

NEW VISION PRINTING AND PUBLISHING COMPANY LTD

Summarised Unaudited Financial Statements for the Half Year Ended 31 December 2023

PERFORMANCE

The effects of Covid 19 Pandemic and the continued disruptions of the global supply chain has adversely affected the media industry.

Overall turnover declined by 17.76 % compared to the same period last year because of reduced publishing orders and advertising business across all revenue platforms.

Publishing sales, Advertising revenue, Circulation and Commercial printing sales declined by 76.4%, 13.6%, 9.4% and 6.8% respectively. Radio advertising, Television advertising and Print advertising declined by 16.1%, 14.5% and 11.0% respectively from the same period last year.

Cost of sales increased by 4.41% while Administrative and Operating expenses increased by 0.37%. Costs of raw material inputs, fuel and other operating costs remained high in the period due to supply chain disruptions and continued war in Ukraine.

OUTDOOR ADVERTISING

In the first half of the year the Company invested Shs 4.05 Bn in Outdoor advertising market space installing and operationalizing 60% of the planned digital screens in Kampala Central Business District. Several clients were onboarded, and revenue worth Shs 450 Mn recognized.

PUBLISHING

The Company recognised revenue of Shs 633MN for Ministry of Education and Sports Senior Four instruction materials during the period and payments of Shs 1.1 Bn were made leaving the ministry with a total outstanding debt of Shs 2.55 Bn reflected under receivables for the period ended 31 December 2023. Publishing contributed 3% to total revenue, accounted for 10% of the total costs and 35% of the loss for the period ended 31 December 2023.

FINANCING

The slowdown in business performance and the demand for capital injection into new investments put a strain on the company's cash flow.

Credit finance of Shs 12.75 Bn was received from KCB Bank in the interim period for printing Ministry of Education educational materials and financing Outdoor billboards. Loan repayments of Shs 6.64 Bn have been made and a cumulative balance of Shs 12.53 Bn remains outstanding as at the reporting date.

DIVIDENDS

The Directors have not recommended payment of an interim dividend in accordance with the company's practice of only paying the dividend at the end of the financial year.

FUTURE OUTLOOK

The Company diversification into new ventures in Publishing and Outdoor advertising is expected to stabilize the business while maintaining focus on traditional media.

Management is keen on increasing efficiencies and expects to conclude the Financial Year 2023/24 with an improved performance.

SUMMARISED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Dec 2023 Shs'000	Dec 2022 Shs'000
Revenue	37,295,179	45,351,757
Gross profit	1,785,242	11,340,649
Other operating income	1,252,230	965,818
(Loss)/profit before taxation	(9,864,778)	243,063
Taxation credit/(charge)	2,281,744	(185,709)
(Loss)/profit for the period	(7,583,034)	57,354
Other comprehensive income	-	-
Total comprehensive (loss)/profit for the period	(7,583,034)	57,354
Proposed dividends (Shs per share)	-	-
Basic and diluted (Shs per share)	(99.1)	0.7

SUMMARISED STATEMENT OF FINANCIAL POSITION

	As at	
	Dec 2023 Shs '000	Jun 2023 Shs '000
ASSETS		
Non-current assets	61,293,262	62,537,552
Current assets	47,606,380	53,314,569
Total assets	108,899,642	115,852,121
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	1,503,990	1,503,990
Share premium	27,158,864	27,158,864
Revaluation reserve	2,791,161	2,836,392
Retained earnings	20,739,751	28,258,169
Shareholders' funds	52,193,766	59,757,415
Non-current liabilities	128,290	3,073,732
Current liabilities	56,577,586	53,020,974
	56,705,876	56,094,706
Total equity and liabilities	108,899,642	115,852,121

The interim financial statements were approved by the Board on 19 March 2024 and were signed on its behalf by:


DON WANYAMA
 CEO/MD Vision Group


PATRICK AYOTA
 Board Chairperson

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SUMMARISED STATEMENT OF CHANGES IN EQUITY

	Share capital Shs'000	Share premium Shs'000	Proposed dividend Shs'000	Revaluation reserve Shs'000	Retained earnings Shs'000	Total Shs'000
Half year ended 31 December 2022						
At 1 July 2022	1,503,990	27,158,864	494,190	2,926,853	33,589,140	65,673,037
Profit for the period	-	-	-	-	57,354	57,354
Transfer of excess depreciation to retained earnings	-	-	-	(64,616)	64,616	-
Deferred tax effect on excess depreciation	-	-	-	19,385	-	19,385
Final dividend - Declared November 2022	-	-	(494,190)	-	-	(494,190)
At 31 December 2022	<u>1,503,990</u>	<u>27,158,864</u>	<u>-</u>	<u>2,881,621</u>	<u>33,711,110</u>	<u>65,255,584</u>
Half year ended 31 December 2023						
At 1 July 2023	1,503,990	27,158,864	-	2,836,392	28,258,169	59,757,415
(Loss) for the period	-	-	-	-	(7,583,034)	(7,583,034)
Transfer of excess depreciation to retained earnings	-	-	-	(64,616)	64,616	-
Deferred tax effect on excess depreciation	-	-	-	19,385	-	19,385
Dividends Proposed	-	-	-	-	-	-
At 31 December 2023	<u>1,503,990</u>	<u>27,158,864</u>	<u>-</u>	<u>2,791,161</u>	<u>20,739,751</u>	<u>52,193,766</u>

SUMMARISED STATEMENT OF CASH FLOWS

	Dec 2023 Shs '000	Dec 2022 Shs '000
Net cash (outflow)/inflow from operating activities	(7,937,283)	8,118,945
Net cash used in investing activities	(49,955)	(10,623,252)
Net cash from financing activities	<u>6,674,769</u>	<u>957,756</u>
(Decrease) in cash and cash equivalents	(1,312,470)	(1,546,551)
Cash and cash equivalents at beginning of period	<u>2,217,690</u>	<u>2,532,816</u>
Cash and cash equivalents at end of period	<u>905,220</u>	<u>986,265</u>