

ZIMBABWE NEWSPAPERS (1980) LIMITED

REVIEWED CONDENSED FINANCIAL RESULTS

FOR THE HALF YEAR ENDED 30 JUNE 2022

Market leader in Publishing, Broadcasting, Digital, Printing & Packaging

FINANCIAL HIGHLIGHTS

For the half year ended 30 June 2022



CHAIRMAN'S STATEMENT

FOR THE HALF YEAR ENDED 30 JUNE 2022



T.A.G Sithole

Operations review

1.1 Operating environment

The operating environment remained challenged by hyperinflation, exchange rate volatilities at the background of the general global recession.

During the period under review, a year-on-year inflation rate of 191% was recorded as at 30 June 2022. The interbank exchange rate depreciated by 237.1% against the United States Dollar as it moved from ZWL\$108.67 on 1st January to ZWL\$366.27 by 30 June. The rapid currency depreciation was a result of the unsustainable inflationary pressures on the economy and the resultant effects of the imported global inflation. The remnant impact of the Covid-19 pandemic and the Russia/Ukraine geo-political conflict had negative effects on the global commodity markets and supply chains, leading to slowdown in global growth.

The Government of Zimbabwe continued to make some policy interventions in an effort to keep the economy on the growth path. Resultantly, a positive GDP growth of 4.6% is being projected for the year ending 31 December 2022. Some improvements in the construction sector, mainly on road infrastructure rehabilitation, mining and the hospitality sectors were recorded

The operating environment continued to be positive as the effects of the Covid-19 pandemic eased. The world is slowly returning to normalcy and economies are rebounding, providing the media with a wider story-range

Media environment

Audiences continue to demand fact-based and checked news and information. The latest Zimbabwe All Media and Products Survey confirmed audience growth for all news platforms that included newspapers, radio and television. Interest in the media is forecast to grow even more as the country moves deeper into the election period, which is characterised by high spending across all platforms

Media reforms continued with a push to further professionalise journalism through the Media Practitioners Bill, which seeks to bring in co-regulation of media. Standards of iournalism are likely to improve as journalists will hold each other accountable just as in other professions. The principles of the Bill have been agreed by all media stakeholders, and the Bill is expected to pass during the life of the current Parliament.

The Data Protection Act came into effect and seeks to increase data protection in order to build confidence and trust. Furthermore, the bill seeks to secure use of information and communication technologies by data controllers, their representatives and data subjects. It will engender discipline in the distribution of information in the cyberspace

More community radio stations were introduced, putting pressure on mainstream radio stations as some communities can now access hyper-local content from the community radio stations

Zimpapers Television Network (ZTN) and 3KTV, went live on the DStv platform, giving viewers a wider choice to choose from. This has the effect of squeezing the available television advertising budgets, which previously were monopolised by ZTV before the opening of the air space. None of the new stations is on the digital terrestrial television platform yet, as set-top boxes are not yet available

The Company has been on a digital transformation journey and has invested in the required tools and skills to cater for both local and global customers. The available media distribution technology for both digital newspapers and online radio streaming enables the Company to get insights into customer needs, thereby equipping it with the required business intelligence to provide improved products and

The Company's transformation drive for digital media has seen improvements on existing digital platforms. This brings value added products and services to the Company's clients and customers. The focus on agile and scalable digital solutions to cater for the ever-changing digital media forms, including video and interactive content remains a priority for the company that is in pursuit of customer service excellence

3.0 Financial Performance

In compliance with the dictates of IAS 29 - Financial Reporting in Hyperinflationary Economies, the Company's financial commentary was based on restated numbers.

The revenue for the Company increased by 68% to ZWL\$5,2 billion during the period under review when compared to ZWL\$3,1 billion for the same period last year. The growth in revenue was supported by volume recoveries across the operating divisions of the Company

Despite the gross profit margin remaining flat at 69% as recorded last year, net operating profit before interest, exchange loss and monetary adjustments improved to 17% compared to 14% for the same were eroded by increased interest costs and exchange losses resulting in a net profit margin being flat ${\sf v}$ at 13%. The interest costs increased due to high borrowings to fund new projects. Exchange losses arose from exchange rate depreciation, coupled with late payments to foreign raw material suppliers In absolute terms, net profit before tax and monetary adjustments, increased by 63% to ZWL\$639 million compared to ZWL\$391 million for 2021.

A monetary loss of ZWL\$353 million compared to ZWL\$7 million for prior year, was recorded owing to the hyperinflationary environment. This reduced the Company's net profit before tax to ZWL\$287 million compared to ZWL\$384 million.

3.2 Newspaper Division

The Newspaper Division recorded 67% revenue growth to ZWL\$3,5 billion compared to ZWL\$2.1 billion for same period last year owing to volume recoveries. The division's advertising volume increased by 24% whilst newspaper circulation went up by 6%. Resultantly, the division recorded a 120% growth in operating profit to ZWL\$813.4 million compared to ZWL\$368.9 million for last year.

Commercial Printing Division

The Commercial Printing Division recorded a strong volume recovery of 45%, driven by labels that grew by 48%. In line with the volume growth, revenue for the division increased by 58% to ZWL\$764.9 million compared to ZWL\$485.0 million for 2021. The division recorded a significant growth in operating profit to ZWL\$77.4 million compared to ZWL\$6.5 million for the same period in the prior year

Broadcasting Division

The Radio Broadcasting Division's revenue improved by 75% to ZWL\$973.3 million compared to ZWL\$555.5 million for the same period last year. The revenue growth was supported by a 14% volume growth and price recoveries. The Radio broadcasting division's operating profit of ZWL\$168.1 million was 137% better than the ZWL\$71.0 million recorded for the same period in 2021. However, the overall division's performance was affected by the ZTN project that is still in it's infancy. The newly established ZTN channel is gaining traction on revenue generation and audiences following its launch on the DSTv platform on the 24th May 2022.

Corporate Governance

The Board of Directors and Management remain committed to high standards of good corporate governance. The Board and its established four Sub Committees of Audit and Risk, Business Development and Marketing, Human Resources and Remuneration Committees and CSR, met virtually on two occasions during the period under review to assess operations and the adequacy of systems and procedures that safeguard the Company's assets.

Corporate Social Investment

The Company remains committed to investing in sustainable development in communities as underpinned by its corporate social responsibility policy. To that end, mentorship programmes to nurture talent and raise future media practitioners have been introduced through the Zimpapers Junior

In line with the Company's resolve to reduce environmental footprints, afforestation programmes to combat global warming have been put in place.

The Company continued to support less privileged students by sustaining its bursary scheme. There was also focus at advocacy for cancer, mental health and other health related matters to ensure a health-conscious society.

Dividend

In view of the challenging operating environment, the Board resolved not to declare an interim dividend for the period under review.

Although the macroeconomic outlook continues to be uncertain, there is hope for a better second half of the year as shown by the resilience and recovery in the mining, construction, tourism and manufacturing sectors, amongst others. This has been the basis for a general economic optimism as the Government has projected a 4.6% GDP growth for the year 2022

The Company will continue to strengthen its product offering by improving performance of its new and old products to give better profit margins. The ZTN footprint is expected to continue growing as the unit is gaining trust from its audiences. The digitalisation strategy remains core to the operations and growth of the Company, arising from the growing demand for digital products in the country and the world over.

Directorate

There were no directorship changes during the period under review

Appreciation

I am grateful to my fellow Board members, senior management and all members of staff for their continued support. My greatest appreciation goes to our valued clients and customers who continued to give invaluable support to the business.



T. A.G. Sithole **Board Chairman**

22 September 2022





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REVIEWED CONDENSED FINANCIAL RESULTS

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DIRECTORS' RESPONSIBILITY STATEMENT

The directors are required by the Companies and Other Entities Act (Chapter 24:31) to maintain adequate accounting records and are responsible for the content and integrity of the Company's abridged financial statements and related financial information included in this report. It is their responsibility to ensure that the Company's abridged financial statements fairly present the state of affairs of the Company as at the end of the period and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards.

AUDITOR'S STATEMENT

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financia information does not give a true and fair view of the inflation adjusted financial position of the entity as at 30 June 2022, and of its financial performance and its cash flows for the six-month period then ended in accordance with International Accounting Standard 34- Interim Financial Reporting and the requirements of the Zimbabwe Stock Exchange Listing Regulations.

Baker Tilly Chartered Accountants Partner: Courage G Matsa PAAB Practising Number: 0607 Baker Tilly Chartered Accountants (Zimbabwe) Harare

15 September 2022

STATEMENT OF COMPLIANCE

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and in compliance with the Companies and Other Business Entities Act (Chapter 24.31). The Company's financial statements are based on the statutory records maintained under the historical cost convention as restated in line with IAS29 principles.

IAS29 requires that prior year comparatives and current year's transactions be restated to take account of the effects of the changes in the general purchasing power of the local currency. To that effect, the indices and conversion factors used were as follows:

Month	CPI	Factor
Dec-20	2.474.51	3.519
Jun-21	2.986.40	2.916
Dec-21	3.977.46	2.189
Jun-22	8.707.35	1.000

Number of shares in issue(000s) Basic earnings per share (cents)

Diluted earnings per share (cents)

Total equity and liabilities

Headline earnings per share (cents)

Reviewed Condensed Statement of Profit or Loss and Other Comprehensive Income For the half year ended 30 June 2022

Inflation Adjusted

		,		
	Reviewed Jun-22 ZWL\$	Reviewed Jun-21 ZWL\$	Reviewed Jun-22 ZWL\$	Reviewed Jun-21 ZWL\$
Revenue	5,222,722,807	3,109,717,462	3,600,524,903	1,002,186,207
Gross profit	3,591,142,486	2,142,136,245	2,508,389,740	685,086,244
Other operating income	61,213,512	39,590,811	32,324,962	11,497,063
Operating expenses	(2,831,517,470)	(1,733,079,195)	(1,928,551,189)	(552,660,630)
Selling & distribution expenses	(589,340,349)	(328,205,549)	(417,468,365)	(110,965,321)
Administration expenses	(2,242,177,121)	(1,404,873,646)	(1,511,082,824)	(441,695,309)
Profit from operations before financing cost and monetary	820,838,528	448,647,861	612,163,513	143,922,677
Net financing cost	(102,319,351)	(61,530,272)	(65,977,102)	(19,953,218)
Exchange (loss)/gain	(78,586,625)	4,345,904	(54,612,338)	1,477,282
Monetary loss	(352,876,125)	(7,083,915)	-	-
Profit before tax	287,056,427	384,379,578	491,574,073	125,446,741
Tax (expense) / credit	(219,627,101)	(98,617,318)	(164,580,144)	(31,549,578)
Profit after tax	67,429,326	285,762,260	326,993,929	93,897,163
Other Comprehensive income Gain on property revaluation net of tax	-	-	-	-
Total Other Comprehensive income				
Total comprehensive income for the peri	od 67,429,326	285,762,260	326,993,929	93,897,163

as at 30 June 2022	iai Pusiliuli		
Notes	Reviewed	Audited	Reviewed
	Jun-22	Dec-21	Jun-22
	ZWL\$	ZWL\$	ZWL\$
ASSETS			
Non-current assets			
Property plant and equipment	6 553 074 885	6 715 103 /78	992 706 067

576.000

11.71

576.000

49.61

49.61

576.000

56.77

56.77

8,435,046,014 2,522,708,455 1,429,233,336

576.000

16.30

16.30

15.39

Audited

Deferred tax liability

Non-current assets				
Property, plant and equipment Intangible asset	6,553,974,885 3,287,253	6,715,193,478 5,984,060	882,706,067 33,527	825,023,090 61,032
Long term investment	3,231,771	7,074,910	3,231,771	3,231,771
-	6,560,493,909	6,728,252,448	885,971,365	828,315,893
Current assets				
Inventories	116.404.023	193.311.661	110.065.196	83.494.861
Trade and other receivables	1,498,136,623	1.414.729.387	1.412.212.776	472.313.099
Financial assets at fair value	1,430,100,020	1,414,723,007	1,412,212,110	472,010,000
through profit and loss	28,740,328	35,996,859	28,740,328	16,443,122
Tax refundable	-	6.007.208	-	2.744.052
Bank and cash	85,718,790	56,748,451	85,718,790	25,922,309
-	1,728,999,764	1,706,793,566	1,636,737,090	600,917,443
-		 -		
Total assets	8,289,493,673	8,435,046,014	2,522,708,455	1,429,233,336
EQUITY AND LIABILITIES				
Equity and reserves				
Share capital	5,647,559	5,647,559	57,600	57,600
Accumulated profit	2,811,221,335	2,766,083,221	543,259,734	238,557,017
Revaluation reserve	2,420,127,838 5,236,996,732	2,420,127,838 5,191,858,618	286,920,461 830,237,795	286,920,461 525,535,078
-	3,230,990,732	3,191,030,010	030,237,793	323,333,076
Non-current liabilities				
Long term borrowings 7	78,343,828	235,222,254	78,343,828	107,447,936
Deferred tax	1,422,330,721	1,371,706,424	62,304,440	66,727,100
-	1,500,674,549	1,606,928,678	140,648,268	174,175,036
Current liabilites				
Trade and other payables 8	1,189,414,768	1,234,673,374	1,189,414,768	546,081,751
Short term borrowings	72,829,117	145,892,139	72,829,117	66,642,543
Bank overdraft	154,781,479	255,693,205	154,781,479	116,798,928
Tax payable	134,797,028	_	134,797,028	_
ian payable	1.551.822.392	1.636.258.718	1.551.822.392	729.523.222
-	,,,502		,,,	
Total liabilities	3,052,496,941	3,243,187,396	1,692,470,660	903,698,258

8.289.493.673

Abridged Statement of Cash flows

	Reviewed Jun-22 ZWL\$	Reviewed Jun-21 ZWL\$	Reviewed Jun-22 ZWL\$	Reviewed Jun-21 ZWL\$
Net cash inflows from operations	644,681,379	91,622,499	237,528,527	20,879,222
Net cash outflows from investing activities Net cash outflows from	(159,845,959)	(424,323,894)	(104,345,418)	(131,988,178)
financing activities	(354,953,355)	239,756,948	(111,369,179)	83,790,681
Net increase in cash and cash equivalents	129,882,065	(92,944,447)	21,813,930	(27,318,275)
Cash and cash equivalents at the beginning of the year	(198,944,754)	77,561,544	(90,876,619)	22,042,254
Cash and cash equivalents at end of the period	(69,062,689)	(15,382,903)	(69,062,689)	(5,276,021)

Condensed Statement of Changes in Equity For the half year ended 30 June 2022

listorical cost			Non	
	Share Capital ZWL\$	Revaluation reserve ZWL\$	distributable reserve ZWL\$	Reta Profit/ (Z

Balance as at 31 December, 2021	57.600	286.920.461		238,557,017	525,535,078
Total comprehensive income for the pe	riod -	-	-	326,993,929	326,993,929
Dividend paid	-	-	-	(22,291,212)	(22,291,212)
Balance as at 30 June, 2022	57.600	286.920.461		543,259,734	830,237,795
Inflation adjusted	Share Capital ZWL\$	Revaluation reserve ZWL\$	Non distributable reserve ZWL\$	Retained Profit/ (loss) ZWL\$	Total ZWL\$
Balance as at 31 December, 2021	5.647.599	2.420.127.838	-	2,766,083,221	5,191,858,618
T-1-1-1	4.4			07 400 000	07 400 000

Business segment report

Balance as at 30 June, 2022

Historical Cost

The commercial printing segment is involved in the printing of books, labels, security documents, diaries, calendars and offering of origination services. The newspaper segment is involved in newspaper and magazine printing and publishing. The broadcasting segments are commercial free-to-air radio stations and television. The corporate segment comprises Head Office administrative operations.

5.647.599 2.420.127.838

(22,291,212)

- 2.811.221.335 5.236.996.732

(22,291,212)

Historical cost	Commercial Printing	Newspapers	Broadcasting	Corporate	Consolidated
	Jun-22 ZWL\$	Jun-22 ZWL\$	Jun-22 ZWL\$	Jun-22 ZWL\$	Jun-22 ZWL\$
External revenue	497,984,111	2,443,534,086	659,006,706		3,600,524,903
Results Segment profit/ (loss)	51,945,578	619,648,827	(94,366,592)	34,935,700	612,163,513
Net finance expenses Exchange loss Income tax expense Profit for the period					(65,977,102) (54,612,338) (164,580,144) 326,993,929
As at 30 June 2022 repo	rtable segment asse	ets and liabilities			
Segment assets Current Assets Non current Assets	332.541.542 227,550,325 104,991,217	1.376.948.731 938,015,891 438,932,840	702.459.506 408,872,316 293,587,190	110,758,676 62,298,558 48,460,118	2,522,708,455 1,636,737,090 885,971,365
Segment liabilities Current liabilities Non current liabilities	172,485,484 163,297,605 9,187,879	786,276,258 786,276,258	422,207,490 357,757,423 64,450,067	249,196,988 244,491,106 4,705,882	1,630,166,220 1,551,822,392 78,343,828
Deferred tax liability	-	-	-		62,304,440
Inflation adjusted					
External revenue	764,921,192	3,484,521,202	973,280,413		5,222,722,807
Results Segment profit/ (loss)	77,442,210	813,318,592	(115,026,896)	45,144,622	820,838,528
					(102,319,351)
Exchange gain Monetary loss Income tax expense					(352,876,125) (219,627,101)
Exchange gain Monetary loss Income tax expense Profit for the period	rtable segment ass	eets and liabilities			(78,586,625) (352,876,125) (219,627,101) 67,429,326
Exchange gain Monetary loss income tax expense Profit for the period As at 30 June 2022 repo	1,407,890,889 240,377,310 1,167,513,579	5,256,468,715 990,042,597 4,266,426,118	1,427,305,296 431,920,400 995,384,896	197,828,773 66,659,457 131,169,316	(352,876,125) (219,627,101) 67,429,326 8,289,493,673 1,728,999,764
Exchange gain Monetary loss Income tax expense Profit for the period As at 30 June 2022 repo Segment assets Current Assets Non current Assets	1,407,890,889 240,377,310	5,256,468,715 990,042,597	431,920,400	66,659,457	8,289,493,673 1,728,999,764 6,560,493,909 1,551,822,392
Exchange gain Monetary loss income tax expense Profit for the period As at 30 June 2022 reposegment assets Current Assets Non current Assets Segment liabilities Current liabilities Non current liabilities	1,407,890,889 240,377,310 1,167,513,579 172,485,484 163,297,605	5,256,468,715 990,042,597 4,266,426,118 786,276,258	431,920,400 995,384,896 422,207,490 357,757,423	66,659,457 131,169,316 249,196,988 244,491,106	(352,876,125) (219,627,101) 67,429,326 8,289,493,673 1,728,999,764 6,560,493,909 1,630,166,220 1,551,822,392 78,343,828
Exchange gain Monetary loss Income tax expense Profit for the period As at 30 June 2022 repo Segment assets Current Assets Non current Assets Segment liabilities Current liabilities Non current liabilities Deferred tax liability Historical cost	1,407,890,889 240,377,310 1,167,513,579 172,485,484 163,297,605 9,187,879	5,256,468,715 990,042,597 4,266,426,118 786,276,258 786,276,258	431,920,400 995,384,896 422,207,490 357,757,423	66,659,457 131,169,316 249,196,988 244,491,106	(352,876,125) (219,627,101) 67,429,326 8,289,493,673 1,728,999,764 6,560,493,909 1,630,166,220 1,551,822,392 78,343,828
Exchange gain Monetary loss neome tax expense Profit for the period As at 30 June 2022 repo Segment assets Current Assets Non current Assets Segment liabilities Current liabilities Current liabilities Deferred tax liability Historical cost As at 30 June 2021 repo	1,407,890,889 240,377,310 1,167,513,579 172,485,484 163,297,605 9,187,879	5,256,468,715 990,042,597 4,266,426,118 786,276,258 786,276,258	431,920,400 995,384,896 422,207,490 357,757,423	66,659,457 131,169,316 249,196,988 244,491,106	(352,876,125) (219,627,101) 67,429,326 8,289,493,673 1,728,999,764 6,560,493,909 1,630,166,220 1,551,822,332 78,343,828
Exchange gain Monetary loss noome tax expense Profit for the period As at 30 June 2022 repo Segment assets Current Assets Non current Assets Segment liabilities Current liabilities Current liabilities Non current liability Historical cost As at 30 June 2021 repo External revenue Results	1,407,890,889 240,377,310 1,167,513,579 172,485,484 163,297,605 9,187,879	5,256,468,715 990,042,597 4,266,426,118 786,276,258 786,276,258 	431,920,400 995,384,896 422,207,490 357,757,423 64,450,067	66,659,457 131,169,316 249,196,988 244,491,106 4,705,882	(352,876,125) (219,627,101) 67,429,326 8,289,493,673 1,728,999,764 6,560,493,905 1,630,166,220 1,551,822,332 78,343,828 1,422,330,721
Exchange gain Monetary loss Profit for the period As at 30 June 2022 repo Segment assets Current Assets Non current Assets Segment liabilities Current liabilities Non current liabilities Deferred tax liability Historical cost As at 30 June 2021 repo External revenue Results Segment profit /(loss)	1,407,890,889 240,377,310 1,167,513,579 172,485,484 163,297,605 9,187,879	5,256,468,715 990,042,597 4,266,426,118 786,276,258 786,276,258	431,920,400 995,384,896 422,207,490 357,757,423 64,450,067	66,659,457 131,169,316 249,196,988 244,491,106	(352,876,125) (219,627,101) 67,429,326 8,289,493,673 1,728,999,764 6,560,493,909 1,630,166,220 1,551,822,392 78,343,828 1,422,330,721 1,002,186,207
Non current Assets Segment liabilities Current liabilities Non current liabilities Deferred tax liability Historical cost As at 30 June 2021 repo External revenue Results Segment profit /(loss) Net finance expenses Exchange loss Exchange loss Gain on revaluation Income tax expense	1,407,890,889 240,377,310 1,167,513,579 172,485,484 163,297,605 9,187,879	5,256,468,715 990,042,597 4,266,426,118 786,276,258 786,276,258 	431,920,400 995,384,896 422,207,490 357,757,423 64,450,067	66,659,457 131,169,316 249,196,988 244,491,106 4,705,882	(352,876,125) (219,627,101) 67,429,326 8,289,493,673 1,728,999,764 6,560,493,909 1,630,166,220 78,343,828 1,422,330,721 1,002,186,207 (19,953,218) 1,477,282 (31,549,578)
Exchange gain Monetary loss Income tax expense Profit for the period As at 30 June 2022 repo Segment assets Current Assets Non current Assets Segment liabilities Current liabilities Current liabilities Deferred tax liability Historical cost As at 30 June 2021 repo External revenue Results Segment profit /(loss) Net finance expenses Exchange loss Gain on revaluation Income tax expense Profit for the period	1,407,890,889 240,377,310 1,167,513,579 172,485,484 163,297,605 9,187,879	5,256,468,715 990,042,597 4,266,426,118 786,276,258 786,276,258 	431,920,400 995,384,896 422,207,490 357,757,423 64,450,067	66,659,457 131,169,316 249,196,988 244,491,106 4,705,882	(352,876,125) (219,627,101) 67,429,326 8,289,493,673 1,728,999,764 6,560,493,909 1,630,166,220 78,343,828 1,422,330,721 1,002,186,207 (19,953,218) 1,477,282 (31,549,578)
Exchange gain Monetary loss Income tax expense Profit for the period As at 30 June 2022 repo Segment assets Current Assets Non current Assets Segment liabilities Current liabilities Non current liabilities Deferred tax liability Historical cost As at 30 June 2021 repo External revenue Results Segment profit /(loss) Net finance expenses Exchange loss Gain on revaluation	1,407,890,889 240,377,310 1,167,513,579 172,485,484 163,297,605 9,187,879	5,256,468,715 990,042,597 4,266,426,118 786,276,258 786,276,258 	431,920,400 995,384,896 422,207,490 357,757,423 64,450,067	66,659,457 131,169,316 249,196,988 244,491,106 4,705,882	(352,876,125) (219,627,101)

As at 30 June 2021 reportable segment assets and liabilities

Commercial

External revenue	484,997,428	2,069,211,762	555,508,272	-	3,109,717,462
Results Segment profit /(loss)	6,514,259	368,891,980	29,985,940	43,255,682	448,647,861
Net finance expenses Exchange loss Monetary gain Income tax expense Profit for the period As at 30 June 2021 repo	rtable segment ass	ets and liabilities			(61,530,272) 4,345,904 (7,083,915) (98,617,318) 285,762,260
Seament assets	1.697.917.004	5.260.757.436	748.203.177	247.365.787	7.954.243.403
Current Assets	547,996,009	846.084.253	259,947,981	71,223,175	1,725,251,417
Non current Assets	1,149,920,995	4,414,673,183	488,255,196	176,142,612	6,228,991,986
Segment liabilities	296,018,353	669,701,201	216,498,785	224,960,994	1,407,179,333
Current liabilities	218,514,605	651,818,440	138,747,645	193,860,538	1,202,941,228
Non current liabilities	77,503,748	17,882,761	77,751,140	31,100,456	204,238,105
Deferred tax liability					1,281,597,414

Broadcasting

7WI \$

Corporate

Jun-22

ZWL\$

Notes to the Condensed Interim Financial Statements

for the half year ended 30 June 2022

Zimbabwe Newspapers (1980) Limited and its subsidiaries are incorporated and domiciled in Zimbabwe. The Company's main business is that of newspaper proprietors, printers ,publishers and broadcasters. The Company's registration number is 600/B280.

The Company's functional and presentation currency is the Zimbabwean dollar ("ZWL\$")

Basis of preparation The Company's financial statements for the half year ended 30 June 2022 have been prepared in accordance with the Zimbabwe Stock Exchange Listing requirements and the Zimbabwe Companies and Other Entities Act (Chapter 24:31).

The Inflation Adjusted financial statements have been prepared based on statutory records maintained under the historica cost basis as modified by the revaluation of property, plant and equipment and equity investments have been measured at fair value.

The principal accounting policies adopted in the preparation of these financial statements are consistent in all materia

respects with those applied in the previous annual financial statements. In the current year, the Company has adopted IAS 29 (Financial Reporting in Hyperinflationary Economies). 4.1 Adoption of IAS 29 (Financial Reporting in Hyperinflationary Economies) The Company applied the Zimbabwe Consumer Price Index (CPI) as the general price index and used the monthly indices

to inflation adjust the historical cost figures. Below are the factors used in the period under review.

3.519

D66-20	2.414.01	0.0
Jun-21	2.986.40	2.9
Dog 21	2.077.46	0.4

		2.189	3.977.46	Dec-21
		1.000	8.707.35	Jun-22
tion Adjusted	Inflatio			
	Jun-22 ZWL\$			

		ZWL\$	ZWLŞ	ZWL\$	ZWLŞ
5	Significant transactions				
5.1	Additions to property, plant and equipment	148,180,312	391,225,913	105,868,551	134,180,556
5.2	Deferred Tax liability	1,422,330,721	203,741,899	62,304,440	69,878,299
6.	Earnings per share				
	Profit for the period	67,429,326	285,762,260	326,993,929	93,897,163
	Number of shares used in calculating e	arnings per share			
	Shares in issue	576,000,000	576,000,000	576,000,000	576,000,000
	Weighted average number of shares in issue	576,000,000	576,000,000	576,000,000	576,000,000
	Basic earnings per share				

Basic earnings per share is calculated by dividing the profit attributable to ordinary equity holders of the parent company by the average number of ordinary shares in issue during the period.

Headline earnings per share Headline earnings per share is calculated by dividing headline earnings for the period attributable to ordinary equity holders of the parent company by the weighted average number of ordinary shares in issue during the period.

Headline earnings is calculated as follows:

Profit for the period attributable

	Profit for the period attributable to ordinary equity holders	67,429,326	285,762,260	326,993,929	93,897,163
	(Profit)/ loss on disposal of property, plant and equipment	(1,471,430)	(2,020,199)	(1,299,747)	(574,113)
	Fair value loss/ (gain) on equities	7,256,531	(12,159,054)	(12,297,206)	(4,667,995)
	Headline profit	73,214,427	271,583,006	313,396,976	88,655,055
6.1 6.2 6.3	Basic earnings per share - cents Diluted earnings per share - cents Headline earnings per share - cents	11.71 11.71 12.71	49.61 49.61 47.15	56.77 56.77 54.41	16.30 16.30 15.40
7.	Borrowings FBC Bank Limited: Long term portion	78,343,828	235,222,254	78,343,828	107,447,936
	Short term portion of long term borrowings	72,829,117 151,172,945	145,892,139 381,114,393	72,829,117 151,172,945	66,642,543

The FBC Bank Limited borrowing was obtained at the prevailing interest rate per annum and is repayable over 3 years. The loan is secured by land and building with a carrying amount of ZWL\$560,000,000 and a Notarial General Covering Bond including cession of book debts

Trade and other payables

Trade	173,823,266	197,167,088	173,823,266	90,064,593
Accruals	816,826,033	978,013,897	816,826,033	428,841,437
Tax related payables	198,765,469	59,492,389	198,765,469	27,175,721
	1,189,414,768	1,234,673,374	1,189,414,768	546,081,751



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Independent auditor's report on review of the inflation adjusted consolidated interim financial information to the shareholders of Zimbabwe Newspapers 1980 Limited ("Zimpapers")

Introduction

We have reviewed the accompanying inflation adjusted abridged interim statement of financial position of Zimpapers as at 30 June 2022 and the interim inflation adjusted statement of profit or loss and other comprehensive income, interim inflation adjusted statement of changes in equity and interim inflation adjusted statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. Directors are responsible for the preparation and fair presentation of these interim financial statements in accordance with International Financial Reporting Standards ("IFRS"). Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410 (Revised), "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these interim financial statements.

Directors' responsibility for the financial statements

The directors are responsible for the preparation and fair presentation of these interim financial statements in accordance with International Accounting Standard 34- Interim Financial Reporting and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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Baker Tilly Chartered Accountants trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

Independent reviewer's responsibility

Our responsibility is to express a conclusion on these interim financial statements based on our review. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410 (Revised), "Review of Interim Financial Information Performed by the Independent Auditor of the Entity. ISRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework.

A review of financial statements in accordance with ISRE 2410 (Revised) is a limited assurance engagement and also requires us to comply with relevant ethical requirements. The independent reviewer performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of the inflation adjusted financial position of the entity as at 30 June 2022, and of its financial performance and its cash flows for the six-month period then ended in accordance with International Accounting Standard 34- Interim Financial Reporting and the requirements of the Zimbabwe Stock Exchange Listing Regulations.

Baker Tilly Chartered Accountants

Partner: Courage G Matsa
PAAB Practising Number: 0607

Baker Tilly Chartered Accountants (Zimbabwe)

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Harare

Date: 15 September 2022