

SWISSPORT TANZANIA PLC AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2022

Commentary

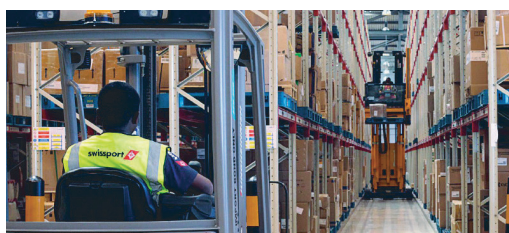
The Board of Directors of Swissport Tanzania Plc. hereby publishes audited financial results for the year ended 31st December 2022. During the year, the flight frequencies increased by 53% and volume of cargo handled increased by 20%. As a result, total revenue increased by 25% from TShs 30,679 million to TShs 38,290 million, and total operating cost increased by 21% from TShs 28,032 million to TShs 33,817 million. Consequently, the Company reports a net profit of TShs 2,606 million compared to a net profit of TShs 2,146 million realised in year 2021. This performance is attributed to significant business recovery from the impact of COVID 19 and increased Air Tanzania operations.

Dividend to Shareholders

The Board is delighted to announce a final dividend of TShs 1,512 million or TShs 42.00 per issued and fully paid share. No interim dividend was declared and paid during the year. Pursuant to this declaration, the share register will be closed on 19th May 2023 and the last day of trading cum dividend shall be on 16th May 2023. The final dividend will be paid out on or about 21st June 2023.

STATEMENT OF PROFIT AND LOSS For the year Ended 31 December	2022 TZS M	2021 TZS M	% Change
Revenue	37,881	30,165	26%
Other operating income	409	514	-20%
Total revenue	38,290	30,679	25%
Total operating expenses	(33,817)	(28,032)	21%
Operating profit	4,473	2,647	69%
Finance costs	(511)	(595)	-14%
Profit before income tax	3,962	2,052	93%
Income tax (charge)/credit	(1,356)	94	-1543%
Profit for the period	2,606	2,146	21%
Other comprehensive income	(127)	25	-608%
	2,479	2,171	14%
Earnings per share	72.39	59.61	21%
Dividend per share	42.00	29.80	41%

STATEMENT OF FINANCIAL POSITION As At 31 December	2022 TZS M	2021 TZS M	% Change
ASSETS			
Non-current assets			
Intangible asset	10,900	12,625	(14%)
Property and equipment	14,827	15,502	(4%)
Right of use of assets	3,029	2,098	44%
Deferred tax assets	-	735	(100%)
Staff receivables	264	171	54%
	29,020	31,131	(7%)
Current assets			
Inventories	686	404	70%
Trade and other receivables	6,094	3,922	55%
Income tax recoverable	1,983	1,983	0%
Cash and cash equivalents	6,719	7,688	(13%)
	15,482	13,997	11%
Total assets	44,502	45,128	(1%)
EQUITY AND LIABILITIES			
Equity			
Share capital	360	360	0%
Retained earnings	30,828	29,422	5%
Total equity	31,188	29,782	5%
Non-current liabilities			
Retirement benefit obligations	1,914	1,666	15%
Lease liabilities (IFRS 16)	2,732	958	185%
Deferred tax Liability	567	-	
Related party Loan (Non-current portion)	-	371	(100%)
	5,213	2,995	74%
Current liabilities			
Related party loan (short term)	378	2,240	(83%)
Trade and other payables	7,290	8,937	(18%)
Lease liabilities (short term)	433	1,174	-63%
	8,101	12,351	(34%)
Total equity and liabilities	44,502	45,128	(1%)



Outlook

Both ground handling and cargo handling business segments have fully recovered from the impact of COVID 19. Airlines are operating at their normal capacity and have plans to increase frequencies. Planned growth of Air Tanzania (The National Carrier) is also expected to stir further growth of the aviation market. Cargo export volumes are increasing while import volumes are expected to remain constant and stable. Lounge business is envisaged to continue growing and contribute positively to the business. These developments coupled with the improved business environment over the past years are expected to increase flight frequencies and volume of cargo in 2023 and consequently, the financial performance of the company will improve.

Improving quality of services offered to airlines, maintaining operational and cost efficiencies, investments in human resources, technology, training, ground support equipment and cargo infrastructures, product innovation, retention of customers and winning new profitable business will remain key priorities to sustain and grow the business in 2023.

Appreciation


The Board would like to thank all esteemed customers, authorities and other stakeholders for their continued support and employees for their dedication and hard work in 2022.


Dirk Goovaerts
Board Chairman


STATEMENT OF CASH FLOWS For Year Ended 31 December 2022	2022 TZS M	2021 TZS M
Cash flows from operating activities		
Profit before income tax	3,962	2,052
Adjustment for:		
Depreciation of property and equipment	2,438	2,408
Amortization of intangible assets	2,253	2,637
Depreciation of right of use assets	727	730
Provision for retirement benefit obligations	246	283
Gain on disposal/writeoff of equipment	(35)	(5)
Interest expense on lease liabilities	387	301
Interest expense on loan	124	294
Receivable write off	-	(2,346)
Rent concession	-	(204)
Adjustments for:		
Inventories	(282)	19
Trade and other receivables	(2,265)	2,104
Trade and other payables	160	(244)
Cash generated from operating activities	7,715	8,029
Retirement benefits paid	(179)	(1,225)
Interest paid on lease liability	(387)	(301)
Interest paid on loan	(124)	(294)
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	(2,291)	(2,317)
Net cash used in investing activities	(2,256)	(2,312)
Cash flows from financing activities		
Repayment of Loan	(2,233)	(2,018)
Dividends paid to the Company's shareholders	(2,880)	(1,403)
Payment of lease liabilities	(638)	(664)
Net cash (used in)/from 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	7,688	7,735
Effect of movement in exchnage rates on cash held	13	141
Cash and cash equivalents at 1 January to 31 December	6,719	7,688



From landing to take-off: we care !


Dirk Goovaerts
Board Chairman


Mrisho Yassin
Chief Executive Officer


Joshua Jonas
Chief Financial Officer