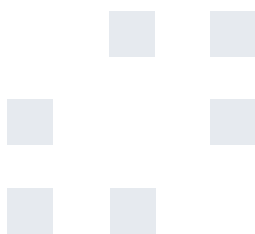
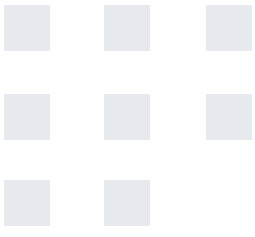


ABRIDGED ANNUAL REPORT 2017





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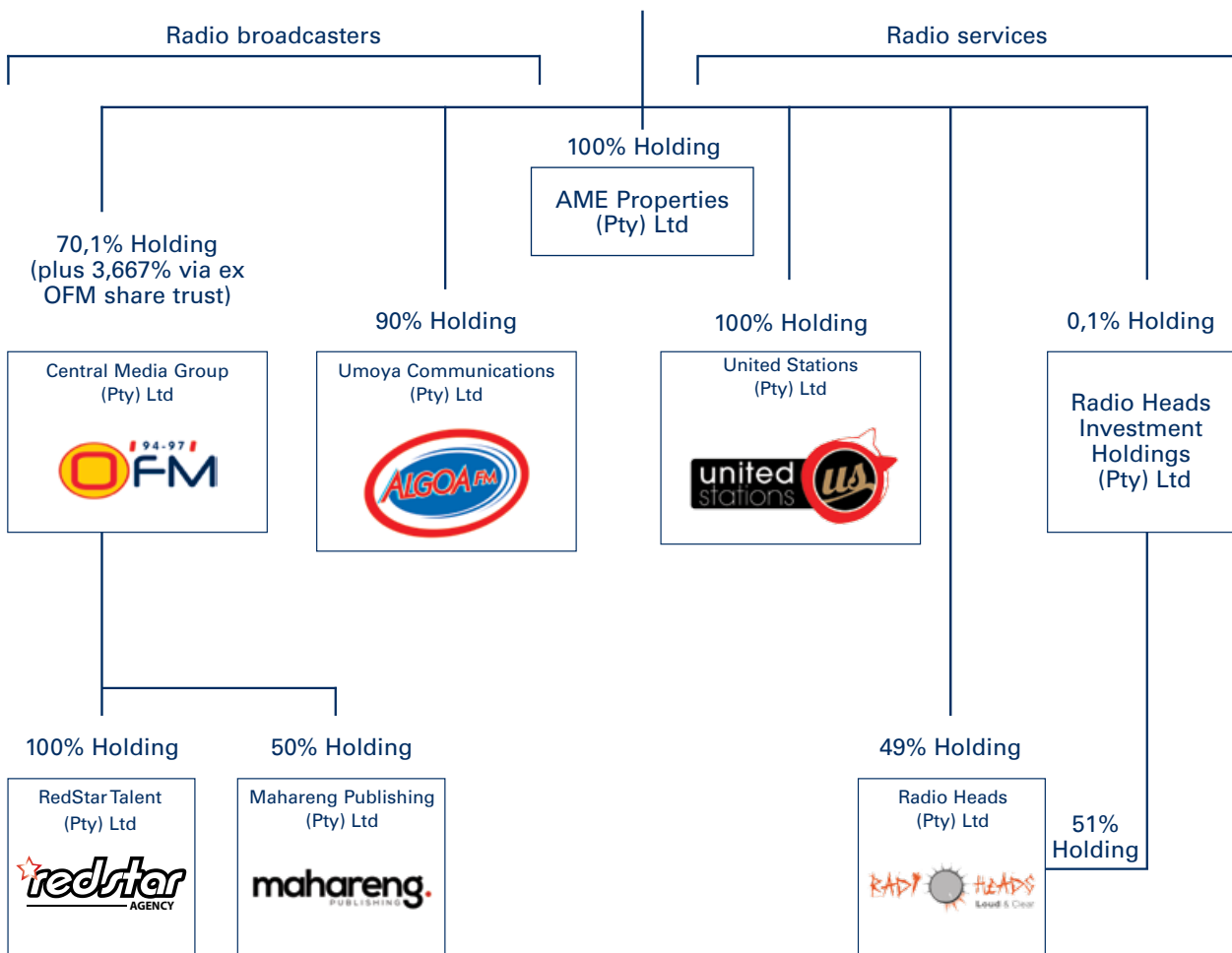
A complete set of the Annual Report is available on the website of African Media Entertainment Limited at www.ame.co.za

GROUP STRUCTURE

African Media Entertainment Limited ("AME") is a broadcast company listed in the "Media & Entertainment" sector of the Johannesburg Stock Exchange ("JSE")



(Incorporated in the Republic of South Africa)
 (Registration number 1926/008797/06)
 (JSE share code: AME)
 (ISIN: ZAE000055802)



DIRECTORATE AND EXECUTIVE

BOARD OF DIRECTORS

ACG ("Connie") Molusi (55)
Independent non-executive Chairman
BJournalism, MA
Appointed 18 March 2004

Connie has been involved with the media industry for many years and holds a number of directorships.

Marthinus J Prinsloo (62)
Independent non-executive Director
BCom (Law), CA (SA)
Appointed 13 November 2003

Inus has spent many years in the merchant banking industry and now practices as a corporate finance advisor.

Navin Sooka (64)
Independent non-executive Director
BCom, BCompt (Hons), CA (SA)
Appointed 26 September 2008

Navin has extensive experience in financial positions in the manufacturing industry and within the corporate environment.

KL ("Lawrence") Tlhabane (55)
Independent non-executive Director
Certificate of Management Advanced Programme (MAP) at Wits Business School
Appointed 1 August 2011

Lawrence is a business man and has spent the last 30 years in the broadcasting and media industries in various positions, including as CEO of the Music Union of South Africa (MUSA) and as director of Real Productions, a company that produces features for TV shows. During his career he has interviewed the likes of Bishop Tutu and Walter Sisulu. In 1997 he was a founding member of KAYA FM.

Angela J Isbister (née Davies) (37)
Executive Director
PGDA (UCT), CA (SA)
Appointed 1 September 2010

Angela joined the group in April 2010. She completed her articles at Deloitte & Touche and worked for them in Johannesburg and San Francisco before moving to the UK where she worked in transactional services and as a financial analyst for a number of large organisations including the National Health Services.

Michelle Mynhardt (44)
Executive Financial Director
BCompt (Hons), CA (SA)
Appointed 1 June 2010

Michelle joined the group in April 2009. She completed her articles at PricewaterhouseCoopers and later joined KPMG's International Advisory Services department. She has experience in various financial positions and has been in the media industry since 2009.

EXECUTIVE MANAGEMENT

The major subsidiaries of the group are managed by the following senior executives:

Rivak Bunce (55)
United Stations

Rivak has a strong background in training, having managed his own training franchise for several years. He joined Radio 702 in 1987, rising to the position of Sales Manager. He subsequently worked for Primedia group as group sales director until co-founding United Stations in March 2000. He joined the AME group when that company was acquired in November 2002.

David Tiltmann (53)
Umoya Communications – Algoa FM
BCom (Industrial Psychology, Business Economics)

David obtained his BCom from UPE in 1986. He began working for Algoa FM as a freelance announcer in 1989 and has held positions as Music Manager, Programme Manager and Operations Manager since then. He was appointed Managing Director of the station in February 2000. David worked as Broadcast Liaison Officer for the Host Broadcast Services at the 2010 World Cup.

Gary Stroebel (43)
Central Media Group – OFM
BA (Communication), MBA (UFS)

Gary joined OFM in 1996 as a presenter, and has worked as Programme Manager as well as Sales and Marketing Director. In March 2008 he was appointed CEO of the station. Gary obtained his MBA in April 2010.

COMPANY SECRETARY

Chrisna Roberts (42)
BCompt (Hons), CA (SA), RA, MTP
Appointed 1 April 2015

Chrisna did her articles at Lloyd Viljoen Registered Auditors where she subsequently became an audit partner. She is also a partner in Wallrich business services where she is responsible for the Company Secretarial and Tax division.



the sound of your life



OFM presenters Johan, Alucius and Isabel host Spar OFM Carols by Candlelight in Potchefstroom. 8 000 listeners joined Kurt Darren, Elvis Blue, Charlize Berg and the Mzantsi youth choir for carols under the stars. A total of 150 boxes of toys were collected and donated to children's homes across the North West and Vaal.



In 2016, the Free State Cheetahs won the Currie Cup. That winning feeling was experienced by staff, clients and listeners from the best seats in the house – the OFM Skybox. OFM is a proud sponsor of the champions; the Free State Cheetahs.



The Voice SA is the latest talent show looking for the next big act in South African music. OFM hosted an audition day at Central Media Park for prospective musicians. Hundreds of singers stood in queues for hours for a two-minute audition to qualify for the live audition show on Mnet. Five OFM auditions were selected to join the show.



Nampo Harvest Day is the second largest agricultural exhibition in the world. R1 billion worth of agricultural hardware is on display over the four days of the exhibition. A total of 80 000 plus people from all across South Africa, Africa, Europe and the Americas attend the exhibition. OFM is the exclusive media partner of Grain SA's Nampo Harvest Day broadcasting from the exhibition for four days.



Mahareng Publishing, under Bloemfontein Courant, printed a special edition of Bloemfontein Courant, on Saturday, 22 April 2017, with Angus Buchan's It's Time event in Bloemfontein. A 12-page, 20 000 print order, special edition was put together in less than two days, and distributed on the morning of 22 April 2017. This was a great initiative of the sales team, and was a highly profitable project. This was the first time ever such a special edition was done by Bloemfontein Courant.



Kahn mentor on the Voice SA and lead singer of South African super group the Parlotones performs their hits at the Lush Music festival presented outside of Clarens proudly sponsored by OFM, the sound of your life.



The OFM Music Awards is presented in September each year honouring South African artists. OFM listeners are invited to nominate their favourite performers across five categories followed by a voting process. The OFM Music Awards Radio show features one of the nominees performing live on OFM and also on FaceBook Live. Monark performed to listeners who won the opportunity to attend the radio show. A purpose built TV studio was built for this performance.



October is breast cancer awareness month. OFM partnered with CANSAs SA presenting the first in an annual walk raising awareness and much needed funds for the organisation. In year one 2 500 listeners join in a 5km fun walk in Bloemfontein.



In 2016, Mahareng Publishing entered this OFM print ad into the large format design category for the annual Caxton Excellence award. "Driving while inTEXTIcated" is a campaign supported by tactical radio campaigns, social media and outdoor with the print commercial winning in the large format design category; for a second straight year. "Driving while inTEXTIcated" is a campaign designed to change the behaviours of road users in central South Africa.



The Aussie Circus came to town and OFM signed up as media partner to the 14-day event. OFM broadcast from ringside on the first day of the event with Miss South Africa Ntandoyenkosi Kunene as special guest during the broadcast in Bloemfontein.



Celeb Radio is a radio innovation inviting artists and/or performers to present a week of radio on OFM. In July 2016 David Kau, took up the challenge and put down his comedy microphone in exchange for a radio microphone as host of his very own radio show on OFM. During his visit, David performed for a select few clients at Central Media Park.



Redstar Agency hosted and managed the Road Accident Fund sports day 2017 for 250 people in Bloemfontein that took part in soccer, netball, volleyball and cricket. This formed part of their annual programme with a fun sport day between Western Cape, Eastern Cape and Gauteng. The total set-up in conjunction with their event team was planned in detail to make this day, I quote as mentioned by the participants "their best sports day ever". They enjoyed good food, music, fun atmosphere and attention to detail that made the difference.



The Big Breakfast on OFM with Martin van der Merwe hosted Free State Rugby to a special radio broadcast before the 2016 Currie Cup final. The big breakfast host Martin van der Merwe and OFM sports host Morgan Piek hosted Free State Cheetah Director of rugby Rory Duncan and Captain Francois Venter to a Q&A session in a purpose built radio studio. OFM is a proud media partner of the Free State Cheetahs.



Redstar Agency formed part of Corporate Golf days to manage brand activation by providing Brand Ambassadors (promoters) to national and local clients representing liquor brands and supplying other staffing solutions. Over 220 brand ambassadors are trained and managed by Redstar Agency to ensure optimum efficiency.



DP developed an APP for SAB. The draught rewards APP was started as a pilot in the Free State and has been launched in three more provinces.



Potchefstroom played host to the annual Carols by Candlelight. As the sun sets over the city thousands of OFM listeners get comfortable and await the performance of Kurt Darren, Elvis Blue, Charlize Berg and Mzantsi youth choir.



your music, your world



Vodacom Corporate Triathlon Challenge:

9 April and Standard Bank IRONMAN African Championship: 10 April
 Algoa FM is the proud media sponsor to the Vodacom Corporate Triathlon Challenge (CTC) and the Standard Bank IRONMAN African Championship. The CTC is the curtain raiser in which corporates put pedal to the metal for bragging rights in the form of a 380m swim, 18km bike and 4.2km run. The Standard Bank Ironman African Championship, which is the main event, hosts athletes from 68 countries. At this event athletes show their grit in the 3.8km swim, 90km bike and 42.2km run. This much-anticipated weekend fills Nelson Mandela Bay with amateur and professional athletes from across the world that are ready to take on the challenge in front of the SuperSport cameras that televised the event.

Engen Summer Beach Road Show:

16 to 31 December 2016
 December 2016 marked the fourth annual Engen Summer Beach Roadshow which has become an event holiday makers look forward to. The Algoa FM Hitmobile powered up seven beaches and seven forecourts in 14 days, with activations such as Spin and Win, the Fuel Fairy that surprised lucky winners with free fuel, and the ever-popular Sand Castle competition. With all the excitement very little is left to the imagination as to why the roadshow has made such a positive impact on holiday-makers.



The Liberty Radio Awards: 22 April 2017

South African radio has an array of amazing talent that deserves recognition. This is exactly what the Liberty Radio Awards sets out to achieve. The hard work of Algoa FM shone through with nominations in 10 categories, namely; Best Breakfast Presenter (Daron Mann), Best Breakfast Show (The DMB), Best Afternoon Drive Presenter (Wayne Hart), Best Daytime Show, Best Music Show and Best Weekend Show (The Algoa FM Top 30), Best Community Project (Algoa FM Big Walk for Cancer), Best Promotions/Stunt Event (Algoa FM Big Walk for Cancer and the Algoa FM App Launch) and Best Multi-Channel Promotion (Algoa FM App Launch and Algoa FM Big Walk for Cancer). Algoa FM also received a nomination for the coveted Station of the Year Award. The App Launch claimed two awards on the night, (The Best Multi-Channel Promotion and the Best Promotions/Stunt Event).



Grahamstown National Arts Festival: 30 June – 3 July
 A celebration of arts and culture comes to its peak at the Grahamstown National Arts Festival of which Algoa FM is a proud media sponsor. The diverse cultural heritage of South Africa is showcased on the doorstep of Algoa FM's broadcast footprint. Some of the many genres on show include drama, dance, physical theatre, comedy, opera, jazz, visual art exhibitions, street theatre, craft fair and many more. Grahamstown, also known as 'The Creative City', comes alive during the 11-day festival as people from all walks of life come together in celebration of the diverse talent that our country has to offer.



Discovery Surfers Challenge: 18 February 2017
 The 43rd Discovery Surfer's Challenge in association with Algoa FM took place in East London. Over 3 200 participants took on the paddling, walking and running challenge in either the newly introduced junior 10km and 5km race or the 17km main race, that starts at the Kwelera River at Yellow Sands, north of East London, and ends just after crossing the Nahoon River at the Nahoon Lifesaver's Complex.



Algoa FM Spring Dip: 1 September 2016
 The Algoa FM Spring Dip is an annual feature in Port Elizabeth and East London. The event is driven to encourage Algoa Country to come together and bid winter farewell and to welcome Spring. The crowd gathers at 06:30 on the beach to await the countdown, some having a quick feel to get an idea of the water temperature. 07:20 approaches and the countdown starts, excitement builds as the vibe escalates. The gun goes off sending the masses plunging into the waves with shrills caused by the cold water taking hold of the warm bodies. Once everyone adapts to the water temperature, there are smiles all around as Spring is officially in the air.



Algoa FM Big Walk for Cancer: 29 October 2016
 The Algoa FM Big Walk for Cancer continues to be Algoa FM's biggest annual CSI initiative. The 5km walk attracts cancer sufferers, cancer survivors, those who have been affected by cancer and members of Algoa Country who want to support. The community unites in a mass of pink, to walk in memory of those who have passed, to walk in support of those who are affected by cancer, to support the Eastern Cape Health Services and to have a fun day with family and friends. The 2016 Algoa FM Big Walk for Cancer supported three beneficiaries, namely: Childhood Cancer Foundation (CHOC), Igazi Foundation and the Cancer Association of South Africa (CANSA). A total of R300 000 was raised for the beneficiaries.



Strawberry Festival: 1 to 2 October 2016
 Algoa FM is the official broadcast partner of the Strawberry Festival. An event that is the largest family festival in the Garden Route, hosted by Redberry Farm. The weekend-long festival offers a range of activities and attractions. The main draw card is the showcasing of the Redberry Farm strawberries. Festival goers enjoy live performances, entertainment by Algoa FM, food from the country market, wine and craft beer and much more, while kids are entertained by the activities on offer at the outdoor kid's park. The festival also offers a trail run, a mountain bike relay and a Crossfit challenge for the fitness lovers. The popularity of the festival is increasing and this is evident by the amount of visitors the festival received in 2016. A recorded amount of 7 806 visitors consumed a staggering 5000 kg's of strawberries at the festival.



CHAIRMAN'S REVIEW

REVIEW OF THE YEAR

Trading conditions for the period under review remained tough. Revenue of R238,6 million (2016: R238,3 million) was virtually the same as the previous year and comprehensive income increased by 5% to R56,1 million (2016: R53,6 million).

The comprehensive income attributable to equity holders of the parent amounted to R48,6 million (2016: R48 million) with earnings per share of 609,2 cents (2016: 591,2 cents). Headline earnings per share were 606,9 cents (2016: 587,6 cents).

After paying tax of R17,8 million (2016: R21,5 million), the group generated R51,1 million (2016: R60,5 million) in cash from its operating activities during the year. The group invested an additional R1,4 million (2016: R5,5 million) on the development of the new home of Central Media Group in Bloemfontein and spent R5 million (2016: R14,1 million) on capital expenditure. We paid R11,2 million (2016: R3,8 million) to repurchase 155 144 (2016: 39 200) of our own shares. During the year the group paid out dividends to the value of R27,2 million (2016: 28,2 million) to the equity holders of the company and ended the year with cash resources of R119,2 million (2016: R114,1 million).

OPERATIONS

Low business confidence resulted in demanding trading conditions. Innovation and tight cost control remain an imperative.

Algoa FM delivered a good performance with revenue up by 5% resulting in an increase in profitability. The station delivered improved revenues with both national and direct activations exceeding the previous year. Algoa FM's current audience figures are marginally up year on year. A new Greenfields licence, Rhythm FM, plans to go to air by the end of June 2017. This new commercial stations broadcast footprint will cover both Mthatha and Butterworth in the Eastern Cape which falls outside the footprint of Algoa FM. Algoa FM was nominated in 10 categories for the Liberty Radio Awards 2017 and won the best Multi-Media Campaign as well as the Best Promotion, Stunt or Event awards.

Despite difficult trading conditions, Central Media Group managed to grow revenue by 4,5%, resulting in an increase in profitability. OFM felt the effects of the national slow-down in advertising expenditure. A new audience measurement platform (BRC-RAM) was released in this year and this new research has produced a significantly different radio listening landscape. Despite a lower cumulative audience, OFM has the highest Time Spent Listening (TSL) in South Africa's commercial radio sector. Digital Platforms increased profitability on the back of a greater focus on service revenues. Redstar Agency also increased profitability, albeit off a low base. Mahareng Publishing continued to grow by launching a new local newspaper called Bloemfontein Courant Voice, resulting in revenues increasing as the title gained momentum. The late break in the drought has given many businesses hope for the winter season. Central Media has a number of lucrative prospects in the project pipeline as a potential offset of the continued advertising recession. While trading conditions remain tough, Central Media is still ideally positioned as the premier media company in its broadcasting footprint.

RadioHeads has established itself as a leading player in the Content Marketing space for South African Radio with increased revenue and a profitable bottom line. RadioHeads, with its leveraging of content across multiple platforms, is now a preferred supplier for some of the major Agencies in the country. Its maiden sojourn into the space of TV Production over the past year, together with the effective use of "first in the country" mobile broadcast technology, positions RadioHeads as innovative and ahead of the curve. In the year ahead RadioHeads will continue to create and own new Radio properties to ensure its future sustainability.

United Stations is a specialist media sales company, representing the on-air and digital assets of a network of radio stations. It is equipped to maximise the revenue of its various platforms by providing marketing solutions to advertisers and agencies. Revenue and profitability was down year on year as the company focused on the execution of fundamental steps to restructure its fixed costs and diversify its mix of media platforms. This process is now complete and the consequent platform mix offers good potential for growth.

DIVIDENDS

An interim dividend (dividend number 10) of 100 cents per ordinary share (gross) was declared for the period ended 30 September 2016. (2015: 100 cents gross) and paid on 16 January 2017. The final dividend (dividend number 11) for the year ended 31 March 2017 is 250 cents per ordinary share (gross) (2016: 250 cents per share gross).

EVENT SUBSEQUENT TO THE REPORTING PERIOD

On 5 May 2017 AME made an offer to the board of Moneyweb Holdings Limited ("Moneyweb") to acquire all the issued share capital of the company, other than treasury shares and shares already held by AME. The transaction will be implemented by way of a scheme of arrangement with a cash offer of 26 cents per Moneyweb share or a share offer of one AME share for every 250 Moneyweb shares at a value of 28 cents per Moneyweb share. AME estimates that the transaction will be completed by 31 August 2017.

Full details are available on the AME web site www.ame.co.za and on SENS.

PROSPECTS

The board expects the trading conditions for the 2018 year to remain challenging.



ACG Molusi

Independent Non-executive Chairman

20 June 2017



REMUNERATION POLICY

The group subscribes to equitable employment policies to ensure that individuals from all demographic groupings are given an equal opportunity to be employed and to ensure representivity from all population and gender groups.

The group has several intern programs in place to employ junior staff at entry level remuneration. These interns are upskilled through on the job training initiatives as well as informal and formal training courses, at the group's expense, to enable them to be promoted. These programs allow for interns to be entrenched as loyal and committed employees, sharing in the culture and values of the companies. The practice has the benefit, that the initial remuneration cost of the group for interns is relatively small, and as those employees become more skilled their salaries are adjusted to enable the company to retain those skills within the group.

The board of directors are fully aware of the need to balance the return to shareholders and the fair remuneration of employees. The company has established a remuneration committee that is responsible for the review and approval of remuneration packages that are market related and affordable. Key Performance Indicators are used to reward personal performance of staff members. As the group companies mainly operate within secondary markets we often lose staff members to the larger metros and to counter this phenomenon the managing directors are empowered to allow for salary adjustments in critical and scarce skills sectors.

The group places an increased emphasis on maintaining and training members of staff to provide excellent service in a small team environment. To this end, the staff incentive scheme will provide financial rewards appropriate to the personal performance of individual staff members.

Non-executive directors are remunerated at benchmarked, market related rates.

DIRECTORS' REPORT

NATURE OF BUSINESS

The group's main activities are set out on page 2 of this report.

FINANCIAL RESULTS

The financial results of the group and of the company are set out on page 14 to 22 of this report. A review of the group's results and performance of the business units is given in the Chairman's report on pages 8 to 9.

DIVIDENDS

An interim dividend of 100 cents (gross) was declared and paid during the year (2016: 100 cents (gross)).

A final dividend of 250 cents (gross) was declared after year-end for the period to 31 March 2017 (2016: 250 cents (gross)).

SHARE CAPITAL

Authorised and issued share capital

In accordance with a general authority to repurchase shares granted to the directors of the company at the annual general meeting of the company held on 25 August 2016 (2015: 21 August 2015), AME repurchased and subsequently cancelled 155 144 (2016: 39 200) ordinary shares.

The net result of the transaction reduced share capital by R155 144 (2016: R39 200), share premium by R9,1 million (2016: R3,7 million) and retained earnings with R1,9 million (2016: Nil).

Share repurchases

The company has over the years proposed at its annual general meeting ("AGM") a special resolution granting the board a general authority to repurchase shares in the company when deemed appropriate and the board has done so when opportune.

The board considers the approval of such authority to be beneficial to the company and its shareholders and accordingly a resolution granting the authority is incorporated in the notice of the AGM in this annual report.

DIRECTORATE AND SECRETARY

Details of the directorate are given on page 3 of this report. Non-executive directors only receive remuneration for services as directors, executive directors have service contracts with the company and are salaried directors. Details of their remuneration are set out below:

	Salary 2017 R'000	Salary 2016 R'000	Fees 2017 R'000	Fees 2016 R'000
ACG Molusi*			191	95
MJ Prinsloo*			284	274
N Sooka*			142	138
KL Tlhabane*			189	122
W Tshuma#			–	31
AJ Isbister**	1 016	4 270	–	–
M Mynhardt**	1 542	1 365	–	–
Total remuneration	2 558	5 635	806	660
Paid by the company	2 558	5 635	806	660
Total remuneration	2 558	5 635	806	660

* Independent non-executive director

** Executive director

Resigned 11 June 2015

DIRECTORS' REPORT CONTINUED

BREAKDOWN OF EXECUTIVE DIRECTORS' SALARY

	Share units exercised R'000	Salary R'000	Bonus R'000	Total R'000
2017				
AJ Isbister	89	827	100	1 016
M Mynhardt	89	1 003	450	1 542
Total remuneration	178	1 830	550	2 558
2016				
AJ Isbister	3 375	795	100	4 270
M Mynhardt	–	965	400	1 365
Total remuneration	3 375	1 760	500	5 635
	2017 Directors interest intrinsic value	2016 Directors interest intrinsic value	2017 Units	2016 Units
Unit allocation (note 24)				
AJ Isbister	–	213	20 000	25 000
M Mynhardt	–	213	20 000	25 000

In terms of the unit scheme 1/5 of the unit allocation vested on 1 April 2016 and was paid out, at 31 March 2017 4/5 of the unit allocation remain unvested, with the next 1/5 vesting on 1 April 2017.

In terms of the Memorandum of Incorporation of the company, not less than a third of the non-executive directors retire at the forthcoming annual general meeting and being eligible, offer themselves for re-election. None of the independent non-executive directors of the company have a director's service contract with the company.

As at 31 March 2017, the aggregate direct and indirect, beneficial interests of the directors in the fully paid issued share capital of the company, was nil (2016: nil). There has been no material change in the directors' interests in the issued share capital between 31 March 2017 and the date of this report.

PROPERTY, PLANT AND EQUIPMENT

The group acquired property, plant and equipment at a cost of R6,4 million (2016: R19,6 million) during the financial year under review, R1,4 million (2016: R5,5 million) of which relates to the property for Central Media Group in Bloemfontein.

There have been no major changes in the nature of or the policy relating to the use of property, plant and equipment in the group.

EVENTS SUBSEQUENT TO THE REPORTING PERIOD

Dividend

The Board declared a final dividend of 250 cents (gross) per ordinary share on 25 May 2017 for the year ended 31 March 2017.

Corporate action

On 5 May 2017 AME made an offer to the board of Moneyweb Holdings Limited ("Moneyweb") to acquire all the issued share capital of the company, other than treasury shares and shares already held by AME.

The transaction will be implemented by way of a scheme of arrangement with a cash offer of 26 cents per Moneyweb share or a share offer of one AME share for every 250 Moneyweb shares at a value of 28 cents per Moneyweb share. Should all Moneyweb shareholders elect the cash option the total value of the transaction will be R27,5 million, whereas a total share offer will increase the issued share capital of AME with 422 298 shares. AME estimates that the transaction will be completed by 31 August 2017. Full details are available on the AME website www.ame.co.za and on SENS.

There have been no other matters between the group's year-end and the date of this report that are required to be brought to the attention of the shareholders.

INVESTMENT IN SUBSIDIARY COMPANIES

The financial information in respect of the company's interest in its subsidiary companies is set out in note 5 on page 21 of the financial statements.

The aggregate profits and losses after taxation of the subsidiaries attributable to the company amounted to R56,1 million (2016: R53,6 million); subsidiaries making profits amounted to R56,1 million (2016: R55,6 million) and subsidiaries making losses amounted to R4 995 (2016: R2 million).

GOING CONCERN

The financial statements have been prepared on the basis of accounting policies applicable to a going concern.

This basis assumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

EMPLOYEE SHARE INCENTIVE SCHEMES

Details of units granted to employees, including any executive directors, are detailed in note 24 of the full annual report.

The share scheme presently holds 89 275 (2016: 89 275) ordinary shares, none of which have been allocated.

Other than these shares, no further shares have been set aside for the scheme. In terms of the Trust deed, up to 10% of the company's share capital, being 823 716 (2016: 827 637) ordinary shares, can be utilised for purposes of the scheme. At 31 March 2017, 716 167 (2016: 734 441) ordinary shares can still be issued to the share scheme.

STATEMENTS OF FINANCIAL POSITION

as at 31 March 2017

	Group		Company	
	2017 R'000	2016 R'000	2017 R'000	2016 R'000
ASSETS				
Non-current assets	138 630	139 043	124 342	123 136
Property, plant and equipment	73 822	73 996	12 767	12 890
Goodwill	39 426	39 426	–	–
Investment in subsidiaries	–	–	96 371	94 761
Investment in associated companies	4 509	4 603	–	–
Other financial instruments	10 240	9 200	14 479	14 745
Deferred taxation	10 633	11 818	725	740
Current assets	167 648	160 747	83 057	82 237
Trade receivables	44 841	41 303	–	–
Other receivables	3 532	4 654	1 921	2 615
Dividends receivable	–	–	–	8 000
Tax paid in advance	108	738	–	–
Cash and cash equivalents	119 167	114 052	81 136	71 622
Total assets	306 278	299 790	207 399	205 373
EQUITY AND LIABILITIES				
Total equity	230 865	218 615	202 011	200 039
Share capital	7 965	8 120	8 054	8 237
Share premium	–	9 097	446	10 746
Non-distributable reserve	–	–	20 244	20 244
Retained earnings	218 678	199 342	173 267	160 812
Equity attributable to equity holders of the parent	226 643	216 559	202 011	200 039
Non-controlling interest holders	4 222	2 056	–	–
Current liabilities	75 413	81 175	5 388	5 334
Trade payables	14 361	13 681	17	76
Other payables	57 215	65 037	3 655	3 740
Dividend payable	1 642	1 472	1 642	1 472
Taxation	2 195	985	74	46
Total equity and liabilities	306 278	299 790	207 399	205 373

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 March 2017

	Group		Company	
	2017 R'000	2016 R'000	2017 R'000	2016 R'000
Revenue	238 593	238 303	42 465	41 204
Cost of sales	(59 680)	(57 104)	–	–
Gross profit	178 913	181 199	42 465	41 204
Operating expenses	(114 796)	(116 766)	(6 292)	(12 202)
Operating profit	64 117	64 433	36 173	29 002
Investment income	4 250	3 000	4 250	3 000
Finance income	7 856	6 342	4 460	3 901
Finance costs	(6)	(4)	–	–
Equity accounted earnings from associates	631	627	–	–
Net profit before taxation	76 848	74 398	44 883	35 903
Taxation	(20 791)	(20 775)	(1 163)	(532)
Total comprehensive income for the year	56 057	53 623	43 720	35 371
Attributable to:				
Non-controlling interest	7 413	5 573	–	–
Equity holders of the parent	48 644	48 050	43 720	35 371
Earnings/diluted earnings per share (cents)	609,2	591,2		

Change in prior year disclosure – prior period error.

Dividends from subsidiaries are now disclosed under revenue of the parent. In prior years it was disclosed under investment income for the company. This re-allocation has no impact on profit or loss or comprehensive income.

STATEMENTS OF CHANGES IN EQUITY

for the year ended 31 March 2017

	Group		Company	
	2017 R'000	2016 R'000	2017 R'000	2016 R'000
Issued capital	7 965	8 120	8 054	8 237
Balance at beginning of year	8 120	8 159	8 237	8 276
Shares repurchased and cancelled	(155)	(39)	(183)	(39)
Share premium	–	9 097	446	10 746
Balance at beginning of year	9 097	12 839	10 746	14 489
Shares repurchased and cancelled	(9 097)	(3 742)	(10 300)	(3 743)
Non-distributable reserve	–	–	20 244	20 244
Balance at beginning of year	–	–	20 244	20 244
Retained earnings	218 678	199 342	173 267	160 812
Balance at beginning of year	199 342	179 760	160 812	154 271
Comprehensive income for the year	48 644	48 050	43 720	35 371
Shares repurchased and cancelled	(1 919)	–	(1 919)	–
Dividend declared	(27 389)	(28 468)	(29 346)	(28 830)
Non-controlling interest holders	4 222	2 056	–	–
Balance at beginning of year	2 056	746	–	–
Comprehensive income for the year	7 413	5 573	–	–
Share of dividend	(5 247)	(4 263)	–	–
Total equity	230 865	218 615	202 011	200 039

STATEMENTS OF CASH FLOWS

for the year ended 31 March 2017

	Group		Company	
	2017 R'000	2016 R'000	2017 R'000	2016 R'000
Cash flows from operating activities	51 055	60 461	40 123	34 821
Profit before taxation	76 848	74 398	44 883	35 903
Adjustments	(6 314)	(1 865)	(8 814)	(1 358)
– investment income	(4 250)	(3 000)	(4 250)	(3 000)
– finance income	(7 856)	(6 342)	(4 460)	(3 901)
– finance cost	6	4	–	–
– depreciation	6 438	5 501	134	133
– (profit) on disposal of property, plant and equipment	(257)	(408)	–	–
– profit on disposal of other financial instrument	(249)	–	(249)	–
– non-cash (income)/expenditure	–	3 007	6	3 007
– provision for impairment in receivable	485	–	5	2 403
– equity accounted earnings from associates	(631)	(627)	–	–
Operating profit before working capital changes	70 534	72 533	36 069	34 545
	(9 563)	3 098	714	(3 299)
– (increase)/decrease in trade and other receivables	(2 421)	30 912	688	(545)
– (decrease)/increase in trade and other payables	(7 142)	(27 814)	26	(2 754)
Cash generated by operations	60 971	75 631	36 783	31 246
Net interest received	7 850	6 338	4 460	3 901
Taxation paid	(17 766)	(21 508)	(1 120)	(326)
Cash flows from investing activities	(2 303)	(15 637)	11 139	(140)
(Increase)/decrease in investments and loans	(795)	300	(1 349)	(5 136)
Purchase of property, plant and equipment	(6 428)	(19 618)	(11)	(4)
Proceeds on disposal of property, plant and equipment	421	681	–	–
Proceeds on disposal on other financial instrument	249	–	249	–
Dividends received	4 250	3 000	12 250	5 000
Cash flows from financing activities	(43 637)	(36 285)	(41 748)	(32 385)
Dividend paid to equity holders	(27 219)	(28 241)	(29 346)	(28 604)
Dividend paid to non-controlling interest holder	(5 247)	(4 263)	–	–
Repurchase of shares	(11 171)	(3 781)	(12 402)	(3 781)
Net increase in cash and cash equivalents	5 115	8 539	9 514	2 296
Cash and cash equivalents at beginning of year	114 052	105 513	71 622	69 326
Cash and cash equivalents at end of year	119 167	114 052	81 136	71 622

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2017

	GROUP		COMPANY	
	2017 R'000	2016 R'000	2017 R'000	2016 R'000
1. SHARE CAPITAL				
<i>Authorised</i>				
15 000 000 ordinary shares of R1 each	15 000	15 000	15 000	15 000
<i>Issued</i>				
Ordinary shares of R1 each				
Balance at beginning of the year	8 237	8 276	8 237	8 276
Shares repurchased and cancelled	(183)	(39)	(183)	(39)
Balance at end of the year	8 054	8 237	8 054	8 237
Held by the AME Share Incentive Trust	(89)	(89)	–	–
Held by AME Broadcasting (Pty) Limited	–	(28)	–	–
	7 965	8 120	8 054	8 237

During the year the shares held by AME Broadcasting (Pty) Ltd was bought back and cancelled.

Unissued shares

The 6 945 576 (2016: 6 762 835) unissued shares are under the control of the directors in terms of a resolution of members passed at the annual general meeting of shareholders on 25 August 2016 (2016: 21 August 2015). The authority is valid until the next annual general meeting.

2. RELATED PARTIES

Identity of related parties

The subsidiaries of the group are identified in note 5 and the associates of the group are disclosed in note 6. Significant shareholders are detailed on page 23. The directors are listed in the directors' report. Details of key management are listed on page 3.

Related party transactions

Details of the directors' remuneration are listed in the directors' report. Trading transactions occur between subsidiaries and divisions within the group companies and are reversed on consolidation of the accounts.

2. RELATED PARTIES CONTINUED

Details of such transactions, including loans, other receivables, management fees, rental and dividends are detailed below:

	COMPANY			
	2017 R'000	2016 R'000		
<i>Loan accounts owing by related parties</i>				
AME Properties (Pty) Ltd	39 100	37 490		
Radio Heads (Pty) Ltd	11 400	11 400		
Radio Heads Investment Holdings (Pty) Ltd	40	35		
Share Incentive Trust	5 279	5 545		
United Stations (Pty) Ltd	4 620	4 620		
<i>Amounts included in other receivables regarding related parties</i>				
AME Properties (Pty) Ltd	–	161		
Central Media Group (Pty) Ltd	169	182		
Umoya Communications (Pty) Ltd	227	221		
United Stations (Pty) Ltd	–	23		
<i>Amounts included in other payables regarding related parties</i>				
United Stations (Pty) Ltd	–	11		
<i>Management fees received from related parties</i>				
Central Media Group (Pty) Ltd	1 920	1 920		
Umoya Communications (Pty) Ltd	2 400	2 400		
United Stations (Pty) Ltd	240	240		
<i>Dividends received from related parties</i>				
AME Broadcasting (Pty) Ltd	2 387	97		
Central Media Group (Pty) Ltd	14 753	11 987		
Umoya Communications (Pty) Ltd	20 700	16 560		
United Stations (Pty) Ltd	–	8 000		
	GROUP		COMPANY	
	2017	2016	2017	2016
	R'000	R'000	R'000	R'000
Associates' loan				
Mahareng Publishing (Pty) Ltd	2 975	3 700	–	–
Oxford's Office Terrace (Pty) Ltd	448	747	448	747
Key management personnel (being the executive management and company secretary as per page 3) remuneration for the period amounted to:				
Basic			4 884	4 704
Medical aid			263	240
Pension			351	333
Bonus			2 390	2 488
			7 888	7 765

Details of guarantees between the holding company and its subsidiaries are contained in note 30 of the full annual financial statements.

None of the directors or major shareholders of the group, nor their families, had any direct or indirect interests in any transaction concluded with the group in the current or prior financial years, other than is disclosed in this note.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 31 March 2017

3. CONTINGENT LIABILITIES

The company stands surety for the liabilities amounting to R5,1 million (2016: R1,5 million) of one of its subsidiary companies for the benefit of Media Credit Co-ordination. The suretyship will remain in force for an indefinite period.

The South African Music Performance Rights Association ("SAMPRO") has instituted a legal process to determine if and from which date Needletime Royalties are payable prior to the judgement date of 14 March 2014. The directors consider that in line with legal advice adequate provision has been made for this liability, under note 13 of the full annual report.

4. SEGMENTAL REPORTING

	Radio broadcasters		Radio services		Corporate		Group total	
	2017	2016	2017	2016	2017	2016	2017	2016
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Revenue								
Total revenue	198 802	194 171	57 170	61 162	42 973	41 570	298 945	296 904
Internal revenue	–	–	(17 887)	(17 396)	(42 465)	(41 204)	(60 352)	(58 600)
External revenue	198 802	194 171	39 283	43 766	508	366	238 593	238 303
Profitability								
Segment profit from operations	60 333	58 915	2 184	8 237	1 600	(2 719)	64 117	64 433
Unallocated/eliminated corporate net expense and intercompany consolidation	315	409	–	–	316	218	631	627
	60 648	59 324	2 184	8 237	1 916	(2 501)	64 748	65 060
Investment income							4 250	3 000
Finance income							7 856	6 342
Finance cost							(6)	(4)
Taxation							(20 791)	(20 775)
Profit for the year							56 057	53 623
Assets								
Segment assets	62 262	63 076	31 640	37 303	88 700	80 756	182 602	181 135
Investment in associates	2 452	2 862	–	–	2 057	1 741	4 509	4 603
	64 714	65 938	32 120	37 303	90 757	82 497	187 111	185 738
Cash and cash equivalents							119 167	114 052
							306 278	299 790
Liabilities								
Segment liabilities	49 863	53 109	19 535	21 955	6 015	6 111	75 413	81 175
Capital expenditure	4 632	13 640	250	277	1 546	5 701	6 428	19 618
Depreciation	5 510	4 424	615	765	313	312	6 438	5 501

	COMPANY	
	2017 R'000	2016 R'000
5. INVESTMENT IN SUBSIDIARIES		
AME Broadcasting (Pty) Ltd		
– 100 shares representing a 100% holding*	–	–
United Stations (Pty) Ltd		
– Loan (regarded as part of nett investment)	4 620	4 620
AME Properties (Pty) Ltd		
– 10 shares representing a 100% holding*	–	–
– Loan at fair value	32 896	29 782
– Equity contribution to subsidiaries	6 204	7 708
Central Media Group (Pty) Ltd (t/a OFM)		
– 77 525 shares representing a 70,1% holding	28 968	28 968
Umoya Communications (Pty) Ltd (t/a Algoa FM)		
– 1 000 shares representing a 90% holding	23 683	23 683
Radio Heads Investment Holdings (Pty) Ltd		
– 1 share representing a 0,1% holding*	–	–
– Loan	40	35
Radio Heads (Pty) Ltd		
– 490 shares representing a 49% holding* (effective 49,05%)	–	–
– Loan	11 400	11 400
	107 811	106 196
Provision for impairment in subsidiaries	(11 440)	(11 435)
	96 371	94 761

* Less than R1 000

All subsidiaries have the year-end of the company and are incorporated in South Africa.

During the 2015 year, the company sold the majority of its investment in Radio Heads Investment Holdings (Pty) Ltd to a B-BBEE partner. The company and group is still consolidated as the company controls the board and administration functions until such a time as the loan has been repaid in full. R8,3 million (2016: R8,3 million) of the loan to Radio Heads (Pty) Ltd is subordinated and the company issued an unlimited surety in favour of the Media Credit Co-ordinator. Loans are impaired where evidence exists that recoverability is uncertain.

The loans to subsidiaries are unsecured and interest free. The subsidiary companies have an unconditional right to defer settlement of the loan for 12 months. The loan to AME Properties (Pty) Ltd is secured over the building situated at Erf 30374 extension 213 Wild Olive estate (note 3).

The loans to Radio Heads (Pty) Ltd and Radio Heads Investments Holdings (Pty) Ltd have been fully impaired.

Loans to subsidiaries are considered part of the investment.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 31 March 2017

	GROUP		COMPANY	
	2017 R'000	2016 R'000	2017 R'000	2016 R'000
6. INVESTMENT IN ASSOCIATED COMPANIES				
Mahareng Publishing (Pty) Ltd				
– 500 shares representing a 50% holding	1	1	–	–
Share of post-acquisition loss	(524)	(839)	–	–
Oxford's Office Terrace (Pty) Ltd				
– 50 shares representing a 50% holding	1 523	1 523	–	–
Share of post-acquisition profit	534	218	–	–
Carrying amounts of investments	1 534	903	–	–
Mahareng Publishing (Pty) Ltd				
– Loan	2 975	3 700	–	–
	4 509	4 603	–	–
<i>The balance comprises:</i>				
Carrying value	4 499	5 224	–	–
Share of post-acquisition profits/(losses)	10	(621)	–	–
	4 509	4 603	–	–

Mahareng Publishing

Mahareng Publishing has a March financial year end
Summary of the financial information:

Total assets	6 423	6 883
Total liabilities	(7 470)	(8 559)
Total net liabilities	(1 047)	(1 676)

The loan is unsecured and interest-free with no fixed terms of repayment. The associate has an unconditional right to defer settlement of the loan for 12 months.

Oxford's Office Terrace

Oxford's Office Terrace year-end was changed in 2017 to March. The year-end for the comparative numbers was August and March 2016 management account information had been used

Summary of the financial information:

Total assets	5 593	5 186
Total liabilities	(1 479)	(1 704)
Total net assets	4 114	3 482

Reconciliation of the carrying amounts of the investments

Total net assets	3 067	1 806
Proportion of ownership interest held by the group (%)	50	50
	1 534	903

While the investments constitutes a 50% share of the capital in issue, the group, through its voting rights, only exercises significant influence over these entities and not joint control. The loan to Mahareng is considered part of the investment and post acquisition losses are offset against the loan.

7. REPORT OF THE INDEPENDENT AUDITORS

Grant Thornton's unqualified auditor's report included in the annual consolidated financial statements of the full Annual Report is available at the company's registered office.

ANALYSIS OF SHAREHOLDING

as at 31 March 2017

	Number of shares held '000	Shares held %	Number of shareholders	Shareholder %
Size of shareholding				
1 – 1 000	92	1,1	378	67,7
1 001 – 10 000	521	6,5	112	20,1
10 001 – 100 000	1 688	21,0	53	9,5
100 001 +	5 753	71,4	15	2,7
Total	8 054	100,0	558	100,0
Category				
Private individuals	4 027	50,0	386	69,2
Nominee companies or trusts	730	9,1	51	9,1
Investment companies	2 857	35,5	99	17,8
Limited companies	139	1,7	4	0,7
Other corporate bodies	301	3,7	18	3,2
Total	8 054	100,0	558	100,0
Shareholder spread				
Non-public shareholders				
AME Share Incentive Trust	89	1,1	1	0,2
Shareholders holding more than 5% of the issued ordinary shares				
– Moolman and Coburn Partnership	2 312	28,7	1	0,2
– Frances Elizabeth Coburn	800	9,9	1	0,2
– MGM Family Trust	497	6,2	1	0,2
	3 698	45,9	4	0,8
Public shareholders	4 356	54,1	554	99,2
Total	8 054	100,0	558	100,0

Directors' interests

There are no directors holding, directly or indirectly, in excess of 1% of the issued share capital of the company on 31 March 2017.



NOTICE OF ANNUAL GENERAL MEETING



AFRICAN MEDIA ENTERTAINMENT

(Incorporated in the Republic of South Africa)
(Registration number 1926/008797/06)
(JSE share code: AME) (ISIN: ZAE000055802)

Notice is hereby given that the 19th annual general meeting ("meeting") of shareholders of African Media Entertainment Limited ("AME" or "the company") will be held in the boardroom, Block B, Oxford Office Park, No 5, 8th Street, Houghton Estate, Johannesburg at 10:00 on Wednesday 23 August 2017.

RECORD DATE, ATTENDANCE AND VOTING

The record date for determining which shareholders are entitled to notice of the meeting is Friday, 23 June 2017 and the record date for determining which shareholders are entitled to participate in and vote at the meeting is Friday, 18 August 2017. The last day to trade in order to be eligible to vote at the meeting is accordingly Tuesday, 15 August 2017.

ELECTRONIC ATTENDANCE AT THE MEETING

The company intends to make provision for the shareholders of the company or their proxies to participate in the meeting by way of electronic communication. Should you wish to participate in the meeting in this manner, you will need to contact the company at 010 590 4554 by 10:00 on Monday, 21 August 2017, alternatively, contact the transfer secretaries at 011 370 5122/7873 by 10:00 on Monday, 21 August 2017, so that the company can make the necessary arrangements for electronic communication. Should you be participating in the meeting by electronic communication, kindly ensure that the voting proxies are sent to the company or the transfer secretaries by 10:00 on Tuesday, 22 August 2017 at the address set out at the end of this notice of meeting.

PURPOSE OF MEETING

The purpose of this meeting is to present the director's report and the audited financial statements of the company and the group for the year ended 31 March 2017, and to consider and, if deemed fit, to pass, with or without modification, the resolutions set out below.

ORDINARY RESOLUTIONS

To consider, and, if deemed fit, approve the following ordinary resolutions with or without modification.

Voting requirements: In order to be adopted, all ordinary resolutions require the support of a majority of the votes cast by shareholders present or represented by proxy at this meeting. The quorum for the meeting is 25% of the issued share capital of the company.

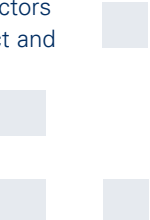
1. Ordinary resolution number 1: adoption of the annual financial statements

"Resolved that: the annual financial statements of the company and the group for the year ended 31 March 2017 be and are hereby adopted.

Explanation: The reason for and effect of the ordinary resolution number 1 is to receive and adopt the annual financial statements for the company and the group for the year ended 31 March 2017.

2. Ordinary resolution number 2: to place the unissued shares of the company under the control of the directors

"Resolved that: all the unissued shares in the capital of the company be placed under the control of the directors in terms of article 6 of the Memorandum of Incorporation of AME, as a general authority in terms of the Companies Act, 2008 (Act 71 of 2008), as amended ("the Act"), who are hereby authorised to allot and issue shares in the capital of the company to those persons, upon such terms and conditions, as the directors in their sole discretion deem fit, until the next annual general meeting, subject to the provisions of the Act and the Listings Requirements of the Johannesburg Stock Exchange ("JSE").



Explanation: In terms of article 6 of the Memorandum of Incorporation of AME and in terms of the general authority of the Act, the authority given at the annual general meeting needs to be renewed.

3. Ordinary resolution number 3: re-election of non-executive Directors

“Resolved that:

3.1 Mr MJ Prinsloo, who retires by rotation in terms of the Memorandum of Incorporation of the company and who is eligible and available for re-election, be and is hereby re-elected as a director of the company.

3.2 Mr KL Tlhabane, who retires by rotation in terms of the Memorandum of Incorporation of the company and who is eligible and available for re-election, be and is hereby re-elected as a director of the company.

Explanation: To re-elect Messrs MJ Prinsloo and KL Tlhabane, who are recommended by the board and whose appointment automatically terminates on the day of the annual general meeting in terms of article 31 of the Memorandum of Incorporation of the company. Brief biographies of these directors appear on page 3.

The ordinary resolutions number 3.1 and 3.2 will be considered separately.

4. Ordinary resolution number 4: re-appointment of independent auditor

“Resolved that: Grant Thornton Johannesburg Partnership be and is hereby re-appointed as independent auditor of the company from the conclusion of this annual general meeting until the conclusion of the next annual general meeting of the company.”

Explanation: The reason for this ordinary resolution is that the company, being a listed public company, must appoint an independent auditor and have its annual financial statements audited.

5. Ordinary resolution number 5: re-election of the audit committee members and chairman

“Resolved that:

5.1 Mr N Sooka be and is hereby re-elected as a member and chairman of the audit committee until conclusion of the next annual general meeting.

5.2 Mr MJ Prinsloo be and is hereby re-elected as a member of the audit committee until conclusion of the next annual general meeting.

5.3 Mr KL Tlhabane be and is hereby re-elected as a member of the audit committee until conclusion of the next annual general meeting.”

Explanation: To re-elect Messrs N Sooka, MJ Prinsloo and KL Tlhabane, who are recommended by the board and whose appointment automatically terminates on the day of the annual general meeting. The reason for this ordinary resolution is that at each annual general meeting, a public company must elect an audit committee comprising of at least three members.

Brief biographies of these directors appear on page 3.

The ordinary resolutions number 5.1, 5.2 and 5.3 will be considered separately.

6. Ordinary resolution number 6: authority to sign documentation

“Resolved that: Any director of the company or the company secretary be and is hereby authorised to take all actions necessary and sign all documentation required to give effect to the ordinary and special resolutions which have been passed at the annual general meeting.”

Explanation: To give authority to any director or the company secretary to sign all documentation required to give effect to the ordinary and special resolutions which have been passed.



NOTICE OF ANNUAL GENERAL MEETING CONTINUED

7. Non-binding advisory resolution number 1

“Resolved that: The company’s remuneration policy as set out on page 10, be and is hereby approved.

Explanation: The policy is tabled in terms of King III, to enable shareholders to express their views in the remuneration policies adopted and on their implementation. This ordinary resolution is advisory only, but will be taken into consideration when considering the company’s remuneration policy in the future.

SPECIAL RESOLUTIONS

To consider and, if deemed fit, approve the following special resolutions with or without modification.

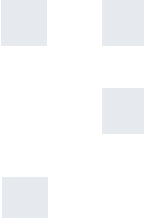
Voting requirements: In order to be adopted, all special resolutions require the support of 75% or more of the votes cast by shareholders present or represented by proxy at this meeting. The quorum for the meeting is 25% of the issued share capital of the company.

1. Special resolution number 1: general authority for company and/or subsidiary to acquire the company’s own shares.

“Resolved that: The company and/or a subsidiary of the company be and is hereby authorised to re-purchase or purchase, as the case may be, ordinary shares issued by the company on such terms and conditions and in such amounts as the directors of the company may decide, but subject always to the provisions of section 48 of the Act, and the Listings Requirements of the JSE, which currently stipulate that:

- the repurchase of securities must 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);
- at any point in time the company may only appoint one agent to effect any repurchases on the company’s behalf;
- the company or any of its subsidiaries may not repurchase securities during a prohibited period as defined in the Listings Requirements of the JSE;
- 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;
- a paid press announcement will be published as soon as the company has acquired ordinary shares constituting, on a cumulative basis, 3% (three percent) of the number of ordinary shares in issue, at the time of passing of this special resolution, and any 3% (three percent) increments thereafter, which announcements shall contain full details of such acquisitions;
- acquisitions of ordinary shares by the company in terms of this general authority in the aggregate in any one financial year may not exceed 20% (twenty percent) of the company’s issued ordinary share capital nor may any subsidiary hold more than 10% (ten percent) of the company’s issued share capital at any one time; and
- in determining the price at which ordinary shares issued by the company are acquired in terms of this general authority, the maximum price at which such ordinary shares may be acquired may not be greater than 10% (ten percent) above the weighted average of the market price at which such ordinary shares traded on the JSE over the 5 (five) business days immediately preceding the date on which the transaction is effected.

The general authority to repurchase the company’s shares will be acted upon within the parameters laid down by the JSE, as and when the directors deem it to be appropriate. After considering the effect of a general repurchase within these parameters, the directors are of the view that for a period of at least 12 (twelve) months after the date of this notice of meeting:

- AME and the group will be able in the ordinary course of business to pay its debts;
 - the assets of AME and the group, fairly valued in accordance with accounting policies used in the latest audited report, will be in excess of the liabilities of the company and the group;
- 

- the ordinary capital and reserves of AME and the group will be adequate for the purposes of the company's and the group's businesses respectively; and
- the working capital of AME and the group will be adequate for their requirements."

The reason for this special resolution is to grant a general approval in terms of the Act and the Listings Requirements of the JSE for the acquisition by the company and/or a subsidiary of shares issued by the company, subject to statutory and regulatory limitations and controls.

The effect of this special resolution is to enable the company and/or a subsidiary, by way of a general approval, to repurchase up to a maximum of 20% (twenty percent) of its share capital in any one financial year.

Explanation: The reason for and effect of special resolution number 1 is to give a mandate to the directors to re-purchase or purchase ordinary shares issued by the company.

2. Special resolution number 2: approval of non-executive directors' fees

"Resolved that: The remuneration of the non-executive directors be and is hereby increased with effect from 1 April 2017 as set out below:

Directors' fees are payable per meeting attended:	R
Board	
Chairman	20 700
Other	14 800
Audit and risk committee	
Chairman	14 200
Other	9 900
Remuneration committee	
Chairman	14 200
Other	9 900
Social and ethics committee	
Chairman	14 200

Explanation: The reason for and effect of special resolution number 2 is to grant the company the authority to pay fees to non-executive directors for their services as directors.

3. Special resolution number 3: financial assistance to related or inter-related entities to the company

"Resolved that: The board of directors is authorised, in terms of and subject to the provisions of section 45 of the Act, to cause the company to provide financial assistance to any company or corporation that is related or inter-related to the company."

Explanation: The reason for and effect of special resolution number 3 is to grant to the directors of the company the authority to cause the company to provide financial assistance to any entity which is related or inter-related to the company. This special resolution does not authorise the provision of financial assistance to a director or prescribed officer of the company.

4. Special resolution number 4: financial assistance for subscription for or purchase of securities by related or inter-related entities to the company

"Resolved that: The board of directors is authorised, in terms of and subject to the provisions of section 44 of the Act, to cause the company to provide financial assistance to any company or corporation that is related or inter-related to the company for the subscription for or purchase of securities in the company or in any company or corporation that is related or inter-related to the company."



NOTICE OF ANNUAL GENERAL MEETING CONTINUED

Explanation: The reason for and effect of special resolution number 4 is to grant the directors of the company the authority to cause the company to provide financial assistance to any entity which is related or inter-related to the company for the subscription for or purchase of securities in the company or in any company or corporation that is related or inter-related to the company. This special resolution does not authorise the provision of financial assistance to a director or prescribed officer of the company for the subscription for or purchase of securities in the company or in any company or corporation that is related or inter-related to the company.

Additional disclosure requirements in terms of the JSE Listings Requirements

As per section 11.26(b) of the Listings Requirements of the JSE, shareholders are referred to the following sections in the annual report to which this notice of annual general meeting is attached:

- Details of directors on page 3;
- Directors' interest in securities commencing on page 19 (which beneficial interests have not changed since 31 March 2017. There are no non-beneficial interests);
- Major shareholders on page 23;
- Material changes in the nature of the company's trading or financial position post 31 March 2017 on page 13;
- The Share Capital note 1 on page 18.

LITIGATION STATEMENT

The directors are not aware of any legal or arbitration proceedings active, pending or threatened against or being brought by the company, which may have a material effect on the group's financial position or which have had a material effect during the 12 months preceding the date of this notice of annual general meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

The directors, whose names have been given on page 3 of this annual report, collectively and individually accept full responsibility for the accuracy of the information pertaining to special resolution 1, 2, 3 and 4 and certify that to the best of their knowledge and belief, there are no facts which 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 resolution contain all information relevant to special resolution number 1, 2, 3 and 4.

MATERIAL CHANGES

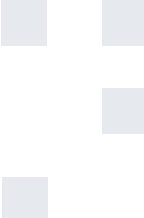
Other than the facts and developments reported on in the annual financial statements, there have been no material changes in the affairs or financial position of the company and its subsidiaries since the date of signature of the audit report and up to the date of this notice.

VOTING AND PROXIES

Each shareholder who, being a natural person, is present in person, by proxy or agent, or, being a company, is represented by representative proxy or agent at the general meeting, is entitled to one vote on a show of hands. On a poll, each shareholder, whether present in person or by proxy or by representation, is entitled to one vote for each share held.

A form of proxy is attached for use by certificated or own-name shareholders who are unable to attend the general meeting but wish to be represented thereat. They are required to complete and return the form of proxy so as to be received by the transfer secretaries of the company, Computershare Investor Services Proprietary Limited (Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 or PO Box 61051, Marshalltown, 2107) by 10:00 on Monday 21 August 2017, for administrative purpose or thereafter to the company by hand no later than 10:00 on Wednesday, 23 August 2017.

Shareholders who have dematerialised their shares through a Central Securities Depository Participant ("CSDP") or broker, other than by own-name registration and who wish to attend the annual general meeting must instruct their CSDP or broker to issue them with the necessary letter or representation to attend the meeting, in terms of the custody agreement entered into between such shareholders and their CSDP or broker.



Shareholders who have dematerialised their shares through a CSDP or broker, other than by own-name registration, who wish to vote by way of proxy should provide their CSDP or broker with their voting instructions by the cut-off time or date advised by their CSDP or broker for transactions of this nature.

Each certificated or own-name dematerialised shareholder entitled to attend and vote at the general meeting may appoint one or more proxies (none of whom need be an AME shareholder) to attend, speak and vote in his/her stead. The completion and lodging of a form of proxy will not preclude a shareholder from attending the meeting and speaking and voting thereat to the exclusion of the proxy so appointed.

By order of the board



C Roberts
Company Secretary

20 June 2017



SUMMARY OF RIGHTS ESTABLISHED BY SECTION 58 OF THE COMPANIES ACT, AS REQUIRED IN TERMS OF SUB-SECTION 58(8)(B)(I)

1. A shareholder may at any time appoint any individual, including a non-shareholder of the company, as a proxy to participate in, speak and vote at a shareholders' meeting on his or her behalf (section 58(1)(a)), or to give or withhold consent on behalf of the shareholder to a decision in terms of section 60 (shareholders acting other than at a meeting) (section 58(1)(b)).
2. A proxy appointment must be in writing, dated and signed by the shareholder, and remains valid for one year after the date on which it was signed or any longer or shorter period expressly set out in the appointment, unless it is revoked in terms of paragraph 6.3 or expires earlier in terms of paragraph 10.4 below (section 58(2)).
3. A shareholder may appoint two or more persons concurrently as proxies and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder (section 58(3)(a)).
4. A proxy may delegate his or her authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy ("proxy instrument") (section 58(3)(b)).
5. A copy of the proxy instrument must be delivered to the company, or to any other person acting on behalf of the company, before the proxy exercises any rights of the shareholder at a shareholders' meeting (section 58(3)(c)) and in terms of the Memorandum of Incorporation ("MOI") of the company at least 48 hours before the meeting commences.
6. Irrespective of the form of instrument used to appoint a proxy:
 - 6.1 the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder (section 58(4)(a));
 - 6.2 the appointment is revocable unless the proxy appointment states otherwise (section 58(4)(b)); and
 - 6.3 if the appointment is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing or by making a later, inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the company (section 58(4)(c)).
7. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered as contemplated in paragraph 6.3 above (section 58(5)).
8. If the proxy instrument has been delivered to the company, as long as that appointment remains in effect, any notice required by the Companies Act or the company's MOI to be delivered by the company to the shareholders must be delivered by the company to the shareholders (section 58(6)(a)), or the proxy or proxies, if the shareholder has directed the company to do so in writing and paid any reasonable fee charged by the company for doing so (section 58(6)(b)).
9. A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the MOI or proxy instrument provides otherwise (section 58(7)).
10. If the company issues an invitation to shareholders to appoint one or more persons named by the company as a proxy, or supplies a form of proxy instrument:
 - 10.1 the invitation must be sent to every shareholder entitled to notice of the meeting at which the proxy is intended to be exercised (section 58(8)(a));
 - 10.2 the invitation or form of proxy instrument supplied by the company must:
 - 10.2.1 bear a reasonably prominent summary of the rights established in section 58 of the Companies Act (section 58(8)(b)(i));
 - 10.2.2 contain adequate blank space, immediately preceding the name(s) of any person(s) named in it, to enable a shareholder to write the name, and if desired, an alternative name of a proxy chosen by the shareholder (section 58(8)(b)(ii)); and
 - 10.2.3 provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution(s), to be put at the meeting, or is to abstain from voting (section 58(8)(b)(iii));
 - 10.3 the company must not require that the proxy appointment be made irrevocable (section 58(8)(c)); and
 - 10.4 the proxy appointment remains valid only until the end of the meeting at which it was intended to be used, subject to paragraph 7 above (section 58(8)(d)).

FORM OF PROXY



AFRICAN MEDIA
ENTERTAINMENT

(Incorporated in the Republic of South Africa)
(Registration number 1926/008797/06)
(JSE share code: AME)
(ISIN: ZAE000055802)
("AME" or "the company")

For use by certificated shareholders and dematerialised shareholders with own-name registration at the 19th annual general meeting of the holders of ordinary shares in the company ("AME shareholders") to be held in the boardroom, Block B, Oxford Office Park, No 5, 8th Street, Houghton Estate, Johannesburg, at 10:00 on Wednesday, 23 August 2017 ("the annual general meeting").

I/We

being the registered holder/s of ordinary shares in the capital of the company, of (address):

hereby appoint (see note 1):

1. _____ or failing him/her,
2. _____ or failing him/her,
3. the chairman of the annual general meeting,

as my/our proxy to act for me/us at the annual general meeting for the purposes of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat, and at each adjournment thereof, and to vote for or against the resolutions or abstain from voting in respect of the ordinary shares registered in my/our name/s in accordance with the following instructions (see note 2):

Ordinary resolutions	For	Against
1 To adopt the annual financial statements for the year ended 31 March 2017		
2 To place the unissued ordinary shares of the company under the control of the directors		
3.1 To re-elect Mr MJ Prinsloo as a director of the company.		
3.2 To re-elect Mr KL Tlhabane as a director of the company.		
4 To re-appoint Grant Thornton Johannesburg Partnership, as the independent auditor		
5.1 To re-elect Mr N Sooka as chairman and member of the audit committee		
5.2 To re-elect Mr MJ Prinsloo as member of the audit committee		
5.3 To re-elect Mr KL Tlhabane as member of the audit committee		
6 To authorise a director or company secretary to sign documentation to effect resolutions passed		
Non-binding ordinary resolution		
7 To approve the remuneration policy		
Special resolutions		
1 To approve the general authority for the company and/or the subsidiary to acquire the company's own shares		
2 To approve the remuneration of the non-executive directors		
3 To approve financial assistance to related or inter-related entities to the company		
4 To approve financial assistance for subscription for purchase of securities by related or inter-related entities to the company		

Signed at _____ on _____ 2017

Signature _____

Assisted by (where applicable state capacity and full name) _____

Each AME shareholder is entitled to appoint one or more proxy/ies (who need not be a shareholder/s of the company) to attend, speak and vote in his or her stead at the annual general meeting.

Please read the notes on the reverse side hereof.



NOTES TO THE FORM OF PROXY

1. An AME shareholder may insert the name of a proxy or the names of two alternative proxies of his/her choice in the space/s provided, with or without deleting “the chairman of the annual general meeting,” but any such deletion must be initialled by the AME shareholder concerned. The person whose name appears first on the form of proxy and who is present at the annual general meeting, will be entitled to act as proxy to the exclusion of those names that follow.
2. An AME shareholder’s instruction to the proxy must be shown by indicating in the appropriate boxes provided the manner in which that AME shareholder wishes to vote by inserting an “X” in the relevant box unless a shareholder wishes to split his/her votes. In this case the relevant number of shares to be so voted must be indicated in the relevant box. Failure to comply with the above will be deemed to authorise the proxy to vote, at the annual general meeting as he/she deems fit in respect of all the AME shareholder’s votes exercisable thereat.
3. An AME shareholder or his/her proxy is not obliged to use all the votes exercisable by the member or to cast all these votes exercised in the same way, but the total of the votes cast, may not exceed the total of the votes exercisable by the member. Failure to comply with the above will be deemed to be authority to the chairman of the annual general meeting, if he is the authorised proxy, to vote in favour of the resolutions proposed at the annual general meeting or any other proxy to vote or abstain from voting, at the annual general meeting as he deems fit, in respect of the shares concerned.
4. Forms of proxy and any power of attorney by virtue of which such proxy is signed (or a notarially certified copy of such power of attorney) must be lodged at or posted to the transfer secretaries of the company, Computershare Investor Services Proprietary Limited (Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 or PO Box 61051, Marshalltown, 2107), to be received by no later than 10:00 on Wednesday, 23 August 2017.
5. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies.
6. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the company’s secretary or waived by the chairman of the annual general meeting.
7. If you are a dematerialised shareholder, other than by own-name registration, you must inform your appointed Central Securities Depository Participant (“CSDP”) or broker of the manner in which you wish to vote in order for them to notify the secretary by no later than 10:00 on Wednesday, 23 August 2017. Only registered certificated shareholders recorded in the main register of members of the company or under own names in the dematerialised register, may complete a form of proxy or alternatively attend the annual general meeting. Those dematerialised shareholders who are not registered under their own names who wish to attend the annual general meeting or vote by proxy must contact their CSDP or broker who will provide them with the necessary authority to do so, or carry out their instructions.
8. This must be done in terms of the agreement between the shareholder and his/her CSDP as applicable.
9. The chairman of the annual general meeting may reject or accept any proxy form which is completed and/or received, other than in compliance with the Memorandum of Incorporation of the company or these notes.

CORPORATE INFORMATION

AFRICAN MEDIA ENTERTAINMENT LIMITED

Incorporated in the Republic of South Africa
Registration number 1926/008797/06
JSE share code: AME
ISIN: ZAE000055802

AUDITOR

Grant Thornton Johannesburg Partnership

Chartered Accountants (SA)
Practice number 903485E
Registered Auditor
52 Corlett Drive
Wanderers Office Park
Illovo, 2196

BANKERS

Absa Capital CIBW

15 Alice Lane
Sandton, 2196

LEGAL ADVISORS

Fluxmans Attorneys

30 Jellicoe Avenue
Rosebank
Johannesburg, 2196

SECRETARY AND REGISTERED OFFICE

C Roberts

Block A, Oxford Office Park
No. 5, 8th Street
Houghton Estate
Johannesburg, 2198

PO Box 3014, Houghton, 2041

SPONSOR

Arbor Capital Sponsors (Pty) Ltd

Registration number 2006/033725/07
20 Stirrup Lane
Woodmead Office Park
Corner Woodmead Drive and Van Reenens Avenue
Woodmead, 2191

Suite #439, Private Bag X29, Gallo Manor, 2052

TRANSFER SECRETARIES

Computershare Investor Services (Pty) Ltd

Registration number 2004/003647/07
Rosebank Towers,
15 Bierman Avenue
Rosebank, 2196

PO Box 61051, Marshalltown, 2107

Telephone: +27 11 370 5000
Telefax: +27 11 688 5238



AFRICAN MEDIA
ENTERTAINMENT

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