

VISION GROUP[®]

NATIONAL PRIDE • GLOBAL EXCELLENCE

Incorporated as New Vision PPCL

NEW VISION PRINTING AND PUBLISHING COMPANY LTD

The Board of Directors, New Vision Printing and Publishing Company Ltd would like to announce the Audited results for the year ended 30 June 2020 as follows;

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS

To the Shareholders of New Vision Printing and Publishing Company Limited

Opinion

The accompanying summary financial statements, which comprise the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, summary statement of changes in equity and summary statement of cash flows for the year then ended and related notes, are derived from the audited financial statements of New Vision Printing and Publishing Company Limited for the year ended 30 June 2020.

In my opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, on the basis described in note 1 of the summary financial statements.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards ("IFRSs"). Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The Audited Financial Statements and Our Report Thereon

I expressed an unmodified audit opinion on the audited financial statements in my report dated 7 October 2020. That report also includes the communication of Key Audit Matters. Key Audit Matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements for the year ended 30 June 2020.

Responsibilities of Directors for the Summary Financial Statements

The Directors are responsible for the preparation of the summary financial statements on the basis described in note 1 of the summary financial statements.

Auditor's Responsibilities for the Audit of the Summary Financial Statements

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



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Mr. John F.S. Muwanga
Auditor General
Date: 8 October 2020
Kampala, Uganda

ANNOUNCEMENT

The Annual General Meeting (AGM) will be held on **Thursday 26 November 2020 at 2:00pm by virtual technology**. NOTICE of the AGM will be published in the New Vision newspaper on 29 October 2020 and uploaded onto the company website: <http://Visiongroup.co.ug/shareholders/>. The Annual Report will be circulated by 3 November 2020.

BY ORDER OF THE BOARD


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Gervase Ndyababo
COMPANY SECRETARY
6 October 2020

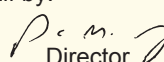
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	Ushs' 000	Ushs' 000
Revenue from contracts with customers	91,755,560	90,156,920
Cost of sales	<u>(67,490,719)</u>	<u>(68,328,035)</u>
Gross profit	24,264,841	21,828,885
Other income	1,478,864	1,521,543
Distribution costs	<u>(1,757,732)</u>	<u>(1,742,097)</u>
Impairment losses on financial assets	<u>(1,275,901)</u>	<u>(481,170)</u>
Administrative expenses	<u>(14,934,752)</u>	<u>(14,763,198)</u>
Other operating expenses	<u>(2,700,256)</u>	<u>(2,454,721)</u>
Operating profit	5,075,064	3,909,242
Finance costs	<u>(180,280)</u>	<u>-</u>
Profit before taxation	4,894,784	3,909,242
Income tax expense	<u>(2,233,416)</u>	<u>(1,780,469)</u>
Profit for the year	2,661,368	2,128,773
Other comprehensive income	-	-
Total comprehensive income for the year	2,661,368	2,128,773
Dividends		
Proposed dividends for the year	1,377,000	1,912,500
Earnings per share		
Basic and diluted (Ushs per share)	34.80	27.80

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	2020	2019
	Ushs' 000	Ushs' 000
ASSETS		
Non-current assets		
Property, plant and equipment and right-of-use assets	44,567,105	43,124,096
Prepaid operating lease rentals	-	3,163,257
Intangible assets	<u>478,785</u>	<u>86,317</u>
	45,045,890	46,373,670
Current assets		
Tax deposit recoverable	2,569,777	2,569,777
Inventories	6,578,702	7,670,613
Right of return asset	12,728	31,929
Trade and other receivables	35,344,032	23,727,935
Current income tax recoverable	367,726	287,925
Deposits with commercial banks	9,100,439	4,938,649
Cash and cash equivalents	<u>3,153,520</u>	<u>4,401,565</u>
	57,126,924	43,628,393
TOTAL ASSETS	102,172,814	90,002,063
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	1,503,990	1,503,990
Share premium	27,158,864	27,158,864
Revaluation reserve	9,947,120	11,122,624
Proposed dividends	1,377,000	1,912,500
Retained earnings	33,369,785	30,406,125
Total shareholders' funds	<u>73,356,759</u>	<u>72,104,103</u>
Non-current liabilities		
Deferred tax liability	6,978,320	7,539,853
Lease liability	<u>550,977</u>	<u>-</u>
	7,529,297	7,539,853
Current liabilities		
Contract liabilities	1,768,338	1,568,681
Refund liability	17,926	42,573
Trade and other payables	9,716,503	5,659,067
Lease liability	173,321	-
Grant liability	428,405	149,854
Provision for litigations	1,108,160	896,500
Dividends payable	3,074,105	2,041,432
Borrowed funds	<u>5,000,000</u>	<u>-</u>
	21,286,758	10,358,107
TOTAL EQUITY AND LIABILITIES	102,172,814	90,002,063

The financial statements were approved by the Board of Directors on 6 October 2020 and signed on its behalf by:


Director


Director

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020

	Share capital	Share premium	Proposed dividend	Revaluation reserve	Retained earnings	Total
	Ushs'000	Ushs'000	Ushs'000	Ushs'000	Ushs'000	Ushs'000
At 1 July 2018	1,503,990	27,158,864	1,912,500	12,297,149	26,459,674	69,332,177
Initial impact of IFRS 9, net of tax	-	-	-	-	2,059,626	2,059,626
Initial impact of IFRS 15, net of tax	-	-	-	-	(7,341)	(7,341)
Restated opening balance	1,503,990	27,158,864	1,912,500	12,297,149	28,511,959	71,384,462
Profit for the year	-	-	-	-	2,128,773	2,128,773
Transfer of realised revaluation surplus to retained earnings	-	-	-	(1,174,525)	1,174,525	-
Deferred tax effect of transfer	-	-	-	-	503,368	503,368
Dividends declared	-	-	(1,912,500)	-	-	(1,912,500)
Final for 2019 (Proposed)	-	-	1,912,500	-	(1,912,500)	-
At 30 June 2019	1,503,990	27,158,864	1,912,500	11,122,624	30,406,125	72,104,103
At 1 July 2019	1,503,990	27,158,864	1,912,500	11,122,624	30,406,125	72,104,103
Profit for the year	-	-	-	-	2,661,368	2,661,368
Transfer of realised revaluation surplus to retained earnings	-	-	-	(1,175,504)	1,175,504	-
Deferred tax effect of transfer (note 13(d))	-	-	-	-	503,788	503,788
Proposed dividends (note 14(a))	-	-	1,377,000	-	(1,377,000)	-
Dividends declared (note 27)	-	-	(1,912,500)	-	-	(1,912,500)
At 30 JUNE 2020	1,503,990	27,158,864	1,377,000	9,947,120	33,369,785	73,356,759

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	Ushs'000	Ushs'000
Net cash flows generated from/ (used in) operating activities	1,238,169	(4,171,231)
Cash flows generated from investing activities		
Purchase of property, plant and equipment	(2,925,781)	(2,204,835)
Additions to right of use assets	(14,953)	-
Purchase of intangible assets	(417,090)	(61,635)
Placements of deposits with commercial banks	(17,200,000)	(10,200,000)
Maturities of deposits with commercial banks	13,200,000	15,200,000
Interest received from commercial bank deposits	555,619	617,310
Proceeds from disposal of property, plant and equipment	25,525	46,303
Net cash (used in)/ generated from investing activities	(6,776,680)	3,397,143
Cash flows used in financing activities		
Repayment of principal portion of lease liabilities	(108,258)	-
Dividends paid	(879,827)	(870,659)
Proceeds from borrowed funds	5,000,000	-
Net cash generated from/ (used in) financing activities	4,011,915	(870,659)
Net decrease in cash and cash equivalents	(1,526,596)	(1,644,747)
Cash and cash equivalents at beginning of year	4,251,711	5,896,458
Cash and cash equivalents at end of year	2,725,115	4,251,711

SEGMENT INFORMATION

	PRINT MEDIA		ELECTRONIC MEDIA		COMMERCIAL PRINTING		OTHERS		TOTAL	
	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
	Ushs'000	Ushs'000	Ushs'000	Ushs'000	Ushs'000	Ushs'000	Ushs'000	Ushs'000	Ushs'000	Ushs'000
External sales	50,218,198	44,164,988	26,524,546	26,317,755	9,910,340	18,416,574	3,503,836	2,856,243	90,156,920	91,755,560
Total Sales	50,218,198	44,164,988	26,524,546	26,317,755	9,910,340	18,416,574	3,503,836	2,856,243	90,156,920	91,755,560
Segment profit before taxation	7,283,651	6,388,483	4,669,410	5,064,095	1,228,177	3,426,396	686,268	546,698	13,867,506	15,425,672

Reconciliation of operating profit

Reported segment profit before tax	13,867,505	15,425,672
Other income	1,521,543	1,478,864
Administrative staff costs	(9,414,548)	(8,895,781)
Other administrative costs	(1,584,082)	(1,838,070)
Impairment on financial assets	(481,170)	(1,275,901)
Profit before tax	3,909,248	4,894,784

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The Board of Directors, New Vision Printing and Publishing Company Ltd would like to announce the Audited results for the year ended 30 June 2020 as follows;

OVERVIEW

The Company registered a turnover of Shs 91.8 billion in 2020 compared to Shs 90.2 billion in 2019. Total revenue grew by 1.8%. Cost of sales decreased by 1.2%. The decrease was directly related to the drop in print media advertising and circulation revenue related costs of raw material inputs.

The Company recorded a gross profit of Shs 24.3 billion in 2020 compared to Shs 21.8 billion in 2019 while profit before taxation was Shs 4.9 billion in 2020 compared to Shs 3.9 billion in 2019.

Administrative and other operating expenses increased by 2.3% to Shs 17.6 billion in 2020 from Shs 17.2 billion in 2019. The increase in expenses resulted from higher computer services for home working due to Covid 19 Pandemic.

Profit after tax was Shs 2.7 billion in the year 2020 compared to Shs 2.1 billion in 2019.

DIVIDENDS

The Directors are pleased to propose a

final dividend of Shs 18 per ordinary share. The dividends, less withholding tax where applicable, will be paid on or before 23 January 2021 to members on the share register at close of business on 2 January 2021.

NOTE: A copy of the detailed audited financial statements can be obtained at the following address: Office of the Company Secretary, Plot 19/21, First street, Industrial Area, Kampala or at the Company's website: <http://visiongroup.co.ug/shareholders/>

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

1. Basis of Preparation

The summary financial statements are prepared in accordance with criteria developed by the Directors. Under the Director's established criteria, the Directors disclose the statement of financial position, statement of profit or loss and other comprehensive income, summary statement of changes in equity and summary statement of cash flows. These summary financial statements are derived from the

audited financial statements of New Vision Printing and Publishing Company Limited for the year ended 30 June 2020, which are prepared in accordance International Financial Reporting Standards and the requirements of the Companies Act, 2012.

2. Accounting Policies

Accounting policies used in the preparation of these summary financial statements are consistent with those set out in Note 2 of the 30 June 2020 Audited Financial Statements consistently applied from period to period. The Company has adopted all the new and revised accounting standards and interpretations that are mandatory for annual accounting periods beginning on or after 01 July 2019 and which are relevant to the Company's operations.

3. Earnings Per Share

Earnings per share (EPS) is calculated by dividing profit attributable to shareholders by the weighted average number of ordinary shares outstanding during the period.

4. Segment Information

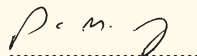
The Company derived 48% (2019 - 56%) of its revenue from print media, 29% (2019 - 29%) of its revenue from electronic media, 20% (2019 - 11%) of its revenue from commercial printing and 3% (2019 - 4%) from the others. The Company's revenue strategy is associated with these product lines, accordingly, the segment information is so presented.


ANNUAL CERTIFICATE OF RESPONSIBILITY FOR THE FINANCIAL YEAR 2018/2019

We the undersigned of New Vision Printing and Publishing Company Limited acknowledge the responsibility for the proper safe guarding of assets of the Company and hereby confirm that we have complied with all the requirements of the law.

We further affirm that any act or omission resulting out of this acknowledgment is our responsibility. A list of the Company's assets is available for viewing at the Company's Head Office, located at Plot 19/21, First Street, Industrial Area, Kampala.

Dated this 6 October 2020


Patrick Ayota
Board Chairman


Robert Kabushenga
Managing Director/CEO


Gervase Ndyabo
Company Secretary/DMD