

REVIEWED PROVISIONAL RESULTS
 For the six months ended 30 September 2023

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

		Unaudited six months to 30 September 2023 R'000	Unaudited six months to 30 September 2022 R'000	Audited year ended 31 March 2023 R'000
	% change			
Revenue	11%	143 115	128 417	268 669
Cost of sales	15%	(44 353)	(38 446)	(68 402)
Gross profit		98 762	89 971	200 267
Operating expenses	5%	(75 472)	(71 731)	(146 624)
Operating profit before depreciation	28%	23 290	18 240	53 643
Depreciation		(3 788)	(3 636)	(7 395)
Operating profit	34%	19 502	14 604	46 248
Investment income	(39%)	1 449	2 368	4 118
Finance income	49%	4 269	2 870	5 607
Equity accounted earnings from associates	(49%)	310	608	304
Net profit before taxation		25 530	20 450	56 277
Taxation		(7 219)	(6 158)	(13 115)
SA normal taxation		(6 613)	(6 158)	(11 857)
Deferred taxation		(606)	-	(1 258)
Profit for the period	28%	8 311	14 292	43 162
Other comprehensive income: Items that will not be reclassified subsequently to profit and loss		(555)	-	4 704
Fair value (losses)/gains on fair value through other comprehensive income financial assets		(699)	-	6 000
Deferred tax relating to fair value adjustment		144	-	(1 296)
Total comprehensive income for the period	24%	17 756	14 292	47 866
Profit attributable to:				
Non-controlling interest holders		3 742	2 742	6 560
Equity holders of the parent	21%	14 569	11 550	36 602
	28%	18 311	14 292	43 162
Total comprehensive income attributable to:				
Non-controlling interest holders		3 742	2 742	6 560
Equity holders of the parent		14 014	11 550	41 306
		17 756	14 292	47 866
Earnings and diluted earnings per share (cents)	39%	207.5	149.7	485.5
Dividends per share (cents)		100	100	350
Weighted average number of shares in issue (000's)		7 022	7 714	7 539

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Unaudited six months to 30 September 2023 R'000	Unaudited six months to 30 September 2022 R'000	Audited year ended 31 March 2023 R'000
ASSETS			
Non-current assets	206 610	179 639	183 372
Property, plant and equipment	117 268	119 735	118 456
Goodwill	36 998	36 997	36 997
Investments in associated companies	3 186	3 180	2 876
Loans receivable	25 000	-	-
Other financial instruments	23 650	17 650	23 650
Deferred tax asset	508	2 077	1 393
Current assets	132 666	133 006	154 937
Trade receivables	71 361	46 418	63 866
Other receivables	3 407	7 047	8 774
Tax paid in advance	822	490	324
Cash and cash equivalents	57 076	79 051	81 973
Total assets	339 276	312 645	338 309
EQUITY AND LIABILITIES			
Total equity	254 547	256 001	260 889
Non-current liabilities	7 923	6 263	7 530
Deferred tax liability	7 671	6 263	7 278
Provisions	252	-	252
Current liabilities	76 806	50 381	69 890
Trade payables	28 640	15 192	18 421
Other payables	45 632	32 591	48 534
Dividend payable	2 327	2 145	2 197
Taxation	207	453	738
Total equity and liabilities	339 276	312 645	338 309

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Unaudited six months to 30 September 2023 R'000	Unaudited six months to 30 September 2022 R'000	Audited year ended 31 March 2023 R'000
Issued capital			
Balance at beginning of period	7 142	7 844	7 844
Shares repurchased and cancelled	(120)	(200)	(702)
Balance at end of period	7 022	7 644	7 142
Share premium			
Balance at beginning of period	-	3 846	3 846
Shares repurchased and cancelled	-	(3 846)	(3 846)
Balance at end of period	-	-	-
Retained earnings			
Balance at beginning of period	232 402	237 179	237 179
Total profit for the period	14 569	11 550	36 602
Dividend declared	(17 555)	(15 688)	(23 334)
Shares repurchased and cancelled	(3 630)	(3 052)	(18 045)
Balance at end of period	225 786	229 989	232 402
Non-distributable reserve			
Balance at beginning of period	6 382	1 678	1 678
Other comprehensive income	(555)	-	4 704
Balance at end of period	5 827	1 678	6 382
Non-controlling interests			
Balance at beginning of period	14 963	13 948	13 948
Share of total comprehensive income for the period	3 742	2 742	6 560
Share of dividend	(2 793)	-	(5 545)
Balance at end of period	15 912	16 690	14 963
Total capital and reserves	254 547	256 001	260 889

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

Unaudited Unaudited Audited

	six months to 30 September 2023 R'000	six months to 30 September 2022 R'000	year ended 31 March 2023 R'000
Cash generated by operating activities	23 390	18 170	48 533
Interest received	4 269	2 870	5 607
Taxation paid	(7 642)	(5 460)	(11 563)
Increase/(decrease) in working capital	5 186	(4 308)	949
- (increase)/decrease in trade and other receivables	(2 127)	6 213	(8 463)
- increase/(decrease) in trade and other payables	7 313	(10 521)	9 412
Cash flows from operating activities	25 203	11 272	43 526
Cash flows utilised in investing activities	(26 132)	(1 373)	(2 071)
- loans granted	(25 000)	-	-
- purchase of property, plant and equipment	(2 625)	(3 814)	(6 307)
- proceeds on disposal of property, plant and equipment	44	73	118
- dividends received	1 449	2 368	4 118
Cash flows utilised in financing activities	(23 968)	(22 682)	(51 316)
- dividends paid to equity holders	(17 425)	(15 584)	(23 178)
- dividends paid to non-controlling interest holder	(2 793)	-	(5 545)
- repurchase of shares	(3 750)	(7 098)	(22 593)
Net decrease in cash and cash equivalents	(24 897)	(12 783)	(9 861)
Cash and cash equivalents at beginning of period	81 973	91 834	91 834
Cash and cash equivalents at end of period	57 076	79 051	81 973

SEGMENTAL REPORTING

	Unaudited six months to 30 September 2023 R'000	Unaudited six months to 30 September 2022 R'000	Audited year ended 31 March 2023 R'000
Revenue			
Radio broadcasting	100 518	93 272	193 226
Media services	45 428	37 244	80 386
Less: Media services internal revenue	(2 423)	(2 099)	(4 943)
Corporate	7 005	10 599	12 257
Less: Corporate Internal revenue	(7 005)	(10 599)	(12 257)
Total	143 523	128 417	268 669
Profitability			
Radio broadcasting	25 761	21 771	51 447
Media services	(3 181)	(2 858)	1 022
Corporate	710	(673)	1 174
Total operating profit	23 290	18 240	53 643
Depreciation	(3 788)	(3 636)	(7 395)
Profit from associates	310	608	304
Investment income	1 449	2 368	4 118
Finance income	4 269	2 870	5 607
Taxation	(7 219)	(6 158)	(13 115)
Profit for the period	18 311	14 292	43 162
Assets			
Radio broadcasting	95 562	73 255	89 180
Media services	69 148	41 256	45 322
Corporate	114 304	115 903	118 958
Investment in associates	3 186	3 180	2 876
Total	282 200	233 594	256 336
Cash and cash equivalents	57 076	79 051	81 973
Total	339 276	312 645	338 309
Liabilities			
Radio broadcasting	30 374	13 433	23 180
Media services	40 477	29 780	36 888
Corporate	13 878	13 431	17 352
Total	84 729	56 644	77 420
Capital expenditure			
Radio broadcasting	2 402	2 601	3 533
Media services	145	755	1 894
Corporate	78	458	880
Total	2 625	3 814	6 307
Depreciation			
Radio broadcasting	3 162	3 262	6 517
Media services	398	283	680
Corporate	228	91	198
Total	3 788	3 636	7 395

CHAIRMAN'S REVIEW

During the six month period under review, group revenue increased by 11% from R128,4 million to R143,1 million. In line with the increase in revenue, profitability improved resulting in an operating profit of R19,5 million compared to a prior year of R14,6 million. The revenue initiatives implemented since the previous year as well as increased market share have resulted in an improved performance. The earnings per share for the period improved from 149,7 cents in September 2022 to 207,5 cents. The group generated cash from operating activities of R23,4 million (September 2022: R18,2 million), paid tax of R7,6 million (September 2022: R5,5 million), spent R2,6 million (September 2022: R3,8 million) on capital expenditure and paid dividends to its equity holders and non-controlling interest holders of R20,2 million (September 2022: R15,7 million). R25 million was advanced to a related party as described under significant transactions (note 5). The repurchase of 120 000 shares (September 2022: 199 621 shares) during the period resulted in a cash outflow of R3,7 million (September 2022: R7,1 million). This has resulted in a cash balance of R57,1 million (September 2022: R79,1 million) at the end of the period.

OPERATIONS

Operations throughout the various business units performed well during the year, despite the demanding trading conditions and challenging economic circumstances. Innovation and tight cost control remain imperative focus points.

Algoa FM's interim results underscore a solid performance for the first six months of the financial year. EBITDA ended 4% above budget, and is up by 21% year-on-year. Both Net National and Net Local sales closed above budget despite advertising revenue from government and municipal departments being severely constrained. Operating costs continue to be well managed and cashflow remains positive. Algoa FM will be launching a satellite studio in George and it plans to be on air from the beginning of December.

Central Media Group ("CMG") had a very encouraging half year, with the subsidiaries' earnings in a positive position. Revenues in radio have seen an increase in both local and national markets, with OFM radio station being the outstanding performer within the group. Mahareng Publishing and Digital Platforms closed the six month period below targeted earnings, influenced by high input costs of paper and travel for the print division and increased personnel development costs in the digital space. Pipeline business for Digital Platforms looks encouraging. The teams across the business are engaged in strategies to improve results and new innovative product offerings should improve the landscape of each business going forward.

MediaHeads 360's interim performance has exhibited continued resilience. The long-term sustainability and diversification strategy, which MediaHeads 360 has implemented to foster innovation and steer strategic development within the television content integration sector, is progressively gaining traction. Despite acknowledging the challenging operating landscape, the company remains cautiously optimistic, affirming that its well-established structures are poised to yield favourable outcomes. Furthermore, the commitment to adapt to evolving market dynamics and the continuous pursuit of operational excellence underscore MediaHeads 360's dedication to staying at the forefront of industry innovation, making it well-prepared to navigate future challenges and capitalise on emerging opportunities.

United Stations' commitment to enhancing advertiser value has yielded positive results, igniting significant growth in both inventory value and revenue potential. The specialised media sales house is confidently optimistic in reaching its ambitious revenue targets, underscoring the team's unwavering dedication to innovation and client satisfaction. The forthcoming six months are poised for even greater success as United Stations further consolidates its significant market presence.

Moneyweb has experienced a challenging first half of the year, however, the digital and radio revenue is still higher than the previous year. The sales teams continue to focus on alternative business strategies to ensure revenue growth.

In addition to this strategy the development and marketing teams have focused on building the subscription base, both paid and free.

DIVIDENDS

A final dividend (dividend no. 20) of 250 cents per ordinary share (gross) for the year ended 31 March 2023 was declared (March 2022: 200 cents) and paid on 10 July 2023. An unchanged interim dividend for the period ended 30 September 2023 of 100 cents per ordinary share (gross) has been declared by the directors (September 2022: 100 cents gross).

Declaration of interim dividend no. 21

The board has resolved to declare an interim dividend (dividend no. 21) of 100 cents per ordinary share (gross) for the period ended 30 September 2023. 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 distributable retained earnings;
- the local Dividend Tax rate is 20%;
- the gross dividend amount is 100 cents per ordinary share for shareholders exempt from DWT;
- the net dividend amount is 80 cents per ordinary share for shareholders liable for DWT;
- the company has 7 022 177 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, 11 December 2023

Date trading commences ex-dividend: Tuesday, 12 December 2023

Record date: Thursday, 14 December 2023

Date of payment to shareholders: Monday, 18 December 2023

Share certificates may not be dematerialised/rematerialised between Tuesday, 12 December 2023 and Thursday, 14 December 2023, both days inclusive.

PROSPECTS

The board expects the trading conditions for the 2024 financial year to remain somewhat challenging. The board is responsible for the preparation of the provisional consolidated financial statements in accordance with the requirements of the JSE Listings Requirements for preliminary reports and the requirements of the Companies Act of South Africa as applicable to summarised financial statements, and for such internal controls as the directors deem necessary to ensure that the provisional consolidated financial statements are free from material misstatement due to fraud or error.

ACG Molusi
Independent Non-executive Chairman
23 November 2023

AJ Isbister CA (SA)
Financial Director

The auditor's reviewed report does not necessarily report on all of the information contained in these financial results. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of the auditor's review report with the accompanying financial information from the issuers' registered office or via the weblink: <https://www.ame.co.za>.

SUMMARISED NOTES TO THE PROVISIONAL FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

These provisional results have been prepared by the financial director 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, Financial Pronouncements as issued by the Financial Reporting Standards Council, on a basis consistent with the policies and methods of computation as used in the annual financial statements for the period ended 30 September 2023.

2. HEADLINE EARNINGS PER SHARE

		Unaudited six months to 30 September 2023 R'000	Unaudited six months to 30 September 2022 R'000	Audited year ended 31 March 2023 R'000
Headline earnings per share (cents)	39%	207.3	149.1	484.5
Headline earnings reconciliation				
Profit attributable to equity holders		14 569	11 550	36 602
Adjustments:		(14)	(51)	(74)
Profit on disposal of property, plant and equipment		(19)	(70)	(102)
Tax on disposal of property, plant and equipment		5	19	28
Headline earnings	27%	14 555	11 499	36 528

3. RELATED PARTY TRANSACTIONS

Other than in the ordinary course of business, there have been no transactions during the financial year with related parties.

4. OTHER FINANCIAL INSTRUMENTS

	Group	
	September 2023 R'000	March 2023 R'000
Investments in unlisted securities - Level 3	23 650	23 650

Level 3 fair value is determined by a valuation that uses inputs that are not based on observable market data. During the current period the group recognised a fair value loss of R0,7 million through other comprehensive income. (31 March 2023 the group recognised a fair value gain through other comprehensive income of R6 million.) Investments are valued based on discounted cash flow models.

5. SIGNIFICANT TRANSACTIONS AND EVENTS DURING THE PERIOD

AME holds a non-controlling 100% economic interest in Mokgosi Holdings (Pty) Ltd ("Mokgosi"), which in turn has a 5% shareholding in Kaya FM (Pty) Ltd ("Kaya FM"), a Gauteng based radio station. During July 2023, Mokgosi entered into an agreement to purchase 100% of the shares in New Africa Investments (RF) Ltd, which in turn has a 24,9% shareholding in Kaya FM, from Thebe SPV 012 RF (Pty) Limited. The purchase consideration, which Mokgosi funded with a loan from AME, was R85,1 million, R25 million of which Mokgosi paid during September 2023, with the balance being settled during November 2023.

6. 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.

7. EVENTS AFTER THE REPORTING PERIOD

During November 2023, AME Properties raised a loan of R60 million which is secured by its land and buildings. This enabled AME Ltd to advance the loan to Mokgosi (refer note 5). The directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.

REGISTERED OFFICE

Block A, AME Office Park
No 5. 8th Street, Houghton Estate,

Johannesburg, 2198
PO Box 3014, Houghton, 2041

TRANSFER SECRETARIES

Computershare Investor Services (Pty) Ltd
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 (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

DIRECTORS

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

COMPANY SECRETARY

C Roberts CA(SA)

AUDITORS

Mazars