



SWISSPORT TANZANIA PLC UN-AUDITED FINANCIAL RESULTS FOR SIX MONTHS ENDED 30 JUNE 2021

Commentary

The Board of Directors of Swissport Tanzania Plc. hereby publishes unaudited financial results for the period of six months ended 30 June 2021. Total revenue during the period increased by 10% from TShs 12,914 million to TShs 14,242 million and total operating costs increased by 2% from TShs 13,667 million to TShs 13,879 million. Consequently, the Company reports a net profit of TShs 174 million compared to a net loss of TShs 1,128 million reported in the same period last year. Management has also continued implementing cost mitigation measures to sustain the profitability of the business.

Interim Dividend to Shareholders

In view of the modest profit reported for the period ended 30 June 2021, the Board of Directors has not declared an interim dividend.

| STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME For Six Months Ended 30 June | | | |
|--|----------------|----------------|---------------|
| | 2021 TShs M | 2020 TShs M | Change % |
| Revenue | 13,977 | 12,718 | 10% |
| Other operating income | 265 | 196 | 35% |
| Total revenue | 14,242 | 12,914 | 10% |
| Total operating expenses | 13,879 | 13,667 | 2% |
| Operating (loss)/profit | 363 | (753) | (148%) |
| Finance costs | 189 | 134 | 100% |
| Profit/ (loss) before income tax | 174 | (887) | (120%) |
| Income expense | - | 241 | (100%) |
| Profit/(loss) for the period | 174 | (1,128) | (115%) |
| Earnings/(loss) per share | 4.83 | (31) | (115%) |

| STATEMENT OF FINANCIAL POSITION As At 30 June | | | |
|---|----------------|----------------|-------------|
| | 2021 TShs M | 2020 TShs M | Change % |
| ASSETS | | | |
| Non-current assets | | | |
| Intangible asset | 13,402 | 15,729 | (15%) |
| Property and equipment | 15,203 | 16,534 | -8% |
| Right of use of assets | 1,625 | 799 | 103% |
| Deferred tax assets | 1,421 | 810 | 75% |
| Staff receivables | 171 | 69 | 148% |
| | 31,822 | 33,941 | (6%) |
| Current assets | | | |
| Inventories | 497 | 424 | 17% |
| Trade and other receivables | 6,617 | 3,643 | 82% |
| Income tax recoverable | 1,983 | 1,137 | 74% |
| Cash and cash equivalents | 8,118 | 3,521 | 131% |
| | 17,215 | 8,725 | 97% |
| Total assets | 49,037 | 42,666 | 15% |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Share capital | 360 | 360 | - |
| Retained earnings | 28,195 | 29,173 | (3%) |
| Total equity | 28,555 | 29,533 | (3%) |
| Non-current liabilities | | | |
| Retirement benefit obligations (IAS 19) | 1,700 | 2,948 | (42%) |
| Lease Liabilities (IFRS16)) | 1,611 | 465 | 100% |
| Long term loan | 1,507 | - | 100% |
| | 4,818 | 3,413 | 41% |
| Current liabilities | | | |
| Trade and other payables | 12,546 | 9,063 | 38% |
| Lease Liabilities (IFRS16) | 729 | 657 | 11% |
| Short term loan | 2,389 | - | - |
| | 15,664 | 9,720 | 61% |
| Total equity and liabilities | 49,037 | 42,666 | 15% |



Future Outlook

The cargo business has fully recovered from the impact of COVID 19 and we envisage a stable performance for the remainder of the year. The rollout of COVID 19 vaccination and the relaxation of travel restrictions around the world have positively impacted the recovery of the ground handling business. As a result, the ground handling business is now operating at 71% of the pre-COVID 19 volumes and we expect the recovery rate to remain constant to the end of the year. All our airline customers have resumed operations, albeit with fewer frequencies, and most have now redeployed the larger aircraft types that were in use before COVID. Management is confident that the Company's estimates for year 2021 will be achieved.

Management is carefully monitoring business recovery and taking appropriate mitigation measures to ensure the sustainability of the business. Measures are also taken to protect the safety and health of our staff, and the travelling community, while responding to the airline requirements as they increase flight frequencies as well as reacting to the rapidly changing business landscape.

Appreciation and commitment

The Board would like to thank all customers, authorities and other stakeholders for their continued support and our employees for their hard work during these difficult times. The Board is committed to implement appropriate strategies to ensure the business remains sustainable.

Jeroen de Clercq
Board Chairman

| STATEMENT OF CASH FLOWS For Six Months Ended 30 June | | |
|--|----------------|----------------|
| | 2021 TShs M | 2020 TShs M |
| Profit/(loss) before income tax | 174 | (887) |
| Adjustment for: | | |
| Depreciation of property and equipment | 1,233 | 1,143 |
| Amortization of intangible assets | 1,108 | 1,191 |
| Depreciation of right of use of assets | 380 | 301 |
| Interest expenses on lease liability | 59 | 68 |
| Interest expense | 81 | - |
| Provision for retirement benefit obligation | 198 | 212 |
| Working capital adjustment | | |
| (Increase) in inventories | (73) | (91) |
| (Increase)/decrease in trade and other receivables | (2,974) | 3,081 |
| Increase/(decrease) in trade and other payables | 3,483 | (2,313) |
| | 3,668 | 2,705 |
| Retirement benefit paid | (1,385) | (255) |
| Interest paid on lease liability | (60) | (68) |
| Interest paid on loan | (141) | - |
| Income tax paid | - | (774) |
| Cash generated from operating activities | 2,083 | 1,608 |
| Investing activities | | |
| Purchase of property and equipment | (926) | (531) |
| Cash used in investing activities | (926) | (531) |
| Financing activities | | |
| Proceeds from loan | 4,595 | - |
| Loan repayment | (699) | - |
| Payment of principle lease liabilities | (456) | (232) |
| Cash generated/(used) in financing activities | 3,440 | (232) |
| Net decrease in cash and cash equivalents | 4,597 | 844 |
| Cash and cash equivalents at 1 July | 3,521 | 2,677 |
| Cash and cash equivalents at 31 December | 8,118 | 3,521 |



From landing to take-off: we care!

Jeroen de Clercq
Board Chairman

Mrisho Yassin
Chief Executive Officer

Imani Mtatya
Chief Financial Officer