



**Unaudited Financial Statements
Six Months Ended 30 September 2023**

Radio Jamaica Limited

Six Months Ended 30 September 2023

Index

Page

Directors' interim report to Shareholders

Unaudited Financial Statements

Consolidated Statement of Comprehensive Income	1
Consolidated Balance Sheet	2
Consolidated Statement of Changes in Equity	3
Consolidated Cash Flows	4
Company Statement of Comprehensive Income	5
Company Balance Sheet	6
Company Statement of Changes in Equity	7
Company Cash Flows	8
Segment Reporting	9
Notes to the financial statements	10

Radio Jamaica Limited (RJRGLEANER) Report to Stockholders

The directors hereby present the unaudited financial results of the RJRGLEANER Communications Group (the Group) for its second quarter ended September 30, 2023.

There was a decline in the performance of the Group in the second quarter of the Financial Year (FY) 2023/2024 due to continued revenue challenges facing the industry and the Group. The Group recorded a pre-tax loss of \$79 million and an after-tax loss of \$65 million for the quarter, comparing unfavorably with the pre-tax loss of \$9 million and an after-tax loss of \$12 million for the corresponding period last year.

Primary contributors to this quarter's performance, compared to prior year were:

- Group revenues decreased by \$9 million dollars (1%), driven mainly by decreases in the Print and Other segment and which was partially offset by increases in the Audio/Visual and Audio segments. The industry and the Group continued to experience softness in the overall advertising market; a combination of some businesses moving to localised advertising and promotion, the use of lower-cost advertising options as well as continued impact from the prevailing local and global economic conditions.
- Other income increased by \$13 million (46%), arising from insurance settlement and investment income in the current period.
- Direct expenses were higher by \$43 million (7%), which was mainly due to the airing of the Women's World Cup, as well as other costs arising from increased activities that did not get full revenue support but were considered good investments in our brands.
- Administrative expenses increased by \$32 million (9%), driven primarily by one-off consultancy charges, increases in staff training and welfare and depreciation expenses relating to prior investments in infrastructure upgrades and software implementation.

During the period under review, management undertook several initiatives to curtail cost, for which savings are expected over the balance of the financial year.

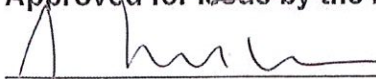
Subsequent to the September quarter, the company announced changes in its senior leadership aimed at intensifying its focus on revenue generation while using technology to enhance customer value and create internal efficiencies.

The changes, which take effect at the end of December, see Gary Allen, the current CEO, moving to head corporate and regulatory affairs and Anthony Smith, currently Deputy CEO, assuming the CEO role.

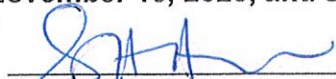
The Board of Directors thanks Gary for his 15-year tenure as CEO and looks forward to his future role in, among other things, ensuring a facilitative regulatory framework for the upcoming Digital Switch Over of the Group's television brands. It also welcomes Tony and anticipates him utilising his considerable experience in technology at a regional leadership level as well as his focus on returning the business to sustainable profitability.

We continue to thank all our customers for their support through their engagement with our digital, print, radio and television services. Along with our advertisers and other clients for contributing to our business.

Approved for issue by the Board of Directors on November 13, 2023, and signed on its behalf by:



Joseph M. Matalon CD
Director

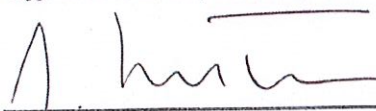


Gary Allen CD, JP
Chief Executive Officer

Consolidated Balance Sheet (Unaudited)
Six Months Ended 30 September 2023

	Note	Unaudited September 2023 \$'000	Audited March 2023 \$'000
Non-Current Assets			
Fixed assets		3,184,428	3,174,675
Investment properties		106,876	106,876
Intangible assets	6	380,135	402,744
Deferred tax asset		158,001	142,131
Retirement benefit assets	7	93,898	93,898
Investment securities		285,483	283,340
Investments accounted for using the equity method		226,320	214,583
		<u>4,435,141</u>	<u>4,418,247</u>
Current Assets			
Inventories		190,121	212,187
Receivables	8	1,333,659	1,077,995
Taxation recoverable		185,758	183,466
Investment securities		486,569	511,709
Cash and short term investments		175,632	317,356
		<u>2,371,739</u>	<u>2,302,713</u>
Current Liabilities			
Payables		1,516,154	1,265,347
Taxation payable		3,083	9,983
		<u>1,519,237</u>	<u>1,275,330</u>
Net Current Assets		<u>852,502</u>	<u>1,027,383</u>
		<u>5,287,643</u>	<u>5,445,630</u>
Stockholders' Equity			
Share capital	9	3,603,583	3,603,583
Foreign currency translation	10	(6,607)	(6,558)
Retained earnings		874,324	1,022,073
		<u>4,471,300</u>	<u>4,619,098</u>
Non-controlling Interests		1,948	1,948
Non-Current Liabilities			
Finance lease obligations	11	-	4,803
Long term loans	12	507,543	514,705
Deferred tax liabilities		123,397	121,621
Retirement benefit obligations	7	183,455	183,455
		<u>5,287,643</u>	<u>5,445,630</u>

Approved for issue by the Board of Directors on November 13, 2023 and signed on its behalf by:



 Joseph M. Matalon Chairman



 Gary Allen Chief Executive Officer

Consolidated Statement of Changes in Equity (Unaudited)
Six Months Ended 30 September 2023

	Number of Shares	Share Capital	Attributable to Stockholders of the Company						Non-controlling Interests Total	Total
			Retained Earnings	Foreign Currency Translation	Fair Value Reserve	Equity Owners' Total	Equity Owners' Total	Non-controlling Interests Total		
	'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Balance at 31 March 2020	2,397,683	2,041,078	278,271	(14,826)	(7,135)	2,297,388	1,948	2,299,336		
Total comprehensive income	-	-	223,128	7,951	-	231,079	-	231,079		
Transfer to retained earnings	-	-	(7,135)	-	7,135	-	-	-		
Balance at 31 March 2021	2,397,683	2,041,078	494,264	(6,875)	-	2,528,467	1,948	2,530,415		
Total comprehensive income	-	-	314,694	(6,726)	-	307,968	-	307,968		
Ordinary dividends	-	-	(48,449)	-	-	(48,449)	-	(48,449)		
Balance at 31 March 2022	2,397,683	2,041,078	760,509	(13,601)	-	2,787,986	1,948	2,789,934		
Issue of shares	601,019	1,562,505	-	-	-	1,562,505	-	1,562,505		
Total comprehensive income	-	-	310,014	7,043	-	317,057	-	317,057		
Ordinary dividends	-	-	(48,450)	-	-	(48,450)	-	(48,450)		
Balance at 31 March 2023	2,998,702	3,603,583	1,022,073	(6,558)	-	4,619,098	1,948	4,621,046		
Total comprehensive loss	-	-	(102,629)	(49)	-	(102,678)	-	(102,678)		
Ordinary dividends	-	-	(45,120)	-	-	(45,120)	-	(45,120)		
Balance at 30 September 2023	2,998,702	3,603,583	874,324	(6,607)	-	4,471,300	1,948	4,473,248		
Balance at 31 March 2022	2,397,683	2,041,078	760,509	(13,601)	-	2,787,986	1,948	2,789,934		
Total comprehensive income	-	-	(52,265)	(3,754)	-	(56,019)	-	(56,019)		
Ordinary dividends	-	-	(48,449)	-	-	(48,449)	-	(48,449)		
Balance at 30 September 2022	2,397,683	2,041,078	659,795	(17,355)	-	2,683,518	1,948	2,685,466		

Consolidated Cash Flow (Unaudited)

Six Months Ended 30 September 2023

	Unaudited September 2023 \$'000	Unaudited September 2022 \$'000
CASH RESOURCES WERE (USED IN)/PROVIDED BY:		
Operating Activities		
Net Profit/(loss)	(102,629)	(52,265)
Items not affecting cash:		
Depreciation and amortisation	171,409	159,317
Loss/(Gain) on disposal of fixed assets	-	91
Interest income	(6,342)	(3,524)
Interest expense	22,716	25,429
Income tax charge	(21,587)	(7,852)
Exchange gain/(loss) on foreign currency balances	(7,371)	8,083
Revaluation of investment securities	21,241	866
	<u>77,438</u>	<u>130,145</u>
Changes in operating assets and liabilities:		
Inventories	22,066	(142,530)
Receivables	(255,664)	(29,858)
Payables	249,715	31,511
	<u>93,555</u>	<u>(10,732)</u>
Income tax (paid)/recoverable	(718)	(46,433)
Net Cash provided/(used in) by operating activities	92,837	(57,165)
Investing Activities		
Proceeds from disposal of fixed assets	-	1,241
Purchase of fixed assets and intangibles	(158,553)	(169,576)
(Payments)/proceeds from long-term investment	1,756	(865)
Investment in associates	-	(9,513)
Interest received	6,342	3,524
Net Cash used in investing activities	(150,456)	(175,189)
Financing Activities		
Loans repaid	(18,836)	(9,845)
Principal lease repayments	(4,803)	(292)
Interest paid	(22,716)	(25,429)
Dividends paid	(45,120)	(48,449)
Exchange (loss)/gains on cash and cash equivalents	7,371	(8,083)
Net Cash used in financing activities	(84,106)	(92,099)
Decrease in cash and cash equivalents	(141,725)	(324,452)
Cash and cash equivalents at beginning of year	317,356	750,871
CASH AND CASH EQUIVALENTS AT END OF PERIOD	175,631	426,419

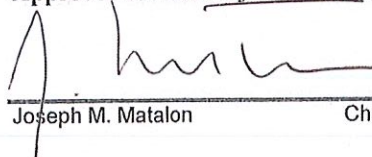
Company Statement of Comprehensive Income (Unaudited)
Six Months Ended 30 September 2023

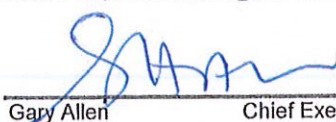
Current Quarter 3 Months to 30/09/23	Prior Year Quarter 3 Months to 30/09/22		Year-to-Date Quarter 6 Months to 30/09/23	Prior Year Quarter 6 Months to 30/09/22
\$'000	\$'000		\$'000	\$'000
190,865	185,157	Revenue	362,404	352,919
(72,610)	(69,539)	Direct expenses	(133,945)	(135,007)
118,255	115,618	Gross Profit	228,459	217,912
34,159	20,410	Other income	76,157	36,321
(37,157)	(28,786)	Selling expenses	(69,256)	(58,940)
(69,536)	(73,904)	Administration expenses	(167,188)	(139,887)
(34,701)	(32,073)	Other operating expenses	(62,860)	(61,799)
11,020	1,265	Operating Profit/(Loss)	5,312	(6,393)
(3,966)	(2,320)	Finance costs	(9,405)	(5,169)
7,054	(1,055)	(Loss)/Profit before Taxation	(4,093)	(11,562)
(444)	(1,916)	Taxation	1,784	711
6,610	(2,971)	Net (Loss) after taxation	(2,309)	(10,851)

Company Balance Sheet (Unaudited)
Six Months Ended 30 September 2023

	Unaudited September 2023 \$'000	Audited March 2023 \$'000
Non-Current Assets		
Fixed assets	1,630,334	1,627,618
Investment properties	27,300	27,300
Intangible assets	39,164	48,756
Retirement benefit asset	65,627	65,627
Deferred tax asset	35,523	38,692
Investment in subsidiaries	1,823,677	1,823,676
Investment securities	285,483	283,340
Equity accounted associates	60,647	60,647
	3,967,755	3,975,656
Current Assets		
Inventories	9,502	5,031
Due from subsidiaries	693,253	595,931
Receivables	434,293	223,140
Taxation recoverable	67,102	84,780
Cash and short term investments	111,426	163,164
Investment securities	486,569	511,709
	1,802,145	1,583,755
Current Liabilities		
Payables	542,162	406,934
Due to subsidiaries	395,860	254,589
	938,022	661,523
Net Current Assets	864,123	922,232
	4,831,879	4,897,888
Equity		
Share capital	3,603,583	3,603,583
Retained earnings	667,465	714,893
	4,271,048	4,318,476
Non-Current Liabilities		
Long term loans	496,124	514,705
Retirement benefit obligations	64,707	64,707
	4,831,879	4,897,888

Approved for issue by the Board of Directors on November 13, 2023 and signed on its behalf by:


Joseph M. Matalon Chairman


Gary Allen Chief Executive Officer

Company Statement of Changes in Equity (Unaudited)
Six Months Ended 30 September 2023

Attributable to Stockholders of the Company

	Number of Shares '000	Share Capital \$'000	Fair Value Reserve \$'000	Retained Earnings \$'000	Total \$'000
Balance at 31 March 2021	2,397,683	2,041,078	-	353,390	2,394,468
Ordinary dividends	-	-	-	(48,449)	(48,449)
Total comprehensive income	-	-	-	(11,491)	(11,491)
Balance at 31 March 2022	2,397,683	2,041,078	-	293,450	2,334,528
Total comprehensive income	-	-	-	469,893	469,893
Ordinary dividends	-	-	-	(48,450)	(48,450)
Issue of shares	601,019	1,562,505	-	-	1,562,505
Balance at 31 March 2023	2,998,702	3,603,583	-	714,893	4,318,476
Total comprehensive income	-	-	-	(2,309)	(2,309)
Ordinary dividends	-	-	-	(45,120)	(45,120)
Balance at 30 September 2023	2,998,702	3,603,583	-	667,464	4,271,047
Balance at 31 March 2022	2,397,683	2,041,078	-	293,450	2,334,528
Total comprehensive income	-	-	-	(10,851)	(10,851)
Ordinary dividends	-	-	-	(48,449)	(48,449)
Balance at 30 September 2022	2,397,683	2,041,078	-	234,150	2,275,228

Company Cash Flow (Unaudited)
Six Months Ended 30 September 2023

	Unaudited September 2023 \$'000	Unaudited September 2022 \$'000
Cash Flows from Operating Activities		
Operating Activities		
Net (loss)	(2,309)	(10,851)
Items not affecting cash:		
Depreciation and amortisation	31,975	23,661
Gain/(Loss) on disposal of fixed assets	-	1,032
Interest income	(6,334)	(2,695)
Interest expense	9,405	5,169
Income tax	(1,784)	(711)
Exchange gain/(loss) on foreign currency	794	2,686
Revaluation of investment securities	21,241	866
	52,989	19,157
Changes in operating assets and liabilities:		
Inventories	(4,471)	(19,519)
Due (from)/to subsidiaries	43,949	(89,908)
Receivables	(209,115)	(26,348)
Payables	135,228	56,568
	18,580	(60,050)
Income tax recoverable/(paid)	20,847	(2,801)
Net cash provided/(used) in operating activities	39,426	(62,851)
Cash Flows from Investing Activities		
securities	1,756	-
Purchase of fixed assets	(25,099)	(57,765)
Purchase of investments	-	(865)
Interest received	6,334	2,695
Net cash used in investing activities	(17,009)	(55,936)
Cash Flows from Financing Activities		
Loans repaid	(18,836)	(9,845)
Interest paid	(9,405)	(5,169)
Dividends paid	(45,120)	(48,450)
Exchange (losses)/gains on cash and cash equivalents	(794)	(2,686)
Net cash used in financing activities	(74,155)	(66,150)
Decrease in cash and cash equivalents	(51,738)	(184,937)
Cash and cash equivalents at beginning of year	163,164	436,535
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	111,426	251,598

Segment Reporting (Unaudited)
Six Months Ended 30 September 2023

	Audio Visual \$'000	Audio \$'000	Print & Others \$'000	Sub-total \$'000	Eliminations \$'000	Total \$'000
SEPTEMBER 2023						
Revenues	1,253,143	412,095	1,129,352	2,794,588	(65,723)	2,728,864
Operating Profit/(Loss)	20,531	(13,770)	(100,889)	(94,129)	(7,371)	(101,500)
Assets	2,911,612	6,080,568	1,056,472	10,048,652	(3,241,772)	6,806,881
Liabilities	1,293,584	1,700,949	757,872	3,752,404	(1,418,773)	2,333,633
Capital expenditure	69,941	25,099	63,515	158,554	-	158,554
Depreciation & amortisation	83,652	39,345	48,412	171,409	-	171,409
Finance costs	12,195	9,405	1,117	22,716	-	22,716
SEPTEMBER 2022						
Revenues	1,235,148	404,556	1,165,323	2,805,027	(66,921)	2,738,106
Operating Profit/(Loss)	84,539	(15,987)	(91,142)	(22,590)	(12,098)	(34,688)
Assets	2,542,243	3,877,206	1,121,384	7,540,833	(2,665,850)	4,874,983
Liabilities	995,114	1,427,598	546,092	2,968,804	(779,288)	2,189,518
Capital expenditure	74,103	57,765	37,708	169,576	-	169,576
Depreciation & amortisation	79,771	35,757	43,788	159,316	-	159,316
Finance costs	13,511	5,868	6,051	25,429	-	25,429

Notes to the financial statements
Six Months Ended 30 September 2023

NOTES

1. This condensed consolidated interim financial report has been prepared in accordance with IAS 34 Interim Financial Reporting. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the last audited annual consolidated financial statements as at and for the year ended March 31, 2023. The accounting policies followed in the interim financial statements are consistent with the most recent annual report.
2. Revenue comprises the sale of airtime, programme material, web hosting fees, digital advertising, print advertising, print copy sales, subscriptions, pay-per-view services and the rental of studios and equipment, net of General Consumption Tax. Revenue in respect of airtime and programming is recognised on performance of the underlying service. Subscription revenue is recognised over the life of the subscription.
3. Other income represents interest income, library sales, net foreign exchange (losses)/gains, profit/(loss) on sale of fixed assets, net unrealised gains on revaluation of investment securities classified at fair value through profit and loss, "Cross Country" revenues, compensation for damages and rental income.
4. Taxation expense in the statement of comprehensive income comprises current and deferred tax amounts. Current tax charges are based on taxable profits for the year, which differ from the profit before tax reported because it excludes items that are taxable or deductible in other years, and items that are never taxable or deductible. The Group's liability for current tax is calculated at tax rates that are in effect at the reporting date.

Deferred tax is tax expected to be paid or recovered on differences between the carrying amounts of assets and liabilities and the corresponding tax bases. Deferred income tax is provided for in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.
5. Earnings per ordinary stock unit is calculated by dividing the net profit attributable to stockholders by the weighted average number of ordinary stock units in issue during the year. The weighted average number of ordinary stock units of 2,397,683 was increased by 601,019,187 shares relating to the issue of shares to shareholders of 1834 Investment Limited.
6. Intangible assets represent Goodwill, Broadcast Rights, Computer software, Brand and Lease. Goodwill, Brand and Lease arose on the acquisition of The Gleaner Company (Media) Limited. Brand is amortised over its estimated useful life.
7. Retirement benefits

The Group sponsors two pension schemes:-
 1. A defined benefit pension scheme covering all qualifying permanent employees of Radio Jamaica Limited, Multi-Media Jamaica Limited and Television Jamaica Limited is operated as the RJR Staff Pension Scheme. This scheme is managed by Proven Wealth Management Limited and by Trustees.
 2. A defined contribution pension fund covering all qualifying permanent employees of The Gleaner Company (Media) Limited and Independent Radio Company Limited who have satisfied certain minimum service requirements. The fund is managed and administered by JN Fund Managers Limited and by Trustees.
8. Receivables consists of trade receivables, prepayments and other receivables.
9. In the amalgamation of 1834 Investments, 601,019,187 additional shares were issued by Radio Jamaica Limited to the 1834 Investments shareholders. Share capital represents authorised number of shares of 3,633,781,481; issued and fully paid shares of 3,023,506,841 (2,422,487,654 March 2023).
10. Foreign currency translation reserves materially represent foreign exchange adjustments arising on the translation of foreign subsidiaries for consolidation purposes.
11. The Group entered into finance lease arrangements for the acquisition of motor vehicles and transmission equipment. The Group's obligation under these leases has been recorded at amounts equal to the present value of future lease payments using interest rates implicit in the leases.
12. Long term loans are secured and unsecured, repayable on a monthly basis.