

SWISSPORT TANZANIA PLC UNAUDITED FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2023

Commentary

The Board of Directors of Swissport Tanzania Plc hereby publishes unaudited financial results for the six-month period ended 30 June 2023. Total revenue during the period increased by 6% from TShs 17,763 million to TShs 18,910 million while operating costs increased by 9%, from TShs 15,202 million to TShs 16,502 million. As a result, net profit decreased by 9% from TShs 1,507 million to TShs 1,379 million. The decrease in profit is attributed to increase in operating expenses due to increased flight volumes and general rise in price levels.

Dividend to Shareholders

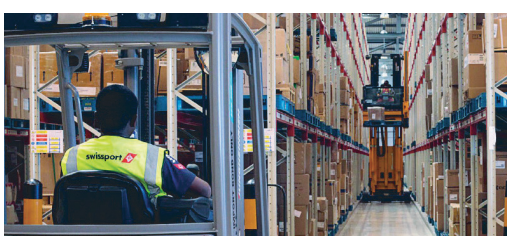
No interim dividend shall be paid for the period ended 30 June 2023.

STATEMENT OF PROFIT AND LOSS For the Period Ended 30 June

	2023 TShs M	2022 TShs M	% Change
Revenue	18,620	17,551	6%
Other operating income	290	212	37%
Total revenue	18,910	17,763	6%
Total operating expenses	(16,502)	(15,202)	9%
Operating profit	2,408	2,561	(6%)
Finance costs	(327)	(409)	(20%)
Profit before income tax	2,081	2,152	(3%)
Income tax expense	(702)	(645)	
Profit for the period	1,379	1,507	(9%)
Earnings per share	38.30	41.90	(9%)

STATEMENT OF FINANCIAL POSITION As At 30 June

	2023 TShs M	2022 TShs M	% Change
ASSETS			
Non-current assets			
Intangible asset	10,578	12,272	(14%)
Property and equipment	14,223	13,926	2%
Right of use of assets	2,612	3,098	(16%)
Deferred tax assets	-	1,405	(100%)
Staff receivables	162	264	(39%)
	27,575	30,965	(11%)
Current assets			
Inventories	686	440	56%
Trade and other receivables	6,510	3,688	77%
Income tax recoverable	576	1,983	(71%)
Cash and cash equivalents	6,603	8,799	(25%)
	14,375	14,910	(4%)
Total assets	41,950	45,875	(9%)
EQUITY AND LIABILITIES			
Equity			
Share capital	360	360	-
Retained earnings	31,932	32,444	(2%)
Total equity	32,292	32,804	(2%)
Non-current liabilities			
Lease liabilities (IFRS 16)	2,195	3,026	(27%)
Deferred tax Liability	567	-	NA
Retirement benefit obligations	2,041	1,719	19%
	4,803	4,745	1%
Current liabilities			
Related party loan	-	1,374	(100%)
Trade and other payables	4,317	6,147	(30%)
Lease liabilities	538	805	(33%)
	4,855	8,326	(42%)
Total equity and liabilities	41,950	45,875	(9%)




Outlook

The ground handling performance has shown positive growth, and we expect a consistent performance for the remainder of the year. The cargo performance was slightly below our expectations in the first half of the year. However, we have recently observed a positive trend in the tonnage handled, and hence, we anticipate a rebound in the second half. We therefore foresee improved financial performance in the second half of the year compared to the first six months. Investments in human resources, ground support equipment, warehouse facilities, processes, training, and technology, along with strict cost reduction and control measures, are expected to positively impact our operational and financial performance by the end of 2023.

Appreciation

The Board extends its heartfelt gratitude to all customers, authorities, and other stakeholders for their unwavering support as well as to the employees for their relentless hard work and commitment during the period.


Dirk Goovaerts
Board Chairman

STATEMENT OF CASH FLOWS For the Period Ended 30 June


	2023 TShs M	2022 TShs M
Profit before income tax		
Cash flows from operating activities		
Profit before income tax	2,081	2,152
Adjustment for:		
Depreciation of property and equipment	1,713	1,370
Amortization of intangible assets	1,444	1,155
Depreciation of right of use assets	486	375
Provision for retirement benefit obligations	399	155
Interest expense on lease liabilities	89	113
Interest expense on loan	128	141
Adjustments for:		
Inventories	(246)	57
Trade and other receivables	280	2,917
Trade and other payables	(2,106)	(3,475)
Cash generated from operating activities	4,268	4,960
Retirement benefits paid	(76)	(74)
Interest paid on lease liability	(89)	(113)
Interest paid on loan	(128)	(211)
Net cash generated from operating activities	3,975	4,562
Cash flows from investing activities		
Acquisition of property and equipment and intangible asset	(1,760)	(442)
Net cash used in investing activities	(1,760)	(442)
Cash flows from financing activities		
Repayment of Loan	(1,375)	(1,166)
Dividends paid to the Company's shareholders	(2,584)	(1,909)
Payment of lease liabilities	(452)	(364)
Net cash used in financing activities	(4,411)	(3,439)
Net (decrease)/increase in cash and cash equivalents	(2,196)	681
Movement in cash and cash equivalent		
(Decrease)/increase in cash and cash equivalents	(2,196)	681
Cash and cash equivalents at 1 July	8,799	8,118
Cash and cash equivalents at 30 June	6,603	8,799



From landing to take-off: we care !


Dirk Goovaerts
Board Chairman


Mrisho Yassin
Chief Executive Officer


Joshua Jonas
Chief Financial Officer