



**INTEGRATED
ANNUAL REPORT**

2017

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ABOUT THIS REPORT



The board and management of eMedia Holdings Limited (“eMedia Holdings”) have the pleasure of presenting this Integrated Annual Report for the year ended 31 March 2017. Given the dynamic media landscape in which we operate, this comprehensive report summarises the Group’s financial, social, environmental and economic performance during the year under review.

As a JSE-listed company we subscribe to the principles of integrated reporting, which aim to provide insight into the business practices that have a material influence on our sustainability. We look to enhance our reporting systems and measures to provide valuable information to our stakeholders.

Some of the information presented in this report is supported by video footage, which can be accessed by clicking on the online links or scanning the QR codes on a mobile device. We showcase our Enterprise and Supplier Development Programme *Forerunners*, which features small and medium-sized South African businesses and the entrepreneurs behind them. We also celebrate active citizenship across the country in *South African Heroes* and showcase an initiative to save water in the Western Cape office.

REPORTING GUIDELINES

The extracted financial information from eMedia Holdings’ audited annual financial statements for the year ended 31 March 2017 has been correctly quoted in the Integrated Annual Report.

This report aligns with the requirements of the King Report on Governance in South Africa (“King III”), International Financial Reporting Standards (“IFRS”), the Companies Act of South Africa, 2008 (as amended), the Johannesburg Stock Exchange’s Listings Requirements and the guidance provided in the Integrated Reporting Committee of South Africa’s Framework for Integrated Reporting and the Integrated Reporting Discussion Paper (Framework) 2013.

For the purpose of this reporting period we have adhered to the reporting requirements stipulated in King III. The Group is in the process of ensuring that it complies with the updated requirements stipulated in King IV and will report in line with these principles next year. The board, assisted by the audit and risk committee, is responsible for overseeing the integrity of the Integrated Annual Report.

Our directors confirm that they have collectively reviewed the content of this report and believe that it addresses the material issues that are relevant for our key stakeholders, giving a fair representation of the integrated performance of the Group.

ASSURANCE

The financial statements included in this report have been audited by independent auditors, Grant Thornton Johannesburg Partnership. The Group’s broad-based black economic empowerment information has been verified by Empowerdex. The sustainable development information for the Carbon Disclosure Project was compiled with the assistance of IBIS Consulting.

FORWARD-LOOKING STATEMENTS

This report contains certain forward-looking statements which relate to the financial position of the operations of the Group and its underlying investments. These statements by their nature involve risk and uncertainty as they relate to events and depend on circumstances that may occur in the future. These forward-looking statements have not been reviewed or reported on by the Group’s independent auditors.

This Integrated Annual Report was approved by the eMedia Holdings board on 19 September 2017

We welcome any feedback on this report at info@emediaholdings.co.za

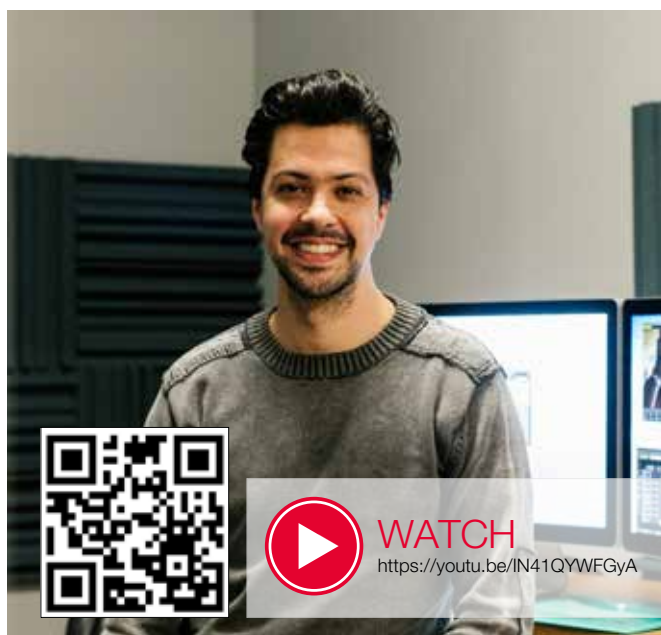
IN THIS REPORT

As video content is key to many of the Group's core operations, throughout this interactive integrated annual report you will see links and QR codes which can be used to access videos and additional content using your smartphone.

Inside, the Group's internal television platform, is an integral part of our employee communication strategy. Weekly inserts are broadcast via Inside, showcasing relevant news, business developments and other information to our employees around the country. You can find out more about this platform in the Human Relations section on page 50.

We have selected a number of these inserts and will share them with you throughout this report.

- In this report you will be able to meet some of eMedia Holdings' employees:



- Take a look at some of our social responsibility initiatives:



- And find out more about some of our environmental sustainability initiatives:



GET A QR CODE READER

If you don't have a QR code reader, you can download one for free using your smartphone. Visit the Google Play Store (Android users) or the Apple App Store (iOS) to download a reader.





WHO WE ARE

The Group's main asset is a controlling stake in eMedia Investments Proprietary Limited ("eMedia Investments"), a dynamic media investment company. The company owns a range of largely South African-based media assets in the broadcast, content, properties and facilities sectors.

eMedia Investments is a significant player in the African media industry, having introduced a number of new independent players into the broadcasting space, including South Africa's first and only free-to-air broadcaster, e.tv Proprietary Limited ("e.tv"). Over the last 18 years e.tv has become the country's most-watched English-language television channel, commanding millions of viewers each day. A repackaged version of the channel syndicates its content across the continent.

The company also owns eSat.tv Proprietary Limited ("eSat.tv"), which operates eNews Channel Africa ("eNCA"), the most-watched 24-hour news channel on the DStv platform and the country's first independent 24-hour news channel. eNCA consistently commands an audience share of over 50% of the available news audience and its online platforms continue to grow.

Another innovative business, Platco Digital, operates OpenView HD, the country's first free-to-air satellite television platform. OpenView HD is currently the fastest growing satellite television platform in the country, providing South Africans with even more free entertainment. OpenView HD is also the primary platform of the Group's e.tv multichannel business, which includes television channels eExtra, Beatlab.TV, eMovies+, eMovies Extra and eToonz+.

In addition to our interests in television and radio, the Group has a wide range of interests in content creation and distribution, book publishing, film and media facilities. The impact of our businesses is wide-reaching, with companies like Cape Town Film Studios, Moonlighting Film Services and Media Film Services facilitating some of the biggest films and commercials shot in South Africa and showcased around the world.

In recent years the Group has strategically exited its non-core business interests in an effort to focus on its broadcasting and content-focused businesses in the media sector.

OUR BUSINESS PHILOSOPHY

Through focused and ethical management of its assets, the Group strives to create long-term value for all of its stakeholders.

We do this predominantly through the broadcast of locally produced and international entertainment programming, as well as news and information programming, through our multi-channel and multi-platform strategy, providing advertising opportunities for marketers. Our smaller businesses focus on end-to-end television and film production solutions.

Our goal is to provide a return on investment while empowering citizens through job creation and adding value to the communities in which we operate. This is paramount to how we measure our success as a group. As a media group, we have the privilege of being able to use our technology, infrastructure and platforms to assist South African businesses and non-profit organisations.

As we navigate the ever-changing media landscape, we seek innovative and creative solutions to business challenges, while complying with all relevant regulatory and legal requirements, practicing good governance and being responsible corporate citizens.

OWNERSHIP

eMedia Holdings owns a 67.7% stake in eMedia Investments. The balance of eMedia Investments' shares are held by Venfin Media Beleggings Proprietary Limited ("Venfin").

eMedia Holdings' major shareholder is the JSE-listed Hosken Consolidated Investments ("HCI"). HCI is a black empowerment investment holding company which counts the Southern African Clothing and Textile Workers' Union (SACTWU) as its major shareholder. With over 99 000 members, SACTWU is the largest trade union in the clothing, textile, leather and footwear industry in the world. HCI is mandated to provide these workers with sustainable growth on their investments by investing in the local economy and empowering and enriching the lives of South Africans.

“

OpenView HD is currently the fastest growing satellite television platform in the country, providing South Africans with even more free entertainment.

”



OUR COMPANIES

BROADCASTING

e.tv | eSat.tv | Platco Digital
Yired (YFM) | Da Vinci Learning
Global Media Alliance Broadcasting Company

CONTENT

Jacana Media | Strika Entertainment
Lalela Music | Crystal Brook Distribution
Coleske Artists | Afrikaans Is Groot
Longkloof Limited

PROPERTIES AND FACILITIES

Silverline360 (*This includes:*
Refinery Post Production, Media Film Service
MovieMart Sales & Consumables, Waterfront Film Studios,
Moonlighting Films, Searle Street Post Production)
Cape Town Film Studios | Sasani Africa
Sabido Properties
Dreamworld Management Company



SCANDAL!

BROKEN  V O W S

90
MINUTES
MUST-WATCH TV



GROUP FINANCIAL AND PERFORMANCE HIGHLIGHTS

HEADLINE EARNINGS/(LOSS) PER SHARE

						Restated*		
		2011	2012	2013	2014	2015	2016	2017
Cents		(35.00)	209.00	29.00	(1.20)	41.07	7.33	22.01
R000's		(24 752)	146 736	20 040	(1 077)	169 378	32 199	98 039

* Prior year restated due to discontinuing operations

NET ASSET CARRYING VALUE PER SHARE AFTER TREASURY SHARES

		2011	2012	2013	2014	2015	2016	2017
Cents		1 785	2 010	2 010	2 200	1 406	1 369	1 384

DIVIDEND PER SHARE

Cents		-	-	-	-	-	-	-
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SHARE PRICE PER SHARE

		2011	2012	2013	2014	2015	2016	2017
Ordinary shares								
High	(cents)	1 000	1 200	1 540	3 200	1 980	1 460	1 200
Low	(cents)	320	710	860	1 160	1 360	786	633
At year-end	(cents)	850	1 190	1 200	2 000	1 450	950	769
N-Ordinary shares								
High	(cents)	900	1 150	1 450	3 150	1 910	1 250	665
Low	(cents)	310	720	960	1 200	1 090	434	362
At year-end	(cents)	830	1 110	1 200	1 740	1 090	590	550

SHARES IN ISSUE (NET OF TREASURY)

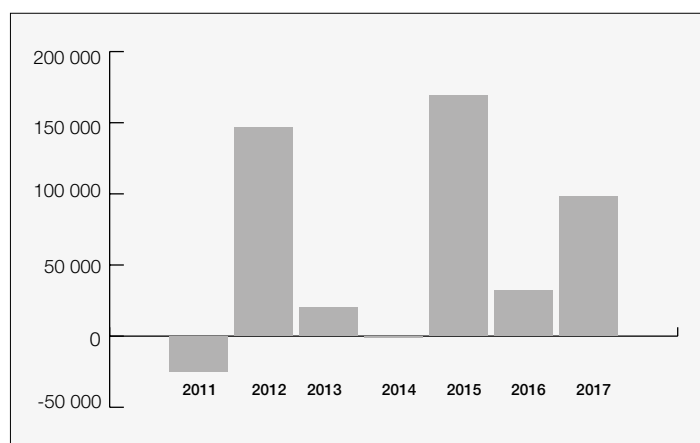
		2011	2012	2013	2014	2015	2016	2017
Average	('000)	70 295	70 340	68 531	88 401	412 400	439 408	445 359
At year-end	('000)	70 295	70 371	68 289	118 694	431 821	445 738	444 597

PERFORMANCE HIGHLIGHTS

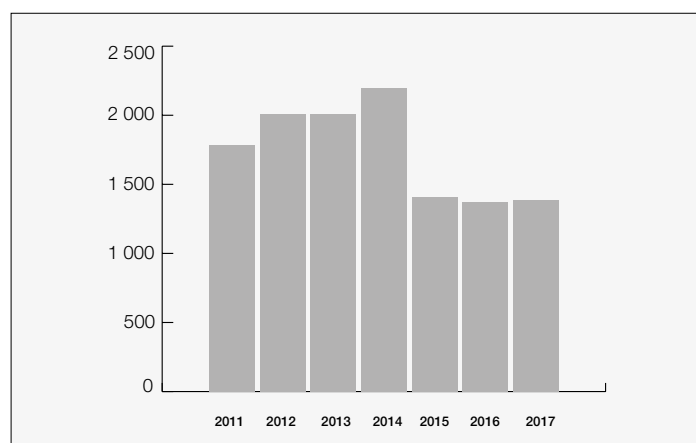
				Restated*
		2017	% Change	2016
Revenue	(R000's)	2 582 733	6.9	2 416 156
EBITDA	(R000's)	488 265	(6.3)	521 008
Profit before tax	(R000's)	215 575	(4.5)	225 840
Headline earnings	(R000's)	98 039	204.5	32 199
Headline earnings per share	(cents)	22.01	200.3	7.33
Headline earnings per share — continuing operations	(cents)	20.23	135.5	8.59
Net asset carrying value per share	(cents)	1 384	1.1	1 369

* 2016 restated due to discontinued operations reclassified.

HEADLINE EARNINGS (R'000)



**NET ASSET CARRYING VALUE PER SHARE
AFTER TREASURY SHARES (CENTS)**



DIRECTORS' PROFILE



JOHN ANTHONY COPELYN [67]

(CHAIRPERSON)

BA HONS, BPROC

NON-EXECUTIVE CHAIRPERSON

John Copelyn joined HCI as chief executive officer in 1997. From 1974 he was general secretary of various unions in the clothing and textiles industries before becoming a member of the first democratic parliament of the Republic of South Africa in 1994. He is chairperson of Tsogo Sun Holdings ("Tsogo"), Deneb Investments Limited ("Deneb") and Niveus Investments Limited ("Niveus"). He was appointed to the eMedia Holdings board, then known as Seardel Investment Corporation Limited ("Seardel"), in May 2005.



T G (KEVIN) GOVENDER [46]

(ACTING CHIEF EXECUTIVE OFFICER)

BCOM HONS, BCOMPT HONS

EXECUTIVE

Kevin Govender is the acting chief executive officer of eMedia Holdings and eMedia Investments. He joined HCI in 1997 and was appointed chief financial officer in 2001. He also serves on the board of Deneb. He was appointed to the eMedia Holdings (then Seardel) board in October 2008.



ANTONIO SERGIO LEE [44]

(FINANCIAL DIRECTOR)

BCOM (ACC), PGDA, CA (SA)

EXECUTIVE

Antonio Lee is the financial director of eMedia Holdings and chief financial officer of eMedia Investments. He has over 15 years' post article experience, including over 10 years' experience in the media sector. He was appointed to the eMedia Holdings board in December 2014.



LOGANATHAN GOVENDER [69]

BCOM, CTA, CA (SA)

LEAD INDEPENDENT NON-EXECUTIVE

Loganathan Govender manages his own auditing firm practice in Durban, which is South Africa's oldest black-owned auditing practice. He also serves on the board of Deneb. He was appointed to the eMedia Holdings board in April 2015 and serves on the audit and risk committee.



RACHEL WATSON [58]

INDEPENDENT NON-EXECUTIVE

Rachel Watson has 33 years' operational experience within the clothing industry as a trade union representative and national media officer. She currently holds a position as a station manager at a community broadcaster. She also serves on the boards of Deneb and HCI. She was appointed to the eMedia Holdings (then Seardel) board in August 2009 and serves on the audit and risk committee.



VELAPHI ELIAS MPHANDE [59]

INDEPENDENT NON-EXECUTIVE

Velaphi Mphande is the chairperson and lead independent director of HCI. He was the marketing director of Viamax Fleet Solutions, a subsidiary of Transnet, before joining Vukani Gaming Corporation as chief executive officer until 2010. He also serves on the main boards of HCI Coal, Tsogo Sun and Medicare24. He was appointed to the eMedia Holdings board in December 2014 and serves on the audit and risk committee.

“

The Group ended the year on a profit from continuing operations of R128 million, compared to R57.2 million the previous year.

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ACTING CHIEF EXECUTIVE OFFICER'S REPORT

“

e.tv was once again the most-watched English television channel in South Africa. Advertising revenue, while continuing to be under pressure, rose to R1.5 billion.

”

“

eNCA, eMedia Holdings' 24-hour news channel, continues to perform well and remains the most-watched news channel on DStv, with a viewership share of over 50%.

”



In the year to 31 March 2017, the Group reports an improvement from last year. The Group ended the year on a profit from continuing operations of R128 million, compared to R57.2 million the previous year. Having disposed of a number of underperforming international assets, we focused this year on building our local businesses.

I would like to thank our management and staff for their ongoing efforts to turn the business as a whole around during the past financial year. We rationalised certain technical operations by moving a number of technical staff from Cape Town to Johannesburg and continued the ongoing process of transformation in the business generally. We are confident that our management and staff are beginning to see the rewards of a fairly relentless process of introspection. This relates to the optimisation of our staff complement and the ongoing process of improved communication and change. It remains our belief that our employees are optimistic about the future of our companies, passionate about our products and strive to contribute towards the growth and prosperity of the Group.

The financial year has seen an improvement in its key asset, e.tv. Its share of the market hovered between 17% and 19% for most of the year, reversing recent trends. Advertising revenue, while continuing to be under pressure, rose to R1.5 billion. e.tv was once again the most-watched English television channel in South Africa. The improvement in market share was largely due to the change in the content acquisition strategy. In 2016, we focused attention on our local production segment to improve market share. In 2017, we retained certain key local shows and built a few more. We also turned towards international studio output to help build revenue drivers. While this increased programme costs, it helped balance the channel's look and feel and audience make up. Despite these increased costs, revenue for the Group ended the year on R2.582 billion compared to the prior year's R2.416 billion, a 6.9% increase. The programming strategy resulted in cost of sales ending the year on R1.176 billion compared to R1.083 billion the previous year, an increase of 9%.

eNCA, eMedia Holdings' 24-hour news channel, continues to perform well and remains the most-watched news channel on DStv, with a viewership share of over 50%. A substantial part of the year was spent negotiating a new agreement with DStv. The agreement was concluded for a further five years, which provides ongoing stability in the news generation sector, which is reliant on high personnel numbers and infrastructural spend. Its online service, eNCA.com, continues to show growth with approximately two million unique browsers per month. Video content online continues to generate views and we saw spikes during key local news events. While revenue in the online division of news was not significant, we look forward to a revenue uptick in the 2018 financial year.

The Group continued investing in the multi-channel business, both through the OpenView HD platform and the e.tv multi-channel business. We continued to subsidise our set-top boxes to enable and encourage the R399 retail price point. The platform continues to roll out its free-to-view satellite service, with no monthly subscriptions required. The business is reliant on advertising revenue as its income model. The market for this service continues to show uptake in the LSM* 4-8 sector of economically active South Africans. This offering remains the only one of its type in South Africa. A further investment of R307.1 million compared to R261.9 million in 2016 was made with an inconsequential revenue recovery. This is expected during the building phase of the business. On a positive note, OpenView HD has seen the number of activations increase from 388 812 in 2016 to 778 160 at the end of the financial year, an increase of 100.14%.

The lengthy period of litigation between e.tv and the Minister of Communications and Others regarding the Broadcasting Digital Migration policy came to an end with the Constitutional Court pronouncing on the executive powers of the Minister to determine policy. To that end, we await the new Minister's policy framework which is required before the policy can be used to roll out digital terrestrial television.

Our radio segment, driven by YFM, continued to deliver value to the Group, achieving net profit of R9.74 million for the year. In the Properties and Facilities segments, Sasani continued its excellent trend of profitability, delivering R24.75 million net profit for the financial year. Silverline360, which acquired service companies Moonlighting Films and Waterfront Film Studios during the prior year and the current year respectively, delivered a net profit of R12.36 million.

The Group continues to retain the iconic Cape Town Film Studios, located just off the N2, as well as its interest in the land surrounding the Studios. We are hoping to begin to develop or sell at least part of this surrounding land to repay the Studio's loans during the next financial year.

The financial year also saw management continue to look at the future of the Group by exiting non-core and non-profitable investments. This resulted in R32.5 million being reflected as a profit from discontinued operations. The Group has all but exited from its offshore investments and will for the near future concentrate on its core South African assets with ever increasing competition from non-linear broadcasting platforms.

A key to seeing good results requires an increased revenue line for our multi-channel business, which we hope to begin to achieve in 2018. Management is of the view that with the stabilisation of e.tv's market share and the continued investment in the content offering, the Group is poised to achieve even better results this forthcoming year. The Group, buoyed by its integrated occupation of the new Cape Town offices, will look to integrate its Johannesburg staff into one building in the next two years.

Kevin Govender
Acting chief executive officer
19 September 2017

*LSM or Living Standard Measure is a standardised segmentation tool that determines standard of living using access to services and durables, and geographic location as indicators.



“

Long-running daily
local dramas
Scandal and *Rhythm City*
continue to deliver
steady ratings.

”



e.tv is South Africa's first and only independent free-to-air commercial television channel. Since its launch in 1998, e.tv has established itself through a strong entertainment and current affairs programme offering which has captivated South African audiences. The channel has consistently exceeded its local production licence obligations of 45% and has become well-known for its range of international content, establishing international blockbuster movie and series slots.

Advertising revenue showed a healthy increase for the financial year reflecting this growth.

Long-running daily local dramas *Scandal!* and *Rhythm City* continue to deliver steady ratings. Our continued investment in the local television production industry saw the production of new shows including *The Alliance* and *The Kingdom – Ukhakhayi*, as well as new seasons of popular and acclaimed series like *Heist*, *Gold Diggers* and *Z'bondiwe* during the fiscal year.

The early prime time block (17h30 to 18h30) has seen a significant year-on-year increase in audience numbers. All adults increased by 45.01% with LSM* 8-10 increasing by 99.46%.

In a strategic move to appeal to viewers in LSM* 6 and above, local programming between 20h30 and 21h30 was replaced with international dramas like *The Blacklist*, *The Fixer* and *Devious Maids*. This resulted in a decline in lower income viewers of 11.35% in the Monday to Wednesday 20h00 to 21h30 slot, but saw an increase in higher income viewers of 13.40%.

International blockbuster movies remain a key content pillar for the channel, but increased audience fragmentation has seen ratings decline in some slots.

In October 2016, e.tv's multi-channel business launched eMovies Extra on the OpenView HD platform. The channel offers viewers premium movies, complementing the existing multi-channel movie offering. During the fiscal we also relaunched eKasi+ and rebranded it as eExtra in a bid to change the channel's offering and broaden its viewership base.

e.tv continues to improve its multi-channel offering by reviewing and enhancing the content offered on eMovies+, eMovies Extra, eExtra and eToonz+.

**LSM or Living Standard Measure is a standardised segmentation tool that determines standard of living using access to services and durables, and geographic location as indicators.*

“
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increasing by 99.46%.
”



eSat.tv houses eNCA, eMedia Investments' news division and South Africa's premier independent supplier of television, mobile and online news. In addition to operating eNCA, the most-watched news channel on the DStv platform, they offer daily live news bulletins in English on e.tv and in Afrikaans on kykNET (on DStv).

eNCA.com complements the broadcast news services, engaging viewers online through their desktop website, mobile apps and services, catering to the public's need for immediate, breaking news on multiple platforms.

During the 2017 financial year, eSat.tv consolidated its leading position in the television news market. eNCA's audience hit a peak during the year of 54% of the pay-TV news market, with a 50.76% growth in average viewership over the previous year and a 7.56% growth in market share. Their online and social media presence grew exponentially, with their website topping two million unique browsers by year-end, an increase of 45%. As of March 2017, they had more than 1.2 million Twitter followers and over 175 million views of eNCA's social content on Facebook and Twitter.

Advertising revenue showed a healthy increase for the financial year reflecting this growth.

The agreement to provide eNCA and eNuus exclusively to MultiChoice was renewed for five years, providing stability to the company. eNuus was consistently in the top two programmes on the kykNET schedule.

The swift flow of news has provided a challenging environment, however, the eNCA newsroom has done particularly well on big breaking stories. By way of an example they achieved record audiences when it was announced in March 2017 that there would be a late-night Cabinet reshuffle, and the protest marches that subsequently followed.

A rise in political tensions and attempts to plant dubious stories, known as "fake news", have added to the pressures. The news division has taken steps to increase fact-checking skills and tighten pre-broadcast verification to manage these risks.

eNCA journalists featured in the television categories in the 2017 Vodacom Journalist of the Year Awards. Zikhona Tshona and Muraga Mphaphuli won the TV News category. *Checkpoint* won the CSI/Sustainability category and Junia Stainbank was a joint winner in the Sport category.

“
eNCA's
audience hit a
peak during the year
of 54% of the pay-TV
news market,
with a 50.76% growth
in average viewership
over the previous year
and a 7.56% growth
in market share.
”



Platco Digital

In 2013, eMedia Investments, through its subsidiary Platco Digital, introduced South Africa's first free-to-air high-definition ("HD") multi-channel satellite television platform, OpenView HD. OpenView HD offers premium local and international content, including **movies, music, drama, lifestyle and culture, learning, kids and religious programming.**

Platco Digital's key differentiator in the satellite market is that it offers multi-channel television entertainment with no monthly subscription fees.

Platco Digital had its most successful year to date increasing the number of activated OpenView HD decoders (set-top boxes) in the market by 101% ending on a total of 778 160 activations, an increase of 390 041 for the 2017 financial year. It is expected to reach over one million activations in the next fiscal year.

In addition to **Game**, Platco Digital also extended its retail distribution partners to include **PEP, Pick n Pay, OK Furniture, Makro**, and many more. OpenView HD is currently available in nearly 3 000 stores countrywide. Platco Digital continues to subsidize set-top boxes. This has assisted in maintaining the low retail price at **R399**.

OpenView HD's content has also seen an improvement with the introduction of new channels, most notably a new movie channel supplied by sister company e.tv.

Research conducted in the period indicates that OpenView HD's value proposition appeals to the South African market who are looking for quality entertainment without having to pay monthly fees.



“

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YIRED PROPRIETARY LIMITED (“YFM”)

YFM is a Gauteng-based radio station that targets the youth market. For the past 20 years it has been instrumental in breaking the best new music and setting youth trends. In spite of its obligation to broadcast only 50% local content, in terms of the Broadcasting Service Licence issued by The Independent Communications Authority of South Africa (“ICASA”), YFM broadcasts **at least 60% local music**, playing a pivotal role in the development of the South African music industry.

Despite difficult market conditions and significant marketing budget cuts across the national spectrum, YFM closed the 2016/17 financial year at R67 million revenue, a 10% increase from the 2015/16 financial period.

With recent and on-going political instability in the country, as well as the changes within the radio research space, YFM faces a difficult year ahead, but remains positive it will achieve its fiscal targets.

YFM maintains its share of market in the Gauteng region, reflecting an audience of **626 000 weekly listeners** within its core target audience. This listenership figure is based on the new radio audience research done by The Broadcast Research Council of South Africa’s Radio Research Committee (“BRC RAM”). The new research methodology has withstood much scrutiny and confirms that audiences are in fact better represented despite being seemingly reduced in numbers.

YFM holds a total digital community in excess of one million people. Facebook has a following of 490 194, with their Twitter following of 677 600. YFM’s registered website users are at 136 258. These statistics combined with the reported BRC RAM audience data, prove that **YFM is far ahead of its competitors** in this digital era.

YFM was cited as a Defendant in the legal proceedings initiated by the South African Music Performance Rights Association (“SAMPRA”) for Needletime payments to performers, prior to March 2014. That is payment to performers for music played on radio stations across South Africa. March 2014 was the date of the Supreme Court of Appeals’ judgement and the date from whence payments to SAMPRA have been made. YFM and 12 other radio stations will defend the matter as a collective via the National Association of Broadcasters (“NAB”).



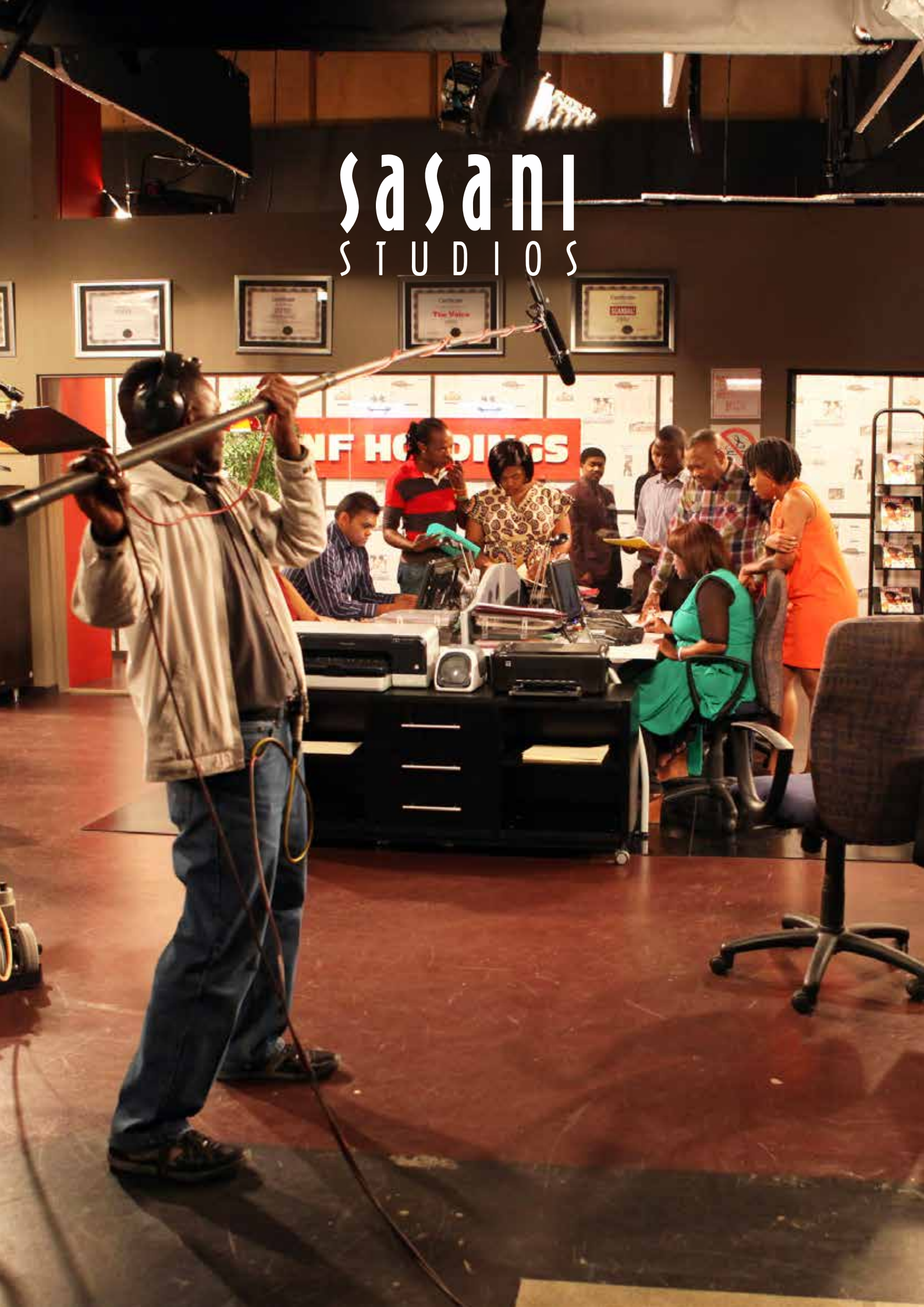
“

Despite difficult market conditions and significant marketing budget cuts across the national spectrum, YFM closed the 2016/17 financial year at R67 million revenue, a 10% increase from the 2015/16 financial period.

”

sasani

STUDIOS



Sasani Africa (Pty) Limited (“Sasani”)

Sasani has been integral to the film and television industry in South Africa and throughout Africa for over 30 years.

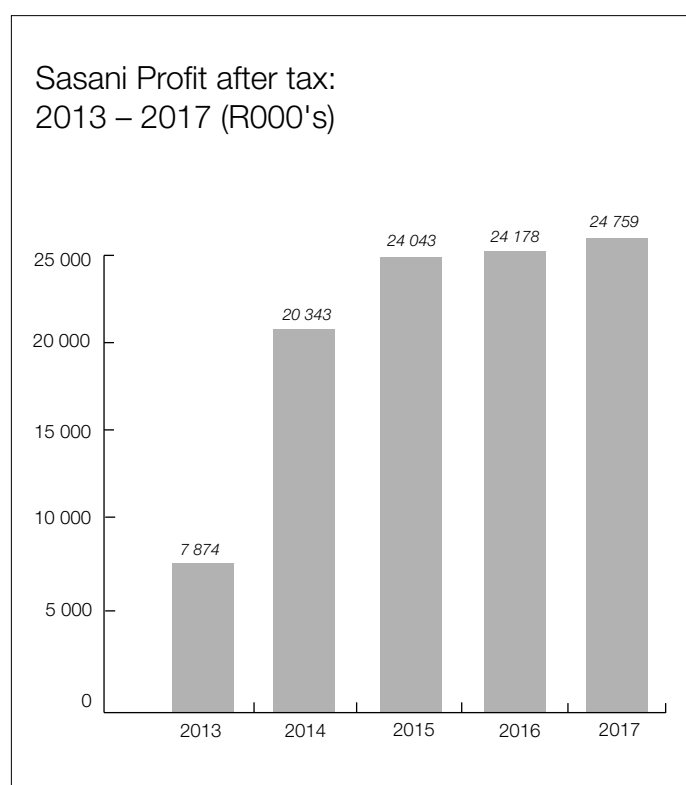
The company is a major player in the industry, providing state-of-the-art television, film studio and post-production facilities. Sasani is one of the largest studio facilities companies in terms of studio space in Africa. It currently has ten studios in total, ranging between 62 m² to 1,057 m² in size. Its offering includes studio rentals, equipment rentals, video and audio post-production and technical project management.

The Sasani team specialises in the professional technical design and execution of any production, from daily soaps to “live” extravaganzas. It is a multi-faceted company with its core business being live-on-air broadcasts to all channel providers, both locally and internationally.

OPERATIONAL REVIEW

Despite the 2017 fiscal year being challenging, Sasani Studios still managed to deliver good results. It retains a competitive advantage largely because the studios comfortably meet international specifications, and because the Sasani team go to great lengths to provide exceptional client service. As a result our year-on-year profits continue to show good growth.

The graph below details the net profit growth from financial years 2013 to 2017, in which financial year 2013 saw a profit of R7,874 million, and financial year 2017 achieved a profit of R24,759 million:



The notable increase in profitability over the last three financial years can be attributed largely to the development of the new Stage 1 and 4 complex. It is pleasing to note that the three major South African broadcasters are all represented at Sasani with four daily soaps produced on site in Highlands North, namely *Rhythm City*, *Scandal!*, *Isidingo* and *Skeem Saam*. Sasani provides technical support to the fifth soap, *7de Laan*, which is offsite in Lonehill.

We are currently in production with two series of *The Voice*. To date we have completed four series of *The Voice* Angola, South Africa, Nigeria and Afrique Francophone, which was broadcast in West Africa. These series typically yield a good profit margin; we aim for a gross profit margin of 70% with The Voice Productions.

More recently we were thrilled to have secured the popular, international format *Take Me Out*, and a local sitcom *Rented Family*.

Sasani has now utilised the majority of our available footprint and any further expansion will need to be offsite.

Our total studio capacity is as follows:

Stage 1	595 m ²
Stage 2	425 m ²
Stage 3	316 m ²
Stage 4	885 m ²
Stage 5	425 m ²
Stage 6	1 027 m ²
Stage 7	975 m ²
Stage 8	908 m ²
Studio A	62 m ²
Studio B	164 m ²
TOTAL	5 782 m²

With Sasani reaching capacity, we can expect the business to plateau somewhat going forward. The meteoric growth seen in recent years will begin to ease off, and we are therefore exploring offsite ventures as well as new business opportunities both locally and internationally.

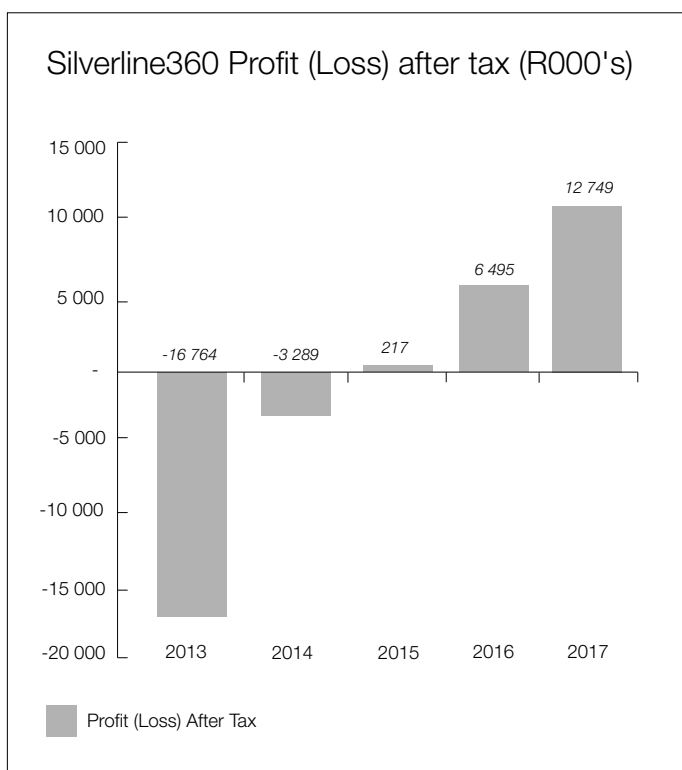
A photograph of a film set. In the foreground, a black wooden director's chair with orange fabric upholstery is positioned on a light-colored floor. In the background, a camera is mounted on a dolly, which is on wheels and tracks. The scene is brightly lit, creating strong shadows. A circular logo with the text "silverline threesixty" is overlaid in the upper left quadrant.

silverline
threesixty

Silverline360

Silverline360 is a group of companies that provides fully-integrated film and broadcast services. The company's strength is built on years of experience in hundreds of productions providing world-class expertise and professionalism. Silverline360 ensures seamless productions; from planning and developing, to funding and roll-out.

Silverline360 delivered a significant growth in revenue and profit for the financial year. The revenue for the group was up 12.7% to R280 million and the net profit after tax has improved to R12.7 million from R6.5 million the prior year. The Group has significantly improved their performance over the past five years.



The main revenue and profit drivers for the group were Media Film Service, Moonlighting and Refinery Cape Town. Moonlighting Films has now been completely integrated and continues to perform above expectations.

Waterfront Studios was acquired during the financial year. A significant investment in the refurbishment of the post-production facility was made to upgrade the facility to international standards. The acquisition of the Studios has facilitated the consolidation of the Cape Town operations into one facility ensuring savings on services and infrastructure requirements.

South Africa, specifically Cape Town, continues to be an extremely attractive destination for international film, television and commercial productions. The group was involved in major Hollywood film productions such as *Maze Runner: The Death Cure* (20th Century Fox), *Tomb Raider* (MGM) and *The Mummy* (Universal Pictures). International episodic television productions continue to grow in South Africa, which allows for further growth and expansion.

The local film industry is going through an extremely tough period due to lack of private and investment funding for local content. This is likely to continue for the foreseeable future, which places extreme pressure on our Gauteng-based operations where most of these productions take place. Silverline360 is working closely with other stakeholders to improve the situation.

Management continues to look for new opportunities for growth and we are developing an outside broadcasting division within Media Film Service. We are also evaluating the business opportunities in Mauritius after a significant improvement in their film rebate programme. These programmes will be operational in the new financial year.

“The local film industry is going through an extremely tough period due to lack of private and investment funding for local content.”

SHAREHOLDER SNAPSHOT

Listed below is an analysis of shareholding extracted from the register of ordinary and N-ordinary shares at 31 March 2017.

RANGE OF UNITS

Ordinary shares

SHARE RANGE	NUMBER OF SHAREHOLDERS	% OF SHAREHOLDERS	NUMBER OF SHARES	% OF ISSUED CAPITAL
1 – 1 000	693	70.50	115 669	0.18
1 001 – 5 000	148	15.06	414 387	0.65
5 001 – 50 000	104	10.58	1 580 886	2.48
50 001 – 100 000	11	1.12	661 049	1.04
100 001 and over	27	2.75	61 038 253	95.66
	983	100.00	63 810 244	100.00

N-Ordinary shares

1 – 1 000	538	54.40	102 931	0.03
1 001 – 5 000	180	18.20	486 623	0.13
5 001 – 50 000	210	21.23	3 111 971	0.81
50 001 – 100 000	19	1.92	1 224 761	0.32
100 001 and over	42	4.25	377 001 073	98.71
	989	100.00	381 927 359	100.00

BENEFICIAL SHAREHOLDERS HOLDING 5% OR MORE OF ORDINARY SHARES

Shareholder	Number of Shares	% Of Issued Capital
Fulela Trade and Invest 81 Proprietary Limited	49 760 381	77.98
	49 760 381	77.98

BENEFICIAL SHAREHOLDERS HOLDING 5% OR MORE OF N-ORDINARY SHARES

Shareholder	Number of Shares	% Of Issued Capital
HCI Invest 6 Holdco Proprietary Limited	323 330 485	84.66
	323 330 485	84.66

DISTRIBUTION OF SHAREHOLDERS

Ordinary shares

DISTRIBUTION OF SHAREHOLDERS	NUMBER OF SHAREHOLDERS	% OF SHAREHOLDERS	NUMBER OF SHARES	% OF ISSUED CAPITAL
Bank	5	0.51	1 094 015	1.71
Close Corporation	22	2.24	2 251 215	3.53
Individual	864	87.89	55 939 423	87.67
Investment Company	20	2.03	1 893 186	2.97
Pension Fund	8	0.81	25 098	0.04
Private Company	17	1.73	198 884	0.31
Public Company	6	0.61	700 297	1.10
Trust	41	4.17	1 708 126	2.68
	983	100.00	63 810 244	100.00

N-Ordinary shares

Bank	6	0.61	2 045 972	0.54
Close Corporation	27	2.73	6 283 942	1.65
Individual	859	86.86	39 290 451	10.29
Investment Company	15	1.52	1 835 140	0.48
Pension Fund	2	0.20	21 300	0.01
Private Company	25	2.53	324 902 841	85.07
Public Company	9	0.91	1 891 458	0.50
Trust	46	0.63	5 656 255	1.48
	989	100.0	381 927 359	100.00

STOCK EXCHANGE PERFORMANCE FOR ORDINARY SHARES

Total number of shares traded	(000's)	746 729
Total value of shares traded	(R000's)	6 228 375
Market price per share		
- Closing	(cents)	769
- High	(cents)	1 200
- Low	(cents)	633
Market capitalisation	(R000's)	490 700 776

STOCK EXCHANGE PERFORMANCE FOR N-ORDINARY SHARES

Total number of shares traded	(000's)	4 208 688
Total value of shares traded	(R000's)	22 400 098
Market price per share		
- Closing	(cents)	550
- High	(cents)	665
- Low	(cents)	362
Market capitalisation (R000's)	(R000's)	2 100 600 475

SHAREHOLDERS' DIARY

Financial year-end	March
Annual general meeting	October
Reports	
- Preliminary report	May
- Integrated Annual Report	July
- Interim report (for six months ended 30 September)	November



DIRECTORS' INTEREST IN SHARES

FOR THE YEAR ENDED 31 MARCH 2017

At the year-end the directors (including their family interests) were directly or indirectly interested in the company's issued shares as follows:

ORDINARY SHARES				
	2017 Number of shares	%	2016 Number of shares	%
Direct	-	-	-	-
Indirect	3 305 289	5.2	2 898 981	4.5

N-ORDINARY SHARES				
	2017 Number of shares	%	2016 Number of shares	%
Direct	47 644	0.0	47 644	0.0
Indirect	14 725 164	3.9	12 915 051	3.4

There have been no material changes subsequent to 31 March 2017 and up to the date of posting of this annual report.

Details of directors' beneficial direct and indirect interest in the ordinary and N-ordinary shares are as follows:

	Direct		ORDINARY SHARES	
	2017	2016	Indirect	2016
T G Govender	-	-	137 385	114 294
A S Lee	-	-	-	-
J A Copelyn	-	-	3 167 904	2 784 687
V E Mphande	-	-	-	-
L Govender	-	-	-	-
R D Watson	-	-	-	-

	Direct		N-ORDINARY SHARES	
	2017	2016	Indirect	2016
T G Govender	-	-	612 053	509 185
A S Lee	47 644	47 644	-	-
J A Copelyn	-	-	14 113 111	12 405 866
V E Mphande	-	-	-	-
L Govender	-	-	-	-
R D Watson	-	-	-	-

There have been no material changes subsequent to 31 March 2017 and up to the date of posting of this annual report.



For the purpose of this reporting period we have adhered to the reporting requirements stipulated in King III. The Group is in the process of ensuring that it complies with the updated requirements stipulated in King IV and will report in line with these principles next year.





CORPORATE GOVERNANCE REPORT

Ethical conduct, good corporate governance and risk governance are fundamental to the way that eMedia Holdings manages its business. Stakeholders' interests are balanced against effective risk management and eMedia Holdings' obligations to ensure ethical management and responsible control.

ETHICS

The Group has a code of conduct which underpins its business practices. All staff are expected to adhere to this code. It provides guidance and clarification on matters such as conflicts of interest, acceptance and giving of donations and gifts, the compliance with laws and the dissemination of Group confidential information.

In line with the principles in this code, it is expected of all employees to be accountable for their actions and act in a manner that adheres to the following core values:

- Honesty
- Integrity
- Mutual respect
- Accountability
- Professionalism

The directors, officers and senior management of eMedia Holdings and its subsidiaries remain committed to a high level of corporate governance and endorse the Code of Corporate Practices and Conduct as enshrined in the King III Report on Corporate Governance. The Group recognises that sound corporate governance practices enhance shareholder value and by conducting the Group's affairs with integrity, this will ensure the long-term sustainability of the business.

BOARD OF DIRECTORS

The board is regulated by a formal board charter, which sets out the role of the board and the responsibilities of the directors. The board maintains full and effective control over the company and is accountable and responsible for its performance. The board charter codifies the board's composition, appointment, authorities, responsibilities and processes, and sets out the fiduciary duties of the directors of the company. It provides the board with a mandate to exercise leadership, determine the Group's vision and strategy and monitor operational performance.

COMPOSITION OF THE BOARD

The composition of the board comprises a balance of influence, with a majority of non-executive directors, the majority of which are independent.

The board currently comprises two executive directors and four non-executive directors, three of whom are classified as independent. The composition of the board reflects the need to protect the interest of all stakeholders. It is a requirement in terms of our Board Charter that, in considering the balance of the board, cognisance be taken of the gender and racial mix to represent the demographics of the country in which the Group operates and to ensure that the board is sufficiently gender diverse. The majority of the board members are previously disadvantaged individuals as defined in the Employment Equity Act.

eMEDIA HOLDINGS DIRECTORS

J A Copelyn* (non-executive Chairperson)
L Govender **
T G Govender (acting chief executive officer)
A S Lee
V E Mphande**
R D Watson**

* Non-executive

** Independent non-executive

The roles of the chairperson and chief executive officer are separated. To uphold their independence and integrity, directors disclose all material interests as and when they arise. A list of directors' interests is tabled annually.

The directors are entitled to seek independent professional advice at the company's expense concerning the company's affairs and have access to any information they may require in discharging their duties as directors. Seminars, workshops and lectures by leading experts in their field are given on an on-going basis to directors to assist in their duties.

BOARD COMMITTEES

Three board committees and an executive committee have been established to assist the board in discharging its responsibilities. In line with King III, all board committees comprise only members of the board but appropriate personnel are invited to the meetings as required. All committees are empowered to obtain such external or other independent professional advice as they consider necessary to carry out their duties. These committees play an important role in enhancing good corporate governance and improving internal controls and consequently the company's performance. Each board committee acts according to written terms of reference, approved by the board and reviewed annually, setting out its purpose, membership requirements, duties and reporting procedures.

Each of the company's major subsidiaries has established board and committee structures which submit regular reports to the company.

eMEDIA HOLDINGS AUDIT AND RISK COMMITTEE

L Govender – Chairman of the audit and risk committee
V E Mphande
R D Watson

eMEDIA INVESTMENTS' SOCIAL AND ETHICS COMMITTEE ACTS ON BEHALF OF THE GROUP

J A Copelyn – Chairman of the social and ethics committee
H Carse*

*H Carse is an independent director of eMedia Investments.

eMEDIA INVESTMENTS' REMUNERATION COMMITTEE ACTS ON BEHALF OF THE GROUP

J A Copelyn – Chairman of the remuneration committee
*H Carse

*H Carse is an independent director of eMedia Investments.

The operational remuneration committee sits at the eMedia Investments level. All matters requiring eMedia Holdings' approval or consideration are recommended when required.

MEETINGS OF THE BOARD

During the year, eMedia Holdings held four board meetings. The directors are comprehensively briefed in advance of the meetings and are provided with the necessary information to enable them to discharge their responsibilities.

Individual directors' attendance at the eMedia Holdings board meetings are set out in the table below:

Board members	May 2016	Aug 2016	Nov 2016	Mar 2017
John Copelyn	✓	✓	✓	✓
Kevin Govender	✓	✓	✓	X
Rachel Watson	✓	✓	✓	✓
Loganathan Govender	✓	✓	✓	✓
Antonio Lee	✓	✓	✓	✓
Velaphi Mphande	✓	✓	X	✓

MEETINGS OF THE AUDIT AND RISK COMMITTEE

During the year, eMedia Holdings held four audit and risk committee meetings. The members are comprehensively briefed in advance of the meetings and are provided with the necessary information to enable them to discharge their responsibilities.

Individual members' attendance at the eMedia Holdings audit committee meetings are set out in the table below:

Board members	May 2016	Aug 2016	Nov 2016	Mar 2017
Loganathan Govender	✓	✓	✓	✓
Rachel Watson	✓	✓	✓	✓
Velaphi Mphande	✓	✓	X	✓

MEETINGS OF THE SOCIAL AND ETHICS COMMITTEE

During the year eMedia Holdings held three social and ethics committee meetings. The members are comprehensively briefed in advance of the meetings and are provided with the necessary information to enable them to discharge their responsibilities.

Individual members' attendance at the eMedia Holdings social and ethics committee meetings are set out in the table below.

Board members	Aug 2016	Nov 2016	Mar 2017
John Copelyn	✓	✓	✓
Hendrik Carse	✓	✓	✓

FINANCIAL DIRECTOR

Antonio Lee, an executive director, is the financial director of the Group. The audit committee has considered his expertise and experiences and deems it appropriate. The committee is also satisfied that the expertise, resources and experience of the finance function is adequate. The financial director's competency and expertise will be assessed on an annual basis by the audit committee.

COMPANY SECRETARY

Junadi Van der Merwe is the appointed company secretary of the Group. The company secretary is appointed by the board in terms of the Companies Act and in accordance with the JSE Listings Requirements. The company secretary is not a director of the company. The board has assessed the company secretary and is satisfied that she has the competence, qualifications and experience to effectively fulfil the role of the company secretary.

The company secretary provides support and guidance to the board in matters relating to governance, ethical conduct and fiduciary duties. Where required, the secretary facilitates induction and training for directors and coordinates the annual board evaluation process. Directors have unrestricted access to the advice and services of the company secretary while maintaining an arm's-length relationship between the board and the company secretary.

DEALING IN THE COMPANY'S SECURITIES

eMedia Holdings complies with the continuing obligations of the JSE Listings Requirements. A group-wide share trading policy is in place whereby all directors and employees who have access to financial results and other price-sensitive information are prohibited from dealing in eMedia Holdings shares during certain prescribed restricted periods as defined by the JSE, or when the company is operating under a cautionary announcement. The company secretary regularly disseminates written notices to inform these employees of the insider trading legislation and advice of closed periods. All directors and senior executives are required to obtain written clearance prior to dealing in the shares of the company and to report all share dealings to the company secretary, to ensure that all such dealings are disclosed in terms of the applicable JSE Listings Requirements.

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In line with the principles in this code, it is expected of all employees to be accountable for their actions and act in a manner that adheres to the following core values:

- Honesty
- Integrity
- Mutual respect
- Accountability
- Professionalism

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CONFLICT OF INTEREST

The directors are required to avoid situations where they have direct or indirect interests that conflict with the Group's interests. Procedures are in place for disclosure by directors of any potential conflicts and for appropriate authorisation to be sought if conflict arises.

COMPLIANCE WITH LAWS, CODES AND STANDARDS AND LICENCE CONDITIONS

eMedia Holdings respects and complies with the laws of the countries in which it operates. The Group has identified three critical legislative areas which are material to the company. They deal with compliance with our broadcast licence, human capital management and safety in the workplace.

e.tv's broadcast licence places these obligations on the broadcaster: employment equity, skills development, language diversity, local content, general programming, information programming, news and current affairs programming, children's programming and advertising limitation.

The company has strong and established processes, which ensure that all obligations specified in the company's licence conditions are met and exceeded. Quarterly compliance reports are produced to ensure that targets are met. This allows for any necessary adjustments to be made before submission to ICASA.

With regard to the laws governing employer/employee relations and health and safety, the company has formulated policies and delegated responsibility to designated employees to monitor and ensure compliance with the various acts.

DISCLOSURES

To ensure shareholder parity, eMedia Holdings ensures that accurate and timely disclosure of information that may have a material effect on the value of the securities or influence investment decisions, is made to all shareholders. The company publishes details of its corporate actions and performance via the Stock Exchange News Service ("SENS") and the main South African daily newspapers. The company maintains a website through which access is available to the broader community on the company's latest financial, operational and historical information, including its annual report.

LITIGATION

There are no material legal or arbitration proceedings which may have a material effect on the financial position of eMedia Holdings.

GOVERNANCE OF INFORMATION TECHNOLOGY

Due to the inherent risks in information technology, King III has recommended that the board of directors be responsible for the assessment, implementation and monitoring of Information Technology ("IT") within the company. As a media investment company and with the convergence of broadcasting and information technology, IT governance is critical to governance procedures.

IT governance is a standing item on the audit and risk committee agenda, with the chief technology officer for e.tv, eNCA and Platco reporting to the committee on a quarterly basis. An annual external audit evaluates IT in terms of governance. This ensures that policies and procedures are current, relevant and implemented. In addition to the annual external audit, there are also internal audits conducted during the year.

The shift away from traditional broadcasting equipment towards information technology infrastructures means that all IT equipment, as related to broadcast infrastructure, is purchased with a five-year maintenance warrantee. This ensures that external resources are readily available in the event of failure.

With regards to the delivery of television channels for broadcast, the companies use both fibre and satellite delivery mechanisms with the consideration of redundancy always taken into account.

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Ethical conduct,
good corporate
governance and risk
governance
are fundamental to
the way that eMedia
Holdings manages its
business.”

KING III

CHAPTER 2 - APPLICATION REGISTER

For the purpose of this reporting period we have adhered to the reporting requirements stipulated in King III. The Group is in the process of ensuring that it complies with the updated requirements stipulated in King IV and will report in line with these principles next year.

KING III PRINCIPLE		COMMENTS ON APPLICATION IN 2017
Principle 2.1	The board acts as the focal point for and custodian of corporate governance.	The board has a charter setting out its role, powers and responsibilities.
Principle 2.2	The board appreciates that strategy, risk, performance and sustainability are inseparable.	Principle 2.2 is evidenced throughout the Integrated Annual Report.
Principle 2.3	The board provides effective leadership based on ethical foundations.	All deliberations, decisions and actions of the company are based on sound ethical values, which are evidenced throughout the Integrated Annual Report.
Principle 2.4	The board ensures that the company is, and is seen to be, a responsible corporate citizen.	The board continuously monitors the effect any decision implemented would have on sustainability and the company's reputation. The company's strong commitment to corporate citizenship is evidenced throughout the Integrated Annual Report.
Principle 2.5	The board ensures that company ethics are managed effectively.	The social and ethics committee (operating at an eMedia Investments level) has implemented a code of ethics which has at its core, honesty, integrity, mutual respect, accountability and professionalism. The board is regularly updated by the committee.
Principle 2.6	The board should ensure that the company has an effective and independent audit committee.	The audit committee met four times during the year under review. The audit terms of reference, which are reviewed annually, deal with composition, objectives and reporting mechanisms.
Principle 2.7	The board should be responsible for the governance of risk.	The audit committee fulfils the role of the risk committee (refer to principle 2.6). The audit committee considers the risk policy and plan and implementation thereof. It reviews the risk management progress, key risk and responses of the company at holding and subsidiary levels from governance through to risk reporting.
Principle 2.8	The board should be responsible for information technology ("IT") governance.	The audit committee reviews the IT governance on a quarterly basis through the risk reports, as well as through the annual King III compliance assessment on the Information Security Management Systems implemented.
Principle 2.9	The board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standards.	The social and ethics committee (operating at an eMedia Investments level) monitors compliance at subsidiary level. The broadcasting industry operates in a highly regulated environment and the company has strong and established processes which ensure compliance with regulations placed on the broadcasters.
Principle 2.10	The board should ensure that there is an effective risk-based internal audit.	An internal audit function has been established. The audit and risk committee reviews the progress on the internal audit process on a quarterly basis through the internal audit reports.
Principle 2.11	The board should appreciate that stakeholders' perceptions affect the company's reputation.	Mechanisms are in place for constructive engagement with all stakeholders at Group and subsidiary levels. To ensure parity at a shareholder level, engagement is implemented through the release of required printed material and announcements.
Principle 2.12	The board should ensure the integrity of the company's Integrated Annual Report.	The board approves the Integrated Annual Report after satisfying itself on the content and integrity of the report. The report is compiled in-house by professional employees of the Group in accordance with the Group's policies and ethical standards.
Principle 2.13	The board should report on the effectiveness of the company's system of internal control.	The board obtains assurance on the internal systems of the Group via the audit and risk committee whose function is to monitor the company's systems of internal control.
Principle 2.14	The board and its directors should act in the best interests of the company.	The board acts in the best interests of the company by adhering to the following: • Standards as set out in the Companies Act, 2008, as amended • Conflict of interest policy • Professional advice policy • Dealing in securities

KING III PRINCIPLE		COMMENTS ON APPLICATION IN 2017
Principle 2.15	The board should consider business rescue proceedings or other turnaround mechanisms as soon as the company has been, or may be financially distressed as defined in the Companies Act, No. 71 of 2008.	The board is apprised of the going concern statement of the Group at specific periods during the year under review and monitors the solvency and liquidity on an ongoing basis.
Principle 2.16	The board should elect a chairperson of the board who is an independent non-executive director. The chief executive officer of the company does not also fulfil the role of chairperson of the board.	John Copelyn has been appointed as non-executive chairperson and Kevin Govender as acting chief executive officer. The positions of chairperson and acting chief executive officer are separate.
Principle 2.17	The board has appointed the chief executive officer and has established a framework for the delegation of authority.	All appointments at senior executive level are confirmed by the board of directors. The role and function of the acting chief executive officer is formalised. A framework is in place for the delegation of authority by the acting chief executive officer
Principle 2.18	The board comprises a balance of power, with a majority of non-executive directors. The majority of non-executive directors are independent.	The board consists of six directors: two executive, one non-executive and three independent non-executive members. The board has considered the requirements of the company and ensures that its size, diversity and demographics make it an effective board to lead the company by ensuring that it has the necessary skills, resources and knowledge to carry out its duties.
Principle 2.19	Directors should be appointed through a formal process.	The nomination of directors to the board is formally set out in a policy. It is transparent and the matter is considered by the full board of directors.
Principle 2.20	The induction of and ongoing training, as well as the development of directors should be conducted through a formal process.	No formal induction programme is in place for new directors. Rather an informal presentation of the industries in which the Group is involved is presented to the prospective board members. A formal board continuing development programme is in place. This focuses on improving and keeping the board up to date with governance, regulatory and operational development.
Principle 2.21	The board is assisted by a competent, suitably qualified and experienced company secretary.	The role and function of the company secretary is in accordance with Section 88 in the Companies Act, 2008. The board has satisfied itself through a formal assessment that the company secretary is suitably qualified and competent.
Principle 2.22	An evaluation of the board, its committees and individual directors is performed every year.	Assessment of the audit committee, board and chairperson were carried out during the year under review. The results of the assessment will be used to identify training needs for directors and action plans to address any issues that have arisen. The financial director is evaluated annually.
Principle 2.23	The board delegates certain functions to well-structured committees without abdicating its own responsibilities.	The following committees are in place: • Audit and risk • Social and ethics (at an eMedia Investments level) • Remuneration (at an eMedia Investments level) • Executive Formal terms of reference are in place for all these committees. The committee chairperson reports back to the board after each meeting.
Principle 2.24	A governance framework has been agreed upon between the group and its subsidiary boards.	As eMedia Holdings is an investment holding company. Its subsidiary companies report, via the subsidiary board, on all governance issues to the board of eMedia Holdings or a committee of the board.
Principle 2.25	The company remunerates its directors and executives fairly.	A remuneration committee is in place and assists the board in aligning the remuneration policy with strategy and goals. Independent remuneration consultants are utilised at least once every three years to assess and provide guidance on the remuneration policies of the company.
Principle 2.26	The company has disclosed the remuneration of each individual director and the prescribed officer.	The disclosure of directors' remuneration meets the requirements of the Companies Act, King III and IFRS requirements.
Principle 2.27	The shareholders have approved the company's remuneration policy.	In line with the Companies Act, 2008, the Group's remuneration policy is proposed to shareholders for a non-binding advisory vote at the annual general meeting of the company.

REPORT OF THE AUDIT AND RISK COMMITTEE

The audit and risk committee is formally established as an independent statutory committee in terms of section 94 (2) of the Companies Act, No. 71 of 2008, as amended (the "Act"). The committee oversees audit and risk matters for all the subsidiaries of eMedia Holdings, as permitted by section 94 (2)(a) of the Companies Act.

The audit and risk committee's terms of reference is formalised in a charter which is reviewed annually.

During the year under review, the audit and risk committee conducted its affairs in accordance with the charter and discharged its responsibilities as required by the charter, the Companies Act and the material requirements of King III.

The audit and risk committee has pleasure in submitting this report in respect of the past financial year of the Group, as required by section 94 of the Companies Act.

AUDIT AND RISK COMMITTEE MEMBERS AND MEETING ATTENDANCE

The audit and risk committee consists of three independent non-executive directors, elected by the shareholders of eMedia Holdings.

Audit and risk committee meetings are held at least four times a year as required by the charter. The attendance of the committee members are recorded below.

Audit committee members	May 2016	Aug 2016	Nov 2016	Mar 2017
Loganathan Govender	✓	✓	✓	✓
Rachel Watson	✓	✓	✓	✓
Velaphi Mphande	✓	✓	X	✓

The financial director, the Group's risk officer, and the Group financial manager attend the meetings as permanent invitees, along with external audit and the outsourced internal audit. Other directors and members of management attend the meetings as required.

AUDIT AND RISK COMMITTEE EVALUATION

As part of the annual evaluation, the performance of the audit and risk committee and its members was assessed and found to be satisfactory. In addition, members were assessed in terms of the independence requirements of King III and the Companies Act. All members of the committee continue to meet the independence requirements.

FUNCTIONS OF THE AUDIT COMMITTEE

The audit committee fulfils an independent oversight role

regarding the Group's financial statements and the reporting process, including the system of internal financial control, with accountability to both the board and to shareholders. The committee's responsibilities include the statutory duties prescribed by the Companies Act, recommendations by King III and additional responsibilities assigned by the board.

The committee is satisfied that, in respect of the financial period under review, it has performed all the functions required by law to be performed by an audit committee, including as set out by sections 94 of the Act and in terms of the committee's terms of reference and as more fully set out in the corporate governance report. In this connection the committee has:

- reviewed the interim, provisional and year-end financial statements, culminating in a recommendation to the board to adopt them;
- reviewed legal matters that could have a significant impact on the Group's financial statements;
- reviewed the external audit reports on the annual financial statements;
- verified the independence of the external auditor as per section 92 of the act and accordingly nominates Grant Thornton Johannesburg Partnership to continue in office as the independent auditor and noted the appointment of G M Chaitowitz as the designated auditor for 2017;
- approved the audit fees and engagement terms of the external auditor; and
- 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.

The audit committee fulfils an oversight role regarding the Group's financial statements and the reporting process, including the system of internal financial control.

CONFIDENTIAL MEETINGS

Audit committee agendas provide for confidential meetings between the committee members and the external auditors, which are regularly held.

EXPERTISE AND EXPERIENCE OF THE FINANCIAL DIRECTOR

As required by JSE Listings Requirements 3.8(h), the committee reviewed the financial director of the Group, Antonio Lee, and considers his expertise and experiences appropriate. The committee is also satisfied that the expertise, resources and experience of the finance function is adequate.

INTERNAL AUDIT

The Group does not consider it necessary to establish an internal audit function and has appointed its holding company HCI's internal audit department to perform the internal audit function. Where appropriate, subsidiaries and or departments are assessed, with regular reports made available and discussed at the eMedia Holdings' audit and risk committee meetings.

RISK MANAGEMENT AND INTERNAL CONTROL

The board acknowledges that it is accountable for the process of risk management and the system of internal control of the Group.

The Group operates in a highly regulated environment. Where necessary, compliance officers have been appointed at each of the Group's key operating subsidiaries and associated company levels for ensuring adherence to the various Acts and Codes that govern the day-to-day operations. Each of the Group's companies has its own board of directors responsible for the management, including risk management and internal control, of that company and its business.

Vasili Vass is the Group risk officer for eMedia Holdings. Given the changing landscape of broadcasting and media in South Africa, eMedia Holdings realises that enterprise-wide risk management adds value to the robustness and sustainability of an organisation. It improves communication, enhances risk awareness as well as risk mitigation processes.

The Group utilises the Committee of Sponsoring Organisations of the Treadway Commission ("COSO") risk management methodology to assess the Group's risk appetite versus the cost of risks. The COSO framework allows organisations to develop cost-effective systems of internal control to achieve important business objectives. At least four times a year, the audit committee documents and reports risks that are apparent and arising.

Through thorough consultation with the board, the risk appetite and risk-bearing capacity for eMedia Holdings is defined.

A full risk assessment is conducted annually with quarterly updates and reports to the audit committee. eMedia Holdings finds it imperative to ensure that risk management becomes inducted into daily activities, which leads to a sustainable risk-aware culture.

Risks associated with challenges facing the broadcasting business and hindering growth can be segmented into three broad areas:

1. Challenges facing the establishment of a competitive multi-channel free-to-air broadcast environment. While the company's free-to-air satellite platform has seen a marked increase in the number of set-top boxes being activated with the total number sitting at 778 160 as of 31 March

2017, the financial cost of subsidising the boxes and lag of revenue is a risk.

2. Fragmentation of audience share due to regulatory and competitor actions, particularly a dominant pay-TV operator, a weak South African Broadcasting Corporation, as well as new ways of delivering content like over-the-top ("OTT") content and Internet Protocol television ("IPTV"). Continued efforts have seen e.tv's audience share increase and stabilise in the last year and eNCA continues to maintain in excess of 50% of the television news audiences (detailed in the Operations Overview section).
3. Economic and regulatory issues impacting costs and advertising revenue, including a ban on alcohol advertising and the impact of a fluctuating rand/dollar exchange rate.

RECOMMENDATION OF THE INTEGRATED ANNUAL REPORT

The committee has evaluated the Integrated Annual Report of eMedia Holdings Limited and the Group for the period ended 31 March 2017 and based on the information provided to the committee, it recommends the adoption of the Integrated Annual Report by the board.

L Govender

Chairperson: Audit and risk committee

Cape Town

19 September 2017

REPORT OF THE REMUNERATION COMMITTEE

COMMITTEE MEMBERS

At year-end the remuneration committee consisted of John Copelyn (chairperson) and Hendrik Carse, an independent director of eMedia Investments.

The remuneration committee sits at the eMedia Investments Level.

Individual directors' attendance at the remuneration committee meetings are set out below:

REMUNERATION COMMITTEE MEETINGS	NOV 2016
John Copelyn	✓
Hendrik Carse	✓

Members of the committee are non-executive directors. In line with the recommendations of King III the chief executive officer attends the meetings of the committee at the request of the committee, but recuses himself from the meeting before any decisions are made.

This committee is primarily responsible for overseeing the remuneration and incentives of the executive directors and executive management. It takes cognisance of local best remuneration practices to ensure that such total remuneration is fair and reasonable to both the employee and the company. The committee utilises the services of independent remuneration consultants to assist in providing guidance on the remuneration for executive management. The Group's remuneration philosophy strives to reward employees in a fair and responsible way, which ensures a culture of high performance to deliver returns to shareholders through employees who are motivated, engaged and committed. This philosophy's intended consequence is to attract, retain and develop employees with scarce and critical skills who contribute to sustained business growth and are aligned to the strategic and operational requirements of the business.

The functions and mandates of the remuneration committee include:

- making recommendations to the board on directors' fees and the remuneration and service conditions of executive directors, including the chief executive officer;
- providing a channel of communication between the board and management on remuneration matters;
- reviewing the Group's remuneration policies, practices and proposals, to change these and to make recommendations in this regard to the board;
- reviewing and approving the terms and conditions of executive directors' employment contracts, taking into account information from comparable companies;
- determining and approving any grants to executive directors and other senior employees made pursuant to the company's employee share option scheme; and
- reviewing and approving any disclosures in the annual report or elsewhere on remuneration policies or directors' remuneration.

Executive directors earn a basic salary which is determined by independent remuneration consultants and escalates in line with inflation for their contracts. Bonuses payable are purely discretionary and are determined annually after reviewing the performance of the Group and its subsidiaries.

Non-executive directors earn a basic fee which is in line with companies of a similar size. These fees escalate annually in line with inflation and are reviewed every three years by an independent remuneration consultant. Directors can earn up to a maximum of 50% of their board fees by serving on the committees responsible to the board of directors. Non-executive directors do not receive short-term incentives and do not participate in any long-term incentive schemes.

POSITION	PROPOSED FEE 2018	ACTUAL FEE 2017
	R000's	R000's
Non-executive director	126.7	119.5
Member of audit committee	52.0	49.0
Member of remuneration committee	47.7	45.0
Member of social and ethics committee	Nil	Nil

Directors' emoluments and other relevant remuneration information are disclosed on page 39 to 40 of the Integrated Annual Report.

Principle 2.26 recommends that the remuneration of each individual director and the prescribed officers who are not directors in the company be disclosed.

J A Copelyn

Chairperson: Remuneration committee

19 September 2017



DIRECTORS' EMOLUMENTS

FOR THE YEAR ENDED 31 MARCH 2017

Paid by a subsidiary company	Salary	Bonus	Retirement and medical contributions	Share options	Directors' fees	Other benefits	Total
Name	R000's	R000's	R000's	R000's	R000's	R000's	R000's
For the year ended 31 March 2017							
Executive directors							
T G Govender	3 380	1 690	-	1 934	-	585	7 589
A S Lee	2 356	1 552	194	-	-	-	4 102
Non-executive directors							
J A Copelyn (Chairperson)	6 493	4 870	-	2 878	-	833	15 074
V E Mphande	-	-	-	-	512	-	512
R D Watson	-	-	-	-	499	-	499
L Govender	-	-	-	-	238	-	238
Prescribed officers							
K Sherrif	3 569	2 351	278	-	-	-	6 198
M Rosin	3 569	2 351	278	-	-	-	6 198
Paid by Hosken Consolidated Investments Limited's subsidiaries not in the eMedia Holdings Group	(9 873)	(6 560)	-	(4 812)	(522)	(1 418)	(23 185)
	9 494	6 254	750	-	727	-	17 225

Paid by a subsidiary company	Salary	Bonus	Retirement and medical contributions	Share options	Directors' fees	Other benefits	Total
Name	R000's	R000's	R000's	R000's	R000's	R000's	R000's
For the year ended 31 March 2016							
Executive directors *							
T G Govender	3 183	525	-	1 500	112	607	5 927
A S Lee	2 244	187	164	-	-	-	2 595
Non-executive directors							
J A Copelyn (Chairperson)	6 114	2751	-	3 488	-	877	13 230
V E Mphande	-	-	-	-	612	-	612
R D Watson	-	-	-	-	610	-	610
L Govender	-	-	-	-	283	-	283
Prescribed officers							
K Sherrif	3 400	283	234	-	-	-	3 917
M Rosin	3 400	283	234	-	-	-	3 917
Paid by Hosken Consolidated Investments Limited's subsidiaries not in the eMedia Holdings Group	(9 297)	(3 276)	-	(4 988)	(1 136)	(1 484)	(20 181)
	9 044	753	632	-	481	-	10 910

There is no distinction made in the remuneration packages of executive directors for services as directors and services for carrying on the business of the Group.



The Group's remuneration philosophy strives to reward employees in a fair and responsible way, which ensures a culture of high performance to deliver returns to shareholders through employees who are motivated, engaged and committed.



SOCIAL AND ETHICS COMMITTEE REPORT

COMMITTEE MEMBERS:

At year-end the social and ethics committee consisted of John Copelyn (chairperson) and Hendrik Carse, an independent director of eMedia Investments.

The social and ethics committee sits at the eMedia Investments level. The composition of the committee has been expanded to include a number of personnel within the company who are the drivers of the underlying functions of the committee. These personnel have been invited to join the meetings and in line with the Act, the invitees do not have voting powers.

Individual directors' attendance at the eMedia Investments social and ethics committee meetings are set out below.

SOCIAL AND ETHICS COMMITTEE MEETINGS	AUG 2016	NOV 2016	MAR 2017
John Copelyn	✓	✓	✓
Hendrik Carse	✓	✓	✓

FUNCTIONS OF THE SOCIAL AND ETHICS COMMITTEE

The committee reports back to the board of eMedia Holdings and all decisions taken are decided by the board of directors. The social and ethics committee's mandate as set out in its Terms of Reference is aligned to its statutory responsibilities. The social and ethics committee monitors and guides the company with regards to:

- social and economic development, including the company's standing in terms of the goals and purposes of:
 - the United Nations Global Compact's Ten Principles;
 - the Organisation of Economic Co-operation and Development recommendations regarding corruption;
 - the Employment Equity Act;
 - the Broad-Based Black Economic Empowerment Act.

- good corporate citizenship including:
 - promotion of equality, prevention of unfair discrimination, and reduction of corruption;
 - contribution to development of the communities in which its activities are conducted or within which its products or services are marketed; and
 - record of donations, sponsorships and charitable giving.
- environment, health and public safety, including the promotion of environmental policies that relate to the activities where the Group has its most significant environmental impacts;
- consumer relationships, including the company's advertising, public relations and compliance with consumer protection laws;
- labour and employment, including the company's standing in terms of its support of the four strategic objectives in respect of the International Labour Organisation Protocol on decent work and working conditions;
- the company's employment relationships and its contribution towards the educational development of its employees; and
- reporting to the board on matters discussed at the committee, and making the necessary recommendations to assist the board in making the required decisions.

The sustainability report on pages 43 to 56 incorporates the various aspects overseen by the committee.

J A Copelyn

Chairperson: Social and ethics committee

19 September 2017







ENVIRONMENTAL

During this financial year the Group remained mindful of the impact its operations have on the environment. Through Sabido Properties, the Group focused on maintaining existing sustainability initiatives at our various premises. This included the diligent maintenance of assets that produce greenhouse gases and tools that aim to reduce our energy consumption, which were implemented in prior years.

There were no major construction projects during the period under review, but the Group remains committed to implementing sustainable features in any future construction projects.

NATIONAL DROUGHT

During this fiscal year a drought crippled the agricultural sector of the economy and placed a huge strain on municipal water supply. The Western Cape region battled as overall dam levels fell below the 20% mark. At the time of preparing this report the drought was still ongoing in the Western Cape.

During this difficult period we saw one of our sustainability initiatives pay off at eMedia Investments' Cape Town building at 4 Stirling Street. During the construction of this building a large amount of groundwater was discovered. The Group invested in the installation of a state-of-the-art on-site water treatment plant to harvest and treat this water, making it safe to use throughout the building.

From September 2016 we have been able to treat and use this groundwater for all of our domestic water needs, effectively eliminating our dependence on municipal water and thus the dams during this difficult period.

STAFF AWARENESS CAMPAIGN

Recognising that changing the behaviours of our employees across the country could have a material impact on the environment, we launched a staff awareness campaign – encouraging staff members to reduce their private short-term water use during the drought and to implement measures to reduce their water wastage in the long term.

With help from eNCA's meteorologists, we have kept staff abreast of the water crisis and dam levels and made use of our internal staff communication platforms to educate staff about saving water. This campaign is ongoing.

“

With help from eNCA's meteorologists, we have kept staff abreast of the water crisis and dam levels and made use of our internal staff communication platforms to educate staff about saving water.

”

OUR CARBON FOOTPRINT

A greenhouse gas ("GHG") emissions report is the basis for accounting for the Group's emissions-related risks and opportunities. The Group continues to report in terms of GHG Protocol and CO₂e ton, which is the universal unit measure.

The Group elects to compile an inventory of its GHG emissions on an annual basis, focusing on the carbon footprint of its largest entities: e.tv, eSat.tv and Sasani Africa. The quality of data collection and reporting continues to improve and is reflected in more accurate reporting this financial year.

This year the Group's environmental audit was conducted by IBIS Consulting. The summary below accounts for their findings:

- **Scope 1** emissions have decreased by a further 2% during the 2016/17 financial year to 450 CO₂e tons (2016: 459 CO₂e tons). This is attributed to a minor decrease in petrol consumption and a significant 40% decrease in our stationary diesel consumption. Due to a more stable electricity supply this fiscal period, the Group did not have to purchase significant amounts of diesel for its backup generators.

The previous year's figures were restated to account for a non-tenant-occupied area at Sasani Africa's studios not being included in the 2015/16 figures and to accurately reflect Scope 2 emissions that were moved to Scope 3.

- **Scope 2** emissions increased by 14% during the year under review to 5 418 CO₂e tons. This can be attributed to a more reliable electricity supply, the expansion of Sasani Africa's studios, which traded at higher capacity, and the occupation of the new Cape Town building for an entire fiscal year. In the previous financial year the Group occupied the much larger building in Cape Town for just five months. This is reflected in the increase in consumption when you compare the overall figures year-on-year.

The 2015/16 figures were restated to include emissions which were removed from Scope 2 and placed under Scope 3.

- **Scope 3** emissions increased by 12% to 2 988 CO₂e tons. This can be attributed largely to Sasani Africa trading at a higher capacity, with energy-intensive productions. During the financial year Sasani implemented a new system for billing tenants more accurately for their electricity consumption.

The Group will continue to monitor its electricity consumption throughout the 2017/18 fiscal year to ensure that it is making use of this resource efficiently.

“

Scope 1 emissions have decreased by a further 2% during the 2016/17 financial year to 450 CO₂e tons.

”

“

Increased Scope 2 and 3 consumption can be attributed largely to Sasani Africa trading at a higher capacity.

”



WATCH

Take a tour of our Cape Town-based water treatment plant.

<https://youtu.be/1Px9t0vukGk>

SCOPE 1

Direct GHG emissions

Direct emissions occur from sources that are owned or controlled by the company, for example emissions from company-owned vehicles and kilns.

SCOPE 2

Electricity/Steam indirect emissions

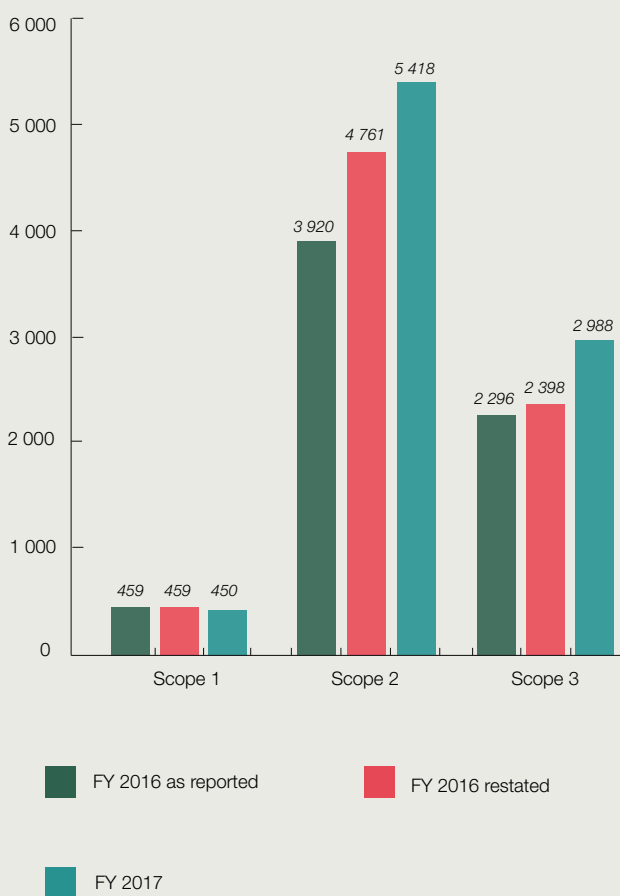
Scope 2 accounts for GHG emissions from the generation of purchased electricity/steam consumed by the company.

SCOPE 3

Indirect emissions

Scope 3 emissions are all indirect emissions (not included in Scope 2) that occur in the value chain of the reporting company, including both downstream and upstream emissions.

GHG emissions (tCO₂e)





TRANSFORMATION

BROAD-BASED BLACK ECONOMIC EMPOWERMENT ("B-BBEE")

The Group remains committed to contributing towards the socio-economic transformation of South Africa through the guidelines set out in the latest B-BBEE codes of good practice. To facilitate its contributions the Group has established a number of key initiatives geared towards making a tangible difference in the lives of beneficiaries.

A consolidated eMedia Holdings certificate was issued, and the Group achieved a level 2 rating.

During the period under review changes to the existing Information and Communications Technology ("ICT") sector codes were gazetted. As a result of these changes, e.tv, eNCA and YFM were evaluated under these new sector codes for the first time. Despite expecting a significant drop as a result of the more stringent ICT sector code requirements, YFM managed to achieve a level 3 rating while e.tv and eSat.tv each achieved a level 4 rating.

eSat.tv documented a significant year-on-year improvement in the skills development area. The Group will continue to make a concerted effort to improve its scores in this critical area going forward. The Group's coordinated corporate social responsibility efforts are reflected in the strong scores e.tv and eSat.tv achieved for socio-economic development.

As per the new revised B-BBEE Codes of Good Practice, Exempted Micro Enterprises ("EMEs") and majority black-owned Qualifying Small Enterprises ("QSEs") no longer need to go through a complete B-BBEE verification process, but can achieve compliance through the completion of an affidavit. Subsidiaries that completed affidavits include Lalela Music, MovieMart, Platco Digital, YMag, Searle Street Post, The Refinery, Silverline360 and Waterfront Film Studios. Under the codes, they all achieved level 2 ratings.

Company	2017 Rating	Level
eMedia Holdings	114.19	2
e.tv	107.55	4
eNCA	105.38	4
YFM	112.96	3

ENTERPRISE AND SUPPLIER DEVELOPMENT: FORERUNNERS

Enterprise Development remains a priority for the local economy and the corporate community. During this fiscal period, the Group continued to contribute towards the development of smaller businesses through our *Forerunners* television series. *Forerunners* remains eMedia Holdings' primary enterprise and supplier development initiative, and is one of the key enterprise development ("ED") initiatives in the larger HCL Group.

The *Forerunners* series focuses on showcasing black-owned businesses and the entrepreneurs behind them. A Forerunner is any emerging entrepreneur making headway in a sector which has traditionally had high barriers to entry, providing innovative solutions to problems and creating employment opportunities for South Africans.

The series is produced by the Group and airs on its television channels at no cost to the entrepreneurs. This otherwise unaffordable exposure enables emerging enterprises to introduce their products and services to millions of viewers, increasing their national brand awareness and sales, opening up new growth opportunities. This year, the Group provided small businesses with free commercial airtime to the value of more than R54 million.

The featured Forerunners have all been positively impacted by the exposure. In December we featured Gladys Mawoneke who founded the Bumi Hills Group, which produces Brevia, a non-alcoholic malt beverage. Breaking into the soft drink bottling sector is incredibly challenging and the exposure on e.tv and eNCA has impacted her bottom line. "People now really know about Brevia and believe in the Brevia brand. It has also increased our sales revenue," says Mawoneke.

“

Thank you very much for the opportunity to be the Forerunner for February 2017. When I watched the final product this morning I was blown over.

– Emmah Makatu,
Zwinoni Lodge

”



“

Thank you so much, this support has really improved sales and brand awareness of my product.

– Taryn Gill, The Perfect Hair

”



WATCH

Brevia beverages saw an increase in sales after they were featured on Forerunners.
<https://www.youtube.com/watch?v=IVSykJIRPlo>

AIRTIME VALUES (Rand)

Forerunners	Period	e.tv	eNCA	Totals
Dishsat Electronics	April	4 435 000	2 880 000	7 315 000
Escape To The Cape	May	3 940 000	2 170 000	6 110 000
Pure Design	July	3 505 000	2 760 000	6 265 000
The Perfect Hair	August	4 350 000	2 944 866	7 294 866
The Marketing Kraal	September	2 332 500	1 299 933	3 632 433
Relax Spas	October	1 502 500	2 010 000	3 512 500
Zenzele Fitness	November	1 217 250	396 000	1 613 250
Breva Beverages	December	2 130 750	5 818 165	7 948 915
Thape Media	January	1 067 250	5 405 598	6 472 848
Zwinoni Lodge	February	958 500	413 933	1 372 433
Thape Media	March	40 500	837 000	877 500
A Ring To It	March	1 030 500	1 362 000	2 392 500
		26 509 750	28 297 495	54 807 245

“

This year, the Group provided small businesses with free commercial airtime to the value of more than R54 million.

”





HUMAN RELATIONS

The company continues to create and implement new workflow systems, which ensure an operationally effective and profitable media company. This is underpinned by a shared passion across the Group to deliver results and remain resilient despite a challenging media landscape in South Africa.

OUR PEOPLE ARE OUR TALENT

Our people are a key stakeholder who contribute unique capabilities that enhance our position in the market with a balance of creativity, energy and execution. Our human resource strategies are designed to create a workplace that encourages accountability, development and a value proposition that supports retention of critical and key talent.

Focus is on our organisation, our culture, our systems and our people, with specific initiatives in each area that is interlinked and built on each other. For example, our job grading and evaluation project provides a foundation to redesign the performance management process, which in turn establishes a framework for succession planning.

In addition, constant interaction at all levels of the business has allowed the Group to align the internal capabilities of our people more effectively than ever before, creating new benchmarks for performance and improving job depth and enrichment. We continue to explore best practices in systems and philosophies that support our human resource strategies.

The Group is continuously searching for talent who enjoy a fast-paced, progressive environment that drives high performance.

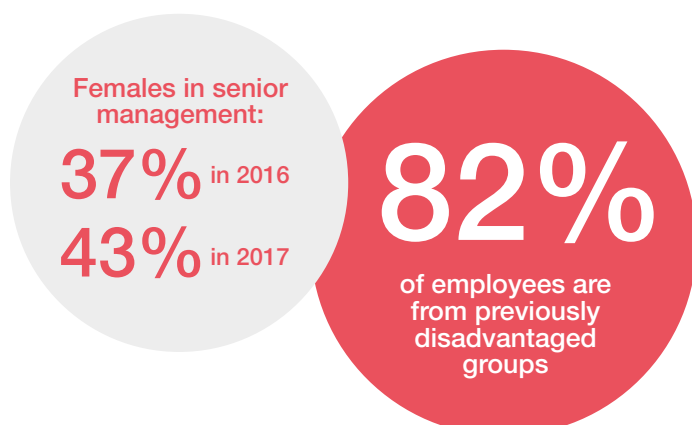


OCCUPATIONAL LEVEL	MALE				FEMALE				FOREIGN NATIONALS		TOTAL
	AFRICAN	COLOURED	INDIAN	WHITE	AFRICAN	COLOURED	INDIAN	WHITE	MALE	FEMALE	
Top management	0	2	1	2	0	0	0	0	0	0	5
Senior management	3	22	3	20	4	6	5	11	0	1	75
Professionally qualified	33	18	10	55	27	15	12	37	6	4	217
Skilled technical	250	80	15	91	169	59	26	71	12	2	775
Semi-skilled	74	14	1	9	52	27	4	10	5	2	198
Unskilled	45	6	0	1	38	15	1	0	2	1	109
Total permanent	405	142	30	178	290	122	48	129	25	10	1379
Top management	0	0	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	1	0	1	0	0	1	3
Professionally qualified	25	0	0	5	10	2	0	4	0	0	46
Skilled technical	8	2	0	3	3	1	0	2	2	0	21
Semi-skilled	22	0	0	0	16	6	0	3	2	0	49
Unskilled	8	0	0	0	7	0	0	0	0	1	16
Total Non-permanent	63	2	0	8	37	9	1	9	4	2	135
Grand total	468	144	30	186	327	131	49	138	29	12	1514

OUR TRANSFORMATION

Transformation has been and continues to be a critical dialogue in the business given the powerful trends that are shaping society and workplace dynamics. The Group has re-evaluated its approach to transformation to extend to more than just an effective employment equity plan and will be launching a comprehensive diversity and inclusion philosophy that encourages healthy dialogue about transformation issues in the workplace. In addition, the employment equity forum will be convened with a broader mandate that facilitates such discussions across the Group.

For the year ended 31 March 2017, the workplace profile for e.tv and eSat.tv combined reflected the following demographics: **82% of employees** are from previously disadvantaged groups. Gender equity also remains one of the key tenets of our transformation strategy as we aim to ensure that women are fairly represented at all occupational levels throughout the Group. There has been an increase in the number of females in senior management from **37% in 2016 to 43% in 2017**.



OUR EMPLOYEE RELATIONS

We are committed to creating and sustaining an environment that promotes active corporate citizenship. Engagement with our people continues on matters relating to changing workplace practices and diversity. Our recent restructuring of our technical operations function demonstrated the Group's philosophy of preserving our people's dignity, despite very difficult, emotional consultations.

The consultation process during the restructuring was designed with a number of group and individual sessions to encourage employees to share their alternate proposals. These sessions enabled employees to express themselves in the manner with which they felt most comfortable. Individual sessions ensured that the human resources and management team assisted employees with personal queries and allowed them the opportunity to experience difficult emotions in a safe environment, without judgement.

The restructuring was successfully concluded in December 2016 and a new structure was implemented to align more efficiently with the changed business needs, enhancing our ability to sustain a competitive news and entertainment platform. We use every opportunity to create a culture where our people participate in decisions that affect their working lives.

INTERNAL COMMUNICATION

Consistent internal communication remains a critical component of our employee relations activities. As required, senior managers engage with employees around significant developments in our various businesses. There are a number of ongoing communication channels available to employees to ensure that there is a two-way dialogue.

Through weekly video inserts on Inside, the Group's internal employee television station, employees are kept abreast of various developments in our business, ranging from programming strategies and acquisitions, to management changes, corporate social responsibility initiatives and employee profiles. Combined with a weekly Inside email, this platform assists us as we aim to bridge the communication gap between management and employees, and create a consistent company culture that transcends the physical distances between our regional offices.

“

We are committed to creating and sustaining an environment that promotes active corporate citizenship.

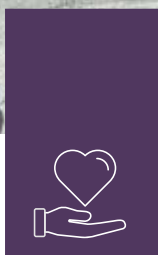
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Cape Town staff UNITE to support victims of the Imizamo Yethu fire:



e.tv Promo producer Myles Traut charts his journey with the eMedia Holdings group:





CORPORATE SOCIAL RESPONSIBILITY

As a responsible corporate citizen, the Group endeavours to make an impact and address many of the socio-economic challenges that affect the majority of the country's population.

Investing in the communities in which we operate ensures that our economy can support the health and growth of the Group in years to come. As a result, social responsibility is one of the key tenets that underpin our long-term vision.

The Group's corporate social responsibility initiatives are consolidated under the UNITE umbrella. Through UNITE we are able to invest in the socio-economic development of our country by coordinating meaningful initiatives, aiding organisations with sponsorship, getting our staff members involved in giving back, and leveraging our talent and airtime for the greater good.

UNITE's strategic objective is to uplift children and young people by partnering with existing initiatives that focus on education, thereby equipping young people with the knowledge and life skills required to make life choices that contribute positively to our society. Through our non-core programmes we also support health, youth development and animal welfare initiatives.

PUBLIC SERVICE ANNOUNCEMENTS

In South Africa a large amount of socio-economic development work is executed by non-profit and non-governmental organisations. Through donor funding and community support these organisations work tirelessly to improve the welfare of ordinary South Africans.

The Group's Public Service Announcement ("PSA") programme offers these organisations much-needed exposure for their fundraising and awareness initiatives. We provide commercial television and radio airtime, at no fee, to organisations in various fields in order to help them get their messages across.

During the year under review beneficiaries included the Sunflower Fund, the Reach For A Dream Foundation, the Kidz2Kidz Trust, the TEARS Foundation, Afrika Tikkun, the SACTWU Worker Health Programme, the Retina Foundation and the Movember campaign.

The Group also produced a PSA for The Lunchbox Fund to assist with their awareness and fundraising efforts. This PSA was given to The Lunchbox Fund for their own marketing initiatives and broadcast on e.tv and eNCA at no cost to the organisation.

During the period under review, eNCA and e.tv donated commercial airtime to the value of over R47 million and R24 million respectively. YFM donated commercial radio airtime to the value of R54 921 to public service campaigns.

“

During the period under review, the Group donated commercial airtime to the value of over R71 million.

”

SPONSORSHIPS

The Group sponsors various organisations to complement our donations in kind. These sponsorships are seen as partnerships and are actively managed and reviewed to ensure that funds donated make a tangible difference in the lives of beneficiaries. These sponsorships are strategically aligned with UNITE's primary objectives.

BENEFICIARIES INCLUDED:

The Lunchbox Fund

Providing orphaned and vulnerable schoolchildren with a daily hot meal, The Lunchbox Fund aims to ensure that children receive the nourishment required to actively participate and absorb knowledge in the classroom.

UNITE donated R270 000 to the Lunchbox Fund, which fed over 1 400 kids every day for a year. Our donation was able to feed 416 children who attend educare centres in Mamelodi, Orange Farm and Braamfischer (Gauteng), 850 learners at the Leonard Ntshuntshe Secondary School in Emalahleni (Mpumalanga) and 170 learners in Bloemfontein (Free State).

“

The word UNITE says it all. Through being our partner in funding, e.tv has helped us provide daily meals at school for food-insecure children across SA.

Together we have helped hungry children to focus, to concentrate, to learn.

– Sue Wildish,
The Lunchbox Fund

”



Kidz2Kidz Trust

Addressing the challenge of illiteracy and fostering a love of reading, the Kidz2Kidz project is determined to install reading corners in foundation phase classrooms at under-resourced schools around the country. The reading corners include 60 reading books, floor cushions, a mat, beanbags, a peace bench and a lock-up bookshelf.

UNITE funded a total of six new reading corners during the year. Recipient beneficiaries were: Reshomile Primary School (Diepsloot, Gauteng), Riversands Primary School (Diepsloot, Gauteng), Blair Atholl Pre-School (Lanseria, Gauteng), Solomon Mahlangu Primary (Umlanga, KwaZulu-Natal), Mepho Primary School (Ndwedwe, KwaZulu-Natal) and Siyabulela Primary School (Langa, Western Cape).

“

It was amazing to read to the kids, they're good listeners. It's important to give back to them. It helps them grow and read more.

– Pleasure Modise,
e.tv employee

”



Reach For A Dream Foundation

For 28 years the Reach For A Dream Foundation has made dreams come true for children fighting life-threatening diseases, reminding them that tomorrow is worth fighting for.

UNITE sponsored some of the foundation's regular events like 'Captain Courage' and 'Princess for a Day'. In addition, UNITE continued to facilitate the dreams of children by introducing them to their favourite *Rhythm City* and *Scandal* stars at Sasani Studios. UNITE also threw a Christmas party for children receiving treatment at George Mukhari Hospital's Oncology Ward, spreading the festive joy.



Together in Action Group (TAG)

TAG is a non-profit organisation that works in Westbury, Johannesburg. One of their key projects is an after-school care programme, which focuses on homework assistance and mentoring.

On 15 December 2016, UNITE threw a Christmas party for the 141 learners who are part of the after-school care programme.



UNITE partnered with Reach For A Dream to host a Captain Courage event:



STAFF INVOLVEMENT

UNITE aims to foster a culture of caring, selflessness and generosity in the Group. This is achieved by involving staff members in initiatives and activations wherever possible.

In March 2017 a devastating fire swept through the informal settlement of Imizamo Yethu near Hout Bay in Cape Town. Over 15 000 residents were displaced. The company's Cape Town-based employees collected clothing, toiletries and food items, which were supplemented by UNITE, and donated to The South African Red Cross Society to aid relief efforts.

The Group also took part in Reach For A Dream's annual National Slipper Day fundraising event on 5 August 2016. Staff members bought stickers to raise funds for the organisation. UNITE matched the staff donations.

Encouraging employee wellness, the Group also sponsors employees who wish to take part in charity-led fitness events like the SPAR Women's Walk, the AVON Walkathon and Blisters For Bread. These entry fee contributions are donated to worthy causes.

“

UNITE aims to foster a culture of caring, selflessness and generosity in the Group.

”



WATCH

<https://youtu.be/ZuZg64CHcSg>



SOUTH AFRICAN HEROES

The Group recognises and celebrates the individuals and NGOs who share our values and vision and are making a difference at a grassroots level through the South African Heroes initiative.

South African Heroes is a series of inserts that are produced by the Group and aired on its television channels. Each month a new hero or an organisation is profiled and featured. By celebrating the work that they are doing it inspires our viewers to make a difference in their own communities and raises awareness around causes that need the nation's attention.

This year we featured heroes from around the country, including Kelly Grevier who runs a youth music project in Johannesburg, Andries Douglas who created karate and literacy programmes in Ceres, Mark Conrad who runs a youth boxing programme in Swellendam, Emile Jansen who coordinates hip-hop projects on the Cape Flats and Lerato Machetela who started a gumboot dancing project in the Free State town of Jagersfontein.

We also showcased Kurt Minnaar from Cape Town and Mavo Solomon from Queenstown, who are both school teachers going the extra mile to prepare their learners for the future, with much-needed after-school interventions.

We profiled the hard work that is being done around the country by The Lunchbox Fund, Ons Plek Projects (Western Cape), Waterberg Welfare Society (Limpopo) and The Keiskamma Trust (Eastern Cape).

Since 2008 we have profiled over 160 everyday heroes, celebrating the unsung heroes who are contributing to nation building projects by uplifting their own communities.

“

Since 2008 we have profiled over 160 everyday heroes, celebrating the unsung heroes who are uplifting their own communities.

”

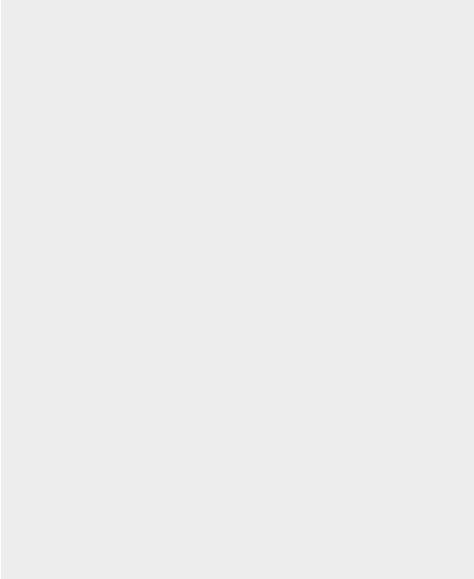


Warrant Officer Andries Douglas runs karate and literacy programmes for children in Ceres:



WATCH

<https://youtu.be/-Q8xIafAVOI>



SUMMARISED **AUDITED CONSOLIDATED FINANCIAL RESULTS**

DECLARATION BY THE COMPANY SECRETARY

We certify that eMedia Holdings has lodged with the Registrar of Companies, for the financial year ended 31 March 2017, all such returns and notices as are required by a public company in terms of the Companies Act of South Africa and that such returns are true, correct and up to date.

Junadi Van der Merwe
Company secretary
19 September 2017
Cape Town



DIRECTORS' REPORT

FOR THE TWELVE MONTHS ENDED 31 MARCH 2017

NATURE OF BUSINESS

eMedia Holdings Limited is an investment holding company, incorporated in South Africa and listed on the JSE Limited under the Media Sector.

OPERATIONS AND BUSINESS

eMedia Holdings is a media investment company with media assets housed in eMedia Investments Proprietary Limited. These investments are constantly reviewed and new opportunities sought to complement them.

STATE OF AFFAIRS AND PROFIT FOR THE PERIOD

The year under review resulted in the Group ending the period showing a profit from continuing operations of R128.1 million compared to a profit of R57.2 million in the prior year. Included in the profit are the losses attributable to the continued investment into the multi-channel businesses (OpenView HD and e.tv multi-channel) of R307.1 million compared to R261.9 million in the prior year. Set-top box activations have however increased significantly and at 31 March 2017, 778 160 set-top boxes had been activated, compared to 388 812 at the beginning of the financial year, an increase of 100.14%. The Group recorded revenue of R2.6 billion, up by 7% year-on-year. This was primarily driven by a 9% increase in advertising revenue ending the year on R1.5 billion. EBITDA for the Group ended the year on R488.3 million compared to R521.0 million for the prior year. Included in EBITDA for the prior year, is a once-off gain of R88.5 million as a result of the derecognition of the share-based payment liability arising from forfeited options. If one excludes this "once-off" profit, the year-on-year increase would be 12.9%. Headline earnings for the Group ended the year on R98.0 million compared to R32.2 million in the prior year, an increase of 204.35%.

The Group's only asset is a 67.7% stake in eMedia Investments Proprietary Limited ("eMedia Investments").

eMEDIA INVESTMENTS

The financial year ended 31 March 2017 has seen the market share of e.tv remain constant and has shown an improvement in the key revenue drivers of LSM 5-7 and LSM-10 on the flagship channel, e.tv. This has seen e.tv's advertising revenue increase by 6% (R74 million) year-on-year. A shift to include "high-end" international series and movies and recent deals concluded with Warner Bros, Disney, Sony and CBS have assisted in clawing back and maintaining the market share that had been lost previously. This has however, seen an 8% increase in programming costs ending

the year on R603.5 million. Operating expenses are being well maintained in the business and e.tv has shown a good recovery from its previous position, showing a 5% increase in profit after tax and a 13% increase in EBITDA, ending the year on R343.7 million. e.tv approached ICASA for an amendment to its licence conditions in which it has requested that the eNews Direct bulletin be moved out of prime time. ICASA refused the license amendment and e.tv has requested reasons for the decision and will look to take the matter on review if there are reasonable prospects of success. As previously reported, litigation was instituted against the Minister of Communications and Others regarding the Broadcasting Digital Migration policy, which will have an impact on digital terrestrial television ("DTT"). Although e.tv lost the application, leave to appeal was granted and e.tv won the appeal at the Supreme Court of Appeal. The losing respondents have referred the matter to the Constitutional Court for a final determination and the matter was heard on 21 February 2017. We await judgement in the matter.

eSat.tv (eNCA) continues to perform well and continues to be the most-watched 24-hour news channel on DSTv with over 50% market share. The current agreement with MultiChoice (DSTv) terminated on 31 January 2017 with a short-form agreement being signed during December 2016 with an effective date of 1 February 2017. The new agreement allows us to broadcast our e.tv multi-channel channels on the DSTv bouquets. eSat.tv ended the year on a profit after tax of R228.9 million, an increase of 6% year-on-year.

As mentioned, included in the results are losses of R307.1 million from the continued investment into the multi-channel businesses (Platco and e.tv multi-channel) from which very little revenue is currently being derived. The OpenView HD platform continues to increase its viewership footprint, with 778 160 set-top boxes activated at the end of the financial year. This has come at a cost with an amount of R99 million being paid out for subsidies over the period. With this ever-improving rollout, being able to access the DSTv bouquets with our channels and when DTT starts, the Group will be in a good position to increase its advertising revenue base.

Certain of the Group's other subsidiaries have performed satisfactorily for the year. These include Sasani Africa, Silverline360 and Strika Entertainment. Management continues to review the non-core and peripheral businesses and will exit these businesses when opportunities present themselves. Included in these results are further impairments of the Ghana business of R22.2 million and a write-off of the loan of R20.3 million to a Los Angeles-based

distribution company, 13 Films. During the current financial year the sale of Power Entertainment, TVPC Media and Shibula Lodge was completed and negotiations are underway for the sale of eBotswana. Also sold was one of the properties in the Group, 9 Summit Road, Dunkeld West as it became surplus to requirements. An indicative offer for the sale of the Durban property has also been signed. Despite the challenging economic environment management looks forward to a fruitful six months going forward in the new financial year.

DIVIDENDS

No dividend was declared by the Group.

SHARE CAPITAL

During the year under review, 1 140 494 N-ordinary shares (0.3%) were bought back by the company from employees who resigned and held shares on loan account. As at 31 March 2017, these shares are held as treasury shares by the company.

DIRECTORATE

The directors of the company appear on pages 10 and 11. There were no changes to the directorate during the year.

COMPANY SECRETARY

The secretary of the company for the 12 months ended 31 March 2017 is Junadi Van der Merwe. The secretary has an arm's-length relationship with the board of directors. The name, business and postal address of the company secretary are set out on page 76.

AUDITORS

Grant Thornton Johannesburg Partnership will continue in office in accordance with section 90 of the South African Companies Act, with G M Chaitowitz as the designated auditor.

SIGNIFICANT SHAREHOLDERS

The company's significant ordinary shareholder is Fulela Trade and Invest 81 Proprietary Limited and significant N-ordinary shareholder is HCI Invest 6 Holdco Proprietary Limited.

SPECIAL RESOLUTIONS

The following special resolutions were passed by the company's shareholders at the annual general meeting held on 1 November 2016:

- Approval of the fees payable to non-executive directors for their services as directors or as members of the board subcommittees in respect of the period 1 November 2016 until the date of the next annual general meeting.
- Granting the company and the subsidiaries of the company a general authority in terms of the Listings Requirements of the JSE Limited for the acquisition by the company, or a subsidiary of the company, of ordinary issued shares issued by the company.
- General approval for the provision of financial assistance in terms of sections 44 and 45 of the Companies Act.

SPECIAL RESOLUTIONS OF SUBSIDIARIES

The statutory information relating to special resolutions passed by subsidiaries is available from the registered office of the company.

AUDITOR'S REPORT

The consolidated annual financial statements have been audited by Grant Thornton Johannesburg Partnership and their unqualified audit report on the comprehensive annual financial statements and the summarised annual financial statements are available for inspection at the registered office of the company.

SHAREHOLDING OF DIRECTORS

The shareholding of directors of the company and their participation in the share incentive scheme and in the issued share capital of the company as at 31 March 2017, are set out in the report of the remuneration committee on page 38.

DIRECTORS' EMOLUMENTS

Directors' emoluments incurred by the company and its subsidiaries

for the year ended 31 March 2017 are set out in the report of the remuneration committee on page 38 and in the notes to the annual financial statements on the company website www.emediaholdings.co.za.

ASSOCIATES, JOINT VENTURES AND SUBSIDIARIES

Details of the company's associates, joint ventures and subsidiaries are set out in the notes to the annual financial statements available on the company website www.emediaholdings.co.za.

BORROWING POWERS

There are no limits placed on borrowing in terms of the Memorandum of incorporation ("MOI"). Certain companies in the Group have entered into various loan agreements with providers of loan finance. These loan agreements include various covenants and undertakings by companies in the Group, which may restrict the Group's borrowing powers. Details of these covenants and undertakings are available from the registered office of the company.

LITIGATION STATEMENT

There are no material legal or arbitration proceedings (including proceedings which are pending or threatened of which the directors of eMedia Holdings are aware), which may have or have had, during the 12-month period preceding the last date of this report, a material effect on the financial position of eMedia Holdings.

MATERIAL CHANGE

There has been no material change in the financial or trading position of the eMedia Holdings Group since the publication of its provisional results for the year ended 31 March 2017.

SUBSEQUENT EVENTS

Other than as previously detailed in this report, the directors are not aware of any event or circumstance occurring between the reporting date and the date of this report that materially affects the results or financial position of the Group or company for the year ended 31 March 2017 or the financial position at that date.

APPROVAL OF SUMMARISED FINANCIAL STATEMENTS

The directors of eMedia Holdings Limited are responsible for the preparation, integrity and fair presentation of the summarised financial statements of the company and of the Group and for other information contained in this Integrated Annual Report. The summarised audited financial statements set out on pages 60 to 69 and the annual financial statements for the year ended 31 March 2017, available on the company website www.emediaholdings.co.za, have been prepared in accordance with International Financial Reporting Standards and include amounts based on prudent judgments and estimates by management.

The going concern basis has been adopted in preparing the financial statements. The directors have no reason to believe that the Group or any company within the Group will not be a going concern in the foreseeable future based on forecasts and available cash resources. These financial statements support the viability of the company and the Group. The financial statements have been audited by the independent auditing firm, Grant Thornton Johannesburg Partnership, 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.

The directors believe that all representations made to the independent auditors during the audit were valid and appropriate.

The annual financial statements for the year ended 31 March 2017, which are available on the company website, were approved by the board of directors on 19 September 2017 and are signed on its behalf by:

		
J A Copelyn Chairman	T G Govender Acting chief executive officer	A S Lee Financial director
19 September 2017 Cape Town		

SUMMARISED AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Audited 31 March 2017 R000's	Audited 31 March 2016 R000's
ASSETS		
Non-current assets	7 622 858	7 777 611
Property, plant and equipment	941 584	1 013 908
Plant and equipment	323 028	356 621
Owner-occupied property	618 556	657 287
Intangible assets	2 596 701	2 676 785
Goodwill	3 778 264	3 774 453
Equity-accounted investees	203 038	230 912
Long-term receivables	16 457	19 206
Deferred tax assets	86 814	62 347
Current assets	1 529 469	1 140 719
Inventories	20 946	17 945
Programming rights	866 244	490 973
Trade and other receivables	439 962	493 570
Current tax assets	16 113	17 377
Cash and cash equivalents	186 204	120 854
Assets of disposal groups	53 618	118 492
Total assets	9 205 945	9 036 822
EQUITY AND LIABILITIES		
Total equity	7 181 685	7 091 343
Stated capital/Share capital and share premium	6 762 797	6 762 797
Treasury shares	(7 221)	-
Reserves	(600 432)	(659 674)
Equity attributable to owners of the company	6 155 144	6 103 123
Non-controlling interest	1 026 541	988 220
Non-current liabilities	877 871	990 174
Deferred tax liabilities	540 747	549 530
Borrowings	332 627	440 644
Operating lease liability	4 497	-
Current liabilities	1 144 768	938 790
Current tax liabilities	6 664	10 509
Current portion of borrowings	342 537	385 352
Trade and other payables	793 757	542 133
Bank overdraft	1 810	796
Liabilities of disposal groups	1 621	16 515
Total liabilities	2 024 260	1 945 480
Total equity and liabilities	9 205 945	9 036 822
Net asset value	6 155 144	6 103 123
Net asset value per share after treasury shares (cents)	1 384	1 369

SUMMARISED AUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Audited 31 March 2017 R000's	Audited 31 March 2016* R000's	% change
Continuing operations			
Revenue	2 582 733	2 416 156	6.9
Cost of sales	(1 176 867)	(1 083 336)	8.6
Gross profit	1 405 866	1 332 820	5.5
Other income	54 945	108 206	(49.2)
Administrative and other expenses	(972 546)	(920 018)	5.7
Earnings before interest, taxation, depreciation and amortisation	488 265	521 008	(6.3)
Depreciation, amortisation and impairments	(216 817)	(260 401)	(16.7)
Operating profit	271 448	260 607	4.2
Finance income	10 916	8 340	30.9
Finance expenses	(64 548)	(50 936)	26.7
Share of (loss)/profit of equity-accounted investees, net of taxation	(2 241)	7 829	(128.6)
Profit before taxation	215 575	225 840	(4.5)
Taxation	(87 522)	(168 635)	
Profit for the year from continuing operations	128 053	57 205	123.8
Discontinued operations			
Profit/(loss) for the year from discontinued operations, net of taxation	32 561	(146 021)	
Profit/(loss) for the year	160 614	(88 814)	(280.8)
Other comprehensive income, net of related taxation			
Items that are or may be reclassified to profit or loss			
Foreign operations—foreign currency translation differences	(2 198)	43 051	
Reclassification of foreign currency differences on disposal	(65 049)	(11 600)	
Other comprehensive (loss)/income, net of taxation	(67 247)	31 451	
Total comprehensive income/(loss) for the year	93 367	(57 363)	
Profit/(loss) attributable to:			
Owners of the company	104 760	(63 592)	
Non-controlling interest	55 854	(25 222)	
	160 614	(88 814)	
Total comprehensive income/(loss) attributable to:			
Owners of the company	59 242	(43 655)	
Non-controlling interest	34 125	(13 708)	
	93 367	(57 363)	

* Prior year restated for discontinued operations

SUMMARISED AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Stated capital R000's	Treasury shares R000's	Other reserves R000's	Retained income R000's
Balance 31 March 2015	6 665 383	-	16 064	(611 545)
Loss	-	-	-	(63 592)
Other comprehensive income — FCTR	-	-	19 937	-
Share transaction with minority shareholders	97 414	-	2 029	(20 394)
Disposal of share interest	-	-	-	-
Change in ownership - minority interest acquired	-	-	-	(2 173)
Balance 31 March 2016	6 762 797	-	38 030	(697 704)
Profit	-	-	-	104 760
Other comprehensive income — FCTR	-	-	(45 518)	-
Share buyback	-	(7 221)	-	-
Disposal of share interest	-	-	-	-
Dividends paid	-	-	-	-
Balance 31 March 2017	6 762 797	(7 221)	(7 488)	(592 944)

	Equity owners R000's	Non-controlling interest R000's	Total equity R000's
Balance 31 March 2015	6 069 902	1 062 027	7 131 929
Loss	(63 592)	(25 222)	(88 814)
Other comprehensive income — FCTR	19 937	11 514	31 451
Share transaction with minority shareholders	79 049	(65 042)	14 007
Disposal of share interest	-	2 770	2 770
Change in ownership - minority interest acquired	(2 173)	2 173	-
Balance 31 March 2016	6 103 123	988 220	7 091 343
Profit	104 760	55 854	160 614
Other comprehensive income — FCTR	(45 518)	(21 729)	(67 247)
Share buy-back	(7 221)	-	(7 221)
Disposal of share interest	-	9 449	9 449
Dividends paid	-	(5 252)	(5 252)
Balance 31 March 2017	6 155 144	1 026 542	7 181 685

SUMMARISED AUDITED CONSOLIDATED STATEMENT OF CASH FLOW

	Audited 31 March 2017 R000's	Audited 31 March 2016 R000's
Net cash from operating activities	269 096	329 586
Cash flows from operating activities	444 428	482 864
Net finance costs	(49 004)	(42 590)
Taxes paid	(126 327)	(110 688)
Net cash used in investing activities	(50 858)	(262 089)
Acquisition of property, plant and equipment	(78 103)	(308 596)
Acquisition of plant and equipment	(69 922)	(251 359)
Acquisition of owner-occupied properties	(8 181)	(57 237)
Proceeds from sale of property, plant and equipment	7 393	18 133
Book value of assets disposed	4 472	11 973
Surplus/(loss) on disposal	2 921	6 160
Movement in financial assets	2 271	20 939
Acquisition of subsidiary, net of cash acquired	(3 749)	(703)
Net cash flows of discontinued operations	36 928	42 930
Additions to intangible assets	(10 073)	(29 726)
Loans advanced to equity accounting investees	(6 900)	(6 070)
Investment income	1 375	1 004
Net cash (used in)/from financing activities	(180 471)	(44 660)
Repayment of borrowings	(170 875)	(43 266)
Borrowings raised	2 877	7
Share buyback	(7 221)	-
Change in non-controlling interest	-	(1 401)
Dividends paid to non-controlling interest	(5 252)	-
Net change in cash and cash equivalents	37 768	22 837
Cash and cash equivalents at beginning of the year	159 528	130 125
Effect of movements in exchange rates on cash held	(4 785)	6 566
Cash and cash equivalents at end of the year	192 510	159 528
Cash and cash equivalents comprise the following:		
Cash and cash equivalents	194 320	160 324
Bank balances	186 204	120 854
Cash in disposal group assets held for sale	8 116	39 470
Bank overdrafts	(1 810)	(796)
	192 510	159 528

HEADLINE EARNINGS

	Audited Gross R000's	Audited Net R000's
For the year ended 31 March 2017		
Earnings attributable to equity owners of the parent		104 760
IAS 16 Gains on Disposal of Plant and Equipment	(2 995)	(2 156)
IAS 21 Foreign Currency Translation Reserve Reclassified to Profit or Loss	(44 030)	(44 030)
IAS 36 Impairment of Other Assets	15 674	15 674
IAS 38 Impairment of Intangible Assets	5 002	3 602
IFRS 10 Loss on Sale of Subsidiary	20 189	20 189
Headline earnings		98 039
For the year ended 31 March 2016		
Loss attributable to equity owners of the parent		(63 592)
IAS 16 Gains on Disposal of Plant and Equipment	(4 120)	(5 274)
IAS 16 Impairment of Plant and Equipment	6 640	5 152
IAS 21 Foreign Currency Translation Reserve Reclassified to Profit or Loss	(7 851)	(10 050)
IAS 28 Gain on Disposal of Associates	(2 730)	(2 730)
IAS 36 Impairment of Other Assets	1 458	1 730
IAS 38 Impairment of Intangible Assets	100 563	100 563
IFRS 3 Impairment of Goodwill	5 238	5 238
IFRS 10 Loss on Sale of Subsidiary	1 162	1 162
Headline earnings		32 199

* Prior year restated for discontinued operations

STATISTICS PER SHARE

		Audited 31 March 2017 R000's	Audited 31 March 2016* R000's
Basic earnings	(R000's)		
Earnings/(loss)		104 760	(63 592)
Continuing operations		72 969	35 245
Discontinued operations		31 791	(98 837)
Headline earnings		98 039	32 199
Continuing operations		90 089	37 759
Discontinued operations		7 950	(5 560)
Basic earnings per share	(cents)		
Earnings/(loss)		23.52	(14.47)
Continuing operations		16.38	8.02
Discontinued operations		7.14	(22.49)
Headline earnings		22.01	7.33
Continuing operations		20.23	8.59
Discontinued operations		1.78	(1.26)
Weighted average number of shares in issue — 31 March	('000)	445 359	439 408
Issued shares as at 1 April	('000)	445 738	431 821
Effect of shares issued	('000)	-	7 587
Effect of own shares held	('000)	(379)	-
Net number of shares in issue — 31 March	('000)	444 597	445 738
Number of shares in issue — 31 March	('000)	445 738	445 738
Number of treasury shares in issue — 31 March	('000)	(1 140)	-

* Prior year restated for discontinued operations

NOTES TO THE SUMMARISED AUDITED CONSOLIDATED FINANCIAL RESULTS

BASIS OF PREPARATION AND ACCOUNTING POLICIES

The results for the year ended 31 March 2017 have been prepared in accordance with International Financial Reporting Standards, the disclosure requirements of IAS 34, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the requirements of the South African Companies Act, 2008, and the Listing Requirements of the JSE Limited. The accounting policies applied by the Group in the preparation of these summarised audited consolidated financial statements are consistent with those applied by the Group in its consolidated financial statements as at, and for, the year ended 31 March 2017. There was no material impact on the financial results identified based on management's assessment of the new standards adopted. As required by the JSE Listings Requirements, the Group reports headline earnings in accordance with Circular 2/2015: Headline Earnings as issued by the South African Institute of Chartered Accountants. These financial statements were prepared under the supervision of the financial director, A S Lee (CA) SA.

BUSINESS COMBINATIONS

During the year the group acquired and consolidated 100% of Waterfront Film Studios Proprietary Limited, effective 1 July 2016. All risks and rewards have been transferred to the Group as 100% of the issued shares was acquired. The purchase consideration of the shareholding was R7.5 million of which R3.751 million is deferred at year-end.

Impact of acquisition on the results

Revenue and losses included in the results since the date of acquisition amounted to R16.280 million and R1.701 million respectively. Revenue and losses which would have been included in the results, had the acquisition date been on the first day of the financial year, amount to R21.080 million and R6.369 million respectively.

Identifiable assets acquired and liabilities assumed

The following table summarises the amount of the assets acquired and liabilities assumed recognised as the acquisition date:

	Audited 31 March 2017 R000's
Cash	3 749
Liability — deferred payment (fair value)	3 751
Total consideration	7 500
Recognised amounts of identifiable assets acquired and liabilities assumed:	
Property, plant and equipment	9 614
Deferred lease liability	(1 496)
Financial liabilities (current)	(1 920)
Deferred lease liability (current)	(2 510)
Total identifiable net assets	3 688
Goodwill	3 812
Total consideration	7 500
Cash flow from investing activity	
Cash consideration transferred	(3 749)
Cash and cash equivalents in the business acquired	-
Net cash used in investing activities	(3 749)

DISCONTINUED OPERATIONS AND DISPOSAL GROUP ASSETS/LIABILITIES HELD FOR SALE

Following a decision at 31 March 2017 to sell the business of Lalela Music SA Proprietary Limited and Lalela Music LLC, the results of these operations were reclassified to discontinued operations in the statement of comprehensive income and in assets and liabilities to disposal groups held for sale in the statement of financial position. A decision was also taken to dispose of a commercial building at 73 Richefond Circle, Ridgeside, Umhlanga, KwaZulu-Natal owned by Sabido Properties Proprietary Limited.

The sale of the business of Shibula Lodge, TVPC Media and Power (a subsidiary of Longkloof Limited) was effected on 13 July 2016 for Shibula Lodge and the latter two businesses on 1 July 2016.

The proceeds on the sale of Power amounted to US\$600 000, Shibula Lodge amounted to R5.4 million and TVPC Media amounted to R1. The Group sold a commercial building at 9 Summit Road, Dunkeld West, Johannesburg owned by Sabido Properties Proprietary Limited for R35 million.

Certain subsidiaries of the Longkloof Limited Group, eBotswana Proprietary Limited and e.tv Botswana Proprietary Limited, remain classified in discontinued operations in the statement of comprehensive income and its assets and liabilities remain classified to disposal groups held for sale in the statement of financial position as at, and for, the year ended 31 March 2017 since the sales are being finalised.

Discontinued operations as disclosed in the statement of comprehensive income consist of the following:

	Audited 31 March 2017 R000's	Audited 31 March 2016* R000's
Revenue		
Longkloof Limited Group subsidiaries and associates	3 304	26 735
eBotswana and e.tv Botswana	4 409	4 790
TVPC Media, Shibula Lodge and Afrikaans Satelliet TV	1 112	14 564
Lalela Music SA and Lalela Music LLC	13 082	10 660
Total revenue	21 907	56 749
Profit/(loss) from discontinued operations		
Longkloof Limited Group subsidiaries and associates	33 652	(131 187)
eBotswana and e.tv Botswana	(12)	(554)
TVPC Media, Shibula Lodge and Afrikaans Satelliet TV	(4 076)	(16 280)
Lalela Music SA and Lalela Music LLC	2 997	2 000
Total profit/(loss)	32 561	(146 021)

*Prior year restated for entities reclassified as discontinued in the current year

Disposal Group assets/liabilities held for sale as disclosed in the statement of financial position consist of the following:

	Property, plant and equipment R000's	Intangible assets R000's	Other assets R000's	Total assets R000's
Assets				
31 March 2017				
Longkloof Limited Group subsidiaries and associates	-	-	5 590	5 590
eBotswana and e.tv Botswana	2 801	-	2 813	5 614
Lalela Music SA and Lalela Music LLC	295	12 001	7 133	19 429
Sabido Properties — building to be sold	22 985	-	-	22 985
Total assets	26 081	12 001	15 536	53 618

31 March 2016				
Longkloof Limited Group subsidiaries and associates	-	11 629	60 873	72 502
e.Botswana and e.tv Botswana	3 017	-	3 184	6 201
Shibula Lodge	5 532	-	397	5 929
Sabido Properties — building to be sold	33 860	-	-	33 860
Total assets	42 409	11 629	64 454	118 492

	Audited 31 March 2017 R000's	Audited 31 March 2016 R000's
Liabilities		
Longkloof Limited Group subsidiaries and associates	-	(15 782)
eBotswana and e.tv Botswana	(174)	(303)
Shibula Lodge	-	(430)
Lalela Music SA and Lalela Music LLC	(1 447)	-
Total liabilities	(1 621)	(16 515)

CHANGES IN COMPARATIVES

The results of discontinued operations have been separately disclosed on the face of the statement of comprehensive income.

RELATED PARTY TRANSACTIONS

During the year, in the ordinary course of business, certain companies within the group entered into transactions with one another. These intra-group transactions have been eliminated on consolidation. Transactions with Hosken Consolidated Investments Limited ("HCI") (ultimate holding company), entities in which HCI has an interest, Remgro Limited ("Remgro") (shareholder in eMedia Investments Proprietary Limited), and Venfin Media Investments Proprietary Limited ("Venfin") (a wholly-owned subsidiary of Remgro) are included in the following table:

	Audited 31 March 2017 R000's	Audited 31 March 2016 R000's
Income/(expense) transaction values with related parties		
HCI — management fees paid	(15 810)	(14 915)
HCI — internal audit service fee	(136)	(340)
Venfin — management fees paid	(1 781)	(1 689)
Interest income — interest-bearing loans to employees	128	139
Interest income — unwinding of employee loans at 0% interest	1 249	1 028
Balances owing (to)/by related parties		
HCI — working capital loan	(8 602)	(8 602)
HCI Managerial Services Proprietary Limited	(1 555)	(1 450)
Venfin — loan relating to the acquisition of Longkloof Limited	(156 605)	(156 605)
Cape Town Film Studios — associate loan	101 858	95 442
Dreamworld Management Company — associate loan	11 666	11 182
Employees of the Group — loans relating to company shares held by employees	14 593	19 205



NOTICE OF ANNUAL GENERAL MEETING

FOR THE TWELVE MONTHS ENDED 31 MARCH 2017

Notice is hereby given that the annual general meeting of eMedia Holdings Limited (“the company”) will be held on Wednesday, 1 November 2017 at 10:00 at the offices of the company, 4 Stirling Street, Zonnebloem, 7925.

This document is available in English only and the proceedings at the meeting will be conducted in English.

General instructions and information

Participants at the annual general meeting will be required to provide proof of identification to the reasonable satisfaction of the chairperson of the annual general meeting and must accordingly provide a copy of their identity document, passport or driver’s licence at the annual general meeting for verification.

The board of directors of the company determined, in accordance with section 59 of the Companies Act, No. 71 of 2008, as amended (“the Act”), that the record date for the purpose of determining

which shareholders of the company were entitled to receive notice of the annual general meeting was Friday, 15 September 2017 and the record date for purposes of determining which shareholders of the company are entitled to participate in and vote at the annual general meeting is Friday, 20 October 2017. Accordingly, only shareholders who are registered in the register of shareholders of the company on Friday, 20 October 2017 will be entitled to participate in and vote at the annual general meeting.

All shareholders of ordinary and/or N-ordinary shares in the company (“shares”) are entitled to attend, speak and vote at the annual general meeting. If you hold certificated shares (i.e. have not dematerialised your shares in the company) or are registered as an “own name” dematerialised shareholder (i.e. have specifically instructed your Central Securities Depository Participant (“CSDP”) to hold your shares in your own name on the company’s sub-register), then:

- you may attend and vote at the annual general meeting; alternatively

- you may appoint one or more proxies (who need not be shareholders of the company) to represent you at the annual general meeting by completing the attached form of proxy and returning it to the office of the transfer secretaries for administrative purposes, to be received by no later than 24 (twenty-four) hours prior to the time appointed for the holding of the meeting (excluding Saturdays, Sundays and public holidays).

Please note that the company intends to make provision for shareholders of the company, or their proxies, to participate in the annual general meeting by way of videoconference in Johannesburg. Should you wish to participate in the annual general meeting by way of videoconference as aforesaid, you are required to give notice of such proposed participation to the company at its registered office or at the office of the transfer secretaries for administrative purposes by no later than 10:00 on Tuesday, 31 October 2017. In order for the notice to be valid, it must be accompanied by the following:

- if the shareholder is an individual, a certified copy of his/her identity document and/or passport;
- if the shareholder is not an individual, a certified copy of the resolution adopted by the relevant entity authorising the representative to represent the shareholder at the annual general meeting and a certified copy of the authorised representative's identity document and/or passport;
- a valid e-mail address and/or facsimile number for the purpose of receiving details of the videoconference facility that will be made available. Upon receipt of the aforesaid notice and documents, the company shall notify you of the relevant details of the videoconference facilities available in Johannesburg at which you can participate in the annual general meeting by way of electronic communication.

Please note that if you own dematerialised shares (i.e. have replaced the paper share certificates representing the shares with electronic records of ownership under the JSE Limited's electronic settlement system held through a CSDP or broker, or their nominee) and are not registered as an "own name" dematerialised shareholder, you are not a registered shareholder of the company. Accordingly, in these circumstances, subject to the mandate between yourself and your CSDP or broker, as the case may be:

- if you wish to attend the annual general meeting, you must contact your CSDP or broker, as the case may be, and obtain the relevant letter of representation from it; alternatively
- if you are unable to attend the annual general meeting but wish to be represented at the meeting, you must contact your CSDP or broker, as the case may be, and furnish it with your voting instructions in respect of the annual general meeting

and/or request it to appoint a proxy. You must not complete the attached form of proxy.

The instructions must be provided in accordance with the mandate between yourself and your CSDP or broker, as the case may be, within the time period required by your CSDP or broker, as the case may be. CSDPs, brokers or their nominees, as the case may be, recorded in the company's sub-register as holders of dematerialised shares held on behalf of an investor/beneficial owner should, when authorised in terms of their mandate or instructed to do so by the person on behalf of whom they hold dematerialised shares, vote by either appointing a duly authorised representative to attend and vote at the annual general meeting or by completing the attached form of proxy in accordance with the instructions thereon and returning it to the office of the company's transfer secretaries to be received by not less than 24 (twenty-four) hours prior to the time appointed for the holding of the meeting (excluding Saturdays, Sundays and public holidays).

NOTICE TO MEMBERS

On a poll the holders of ordinary shares of no par value are entitled to 100 votes per ordinary share and the holders of N-ordinary shares of no par value are entitled to one vote per N-ordinary share.

Unless otherwise specifically provided below, for any of the ordinary resolutions to be adopted, more than 50% of the voting rights exercised on each such ordinary resolution must be exercised in favour thereof. For any special resolutions to be adopted, more than 75% of the voting rights exercised on each special resolution must be exercised in favour thereof.

The Integrated Annual Report to which this notice of annual general meeting is attached provides details of:

- the directors and management of the company, including brief CVs of the directors nominated for re-election, on pages 10 and 11
- the major shareholders of the company, on pages 26 and 27; and
- the share capital of the company in the notes to the audited financial statements and an analysis of shareholders, on pages 26 and 27.

There are no material changes to the Group's financial or trading position (other than as disclosed in the accompanying Integrated Annual Report), nor are there any legal or arbitration proceedings that may materially affect the financial position of the Group between 31 March 2017 and the reporting date.

The directors accept full responsibility for the accuracy of the information given and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would

make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made, and that the annual report and this notice provide all information required by law and the Listings Requirements of the JSE ("JSE Listings Requirements").

PURPOSE

1. Transacting the following business:

- 1.1 to present the audited annual financial statements of the company and its subsidiaries (Group) for the year ended 31 March 2017, the associated directors' report, external auditor's report, the audit and risk committee report and the social and ethics committee report;
- 1.2 to elect directors in the place of those retiring in accordance with the company's memorandum of incorporation; and
- 1.3 such other business as may be transacted at an annual general meeting.

2. Considering, and if deemed fit, passing, with or without modification, the below-mentioned ordinary and special resolutions.

The purpose of the annual general meeting is for the following business to be transacted and the following resolutions to be proposed, all of them as ordinary resolutions unless the contrary appears:

AGENDA

1. The Companies Act requires the company to present the audit committee report and the directors' report at the annual general meeting of the company. The directors' report is set out on pages 58 to 59, and the audit committee report is set out on pages 36 and 37 of the Integrated Annual Report to which this notice of annual general meeting is attached.

2. Ordinary resolution number 1 – To receive and adopt the audited financial statements

"Resolved that the audited financial statements and Group audited financial statements for the year ended 31 March 2017 as tabled at the meeting are hereby adopted."

The purpose of this ordinary resolution is to approve the annual financial statements of the company and its subsidiaries, which summarised financial statements are set out on pages 60 to 69 of the Integrated Annual Report to which this notice of annual general meeting is attached and the full set of audited financial statements that are available on the company's website, www.emediaholdings.co.za. The resolution has been proposed in terms of item 2(7) of Schedule 5 of the Companies Act, No. 71 of 2008, read with section 286 of the Companies Act, No. 61 of 1973, as amended.

3. Ordinary resolution numbers 2.1 and 2.2 – Appointment of directors

Mr V E Mphande and Ms R D Watson retire as directors in accordance with the company's MOI but, being eligible, each offer themselves for re-election as a director of the company. For CV details, see page 11.

Accordingly, shareholders are requested to consider and if deemed fit, to re-elect Mr V E Mphande and Ms R D Watson by way of passing the ordinary resolutions set out below:

3.1 Mr V E Mphande – ordinary resolution number 2.1

"Resolved that Mr V E Mphande be and is hereby elected as a director of the company."

3.2 Ms R D Watson – ordinary resolution number 2.2

"Resolved that Ms R D Watson be and is hereby elected as a director of the company."

4. Ordinary resolution number 3 – Reappointment of auditor

The company's audit committee has recommended that Grant Thornton Johannesburg Partnership be reappointed as the auditors of the company for the ensuing year and to note that the individual registered auditor who will undertake the audit during the financial year ending 31 March 2017 is Mr G Chaitowitz. Accordingly, the directors propose that the following resolution be adopted:

"Resolved that Grant Thornton Johannesburg Partnership is hereby appointed as the auditor to the company for the ensuing year."

The reason for ordinary resolution number 3 is that the company, being a public listed company, must have its financial results audited and such auditor must be appointed or reappointed each year at the annual general meeting of the company as required by the Companies Act

5. Ordinary resolution numbers 4.1, 4.2 and 4.3 – Appointment of audit committee

5.1 Appointment of audit committee member – ordinary resolution number 4.1

"Resolved that Mr L Govender (see CV details on page 11) be appointed to the audit committee of the company for the ensuing year."

5.2 Appointment of audit committee member – ordinary resolution number 4.2

"Resolved that Mr V E Mphande (see CV details on page 11) be appointed to the audit committee of the company for the ensuing year."

5.3 Appointment of audit committee member – ordinary resolution number 4.3

"Resolved that Ms R D Watson (see CV details on page 11) be appointed to the audit committee of the company for the ensuing year."

The reason for ordinary resolution numbers 4.1 to 4.3 is that the company, being a public listed company, must appoint

an audit committee and the Companies Act requires that the members of such audit committee be appointed at each annual general meeting of a company.

Under the Companies Act the audit committee is no longer a committee of the board but instead is a committee elected by shareholders and others entitled to exercise votes at the meeting when the election takes place.

6. Ordinary resolution number 5 – General authority over unissued shares

“Resolved that all the unissued authorised shares in the company be and are hereby placed under the control of the directors, subject to the provisions of the Companies Act, the MOI and the JSE Listings Requirements, until the next annual general meeting.”

No issue of these shares is contemplated at the present time and no issue will be made that could effectively change the control of the company without the prior approval of shareholders in a general meeting.

7. Ordinary resolution number 6 – General authority to issue shares and options for cash

“Resolved that the directors of the company be and are hereby authorised by way of a general authority to issue (which shall for the purposes of the JSE Listings Requirements include the sale of treasury shares) for cash (as contemplated in the JSE Listings Requirements) all or any of the authorized but unissued shares in the capital of the company, including options, as and when they in their discretion deem fit, subject to the Companies Act, the MOI of the company and the JSE Listings Requirements as presently constituted and which may be amended from time to time, and provided that such issues for cash may not, in the aggregate, in any 1 (one) financial year, exceed 15% (fifteen per cent) of the number of shares of the relevant class of shares issued prior to such issue.”

Additional requirements imposed by the JSE Listings Requirements

It is recorded that the company may only make an issue of shares for cash under the above general authority if the following JSE Listings Requirements are met:

- the shares, which are the subject of the issue for cash, must be of a class already in issue, or where this is not the case, must be limited to such equity securities or rights that are convertible into a class already in issue;
- the general authority shall only be valid until the company's next annual general meeting or for 15 (fifteen) months from the date of passing of this ordinary resolution, whichever period is shorter;
- a SENS announcement will be published giving full details, including the number of shares issued, the average discount to the weighted average traded price of the shares over the 30 (thirty) days prior to the date

that the price of the issue was agreed in writing between the company and party/ies subscribing for such shares and the expected effect on the net asset value per share, net tangible asset value per share, earnings per share and headline earnings per share at the time of any issue representing, on a cumulative basis within 1 (one) financial year, 5% (five per cent) of the number of shares in issue prior to that issue;

- that issues in the aggregate in any 1 (one) financial year may not, in respect of:
 - ordinary shares, exceed 95 715 297, representing 15% (fifteen per cent) of the ordinary shares of the company, excluding treasury shares; and
 - N-ordinary shares, exceed 552 016 465, representing 15% (fifteen per cent) of the N-ordinary shares of the company, excluding treasury shares;
- in determining the price at which an issue of shares may be made in terms of this general authority, the maximum discount permitted will be 10% (ten per cent) of the weighted average traded price on the JSE Limited of those shares measured over the 30 (thirty) business days prior to the date that the price of the issue is agreed to between the company and the party/ies subscribing for the shares; and
- any issue will only be made to “public shareholders” as defined by the JSE Listings Requirements and not to related parties.

Although this is an ordinary resolution, the minimum percentage of voting rights that is required for this resolution to be adopted is 75% (seventy-five per cent) of the voting rights to be cast on the resolution.

8. Non-binding resolution number 1 – Advisory endorsement of remuneration report for the year ended 31 March 2017

“To endorse on an advisory basis, the company's remuneration policy on page 38 of the Integrated Annual Report, (excluding the remuneration of the non-executive directors for their services as directors and members of board committees).”

Motivation for advisory endorsement

In terms of King III, an advisory vote should be obtained from shareholders on the company's annual remuneration policy. The vote allows shareholders to express their views on the remuneration policies adopted and their implementation, but will not be binding on the company.

9. Special resolution number 1 – Approval of annual fees to be paid to non-executive directors

To approve for the period 1 November 2017 until the date of the next annual general meeting of the company, the fees payable (exclusive of VAT) to non-executive directors of the company for their services as directors as follows:

	Fee
Non-executive director	R'000
L Govender	178,7
V E Mphande	270,7
R D Watson	178,7

Reason for and effect of special resolution number 1

This resolution is proposed in order to comply with the requirements of the Companies Act. In terms of section 65(11) (h) of the Companies Act, read with section 66(8) and 66(9) of the Companies Act, remuneration may only be paid to directors for their services as directors in accordance with a special resolution approved by the holders within the previous 2 (two) years and only if this is not prohibited in terms of the company's memorandum of incorporation.

The payment of remuneration to directors for their services as directors is not prohibited by the company's memorandum of incorporation. This special resolution applies only to non-executive directors, as executive directors are required to attend meetings as part of their terms of employment and do not receive remuneration for their services as directors in addition to salaries they receive, by virtue of their employment by the company.

The proposed directors' remuneration payable to non-executive directors is based on best practice and aimed at ensuring fair and competitive remuneration practices. It is important for the company to attract new directors and retain directors with the relevant capabilities, skills and experience required to effectively conduct the business of the board and lead the company according to its strategic priorities.

10. Special resolution number 2 – General authority to repurchase company shares

"Resolved that the company hereby approves, as a general approval contemplated in JSE Listings Requirement 5.72, the acquisition by the company or any of its subsidiaries from time to time of the issued shares of the company, upon such terms and conditions and in such amounts as the directors of the company may from time to time determine, but subject to the provisions of the Companies Act and the JSE Listings Requirements as presently constituted and which may be amended from time to time, and provided that:

- acquisitions by the company or its subsidiaries of shares in the capital of the company may not, in the aggregate, exceed in any one financial year 20% (twenty per cent) (or 10% (ten per cent) where such acquisitions relate to the acquisition by a subsidiary) of the company's issued share capital of the class of the repurchased shares from the date of the grant of this general authority;
- any such acquisition of shares shall be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement

between the company and the counterparty (reported trades are prohibited);

- the company (or any subsidiary) is authorised to do so in terms of its MOI;
- this general authority shall only be valid until the company's next annual general meeting, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this special resolution;
- in determining the price at which the company's shares are acquired by the company or its subsidiaries in terms of this general authority, the maximum premium at which such shares may be acquired may not be greater than 10% (ten per cent) above the weighted average of the market price at which such shares are traded on the JSE Limited for the 5 (five) business days immediately preceding the date the repurchase transaction is effected;
- at any point in time the company may only appoint one agent to effect any repurchase(s) on the company's behalf;
- the company or its subsidiaries may not repurchase shares during a prohibited period as defined in paragraph 3.67 of the JSE Listings Requirements unless there is a repurchase programme in place and the dates and quantities of shares to be repurchased during the prohibited period are fixed and full details thereof have been disclosed to the JSE Limited in writing prior to commencement of the prohibited period; and
- a SENS announcement will be published as soon as the company and/or its subsidiaries has/have acquired shares constituting, on a cumulative basis 3% (three per cent) of the number of shares of the class of shares repurchased in issue at the time of granting of this general authority, and each time the company acquires a further 3% (three per cent) of such shares thereafter, which announcement shall contain full details of such acquisitions."

Statement by the board of directors of the company

Pursuant to and in terms of the JSE Listings Requirements, the board of directors of the company hereby states that:

- it is their intention to utilise the general authority to acquire shares in the company if at some future date the cash resources of the company are in excess of its requirements or there are good grounds for doing so. In this regard the directors will take account of, inter alia, an appropriate capitalisation structure for the company, the long-term cash needs of the company, and the interests of the company; and
- in determining the method by which the company intends to acquire its shares, the maximum number of shares to be acquired and the date on which such acquisition will take place, the directors of the company will only make the acquisition if at the time of the acquisition they are of the opinion that:

- the company and its subsidiaries would, after the repurchase, be able to pay their debts as they become due in the ordinary course of business for the next 12 (twelve) months after the date of this notice of the annual general meeting;
- the consolidated assets of the company and its subsidiaries, fairly valued in accordance with IFRS and recognised and measured in accordance with the accounting policies used in the latest audited financial statements, would, after the repurchase, be in excess of the consolidated liabilities of the company and its subsidiaries for the next 12 (twelve) months after the date of this notice of the annual general meeting;
- the issued share capital and reserves of the company and its subsidiaries would, after the repurchase, be adequate for the ordinary business purposes of the company or any acquiring subsidiary for the next 12 (twelve) months after the date of approval of this notice of the annual general meeting;
- the working capital available to the company and its subsidiaries would, after the repurchase, be adequate for the ordinary business purposes of the company for the next 12 (twelve) months after the date of approval of this notice of the annual general meeting; and
- the company and its subsidiaries pass the solvency and liquidity test and that from the time that the test is done, there are no material changes to the financial position of the company or any acquiring subsidiary.

The reason for special resolution number 2 is to grant the company a general authority in terms of the JSE Listings Requirements for the acquisition by the company, or any of its subsidiaries, of shares issued by the company, which authority shall be valid until the next annual general meeting of the company.

The passing and registration of this special resolution will have the effect of authorising the company or any of its subsidiaries to acquire shares issued by the company.

By order of the board

Cape Town
19 September 2017



CORPORATE INFORMATION

eMEDIA HOLDINGS LIMITED

The company's shares are listed under the Media sector of the JSE Limited.

COMPANY REGISTRATION NUMBER

1968/011249/06 (Incorporated in the Republic of South Africa)

JSE SHARE CODES

Ordinary Shares: EMH IZIN: ZAE000208898

N-Ordinary Shares: EMN IZIN: ZAE000209524

REGISTERED OFFICE

5 Summit Road
Dunkeld West
Hyde Park
Johannesburg, 2196

Private Bag X9944
Sandton, 2146

DIRECTORS

J A Copelyn* (Chairperson)
T G Govender (Acting chief executive officer)
A S Lee (Financial director)
V E Mphande*^
L Govender*^
R D Watson*^

(*Non-executive ^Independent)

COMPANY SECRETARY

Junadi Van der Merwe

TRANSFER SECRETARIES

Computershare Investor Services Proprietary Limited
Rosebank Towers, 15 Biermann Avenue,
Rosebank, 2196

PO Box 61051
Marshalltown, 2107

AUDITORS

Grant Thornton Johannesburg Partnership

Practice Number: 903485

@Grant Thornton
Wanderers Office Park
52 Corlett Drive
Illovo, 2196

Private Bag X10046
Sandton, 2146

BANK

Standard Bank of South Africa

SPONSOR

Investec Bank Limited

100 Grayston Drive, Sandown
Sandton, 2196

WEBSITE

www.emediaholdings.co.za



www.emediaholdings.co.za

FORM OF PROXY



eMedia Holdings Limited

(Incorporated in the Republic of South Africa) (Registration number 1968/011249/06)

Ordinary shares (share code: EMH • IZIN: ZAE000208898) N-ordinary shares (share code: EMN • IZIN: ZAE000209524)

("eMedia Holdings" or "the company" or "the Group")

I/We, _____ (name in full)

of address _____

being a registered holder of _____ ordinary shares and _____ N-ordinary shares in the company, hereby appoint

1. _____ or failing him/her

2. _____ or failing him/her

3. _____ or failing him/her

the chairperson of the meeting, as my/our proxy to vote for me/us and on my/our behalf at the annual general meeting of the company to be held at 10:00 on 1 November 2017 at the offices of HCI, 4 Stirling Street, Zonnebloem, 7925, Cape Town and at any adjournment thereof as follows:

RESOLUTION NUMBER		FOR	AGAINST	ABSTAIN
ORDINARY RESOLUTIONS				
Ordinary Resolution 1	To receive and adopt the audited financial statements			
Ordinary Resolution 2	Appointment of directors			
Ordinary Resolution 2.1	Election of director: Mr V E Mphande			
Ordinary Resolution 2.2	Election of director: Ms R D Watson			
Ordinary Resolution 3	Reappointment of auditor			
Ordinary Resolution 4	Appointment of audit committee			
Ordinary Resolution 4.1	Appointment of audit committee member: Mr L Govender			
Ordinary Resolution 4.2	Appointment of audit committee member: Mr V E Mphande			
Ordinary Resolution 4.3	Appointment of audit committee member: Ms R D Watson			
Ordinary Resolution 5	General authority over unissued shares			
Ordinary Resolution 6	General authority to issue shares and options for cash			
NON-BINDING RESOLUTIONS				
Non-binding Resolution 1	Advisory endorsement of remuneration report for the year ended 31 March 2017			
SPECIAL RESOLUTIONS				
Special Resolution 1	Approval of annual fees to be paid to non-executive directors			
Special Resolution 2	General authority to repurchase company shares			

Indicate instructions to proxy by way of a cross (X) in the space provided above (100 votes per ordinary share and one vote per N-ordinary share).

Unless otherwise instructed my proxy may vote as he/she thinks fit.

Signed this _____ day of _____ 2017.

Signature _____

Assisted by me (where applicable)

1. A form of proxy is only to be completed by those shareholders who are:
 - holding shares in certificated form; or
 - recorded in the subregister in dematerialised electronic form in "own name".
2. If you have already dematerialised your shares through a Central Securities Depository Participant ("CSDP") or broker, other than with "own name" registration, and wish to attend the annual general meeting, you must request your CSDP or broker to provide you with a letter of representation or you must instruct your CSDP or broker to vote by way of proxy on your behalf in terms of the agreement entered into by yourself and the CSDP or broker.
3. A shareholder entitled to attend and vote at the meeting is entitled to appoint an individual as a proxy, who need not be a shareholder of the company, to attend, participate in and vote at a shareholders' meeting on the shareholder's behalf, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder.
4. The proxy may delegate his/her authority to act on the shareholder's behalf to another person, subject to any restriction set out in this proxy form.
5. Every person present and entitled to vote at the meeting as a shareholder or as a proxy or as a representative of a body corporate shall, on a show of hands, have one vote only, irrespective of the number of shares such a person holds or represents, but in the event of a poll, a shareholder shall be entitled to that proportion of the total votes in the company, which aggregate amount of the nominal value of the shares held by such shareholder bears to the aggregate amount of the nominal value of all shares issued by the company.
6. Please insert the relevant number of shares/votes and indicate with a cross (X) in the appropriate spaces on the face thereof, how you wish your votes to be cast. If you return this form duly signed without specific directions, the proxy will vote or abstain from voting at his/her discretion.
7. A deletion of any printed details and the completion of any blank space/s need not be signed or initialled. Any alteration must be initialled.
8. The chairperson of the annual general meeting shall be entitled to decline to accept the authority of the signatory under a power of attorney, or on behalf of a company, unless the power of attorney or authority is produced.
9. The signatory may insert the name of any person/s that the signatory wishes to appoint as his/her proxy, in the blank space/s provided for that purpose.
10. When there are joint holders of shares and if more than one such joint holder be present or represented, then the person whose name stands first in the register in respect of such shares or his/her proxy, as the case may be, shall alone be entitled to vote in respect thereof.
11. A minor should be assisted by his parents or legal guardian unless the relevant documents establishing his legal capacity are produced.
12. The completion and lodging of this proxy form will not preclude the signatory from attending the annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such signatory wish to do so.
13. A shareholder's instructions must be indicated by the insertion of a cross (X), or where applicable, the relevant number of votes exercisable by the shareholder, in the appropriate box of this proxy form.
14. If the signatory does not indicate how he/she wishes to vote in the appropriate place/s on the face hereof in respect of the resolution, his/her proxy shall be entitled to vote as he/she deems fit in respect of the resolutions.
15. If the shareholding is not indicated on the proxy form, the proxy will be deemed to be authorised to vote the total shareholding.
16. The chairperson of the general meeting may reject or accept any proxy form which is completed other than in accordance with these instructions, provided that he is satisfied as to the manner in which a shareholder wishes to vote.
17. The appointment of the proxy or proxies will be suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any of the shareholder's rights as a shareholder at the annual general meeting.
18. The appointment of your proxy is revocable unless you expressly state otherwise in this proxy form. As the appointment of the proxy is revocable, the shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy, and to the company. Please note the revocation of a proxy appointment constitutes a complete and final cancellation of the shareholder's proxy's authority to act on the shareholder's behalf as of the later of (i) the date stated in the revocation instrument, if any, or (ii) the date on which the revocation instrument was delivered to the company and the proxy as aforesaid.
19. If the proxy form has been delivered to the company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the company's MOI to be delivered by the company to the shareholder, will be delivered by the company to the shareholder or the shareholder's proxy or proxies, if the shareholder has directed the company to do so in writing and paid a reasonable fee charged by the company for doing so.
20. The appointment of the proxy remains valid only until the end of the relevant meeting or any adjournment or postponement thereof or for a period of one year, whichever is shortest, unless it is revoked by the shareholder before then on the basis set out above.
21. Forms of proxy must be returned by the shareholders concerned to the registered office of the company or the transfer secretaries, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (PO Box 61051, Marshalltown, 2107) so as to be received, for administrative purposes, by no later than 10:00 on 31 October 2017.