

Discovery resumes dividend as annual profit rises

Discovery on Thursday, 21 September, resumed annual dividend payouts thanks to a strong balance sheet and cash generation amid a tough macro-economic environment and higher interest rates.



The logo of South Africa's Discovery group is seen on its headquarters in Sandton, Johannesburg, South Africa on 20 February 2020.
Reuters/Mike Hutchings

The company had not paid a dividend since the Covid-19 pandemic took hold in 2020.

Discovery declared a final dividend of 110c per share.

"Organic cash generation was robust during the year following growth in quality earnings, a significant recovery in Discovery Life's cash generation following elevated Covid-19 related claims in the prior period and the reduction in the cost of new initiatives," the group said.

Its headline earnings per share (Heps), a profit measure, came in at 834.3c for the year ended June 30, up 5% from 792.4c a year earlier.

Normalised Heps, which Discovery considers a more accurate measure of its profit and which also excludes exceptional items, rose by 32%.

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