ABRIDGED AUDITED RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2019

The Directors of Dairibord Holdings Limited hereby announce the Group's Abridged Audited financial results for the year ended 31 December 2019.

Nutritious Foods and Beverages for the Sustenance of Good Health

Dairibord Holdings
More Than Just Milk

FINANCIAL HIGHLIGHTS

Financial	INFLATION ADJUSTED 31 Dec 2019 ZWL'000	% Change	
Revenue	1,114,706	60%	↑
Earnings before depreciation, ammortisation ,interest and tax	114,859	37%	↑
Operating profit	90,219	64%	↑
Profit for the period attributable to owners of the parent	141,717	328%	↑

Financial	INFLATION ADJUSTED 31 Dec 2019 ZWL'000	% Change	
Net cashflows from operating activities	2,436	-95%	↓
Equity	364,076	742%	↑
Volume (Litres'000)			
Raw milk Intake	29,091	10%	↑
Sales	72,947	-17%	↓

CHAIRMAN'S STATEMENT

INTRODUCTION
I am pleased to present the Group's audited results for the year ended 31 December 2019. The commentary on financials is based on the inflation adjusted numbers. The historic amounts are shown as supplementary information. The information does not comply with the requirements of International Financial Reporting Standards in that it has not taken into account the requirements of International Accounting Standard 29 - Financial Reporting in Hyperinflationary Economies. As a result, the auditors have not expressed an opinion on the historic financial information.

OPERATING ENVIRONMENT
The overall operating environment was considerably challenging.

Increased cost and unavailability of foreign currency, power, fuel, water, raw and packaging materials resulted in an increase in operating costs. Inflationary pressures had a negative impact on consumer demand and liquidity.

To mitigate the negative impact of the economic factors, the company pursued a low cost operating model.

GROUP PERFORMANCE
Raw Milk Intake
Raw milk intake grew by 10% compared to national milk growth of 7.2%, benefiting from milk supply development initiatives targeted at small, medium and large scale milk producers.

Sales Volumes
Sales volumes dropped by 17% against an industry average decline of 23% for the manufacturing sector. The liquid milk category achieved a marginal growth of 0.2%, due to an increase in local raw milk intake. The beverages category declined by 23%, while the food category which accounts for 9% of the sales volumes declined by 39%.

The drop in volumes was minimised, relative to the industry performance, due to strong brands and extensive market reach. This allowed the business to sustain capacity utilization of 44% against a manufacturing industry average of 36.4%.

Turnover
Turnover grew by 60% to ZWL 1,115 billion driven by growth in exports and necessary product price adjustments.
Export revenue grew by 100% from US$ 1.7 million to US$ 3.4 million as the company continued to drive exports in order to increase its regional foot print and to generate foreign currency to cover import requirements.

Profitability
The business achieved an operating profit of ZWL 90 million compared to ZWL 55 million in 2018. An operating profit margin of 8.1% was attained up from 7.9% in prior year. The improved performance was on account of reduced fixed overheads, diligent procurement practices, and an intensified drive to improve operational efficiencies. Profit after tax increased to ZWL 142 million from ZWL 36 million in the prior year.

Foreign liabilities reduced from US$ 3.9 million in 2018 to US$ 0.93 million in 2019, a 76 % drop as the company focused on managing and reducing foreign denominated debts.

DAIRIBORD MALAWI
Disposal of Dairibord Malawi was finalized in the third quarter of 2019. At the time of the disposal, the liabilities of the subsidiary exceeded assets and the group realised a gain of ZWL 15,2 Million.

OUTLOOK
The COVID-19 global pandemic will have far reaching and unpredictable impact on the way of doing business in 2020 and beyond. The full effect on the business and the economy at large is still unknown. However, it is envisaged that it will have very significant negative impact on the company's performance.

Notwithstanding the headwinds alluded to above, the business will remain focused on the following areas for value preservation and business continuity:

- revenue enhancement initiatives to drive brands in the local and export markets;
- prioritization of scare resources to support export growth initiatives;
- supporting local raw milk production initiatives;
- cost reduction and containment, as well as increased production efficiencies to sustain margins;
- develop effective route to market channels to optimally capture and defend market share;
- tight working capital management to limit effects of inflation; and
- continue to be a responsible corporate citizen by supporting initiatives relating to COVID-19 risk mitigation.

SUSTAINABILITY
Dairibord remains steadfast in upholding the principles of sustainability as guided by the Global Reporting Initiative Standards. As one of the voluntary early adopters of sustainability reporting in Zimbabwe, the company has continued to grow in providing capacity development to staff, enhancing performance measurement and embedding sustainability in company's core business processes.

DIRECTORATE
Mr Ketan Naik was appointed to the Board as a non-Executive Director with effect from 21 August 2019. Mr Naik sits on the Finance and Audit Committee. The Board looks forward to his contribution.

DIVIDEND
The Board has taken into account the uncertainties in the local and global economies, exacerbated by COVID-19, and resolved to preserve working capital by passing the dividend for the year ended 31 December 2019.

APPRECIATION
On behalf of the Board, I would like to extend my appreciation to all our stakeholders, valued customers, management and staff for the continued commitment to supporting the growth and success of the business. I further extend my gratitude to fellow board members for their leadership and oversight during a challenging operating environment.

J. Sachikonye
Chairman

27 April 2020

AUDITOR'S STATEMENT

The inflation adjusted consolidated financial statements from which the abridged version has been extracted have been audited by Ernst & Young Chartered Accountants (Zimbabwe). An adverse opinion has been issued thereon in respect of non-compliance with the requirements of International Accounting Standard 21 (IAS 21) "The Effects of Foreign Exchange Rates" as well as non-compliance with International Accounting Standard 8 (IAS8) "Accounting for Policy Changes in Accounting Estimates and Errors".

The auditors' report on the inflation adjusted consolidated financial statements is available for inspection at the Company's registered office.

The engagement partner on the audit is Fungai Kuipa (PAAB Number 335).

ABRIDGED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

		INFLATION ADJUSTED		HISTORICAL	
	Note	2019 ZWL'000 AUDITED	2018 ZWL'000 AUDITED	2019 ZWL'000 UNAUDITED	2018 ZWL'000 UNAUDITED
Revenue	4	**1,114,706**	**697,489**	**497,216**	**126,443**
Earnings before depreciation, ammortisation, interest and tax		**114,859**	**83,649**	**81,994**	**15,164**
Depreciation, ammortisation and impirment		(24,640)	(28,519)	(5,078)	(5,170)
Operating profit		**90,219**	**55,130**	**76,916**	**9,994**
Monetary gain		126,584	-	-	-
Profit before interest and tax		**216,803**	**55,130**	**76,916**	**9,994**
Finance income		1,407	674	922	122
Finance costs		(6,822)	(3,148)	(4,352)	(571)
Profit before tax		**211,388**	**52,656**	**73,486**	**9,545**
Income tax expense		(69,149)	(16,932)	(22,368)	(3,069)
Profit for the period from continuing operations		**142,239**	**35,724**	**51,118**	**6,476**
Loss from discontinued operations		(763)	(3,825)	(763)	(693)
Profit for the period		**141,476**	**31,899**	**50,355**	**5,783**
Other comprehensive income:					
Other comprehensive (loss)/income for the period, net of tax		(15,363)	1	165,833	-
Total comprehensive income for the period		**126,113**	**31,900**	**216,188**	**5,783**
Profit /(loss) attributable to:					
Owners of the parent		141,717	33,108	50,596	6,002
Non-controlling interest		(241)	(1,209)	(241)	(219)
		141,476	**31,899**	**50,355**	**5,783**
Total comprehensive income/(loss) attributable to:					
Owners of the parent		128,563	33,195	218,639	6,018
Non-controlling interests		(2,450)	(1,296)	(2,450)	(235)
		126,113	**31,899**	**216,188**	**5,783**
Earnings per share (cents)					
Basic	10	39.59	9.27	14.13	1.68
Diluted	10	39.59	9.27	14.13	1.68
Headline	10	32.02	8.88	7.47	1.61
Shares in issue and weighted average number of shares		358,000,858	358,000,858	358,000,858	358,000,858
Weighted average shares adjusted for the effect of dilution		358,000,858	358,000,858	35 8,000,858	358,000,858

ABRIDGED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

		INFLATION ADJUSTED		HISTORICAL	
	Note	2019 ZWL'000 AUDITED	2018 ZWL'000 AUDITED	2019 ZWL'000 UNAUDITED	2018 ZWL'000 UNAUDITED
Assets					
Non-current assets					
Property, plant and equipment		306,716	191,554	218,357	34,725
Investment property		19,242	7,999	19,242	1,450
Intangible assets		1,581	1,945	287	353
Other non-current financial assets		482	2,766	482	502
Deffered tax asset		-	114	172	21
		328,021	**204,378**	**238,540**	**37,051**
Current assets					
Inventories		146,272	100,997	83,663	18,309
Prepayments		26,844	17,095	16,054	3,099
Trade and other receivables		56,580	40,031	56,580	7,257
Other current financial assets		-	884	-	160
Cash and cash equivalents		18,839	56,915	18,839	10,318
		248,535	**215,922**	**175,136**	**39,143**
Assets classified as held for sale		-	13,020	-	2,360
Total assets		**576,556**	**433,320**	**413,676**	**78,554**
Equity and liabilities					
Equity					
Share Capital		197	197	36	36
Share Premium		7,611	7,611	1,380	1,380
Non-distributable reserves		95,200	157,357	194,310	28,526
Reserves of assets classified as held for sale		-	(23,301)	-	(4,224)
Retained earnings		261,068	136,616	71,322	24,766
Equity attributable to owners of the parent		364,076	278,480	267,048	50,484
Non -controlling interest		-	(1,560)	-	(283)
Total equity		**364,076**	**276,920**	**267,048**	**50,201**
Non-current liabilities					
Interest - bearing borrowings	9	9,136	7,135	9,136	1,293
Deferred tax liability		86,877	35,183	21,025	6,379
Financial guarantee liability		1,263	756	1,263	137
		97,276	**43,074**	**31,424**	**7,809**
Current liabilities					
Trade and other payables	8	80,472	79,594	80,472	14,429
Interest - bearing borrowings	9	19,447	13,286	19,447	2,409
Bank overdraft		4,477	2,139	4,477	388
Dividend payable		151	485	151	88
Income tax payable		10,657	2,766	10,657	501
		115,204	**98,270**	**115,204**	**17,815**
Liabilties associated with assets held for sale		-	15,055	-	2,729
Total liabilities		**212,480**	**156,399**	**146,628**	**28,353**
Total equity and liabilities		**576,556**	**433,320**	**413,676**	**78,554**

ABRIDGED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

		INFLATION ADJUSTED		HISTORICAL	
		2019 ZWL'000 AUDITED	2018 ZWL'000 AUDITED	2019 ZWL'000 UNAUDITED	2018 ZWL'000 UNAUDITED
Operating activities:					
Profit before tax		211,388	52,656	73,486	9,545
loss before tax from discontinued operations		(763)	(3,378)	(763)	(612)
Non-cash items		(126,317)	35,179	(15,692)	6,377
Working capital movement		(73,375)	(25,972)	(55,063)	(4,708)
Finance Income		(1,407)	(674)	(922)	(122)
Finance costs		6,822	4,299	4,723	779
		16,348	**62,110**	**5,769**	**11,259**
Interest paid		(6,822)	(4,299)	(4,723)	(779)
Income tax paid		(7,090)	(6,900)	(7,090)	(1,251)
Net cashflows from operating activities		**2,436**	**50,911**	**(6,044)**	**9,229**
Investing activities:					
Additions to property, plant and equipment		(22,327)	(6,349)	(5,472)	(1,151)
Purchase of Intangible Assets		-	(34)	-	(6)
Grant received		-	1,311	-	238
Proceeds from sale of property, plant and equipment		1,103	2,346	284	425
Proceeds from sale of assets held for sale & investment property	-	285	-	52	
Purchase of financial assets at fair value through profit or loss	-	(6,730)	-	(1,220)	
Loans repaid/(issued) to other third parties		2,285	(3,950)	20	(716)
Proceeds from sale of financial assets at fair value through profit or loss		-	6,640	-	1,204
Finance income on effective interest rate method		1,407	674	922	122
		(17,532)	**(5,807)**	**(4,246)**	**(1,052)**
Net cashflows before financing activities		**(15,096)**	**45,104**	**(10,290)**	**8,177**
Financing activities:					
Proceeds from borrowings		28,700	3,210	28,700	582
Repayment of borrowings		(13,678)	(21,671)	(13,678)	(3,929)
Dividend paid		(12,884)	(3,839)	(2,443)	(696)
Net cashflows from financing activities		**2,138**	**(22,300)**	**12,579**	**(4,043)**
(Decrease)/ Increase in cash and cash equivalents		(12,958)	22,803	2,289	4,134
Effects of exchange rate changes		(27,456)	364	2,143	67
Cash and cash equivalents at beginning of period		54,776	31,609	9,930	5,729
Cash and cash equivalents at the end of period (net of bank overdraft)		**14,362**	**54,776**	**14,362**	**9,930**

ABRIDGED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Attributable to equity holders of the parent							
	Share Capital ZWL'000	Share Premium ZWL'000	Non-distributable reserves ZWL'000	Reserves of assets classified as held for sale ZWL'000	Retained earnings ZWL'000	Total ZWL'000	Non - controlling interests ZWL'000	Total equity ZWL'000
INFLATION ADJUSTED								
As at 1 January 2018	**197**	**7,611**	**134,148**	**-**	**107,278**	**249,234**	**(264)**	**248,970**
Profit /loss) for the period	-	-	-	-	33,195	33,195	(1,296)	31,899
Other comprehensive income	-	-	1	-	-	1	-	1
Total comprehensive income/(loss)	**-**	**-**	**1**	**-**	**33,195**	**33,196**	**(1,296)**	**31,900**
transfer to retained earnings of share option reserve			(93)	-	93	-	-	-
Dividend Paid	-	-	-	-	(3,950)	(3,950)	-	(3,950)
Reserves of discontinued operations			23,301	(23,301)	-	-	-	-
As at 31 December 2018	**197**	**7,611**	**157,357**	**(23,301)**	**136,616**	**278,480**	**(1,560)**	**276,920**
As at 1 January 2019	**197**	**7,611**	**157,357**	**(23,301)**	**136,616**	**278,480**	**(1,560)**	**276,920**
Profit/(Loss) for the period	-	-	-	-	141,717	141,717	(241)	141,476
Exchange difference on Functional currency change	-	-	(8,372)	-	-	(8,372)		(8,372)
Exchange differences on translating foreign operations	-	-	(4,782)	-	-	(4,782)	(2,209)	(6,991)
Total comprehensive income/(loss)	**-**	**-**	**(13,154)**	**-**	**141,717**	**128,563**	**(2,450)**	**126,113**
Dividend Paid					(12,551)	(12,551)		(12,551)
Disposal of a subsidiary	-	-	(49,003)	23,301	(4,714)	(30,416)	4,010	(26,406)
As at 31 December 2019	**197**	**7,611**	**95,200**	**-**	**261,068**	**364,076**	**-**	**364,076**

	Attributable to equity holders of the parent							
	Share Capital ZWL'000	Share Premium ZWL'000	Non-distributable reserves ZWL'000	Reserves of assets classified as held for sale ZWL'000	Retained earnings ZWL'000	Total ZWL'000	Non - controlling interests ZWL'000	Total equity ZWL'000
HISTORICAL								
As at 1 January 2018	**36**	**1,380**	**24,319**	**-**	**19,448**	**45,183**	**(48)**	**45,135**
Profit /loss) for the period	-	-	-	-	6,018	6,018	(235)	5,783
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income/(loss)	**-**	**-**	**-**	**-**	**6,018**	**6,018**	**(235)**	**5,783**
transfer to retained earnings of share option reserve	-	-	(17)	-	17	-	-	-
Dividend Paid	-	-	-	-	(717)	(717)	-	(717)
Reserves of discontinued operations	-	-	4,224	(4,224)	-	-	-	-
As at 31 December 2018	**36**	**1,380**	**28,526**	**(4,224)**	**24,766**	**50,484**	**(283)**	**50,201**
As at 1 January 2019	**36**	**1,380**	**28,526**	**(4,224)**	**24,766**	**50,484**	**(283)**	**50,201**
Profit/(Loss) for the period	-	-	-	-	50,596	50,596	(241)	50,355
Revaluation Surplus on PPE	-	-	174,342	-	-	174,342	-	174,342
Exchange difference on Functional currency change	-	-	(1,518)	-	-	(1,518)	-	(1,518)
Exchange differences on translating foreign operations	-	-	(4,782)	-	-	(4,782)	(2,209)	(6,991)
Total comprehensive income/(loss)	**-**	**-**	**168,042**	**-**	**50,596**	**218,638**	**(2,450)**	**216,188**
Dividend Paid	-	-	-	-	(2,506)	(2,506)	-	(2,506)
Disposal of a subsidiary	-	-	(2,258)	4,224	(1,534)	433	2,733	3,166
As at 31 December 2019	**36**	**1,380**	**194,310**	**-**	**71,322**	**267,048**	**-**	**267,048**

ABRIDGED AUDITED RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2019

The Directors of Dairibord Holdings Limited hereby announce the Group's Abridged Audited financial results for the year ended 31 December 2019.

Nutritious Foods and Beverages for the Sustenance of Good Health

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation

The Group's financial statements, of which these abridged results are an extract, were prepared in accordance with the Zimbabwe Companies Act (Chapter 24:03) and International Financial Reporting Standards (IFRS) except for IAS 21 ; The Effects of Changes in Foreign Exchange Rates, where the group partially complied.

The consolidated financial statements are based on the statutory records that are maintained under the historical cost convention, except for land and buildings, investment property and available for sale financial assets that have been measured at fair value. The historical costs have been adjusted for the effects of applying International Accounting Standard (IAS 29) - 'Financial Reporting in Hyperinflationary Economies". The consolidated financial statements are presented in Zimbabwe Dollars (ZWL), which is the Group's functional and presentation currency. The group changed its functional currency in February 2019. This followed the issuance of Statutory Instrument (SI) 33 of 2019 which was promulgated by the Government of Zimbabwe giving effect to the new currency. The statutory Instrument prescribed parity between the United States Dollar (USD) and the local currency as at and up to 22 February 2019 and also prescribed the manner in which certain balances in the financial statements may be treated as a consequence of the recognition of the RTGS Dollar as currency in Zimbabwe. Introduction of the Interbank foreign exchange meant that the foreign exchange balances would be conveted to RTGS using the rates ruling on this platform. On 24 June 2019, a Statutory Instrument 142 was introduced by the Government of Zimbabwe which introduced a mono currency system and birth of the Zimbabwe Dollar (ZWL). The ZWL is at par with the RTGS and bond notes.

Pursuant to the above changes, the Group adopted 28 February 2019 as the effective date of change (back stop date) for accounting purposes. At this date, the Group converted all foreign currency denominated monetary assets and liabilities using the ruling interbank rate. The resultant exchange differences were accounted for in equity through other comprehensive income.

1.1 Hyper Inflation

On 11 October 2019, the Public Accountants and Auditors Board (PAAB) issued a pronouncement on the application of IAS 29. This followed runaway inflation experienced in Zimbabwe. The pronouncement required that entities operating in Zimbabwe with financial periods ending on or after 1 July 2019 prepare and present financial statements in line with the requirements of IAS 29.

The Directors have made appropriate adjustments to reflect the changes in the general purchasing power on the Zimbabwe Dollar and for purposes of fair presentation in accordance with IAS29, these changes have been made on the historical cost financial information. Various assumptions have been made, with significant assumption being the use of consumer price indices (CPI) for the period. The source of the price indices used was the Reserve Bank of Zimbabwe website. Below are the indices and adjustment factors used up to December 2019:

	Indices	Adjustment Factor
CPI as at 31 December 2019	551.63	1
CPI as at 28 February 2019 (company's selected date of change in Functional Currency)	100	5.52
Average CPI for 2019	228.62	

2. Significant accounting policies

Accounting policies are consistent with those used in the previous year with no significant impact arising from new and revised International Financial Reporting Standards applicable for the year ended 31 December 2019.

3. Approval of Financial Statements

The underlying financial statements to these abridged results were approved by the Board on 27 April 2020.

4. Segment information

The Group is currently organised into business units for management purposes. The Group has 3 operating segments which management uses to monitor performance and therefore inform decision making and these are:

INFLATION ADJUSTED	Manufacturing and distribution ZWL'000	Properties ZWL'000	Corporate ZWL'000	Adjustments & eliminations ZWL'000	Group ZWL'000
Year ended 31 December 2019					
Revenue					
- External customers	1,114,080	626	-	-	1,114,706
- Inter-segment	227	3,507	-	(3,734)	-
	1,114,307	**4,133**	**-**	**(3,734)**	**1,114,706**
Results					
Depreciation, ammortisation and impairment	23,535	323	782	-	24,640
Operating profit	85,188	2,763	2,268	-	90,219
Segment assets	357,091	203,260	80,743	(64,538)	576,556
Segment liabilities	173,725	10,097	26,294	2,364	212,480
Capital expenditure	18,818	-	3,509	-	22,327

	Manufacturing and distribution ZWL'000	Properties ZWL'000	Corporate ZWL'000	Adjustments & eliminations ZWL'000	Group ZWL'000
Year ended 31 December 2018					
Revenue					
- External customers	697,025	464	-	-	697,489
- Inter-segment	39	5,957	8,169	(14,166)	-
	697,064	**6,421**	**8,169**	**(14,166)**	**697,489**
Results					
Depreciation, ammortisation and impairment	25,644	1,820	182	-	27,646
Operating profit /(loss)	44,014	4,881	4,936	1,299	55,130
Segment assets	325,338	102,197	321,147	(315,363)	433,320
Segment liabilities	171,476	3,996	21,346	(55,474)	141,344
Capital expenditure	6,310	-	39	-	6,349

HISTORICAL	Manufacturing and distribution ZWL'000	Properties ZWL'000	Corporate ZWL'000	Adjustments & eliminations ZWL'000	Group ZWL'000
Year ended 31 December 2019					
Revenue					
- External customers	496,960	256	-	-	497,216
- Inter-segment	82	1,065	8,872	(10,019)	-
	497,042	**1,321**	**8,872**	**(10,019)**	**497,216**
Results					
Depreciation, ammortisation and impairment	4,677	321	80	-	5,078
Operating profit	50,556	24,506	1,854	-	76,916
Segment assets	196,457	203,261	77,231	(63,273)	413,676
Segment liabilities	135,199	10,097	24,890	(23,559)	146,628
Capital expenditure	4,624	-	848	-	5,472

	Manufacturing and distribution ZWL'000	Properties ZWL'000	Corporate ZWL'000	Adjustments & eliminations ZWL'000	Group ZWL'000
Year ended 31 December 2018					
Revenue					
- External customers	126,358	84	-	-	126,443
- Inter-segment	7	1,080	1,481	(2,568)	-
	126,366	**1,164**	**1,481**	**(2,568)**	**126,443**
Results					
Depreciation, ammortisation and impairment	4,649	330	33	-	5,012
Operating profit /(loss)	7,979	885	895	236	9,994
Segment assets	58,978	18,528	58,218	(57,170)	78,554
Segment liabilities	31,086	725	3,870	(10,056)	25,624
Capital expenditure	1,144	-	7	-	1,151

NOTES TO THE FINANCIAL STATEMENTS - (continued)

	INFLATION ADJUSTED 2019 ZWL'000	INFLATION ADJUSTED 2018 ZWL'000	HISTORICAL 2019 ZWL'000	HISTORICAL 2018 ZWL'000
5. Depreciation, ammortisation and impairment charge	**24,640**	**28,519**	**5,078**	**5,170**
6. Capital expenditure	**22,327**	**6,349**	**5,472**	**1,151**
7. Capital commitments	**43,050**	**64,718**	**43,050**	**11,732**
- Authorised and contracted for	15,518	6,411	15,518	1,162
- Authorised but not contracted for	27,532	58,307	27,532	10,570
8. Trade and other payables				
- Trade payables	51,986	51,774	51,986	9,386
- Payroll accruals	10,659	6,848	10,659	1,241
- Other payables	17,827	20,971	17,827	3,802
	80,472	**79,594**	**80,472**	**14,429**

9. Interest bearing borrowings

INFLATION ADJUSTED	Current utilisation 31-Dec-19 ZWL'000	Current utilisation 31-Dec-18 ZWL'000	Short term portion 31-Dec-19 ZWL'000	Short term portion 31-Dec-18 ZWL'000	Long term portion 31-Dec-19 ZWL'000	Long term portion 31-Dec-18 ZWL'000	All in cost and security
Bank loans - long term	7,591	9,642	3,379	5,323	4,212	4,319	30% Land and buildings
Vendor loan - long term	8,592	3,740	3,668	930	4,924	2,810	8% machinery financed
Bank loan - short term	12,400	7,039	12,400	7,039	-	-	30%-32%; NGCBs
	28,583	**20,421**	**19,447**	**13,292**	**9,136**	**7,135**	
HISTORICAL							
Bank loans - long term	7,591	1,748	3,379	965	4,212	783	8%-15%; Land and buildings
Vendor loan - long term	8,592	678	3,668	168	4,924	510	8% machinery financed
Bank loan - short term	12,400	1,276	12,400	1,276	-	-	30%-32%; NGCBs
	28,583	**3,702**	**19,447**	**2,409**	**9,136**	**1,293**	

A loan from Trade and Development bank (formerly PTA Bank) amounting to USD531 000 was due and payable as at 07 May 2019. The loan was fully paid in September 2019 through the Reserve Bank of Zimbabwe blocked funds arrangement.

10. Earnings per Share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. Headline earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent adjusted for profits or losses for disposal of assets and impairements (re-measurements) by the weighted average number of ordinary shares outstanding during the year.

The following reflects the income and share data used in the basic , diluted and headline earnings per share computations:

	INFLATION ADJUSTED 2019 ZWL'000	INFLATION ADJUSTED 2018 ZWL'000	HISTORICAL 2019 ZWL'000	HISTORICAL 2018 ZWL'000
Profit attributable to ordinary equity holders of the parent for basic earnings				
Continuing operations	142,239	35,694	51,118	6,471
Discontinued operations	(522)	(2,499)	(522)	(453)
Profit attributable to ordinary equity holders of the parent for basic earnings	**141,717**	**33,195**	**50,596**	**6,018**
Profit on disposal of assets	(660)	(1,351)	(314)	(245)
Profit on disposal of Subsidiary		(15,192)	-	(5,754)
- Fair Value adjustment on investment property	(11,244)	(65)	(17,792)	(12)
Profit attributable to ordinary equity holders of the parent for Headline earnings	**114,621**	**31,779**	**26,736**	**5,761**
	2019 No.	**2018 No.**	**2019 No.**	**2018 No.**
Weighted average number of ordinary shares for basic earnings per share	358,000,858	358,000,858	358,000,858	358,000,858
Number of shares in issue	358,000,858	358,000,858	358,000,858	358,000,858
Weighted average number of ordinary shares for diluted earnings per share	358,000,858	358,000,858	358,000,858	358,000,858

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these financial statements.

11. Discontinued operations - Dairibord Malawi Limited

In December 2018, the Board of Directors of Dairibord Holdings Limited resolved that the Group should disinvest from Dairibord Malawi Limited (DML) due to persistent losses. The operation was classified as held for sale in 2018. All the conditions precedent to the sale were completed in 2019 and the group deconsolidated Dairibord Malawi with efffect from 01 August 2019.

12. Restatement of opening balance for functional currency change

Non monetary assets were restated at USD1 : ZWL1 to the new functional currency of ZWL. These comprised of Property, plant and equipement, investment property, intangible assets and inventories. All monetary assets and liabilities were restated at a rate of USD1:ZWL2.56 which was the interbank rate ruling at 28 February 2019, the date that the group selected as the effective date of functional change for accounting purposes. The resultant movement was accounted for in equity.

13. Events after the reporting date

There are no issues after the reporting date that warrant adjustment of the financial statements. However, the company wishes to comment on the effects of Corona Virus (Covid-19) in the paragraphs below. The COVID-19 outbreak, which was declared a pandemic by the World Health Organization (WHO) on 11 March 2020, has affected the lives of people around the world. Many countries worldwide have placed either a partial or complete lockdown of their economies in order to contain the spread of the pandemic. As expected, these measures affect the performance of companies and in particular the going concern assumption and hence impact on the financial statements presentation. In response to the pandemic, the President of Zimbabwe declared a 21 Days national lockdown starting on 30 March 2020. Statutory Instruments 82 of 2020 Public Health, (Covid 19 Prevention, Containment and Treatment) (Amendment) Regulations 2020 (No. 1) and Statutory Instrument ("SI") 83 of 2020 Public Health, (Covid 19 Prevention, Containment and Treatment) (National Lockdown) Order 2020 were issued to bring legality to the lockdown. SI 83 exempts companies that provide essential services to the economy, which include dairy industry value chain from the nationwide 21 Days lockdown. It is in line with that provision that Dairibord Holdings Limited (Dairibord) was exempted from the lockdown and designated as an essential service provider and hence continued its operations. The company manufactures, distributes and sells milks, foods and beverages and this enhances its survival chances as people need food to survive.

Over and above being exempted from the lockdown, Dairibord's entire value chain, from farm level right to the final consumer (through retail outlets that are operating, though for reduced operating times) have been allowed space to operate and hence minimising the impact to Dairibord's operations. Dairibord has taken measures to address and mitigate safety and health risks and business commercial risks that have been posed by the outbreak of Covid-19. Stakeholder awareness campaigns are being done on how to prevent and survive the pandemic. The company applies heat treatment process in manufacturing its products and hence this assures safety of the products. As at the date of assessment, the company has an estimated 2 months cover of the critical inputs and has plans in place to ensure stock availability for the next six months. There is not much information available to estimate any changes in the expected credit losses on the company's receivables. Covid-19 will undoubtedly have an impact on the country's GDP and reduced disposable incomes which will have an impact on Dairibord. Although these financial statements have been prepared under the going concern assumption there are many uncertainties surrounding the assessment as the full impact of the pandemic is yet to be fully estimated. This will unfold as time passes.

Directors: J. Sachikonye (Chairman), *A. Mandiwanza (Group Chief Executive), C. Mahembe, S. Chindove, R. P. Kupara, *M. R. Ndoro (Finance Director), N. Chiromo, C.R.J. Hawgood, K.K. Naik * Executive.