CHAIRMAN'S REVIEW

During the period under review, the group was able to improve its performance in comparison to the comparative reporting period ended 30 September 2021, which was mainly driven by the recovery of advertising revenue post the COVID-19 pandemic. The medium-term impact of the COVID-19 pandemic on the advertising sector is still relevant when looking at the period under review.

For the period ending 30 September 2022, group revenue increased by 11% to R128,4 million from R116,0 million. As a result, operating profit improved by 22% to R14,6 million from R12,0 million in September 2021. The increases in investment income and finance income have also contributed to an improvement in net profit before tax which increased by 38% to R20,5 million from R14,9 million.

The group generated cash from operating activities of R18,2 million (September 2021: R16,0 million), paid tax of R5,5 million (September 2021: R3,9 million) and spent R3,8 million (September 2021: R1,9 million) on capital expenditure during the period. The group also paid dividends to its equity holders of R15,6 million (September 2021: R7,9 million) and repurchased 199 621 shares (September 2021: 45 000 shares) during the period which resulted in a cash outflow of R7,1 million (September 2021: R1,2 million).

OPERATIONS

The business operations of the group were focused on recovery from the impact of the pandemic and other macro-economic factors that continue to dominate the market. The growth in revenue during the period reflects the resilience of the group's operations which remain on a steady road to recovery. Media remains a constantly evolving and challenging industry that requires the group's operations to remain agile and innovative.

Algoa FM has delivered strong interim results that were 86% above budgeted performance on the bottom line. Both National and Local sales teams performed well, and the results are above budget. Locally, digital and events revenue have improved, while unanticipated campaigns were secured due to natural disasters such as water shortages and locust infestations. These incidental inflows have assisted the station's post covid recovery, while many SMME clients in the Eastern Cape continue to rebuild their businesses. Operating costs have been well managed and cashflow remains positive. The BRC's latest audience figures reflect growth to 441 000 listeners (past 7 days), and the station's digital portals reflect growth in engagement. Algoa FM remains committed to its growth strategy despite disruptive power outages and natural disasters, impacting on clients and the local economy.

Central Media Group ("CMG") was formally registered in 2012, which replaced Seyalemoya Communications as the historical name of the business. In 2022, the team celebrated ten years of a business that has grown from a radio station to a multi-faceted media company that also operates in print, digital and events. CMG half-year EBITDA results were above budget. Both Digital Platforms and Mahareng Publishing closed the period below their revenue budgets which resulted in EBITDA that was below budget. However, the teams across the business units are ready for the upcoming busy season and remain encouraged to recoup deficits experienced during the interim period.

MediaHeads 360 interim results were stable. Cash flow remains positive and operating costs have been well managed during the period. The long-term sustainability and diversification plan that MediaHeads 360 implemented to create and enable innovation and strategic direction in the television content integration space, is gaining momentum. The company remains cognisant of the challenging environment in which it operates, but remains cautiously optimistic that it has the structures in place to yield positive results.

An enhanced business strategy at **United Stations**, focused firmly on value creation and growing the potential of the company's extensive inventory that expanded over the period with the introduction of new digital and radio platforms. This approach has resulted in a more resilient ecosystem and benefits to all stakeholders in their growing portfolio. The first six months delivered on target, and the team is paying close attention to all metrics in its healthy sales pipeline, in order to make the most of the remaining six months of the year.

Moneyweb has experienced a challenging period due to revenue performing below budget across both its digital and radio offerings. The team has implemented active efforts to maximise the potential of the Moneyweb current product offerings as well as striving to create new products, where the opportunity exists. In addition, the lifting of the COVID-19 pandemic restrictions has enabled Moneyweb to focus on event opportunities. Moneyweb will be hosting its second Better Investor Conference during the third quarter of the year and remains encouraged by the growing interest from advertisers.

DIVIDENDS

A final dividend (dividend no. 18) of 200 cents per ordinary share (gross) was declared for the year ended 31 March 2022 (March 2021: 100 cents gross) and paid on 8 July 2022. Upon consideration of the solvency and liquidity of the group, an interim dividend for the period ended 30 September 2022 of 100 cents per ordinary share (gross) has been declared by the directors (Interim 2021: 80 cents gross).

DECLARATION OF INTERIM DIVIDEND NO. 19

The board has resolved to declare a dividend (dividend no. 19) of 100,00 cents per ordinary share (gross) for the interim period ended 30 September 2022. The dividend is subject to the Dividends Withholding Tax ("DWT") that was introduced with effect from 1 April 2012. In accordance with the provisions of the JSE Listings Requirements, the following additional information is disclosed:

- the dividend has been declared out of current profits available for distribution;
- the local Dividend Tax rate is 20%;
- the gross dividend amount is 100.00 cents per ordinary share for shareholders exempt from DWT;
- the net dividend amount is 80.00 cents per ordinary share for shareholders liable for DWT;
- the company has 7 644 331 ordinary shares in issue;
- the company's income tax reference number is 9100/169/71/4.

The following dates are applicable to the dividend:

Last date to trade in order to be eligible for the dividend: Monday, 12 December 2022

Date trading commences *ex*-dividend: Tuesday, 13 December 2022

Record date: Thursday, 15 December 2022

Date of payment to shareholders: Monday, 19 December 2022

Share certificates may not be dematerialised/rematerialised between Tuesday, 13 December 2022 and Thursday, 15 December 2022, both days inclusive.

PROSPECTS

The board anticipates that the performance for the full year will be in line with the prior year.

ACG Molusi
Independent Non-executive Chairman

AJ Isbister CA(SA)
Financial Director

23 November 2022

Summarised notes to the financial statements

1. BASIS OF PREPARATION

These condensed unaudited results have been prepared in accordance with International Financial Reporting Standards ("IFRS"), the Companies Act no. 71 of 2008, as amended, IAS 34: Interim Financial Reporting, the Listings Requirements of the Johannesburg Stock Exchange ("JSE") and the financial reporting pronouncements as issued by the Financial Reporting Standards Council on a basis consistent with the accounting policies and methods of computation as applied by the group in the annual financial statements for the year ended 31 March 2022.

These results have been prepared under the supervision of the financial director, AJ Isbister CA(SA), and have not been audited or reviewed by the group's auditors, BDO South Africa Incorporated.

2. HEADLINE EARNINGS

	% change	**Unaudited six months to 30 September 2022 R'000**	Unaudited six months to 30 September 2021 R'000	**Audited year ended 31 March 2022 R'000**
Headline earnings per share (cents)	53%	**149.1**	97.3	**371.6**
Headline earnings reconciliation				
Profit attributable to equity holders		**11 550**	7 751	**29 334**
Adjustments:		**(51)**	(55)	**(42)**
Profit on disposal of fixed assets		**(70)**	(77)	**(59)**
Tax on disposal of fixed assets		**19**	22	**17**
Headline earnings		**11 499**	7 696	**29 292**

3. OTHER FINANCIAL INSTRUMENTS

The table below analyses financial instruments carried at fair value, by valuation method.

	September 2022	March 2022
Level 3	**12 650**	12 650
	12 650	12 650

Level 3 fair value as reflected above, is determined by a valuation that uses inputs that are not based on observable market data.

There was no movement during the interim period since the fair value of other financial instruments approximated their carrying values as disclosed in the statement of financial position. However, the group recognised fair value losses processed through other comprehensive income of R2,4 million in prior year ended 31 March 2022.

4. RELATED PARTY TRANSACTIONS

Other than in the ordinary course of business, there were no balances or transactions with related parties that require separate disclosure as intra-group transactions have been eliminated on consolidation.

5. DISAGGREGATION OF REVENUE

The group derives only advertising revenue which does not require further disaggregation since it is one category of revenue that is exposed to the same economic factors and risks.

6. CHANGES IN DIRECTORATE

During the period, the changes in the directorate were as follows:

- Dimakatso Qocha was appointed on 1 September 2022;
- Sakhiwo Ngobese was appointed on 1 November 2022; and
- Rob Fedder was appointed on 8 November 2022.

7. SIGNIFICANT TRANSACTIONS AND EVENTS DURING THE PERIOD

The significant transactions during the period include:

- the repurchase of 199 621 shares during the period for R7,1 million; and
- dividends paid to equity holders of R15,6 million in line with the final dividend declared in June 2022 of 200 cents per share (gross).

Other than the transactions noted above, there were no other significant transactions or events for the period ended 30 September 2022.

8. GOING CONCERN

The condensed unaudited interim results 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.

9. EVENTS AFTER THE REPORTING PERIOD

On 28 September 2022, the company submitted a share repurchase programme to the JSE. The share repurchase programme was completed on 28 October 2022 and a total 226 000 shares were repurchased during this period for R7,7 million.

To the best of the directors' knowledge, there have been no material events or circumstances between the end of the reporting period up to the date of signature of this report that may materially affect the results of the group for the period ended 30 September 2022 or the financial position at that date.

INTERIM RESULTS

For the six months ended 30 September 2022

AFRICAN MEDIA ENTERTAINMENT

CONSOLIDATED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

	% change	Unaudited six months to 30 September 2022 R'000	Unaudited six months to 30 September 2021 R'000	Audited year ended 31 March 2022 R'000
Revenue	11%	**128 417**	116 027	**250 765**
Cost of sales	13%	**(38 446)**	(34 006)	**(69 705)**
Gross profit		**89 971**	82 021	**181 060**
Administrative and other expenses	8%	**(71 731)**	(66 382)	**(133 885)**
Earnings before interest, taxation, depreciation, amortisation and impairments	17%	**18 240**	15 639	**47 175**
Depreciation		**(3 636)**	(3 687)	**(7 365)**
Operating profit	22%	**14 604**	11 952	**39 810**
Investment income		**2 368**	1 000	**1 537**
Finance income		**2 870**	1 811	**4 225**
Equity accounted earnings from associates		**608**	109	**301**
Net profit before tax		**20 450**	14 872	**45 873**
Taxation	20%	**(6 158)**	(5 121)	**(12 438)**
Profit for the period	47%	**14 292**	9 751	**33 435**
Other comprehensive income: Items that will not be reclassified subsequently to profit or loss:		**–**	–	**(1 835)**
Fair value losses on fair value through other comprehensive income financial assets		**–**	–	**(2 400)**
Deferred tax relating to fair value adjustment		**–**	–	**565**
Total comprehensive income for the period	47%	**14 292**	9 751	**31 600**
Profit attributable to:				
Non-controlling interest holders		**2 742**	2 000	**4 101**
Equity holders of the parent		**11 550**	7 751	**29 334**
		14 292	9 751	**33 435**
Total comprehensive income attributable to:				
Non-controlling interest holders		**2 742**	2 000	**4 101**
Equity holders of the parent		**11 550**	7 751	**27 499**
		14 292	9 751	**31 600**
Earnings and diluted earnings per share (cents)	53%	**149.7**	98.0	**372.2**
Dividends per share (cents)	25%	**100**	80	**280**
Weighted average number of shares in issue (000's)		**7 714**	7 908	**7 882**

CORPORATE INFORMATION

AFRICAN MEDIA ENTERTAINMENT LIMITED

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

REGISTERED OFFICE

Block A, Oxford Office Park
No 5, 8th Street, Houghton Estate, Johannesburg, 2198
PO Box 3014, Houghton, 2041

TRANSFER SECRETARIES

Computershare Investor Services Proprietary Limited
Registration number 2004/003647/07
Rosebank Towers, 15 Biermann Avenue, Rosebank
Private Bag X9000, Saxonworld 2132
Telephone: +27 11 370 5000
Telefax: +27 11 688 5238

SPONSOR

AcaciaCap Advisors Proprietary Limited
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

DIRECTORS

ACG Molusi (Independent Non-executive Chairman)
MA Da Costa (Independent Non-executive)
J Edwards (Independent Non-executive)
RCH Fedder (Non-executive)
SN Ngobese (Independent Non-executive)
MJ Prinsloo (Independent Non-executive)
DS Qocha (Independent Non-executive)
KW Thipe (Independent Non-executive)
AJ Isbister (Financial Director)
DM Tiltmann (Chief Executive Officer)

COMPANY SECRETARY

C Roberts CA(SA)

AUDITORS

BDO South Africa Incorporated

CONSOLIDATED CONDENSED STATEMENTS OF FINANCIAL POSITION

	Unaudited six months to 30 September 2022 R'000	Unaudited six months to 30 September 2021 R'000	Audited year ended 31 March 2022 R'000
ASSETS			
Non-current assets	**179 639**	183 303	**179 081**
Property, plant and equipment	**119 735**	121 640	**119 560**
Goodwill	**36 997**	36 997	**36 997**
Investment in associates	**3 180**	2 379	**2 572**
Other financial instruments	**17 650**	20 050	**17 650**
Deferred taxation	**2 077**	2 237	**2 302**
Current assets	**133 006**	119 085	**151 682**
Trade receivables	**46 418**	37 999	**54 213**
Other receivables	**7 047**	3 062	**5 465**
Tax paid in advance	**490**	1 216	**170**
Cash and cash equivalents	**79 051**	76 808	**91 834**
Total assets	**312 645**	302 388	**330 763**
EQUITY AND LIABILITIES			
Total equity	**256 001**	256 113	**264 495**
Non-current liabilities	**6 263**	6 031	**5 634**
Deferred tax liability	**6 263**	6 031	**5 634**
Current liabilities	**50 381**	40 244	**60 634**
Trade payables	**15 192**	11 394	**21 078**
Other payables	**32 591**	26 673	**37 225**
Dividend payable	**2 145**	1 999	**2 041**
Taxation	**453**	178	**290**
Total equity and liabilities	**312 645**	302 388	**330 763**

CONSOLIDATED CONDENSED STATEMENTS OF CHANGES IN EQUITY

	Unaudited six months to 30 September 2022 R'000	Unaudited six months to 30 September 2021 R'000	Audited year ended 31 March 2022 R'000
Issued capital			
Balance at beginning of period	**7 844**	7 923	**7 923**
Shares repurchased and cancelled	**(200)**	(45)	**(79)**
Balance at end of period	**7 644**	7 878	**7 844**
Share premium			
Balance at beginning of period	**3 846**	3 846	**3 846**
Share repurchased and cancelled	**(3 846)**	–	**–**
Balance at end of the period	**–**	3 846	**3 846**
Retained earnings			
Balance at beginning of period	**237 179**	224 933	**224 933**
Total profit for the period	**11 550**	7 751	**29 334**
Change in shareholding	**–**	(359)	**(373)**
Dividend declared	**(15 688)**	(7 924)	**(14 262)**
Shares repurchased and cancelled	**(3 052)**	(1 167)	**(2 453)**
Balance at end of period	**229 989**	223 234	**237 179**
Non-distributable reserve			
Balance at beginning of period	**1 678**	3 513	**3 513**
Other comprehensive income	**–**	–	**(1 835)**
Balance at end of period	**1 678**	3 513	**1 678**
Non-controlling interests			
Balance at beginning of period	**13 948**	15 283	**15 283**
Change in shareholding	**–**	359	**373**
Comprehensive income for the period	**2 742**	2 000	**4 101**
Share of dividend	**–**	–	**(5 809)**
Balance at end of period	**16 690**	17 642	**13 948**
Total equity	**256 001**	256 113	**264 495**

CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS

	Unaudited six months to 30 September 2022 R'000	Unaudited six months to 30 September 2021 R'000	Audited year ended 31 March 2022 R'000
Cash generated by operating activities	**18 170**	16 007	**47 115**
Finance income	**2 870**	1 367	**4 225**
Taxation paid	**(5 460)**	(3 917)	**(9 973)**
(Decrease)/increase in working capital	**(4 308)**	1 715	**3 336**
– decrease/(increase) in trade and other receivables	**6 213**	4 448	**(14 169)**
– (decrease)/increase in trade and other payables	**(10 521)**	(2 733)	**17 505**
Cash flows from operating activities	**11 272**	15 172	**44 703**
Cash flows used in investing activities	**(1 373)**	(1 552)	**(2 631)**
– repayment in investments and loans	**–**	900	**900**
– acquisition of subsidiary	**–**	(1 623)	**(1 623)**
– purchase of property, plant and equipment	**(3 814)**	(1 948)	**(3 584)**
– proceeds on disposal of property, plant and equipment	**73**	119	**139**
– dividends received	**2 368**	1 000	**1 537**
Cash flows used in financing activities	**(22 682)**	(9 093)	**(22 519)**
– dividends paid to equity holders	**(15 584)**	(7 881)	**(14 178)**
– dividends paid to non-controlling interest holder	**–**	–	**(5 809)**
– repurchase of shares	**(7 098)**	(1 212)	**(2 532)**
Net (decrease)/increase in cash and cash equivalents	**(12 783)**	4 527	**19 553**
Cash and cash equivalents at beginning of period	**91 834**	72 281	**72 281**
Cash and cash equivalents at end of period	**79 051**	76 808	**91 834**

SEGMENTAL REPORTING

The chief operating decision maker, identified as the executive members of the board, considers the operating segments below to remain applicable to the group.

	Unaudited six months to 30 September 2022 R'000	Unaudited six months to 30 September 2021 R'000	Audited year ended 31 March 2022 R'000
Revenue			
Radio broadcasting	**93 272**	79 832	**172 750**
Media services	**37 244**	38 491	**82 613**
Internal revenue – media services	**(2 099)**	(2 296)	**(4 598)**
Corporate	**10 599**	9 963	**20 904**
Internal revenue – corporate	**(10 599)**	(9 963)	**(20 904)**
Total	**128 417**	116 027	**250 765**
Profitability			
Radio broadcasting	**21 771**	15 195	**41 257**
Media services	**(2 858)**	(396)	**3 852**
Corporate	**(673)**	840	**2 066**
Total operating profit before depreciation	**18 240**	15 639	**47 175**
Depreciation	**(3 636)**	(3 687)	**(7 365)**
Equity accounted earnings from associates	**608**	109	**301**
Investment income	**2 368**	1 000	**1 537**
Finance income	**2 870**	1 811	**4 225**
Taxation	**(6 158)**	(5 121)	**(12 438)**
Total profit for the year	**14 292**	9 751	**33 435**
Assets			
Radio broadcasting	**73 255**	74 059	**72 864**
Media services	**41 256**	33 052	**48 942**
Corporate	**115 903**	116 090	**114 551**
Investment in associates	**3 180**	2 379	**2 572**
	233 594	225 580	**238 929**
Cash and cash equivalents	**79 051**	76 808	**91 834**
Total	**312 645**	302 388	**330 763**
Liabilities			
Radio broadcasting	**13 433**	12 251	**16 731**
Media services	**29 780**	22 033	**35 883**
Corporate	**13 431**	11 991	**13 654**
Total	**56 644**	46 275	**66 268**
Capital expenditure			
Radio broadcasting	**2 601**	1 552	**2 835**
Media services	**755**	275	**545**
Corporate	**458**	121	**204**
Total	**3 814**	1 948	**3 584**
Depreciation			
Radio broadcasting	**3 262**	3 338	**6 651**
Media services	**283**	267	**546**
Corporate	**91**	82	**168**
Total	**3 636**	3 687	**7 365**