



Mr. Stephen Gitagama
Group CEO





Group CEO's Statement

The East African market was poised for growth in 2022, mainly driven by development in the private sector, the resumption of services and industry, the slowdown in the Covid-19 infection rates, regional integration and an initial recovery in agricultural production. The digital transformation also worked to spur the region's economic transformation by driving job creation and innovation in different industries.

However the regional economies experienced a slow down in 2022 due to the macro economic factors indicated in the chairman's statement. The year in review also saw NMG launch new consumer experience campaigns and events, test novel initiatives, offer unrivalled content across platforms, collaborate across departments and enter strategic partnerships that drove our business agenda. As a result, we saw growth in revenue in the regional offices, backed by the re-opening of the Ugandan economy and increased creative supplements and events in Tanzania. The Kenyan market also ramped up its revenue-generating initiatives, including increased event ticketing sales via *Kenyabuzz*.

Financial Performance

The Group's profit before tax at Shs 0.5 billion was lower than the previous year. 2022 was challenging for our business as the region faced extended drought, rising energy costs, weakened consumer spending, and an uncertain political environment. These macroeconomic factors resulted in a relatively depressed business environment, with the slowdown being more pronounced in Kenya. The overall performance was partially cushioned by growth in revenue from our niche products- *Business Daily*, *The EastAfrican* and *Taifa Leo* and increased revenue from digital products and services and experiential events.

The Group's profitability was also adversely impacted by the drastic rise in global newsprint prices and the depreciation of the Kenya Shilling against the US Dollar, aggravating the cost of imported raw materials. The Group has sustained cost containment



The overall performance was partially cushioned by growth in revenue from our niche products- *Business Daily*, *The EastAfrican* and *Taifa Leo* and increased revenue from digital products and services and experiential events.

and improved operational efficiency from business optimisation initiatives.

Regional Marketing Activities Kenya

The Business Daily underwent a redesign focused on digital first with a refined business content strategy. This saw the brand get a facelift across its print, digital and social media presence. 2022 also saw *NTV Kenya* successfully launch a revamped website that allowed it to carry more real-time multimedia content and keep the content consumer engaged with the latest and most relevant news and information. With a Kantar research

paper indicating that TV audiences also turn to the internet for news and information, the multimedia site will continue to enable our audiences to access content on the go.

Top 40 under 40, an initiative of the *Business Daily* that seeks to celebrate transformative leaders and high achievers in the country, last year introduced the *Top40 Club*, a quarterly networking and knowledge platform that brings the Top 40 alumni together for insightful and engaging sessions. The launch, hosted under the theme, *Leadership, Purpose and Sustainability*, featured a fireside chat with Paul Polman, a business leader and campaigner who co-authored "*Net Positive: how courageous companies thrive by giving more than they take*" a book that was named the Financial Times Best Business Book of the Year (2021).

The *Top 100 SME Awards* were relaunched following a two-year hiatus due to the Covid-19 pandemic, with the 2022 awards recognizing that businesses must be socially conscious of their environment and communities to truly thrive and create value for themselves and their stakeholders. As such, we introduced new award categories that focused on sustainability, Corporate Social Responsibility (CSR), diversity and inclusion. NMG is invested in ensuring that



L-R_ Jeremy Awori, Phyllis Wakiaga and Stephen Gitagama at the Top 40 Club Launch at the Capital Club





Group CEO's Statement (continued)



Finalists follow proceedings at the Top 100 SMEs Gala Dinner in Uganda



In 2022, we ideated and executed multiple new events to reach our varied audiences at their point of need.

beyond the awards, Small and Medium Sized Enterprises (SMEs) have access to information, opportunities to learn from other entrepreneurs' journeys and network through our publications and other events such as the *SME Conference and Expo* among others.

In 2022, we ideated and executed multiple new events to reach our varied audiences at their point of need. We introduced *Mancave*, a networking event for men only. The inaugural event attracted hundreds of men and built a case for the event to become a series in 2023. We also hosted an *International Women's Day Gala Dinner*, which created a space to celebrate women and drive for gender equity. In the last quarter of the year, we introduced a *Mental Wellness and Counselling Breakfast* that brought HR practitioners and employers together to discuss mental health and how it affects individuals at the workplace and initiatives to create a healthy workplace.

In the same quarter, we held a *Job Fair and Conference* hosted in partnership with Huawei that brought potential employers

and job seekers to discuss the gaps in employment in Kenya, opportunities for new graduates, and networking engagements, among others. The event attracted thousands of job seekers, tens of employers, and was graced by the Deputy President of the Republic of Kenya, H.E. Rigathi Gachagua, and other government officials.

Monitor Publications Limited (MPL) @ 30

MPL in Uganda celebrated 30 years of existence in 2022. In this time, it has continued to witness Uganda's evolution and drive NMG's base reason for its existence - to be a voice for the voiceless - an agenda it has fought for over the years.

The *Daily Monitor* paper, which it produces, has been a pace setter in the Uganda market over the years - it was the first to print in full colour in the country, has been a training ground for journalists, has driven the freedom of press agenda and boasts the biggest news website across the country.

The Uganda paper celebrated the anniversary over the year, under the theme "*Celebrating the Past and Shaping the Future*" with a breakfast and public lecture at the Serena Hotel inviting its key stakeholders from across the country. It also continued to run various initiatives from its iconic

farm clinics, the *Rising Woman Initiative*, *Top 100 Medium Sized Companies* and launched two new newspaper editions - Tesa and Luka Kalangala editions.

Mwananchi Communications Limited (MCL)

MCL organized a second edition of *The Citizen Rising Woman Initiative* under the theme "*Equality today for a sustainable tomorrow*". The initiative aims to develop women leaders capable of playing leading roles in public and private institutions and contributing to business growth in the changing competitive world. Prior to this, MCL executed *The Citizen Women in Energy* breakfast as a pre-cursor to *The Citizen Rising Woman*. The event sought to recognize and celebrate individuals going above their call of duty to facilitate and acknowledge the role of women in the energy sector.

The year also saw MCL partner with *Vodacom Tanzania* to launch *eGazeti* on the My Vodacom App to give readers easy access to the *Mwananchi*, *Mwanaspoti* and *The Citizen* newspapers online. The "*Habari Ziendelee*" campaign launch aimed to create awareness about the partnership and drive readership.

Throughout the year, the organization ran farm clinic symposiums, *Mwananchi Thought Leadership Forum and Newspapers in Education (NiE)* initiatives, driving new





Group CEO's Statement (continued)



Panelists discuss climate change adaptation and mitigation at the Climate Symposium in Kampala, Uganda


partnerships with the public and private sectors to scale the activities and drive impact in the country.

Environment, Social and Governance (ESG) Journey

In the current environment, sustainable business, social impact, purpose, community engagement and shared value have become bona fide terminology in the global business community. The Covid-19 pandemic further heightened the need for organizations' leadership to balance organization, environmental, social and human needs with issues such as climate change, gender equality, mental health and others coming to the fore.

In an age where consumers are embracing purposeful brands and businesses that create value for their stakeholders and society, it has become imperative to integrate sustainability into our operations. This means balancing the Group's needs in the present day with the needs of future generations.

In a report discussing the importance of Environment, Social and Governance (ESG) reporting, KPMG indicated that ESG is core to the company's strategy; and



The ESG journey will enable us to do exactly this – examine our impact on society across environmental, social and governance aspects and make long-term decisions and strategies that drive the best interests of our various stakeholders

that companies can only be successful in the long term if they are taking care of the people in their supply chain, customers, employees, and the environment. It is not altruism—it is business, and it is a win-win.

As NMG takes its journey towards becoming a more agile, customer-centric and data-driven organization, sustainability will increasingly become a key enabler to drive business continuity

by driving lasting benefits for the community. The objective is to continue entrenching the Group as a strategic and sustainable partner of choice.

The ESG journey will enable us to do exactly this – examine our impact on society across environmental, social and governance aspects and make long-term decisions and strategies that drive the best interests of our various stakeholders and the Group. Following our initial assessments, we have identified various material issues that we shall be continually monitoring and reporting on. These range from responsible journalism, corporate governance, environmental impact, employee welfare and social impact, which will be covered later in this report.

We are cognizant that we may be in the early stages of this journey in creating a framework, identifying our key material aspects and putting in strategies and measures for our core impact areas, but we are committed to running the marathon and driving impact.

Global Recognition

The *Kusi Ideas Festival* was awarded for the second year running at the 2022 International News Media Association Global Awards, clinching first place in the "Best Use of an Event to Build a News Brand" category while *Nation Africa* got an honourable mention in the Best Initiative to Acquire Subscribers category. In Tanzania, MCL came in first at the Employer of the Year Awards in the Gender Equality and Equity category, and won the Excellence in Event Marketing segment at the Tanzania Marketing Science Awards. NMG employees from across the region were also feted by various institutions – 18 employees were recognized in Tanzania, 14 in Uganda and 31 in Kenya.

Organisation Transformation

Over the years, the global media industry has experienced headwinds, forcing organisations to re-evaluate their strategies and capacities to ensure that they are





Group CEO's Statement (continued)



Participants line up for job application and career guidance at the Nation Huawei Job Fair at KICC



As we drive towards adjusting our way of working for the future, we continue to find opportunities to optimize our current business, from print to broadcast.

building fit-for-purpose and sustainable organisations that speak the consumers' language. The Group is therefore transforming into an agile, customer-centric and data-driven organisation to deliver customer, employee and shareholder value.

NMG has therefore begun to shift focus to key enablers to make this value creation a reality. We will invest in extensive research to know and understand our audiences and develop products that resonate with them through an experiment-driven, go-to-market product development approach that will enable us to test our content, product or services before fully launching in the market.

This approach will allow us to invest in the right technology and redesign our products, personalise them to our existing and new audiences and build apps that will act as an extension of our existing offerings to drive engagement, offline reading and on-board new audiences.

To enable us to achieve this, we are actively building a workforce of the future by enhancing capacity across the organization in different markets. We are identifying the existing gap between the skills needed for the organization of the future against our current human talent skill set and deliberately investing in them to ensure they are best in class in their respective roles, from engineering to product development and digital, among others. Initial research and assessments have indicated that a small percentage of our content drives the highest engagement from our audiences. As such, we are intentionally upskilling our journalists to create premium and multimedia content.

As we adjust our way of working for the future, we continue to find opportunities to optimize our current business, from print to broadcast. The Media Council of Kenya (MCK) State of the Media Report of 2022 indicated that TV and radio consistently stand out as the leading platforms used by Kenyans for news content. As such, we believe there is great potential in our broadcast business across the region and will continue investing in it to exploit its growth opportunities.

Appreciation

I sincerely thank our customers – those who read, watch or listen in on the

content we produce and those who trust our brands to carry their messages, campaigns and achievements. Because of you, we continue to innovate to serve you better.

To the Group staff in Kenya, Tanzania, Uganda and Rwanda, I say asante sana, for the resilience, commitment, passion and tenacity you have shown – it has been instrumental in driving the business forward in an industry that has faced challenges in the past year.

To our Board of Directors, our partners and our shareholders, you continue to believe in us and offer unrivalled support in what we do, and for that, we thank you.

As we look forward to a new year, I believe we are entering into a new business era – one where we drive value to our stakeholders above all else. I look forward to your continued support in this venture.

Stephen Gitagama
Group Chief Executive Officer



TWEZIMBE

ne Kaima Shafiq. Ruth Kalibbala ne Kasuku



12:00 - 3:00 ez'okumakya
Mmande - Lwakutano

LISTEN LIVE www.dembefm.ug

Spark TV
It's your time



 90.4 Dembe fm

 90.4 Dembe fm

 @sparktvuganda

 SPARK TV Uganda

 Spark TV

 sparktvuganda