



SHORT-FORM ANNOUNCEMENT

Issued in terms of Practice Note 13 of the Zimbabwe Stock Exchange.

This short-form financial announcement is the responsibility of the Directors and is only a summary of the information contained in the full announcement and does not contain full or complete details. Any investment decisions by investors and/or shareholders should be based on consideration of the full announcement published on the Zimbabwe Stock Exchange Data Portal and the Company website www.dairibord.com.

The full announcement is available for inspection, at no charge, at the registered office of the Company, 1225 Rekayi Tangwena Avenue, Harare.

FINANCIAL HIGHLIGHTS

	AUDITED INFLATION ADJUSTED		*UNAUDITED HISTORICAL COST	
	31 Dec 2022 ZWL'000	2022 vs 2021	31 Dec 2022 ZWL'000	2022 vs 2021
Financial				
Revenue	63,377,265	40% ↑	45,631,178	329% ↑
Earnings before interest, tax, depreciation, and amortisation	7,173,606	111% ↑	4,511,420	321% ↑
Operating profit	6,031,423	154% ↑	4,349,981	327% ↑
Profit attributable to owners of the parent	1,754,487	742% ↑	2,015,924	323% ↑
Net Asset value	18,479,605	58% ↑	12,134,183	544% ↑
Basic Earnings per share	4.90	742% ↑	5.63	323% ↑
Volume (Litres'000)				
Raw milk utilised	28,506	4% ↑	28,506	4% ↑
Sales	97,103	3% ↑	97,103	3% ↑

DIVIDEND

The Board declared a final dividend of ZWL358,000,858 from 2022 profits. The dividend translates to ZWL1 per share. The dividend will be paid on or about 31 May 2023.

AUDITOR'S STATEMENT

These abridged inflation-adjusted consolidated and separate financial statements should be read in conjunction with the complete set of the inflation-adjusted consolidated and separate financial statements for the year ended 31 December 2022.

The inflation adjusted consolidated and separate financial statements have been audited by Deloitte & Touche Chartered Accountants (Zimbabwe) ("Deloitte"), who have issued a modified opinion with respect to prior year valuation of investment property and property plant and equipment. The auditor's report on the inflation-adjusted consolidated and separate financial statements, from which these abridged inflation-adjusted consolidated and separate financial statements are extracted, is available for inspection at the Company's registered office.

The Engagement Partner responsible for the audit was Mrs Charity Mtwazi, PAAB Practice Certificate Number 0585.

Directors:

J. Sachikonye (Chairman), *M.R. Ngoro (Group Chief Executive), N. Chiromo, C.R.J. Hawgood, B. Henderson, R.P. Kupara, C. Mahembe, K.K. Naik. * Executive

Registered Office:

1225 Rekayi Tangwena Avenue, Harare, Zimbabwe. Website: www.dairibord.com



Dairibord
Holdings
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AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2022



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FINANCIAL HIGHLIGHTS

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CHAIRMAN'S STATEMENT

INTRODUCTION

It is gratifying to commemorate the 70th anniversary of Dairibord Holdings Limited at a time when the future of the Zimbabwe dairy industry and the Company appears very bright. From the establishment of the Dairy Marketing Board in 1952, to commercialisation in 1994 and listing on the Zimbabwe Stock Exchange in 1997, Dairibord has remained resilient in the seasons of challenging economic and operating environment.

OPERATING ENVIRONMENT

The operating environment was arduous throughout the financial year under review, characterized by high inflation and currency volatility especially in the second half of the year.

Several monetary policy interventions, particularly regarding local currency, interest rates and money supply management were enacted in response to the escalating inflationary pressures. The result was a decrease in annual inflation in H2 from a peak of 285% in August, to close the year at 243.8%.

The negative consequences of extended lead times throughout supply chains, delays in disbursements from the foreign currency auction system and increased wages exerted pressure on costs and margins. Inconsistent supply of quality water and power negatively affected production and increased manufacturing costs.

Notwithstanding the turbulent operating environment, the Group recorded positive volume growth compared to prior year. This success was made possible by maintaining focus on diversifying and expanding product portfolios, implementing affordable pricing models and consistent review of the route-to-market strategies. All these efforts were further aided by ongoing investments in increased manufacturing capacity and capabilities.

PERFORMANCE

Raw Milk

Raw milk utilized for the year was 28.5 million litres, 4% above 2021 and representing 34% of the total intake by processors as we remained the leading milk processor.

The business aims to continuously grow volumes of high quality raw milk through our Milk Supply Development Unit (MSDU) by providing support to the farmers in critical areas which include feed formulation and nutrition, veterinary support, herd growth projects, input procurement facilities as well as sustainability and alternative energy options.

Sales Volume and Revenue

Sales volumes for the period grew 3% ahead of the same period last year, with Beverages and Foods categories delivering growth of 7% and 10% respectively and Liquid Milks declining by 7%. Contribution to total volume for Liquid Milks, Beverages and Foods was 28%, 62% and 10% respectively.

Domestic market sales volumes sold in USS for the year were 50% (2021: 17%) and exports were 6% (2021: 5%) as the Group's regional footprint continues to grow.

The Group recorded inflation adjusted revenue of ZWL63.38 billion during the financial year under review, a 40% increase on the comparative period. Moderate volume growth and price adjustments to protect margins were the main drivers of revenue growth.

Profitability

The business experienced increased costs arising from imported inflation and pricing distortions from currency instability. Resultantly, cost of sales and overheads grew by 46% and 48.5% respectively.

The Group operating profit grew 154% to ZWL6.03 billion compared to ZWL2.37 billion reported last year. The operating profit margin for the period was 10% up from 5.24% in prior period.

At 1.69 billion, net finance charges for the period were higher than last year in both inflation and historical terms, driven by an increase in borrowings and higher interest rates during the second half of the year. Borrowings amounting to ZWL1.8 billion were invested in capital expenditure projects to increase production output and to fund long working capital cycles.

After accounting for finance charges, the Group posted a profit before tax of ZWL4.3 billion against 891 million in prior year..

SUSTAINABILITY

The Group continues to use the Global Reporting Initiative (GRI) methodology for overall sustainability as part of its commitment to ensure the sustainability of the company and stakeholders and as guidance for social responsibility. Over the years, we have adapted our sustainability reporting to reflect the Sustainable Development Goals (SDGs), proving our dedication and support for sustainable development in the way we conduct our business.

We are committed to corporate social responsibility, water management, energy efficiency and recycling of packaging materials, in line with global best practices.

CHAIRMAN'S STATEMENT (CONTINUED)

OUTLOOK

The operating environment remains challenging. It is expected that globally, economic growth will be slow due to the overhang of the COVID-19 pandemic and the effects of disruption to global supply chains. A decline in global demand is anticipated to lower commodity prices, reducing the opportunities for the nation to benefit from its rich mineral reserves.

Erratic supply, high cost of quality water and electricity are expected to persist, increasing the cost of production, and disrupting operations. Management will continue to engage in strategic partnerships and explore initiatives for alternative energy models and efficient production methods.

Volume growth in 2023 will be underpinned by recently completed capital investment projects which include a third maheu (Pfuko) line, a drinking yoghurt (Yoggie) line and a third blow moulder for Steri milk bottles. In addition, a new chilled water plant was installed at the Harare Rekayi Tangwena factory to optimize production capabilities.

The Group will continue to seek value-adding opportunities. We will leverage initiatives in raw milk production growth, our diversified product portfolio, effective pricing models and route- to-market strategies for sustained growth. Cost containment and cost reduction through improved productivity and efficiencies are also key focus areas to improve profitability.

DIVIDEND

The Board declared a final dividend of ZWL358,000,858 from 2022 profits. The dividend translates to ZWL1 per share. The dividend will be paid on or about 31 May 2023.

DIRECTORATE

Retirements

Mr. Antony Mandiwanza retired from the Company and board as its long-serving Group Chief Executive Officer with effect from 30 September 2022. In addition, Mrs Sibusiwe Chindove (Busi) also retired from the board with effect from 2 June 2022.

Appointments

Ms Mercy Rufaro Ndoro was appointed to the position of Group Chief Executive Officer with effect from 1 October 2022. Prior to her appointment, Mercy was the Group's Finance Director. Mr. Bruce Henderson was appointed to the board as a non-executive director with effect from 1 August 2022.

I take this opportunity to thank Antony and Busi for their great service to the Company and wish Mercy and Bruce all the best in their new appointments.

APPRECIATION

On behalf of the Board, I would like to extend our most sincere appreciation to all our esteemed customers, business associates and stakeholders for their continued support of the business, particularly during these trying times. We applaud management and all staff for their commitment and dedication towards the success of the Company.

J Sachikonye
Chairman

14 April 2023

DIVIDEND NOTICE TO SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT the Board of Directors of Dairibord Holdings Limited ("the Company") has declared a final dividend of ZWL1.00 per share amounting to ZWL358,000,858.00 in respect of the financial year ended 31 December 2022, payable in respect of all ordinary shares of the Company.

ACTION	DATE
Announcement Date	28 April 2023
Last Date to Trade Cum- Dividend	16 May 2023
Share Trade Ex-Dividend	17 May 2023
Last Record Date (LRD)	19 May 2023
Payment Date	31 May 2023
Dividend Per Share	ZWL 1.00

Non -resident shareholders' tax and resident shareholders' tax will be deducted from the gross dividends where applicable.

By Order of the Board

M. Karimupfumbi
Acting Company Secretary

28 April 2023

AUDITOR'S STATEMENT

These abridged inflation-adjusted consolidated and separate financial statements should be read in conjunction with the complete set of the inflation-adjusted consolidated and separate financial statements for the year ended 31 December 2022.

The inflation adjusted consolidated and separate financial statements have been audited by Deloitte & Touche Chartered Accountants (Zimbabwe) ("Deloitte"), who have issued a modified opinion with respect to prior year valuation of investment property and property plant and equipment. The auditor's report on the inflation-adjusted consolidated and separate financial statements, from which these abridged inflation-adjusted consolidated and separate financial statements are extracted, is available for inspection at the Company's registered office.

The Engagement Partner responsible for the audit was Mrs Charity Mtwazi, PAAB Practice Certificate Number 0585.

28 April 2023

ABRIDGED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2022

	Note	AUDITED INFLATION ADJUSTED		*UNAUDITED HISTORICAL COST	
		2022 ZWL'000	2021 ZWL'000	2022 ZWL'000	2021 ZWL'000
Revenue from contracts with customers		63,301,322	45,238,658	45,576,241	10,626,166
Investment property rental income		75,943	39,382	54,937	9,253
Revenue	3	63,377,265	45,278,040	45,631,178	10,635,419
Cost of sales		(51,155,822)	(34,929,254)	(33,058,355)	(7,909,413)
Gross Profit		12,221,443	10,348,786	12,572,823	2,726,006
Other income		574,562	60,277	853,361	36,659
Other expenses		(410,470)	(126,854)	(211,340)	(8,743)
Selling and distribution expenses		(6,317,407)	(4,212,984)	(4,603,746)	(970,137)
Administration expenses		(5,048,129)	(3,438,983)	(4,248,377)	(753,611)
Allowance for expected credit losses		(12,740)	(39,104)	(12,740)	(11,036)
Monetary gain/(loss)		5,024,164	(216,939)	-	-
Operating profit		6,031,423	2,374,200	4,349,981	1,019,138
Finance costs		(1,718,316)	(1,493,810)	(1,604,305)	(343,126)
Finance income		22,475	10,380	7,492	2,463
Profit before tax		4,335,582	890,770	2,753,168	678,475
Income tax expense	5	(2,581,095)	(682,399)	(737,244)	(202,141)
Profit for the year		1,754,487	208,371	2,015,924	476,334
Other comprehensive income					
Other comprehensive income that will not be reclassified to profit or loss					
Revaluation of Land and Buildings		5,745,588	(1,076,883)	9,505,564	331,510
Deferred tax		(683,254)	266,205	(1,271,161)	(81,949)
Total other comprehensive income for the year		5,062,334	(810,678)	8,234,403	249,561
Total comprehensive income for the year		6,816,821	(602,307)	10,250,327	725,895
Profit for the year attributed to:					
Owners of the parent		1,754,487	208,371	2,015,924	476,334
Total comprehensive profit for the year attributable to:					
Owners of the parent		6,816,821	(602,307)	10,250,327	725,895
Earnings per share (cents)					
Basic	9	4.90	0.58	5.63	1.33
Diluted	9	4.90	0.58	5.63	1.33

*The Historical numbers are supplementary.

ABRIDGED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

	Note	AUDITED INFLATION ADJUSTED		*UNAUDITED HISTORICAL COST	
		2022 ZWL'000	2021 ZWL'000	2022 ZWL'000	2021 ZWL'000
Assets					
Non-current assets					
Property, plant and equipment		18,454,264	11,561,422	12,704,596	1,709,835
Investment property		775,000	339,585	775,000	98,786
Right of use asset		222,985	148,165	167,913	29,552
Intangible assets		12,935	15,160	289	119
Deferred tax asset		-	31,235	-	10,207
		19,465,184	12,095,567	13,647,798	1,848,499
Current assets					
Inventories		8,664,516	5,303,287	6,978,445	1,246,042
Prepayments		694,310	760,782	641,874	195,659
Trade and other receivables		5,298,192	2,088,751	5,298,192	607,619
Cash and cash equivalents		1,832,252	689,096	1,832,252	200,458
		16,489,270	8,841,916	14,750,763	2,249,778
Total assets		35,954,454	20,937,483	28,398,561	4,098,277
Equity and liabilities					
Equity					
Share capital		6,562	6,562	36	36
Share premium		252,903	252,903	1,380	1,380
Revaluation reserve		7,390,802	2,328,468	9,341,600	1,107,197
Retained earnings		10,829,338	9,074,852	2,791,167	775,245
Total equity attributable to ordinary share-holders		18,479,605	11,662,785	12,134,183	1,883,858
Non-current liabilities					
Interest - bearing borrowings	8	1,101,946	850,449	1,101,946	247,396
Share incentive liability		-	195,987	-	57,013
Financial guarantee liability		-	24,993	-	7,271
Lease liability		168,320	52,485	168,320	15,268
Deferred tax liability		2,863,466	2,679,295	1,652,996	295,812
		4,133,732	3,803,209	2,923,262	622,760
Current liabilities					
Trade and other payables	7	10,926,141	3,544,588	10,926,141	1,031,122
Contract liabilities		247,911	283,293	247,911	82,410
Interest - bearing borrowings	8	1,905,403	1,194,985	1,905,403	347,622
Lease liability		49,896	27,854	49,895	8,103
Bank overdraft		-	320,912	-	93,354
Dividend payable		3,286	11,335	3,286	3,297
Income tax payable		208,480	88,522	208,480	25,751
		13,341,117	5,471,489	13,341,116	1,591,659
Total liabilities		17,474,849	9,274,698	16,264,378	2,214,419
Total equity and liabilities		35,954,454	20,937,483	28,398,561	4,098,277

Directors: J. Sachikonye (Chairman), *M.R. Ndoro (Group Chief Executive), N. Chiromo, C.R.J. Hawgood, B. Henderson, R.P. Kupara, C. Mahembe, K.K. Naik. * Executive

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AUDITED FINANCIAL
RESULTS FOR THE
YEAR ENDED
31 DECEMBER 2022



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ABRIDGED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2022

AUDITED INFLATION ADJUSTED						
	Share Capital	Share premium	Revaluation reserve	Foreign currency translation reserve	Retained earnings	Total
Inflation Adjusted ZWL						
Balance on 1 January 2021	4,894	188,640	3,184,959	(207,517)	6,354,507	9,525,483
IAS 29 and IAS 21 correction	1,668	64,263	-	-	3,065,291	3,131,222
Foreign currency conversion Reserve	-	-	-	207,517	(207,517)	-
Dividends	-	-	-	-	(391,614)	(391,614)
Profit for the year	-	-	-	-	208,371	208,371
Revaluation of land and buildings	-	-	(810,677)	-	-	(810,677)
Realisation of revaluation on property disposal	-	-	(45,814)	-	45,814	-
Balance at 31 December 2021	6,562	252,903	2,328,468	-	9,074,852	11,662,785
Profit for the year	-	-	-	-	1,754,486	1,754,486
Other comprehensive income	-	-	5,062,334	-	-	5,062,334
Balance at 31 December 2022	6,562	252,903	7,390,802	-	10,829,338	18,479,605
*UNAUDITED HISTORICAL COST						
	Share Capital	Share premium	Revaluation reserve	Foreign currency translation reserve	Retained earnings	Total
Historical ZWL						
Balance on 1 January 2021	36	1,380	859,517	17,124	362,245	1,240,302
Foreign currency conversion Reserve	-	-	-	(17,124)	17,124	-
Dividends	-	-	-	-	(82,340)	(82,340)
Profit for the year	-	-	-	-	476,335	476,335
Revaluation of land and buildings	-	-	249,561	-	-	249,561
Realisation of revaluation on property disposal	-	-	(1,881)	-	1,881	-
Balance at 31 December 2021	36	1,380	1,107,197	-	775,245	1,883,858
Profit for the year	-	-	-	-	2,015,922	2,015,922
Other comprehensive income	-	-	8,234,403	-	-	8,234,403
Balance at 31 December 2022	36	1,380	9,341,600	-	2,791,167	12,134,183

ABRIDGED CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2022

Note	AUDITED INFLATION ADJUSTED		*UNAUDITED HISTORICAL COST	
	2022 ZWL'000	2021 ZWL'000	2022 ZWL'000	2021 ZWL'000
Operating activities:				
Operating profit before tax	4,335,582	890,770	2,753,167	678,475
Adjusted to reconcile profit before tax to net cash flows:				
Depreciation of property, plant and equipment	1,062,915	970,263	132,800	47,887
Depreciation of right of use asset	76,328	24,106	28,560	4,786
Amortisation of intangible assets	2,940	26,574	79	124
Profit on disposal of property, plant and equipment	(18,228)	(11,902)	(14,103)	(4,005)
Gain on remeasurement of right of use asset	(72,551)	-	(109,681)	-
Profit on disposal of scrap	(16,104)	(17,982)	(11,740)	(4,115)
Finance income	(22,475)	(10,380)	(7,492)	(2,463)
Inventory written off	-	13,637	-	3,967
Impairment loss on trade and other receivables	12,740	39,104	12,740	11,036
Loan guarantee costs	24,993	937	7,271	273
Fair value (gain)/loss on investment property	(435,415)	87,536	(676,214)	(21,486)
Exchange loss	11,865	39,318	11,865	-
Finance costs	1,718,316	1,493,810	1,604,305	343,126
Non cash adjustment IAS 29	(5,024,164)	216,939	-	-
Working capital changes				
Increase in Inventories	(3,361,229)	(2,008,566)	(5,732,403)	(836,844)
Increase in trade and other receivables	(3,209,441)	(479,525)	(4,690,573)	(275,475)
Decrease/(Increase) in prepayments	168,540	805,330	(349,093)	9,940
(Decrease)/Increase in contract liabilities	(35,381)	-	165,501	-
Increase in trade and other payables	7,381,554	1,768,689	9,895,018	756,385
	2,600,785	3,848,656	3,020,007	711,611
Income tax paid	(594,090)	(980,276)	(471,837)	(231,990)
Net cash flow from in operating activities	2,006,695	2,868,380	2,548,170	479,621
Investing activities				
Purchase of plant and equipment	(1,811,397)	(1,059,012)	(1,547,850)	(279,843)
Purchase of intangible assets	(715)	-	(249)	-
Proceeds from sale of property, plant and equipment	78,468	98,689	78,468	19,132
Finance income on effective interest rate method	22,475	10,380	7,492	2,463
Prepayments for plant and equipment	(102,069)	(50,063)	(97,123)	(44,029)
Net cash flows from investing activities	(1,813,238)	(1,000,006)	(1 559 262)	(302,277)
Financing activities				
Lease liability principal repaid	(154,018)	(62,754)	(159,410)	(20,990)
Finance costs	(1,718,316)	(1,441,256)	(860,544)	(327,082)
Dividend paid	(12)	(363,626)	(12)	(79,439)
Repayments of borrowings	(1,853,750)	(2,877,080)	(1,853,750)	(711,180)
Proceeds from borrowings	3,539,179	3,785,735	3,539,179	866,583
Net cash flows (used)/from financing activities	(186,917)	(958,981)	665,463	(272,108)
Net increase/(decrease) in cash and cash Equivalents	63,962	909,393	1,523,171	(94,764)
Effects of exchange rate changes on cash and cash equivalents	1,457,528	(1,677,674)	70,777	(3,809)
Cash and cash equivalents at 1 January	368,184	1,136,465	107,104	205,677
Cash and cash equivalents at 31 December	1,832,252	368,184	1,832,252	107,104
Comprising of				
Cash and cash balances	1,832,252	689,096	1,832,252	200,458
Bank overdraft	-	(320,912)	-	(93,354)

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS
For the year ended 31 December 2022

1. Basis of preparation

The Group's financial statements, of which these abridged results are an extract, were prepared in accordance with the Companies and Other Business Entities Act (Chapter 24:31), International Financial Reporting Standards (IFRS) and the Zimbabwe Stock Exchange Regulations. The Group's financial statements have been prepared on a going concern basis.

The consolidated financial statements are based on the statutory records that are maintained under the historical cost convention, except for land and buildings and investment property 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 Group's financial statements for the year ended 31 December 2022 and the corresponding figures for previous periods have been restated for the changes in the general purchasing power of the functional currency, and as a result, are stated in terms of the measuring unit current at the end of the reporting period.

The consolidated financial statements are presented in Zimbabwean Dollars (ZWL), which is the Group's functional and presentation currency. The historical financial statements are presented as supplementary information and do not form part of the audited financial statements.

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. The ZWL all items CPI was used in adjusting the historical financial statements for inflation. The ZWL CPI was obtained from the Reserve Bank of Zimbabwe website. Below are the indices and adjustment factors used up to December 2022:

	Indices	Adjustment Factor
CPI as at 31 December 2022	13,672.91	1.00
CPI as at 31 December 2021	3,977.46	3.44
CPI as at 31 December 2020	2,474.51	5.53

1.2 Historical cost financial information

The historical cost financial information is shown as supplementary information. The information does not comply with the International Financial Reporting Standards in that it does not take into account the requirements of International Accounting Standard 29 – Financial Reporting for Hyperinflationary Economies. Consequently, the auditor does not express an audit opinion on the historical financial information.

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 2022.

*The Historical numbers are supplementary.



NOTES TO THE ABRIDGED FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2022

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:

The transactions between operating segments are at arm's length.

The adjustments and eliminations columns relate to inter-segments transactions and balances which are eliminated on consolidation.

The transactions between operating segments are at arm's length.

The adjustments and eliminations columns relate to inter-segments transactions and balances which are eliminated on consolidation.

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.

**The Historical numbers are supplementary.*



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AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2022

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DAIRIBORD
70
YEARS
Endurable Business,
Endurable Brands

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2022

10. Headline earnings basis, ("HEPs")

Headline earnings comprise of basic earnings attributable to equity holders of the parent adjusted for profits, losses and items of a capital nature that do not form part of the ordinary activities of the Group, net of their related tax effects and share of non-controlling interests as applicable. The Group has presented HEPs in line with the guidance issued by South Africa Institute of Chartered Accountants, ("SAICA") Circular 1/21 in the absence of similar guidance on the local market."

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

	AUDITED INFLATION ADJUSTED		*UNAUDITED HISTORICAL COST	
	2022 ZWL'000	2021 ZWL'000	2022 ZWL'000	2021 ZWL'000
Profit attributable to ordinary equity holders of the parent for basic earnings	1,754,487	208,371	2,015,924	476,334
Profit on disposal of property, plant and equipment	(18,228)	(11,902)	(14,103)	(4,005)
Profit on disposal of scrap	(16,104)	(17,982)	(11,740)	(4,115)
Lease remeasurement gain	(72,551)	-	(109,681)	-
Fair value adjustment on investment property	(435,415)	87,536	(679,625)	(21,486)
Tax effect	134,056	(14,252)	201,505	7,319
Profit attributable to ordinary equity holders of the parent for Headline earnings	1,346,245	236,097	1,402,280	236,097
	2022 No.	2021 No.	2022 No.	2021 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
HEPS	3.76	0.66	3.92	0.66

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. Prior year correction

During the year ended December 31, 2022, the Group reassessed the relevance and reliability of the presentation of some items in the statement of profit or loss to an understanding of the Group's financial performance. Based on the reassessment, the Group determined that the presentation of the identified items were no longer appropriate for inter-period comparability as there had been a mixture of the classification by both nature and function in the accounts. The Group has retrospectively applied this change in presentation to its financial statements for the year ended December 31, 2022.

The change in presentation relates to the following:

ITEM	CHANGE
Fair value gain/loss on investment properties	Now presented under other income
Exchange gains	Now presented under other income To be further disaggregated into the following in other income note to enhance an understanding of the nature of the income and expenses: - Realised exchange gains; and - Unrealised exchange gains.
Exchange losses	Now presented under other expenses to fully comply with the Group's presentation of expense classification function. To be further disaggregated into the following in other expenses note to enhance an understanding of the nature of the income: - Realised exchange losses; and - Unrealised exchange losses.
Net monetary gain/(loss)	Now presented as part of operating profit

The change in presentation has been applied retrospectively and has an impact on the Group's reported operating profit but not the net profit for the year ended December 31, 2021.

As a result of the change, the comparative figures for the year ended December 31, 2021, have been restated to reflect the new presentation. The impact of the change on the comparative figures for the year ended December 31, 2021, is as follows:

GROUP	AUDITED INFLATION ADJUSTED			Nature of change where applicable
	Previously Presented	Adjustment Impact	Restated	
Gross Profit	10 348 786	-	10 348 786	
Other income	-	60 279	60 279	Fair value and exchange losses reallocated to comply with the Group's presentation of expense classification by function.
Other expenses	-	(126 854)	(126 854)	Fair value and exchange losses reallocated to comply with the Group's presentation of expense classification by function.
Selling and distribution expenses	(4 212 984)	-	(4 212 984)	
Administration expenses	(3 438 983)	-	(3 438 983)	
Allowance for expected credit losses	(39 104)	-	(39 104)	
Monetary gain/(loss)	-	(216 939)	(216 939)	Now presented as a part of operating income
Operating profit/loss	2 717 993	(343 793)	2 374 200	
Fair value (loss)/gain on investment properties	(87 536)	87 536	-	Reallocated and presented under Other operating income/ (expenses)
Exchange (loss)/gain	(39 318)	39 318	-	Reallocated and presented under Other operating income/ (expenses)
Net monetary (loss)/gain	(216 939)	216 939	-	Now presented as a part of operating income
Finance costs	(1 493 810)	-	(1 493 810)	
Finance income	10 380	-	10 380	
Profit before tax	890 770	-	890 770	

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2022

11. Prior year correction (continued)

GROUP	*UNAUDITED HISTORICAL COST			Nature of change where applicable
	Previously Presented	Adjustment Impact	Restated	
Gross Profit	2 726 006	-	2 726 006	Fair value and exchange losses reallocated to comply with the Group's presentation of expense classification by function.
Other income	15 174	45 105	60 279	Fair value and exchange losses reallocated to comply with the Group's presentation of expense classification by function.
Other expenses	-	(126 854)	(126 854)	
Selling and distribution expenses	(970 137)	-	(970 137)	
Administration expenses	(753 611)	-	(753 611)	
Allowance for expected credit losses	(11 036)	-	(11 036)	
Operating profit	1 006 396	12 742	1 019 138	
Fair value (loss)/gain on investment properties	21 485	(21 485)	-	Reallocated and presented under Other operating income/ (expenses)
Exchange (loss)/gain	(8 743)	8 743	-	Reallocated and presented under Other operating income/ (expenses)
Finance costs	(343 126)	-	(343 126)	
Finance income	2 463	-	2 463	
Profit before tax	678 475	-	678 475	

12. Events after the reporting date

After the reporting date, the Board of directors declared a final dividend of ZWL358,000,858 from 2022 profits on the 14th of April 2023. The dividend translates to ZWL1 per share. The dividend will be paid on or about 31 May 2023. There were no other significant events subsequent to the reporting period that may have an adjusting impact to these financial statements.

*The Historical numbers are supplementary.

Serving goodness for 70 years

We have been a part of many Zimbabwean households, for 70 years. From a cup of tea in the morning, to a delectable dessert in the evening and every moment in between. We have been a part of life's happy and enjoyable moments, the sad ones too.

We look forward to playing the same role for the next 70 years and more.

Let's celebrate 70 years, together.

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INDEPENDENT AUDITOR'S REPORT ON THE ABRIDGED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF DAIRIBORD HOLDINGS LIMITED

Opinion

The abridged financial statements of Dairibord Holdings Limited which comprise the inflation adjusted statement of financial position as at 31 December 2022, the inflation adjusted statement of profit or loss and other comprehensive income, the inflation adjusted statement of changes in equity, and inflation adjusted statement of cash flows for the year then ended and related notes, are derived from the audited inflation adjusted financial statements of Dairibord Holdings Limited for the year ended 31 December 2022. We expressed a qualified audit opinion on those inflation adjusted financial statements in our report dated 28 April 2023.

In our opinion, the accompanying inflation adjusted financial statements are consistent, in all material respects, with the inflation adjusted financial statements, in accordance with the requirements of IAS 34 "Interim financial Reporting" for abridged reports, set out in note 2.1 to the abridged inflation adjusted consolidated financial statements, and its inflation adjusted financial performance and inflation adjusted cashflows for the year then ended in accordance with the International Financial Reporting Standards (IFRS), and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31).

Abridged Financial Statements of Dairibord Holdings Limited

The financial statements of Dairibord Holdings Limited contain all the disclosures required by the International Financial Reporting Standards. Reading the inflation adjusted abridged financial statements of Dairibord Holdings Limited and the auditor's report thereon, therefore, is not a substitute for reading the audited inflation adjusted financial statements of Dairibord Holdings Limited and the auditor's report thereon.

The Audited Financial Statements and Our Report Thereon

In our report dated 28 April 2023, we expressed a qualified audit opinion on the audited inflation adjusted financial statements of Dairibord Holdings Limited for the year ended 31 December 2022. The basis for our qualified opinion was

- Non-compliance with IFRS 13 "Fair Value Measurements" in the determination of the value of Investment Property and Property, Plant and Equipment for the prior period and the carry over impact on the current year profit and reserves.



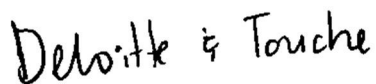
**INDEPENDENT AUDITOR'S REPORT ON THE ABRIDGED FINANCIAL STATEMENTS
TO THE SHAREHOLDERS OF DAIRIBORD HOLDINGS LIMITED**

Responsibilities of the Directors for the Inflation Adjusted Financial Statements

The directors are responsible for the preparation of the abridged inflation adjusted financial statements, in accordance with the International Financial Reporting Standards (IFRS), and in the manner required by the Business and Other Entities Act Chapter 24:31.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the inflation adjusted abridged financial statements of Dairibord Holdings Limited are consistent, in all material respects, with the audited inflation adjusted financial statement of Dairibord Holdings Limited based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on abridged Financial Statements.



**DELOITTE & TOUCHE
CHARTERED ACCOUNTANTS (ZIMBABWE)
PER: CHARITY MTWAZI
PARTNER
REGISTERED AUDITOR
PAAB PRACTICE CERTIFICATE NUMBER: 0585**

28 APRIL 2023