



SHORT-FORM ANNOUNCEMENT

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

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

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

FINANCIAL HIGHLIGHTS

Financial	31 December 2024 ZWG	2024 vs. 2023 % Change
Revenue	3,433,539,459	18% ↑
Earnings before interest, tax, depreciation, and amortisation	265,143,204	18% ↑
Operating profit	168,597,735	-40% ↓
Profit attributable to owners of the parent	102,317,696	268% ↑
Basic Earnings per share (ZWG cents)	28.58	268% ↑
Volume (Litres)		
Raw milk intake	42,153,178	49% ↑
Sales	118,502,642	10% ↑

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 special purpose financial results should be read in conjunction with the complete set of consolidated financial statements for the year ended 31 December 2024 which have been audited by Axcentium. An unmodified audit opinion was issued thereon. The report on the special purpose financial report also includes the communication of key audit matters as reported in the auditors' report of the audited financial statements which are the valuation of investment and owner-occupied properties and the change in accounting policy for plant and equipment.

The audit reports on both the audited special purpose financial report as well as the complete set of the consolidated financial statements are 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



FINANCIAL HIGHLIGHTS

Financial	31 December 2024 ZWG	*Restated 2024 vs. 2023 % Change
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Profit attributable to owners of the parent	102,317,696	268% ↑
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CHAIRMAN'S STATEMENT

OPERATING ENVIRONMENT

The year under review presented significant economic 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, stifling performance. In response to these market dynamics, 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, negatively impacting competitiveness and consumer demand. Consequently, a price rollback to pre-surtax pricing was implemented, resulting in 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 special purpose financial results for the year ended 31 December 2024 are presented in ZWG.

While the functional and presentation currency conversion processes of the general purpose financial results 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 moderated 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 mahe performance due to pricing challenges from the sugar tax and VAT adjustments.

Annual revenue reached ZWG3.43 billion, an 18% increase over the prior year, primarily driven by a 10% volume uptick. USD sales volume rose to 83% of total volume, up from 79% in the corresponding prior-year period.

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 legal and regulatory pronouncements. The VAT reclassification of milk and the Special Surtax on Sugar Content in Beverages (ZWG61.31 million), impacted profitability. However, cost mitigation strategies for raw and packaging materials enabled a 30% increase in Gross Profit to ZWG859.43 million.

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

Foreign exchange losses on foreign currency denominated loans decreased from ZWG228.70 million to ZWG35.14 million leading to a reduction in the total finance costs. However, the Group's true interest expense increased from ZWG31.88 million to ZWG 35.14 million due to the higher level of borrowings to fund capital expenditure.

Despite macroeconomic challenges, the Group posted a Profit for the Year of ZWG102.32 million, a significant increase from the prior year's ZWG27.82 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 delay 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 out-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

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The audit reports on both the audited special purpose financial report as well as the complete set of the consolidated financial statements are 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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

Note	31 December 2024 ZWG	*Restated 31 December 2023 ZWG
Revenue from contracts with customers	3,430,408,985	2,917,430,036
Investment property rental income	3,130,474	3,591,275
Revenue	3,433,539,459	2,921,021,311
Cost of sales	(2,574,105,539)	(2,260,061,439)
Gross Profit	859,433,920	660,959,872
Selling and distribution expenses	(447,824,982)	(292,707,444)
Administration expenses	(258,036,968)	(189,147,040)
Other operating expense	(278,876,126)	(151,923,860)
Allowance for expected credit losses	(32,068,467)	(3,312,237)
Other operating income	158,401,764	15,454,136
Monetary gain	167,568,594	240,251,142
Operating profit	168,597,735	279,574,569
Finance costs	(82,721,342)	(278,854,450)
Finance income	1,275,054	474,616
Profit before tax	87,151,447	1,194,735
Income tax	15,166,249	26,627,570
Profit for the year	102,317,696	27,822,305
Other comprehensive income		
Other comprehensive income that will not be reclassified to profit or loss		
Foreign exchange impact on translation to presentation currency	(225,487,535)	(168,068,183)
Revaluation of Land and Buildings	100,503,554	135,506,595
Deferred tax	(25,879,665)	(12,825,557)
Total other comprehensive loss for the year	(150,863,646)	(45,387,145)
Total comprehensive income for the year	(48,545,950)	(17,564,840)
Profit for the year attributed to:		
Owners of the parent	102,317,696	27,822,305
Total comprehensive loss for the year attributable to:		
Owners of the parent	(48,545,950)	(17,564,840)
Earnings per share (ZWG cents)		
Basic	9 28.58	7.77
Diluted	9 28.58	7.77
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 ZWG for special purpose reporting. For details regarding the change in presentation currency, refer to Note 1(b).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

Note	31 December 2024 ZWG	*Restated 31 December 2023 ZWG	*Restated 31 December 2022 ZWG
Assets			
Non-current assets			
Property, plant and equipment	10 612,417,388	675,123,110	744,507,374
Investment property	11 15,169,518	31,706,460	31,266,110
Financial assets at amortised cost	16 3,549,248	-	-
Right of use assets	-	-	8,995,958
Intangible assets	61,572	314,280	521,831
Deferred tax asset	-	153,510	-
	631,197,726	707,297,360	785,291,273
Current assets			
Non-current assets held for sale	12 100,336,881	-	-
Inventories	13 362,313,662	292,283,754	349,555,862
Trade and other receivables	14 181,452,519	185,983,979	213,746,960
Prepayments	76,773,531	116,217,524	28,010,813
Current Tax asset	15,346,347	7,285,351	-
Cash and cash equivalents	22,641,208	40,885,075	73,919,246
	758,864,148	642,655,683	665,232,881
Total assets	1,390,061,874	1,349,953,043	1,450,524,154
Equity and liabilities			
Equity			
Share capital	143,894	205,059	264,735
Share premium	5,545,244	7,902,858	10,202,964
Revaluation reserve	261,819,136	353,633,158	298,169,933
Foreign currency translation reserve	65,676	-	-
Retained earnings	408,489,677	362,802,807	436,892,087
Total equity attributable to ordinary shareholders	676,063,627	724,543,882	745,529,719
Non-current liabilities			
Interest - bearing borrowings	8 112,740,442	45,803,899	44,456,223
Lease liability	-	-	6,790,608
Deferred tax liability	72,633,719	69,964,390	115,521,893
	185,374,161	115,768,289	166,768,724
Current liabilities			
Trade and other payables	15 481,396,533	398,324,212	440,797,423
Contract liabilities	8,016,679	11,009,251	10,001,561
Interest - bearing borrowings	8 39,190,206	100,256,889	76,870,395
Lease liability	-	-	2,012,968
Dividend payable	20,668	50,520	132,571
Income tax payable	-	-	8,410,793
	528,624,086	509,640,872	538,225,711
Total liabilities	713,998,247	625,409,161	704,994,435
Total equity and liabilities	1,390,061,874	1,349,953,043	1,450,524,154

*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 ZWG for special purpose reporting. For details regarding the change in presentation currency, refer to Note 1(b).



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

Group	Share Capital ZWG	Share Premium ZWG	Revaluation Reserve ZWG	Foreign Currency Translation Reserve ZWG	Retained earnings ZWG	Total ZWG
Balance on 1 January 2022	264,735	10,202,964	93,938,270	-	366,110,195	470,516,164
Profit for the period	-	-	-	-	70,781,892	70,781,892
Other comprehensive income	-	-	204,231,663	-	-	204,231,663
Balance at 31 December 2022	264,735	10,202,964	298,169,933	-	436,892,087	745,529,719
Foreign exchange impact on translation to presentation currency	(59,676)	(2,300,106)	(67,217,814)	-	(98,490,588)	(168,068,184)
Dividend	-	-	-	-	(3,420,997)	(3,420,997)
Profit for the period	-	-	-	-	27,822,305	27,822,305
Other comprehensive loss net of tax	-	-	122,681,039	-	-	122,681,039
Balance on 31 December 2023	205,059	7,902,858	353,633,158	-	362,802,807	724,543,882
Foreign exchange impact on translation to presentation currency	(61,165)	(2,357,614)	(164,143,142)	-	(58,925,595)	(225,487,516)
Reclassification pursuant to asset disposal	-	-	(2,294,769)	-	2,294,769	-
Effect of translation of foreign subsidiaries	-	-	-	65,676	-	65,676
Profit for the period	-	-	-	-	102,317,696	102,317,696
Other comprehensive loss net of tax	-	-	74,623,889	-	-	74,623,889
Balance on 31 December 2024	143,894	5,545,244	261,819,136	65,676	408,489,677	676,063,627

*The prior year statement of changes in equity was previously reported in ZWL. The numbers were restated by converting to ZWG for special purpose reporting. For details regarding the change in presentation currency, refer to Note 1(b).

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	Note	31 December 2024 ZWG	31 December 2023 ZWG
*Restated			
Operating activities:			
Profit before tax		87,151,447	1,194,735
Adjusted to reconcile profit before tax to net cash flows:			
Depreciation of property, plant and equipment	4	96,292,768	50,843,944
Depreciation of right of use asset	4	-	3,189,987
Amortisation of intangible assets	4	252,708	89,934
(Profit)/ Loss on disposal of property, plant and equipment		(329,603)	5,494,508
(Profit) on disposal of non-current assets held for sale		(2,870,506)	-
(Profit) on disposal of investment property		-	(1,642,209)
(Profit) on disposal of scrap		(3,664,793)	(848,464)
Finance income		(1,275,054)	(474,616)
Inventory written off		-	-
Impairment loss on trade and other receivables		32,068,469	3,312,237
Fair value (gain) on investment property		-	(11,471,298)
Impairment of non-current assets held for sale		19,753,936	-
Impairment of financial assets		4,359,449	-
Unrealised Exchange loss		78,844,030	43,958,825
Finance costs		82,721,342	278,854,450
Non-cash adjustment IAS 29		(167,568,591)	(240,251,142)
		225,735,602	132,250,891
Working capital changes			
(Increase) in Inventories		(70,029,917)	(21,529,880)
Decrease/(Increase) in trade and other receivables		4,531,460	(20,422,939)
Decrease/(Increase) in prepayments		67,119,293	(85,431,204)
(Decrease)/Increase in contract liabilities		(2,992,567)	3,262,367
Increase in trade and other payables		83,072,344	56,897,666
		307,436,215	65,026,901
Income tax paid		(21,861,334)	(17,540,947)
Net cash flow from operating activities		285,574,881	47,485,954
Investing activities			
Purchase of plant and equipment		(53,866,037)	(35,116,080)
Proceeds from sale of property, plant and equipment		23,560,185	18,608,177
Proceeds from sale of investment property		-	5,617,598
Finance income		1,275,054	474,616
Prepayments for plant and equipment		(27,675,296)	(9,090,090)
Net cash flows (used in) investing activities		(56,706,094)	(19,505,779)
Financing Activities			
Lease liability principal repaid		-	(1,495,823)
Finance costs		(70,827,048)	(270,966,355)
Dividend paid		-	(3,420,997)
Repayments of borrowings		(302,179,480)	(131,197,423)
Proceeds from borrowings		308,049,379	180,073,637
Net cash flow generated (used in) financing activities		(64,957,149)	(227,006,961)
Net increase/(decrease) in cash and cash equivalents		163,911,638	(199,026,786)
Effects of exchange rate changes on cash and cash equivalents		(109,989,205)	182,656,573
Foreign exchange impact on translation to presentation currency		(72,166,300)	(16,663,959)
Cash and cash equivalents at 1 January		40,885,075	73,919,246
Cash and cash equivalents at 30 June		22,641,208	40,885,074
Comprising of			
Cash and cash balances		22,641,208	40,885,074

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. (a) Basis of preparation

The financial results have been prepared as special purpose in line with Regulatory Note SEC2070325 issued by the Securities and Exchange Commission of Zimbabwe. 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.

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..

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. However, 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 then adopted ZWG as the presentation currency for special purpose reporting.

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\$).

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 Reserve Bank of Zimbabwe, as its spot rate plus a 5% premium as permitted by the laws and regulations. After introduction of the ZWG and a refined Willing Buyer Willing Seller foreign currency auction, the Group then adopted the Reserve Bank interbank rate from 8 April 2024 onwards.

In translating the financial statements to the ZWG special purpose presentation currency, the Group applied the guidance from the Public Accountants and Auditors Board and the provisions of Exposure Draft: Translation to a Hyperinflationary Presentation Currency that when an entity's presentation currency is the currency of a hyperinflationary economy but the functional currency is the currency of a non-hyperinflationary economy, the entity translates its financial statements (or the results and financial position of a foreign operation), including comparatives, at the closing rate at the date of the most recent statement of financial position. In line with this, Dairibord converted its financials from the US\$ to the ZWG presentation currency using the exchange rate prevailing as at 31 December 2024 being US\$1 : ZWG 27.09.

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 adjustment factors used up to February 2024:

Dates	CPI	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



*The figures reported in the prior period were previously reported in ZWL. The numbers were restated by converting to ZWG for special purpose reporting. 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

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 special purpose financial results has also been changed to the ZWG.

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) ZWG	Properties ZWG	Corporate ZWG	Adjustments and eliminations ZWG	Group ZWG
Period ended 31 December 2024					
Revenue					
Revenue from contracts with external customers	3,430,408,985	-	-	-	3,430,408,985
Revenue from contracts with internal customers	72,651	-	-	(72,651)	-
Revenue from management services and royalties	-	-	54,098,456	(54,098,456)	-
Rental income -internal customers	-	32,431,075	-	(32,431,075)	-
Rental income -external customers	-	3,130,474	-	-	3,130,474
Total revenue	3,430,481,636	35,561,549	54,098,456	(86,602,182)	3,433,539,459
Results					
Depreciation and amortisation	(105,653,454)	(6,589,259)	(1,395,901)	17,093,145	(96,545,469)
Operating profit	(61,957,796)	(65,852,573)	17,307,009	279,101,195	168,597,735
Finance income	1,275,054	-	13,991,386	(13,991,386)	1,275,054
Finance costs	(114,349,592)	-	(13,987,306)	45,615,556	(82,721,342)
Segment profit/(loss) before tax	(175,032,334)	(65,852,573)	17,311,089	310,725,265	87,151,447
Income tax	63,607,967	(5,658,721)	(6,195,919)	(36,587,078)	15,166,249
Segment assets	1,328,625,005	393,058,325	393,407,532	(725,028,988)	1,390,061,874
Segment liabilities	(975,126,497)	20,482,407	(115,920,465)	356,566,308	(713,998,247)
Capital expenditure	49,533,921	-	4,332,116	-	53,866,037
Period ended 31 December 2023 (*Restated)					
Revenue					
Revenue from contracts with external customers	2,917,430,036	-	-	-	2,917,430,036
Revenue from contracts with internal customers	89,283	-	-	(89,283)	-
Revenue from management services and royalties	-	-	46,761,204	(46,761,204)	-
Rental income -internal customers	-	3,745,652	-	(3,745,652)	-
Rental income -external customers	-	3,591,275	-	-	3,591,275
Total revenue	2,917,519,319	7,336,927	46,761,204	(50,596,139)	2,921,021,311
Results					
Depreciation and amortisation	(42,720,559)	(7,769,258)	(1,148,305)	(2,485,743)	(54,123,865)
Finance income	474,616	-	22,195,009	(22,195,009)	474,616
Finance costs	(186,485,196)	-	(115,497,053)	23,127,799	(278,854,450)
Segment profit/(loss) before tax	78,563,123	134,028,868	11,508,680	(222,905,936)	1,194,735
Income tax	12,871,038	(697,717)	(2,525,400)	16,979,649	26,627,570
Segment assets	1,199,289,876	484,836,405	393,726,817	(727,900,055)	1,349,953,043
Segment liabilities	(970,341,000)	1,907,459	(119,337,813)	462,362,193	(625,409,161)
Capital expenditure	34,938,732	-	177,348	-	35,116,080

4. Operating profit

4.1 Operating profit is stated after charging the following:

	31 December 2024 ZWG	*Restated 31 December 2023 ZWG
Depreciation of property, plant and equipment & Right of use assets	96,292,761	50,843,944
Depreciation of right of use asse	-	3,189,987
Amortisation of intangible assets	252,708	89,934

5. Other Operating Income or Expenses

5.1 Other operating income

	31 December 2024 ZWG	*Restated 31 December 2023 ZWG
Scrap Sales	3,664,784	848,464
Rental income	1,267,854	-
Profit on sale of PPE items	3,200,110	-
Profit on sale of investment property	-	1,642,209
Fair value gain on investment property	-	11,471,298
Gain on derecognition of lease liability	-	748,914
Foreign exchange gains-realised	82,945,276	-
Foreign exchange gains unrealised	25,632,964	-
Sundry income	41,690,776	743,251
Total	158,401,764	15,454,136

5.2 Other operating expense

	31 December 2024 ZWG	*Restated 31 December 2023 ZWG
Loss on sale of PPE items	-	(5,494,508)
Impairment of Investment Property & Non-current assets held for sale	(25,191,006)	-
Foreign exchange loss-realised	(144,848,664)	(102,470,528)
Impairment of financial assets	(4,359,462)	-
Foreign exchange loss unrealised	(104,476,994)	(43,958,824)
Total	(278,876,126)	(151,923,860)

6. Income tax

The major components of income tax are shown below:

	31 December 2024 ZWG	*Restated 31 December 2023 ZWG
Current tax	(6,177,177)	(5,866,378)
Capital Gains	(976,355)	-
Deferred tax	22,319,781	32,493,948
Total	15,166,249	26,627,570

7. Capital commitments

	31 December 2024 ZWG	*Restated 31 December 2023 ZWG
Authorised and contracted for	3,480,348	39,302,840
Authorised but not contracted for	571,762,700	22,705,030
Total	575,243,048	62,007,870

8. Interest bearing borrowings

	31 December 2024 ZWG	*Restated 31 December 2023 ZWG	31 December 2024 ZWG	*Restated 31 December 2023 ZWG
Bank loans - ZWL	-	2,405,127	-	1,317,391
Bank loans - ZWG	7,776,161	-	1,014,877	-
Vendor loan - ZAR	-	-	7,089,026	12,419,799
Bank loan - USD	31,414,045	97,851,762	104,636,539	32,066,709
Total	39,190,206	100,256,889	112,740,442	45,803,899

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 USS loans. The loans are secured against properties worth ZWG249.21 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.

	31 December 2024 ZWG	*Restated 31 December 2023 ZWG
Profit attributable to ordinary equity holders of the parent for basic earnings	102,317,696	27,822,305
	2024	2023
	No.	No.
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
Earnings per share (ZWS)		
Basic	28.58	7.77
Diluted	28.58	7.77
Headline earnings basis, ("HEPs")		
Profit attributable to ordinary equity holders of the parent for basic earnings	102,317,696	27,822,305
Profit on disposal of investment property	(3,200,110)	(1,642,209)
Profit on disposal of scrap	(3,664,784)	(848,464)
Day one adjustments on investment property	25,191,006	-
Tax effect	(4,718,974)	615,694
Profit attributable to ordinary equity holders of the parent for Headline earnings HEPs	115,924,834	25,947,326
	32.38	7.25

10. Property, plant and equipment

10.1 Reconciliation of opening and closing carrying amounts

	31 December 2024 ZWG	*Restated 31 December 2023 ZWG
Net carrying amount at 1 January	675,123,110	744,507,374
Cost	989,430,024	1,108,697,894
Accumulated depreciation and impairment	(314,306,914)	(364,190,520)
Movement for the year:		
Foreign exchange impact on translation to presentation currency	11,268,920	(167,837,713)
Additions	53,866,037	35,116,080
Net carrying amount of disposals	(124,336)	(24,102,685)
Transfers	(131,927,104)	2,777,376
Revaluation	100,503,502	135,506,595
Depreciation charge for the period/ year	(96,292,741)	(50,843,917)
Closing net carrying amount	612,417,388	675,123,110
Cost	1,013,202,257	989,430,024
Accumulated depreciation and impairment	(400,784,869)	(314,306,914)

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 ZWG	Level 2 ZWG	Level 3 ZWG	Fair Value at 31 December 2024 ZWG
	Land and buildings	-	-	263,570,375
Plant and equipment	-	-	276,893,275	276,893,275
Motor vehicles	-	-	67,510,342	67,510,342

Fair value hierarchy: 2023 (*Restated)	Level 1 ZWG	Level 2 ZWG	Level 3 ZWG	Fair Value at 31 December 2023 ZWG
	Land and buildings	-	-	451,425,677
Plant and equipment	-	-	189,309,679	189,309,679
Motor vehicles	-	-	30,580,827	30,580,827

*The figures reported in the prior period were previously reported in ZWL. The numbers were restated by converting to ZWG for special purpose reporting. 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 ZWG	*Restated 31 December 2023 ZWG
11 Investment property		
Reconciliation of carrying amounts		
Balance at 1 January	31,706,460	31,266,110
Foreign exchange impact on translation to presentation currency	-	(7,048,462)
Disposals	(11,099,868)	(3,982,486)
Fair value adjustment recognised in profit or loss (in other operating income)	-	11,471,298
Impairment loss recognised in profit/loss	(5,437,074)	-
Closing balance	15,169,518	31,706,460

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	Level 1	Level 2	Level 3	Fair Value at 30 June 2024 ZWG
	ZWG	ZWG	ZWG	
Investment Property	-	-	15,169,518	15,169,518

Fair value hierarchy: 2023	Level 1	Level 2	Level 3	Fair Value at 31 December 2023 ZWG
	ZWG	ZWG	ZWG	
Investment Property	-	-	31,706,460	31,706,460

	31 December 2024 ZWG	31 December 2023 ZWG
12 Non current Assets held for sale		
Reconciliation of carrying amounts		
Balance at 1 January	-	-
Transfers from Property, plant and equipment	131,927,098	-
Impairment loss recognised in profit/loss	(19,753,930)	-
Costs to sell adjustments	(5,280,888)	-
Disposed during the year	(6,555,399)	-
Closing balance	100,336,881	-

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, Property Agents had been determined and the active marketing of the properties. ii) . The assets are now being held at fair value less costs to sell.

	Group	
	31 December 2024 ZWG	*Restated 31 December 2023 ZWG
13 Inventories		
Packaging and raw materials	258,292,283	192,672,247
Spares and general consumables	61,172,279	43,533,212
Finished goods	42,849,100	56,078,295
Total Inventories at lower of cost and net realisable value	362,313,662	292,283,754

During 2024, ZWG1,214 billion (2023: ZWG1,82 billion) was recognised as inventories consumed. The provision for the obsolete stock as at year end was ZWG1,880,939 (2023: ZWG386,525). 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 ZWG for special purpose reporting. For details regarding the change in presentation currency, refer to Note 1(b).

	31 December 2024 ZWG	*Restated 31 December 2023 ZWG
14 Trade and Other Receivables		
Local trade receivables	181,286,225	162,273,698
Foreign trade receivables	5,288,773	3,267,704
Other receivables**	28,079,893	23,855,177
Allowance for credit losses (trade and other receivables)	(33,202,372)	(3,412,600)
Total	181,452,519	185,983,979

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

	31 December 2024 ZWG	31 December 2023 ZWG
15 Trade, Other Payables and Provisions		
Trade and other payables		
Trade payables	422,496,568	361,214,748
Payroll accruals	15,084,033	13,766,961
VAT & VAT withholding tax payable	4,095,499	9,551,893
Leave accrual	3,982,552	3,668,802
Utilities accruals	3,040,943	4,032,031
Audit fee accrual	2,294,715	4,579,596
Interest accrued	-	629,806
Sugar tax payable	12,198,266	-
Other payables**	18,203,957	880,375
	481,396,533	398,324,212

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

**Other payables comprise of sundry suppliers who provide goods and services that do not directly affect the operations of the business.

	Group	
	31 December 2024 US\$	*Restated 31 December 2023 US\$
16 Financial Asset at Amortised Cost		
Opening balance	-	-
Additions	7,277,111	-
Impairment loss recognised in profit or loss	(4,359,462)	-
Interest Income	631,599	-
Closing balance	3,549,248	-

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 \$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 these special purpose financial results presented in ZWG in compliance with this pronouncement.

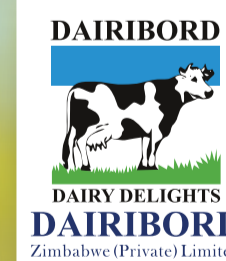


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INDEPENDENT AUDITOR'S REPORT ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF DAIRIBORD HOLDINGS LIMITED

Opinion

We have audited the special purpose financial statements of Dairibord Holdings Limited Group which comprise the translated consolidated statement of financial position as at 31 December 2024, and the translated consolidated statement of profit or loss and other comprehensive income, the translated consolidated statement of changes in equity, and the translated consolidated statement of cash flows for the year then ended, and related notes, hereafter referred to as "special purpose financial statements" which are derived from the audited general purpose consolidated financial statements of Dairibord Holdings Limited for the year ended 31 December 2024.

In our opinion, the accompanying special purpose financial statements of Dairibord Holdings Limited as at 31 December 2024 are prepared, in all material respects, in accordance with the financial reporting provisions established by the Monetary Policy Statement (MPS) of 6 February 2025.

The audited general purpose financial statements and our report thereon

We are the auditors of the Group and rendered our opinion on the underlying general purpose annual financial statements that were used to prepare the special purpose financial statements. Our opinion thereon was unmodified. We expressed an unmodified audit opinion on the audited general purpose financial statements in our report dated 31 December 2024. That report also includes the communication of key audit matters as reported in the auditor's report of the audited general purpose consolidated financial statements.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the special purpose financial statements, which describes the basis of accounting. The special purpose financial statements are prepared to assist the Group to meet the requirements of the Monetary Policy Statement (MPS) of 6 February 2025 and the requirements of the Public Accountants and Auditors Board of Zimbabwe.

The special purpose financial statements 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 general purpose financial statements. Reading the special purpose financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited general purpose financial statements of the Group and the auditor's report thereon.

Our opinion is not modified in respect of this matter.

Responsibilities of Directors and Those Charged with Governance for the special purpose financial statements

The directors are responsible for the preparation of the special purpose financial statements in accordance with the basis of accounting described in note 1 to these financial statements and the requirements of the Public Accountants and Auditors Board of Zimbabwe as applicable to special purpose financial statements, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements

Our responsibility is to express an opinion on whether the special purpose financial statements are prepared, in all material respects, in accordance with the financial reporting provisions established by the Monetary Policy Statement (MPS) of 6 February 2025, based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 800 (Revised), Special Considerations – Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks.



Axcentium
Per: Charity Mtwazi
Partner
PAAB Practice Certificate Number: 0585
Harare
Zimbabwe

Date: 28 March 2025