

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

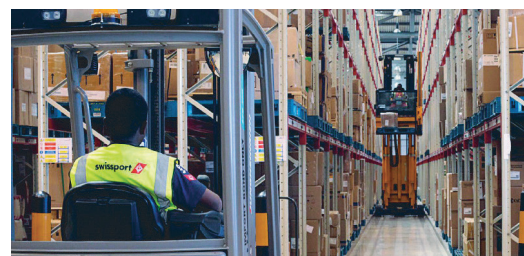
The Board is delighted to announce a final dividend of TShs 1,073 Million or TShs 29.8 per issued and fully paid share. No interim dividend was declared and paid during the year.

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 | 14,605 | (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 |
| 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