



RESULTS FOR YEAR ENDED 31 MARCH 2021

Pursuant to the Press Trust Reconstruction Act (PTRA) (Cap 5:04 of the Laws of Malawi), we report below results for the year ended 31 March 2021.

Basis of preparation

The Trustees have prepared the summary consolidated and separate financial statements to meet the requirements of Press Trust Reconstruction Act. The Trustees have considered the requirements of Press Trust Reconstruction Act and believe that the summary statements of financial position, comprehensive income, changes in reserves and cash flows are sufficient to meet the requirements of the users of the summary consolidated and separate financial statements. The amounts in the summary consolidated and separate financial statements are prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards and the Trustees Incorporation Act, 1962. The summary consolidated and separate financial statements have been derived from the Annual Consolidated and Separate Financial Statements which were approved by the board of Trustees on 2 November 2021.

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Opinion

The summary consolidated and separate financial statements, which comprise the summary statements of financial position as at 31 March 2021 and the summary statements of comprehensive income, summary statements of changes in reserves and summary statements of cash flows and the related notes, are derived from the audited consolidated and separate financial statements of Press Trust and its subsidiaries.

In our opinion, the accompanying summary consolidated, and separate financial statements are consistent in all material respects, with the audited consolidated and separate financial statements, in accordance with the basis of preparation paragraph.

Summary Consolidated and Separate Financial Statements

The summary consolidated and separate financial statements do not contain all the disclosures required by the International Financial Reporting Standards and the Trustees Incorporation Act, 1962. Reading the summary consolidated and separate financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated and separate financial statements and the auditor's report thereon. The summary consolidated and separate financial statements and the audited consolidated and separate financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated and separate financial statements.

The Audited Consolidated and Separate Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated and separate financial statements in our report dated 2nd November 2021. That report also includes:

Emphasis of matter paragraph drawing attention to the fact that the value of property, plant and equipment included certain estates whose lease period is the subject of application, to the Malawi Government through the Ministry of Lands, for renewal.

Material uncertainty related to Going Concern paragraph drawing attention to factors that indicate existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

The communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current year.

Trustees' Responsibility for the Summary Consolidated Financial Statements

The Trustees are responsible for the preparation of the summary consolidated and separate financial statements in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the Trustees Incorporation Act and for such internal control as the Trustees determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary consolidated and separate financial statements that they were consistent in all material respects, with the audited consolidated and separate financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing 810 (Revised) *Engagements to Report on Summary Financial Statements*.

Deloitte.

Chartered Accountants
Vilengo Beza
Partner
08 November 2021

PRESS TRUST STATEMENTS OF COMPREHENSIVE INCOME For the year ended 31 March 2021

| | TRUST | | GROUP | |
|--|-------------|------------|-------------|-------------|
| | 2021 | 2020 | 2021 | 2020 |
| | K'000 | K'000 | K'000 | K'000 |
| INCOME | | | | |
| Turnover | - | - | 749 299 | 1 197 238 |
| Cost of sales | - | - | (1 281 644) | (1 513 357) |
| Gross loss | - | - | (532 345) | (316 119) |
| Dividend income | 1 896 283 | 1 804 000 | 1 896 283 | 1 804 000 |
| Interest income | 229 734 | 226 045 | 229 736 | 226 048 |
| Donations/grants | 21 997 | 11 590 | 21 997 | 11 590 |
| Other income | 7 943 | 9 307 | 517 111 | 608 421 |
| Total income | 2 155 957 | 2 050 942 | 2 132 782 | 2 333 940 |
| OPERATING EXPENDITURE | | | | |
| Administration expenditure | (622 852) | (579 090) | (1 953 379) | (2 144 298) |
| Exchange gains/(losses) | 12 050 | 1 151 | 10 603 | (337) |
| EXCESS OF INCOME OVER OPERATING EXPENDITURE | 1 545 155 | 1 473 003 | 190 006 | 189 305 |
| Net increase in impairment of loan receivables | (1 468) | (9 582) | - | - |
| Interest expense | - | - | (737 074) | (782 410) |
| Finance costs-Lease liabilities | (16 451) | (14 979) | (16 451) | (14 979) |
| Reversal of staff and other receivables | 1 923 | 3 326 | 1 923 | 3 326 |
| Realised loss on sale of equity investments | - | (6 213) | - | (6 213) |
| SURPLUS/(DEFICIT) BEFORE CHARITABLE EXPENDITURE | 1 529 159 | 1 445 555 | (561 596) | (610 971) |
| CHARITABLE EXPENDITURE | | | | |
| Project funding and donations approvals | (766 674) | (869 673) | (766 674) | (869 673) |
| Project related expenses | (182 786) | (235 618) | (182 786) | (235 618) |
| Completed/discontinued projects | | | | |
| Under provision | 15 514 | 147 411 | 15 514 | 147 411 |
| Total charitable expenditure | (933 946) | (957 880) | (933 946) | (957 880) |
| Surplus/ (deficit) before tax | 595 213 | 487 675 | (1 495 542) | (1 568 851) |
| Taxation | - | - | (68 848) | (37 964) |
| SURPLUS/ (DEFICIT) FOR THE YEAR TRANSFERRED TO GENERAL FUND | 595 213 | 487 675 | (1 564 390) | (1 606 815) |
| OTHER COMPREHENSIVE INCOME | | | | |
| Revaluation surplus | - | - | 5 433 818 | - |
| Deferred tax | - | - | (426 011) | 91 685 |
| Fair value (loss)/gain on financial assets | (7 166 410) | 13 302 551 | (7 158 439) | 13 012 240 |
| Exchange differences on translating foreign operation | 122 271 | 13 725 | 122 271 | 13 725 |
| TOTAL OTHER COMPREHENSIVE INCOME | (7 044 139) | 13 316 276 | (2 028 361) | 13 117 650 |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | (6 448 926) | 13 803 951 | (3 592 751) | 11 510 835 |
| Attributable to the parent | - | - | (3 772 600) | 11 638 900 |
| Non-controlling interest | - | - | 179 849 | (128 065) |
| Total | (6 448 926) | 13 803 951 | (3 592 751) | 11 510 835 |

PRESS TRUST
STATEMENTS OF FINANCIAL POSITION
31 March 2021

| | TRUST | | GROUP | |
|--|-------------------|-------------------|--------------------|--------------------|
| | 2021 | 2020 | 2021 | 2020 |
| | K'000 | K'000 | K'000 | K'000 |
| ASSETS | | | | |
| NON-CURRENT ASSETS | | | | |
| Property, plant and equipment | 863 838 | 903 295 | 14 586 605 | 9 636 784 |
| Right-of-use assets | 136 608 | 88 354 | 136 608 | 88 354 |
| Listed equity investments | 81 683 786 | 89 339 642 | 83 894 522 | 90 855 838 |
| Unlisted equity investments | 4 210 955 | 3 662 129 | 4 211 075 | 3 662 249 |
| Investments in subsidiaries | 2 212 053 | 1 525 185 | - | - |
| Loans due from Press Agriculture Limited | 6 033 537 | 6 032 069 | - | - |
| Provision against loans due from - Press Agriculture Limited | (6 033 537) | (6 032 069) | - | - |
| Standing crops – growing timber | - | - | 27 005 | 45 317 |
| | <u>89 107 240</u> | <u>95 518 605</u> | <u>102 855 815</u> | <u>104 288 542</u> |
| Total non-current assets | | | | |
| CURRENT ASSETS | | | | |
| Standing crops | - | - | 752 667 | 516 148 |
| Inventories | - | - | 245 150 | 146 950 |
| Receivables and prepayments | 77 272 | 65 933 | 249 249 | 112 342 |
| Bank balances and cash | 2 237 296 | 1 842 190 | 2 260 892 | 1 867 228 |
| Funds held by brokers | - | - | 307 | 269 |
| Assets held for sale and discontinued operations | - | - | 155 484 | 155 484 |
| Tax recoverable | - | - | 56 269 | 31 358 |
| | <u>2 314 568</u> | <u>1 908 123</u> | <u>3 720 018</u> | <u>2 829 779</u> |
| Total current assets | | | | |
| TOTAL ASSETS | 91 421 808 | 97 426 728 | 106 575 833 | 107 118 321 |
| RESERVES AND LIABILITIES | | | | |
| Non-distributable reserves | | | | |
| Fair value reserve on listed investments | 77 075 154 | 85 219 133 | 81 458 940 | 88 908 080 |
| Fair value reserve on unlisted investments | 3 485 753 | 3 072 781 | 3 485 753 | 3 072 781 |
| Fair value of foreign investments | 2 016 511 | 329 643 | - | - |
| Property revaluation reserve | 443 055 | 443 055 | 17 137 171 | 12 444 856 |
| Total non-distributable reserves | 83 020 473 | 90 064 612 | 102 081 864 | 104 425 717 |
| General fund | 6 472 383 | 5 877 170 | (6 932 153) | (5 503 406) |
| | <u>89 492 856</u> | <u>95 941 782</u> | <u>95 149 711</u> | <u>98 922 311</u> |
| Entity attributable to equity holders of the parent | 89 492 856 | 95 941 782 | 95 149 711 | 98 922 311 |
| Non-controlling interest | - | - | (758 824) | (938 673) |
| | <u>89 492 856</u> | <u>95 941 782</u> | <u>94 390 887</u> | <u>97 983 638</u> |
| Total reserves | | | | |
| NON-CURRENT LIABILITIES | | | | |
| Sublease fees | - | - | 1 087 163 | 1 170 857 |
| Deferred tax | - | - | 999 180 | 575 805 |
| Lease liabilities | 129 757 | 73 234 | 129 757 | 73 234 |
| Long-term borrowings | - | - | 4 389 666 | 1 350 000 |
| | <u>129 757</u> | <u>73 234</u> | <u>6 605 766</u> | <u>3 169 896</u> |
| Total non-current liabilities | | | | |
| CURRENT LIABILITIES | | | | |
| Project funding | 1 608 754 | 1 264 584 | 1 608 754 | 1 264 584 |
| Bank overdraft | - | - | - | 8 741 |
| Sublease fees | - | - | 79 268 | 74 842 |
| Lease liabilities | 19 591 | 13 896 | 19 591 | 13 896 |
| Deferred income | 45 758 | 28 410 | 45 758 | 28 410 |
| Current portion of long-term borrowings | - | - | 863 070 | 2 373 607 |
| Provisions | - | - | 160 324 | 139 844 |
| Accounts payable | 125 092 | 104 822 | 2 552 278 | 1 882 214 |
| Tax payable | - | - | 250 137 | 178 649 |
| | <u>1 799 195</u> | <u>1 411 712</u> | <u>5 579 180</u> | <u>5 964 787</u> |
| Total current liabilities | | | | |
| TOTAL RESERVES AND LIABILITIES | 91 421 808 | 97 426 728 | 106 575 833 | 107 118 321 |

PRESS TRUST
STATEMENTS OF CHANGES IN RESERVES
For the year ended 31 March 2021

| TRUST | Fair value reserve on listed investments | Fair value reserve on unlisted investments | Fair value reserve on foreign investments | Property revaluation reserve | General fund | Total |
|---|--|--|---|------------------------------|------------------|-------------------|
| | K'000 | K'000 | K'000 | K'000 | K'000 | K'000 |
| For the year ended 31 March 2021 | | | | | | |
| At the beginning of the year | 85 219 133 | 3 072 781 | 1 329 643 | 443 055 | 5 877 170 | 95 941 782 |
| Surplus for the year | - | - | - | - | 595 213 | 595 213 |
| Fair value adjustment | (8 143 979) | 412 972 | 564 597 | - | - | (7 166 410) |
| Translation gain | - | - | 122 271 | - | - | 122 271 |
| | <u>77 075 154</u> | <u>3 485 753</u> | <u>2 016 511</u> | <u>443 055</u> | <u>6 472 383</u> | <u>89 492 856</u> |
| At the end of the year | | | | | | |
| For the year ended 31 March 2020 | | | | | | |
| At the beginning of the year | 72 709 828 | 2 774 888 | 1 616 087 | 443 055 | 4 894 142 | 82 438 000 |
| Surplus for the year | - | - | - | - | 487 675 | 487 675 |
| Realised loss on sale of equity | (495 353) | - | - | - | 495 353 | - |
| Fair value adjustment | 13 004 658 | 297 893 | (300 169) | - | - | 13 002 382 |
| Translation gain | - | - | 13 725 | - | - | 13 725 |
| | <u>85 219 133</u> | <u>3 072 781</u> | <u>1 329 643</u> | <u>443 055</u> | <u>5 877 170</u> | <u>95 941 782</u> |
| At the end of the year | | | | | | |

PRESS TRUST
STATEMENTS OF CHANGES IN RESERVES
For the year ended 31 March 2021

| GROUP | Reserve on listed investments | Fair value reserve on unlisted investments | Fair value Property revaluation reserve | General fund | Equity holder of parent | Non-controlling interest | Total |
|---|-------------------------------|--|---|--------------------|-------------------------|--------------------------|-------------------|
| | K'000 | K'000 | K'000 | K'000 | K'000 | K'000 | K'000 |
| For the year ended 31 March 2021 | | | | | | | |
| At beginning of the year | 88 908 080 | 3 072 781 | 12 444 856 | (5 503 406) | 98 922 311 | (938 673) | 97 983 638 |
| Deficit for the year | - | - | - | (1 428 747) | (1 428 747) | (135 643) | (1 564 390) |
| Deferred tax | - | - | (399 172) | - | (399 172) | (26 839) | (426 011) |
| Translation gain | 122 271 | - | - | - | 122 271 | - | 122 271 |
| Fair value surplus | (7 571 411) | 412 972 | 5 091 487 | - | (2 066 952) | 342 331 | (1 724 621) |
| | <u>81 458 940</u> | <u>3 485 753</u> | <u>17 137 171</u> | <u>(6 932 153)</u> | <u>95 149 711</u> | <u>(758 824)</u> | <u>94 390 887</u> |
| At the end of the year | | | | | | | |
| For the year ended 31 March 2020 | | | | | | | |
| At beginning of the year | 76 180 008 | 2 774 888 | 12 353 171 | (3 986 407) | 87 321 660 | (816 384) | 86 505 276 |
| Deficit for the year | - | - | - | (1 606 815) | (1 606 815) | (128 065) | (1 734 880) |
| Prior year adjustments | - | - | - | 89 816 | 89 816 | - | 89 816 |
| Deferred tax | - | - | 91 685 | - | 91 685 | 5 776 | 97 461 |
| Translation gain | 13 725 | - | - | - | 13 725 | - | 13 725 |
| Fair value surplus | 12 714 347 | 297 893 | - | - | 13 012 240 | - | 13 012 240 |
| | <u>88 908 080</u> | <u>3 072 781</u> | <u>12 444 856</u> | <u>(5 503 406)</u> | <u>98 922 311</u> | <u>(938 673)</u> | <u>97 983 638</u> |
| At the end of the year | | | | | | | |

PRESS TRUST
ABRIDGED STATEMENTS OF CASH FLOWS
For the year ended 31 March 2021

| | TRUST | | GROUP | |
|---|------------------|------------------|------------------|------------------|
| | 2021 | 2020 | 2021 | 2020 |
| | K'000 | K'000 | K'000 | K'000 |
| Cash absorbed by operating activities before changes in net operating assets | | | | |
| Changes in net operating assets | (1 080 101) | (1 313 286) | (2 023 836) | (2 115 613) |
| | <u>26 279</u> | <u>45 979</u> | <u>132 391</u> | <u>707 624</u> |
| Net cash absorbed in operating activities | (1 053 822) | (1 267 307) | (1 891 445) | (1 407 989) |
| Net cash flows generated from investing activities | 1 476 456 | 894 628 | 792 286 | 195 603 |
| Net cash flows used in financing activities | (27 527) | (51 029) | 1 501 602 | 777 010 |
| Net (decrease)/increase in cash and cash equivalents | 395 106 | (423 708) | 402 443 | (435 376) |
| Cash and cash equivalents at beginning of the year | <u>1 842 190</u> | <u>2 265 898</u> | <u>1 858 756</u> | <u>2 294 132</u> |
| Cash and cash equivalents at end of the year | <u>2 237 296</u> | <u>1 842 190</u> | <u>2 261 199</u> | <u>1 858 756</u> |
| Cash and cash equivalents comprise of: - | | | | |
| Bank balances and cash | 2 237 296 | 1 842 190 | 2 260 892 | 1 867 228 |
| Bank overdraft | - | - | - | (8 741) |
| Funds held by brokers | - | - | 307 | 269 |
| | <u>2 237 296</u> | <u>1 842 190</u> | <u>2 261 199</u> | <u>1 858 756</u> |
| Total cash and cash equivalents | <u>2 237 296</u> | <u>1 842 190</u> | <u>2 261 199</u> | <u>1 858 756</u> |

The financial statements were approved and authorised for issue by the Board of Trustees on **2 November 2021** and were signed on its behalf by:

AUDREY MWALA (Mrs)
CHAIRPERSON

MOSES F.A MALIRO (Prof.)
TRUSTEE

Board Composition

The composition of the Board of Trustees during the 2020/21 financial year was as follows: -

| | |
|--------------------------------|--------------------|
| Mrs Audrey Mwala (Chairperson) | - All year |
| Prof. Moses F.A Maliro | - All year |
| Ms Linda Mzumara Phiri | - All year |
| Mr Stephen D.T. Matenje, SC | - All year |
| Eng Wilson Chirwa | - All year |
| Mr Symon Msefula | - All year |
| Hon. Sosthen Gwengwe, MP | - From August 2020 |
| Mr Randson P. Mwadiwa | - Up to July 2020 |

In terms of Section 6 (l) (i) of the Deed of Variation annexed to the PTR, the Chairperson of the Board of Trustees of Press Trust holds office for one year and is elected from amongst the Trustees at the Annual General Meeting (AGM) of the Trust. In line with this requirement, at the 24th Annual General Meeting held on 2 November 2021, Trustees unanimously elected **Mr. Symon Msefula** as the new Chairperson replacing **Mrs Audrey Mwala**.

Object of the Trust

The main object of the Trust is to make donations, grants and contributions to persons or institutions for charitable purposes which are in the interest and for the benefit of the people of Malawi including the advancement of their education, health, social welfare and housing (National Benefits Purposes (NBPs)).

During the year ended 31 March 2021, the Trust approved projects and disbursed funds as follows (in alphabetical order): -

Project funding and donations (Trust and group)

| | Brought from 2020 K'000 | Disbursement K'000 | Approvals accrued K'000 | Completed Projects K'000 | Carried forward to 2022 K'000 |
|--|----------------------------------|-----------------------|-------------------------------|--------------------------------|---|
| Balabanthi Junior Primary School, Nkhotakota | 79 000 | - | - | - | 79 000 |
| Chikunkha Primary School, Nsanje | 74 783 | 341 | - | - | 74 442 |
| Chirimba Police Unit, Blantyre | 30 401 | 7 688 | - | - | 22 713 |
| Chinyaza Primary School, Zomba | 40 000 | - | - | - | 40 000 |
| Chisamba Health Centre, Salima | 97 695 | 42 473 | - | - | 55 222 |
| COVID-19 Response Fund, National | - | 105 198 | 200 000 | - | 94 802 |
| Department of Forestry | 3 085 | 3 084 | 22 560 | - | 22 561 |
| Disaster Relief Fund | 10 887 | - | - | - | 10 887 |
| Dowa Secondary School | 5 933 | 4 881 | - | - | 1 052 |
| Engucwini Primary School, Mzimba | 82 000 | - | - | - | 82 000 |
| Hospital Equipment/Ambulances Donations | 29 | - | - | - | 29 |
| Kamuzu Academy - National Science Fair | 3 507 | - | - | - | 3 507 |
| Light House - Mzuzu | - | 80 | 58 000 | - | 57 920 |
| Ligowe Health Centre, Neno | - | - | 61 570 | - | 61 570 |
| Lilongwe Girls Secondary School | - | - | 51 180 | - | 51 180 |
| Malembo Health Centre, Lilongwe Rural | 89 948 | 24 001 | 57 000 | - | 122 947 |
| Manjawira Health Centre, Ntcheu | 65 000 | - | - | - | 65 000 |
| Mathandani CDS, Kasungu | 13 402 | - | - | - | 13 402 |
| M'buka Primary School, Lilongwe city | 81 000 | - | - | - | 81 000 |
| Milamba Health Centre, Lilongwe Rural | - | - | 54 500 | - | 54 500 |
| Min of Education Desk Fund, National | 55 076 | 64 549 | 9 500 | - | 27 |
| Mjini Health Centre, Dedza | 18 017 | 1 935 | - | - | 16 082 |
| Mother's Day Donations | 2 646 | - | - | - | 2 646 |
| Mpiri Secondary School, Machinga | 29 418 | 18 787 | - | - | 10 631 |
| Mulanje Vocational and Rehabilitation Centre | 53 630 | 7 727 | 9 962 | - | 55 865 |
| Nalikule College of Education, National | 30 000 | 25 897 | - | - | 4 103 |
| Namaso-bay Primary School, Mangochi | 14 075 | 1 547 | - | (12 528) | - |
| Njale Health Centre, Thyolo | 63 389 | - | - | - | 63 389 |
| Nsamba Primary School, Zomba | 4 479 | 3 126 | - | - | 1 353 |
| Ntaja Health Centre, Machinga | 82 500 | - | - | - | 82 500 |
| Nthalire Health Centre, Chitipa | 100 000 | - | - | - | 100 000 |
| Nyungwe Health Centre, Karonga | (180) | - | 180 | - | - |
| Operation Smile, National | 187 | - | - | (187) | - |
| Pitala Primary School, Mchinji | 4 670 | 1 871 | - | (2 799) | - |
| Police Health Centre Northern Region, Mzuzu | 79 211 | 6 491 | - | - | 72 720 |
| Press Trust - Standard Bank Merit Scholarship Scheme | - | 474 | 54 935 | - | 54 461 |
| Projects Promotional Activities | 26 908 | 25 754 | 30 000 | - | 31 154 |
| Put a Child on a Desk Programme, National | 15 239 | - | - | - | 15 239 |
| Sauzawana Health Centre, JTI, Lilongwe | - | - | 100 000 | - | 100 000 |
| Stop Child Marriages (STOM)/DCA - Ntchisi | - | 7 287 | 7 287 | - | - |
| Tertiary Education Fund, HESLGB | - | 50 000 | 50 000 | - | - |
| University of Blantyre Synod | 8 649 | 3 799 | - | - | 4 850 |
| Total | 1 264 584 | 406 990 | 766 674 | (15 514) | 1 608 754 |

To qualify for funding, a project must first of all fall within the NBPs. In addition, it must meet the following general criteria:

- Benefit a wider community;
- Be in line with the key focus areas of education, health, social welfare, housing, culture, good governance, skills and job creation or environmental conservation; and
- Be viable or self-sustaining.

GROUP FINANCIAL REVIEW

The Press Trust Group is made up of two (2) subsidiaries, namely, Press Trust Overseas Limited (an investment company) and Press Agriculture Limited (an agricultural company). Press Trust has significant investments in five (5) companies, namely, Press Corporation Plc, Blantyre Hotels Plc, Kang'ombe Investments Limited, Continental Holdings Limited and Mwaiwathu Private Hospital Limited. Furthermore, Press Trust has also invested widely on the Malawi Stock Exchange.

The Board is pleased to announce the results of the Group for the year ended 31 March 2021. Total income of the Group declined by 9% from K2.334 billion in 2020 to K2.133 billion in 2021 mainly due to the underperformance of Press Agriculture Limited (PAL) and the impact of the COVID-19 pandemic on some investments. The total group comprehensive income for the year declined by 131% from a surplus of K11.511 billion in 2020 to a group comprehensive deficit of K3.593 billion in 2021. This downward movement in comprehensive income for the group was mainly due to fair value losses on listed investments as compared to prior year and also due to a loss of K2.153 billion reported by PAL. The group incurred a deficit of K1.564 billion (2020: K1.607 billion) and the Trust realised a surplus of K595 million (2020: K488 million) during the year ended 31 March 2021. As at that date, the Group had net current liabilities of K1.859 billion (2020: K3.135 billion) and the Trust had net current assets of K515 million (2020: K496 million). The Group had accumulated deficit of K6.932 billion (2020: K5.503 billion) and the Trust had accumulated surplus of K6.472 billion (2020: K5.877 billion).

PROSPECTS

The Trust's subsidiary, Press Agriculture Limited (PAL), continues to face serious financial and technical challenges. In view of this, Trustees continue to provide support to the company and they are in search of both strategic equity and operational partners. The Board of PAL and Trustees therefore remain optimistic that PAL will in the medium term turnaround its fortunes and return to growth.

Trustees have also embarked on a review of the Trust's enabling law, the Press Trust Reconstruction Act, 1995 (PTR) in order to improve the operations of the Trust. Consultations with various stakeholders are at an advanced stage and it is planned that the Amendment Bill will be presented to the National Assembly before the end of the 2021/2022 financial year.

IMPACT OF COVID-19

The COVID-19 pandemic has had a significant impact on the activities of the Trust. The implementation of all social development work was affected during the peak of both the first and the second waves of the pandemic. However, project implementation and appraisal have now resumed amidst strict adherence to COVID-19 prevention measures and taking advantage of the roll out of the COVID-19 vaccination programme by Government. On the commercial and investment side, as a direct result of the sluggish business environment, the Trust recorded capital losses on some of its listed investments. Nevertheless, the Trust remains optimistic that it will continue diligently serving Malawians as businesses and countries adapt to the new "normal" working environment.

Any correspondence should be forwarded to the Executive Secretary at either of the following addresses: -

Physical address

9th Floor
Kang'ombe House
City Centre
LILONGWE

Postal address

Private Bag 359
Capital City
LILONGWE 3
Tel: 01 772 844/ 0887 772 844
E-mail: presstrust@presstrustmw.com