

# NATIONAL INVESTMENTS PLC



The Economic Shield of the Nation

## UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 2021

### Financial Highlights

- Dividend income grew by 24% for the year 2021 to TZS 4.4 billion (FY 2020: TZS 3.5 billion), the increase was attributed to increased dividend from equity investments.
- Interest income from Government Bond grew to TZS 1.34 billion (FY 2020: 52 million), the increase is the result of portfolio diversification strategies from equity to other less risky investments. As at 31st December 2021, TZS 15.4 billion was invested in the Government Bond.
- Administrative expenses dropped by 5% to TZS 770 million, (FY 2020: TZS 813 million). Generally, the decline was driven by cost control measures introduced during the year.
- Other expenses mainly relate to the impairment charges associated to the relinquishing NICOL in the ownership of Tanzania Meat Company Limited.

### INCOME STATEMENT SUMMARY FOR THE YEAR ENDED 2021

	Notes	2021 TZS '000'	2020 TZS '000'	Change TZS '000'	Change %
<b>Investments Income</b>					
Dividend Income	3	4,354,438	3,506,247	848,191	24%
Interest Income	4	1,344,444	52,330	1,292,114	2469%
<b>Total Investment Income</b>		<b>5,698,882</b>	<b>3,558,578</b>	<b>2,140,305</b>	<b>60%</b>
Other Income					
<b>Total Income</b>		<b>5,698,882</b>	<b>3,558,578</b>	<b>2,140,305</b>	<b>60%</b>
Employees Benefit expenses	5	(416,814)	(770,369)	353,556	-46%
Administration Expenses	6	(770,031)	(813,183)	43,152	-5%
Other Administration expenses	7	(166,615)	(137,059)	(29,556)	22%
Other expenses	8	(76,700)	(154,598)	77,898	-50%
<b>Total Operating Income</b>		<b>4,268,724</b>	<b>1,683,369</b>	<b>2,585,355</b>	<b>154%</b>
Finance Expenses					
<b>Profit before Income tax</b>		<b>4,268,724</b>	<b>1,683,369</b>	<b>2,585,355</b>	<b>154%</b>
Taxation	9	(217,722)	(175,312)	(42,410)	24%
<b>Profit after taxation</b>		<b>4,051,002</b>	<b>1,508,056</b>	<b>2,542,945</b>	<b>169%</b>

### STATEMENT OF COMPREHENSIVE PROFIT OR LOSS

	2021 TZS '000'	2020 TZS '000'
<b>Investments Income</b>		
Dividend Income	4,354,438	3,506,247
Interest Income	1,344,444	52,330
<b>Total Investment Income</b>	<b>5,698,882</b>	<b>3,558,578</b>
Other Income		
<b>Total Income</b>	<b>5,698,882</b>	<b>3,558,578</b>
Employees Benefit expenses	(416,814)	(770,369)
Administration Expenses	(770,031)	(813,183)
Other Administration expenses	(166,615)	(137,059)
Other expenses	(76,700)	(154,598)
<b>Total Operating Income</b>	<b>4,268,724</b>	<b>1,683,369</b>
Finance Expenses		
<b>Profit before Income tax</b>	<b>4,268,724</b>	<b>1,683,369</b>
Taxation	(217,722)	(175,312)
<b>Profit after taxation</b>	<b>4,051,002</b>	<b>1,508,056</b>
<b>Other Comprehensive Income/Loss</b>		
<b>Items not classified to the profit or loss</b>		
Net change in fair value (loss)/gain on available for sale financial assets during the year	(8,349,679)	(155,014)
Loss on disposal of equity investments	(4,370,417)	(677,672)
<b>Total comprehensive income/Loss</b>	<b>(8,669,094)</b>	<b>675,370</b>
Basic earnings per share (TZS)	65.72	21.80
Diluted earnings per share (TZS)	65.72	21.80

### STATEMENT OF FINANCIAL POSITION

	2021 TZS '000'	2020 TZS '000'
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,774,507	1,658,463
Equity Investments	57,203,377	80,997,057
Government Bonds	15,413,400	1,093,450
	<b>74,391,285</b>	<b>83,748,970</b>
<b>Current assets</b>		
Trade and other receivables	175,415	68,773
Cash and cash equivalents	640,605	769,105
Prepayments	41,915	-
	<b>857,935</b>	<b>837,878</b>
<b>Total Assets</b>	<b>75,249,220</b>	<b>84,586,847</b>
<b>Equity and Liabilities</b>		
<b>Capital and Reserve</b>		
Issued Share capital	7,705,604	8,645,647

Share premium	1,587,385	647,342
Retained earnings	5,019,833	2,016,624
Available for sale investments reserve	58,827,986	71,548,082
<b>Equity attributable to owners of the company</b>	<b>73,140,809</b>	<b>82,857,695</b>
<b>Non-current liabilities</b>		
Other liability		
Deferred tax liability		
<b>Current liabilities</b>		
Trade and other payables	177,534	92,440
Accrued	867,087	907,012
Dividend Payable	1,063,790	729,701
<b>Total Liabilities</b>	<b>2,108,411</b>	<b>1,729,153</b>
<b>Total Equity and Liabilities</b>	<b>75,249,220</b>	<b>84,586,847</b>

### STATEMENT OF CASH FLOWS

	2021 TZS '000'	2020 TZS '000'
<b>Cash flow from Operating Activities</b>		
Profit before tax	4,268,724	1,683,367
<b>Adjustments:</b>		
Interest received	(678,884)	(52,330)
Tax paid	(217,722)	(175,312)
Depreciation	33,036	26,805
Loss/(gain) on disposal of fixed assets		67,973
<b>Operating Cashflows Before Changes in Working Capital Items</b>	<b>3,405,154</b>	<b>1,550,503</b>
<b>Changes in working capital:</b>		
(Increase)/Decrease in Trade receivable	(106,643)	(44,468)
(Increase)/Decrease in prepayment	(41,915)	
Increase/(Decrease) in Trade Payables	85,094	(2,275)
Increase/(Decrease) in other payables	(39,924)	(1,008,332)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>3,301,766</b>	<b>495,427</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Cash paid for purchase of property, plant and equipment	(149,081)	(13,446)
Proceeds from disposal of equity investments	11,073,583	1,869,440
Proceeds from disposal of property, plant and equipment		-
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>10,924,503</b>	<b>1,855,994</b>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash paid for purchase of Government Bonds	(13,657,956)	(1,041,120)
Dividend paid	(696,813)	(613,834)
<b>Net cash used in financing activities</b>	<b>(14,354,770)</b>	<b>(1,654,954)</b>
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>(128,501)</b>	<b>696,467</b>
<b>Movement in cash and cash equivalents</b>		
At start of year	769,106	72,638
Increase/(decrease) in cash and cash equivalents	(128,501)	696,467
<b>At end of year</b>	<b>640,605</b>	<b>769,106</b>

BY ORDER OF THE BOARD  
CHIEF EXECUTIVE OFFICER  
21<sup>ST</sup> FEBRUARY 2022