

# SWISSPORT TANZANIA PLC AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2023

**Commentary**

The Board of Directors of Swissport Tanzania Plc. is pleased to publish the audited financial results for the year ended 31 December 2023. During the year revenue increased by 7% from TShs 38,290 million to TShs 40,934 million and total operating costs increased by 4%, from TShs 33,817 million to TShs 35,079 million. The increase in revenue was attributed to the 4% rise in cargo volumes handled as well as the impact of revenue increase strategies implemented during the year. Operating expenses remained in line with the growth of revenue and general rise of price levels. As a result, the Company achieved a net profit of TShs 3,696 million.

**Dividend to Shareholders**

The Board is delighted to announce a final dividend of TShs 1,848 million or TShs 51.33 per issued and fully paid share. No interim dividend was declared and paid during the year.

STATEMENT OF PROFIT AND LOSS For the year Ended 31 December	2023 TZS M	2022 TZS M	% Change
Revenue	40,521	37,881	7%
Other operating income	413	409	1%
<b>Total revenue</b>	<b>40,934</b>	<b>38,290</b>	<b>7%</b>
Total operating expenses	(35,079)	(33,817)	4%
<b>Operating profit</b>	<b>5,855</b>	<b>4,473</b>	<b>31%</b>
Finance costs	(397)	(511)	-22%
<b>Profit before income tax</b>	<b>5,458</b>	<b>3,962</b>	<b>38%</b>
Income tax expense	(1,762)	(1,356)	
<b>Profit for the period</b>	<b>3,696</b>	<b>2,606</b>	<b>42%</b>
Earnings per share	103	72	42%

STATEMENT OF FINANCIAL POSITION For the year Ended 31 December	2023 TZS M	2022 TZS M	% Change
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible asset	9,034	10,900	-17%
Property and equipment	17,925	14,827	21%
Right of use of assets	2,374	3,029	-22%
Staff receivables	169	264	-36%
	<b>29,502</b>	<b>29,020</b>	<b>2%</b>
<b>Current assets</b>			
Inventories	486	686	-29%
Trade and other receivables	8,944	6,093	47%
Income tax recoverable	888	1,983	-55%
Cash and cash equivalents	5,232	6,719	-22%
	<b>15,550</b>	<b>15,481</b>	<b>0%</b>
<b>Total assets</b>	<b>45,052</b>	<b>44,501</b>	<b>1%</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	360	360	0%
Retained earnings	33,023	30,827	7%
<b>Total equity</b>	<b>33,383</b>	<b>31,187</b>	<b>7%</b>
<b>Non-current liabilities</b>			
Lease liabilities (IFRS 16)	1,735	2,732	-36%
Deferred tax Liability	1,181	567	108%
Retirement benefit obligations	1,752	1,914	-8%
	<b>4,668</b>	<b>5,213</b>	<b>-10%</b>
<b>Current liabilities</b>			
Related party loan (short term)	-	378	-100%
Trade and other payables	6,471	7,290	-11%
Lease liabilities (short term)	530	433	22%
	<b>7,001</b>	<b>8,101</b>	<b>-14%</b>
<b>Total equity and liabilities</b>	<b>45,052</b>	<b>44,501</b>	<b>1%</b>

**Future Outlook**

A strong performance is anticipated from Ground handling and Cargo handling services in year 2024 because Air Tanzania the National Carrier and other airline customers, are strategically increasing frequencies and network coverage to capitalize on the growing air travel market. We are also foreseeing various Government initiatives, including the 'Royal Tour', ongoing investment in Air Tanzania export promotions as well as improved business environment to play an important role in fostering the number of air travellers, flight frequencies and volume of cargo.

Delivering of safe operations will remain a top priority in our strategic initiatives in year 2024. This coupled with investments in human resources, technology, training, ground support equipment, and cargo infrastructures will be pivotal to handle the expected business growth and delivering high quality services which meets customers' expectations. Furthermore, a focus on product innovation, customer retention, and securing new profitable business opportunities will be paramount to sustaining and expanding operations in 2024.

**Appreciation and commitment**

The Board would like to thank all customers, the Government of the United Republic of Tanzania and its 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	2023 TZS M	2022 TZS M
<b>Cash flows from operating activities</b>		
Profit before income tax	5,458	3,962
<b>Adjustment for:</b>		
Depreciation of property and equipment	2,819	2,438
Amortization of intangible assets	2,008	2,253
Depreciation of right of use assets	732	727
Provision for retirement benefit obligations	191	246
Gain on disposal/write-off of property and equipment	(1)	(35)
Unrealized exchange loss on lease liability	56	-
Interest expense on lease liabilities	393	387
Interest expense on loan	4	124
<b>Adjustments for:</b>		
Inventories	200	(282)
Trade and other receivables	(2,756)	(2,265)
Trade and other payables	(819)	160
<b>Cash generated from operating activities</b>	<b>8,285</b>	<b>7,715</b>
Retirement benefits paid	(337)	(179)
Interest paid on lease liability	(393)	(387)
Income tax paid	(1,227)	-
Income tax refund	1,412	-
WHT Utilised	(243)	-
Interest paid on loan	(4)	(124)
<b>Net cash from operating activities</b>	<b>7,493</b>	<b>7,025</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of property and equipment	1	35
Acquisition of property and equipment and intangible asset	(6,059)	(2,291)
<b>Net cash used in investing activities</b>	<b>(6,058)</b>	<b>(2,256)</b>
<b>Cash flows from financing activities</b>		
Repayment of Loan	(378)	(2,233)
Dividends paid to the Company's shareholders	(1,512)	(2,880)
Payment of lease liabilities	(1,035)	(638)
<b>Net cash used in financing activities</b>	<b>(2,925)</b>	<b>(5,751)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(1,490)</b>	<b>(982)</b>
<b>Movement in cash and cash equivalent</b>		
Decrease in cash and cash equivalents	(1,490)	(982)
Cash and cash equivalents at 1 January	6,719	7,688
Effects of movement in exchange rates on cash held	3	13
<b>Cash and cash equivalents at 1 January to 31 December</b>	<b>5,232</b>	<b>6,719</b>



**From landing to take-off: we care !**

  
**Dirk Goovaerts**  
Board Chairman

  
**Mrisho Yassin**  
Chief Executive Officer

  
**Joshua Jonas**  
Chief Financial Officer