

CHAIRPERSON'S STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023



**1. Overview**  
On behalf of the Board and Management, I hereby present the financial results for Zimbabwe Newspapers (1980) Limited (Zimpapers) for the year ended 31 December 2023.

**2. The Operating Environment**  
In 2023, Zimbabwe's economic landscape experienced a mix of challenges and positive developments. On one hand, the economy maintained a relatively high Gross Domestic Product (GDP) despite the global challenges to become one of the fastest growing economies in the Southern African Development Community (SADC). Monetary stability was experienced during the second half of the year despite the initial inflationary and exchange

rate fluctuations that were brought about by the expansionary Monetary policy. On the other hand, energy sector challenges remained in place during the year despite the significant investments made by the Government of Zimbabwe in the energy sector.

Following the introduction of Statutory Instrument (SI) 27 of 2023 that brought about blended inflation, where the USD and Zim\$ currencies were blended for the sake of calculating inflation, Year on Year (YoY) inflation closed the year at 26.5% compared to 55.9% recorded for the same period in 2022.

The exchange rate remained of concern as it closed the year at 6,104.72 to the United States Dollar compared to 684.33 in 2022.

**3. The Media Environment**  
The media environment is dynamic with marginal gains in print circulation and significant growth in digital audiences, particularly driven by Generation “Z” audiences who prefer visual and interactive content formats such as videos. In response to this trend, Zimpapers is stepping up its digital transformation efforts to cater to the changing preferences of its audience.

The radio sector is blossoming with significant gains, but it is also becoming highly competitive with the emergence of community radio stations in most provinces. This increased competition is driving innovation and diversity in programming across the radio landscape. Our stations such as Star FM and Diamond FM are dominant in urban markets and are gaining ground into other markets as we improve our transmission footprint.

On the other hand, the television market is picking up in Zimbabwe after decades of being dominated by a single player. Despite delays in the development of the digital terrestrial platform (DTT) that will allow Zimbabweans to access local television stations for free, Zimpapers has pursued other platforms and is currently on the Multichoice bouquet while also developing a structured over the top (OTT) platform.

On the legislative front, there are ongoing conversations around the Media Policy and the Media Practitioners Bill, signaling a continued opening of the media industry in Zimbabwe. Zimpapers is actively engaging with policymakers and stakeholders to ensure that its operations align with regulatory requirements and industry standards.

Overall, Zimpapers is navigating a dynamic media environment characterized by shifting audience preferences and regulatory changes. The company remains focused on delivering high-quality content across its various platforms while adapting to emerging trends and technologies in the media landscape.

**4. Digital Media**

Our digital environment has been transforming in sync with the observed trends where there is now an apparent ecosystem between News, Radio, TV, gaming, social media, and user-generated content into a tapestry of entertainment and news communities.

We have therefore created a digital environment that allows us to reach audiences in new places, allowing us to distribute news and entertainment across the world, and help them remain informed on relevant issues that affect them from wherever they will be and at whatever time.

Our live-streaming and social media has helped us to reshape our media and entertainment business model. Over the years, our focus has been on building the digital audiences that can give our advertisers the visibility mileage they require. The new focus is now to create the best customer experience through quality content and more interactions that allow profitable digital monetization.

**5. Financial Performance**  
**Application of International Accounting Standard (IAS) 29: Inflation Adjusted Financial Statements**

The Directors of the company have applied the principles of IAS 29 to prepare the Group's inflation adjusted financial statement for the year ended 31 December 2023. In that regard, the primary set of financial statements for the company are the hyperinflated financials.

**6. Financial Performance Overview**  
The company's revenue grew by 87% to Z\$167.1 billion from Z\$89.6 billion recorded for the same period last year. Despite the growth in revenue, the company's gross profit margin declined to 57% from 63% recorded for the same period last year. This decline was a result of cost of sales material and labour increases.

Further cost increases were incurred in operations as operating costs were 58% of revenue compared to 54% for the same period last year. Consequently, the company's Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) margin declined to 7% from 17% for the same period last year. In an environment characterised by tight liquidity where most of the company's clients were paying their accounts late, the company reduced its cost of borrowing by 39% as some of the facilities were paid off. The financial performance of the company was further exacerbated by a monetary loss adjustment of Z\$2.4 billion that led to loss before tax of Z\$1.3 billion.

**7. Newspaper Division**  
The Newspaper Division increased its top line by 76% to Z\$98.0 billion mainly because of the need to protect margins in a hyperinflationary environment as both advertising and circulation sales volumes remained relatively flat when compared to the same period last year. Due to high costs incurred during the year arising from the unprecedented inflationary pressures, operating profit before interest, tax and monetary adjustments declined to 8% compared to 16% for the same period last year.

**8. Commercial Printing Division**  
The Division recorded a 98% revenue growth to Z\$32.1 billion, driven by some volume growth. Despite the volume growth, the division recorded an operating loss of Z\$97.0 million. The division continued to face challenges in obtaining adequate foreign currency and critical raw materials. This had a negative impact on the ability of the division to stretch its growth ambitions.

**9. Broadcasting Division**  
Top line for the division grew by 108% when compared to last year, despite the volumes remaining flat. The growth in revenue was driven by both radio and television units which grew by 116% and 73% respectively. The broadcasting division's overall profitability was weighed down by the newly Zimpapers Television Network (ZTN) channel that was launched on DTSV channel 294 in May 2022. Although the channel is not yet making a profit, its gaining acceptance in the market and its prospects for the future are great.

**10. Corporate Governance**  
As part of sound Corporate Governance practices, the company's Audit and Risk Committee, Business Development and Marketing Committee, Human Resources, Remuneration, Nomination, and Pension Fund Committee, and the Corporate Social Responsibility Committee convened four times each during the review year. Their purpose was to evaluate

operations and ensure the effectiveness of systems and procedures in safeguarding the company's assets.

**11. Sustainability**  
I am proud to share our commitment to sustainability a journey that has over the past few years transformed our corporate ethos from mere Corporate Social Responsibility (CSR) to a holistic embrace of the six Ps of sustainability: Planet, People, Prosperity, Partnerships, Peace, and Persistence with a focus on Sustainable Development Goals (SDGs).

As part of the “Green Up” campaign, the company took a leading role in encouraging other organizations to enhance their environmental practices by greening up their business premises, rooftops, and road verges thereby impacting on the planet pillar. On the people, prosperity and partnerships sustainability pillars, the Zimpapers Junior Media Club mentorship program was successfully implemented in various schools across the country. The company also strengthened its relationships with educational institutions, maintaining its bursary scheme which has now been extended to two Universities. On the cancer advocacy, the company continued its work and furthermore held its highly subscribed annual cancer power walk. Funds raised from the campaign were directed for the fight against cancer. We continue to promote peace in communities and the country through ethical and responsible reporting by our professional staff. The company will therefore be Persistent in managing its sustainability impacts and improving the set KPIs.

**12. Directorate**  
After the year-end on January 9, 2024, several changes occurred within the Board. Mr. T Sithole, the former Board Chairman, along with Mr. T Chiweshe, Mr. L Mhango, Mrs. E Dube, Mrs. T. L Chibvongodze, Dr. A Maunganidze, Mr. C Mukwasi, and Mrs. A Ziyambi resigned following the expiration of their terms. In their place, Mrs. D Sibanda, Dr. G Machengete, Dr. A M Rusero, Mr. P Mbano, Ms. R Mangudya, Eng. R Mushanawani, Mr. G Chisoko, and Mrs. P Mkandwa were appointed as new board members. I am honored to have been given the opportunity to chair this new Board. I extend sincere appreciation to the previous Board for their work and wish them success in their future endeavours. Additionally, I warmly welcome the new board members to the Zimpapers family. With confidence, I believe the new Board will steer the ship in the right direction.

**13. Dividend**  
Given the challenging operating environment, characterized by severe liquidity constraints and need to further invest in some capital-intensive projects for the company, the Board of Directors recommends that no dividends be paid for the recently concluded year.

**14. Outlook**  
Zimbabwe's media industry is poised for growth, driven by digitalization, mobile adoption, and changing consumer behaviour. The convergence of technology and content will continue to shape the landscape in 2024 and beyond. The company is therefore putting appropriate strategies to ensure its ability to tap into these growth opportunities. We are projecting the same growth for the commercial printing and packaging industry with the adoption of new technology for UV vanishing as well as printing of plastic labels.

**15. Appreciation**  
I would like to express my heartfelt gratitude to the outgoing Board members, our valued customers, dedicated readers, attentive listeners, loyal viewers, supportive advertisers, committed shareholders, and every stakeholder who has stood by our company throughout its century-long existence.

I am fully aware of the sacrifices and unwavering determination exhibited by our hardworking management and employees to sustain the company. Their efforts deserve wholehearted applause for a job exceptionally well done.



MRS D. SIBANDA  
BOARD CHAIRPERSON





Adiona Chidzonga

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# ZIMBABWE NEWSPAPERS (1980) LIMITED

## AUDITED CONDENSED FINANCIAL RESULTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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

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.

INDEPENDENT AUDITOR'S OPINION STATEMENT

The audited abridged inflation adjusted financial results should be read in conjunction with the complete set of financial statement of Zimpapers for the financial year ended 31 December 2023, which have been audited by Baker Tilly Chartered Accountants, signed by Courage Matsa, PAAB Practising certificate 0607 and an unqualified opinion has been issued thereon.

The audit report also includes an emphasis of matter paragraph relating to the fact that the radio licences for Capikalk and Nyaminyami were awarded to Kingstons by the Broadcasting Authority of Zimbabwe and Zimpapers is operating the radio stations under a management agreement.

The auditor's report on these inflation adjusted financial statements and the full set of the inflation adjusted financial statements, is available for inspection at the Company's registered office and the same has been lodged with the ZSE.

Baker Tilly Chartered Accountants  
Zimbabwe

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. The operating environment was declared on the 1st of July 2019 to have met the conditions for hyperinflation reporting.

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. Following the promulgation of Statutory Instrument (SI) 27 of 2023 on the 3rd March 2023 which brought into being the blended inflation rate, the Consumer Price Index (CPI) from the 1st February 2023 to June 2023 was estimated using the Total Consumption Poverty Line (TCPL) published by the Zimbabwe National Statistics Agency. TCPL was considered to be positively correlated to the local currency CPI, hence its adoption. To that effect, the indices and conversion factors used were as follows:

Month	CPI	Factor
Dec-21	3,977.46	16.519
Dec-22	13,672.91	4.805
Dec-23	65,703.43	1.000

Audited Condensed Statement of Profit or Loss and Other Comprehensive Income  
for the year ended 31 December 2023

	Inflation Adjusted			Historical Cost
	Audited 2023 ZWLS	Audited 2022 ZWLS	Audited 2023 ZWLS	Audited 2022 ZWLS
Revenue	167,059,439,875	89,550,009,283	99,684,137,407	13,255,053,452
Gross profit	96,034,641,022	56,586,238,322	57,970,452,670	8,148,989,894
Other operating income	3,374,080,320	1,092,500,136	2,043,098,385	205,302,449
Operating expenses	(96,125,337,666)	(48,287,342,777)	(57,438,004,735)	(7,100,644,853)
Selling & distribution expenses	(16,185,285,717)	(9,521,802,733)	(9,822,306,773)	(1,417,527,676)
Administration expenses	(79,940,051,949)	(38,765,540,044)	(47,615,697,962)	(5,683,117,177)
(Loss)/Profit from operations before financing cost and monetary adjustments	3,283,383,676	9,391,395,681	2,575,546,320	1,253,647,490
Net financing cost	(1,787,091,026)	(2,934,784,794)	(760,247,438)	(480,571,318)
Exchange gain/(loss)	(393,865,158)	(87,128,461)	(685,605,684)	51,490,092
Monetary gain/(loss)	(2,357,370,592)	(4,520,957,650)	-	-
(Loss)/Profit before tax	(1,254,943,100)	1,848,524,776	1,129,693,198	824,566,264
Tax (expense) / credit	(1,015,555,403)	(1,384,680,939)	(595,880,910)	(244,771,977)
(Loss)/Profit after tax	(2,270,498,503)	463,843,837	533,812,288	579,794,287
Other Comprehensive income				
Gain on property revaluation net of tax	20,022,019,195	26,127,295,290	71,051,915,149	8,779,869,768
Total Other Comprehensive income	20,022,019,195	26,127,295,290	71,051,915,149	8,779,869,768
Total comprehensive (loss)/Income for the year	17,751,520,692	26,591,139,127	71,585,727,437	9,359,664,055
Number of shares in issue(000s)	576,000	576,000	576,000	576,000
Basic (loss)/earnings per share (cents)	(394.18)	80.53	92.68	100.66
Diluted (loss)/earnings per share (cents)	(394.18)	80.53	92.68	100.66
Headline (loss)/earnings per share (cents)	(364.12)	122.55	92.68	93.63

Condensed Statement of Financial Position  
as at 31 December 2023

	Notes	2023 ZWLS	2022 ZWLS	2023 ZWLS	2022 ZWLS
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment		110,774,433,277	85,025,503,136	110,762,588,841	12,987,937,044
Intangible asset		11,658,469	19,356,552	15,758	26,163
Long term investment		3,231,771	15,529,869	3,231,771	3,231,771
		<b>110,789,323,517</b>	<b>85,060,389,557</b>	<b>110,765,836,370</b>	<b>12,991,194,978</b>
<b>Current assets</b>					
Inventories		4,019,233,751	1,965,230,834	3,011,059,751	392,246,532
Trade and other receivables		23,626,599,430	13,625,290,017	22,984,344,648	2,766,867,743
Financial assets at fair value through profit and loss		169,793,342	101,620,905	169,793,342	21,147,345
Tax refundable		-	-	-	-
Bank and cash		1,852,950,194	2,106,086,418	1,852,950,194	438,277,301
		29,668,576,717	17,798,228,174	28,018,147,935	3,618,538,921
		<b>140,457,900,234</b>	<b>102,858,617,731</b>	<b>138,783,984,305</b>	<b>16,609,733,899</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity and reserves</b>					
Share capital		42,615,038	42,615,038	57,600	57,600
Accumulated loss		18,897,297,350	21,167,795,853	1,329,872,392	796,060,104
Revaluation reserve		64,410,979,454	44,388,960,259	80,118,705,378	9,066,790,228
		<b>83,350,891,842</b>	<b>65,599,371,150</b>	<b>81,448,635,370</b>	<b>9,862,907,932</b>
<b>Non-current liabilities</b>					
Long term borrowings	7	1,059,491,400	114,624,470	1,059,491,400	23,853,391
Deferred tax		25,840,571,946	19,070,653,054	26,068,912,489	2,961,773,455
		<b>26,900,063,346</b>	<b>19,185,277,524</b>	<b>27,128,403,889</b>	<b>2,985,626,846</b>
<b>Current liabilities</b>					
Trade and other payables	8	25,066,742,736	14,888,096,470	25,066,742,736	3,098,217,948
Short term borrowings	7	2,430,564,415	633,771,005	2,430,564,415	131,887,962
Bank overdraft		1,869,704,242	1,869,603,340	1,869,704,242	389,065,092
Tax payable		839,933,653	682,498,242	839,933,653	142,028,119
		<b>30,206,945,046</b>	<b>18,073,969,057</b>	<b>30,206,945,046</b>	<b>3,761,199,121</b>
<b>Total liabilities</b>		<b>57,107,008,392</b>	<b>37,259,246,581</b>	<b>57,335,348,935</b>	<b>6,746,825,967</b>
<b>Total equity and liabilities</b>		<b>140,457,900,234</b>	<b>102,858,617,731</b>	<b>138,783,984,305</b>	<b>16,609,733,899</b>

Abridged Statement of Cash flows  
for the year ended 31 December 2023

	Audited 2023 ZWLS	Audited 2022 ZWLS	Audited 2023 ZWLS	Audited 2022 ZWLS
Net cash inflows from operations	5,565,623,807	12,543,493,527	882,858,406	1,262,626,078
Net cash outflows from investing activities	(6,765,762,135)	(5,552,229,219)	(3,946,951,353)	(599,119,250)
Net cash outflows from financing activities	946,901,201	(5,253,595,061)	2,998,126,690	(523,418,000)
Net increase in cash and cash equivalents	(253,237,127)	1,737,669,247	(65,966,257)	140,088,828
Cash and cash equivalents at the beginning of the year	236,483,079	(1,501,186,168)	49,212,209	(90,876,619)
Cash and cash equivalents at end of the period	(16,754,048)	236,483,079	(16,754,048)	49,212,209

Condensed Statement of Changes in Equity  
for the year ended 31 December 2023

	Historical cost				
	Share capital ZWLS	Revaluation reserve ZWLS	Non distributable reserve ZWLS	Retained profit/ (loss) ZWLS	Total ZWLS
Balance as at 31 December, 2021	57,600	286,920,461	-	238,557,017	525,535,078
Total comprehensive income for the period	-	-	-	579,794,287	579,794,287
Revaluation surplus	-	11,662,951,338	-	-	11,662,951,338
Deferred tax on revaluation surplus	-	(2,883,081,571)	-	-	(2,883,081,571)
Dividend paid	-	-	-	(22,291,200)	(22,291,200)
Balance as at 31 December, 2022	57,600	9,066,790,228	-	796,060,104	9,862,907,932
Total comprehensive income for the period	-	-	-	533,812,288	533,812,288
Revaluation surplus	-	-	94,383,521,723	-	94,383,521,723
Deferred tax on revaluation surplus	-	-	-	(23,331,606,573)	(23,331,606,573)
Balance as at 31 December, 2023	57,600	80,118,705,378	-	1,329,872,392	81,448,635,370

Inflation adjusted

	Inflation adjusted				
	Share capital ZWLS	Revaluation reserve ZWLS	Non distributable reserve ZWLS	Retained profit/ (loss) ZWLS	Total ZWLS
Balance as at 31 December, 2021	42,615,038	18,261,664,969	-	20,872,155,702	39,176,435,709
Total comprehensive loss for the period	-	-	-	463,843,837	463,843,837
Revaluation surplus	-	34,706,821,587	-	-	34,706,821,587
Deferred tax on revaluation surplus	-	(8,579,526,296)	-	-	(8,579,526,296)
Dividend paid	-	-	-	(168,203,687)	(168,203,687)
Balance as at 31 December, 2022	42,615,038	44,388,960,260	-	21,167,795,852	65,599,371,150
Total comprehensive income for the period	-	-	-	2,270,498,503	(2,270,498,503)
Revaluation surplus	-	26,596,731,130	-	-	26,596,731,130
Deferred tax on revaluation surplus	-	(6,574,711,935)	-	-	(6,574,711,935)
Dividend paid	-	-	-	-	-
Balance as at 31 December, 2023	42,615,038	64,410,979,455	-	18,897,297,349	83,350,891,842

Business segment report

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 segment has television and commercial free-to-air radio stations. The corporate segment comprises Head Office administrative operations.

	Historical cost				
	Commercial Printing 2023 ZWLS	Newspapers 2023 ZWLS	Broadcasting 2023 ZWLS	Corporate 2023 ZWLS	Consolidated 2023 ZWLS
External revenue	19,817,063,735	57,313,035,397	22,554,038,275	-	99,684,137,407
Results					
Segment (loss)/profit	(64,765,096)	4,908,912,801	(2,502,965,878)	234,364,493	2,575,546,320
Net finance expenses					(760,247,438)
Exchange loss					(685,605,684)
Income tax expense					(595,880,910)
Profit for the period					533,812,288
As at 31 December 2023 reportable segment assets and liabilities					
Segment assets	41,781,569,648	73,360,159,748	21,851,470,718	1,790,784,191	138,783,984,305
Current Assets	8,157,666,176	12,553,208,827	6,872,517,660	434,755,472	28,018,147,935
Non current Assets	33,623,903,472	60,806,951,121	14,978,953,058	1,356,028,719	110,765,836,370
Segment liabilities	7,138,787,714	14,443,102,278	6,378,778,258	3,305,768,196	31,266,436,446
Current liabilities	7,138,787,714	13,383,610,878	6,378,778,258	3,305,768,196	30,206,945,046
Non current liabilities	-	1,059,491,400	-	-	1,059,491,400
Deferred tax liability	-	-	-	-	26,068,912,489

Inflation adjusted

	Inflation adjusted				
	Commercial Printing 2023 ZWLS	Newspapers 2023 ZWLS	Broadcasting 2023 ZWLS	Corporate 2023 ZWLS	Consolidated 2023 ZWLS
External revenue	32,113,686,580	97,907,638,908	37,038,114,387	-	167,059,439,875
Results					
Segment (loss)/profit	(596,904,215)	8,081,337,514	(4,368,111,809)	167,062,186	3,283,383,676
Net finance expenses	-2%	8%	-12%		(1,787,091,026)
Exchange gain					(393,865,158)
Monetary loss					(2,357,370,592)
Income tax expense					(1,015,555,403)
Loss for the period					2,270,498,503
As at 31 December 2023 reportable segment assets and liabilities					
Segment assets	42,262,102,733	74,099,615,363	22,268,129,901	1,828,052,237	140,457,900,234
Current Assets	8,638,199,261	13,292,664,242	7,277,348,164	460,365,050	29,668,576,717
Non current Assets	33,623,903,472	60,806,951,121	14,990,781,737	1,367,687,187	110,789,323,517
Segment liabilities	7,138,787,714	14,443,102,278	6,378,778,258	3,305,768,196	31,266,436,446
Current liabilities	7,138,787,714	13,383,610,878	6,378,778,258	3,305,768,196	30,206,945,046
Non current liabilities	1,059,491,400	-	-	1,059,491,400	-
Deferred tax liability	-	-	-	-	25,840,571,946

Historical cost

As at 31 December 2022 reportable segment assets and liabilities					
	Commercial Printing 2022 ZWLS	Newspapers 2022 ZWLS	Broadcasting 2022 ZWLS	Corporate 2022 ZWLS	Consolidated 2022 ZWLS
External revenue	2,525,423,532	8,038,814,882	2,690,815,038	-	13,255,053,452
Results					
Segment profit/(loss)	337,283,748	1,201,932,547	(324,787,985)	39,219,180	1,253,647,490
Net finance expenses					(480,571,318)
Exchange loss					51,490,092
Gain on revaluation					8,779,869,768
Income tax expense					(244,771,977)
Profit for the period					9,359,664,055
As at 30 June 2022 reportable segment assets and liabilities					
Segment assets	4,893,901,343	10,248,752,524	1,346,863,509	120,216,523	16,609,733,899
Current Assets	973,391,955	1,710,141,685	857,317,600	77,687,681	3,618,538,921
Non current Assets	3,920,509,388	8,538,610,839	489,545,909	42,528,842	12,991,194,978
Segment liabilities	600,357,686	1,913,420,747	762,179,845	509,094,234	3,785,052,512
Current liabilities	594,718,797	1,913,420,747	743,965,343	509,094,234	3,761,199,121
Non current liabilities	5,638,889	-	18,214,502	-	23,853,391
Deferred tax liability	-	-	-	-	2,961,773,455

Inflation adjusted

As at 31 December 2022 reportable segment assets and liabilities					
	Commercial Printing 2022 ZWLS	Newspapers 2022 ZWLS	Broadcasting 2022 ZWLS	Corporate 2022 ZWLS	Consolidated 2022 ZWLS
External revenue	16,198,757,616	55,566,637,481	17,784,614,186	-	89,550,009,283
<b>Results</b>					
Segment profit / (loss)	2,128,727,424	9,042,909,680	(2,191,493,177)	411,251,754	9,391,395,681
Net finance expenses	13%	16%	-12%		(2,934,784,794)
Exchange loss					(87,128,461)
Monetary loss					(4,520,957,650)
Income tax expense					(1,384,680,939)
<b>Profit for the period</b>					<b>463,843,837</b>
As at 31 December 2022 reportable segment assets and liabilities					
<b>Segment assets</b>	<b>24,986,562,548</b>	<b>63,365,406,022</b>	<b>13,087,284,344</b>	<b>1,419,364,817</b>	<b>102,858,617,731</b>
Current Assets	4,747,682,829	8,332,497,004	4,158,300,632	559,747,709	17,798,228,174
Non current Assets	20,238,879,719	55,032,909,018	8,928,983,712	859,617,108	85,060,389,557
<b>Segment liabilities</b>	<b>2,884,943,312</b>	<b>9,194,702,618</b>	<b>3,662,559,319</b>	<b>2,446,388,278</b>	<b>18,188,593,527</b>
Current liabilities	2,857,848,340	9,194,702,618	3,575,031,821	2,446,388,278	18,073,969,057
Non current liabilities	27,096,972	-	87,527,498	-	114,624,470
Deferred tax liability	-	-	-	-	19,070,653,054

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## **INDEPENDENT AUDITOR'S REPORT**

### **To the Shareholders of Zimbabwe Newspapers 1980 Limited ("Zimpapers")**

#### **Report on the Audit of the Inflation Adjusted Consolidated Financial Statements**

##### **Opinion**

We have audited the inflation adjusted consolidated financial statements of Zimbabwe Newspapers 1980 Limited ("Zimpapers") and its divisions, which comprise the inflation adjusted consolidated statement of financial position as at 31 December 2023, the inflation adjusted consolidated statement of profit or loss and other comprehensive income, the inflation adjusted consolidated statement of changes in equity, the inflation adjusted consolidated statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes to the financial statements.

In our opinion, the consolidated inflation adjusted financial statements fairly present the inflation adjusted consolidated statement of financial position as at 31 December 2023, and its financial performance and cashflows for the year ended in accordance with the International Financial Reporting Standards (IFRS) and in the manner required by Zimbabwe Newspapers 1980 Limited ("Zimpapers") accounting policies.

##### **Basis for Opinion**

We conducted our audit in accordance with International Standards (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the organisation in accordance with the International Ethics Standards Board for Accountants Code of Ethics Professional Accountants (Parts A and B) (IESBA Code) and other independence requirements applicable to performing audits of financial statements in Zimbabwe. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Zimbabwe. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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## **Emphasis of Matter**

### **Ownership of Radio Licences for Capitalk and Nyaminyami**

We draw attention to the notes of the inflation adjusted financial statements which brings to attention of users of financial statements that the radio licences for Capitalk and Nyaminyami were awarded to Kingstons by the Broadcasting Authority of Zimbabwe. Zimpapers is managing the radio stations on behalf of Kingstons under a management agreement. Our opinion is not modified in respect of this matter.

## **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the inflation adjusted consolidated financial statements of the current period. These matters were addressed in the context of our audit of the inflation adjusted consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have not determined any key audit matters to be communicated in our report.

## **Other Information**

The directors are responsible for the other information. The other information comprises the Directors Report Chairman's Report, Chief Executive Officer's Report and the Corporate Governance Report. Other information does not include the inflation adjusted financial statements and our auditor's report thereon.

Our opinion on the inflation adjusted financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the inflation adjusted financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the inflation adjusted financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement on this other information, we are required to report that fact. We have nothing to report in this regard.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the planning and performance of the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the inflation adjusted consolidated financial statements, including the disclosures, and whether the inflation adjusted consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the inflation adjusted consolidated financial statements.

We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for the audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

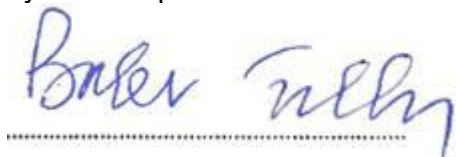
We also provide the directors with a statement that we complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be brought to bear on our independence, and where applicable related safeguards.

From the matters communicated with the Directors, we determine those matters that were significant in the audit of the inflation adjusted financial statements of the current period and therefore the key audit matters. We describe those matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on Other Legal and Regulatory Requirements**

### **Companies and Other Business Entities Act (Chapter 24:31)**

In our opinion, the accompanying inflation adjusted financial statements have in all material respects, been properly prepared in compliance with the disclosure requirements of and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31).



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