

SWISSPORT TANZANIA PLC AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2021

Commentary

The Board of Directors of Swissport Tanzania Plc, hereby publishes audited financial results for the year ended 31 December 2021. Total revenue during the year increased by 15% from TShs 26,739 million to TShs 30,679 million, and total operating cost decreased by 7% from TShs 30,003 million to TShs 28,032 million. Consequently, the Company reports a net profit of TShs 2,146 million compared to a net loss of TShs 2,587 million reported in 2020. This performance is attributed to significant business recovery from the impact of COVID 19 and continued cost cutting measures implemented by the management to sustain profitability of the business.

Dividend to Shareholders

The Board is delighted to announce a final dividend of TShs 1,073 Million or TShs 29.8 per issued and fully paid share. No interim dividend was declared and paid during the year.

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME For the Year Ended 31 December	2021 TZS M	2020 TZS M	% Change
Revenue	30,165	26,419	14%
Other operating income	514	320	61%
Total revenue	30,679	26,739	15%
Total operating expenses	(28,032)	(30,003)	(7%)
Operating profit/(loss)	2,647	(3,264)	181%
Finance costs	(595)	(287)	107%
Profit/(loss) before income tax	2,052	(3,551)	158%
Income tax credit	94	964	(90%)
Profit/(loss) for the period	2,146	(2,587)	183%
Other comprehensive income (net of tax)	25	58	(57%)
Total comprehensive income / (loss) for the year	2,171	(2,529)	186%
Earnings per share	59.6	(71.9)	183%

STATEMENT OF FINANCIAL POSITION As At 31 December	2021 TZS M	2020 TZS M	% Change
ASSETS			
Non-current assets			
Intangible asset	12,625	14,510	(13%)
Property and equipment	15,502	16,345	(5%)
Right of use of assets	2,098	1,930	9%
Deferred tax assets	735	1,421	(48%)
Staff receivable	171	148	16%
	31,131	34,354	(9%)
Current assets			
Inventories	404	423	(4%)
Trade and other receivables	3,922	7,720	(49%)
Income tax recoverable	1,983	1,983	0%
Cash and cash equivalents	7,688	7,735	(1%)
	13,997	17,861	(22%)
Total assets	45,128	52,215	(14%)
EQUITY AND LIABILITIES			
Equity			
Share capital	360	360	0%
Retained earnings	29,422	28,021	5%
Total equity	29,782	28,381	5%
Non-current liabilities			
Retirement benefit obligations	1,666	2,567	(35%)
Lease liabilities (IFRS 16)	958	1,510	(37%)
Related party loan (Non-current portion)	371	2,574	(86%)
	2,995	6,651	(55%)
Current liabilities			
Related party loan (short term)	2,240	2,055	9%
Trade and other payables	8,937	14,805	(39%)
Lease liabilities (short term)	1,174	523	124%
	12,351	17,183	(28%)
Total equity and liabilities	45,128	52,215	(14%)



Future Outlook

Cargo volumes have fully recovered, while ground handling flight frequencies registered an impressive recovery in 2021. Our future projections indicate that cargo volumes will continue growing, and the number of flight frequencies will increase as ground handling business continues to recover and Air Tanzania (the National Carrier) implements its network growth plans. The growth of cargo volume is driven by the increased export of perishable products and transit cargo from Air Tanzania. The retention of customers, winning new customers and the introduction of new product lines will also continue fostering the growth of business going forward. An improved operational performance, investment in human resources, ground support equipment, warehouse facilities, processes, training, and technology coupled with strict cost reduction and control measures adopted by the business are expected to influence stronger financial performance in 2022.

Despite the expected improved business performance, the management carefully monitors business recovery and its strategies and is taking appropriate mitigating measures to attain its projections.

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 throughout the year. The Board is committed to implement appropriate strategies to ensure the business remains sustainable.

Dirk Goovaerts
Board Chairman

STATEMENT OF CASH FLOWS For the Year Ended 31 December	2021 TZS M	2020 TZS M
Cash flows from operating activities		
Profit/(loss) before income tax	2,052	(3,551)
Adjustment for:		
Depreciation of property and equipment	2,408	2,300
Amortization of intangible assets	2,637	2,410
Depreciation of right of use assets	730	665
Provision for retirement benefit obligations	283	392
Gain on disposal/write-off of equipment	(5)	(6)
Interest expense on lease liabilities	301	253
Interest expense on loan	294	34
Impairment loss in trade receivables	-	312
Write off	(2,346)	-
Rent concession	(204)	(169)
Adjustments for:		
Inventories	19	(15)
Trade and other receivables	2,104	2,938
Trade and other payables	(244)	(878)
Cash generated from operating activities	8,029	4,685
Retirement benefits paid	(1,225)	(422)
Interest paid on lease liability	(301)	(253)
Interest paid on loan	(294)	-
Income tax paid	-	(387)
Net cash from operating activities	6,209	3,623
Cash flows from investing activities		
Proceeds from sale of property and equipment	5	6
Acquisition of property and equipment and intangible asset	(2,317)	(2,514)
Net cash used in investing activities	(2,312)	(2,508)
Cash flows from financing activities		
Proceeds from loan	-	4,595
Repayment of Loan	(2,018)	-
Dividends paid to the Company's shareholders	(1,403)	(802)
Payment of lease liabilities	(664)	(450)
Net cash (used in)/from financing activities	(4,085)	3,343
Net (decrease)/increase in cash and cash equivalents	(188)	4,458
Movement in cash and cash equivalent		
(Decrease)/increase in cash and cash equivalents	(188)	4,458
Cash and cash equivalents at 1 January	7,735	3,435
Effect of movements in exchange rates on cash held	141	(158)
Cash and cash equivalents at 1 January to 31 December	7,688	7,735



From landing to take-off: we care !

Dirk Goovaerts
Board Chairman

Mrisho Yassin
Chief Executive Officer

Imani Mtafya
Chief Financial Officer