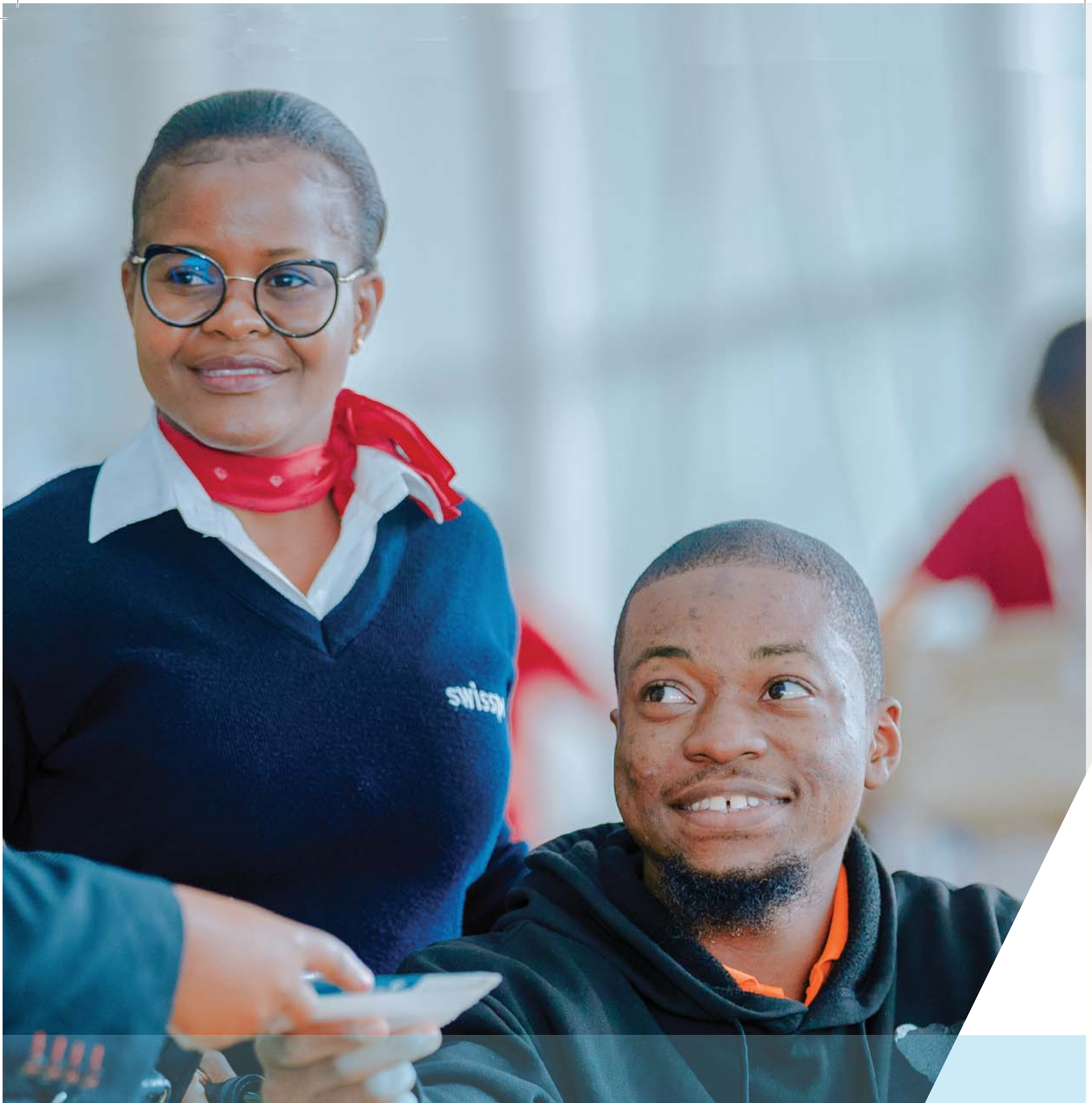
From Landing to Take-off: We Care!

SWISSPORT TANZANIA PLC

ANNUAL REPORT 2022

swissport



LETTER OF TRANSMITTAL

To
The shareholders
Swissport Tanzania Plc.

Letter of Transmittal,

The Directors of Swissport Tanzania Plc. have the pleasure to submit to you the Annual Report of the company for the year ended 31st December 2022, in accordance with section 166 of the Companies Act, CAP 212 Act No. 12 of 2002.

The annual report contains the Chairman's Statement, CEO's Report, Report of the Directors, Auditors' Report on the Financial Statements and the Audited Financial Statements for the year ended 31st December 2022.

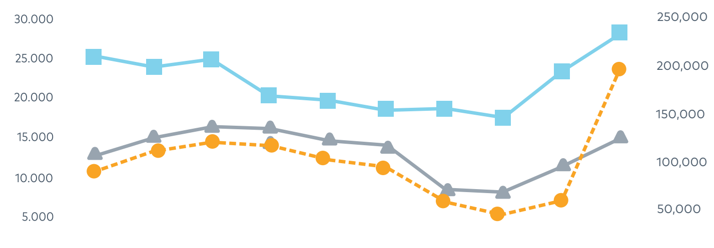
Dirk Goovaerts
Board Chairman
Swissport Tanzania Plc.
Date: 22 May 2023

CONTENTS

Certified:
ISAGO
ISO 9001: 2015 Quality Management System
ISO 14001: 2015 Environmental Management System

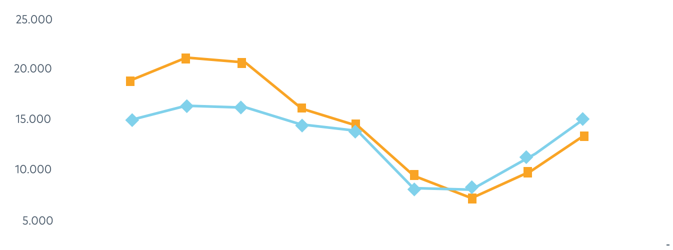
FINANCIAL SUMMARY AND PRODUCTION TRENDS

PRODUCTION TREND



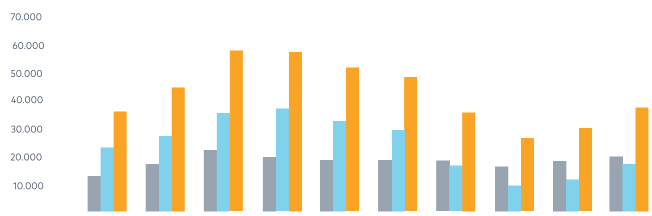
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Gross flights	13,098	15,225	16,534	16,299	14,792	14,051	8,421	8,201	11,444	15,208
Gargo (tons)	25,126	23,908	24,874	20,145	19,676	18,551	18,779	17,354	23,448	28,055
Passengers ('0')	90,535	111,116	121,832	118,353	101,325	92,845	56,864	44,970	60,953	196,946

GROSS VS WEIGHTED FLIGHTS



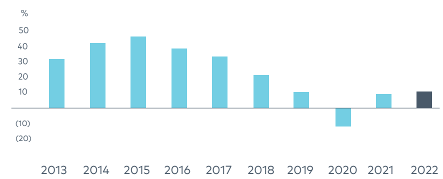
	2014	2015	2016	2017	2018	2019	2020	2021	2022
Gross flights	15,225	16,534	16,299	14,792	14,051	8,421	8,201	11,444	15,208
Weighted Flights	19,058	21,402	20,872	16,406	14,621	9,523	7,384	9,865	13,742

REVENUE TREND



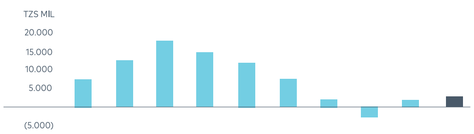
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Cargo	12,946	17,318	22,195	20,277	18,436	18,690	18,495	16,973	18,247	19,946
Ground handling	23,278	27,271	35,161	37,225	32,657	29,524	16,951	9,446	11,918	17,408
Total	36,224	44,589	57,356	57,502	51,093	48,214	35,446	26,419	30,165	37,881

EBIT MARGIN TREND



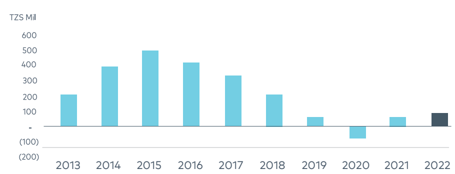
2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
32	42	46	38	33	21	10	-12	9	10

PROFIT/LOSS AFTER TAXATION



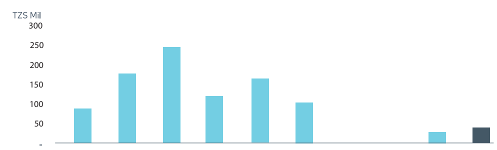
2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
7,496	12,937	18,137	15,232	11,934	7,459	2,311	(2,587)	2,146	2,606

EARNINGS PER SHARE



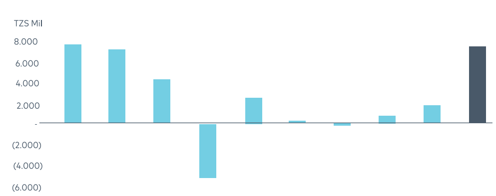
2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
208	395	504	423	332	207	64	(72)	60	72

DIVIDEND PER SHARE



2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
88	178	248	120	166	104	-	-	30	42

NET CURRENT ASSET/LIABILITY



2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
7,774	7,315	4,297	(5,375)	2,389	104	(296)	678	1,646	7,381

swissport


swissport
COMMANDER 30
SPT 120 - 010

CURRENT DIRECTORS' PROFILE

Dirk Goovaerts
Chairman of the Board

Belgium, Age 60

Dirk Goovaerts has over 25 years of experience in the ground handling and cargo industries and is a results-oriented senior executive with a proven track record in operational excellence, digital acceleration, and turnaround management. Dirk joined Swissport International AG as Head of Middle East & Africa on September 1st 2021, reporting directly to the CEO. In addition, he serves as Global Cargo Chair, focusing on strengthening Swissport's air cargo business. Dirk joined Swissport from dnata, where he was CEO of the Asia Pacific region. Prior to that, he was the COO of Saudi Ground Services Company, Senior Vice President Europe at Menzies Aviation, and Finance Director Global Network of Outstations at Sabena.

Eric Muriithi
Non-Executive Director
MBA. Accounting and Finance

Kenyan, Age 38

Mr. Muriithi has over 12 years of experience in finance, audit, and strategic advisory roles for multinationals. Currently is a Chief Financial Officer Kenya & Head of Finance Sub-Saharan Africa and Israel of Swissport International Ltd. Before joining Swissport, he worked as an Internal Auditor and Assistant Vice President, Finance of Barclays Bank Kenya. He has external audit background, having worked with KPMG as Senior Auditor. He was appointed to the SPT Board of Directors in March 2020, representing SPI.

Dr. Charles Kimei (MP)
Independent Non-Executive Director
Doctor of Philosophy-Phd. Money and Finance

Tanzanian, Age 69

Dr. Kimei has over 40 years of experience in the banking and financial sector. He is the former banker who was MD & CEO of CRDB Bank Plc for 21 years. Prior to joining CRDB Bank, he worked with the Bank of Tanzania as Director of Banking Supervision, Director of Economic Research, Head of Domestic Division Research Department and Manager Economic Research and Policy. He serves on various board including Trustees of Halo Pesa as the chairman and Research Policy for Development (REPOA) as a member. He joined the Board of Directors of SPT in April 2019, representing the minority shareholders. Dr. Kimei is also a member of Parliament of the United Republic of Tanzania

Raymond Mbilinyi
Independent Non-Executive Director
BSc in Engineering; MBA in Marketing

Tanzanian, Age 58

Mr. Mbilinyi is the Chairman & CEO of TanBizLink. Prior to that he held various position with the Government of the United Republic Of Tanzania. His previous roles within the Government include Executive Secretary Tanzania National Business Council, Executive Director, Director of Investment promotion, and Director of Promotion of Tanzania Investment Centre. He serves in various boards, including Equity Bank Tanzania as the chairman and Tanga Cement Plc as a member. He joined the Board of Directors of SPT in April 2016, representing minority shareholders

Mrisho Yassin
Executive Director
Bachelor of commerce in Accounting

Tanzanian, Age 47

Mr. Mrisho is the Chief Executive Officer for Swissport Tanzania Plc. Prior to being a CEO in December 2016, Mrisho was Swissport Tanzania Plc's Chief Financial Officer for 6 years. Mrisho has been instrumental in steering the Company since the liberalization of the ground handling market in Tanzania.
Prior to joining Swissport, Mrisho worked for KPMG and Ernst & Young Tanzania at different periods. During this time, he served private sector clients in the manufacturing, mining, banking, insurance and service industries some of which were listed companies. He also served clients in the public sector (Government institutions, donor-funded projects and NGO's).

MANAGEMENT TEAM
FOR THE YEAR ENDED 31 DECEMBER 2022

Mrisho B. Yassin
Chief Executive Officer

Joshua Jonas
Chief Financial Officer

Wandwi Mugesi
Cargo Business Lead

Amina Bilali
Commercial Manager

Shamba Mlanga
Dar es Salaam
Station Manager

Deogratius Haule
Quality and Compliance
Manager

Daniel Jonas
Training Manager

Joyce Jeremiah
Kilimanjaro Station
Manager

Nyakato Mwesigwa
Human Resources
Manager

Godfrey Rweyemamu
Security Business Lead

IT IS OUR VISION TO BECOME THE AVIATION INDUSTRY'S MOST TRUSTED SINGLE-SOURCE GROUND SERVICE AND CARGO HANDLING PROVIDER.

2022 KEY FACTS

PASSENGERS SERVED (THOUSAND)	CUSTOMERS	CARGO WAREHOUSES	VISITORS OF LOUNGE BY ASPIRE (THOUSAND)
197	>25	2	12.3
EMPLOYEES	**FLIGHTS HANDLED (THOUSAND)**	**CARGO TONS HANDLED (THOUSAND)**	**AIRPORTS**
>700	15.2	28	2

OUR ESTEEMED CUSTOMERS

swissport

AB AVIATION

AIR TANZANIA

AS SALAAM AIR

AIRLINK

AIR ZIMBABWE

CONDOR AIR

ETHIOPIAN AIRLINES

EUROWINGS DISCOVER

EWA AIR

KENYA AIRWAYS

KLM ROYAL DUTCH AIRLINES

MOZAMBIQUE AIRLINES

MALAWI AIRLINES

MARTINAIR

EGYPT AIR

OMAN AIR

QATAR AIRWAYS

TURKISH AIRLINES

EMIRARES

UGANDA AIRLINES

EDELWEISS AIR AG

LUFTHANSA CARGO

CLEARING AND FORWARDING AGENTS

Julius Nyerere International Airport (JNIA)

Kilimanjaro International Airport (KIA)

Cargo customers

SWISSPORT CUSTOMER TREND FROM 2018

S/ No.	Airline	Airline Codes	2018	2019	2020	2021	**2022**
1	Qatar Airways	QR	✓	✓	✓	✓	✓
2	Turkish Airline	TK	✓	✓	✓	✓	✓
3	Ethiopian Airlines	ET	✓	✓	✓	✓	✓
4	Fastjet	FN	✓	✓			
5	South African Airways	SA	✓	✓	✓	✓	
6	Rwanda Air	WB	✓	✓			
7	KLM	KL	✓	✓	✓	✓	✓
8	Etihad Airways	EY	✓	✓	↗		
9	Air Zimbabwe	UM	✓	✓	✓	✓	✓
10	Air Mauritius	MK	✓	✓	✓	✓	✓
11	Kenya Airways	KQ	✓	✓	✓	✓	✓
12	Omanair	WY	✓	✓	✓	✓	✓
13	Egyptair	MS	✓	✓	✓	✓	✓
14	Malawian	3W	✓	✓	✓	✓	✓
15	Swiss International Air Lines	LX	✓	✓	✓	✓	
16	Martinair	MP	✓	✓	✓	✓	✓
17	Air Mozambique	LAM	✓	✓	✓	✓	✓
18	Emirates	EK	✓	✓	✓	✓	✓
19	Executive Aviation	ZZ	✓	✓	✓	✓	✓
20	Ewa Air	ZD	✓	✓	✓	✓	✓
21	Air Seychelles	HM	↗				
22	Fly Dubai	FZ	✓				
23	Air Tanzania	TC		✓	✓	✓	✓
24	Condor	DE	✓	✓	✓	✓	✓
25	Fly 540	5H	✓	✓	✓	✓	✓
26	Z Airlines		✓	✓	✓	✓	✓
27	Proflight Zambia Limited	ZJ	↗				
28	Precision Air	PW	✓	✓	✓	✓	✓
29	AB Aviation			✓	✓	✓	✓
30	Air Uganda	U7	✓	↗			
31	Uganda Airlines	UR			✓	✓	✓
32	Airlink	4Z				✓	✓
33	Edelweiss Air	WK					✓
34	Lufthanza Cargo	LH					✓
35	Eurowings discover	4Y					✓

✓ HANDLED BY SWISSPORT TANZANIA PLC.

↗ EXIT THE MARKET

THE CHAIRMAN'S STATEMENT

Esteemed shareholders,

The recovery of the business made a further leap in 2022, this coupled with the continued financial, commercial, and operational improvement plans led to an impressive performance during the year.

Efforts to improve operational efficiency, customer satisfaction and commercial performance through CORE Transformation Program changed the company into a financial and operational performing organisation that deliver high quality services to customers, consistent and safe operational excellence in a cost-effective manner during the unprecedented times and its recovery therefrom.

The recovery of the business and ramp up of operation were systematically managed to avoid service deterioration to consistently meet customers' service requirements. This was also achieved through operational reviews and support provided through Global Weekly Operations Review (WOR) meetings. WOR meetings were relevant in shaping our operations.

To further enhance oversight of stations operational performance, Swissport International Ltd. introduced Station Management Manual (SMM), a scorecard measuring the performance at every station. Based on set operational KPIs, stations' performance are classified as Platinum, Gold, Bronze, and Silver. Platinum being the best performing station and Silver being the least performing station. I am pleased to report that Swissport Tanzania Plc. has fully adopted SMM, and our Station Managers handled operations as per the set KPIs.

Excellent safety performance and upgraded safety culture underpinned our operational performance. No major safety incident was reported, and our operational employees reported a high number of safe and unsafe behaviours, this enabled the company to identify and address appropriately its operational risks. Investments in Safety and Security continued to accelerate delivery of safe operational excellence and meeting customer requirements as well as regulatory requirements issued by the Tanzania Civil Aviation Authority (TCAA) and Tanzania Airports Authority (TAA).

Commercially, we continued reviewing prices for our services to ensure the company is fully compensated for services provided to customers, labour cost increases and inflation to remain profitable. Price review discussions were managed both locally and at a group level, during our Commercial Weekly Review (WIN ROOM) meetings. We will continue engaging with our customers in the price review process to make sure we maintain a health and profitable customer portfolio.

Customer feedback on our operational performance over Net Promoter Score (NPS) were vital to enhance operations. We used the feedback to hold meaningful conversations with customers and this became the backbone of our customers' retention plan. This worked in our favour, customers were to a large extent satisfied with our services and opted to extend our commercial ties. This also strengthened our reputation to win new businesses. **We are proud to continue being the Market Leader.**

Retention of customers, recovery of flights, Air Tanzania expansion plan, increase in export volume and the improved business environment in Tanzania guarantees future growth of the ground handling and cargo services business in Tanzania. We also envisaged more growth in flight frequencies in the coming year in response to tourism promotion **Royal Tour initiatives** spearheaded by the **President of the United Republic of Tanzania, Her Excellence Samia Suluhu Hassan**.

As always, we refreshed our ground support equipment, completed, and launched Twiga Lounge by Aspire at Kilimanjaro International Airport (KIA) and started expanding import cold room at Julius Nyerere International Airport (JNIA) to enhance quality of services and cater for the increased perishable and pharmaceutical volumes. Plans are in place to sustain investments in GSE, technology, people, and cold rooms to meet the expected demands. In line to the increased perishable and pharmaceutical volumes and the ambition to offer world in-class services, during the year, we launched IATA CEIV

» Continuous improvement is at the heart of everything we do. «

Fresh certification program for our cold rooms at Julius Nyerere International Airport (JNIA). We expect to be CEIV Fresh certified by September 2023 and subsequently we will launch IATA CEIV Pharma certification program.

We will continue investing in the business in response to the business needs and business plan.

To fulfil our commitment on improving airport cargo handling infrastructures, we urge the Kilimanjaro Airports Development Company (KADCO) to respond to our request to invest on cold room at KIA, so that we can refurbish the facility and offer high quality cargo handling services to the export community.

We are confident that we have created a solid and responsive business to respond to the existing market challenges and pursue expansion opportunities.

As sustainability agenda becomes imminent, our holding company (Swissport International Ltd.) have set a new Environmental, Social and Governance (ESG) agenda. Equally, Swissport Tanzania Plc is committed to ESG agenda as we believe ESG goals are fast becoming critical success factor in all industries. Our sustainability agenda is paving way to maintain investor trust, increase customer loyalty, reduce operating costs, and improve the financial performance of the Company. A set of ESG goals have been established and we will be tracked and reported as we continue doing business.

I would like to thank our esteemed customers for continuing working with us and their unwavering support in this complex market as well as appreciate the support we have been receiving from the Government of the United Republic of Tanzania, its agencies, and other stakeholders.

I also thank all shareholders for backing the board of directors and our amazing people and teams across the business for their commitment and hard work during the year.

I look forward to meeting and engaging with our shareholders during the coming Annual General Meeting.

Asante Sana!

Dirk Goovaerts
Board Chairman
Swissport Tanzania Plc.

TAARIFA YA MWENYEKITI

Wapendwa wanahisa,

Mwaka 2022, biashara ilizidi kuimarika dhidi ya athari zilizotokana na janga la UVIKO-19. Kuimarika huku kwa biashara kuliko ambatana na mipango mizuri ya fedha, biashara na utendaji kulipelekea matokea mazuri ya kiutendaji na fedha.

Jitihada tulizofanya za kuimarisha ufanisi, kuwaridhisha wateja na kuboresha mipango ya biashara kupitia programu ya mabadiliko ya CORE zimeifanya kampuni kuwa bora kifedha na kiutendaji na yenye kutoa huduma zinazokidhi viwango, salama na kwa ufanisi wakati wote.

Kurejea kwa kasi kwa biashara na hatua za kujipanga kukidhi mahitaji ya opereshini kulisimamiwa kwa utaratibu mahususi ili kuepuka kuzorota kwa ubora wa huduma zetu na kuhakikisha tunaendelea kutoa huduma zinazokidhi mahitaji ya wateja. Mafanikio yetu yalichochewa pia na usimamizi na msaada tulioupata kupitia mikutano ya kila wiki ya marejeo ya utendaji (Global Weekly Operations Review (WOR) meetings). Mikutano hii ilikuwa muhimu katika kuboresha utendaji wa kampuni.

Ili kuendelea kusimamia ubora wa huduma katika vituo vyote vya operesheni, kampuni mama ya Swissport International Ltd., ilianzisha Mwongozo wa Usimamizi wa Kituo (Station Management Manual – SMM), misingi inayopima utendaji wa kila kituo. Kulingana na vipimo vya utendaji kazi vilivyowekwa, utendaji wa kituo unainishwa kwa daraja nne, yaani Platinamu, Dhahabu, Shaba na Fedha. Platinumu ikiwa ni kiwango cha juu cha utendaji kazi na Fedha ikiwa ni kiwango cha chini. Ninayo furaha kuwafahamisha kwamba Swissport Tanzania Plc. imepokea na kutekeleza kikamilifu mwongozo wa SMM, na wasimamizi wetu wa vituo wanasimamia operesheni kwa mujibu ya misingi ya SMM.

Kuimarika kwa usalama wa huduma zetu na tabia ya kuzingatia misingi ya usalama kulikua chachu ya utendaji mzuri. Hakuna tukio kubwa lililohatarisha usalama lililoripotiwa na wafanyakazi waliripoti idadi kubwa ya matukio salama na yasiyo salama katika operesheni. Hii iliwezesha kampuni kutambua na kushughulikia ipasavyo viashiria hatarishi kwa usalama kwenye utoaji huduma. Uwekezaji katika Ulinzi na Usalama uliendelea kuboresha ubora wa huduma zetu na kutuwezesha kutoa huduma zinazokidhi mahitaji ya wateja na matakwa ya wasimamizi wa sekta ya anga (Mamlaka ya Usafiri wa Anga Tanzania – TCAA) na Mamlaka ya Viwanja vya Ndege Tanzania (TAA).

Kwa upande wa biashara tuliendelea kupitia bei za huduma zetu ili kuhakikisha tunatoza bei stahiki zinazoendena na huduma tunazotoa na zinazotuwezesha kufidia ongezeko la gharama za uendeshaji ili kuendelea kupata faida. Majadiliano ya mapitio ya bei yaliendeshwa katika ngazi ya kituo na kampuni mama kupitia mikutano ya biashara ya kila wiki (Commercial Win Room meetings). Tutaendelea kujadiliana na wateja juu ya bei za huduma zetu ili kuhakikisha tunaendelea kuwa na biashara yenye kupata faida.

Maoni ya wateja juu ya huduma zetu kupitia mfumo wa utoaji maoni wa Net Promoter Score (NPS) yalikua muhimu katika uboreshaji wa ubora wa huduma zetu. Kupitia maoni yao, tulikutana na kufanya mapitio ya utendaji na kuchukua hatua stahiki kutatua changamoto za kiutendaji zilizojitokeza, hivyo kufanya utaratibu wa utoaji maoni kuwa kiungo muhimu kwenye mpango wetu wa kubakisha wateja. Hii ilitusaidia sana kutambua na kukidhi mahitaji ya wateja hali iliyopelekea wateja kuamua kuendeleza mahusiono yetu ya kibiashara. Hii pia iliimarisha sifa yetu na kutuwezesha kupata fursa mpya za biashara. **Tunajivunia kuendelea kuwa Kinara wa Soko.**

Tunatarajia ukuaji wa soko la utoaji wa huduma za ndege za ardhini kwa siku za usoni utakaochochewa na juhudi za kubakiksha wateja, kurejea kikamilifu wa safari za ndege, mipango ya ukuaji kibiashara ya shirika la ndege la Tanzania (Air Tanzania), ongezeko la mauzo ya bidhaa nje ya nchi na kuboreshwa kwa mazingira ya biashara nchini Tanzania. Pia tunatazamia kuongezeka kwa idadi ya miruko ya ndege katika mwaka ujao kama matokeo wa filamu ya kutangaza vivutio vya utalii Tanzania ya **"Royal Tour"** iliyoongozwa na **Rais wa Jamhuri ya Muungano wa Tanzania, Mheshimiwa Samia Suluhu Hassan.**

» Maboresho endelevu ndio msingi wa kila jambo tunalofanya. «

Kama ilivyo ada, tuliboresha vitendea kazi (Ground Support Equipment), tulikakamilisha ujenzi na kuzindua chumba cha kupumzikia abira (Lounge) ya Twiga Lounge by Aspire kwenye Uwanja wa Ndege wa Kimataifa wa Kilimanjaro (KIA) na kuanza kupanua bohari la baridi kwa bidhaa zinazotoka nje ya nchi katika Uwanja wa Ndege wa Kimataifa wa Julius Nyerere (JNIA) ili kuboresha ubora wa huduma na kuongeza uwezo wa kuhifadhi bidhaa zinazoharibika haraka na dawa. Tunamipango ya kuendelea kuwekeza kwenye vitendea kazi (Ground Support Equipment), teknolojia, rasilimali watu, mafunzo na bohari za baridi ili kukidhi mahitaji ya soko. Sambamba na ukuaji wa soko la bidhaa zinazoharibika haraka pamoja na dawa na dhamira ya kampuni ya kutoa huduma za kiwango cha kimataifa, mwaka 2022, tulizindua mpango wa uthibitishaji wa IATA CEIV Fresh kwa bohari za baridi katika Uwanja wa Ndege wa Kimataifa wa Julius Nyerere (JNIA). Tunatarajia kuwa tutapata ithibati ya CEIV Fresh mwezi Septemba 2023 na baadaye tutazindua mpango wa uthibitishaji (ithibati) wa IATA CEIV Pharma.

Tutaendelea kuwekeza katika biashara kulingana na mahitaji ya soko na mpango wa biashara wa kampuni.

Ili kutimiza dhamira yetu ya kuboresha miundombinu ya kuhudumia mizigo katika viwanja vya ndege, tunaliomba Kampuni ya Uendeshaji na Uendelezaji wa Kiwanja cha Ndege cha Kimataifa cha Kilimanjaro (KADCO) kulifanyia kazi ombi letu la kuwekeza katika bohari la baridi lililopo KIA, ili tuweze kukarabati bahari hilo na kuweza kutoa huduma bora zinazokidhi matakwa ya wasimamizi wa sekta ya anga na wasafirishaji mizigo nje ya nchi.

Tuna uhakika kwamba tumetengeneza kampuni thabiti yenye uwezo wa kushughulikia changamoto zilizopo na imara kutafuta fursa mpya za biashara.

Kadiri ajenda ya sera endelevu ya biashara inavyozidi kushika hatamu, kampuni mama ya Swissport International Ltd, imetengeneza sera mpya ya Mazingira, Jamii na Utawala bora (Environmental, Social and Governance – ESG). Vile vile, Swissport Tanzania Plc. inatambua umuhimu wa sera endelevu na imedhamiria kutekeleza sera hiyo kwa kuamini kwamba inachochea mafinikio ya biashara kwenye sekta zote. Vile vile tunaamini sera endelevu inadumisha imani ya wawekezaji, inaongeza ushirikiano na wateja, inapunguza gharama za uendeshaji na kuchochea matokeo mazuri ya biashara. Malengo ya sera endelevu yameainishwa na tutakuwa tunatoa taarifa ya utekelezaji wake.

Nawashukuru wateja wetu kwa kuendelea kutupa biashara na kuendelea kutuunga mkono bila kuyumba kwenye soko hili dogo na gumu, pia nashukuru kwa ushirikiano tunaoupata kutoka kwa Serikali ya Jamhuri ya Muungano wa Tanzania, taasisi zake na wadau wengine.

Nawashukuru wanahisa wote kwa kuiunga mkono Bodi ya Wakurugenzi na wafanyakazi wetu mahihiri kwa kujituma na kufanya kazi kwa bidii katika kipindi chote cha mwaka 2022.

Nategemea kukutana na kufanya mazungumzo na wanahisa wote wa kampuni wakati wa Mkutano Mkuu wa Mwaka.

Asante Sana!

Dirk Goovaerts
Mwenyekiti wa Bodi
Swissport Tanzania Plc.

CEO's REPORT

In 2022 we experienced remarkable recovery of business from the impact of COVID-19 to attain and outperform pre-covid volumes and financial performance. Consequently, the company recorded a substantial hike in revenue and profit before tax.

During the year, the Company revenue was TShs 37,881 million recording a 26% increase from the revenue reported in 2021 of TShs 30,165 million while total operating costs upsurged by 21% to TShs 33,817 million from TShs 28,032 million incurred in 2021. As a result, the Company reports a profit before tax of TShs 3,962 million compared to TShs 2,052 million in 2021.

Airlines operations returned to normal, and some operated more flight frequencies than expected. The increase in export of perishable products (meat, fish, avocado, flowers, and fruits), importation of COVID-19 vaccinations and equipment for 2022 national population census boosted cargo volumes. This led to a stronger operational and financial performance for both ground handling and cargo business lines.

The launch of Twiga Lounge by Aspire at Kilimanjaro International Airport (KIA) in March 2022 accelerated revenue growth. The lounge generated a revenue of TShs 527 million. We thank **Air Tanzania** for partnering with us and for the opportunity to introduce ASPIRE Lounge brand in Tanzania.

The spike in operating costs were largely influenced by the general rise in price levels on spares and consumables, the increase in fuel prices and labour costs. The increase in labour costs was triggered by salary reviews and recruitment of new employees to handle increased operations.

Services to customers were provided in accordance with the service expectations agreed and documented in the Service Level Agreements (SLAs). Non-compliances to the SLAs were discussed jointly with the airlines, corrective measures were adopted to address the reported anomalies. Effective communications with customers have to a larger extent bettered quality of services offered to them.

Net Promoter Score (NPS) – the Customer Voice, continued to be a key service feedback tool by customers to the management. We thank all our customers for participating in the weekly NPS surveys and for sharing operation disappointments and achievements. Annual average response rate and scores were 85.7% and 42 respectively indicating strong acceptance of NPS by customers and that most of them are Promoters of Swissport Tanzania Plc.

Our safety performance was exemplary as no major safety breach incident was recorded and safety culture improved substantially, in addition to meeting airlines' operational requirements we also complied with the Tanzania Civil Aviation Authority (TCAA) and Tanzania Airports Authority (TAA) operational, safety and security requirements.

Our efforts to continue improving the quality of services and compliance with safety and security to the satisfaction of customers and industry regulators were rewarded by successfully retention of key customers and winning new businesses in a competitive manner. We won Eurowings Discover and Lufthansa Cargo during the year. Air Mauritius have not resumed its operations since 2021.

In its pursuit to standardize global operation, Swissport International Ltd. (SPI) introduced Station Management Manual (SMM), a scorecard measuring the performance at every station. We fully adopted SMM and consequently our operational performance was upgraded in line with SMM targets. SMM scorecard is published monthly, DAR and JRO stations both ground handling and cargo consistently scored Platinum and Gold ratings throughout the year.

Weekly Commercial WIN-ROOM and Global Weekly Operations Review (WOR) online meetings to discuss commercial and operational matters respectively were continuously held during the year to drive commercial and operational performance. WIN-ROOM meetings are Chaired by the Group CEO and WOR meetings are Chaired by the Group Director of Operations and attended by the Group CEO.

» Strong recovery. «

We sincerely thank all our customers; Air Tanzania, Emirates, Qatar Airways, Turkish Airlines, Oman Air, Air Zimbabwe, Kenya Airways, Airlink, Ethiopian Airlines, KLM, Martin Air Cargo, CONDOR, AB Aviation, Malawian Airlines, EWA Air, Mozambique Airlines, Egypt Air, Eurowings Discover, Lufthansa Cargo, Assalam Air, Edelweiss Air AG, Uganda Airlines and all cargo forwarders, agents, and export companies, for their patronage.

People and training

The Company has highly motivated and performing employees, who have been instrumental in providing safe, secure, and high-quality services to customers. Several well-being programs, office infrastructure and working tools improvements were executed during the year to promote health and wellbeing of employees. The Company also provides comfortable restrooms and constant efforts are taken to improve employees' roster and work plans.

We maintained appropriate number of employees in the business to support operations and allow for employee shifts flexibility.

Remunerations of employees are reviewed on yearly basis in line with the financial performance of the Company and the overall business environment.

Through Workers Union and Master Workers Council, employees were briefed on the safety, security, operational and financial performance of the Company and afforded the opportunity to share their views on how best to sustain or improve the performance.

Our Training Centre continued to play a vital role in ensuring operational staff are well trained and certified in their specific area of operations. The efforts to certify technical competencies of employees are also achieved by working with airline customers and industry regulators. Our operation policies strictly prohibit untrained staff to attend operations. We also worked with customers to ensure staff received appropriate airline product trainings to better serve the travelling community on their behalf.

Training records are maintained in the INTELEX system, the system flags all non-compliances with business-critical and functional training.

All these measures are taken to ensure Swissport provides better working environment to its precious resource – "the people".

Investments

We have introduced several ground support equipment (GSE) KPIs to better manage and ensure GSE are well maintained and available to support operations. This has tremendously improved operational availability of GSE despite challenges such as a few experienced unexpected breakdowns, high-maintenance costs and long-lead time for spares which are imported from oversees.

In a bid to improve safety and quality of services that meets customers' needs, we continued investing in ground support equipment, cargo infrastructures, forklifts, workshop tools and equipment. In 2022, we spent TShs 2,291 million on investments (2021 – TShs 2,317 million). We are planning to invest TShs 4,263 million in 2023.

As perishable and pharmaceutical consignments increase, we continued enhancing the Company's capacity to handle perishable and pharmaceutical products through investing in cold rooms and pharma centre. We also have plans to secure IATA CEIV certification.

We completed and launched Twiga Lounge by Aspire at Kilimanjaro International Airport (KIA) in partnership with **Air Tanzania**. The lounge offers premium services to the international passengers at the airport.

Our plans to refurbish and upgrade the cold storage facility at KIA have not been executed pending approval from the airport authority (KADCO). The project is overdue and highly needed by the export community who is eager to receive high-quality perishable handling standards in line with the industry requirements.

Sustainability
In September 2022, SPI announced extensive new sustainability goals taking ambitions to the next level. A new Environment, Social and Governance (ESG) agenda, which is fully aligned with the Company's mid-and long-term growth plan will support the Company's strategic development.

In line to SPI plans, Swissport Tanzania has aligned its investment plans to make sure all future investments made by the Company are environmentally friendly and procured GSE are electric powered to reduce CO2 emissions. Presently, 17% of the Company's GSE are electric powered. The Company is remained committed to comply with local laws and regulations relating to ESG.

Safety at workplace
Safety remained our number one priority. We continued upholding and strengthening our safety culture to make Swissport safer and a better place to work. Our targets are to reduce work related injuries, aircraft damages and improve safety culture. Several safety initiative improvement programs such as Safety Campaigns, Safety Action Group meetings, Near Miss Reporting, Safe Observation, Leaders' Wednesday, and Safety days were adopted to improve safety performance.

Safety performance during the year was excellent, no aircraft damage and/or lost time injuries were recorded, and a high number of safe and unsafe incidents were reported. This signifies improvement in safety culture and solid safety performance.

Our safety reporting tool (SMT) maintains records of all safety incidents reported by the employees. The tool facilitates risk identification and analysis to establish key operational risks affecting the business and respond appropriately.

We do comply with occupational health and safety requirements as per the legal requirements.
We followed guidance issued by the Ministry of Health and industry regulator (TCAA) and other Government agencies in combating risks associated with pandemics and epidemics.

Our focus on product differentiation via premium customer service and safety, remains firmly in place.

Accolades
During the year we received the financial reporting award from the National Board of Accountants and Auditors (NBAA), 2020 best presented financial statements 3rd winner in the category of service trading entities, in recognition of our excellence in financial reporting among companies in Tanzania. We have won this award for the 10th year in a row, demonstrating transparency and compliance in financial reporting.

Outlook
Ground handling and cargo services have fully recovered, it is therefore our plan to sustain and grow the business through retention of customers, acquiring new businesses, adopt to the appropriate pricing and promotion of Twiga Lounge by Aspire. We also envisaged Air Tanzania growth plans and booming export business to steer the growth of both ground handling and cargo business lines. Enhancing operational efficiency and cost control will remain key pillars in driving the bottom line of the Company.

Our 2023 targets were prepared with reference to the aforestated facts while cautiously monitoring the impact of global business trends, geopolitics, inflation, and the fluctuation of fuel prices.

Fully liberalisation of the ground handling market has increased competition albeit small size of the market and low growth potential. We recognise this fact, and we are taking appropriate steps to retain and win new profitable businesses. The Company is also investing in processes, GSE, warehouse infrastructures, people, technology, and training to achieve product differentiation from its competitors in its quest to retain and attract new businesses.

TShs 4,263 million will be invested in 2023 and a big chunk will be directed to improve warehouse infrastructures and acquire new GSEs. This measure will enhance and generate additional capacity to handle perishable products and pharmaceuticals as well as intensifying handling of aircrafts.

Enhanced safety, security and operational performance and the demonstrated level of customer satisfaction through NPS and monthly operational review meetings will provide basis for achieving 2023 targets.

Acknowledgement
I thank airlines for choosing Swissport as their handler of choice and recognise the support we are receiving from them, Swissport International Ltd., the Board of Directors, the Ministry of Works and Transport, the Tanzania Civil Aviation Authority (TCAA), the Tanzania Airports Authority (TAA), the Kilimanjaro Airports Development Company (KADCO), and all other stakeholders to deliver services, meet operation, safety, and security standards, run, and manage the business.

I would also like to express my gratitude to all my co-workers for their support, hard work and commitment in doing right things for the business. **We win together.**

I bank on your continued support.

Asanteni!

Mrisho Yassin
Chief Executive Officer
Swissport Tanzania Plc.

TAARIFA YA AFISA MTENDAJI MKUU

Mwaka 2022 tulishuhudia kuimarika kwa biashara kwa kiwango kikubwa tangu ilipoathirika na athari za janga la UVIKO-19, na hivyo kufikia na kuzidi kiwango cha biashara na utendaji wa kifedha wa kampuni kabla ya janga hilo. Kwa sababu hii, kampuni ilirekodi ongezeko kubwa la mapato na faida kabla ya kodi.

Katika kipindi cha mwaka 2022, jumla ya mapato ya kampuni yalikuwa TShs 37,881 milioni, ikiwa ni ongezeko la asilimia 26% kutoka mapato ya TShs 30,165 milioni yaliyoripotiwa mwaka 2021, huku jumla ya gharama za uendeshaji zikiongezeka kwa asilimia 21% hadi TShs 33,817 milioni kutoka TShs 28,032 milioni zilizotumika mwaka 2021. Kwa matokeo hayo, kampuni inaripoti faida kabla ya kodi ya TShs 3,962 milioni ikilinganishwa na TShs 2,052 milioni mwaka 2021.

Operesheni za mashirika ya ndege zilirejea kawaida, na baadhi ya mashirika ya ndege yalifanyakazi zaidi ya malengo waliyojiwekea. Ongezeko la usafirishaji wa bidhaa zinazoharibika kwa haraka (nyama, samaki, parachichi, maua, na matunda) nje ya nchi, uagizaji na uingizaji wa chanjo za UVIKO 19 na vifaa vya zoezi la Sensa ya Taifa kwa mwaka 2022 vilichangia ongezeko kubwa la idadi ya mizigo tuliyohudumia. Hii ilipelekea matokeo mazuri ya kifedha kutokana na kuimarika kwa biashara katika upande wa usafirishaji mizigo na abiria.

Uzinduzi wa chumba cha kupumzikia abiria (lounge) cha 'Twiga Lounge by Aspire' uliofanywa katika Uwanja wa Ndege wa Kimataifa wa Kilimanjaro (KIA) mwishoni mwa mwezi Machi 2022 ulisaidia kuongeza ukuaji wa mapato. Matumizi ya chumba cha kupumzikia abiria yalizalisha mapato ya TShs 527 milioni. Tunalishukuru Shirika la Ndege Tanzania (Air Tanzania) kwa kuingia ubia na Swissport Tanzania na kutupa fursa ya kuitambulisha chapa ya 'ASPIRE' nchini Tanzania.

Ongezeko kubwa la gharama za uendeshaji lilisababishwa kwa kiasi kikubwa na kuongezeka kwa bei za vipuri, mafuta na gharama za wafanyakazi. Kuongezeka kwa gharama za wafanyakazi kulisababishwa na mapitio ya mishahara na kuongezeka kwa idadi ya wafanyakazi ili kukabiliana na ongezeko la operesheni.

Huduma kwa wateja zilitolewa kwa kuzingatia matarajio ya huduma yaliyokubaliwa na kusainiwa chini ya makubaliano ya viwango vya huduma kwa wateja (SLAs). Ukiukwaji wa aina yeyote ule wa makubaliano ya viwango vya huduma kwa wateja (SLAs) ulijadiliwa kwa pamoja na mashirika ya ndege husika na hatua stahiki zilichukuliwa ili kurekebisha kasoro zilizoripotiwa. Mawasiliano mazuri na wateja yamesaidia kuboresha ubora wa huduma tulizowapatia.

Mfumo wa utoaji maoni (Net Promoter Score (NPS)) - sauti ya wateja, uliendelea kuwa zana muhimu kwa wateja kutoa maoni ya ubora au udhaifu wa huduma kwa uongozi wa kampuni. Tunawashukuru wateja wetu wote kwa kushiriki katika kutoa maoni yao kila wiki na kwa kutuambia maeneo tuliyofanya vibaya na maeneo tuliyofanikiwa. Kwa wastani asilimia 85.7% ya wateja walitoa maoni yao na kutupa alama 42 za kuridhika na huduma za Swissport dhidi ya matarajio ya kampuni ya alama 15. Hali hii ilionesha kukubalika kwa NPS na kwamba wateja wetu wapo tayari kuendelea kutupa biashara na kuitangaza Swissport kwa wateja wengine.

Tulifanyakazi kwa kuzingatia taratibu za usalama na matokeo yake hakukuwa na tukio kubwa la uvunjaji wa taratibu za usalama lililorekodiwa na tabia ya kujali usalama kazini iliboreshwa kwa kiasi kikubwa. Mbali na kutimiza matakwa ya usalama ya mashirika ya ndege tulizingatia matakwa ya kanuni za uendeshaji, usalama, na ulinzi kama zilivyoainishwa na Mamlaka ya Anga ya Tanzania (TCAA) na Mamlaka ya Viwanja vya Ndege ya Tanzania (TAA).

Juhudi zetu za kuendelea kuboresha ubora wa huduma na kuzingatia ulinzi na usalama na kufikia mahitaji ya wateja na wasimamizi wa sekta zilipelekea kufanikiwa kuendelea kubakiza wateja na kushinda biashara mpya kwa njia ya ushindani. Tulishinda biashara ya Eurowings Discover na Lufthansa Cargo kuwa wateja wetu wapya. Air Mauritius hawajarejesha shughuli zao tangu mwaka 2021.

» Usalama: Wajibu Wetu: Maisha Yetu «

Katika kuhakikisha kampuni ya Swissport inatoa huduma kwa kiwango sawa duniani kote, kampuni mama ya Swissport International Ltd (SPI) ilianzisha Mwongozo wa usimamizi wa kituo (SMM), unaopima utendaji katika kila kituo.Tuliuasili na kuanza kuutumia mwongozo huo, na matokeo yake tuliboresha utendaji wetu sambamba na malengo ya SMM. Matokeo ya SMM yanachapishwa kila mwezi na vituo vyetu vya DAR na JRO vya abiria na mizigo vilipata alama za 'Platinumu' na 'Dhahabu' kwa kipindi chote cha mwaka.

Mikutano ya mtandaoni ya kila wiki ya 'Commercial WIN-ROOM' na 'Global Weekly Operations Review (WOR)' ilifanyika mwaka mzima kuhakikisha malengo ya biashara na uendeshaji ndani ya kampuni yanafikiwa. Mikutano ya 'WIN-ROOM' inaongozwa na Mkurugenzi Mtendaji wa kampuni mama (Group CEO) na mikutano ya WOR inaongozwa na Mkurugenzi wa Uendeshaji wa kampuni mama (Group Director of Operations) na kuhudhuriwa na Mkurugenzi Mtendaji wa kampuni mama (Group CEO).

Tunawashukuru kwa dhati wateja wetu wote; Air Tanzania, Emirates, Qatar Airways, Turkish Airlines, Oman Air, Air Zimbabwe, Kenya Airways, Airlink, Ethiopian Airlines, KLM, Martin Air Cargo, CONDOR, AB Aviation, Malawian Airlines, EWA Air, Mozambique Airlines, Egypt Air, Eurowings Discover, Assalam Air, Edelweiss Air AG, Uganda Airlines, Lufhtansa Cargo na mawakala wa mizigo, na kampuni za usafirishaji mizigo nje ya nchi, kwa kuiamini na kufanya biashara na Swissport.

Rasilimali Watu na Mafunzo

Kampuni ina wafanyakazi wenye ari na uwezo wa kufanya kazi vizuri, ambao wamekuwa muhimu katika kutoa huduma salama zenye ubora kwa wateja. Mwaka huu, mipango kadhaa ya kuimarisha ustawi wa afya za wafanyakazi, uboreshaji wa miundombinu ya ofisi, na vitendea kazi ilitekelezwa ili kuboresha afya na ustawi wa wafanyakazi. Kampuni pia imetenga vyumba vizuri vya mapumziko kwa wafanyakazi, na jitihada za mara kwa mara zinafanywa kuboresha ratiba ya kazi ya wafanyakazi.

Tumeendelea kuwa na idadi ya kutosha ya wafanyakazi kwa ajili yakutoa huduma na kuwezesha wafanyakazi kuwa na ratiba bora ya kazi.

Mishahara ya wafanyakazi hurekebishwa kila mwaka kwa kuzingatia utendaji wa kifedha wa Kampuni na mazingira ya biashara.

Kupitia Chama cha wafanyakazi na Baraza kuu la wafanyakazi, wafanyakazi walipewa taarifa kuhusu utendaji wa kampuni katika masuala ya usalama, ulinzi, uendeshaji, na fedha, na walipewa fursa ya kutoa maoni yao juu ya jinsi ya kudumisha au kuboresha utendaji wa kampuni.

Kituo chetu cha mafunzo kimeendelea kuwa muhimu katika kuhakikisha wafanyakazi wa operesheni wanapewa mafunzo ya kutosha na kuthibitishwa katika maeneo yao mahususi ya kiutendaji. Jitihada za kuthibitisha ujuzi wa kiufundi wa wafanyakazi pia zilifanikiwa kwa kushirikiana na wateja (mashirika ya ndege) na wasimamizi wa sekta. Sera zetu za uendeshaji zinakataza kabisa wafanyakazi wasio na mafunzo kushiriki katika operesheni. Pia tulishirikiana na wateja kuhakikisha kuwa wafanyakazi wanapata mafunzo sahihi ya utoaji huduma za ndege husika ili kuihudumia vizuri jumuiya ya wasafiri wa anga kwa niaba yao.

Rekodi za mafunzo zinatunzwa vizuri katika mfumo wa INTELEX, mfumo huu hutoa taarifa mapema za vyeti vinavyokaribia kwisha muda wake kuwezesha mafunzo yanayohitajika kutolewa kwa wakati. Hatua zote hizi zinachukuliwa ili kuhakikisha Swissport Tanzania Plc. inaweka mazingira mazuri ya utendaji kazi kwa rasilimali yake muhimu – "watu".

Uwekezaji
Tumeanza kutumia viashiria kadhaa (KPIs) kwa vifaa vya kazi (GSE) ili kuhakikisha vifaa hivyo vinatunzwa vizuri na vinafanyakazi wakati wote. Hii imeboresha ubora wa vifaa vya kazi licha ya changamoto kama uharibifu usiotarajiwa wa baadhi ya vifaa, gharama kubwa za matengenezo, na muda mrefu wa kusubiri kupata vipuri ambavyo vinatoka nje an chi.

Katika jitihada za kuboresha usalama na ubora wa huduma zinazokidhi mahitaji ya wateja, tumeendelea kuwekeza katika vifaa vya kazi, bohari za mizigo, magari ya kupakia na kushusha mizigo, zana nyingine za kazi.

Katika kipindi cha mwaka 2022 tuliwekeza kiasi cha TShs 2,291 milioni (2021 – TShs 2,317 milioni). Tunatarajia kuwekeza TShs 4,263 milioni mwaka 2023.

Kadri mizigo ya dawa na mizigo inayoharibika haraka inavyoongezeka, kampuni imeendelea kuboresha uwezo wake wa kuhudumia mizigo ya aina hiyo kwa kuwekeza katika bohari za baridi na sehemu maalumu za kuhifadhia dawa. Pia tuna mipango ya kupata ithibati ya CEIV kutoka IATA.

Tulikamilisha na kuzindua chumba cha kupumzikia abiria (Lounge) cha 'Twiga Lounge by Aspire' kilichojengwa katika Uwanja wa ndege wa Kimataifa wa Kilimanjaro (KIA) kwa kushirikiana na **Air Tanzania**. Kupitia chumba hiki tunatoa huduma za mapumziko zenye ubora kwa wasafiri wa Kimataifa uwanjani hapo.

Mpango wetu wa kukarabati bohari la baridi katika uwanja wa Kimataifa wa Kilimanjaro haujatekelezwa ukisubiri kibali kutoka Kampuni ya Uendeshaji na Uendelezaji wa Kiwanja cha Ndege cha Kimataifa cha Kilimanjaro (KADCO). Mradi huu umechelewa kukamilika na ni mradi unaohitajika sana na jamii ya wafanyabiashara wa kuuza bidhaa zinazoharibika haraka nje ya nchi ambao wanamatarajio ya kupatiwa huduma bora zinazokidhi miongozo ya ubora inayotolewa na wadhibiti wa sekta ya anga.

Sera Endelevu
Mwezi Septemba 2022, kampuni mama ya Swissport International Ltd. (SPI) ilitangaza mpango wake mpya na madhubuti wa sera endelevu. Sera hii inazingatia mazingira, jamii na utawala bora (ESG) na inawiana na mpango wa biashara wa muda mrefu wa kampuni.

Sambamba na mipango ya SPI, Swissport Tanzania katika mipango yake ya uwekezaji inahakikisha kuwa uwekezaji na shughuli za kampuni zinajali mazingira kwa kununua vifaa vinavyotumia umeme ili kupunguza hewa ukaa 'CO_2'. Kwa sasa, asilimia 17% ya vifaa vya kazi vya kampuni (GSE) vinatumia umeme.

Kampuni imeendelea kuwajibika katika kufuata sheria na taratibu za nchi zinazohusiana na sere endelevu ya makampuni.

Usalama Mahala pa Kazi
Usalama umeendelea kuwa kipaumbele namba moja cha kampuni.Tumeendelea kudumisha na kuimarisha utamaduni wetu wa usalama na kuifanya Swissport kuwa sehemu salama kufanya kazi. Malengo yetu ni kupunguza ajali kazini, uharibifu wa ndege na kuboresha utamaduni wa usalama. Programu mbalimbali za kuboresha hali ya usalama kama vile kampeni za usalama, mikutano ya kuwakumbusha wafanyakazi kuhusu umuhimu wa usalama, utoaji taarifa za ajali zilizonusurika kutokea, utoaji wa taarifa za matukio salama, siku ya matembezi ya usalama kwa viongozi (Leader's Wednesday) na maadhimisho ya siku za usalama (Safety Day) zilitekelezwa kuboresha usalama.

Utendaji wetu ndani ya mwaka 2022 ulikua salama kwani hakukuwa na uharibifu wa ndege au wafanyakazi walioumia wakiwa kazini na idadi kubwa ya matukio ya kiusalama yaliripotiwa. Hii inadhihirisha kuimarika kwa tabia ya usalama na utendaji imara kiusalama.

Mfumo wetu wa kuripoti matukio ya kiuusalama (SMT), unahifadhi rekodi za matukio yote ya usalama yaliyoripotiwa na wafanyakazi. Mfumo huu unatuwezesha kukusanya na kutambua hatari na maeneo tunayofanya vizuri katika shughuli za operesheni na kuchukua hatua stahiki kurekebisha matukio hatarishi.

Tunafuata kanuni za afya na usalama mahala pa kazi kama zilivyoainishwa na sheria.
Tulifuata miongozo iliyotolewa na Wizara ya Afya na Mamlaka ya Anga Tanzania (TCAA) na mawakala wengine wa serikali katika kukabiliana na hatari zilizotokana na magonjwa ya mlipuko na majanga ya magonjwa mbalimbali.

Lengo letu la kutofautisha huduma zetu kwa kutoa huduma zenye ubora wa hali ya juu na salama kwa wateja wetu bado lipo palepale

Tuzo
Katika mwaka 2022 tulipokea tuzo ya uwasilishaji wa taarifa bora ya kifedha kutoka kwa Bodi ya Taifa ya Wahasibu na Wakaguzi wa Hesabu (NBAA). Tuzo ya Ripoti Bora ya Fedha ya mwaka 2021 mshindi wa tatu katika kundi la mashirika yanayotoa huduma, katika kutambua ufanisi wa kampuni katika utoaji wa taarifa za kifedha miongoni mwa makampuni ya Tanzania. Tumeshinda tuzo hii kwa mwaka wa 10 mfululizo. Hii inaonesha tulivyo na uwazi na uzingatiaji masharti katika utoaji wa taarifa za fedha.

Mtazamo wa Biashara
Shughuli zote za kuhudumia wasafiri na usafirishaji mizigo zimerejea kama kawaida, hivyo ni mpango wetu kuimarisha na kukuza biashara kwa kuhakikisha hatupotezi wateja wetu, tunapata biashara mpya, tunatoza bei sahihi na kuendelea kutangaza chumba cha kupumzikia abiria (Lounge) cha Twiga Lounge by Aspire.

Pia tunatarajia ukuaji wa Air Tanzania (Shirika la Taifa la Ndege) na ongenzeko la biashara ya mauzo ya bidhaa nje ya nchi kuchochea ukuaji wa huduma zetu za kuhudumia abiria na mizigo. Kuongeza ufanisi wa uendeshaji na kudhibiti gharama vitabaki kuwa vipaumbele muhimu katika kufikia malengo ya kampuni.

Malengo ya mwaka 2023 yaliandaliwa kwa kuzingatia taarifa zilizotolewa katika aya zilizotangulia huku tukifuatilia kwa ukaribu athari za mwenendo wa biashara kimataifa, mahusiano ya kimataifa, mfumuko wa bei, na kupanda na kushuka kwa bei za mafuta.

Kuruhusu mfumo wa soko huria katika biashara ya kuhudumia ndege ardhini kumeongeza ushindani ingawaje soko ni dogo na halikui. Tunazitambua changamoto hizi, na tunachukua hatua sahihi kubakisha wateja na kushinda biashara mpya zenye faida. Kampuni pia inawekeza kwenye mifumo ya uendeshaji, vifaa vya kuhudumia ndege, bohari za kuhifadhi mizigo, rasilimali watu, teknolojia, na mafunzo ili kuweza kuendelea kutoa huduma bora na tofauti kulinganisha na washindani wetu katika kukidhi kiu ya kudumisha na kupata biashara mpya.

TShs 4,263 milioni zitawekezwa katika mwaka 2023 na kiasi kikubwa kitaelekezwa katika kuboresha miundombinu ya bohari za mizigo na kununua vifaa vipya vya kuhudumia ndege. Hatua hii itasaidia kuimarisha na kuongeza uwezo wa ziada wa kuhifadhi mizigo ya bidhaa inayoharibika haraka na dawa pamoja na kuimarisha uwezo wa kuhudumia ndege.

Kuimarishwa kwa ulinzi na usalama na viwango vya utendaji kazi pamoja na kiwango cha kuridhika cha wateja kilichoonyeshwa kupitia mfumo wa NPS na pia mikutano ya kila mwezi ya kupitia utedaji kazi kutasaidia kuweka msingi wa kufikia malengo ya mwaka 2023.

Shukurani
Natoa shukurani kwa mashirika ya ndege kwa kuchagua kuhudumiwa na Swissport Tanzania Plc. na ninatambua ushirikiano tunaopatiwa na mashirika ya ndege, Kampuni mama ya Swissport International Ltd., Bodi ya Wakurugenzi, Wizara ya Ujenzi na Uchukuzi, Mamlaka ya Anga Tanzania (TCAA), Mamlaka ya Viwanja vya ndege Tanzania (TAA), Kampuni ya Uendeshaji na Uendelezaji wa Kiwanja cha Ndege cha Kimataifa cha Kilimanjaro (KADCO) na wadau wengine wote katika kutoa huduma, kufikia viwango vya utendaji, ulinzi na usalama katika kuendesha na kusimamia biashara.

Napenda pia kutoa shukrani zangu za dhati kwa wafanyakazi wenzangu wote kwa ushirikiano wao, kufanya kazi kwa bidii na kujituma katika kufanya kazi nzuri kwa niaba ya kampuni. "**Tunashinda pamoja"**.

Nimatarajio yangu mtaendelea kuniunga mkono.

Asanteni!

Mrisho Yassin
Afisa Mtendaji Mkuu
Swissport Tanzania Plc.

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2022

The directors submit their report together with the audited financial statements for the year ended 31 December 2022, which disclose the statement of profit or loss and other comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows, and notes to the financial statements of Swissport Tanzania Plc (the "Company").

1 DIRECTORS

The directors of the Company at the date of this report, who served since 1 January 2022, except where otherwise stated, are:

	Name	Nationality	Gender	Position	Age	Appointment
1	Mr. Dirk Goovaerts(1)	Belgium	Male	Chairman	60	September, 2021
2	Mr. Eric Muriithi (1)	Kenyan	Male	Director	38	March, 2020
3	Mr. Raymond P Mbilinyi (2)	Tanzanian	Male	Director	58	April, 2016
4	Dr. Charles S Kimei (2)	Tanzanian	Male	Director	69	April, 2019
5	Mr. Mrisho Yassin (1)	Tanzanian	Male	Director	47	December, 2021

(1) Representing Swissport International Ltd (SPI)
(2) Representing minority shareholders

1 DIRECTORS (CONTINUED)

In accordance with the Company's Articles of Association, the Board of Directors will consist of five directors, three representing majority shareholder and two representing minority shareholders. At the Annual General Meeting, the minority shareholders shall have the right to appoint and remove two independent directors in a competitive manner. These directors are re-elected after every three years.

The Board comprises four non-executives and one executive director who is also the Chief Executive Officer of the Company. Three directors represent SPI, the CEO of the Company and two senior executives at SPI, and two directors represent minority shareholders.

Directors' interest in the shares of the Company
Directors representing minority shareholders have interest in issued and fully paid-up shares of the Company as shown below:

Name	Shares 2022	Shares 2021
Mr. Raymond P Mbilinyi	140	140
Dr. Charles S Kimei	1,200	1,200

Directors' remuneration
The directors (except those representing SPI) are entitled to the directors' fees paid annually as follows:

Name	US$
Directors representing minority shareholders	8,000

The directors representing minority shareholders are also entitled to a sitting allowance for every meeting of the Board, or its committees as follows:

Name	US$
Directors representing minority shareholders	800

Directors representing Swissport International Ltd are not entitled to any director allowances and remunerations.

The Company Secretary, as of the date of this report who has served throughout the period was KW Kapinga and Partners and they are paid an annual retainer fee which is reviewed from time to time.

2 COMPANY SHAREHOLDINGS

As of 31 December 2022, the Company had 10,759 shareholders (31 December 2021 –10,778 shareholders). The Pension Funds owns 9% of the Company's shares (2021: 9%). Ten major shareholders of the Company are listed below:

	Name	Nationality	%
1	Swissport International Ltd.	Swiss	51
2	SCB(T) RE: SSB: Chage Global Frontier Markets, LP Fund	Tanzanian	6
3	Umoja Unit Trust Scheme	Tanzanian	5
4	National Social Security Fund	Tanzanian	5
5	Public Service Social Security Fund	Tanzanian	4

2 COMPANY SHAREHOLDINGS (CONTINUED)

	Name	Nationality	%
6	Sayeed H. Kadri &/or Basharati Kadri &/or Mehboob Kadri &/or Khalid &/or Muzammil Kadri	Tanzanian	1
7	G.A.K. Patel & Co. Limited	Tanzanian	1
8	Kalpesh Rajesh Mehta &/or Kavita Kalpesh Mehta	Tanzanian	1
9	Mohsin Gulamabbas Fazel	Tanzanian	1
10	Abdul Ayoub Abdulssamad	Tanzanian	1

As of 31 December 2021, the Company had 10,778 shareholders (31 December 2020 –10,782 shareholders). The Pension Funds owned 9% of the Company's shares (2020: 8%). Ten major shareholders of the Company are listed below:

	Name	Nationality	%
1	Swissport International Ltd.	Swiss	51
2	SCB(T) RE: SSB: Chage Global Frontier Markets, LP Fund	Tanzanian	6
3	National Social Security Fund	Tanzanian	5
4	PSSSF	Tanzanian	4
5	SCB (T) Nominee Ltd Standard Chartered Bank	Tanzanian	2
6	SCB Mauritius A/C SANLAM Centre Sub Saharan Africa Equity	Tanzanian	2
7	Sayeed H. Kadri &/or Basharati Kadri	Tanzanian	1
8	BNYM re Frontier Market Opportunities Master Fund lP	Tanzanian	1
9	G.A.K. Patel & Co. Limited	Tanzanian	1
10	Umoja Unit Trust Scheme	Tanzanian	1

3 ACCOUNTING PERIOD

The Company's accounting circle is from January to December. The financial information presented in these financial statements is for the year ended 31 December 2022, together with the comparative information for the year ended 31 December 2021.

4 PRINCIPAL ACTIVITIES

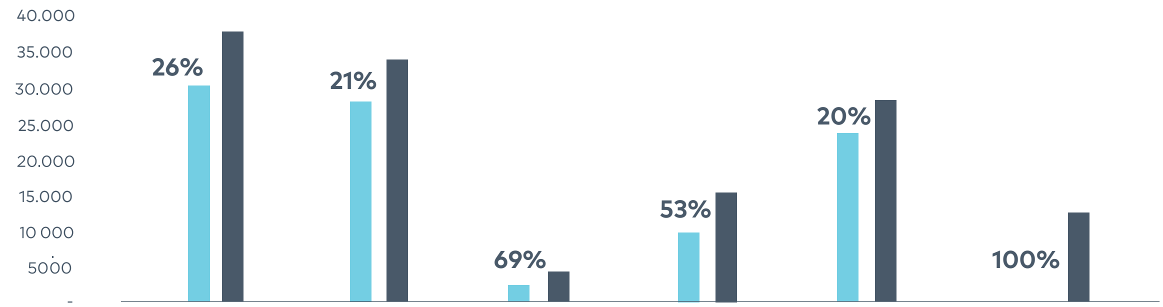
The Company's principal activities are the provision of airport ground handling, cargo handling services and lounge services. During the year, the Company operated at Julius Nyerere International Airport (JNIA) and Kilimanjaro International Airport (KIA).

5 OPERATING AND FINANCIAL REVIEW

A significant increase in operations was witnessed in the Company's ground handling and cargo handling business lines throughout the year following strong recovery of the business from the impact of COVID-19. Both number of flights handled, and the amount of cargo handled increased substantially. Air travel health and safety protocols, airline resilience, and the removal of travel restrictions contributed positively to the recovery of the business. The launch of Twiga Lounge by Aspire at Kilimanjaro International Airport in March 2022 improved the top line of Company. Operational costs increased in response to the increased flight frequencies and cargo volume. Despite notable increase of operating costs, several cost control measures were implemented to protect bottom line and ensure sustainability of the business.

5 OPERATING AND FINANCIAL REVIEW (CONTINUED)

OPERATIONAL AND FINANCIAL OVERVIEW



	Revenue (TZS, Millions)	Cost (TZS, Millions)	EBIT (TZS, Millions)	Flights (Numbers)	Cargo (Tons)	Lounge (visitors)
FY 2021	30,165	28,032	2,647	9,965	23,447	0
FY 2022	37,881	33,817	4,473	15,208	28,055	12,267

Revenue for the year increased by 26% from the revenue realized in 2021. The increase in revenue was mainly caused by the increase in flights and cargo tonnage by 53% and 20% respectively. In addition, revenue from the Twiga Lounge by Aspire was officially launched in March 2022 contributed towards increase in revenue in the year 2022. Despite this being the first year of operations a total number of 12,267 customers visited the Lounge. The rollout of COVID 19 vaccination and the relaxation of travel restrictions around the world positively impacted the recovery of the ground handling segment.

Ground handling services

Ground handling revenue increased by 46% compared to 2021 from TShs 11,918 billion to TShs 17,408 billion. The increase in ground handling revenue attributed by a significant increase in frequencies handled due to business recovery from the impact of COVID 19 and the growth of Air Tanzania operations.

The yield from the ground handling segment decreased by 7% because most of our airline customers operated with smaller equipment (aircraft) compared to equipment operated in 2021. Trade discounts were offered during the year to some customers during the contact renewal process.

During the year, the Company handled 15,208 flight frequencies (2021 – 9,965), which is an increase of 53% on handled flight frequencies in the year 2021.

Ground handling revenue versus budget:

Revenues from ground handling services were TShs 17,408 million, 15% higher than those foreseen in the budget, TShs 15,164 million. Increasing frequencies following the recovery from COVID 19 and increased tourism activities in the country contributed to the actual performance exceeding the budget.

Cargo handling services

Revenue realized from cargo handling services increased by 9% from TShs 18,247 million to TShs 19,946 million compared to 2021. The increase was attributed to an increase in the volume of cargo handled by 20%, from 23,040 tons in 2021 to 28,055 tons in 2022. Increased export of perishable products (meat, fish and avocados and flowers) contributed to the growth of cargo volume. Increased tonnage on import were triggered by handled shipments for vaccinations and census materials.

Export cargo increased from 11,972 tons in 2021 to 14,898 tons due to the increase in the export of perishable products whereas Import cargo increased from 11,068 tons to 13,157 tons due to imported vaccinations and census materials.

5 OPERATING AND FINANCIAL REVIEW (CONTINUED)

Cargo revenue versus budget

Revenue realized from cargo handling services of TShs 19,946 million was 8% above budgeted revenue of TShs 18,484 million. The actual performance was above budget, mainly due to an increase in the volume of cargo handled. We budgeted to handle 22,932 tons of cargo, while 28,055 tons were handled during the year.

Lounge Business

On 28th March 2022, the Twiga Lounge by Aspire was officially launched. The lounge served 12,267 passengers and generated a revenue of TShs 527 million and a loss of TShs 177 million.

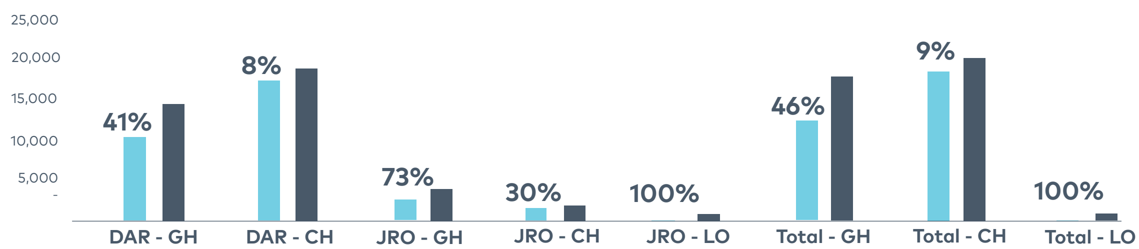
Lounge revenue versus budget

Revenue realized from the lounge business of TZS 527 million was 63% lower than budgeted revenue of TShs 1,527 million. This was attributed to late commissioning of the lounge and lower number of passengers who visited the lounge.

The Company generated its revenue from JNIA and KIA operations.

Revenue realized from ground handling (GH), cargo handling services (CH), and lounge business (LO) operations at Julius Nyerere International Airport (DAR) and Kilimanjaro International Airport (JRO) are as follows:

REVENUE BY BUSINESS LINE



	DAR - GH	DAR - CH	JRO - GH	JRO - CH	JRO - LO	Total - GH	Total - CH	Total - LO
FY 2021	9,929	17,226	1,989	1,021	-	11,918	18,247	-
FY 2022	13,973	18,621	3,435	1,325	527	17,408	19,846	527

Profitability

During the year, the Company recorded an operating profit before tax (PBT) of TShs 3,962 million, which was TShs 1,910 million or 93% above when compared to a profit before tax (PBT) of TShs 2,052 million realized in 2021. The increase in earnings before tax (EBT) was attributed to business recovery from the financial and operational impact of COVID 19.

Cash flows

The Company generated enough cash flow from its operations to maintain a positive free cash flow position. The Company generated TShs 7,025 million from its operating activities (2021 – TShs 6,209 million). The increase in the cash flows from operations was mainly due to increase in the profit before income tax of TShs 3,962 million (2021 – TShs 2,052 million).

Investments

During the year, the Company invested TShs 2,291 million on GSEs, Computers, Warehouse equipment, Workshop tools and equipment and construction of restroom for staffs at JNIA (2021 – TShs 2,317 million).

5 OPERATING AND FINANCIAL REVIEW (CONTINUED)

Investments (continued)
The construction of the Twiga Lounge by Aspire at KIA which started in October 2021 was completed in March 2022 at a cost of TShs 1,377 million.

KADCO have not approved our plan to rehabilitate the cold storage facility at KIA to cater for the high demand of the facility at the airport. This negatively impacts quality of services offered to perishable exporters out of KIA. We are concerned and we shall continue engaging with KADCO until we secure the approval to rehabilitate the facility to improve quality of services and ensure compliance with local and international quality standards.

The Company will cautiously continue investing in GSE, People, Safety, Training, and ICT of strategic importance to enhance the quality of services, security and safety of employees and customers.

Airline performance and retention
No loss of customer was registered during the year and all airline customers operated as per communicated operating schedules with some cancellations and equipment changes due to operational reasons. We won Eurowings business.

Our customers firmly measured the Company's operational performance using a set of Key Performance Indicators (KPIs), which are part of the agreed Service Level Agreements (SLAs). The agreed KPIs were, to a great extent, achieved.

To improve the quality of services offered to our customers, we introduced the Net Promoter Score (NPS), the voice of customers, through which customers share feedback on the previous week performance. Appropriate measures are taken to address operational gaps reported by customers. NPS outcomes are reviewed by the Group CEO's office.

Overall Performance
The operational and financial performance of the business was impressive following significant recovery of the volume of business from the impact of COVID-19 pandemic. As a result, both revenue and profit increased.

Operation performance was good, we met airline performance KPIs. We complied with Standard Operating Procedures and Airline Goals, Operators, Methods, Selection model (GOMs). Ground Handling Support Equipment were always reliable and available to support operations.

The Company continued to focus on quality, health, safety, security, and environment (QHSSE), training, compliance, and investments during the recovery phase of the pandemic. Appropriate measures were taken to ensure compliance with best industry practices.

Several achievements were realized on QHSSE, and no major safety incident was recorded during the year. These achievements helped the Company to enhance the quality of services and relationships with customers.

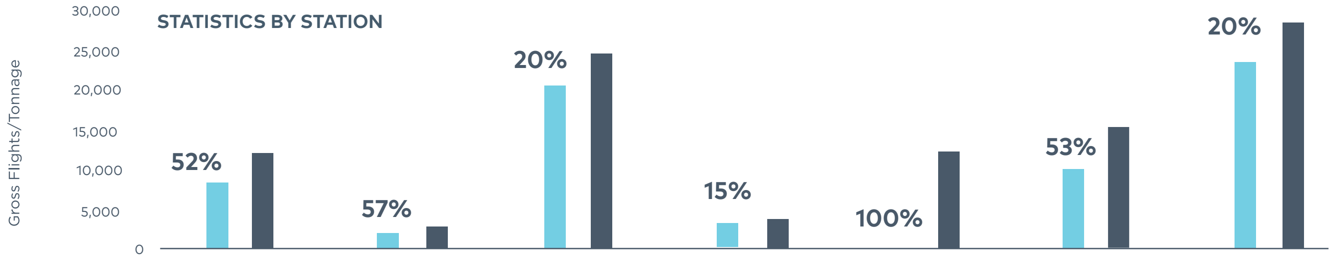
The Company continues to face various operational and commercial challenges. In response, long and short-term strategies such as meeting and discussing commercial and operational issues with relevant stakeholders. In addition, business re-organization, training of staff, and investments in ground operating equipment and warehouse facilities were implemented to address the challenges faced by the Company.

Cash from operations was the main source of funds for the business and where there was a need for additional funding, bank loans, head office loans, and any other sources approved by the Board were available to fund the additional requirements.

5 OPERATING AND FINANCIAL REVIEW (CONTINUED)

Overall Performance (continued)

The following are key operational indicators for the performance of the Company.



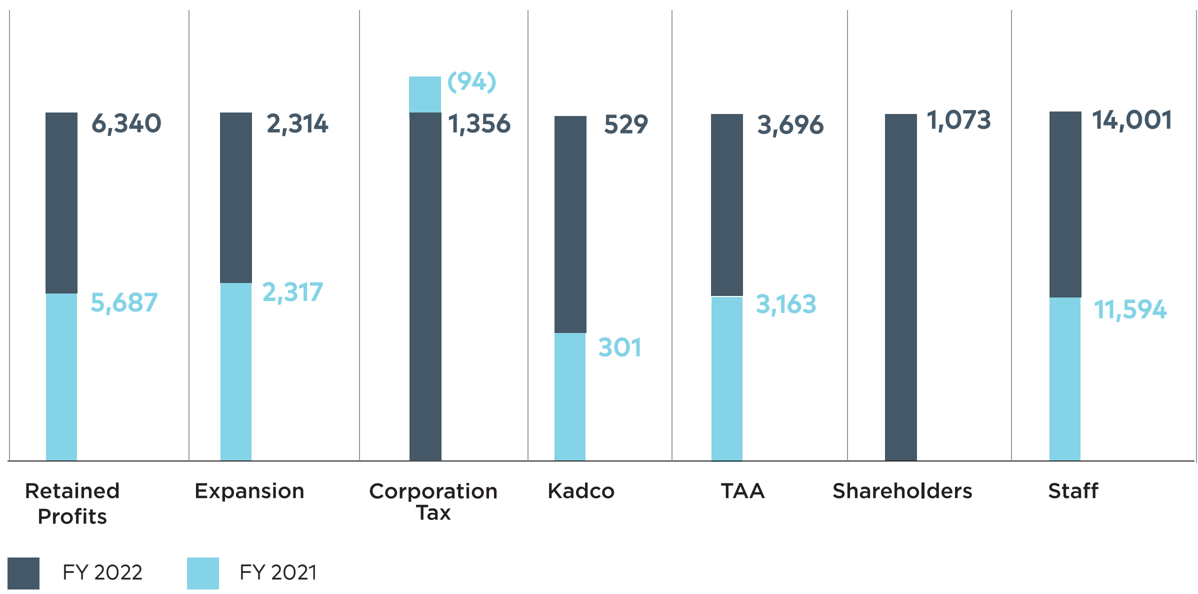
	DAR Flights	JRO Flights	DAR - CARGO Tonnage	JRO - CARGO Tonnage	Total visitors	TOTAL Flights	TOTAL Tonnage
FY 2021	8,119	1,846	20,219	3,228	-	9,955	23,447
FY 2022	12,316	2,892	24,346	3,710	12,267	15,208	28,055

6 VALUE ADDED STATEMENT

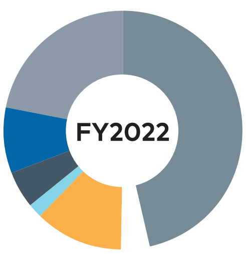
The value generated by the Company is distributed as follows:

Million Tanzania Shillings	2022	2021
Revenue (including other income)	38,290	30,679
Purchase of materials (fuel, maintenance, rent and other purchases)	(10,492)	(7,710)
Value Added	27,798	22,969

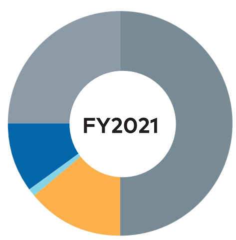
6 VALUE ADDED STATEMENT (CONTINUED)



VALUE ADDED DISTRIBUTION - AMOUNT IN TSHS M



Staff	14,001	47%
Shareholders	1,073	4%
TAA	3,696	12%
KADCO	529	2%
Corporate Tax	1,356	5%
Expansion	2,314	8%
Retained profits	6,340	22%



Staff	11,594	50%
Shareholders	-	0%
TAA	3,163	14%
KADCO	301	1%
Corporate Tax	-	0%
Expansion	2,317	10%
Retained profits	5,687	25%

7 FUTURE DEVELOPMENTS

Short and long-term plans are prepared to provide strategic direction, financial projections, and investment plans for the Company. The directors review and approve the company's annual budget and business plan.

The directors are aware of the factors (risks and opportunities) affecting the aviation industry in Tanzania and at the global level and their related financial impact. Where appropriate, the expected impact is fully recognized in the Company's projections.

The focus going forward is to grow the business through enhancing business relationship with airline customers and cargo forwarders, expansion to other airports, introduction of new product lines and investing in export facilities to continue promoting export of perishable products.

7 FUTURE DEVELOPMENTS (CONTINUED)

Export of perishable products out of Tanzania is growing and we are determined to continue investing in cold storage facilities to foster export of perishable products.

Cargo import volumes are stable, we shall continue providing high quality services to our customers to retain and tap future volumes.

Ground handling segment has fully recovered, and the level of operations are back to those of pre-COVID periods. The business is prepared and ready to handle the expected additional volumes. We are also aware that Air Tanzania network expansion plans will continue fostering growth of the ground handling business.

The Company's growth strategies are limited to other underlying challenges. These challenges among others, include the small size of the market (few airlines are operating in the country), the market being dominated by few big players, decreasing yield, limited business expansion opportunities, and an increased number of ground handlers.

To address the challenges and improve the top line, directors always restructure the business and adopt strict cost control measures to improve operating efficiency and reduce costs. In addition, the directors address commercial challenges by retention of customers, negotiation of the ground handling agreements and pursuing new business opportunities.

By completing and launching Twiga Lounge by Aspire in March 2022, the company was able to boost revenue and accelerate growth.

The directors support steps taken by the Government of Tanzania to promote the development of the aviation and tourism sectors in the country and have formulated plans to pursue new opportunities arising from the Government's initiatives and, where appropriate, make the necessary investments to complement efforts taken the by Government.

The Company's five-year business plan considered IATA estimates of aviation industry recovery from the COVID-19 impact and projects stable performance going forward.

8 COMPETITION

The ground handling business at Julius Nyerere International Airport (JNIA) and Kilimanjaro International Airport (KIA) are fully liberalized. Apart from Swissport Tanzania Plc, there are competitors providing both ground handling and cargo handling services at JNIA and KIA and another competitor offering cargo handling services exclusively at JNIA.

In May 2022, TCAA published its Board decision No. 1 of 2022, the decision repealed Board decision No. 1 of 2016 and has fully liberalized the ground handling business in Tanzania.

The directors are aware of the threats from the competition and have formulated several plans and strategies that will provide consistent performance in a competitive environment. Customer retention through offering enhanced quality services, cost control, investments, business re-engineering, pursuing new revenue opportunities, and working capital management are key steps the Company takes to sustain financial performance.

The Company has 85% market share in grounding handling segment and 98% in cargo handling segment.

9 PRINCIPLE RISK AND UNCERTAINTIES

The Company's financial performance depends largely on the airline customers' operational performance. We, therefore, have no full control of the business. This is considered a high risk for the Company. Given this, our top line is influenced by the airline performance while we have control of costs. Due to this, we consistently implement cost control initiatives, which in return, sustain the Company's financial performance. In addition, as the business evolves, the Company is constantly working proactively to increase its revenue.

The significant uncertainties to our business are the loss of airline customers and/or variation in production volumes (flights and tonnage). The reduction of either number of flights or the volume of cargo negatively impacts the Company's financial performance. However, we always react to a change by reviewing cost structure and implementing strong cost-cutting measures to reduce the possible financial impact of the loss of the business volumes.

More detail on the financial risks facing the Company are presented in Note 9.

10 INPUT AND OUTPUT

Employees, warehouses, cold rooms and Ground Support Equipment (GSEs) are the most valuable assets and key inputs in our operations, others are Standard Operating Procedures (SOPs), technology, safety management system (SMS) and quality and industry certifications. We use these tools to support the provision of high-quality services to our esteemed customers. Our people make the real difference, beyond technical skills to fulfil their roles, it is the mindset of our employees to go the extra mile that differentiates Swissport as the partner of choice for airlines at the airports we operate.

Operational KPIs agreed by our customers measures quality of our services to airline customers

11 RESULTS AND DIVIDENDS

The Company realised a net profit of TShs 2,606 million (2021 – TShs 2,146 million). The directors have proposed a dividend of TShs 1,504 million (2021- TShs 1,073 million), equal to TShs 41.8 (2021-Tshs 29.8) per issued and fully paid in shares. The approved dividend represents 58% of the net profit after tax for the year.

No interim dividend was approved in 2022 (2021 – Nil), the decision was made by the Board to ease cash flow pressure and allow the Company to effectively finance investments to meet the increased volume of operations.

12 SOLVENCY

The Company's state of affairs as at 31 December 2022 is set out on page 49 of the financial statements. The cash flow forecast demonstrates the ability of the Company to meet both its short-term and long-term liabilities as they fall due.

13 LIQUIDITY

The Company has a positive liquidity position. Financial obligations of the Company are mainly met using internally generated cash flows and supported by an intercompany loan of US$ 2 million (United States Dollars two million), equivalent to TShs 4.6 billion acquired in November 2020 repayable by February 2023. As at year-end total outstanding amount was TShs 378 million. The Company has enough cash flow to repay the loan.

14 USES OF FUNDS AVAILABLE

Cash and cash equivalents held by the Company are used to finance operating activities, settle maturing obligations and approved dividends, finance investment projects and, where necessary excess cash is invested into a fixed deposit or call account.

15 SHARE CAPITAL AND STOCK EXCHANGE INFORMATION

The Company's authorized share capital is TShs 500 million divided into 50 million ordinary shares of TShs 10 each. The Company's issued and paid-up share capital is TShs 360 million, divided into 36 million ordinary shares of TShs 10 each. Presently, Swissport International Ltd. owns 51% of the Company's share capital, and different companies and individuals through the Dar es Salaam Stock Exchange (DSE) own the remaining 49% of the share capital. Local shareholders own 24% (2021 – 35.8%) of the Company's share capital.

Shares of the Company are listed at the DSE, and 49% of the Company's issued shares are actively traded as free float. In the year 2022, the performance of the Company's shares in the secondary market was as follows: Market capitalization as at 31 December 2022 was TShs 47,520 million (2021 – TShs 36,000 million), the total turnover of the Company's shares at DSE was TShs 4,432 million (2021 – TShs 882 million), the average price of Company shares was TShs 1,378 (2021 – TShs 1,103) and the closing share price as at 31 December 2022 was TShs 1,320 per share (2021 – TShs 1,000). IPO price in 2003 was TShs 225 per share.

16 DISABLED PERSONS

The Company's policy is to accept disabled persons for employment for those vacancies that they can fill. The Company also maintains its policy of continued employment of employees who become disabled while in service. At 31 December 2022, the Company had Nil disabled employees (2021 – 2 disabled employees).

17 TRAINING

At Swissport we intend to set standards of operational excellence in airport ground services and air cargo handling. We provide a wide range of training to support our employees in realizing their full potential. By continuously investing in staff qualifications, we are able to do an even better job fulfilling the expectations of our key clients, such as reliability, service quality, standardization and consistency. Swissport Tanzania Plc. has its own approved training unit, which is tasked with ensuring that all staff members are thoroughly trained to meet the regulatory standard that governs the industry (ICAO, IATA and TCAA) as well as meeting airline training requirements.

The Swissport Tanzania Training Centre is approved by the International Air Transport Association (IATA ATC) and an Approved Training Organisation (ATO) by Tanzania Civil Aviation Authority (TCAA). In addition to the in-house training program, has a broad syllabus of training that is offered to airline partners and to members of the general public. Amid the pandemic challenges, IATA approved training courses, along with numerous aviation related courses, were offered throughout 2022 for the programmes enrolled for 2022.

TCAA approved the Company to conduct two aviation security courses out of four for own staff during the year. The approval will reduce the training cost of the Company and fosters compliance.

The Company spent TShs 90 million in external training (2021 – TShs 177 million). Focus remains on building our trainer's capacity. We aim to achieve the intended objective of providing better training and better facilities for employees, reducing training costs, and providing training opportunities to various stakeholders in the aviation industry.

18 STAFF PERFORMANCE MANAGEMENT

Staff performance at all levels is reviewed annually based on pre-agreed goals and Key Performance Indicators (KPIs). The Company suspended the use of TALEO system as a tool for performance management evaluation for senior management staff and heads of Units. A new system of managing performance is being developed that will be used to manage management team performance. Presently, a well-designed manual system is used to evaluate the performance of all staff.

19 LICENSE

Swissport Tanzania Plc is licensed by Tanzania Civil Aviation Authority (TCAA) to provide ground handling and cargo handling services in Tanzania. Our current license is valid up to 03 December 2023. We have started the renewal process for the license.

20 CONCESSION AGREEMENTS

The Company has concession agreements with the Tanzania Airports Authority (TAA) to operate at Julius Nyerere (JNIA) and with the Kilimanjaro Airport Development Corporation (KADCO) to operate at Kilimanjaro International Airport (KIA).

The expiry dates of all concession agreements are as follows:

Julius Nyerere International Airport	30 April 2027
Kilimanjaro International Airport	30 June 2024

The directors are confirming compliance with terms and conditions of the existing concession agreements as stipulated by TAA and KADCO.

21 EMPLOYEE WELFARE

i) Relationship between management and employees

A collective agreement entered between the Communication and Transportation Workers Union (COTWU) and the management governs the relationship between the management and the employees.

The existing agreement between COTWU and the management (CBA) details employees' benefits. Employees' benefits are paid as stipulated in the agreement. Three years contract to 31 December 2023 was signed in 2021.

COTWU provides a link between the management and the employees. Matters affecting employees are discussed between COTWU and the management on a monthly basis.

The management also holds departmental and general staff meetings, where issues affecting employees are discussed and appropriate solutions are established.

Further to the existing agreement between COTWU and the management, the Company has a documented human resources manual. The manual clearly stipulates the rights, obligations, and benefits of the employees.

The Company also has a Master Workers Council (MWC), which is made up by members from the management and general employees. MWC meets at least twice a year to discuss the Company's budget and financial results of the Company. Employees, through their representatives who are members of the MWC are involved in the decision-making process regarding the budget, business improvement plans, cost control measures and investments. Employees are also informed about the financial performance of the Company.

21 EMPLOYEE WELFARE (CONTINUED)

ii) Industrial safety

The Company continued to comply with the standards of industrial safety established by Tanzania Civil Aviation Authority (TCAA), International Civil Aviation Organisation (ICAO), International Air Transport Association (IATA) and Occupational Safety and Health Authority (OSHA). The Company is dully registered with OSHA, WCF, and has been issued with a compliance certificate.

iii) Medical facilities

We have an agreement with National Health Insurance Fund (NHIF) and Strategies Insurance where all staff their families are covered as per Employment and Labour Relations Act 2004 requirements.

iv) Uniforms and protective gears

To ensure staff are operating in a safe environment and are protected from operational hazards, staff are properly trained on safety related matters and are provided with uniforms and all relevant protective gear that meets international standard per the aviation industry.

v) Employee benefits (Pension obligations – defined contribution plan)

All employees on permanent and fixed contracts are enrolled with the National Social Security Fund (NSSF) after the changes of the law governing social security schemes, where the government deregistered and merged various pension funds and formed two Funds to cater for public and private sectors and NSSF was earmarked to serve the private sector.

The Company contributes to NSSF at 10% of gross salary for contract staff and 15% of gross salary for permanent and pensionable staff.

The Company has an unfunded non-contributory employee gratuity arrangement for permanent and pensionable employees (the "Arrangement") which provides for lump sum payments to its employees on their retirement at the age between 55 and 60 years, on early retirement for approved reasons and up to on death. Detailed financial information of the arrangement is provided in Note 26 to the financial statements.

vi) Group life insurance policy

The Company has a group life cover where all employees with employment contracts of over one year are covered and their estates are compensated when they are demise. Funeral benefits are also provided on deaths of dependants and biological parents.

viii) Swissport SACCOS

Swissport employees, with the support of the management, established Swissport SACCOS in 2005, all employees are free to join. SACCOS is intended to help employees build saving culture and supports them to secure short- term and soft loans. Management of SACCOS is under the independent SACCOS management, which is overseen by the SACCOS board.

The Company sponsors Swissport SACCOS and does not interfere the running of SACCOS. Swissport SACCOS is an independent organisation.

22 GENDER PARITY

As at 31 December 2022, the Company had 770 (December 2021: 668) full time employees, out of which 192 (December 2021: 163) were female and 578 (December 2021: 505) were male.

23 INVESTMENTS

The Company has a clear investment policy, where all investment requirements are established by Heads of Sections, reviewed, priced, and included in the Company's budget. The planned investments are thereafter presented and approved by Swissport International and the Board of Directors. During the implementation of the planned investment plan, investment requests are raised by the Chief Financial Officer (CFO) and approved by either the Chief Executive Officer (CEO) or Swissport International (SPI); the approval levels are determined by the approved limits set by SPI in the Group Directives.

Due to financial constraints resulting from the decrease in revenue due to COVID-19 impact, the Company cautiously invested in projects of significant importance, focusing on safety and growth. Accordingly, in 2022, the Company invested TShs 2,291 million on GSE, computer, warehouse equipment, Workshop facilities and construction of restroom at JNIA (2021 – TShs 2,317 million). Note 21(a) and (b) provides details of the investments to the financial statements.

24 RELATIONSHIP WITH STAKEHOLDERS

The Company has a good and strong relationship with its shareholders, customers, suppliers, bankers, lawyers, employees, tax authority, airports authority, and regulators.

Our relationships with stakeholders are built upon mutual understanding and compliance with the agreed and stipulated terms.

25 ACCOUNTING POLICIES

Accounting policies applied are consistent, unless where new standards have been applied. New standards applied in 2022 did not result in a significant change in the financial performance but led to increased disclosures in the Company's financial statements. Future changes are not expected to bring any significant change in the financial performance or disclosures of the Company's financial statements.

26 RELATED PARTY TRANSACTIONS

Other than charges for the use of Cargospot, MAXIMO, D.A.T.E, GS Planning, FindNet, FSC, World tracer, Uniform tool, SPASS+, Infraport systems, IT support recharges, trademark fee, procurement fee and insurance recharges, the Company does not have other transactions with its holding Company.

The Company pays directors' fees and sitting allowances to its directors and salaries and bonuses to its key management personnel. The directors who served the Company during the year are disclosed on page 3. The key management personnel of the Company are:

	Name	Title
1	Mr. Mrisho Yassin	Chief Executive Officer
2	Mr. Imani Mtafya*	Chief Financial Officer
3	Mr. Wandwi Mugesi	Cargo Business Lead
4	Ms. Amina Bilali	Commercial Manager
5	Mr. Shamba Mlanga	Dar es Salaam Station Manager
6	Mr. Deogratius Haule	QHSE Manager
7	Mr. Daniel Jonas	Training Manager
8	Ms. Joyce Jeremiah	Kilimanjaro Station Manager
9	Ms. Nyakako Mwesigwa	Human Resources Manager
10	Mr. Godfrey Rweyemamu	Security Business Lead

* Imani Mtafya resigned as Chief Financial Officer (CFO) in December 2022. Humphrey Samanya acted as a CFO until the appointment of Joshua Jonas on 1 April 2023.

Detailed financial information with related parties are provided in Note 29 to the financial statements.

27 PROCESS MANAGEMENT

The Company operates under quality and environmental management systems, which are both internationally certified. The quality management system is certified to the ISO 9001:2015 standards, and the environmental management system is certified to the ISO 14001:2015 standards. The two standards help the Company to sustain and improve the quality of its services and ensure compliance with the environmental laws/regulations. These certifications are audited, reviewed, and updated annually to maintain our certifications. Our two systems were recertified in 2020 and the renewed certificates for ISO 9001:2015 and 14001:2015 are valid up to December 2023 and November 2023 respectively.

ISO certification requires that we have all our operational and finance processes documented.

28 IATA SAFETY AUDIT FOR GROUND OPERATIONS (ISAGO)

The Company is operating using Swissport International Ltd management system which is approved by ISAGO. This means our operations in organisation and management, load control, passenger and baggage handling, aircraft handling and loading, aircraft ground movement and cargo and mail handling are compliant with IATA safety requirements.

29 SWISSPORT FORMULA

Swissport Formula is a management tool kit, which was introduced by SPI throughout the Swissport Network. At the Dar es Salaam Office, this tool was rolled out in 2008 aiming at changing the Swissport culture from a local understanding of "The Swissport way of doing things" to a more global approach, reinforcing local strengths with the Swissport core values.

Since the introduction of the Swissport Formula, we have witnessed service improvements at all levels and this has enabled the top management to concentrate on important tasks of controlling, directing and not on daily operational issues that are now under first level management or middle managers to achieve quality targets in operations. The Swissport Formula consists of two key elements namely: KPI's and Active Supervision.

Key Performance Indicators (KPI's) are performance measurements that play a very important role in our daily operations, helping us to measure our own performance for the purpose of continuous improvement. Active Supervision is a structured management system that empowers middle managers, in a formal and structured way, to control the entire daily operation. This enables the delivery of consistent and robust operational performance, along with the management of operational anomalies, by a strong and well-trained middle management team.

In addition to this, we have implemented Cargo2000 for the management of cargo operations.

30 SAFETY

Delivering a safe and secure operation is the primary objective of the Company. The business operates a robust Safety Management System (SMS) alongside its Quality Management System (QMS). The implementation is governed by the corporate policy whose objectives are achieved through the implementation of the Safety and Health Management Manual.

The SMS is structured in the manner that ensures that everyone participates in ensuring safety within the Company, via a healthy reporting culture. Our aim is to consistently ensure compliance with regulatory, airports, airlines, and corporate safety requirements.

To ensure safety is promoted, safety campaigns are regularly carried out. Safety alerts and posters are issued to enhance staff awareness. Safety inspections and audits are done frequently, as a

30 SAFETY (CONTINUED)

component of safety assurance. Incidents and safety observations (both good practise and deviations) are regularly captured and analysed to assess the effectiveness of SMS.

A unique initiative, the Safety Health Improvement Program (SHIP), was launched in Swissport Tanzania Plc. in 2017, which is a facilitation program aimed at engaging our people by creating awareness, developing knowledge, and ensuring proactive safety leadership. The program has also helped the team to develop quick wins and has resulted in the improvement of operational safety as well as the safety culture. The program also continues to engage the executive management team, who have committed to support and drive the program. The management of safety requires engagement at every level of the business. It is organic and continues to evolve; it is a culture; a way of doing business. A strong safety culture is good business.

31 SECURITY

An internal security department was established in accordance with Security Annex 17 of the International Civil Aviation Organization (ICAO). Employees within the department are required to complete minimum training in aviation security. All employees receive initial, on-the-job, and recurrent training to ensure compliance to the requirements.

Regulatory authorities have licensed the security department to conduct AVSEC activities, it is following the National Civil Aviation Security Programme (NCASP), the Civil Aviation Regulations (CARs 2018) as amended and the Airport Security Programme. TCAA approved the Swissport Security Programme in February 2023, and it is up to date.

32 ENVIRONMENT

We promote environmental responsibility in our services and among our employees, and we encourage the development and application of environmentally conscious technologies across our business.

In our efforts to reduce the negative environmental impact of our operations, we focus on the efficient use of resources, effective planning, lean processes, and invest in eco-friendly equipment and infrastructure.

Environmental care is an integral part of our planning and decision-making processes. We are committed to continuously reducing the environmental impact of our operations - both in the management of our facilities and in the natural resources we rely on. One of our most prominent initiatives is our commitment to increasing the share of our fleet's electrically powered Ground Support Equipment (eGSE).

As part of our commitment, we are refining our environmental management system to ensure compliance with ISO 14001:2015 and expand it to cover all business areas. Completion is scheduled for 2022. The new system will enable us to improve our internal and external reporting, and significantly increase our contribution to environmentally responsible operations at the airports we serve.

33 CORPORATE SOCIAL RESPONSIBILITY

We have a corporate social responsibility policy. Our policy is directed towards contributing to the country's economic development and environmental sustainability, while improving the welfare of our employees and their families, shareholders as well as of the community and society at large.

In addition to what we offer to our staff in terms of staff benefits and shareholders in terms of dividends, the Company has engaged in various training, safety, and environmental programs, which benefit society. The Company has been setting aside a budget of TShs 100 million for supporting various community development initiatives.

33 CORPORATE SOCIAL RESPONSIBILITY(CONTINUED)

During the year 2022, the Company donated an ultrasound machine to CCBRT hospital to help the vulnerable community and CPAP machine to SMV Heath Centre to support the centre's upgrading initiatives. Total amount spent for 2022 for Corporate Social Responsibilities activities was TShs 79 million (2021 – TShs 9 million).

34 STATION MANAGEMENT

The Company has two operating stations, namely Julius Nyerere International Airport (JNIA), Kilimanjaro International Airport (KIA). All stations have operational autonomy and have independent operational teams. Each is controlled from the Head Office (JNIA).

The two stations have full accounting functions and the Company's CFO is responsible for all accounting functions.

Swissport International launched our first Station Management Manual (SMM) in 2022. It sets out the global standards we need to follow in delivering services to our customers and their passengers who rely on us at airports around the world every day. Along with the SOPs these standards will ensure that we deliver excellence for our customers consistently wherever they are.

35 CORPORATE GOVERNANCE

The Board is committed to the principle of best practice in corporate governance. To execute the principle of corporate governance the Board observed four principles, namely: Non-executive Directors, Director's remuneration, Relations with shareholders, and Accountability and Audit.

i) Directors

The Board of Directors has five directors; four of them are non-executive directors hence not involved in the day to day running of the business. The four directors are considered by the Board to be independent of the management and free from any business or other relationship, which could materially interfere with the exercise of their independent judgment. The Board of Directors possesses a range of experience and is of a sufficiently high calibre to bring independent judgment to bear on issues of strategy, performance, resources, and standards of conduct that is vital to the success of the Company. A clear separation is maintained between the responsibilities of the Chairman, who is concerned with the running of the Board, and executive management responsible for the running of the Company's business. The Board is responsible to shareholders for the proper management of the Company and is responsible for the Company's objectives and policies and providing effective leadership and control required for a public Company.

Two board meetings were held during year ended 31 December 2022 (2021 – two board meetings), which were attended by the Chief Executive Officer and Chief Financial Officer. Mr. Dirk Goovaerts chaired the Board, and he was responsible for the assessment of the performance of board members.

ii) Directors' remuneration

Directors' remunerations are approved at the Annual General Meeting (AGM). These include director's fees and sitting allowances. The Board of Directors approves key management remunerations. It is the Company's policy to remunerate its directors, and key management personnel, in accordance with their responsibilities and the prevailing market conditions. Directors' and key management remuneration is highlighted in Note 29 to the financial statements.

35 CORPORATE GOVERNANCE (CONTINUED)

iii) Relations with shareholders

The Board places considerable importance on effective communication with shareholders. All shareholders have access to the annual report and financial statements. Other important information about the Company can be accessed by shareholders through the **Company's investors portal https://swissport.co.tz/**. The Board uses the Annual General Meeting to communicate with institutional and private investors and welcomes their opinions.

iv) Accountability and Audit

The Board is mindful of its responsibility to present a balanced and clear assessment of the Company's financial position and prospects. This assessment is primarily provided in the Directors' Report.

The internal control systems have been designed to manage, rather than eliminate, the risk of failure to achieve business objectives and provide reasonable assurance against material misstatement or loss. The control environment is strong with a robust organizational structure, risk identification and evaluation process, information and financial reporting systems, investment appraisal process, strong internal audit, and a robust fraud management system. Review of the effectiveness of the system of internal controls is delegated and carried out by the Board Audit Committee.

During the year the Board Audit Committee comprised of three directors: Mr. Raymond P Mbilinyi, Dr. Charles Stephen Kimei and Mr. Eric Muriithi, a director representing Swissport International. The committee met twice physically and once virtually during 2022 (2021 – three times) where the Chief Executive Officer, the Chief Financial Officer represented the management team for Swissport Tanzania Plc. Internal Auditors attended all the three meetings and representatives of the Company's external auditor attended two meetings (2021 – two meetings). The Audit Committee is chaired by Mr. Eric Muriithi.

The Company Secretary attended all meetings conducted during the year.

The Audit Committee is responsible for reviewing the effectiveness of the Company's risk management, internal control systems and operations, which includes the half year and annual financial statements and the Company budgets before their submission to the Board and monitoring the controls which are in force to ensure the integrity of the financial information reported to the shareholders.

The Board Audit Committee advises the Board on the appointment of the external auditor approves their remuneration and discusses the nature, scope, and results of the audit with the external auditor.

The Audit Committee is responsible for reviewing the effectiveness of the Company's risk management, internal control systems and operations, which includes the half year and annual financial statements and the Company budgets before their submission to the Board and monitoring the controls which are in force to ensure the integrity of the financial information reported to the shareholders. The Board Audit Committee advises the Board on the appointment of the external auditor approves their remuneration and discusses the nature, scope, and results of the audit with the external auditor.

35 CORPORATE GOVERNANCE (CONTINUED)

iv) Attendance of the Board and Audit Committee meetings

	Name	94th BOD_meeting	95th BOD meeting	50th BAC_meeting	51th BAC_meeting	52h BAC_meeting
1	Dirk Goovaerts	✓	✓	*	*	*
2	Mr. Raymond P Mbilinyi	✓	✓	✓	✓	✓
3	Dr. Charles S Kimei	✓	✓	✓	✓	✓
4	Mr. Eric Muriithi	✓	✓	✓	✓	✓
5	Mr. Mrisho Yassin	✓	✓	✓	✓	✓

* not a member; ✓ attended the meeting; × absent with apology.

36 STATEMENT OF COMPLIANCE

Directors are of the opinion that the Company complied with all laws and regulations and guidelines affecting the Company and its related operations including the requirements of Tanzania Financial Reporting Standard No. 1 the Report by Those Charged with Governance.

As required by Capital Markets & Securities Authority, the directors do confirm compliance with Guidelines on Corporate Governance Practices by Public Listed Companies in Tanzania.

37 GOING CONCERN

The directors have made an assessment of the ability of the Company to continue as going concern and have no reason to believe that the business will not be a going concern for at least twelve months from the date of approving these financial statements.

38 AUDITOR

The auditor, KPMG, have expressed their willingness to continue in office and are eligible for re-appointment. A resolution proposing the re-appointment of KPMG as auditor of the Company for year 2023 will be put to the Annual General Meeting.

BY ORDER OF THE BOARD

Mr. Dirk Goovaerts **Date: 22 May 2023**

Chairman of the Board of Directors

STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

The Company's directors are responsible for the preparation of financial statements that give a true and fair view of Swissport Tanzania Plc comprising the statement of financial position as at 31 December 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies in accordance with IFRS Standards as issued by the International Accounting Standards Board (IFRS Standards), and in the manner required by the Companies Act, 2002.

The directors are also responsible for such internal control as the directors determine is necessary to prepare financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The directors have assessed the ability of the Company to continue as going concern as disclosed in Note 2(b) of these financial statements and have no reason to believe that the business will not be a going concern in the period of at least twelve months from the date of approval of these financial statements.

The auditor is responsible for reporting on whether the financial statements give a true and fair view in accordance with the applicable financial reporting framework.

Approval of financial statements

The financial statements of Swissport Tanzania Plc, as identified in the first paragraph, were approved and authorised for issue by the board of directors on 22 May 2023 and signed by:

Mr. Dirk Goovaerts
Chairman of the Board of Directors

DECLARATION OF THE CHIEF FINANCIAL OFFICER

FOR THE YEAR ENDED 31 DECEMBER 2022

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act No. 2 of 1995, requires financial statements to be accompanied with a Statement of Declaration issued by the Head of Finance responsible for the preparation of financial statements of the entity concerned.

It is the duty of a professional accountant to assist the Board of Directors to discharge the responsibility of preparing financial statements of an entity showing true and fair view position of the entity in accordance with international accounting standards and statutory reporting requirements. Full legal responsibility for financial statements rests with the Board of Directors as under Directors Responsibilities' statement on an earlier page.

I Joshua Jonas being the Chief Financial Officer of Swissport Tanzania Plc hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31 December 2022 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the financial statements comply with applicable accounting standards and statutory requirements as on that date and that they have been prepared based on properly maintained financial records.

Signed by: Joshua Jonas

Position: Chief Financial Officer

NBAA Membership No: ACPA 3591

Date: 22 May 2023


swissport
swissport
SPT 106-010

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SWISSPORT TANZANIA PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Swissport Tanzania Plc ("the Company"), as set out on pages 51 to 97, which comprise the statement of financial position as at 31 December 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Standards as issued by the International Accounting Standards Board (IFRS Standards) and in the manner required by the Companies Act, 2002.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Tanzania, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Report on the Audit of the Financial Statements (continued)

1. Valuation of the defined benefit plan (TZS 1,914 million)

Refer to the accounting policy Note 6(c) employees benefits and the retirement benefit obligations Note 26

Key audit matter

The Company has an unfunded non-contributory employee gratuity arrangement for permanent and pensionable employees which provides for lump sum payments to its employees:

– on their retirement at the age of between 55 and 60 years, or
– those allowed to retire early, or
– those who die while in employment.

The determination of employee gratuity is based on significant judgements and estimation which include the estimate around the rate of salary escalation, retirement age and the discount rate used to present value the gratuity obligation.

Due to the high level of judgement applied and estimation involved in the valuation of the defined benefit plan arrangement, the valuation of the defined benefit plan was considered a key audit matter.

How the matter was addressed in our audit

Our audit procedures in this area included:

– Involving our own actuarial specialists in evaluating the actuarial valuation performed by the Company's actuaries and challenging the assumptions applied by comparing inputs in the valuation such as rate of salary escalation, retirement age and discount rate to our expected benchmarks such rate of salary escalation, retirement age and the discount rate;

– Obtain an understanding of the processes put in place by management regarding the valuation of the defined benefit plan. This included evaluating the competence, capability and objectivity of the Company's actuaries who perform the actuarial valuation by inspecting their professional qualifications and registration with regulators; and

– Evaluating whether the accounting treatment for the defined benefit obligation and the related disclosure in the financial statements are adequate in accordance with IAS 19 Employee Benefits including disclosures of key judgements, sensitivities and assumptions.

2 Revenue recognition

Refer to the revenue accounting policy Note 6(a) revenue and the revenue streams Note 10(a)

Key audit matter

Revenue of the Company comprises of two main categories, cargo handling and ground handling. (TShs 19,946 million) and ground handling (TShs 17,408 million).

The Company uses a software (Cargo Spot) to initiate, process and recognize revenue from cargo handling. Inputs entered into the software such as charge rate, weight, volume and nature of the goods are subject to human intervention.

Unlike cargo handling, the process of recognition of ground handling revenue involves manual controls.

There is high volume of transactions due to the daily number of scheduled and unscheduled flights that are served by the Company, this makes revenue recognition susceptible to errors on the amount or/and to be recognized.

Moreover, revenue is among the main key performance indicators of the Company, there is a presumed pressure on management to ensure the Company achieve desirable financial results, hence, the risk of fraudulent revenue recognition.

We have determined this area to be a key audit matter due to the size, significant manual input and hence the significant audit effort was required in this area.

How the matter was addressed in our audit

Our audit procedures in this area included:

– Involving our information technology specialists to assess the software system that is used to initiate, process and recognize revenue. This included testing the design, implementation and operating effectiveness of automated controls around revenue recognition by comparing the terms and pricing data on the system against the approved price lists and checked the recorded revenue agrees with the reports from the system;

– Testing the design, implementation and operating effectiveness of manual controls around ground handling revenue recognition. This includes management review of invoices issued to customers against evidence of service delivered;
– Obtaining a sample of revenue transaction and inspecting the sample on whether the amounts recognized as revenue agrees with the charging rates in the customer contracts and approved airway bills; and
– Assessing completeness of the recognized revenue by obtaining details of sales made few days to the end of the year and after the end of the year and inspecting the source documents on whether the revenue was recognised in the correct accounting period.

Report on the Audit of the Financial Statements (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Swissport Tanzania Plc report of the directors and financial statements for the year ended 31 December 2022 but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Standards and in the manner required by the Companies Act, 2002, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.•Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Report on the Audit of the Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies Act, 2002 we report to you, solely based on our audit of financial statements, that:

- in our opinion, proper accounting records have been kept by Swissport Tanzania Pl;
- the individual accounts are in agreement with the accounting records of the Company;
- we obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit;
- directors' report is consistent with the financial statements; and
- information specified by the law regarding Directors' emoluments and other transactions with the Company is disclosed.

KPMG
Certified Public Accountants (T)

Signed by engagement partner: CPA Alexander Njombe (ACPA 2714)
Dar es Salaam

Date: 22 May 2023

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

Tshs M		Notes	2022	2021
Revenue		10	37,881	30,165
Other operating income		11	409	514
Staff costs		13	(14,001)	(11,594)
Concession fees		12	(4,225)	(3,464)
Fuel and maintenance costs		14	(2,547)	(1,695)
Depreciation of property and equipment		21(a)	(2,438)	(2,408)
Amortization of intangible assets		21(b)	(2,253)	(2,637)
Depreciation of right of use assets		30(b)	(727)	(730)
Rent and other occupancy costs		15	(761)	(589)
Other operating expenses		16	(6,865)	(4,915)
Total operating expenses			(33,817)	(28,032)
Total operating profit			4,473	2,647
Finance costs		31	(511)	(595)
Profit before income tax			3,962	2,052
Income tax (charge) / credit		17(a)	(1,356)	94
Profit for the year			2,606	2,146
Other comprehensive income:				
Items that will not be reclassified to profit or loss				
Remeasurement of defined benefit liability		26	(181)	35
Deferred tax		17(b)	54	(10)
Total other comprehensive income for the year net of tax			(127)	25
Total comprehensive income for the year			2,479	2,171
Earnings per shares (TShs)	– Basic	19	72.4	59.6
	– Diluted	19	72.4	59.6

The notes on pages 56 to 97 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 DECEMBER 2022

Tshs M	Notes	2022	2021
ASSETS			
Intangible asset	21(b)	10,900	12,625
Property and equipment	21(a)	14,827	15,502
Right of use asset	30(b)	3,029	2,098
Deferred tax asset	18	-	735
Staff receivable	23	264	171
Non-current assets		29,020	31,131
Inventories	22	686	404
Trade and other receivables	23	6,094	3,922
Income tax recoverable	17(d)	1,983	1,983
Cash and cash equivalents	24	6,719	7,688
Current assets		15,482	13,997
Total assets		44,502	45,128
EQUITY			
Share capital	25	360	360
Retained earnings		30,828	29,422
Total equity		31,188	29,782
LIABILITIES			
Lease liabilities (long term)	30(a)	2,732	958
Related party loan (long term)	28	-	371
Deferred tax liability	18	567	-
Retirement benefit obligations	26	1,914	1,666
Non-current liabilities		5,213	2,995
Related party loan (short term)	28	378	2,240
Trade and other payables	27	7,200	8,937
Lease liabilities (short term)	30(a)	433	1,174
Current liabilities		8,101	12,351
Total liabilities		13,314	15,346
Total equity and liabilities		44,502	45,128

The financial on pages 51 to 97 were approved and authorised for issue by the board of directors on 22 May 2023 and signed on its behalf by:

Mr Dirk Goovaerts
Chairman of the Board of Directors

Mr Raymond P Mbilinyi
Director

The notes on pages 56 to 97 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

Tshs M	Notes	Share capital	Retained earnings	Total
Year ended 31 December 2022				
Balance at 1 January 2022		360	29,422	29,782
Comprehensive income:				
Profit for the year		-	2,606	2,606
Other comprehensive income:				
Remeasurement of defined benefit – net of tax		-	(127)	(127)
Total comprehensive income for the year		-	2,479	2,479
Transactions with owners:				
Dividends declared and transfers to liabilities	20	-	(1,073)	(1,073)
Balance at 31 December 2022		360	30,828	31,188
Year ended 31 December 2021				
Balance at 1 January 2021		360	28,021	28,381
Comprehensive income:				
Profit for the year		-	2,146	2,146
Other comprehensive income:				
Remeasurement of defined benefit liability – net of tax		-	25	25
Total comprehensive income for the year		-	**2,171**	**2,171**
Transactions with owners:				
Dividends	20	-	(770)	(770)
Balance at 31 December 2021		360	29,422	29,782

The notes on pages 56 to 97 are an integral part of these financial statements.


F2
swissport
SPT 129-026

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

TShs M	Note	2022	2021
Cash flows from operating activities			
Profit before income tax		3,962	2,052
Adjustment for:			
Depreciation of property and equipment	21(a)	2,438	2,408
Amortization of intangible assets	21(b)	2,253	2,637
Depreciation of right of use assets	30(b)	727	730
Provision for retirement benefit obligations	26	246	283
Gain on disposal	11	(35)	(5)
Interest expense on lease liabilities	30(c)	387	301
Interest expense on loan	28	124	294
Write-off	23	-	(2,346)
Rent concession	30(c)	-	(204)
Change in:			
Inventories		(282)	19
Trade and other receivables[1]		(2,265)	2,104
Trade and other payables[1]		160	(244)
Cash generated from operating activities		7,715	8,029
Retirement benefits paid[2]	26	(179)	(1,225)
Interest paid on lease liability	30(c)	(387)	(301)
Interest paid on loan	28	(124)	(294)
Income tax paid		-	-
Net cash from operating activities		7,025	6,209
Cash flows from investing activities			
Proceeds from sale of property and equipment		35	5
Acquisition of property and equipment and intangible asset	21(a)(b)	(2,291)	(2,317)
Net cash used in investing activities		(2,256)	(2,312)
Cash flows from financing activities			
Repayment of loan	28	(2,233)	(2,018)
Dividends paid to the Company's shareholders	20	(2,880)	(1,403)
Payment of lease liabilities	30(d)	(638)	(664)
Net cash used in financing activities		(5,751)	(4,085)
Net decrease in cash and cash equivalents		(982)	(188)
Movement in cash and cash equivalent			
Decrease in cash and cash equivalents		(982)	(188)
Cash and cash equivalents at 1 January	24	7,688	7,735
Effect of movements in exchange rates on cash held		13	141
Cash and cash equivalents at 1 January to 31 December	24	6,719	7,688

The notes on pages 56 to 97 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1 REPORTING ENTITY

Swissport Tanzania Plc is a limited liability Company incorporated under the Companies Act, 2002 and is domiciled in the United Republic of Tanzania. The Company's registered office is at 1st Floor – Swissport Freight Terminal, Julius Nyerere International Airport. The Company shares are listed on the Dar es Salaam Stock Exchange. The Company's principal activities are the provision of airport ground handling and cargo handling services.

2 BASIS OF ACCOUNTING

a) Statement of compliance and basis of measurements

These financial statements have been prepared in accordance with IFRS Standards as issued by the International Accounting Standards Board (IFRS Standards) and in the manner required by the Companies Act, 2002. They were authorized for issue by the Company's Board of Directors on 22 May 2023

The financial statements have been prepared on a historical cost basis, except where fair value measurements have been applied.

b) Going concern

The Company has recognised profit before tax of TShs 3,962 million (2021: TShs 2,052 million) for the year ended 31 December 2022 and, as at that date, current assets exceeded current liabilities by TShs 7,381 million (2021: TShs 1,646 million). The Company projects to continue generating profits in the foreseeable future.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

3 FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These financial statements are presented in the Tanzanian shillings, which is the Company's functional and presentation currency rounded to the nearest Tanzanian million shillings, unless otherwise indicated.

4 USE OF JUDGEMENTS AND ESTIMATES

In preparing these financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reporting amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on ongoing basis. Revisions to estimates are recognized prospectively.

a) Judgements, assumptions and estimation uncertainties

Information about judgements made in applying accounting policies including estimates and assumptions that have the most significant effects on the amounts recognized in the financial statements and significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

4 USE OF JUDGEMENTS AND ESTIMATES (CONTINUED)

a) Judgements, assumptions and estimation uncertainties (continued)

Post-employment benefit obligations

Significant assumptions are made by the directors in determining the present value of the retirement benefit obligation as at the balance sheet date. The key assumptions are set out in Note 26 to the financial statements.

Taxes

Significant assumptions are required in determining the Company's overall income tax provision. There are many transactions and calculations, for which the ultimate tax determination is uncertain. The Company recognizes liabilities for anticipated tax audit issues, based on estimates of whether additional taxes will be due. When the final outcome of tax matters is different from the amounts that were initially recorded, such differences will have an impact on the current and any deferred income tax provisions in the period in which the determination is made.

Asset useful lives

The useful lives of items of property, plant and equipment as disclosed in Note 6 (j) of these financial statements are estimated annually and are in line with the rate at which they are depreciated.

Impairment of non-financial assets

The Company assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Going concern

Whether there are material uncertainties that may cast significant doubt on entity's ability to continue as a going concern as disclosed in Note 2 (b) of these financial statements.

Measurement of ECL allowance for trade receivable

The Company estimates expected credit loss by assessing the loss that will be incurred given customer default based on past payment experience and by assessing the probability of default considering information specific to the customer as well as pertaining to the country and economic environment in which the customer operates. The estimate also incorporates forward looking data.

Lease term

In determining the lease term at the commencement date for leases that include renewal options exercisable by the Company, the Company evaluates the likelihood of exercising the renewal options taking into account all relevant facts and circumstances that create an economic incentive for the Company to exercise the option.

The lease term is reassessed when there is a significant event or significant change in circumstance that is within the Company's control. Any increase or decrease in the lease term would affect the amount of lease liabilities and right-of-use assets recognised in future years.

b) Determination and measurement of fair values

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either, in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Company.

4 USE OF JUDGEMENTS AND ESTIMATES (CONTINUED)

b) Determination and measurement of fair values (continued)

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The Company has an established control framework with respect to the measurement of fair value. This includes a management team that monitors need for fair valuation and sources for experts that will perform the valuation.

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the input used in the valuation techniques as follows;

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observed for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobserved inputs)

If the input used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Fair value disclosure is made in Note 33 to the financial statements.

5 CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

The Company has early adopted COVID-19-Related Rent Concessions – Amendment to IFRS 16 issued on 28 May 2020. The amendment introduces an optional practical expedient for leases in which the Company is a lessee – i.e., for leases to which the Company applies the practical expedient, the Company is not required to assess whether eligible rent concessions that are a direct consequence of the COVID-19 coronavirus pandemic are lease modifications. Refer to Note 6 (l) and Note 30 of the financial statements for accounting policy on leases and related disclosures respectively.

A number of other new standards listed below are also effective from 1 January 2022, but they do not have a material effect on the Company's financial statements.

New currently effective standards/amendments

- Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)
- COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16)
- Onerous Contracts Cost of Fulfilling a Contract (Amendments to IAS 37)
- Annual Improvements to IFRS Standards 2018-2020
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)
- Reference to the Conceptual Framework (Amendments to IFRS 3)

6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

a) Revenue

The Company applies IFRS 15 in accounting for revenue from contract with customers. The Company recognizes revenue to depict the transfer of promised services to customers in an amount that reflects the consideration to which the entity expects to be identified in exchange of those services. The Company follows five step model framework in recognition of revenue from contract with customers as follows.

- Identify the contract with a customer.
- Identify the performance obligation in the contract.
- Determine the transaction price.
- Allocate the transaction price to performance obligation in the contract.
- Recognise revenue when (or as) the entity satisfies a performance obligation.

As required by IFRS 15, the Company has disaggregated revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

Ground handling
Contracts with customers on the ground handling service line do not have variable considerations and have only one performance obligation. Billing and revenue recognition is only done after the discharge of the performance obligation that is turnaround for ground handling.

Cargo handling
Documentation, handling and equipment revenue is recognized once the Company handover the shipping documents to the customer to start custom clearance. Storage revenue for all cargo that is in the warehouse is accrued based on the numbers of days the cargo has stayed in the warehouse net of grace period at applicable rates to the extent that the entity will collect the consideration to which it will be entitled in exchange for the storage services that was provided to the customer.

Lounge business
Revenue from provision of lounge services is recognised when the performance obligation is fulfilled, that is at the point when services have been handed over to the customer.

i) Contract balances

As noted on Note 6(a) above, the Company is in the business of providing ground and cargo handling services. Prices for ground handling services are bundled (but with no variable consideration) whereas prices for cargo handling services are individually identified separately. The whole receivable balance is included under trade and other receivables. The Company does not have obligations to transfer services to a customer for which the entity has received consideration (or an amount of consideration is due) from the customer that is conditional.

ii) Performance obligation and revenue recognition policy

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good or service to a customer. Contracts with customers on the ground handling service line do not have variable considerations and have only one performance obligation. Billing and revenue recognition is only done after the discharge of the performance obligation that is turnaround. On the cargo handling service line, since the Company has pricing for each service provided for and billing is only made upon provision of the service and discharge of performance obligation. The services under the cargo business line have been clearly disaggregated. Storage revenue for all cargo that is in the warehouse is accrued based on the numbers of days the cargo has stayed in the warehouse net of grace period at applicable rates to the extent that the entity will collect the consideration to which it will be entitled in exchange for the storage services that was provided to the customer.

6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b) Other operating income

Interest income
Interest earned on short-term investments is calculated using the effective interest method and recognized in the profit or loss statement over the investment period as finance income.

Rental income
Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and included in other operating income. Further details have been covered in Note 6 (l)(ii) of these financial statements.

Commissions
When the Company acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognized is the net amount of commission.

Foreign exchange gain and losses
Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit and loss within 'other operating income' or 'other operating expenses'.

Gain or loss on disposal of property, plant and equipment
Gain or losses on disposals are determined by comparing the disposal proceeds with the carrying amount and are recognized within other operating (losses)/income in the profit and loss account.

c) Employees benefits

Short-term employee benefits
The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plan
All of the Company's employees are members of the National Social Security Fund ("NSSF"), which is a defined contribution plan. Law prescribes these plans. The Company and employees both contribute 10% or the Company and employees contribute 15% and 5% of the permanent and pensionable employees' basic salaries to the scheme, respectively. The Company also contributes 10% of non-permanent and pensionable employees' gross salary towards NSSF. The contribution is charged to the profit or loss account when incurred.

Defined benefit plan
The Company has an unfunded non-contributory employee gratuity arrangement for its permanent and pensionable employees (the "Arrangement"), which provides for lump sum payments to its employees on their retirement at the age of between 55 and 60 years or those allowed to retire early or who die while in service, based on length of service and salary at retirement and qualifies as a defined benefit plan. Payments to the retired employees are made from the Company's internally generated funds.

6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Employees benefits (continued)
Define benefit plan (continued)

The cost of providing benefits under the defined benefit plan is determined separately for each plan using the projected unit credit method. Actuarial gains and losses are recognized in full in the period in which they occur in other comprehensive income, net of deferred tax.

The past service costs are recognized as an expense on a straight-line basis over the average period until the benefits become vested. If the benefits have already vested, immediately following the introduction of, or changes to, a pension plan, past service costs are recognized immediately. The Company recognizes all actuarial gains and losses arising from defined benefit plans immediately in other comprehensive income and all expenses related to defined benefit plans in employee benefit expense in profit and loss.

The defined benefit liability comprises the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds as explained in Note 26), less past service costs.

Terminal benefits
Terminal benefits are payable whenever an employee`s employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange of these benefits. The Company recognizes terminal benefits when it is constructive obliged to either terminate the employment formal plan without possibility of withdrawal or to provide terminal benefits because of an offer made to encourage voluntary redundancy.

d) Concession fees

The Company has concession agreements with Tanzania Airports Authority for provision of ground handling services at Julius Nyerere and with Kilimanjaro Development Corporation for provision of ground handling services at Kilimanjaro International Airport. The concession fees are charged to the profit or loss account on a straight-line basis over the period of the concessions.

e) Finance costs

Finance expense comprises of interest expense on loans, Interest on lease liabilities and charge for loan arrangement fees. Interest expense is recognised using the effective interest method.

f) Taxes

Income tax
Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or OCI.

Current tax
Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date. The current rate of corporate tax is 30%.

Current tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit or loss.

Deferred tax
Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for

6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Taxes (continued)
Deferred tax (continued)

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

Value added tax
Revenues, expenses, and assets are recognized at amounts net of value added tax except where the value added tax is incurred on a purchase of an asset or service is not recoverable from the taxation authority in which case the value added tax is recognized as part of the cost of acquisition of the asset or part of the expense item as applicable.

The net amount of value added tax recoverable from, or payable to, the tax authority is included as part of the receivables or payables in the balance sheet.

Capital gain taxes
Capital gain taxes arising as result of a change in control at the ultimate Parent Company level are recognized as tax liabilities in Company's books as other payables to revenue Authorities and other receivable from the parent Company

Tax exposures
In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Company to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g) Operating profit

Operating profit is a result generated from the continuing principal revenue-producing activities of the Company as well as other income and expenses related to operating activities. Operating profit excludes net finance costs and income taxes.

h) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

The Company has three strategic divisions (ground handling division, cargo services division and lounge business division), which are its reportable segments. These divisions offer different products and services and are managed separately because they require self-assessment of its performance. Financial information of the reportable divisions is provided under Note 8 to the financial statements.

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current if it is expected to be realized or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realized within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

i) Intangible asset

The Company has a 15-year land lease agreement with Tanzania Airport Authority (TAA) for the land measuring 15,000 sqm. The agreement is effective from 25 April 2013 and will expire on 24 March 2028. The agreement requires the Company to build, own and transfer the warehouse to TAA after the expiration of the lease term. The Company completed the construction of the warehouse in June 2016.

The Company reviewed the terms of the agreement and concluded that the arrangement is falling within the scope of IFRIC 12 and therefore accounting the arrangement as intangible asset. The warehouse is measured at cost and amortized over the remaining lease period.

j) Property and equipment

Property, plant, and equipment are tangible assets which the Company holds for its own use or for rental to others and which are expected to be used for more than one year.

Recognition and measurement
Items of equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Company, and the cost of the item can be measured reliably.

6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J) Property and equipment (continued)

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to the working condition for its intended use and the costs of dismantling and removing the items and restoring the site on which they are located. Borrowing costs related to the acquisition or construction of qualifying assets are capitalised as incurred.

Subsequent cost
Expenditure incurred subsequently for major services, additions to, major renovations or replacements of parts of property, plant and equipment are recognised in the carrying amount of the item if it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost can be measured reliably and are depreciated over the remaining useful life of the related asset or to the date of the next major renovation, whichever is sooner. All other repairs and maintenance expenditure and day to day servicing costs are included in profit or loss in the year in which they are incurred.

Depreciation
Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is recognised in the statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful life of each part of an item of equipment. When parts of an item of equipment have different useful lives, they are accounted for as separate items (major components) of equipment.

Depreciation is calculated using the straight-line method to allocate the cost of each asset to its residual value over its estimated useful life, as follows:

Description	Years
Leasehold improvements	8
EDP Equipment and software	4
Motorized ground support equipment	10-15
Non-motorized ground support equipment	7
Furniture and equipment*	8
Motor vehicles*	4
Fuel and water tank*	8
Internet installation	4

* These items have been combined as "other assets" in Note 21.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Derecognition
An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the asset is derecognised.

k) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates

6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K) Impairment of non-financial assets (continued)

the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are considered, if available. If no such transactions can be identified, an appropriate valuation model is used. The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the profit and loss account in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the profit and loss account.

l) Leases

At inception of a contract, the Company assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

i) Leases in which the Company is a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right of use asset and lease liability at the lease commencement date. The right of use of asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right of use asset reflects that the Company will exercise a purchase option. In that case the right of use asset will be depreciated over the useful life

6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

l) Leases (continued)

Leases in which the Company is a lessee (continued)

of the underlying asset, which is determined on the same basis as those of the property and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determined its incremental borrowing rate by obtaining interest rates from various external financing sources

Lease payments included in the measurement of the lease liability comprise the following:
- fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period of the Company is reasonably certain to exercise an extension option, and penalties for early termination of lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable, under a residual guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension, or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero. The Company presents right of use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities separately in the statement of financial position.

Short-term leases and leases of low-value assets

The Company has elected not to recognize right of use assets and lease liabilities for leases of low value assets and short-term leases, including IT equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

COVID-19-related rent concessions

The Company has applied COVID-19-Related Rent Concessions – Amendment to IFRS 16. The Company applies the practical expedient allowing it not to assess whether eligible rent concessions that are a direct consequence of the COVID-19 pandemic are lease modifications.

The Company applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the Company chooses not to apply the practical expedient, or that do not qualify for the practical expedient, the Company assesses whether there is a lease modification.

For contracts where the Company has chosen to apply the practical expedient, rent waivers granted have been treated as variable lease payments, and therefore a credit has been recognised in the profit and loss account.

6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ii) Leases in which the Company is a lessor

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lese; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right of use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Company applies IFRS 15 to allocate the consideration in the contract.

The Company applies the derecognition and impairment requirements in the IFRS 9 to the new investment in the lease. The Company regularly revises estimated unguaranteed residual values (if any) used in calculating the gross investment in the lease.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'

m) Inventories

Inventories are carried at the lower of cost and net realizable value. Cost is determined using the weighted average cost method and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

Net realizable value is the estimated selling price in the open market less applicable selling expenses. Stores and consumables are stated at cost less any provision for obsolescence.

n) Trade and other receivables

Receivables are measured at initial recognition at fair value and subsequently at amortised cost. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

o) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and cash on hand. Bank overdrafts are presented separately in the statement of financial position.

6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

p) Share capital and equity

Ordinary shares are classified as 'share capital' in equity. Any premium received over and above the par value of the shares is classified as 'share premium' in equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as deduction from the proceeds.

q) Trade and other payables

Trade and payables are initially measured at fair value and subsequently at amortized cost.

r) Bank overdraft and borrowings

Bank overdrafts (if any) and borrowings are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Company's accounting policy for borrowing costs.

The Company has received an intercompany loan from Swissport International Limited. The loan is denominated in united states dollar (US$) and is unsecured. Interest expense is recognised using the effective interest method.

s) Provisions

Provisions are recognized when: The Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

t) Foreign currencies

Transactions and balances
Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into Tanzanian Shillings at rates ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit and loss within 'other operating income' or 'other operating expenses'.

u) Financial instruments

i) Recognition and measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

U) Financial instruments (continued)

i) Recognition and measurement (continued)

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii) Classification and subsequent measurement

Financial assets
On initial recognition, a financial asset is classified as measured at: amortised cost; Fair value through other comprehensive income (FVOCI - debt investment; FVOCI - equity investment); or fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - Business model assessment
The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

U) Financial instruments (continued)

ii) Classification and subsequent measurement (continued)

- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.
In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets - Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income. are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

U) Financial instruments (continued)

ii. Classification and subsequent measurement (continued)

Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method. foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii) Impairment of financial assets and contract assets

An 'expected credit loss' (ECL) model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive.

Loss allowances for trade receivables is measured at an amount equal to lifetime ECLs (simplified approach). Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 30 days for credit customers. The Company considers reasonable and supportable forward-looking information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment. Example of micro economic factors considered include changes in inflation rate, GDP rate and interest rates. In calculation of ECL, the Company uses historical loss rate adjusted with forward-looking information where relevant.

The Company recognises in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised accordance with the requirement of IFRS 9.

iv) Derecognition

Financial assets

The Company derecognises a financial asset when:
- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
- substantially all of the risks and rewards of ownership of the financial asset are transferred; or

6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

U) Financial instruments (continued)
iv. Derecognition (continued)
Financial assets (continued)

- the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities
The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

v) Write-off
The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. It is the Company's policy to write off financial assets from Bankruptcy customers subject to Board of Directors' approval. However, financial assets that are written off could still be subject to enforcement activities to comply with the Company's procedures for recovery of amounts due.

v. Comparative figures

Where necessary, prior year comparative figures have been reclassified to conform to presentation in the current year.

w. Dividend distribution

It is the Company's policy to pay dividends to its shareholders out of profits for the year subject to declaration by the directors and approval by the shareholders. Final dividends distribution to the Company's shareholders is recognized as a liability in the Company's balance sheet in the period in which the dividends are approved by the Company's Board of Directors. Directors may from time to time pay interim dividend to members as appear to the directors to be justified by the profit of the Company. Dividends are subject to a withholding tax of 5%.

x. Basic and Diluted earnings per share

Basic earnings per share are calculated by dividing net profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the Company (after deducting interest on the convertible non-cumulative redeemable preferences shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

7. STANDARDS ISSUED BUT NOT YET EFFECTIVE

Relevant new standards, amendments and interpretations issued but not yet effective and not early adopted.

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2022 and have not been applied in preparing these financial statements. Those which may be relevant to the Company are set out below. The Company does not plan to adopt these standards early. These will be adopted in the period that they become mandatory. The following amended standards and interpretations are not expected to have a significant impact on the Company's finance statements.

Forth Coming standards/amendments	Effective date
- IFRS 17 Insurance Contracts	1 January 2023
- Amendments to IFRS 17	1 January 2023
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	1 January 2023
- Definition of Accounting Estimate (Amendments to IAS 8)	1 January 2023
- Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction Amendments to IAS 12 Income Taxes	1 January 2023
- Initial Application of IFRS 17 and IFRS 9 Comparative Information (Amendments to IFRS 17)	1 January 2023
- Classification of liabilities as current or non-current (Amendments to IAS 1)	1 January 2024
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	1 January 2024
- Non-current Liabilities with Covenants (Amendments to IAS 1)	1 Januray 2024
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Optional

8. SEGMENT INFORMATION

a) Basis for segmentation

For chief operating decision maker purposes, the Company is organised into business units based on their products and services and has three reportable segments as follows:

- Ground handling services,
- Cargo handling services; and
- Lounge business services.

Management reviews the internal management reports of each division at least monthly.

No operating segments have been aggregated to form the reportable operating segments. The chief operating decision maker monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the financial statements. However, Company financing (including finance costs and finance income) and income taxes are managed on a Company basis and are not allocated to operating segments.

8 SEGMENT INFORMATION (CONTINUED)

b) Information about reportable segments and reconciliation to the amounts reported in the balance sheet and profit and loss accounts

Information related to each reportable segment is set out below. Segment profit(loss) before tax is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

Other than the allocation of costs there are no transactions between the two units. Segment information about the Company's operations is presented below:

2022 **Income and expenses**	Ground handling TShs M	Cargo handling TShs M	Lounge Business* TShs M	Total TShs M
Revenue	17,408	19,946	**527**	**37,881**
Other operating income	166	243	-	409
Staff costs	(9,608)	(4,380)	(13)	(14,001)
Concession fees	(1,941)	(2,231)	(53)	(4,225)
Fuel and maintenance costs	(1,449)	(1,080)	(18)	(2,547)
Depreciation and amortisation	(1,585)	(3,748)	(85)	(5,418)
Rent and other occupancy costs	(175)	(569)	(17)	(761)
Other operating expenses	(2,399)	(3,986)	(480)	(6,865)
Finance cost	(343)	(130)	(38)	(511)
Profit/(loss) before income tax	**74**	**4,065**	**(177)**	**3,962**

2022 **Assets and liabilities**	Ground handling TShs M	Cargo handling TShs M	Lounge Business* TShs M	Unallocated TShs M	Total TShs M
Total assets	19,104	24,159	1,373	529	45,165
Total liabilities	4,985	5,024	53	2,368	12,430
Capital expenditure	733	826	520	235	2,314

* Lounge Business: A new business line officially launched in March 2022. No comparable information for 2021.

2021 **Income and expenses**	Ground handling TShs M	Cargo handling TShs M	Total TShs M
Revenue	11,918	18,247	**30,165**
Other operating income	347	167	514
Staff costs	(7,446)	(4,148)	(11,594)
Concession fees	(1,449)	(2,015)	(3,464)
Fuel and maintenance costs	(570)	(1,125)	(1,695)
Depreciation and amortisation	(2,078)	(3,699)	(5,775)
Rent and other occupancy costs	(103)	(486)	(589)
Other operating expenses	(2,648)	(2,267)	(4,915)
Finance costs (excluding interest expense above)	(200)	(395)	(595)
Profit/(loss) before income tax	**(2,227)**	**4,279**	**2,052**

8 SEGMENT INFORMATION (CONTINUED)

b) Information about reportable segments and reconciliation to the amounts reported in the balance sheet and profit and loss accounts (continued)

2021 **Assets and liabilities**	Ground handling TShs M	Cargo handling TShs M	Unallocated TShs M	Total TShs M
Total assets	16,909	28,071	148	45,128
Total liabilities	6,379	6,726	2,241	15,346
Capital expenditure	22	1,752	543	2,317

Unallocated assets relate to items which are used by both ground handling and cargo handling and cannot be specifically allocated to any of the two segments. These items include motor vehicles, computer hardware and SAP B1 software. Unallocated capital expenditure mainly includes motor vehicle.

c) Geographic information

The Company operates in two main regions in Tanzania being Kilimanjaro International Airport and Julius Nyerere International airport during the year.

The geographic information analyses the Company's revenue, operating costs, and total assets by the Company's area of operation. In presenting the geographic information, segment revenue has been based on customers operations and revenue generated from those customers on the specific geographical location during the year, total operating costs has been based on costs incurred by the Company in provision of ground handling and cargo handling in those specific geographical locations, and segment assets were based on the geographic location of the assets.

GEOGRAPHICAL SEGMENT - 2022

	DAR TShs M	KIA TShs M	TOTAL TShs M
Revenue	34,093	3,788	37,881
Total operating costs (*)	30,087	3,321	33,408
Total assets	40,648	3,854	44,502

GEOGRAPHICAL SEGMENT - 2021

	DAR TShs M	KIA TShs M	TOTAL TShs M
Revenue	27,155	3,010	30,165
Total operating costs (*)	24,526	2,992	27,518
Total assets	42,037	3,091	45,128

(*) Total operating cost is presented net of other operating income.

9. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise of trade payables and borrowings. The Company does not enter into derivative transactions for trading purposes. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as trade receivables and cash and cash equivalents, which arise directly from its operations.

9 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

The Company's activities expose it to a variety of financial risks, foreign currency, credit and liquidity risks. The Company's overall risk management programme seeks to minimize potential adverse effects on the Company's financial performance.

Risk management is carried out by the management on behalf of the Board of Directors. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency mostly US dollars, British Pounds and EURO).

The Company manages its foreign exchange risk by forecasting the amount of foreign currencies they require and hold an equivalent amount in foreign currencies (US dollar and EURO). As at 31 December 2022, the balances denominated in foreign currencies were as Shown on the table below:

	2022		2021	
Balances denominated in foreign currencies	TShs M USD	TShs M EUR	TShs M USD	TShs M EUR
Cash and bank balances	3,450	958	4,328	566
Trade and other receivables	2,047	102	1,492	62
Loan / borrowings	(378)	-	(2,611)	-
Trade and other payables	(710)	(69)	(1,553)	(36)
Lease liabilities	(684)	-	(1,425)	-
Net exposure	3,725	991	231	592

9 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Foreign currency risk (continued)

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar and Euro exchange rates, with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and monetary liabilities).

The Company's exposure to foreign currency changes for all other currencies is not material.

	Effect on profit before tax		Effect on equity	
	Strengthening	Weakening	Strengthening	Weakening
	TShs M	TShs M	TShs M	TShs M
2022				
USD (10% movement)	373	(373)	330	(330)
EUR (10% movement)	99	(99)	74	(74)
2021				
USD (10% movement)	23	(23)	294	(294)
EUR (10% movement)	59	(59)	44	(44)

Interest rate risk

In broad terms the interest rate risk is the risk that concerns the sensitivity of the Company's financial performance to changes in the interest rates. The Company's operations are subject to the risk of interest rate fluctuations to the extent that interest earning assets and interest-bearing liabilities mature or re-price at different times or in differing amounts. Risk management activities are aimed at optimizing net interest income, given market interest rates levels consistent with the Company' s business strategies to minimise interest risk. The Company had no exposure to interest rate risks as at 31 December 2022 since the interest from the intercompany loan is fixed (2021: same loan from Intercompany that has been roll forwarded to 2022).

Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding. The Company aims at maintaining flexibility in funding and aggressive collection efforts in respect of trade debtor's balances. Management monitors rolling forecasts of the Company's liquidity i.e., cash at bank and in hand (note 24) on the basis of expected cash flows.

Forecasted liquidity reserves as extracted from short and medium-term future budget of Company as at 31 December 2023 is as follows:

TShs M	2023
At 1 January	6,719
Operating activities	8,072
Investing activities	(5,142)
Financing activities	(3,195)
Total	6,454

The table below analyses the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months approximate their fair values as the impact of discounting is not significant. For borrowing its interest rate is approximate the market rate.

9 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk (continued)

	Carrying amount	Un-discounted contractual cash flows	Less than 1 year	1 - 2 years	2- 5 years
	TShs M	TShs M	TShs M	TShs M	TShs M
At 31 December 2022					
Lease liabilities	3,165	4,227	965	965	2,297
Trade and other payables	6,749	6,749	6,749	-	-
Borrowings	378	381	381	-	-
	10,292	11,357	8,095	965	2,297
At 31 December 2021					
Lease liabilities	2,132	2,809	962	962	886
Trade and other payables*	8,713	8,713	8,713	-	-
Borrowings	2,611	2,700	2,329	371	-
	13,456	14,222	12,004	1,333	886

(*) Excludes other tax payable.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company extension of credit to its customers. For risk management reporting purposes, the Company considers all elements of credit risk exposure such as individual obligator default risk, nature of customer and sector risk.

The carrying amount of financial assets represents the maximum credit exposure. The table below summaries the maximum credit exposure as at the reporting date.

	2022	2021
	TShs M	TShs M
Trade and other receivables including staff loan (note 23)	5,488	3,259
Cash and cash equivalents (note 24)	6,706	7,675
At 31 December	12,194	10,934

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. Details of concentration of revenue are included in note 10.

The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 30 days for credit customers.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Company does not hold any collateral as security.

The movement in the allowance for impairment in respect of trade receivables and contract assets during the year was as follows:

9 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

	2022 TShs M	2021 TShs M
Opening balance	495	2,841
Net re-measurement of loss allowance	-	(2,346)
Closing balance	495	495

As at 31 December 2022, no trade receivables (2021: TShs 304 million) were individually (specifically) impaired and provided for. The individually impaired receivables mainly relate to customers, who are in unexpectedly difficult economic situations.

The allowance for credit impairment has been calculated in line with the Company's provisioning policy as described under Note 6 (u)(iii).

The following table provides information about the exposure to credit risk and Expected Credit Losses (ECLs) based on the aging analysis of trade receivables:

2022	Gross TShs M	Impairment TShs M	Net TShs M
Current (not past due)	2,417	-	2,417
31 to 60 days	484	-	484
61 to 90 days	520	-	484
91 to 122 days	126	-	520
Over 181 days	227	(191)	126
Specifically provided	304	(304)	36
			-
Closing balance (note 23)	4,078	(495)	3,583

2021	Gross TShs M	Impairment TShs M	Net TShs M
Current (not past due)	1,803	-	1,803
31 to 60 days	641	-	641
61 to 90 days	126	(37)	89
91 to122 days	141	(81)	60
Over 181 days	94	(73)	21
Specifically provided	304	(304)	-
Closing balance (note 23)	3,109	(495)	2,614

Strategic, Commercial, operational and financial risks

Through its risk management system, the Company identified strategic, commercial, operational and financial risks that faces the Company and implement strategies to mitigate the impact of the identified risks. These risks are mitigated by either establishing controls, meeting and discussing issues with customers, improving service delivery, investing and training of staff. These risks are well mitigated and have no significant impact to the financial performance of the Company.

9 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Capital risk management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios to support its business and maximise shareholder value.

The Company manages its capital structure and adjusts it, considering changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives policies or processes during the years ended 31 December 2022 as of December 2021 and 31 December 2020. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt (*). As of 31 December 2022, the Company had a gearing ratio of 1.2% (2021: 8.1%).
(*) Net Debt includes the outstanding loan balance from Swissport International

10 REVENUE

a) Revenue streams

The Company's generates revenue primarily from ground handling and cargo handling as shown below.

Revenue from contract with customers	2022 TShs M	2021 TShs M
Ground handling	17,408	11,918
Cargo handling	19,946	18,247
Lounge Business	527	-
Total revenue	37,881	30,165

b) Disaggregation of revenue from contracts with customers
In the following table, revenue from contracts with customers is disaggregated by primary geographical market and major service lines. The table also includes a reconciliation of the disaggregated revenue with the Company's reportable segments. For more details, see segment reporting on Note 8 of these financial statements. Revenue recognition criteria for each stream has been detailed on section 6a of significant accounting policies within these financial statements.

	Major Service Line					
	Ground Handling		Cargo handling		Lounge Business	
	2022 TShs M	2021 TShs M	2022 TShs M	2021 TShs M	2022 TShs M	2021 TShs M
Primary geographical markets						
Kilimanjaro International Airport	3,435	1,989	1,325	1,021	527	-
Dar es salaam International Airport	13,973	9,929	18,621	17,266	-	-
Total revenue	17,408	11,918	19,946	18,247	527	-

10 REVENUE (CONTINUED)

c) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

	2022 TShs M	2021 TShs M
Receivables, which are included in 'trade and other receivables'	4,078	3,109
Contract assets (included in deposits and other receivables – note 23)	197	246
Contract liabilities (included in other payables – note 27)	126	131

The contract liabilities primarily relate to the advance consideration received from the customers from uncleared cargo consignment and rental initial deposits upon commencement of the contract. This will be recognized as revenue wen the consignments are cleared by the customers.

The contract assets primarily relate to the Company's rights to consideration for cargo received but not billed as at reporting date. The contract assets were not impacted by impairment charges during the period. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the customer.

11 OTHER OPERATING INCOME

	2022 TShs M	2021 TShs M
Rental income	189	256
Commission on freight charges	12	7
Income from Training Center	165	210
Gain on sale of property, plant and equipment	35	5
Foreign exchange gain	8	36
	409	514

12 CONCESSION FEES

Concession fees – Tanzania Airports Authority	3,696	3,163
Concession fees – Kilimanjaro Airport Development Company	529	301
	4,225	3,464

Concession fees are paid to Tanzania Airports Authority (TAA) and Kilimanjaro Airport Development Company (KADCO). Concession fee at JNIA is charged at TShs 400,000,000 + 10% of the ground and cargo handling revenue earned per year at while for KIA is 10% of the total revenue earned.

13 STAFF COSTS

	2022 TShs M	2021 TShs M
Salaries and wages	8,952	7,922
Pension cost – defined contribution plans	1,065	860
Pension cost – defined benefit plan	244	283
Other staff costs	3,740	2,529
	14,001	11,594

14 FUEL AND MAINTENANCE COSTS

	2022 TShs M	2021 TShs M
Fuel – Ground support equipment	258	116
Fuel – Motor vehicles	570	349
Maintenance – Ground support equipment	964	824
Maintenance – Motor vehicles	223	157
Maintenance – Others	532	249
	2,547	1,695

15 RENT AND OTHER OCCUPANCY COSTS

	2022 TShs M	2021 TShs M
Rent small value – JNIA (Note 30(c))	274	70
Rent small value – KIA (Note 30(c))	81	97
Utility charges	406	422
	761	589

16 OTHER OPERATING EXPENSES

	2022 TShs M	2021 TShs M
Telecommunication and internet charges	345	252
IT and other information processing services	2,207	1,603
Trade mark fee	504	448
Purchase of ground services	782	663
Insurance	573	331
Travel and transportation	165	62
Legal and consultancy fees	499	354
Advertising and publicity	109	38
Auditors' remuneration	148	146
Directors' emoluments	98	97
Bank charges	173	107
Other expenses – Alternative Minimum Tax	191	-
Other administration expenses	1,071	814
	6,865	4,915

17 INCOME TAX EXPENSE

a) Amount recognized in profit or loss

Current tax expense	2022 TShs M	2021 TShs M
Current year	-	-
Current year tax charge related to prior years	-	-
	-	-

Deferred tax expense	2022 TShsM	2022 TShsM
Origination and reversal of temporary differences	(466)	(7,098)
Recognition of tax losses	1,810	1,674
Recognition of previously unrecognized deductible temporary differences	12	5,330
	1,356	(94)
Tax charge/(credit) on continuing operations	1,356	(94)

b) Amount recognized in OCI

Items that will not be reclassified to Profit or loss

	2022 - TShs M			2021 - TShs M		
	Before tax	Tax expenses	Net of Tax	Before tax	Tax credit	Net of tax
Remeasurements of defined benefit liability (Note 26)	(181)	54	127	35	(10)	25
Deferred tax charge on payments made against reserve	-			-		
	(181)	54	127	35	(10)	25

c) Reconciliation of effective tax rate

The tax on the Company's profit before income tax differs from the theoretical amount that would arise using the basic tax rates as follows:

	2022 TShs M	2021 TShs M
Profit before tax from continuing operations	3,962	2,052
Tax charge/(credit)	1,356	(94)
Effective rate	34.2%	4.6%

17 INCOME TAX EXPENSE (CONTINUED)

c) Reconciliation of effective tax rate (CONTINUED)

	2022		2021	
	Tax amount	Rate	Tax amount	Rate
Standard tax on current year profit	1,189	30.00%	615	30.00%
Tax effect on:				
Depreciation on non-qualifying assets	2	0.05%	2	(0.10%)
Expenditure permanently disallowed	159	4.01%	46	2.24%
Other adjustments	(1)	0.01%	(9)	(0.49%)
PPE adjustment on capital gain tax	-	-	(6,078)	(296.20%)
Profit on sale of non-qualifying assets	(5)	(0.13%)	-	-
(Over) / under provision of tax for earlier years:				
Corporation tax	-	0.00%	-	0.00%
Deferred tax	12	0.30%	5,330	259.75%
Effective tax amount and rate reconciled	1,356	34.22%	(94)	4.60%

d) Income tax recoverable

Income tax recoverable as at year-end was TShs 1,983 million (2021: TShs 1,983 million). There was no tax payment during the year as the Company was in taxable losses position which has led to charging of alternative minimum tax (AMT) of TShs 191 million as disclosed under Note 16. The tax payable related to AMT is included in other tax payables (Note 27).

18 DEFERRED TAX

Movement in deferred tax balances
The analysis of deferred tax assets and deferred tax liabilities is as follows:

	2022 TShs M	2021 TShs M
Accelerated capital allowance	(1,869)	(2,167)
Other provisions charged to reserve	44	-
Provisions	561	445
Losses	697	2,457
Net deferred income tax assets	(567)	735
The gross movement on the deferred income tax accounts is as follows:		
At 1 January	735	1,421
(Charge)/ credit to the profit or loss statement - Note 17(a)	(1,356)	94
Credit / (charge) to the other comprehensive income (OCI)	54	(10)
Deferred tax charged direct to equity*	-	(770)
At 31 December	(567)	735

* Relates to deferred tax upon extinguishment of retirement benefit obligation that was previously charged to equity

Tax losses

Tax losses carried forward as at 31 December 2022 amounts to TShs 2.2 billion (2021: TShs 8.2 billion)

19 EARNINGS PER SHARE

Basic earnings per share
Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year. The calculation is based on:

	2022	2021
Attributable profit/(loss) to ordinary shareholders – TShs	2,606,000,000	2,146,000,000
	Number	Number
Weighted average number of ordinary shares	36,000,000	36,000,000
Basic earnings per share - TShs	72.4	59.6

Diluted earnings per share

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the Company (after deducting interest on the convertible non-cumulative redeemable preferences shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

19 EARNINGS PER SHARE (CONTINUED)

Diluted earnings per share (CONTINUED)

	2022	2021
Attributable loss/profit to ordinary shareholders – TShs	2,606,000,00	2,146,000,000
	Number	Number
Weighted average number of ordinary shares	36,000,000	36,000,000
Diluted earnings per share – TShs	72.4	59.6

20 DIVIDENDS

	2022 TShs M	2021 TShs M
Dividend*	1,073	-

* The directors propose payment of dividend of TShs 41.8 per share (2021 – TShs 29.8 per share), amounting to TShs 1,504 million out of 2022 profit (2021 – TShs 1,073 million). The proposed dividend has not been recognised as a distribution during the year; Dividends are not accounted until they have been ratified by the Annual General Meeting. Dividends are subjected to a withholding tax of 5%.

The actual cash paid during the year was TShs 2,880 million (2021 – TShs 1,403 million) for both Swissport International Ltd and local shareholders. Out of the paid amount in 2022, TShs 2,354 million was paid to Swissport International Ltd which comprises of TShs 547 million for dividend declared in 2021 and TShs 1,807 million relating to prior years' dividends. As of 31 December 2022, the dividend payable to Swissport International Ltd is Nil (2021 – TShs 1,807 million).

The movement in dividends (excluding unclaimed dividend) during the year is as follows:

	2022 Tshs M	2021 TShs M
Dividend payable 1 January	1,807	3,210
Dividend declared	1,073	-
Paid during the year	(2,880)	(1,403)
Dividend payable at 31 December (excluding unclaimed dividend) – Note 27	-	1,807

21 (A) PROPERTY AND EQUIPMENT

	Capital work in progress TShs M	Leasehold property improvements TShs M	EDP hardware & equipment TShs M	Motorized equipment TShs M	Non-motorized equipment TShs M	Other assets TShs M	Total TShs M
Cost							
At 1 January 2022	1,225	4,469	557	22,113	5,110	2,793	36,267
Additions	152	286	515	249	504	57	1,763
Transfer in/(out)*	(1,377)	1,377	-	-	-	-	-
Write offs/disposals	-	-	(440)	-	(87)	(176)	(703)
At 31 December 2022	-	6,132	632	22,362	5,527	2,674	37,327
Depreciation							
At 1 January 2022	-	2,189	384	11,218	4,472	2,502	20,765
Charge for the year	-	507	97	1,504	199	131	2,438
Write offs/disposals	-	-	(440)	-	(87)	(176)	(703)
At 31 December 2022	-	2,696	41	12,722	4,584	2,457	22,500
Net book value							
At 31 December 2022	-	3,436	591	9,640	943	217	14,827

There is no impairment loss relating to property and equipment recognised in the financial statements. Additionally, no assets have been pledged as security to lenders.

*Transfer in/(out) balance contain TShs 1,377 million for the Lounge Business. The same were capitalized in 2022 and they have been presented under 'Leasehold property improvements' in the above table.

	Capital work in progress TShs M	Leasehold property improvements TShs M	EDP hardware & equipment TShs M	Motorized equipment TShs M	Non-motorized equipment TShs M	Other assets TShs M	Total TShs M
Cost							
At 1 January 2021	1,349	4,469	485	20,679	4,966	2,754	34,702
Additions	1,225	-	72	85	144	39	1,565
Transfer in/(out)	(1,349)	-	-	1,349	-	-	-
At 31 December 2021	1,225	4,469	557	22,113	5,110	2,793	36,267
Depreciation							
At 1 January 2021	-	1,807	294	9,740	4,161	2,355	18,357
Charge for the year	-	382	90	1,478	311	147	2,408
Write offs/disposals	-			-			
At 31 December 2021	-	2,189	384	11,218	4,472	2,502	20,765
Net book value							
At 31 December 2021	1,225	2,280	173	10,895	638	291	15,502

There is no impairment loss relating to property and equipment recognised in the financial statements.

21 (B) INTANGIBLE ASSET

	2022 TShs M	2021 TShs M
Intangible asset (IFRIC 12) under construction		
Cost		
At January	25,265	25,265
Additions	528	752
Write off	-	(752)
At December	25,793	25,265
Accumulated amortisation:		
At January	12,640	10,755
Write off	-	(752)
Charge for the year	2,253	2,637
At December	14,893	12,640
Net book value as at the end of the year	10,900	12,625

On 25 April 2013, the Company entered into a land lease agreement with Tanzania Airports Authority. The agreement is for the lease of land measuring 15,000 square meters for the period of 15 years from the date of the last signing of the agreement, which was 25 April 2013. The Company is paying annual land lease of US$ 118,500 (US$ 7.9/sqm).

As per the lease agreement the Company was required to construct an import warehouse under the Built Own and Transfer terms (BOT). Meaning that after the expiration of 15 years period from 25 April 2013 the constructed warehouse will be transferred and be legally owned by the Tanzania Airports Authority.

The construction of the asset was completed in June 2016 and commenced amortization soon after the construction was completed and handed over to the Company ready for use.

The asset is accounted for as intangible assets as it meets criteria stipulated under IFRIC 12 Service Concession Arrangements, which are:

- The grantor controls or regulates services offered by the Company, to whom it has to provide the service (general public) and the prices at which the services are charged; and

- The grantor will control through ownership a significant residual interest in the building at the expiry of the remaining lease period.

The Company does not have the right to receive any consideration for construction services of the warehouse from the Tanzania Airports Authority.

22 INVENTORIES

	2022 TShs M	2021 TShs M
Spare parts	417	230
Stationery	80	71
Cleaning materials	32	18
Fuel	71	55
Uniforms	86	30
	686	404

Inventories are not pledged as security.

In 2022, inventories of TShs 1,951 million (2021: TShs 1,673 million) were recognised as an expense during the year and included in 'other operating expenses'.

23 TRADE AND OTHER RECEIVABLES

	2022 TShs M	2021 TShs M
Trade receivables	4,078	3,109
Less: Credit impairment	(495)	(495)
Trade receivables - net	3,583	2,614
Prepayments	870	834
Deposits and other receivables[1]	1,127	-
Staff receivables - short term	363	301
Staff car loans(*)	151	173
	6,094	3,922

Trade receivables are non-interest bearing and are generally on 30-day terms.

(1) The staff car loans exclude TShs 264 million (2021: TShs 171 million) receivable after 1 year.

Movement on the credit impairment of trade receivables is as follows:

	2022 TShs M	2021 TShs M
At 1 January	495	2,841
Charge for the year	-	-
Write-off*	-	(2,346)
At 31 December	495	495

*Charge for the year is a write-off of long outstanding impairment of Fastjet Limited.

The carrying amounts of the Company's trade and other receivables are denominated in the following currencies:

	2022 TShs M	2021 TShs M
US dollars	2,047	1,492
Tanzanian shillings	1,929	1,555
Euro	102	62
	4,078	3,109

Information about the Company's exposure to credit and market risks, and impairment losses for trade receivables is included in Note 9.

24 CASH AND CASH EQUIVALENTS

	2022 TShs M	2021 TShs M
For the purpose of the cash flow statement, the year-end cash and cash equivalents comprise:		
Cash at bank	6,706	7,675
Cash on hand	13	13
	6,719	7,688

25 SHARE CAPITAL

Authorised:	2022 TShs M	2021 TShs M
50,000,000 Ordinary shares of TShs 10 each	500	500
Issued and fully paid: 36,000,000 Ordinary shares of TShs 10 each	360	360
The issued shares were held as follows: - Swissport International Ltd. (a foreign shareholder) – 51%	184	184
Local shareholders – 49%	176	176
	360	360

All shares rank equally with regard to the Company's residual assets. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

26 RETIREMENT BENEFIT OBLIGATIONS

	2022 TShs M	2021 TShs M
As at 1 January	1,666	2,567
Current service cost	56	55
Interest cost (discount unwinding)	190	228
Actuarial (gain) / (gain)(1)	181	(35)
Benefits paid during the year	(179)	(1,225)
Curtailments	-	76
As at 31 December	1,914	1,666

The Company has an unfunded non-contributory employee gratuity arrangement for permanent and pensionable employees (the "Arrangement") which provides for lump sum payments to its employees on their retirement at the age of between 55 and 60 years or those allowed to retire early or those who die while in employment, based on length of service and salary at retirement and qualifies as a defined benefit plan. A firm of professional actuaries, Muhanna & Co Actuaries and Consultants, carried out the actuarial valuation of the Arrangement as of 31 December 2022 using the Projected Unit Credit Method.

As at 31 December 2022 the present value of the accrued (past service) liability in respect of retirement gratuity benefits was TShs 1,914 million (2021: TShs 1,666 million). The principal assumptions used in the actuarial valuation are:

26 RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

(i) Discount rate of 10% (2021 – 11.7%)
(ii) Rate of salary escalation of 4.5% (2021 – 4%)
(iii) Retirement age 60 years (2021 – 60 years)

The 'notional' Company contribution rate to meet the cost of future accrual of gratuity benefits is estimated at 4% of salaries per annum (2021: 5%). The next valuation is due on 31 December 2023. The 3-year trend of this non-contributory employee gratuity arrangement is as follows:

	2022 TShs M	2021 TShs M	2020 TShs M
Present value of the defined benefit obligation	1,914	1,666	2,567

(1) Re-measurements of the net defined benefit liability (asset) are recognised in OCI and are not reclassified to profit or loss in a subsequent period. However, the Company may transfer cumulative amounts recognised through OCI to another component of equity.

The amounts recognised in the profit and loss account are as follows:

	2022 TShs M	2021 TShs M
Current service cost	56	55
Interest cost (discount unwinding)	190	228
Total, included in staff costs (Note 13)	246	283

The arrangement provides benefits of a defined nature (i.e., salary and service related). One of the main risks relating to the benefits under the arrangement is the rate of salary growth. As the benefits are based on the final salary, any changes in salary that differ from the salary escalation rate assumed will have a direct bearing on the benefits paid under the arrangement. In addition, the benefits are not payable on voluntary termination or resignation. The Company's experience with respect of these withdrawals will also impact the benefits payable under the arrangement, when compared to the assumption made regarding withdrawals.

Sensitivity of the results

Changing parameter	Baseline	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Discount rate	10%	10.5%	9.5%	10%	10%
Inflation rate	4%	4%	4%	4.5%	3.5%

	Baseline TShs M	Scenario 1 TShs M	Scenario 2 TShs M	Scenario 3 TShs M	Scenario 4 TShs M
Actuarial liability	1,914	1,881	1,944	1,947	1,878
Service cost	7.3%	7.2%	7.5%	7.5%	7.2%

The arrangement is unfunded, and the Company pays benefits from general revenues as and when they arise. The timing of the benefit payments from the arrangement will be influenced by the age at which employees retire from the Company.

The weighted average duration of the liability as at 31 December 2022 is 6.45 years (2021 – 6.45 years).

26 RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

Retirement contribution plan

	2022 TShs M	2021 TShs M
Contributions to NSSF	1,065	860
Total	1,065	860

27 TRADE AND OTHER PAYABLES

	2022 TShs M	2021 TShs M
Airport Authorities – Concession fees	818	347
Trade payable	650	498
Payable to a related party - other payable (Note 29)	646	1,739
Payable to a related party - dividend payable (Note 29)	-	1,807
Bonus payable	632	601
Dividend payable – unclaimed dividend**	2,368	2,241
Other tax payables*	541	224
Other payables	1,635	1,480
	7,290	8,937

* Other tax payable comprises of Value Added Tax (VAT) and Alternative Minimum Tax (AMT) payable amounting to TShs 350 million and TShs 191 million respectively.

** Unclaimed dividend consist of dividend paid by the Company but not collected by the shareholders and therefore the cash was returned to the Company.

- Trade payables are non-interest bearing and are normally settled between 15 to 45 days after date of invoice. All trade and other payables are current.
- Other payables are non-interest bearing and have an average credit term of 30 days; and
- For terms and conditions relating to related party transactions, refer to Note 30.
- For the purpose of cash flows, the movement on dividend payable to related party is excluded.

28 LOAN AND BORROWING

	2022 TShs M	2021 TShs M
Loan movement		
As at 1 January	2,611	4,629
Repayment of loan	(2,233)	(2,018)
Interest cost (1)	124	294
Interest paid	(124)	(294)
	378	2,611

(1) As disclosed in Note 31, Interest cost is disclosed as finance cost (a separate item in the statement of profit or loss and other comprehensive income).

Loan classification

Current portion	378	2,240
Non-current portion	-	371

28 LOAN AND BOROWING (CONTINUED)

In November 2020, Swissport Tanzania Plc received a loan from Swissport International for 2 years and 3 months with an interest rate margin of 7.5%, with principal repayments commencing on 1 February 2021. The loan is denominated in US$ and it is unsecured against cession of books debts. This is the only loan that the Company had as at the year end.

29 RELATED PARTY DISCLOSURES

Balances and transactions with the related companies
The Company's parent Company is Swissport International Ltd. ("SPI") a major shareholder of the Company. Other than recharges for the use of Cargospot, FindNet, FSC, World tracer, Uniform tool, SPASS+, and Infraport systems, travel and IT support recharges and insurance recharges, the Company did not enter into significant transactions with Swissport International Ltd.

The following are the transactions between the Company and its related party, Swissport International Ltd.

		2022 TShs M	2021 TShs M
(a)	Cargospot charges	85	36
(b)	BIC and IT systems charges	1,843	1,090
(c)	Trade mark fees	504	444
(d)	Insurance recharge	60	42
(e)	Interest on intercompany	124	294
		2,616	1,906

Transactions with key management personnel
Key management personnel are described as those persons having authority and responsibility for planning, directing, and controlling the activities of the Company, comprising senior management.

Compensation to key management personnel:

	2022 TShs M	2021 TShs M
Salaries and short-term benefits	2,064	1,880
Post-employment retirement benefits	761	756
	2,825	2,636

The details of the performance guarantee issued in favour of the Company through Swissport International Ltd are disclosed in Note 32 of the financial statements.

	2022 TShs M	2021 TShs M
Payable to a related party* Swissport International Ltd.		
Other payable	646	1,739
Dividend payable to SPI	-	1,807
Total dividend and other payable	646	3,546
Intercompany Loan and Interest	378	2,611
	1,024	6,157

(*) Swissport International has confirmed its intention not to demand payment in satisfaction of the liability at least for the next 12 months from date of approval of these financial statements.

29 RELATED PARTY DISCLOSURES (CONTINUED)

The total remuneration paid to individual directors, which comprised directors' fees and sitting allowances were as follows:

	2022 TShs M	2021 TShs M
Current Directors*		
Mr Raymond P Mbilinyi	28	37
Mr Charles Kimei	28	37
	56	74

(*) Director's representing Swissport International Ltd are not entitled to any director allowances and remunerations.

30 LEASES

i. Leases as lessee

Information about leases for which the Company is a lessee is presented below.

a) Lease liabilities

	2022 TShs M	2021 TShs M
Lease Liability classification		
Current portion	433	1,174
Non-current portion	2,732	958
	3,165	2,132

b) Right-of-use assets

	Buildings	
	2022 TShs M	2021 TShs M
Cost		
Balance at 1 January	2,098	1,930
Additions	-	898
Lease modification	1,658	-
Depreciation	(727)	(730)
Balance as at 31 December	3,029	2,098

c) Amounts recognised in profit or loss

	2022 TShs M	2021 TShs M
Leases under IFRS 16		
Interest on lease liabilities	387	301
Expenses relating to short-term leases*	411	366
Rent small value – JNIA and KIA (note 15)	355	167
Rent concession**	-	(204)

* During the year the Company leased staff buses from Travel partner limited. The hired transport

30 LEASES (CONTINUED)

i Leases as lessee (continued)

was assessed to be short term lease.

** The Company leased office and warehouse spaces at JNIA and KIA. Tanzania Airports Authority (TAA) granted relief on rental charges, and therefore a credit has been recognised in the profit and loss account.

d) Amounts recognised in statement of cash flows

	2022 TShs M	2021 TShs M
Within operating cash flows (interest on lease liabilities)	387	301
Within financing cash flows (payment of principal lease liabilities)	638	664

e) Extension options

As stated in Note 4 (a), the Company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control. The Company has considered extension options in the available contracts to arrive at present lease liability of TShs 3.17 billion (TShs 2.12 billion).

f) Rent concessions

The Company negotiated rent concessions with its landlords for most of its office leases as a result of the severe impact of the COVID-19 pandemic during the year. The Company applied the practical expedient for COVID-19-related rent concessions consistently to eligible rent concessions relating to its office leases.

The amount recognised in profit or loss for the reporting period to reflect changes in lease payments arising from rent concessions to which the Company has applied the practical expedient for COVID-19-related rent concessions is Nil (2021: TShs 204 million).

ii) Leases as lessor

Operating leases

The Company leases out its buildings to other parties, consisting of offices in new cargo warehouse facility. The leases are classified as operating leases from a lessor perspective.

The Company has classified these leases as operating leases because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Note 6 (l) sets out information about the operating leases of building properties.

Rental income recognised by the Company during 2022 was TShs 189 million (2021: TShs 256 million).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

30 LEASES (CONTINUED)

ii Leases as lessor

2022 – Operating leases	TShs M
Less than one year	230
Between one and five years	86
More than five years	-
Total	316

2021 – Operating leases	TShs M
Less than one year	108
Between one and five years	16
More than five years	-
Total	124

31 FINANCE COSTS

Finance costs comprise of interest on lease liability and interest on borrowings

	2022 TShs M	2021 TShs M
Interest on lease liabilities - Note 30(c)	387	301
Interest on loan (note 28)	124	294
	511	595

32 COMMITMENTS AND CONTINGENCIES

Capital commitments

At 31 December, the Company had the following capital commitments:

	2022 TShs M	2021 TShs M
Approval and contracted for	1,992	-
Approval but not contracted	1,911	-

Legal claims contingency

As at 31 December 2022, the Company was a defendant in several lawsuits. The plaintiffs are claiming damages and interest thereon for the loss caused by the Company due to breach of contracts, unlawful termination of employment and staff retrenchment exercise. The Company has filed counterclaims against the plaintiffs. The total principal amount claimed in the various lawsuits approximates TShs 696 million (2021: TShs 624 million). In the opinion of the Directors and Company's Legal Counsel, no material liabilities are expected to crystallize from these lawsuits.

32 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Guarantee

The Company entered into a five years concession agreement with Tanzania Airports Authority (TAA) on 1 May 2020 for the provision of ground handling services at Julius Nyerere International Airport (JNIA). TAA required the Company to provide on demand a performance guarantee for US$ 50,000 to secure the due and punctual performance of, and full compliance with, its obligation under the concession agreement.

The performance guarantee of US$ 50,000 was issued on 27 October 2020 by Barclays Bank Plc, Trade Operations, One Snow Hill Queensway, Birmingham, B4 6GN.UK. through Swissport International Ltd. The guarantee will expire on 31 October 2022. However, in the event that the term of the concession is extended the validity of this guarantee shall be automatically extended without the necessity of notifying the issuing authority.

33 FAIR VALUES

Set out below, is a comparison by class of the carrying amounts and approximate fair value of the Company's financial instruments not measured at fair value:

	Carrying amount		Approximate Fair value	
	2022 TShs M	2021 TShs M	2022 TShs M	2021 TShs M
Applicable assets				
Trade and other receivables[1]	5,697	3,259	5,697	3,259
Cash and cash equivalents	6,719	7,688	6,719	7,688
Applicable liabilities				
Trade and other payables[2]	6,749	8,713	6,749	8,713
Borrowing	378	2,611	378	2,611

(1) Financial assets included are trade receivables, staff receivables, revolving fund and staff car loans as depicted in Note 23.

(2) Financial liabilities included are concession fees payable, sundry payable and due to related party as depicted in Note 27.

The management assessed those fair values of cash and cash equivalents, trade and other receivables, trade and other payables approximate their carrying amounts largely due to short-term maturities of these instruments. Borrowing have interest rate approximating to the market rate.

34 ULTIMATE HOLDING COMPANY

51% of the Company's ordinary shares are owned by Swissport International Ltd. while the remaining 49% of Company's ordinary shares are owned by the general public through the Dar es Salaam Stock Exchange. The ultimate shareholders of Swissport International Ltd are investors individually holding each less than 25% of its shares.

35 SUBSEQUENT EVENTS

At the date of signing the financial statements, the Directors are not aware of any other matter or circumstance arising since the date of the end of the reporting period, not otherwise dealt in these financial statements, which significantly affected the financial position of the Company and results of its operations.

GENERAL INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2022

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS
1st Floor – Swissport Freight Terminal
Julius Nyerere International Airport
PO Box 18043
Dar es Salaam

COMPANY SECRETARY
KW KAPINGA & PARTNERS
Kamanga Wilbert Kapinga
Plot 1, Jitegemee Road
Msasani
PO Box 75886
Dar es Salaam

EXTERNAL AUDITOR
KPMG
The Luminary
Plot No.574, Haile Selassie Road
Msasani Peninsula Area
P.O. Box 1160
Dar es Salaam
TIN 101-269-027 VAT REG No. 10-007190R
NBAA Reg. No. PF 020

INTERNAL AUDITOR
Deloitte Consulting Limited
3rd Floor, Aris House, Plot 152,
Haile Selassie Road, Oyster Bay
P.O. Box 1559
Dar es Salaam

TAX ADVISORS
PricewaterhouseCoopers
Pemba House
369 Toure Drive, Oyster Bay
P.O. Box 45
Dar es Salaam

LAWYERS
KW KAPINGA & PARTNERS
Kamanga Wilbert Kapinga
Plot 1, Jitegemee Road
Msasani
P.O. Box 75886
Dar es Salaam

PETMOS ATTONERY
Ground Floor, Amverton Tower
Chole Road, Masaki
P.O Box 11239
Dar es Salaam

MAIN BANKERS
NMB Bank Plc.
Airport Branch
P.O. Box 40951
Dar es Salaam

CRDB Bank Plc.
P.O. Box 96
Hai – Moshi

First National Bank Tanzania Limited
P.O. Box 72290
FNB House
Ohio Street
Dar es Salaam

NCBA Bank Tanzania Limited
P.O. Box 20268
Ohio Street, Amani Place
Dar es Salaam

INSURERS
Phoenix of Tanzania Assurance Co. Limited
8th Floor, IPS Building
Samora Avenue
P.O. Box 5961
Dar es Salaam

Alliance Life Assurance Ltd
5th Floor, Exim Tower
Ghana Avenue
P.O. Box 11522
Dar es Salaam

Heritage Insurance Co. Tanzania Ltd
Oyster bay Office Complex, 368
Msasani Road – Oyster Bay
P.O. Box 7390
Dar es Salaam

Strategies Insurance Tanzania Limited
Plot 1520, 1st Floor, Masaki Ikon Building
P.O. Box 7893
Dar es Salaam


swissport

swissport

Swissport Core values

Swissport is a people-focused organisation - without our people we simply cannot meet our goals and achieve our vision. As such, we focus on the principles of sustainability and compliance, living by:

SHOW YOU CARE
DO THE RIGHT THINGS
WIN AS A TEAM

Registered Office
1st Floor – Swissport Freight Terminal
Julius Nyerere International Airport
PO Box 18043
Dar es Salaam

Tel: +255-22-2844610
Fax: +255-22-2844343
SITA:DARHD7X
E-mail: Dar.Info@swissport.com

WWW.SWISSPORT.COM

swissporttanzaniaplc

Swissport Tanzania Plc.