have implemented the principles, signed off by chief executives and chief financial officers in the group. Any notable exceptions are summarised and reported to the risk committee.

We continuously investigate how we can better integrate people, technologies and processes across our businesses. During the year, we have further consolidated technology solutions into the SAP Enterprise Resource Planning (ERP) system with the implementation of a new procurement solution. In our annual business-planning process, our businesses examine their platform requirements. The platform strategy starts from the business strategy and is translated into technical and process requirements. We have a hybrid technology operating model that consists of both centralised and decentralised capabilities. The centralised group I&T function manages the SAP ERP and all shared platforms and technologies within the group. Consumer product and niche technologies are operated decentralised in the relevant business segments.

A comprehensive code of business ethics and conduct is in place. In addition, operational boundaries of dealing with I&T are subject to the group's legal compliance policy. Our risk management practices ensure that risks related to the ethical and responsible use of I&T are identified and assessed. We are running a privacy programme to ensure that the personal data of our suppliers, customers and employees is stored and processed ethically and in compliance with relevant privacy laws. A key focus for the new financial year remains the Protection of Personal Information (PoPI) Act, aimed at protecting personal information from misuse by public and private bodies in South Africa.

Internal audit provides assurance to management, the audit committee and board on the effectiveness of I&T governance, based on the quality of controls to manage identified risks and

reduce vulnerability. To support the board in fulfilling its governance role, the risk committee receives reports on I&T management and, in turn, reports to the board.

Company secretary

The company secretary, Lurica Klink, is responsible for guiding the board on discharging its responsibilities in terms of legislation and regulatory requirements. Directors have unlimited access to her advice and services. She plays an active role in the company's corporate governance and ensures that, in line with relevant laws, the proceedings and affairs of the board, the company 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 (until the past financial year) 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 on page 88), where they can put questions to the board, management and the chairs of board committees. The company's website, www.media24.com, provides the latest and historical financial and other information, including financial reports.

Remuneration report

for the year ended 31 March 2019

The human resources and remuneration committee reports on its activities for the year and presents Media24's remuneration policy and implementation report for shareholders' consideration.

We revised our approach to the remuneration report to demonstrate more clearly the link between our strategy, performance and remuneration philosophy. Changes include a total view of executive remuneration, greater transparency on the short-term incentive goals of executive directors and more information on how we assess performance throughout the company.

We have also ensured compliance with King IV guidance by splitting this remuneration report into three sections:

- I Background statement:** An overview of pay outcomes for FY19 and our approach for FY20.
- II Remuneration policy:** Disclosure on the components of our executive pay packages.
- III Implementation report:** Details of how we implemented this policy in FY19.

Our remuneration philosophy underpins our company strategy and enables us to achieve our business objectives. Our commitment to pay for performance and create shareholder value drives our remuneration activities and supports the ownership mentality and spirit of entrepreneurship in our business. We believe in aligning our remuneration structures with the level of skills, expertise and seniority applicable to the position.

We endeavour at all times to balance the need to compete for the very best talent with the need to pay fairly and responsibly. We welcome the opportunity to discuss this policy and its outcomes with our stakeholders.



T D Petersen
 Chair: Human resources and remuneration committee
 14 June 2019

Part I: Background statement

Role of the human resources and remuneration committee

This committee, chaired by Trevor Petersen, comprises a minimum of two independent non-executive directors and one non-executive director since 1 April 2019. For the past year, it comprised three independent non-executive directors. The chair is an independent non-executive director. The main objective of the committee is to fulfil the board's responsibility for strategic human resources issues in the group, particularly focusing on the appointment, remuneration and succession of the most senior executives. The committee held six meetings in the past financial year.

The names of members in office during the past financial year and meetings attended are:

Name of committee member	Qualifications	Six meetings were held during the year. Attendance:	Category
Ruda Landman (chair until 31 March 2019)	BAHons and HED (Stellenbosch University)	6	Independent non-executive
Rachel Jaffa	MEdon and PhD (Stellenbosch University)	6	Independent non-executive
Debra Meyer	PhD (University of California)	5	Independent non-executive

This committee's main responsibilities are to:

- Determine and approve the group's general remuneration policy for recommendation to the Media24 board, 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, which first needs to be approved by the Media24 board.
- 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 under the Media24 group's share-based incentive plans, for example appointing 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.
- Review employment equity and skills development plans in the workplace.

The committee fulfilled its remit during the year.

Our pay principles

- We believe in pay for performance; we are comfortable with bigger rewards for those who make the highest contribution.
- Remuneration must be aligned with shareholder outcomes.
- Remuneration must incentivise achieving strategic, operational and financial objectives in the short and long term.
- We strive to be consistent; our reward package elements are broadly the same.
- Our reward systems must help attract and retain the best talent in our market, fairly and responsibly.

In practice, this means we consider market practices, needs of the business and calibre of the

individual when implementing our pay framework.

The way we structure pay is purposely linked to our strategy and to delivering sustainable growth to our shareholders.

Our pay principles are applied through three key elements:

- Guaranteed pay (total cost to company or TCTC): comprises salary plus cash and non-cash benefits.
- Short-term incentives (STI): an annual incentive plan that pays out only on performance against strategic, operational and financial objectives.
- Long-term incentives (LTI): a longer-term incentive that pays out based on the growth in value at a Naspers level.

Executive pay is weighted towards variable pay (short- and long-term incentives), with every award subject to individual performance. When making executive pay decisions, we consider the individual's performance and that of the business.

Our approach to long-term incentives ensures that executive reward is directly linked to growth in shareholder value. Executives receive payouts under our long-term incentive plans either when the value of the underlying Media24 assets or those of the broader Naspers group increase.

Our remuneration structure

We outline the three elements of pay for our executive directors below. The same principles are applied to employees across the company.



Notes

TCTC – Total cost to company

STI – Short-term incentive

LTI – Long-term incentive

The human resources and remuneration committee considers whether the remuneration policy continues to achieve its objectives of aligning pay with the long-term performance of Naspers and shareholder outcomes.

Meeting Key decisions made

17 April 2018	<ul style="list-style-type: none"> Annual salary increase mandate for Media24. Annual performance incentive; KPIs for senior executives for the new financial year.
15 June 2018	<ul style="list-style-type: none"> Performance and total remuneration review of senior executives and editors. Decision on prior-year performance and short-term incentive payout, salary increases and long-term incentive awards. Considered annual share-based incentive scheme awards to be made to employees in Media24 Review of appreciation rights (ARs) scheme valuations by PwC.
30 and 31 July 2018	<ul style="list-style-type: none"> Appointment of new chief executive.
27 November 2018	<ul style="list-style-type: none"> Review of remuneration policy.

Part II: Remuneration policy

Business performance and remuneration outcomes for FY19

The company's financial performance is detailed in the summarised consolidated and separate annual financial statements on pages 60 to 71 and in the annual financial statements on the Media24 website.

Executive director remuneration in FY19

Element	Esmaré Weideman*	Ishmet Davidson**	Mobasheer Patel***
Total cost to company (TCTC)	R3 414 242****	R1 924 998	R5 216 669*****
STI (actual)	–	R1 924 998	R2 216 669
LTI (fair value awarded this year)	R5 445 486	R13 548 471	R5 745 527
Total single figure value	R8 859 728	R17 398 467	R13 178 865

Notes

* For six months of FY19 (retired on 30 September 2018).

** Appointed on 1 October 2018.

*** Appointed on 1 September 2018.

**** Includes R1.459m retirement gratuity (paid in terms of our conditions of service).

***** Includes R3m sign-on bonus (once-off payment).

Shares vested in FY19

Esmaré Weideman: 13 172 Naspers options;
72 563 Media24 appreciation rights (ARs)
Ishmet Davidson: 1 400 Naspers options;
8 667 Media24 ARs

Implementation of the policy in FY20

Below we show the remuneration package of executive directors for FY20 as approved by the committee in June 2019.

Element	Ishmet Davidson	Mobasheer Patel
Total cost to company (TCTC)	R4 427 495	R4 028 016
STI (cap) ⁽¹⁾	R4 427 495	R4 028 016
LTI (fair value awarded this year)	R15 020 267	R1 093 091
Total single figure value	R23 875 257	R9 149 123

Note

⁽¹⁾ The STI is capped at 100% of TCTC.

Our remuneration policy

In this section, we present the remuneration policy for our executive directors and an overview of the groupwide remuneration policy.

Remuneration and employment policies

Recruitment policy

On appointing a new executive director, the package will typically be in line with the policy as outlined above. To facilitate recruitment, it may be necessary to 'buy out' remuneration forfeited on joining the company. This will be considered case by case and may comprise cash or share options/ appreciation rights.

Termination policy

Payments in lieu of notice may be made to executive directors, comprising salary or total cost to the company (South African employees) for the unexpired portion of the notice period. These payments may be phased. On cessation, there is no automatic entitlement to an annual performance-related incentive (bonus), however the committee retains the discretion to award a bonus to a leaver during the financial year, taking into account the circumstances of their departure. There is no entitlement to a particular severance package in the service contract of executive directors or senior managers.

Service contracts

Executive directors' service contracts comply with terms and conditions of employment in South Africa. Details of the date of appointment and relevant notice period are shown below.

Element	Ishmet Davidson	Mobasheer Patel
Date of appointment	1 October 2018	1 September 2018
Notice period	Three months	Three months

Ensuring a fair and responsible approach to pay

To ensure a fair and reasonable approach to remunerating executive directors, the committee takes the same approach used for the wider employee group.

A number of factors are considered, including:

- Individual performance.
- Company affordability and trading environment.
- The relative contribution of the job to overall business success.
- Market pay benchmarking is used as an additional reference point. Individual performance is the primary determining factor in granting a pay increase, and pay increases are not granted without a satisfactory level of performance.
- Similarly, the operational performance of the business and its ability to pay are naturally considered when the quantum of any increase is considered.

Our remuneration structure

We have outlined the three elements of pay for our executive directors below. The same principles are applied to employees across the company, where appropriate.

Total cost to company (TCTC)

- Comprising base salary and benefits. Reflects the performance and contribution of the individual and market value of the role.
- Salary is paid monthly in cash.
- Benefits include a mix of cash and non-cash elements, including pension, medical and other optional benefits.
- We also provide a range of lifestyle and wellness benefits that do not form part of TCTC. These seek to support the overall physical and mental wellness of our employees.
- Fixed pay is reviewed annually and any increases are typically effective from 1 July.
- A number of factors are considered in the review process, including personal performance, scope and nature of the role, relevant companies in the national, media and technology sectors, and local economic indicators such as inflation and the relevant labour market, to ensure they are fair, sensible and market competitive.

Variable pay

Short-term incentives

- Participants are eligible to receive awards under the discretionary annual performance-related incentive scheme for achieving company financial and operational objectives as well as personal performance.

- The purpose is to ensure executive alignment and focus on the annual board-approved business plan. Achieving these annual plans will cumulatively drive long-term shareholder value.
- Performance measures for each executive director are tailored to their roles and responsibilities.
- The bonus opportunity for each executive is agreed annually in advance of the financial year. Any payout is based on verifiable targets aligned to the business plan, risk management policy and strategy. Maximum annual bonus opportunity levels for executive directors is set at a maximum of 100% of TCTC.
- Any payouts are made in cash.
- The committee has discretion to make appropriate adjustments to an individual's annual bonus to ensure it reflects the underlying financial performance of the company.
- Target setting: When determining the targets used for our annual performance incentive plan, we consider a number of reference points including the board-approved business plan and past performance.

Long-term incentives

- Longer-term awards make up a sizeable portion of total compensation and are designed to incentivise delivery of sustainable long-term growth and align with our shareholders.
- Awards are normally granted annually to executive directors under two types of longer-term incentive schemes:
 - appreciation rights (ARs), and
 - share options (SOs).
- Detailed scheme rules provide for the operation and governance of each scheme.
- Appreciation rights (ARs):
 - no ARs were allocated during the year as they currently have a negative value.
- Share options (SOs):
 - awards are made based on the share price on the date of grant
 - SOs deliver value based on growth in the share price over a specified period, with vesting typically over a four-year period (25% vesting each year) and a term of ten years
 - value is only delivered if there has been an increase in the share price from the date of grant, and

- once an award vests, participants can buy company shares at the predetermined strike price and will gain value from any increase in the price.

Performance management

- Pay for performance is one of the pillars of our reward philosophy. Personal and business performance (including the financial results of the business) are the determining factors in whether an individual receives a TCTC increase, an annual performance-related incentive payout and/or a long-term incentive in the form of share options or appreciation rights.
- Our executives are eligible to participate in a performance-related short-term incentive programme. This is an annual programme and, after achieving preapproved business and personal goals, participants may receive an annual performance-related incentive payment.
- Performance goals are directly aligned with approved business plans.
- Personal goals are determined as an outcome of the annual business-planning process. As budgets and operating plans are designed prior to the end of the financial year, so too are individual performance goals. These goals, if achieved, drive accomplishment of the financial and operating plan of the business and how it is delivered.
- We encourage managers to converse with their people throughout the financial year to ensure their plans are on track. At the end of this period, both the overall performance of the business, and the individual's achievement of personal goals are considered, which may translate into paying an annual performance-related incentive. Any performance-related incentive payments reflect the overall performance of the business where appropriate. Individuals who have performed well against their performance-related incentive goals are eligible to be considered for a long-term incentive grant and a pay increase.

Non-executive directors' remuneration policy

The fee structure for non-executive directors has been designed to ensure we attract, retain and appropriately compensate a diverse and experienced board.

Non-executive directors receive an annual fee as opposed to a fee per meeting, which recognises their ongoing responsibility for effective control of the company. Remuneration is reviewed annually, and is not linked to the company's share price or performance. Non-executive directors do not qualify for share allocations under the group's incentive schemes.

Non-executive directors' terms of appointment

The board has clear procedures for appointing and rotating directors. The nomination committee periodically assesses skills represented on the board and determines whether these meet the company's needs. Annual self-evaluations are done by the board and its committees. Directors are invited to give their input in identifying potential candidates. Members of the committee propose suitable candidates for consideration by the board, after a fit-and-proper evaluation for each candidate.

Retirement and re-election of directors

All non-executive directors are subject to retirement and re-election by shareholders every three years. Additionally, they are subject to election by shareholders at the first suitable opportunity for interim appointments. 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. The reappointment of non-executive directors is not automatic.

For the full remuneration policy, go to www.media24.com.

Part III: Implementation report

In this section, we outline how our remuneration policy for executive directors was implemented in the review period and how we intend to apply it in the next financial year. All decisions on executive remuneration are in line with our remuneration policy for the review period.

Executive directors' total remuneration for FY19 and planned for FY20

Element	Ishmet Davidson		Mobasheer Patel		Esmaré Weideman FY19*
	FY19***	FY20	FY19****	FY20	
Total cost to company (TCTC)	R1 924 998	R4 427 495	R5 216 669*****	R4 028 016	R3 414 242*****
STI (actual)**	R1 924 998	R4 427 495	R2 216 669	R4 028 016	–
LTI (fair value awarded this year)	R13 548 471	R15 020 267	R5 745 527	R1 093 091	R5 445 486
Total single figure value	R17 398 467	R23 875 257	R13 178 865	R9 149 123	R8 859 728

Notes

* For six months of FY19 (retired on 30 September 2018).

** The STI is capped at 100% of TCTC.

*** Appointed on 1 October 2018.

**** Appointed on 1 September 2018.

***** Includes R1.459m retirement gratuity (paid in terms of our conditions of service).

***** Includes R3m sign-on bonus (once-off payment).

Non-executive directors' fees

No non-executive directors' fees are paid to directors of Media24 Holdings Proprietary Limited.

Report of the audit committee

for the year ended 31 March 2019

The audit committee submits its report, as required by section 94 of the Companies Act No 71 of 2008 (the Act).

Members of the audit committee and attendance at meetings

The audit committee had the following non-executive directors as members during the past year: Trevor Petersen, Salie de Swardt and Jo-Ann Held. Salie de Swardt stepped down as a director and member of the committee on 31 March 2019. Khomotso Mthimunya was appointed in his stead with effect from 17 April 2019.

The committee meets at least three times per year in accordance with its charter. During the year under review, four meetings were held. All members act independently as described in section 94 of the Act.

Name of committee member	Qualifications	Four meetings were held during the year. Attendance:	Category
Trevor Petersen (chair)	BComHons (financial management) (University of Cape Town) and CA(SA)	4	Independent non-executive
Salie de Swardt	BAHons and BEcon (Stellenbosch University) and Nieman Fellowship (Harvard)	4	Independent non-executive
Jo-Ann Held	BComLaw (Stellenbosch University)	4	Independent non-executive

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 that the financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner

- required by the South African Companies Act
- 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 financial statements.

- Reviewed the external audit report on the annual financial statements.
- Approved the internal audit charter and audit plan.
- Reviewed the internal audit and risk management reports, and, where relevant, recommendations were made to the board.
- Evaluated the effectiveness of risk management, controls and the governance processes.
- Verified the independence of the external auditor, nominated PricewaterhouseCoopers Inc. (PwC) as the auditor for 2019 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 the contract terms for the provision of non-audit services by the external auditor.

Key areas of focus during the year

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

- Discharging its functions in terms of its charter.
- Ensure that the group and its subsidiaries continue to operate as going concerns.
- Assessing impact of changes to accounting standards.
- King IV recommendations.

Financial statement reporting issues

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

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

necessary for shareholders to assess the group's position and performance, business model and strategy.

The significant judgements, issues and conclusions reached/actions taken by the audit committee in relation to the 2019 annual financial statements are outlined below. The significant judgements and issues are broadly comparable in nature to prior years. Each of these matters was discussed with the external auditor and, where appropriate, has been addressed as a key audit matter in the 'Report on the audit of the consolidated and separate financial statements' on pages 60 to 71.

Significant reporting matter

Conclusions reached/Actions taken

Recoverability of trade receivables	IFRS 9 requires that financial assets measured at amortised cost are assessed for impairment at the end of each reporting period. Specific provisions for each customer are created with reference to their recoverability. The committee was in agreement with the adequacy of the amount provided.
Inventory valuation	IAS 2 requires that inventory is carried at the lower of cost and net realisable value. Provisions have been raised against inventory where inventory is considered obsolete and the expected selling prices have declined. The committee was in agreement with the adequacy of the amount provided.
Valuation of goodwill	Goodwill is assessed annually for impairment as in terms of IAS 36. Goodwill is allocated to each cash-generating unit that are expected to benefit. The key assumptions used are cash flow projections, growth rates and discount rates applied. The committee was in agreement with the assessments performed.
Valuation of investment in Media24 Proprietary Limited	The investment is assessed annually for impairment. The key assumptions used are cash flow projections, growth rates and discount rates applied. The committee was in agreement that no impairment is needed as the carrying value of the investment is fairly stated. Please refer to the accounting policies and note 2 of the Media24 Holding Proprietary Limited annual financial statements for further detail.

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 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. The head of internal audit reports functionally to the chair of the committee and administratively to the head of internal audit of Naspers. An assessment of the effectiveness of the internal audit function, as well as the head of internal audit, is performed annually by the committee. Based on the assessment, the committee is of the opinion that the internal audit function, as well as the head of internal audit, is effective.

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 support function was also represented. Certain directors and relevant senior managers attended meetings by invitation.

Effectiveness of the company's internal financial controls

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

Confidential meetings

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

Independence of external auditors

PwC was reappointed as auditor of the company until the next annual general meeting. PwC and its predecessor firms have been the auditor of

Media24 since its incorporation in 1950. The committee believes that the auditor has observed the highest level of business and professional ethics. The committee is satisfied that the auditor has at all times acted with unimpaired independence.

Details of fees paid to the external auditor are disclosed in note 23 to the annual financial statements on www.media24.com.

All non-audit services were approved by the committee during the current financial year in accordance with the board-approved policy on non-audit services performed by the external auditor. The partner responsible for the audit is required to rotate every five years. The committee meets with the auditor independently of senior management.

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

Expertise and experience of the director responsible for the finance function

The audit committee has satisfied itself that the chief financial officer 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.

Integrated combined assurance

The board does not only rely on the adequacy of the internal control embedment process, but considers reports on the effectiveness of risk management activities from the risk committee. The committee ensures that the assurance functions of management as well as internal and external audit are sufficiently integrated and is satisfied with the effectiveness of the arrangements for combined assurance.

The various assurance providers to the board comprise the following:

- Senior management and the risk committee considers the company's risk strategy and policy, along with the effectiveness and efficiency thereof. The risk committee also considers the adequacy of risk management strategies, systems of internal control, risk profiles and legal compliance. The audit committee receives assurance from the risk committee that risk management activities are sufficiently addressed and effective.
- The committee considers the systems of internal control, internal and external audit reports and also reviews the independence of the auditor, the extent and nature of audit engagements, scope of work and findings. This committee also reviews the level of disclosure in the annual financial statements and the appropriateness of accounting policies adopted by management and jointly with the risk committee considers material issues of fraud and reporting on fraud. The board reviews the performance of the committee against its charter.
- The chair of the committee reports to the board at the board meeting following each committee meeting on matters addressed by the committee at its last meeting.

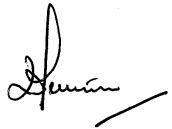
Discharge of responsibilities

The committee determined that during the financial year under review it had discharged its legal and other responsibilities as outlined in terms of its remit. The board concurred with this assessment.

Key areas of focus going forward

The committee's key focus areas for the 2020 financial year include:

- discharging its functions in terms of its charter
- assessing impact of changes to accounting standards
- King IV recommendations
- focusing regularly on the group's working capital requirements and ensure that the group and its subsidiaries continue to operate as going concerns, and
- reviewing basis and approach for impairment testings.



T D Petersen

Chair: Audit committee

14 June 2019

Summarised consolidated financial statements

for the year ended 31 March 2019

Statement of responsibility by the board of directors

The summarised consolidated 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 summarised consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), IAS 34 *Interim Financial Reporting*, as set out in note 1 to the summarised consolidated annual financial statements, and the Companies Act of South Africa. As such, the summarised consolidated annual financial statements include amounts based on judgements and estimates made by management. The information given is comprehensive and presented in a responsible manner.

The directors accept responsibility for the preparation, integrity and fair presentation of the annual financial statements and are satisfied that the systems and internal financial controls implemented by management are effective.

The directors believe that the group have adequate resources to continue operations as a going concern in the foreseeable future, based on forecasts and available cash resources. The financial statements support the viability of the group. The preparation of the summarised consolidated financial statements was supervised by the group's chief financial officer, Mobasheer Patel CA(SA).

The independent auditing firm PricewaterhouseCoopers Inc., which was given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, the board of directors and committees of the board, has audited the summarised consolidated financial statements. The directors believe that all representations made to the independent auditors during his audit were valid and appropriate. PricewaterhouseCoopers Inc.'s audit report is presented on page 59.

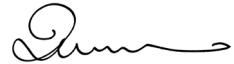
The summarised consolidated financial statements were approved by the board of directors and were signed on its behalf by:



R C C Jafta

Chair

14 June 2019



M I Davidson

Chief executive

Report of the independent auditor on the summarised consolidated financial statements

TO THE SHAREHOLDERS OF MEDIA24 HOLDINGS PROPRIETARY LIMITED

Opinion

The summarised consolidated financial statements of Media24 Holdings Proprietary Limited, set out on pages 60 to 71 of the Media24 Holdings Proprietary Limited 2019 integrated annual report to the shareholders of Welkom Yizani, which comprise the summarised consolidated statement of financial position as at 31 March 2019, the summarised consolidated income statement, summarised consolidated statement of comprehensive income, summarised consolidated changes in equity and summarised consolidated cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Media24 Holdings Proprietary Limited for the year ended 31 March 2019.

In our opinion, the accompanying summarised consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with International Financial Reporting Standards, IAS 34 *Interim Financial Reporting*, as set out in note 1 to the summarised consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Summarised consolidated financial statements

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

The audited consolidated financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 14 June 2019.

Directors' responsibility for the summarised consolidated financial statements

The directors are responsible for the preparation of the summarised consolidated financial statements in accordance with the International Financial Reporting Standard, IAS 34 *Interim Financial Reporting*, as set out in note 1 to the summarised consolidated 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 financial statements are consistent, in all material respects, with the audited consolidated 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

14 June 2019

Summarised consolidated income statement

for the year ended 31 March

	2019	2018
	R'000	R'000
Continuing operations		
Revenue from contracts with customers	4 713 829	4 685 728
Cost of providing services and sale of goods	(3 517 931)	(3 510 291)
Selling, general and administration expenses	(1 571 718)	(1 565 541)
Other gains – net	8 492	16 654
Operating loss	(367 328)	(373 450)
Interest received	79 480	67 888
Interest paid	(4 469)	(7 881)
Other finance costs – net	1 860	(8 429)
Share of equity-accounted results – associated companies	(1 815)	(1 660)
Share of equity-accounted results – joint ventures	19 719	18 982
Impairment of equity-accounted investment	(15 804)	—
Profits on acquisitions and disposals	3 592	10 069
Dilution gains on associates	—	137
Loss before taxation	(284 765)	(294 344)
Taxation	(20 768)	(34 477)
Net loss from continuing operations	(305 533)	(328 821)
Loss from discontinued operations	—	(35 871)
Loss for the year	(305 533)	(364 692)
Attributable to:		
Equity holders of the group	(254 625)	(499 817)
Non-controlling interests	(50 908)	135 125
	(305 533)	(364 692)

Summarised consolidated statement of comprehensive income

for the year ended 31 March

	2019	2018
	R'000	R'000
Loss for the year	(305 533)	(364 692)
Other comprehensive income		
Foreign currency translation reserve	(6 881)	(12 319)
– Exchange (loss)/gain arising on translating the net assets of foreign operations	(6 881)	342
– Exchange loss on disposal of foreign operations	—	(12 661)
Actuarial remeasurement reserve	24 390	(42 225)
– Actuarial gain/(loss) of post-employment liabilities	24 390	(42 225)
Fair value reserve	(22 465)	(177 284)
– Loss at fair value through other comprehensive income investments	(22 465)	(177 284)
Hedging reserve	—	17 547
Total other comprehensive loss, net of tax for the year	(4 956)	(214 281)
Total comprehensive loss for the year	(310 489)	(578 973)
Attributable to:		
Equity holders of the group	(259 493)	(719 805)
Non-controlling interests	(50 996)	140 832
	(310 489)	(578 973)
Total comprehensive loss for the year attributable to equity holders of the group arising from:		
Continuing operations	(259 493)	(583 393)
Discontinued operations	—	(136 412)
	(259 493)	(719 805)

Summarised consolidated statement of changes in equity

for the year ended 31 March

	Share capital and premium	Other reserves	Existing control business combination reserve
	R'000	R'000	R'000
Balance at 1 April 2017	4 866 667	1 076 632	(3 620 676)
Total comprehensive loss for the year	—	(219 988)	—
– Loss for the year	—	—	—
– Total other comprehensive loss for the year	—	(219 988)	—
B ordinary shares in subsidiary issued to Naspers	—	1 439 808	—
Share-based compensation movement	—	—	—
Transfer to retained earnings	—	—	71 392
Acquisition of subsidiaries/joint ventures	—	—	(46 271)
Novus unbundling	—	(6 738)	69 129
Dividends	—	—	—
Other movements	—	—	(579)
Balance at 31 March 2018	4 866 667	2 289 714	(3 527 005)
Balance at 1 April 2018	4 866 667	2 289 714	(3 527 005)
Total comprehensive loss for the year	—	(4 868)	—
– Loss for the year	—	—	—
– Total other comprehensive loss for the year	—	(4 868)	—
Share-based compensation movement	—	—	—
Transfer to retained earnings	—	—	—
Acquisition of subsidiaries/joint ventures	—	—	93 526
Dividends	—	—	—
Other movements	—	—	—
Balance at 31 March 2019	4 866 667	2 284 846	(3 433 479)

Share-based compensation reserve	Accumulated loss	Shareholders' funds	Non-controlling interest	Total
R'000	R'000	R'000	R'000	R'000
55 669	(752 213)	1 626 079	1 324 507	2 950 586
—	(499 817)	(719 805)	140 832	(578 973)
—	(499 817)	(499 817)	135 125	(364 692)
—	—	(219 988)	5 707	(214 281)
—	—	1 439 808	—	1 439 808
22 779	—	22 779	2 282	25 061
(14 407)	(56 985)	—	—	—
—	—	(46 271)	(2 067)	(48 338)
(43 586)	47 718	66 523	(1 296 918)	(1 230 395)
—	(1 274 869)	(1 274 869)	(117 244)	(1 392 113)
(8 175)	—	(8 754)	—	(8 754)
12 280	(2 536 166)	1 105 490	51 392	1 156 882
12 280	(2 536 166)	1 105 490	51 392	1 156 882
—	(254 625)	(259 493)	(50 996)	(310 489)
—	(254 625)	(254 625)	(50 908)	(305 533)
—	—	(4 868)	(88)	(4 956)
27 681	—	27 681	38	27 719
(22 222)	22 222	—	—	—
—	—	93 526	196 306	289 832
—	(41 967)	(41 967)	(6 210)	(48 177)
(6 726)	(343)	(7 069)	—	(7 069)
11 013	(2 810 879)	918 168	190 530	1 108 698

Summarised consolidated statement of financial position

as at 31 March

	2019	2018
	R'000	R'000
Assets		
Non-current assets	1 088 550	957 551
Property, plant and equipment	343 353	375 528
Goodwill	258 464	135 986
Intangible assets	169 979	82 631
Investments in associates	2 239	17 358
Investments in joint ventures	22 149	30 028
Loans and receivables	257 253	278 069
Deferred taxation	35 113	37 951
Current assets	2 236 471	2 442 133
Inventory	447 139	186 032
Trade receivables	495 083	464 814
Other receivables	84 908	87 854
Contract assets	2 916	4 176
Related party receivables	5 696	282 369
Loans and receivables	989 591	1 117 830
Derivative financial instruments	656	—
Cash and cash equivalents	210 482	299 058
Total assets	3 325 021	3 399 684
Equity		
Capital and reserves attributable to the group's equity holders	918 168	1 105 490
Share capital and premium	4 866 667	4 866 667
Other reserves	(1 137 620)	(1 225 011)
Accumulated loss	(2 810 879)	(2 536 166)
Non-controlling interests	190 530	51 392
Total equity	1 108 698	1 156 882
Liabilities		
Non-current liabilities	398 227	402 857
Long-term liabilities	17 607	24 558
Deferred taxation	31 580	—
Post-employment medical liability	297 182	320 208
Cash-settled share-based payment liability	1 145	3
Provisions	50 713	58 088
Current liabilities	1 818 096	1 839 945
Trade payables	286 334	260 064
Accrued expenses and other current liabilities	629 656	633 359
Contract liabilities	142 842	111 075
Related party payables and loans	23 476	284 606
Post-employment medical liability	23 992	23 027
Taxation	99	1 164
Dividends payable	—	3 640
Current portion of long-term liabilities	3 931	7 146
Loans from group companies	666 040	487 868
Derivative financial instruments	—	6 542
Provisions	41 726	21 454
Total equity and liabilities	3 325 021	3 399 684

Summarised consolidated statement of cash flows

for the year ended 31 March

	2019	2018
	R'000	R'000
Cash flows from operating activities		
Cash used in operations	(348 732)	(115 908)
Interest costs paid	(3 093)	(15 184)
Interest income received	79 480	74 387
Dividends received from investments and equity-accounted companies	28 429	24 331
Taxation paid	(21 067)	(130 420)
Net cash used in operating activities	(264 983)	(162 794)
Cash flows from investment activities		
Property, plant and equipment acquired	(38 757)	(122 152)
Proceeds from sale of property, plant and equipment	2 436	90 016
Intangible assets acquired	(3 896)	(2 589)
Acquisition of subsidiaries	10 330	—
Disposal of subsidiaries	—	(215)
Acquisition of associates	(500)	—
Acquisition of business	—	(14 688)
Cash movement in other investments and loans	(2 025)	(2 398)
Net cash utilised in investing activities	(32 412)	(52 026)
Cash flows from financing activities		
Repayments of long-term loans	(7 006)	(21 134)
Repayments of capitalised finance lease liabilities	(950)	(3 253)
Intergroup and related party loans raised/(repaid)	271 699	(1 118 304)
Proceeds from share issue	—	1 439 808
Outflow from share-based compensation transactions	(11 466)	(52 852)
Additional investment in existing subsidiaries	(32 882)	(21 218)
Dividends paid by subsidiaries to non-controlling shareholders	(6 210)	(113 604)
External dividends paid	(6 295)	(222 229)
Net cash generated from/(utilised in) financing activities	206 890	(112 786)
Net decrease in cash and cash equivalents	(90 505)	(327 606)
Foreign exchange translation adjustments on cash and cash equivalents	1 929	(208)
Reclassification of discontinued operations cash	—	409 173
Cash and cash equivalents at the beginning of the year	299 058	217 699
Cash and cash equivalents at the end of the year	210 482	299 058

Notes to the summarised consolidated financial statements

for the year ended 31 March 2019

1. Basis of preparation

The summarised consolidated financial statements are prepared in accordance with the requirements of the Companies Act, applicable to summary financial statements. The summarised consolidated financial statements have been prepared in accordance with the framework concepts, the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and to also, as a minimum, contain the information required by IAS 34 *Interim Financial Reporting*.

The accounting policies applied in the preparation of the consolidated financial statements from which the summarised consolidated financial statements were derived are in terms of IFRS and are consistent with those accounting policies applied in the preparation of the previous consolidated financial statements, except for the adoption of the following new accounting standards and amendments to IFRS that became effective and were adopted by the group during current financial year being, IFRS 15 and IFRS 9.

2. Preparation

The preparation of the summarised consolidated financial statements was supervised by the chief financial officer, Mobasheer Patel. Any reference to future financial performance included in this announcement, has not been reviewed or reported on by the company's auditor.

3. Report of the independent auditor

These summarised consolidated financial statements for the year ended 31 March 2019 have been audited by PricewaterhouseCoopers Inc., who expressed an unmodified opinion thereon. The auditor also expressed an unmodified opinion on the consolidated financial statements from which these summarised consolidated financial statements were derived. A copy of the auditor's report on the consolidated financial statements is available for inspection at the company's registered office or the company's website on www.media24.com, together with the financial statements identified in the auditor's respective reports.

4. Use of estimates and assumptions

In preparing these summarised consolidated financial statements, the significant judgement made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 March 2019, as well as the prior year.

5. Adoption of new and amended accounting pronouncements

A number of new or amended standards became applicable for the current reporting period. Specifically, the group has applied IFRS 15 *Revenue from Contracts with Customers*, and IFRS 9 *Financial Instruments* from 1 April 2018 on a retrospective basis but did not restate the comparative information as these standards did not have a significant impact on the group results or financial position. Deferred income was reclassified to contract liabilities on adoption of IFRS 15.

6. Goodwill

	31 March	
	2019 R'000	2018 R'000
Cost		
Opening balance	176 596	186 672
Acquisition of subsidiaries/business	117 889	—
Reclassifications	4 589	(10 076)
Closing balance	299 074	176 596
Accumulated impairment		
Opening balance	40 610	49 776
Impairment	—	910
Reclassifications	—	(10 076)
Closing balance	40 610	40 610
Net book value	258 464	135 986

Goodwill is subject to annual impairment assessment. The recoverable amounts have been determined based on a value-in-use calculation. A discount rate of 14.3% and growth rate of 2% were used.

7. Trade receivables

	31 March	
	2019 R'000	2018 R'000
Carrying value		
Gross trade accounts receivable	536 604	532 132
Less: Loss allowance	(41 521)	(67 318)
	495 083	464 814

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

	31 March 2019					
	Not past due	30 days and older	60 days and older	90 days and older	120 days and older	Total
Gross trade receivables	367 270	113 321	11 358	7 287	37 368	536 604
Loss allowance	(66)	(17 454)	(1 317)	(1 990)	(20 694)	(41 521)
Total	367 204	95 867	10 041	5 297	16 674	495 083

Expected loss rate 0% (15%) (12%) (27%) (55%) (8%)

	31 March 2018					
	Not past due	30 days and older	60 days and older	90 days and older	120 days and older	Total
Gross trade receivables	359 511	111 043	17 027	13 415	31 136	532 132
Provision per IAS 39	(27 640)	(12 580)	(7 119)	(4 672)	(15 307)	(67 318)
Total	331 871	98 463	9 908	8 743	15 829	464 814

8. Inventory

	31 March	
	2019 R'000	2018 R'000
Carrying value		
Finished products, trading inventory and consumables	511 019	240 390
Work in progress	15 102	21 085
Gross inventory	526 121	261 475
Less: Provision for slow-moving and obsolete inventories	(78 982)	(75 443)
Net inventory	447 139	186 032

9. Revenue from contracts with customers

	31 March	
	2019 R'000	2018 R'000
Revenues		
Subscription revenue	198 206	179 563
Circulation revenue	901 346	971 509
Advertising revenue	1 787 537	1 927 011
Distribution revenue	395 034	360 569
Book publishing and book sales revenue	507 822	544 793
Ecommerce revenue	556 327	297 630
Contract publishing revenue	159 819	179 194
Other revenue	207 738	225 459
	4 713 829	4 685 728

The group has recognised the following assets and liabilities in the summarised consolidated statement of financial position that relate to revenue from contracts with customers:

	31 March	
	2019 R'000	2018 R'000
Contract assets	2 916	4 176
Contract liabilities	142 842	111 075

10. Fair value of financial instruments

31 March 2019	Level 1	Level 2	Level 3	Total
	R'000	R'000	R'000	R'000
Assets				
Foreign exchange contracts	—	656	—	656
At fair value through other comprehensive income investments*	255 053	—	—	255 053
Total	255 053	656	—	255 709
Liabilities				
Earn-out obligations/contingent considerations	—	—	19 162	19 162
Total	—	—	19 162	19 162

31 March 2018	Level 1	Level 2	Level 3	Total
	R'000	R'000	R'000	R'000
Assets				
Available-for-sale investments*	278 069	—	—	278 069
Total	278 069	—	—	278 069
Liabilities				
Foreign exchange contracts	—	6 542	—	6 542
Earn-out obligations/contingent considerations	—	—	26 908	26 908
Total	—	6 542	26 908	33 450

* Previously referred to as available-for-sale investments in terms of IAS 39 Financial Instruments: Recognition and Measurements.

Level 1: Fair-value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair-value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices).

Level 3: Fair-value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

11. Related party transactions

The group entered into various related party transactions in the ordinary course of business. There were changes to the related parties which existed at the end of the 2018 financial year as Naspers listed its Video Entertainment business (MultiChoice Group) on the JSE Limited. Other than the noted change, there have been no significant changes in related party transactions and balances since the previous reporting period.

12. Significant business combinations

In July 2018, Media24 Proprietary Limited and Takealot Online RF Proprietary Limited concluded an agreement in terms of which their respective online fashion businesses Spree and Superbalist, are merged in a newly formed entity, Fashion United SA Proprietary Limited. Following the merger, Media24 Proprietary Limited holds 50.95% of the issued share capital with Takealot Online RF Proprietary Limited holding the remaining 49.05%. The total purchase consideration is R428m, of which an estimated R178m contingent consideration is payable in June 2019. A business combination reserve of R116m and non-controlling interest of R195m were booked.

Media24 has elected to apply predecessor accounting for the 50.95% acquisition of Superbalist. The operating results and assets and liabilities of the company have been consolidated from 1 October 2018. The take-on net asset value of the Superbalist business amounted to R104m. Goodwill of R118m, intangible assets of R123m and deferred tax liability of R35m were raised as a result of the transaction.

13. 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 asset and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

14. Subsequent events

Effective 26 April 2019, Media24 Boeke Proprietary Limited acquired the remaining 30% shareholding in Nasou Via Afrika Proprietary Limited from BiProps 6 Proprietary Limited for R15m, thereby increasing its ownership to 100%.

15. Cash generated from operating activities

	31 March	
	2019 R'000	2018 R'000
Operating loss as per income statement	(367 328)	(373 450)
Adjustments: non-cash and other	152 211	267 506
Working capital movement	(133 615)	18 173
Cash used in discontinued operations	—	(28 137)
Cash used in operations	(348 732)	(115 908)

16. Summarised reconciliation of operating loss to trading loss

	31 March	
	2019 R'000	2018 R'000
Operating loss from continuing operations	(367 328)	(373 450)
Amortisation of intangible assets (excluding software)	14 484	2 716
Other gains – net	(8 492)	(16 654)
Share-based expense – equity	27 719	18 741
Trading loss from continuing operations	(333 617)	(368 647)



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 (58) has the degrees MEcon and PhD and is a professor in economics at Stellenbosch University. She is a director of Naspers and chair of the Cape Town Carnival Trust. She joined Naspers as a director in 2003 and was appointed a director of Media24 in 2007. She is a member of the South African Economic Society and serves on the management committee of the Bureau for Economic Research at Stellenbosch University. She has been chair of the Media24 board since April 2013. Since 2015, she has served on the international advisory council of Fundação Dom Cabral Business School, Brazil.



Jo-Ann Held

Jo-Ann (38) obtained a BComLaw degree at Stellenbosch University. She is a media entrepreneur who has presented and produced TV and online media properties for 18 years. She is a goodwill ambassador for UNICEF and a director of the advisory board of Stellenbosch University Business School, Village and Life, and M&C Saatchi Abel.



Manie Mayman

Abduraghaman (Manie) (64) is a chartered accountant and holds 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 November 2016 and was appointed a non-executive director on 1 April 2017. Manie served as the Media24 group's acting CFO from 1 November 2017 to 1 November 2018. He stepped down from the Media24 board on 31 March 2019.

Summarised group and separate annual financial statements

Statement of responsibility by the board of directors

for the year ended 31 March 2019

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 summarised group and separate annual financial statements in accordance with International Financial Reporting Standards (IFRS), IAS 34 *Interim Financial Reporting*, as set out in note 1 to the summarised group and separate financial statements and the South African Companies Act No 71 of 2008. As such, the summarised group and separate 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 group and separate annual financial statements and are of the opinion 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 group and separate annual financial statements support the viability of the company and the group. The preparation of

the summarised group and separate financial statements was supervised by Mobasheer Patel CA(SA). The independent auditing firm PricewaterhouseCoopers Inc., which was given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, the board of directors and committees of the board, has audited the group and separate annual financial statements from which the summarised group and separate 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 74.

The summarised group and separate annual financial statements were approved by the board of directors on 14 June 2019 and were signed on its behalf by:



Rachel Jafta

Chair

14 June 2019



Abduraghman Mayman

Director

Independent auditor's report on the summarised group and separate financial statements for the year ended 31 March 2019

TO THE SHAREHOLDERS OF WELKOM YIZANI INVESTMENTS (RF) LIMITED

Opinion

The summarised group and separate financial statements of Welkom Yizani Investments (RF) Limited, set out on pages 76 to 86 of the Media24 Holdings Proprietary Limited 2019 integrated annual report to the shareholders of Welkom Yizani, which comprise the summarised group and separate statements of financial position as at 31 March 2019, the summarised group and separate statements of comprehensive income, summarised group and separate statements of 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 financial statements of Welkom Yizani Investments (RF) Limited for the year ended 31 March 2019.

In our opinion, the accompanying summarised group and separate financial statements are consistent, in all material respects, with the audited group and separate financial statements, in accordance with International Financial Reporting Standards, IAS 34 *Interim Financial Reporting*, as set out in note 1 to the summarised group and separate financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Summarised group and separate financial statements

The summarised group and separate financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summarised group and separate financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited group and separate financial statements and the auditor's report thereon.

The audited group and separate financial statements and our report thereon

We expressed an unmodified audit opinion on the audited group and separate financial statements in our report dated 14 June 2019. That report also includes communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the group and separate financial statements of the current reporting period.

Directors' responsibility for the summarised group and separate financial statements

The directors are responsible for the preparation of the summarised group and separate financial statements in accordance International Financial Reporting Standards, IAS 34 *Interim Financial Reporting*, set out in note 1 to the summarised group and separate 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 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
14 June 2019

Directors' report

for the year ended 31 March 2019

Nature of operations

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

- a) Carry on the main business of holding 15% of the ordinary shares in Media24 Holdings Proprietary Limited (Media24) (investment in associate), cash and cash equivalents and such assets as are received and acquired solely by virtue of, or in relation to, the holding of Media24 ordinary shares.
- b) Receive and distribute dividends and other distributions in terms of its holding in Media24.
- c) Equity Express Securities Exchange (ESEE): Welkom Yizani, established as Media24's broad-based black economic empowerment scheme in 2006, started trading its shares on an online trading platform in 2013. 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. Welkom Yizani had been engaging with the Financial Sector Conduct Authority to bring its affairs in line with the requirements of the Financial Markets Act, 2012. Welkom Yizani listed on ESEE on 23 November 2018 and is now compliant with the relevant legislation.

Dividends

The board recommends that a dividend of 42.5 cents per ordinary share (2018: 42.5 cents per ordinary share) be declared. In considering the recommendation to pay the dividend, the board, has taken into account the financial status of the company 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 26 August 2019 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 87.

PricewaterhouseCoopers 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
J C Held	2 September 2014		Independent non-executive
A Mayman	1 November 2018		Independent non-executive
S R Ralarala	1 March 2017	10 December 2018	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

14 June 2019

Summarised group and separate statements of financial position for the year ended 31 March 2019

	Notes	Group		Company	
		2019 R'000	2018 R'000	2019 R'000	2018 R'000
Assets					
Non-current assets		351 577	351 577	351 577	351 577
Investment in associate	8	351 577	351 577	351 577	351 577
Current assets		40 605	43 854	40 605	43 854
Other receivables		30	35	30	35
Cash and cash equivalents		40 575	43 819	40 575	43 819
Total assets		392 182	395 431	392 182	395 431
Equity and liabilities					
Capital and reserves		357 076	355 751	357 076	355 751
Share capital and premium		146 022	146 022	146 022	146 022
Preference share capital		7	7	7	7
Other reserves		387 657	371 267	—	—
Accumulated (loss)/profit		(176 610)	(161 545)	211 047	209 722
Current liabilities		35 106	39 680	35 106	39 680
Payables		2 086	1 695	2 086	1 695
Shareholders for dividend		33 020	37 959	33 020	37 959
Taxation		—	26	—	26
Total equity and liabilities		392 182	395 431	392 182	395 431
Net asset value per share	9	R24.46	R24.37	R24.46	R24.37

Summarised group and separate statements of comprehensive income for the year ended 31 March 2019

	Notes	Group		Company	
		2019 R'000	2018 R'000	2019 R'000	2018 R'000
Share of net loss of associate	8	(59 509)	(96 288)	—	—
Investment income – dividends received	8	—	—	6 295	222 266
Reversal of impairment/(impairment) of investment in associate	8	49 414	84 177	—	(46 262)
Administration costs		(100)	(95)	(100)	(95)
Net finance income/(costs)		1 859	1 303	1 859	1 303
(Loss)/profit before taxation		(8 336)	(10 903)	8 054	177 212
Taxation		(524)	(500)	(524)	(500)
Net (loss)/profit for the year		(8 860)	(11 403)	7 530	176 712
Net (loss)/profit for the year		(8 860)	(11 403)	7 530	176 712
Share of changes in associate's other equity items, net tax	8	16 390	188 115	—	—
Total comprehensive income for the year		7 530	176 712	7 530	176 712
Basic (loss)/earnings per share	9	(R0.61)	(R0.78)	R0.52	R12.10
Headline (loss)/earnings per share	9	(R3.99)	(R6.55)	R0.52	R15.27

Summarised group and separate statements of changes in equity for the year ended 31 March 2019

	Stated capital	Preference share capital	Other reserves	Accumulated profit/(loss)	Total
Group	R'000	R'000	R'000	R'000	R'000
Balance at 1 April 2017	146 022	7	183 152	71 997	401 178
Total comprehensive loss for the year	—	—	188 115	(11 403)	176 712
Net loss	—	—	—	(11 403)	(11 403)
Other comprehensive income	—	—	188 115	—	188 115
Distribution to owners of the company					
Dividends paid	—	—	—	(222 139)	(222 139)
Balance at 31 March 2018	146 022	7	371 267	(161 545)	355 751
Balance at 1 April 2018	146 022	7	371 267	(161 545)	355 751
Total comprehensive income/(loss) for the year	—	—	16 390	(8 860)	7 530
Net loss	—	—	—	(8 860)	(8 860)
Other comprehensive income	—	—	16 390	—	16 390
Distribution to owners of the company					
Dividends paid	—	—	—	(6 205)	(6 205)
Balance at 31 March 2019	146 022	7	387 657	(176 610)	357 076
Company					
Balance at 1 April 2017	146 022	7	—	255 149	401 178
Profit for the year	—	—	—	176 712	176 712
Distribution to owners of the company					
Dividends paid	—	—	—	(222 139)	(222 139)
Balance at 31 March 2018	146 022	7	—	209 722	355 751
Balance at 1 April 2018	146 022	7	—	209 722	355 751
Profit for the year	—	—	—	7 530	7 530
Distribution to owners of the company					
Dividends paid	—	—	—	(6 205)	(6 205)
Balance at 31 March 2019	146 022	7	—	211 047	357 076

Summarised group and separate statements of cash flows

for the year ended 31 March 2019

	Group		Company	
	2019 R'000	2018 R'000	2019 R'000	2018 R'000
Cash flow from operating activities	2 961	255 469	2 961	255 469
Cash (utilised in)/generated from operations	(4 643)	32 494	(4 643)	32 494
Interest paid	(64)	(124)	(64)	(124)
Interest received	1 923	1 427	1 923	1 427
Dividends received	6 295	222 266	6 295	222 266
Taxation paid	(550)	(594)	(550)	(594)
Cash flow from financing activities	(6 205)	(222 139)	(6 205)	(222 139)
Dividends paid	(6 205)	(222 139)	(6 205)	(222 139)
Change in cash and cash equivalents for the year	(3 244)	33 330	(3 244)	33 330
Cash and cash equivalents at the beginning of the year	43 819	10 489	43 819	10 489
Cash and cash equivalents at the end of the year	40 575	43 819	40 575	43 819

Notes to the summarised group and separate annual financial statements for the year ended 31 March 2019

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, the measurement and recognition requirements of International Financial Reporting Standards (IFRS), and also, as a minimum, contain the information required by IAS 34 *Interim Financial Reporting*.

The accounting policies applied in the preparation of the group and separate annual financial statements from which the summary group and separate financial statements were derived are in terms of IFRS and are consistent with those accounting policies applied in the preparation of the previous group and separate annual financial statements, except for the adoption of the following new accounting standards and amendments to IFRS that became effective and were adopted by the group during current financial year, being IFRS 15 and IFRS 9.

2. Preparation

The preparation of the summarised group and separate annual financial statements was supervised by the Media24 Holdings Proprietary Limited group chief financial officer, Mobasheer Patel. Any reference to future financial performance included in this announcement, has not been reviewed or reported on by the company's auditor.

3. Report of the independent auditor

These summarised group and separate annual financial statements for the year ended 31 March 2019 have been audited by PricewaterhouseCoopers Inc., who expressed an unmodified 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 on www.media24.com, together with the financial statements identified in the respective auditors' reports.

4. Use of estimates and assumptions

In preparing these summarised group and separate annual financial statements, the significant judgements made by management in applying the group and company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the group and separate annual financial statements for the year ended 31 March 2019, as well as for the prior year.

5. Segment reporting

IFRS 8: *Operating Segments* requires operating segments to be identified on the basis of internal reports about the components of the group that are regularly reviewed by the chief operating decisionmaker (CODM) to allocate resources to the segments and to assess their performance. The CODM has been identified as the board of directors that makes the strategic decisions. The board of directors has identified the only operating segment to be the investment in associate. No further disclosure is required as this is reflected in the financial statements.

6. Investment in associate

Company

The company carries the investment in associate at cost and the investment is written down only when there is an impairment. Dividends are brought to account when declared. On disposal of an associate, the difference between the net proceeds and carrying amount is charged or credited to the statement of comprehensive income.

Group

Investments in associated companies are accounted for under the equity method. Associate companies are those companies in which the group can exercise significant influence, but which it does not control. The group's investment in associates includes goodwill and other intangible assets identified on acquisition, net of any accumulated amortisation and impairment loss.

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

Dividends received or receivable from the associate are recognised as a reduction in the carrying amount of the investment.

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

The carrying amount of the investment using the equity method is tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the investment in associate's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For purposes of assessing impairment, the investment is grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash flows from other assets (cash generating units). The investment in associate is reviewed for possible reversal of impairment at the end of each reporting period for which impairments have been recognised in the past.

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

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

7. New and amended standards adopted by the group

A number of new or amended standards became applicable for the current reporting period and the group had to change its accounting policies and make retrospective adjustments as a result of adopting the following standards:

- IFRS 9 *Financial Instruments* was applied from 1 April 2019, but did not restate the comparative information as IFRS 9 did not have a significant impact, and
 - IFRS 15 *Revenue from Contracts with Customers* was applied from 1 April 2018, on a retrospective basis but did not restate the comparative information as it did not have a significant impact.
- The other standards did not have any impact on the group's accounting policies and did not require retrospective adjustments.

8. Investment in associate

The principle activity of Welkom Yizani is to own 15% of the ordinary shares 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	
	2019 R'000	2018 R'000	2019 R'000	2018 R'000
Movement in carrying amount				
At the beginning of the year	351 577	397 839	351 577	397 839
Share of net loss	(59 509)	(96 288)	—	—
Share of changes in other comprehensive income	16 390	188 115	—	—
Dividends received	(6 295)	(222 266)	—	—
Reversal of impairment/(impairment) of investment	49 414	84 177	—	(46 262)
Carrying amount at year-end	351 577	351 577	351 577	351 577
Reconciliation between original cost and carrying amount				
Original cost	730 000	730 000	730 000	730 000
Accumulated share of profits/(losses)	(217 828)	(158 319)	—	—
Accumulated share of comprehensive income/(loss)	387 657	371 267	—	—
Total dividends received	(440 493)	(434 198)	—	—
	459 336	508 750	730 000	730 000
Opening accumulated impairment	(157 173)	(241 350)	(378 423)	(332 161)
Reversal of impairment/(impairment) of investment	49 414	84 177	—	(46 262)
Closing accumulated impairment	(107 759)	(157 173)	(378 423)	(378 423)
Net carrying amount at year-end	351 577	351 577	351 577	351 577

The company received a dividend of R6.3m (2018: R222.2m) from Media24 Holdings Proprietary Limited.

Investment in associate was measured during the year at the lower of its carrying amount and fair value less costs to disposal for the group, resulting in a recognition of a reversal of impairment of R49m (2018: R84m) in the statement of comprehensive income. The company recognised an impairment of Rnil (2018: R46m) in the statement of comprehensive income. The fair value was determined using the discounted cashflow model. This is a level 3 measurement as per the fair value hierarchy set out in note 12.

The share of net loss of R59m is equal to 15% of Media24 Holding's equitable losses of R38m (2018: R75m), and adjusted for pre-acquisition accounting of R21m (2018: R21m).

The impairment reversal for the group relates to the improvement in the projected cash flows and specifically improvement in the trading losses incurred due to the implementation of cost saving initiatives and the progression in operating margin from building scale in business.

The discounted cash flow model was used to determine the fair value less cost to sell the investment in associate at the end of the financial year for the group and company.

Management used 10-year projected cash flow models, with growth rates ranging between 0% and 5% and weighted-average cost of capital of 14.3% (2018: 14.4%) in measuring the impairment losses for the group and company. Management used 10-year projected cash flow models, based upon the use of internal experts and the expected mid to long-term market changes in both the mature portfolio and growth portfolio. The estimated projections for the period six to ten years are due to the monetisation and expected inflows from the growth portfolio as building to scale takes longer than five years with breakeven expected beyond five years (average growth rate of 4% to 5%). The mature portfolio cost savings and sale of non-core assets are expected to continue beyond the five years in line with economic environment and trends in the print media industry (average growth rate of 0% to 1%).

There are a number of key judgements and estimates made in the expected group cash flows of Media24 Holdings Proprietary Limited group, which include:

- Improved operating margins through lower printing prices and ongoing cost saving initiatives thereby increasing trading profit in the mature portfolio despite revenue declines
- Increase in the growth portfolio revenue from the continued investment to build scale and improvement of the trading profit as breakeven point is achieved
- Reduced capital expenditure and proceeds from sale of non-core assets but partly eroded by the higher net working capital requirement in the upscaling of the growth portfolio
- Discount rate applied to the projected cash flows, and
- Terminal growth rates.

The discount rate was based on South African 10-year bond yield historical data and is adjusted for specific risk factors.

Sensitivity analysis

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

- An increase in the weighted average cost of capital by 1% reduces the valuation by R9.4m.
- A decrease in the weighted average cost of capital rate by 1% increases the valuation by R27m.

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

	Media24	
	2019 R'000	2018 R'000
Summarised balance sheet		
Current		
Assets		
Cash and cash equivalent	210 482	299 058
Other current assets (excluding cash)	2 025 989	2 143 075
Total current assets	2 236 471	2 442 133
Liabilities		
Financial liabilities (excluding trade payables)	(1 531 762)	(1 579 881)
Other current liabilities (including trade payables)	(286 334)	(260 064)
Total current liabilities	(1 818 096)	(1 839 945)
Non-current		
Assets		
	1 088 550	957 551
Liabilities		
Financial Liabilities	(17 607)	(24 558)
Other liabilities	(380 620)	(378 299)
Total non-current liabilities	(398 227)	(402 857)
Net assets	1 108 698	1 156 882
Summarised statement of comprehensive income		
Revenue	4 713 829	4 685 728
Interest income	79 480	67 888
Interest expense	(2 609)	(16 310)
Pre-tax loss from continuing operations	(284 765)	(294 344)
Income tax expense	(20 768)	(34 477)
Post-tax loss from continuing operations	(305 533)	(328 821)
Post-tax loss from discontinued operations	—	(35 871)
Post-tax loss for the year	(305 533)	(364 692)
– Loss for the year attributable to equity holders of group	(254 625)	(499 817)
– Loss for the year attributable to non-controlling interests	(50 908)	135 125
Other comprehensive income/(expense)	(4 956)	(214 281)
Total comprehensive expense	(310 489)	(578 973)
Reconciliation of summarised financial information		
Opening net assets on 01 April	1 105 490	1 626 079
Loss for the year	(305 533)	(364 692)
Total other comprehensive (loss)/income	(4 956)	(214 281)
Share-based compensation movement	27 719	25 061
Acquisition of subsidiaries/joint ventures	289 832	(48 338)
Share Capital movement	—	1 439 808
Dividends paid	(48 177)	(1 392 113)
Other movements	(7 069)	(1 239 149)
Non-controlling interest share of movement for the year	(139 138)	1 273 115
Closing net assets	918 168	1 105 490
Interest in associate (15%)	137 725	165 823
Net identifiable assets	213 852	185 754
Carrying value	351 577	351 577

9. Basic earnings/(loss) per share

	Group		Company	
	2019 R'000	2018 R'000	2019 R'000	2018 R'000
Basic earnings/(loss) per share				
Profit/(loss) from continuing operations attributable to owners of the parent	(8 860)	(11 403)	7 530	176 712
Weighted-average number of ordinary shares in issue ('000)	14 600	14 600	14 600	14 600
Basic earnings/(loss) per share	(R0.61)	(R0.78)	R0.52	R12.10

Headline earnings is calculated based on Circular 4/2018 issued by the South African Institute of Chartered Accountants.

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

Profit/(loss) for the year	(8 860)	(11 403)	7 530	176 712
(Reversal of impairment)/Impairment of Investment	(49 414)	(84 177)	—	46 262
– Gross	(49 414)	(84 177)	—	46 262
– Tax effect	—	—	—	—
Headline earnings/(loss) for the year	(58 274)	(95 580)	7 530	222 974
Weighted average number of ordinary shares in issue ('000)	14 600	14 600	14 600	14 600
Headline earnings/(loss) per share	(R3.99)	(R6.55)	R0.52	R15.27
Net asset value per share				
Total net asset value	357 076	355 751	357 076	355 751
Total number of ordinary shares in issue ('000)	14 600	14 600	14 600	14 600
Net asset value per share	R24.46	R24.37	R24.46	R24.37

10. 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.

11. Subsequent event

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.

12. Fair-value hierarchy

The fair-value hierarchy is the following for the group.

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

The investment in Media24 Holdings Proprietary Limited (investment in associate) is valued under level 3 fair-value measurements. The valuation and policies together with the gain and losses recognised in profit and loss is disclosed under note 8.

Administrative 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

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

Singular Systems Proprietary Limited

(Registration number: 2002/001492/07)
25 Scott Street, Waverley 2196
(PO Box 785261, Sandton 2146)

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**

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 13th annual general meeting of **Media24 Holdings Proprietary Limited** (the company) will be held at Nasdak, Media24 Centre, 40 Heerengracht, Cape Town on **Monday 26 August 2019 at 11:00**.

Please note that the registration counter to register to vote at this meeting on 26 August 2019 will close at 10:45 on that day.

Record date, attendance and voting

The record date for the meeting is **Monday 12 August 2019**, being the date on which a person must be registered as a shareholder of the company to be 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 their place. A proxy need not be a shareholder of the company.

A form of proxy, which includes relevant instructions for its completion, is attached for the use of shareholders who wish to be represented at the annual general meeting. Completing a form of proxy will not preclude 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, they 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 shareholder or as proxy for a shareholder, has been reasonably verified. Forms of identification include valid identity documents, driver's licences and passports.

Purpose of meeting

The purpose of the meeting is: i) to present the directors' report, the audited annual financial statements of the company for the immediately

preceding financial year and the audit committee report; ii) to consider and, if approved, to adopt, with or without amendment, the resolutions set out herein; and iii) to consider any other matters raised by shareholders of the company, with or without advance notice to the company.

Electronic participation

Shareholders entitled to attend and vote at the meeting or their proxies will be entitled to participate in the meeting (but not vote) via electronic communication. Should a shareholder wish to participate in the meeting electronically, the shareholder concerned should advise the company by no later than **09:00 on 12 August 2019** 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 of the shareholder's title to the shares.

On receipt of the required information, the shareholder will be given a secure code and instructions to access the electronic communication during the annual general meeting. Access to this electronic communication will be at the expense of shareholders using 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 2019 and the reports of the directors, the auditor and the audit committee.

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

The complete annual financial statements of the company for the preceding financial year can be obtained at www.media24.com. A copy is also available on request during normal business hours at Media24's registered office: 40 Heerengracht, Cape Town 8001 (contact person – Mr M Patel).

2. To approve a dividend of R42m in the issued share capital of the company, as proposed by the board, after it applied the solvency and liquidity tests contemplated in the Act, and concluded that the company will satisfy such tests immediately after completing the proposed distribution.
3. To reappoint, on 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 confirm the appointment of Mmes K R Mthimunye and E Weideman, and Messrs M I Davidson and M Patel as directors on the board. Their brief biographical details appear on pages 24 and 25.

The board unanimously recommends that the appointment of the directors in terms of resolution 4 be confirmed by the shareholders of the company. The confirmation of the appointment of each director will be by separate ordinary resolution.

5. To elect Messrs J P Bekker and T D Petersen and Mrs J C Held, who retire by rotation and, being eligible, offer themselves for re-election as directors. Their brief biographical details appear on pages 24 and 25.

The board unanimously recommends that the re-election of directors in terms of resolution 5 be approved by shareholders of the company. The re-election of each director will be by separate ordinary resolution.

6. To appoint audit committee members as required by the Act and recommended by the King IV Report on Corporate Governance for South Africa 2016 (King IV, principle 8).

The board and 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 in 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 nomination committee therefore unanimously recommend the appointment of Mr T D Petersen, Mrs J C Held and Mrs K R Mthimunye as members of the audit committee. Their brief biographical details appear on pages 24 and 25.

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

7. To endorse the company's remuneration policy, as set out in the remuneration report in the integrated annual report on pages 48 to 53, by way of a non-binding advisory vote.
8. To approve the implementation report of the remuneration report, as set out in the remuneration report in the integrated annual report on pages 48 to 53, 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 exercised by shareholders present or represented by proxy at this meeting 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 (including any director or prescribed officer of the company or any person related to them), in terms of and subject to the Act.

The reason for and effect of special resolution number 1 is to grant the company or a subsidiary of the company the general authority in terms of the Act to acquire its ordinary shares.

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 on 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 on 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.

4. That the memorandum of incorporation of the company be amended in accordance with section 16(5)(b)(iv) of the Act, by replacing articles 5.1.6 to 5.1.8 with the following:

"5.1.6 At least one third of the non-executive directors must retire annually, or if their number is not three or a multiple thereof, then the number nearest to three, but not less than one third of the non-executive directors are to retire from office annually. Each executive director shall serve for an indefinite term, as contemplated in section 68(1).

5.1.7 The non-executive directors to retire in terms of article 5.1.6 shall be those who have held their office of director for the longest time since their last election, provided that:

5.1.7.1 if more than one of the non-executive directors were elected on the same day, those to retire shall be elected by lot, unless otherwise agreed between themselves;

5.1.7.2 if, at the time of determining which non-executive directors are to retire, any non-executive director who has held office for more than three years will also retire.

5.1.8 A retiring non-executive director shall be eligible for re-election, and, if re-elected, shall be deemed not to have vacated his/her office."

The reason for and effect of special resolution number 4 is to provide that only non-executive directors shall be subject to rotation.

Ordinary resolution

9. 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 that shareholder.

A shareholder may appoint a proxy at any time. For practical purposes, forms of proxy must be deposited at Singular Systems Proprietary Limited, 25 Scott Street, Waverley 2196 or PO Box 785261, Sandton 2146, not less than forty-eight (48) hours (excluding Saturdays, Sundays and public holidays) before the annual general meeting to allow for processing.

All other proxies must be handed in at the registration desks in Nasdak, Media24 Centre prior to the start of the annual general meeting.

In line with 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 shareholder holds in Welkom Yizani.

By order of the board



L J Klink
Company secretary
Cape Town
29 July 2019

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 13th annual general meeting of **Welkom Yizani Investments (RF) Limited** (the company) will be held at Nasdak, Media24 Centre, 40 Heerengracht, Cape Town on **Monday 26 August 2019**, 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 registering to vote at this meeting on Monday 26 August 2019 will close at 10:45 on that day.

Record date, attendance and voting

The record date for the meeting is **Monday 12 August 2019**, 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 annual general 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 Monday 12 August 2019** 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 2019, as well as the reports of the directors, the auditor and the audit committee.

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

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

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 Mrs J C Held, who retires by rotation and, being eligible, offers herself for re-election as a director of the company. Her brief biographical details appear on page 72 of this report. The board unanimously recommends

that the re-election of Mrs Held in terms of resolution 4 be approved by the shareholders of the company.

5. To confirm the appointment of Mr A Mayman as a director of the company. His brief biographical details appear on page 72. The board unanimously recommends that the appointment of Mr Mayman in terms of resolution 5 be confirmed by the shareholders.
6. To appoint audit committee members as required in terms of the Act and as recommended by the King IV Code on Corporate Governance for South Africa 2016 (King IV) (principle 8).

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 Jafta, Mr A Mayman, and Mrs J C Held as members of the audit committee. Their brief biographical details appear on page 72 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, Singular Systems Proprietary Limited, 25 Scott Street, Waverley 2196 or PO Box 785261, Sandton 2146 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
29 July 2019

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 13th annual general meeting to be held in Nasdak, Media24 Centre, 40 Heerengracht, Cape Town on Monday 26 August 2019 at 11:00. Note that the registration counter for purposes of registration to vote at this meeting on Monday 26 August 2019 will close at 10:45 on that day. // Vir gebruik deur aandeelhouers by die 13^{de} algemene jaarvergadering wat op Maandag 26 Augustus 2019 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 26 Augustus 2019 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 Yizani ordinary shares in the company, hereby appoint according to my authorisation (see note 1) //

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

1. of // van or, failing him/her, // of, indien nie hy/sy nie

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

3. the chair of the company or, failing him/her, the chair of the annual general meeting as my/our proxy to vote for me/us on my/our behalf at the annual general meeting of the company to be held in Nasdak, Media24 Centre, 40 Heerengracht, Cape Town on Monday 26 August 2019 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 gevormagtigde om namens my/ons te stem by die algemene jaarvergadering van die maatskappy wat op Maandag 26 Augustus 2019 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 gevormagtigde 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: Confirmation of appointment of the following individuals as directors: // Gewone besluit 4: Bevestiging van aanstelling van die volgende individue as direkteure:			
Mrs K R Mthimunyie as a non-executive director // Mev K R Mthimunyie as 'n nie-uitvoerende direkteur			
Mrs E Weideman as a non-executive director // Mev E Weideman as 'n nie-uitvoerende direkteur			
Mr M I Davidson as an executive director // Mnr M I Davidson as 'n uitvoerende direkteur			
Mr M Patel as an executive director. // Mnr M Patel as 'n uitvoerende direkteur.			
Ordinary resolution 5: Re-election of the following directors: // Gewone besluit 5: Herkiesing van die volgende direkteure:			
Mr J P Bekker // Mnr J P Bekker			
Mr T D Petersen // Mnr T D Petersen			
Mrs J C Held. // Mev J C Held.			
Ordinary resolution 6: Appointment of audit committee members: // Gewone besluit 6: Aanstelling van ouditkomiteelede:			
Mr T D Petersen // Mnr T D Petersen			
Mrs J C Held // Mev J C Held			
Mrs K R Mthimunyie. // Mev K R Mthimunyie.			
Ordinary resolution 7: Endorse company's remuneration policy. // Gewone besluit 7: Onderskryf maatskappy se vergoedingsbeleid.			
Ordinary resolution 8: Approve the implementation report of the remuneration report. // Gewone besluit 8: Goedkeuring van die implementeringsverslag van die vergoedingsverslag.			
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 Maatskappijwet, 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 Maatskappijwet, 2008.			
Special resolution 4: Amendment of memorandum of incorporation. // Spesiale besluit 4: Wysiging van akte van oprigting.			
Ordinary resolution 9: Authorisation to implement all resolutions adopted at the annual general meeting. // Gewone besluit 9: 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 2019

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 gevormagtigde(s) (wat nie 'n aandeelhouer(s) van die maatskappy hoef te wees nie) aan te stel.

See notes on page 96. // sien aantekeninge op bladsy 96.

Notes to the forms of proxy of Media24 Holdings Proprietary Limited and Welkom Yizani Investments (RF) Limited

The following provisions shall apply in relation to proxies:

1. A shareholder of the company may appoint any individual (including one 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 their 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 is 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 that shareholder.
3. A proxy instrument must be in writing, dated and signed by the shareholder.
4. A proxy may not delegate their authority to act on behalf of the shareholder to another person.
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 exercising 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 as determined by the instrument appointing the proxy.
8. A shareholder's instructions to the proxy must be indicated by inserting an 'X' in the appropriate box.
9. Every shareholder present in person or by proxy and entitled to vote will, on a show of hands, have only one vote and, on a poll, every shareholder will 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 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, Singular Systems Proprietary Limited, 25 Scott Street, Waverley, 2196 or PO Box 785261, Sandton 2146, not less than forty-eight (48) hours (excluding Saturdays, Sundays and public holidays) before the annual general meeting to allow for processing. All other proxies must be handed in at the registration desks in Nasdak, Media24 Centre prior to the start of the annual general meeting.

Aantekeninge by die volmagvorms van Media24 Beherend Eiendoms Beperk en Welkom Yizani Beleggings (RF) Beperk

Die volgende bepalings is op gevormagtigdes van toepassing:

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 hi/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 nie sy/haar gesag om namens die aandeelhouer op te tree aan 'n ander persoon deleger nie.
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 heroop word, tensy die gevormagtigdebenoeming uitdruklik anders bepaal; en (iii) indien die benoeming heroop kan word, mag 'n aandeelhouer die gevormagtigdebenoeming heroop deur dit skriftelik te kanselleer of later 'n onverenigbare benoeming van 'n gevormagtigde te doen en 'n afskrif van die heroeplingsinstrument by die gevormagtigde en die maatskappy af te lewer.
7. Die gevormagtigde is daarop geregtig om enige stemreg van die aandeelhouer soos bepaal deur die instrument waarvolgens die gevormagtigde benoem is, uit te oefen.
8. 'n Aandeelhouer se opdragte aan die gevormagtigde moet aangedui word deur 'n 'X' in die toepaslike ruimte aan te bring.
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 aangestek is of deur die voorsitter van die algemene jaarvergadering kwytgeskeld is.
11. 'n Aandeelhouer mag enige tyd 'n gevormagtigde aanstel. Vir praktiese doeleindes moet volmagvorms ingedien word by of gepos word aan die oordragsekretaris van die maatskappy, Singular Systems Eiendoms Beperk, Scottstraat 25, Waverley 2196 of Posbus 785261, Sandton 2146, 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.

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 13th annual general meeting to be held at Nasdak, Media24 Centre, 40 Heerengracht, Cape Town on Monday 26 August 2019 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 26 August 2019, will close at 10:45 on that day. // Vir gebruik deur aandeelhouers by die 13^{de} algemene jaarvergadering wat op Maandag 26 Augustus 2019 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 26 Augustus 2019 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. 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 at Nasdak, Media24 Centre, 40 Heerengracht, Cape Town on Monday 26 August 2019 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 gevolmagtigde om namens my/ons te stem by die algemene jaarvergadering van die maatskappy wat op Maandag 26 Augustus 2019 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 verdragging van die algemene jaarvergadering van die maatskappy, en oor die algemeen as my/ons gevolmagtigde 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: Mrs J C Held. // Gewone besluit 4: Herkiesing van die volgende direkteur: Mev J C Held.			
Ordinary resolution 5: Appointment of director: Mr A Mayman. // Gewone besluit 5: Aanstelling van direkteur: Mnr A Mayman.			
Ordinary resolution 6: Appointment of audit committee members: // Gewone besluit 6: Aanstelling van auditkomiteelede:			
Prof R C C Jaffa // Prof R C C Jaffa			
Mr A Mayman // Mnr A Mayman			
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 2019

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 gevolmagtigde(s) (wat nie 'n aandeelhouer(s) van die maatskappy hoef te wees nie) aan te stel.

See notes on page 96 // sien aantekeninge op bladsy 96.

