

# **RESULTS FOR YEAR ENDED 31 MARCH 2022**

Further Together

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

#### Basis of preparation

The Trustees have prepared the summary consolidated and separate financial statements to meet the requirements of the Press Trust Reconstruction Act.1995 (PTRA). The Trustees have considered the requirements of the PTRA and believe that the summary statements of financial position, profit or loss and other 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 29 July 2022.

#### Independent Auditor's report on the summary consolidated and separate financial statements of Press Trust

The summary consolidated and separate financial statements, (the "summary financial statements") of Press Trust which comprise the summary consolidated and separate statements of financial position as at 31 March 2022, the summary consolidated and separate statements of profit or loss and other comprehensive income, changes in reserves and cash flows for the year then ended, and the related notes are derived from the audited consolidated and separate financial statements of Press Trust for the year ended 31 March 2022.

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

We have not audited the overall performance and outlook included in the summary of consolidated and separate financial statements and accordingly do not express any opinion thereon.

### 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. Reading the summary consolidated and separate financial statements, and our report thereon, therefore, is not a substitute for reading the audited consolidated and separate financial statements and our 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 that 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 05 August 2022. That report also includes 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 for the current year.

#### Trustees' responsibility for the summary consolidated and separate financial statements

Trustees are responsible for the preparation of the summary consolidated and separate financial statements in accordance with the Basis of Preparation paragraph.

#### Auditor's responsibility

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



Joel Mwenelupembe Chartered Accountant (Malawi) Partner Lilongwe Malawi

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME For the year ended 31 March 2022

III tilousalius oi ivialawi kwacila					
	SEPARATE CONSOLIDATED				
	2022	<u>2021</u>	<u>2022</u>	<u>2021</u>	
INCOME					
Turnover	-	-	2 264 892	749 299	
Cost of sales		<u>-</u>	(1 592 311)	(1 281 644)	
Gross profit/(loss)		-	672 581	(532 345)	
Dividend income	2 630 001	1 896 283	2 630 001	1 896 283	
Interest income	543 862	229 734	543 862	229 736	
Donations/grants	106 683	21 997	106 683	21 997	
Other income	16 653	7 943	921 881	517 111	
Total income	3 297 199	2 155 957	4 875 008	2 132 782	
OPERATING EXPENDITURE					
Administration expenditure	(670 004)	(622 852)	(1 966 811)	(1 953 379)	
Exchange gains	7 992	12 050	7 040	10 603	
EXCESS OF INCOME OVER OPERATING	2 635 187	1 545 155	2 915 237	190 006	
EXPENDITURE	2 000 107	1 343 133	2 913 231	190 000	
EXPENDITURE					
Not be a second to be a second of the second of the	(0.50)	(4.400)			
Net increase in impairment of loan receivables	(952)	(1 468)	(700 440)	(707.07.1)	
Interest expense	-		(788 113)	(737 074)	
Finance costs-lease liabilities	(18 259)	(16 451)	(18 259)	(16 451)	
Impairment of staff and other receivables	453	1 923	452	1 923	
Realised profit on sale of equity investments	248 738		251 941		
Surplus/(deficit) before charitable					
Expenditure	2 865 167	1 529 159	2 361 258	(561 596)	
CHARITABLE EXPENDITURE					
Project funding and donations approvals	(1 259 224)	(766 674)	(1 259 224)	(766 674)	
Project related expenses	(247 673)	(182 786)	(247 673)	(182 786)	
Completed/discontinued projects under	` _	<u>15 514</u>	` _	15 514	
provision					
Total charitable expenditure	(1 506 897)	(933 946)	(1 506 897)	(933 946)	
Total onamazio oxponunaio	<u>(1.000.00.7)</u>	(000 0 10)	(1 000 001)	(000 0 10)	
Surplus/(deficit) before income tax	1 358 270	595 213	854 361	(1 495 542)	
Income tax		-	(73 069)	(68 848)	
moome tax			(10 000)	(00 040)	
SURPLUS/ (DEFICIT) FOR THE YEAR	1 358 270	595 213	781 292	(1 564 390)	
TRANSFERRED TO GENERAL FUND	1 330 270		101 232	(1 304 330)	
OTHER COMPREHENSIVE INCOME					
OTHER COMPREHENSIVE INCOME					
Develoption combine				E 400 040	
Revaluation surplus	•	•		5 433 818	
Deferred tax	40 700 000	(7.400.440)	65 067	(426 011)	
Fair value gain/(loss) on financial assets	42 766 399	(7 166 410)	42 770 625	(7 158 439)	
Exchange differences on translating foreign	89 754	122 271	89 754	122 271	
operation					
Total other comprehensive income	42 856 153	(7 044 139)	42 925 446	(2 028 361	
TOTAL COMPREHENSIVE INCOME/(LOSS)	44 214 423	(6 448 926)	43 706 738	(3 592 751)	
FOR THE YEAR				_	
Attributable to the parent	-	-	43 742 823	(3 772 600)	
Non-controlling interest		-	(36 085)	179 849	
Total	44 214 423	(6 448 926)	43 706 738	(3 592 751)	

STATEMENTS OF CHANGES IN RESERVES

#### SEPARATE

	31 March 2022	31 March 2021
Balance at the beginning of the year	89 492 856	95 941 782
Comprehensive income Surplus for the year Total other comprehensive income Total comprehensive income	1 358 270 42 856 153 44 214 423	595 213 <b>(7 044 139)</b> <b>(6 448 926)</b>
Balance at the end of the year	133 707 279	89 492 856

### CONSOLIDATED

	31 March 2022		31 March 2021			
	Equity holder of parent	Attributable Non- controlling interest	Total	Equity holder of parent	Attributable Non- controlling interest	Total
Balance at the beginning of year	95 149 711	(758 824)	94 390 887	98 922 311	(938 673)	97 983 638
Comprehensive income						
Surplus/ (deficit) for the year	817 377	(36 085)	781 292	(1 428 747)	(135 643)	(1 564 390)
Total other comprehensive income	42 925 446		42 925 446	(2 343 853)	315 492	(2 028 361)
Total comprehensive incom	e 43 742 823	(36 085)	43 706 738	(3 772 600)	179 849	(3 592 751)
Balance at the end of the year	138 892 534	(794 909)	138 097 625	95 149 711	(758 824)	94 390 887

## STATEMENTS OF FINANCIAL POSITION As at 31 March 2022

SSETS			SEPARATE		SOLIDATED
	VECETO	<u>2022</u>	<u>2021</u>	2022	<u>2021</u>
Page					
Sight-of-use assets   111 770		913 321	863 838	14 077 174	14 586 605
Side equity investments   129 918 471   81 683 786   122 885 562   83 894 522   181 181 181 181 181 181 181 181 181 1					
Dilisted quilty investments   3 038 996					
352 319   27 000					
restments in subsidiaries		3 038 990	4 2 10 933		
1 330 458   1 33		2 276 245	2 212 053	332 319	27 000
Commonstrate   Comm			2 2 1 2 0 3 3	1 220 450	
Travision against loans due from-			6 000 507	1 330 436	
ress Apriculture Limited orial non-current assets  turrent assets trurent assets truent assets trurent assets truent asset				•	
131 689 261		(6 034 469)	(6 033 337)		
Charge   C		101 600 061	00 107 040	145 100 200	100 055 015
Itanding crops	otal non-current assets	131 009 201	89 107 240	145 199 399	102 855 815
Internation	Current assets				
Internation	Standing crops			1 046 895	752 667
Receivables and prepayments   86 583   77 272   268 087   249 248   249 249 249 249 249 249 249 249 249 249	nventories		-		245 150
A		86 583	77 272		249 249
Cash and cash equivalents   4 255 018   2 237 296   4 390 571   2 260 883					
unds held by brokers sests classified as held for sale ax recoverable			2 237 296		2 260 892
155 48		. 200 0.0	- 20. 200		
133 818   56266   5014   501		_	_	-	
A 358 519   Color		_	_	133 818	
136 047 780		4 358 519	2 314 568		
See No.   See	otal ourient assets				072001
	OTAL ASSETS	136 047 780	91 421 808	151 233 187	106 575 833
	RESERVES AND LIABILITIES RESERVES				
State   Stat					
air value reserve on unlisted investments air value of foreign investments air value of foreign investments 2 180 703 2 016 511 - 170perty revaluation reserve 443 055 443 055 17 202 238 17 137 17 101 102 081 86 180 703 2 016 511 102 081 86 180 703 17 202 238 17 137 17 102 081 86 180 703 180 180 180 180 180 180 180 180 180 180		118 762 219	77 075 154	123 781 016	81 458 94
air value of foreign investments roperty revaluation reserve 443 055 433 055 433 055 430 055 4					
Property revaluation reserve   143 055				4 024 030	0 403 73
123 975 027   83 020 473   6472 383   66 114 776   69 32 153				17 202 239	17 127 17
Seneral fund   9732 252					
Initity attributable to equity holders introduced introduced interest introduced introdu					
Continuity   Con		9 732 232	0 472 303		
Table   Tabl		-	-		
ABBILITIES		400 707 070			
Consider	otal reserves	133 707 279	89 492 856	138 097 625	94 390 88
Sublease fees	IABILITIES				
Seese liabilities   107 329   129 757   108 758   108					
ease liabilities		-	-		
ong-term borrowings		-	-		
otal non-current liabilities         107 329         129 757         5 623 416         6 605 760           current liabilities         roject funding         2 047 821         1 608 754         2 047 821         1 608 754           sublease fees         -         -         81 970         79 26           ease liabilities         22 428         19 591         22 428         19 59           deferred income         15 915         45 758         15 915         45 758           ong-term borrowings         -         -         3 094 285         863 07           rovisions         -         -         169 468         160 32           rade and other payables         147 008         125 092         1 756 742         2 552 27           ax payable         -         -         323 517         250 13           otal current liabilities         2 233 172         1 799 195         7 512 146         5 579 18           OTAL LIABILITIES         2 340 501         1 928 952         13 135 562         12 184 940		107 329	129 757		
turrent liabilities  troject funding  2 047 821		<del></del>	<u>-</u>		
roject funding 2 047 821 1 608 754 2 047 821 1 608 754 ublease fees - 81 970 79 26 ease liabilities 22 428 19 591 22 428 19 595 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 15 915 915 915 915 915 915 915 9	otal non-current liabilities	107 329	129 757	5 623 416	6 605 76
roject funding 2 047 821 1 608 754 2 047 821 1 608 754 ublease fees - 81 970 79 26 ease liabilities 22 428 19 591 22 428 19 595 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 45 758 15 915 15 915 915 915 915 915 915 915 9	urrent lighilities				
Sublease fees     -     81 970     79 260       ease liabilities     22 428     19 591     22 428     19 59       beferred income     15 915     45 758     15 915     45 758       ong-term borrowings     -     -     3 094 285     863 070       provisions     -     -     169 468     160 32       rade and other payables     147 008     125 092     1 756 742     2 552 276       ax payable     -     -     323 517     250 13       otal current liabilities     2 233 172     1 799 195     7 512 146     5 579 180       OTAL LIABILITIES     2 340 501     1 928 952     13 135 562     12 184 940		2 047 821	1 608 754	2 047 821	1 608 75
ease liabilities 22 428 19 591 22 428 19 591 29 18 19 591 20 18 19 591		2 077 021	1 000 7 34		
Deferred income		22.429	10 501		
ong-term borrowings 3 094 285 863 076 170 170 170 170 170 170 170 170 170 170					
Provisions - 169 468 160 324 1766 742 2 552 278 278 279 289 299 299 299 299 299 299 299 299 29		19 915	40 / 08		
Trade and other payables     147 008     125 092     1 756 742     2 552 276       ax payable     -     -     -     -     323 517     250 13       otal current liabilities     2 233 172     1 799 195     7 512 146     5 579 180       OTAL LIABILITIES     2 340 501     1 928 952     13 135 562     12 184 940			•		
ax payable otal current liabilities     2 233 172     1 799 195     7 512 146     5 579 180       OTAL LIABILITIES     2 340 501     1 928 952     13 135 562     12 184 940		447.000	405.000		
otal current liabilities         2 233 172         1 799 195         7 512 146         5 579 180           OTAL LIABILITIES         2 340 501         1 928 952         13 135 562         12 184 940		147 008	125 092		
OTAL LIABILITIES 2 340 501 1 928 952 13 135 562 12 184 946			4 700 105		
	otal current liabilities	2 233 172	1 /99 195	/ 512 146	5 579 180
OTAL DECEDVES AND LIABILITIES 426 047 700 04 404 000 457 400 407 400 775 000	OTAL LIABILITIES	2 340 501	1 928 952	13 135 562	12 184 946
	OTAL RESERVES AND LIABILITIES	136 047 780	91 421 808	151 233 187	106 575 833

# ABRIDGED STATEMENTS OF CASH FLOWS For the year ended 31 March 2022 In thousands of Malawi Kwacha

	SEP	SEPARATE		DATED
	2022	<u>2021</u>	2022	2021
Cash flows used in operating activities	(1 515 120)	(1 080 101)	(1 011 053)	(2 023 836)
before working capital changes				
Changes in operating assets/liabilities	(17 238)	26 279	(1 118 918)	132 091
Net cashflows used in operating activities	(1 532 358)	(1 053 822)	(2 129 971)	(1 891 445)
Net cash flows generated from investing activities	3 587 930	1 476 455	2 878 863	792 286
Net cash flows (used in)/ generated from	(37 850)	(27 527)	1 380 791	1 501 602
financing activities				
Net increase in cash and cash equivalents	2 017 722	395 106	2 129 683	402 443
Cash and cash equivalents at beginning of the year	2 237 296	1 842 190	2 261 199	1 858 756
Cash and cash equivalents at the end of the year	4 255 018	2 237 296	_ 4 390 882_	2 261 199
Cash and cash equivalents comprise of:				
Bank balances and cash	4 255 018	2 237 296	4 390 571	2 260 892
Funds held by brokers		-	311_	307
Total cash and cash equivalents	4 255 018	2 237 296	4 390 882	2 261 199

The consolidated and separate financial statements were approved and authorised for issue by the Board of Trustees on 29 July 2022 and were signed on its behalf by:

MR. SYMON MSEFULA PROF. MOSES F. A. MALIRO

### **Board Composition**

The composition of the Board of Trustees of	during the 2021/22 financial yea	r was as follows: -
Name	Position	Period
Mr. Symon Msefula	Chairperson	Full year
Prof. Moses F.A Maliro	Member	Full year
Ms. Linda Mzumara Phiri	Member	Full year
Mr. Stephen D.T. Matenje SC	Member	Full year

Eng Wilson Chirwa Full year Full year Hon, Sosten Gwengwe, MP Full year

In terms of Section 6 (I) (i) of the Deed of Variation annexed to the PTRA, the Chairperson of the Board of Trustees of Press Trust holds office for one year and is elected from amongst the Trustees. In line with this requirement, at the 25th Annual General Meeting held on 29 July 2022, Trustees unanimously elected **Professor Moses F.A. Maliro** as the new Chairperson replacing **Mr. Symon Msefula**.

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

During the year ended 31 March 2022, the Trust approved projects and disbursed funds as follows (in alphabetical order):

### Project funding and donations (Trust and group)

	Brought From		Approvals	Carried forward to
	2021	Disbursement	accrued	2022
Balabanthi Junior Primary School, Nkhotakota	79 000	1,711	6,354	83,643
Chikunkha Primary School, Nsanje	74 442	64,943	-	9,499
Chirimba Police Unit, Blantyre	22 713	18,389	-	4,324
Chinyaza Primary School, Zomba	40 000	575	114,102	153,527
Chisamba Health Centre, Salima	55 222	42,390	-	12,832
Chiyola CDSS, Rumphi	-	-	76,000	76,000
COVID-19 Response Fund, National	94 802	38,585	-	56,217
Department of Forestry, National	22 561	19,355	5,000	8,206
Disaster Relief Fund, National	10 887	60,519	60,000	10,368
Dowa Secondary School	1 052	42	-	1,010
Engucwini Primary School, Mzimba	82 000	1,835	6,160	86,325
Girls Education Trust, National	-	1,031	1,300	269
High Court of Malawi - Zomba Registry	-		100,000	100,000
Hospital Equipment/Ambulances Donations	29		-	29
Kamuzu Academy - National Science Fair	3 507	4,122	905	290
Kasangazi Mini ElectricityGrid Project, Mzimba	0 00.	-,	50.000	50.000
Light House - Mzuzu	57 920	1,883	41,598	97,635
Ligowe Health Centre. Neno	61 570	118	32	61.484
Lilongwe Girls Secondary School	51 180	110	- 52	51,180
Malembo Health Centre, Lilongwe	122 947	74,549	5.000	53,398
Manjawira Health Centre, Ntcheu	65 000	74,349	5,000	65,000
	13 402	•	•	
Mathandani CDSS, Kasungu		-	07.407	13,402
M'buka Primary School, Lilongwe City	81 000	9	87,497	168,488
Milamba Health Centre, Lilongwe Rural	54 500	9	96,504	150,995
Min of Education Desk Fund, National	27	45,006	82,500	37,521
Ministry of Foreign Affairs-SADC Summit		10,000	10,000	
Mother's Day Donations, National	2 646	8,484	10,000	4,162
Mpiri Secondary School, Machinga	10 631	1,693	-	8,938
Msauzawana Health Centre, Lilongwe Rural	100,000	19	(9,034)	90,947
Mulanje Vocational and Rehabilitation Centre	55 865	46,285	-	9,580
Nalikule College of Education, National	4 103	297	-	3,806
Njale Health Centre, Thyolo	63 389	281	3,676	66,784
Njini Health Centre, Dedza	16 082	4,437	-	11,645
Nsamba Primary School, Zomba	1 353	1,353	65	1,289
Ntaja Health Centre, Machinga	82 500	290	88,686	170,896
Nthalire Health Centre, Chitipa	100 000	2.940	99,105	196,165
Police Health Centre Northern Region, Mzuzu	72 720	15,021	-	57,699
Press Trust - Standard Bank Merit Scholarship Scheme	54 461	175.692	121,232	- ,
Projects Promotional Activities, National	31 154	49.212	24,194	6.136
Put a Child on a Desk Programme, National	15 239	845	50,000	64,394
Queen Elizabeth Central Hospital, Blantyre City	10 200	7.495	8.250	755
Stop Child Marriages (STOM)/DCA – Ntchisi		69,863	69,863	755
Tertiary Education Fund, HESLGB, National	-	50,299	50,300	1
University of Blantyre Synod	4 850	1,869	50,500	2,981
Sub-Total	1 608 754	820,157	1,259,224	2,047,821

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 four (4) companies, namely, Press Corporation Plc, Blantyre Hotels Plc, Continental Holdings Limited and Mwaiwathu Private Hospital Limited. Furthermore, Press Trust has also invested on the Malawi Stock Exchange.

The Board is pleased to announce the results of the Group for the year ended 31 March 2022. Total income of the Group grew by 129% from K2.133 billion in 2021 to **K4.875 billion** in 2022. Press Agriculture Limited registered a gross profit of **K672.58 million** (2021: loss K532.35 million) on its operations which was an improvement from the gross loss recorded last year. The Group achieved a surplus of **K781.292** million (2021: deficit of K1.564 billion) and the Trust realised a surplus of K1.358 billion (2021: K595 million) during the year ended 31 March 2022. The total Group comprehensive income for the year significantly surged from a deficit of K3.593 billion in 2021 to a Group comprehensive surplus of **K43.9** billion in 2022. This performance in comprehensive income for the Group was mainly due to fair value gains on listed investments as compared to prior year. As at the reporting date, the Group had net current liabilities of K1.478 billion (2021: K1.859 billion) and the Trust had net current assets of K2.125 billion (2021: K515 million). Nevertheless, the Group recorded an impressive growth of 46% in its net worth from K94.39 billion in 2021 to K138.19 billion as at 31st March 2022.

The Trust's subsidiary, Press Agriculture Limited (PAL), continues to demonstrate that a turnaround is possible, with its significant revenue growth during the year and the recorded gross profit. The Board of PAL is working on strict cost containment measures so that the company breaks even and returns to profitability. In view of this, Trustees continue to provide support to the company and vigorously courting strategic equity and technical partners. The Board of PAL and Trustees therefore remain optimistic that PAL will in the medium-term turnaround its fortunes and return to growth and profitability

Trustees have also embarked on a review of the Trust's enabling law, the Press Trust Reconstruction Act, 1995 (PTRA) in order to improve the operations of the Trust. Trustees are hopeful that with the support of Government, the Amendment Bill will be presented to the National Assembly before the end of the 2022/2023 fiscal year.

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

Physical address Private Bag 359, Capital City, LILONGWE 3.

Kang'ombe House Tel: 01 772 844/ 0887 772 844 City Centre, LILONGWE