

## COMPANY NEWS

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Nicol's stock price at the local bourse currently stands at Sh165 per share

# Dividends push Nicol profit up by 93pc

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**Dar es Salaam.** Dividends generated during the first half of 2020 have pushed the National Investment Company Limited (Nicol) net profit up by 93 percent, the collective investment scheme has announced.

The investment firm's recent financial report indicates that the profit after tax surged to Sh2.9 billion in June 2020, against Sh1.5 billion recorded in the first half of 2019.

Speaking to *The Citizen*, Nicol's chief financial officer Erasto Ngamilaga said the increase was largely attributed to the income generated from dividend pay-outs, specifically from NMB Bank Plc, where the firm holds a 6.6 percent stake.

"The firm earned nearly Sh3 billion as dividend from NMB Bank Plc in the first half of 2020," said Mr Ngamilaga.

Nicol holds stakes in other listed companies including TBL Plc, Vodacom, DSE Plc, Twiga Cement, CRDB Bank Plc and Simba Cement,

according to Mr Ngamilaga.

"In total, our earnings from investments surged to Sh3.19 billion by June 2020, compared to Sh2.23 billion earned by June 2019".

Mr Ngamilaga told *The Citizen*

**Amount in shillings that Nicol has earned as dividends from the NMB Bank in the first half of 2020**

**3bn**

that the firm's current investment objective is to generate long-term total returns from government securities such as Treasury Bills and Bonds.

"We have bought bonds that are worth nearly Sh1 billion and we have a diversification plan to extend our investment portfolio on the long term securities to be up to Sh15 billion," he said.

As of August 13, 2020, a total sum of Sh1.5 billion was paid to all Nicol shareholders as dividend, the company reported.

The firm's directors have recommended the payment of interim dividend of Sh10 per share out of the profit for the year 2020.

This is higher than the Sh6 per share that was paid in 2019.

"Dividend issuance is going to be one of the agendas during this year's shareholders' annual general meeting (AGM) scheduled to be held early next month," said Mr Ngamilaga.

Nicol's stock price at the local bourse currently stands at Sh165 per share with an equity capital of Sh11.41 billion.