

[BUSINESS - FINANCIAL]

Huge revenue up 25%

THE HUGE GROUP has reported a year-on-year surge in revenue of 25%, to R308 million, for the six months ended 31 August. The AltX-listed company achieved a gross profit of R73 million, and an increase in headline gross profit margins from 22.2% to 23.8%.

The first half of the 2008/9 trading year was marked by weaker consumer confidence, as the impact of increases in interest rates, increased fuel prices, and volatility in global and local financial markets took hold, says the group.

“Despite inflationary pressure, trading performance remained robust during the period. The outlook for the remainder of the financial year shows every sign of being a lot tougher for South Africans,” it adds.

However, the company says the local telecommunications market for mobile voice traffic is growing at around 18% per annum. The group believes earnings growth rates in excess of 20% should be achievable for the foreseeable future.

– Staff Reporter