

## Press Announcement

### INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR PERIOD ENDED 30TH JUNE 2023

National Investments Plc (NICOL) and its subsidiary 'the Group' today announces its financial results for the six-month period ended 30 June 2023.

#### Financial Review

The Group (NICOL) is pleased to announce its results for the half year ended 30th June 2023. The Group's investment income increased by 26% to TZS 8.72 billion against TZS 6.93 billion recorded in prior comparison period. The changes are attributed to increased dividend income and interest income from investments.

Operating profit increased by 51% to TZS 9.05 billion recorded during the half year from TZS 6.00 billion recorded in prior period, the increase contributed mostly by strengthening of diversified income and TZS 1.2 billion writeback provision from impaired assets in the prior year.

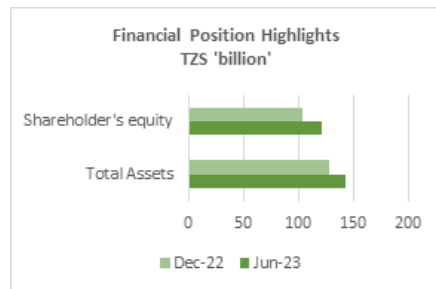
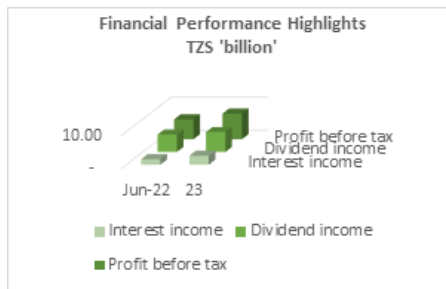
Total assets increased by 13% to TZS 143.185 billion compared to the prior year of TZS 127.523 billion, the increase mostly attributed by share value appreciation, new investment in Government Bond and other investment assets. This improvement is a result of continued commitment toward improving the shareholders' returns by increasing revenue and returns.

#### Financial Highlights

Financial Performance Highlights	June 2023	June 2022	% increase/decrease
Interest Income	<b>TZS 2.693 Billion</b>	<b>TZS 1.653 Billion</b>	<b>63%</b> ↑
Dividend Income	<b>TZS 6.026 Billion</b>	<b>TZS 5.283 Billion</b>	<b>14%</b> ↑
Profit before tax	<b>TZS 7.769 Billion</b>	<b>TZS 5.996 Billion</b>	<b>30%</b> ↑
Basic earnings per share	<b>TZS 120.43</b>	<b>TZS 92.98</b>	<b>30%</b> ↑

Financial Position Highlights	June 2023	December 2022	% increase/decrease
Total Assets	<b>TZS 143.185 Billion</b>	<b>TZS 127.523 Billion</b>	<b>13%</b> ↑
Shareholder's equity	<b>TZS 120.533 Billion</b>	<b>TZS 103.965 Billion</b>	<b>16%</b> ↑
Net Assets per value	<b>TZS 1,955.60</b>	<b>TZS 1,686.80</b>	<b>16%</b> ↑



### STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2023

	Group		Company	
	30 <sup>th</sup> June 2023 TZS '000	31 <sup>st</sup> Dec 2022 TZS '000	30 <sup>th</sup> June 2023 TZS '000	31 <sup>st</sup> Dec 2022 TZS '000
<b>Equity</b>				
Share capital	7,704,354	7,704,354	7,704,354	7,704,354
Share premium	1,588,635	1,588,635	1,588,635	1,588,635
Retained earnings	43,665,688	36,241,505	43,903,234	36,312,038
FVOCI Reserve	67,573,645	58,431,696	67,573,645	58,431,695
<b>Total Equity attributable to shareholders of the parent</b>	<b>120,532,322</b>	<b>103,966,190</b>	<b>120,769,868</b>	<b>104,036,724</b>
Non-controlling interest	(2,399)	(712)	-	-
<b>Total Equity</b>	<b>120,529,923</b>	<b>103,965,478</b>	<b>120,769,868</b>	<b>104,036,724</b>
<b>Non-current liabilities</b>				
Lease liabilities	-	-	-	-
Borrowings	16,971,429	18,514,286	16,971,429	18,514,286
	16,971,429	18,514,286	16,971,429	18,514,286
	<b>137,501,351</b>	<b>122,479,764</b>	<b>137,741,297</b>	<b>122,551,010</b>
<b>REPRESENTED BY</b>				
<b>Non-current assets</b>				
Property and equipment	364,345	62,024	364,345	62,024
Capital work in progress	5,418,223	1,861,864	1,888,224	1,861,864
Right-of-use asset	4,413	27,912	4,413	27,912
Long-term receivable	450,000	-	1,768,958	1,534,247
Investment in Subsidiary	-	-	21,523,534	25
Corporate Bond	202,800	-	202,800	-
Equity investments	76,094,778	66,464,348	76,094,778	66,464,348
Government securities	36,134,980	34,637,359	36,134,980	34,637,359
	<b>118,669,539</b>	<b>103,053,507</b>	<b>137,982,031</b>	<b>104,587,779</b>
<b>Current assets</b>				
Trade and other receivables	1,041,494	743,905	1,822,537	1,309,658
Investment property	6,796,080	1,754,294	-	-
Deposits with financial institutions	3,509,925	10,021,918	3,509,925	10,021,918
Cash and cash equivalents	13,167,850	11,949,680	97,110	11,675,220
	<b>24,515,032</b>	<b>24,469,797</b>	<b>5,429,571</b>	<b>23,006,796</b>
<b>Current liabilities</b>				
Lease liabilities	7,569	6,025	7,569	6,025
Borrowings	3,085,714	3,085,714	3,085,714	3,085,714
Provisions	-	608,240	-	608,240
Trade and other payables	1,407,474	161,098	1,394,559	161,123
Dividend payable	1,182,463	1,182,463	1,182,463	1,182,463
	<b>5,683,220</b>	<b>5,043,540</b>	<b>5,670,305</b>	<b>5,043,565</b>
	<b>18,831,812</b>	<b>19,426,257</b>	<b>(240,735)</b>	<b>17,963,231</b>
<b>Net current liabilities</b>	<b>137,501,351</b>	<b>122,479,764</b>	<b>137,741,297</b>	<b>122,551,010</b>

### STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30TH JUNE 2023

GROUP	Share Capital	Share Premium	FVOCI Reserve	Retained earnings	Total
At start of year	7,704,354	1,588,635	58,431,695	36,241,506	<b>103,966,189</b>
Profit for the period	-	-	-	7,424,183	<b>7,424,183</b>
<b>Other Comprehensive income for the period</b>					
Adjustment of share register	-	-	-	-	-
Change in fair value of equity instruments designated as at fair value through other comprehensive income	-	-	9,630,430	-	<b>9,630,430</b>
Loss on disposal of equity investments	-	-	-	-	-
Gain/loss on bonds valuation	-	-	(488,482)	-	<b>(488,482)</b>
<b>At end of period</b>	<b>7,704,354</b>	<b>1,588,635</b>	<b>67,573,645</b>	<b>43,665,688</b>	<b>120,532,322</b>

### STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30TH JUNE 2023

COMPANY	Share Capital	Share Premium	FVOCI Reserve	Retained earnings	Total
At start of year	7,704,354	1,588,635	58,431,695	36,312,039	<b>104,036,722</b>
Profit for the period	-	-	-	7,591,196	<b>7,591,196</b>
<b>Other Comprehensive income for the period</b>					
Adjustment of share register	-	-	-	-	-
Change in fair value of equity instruments designated as at fair value through other comprehensive income	-	-	9,630,430	-	<b>9,630,430</b>
Gain/loss on bonds valuation	-	-	(488,482)	-	<b>(488,482)</b>
<b>At end of period</b>	<b>7,704,354</b>	<b>1,588,635</b>	<b>67,573,645</b>	<b>43,903,234</b>	<b>120,769,868</b>

### STATEMENT OF CASHFLOWS FOR THE HALF YEAR ENDED 30TH JUNE 2023

	Group		Company	
	30-Jun-23 TZS '000	31-Dec-22 TZS '000	30-Jun-23 TZS '000	31-Dec-22 TZS '000
<b>Profit before tax</b>	<b>7,769,655</b>	<b>6,196,673</b>	<b>7,938,355</b>	<b>6,267,919</b>
<b>Adjustments:</b>				
Interest from Govt Bond	(2,230,055)	(2,859,920)	(2,230,055)	(2,859,920)
Interest from FDR	(460,971)	(160,040)	(460,971)	(160,040)
Interest income corporate bond	(2,800)	-	(2,800)	-
Tax paid	(347,159)	(277,344)	(347,159)	(277,344)
Depreciation property and equipment	12,517	35,497	12,517	35,497
Depreciation right of use asset	23,499	67,875	23,499	67,875
Interest on loan	-	76,464	-	76,464
Release overprovision	1,208,240	(180,587)	1,208,240	(180,587)
Interest on lease liability	1,544	11,221	1,544	11,221
<b>Operating Cashflows</b>	<b>3,557,990</b>	<b>2,909,839</b>	<b>3,726,689</b>	<b>2,981,085</b>
<b>Changes in working capital:</b>				
(Increase)/Decrease in Trade receivable	(747,590)	(484,470)	(747,590)	(2,584,470)
Increase/(Decrease) in Trade Payables	20,009,285	(90,042)	1,233,436	(90,017)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>22,819,685</b>	<b>2,335,327</b>	<b>4,212,536</b>	<b>306,598</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of property and equipment	(302,321)	(1,788,842)	(302,321)	(34,548)
Capital Work in Progress	(21,119,360)	(229,864)	(26,360)	(229,864)
Purchase of corporate bonds	(200,000)	-	(200,000)	-
Purchase of Government Bonds	(1,998,115)	(19,237,163)	(1,998,115)	(19,237,163)
Disposal of equity investments	-	16,904,667	-	16,904,667
Purchase of Investment property	(5,041,786)	-	-	-
Movement in investment assets	682,865	-	682,865	-
Investment in subsidiary	-	-	(20,323,600)	(25)
Movement in deposits with banks	6,511,993	(10,021,918)	6,511,993	(10,021,918)
Interest received on fixed deposit	460,971	160,040	460,971	160,040
Interest received corporate bond	2,800	-	2,800	-
Interest income from government bonds	2,230,055	2,859,920	2,230,055	2,859,920
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>(18,772,897)</b>	<b>(11,353,160)</b>	<b>(12,961,711)</b>	<b>(9,598,891)</b>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Dividend paid	-	(1,114,023)	-	(1,114,023)
Loan repayment	(2,827,391)	-	(2,827,391)	-
Borrowings	-	21,523,536	-	21,523,536
Interest on lease liabilities	(1,544)	-	(1,544)	-
Payment of principle lease	-	(78,833)	-	(78,833)
<b>Net cash used in financing activities</b>	<b>(2,828,936)</b>	<b>20,330,680</b>	<b>(2,828,936)</b>	<b>20,330,680</b>
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>1,217,853</b>	<b>11,312,847</b>	<b>(1,578,111)</b>	<b>11,038,387</b>
<b>Movement in cash and cash equivalents</b>				
At start of the period	11,949,681	636,834	11,675,221	636,834
Increase/(decrease) in cash and cash equivalents	1,217,853	11,312,847	(1,578,111)	11,038,387
<b>At end of the period</b>	<b>13,167,534</b>	<b>11,949,681</b>	<b>97,110</b>	<b>11,675,221</b>

### GROUP STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 30TH JUNE 2023

	Group		
	30-Jun-23 TZS "000"	30-Jun-22 TZS "000"	31-Dec-22 TZS "000"
<b>Investments Income</b>			
Dividend Income	6,026,963	5,282,729	5,322,391
Interest Income	2,693,827	1,653,356	3,019,960
<b>Total Investment Income</b>	<b>8,720,789</b>	<b>6,936,084</b>	<b>8,342,351</b>
Other Income	1,208,240	36,750	218,381
<b>Total Income</b>	<b>9,929,029</b>	<b>6,972,834</b>	<b>8,560,732</b>
Employees Benefit expenses	(365,106)	(271,062)	(656,720)
Administration Expenses	(373,065)	(546,270)	(1,218,964)
Other Administration expenses	(33,436)	(43,840)	(82,792)
Board Expenses	(101,688)	(108,401)	(317,898)
<b>Total Operating Income</b>	<b>9,055,734</b>	<b>6,003,262</b>	<b>6,284,358</b>
Finance Expenses	(1,286,078)	(7,020)	(87,685)
<b>Profit before Income tax</b>	<b>7,769,655</b>	<b>5,996,242</b>	<b>6,196,673</b>
Taxation	(347,159)	(265,195)	(277,344)
<b>Profit after taxation</b>	<b>7,422,496</b>	<b>5,731,047</b>	<b>5,919,329</b>
<b>Other Comprehensive Income</b>			
<b>Items not classified to the profit or loss</b>			
Net change in fair value (loss)/gain during the year	9,630,430	-	26,475,901
Gain/loss on Bonds Valuation	(488,482)	-	-
Loss on disposal of equity	-	-	(230,264)
<b>Total comprehensive income</b>	<b>16,564,446</b>	<b>5,731,047</b>	<b>32,164,966</b>
<b>Attributable to:</b>			
Owners of the Company	<b>16,566,133</b>	-	<b>32,165,678</b>
Non-controlling interest	<b>(1,687)</b>	-	<b>(712)</b>
	<b>16,564,446</b>	<b>5,731,047</b>	<b>32,164,966</b>
Basic Earnings per Share/ EPS	120.43	92.98	97.19
Diluted Earnings per share	120.43	92.98	97.19

### COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 30TH JUNE 2023

	Company		
	30-Jun-23 TZS "000"	30-Jun-22 TZS "000"	31-Dec-22 TZS "000"
<b>Investments Income</b>			
Dividend Income	6,026,963	5,282,729	5,322,391
Interest Income	2,693,827	1,653,356	3,019,960
<b>Total Investment Income</b>	<b>8,720,789</b>	<b>6,936,084</b>	<b>8,342,351</b>
Other Income	1,208,240	36,750	218,381
<b>Total Income</b>	<b>9,929,029</b>	<b>6,972,834</b>	<b>8,560,732</b>
Employees Benefit expenses	(365,106)	(271,062)	(656,720)
Administration Expenses	(214,450)	(546,270)	(1,158,417)
Other Administration expenses	(33,436)	(43,840)	(82,792)
Board Expenses	(91,604)	(108,401)	(307,201)
<b>Total Operating Income</b>	<b>9,224,433</b>	<b>6,003,262</b>	<b>6,355,603</b>
Finance Expenses	(1,286,078)	(7,020)	(87,685)
<b>Profit before Income tax</b>	<b>7,938,355</b>	<b>5,996,242</b>	<b>6,267,918</b>
Taxation	(347,159)	(265,195)	(277,344)
<b>Profit after taxation</b>	<b>7,591,196</b>	<b>5,731,047</b>	<b>5,990,574</b>
<b>Other Comprehensive Income</b>			
<b>Items not classified to the profit or loss</b>			
Net change in fair value (loss)/gain during the year	9,630,4		