



**Dairibord**  
**Holdings**  
More Than Just Milk

# ABRIDGED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024



## 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](http://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

Financial	31 December 2024 US\$	2024 vs. 2023 % Change
Revenue	126,753,012	18% <span style="color: green;">▲</span>
Earnings before interest, tax, depreciation, and amortisation	9,788,063	18% <span style="color: green;">▲</span>
Operating profit	6,223,977	-40% <span style="color: red;">▼</span>
Profit attributable to owners of the parent	3,777,174	268% <span style="color: green;">▲</span>
Basic Earnings per share (US cents)	1.06	268% <span style="color: green;">▲</span>
<b>Volume (Litres)</b>		
Raw milk intake	42,153,178	49% <span style="color: green;">▲</span>
Sales	118,502,642	10% <span style="color: green;">▲</span>

## DIVIDEND

Given the prevailing challenges in the operating environment, liquidity pressures and the need to preserve capital for the Group's strategic volume growth initiatives, the Board of Directors has resolved not to pay a dividend for the financial year ended December 31, 2024.

## AUDITOR'S STATEMENT

The audited financial results should be read in conjunction with the complete set of financial statements for the year ended 31 December 2024 which have been audited by Axcentium. An unmodified audit opinion was issued thereon. The valuation of investment property, owner-occupied properties and change in accounting policy: plant and equipment have been identified as key audit matters for the year and are included in the audit report.

The audit report has been made available for inspection at the Company's registered office and on the Company and ZSE websites. The engagement partner responsible for the audit is Charity Mtwazi PAAB number 0585.

**J.K.H. Sachikonye**  
Chairman  
25 March 2025

Directors: J.K.H. Sachikonye (Chairman), \*M.R. Ndoro (Group Chief Executive),  
\*L. Mutunga (Group Finance Director), C. Mahembe, R.P. Kupara, N.H.C. Chiromo, C.R.J. Hawgood,  
B.H. Henderson, G.K. Mashonganyika, L. Mundira (\*Executives)



## FINANCIAL HIGHLIGHTS

Financial	31 December 2024 US\$	*Restated 2024 vs. 2023 % Change
Revenue	126,753,012	18% ↑
Earnings before interest, tax, depreciation, and amortisation	9,788,063	18% ↑
Profit attributable to owners of the parent	3,777,174	268% ↑
Basic Earnings per share (US cents)	1.06	268% ↑
<b>Volume (Litres)</b>		
Raw milk intake	42,153,178	49% ↑
Sales	118,502,642	10% ↑

## CHAIRMAN'S STATEMENT

### OPERATING ENVIRONMENT

The year under review presented significant challenges including the introduction of new tax regulations, a restrictive monetary policy framework, exchange rate volatility, inflationary pressures, liquidity constraints, utility supply inconsistencies, route to market disruptions, and aggregate demand fluctuations.

The introduction of the Zimbabwe Gold (ZWG) currency in April initially stabilised both the exchange rates and inflation. However, by September 2024, rapid depreciation led to substantial devaluation causing pricing distortions within the formal trade, that stifled performance. In response to these market challenges, the Group optimised its route-to-market strategy, while complying with regulatory directives.

The introduction of the sugar content surtax fiscal policy adjustments including the VAT reclassification of milk products, and the increased Intermediated Money Transfer Tax (IMTT) on USD transactions, resulted in significant cost increases. This necessitated price increases particularly across the Beverages portfolio that negatively impacted competitiveness and consumer demand. Consequently, a price rollback to pre-surtax pricing was implemented, leading to margin erosion.

Operational inefficiencies stemming from inconsistent availability of utilities increased production costs and disrupted output, while supply chain challenges hindered material procurement.

### FUNCTIONAL AND PRESENTATION CURRENCY

Given shifts in the operating environment's currency dynamics, the Board of Directors determined that effective 1 March 2024, the Group's functional currency had transitioned from the Zimbabwe Dollar to the United States Dollar. In compliance with the IFRS Accounting Standards, comparative financial statements were restated for the change in presentation currency.

In adherence to Regulatory Note SECZ070325 issued by the Securities and Exchange Commission of Zimbabwe, the financial results for the year ended 31 December 2024 have also been presented, in a separate publication, in ZWG for Special Purpose Reporting.

While the functional and presentation currency conversion processes align with IFRS Accounting Standards, users should exercise caution in relying on these figures given exchange rate distortions, estimation uncertainties in inflation indices as well as comparability distortions given the change in presentation currency.

### PERFORMANCE

#### Raw Milk

Data released by the Dairy Services Unit, Ministry of Lands, Agriculture, Fisheries, Water, and Rural Development indicates national raw milk production reached 114.7 million litres in 2024, reflecting a 15% annual growth rate. Concurrently, the Group received 42.2 million litres, marking a 49% increase over the preceding year and a 37% market share.

#### Sales Volume and Revenue

The Group achieved a consolidated volume growth of 10% driven by strong performance in the Liquid Milks and Foods categories, though constrained by a marginal 1% growth in Beverages.

The Liquid Milks 20% significant year-over-year growth was due to an increased raw milk supply, with notable market share gains across Chimombe, Steri and Lacto.

Foods sales volumes rose 47%, led by Yummy yoghurt and ice cream, while improved product availability bolstered Rabroy Tomato Sauce sales.

Beverages realised only 1% growth, impacted by subdued Pfuko maheu performance due to pricing challenges from the sugar tax and VAT adjustments.

USD sales volume rose to 83% of total volume, up from 79% in the corresponding prior-year period

Annual revenue reached US\$126.75 million, an 18% increase over the prior year, driven primarily by a 10% volume growth.

Exports grew by 13% year-over-year, contributing 8% to total sales revenue, up from 6% in the prior period.

#### Profitability

The Group faced significant cost pressures from new legislative and regulatory pronouncements. The VAT reclassification of milk (US\$0.63 million) and the Special Surtax on Sugar Content in Beverages (\$2.26 million), impacted profitability. However, cost mitigation strategies for raw and packaging materials enabled a 30% increase in Gross Profit to US\$31.73 million.

Operating profits declined due to increased selling and distribution expenses, and higher fuel costs driven by power outages.

Finance costs consist of interest expenses incurred and exchange losses incurred on foreign currency denominated loans. The notable reduction in finance costs was largely caused by a decrease in the exchange losses on foreign currency denominated loans from US\$8.44 million in 2023 to US\$1.76 million. The interest expense also decreased from US\$1.85 million to US\$1.29 million as the Group accessed loans with lower interest rates and extinguished those which were more costly to service.

Composition of Finance Costs	2024 USD Million	2023 USD Million
Interest expense	1.29	1.85
Exchange losses on loans	1.76	8.44
<b>Total</b>	<b>3.05</b>	<b>10.29</b>

Despite macroeconomic challenges, the Group posted a Profit for the Year of US\$3.78 million, a significant increase from the prior year's US\$1.03 million.

#### Working Capital

The Group's operating cash flow improved from the prior year comparative period, due to improved profitability in cash terms. Notwithstanding, the Group had some incidences of working capital deficits during the year, mainly as a result of prolonged delays in payments by some critical debtors. The delays caused a substantially high Expected Credit Loss allowance as at 31 December 2024.

To improve liquidity, the Group is implementing measures to accelerate inventory turnover, shortening the cash operating cycle and tightening its credit risk management practices to reduce risk of customer default.

#### Sustainability

The Group remains committed to sustainable growth, recognizing our responsibility to the environment and our stakeholders. Key priorities include enhancing sustainable production practices through reduced energy and water usage and minimized waste generation, coupled with the deployment of robust waste management and recycling initiatives. Community development remains a priority, with a particular focus on empowering small-scale farmers who are integral to our supply chain. Furthermore, ensuring the well-being of our employees remains paramount, fostering a safe and supportive work environment that promotes growth and prosperity for all.

“ Exports grew by 13% year-over-year, contributing 8% to total sales revenue...”

### OUTLOOK

The Group continues to navigate a complex and volatile environment characterized by evolving regulatory policies and currency fluctuations. High input costs, an onerous tax burden, and pricing pressures remain key challenges.

To mitigate these impacts, the Group is optimizing operations, investing in capacity enhancement, and leveraging technology to strengthen product offerings. A strong emphasis is being placed on regional expansion through export growth and the toll manufacturing model in South Africa to diversify revenue streams and increase foreign currency earnings.

Cost reduction remains a strategic priority, with comprehensive measures underway to minimize expenditures. Furthermore, securing a stable, low-cost raw milk supply through robust auto-grower support programs is essential for maintaining competitive advantage.

### DIVIDEND

Given the prevailing challenges in the operating environment, liquidity pressures and the need to preserve capital for the Company's strategic volume growth initiatives, the Board of Directors has resolved not to pay a dividend for the financial year ended December 31, 2024.

### APPRECIATION

I wish to express my sincere appreciation to my fellow board members, management, staff, and all stakeholders for their steadfast support and commitment to our strategic objectives amidst a demanding economic landscape.

**J.K.H. Sachikonye**  
Chairman  
25 March 2025

## AUDITOR'S STATEMENT

The audited financial results should be read in conjunction with the complete set of financial statements for the year ended 31 December 2024 which have been audited by Axcantium. An unmodified audit opinion was issued thereon. The valuation of investment property, owner-occupied properties and change in accounting policy; plant and equipment have been identified as key audit matters for the year and are included in the audit report.

The audit report has been made available for inspection at the Company's registered office and on the Company and ZSE websites. The engagement partner responsible for the audit is Charity Mtswazi PAAB number 0585.

28 March 2025

## ABRIDGED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

Note	31 December 2024 US\$	*Restated 31 December 2023 US\$
Revenue from contracts with customers	126,637,447	107,700,246
Investment property rental income	115,565	132,576
<b>Revenue</b>	<b>126,753,012</b>	<b>107,832,822</b>
Cost of sales	(95,026,032)	(83,432,737)
<b>Gross Profit</b>	<b>31,726,980</b>	<b>24,400,085</b>
Selling and distribution expenses	(16,531,968)	(10,805,628)
Administration expenses	(9,525,728)	(6,982,578)
Other operating expense	(10,295,029)	(5,608,442)
Allowance for expected credit losses	(1,183,844)	(122,275)
Other operating income	5,847,581	570,507
Monetary gain	6,185,985	8,869,144
<b>Operating profit</b>	<b>6,223,977</b>	<b>10,320,813</b>
Finance costs	(3,053,752)	(10,294,229)
Finance income	47,070	17,521
<b>Profit before tax</b>	<b>3,217,295</b>	<b>44,105</b>
Income tax	559,879	982,987
<b>Profit for the year</b>	<b>3,777,174</b>	<b>1,027,092</b>
<b>Other comprehensive income</b>		
<b>Other comprehensive income that will not be reclassified to profit or loss</b>		
Foreign exchange impact on translation to presentation currency	(8,324,129)	(6,204,428)
Revaluation of Land and Buildings	3,710,203	5,002,380
Deferred tax	(955,377)	(473,470)
<b>Total other comprehensive loss for the year</b>	<b>(5,569,303)</b>	<b>(1,675,518)</b>
<b>Total comprehensive loss for the year</b>	<b>(1,792,129)</b>	<b>(648,426)</b>
<b>Profit for the year attributable to:</b>		
Owners of the parent	3,777,174	1,027,092
<b>Total comprehensive loss for the year attributable to:</b>		
Owners of the parent	(1,792,129)	(648,426)
<b>Earnings per share (US cents)</b>		
Basic	1.06	0.29
Diluted	1.06	0.29
Weighted average number of shares in issue	358,000,858	358,000,858
Weighted average number of shares adjusted for the effect of dilution	358,000,858	358,000,858

\*The figures in the consolidated statement of comprehensive income in the prior period were previously reported in ZWL. The numbers were restated by converting to the Group's new presentation currency, US\$. For details regarding the change in presentation currency, refer to Note 1(b).

## ABRIDGED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

Note	31 December 2024 US\$	*Restated 31 December 2023 US\$	*Restated 31 December 2022 US\$
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	22,608,084	24,922,937	27,484,336
Investment property	560,000	1,170,480	1,154,224
Financial assets at amortised cost	131,025	-	-
Right of use assets	-	-	332,096
Intangible assets	2,273	11,602	19,264
Deferred tax asset	-	5,667	-
<b>23,301,382</b>	<b>26,110,686</b>	<b>28,989,920</b>	
<b>Current assets</b>			
Assets classified as held for sale	3,704,050	-	-
Inventories	13,375,221	10,789,987	12,904,252
Trade and other receivables	6,698,526	6,865,810	7,890,712
Prepayments	2,834,182	4,290,302	1,034,051
Current Tax asset	566,528	268,947	-
Cash and cash equivalents	835,826	1,509,319	2,728,813
<b>28,014,333</b>	<b>23,724,365</b>	<b>24,557,828</b>	
<b>51,315,715</b>	<b>49,835,051</b>	<b>53,547,748</b>	
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	5,312	7,570	9,773
Share premium	204,709	291,743	376,654
Revaluation reserve	9,665,351	13,054,770	11,007,282
Foreign currency translation reserve	2,425	-	-
Retained earnings	15,079,860	13,393,278	16,128,368
<b>Total equity attributable to ordinary shareholders</b>	<b>24,957,657</b>	<b>26,747,361</b>	<b>27,522,077</b>
<b>Non-current liabilities</b>			
Interest - bearing borrowings	4,161,942	1,690,903	1,641,152
Lease liability	-	-	250,683
Deferred tax liability	2,681,356	2,582,815	4,264,622
<b>6,843,298</b>	<b>4,273,718</b>	<b>6,156,457</b>	
<b>Current liabilities</b>			
Trade and other payables	17,771,301	14,704,591	16,272,538
Contract liabilities	295,945	406,419	369,219
Interest - bearing borrowings	1,446,751	3,701,097	2,837,758
Lease liability	-	-	74,311
Dividend payable	763	1,865	4,894
Income tax payable	-	-	310,494
<b>19,514,760</b>	<b>18,813,972</b>	<b>19,869,214</b>	
<b>26,358,058</b>	<b>23,087,690</b>	<b>26,025,671</b>	
<b>Total liabilities</b>	<b>51,315,715</b>	<b>49,835,051</b>	<b>53,547,748</b>

\*The December 2023 and 2022 Statements of Financial Position were previously reported in ZWL. The numbers were restated by converting to the Group's new presentation currency, US\$. For details regarding the change in presentation currency, refer to Note 1(b).



**ABRIDGED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the year ended 31 December 2024

Group	Share Capital	Share Premium	Revaluation Reserve	Foreign Currency Translation Reserve	Retained earnings	Total
	US\$	US\$	US\$	US\$	US\$	US\$
<b>Balance on 1 January 2022</b>	<b>9,773</b>	<b>376,654</b>	<b>3,467,838</b>	-	<b>13,515,374</b>	<b>17,369,639</b>
Profit for the period	-	-	-	-	2,612,994	2,612,994
Other comprehensive income	-	-	7,539,444	-	-	7,539,444
<b>Balance at 31 December 2022</b>	<b>9,773</b>	<b>376,654</b>	<b>11,007,282</b>	-	<b>16,128,368</b>	<b>27,522,077</b>
Foreign exchange impact on translation to presentation currency	(2,203)	(84,911)	(2,481,422)	-	(3,635,892)	(6,204,428)
Dividend	-	-	-	-	(126,290)	(126,290)
Profit for the period	-	-	-	-	1,027,092	1,027,092
Revaluation surplus net of tax	-	-	4,528,910	-	-	4,528,910
<b>Balance on 31 December 2023</b>	<b>7,570</b>	<b>291,743</b>	<b>13,054,770</b>	-	<b>13,393,278</b>	<b>26,747,361</b>
Foreign exchange impact on translation to presentation currency	(2,258)	(87,034)	(6,059,531)	-	(2,175,314)	(8,324,137)
Reclassification pursuant to asset disposal	-	-	(84,714)	-	84,714	-
Effect of translation of foreign subsidiaries	-	-	-	2,425	-	2,425
Profit for the period	-	-	-	-	3,777,182	3,777,182
Revaluation surplus net of tax	-	-	2,754,826	-	-	2,754,826
<b>Balance on 31 December 2024</b>	<b>5,312</b>	<b>204,709</b>	<b>9,665,351</b>	<b>2,425</b>	<b>15,079,860</b>	<b>24,957,657</b>

\*The prior year statement of changes in equity was previously reported in ZWL. The numbers were restated by converting to the Group's new presentation currency, US\$. For details regarding the change in presentation currency, refer to Note 1(b).

**ABRIDGED CONSOLIDATED STATEMENT OF CASH FLOWS**

For the year ended 31 December 2024

	Note	31 December 2024 US\$	*Restated 31 December 2023 US\$
<b>Operating activities:</b>			
Profit before tax		3,217,295	44,105
<b>Adjusted to reconcile profit before tax to net cash flows:</b>			
Depreciation of property, plant and equipment	4	3,554,757	1,876,962
Depreciation of right of use asset	4	-	117,762
Amortisation of intangible assets	4	9,329	3,320
(Profit)/ Loss on disposal of property, plant and equipment		(12,168)	202,836
Profit on disposal of assets classified as held for sale		(105,968)	-
Profit on disposal of investment property		-	(60,624)
Profit on disposal of scrap		(135,290)	(31,322)
Finance income		(47,070)	(17,521)
Impairment loss on trade and other receivables		1,183,844	122,275
Fair value (gain) on investment property		-	(423,476)
Impairment of assets classified as held for sale		729,239	-
Impairment of financial assets		160,934	-
Unrealised Exchange loss		2,910,617	1,622,790
Finance costs		3,053,752	10,294,229
Non-cash adjustment IAS 29		(6,185,985)	(8,869,144)
		<b>8,333,286</b>	<b>4,882,192</b>
<b>Working capital changes</b>			
(Increase) in Inventories		(2,585,234)	(794,800)
Decrease/(Increase) in trade and other receivables		167,284	(753,936)
Decrease/(Increase) in prepayments		2,477,785	(3,153,790)
(Decrease)/Increase in contract liabilities		(110,474)	120,434
Increase in trade and other payables		3,066,710	2,100,442
		<b>11,349,357</b>	<b>2,400,542</b>
Income tax paid		(807,036)	(647,544)
<b>Net cash flow from operating activities</b>		<b>10,542,321</b>	<b>1,752,998</b>
<b>Investing activities</b>			
Purchase of plant and equipment		(1,988,526)	(1,296,350)
Proceeds from sale of property, plant and equipment		217,987	686,942
Proceeds from sale of investment property		409,764	207,380
Proceeds from sale of assets classified held for sale		242,000	-
Finance income		47,070	17,521
Prepayments for plant and equipment		(1,021,665)	(335,571)
<b>Net cash flows (used in) investing activities</b>		<b>(2,093,370)</b>	<b>(720,078)</b>
<b>Financing Activities</b>			
Lease liability principal repaid		-	(55,220)
Finance costs		(2,614,661)	(10,003,031)
Dividend paid		-	(126,290)
Repayments of borrowings		(11,155,299)	(4,843,302)
Proceeds from borrowings		11,371,993	6,647,623
<b>Net cash flow (used in) financing activities</b>		<b>(2,397,967)</b>	<b>(8,380,220)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>6,050,984</b>	<b>(7,347,300)</b>
Effects of exchange rate changes on cash and cash equivalents		(4,060,376)	6,742,975
Foreign exchange impact on translation to presentation currency		(2,664,101)	(615,169)
Cash and cash equivalents at 1 January		1,509,319	2,728,813
Cash and cash equivalents at 30 June		<b>835,826</b>	<b>1,509,319</b>
<b>Comprising of</b>			
Cash and cash balances		835,826	1,509,319

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2024

**1. (a) Basis of preparation**

These abridged consolidated results have been extracted from the general purpose annual financial statements which have been prepared in compliance with IFRS Accounting Standards. They have been prepared under the assumption the Group operates on a going concern basis. These financial statements are based on the statutory records that are maintained under the historical cost convention except for land and buildings, investment property, plant & machinery and motor vehicles that have been measured at fair value.

These consolidated financial statements are presented in United States Dollar (US\$). The Group changed its functional currency from ZWL to US\$ on 1 March 2024. Refer to Note 1(b) for the detail on the functional currency assessment that the Group performed.

These financial statements were authorised for issue by the Group's board of directors on 25 March 2025.

\*The figures reported in the prior period were previously reported in ZWL. The numbers were restated by converting to the Group's new presentation currency, US\$. For details regarding the change in presentation currency, refer to Note 1(b).

**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**

For the year ended 31 December 2024

**1. (b) Change in functional and presentation currency**

Following the enactment of Statutory Instrument ("SI") 185 of 2020 on 24 July 2020, the Zimbabwe operations witnessed a gradual increase in the use of foreign currency across its businesses. Subsequently, in June 2022, the government entrenched the multi-currency system into law until 31 December 2025 through Statutory Instrument 118A of 2022. Moreover, on 27 October 2023, Statutory Instrument 218 of 2023 (SI 218/23) extended the settlement of transactions in foreign currency until 31 December 2030, assuring businesses regarding the continuity of the multi-currency system. This has since been confirmed through Finance Act No. 13 of 2023. This announcement facilitated access to foreign currency and long term loans critical for working capital and business expansion.

As a result of these developments, the Group re-evaluated its functional currency in accordance with IAS 21 ("The Effects of Changes in Foreign Exchange Rates").

In assessing functional currency for the business, the following factors were considered:

- (i) the currency that mainly influences sales prices for goods and services (the currency in which sales prices for goods and services are denominated and settled),
- (ii) the currency which influences labor, material, and other costs of providing goods and services,
- (iii) the currency in which funds from financing activities are generated.
- (iv) the currency in which receipts from operating activities are usually retained.

Based on the above factors, the businesses concluded that there has been a change in the functional currency from ZWL to United States Dollars ("US\$") with effect from 1 March 2024. Consequent thereto, the Group also then changed its presentation currency to US\$. In line with the requirements of International Accounting Standard 8 : Accounting Policies, Changes in Accounting Estimates and Errors, the prior period financial statements have been restated for the change in presentation currency.

**Introduction of a new currency, the Zimbabwe Gold (ZWG)**

With effect from 5 April 2024, the Reserve Bank of Zimbabwe introduced a new currency called Zimbabwe Gold (ZWG). The implementation of the new currency was in such a way that all current Zimbabwe dollar balances were then converted into the new currency. The swap rate was guided by the closing interbank exchange rate and the price of gold as at 5 April 2024. The swap rate was used to make legitimate conversions of all ZWL deposits in the banking sector; all ZWL loans and advances made by the sector; all outstanding auction allotments; all export surrender obligations; all prices of goods and services in ZWL; and any other ZWL denominated obligations. As a result of these developments, the Group re-evaluated its functional currency in accordance with IAS 21 ("The Effects of Changes in Foreign Exchange Rates"), and concluded that its functional currency remained United States Dollar(US\$).

**b (i) Conversion Process to Reporting Currency in United States Dollars**

**(i) Determination of hyperinflation numbers for the period to 29 February 2024**

On 11 October 2019 the Public Accountants and Auditors Board (PAAB) issued a pronouncement on the application of IAS 29. 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 utilised the official interbank exchange rates as a basis for estimating the changes in the general purchasing power of 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 historical amounts were restated at the end of the reporting period to reflect the general change in purchasing power of the reporting currency (ZWL). Professional judgement was used, and appropriate adjustments were made to historical financial statements in preparing financial statements which are IAS 29 (Financial Reporting in Hyper Inflationary Economies) compliant. The conversion factor for January 2023 was computed from the consumer price index (CPI) data prepared by the Zimbabwe National Statistics Agency (ZIMSTAT) as reported on the Reserve Bank of Zimbabwe website. However, the conversion factors for February to December 2023 were estimated by the Directors in line with IAS 29 due to the absence of official government statistics on ZWL inflation during that period. The Directors have utilized the official interbank exchange rates a basis for estimating what the ZWL denominated CPIs were for this period. Caution should be exercised in considering these financial results due to the use of these estimated ZWL consumer price indices for the months of February 2023 to February 2024.

Below are the indices and inflation adjustment factors used up to February 2024:

Dates	CPI	Inflation Adjustment Factor
29 February 2024	258 737.99	1.00
31 December 2023	105 917.11	2.44
31 December 2022	13 672.9	18.92
31 December 2021	3 977.5	65.05
31 December 2020	2 474.5	104.56
31 December 2019	551.8	469.07
31 December 2018	88.8	2 913.48
31 October 2018	74.6	3 468.81

**b (ii) Conversion of hyperinflation numbers for the period to 29 February 2024 and prior year comparatives to United States Dollars**

The Group transitioned its reporting currency from ZWL to US\$, following the restatement of its historical financial statements in line with IAS 29, "Financial Reporting in Hyperinflationary Economies," as described above. According to IAS 21, "The Effects of Changes in Foreign Exchange Rates," entities operating in hyperinflationary economies must translate their previously reported inflation-adjusted financial statements using the exchange rate at the last reporting date when changing their functional currency.

**Exchange rates used on functional and presentation currency migration.**

In 2024, the Group generated most of its foreign currency from domestic nostro sales. The Group also generated some foreign currency from export sales. Consequently, for the period to 5 April 2024, the Group applied the Willing Buyer Willing Seller rate, as published by the RBZ.

The following exchange rates were used to convert the inflation adjusted transactions and balances to US\$ for the respective periods

Period Ending	Exchange Rate
31 December 2023	6 715.19
31 December 2022	671.45





**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**

For the year ended 31 December 2024

**2. Material accounting policies**

Accounting policies are consistent with those used in the previous year except for plant & machinery and motor vehicles which are now under the revaluation model from the previous cost model, with no significant impact arising from new and revised International Financial Reporting Standards applicable for the year ended 31 December 2024. The presentation currency of the financial results has also been changed to the US\$.

**3. Segment information**

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:

	Manufacturing and distribution (Zimbabwe) US\$	Properties US\$	Corporate US\$	Adjustments and eliminations US\$	Group US\$
<b>Period ended 31 December 2024</b>					
<b>Revenue</b>					
Revenue from contracts with external customers	126,637,447	-	-	-	126,637,447
Revenue from contracts with internal customers	2,682	-	-	(2,682)	-
Revenue from management services and royalties	-	-	1,997,106	(1,997,106)	-
Rental income -internal customers	-	1,197,230	-	(1,197,230)	-
Rental income -external customers	-	115,565	-	-	115,565
<b>Total revenue</b>	<b>126,640,129</b>	<b>1,312,795</b>	<b>1,997,106</b>	<b>(3,197,018)</b>	<b>126,753,012</b>
<b>Results</b>					
Depreciation and amortisation	(3,900,317)	(243,250)	(51,531)	631,012	(3,564,086)
Operating profit	(2,287,242)	(2,431,023)	638,908	10,303,334	6,223,977
Finance income	47,070	-	516,508	(516,508)	47,070
Finance costs	(4,221,345)	-	(516,357)	1,683,950	(3,053,752)
Segment profit/(loss) before tax	(6,461,518)	(2,431,023)	639,059	11,470,777	3,217,295
Income tax	2,348,160	(208,898)	(228,729)	(1,350,654)	559,879
Segment assets	49,047,702	14,510,195	14,523,086	(26,765,268)	51,315,715
Segment liabilities	(35,997,903)	756,131	(4,279,336)	13,163,050	(26,358,058)
Capital expenditure	1,828,601	-	159,925	-	1,988,526
<b>Period ended 31 December 2023 (*Restated)</b>					
<b>Revenue</b>					
Revenue from contracts with external customers	107,700,246	-	-	-	107,700,246
Revenue from contracts with internal customers	3,296	-	-	(3,296)	-
Revenue from management services and royalties	-	-	1,726,243	(1,726,243)	-
Rental income -internal customers	-	138,275	-	(138,275)	-
Rental income -external customers	-	132,576	-	-	132,576
<b>Total revenue</b>	<b>107,703,542</b>	<b>270,851</b>	<b>1,726,243</b>	<b>(1,867,814)</b>	<b>107,832,822</b>
<b>Results</b>					
Depreciation and amortisation	(1,577,078)	(286,811)	(42,391)	(91,764)	(1,998,044)
Finance income	17,521	-	819,354	(819,354)	17,521
Finance costs	(6,884,313)	-	(4,263,705)	853,789	(10,294,229)
Segment profit/(loss) before tax	2,900,247	4,947,828	424,856	(8,228,826)	44,105
Income tax	475,149	(25,757)	(93,228)	626,823	982,987
Segment assets	44,273,149	17,898,287	14,534,873	(26,871,258)	49,835,051
Segment liabilities	(35,821,241)	70,416	(4,405,491)	17,068,626	(23,087,690)
Capital expenditure	1,289,803	-	6,547	-	1,296,350

**4. Operating profit**

**4.1 Operating profit is stated after charging the following:**

	31 December 2024 US\$	*Restated 31 December 2023 US\$
Depreciation of property, plant and equipment	3,554,757	1,876,962
Depreciation of right of use asset	-	117,762
Amortisation of intangible assets	9,329	3,320

**5. Other Operating Income or Expenses**

**5.1 Other operating income**

	31 December 2024 US\$	*Restated 31 December 2023 US\$
Scrap Sales	135,290	31,322
Rental income	46,804	-
Profit on sale of property, plant and equipment	118,136	-
Profit on sale of investment property	-	60,624
Fair value gain on investment property	-	423,476
Gain on derecognition of lease liability	-	27,647
Foreign exchange gains-realised	3,062,019	-
Foreign exchange gains unrealised	946,270	-
Sundry income	1,539,062	27,438
<b>Total</b>	<b>5,847,581</b>	<b>570,507</b>

**5.2 Other operating expense**

	31 December 2024 US\$	*Restated 31 December 2023 US\$
Loss on sale of property, plant and equipment	-	(202,836)
Impairment of Investment Property & Non-current assets held for sale	(929,955)	-
Foreign exchange loss-realised	(5,508,188)	(3,782,816)
Foreign exchange loss-unrealised	(3,856,886)	(1,622,790)
<b>Total</b>	<b>(10,295,029)</b>	<b>(5,608,442)</b>

**6. Income tax**

The major components of income tax are shown below:

	31 December 2024 US\$	*Restated 31 December 2023 US\$
Current tax	(228,038)	(216,564)
Capital Gains	(36,043)	-
Deferred tax	823,960	1,199,551
<b>Total</b>	<b>559,879</b>	<b>982,987</b>

**7. Capital commitments**

	31 December 2024 US\$	*Restated 31 December 2023 US\$
Authorised and contracted for	128,481	1,450,909
Authorised but not contracted for	21,107,270	838,182
<b>Total</b>	<b>21,235,751</b>	<b>2,289,091</b>

**8. Interest bearing borrowings**

	31 December 2024 US\$	*Restated Short Term 31 December 2023 US\$	31 December 2024 US\$	*Restated Long term 31 December 2023 US\$
Bank loans - ZWL	-	88,788	-	48,633
Bank loans - ZWG	287,066	-	37,465	-
Vendor loan - ZAR	-	-	261,699	458,491
Bank loan - USD	1,159,685	3,612,309	3,862,778	1,183,779
<b>Total</b>	<b>1,446,751</b>	<b>3,701,097</b>	<b>4,161,942</b>	<b>1,690,903</b>

These borrowings were obtained to fund capital expenditure and working capital requirements. The loans have a tenure ranging between 12-36 months and bear interest at average rates of 45-47% for ZWG loans and 8-13% for US\$ loans. The loans are secured against properties worth US\$9.2 million.

**9. Earnings per share**

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

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

	31 December 2024 US\$	*Restated 31 December 2023 US\$
<b>Profit/ (Loss) attributable to ordinary equity holders of the parent for basic earnings</b>	<b>3,777,174</b>	<b>1,027,092</b>
	<b>2024</b>	<b>2023</b>
	<b>No.</b>	<b>No.</b>
Weighted average number of ordinary shares for basic earnings per share	358,000,858	358,000,858
Number of shares in issue	358,000,858	358,000,858
Weighted average number of ordinary shares for diluted earnings per share	358,000,858	358,000,858
<b>Earnings per share (US cents)</b>		
<b>Basic</b>	<b>1.06</b>	<b>0.29</b>
<b>Diluted</b>	<b>1.06</b>	<b>0.29</b>
<b>Headline earnings basis, ("HEPs")</b>		
<b>Profit attributable to ordinary equity holders of the parent for basic earnings</b>	<b>3,777,174</b>	<b>1,027,092</b>
Profit on disposal of investment property	(118,136)	(60,624)
Profit on disposal of scrap	(135,290)	(31,322)
Day one adjustments on investment property	929,955	-
Tax effect	(174,206)	22,729
<b>Profit attributable to ordinary equity holders of the parent for Headline earnings</b>	<b>4,279,497</b>	<b>957,875</b>
<b>HEPS (US cents)</b>	<b>1.20</b>	<b>0.27</b>

**10. Property, plant and equipment**

**10.1 Reconciliation of opening and closing carrying amounts**

	31 December 2024 US\$	*Restated 31 December 2023 US\$
<b>Net carrying amount at 1 January</b>	<b>24,922,937</b>	<b>27,484,336</b>
Cost	36,525,934	40,928,844
Accumulated depreciation and impairment	(11,602,997)	(13,444,508)
<b>Movement for the year:</b>		
Foreign exchange impact on translation to presentation currency	416,003	(6,195,920)
Additions	1,988,526	1,296,350
Net carrying amount of disposals	(4,590)	(889,777)
Transfers	(4,870,239)	102,530
Revaluation	3,710,203	5,002,380
Depreciation charge for the year	(3,554,756)	(1,876,962)
<b>Closing net carrying amount</b>	<b>22,608,084</b>	<b>24,922,937</b>
Cost	37,403,512	36,525,934
Accumulated depreciation and impairment	(14,795,428)	(11,602,997)

During the year, the Group changed its accounting policy for Plant & Machinery and Motor Vehicles from the historical cost model to the revaluation model. Revaluation gains/losses have been recognised in the Other Comprehensive Income section of the Statement of Comprehensive Income. The change in accounting policy to the revaluation model was accounted for prospectively in line with the requirements of International Accounting Standard 8: Accounting Policies, Changes in Accounting Estimates and Errors.

**10.2 Fair valuation of property, plant and equipment**

The fair value of property, plant and equipment was determined by professional independent valuers, Integrated Properties (Private) Limited and Dawn Property Consultancy (Private) Limited as at 31 December 2024. The valuer has appropriate and recognised professional qualifications and experience in the plant, machinery and motor vehicles valued.

Details of the Group's property plant and equipment and information about the fair value hierarchy as at 31 December 2024

Fair value hierarchy: 2024	Level 1 US\$	Level 2 US\$	Level 3 US\$	Fair Value at 31 December 2024 US\$
	Land and buildings	-	-	9,730,000
Plant and equipment	-	-	10,221,830	10,221,830
Motor vehicles	-	-	2,492,221	2,492,221
Fair value hierarchy: 2023 (*Restated)	Level 1 US\$	Level 2 US\$	Level 3 US\$	Fair Value at 31 December 2023 US\$
	Land and buildings	-	-	16,664,892
Plant and equipment	-	-	6,988,582	6,988,582
Motor vehicles	-	-	1,128,926	1,128,926

The 2023 valuations were previously expressed in ZWL, having also been valued using ZWL inputs. The 2024 valuations, however, were performed using US\$ inputs.

\*The figures reported in the prior period were previously reported in ZWL. The numbers were restated by converting to the Group's new presentation currency, US\$. For details regarding the change in presentation currency, refer to Note 1(b).



**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**

For the year ended 31 December 2024

	31 December 2024 US\$	*Restated 31 December 2023 US\$
<b>11 Investment property</b>		
<b>Reconciliation of carrying amounts</b>		
Balance at 1 January	1,170,480	1,154,224
Foreign exchange impact on translation to presentation currency	-	(260,202)
Disposals	(409,764)	(147,018)
Fair value adjustment recognised in profit or loss (in other operating income)	-	423,476
Impairment loss recognised in profit/loss	(200,716)	-
<b>Closing balance</b>	<b>560,000</b>	<b>1,170,480</b>

**11.1 Fair valuation of properties**

The fair value of investment property was determined by an external independent property valuer, Dawn Property Consultancy (Private) Limited (Dawn) as at 31 December 2024. The valuer has appropriate and recognised professional qualifications and experience in the location and category of the properties valued.

Details of the Group's investment properties and information about the fair value hierarchy as at 31 December 2024

Fair value hierarchy: 2024	Fair Value at 31 December 2024 US\$		
	Level 1 US\$	Level 2 US\$	Level 3 US\$
Investment property	-	-	560,000

Fair value hierarchy: 2023 (*Restated)	Fair Value at 31 December 2023 US\$		
	Level 1 US\$	Level 2 US\$	Level 3 US\$
Investment property	-	-	1,170,480

The 2023 valuations were previously expressed in ZWL, having also been valued using ZWL inputs. The 2024 valuations, however, were performed using US\$ inputs.

	31 December 2024 US\$	*Restated 31 December 2023 US\$
<b>12 Assets classified as held for sale</b>		
<b>Reconciliation of carrying amounts</b>		
Balance at 1 January	-	-
Transfers from Property, plant and equipment	4,870,239	-
Impairment loss recognised in profit/loss	(729,239)	-
Costs to sell adjustments	(194,950)	-
Disposed during the year	(242,000)	-
<b>Closing balance</b>	<b>3,704,050</b>	<b>-</b>

Effective 1 January 2024, the Group designated 25 assets as held for disposal after meeting the IFRS 5 criteria: The sale was highly probable and that the Group initiated an active programme to locate buyers by signing mandate for property disposals with three property agents in mid-January 2024. The exercise to establish the final listing of properties to be disposed was then completed after formally established by way of the property disposal mandates which clearly outlined the properties that the agents were going to put to market. Consequently, management resolved on the assets to be disposed and, pursuant to the recommendation of the board. The commitment to sell the properties was then established after signing of the mandates and the active marketing of the properties began. The assets are now being held at fair value less costs to sell.

	31 December 2024 US\$	*Restated 31 December 2023 US\$
<b>13 Inventories</b>		
Packaging and raw materials	9,535,153	7,112,715
Spares and general consumables	2,258,244	1,607,078
Finished goods	1,581,824	2,070,194
<b>Total Inventories at lower of cost and net realisable value</b>	<b>13,375,221</b>	<b>10,789,987</b>

During 2024, US\$78 908 911 (2023: US\$67 166 059) was recognised as inventories consumed. The provision for the obsolete stock as at year end was US\$69 437 (2023: US\$14 269). The nature of cost of sales transactions that was recognised as inventories consumed include finished goods, raw materials, packaging materials and production overheads.

\*The figures reported in the prior period were previously reported in ZWL. The numbers were restated by converting to the Group's new presentation currency, US\$. For details regarding the change in presentation currency, refer to Note 1(b).

	31 December 2024 US\$	*Restated 31 December 2023 US\$
<b>14 Trade and Other Receivables</b>		
Local trade receivables	6,692,387	5,990,518
Foreign trade receivables	195,241	120,631
Other receivables**	1,036,600	880,641
Allowance for credit losses (trade and other receivables)	(1,225,702)	(125,980)
<b>Total</b>	<b>6,698,526</b>	<b>6,865,810</b>

\*\*Other receivables balance mainly consists of unallocated Treasury Bills from RBZ towards outstanding auction funds and VAT refundable.

	31 December 2024 US\$	*Restated 31 December 2023 US\$
<b>15 Trade, Other Payables and Provisions</b>		
<b>Trade and other payables</b>		
Trade payables	15,596,941	13,334,653
Payroll accruals	344,844	508,223
VAT & VAT withholding tax payable	-	352,619
Leave accrual	147,020	135,438
Utilities accruals	112,260	148,847
Audit fee accrual	84,712	169,061
Interest accrued	-	23,250
Sugar tax payable	450,313	-
Other payables**	1,035,211	32,500
	<b>17,771,301</b>	<b>14,704,591</b>

Trade and other payables are non - interest bearing and are normally settled on 14 - 30 day terms.

\*\*Other payables comprise balances owed to suppliers for goods or services not yet invoiced.

	31 December 2024 US\$	*Restated 31 December 2023 US\$
<b>16 Financial Asset at Amortised Cost</b>		
Opening balance	-	-
Additions	268,643	-
Impairment loss recognised in profit or loss	(160,934)	-
Interest Income	23,316	-
<b>Closing balance</b>	<b>131,025</b>	<b>-</b>

Treasury bills disclosed above represents Treasury Instruments from the Reserve Bank of Zimbabwe in settlement of funds that were outstanding from the wholesale auction. These are carried at 4% coupon and have a tenure of 3 years. The Treasury bills are recorded at amortised cost which is the fair value of these instruments at the reporting date. The Group assessed the rate of default on these instruments and concluded that the rate of default is nil given that the instruments are issued by the Reserve Bank. Thus no credit losses are expected on these instruments. As at the date of this report, the Group is yet to receive the treasury instruments for outstanding Auction Funds worth US\$337 605. The Group measures these bills at amortised cost and are discounted using an effective interest rate of 47%. The interest rate was adopted from market-quoted prices of other ZWG-denominated Treasury Bills that have not yet matured.

**17. Going Concern**

The Directors have assessed the ability of the Company to continue operating as a going concern and believe that the preparation of these financial statements on a going concern basis is still appropriate.

**18. Events After The Reporting Date**

The Reserve Bank of Zimbabwe through the Monetary Policy Statement (MPS) issued on the 6th of February 2025 mandated all entities to adopt a common presentation currency, ZWG, for reporting purposes, with effect from the pronouncement date, including for the 2024 audited financial statements. The Group has published special purpose financial results presented in ZWG in a separate publication in compliance with this pronouncement.

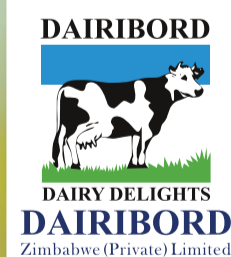


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**INDEPENDENT AUDITOR'S REPORT ON THE ABRIDGED FINANCIAL STATEMENTS  
TO THE SHAREHOLDERS OF DAIRIBORD HOLDINGS LIMITED**

**Opinion**

The abridged consolidated financial statements of Dairibord Holdings Limited ("the Group"), which comprise the abridged consolidated statement of financial position as at 31 December 2024, the abridged consolidated statement of profit or loss and other comprehensive income, the abridged consolidated statement of changes in equity, and abridged consolidated statement of cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Dairibord Holdings Limited for the year ended 31 December 2024.

In our opinion, the abridged consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements of Dairibord Holdings Limited, in accordance with the requirements of the Zimbabwe Stock Exchange Listing Requirements for abridged financial statements and the requirements of the Companies and Other Business Entities Act (Chapter 24:31).

**Abridged financial statements of Dairibord Holdings Limited**

The abridged consolidated financial statements of Dairibord Holdings Limited do not contain all the disclosures required by IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies and Other Business Entities Act (Chapter 24:31) as applicable to annual financial statements. Reading the abridged consolidated financial statements of Dairibord Holdings Limited and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements of Dairibord Holdings Limited and the auditor's report thereon.

**The Audited Financial Statements and Our Report Thereon**

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 26 March 2025. That report also includes the communication of two key audit matters relating to the change in accounting policy of plant and equipment and the valuation of investment and owner-occupied properties.

**Directors' responsibility for the abridged consolidated financial statements**

The directors are responsible for the preparation of the abridged consolidated financial statements, in accordance with the Zimbabwe Stock Exchange Listing Requirements and requirements of the Companies and Other Business Entities Act (Chapter 24:31) as applicable to abridged consolidated financial statements.

The listings requirements require abridged reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS Accounting Standards as issued by the International Accounting Standards Board.

**Auditor's responsibility**

Our responsibility is to express an opinion on whether the abridged consolidated financial statements of Dairibord Holdings Limited are consistent, in all material respects, with the audited consolidated financial statements 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 Summary Financial Statements.



**Axcentium**  
**Per: Charity Mtwazi**  
**Partner**  
**PAAB Practice Certificate Number: 0585**

**Harare**  
**Zimbabwe**

**28 March 2025**