

# 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 31<sup>st</sup> 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

	2021 TZS "000"	2020 TZS "000"	Change TZS "000"	Change %
<b>Investments Income</b>				
Dividend Income	4,354,438	3,506,247	848,191	24%
Interest Income	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	(416,814)	(770,369)	353,556	-46%
Administration Expenses	(770,031)	(813,183)	43,152	-5%
Other Administration expenses	(166,615)	(137,059)	(29,556)	22%
Other expenses	(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	(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		
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<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><u>74,391,285</u></b>	<b><u>83,748,970</u></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><u>857,935</u></b>	<b><u>837,878</u></b>
<b>Total Assets</b>	<b><u>75,249,220</u></b>	<b><u>84,586,847</u></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><u>73,140,809</u></b>	<b><u>82,857,695</u></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><u>2,108,411</u></b>	<b><u>1,729,153</u></b>
<b>Total Liabilities</b>	<b><u>2,108,411</u></b>	<b><u>1,729,153</u></b>
<b>Total Equity and Liabilities</b>	<b><u>75,249,220</u></b>	<b><u>84,586,847</u></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>
Increase/(decrease) in cash and cash equivalents	(128,501)	696,467
<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>

NATIONAL INVESTMENTS PLC

/CHIEF EXECUTIVE OFFICER