

2024 Annual Report

NATIONAL INVESTMENTS PLC





Building
Prosperity,
SHAPING
the **FUTURE**
GROWTH

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COMPANY PROFILE

Established in **1999** by a founding group of **116 visionary Tanzanians**, National Investments Plc (NICOL) was created to democratize access to investment and promote broad-based economic participation. With strong public backing and support from respected national figures including current Chairman **Dr. Gideon Kaunda**—NICOL evolved into one of Tanzania's leading collective investment companies.

Formally incorporated under the Companies Act and **re-listed on the Dar es Salaam Stock Exchange (DSE) in 2018**, NICOL's mission is to **economically empower Tanzanians** through ownership in productive ventures across key sectors of the economy.

As at **31st December 2024**, NICOL's **total assets exceeded TZS 185 billion**, more than double the TZS 88 billion recorded at the time of re-listing in 2018. This strong growth reflects disciplined investment, sound governance, and a consistent focus on shareholder value creation.



↑
162.6
TZS
BILLION IN ASSETS

NICOL is not just an investment company—it is a trusted vehicle for building wealth, enabling opportunity, and driving inclusive economic growth in Tanzania.

With a diverse shareholder base of over **30,000 investors**, NICOL maintains a well-balanced portfolio spanning **banking, telecommunications, manufacturing, capital markets, real estate, and government bonds**. The company continues to deliver competitive returns while contributing to Tanzania's broader development agenda.

Looking ahead, NICOL is focused on **portfolio diversification, launching a REIT**, enhancing ESG integration, and expanding its role in regional capital markets, cementing its position as a national platform for shared prosperity.

WASIFU WA KAMPUNI

Ikiwa imeanzishwa mwaka **1999** na baadhi ya wanahisa wapatao **116 ambao walikua na maono makubwa**, *National Investments Plc (NICOL)* ilibuniwa kwa lengo la **kurahisisha upatikanaji wa fursa za uwekezaji** na kuhimiza ushiriki mpana wa wananchi katika maendeleo ya uchumi. Kwa msaada mkubwa kutoka kwa wananchi pamoja na viongozi mashuhuri wa kitaifa—akiwemo **Mwenyekiti wa sasa, Dkt. Gideon Kaunda**—NICOL imekua miongoni mwa kampuni za uwekezaji wa pamoja zinazoongoza nchini Tanzania.

NICOL ilisajiliwa rasmi chini ya **Sheria ya Makampuni** na **ikarejeshwa kwenye Soko la Hisa la Dar es Salaam (DSE)** mwaka **2018**. Dhamira yake kuu ni **kuwawezesha Watanzania kiuchumi** kwa kuwaunganisha katika umiliki wa miradi yenye tija katika sekta kuu za uchumi.

Hadi tarehe **31 Desemba 2024**, NICOL ilikuwa imefikisha **mtaji wa mali unaozidi TZS bilioni 185**, zaidi ya mara mbili ya **TZS bilioni 88** zilizorekodiwa wakati wa kurejeshwa kwenye soko la hisa mwaka

2018. Ukuaji huu mkubwa ni matokeo ya **uwekezaji wa nidhamu, utawala bora**, na mtazamo wa kudumu katika **kuongeza thamani kwa wanahisa**.

Ikiwa na zaidi ya **wanahisa 30,000** kutoka sekta mbalimbali, NICOL inamiliki **mfuko mseto wa uwekezaji** uliosawazishwa vizuri unaojumuisha **secta za fedha mabenki, mawasiliano, viwanda, masoko ya mitaji, mali isiyohamishika, na dhamana za serikali**. Kampuni inaendelea kutoa faida shindani huku ikichangia katika ajenda ya maendeleo ya Taifa.

Kwa kuangalia mbele, NICOL inalenga **kuongeza mseto wa uwekezaji wake, kuzindua Mfuko wa Uwekezaji wa Mali Isiyohamishika (REIT)**, kuimarisha utekelezaji wa vigezo vya **ESG (Mazingira, Jamii, na Utawala)**, pamoja na kupanua nafasi yake katika **masoko ya mitaji ya kikanda**—huku ikijikita kama **jukwaa la kitaifa la ustawi wa pamoja**.

↑
162.6
TZS
MTAJI WA MALI



NICOL si kampuni tu ya uwekezaji ni chombo cha kuaminika cha kujenga utajiri, kufungua fursa, na kuendeleza ukuaji jumuishi wa uchumi wa Tanzania. Uwepo wa Kampuni ya NICOL ni fulsa sahihi inayoweza kutumika kuwawezesha wananchi wengi zaidi kumiliki sekta muhimu za uchumi wa Taifa.

Our Vision, Mission Statement & Values



OUR VISION

To develop and increase participation of local Tanzanians in the management and control of the National economy.

OUR VALUES

The Company provides services anchored in transparency, efficiency, commitment, integrity and accountability to the shareholders and general public.

OUR MISSION

To be the leading Collective Investment Scheme in the country, mobilizing resources from public and participating in viable economic ventures through equity ownership and investments



VALUES

TRANSPARENCY

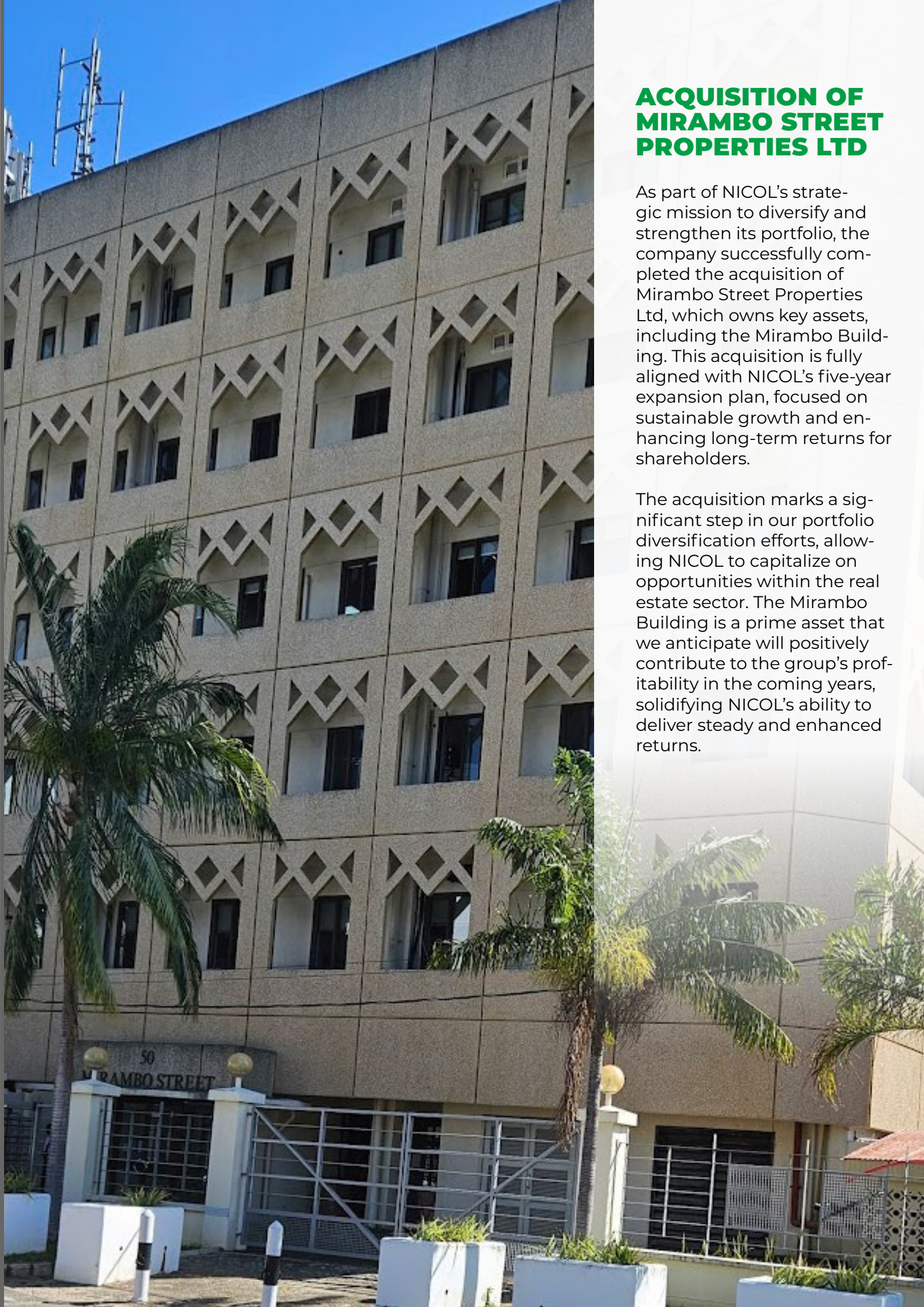
To have a work culture where employees rigorously communicate with their peers and exchange ideas and thoughts, which progressively builds up and maintains trust and respect.

INTEGRITY

Honesty and adherence to the codes of conduct that sustains high regard in the eyes of the public nationally and internationally.

PROFESSIONALISM

- To act professionally in all actions and dealings with our shareholders, clients and partners.

A photograph of the Mirambo Building, a multi-story concrete structure with a distinctive facade of diamond-shaped decorative openings. The building is situated in a tropical environment, with palm trees visible in the foreground and background. A gate with the address '50 MIRAMBO STREET' is visible at the base of the building.

ACQUISITION OF MIRAMBO STREET PROPERTIES LTD

As part of NICOL's strategic mission to diversify and strengthen its portfolio, the company successfully completed the acquisition of Mirambo Street Properties Ltd, which owns key assets, including the Mirambo Building. This acquisition is fully aligned with NICOL's five-year expansion plan, focused on sustainable growth and enhancing long-term returns for shareholders.

The acquisition marks a significant step in our portfolio diversification efforts, allowing NICOL to capitalize on opportunities within the real estate sector. The Mirambo Building is a prime asset that we anticipate will positively contribute to the group's profitability in the coming years, solidifying NICOL's ability to deliver steady and enhanced returns.



National Investments PLC
50 Mirambo Street
3rd Floor, Mirambo House
P.O. Box 7465
Dar Es Salaam
Phone: +255 22 2111399
0733 006 177 / 0768 008 800
E-mail: invest@nicol.co.tz

NOTICE OF THE 11th ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF NATIONAL INVESTMENTS PLC

Notice is hereby given that the 11th Annual General Meeting of the Shareholders of the National Investments PLC (NICOL) will be held at the Arusha International Conference Centre (AICC) in Arusha and virtually on Saturday, 30th August 2025 at 10:00 am. Registration will be open effective from 08:00am.

The agenda will be as follows:

- 11.1** NOTICE AND QUORUM OF THE MEETING
- 11.2** ADOPTION OF THE AGENDA FOR THE 11TH ANNUAL GENERAL MEETING.
- 11.3** CONFIRMATION OF THE MINUTES OF THE 10TH ANNUAL GENERAL MEETING.
- 11.4** MATTERS ARISING FROM THE 10TH ANNUAL GENERAL MEETING.
- 11.5** TO RECEIVE, CONSIDER AND ADOPT THE DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2024.
- 11.6** DIVIDEND DECLARATION FOR THE FINANCIAL YEAR 2024.
- 11.7** TO RECEIVE AND APPROVE THE PROPOSAL FOR DIRECTORS' REMUNERATION.
- 11.8** RESIGNATION AND APPOINTMENT OF DIRECTORS TO RECEIVE AND APPROVE THE APPOINTMENT OF EXTERNAL AUDITORS FOR THE FINANCIAL YEAR 2025.
- 11.9** ANY OTHER BUSINESS.

IMPORTANT NOTES:

1. Members wishing to attend the meeting must submit one of the following: a copy of his/her Identity, Passport, Voters ID card, National ID or driving license. The Shareholder's register for Members entitled to attend the meeting will be closed on Friday, 22nd August 2025.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on his/her behalf in accordance with the provision of the Articles of the Company. The proxy form must be deposited at the registered office of the company (physical or by email to invest@nicol.co.tz) not later than 04:00 pm Thursday, 28th August 2025.
3. Copies of the Annual Report and proxy forms will be available at National Investments PLC Office 50 Mirambo Street, 3rd Floor, Mirambo House and on the company's website www.nicol.co.tz. For more details, please contact 0733 006 177, 0768 00 88 00 or +255 22 2111 399 and WhatsApp number 0733 006 177.

BY ORDER OF THE BOARD

Adv. Benjamin Mwakagamba
Company Secretary
NATIONAL INVESTMENTS PLC

TAARIFA YA MKUTANO MKUU WA KUMI NA MOJA (11)



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50 Mirambo Street
3rd Floor, Mirambo House
P.O. Box 7465
Dar Es Salaam
Phone: +255 22 2111399
0733 006 177 / 0768 008 800
E-mail: invest@nicol.co.tz

TAARIFA YA MKUTANO MKUU WA KUMI NA MOJA (11) WA WANAHISA WA NATIONAL INVESTMENTS PLC (NICOL)

Taarifa inatolewa kwamba Mkutano Mkuu wa Kumi na Moja (11) wa mwaka wa Wanahisa wa National Investments PLC (NICOL) utafanyika siku ya Jumamosi tarehe 30 Agosti 2025 kuanzia saa 4:00 asubuhi. Katika Ukumbi wa Mikutano wa Kimataifa wa Arusha (AICC), Arusha na kwa njia ya Mtandao. Dawati la usajili litafunguliwa mapema kuaanzia saa mbili (2:00) asubuhi.

Ajenda ya Mkutano ni Kama Ifuatavyo:

- 11.1 MATANGAZO NA AKIDI YA MKUTANO
- 11.2 KUPITISHA AJENDA ZA MKUTANO MKUU WA KUMI (11)
- 11.3 KUTHIBITISHA KUMBUKUMBU ZA MKUTANO MKUU WA KUMI (10) ULIOFANYIKA TAREHE 28 SEPTEMBER 2024.
- 11.4 YATOKANAYO NA MKUTANO WA KUMI (10) WA WANAHISA
- 11.5 KUPOKEA, KUJADILI NA KUPITISHA RIPOTI YA WAKURUGENZI NA TAARIFA ZA FEDHA KWA MWAKA ULIOISHIA 31 DESEMBA 2024
- 11.6 KUIDHINISHA GAWIO LA MWAKA WA FEDHA 2024.
- 11.7 KUPOKEA NA KUIDHINISHA MALIPO YA WAKURUGENZI.
- 11.8 KUJIUZULU NA UTEUZI WA WAKURUGENZI
- 11.9 KUPOKEA NA KUTHIBITISHA UTEUZI WA WAKAGUZI WA HESABU KWA MWAKA UNAOISHIA 31 DESEMBA 2025
- 11.10 MENGINEYO.

MAELEZO MUHIMU:

1. Wanahisa wanaotarajia kuhudhuria mkutano ni lazima wawasilishea nakala ya kitambulisho kama Kitambulisho cha Taifa, kitambulisho cha mpiga kura, pasipoti ya kusafiri au Leseni ya Udereva.
2. Tarehe ya kufunga Daftari la Wanahisa wanaostahili kushiriki mkutano itakuwa Ijumaa tarehe 22 Agosti 2025.
3. Mwanahisa anayestahili kuhudhuria mkutano na kupiga kura ana haki ya kuteua mwakilishi ahudhurie kwa niaba yake, iwapo yeye atashindwa kufanya hivyo, kwa kuzingatia vipengele vya kanuni za kampuni.
4. Nakala za Taarifa ya Mwaka na fomu za uwakilishi zitapatikana katika ofisi ya NICOL au kwa kutembelea tovuti ya NICOL www.nicol.co.tz. Fomu ya uwakilishi lazima ijazwe na kuwasilishwa kwenye ofisi za NICOL zilizopo Ghorofa ya 3, Mirambo House, Mtaa wa 50 Mirambo Dar es Salaam au kwa barua pepe invest@nicol.co.tz kabla ya saa 10 jioni, siku ya Alhamisi tarehe 28 Agosti 2025.
5. Kwa maelezo zaidi, wasiliana nasi kupitia namba zifuatazo: 0733 006 177, 0768 00 88 00 au +255 22 2111 399 na WhatsApp 0768 00 88 00 au 0733 006 177.
Kwa idhini ya Bodi ya Wakurugenzi.

KWA IDHINI YA BODI YA WAKURUGENZI

Benjamin Mwakagamba (Wakili)

Katibu wa Kampuni

NATIONAL INVESTMENTS PLC

TO:
The Company Secretary,
National Investments Plc
3rd Floor, Mirambo House,
50 Mirambo Street,
P.O Box 7465,
Dar es Salaam.



I/We
 of..... with cellphone number and CDS account
 Number..... being a member/shareholder of the National Investments PLC
 and entitled to vote, hereby appoint with cellphone number
 as my/our proxy, to vote for me/us and on my/our behalf at the **11TH SHAREHOLDERS
 ANNUAL GENERAL MEETING** of the Company to be held online and at the **Arusha International
 Conference Centre (AICC), Simba Hall in Arusha**, on **Saturday 30th August 2025**, and at my
 adjournment thereof.

Signed this..... day of August 2025.

Signature(s) of member (s).....

NOTE:

1. A member entitled to attend, and vote may appoint, in writing a proxy to act on his/her behalf, to attend, vote and speak instead of him/her. A proxy need not be a member of the Company.
2. In the case of a member being an individual, the proxy form must be attached with a copy of the shareholder's identity card.
3. In the case of a member being a corporate, the proxy form must be completed under its common seal or under the hand of an officer or attorney duly authorized in writing.
4. The form must be properly filed, signed and returned electronically through e mail address **invest@nicol.co.tz** or deposited for the attention of the Company Secretary at 3rd Floor, Mirambo House, 50 Mirambo Street, Dar es Salaam not later than 04:00 pm Thursday, 28th August 2025.

DIVIDENDS DECLARATION



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DIVIDEND DECLARATION FOR THE FINANCIAL YEAR 2024

The Board of Directors of National Investments PLC (NICOL) announce that the Annual General Meeting (AGM) of shareholders held on 30th August 2025, approved the Audited Financial Statements for the financial year 2024 and Declaration of Dividend of **TZS 70.00 per share (TZS 4,314,438,380.00)**. The dividend will be paid out of the profit for the financial year 2024 in line with NICOL's Dividend Policy. The total dividend payment of **TZS 4,314,438,380.00 is equivalent to 48%** of the net profit generated in the financial year 2024.

Pursuant to the dividend payment declaration, the share Register details shall remain as follows:

Announcement Date	1 st September 2025
Trading of Share cum Dividend	1 st September 2025 up to 19th September 2025
Trading of Shares Ex-Dividend	22nd September 2025 onwards
Closure of the Members Register	24 th September 2025
Dividend Payment on/or about	30 th September 2025

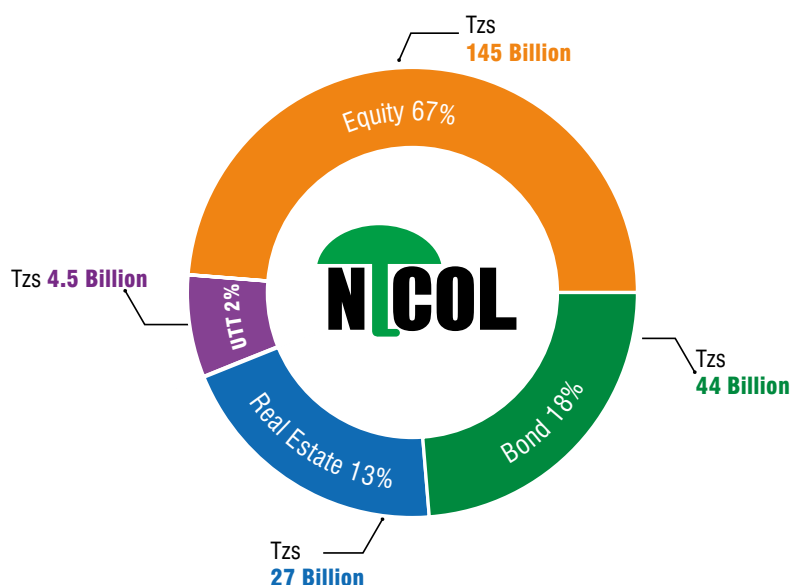
Dividend will be paid directly to shareholder's bank account.

For communication, contact:

The The Registrar
CSD & Registry Company Limited (CSDR)
1st Floor, Exchange Tower, Morocco Square,
P O Box 70081,
Dar es Salaam.
Mobile: 0746 160 516
Email: registrar@csdr.co.tz

BY ORDER OF THE BOARD

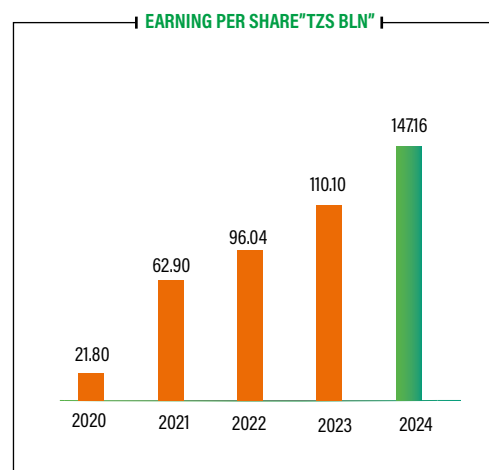
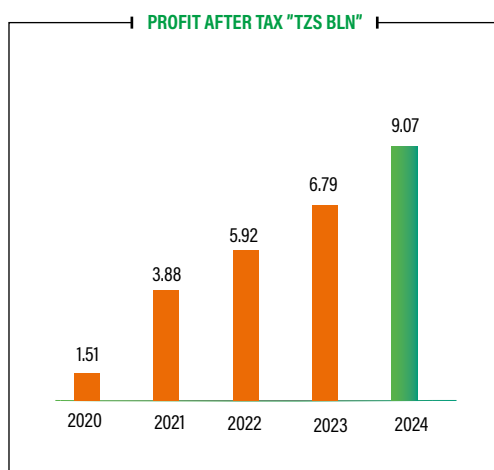
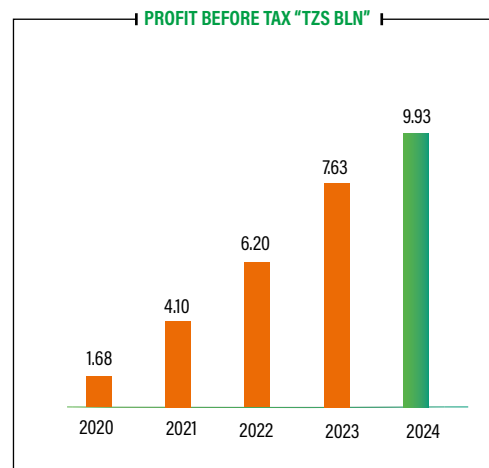
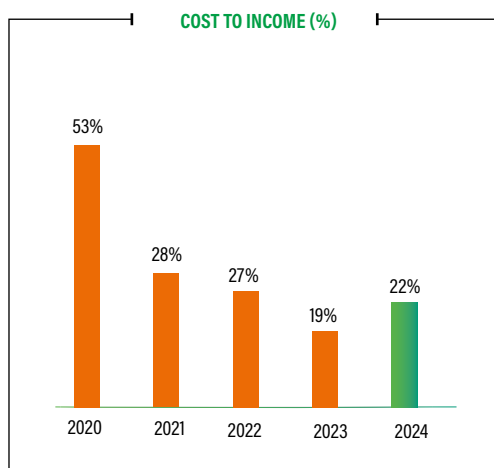
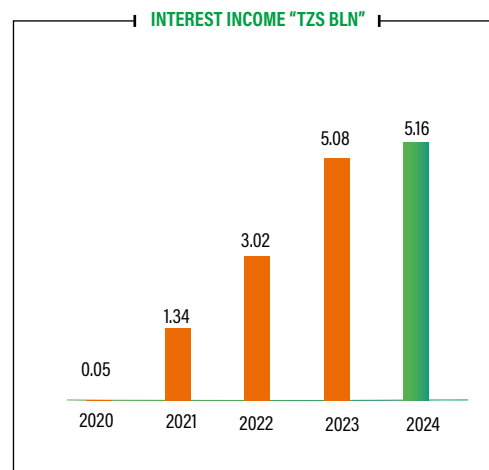
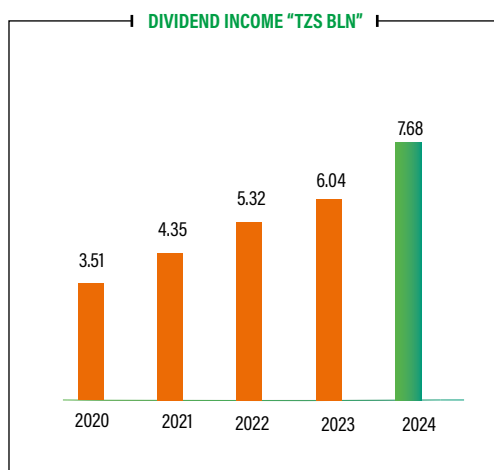
OUR CURRENT INVESTMENT PORTFOLIO UWEKEZAJI WETU WA SASA



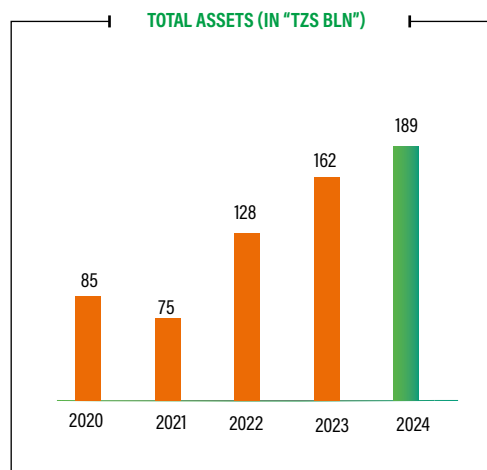
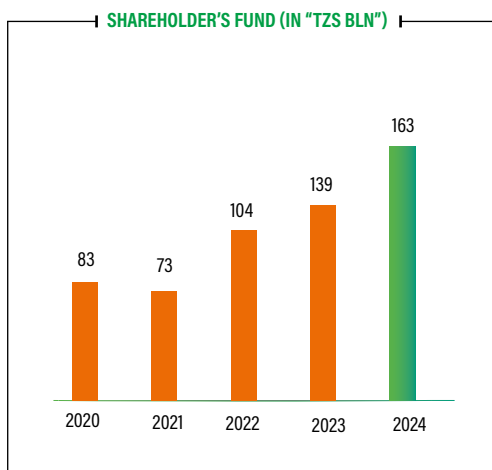
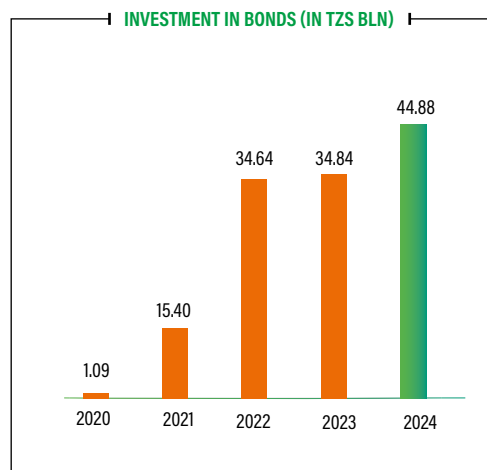
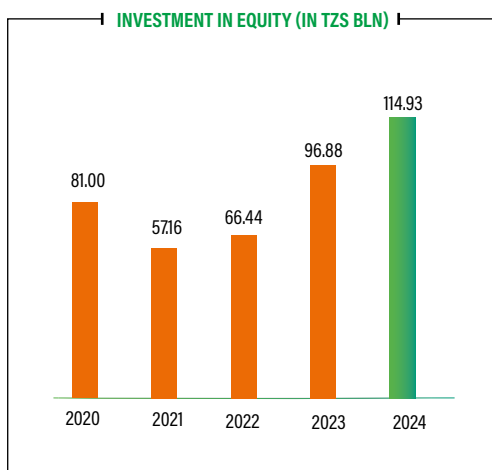
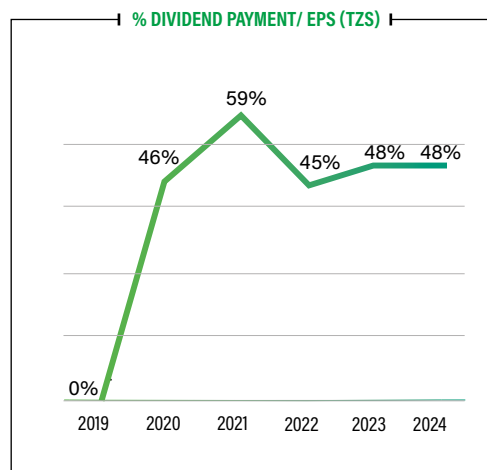
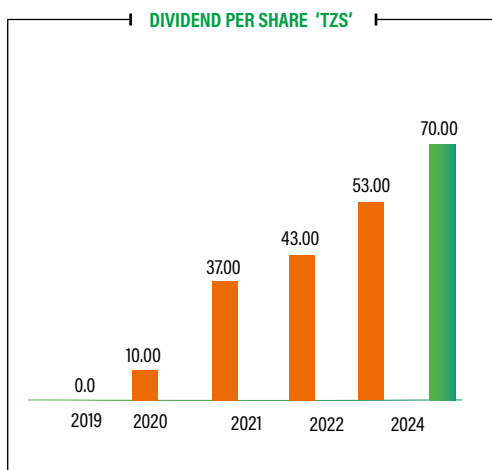
NICOL PLC is well positioned to expand its investments in sectors with sustainable returns whilst aligning to our risk management framework. The Management Team, Investment Team and Board is equipped with skills and expertise in sourcing investment opportunities and engage potential business partners to increase the value of our investments.

	NMB BANK	Tzs' 138 billion
	DSE	Tzs' 3.7 billion
	TBL	Tzs' 1.4 billion
	CRDB BANK	Tzs' 1.03 billion
	VODACOM	Tzs' 490 billion
	OTHER LISTED COMPANIES	Tzs' 516 million

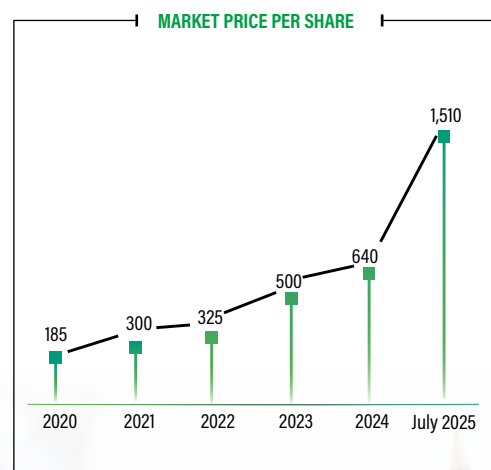
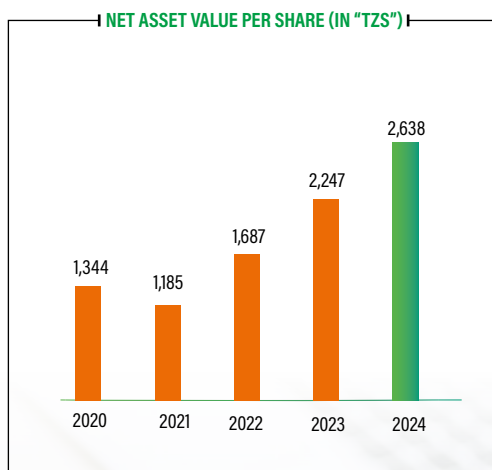
HIGHLIGHTS OF FINANCIAL PERFORMANCE FOR THE FIVE YEARS FROM 2020 TO 2024



HIGHLIGHTS OF FINANCIAL PERFORMANCE FOR THE FIVE YEARS FROM 2020 TO 2024



HIGHLIGHTS OF FINANCIAL PERFORMANCE FOR THE FIVE YEARS FROM 2020 TO 2024





A close-up photograph of several hands of different skin tones pointing at a document. The document contains a pie chart with three visible segments labeled 13%, 16%, and 17%, and a line graph. The word 'summary' is partially visible on the left. A white rectangular box is overlaid in the center, containing the text 'PERFORMANCE REVIEW' in green.

PERFORMANCE REVIEW

CHAIRMAN'S STATEMENT TO THE SHAREHOLDERS

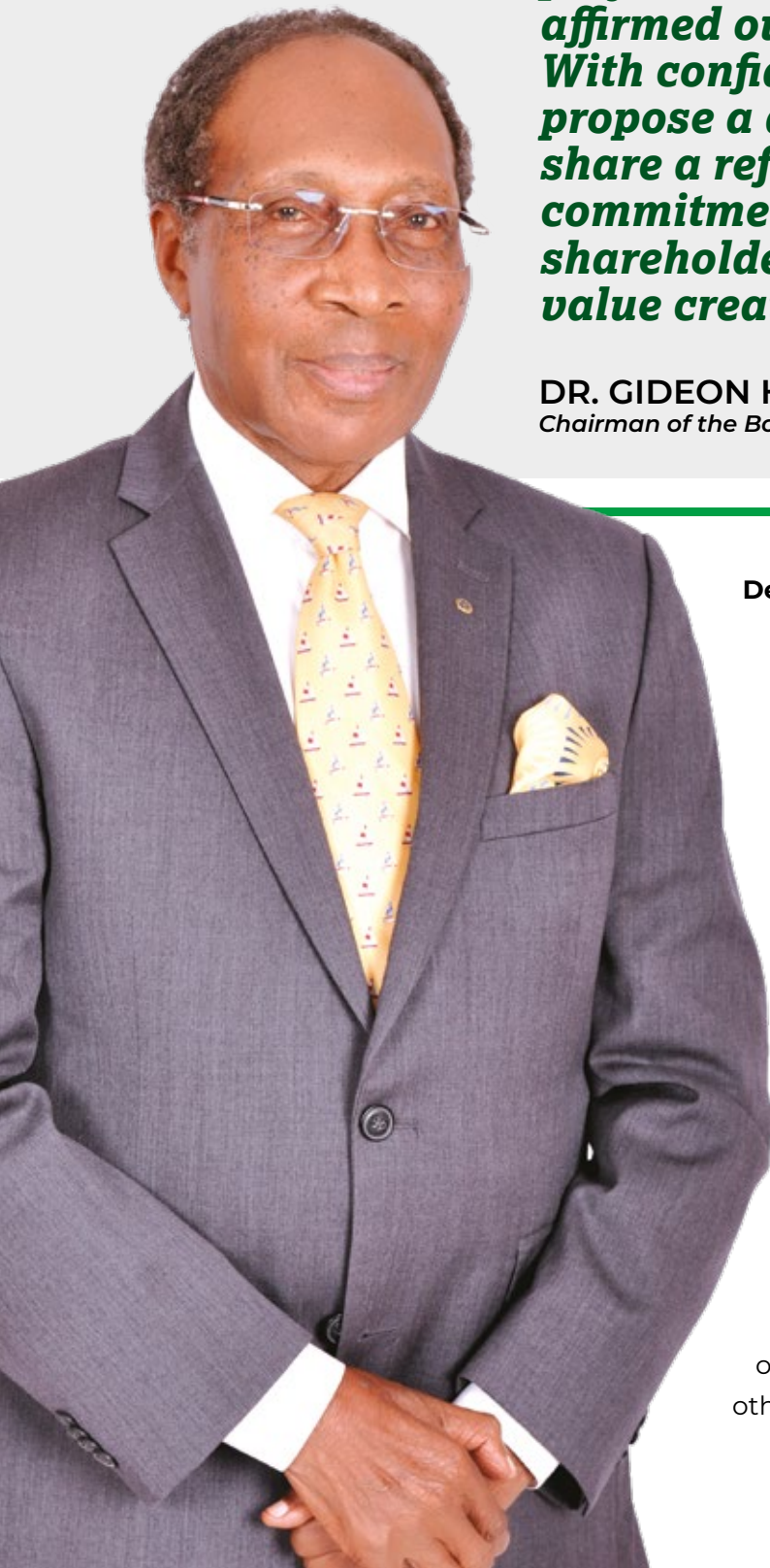


NICOL's strong financial performance in 2024 has once again affirmed our strategic direction. With confidence and pride, we propose a dividend of TZS 70 per share a reflection of our unwavering commitment to rewarding our shareholders and sustaining long-term value creation.

DR. GIDEON H. KAUNDA
Chairman of the Board, National Investments Plc

Dear Shareholders;

Foremost, permit me to express to our revered Shareholders my deepest gratitude for the immense support and trust bestowed to the NICOL Group, which me personally and your dedicated Board of Directors profoundly appreciate. Unflinchingly, we take immense pride in the Group's exceptional achievements between the commencement and conclusion of the Financial Year ended the 31st December, 2024, vividly demonstrated by the Company's scale of profitability and providing scope for the attainment of increased and rapid deliverance of tangible benefits to all Shareholders. I shall highlight and allude to the broader aspects of the performance of the Company as Management delves into the finer and more details in areas of interest to NICOL Shareholders and generally other collaborative Stakeholders.



CHAIRMAN'S STATEMENT TO THE SHAREHOLDERS



OBITUARY

However, before I recount further on this year`s achievements of our Company, allow me first to digress by recalling the Board of Director`s profound sadness for the premature demise of Eng. Gissima Nyamo-Hanga, a colleague of impeccable reputation and a dedicated professional whose immense talent was uniquely exceptional. Not only is the Board deprived of the valuable contribution of Eng. Gissima Nyamo-Hanga to NICOL, our late colleague and compatriot was an individual of an amiable personality, a gifted sense of humor and a highly dignified simplicity, reminiscent of all admirable qualities of leadership. Eng. Nyamo-Hanga was distinctively attached to all Board Directors, as well as Management and the Group as a whole, exhibiting a keen sense of commitment and devotion, for which we will perpetually remember him, notwithstanding the melancholy of bidding adieu to our distinguished and likable comrade.

ECONOMIC AND INVESTMENT CLIMATE

Overall, substantial transformation has taken place in all NICOL activities during the current five years` Strategic Development Plan (2020-2025), when the Group has witnessed a period of tremendous portfolio growth in our commercial and equity investments.

Tanzania's micro and macro-economic trends are intrinsically influenced by high spending in infrastructure development and thus becoming more susceptible to economic risks associated with heavy borrowing, above determined

debt thresholds and inflation guidelines. However, the BOT tight monetary policy introduced in 2024 assured that a stable economic environment was maintained which in turn stimulated a recovery in domestic demand and buttressed inflationary pressure. Nevertheless, the investment landscape did experience a pendulum swing, particularly within the **money market and fixed income segments**. Furthermore, there was a reduction in market yields in long-term government securities, which have been historically the harbinger of bond investment attraction. This development has compelled institutional investors, including NICOL, to re-evaluate their investment strategies and risk assessment, with a view to maintaining profit-



I shall highlight and allude to the broader aspects of the performance of the Company as Management delves into the finer and more details in areas of interest to NICOL Shareholders and generally other collaborative Stakeholders.

CHAIRMAN'S STATEMENT TO THE SHAREHOLDERS



The finalization of Mirambo Street Properties acquisition gives us the benefit of a steadfast cash-flow income into our Nicoland Development subsidiary, since the pegging to our portfolio of this high-value real estate asset has added a prize-worthy footprint to our commercial property projects

able returns sustainably.

Despite these challenges, Tanzania continues to be an attractive investment destination, supported by its historical reputation as a politically stable country, assuaged by ongoing regulatory reform and growing investor interest in sectors such as energy, agriculture, ICT, and financial services. NICOL continues to use these opportunities as leverage in its long-term investment strategy.

STRATEGIC PLAN AND CORPORATE DEVELOPMENTS

The year 2024 has witnessed an astronomical growth of NICOL's income sources through investment diversification, particularly in bonds, as well as equity trading at the Dar-Es-Salaam Stock Exchange (DSE), in all contributing positively to our non-core revenues. This scenario is indeed testimony of our malleable strategy, which is flexibly designed to become responsive and to accommodate variations, as in the case of interest-rate fluctuations and declining returns in government securities.

The finalization of Mirambo Street Properties acquisition gives us the benefit of a steadfast

cash-flow income into our Nicoland Development subsidiary, since the pegging to our portfolio of this high-value real estate asset has added a prize-worthy footprint to our commercial property projects, thereby deriving a stable rental income and allowing NICOL the opportunity to accumulate a sizable capital reserve.

NICOL's Five-Year Strategic Plan is now approaching its final year and continues to guide critical investment decisions, risk management and value creation initiatives. Preparations for our next strategic plan (2026–2030) are underway, focusing more on business diversification, selectively worthy investments and transnational opportunities, concomitant with our development priorities.

CORPORATE GOVERNANCE AND BOARD UPDATES

Among the Board's major tasks in the current year has been **a comprehensive review of the Company's Memorandum and Articles of Association (Memarts)**, which has been successfully completed and is now ready to be utilized. The revisions and updates were aimed at streamlining the Company's governance structure in keeping with the bourse contemporary

CHAIRMAN'S STATEMENT TO THE SHAREHOLDERS

developments among listed investment entities, invoking the hybrid particularities of NICOL status as a **Collective Investment Scheme**, as well as accommodating key shareholders' recommendations.

Additionally, NICOL's newly promulgated **Company's Dividend Policy** can now be applied by the Board in making predictable and sustainably manageable dividend decisions. This malleable Dividend Policy is an important transformation, intrinsically embedded in NICOL's commitment to equitable investor-income disbursement, sound capital injection in new projects and regulatory adaptation.

OVERVIEW OF THE FINANCIAL AND SHARE PERFORMANCE

Undoubtedly, the Management Report will unveil a comprehensive and robust financial outlook in the 2024 performance review, giving credence to the success of the Group's ventures

in direct income generation and exceptionally tangible results. As recorded in our contemporary financial results, there has been a significant increase in total revenue, rising from **TZS 12.388 billion in 2023 to TZS 15.605 billion in 2024**, justifying the Board's approach in selectively applying our diversification investment strategy. Concurrently, it will be noted that **in 2024 the profit after tax also rose to TZS 9.1 billion, compared to TZS 6.8 billion in 2023**. These results firmly underscore the positive outcome of integrating new income-generating ventures, executed under disciplined management superintendence.

SHARE PERFORMANCE

Inevitably, against the background of such highly successful business operational results, NICOL shares have become highly attractive and well sought-after at the national bourse, the Dar-Es-Salaam Stock Exchange (DSE), showing admirable improvement in 2024 when NICOL shares traded at **TZS 950 per share**, having risen from TZS 850 per share in 2023. Obviously, this positive trend signifies the Board's sound investment decisions and indicates growing market confidence in our business activities.

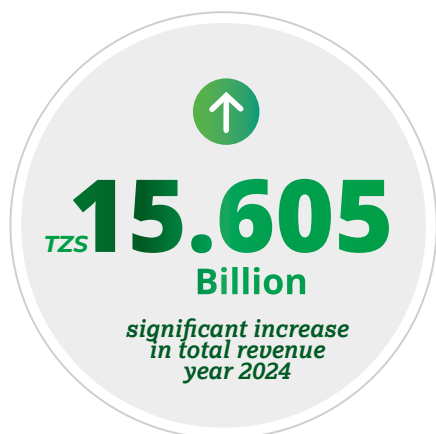
PROPOSED DIVIDEND TO SHAREHOLDERS

Having observed the Company's strong performance in 2024 and in line with the current **Dividend Policy**, the Board of Directors is delighted to declare and recommend a **dividend payment of TZS 70 per share** for the financial



NICOL shares have become highly attractive and well sought-after at the national bourse, the Dar-Es-Salaam Stock Exchange (DSE), showing admirable improvement in 2024 when NICOL shares traded at **TZS 950 per share**, having risen from TZS 850 per share in 2023.

CHAIRMAN'S STATEMENT TO THE SHAREHOLDERS



year ended 31st December 2024, for which the Shareholders approval will be sought at this 11th Shareholders Meeting. Once more, the proposed dividend declaration demonstrates our Company's continued commitment to delivering earned returns periodically to our Shareholders.

OUTLOOK

Glancing at the foreseeable future, the Board will continue to prioritize the strengthening of our **corporate governance standards in the context of regulatory principles**, by ensuring that the Company's business remains steadily robust and in fulfillment of Shareholders' expectations for beneficial returns. The recently amended **Memorandum and Articles of Association (MEMARTS)** have embedded a more responsive and adaptive governance approach, in keeping with evolving market conditions and shareholder expectations.

Furthermore, the strengthening of our **risk management and internal control systems** is

underway in order to safeguard the Group's assets and provide protection against volatility in both domestic and global markets. The Board will continue to work closely with Management to evaluate potential threats, assess new opportunities, and ensure that all developmental initiatives are pursued within a predetermined risk envelop.

In keeping with contemporary evolution in Artificial Intelligence (AI), innovation and new techniques designed to assuage competitiveness, our **Board performance and effectiveness** will regularly be revitalized through sustained training, workshops and retreats in collaboration



The Board is immensely proud of what we have achieved in 2024. But we are even more enthused about what lies ahead. Together, with a clear vision, sound governance and a sense of purpose, we will continue to promote the stature of our Company, National Investments Plc to achieve the distinction of a dynamic and progressive Investment Company, second to none.

CHAIRMAN'S STATEMENT TO THE SHAREHOLDERS

with more advanced enterprises. These steps are essential in acquiring institutional experience, sharpening the planning process and ensuring that our business activities are sufficiently competitive to promote accelerated growth.

The Board is fully committed to creating a transparent, accountable, and forward-looking governance environment that inspires investor confidence and the delivery of consistent benefits to all stakeholders.

CLOSING REMARKS

On behalf of the Board of Directors, once again I take this opportunity to thank our valued shareholders for their support, and most importantly wish to extend our gratitude to the Regulators (CMSA and DSE), who have at all times stood by our side and often gave valuable assistance and advise without hesitation. We highly cherish this collaboration and look forward to continued goodwill and support from all our NICOL stakeholders.

The Board is immensely proud of what we have achieved in 2024. But we are even more enthused about what lies ahead. Together, with a clear vision, sound governance and a sense of purpose, we will continue to promote the stature of our Company, National Investments Plc to

achieve the distinction of a dynamic and progressive Investment Company, second to none.

Finally, it is incumbent upon me personally to express my appreciation to the Board of Directors for their devotion to duty with unfettered willingness and efficiency, as they superintend and perform oversight functions of the NICOL Group, without which we could not have attained such rapid success. I am also thankful to the Management and staff of the Company for their invaluable support and efficient delivery of service to the Board and its Committees.

Thank you.



Gideon H Kaunda

(LLB, Dip A&SL, LLM, PhD / DCL)

**CHAIRMAN OF THE BOARD,
NATIONAL INVESTMENTS PLC.**

TAARIFA YA MWENYEKITI WA BODI

KWA WANAHISA WA KAMPUNI YA UWEKEZAJI YA TAIFA (NICOL)



*Utendaji mzuri wa kifedha wa NICOL kwa mwaka 2024 umetuthibitishia tena kuwa tuko kwenye mwelekeo sahihi wa kimkakati. Kwa kujiamini na kwa fahari, **tunapendekeza mgawo wa faida wa TZS 70 kwa kila hisa** ikiwa ni uthibitisho wa dhamira yetu thabiti ya kuwalipa wanahisa wetu na kujenga thamani endelevu kwa muda mrefu*

DKT. GIDEON H. KAUNDA

*Mwenyekiti wa Bodi, National Investments PLC
(NICOL)*

Ndugu Wanahisa,

Kwanza kabisa, napenda kuchukua fursa hii kuwashukuru kwa dhati Wanahisa wote kwa kuendelea kuonesha imani na uungwaji mkono mkubwa kwa Kampuni ya NICOL. Kwa niaba ya Bodi ya Wakurugenzi na uongozi mzima, tunathamini kwa kina ushirikiano huu ambao umechangia kwa kiasi kikubwa mafanikio tuliyoyapata katika mwaka wa fedha ulioishia tarehe 31 Desemba 2024. Mafanikio haya yanadhihirishwa na ongezeko la faida na uwezo wetu wa kuendelea kutoa manufaa ya kweli kwa Wanahisa wetu.

Ingawa Menejimenti itawasilisha taarifa ya kina kuhusu hali ya kifedha na uendeshaji, mimi nitatoa

TAARIFA YA MWENYEKITI WA BODI



muhtasari wa maendeleo ya kimkakati na utawala wa kampuni katika mwaka huu wa fedha.

TAARIFA YA MSIBA

Kabla ya kuendelea zaidi, ni kwa huzuni kubwa ninapotoa taarifa ya kuondokewa kwa mjumbe wetu wa Bodi, **Mhandisi Gissima Nyamo-Hanga**, aliyekuwa mtu wa maadili makubwa, mtaalamu aliyebobea na mzalendo wa kweli wa NICOL. Alikuwa na mchango mkubwa, tabia ya unyenyekevu na ucheshi wa kuvutia. Kifo chake ni pigo kubwa kwa Bodi, Menejimenti na familia nzima ya NICOL. Tutamkumbuka daima kwa mchango wake adhimu.

HALI YA UCHUMI NA UWEKEZAJI

Mwaka 2024 ulikuwa na changamoto kutokana na hali ya uchumi iliyoathiriwa na matumizi makubwa ya miundombinu, ambayo yaliongeza shinikizo la deni la taifa na viwango vya mfumuko wa bei. Hata hivyo, Sera ya Fedha ya BOT iliyomarishwa mwaka 2024 ilisaidia kudhibiti mfumuko wa bei na kuchochea mahitaji ya ndani.

Pamoja na hayo, uwekezaji katika dhamana za serikali za muda mrefu ulipungua kutokana na kupungua kwa riba, hali iliyowasukuma wawekezaji wakubwa kama NICOL kutathmini upya mikakati yao ya uwekezaji na usimamizi wa hatari ili kuhakikisha mapato ya kudumu.

Licha ya changamoto hizi, Tanzania inaendelea kuwa sehemu bora ya uwekezaji kutokana na utulivu wa kisiasa, maboresho ya kanuni na mazingira rafiki kwa wawekezaji. NICOL in-

aendelea kutumia fursa hizi kama sehemu ya mkakati wake wa muda mrefu wa uwekezaji.

MPANGO MKAKATI NA MAENDELEO YA KAMPUNI

Mwaka 2024 ulileta ongezeko kubwa la mapato kutokana na mikakati ya kupanua uwekezaji hasa katika dhamana za serikali na soko la hisa la Dar es Salaam (DSE). Hii inaonesha mafanikio ya mkakati wetu unaobadilika kulingana na hali ya soko.

Hatua muhimu iliyopigwa mwaka huu ilikuwa ni **kukamilika kwa ununuzi wa kampuni ya Mirambo Street Properties**, mali ambayo sasa imeingizwa katika kampuni tanzu ya **Nicoland Development Ltd.** Umiliki huu umeongeza mapato ya kodi na kuimarisha msingi wa mali zetu za biashara.

Mpango Mkakati wa miaka mitano wa NICOL (2020–2025) unakaribia kukamilika na sasa tu-

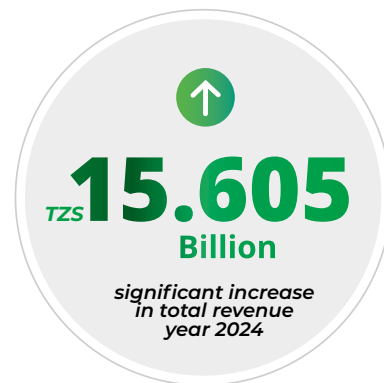


Ingawa Menejimenti itawasilisha taarifa ya kina kuhusu hali ya kifedha na uendeshaji, mimi nitatoa muhtasari wa maendeleo ya kimkakati na utawala wa kampuni katika mwaka huu wa fedha.

TAARIFA YA MWENYEKITI WA BODI



Hatua muhimu iliyopigwa mwaka huu ilikuwa ni kukamilika kwa ununuzi wa kampuni ya Mirambo Street Properties, mali ambayo sasa imeingizwa katika kampuni tanzu ya Nicoland Development Ltd. Umiliki huu umeongeza mapato ya kodi na kuimarisha msingi wa mali zetu za biashara



meanza maandalizi ya Mpango mpya wa miaka mitano (2026–2030) utakaolenga kupanua biashara, kufanya uwekezaji wa kimkakati na kuangalia fursa za kimataifa.

UTAWALA WA KAMPUNI NA MABADILIKO YA BODI

Katika mwaka huu, Bodi ilikamilisha mapitio ya kina ya **Katiba ya Kampuni (Memarts)**, iliyo-sasishwa ili kuendana na mahitaji ya kisasa ya kampuni zilizo kwenye soko la hisa. Mabadiliko haya yamezingatia pia maoni ya Wanahisa na hadhi ya NICOL kama Mfuko wa Uwekezaji wa Pamoja.

Pia, **Sera mpya ya Malipo ya Mgawo wa Faida (Dividend Policy)** imeanza kutumika rasmi, iki-wa ni hatua ya kuboresha uwazi na uthabiti ka-tika kutoa mgawo wa faida kwa wanahisa huku ikihakikisha uwekezaji katika miradi mipya un-afadhiliwa ipasavyo.

MUHTASARI WA MATOKEO YA KIFEDHA NA HISA

NICOL imefanya vizuri sana kifedha kwa mwa-ka 2024. **Mapato ya jumla yalipanda hadi TZS bilioni 15.605**, kutoka TZS bilioni 12.388 mwaka 2023. **Faida baada ya kodi iliongezeka hadi TZS bilioni 9.1**, kutoka TZS bilioni 6.8 mwaka uli-

opita. Mafanikio haya yanadhihirisha uthabiti wa mkakati wetu wa uwekezaji na usimamizi mzuri wa rasilimali.

Kwa upande wa soko la hisa, hisa za NICOL zil-iendelea kupata uhitaji mkubwa, **bei ya hisa iki-panda kutoka TZS 850 mwaka 2023 hadi TZS 950 mwaka 2024**. Hii inaashiria imani kubwa ya wawekezaji katika utendaji wa Kampuni yetu.

MAPENDEKEZO YA MGAWO WA FAIDA KWA WANAHISA (DIVIDEND)

Kwa kuzingatia matokeo mazuri ya mwaka 2024 na kwa mujibu wa Sera mpya ya Mgawo wa Faida, Bodi inapendekeza **mgawo wa faida wa TZS 70 kwa kila hisa** kwa mwaka wa fedha ulioishia 31 Desemba 2024. Mapendekezo haya yatawasilish-wa kwa Wanahisa kwa ajili ya kuidhinishwa ka-tika **Mkutano wa 11 wa Wanahisa**. Mgawo huu ni ushahidi wa dhamira ya NICOL ya kuendelea ku-wapatia wanahisa faida halisi kwa kipindi husika.

MATARAJIO YA MBELE

Tukiangalia mbele, Bodi itaendelea kuimarisha viwango vya utawala bora, usimamizi wa vihata-rishi na ufuatiliaji wa miradi ili kuhakikisha kuwa Kampuni inabaki thabiti na inakidhi matarajio ya wanahisa.

TAARIFA YA MWENYEKITI WA BODI

Katiba mpya ya Kampuni (MEMARTS) imetupatia misingi bora ya utawala shirikishi na unao-badilika kulingana na mabadiliko ya soko na maoni ya wanahisa.

Pia, tunaendelea kuimarisha mifumo ya usimamizi wa vihatarishi na udhibiti wa ndani ili kulinda mali za Kampuni dhidi ya misukosuko ya kiuchumi na kuhakikisha uthabiti wa uendeshaji.

Kwa kuzingatia maendeleo ya kisasa ya Teknolojia ya Sanaa Bandia (AI), Bodi itaendelea kujengewa uwezo kupitia mafunzo, warsha na ushirikiano na taasisi za kitaifa na kimataifa ili kuongeza ufanisi na ushindani wa NICOL katika soko la uwekezaji.

Lengo letu ni kuendeleza mazingira ya utawala yenye uwazi, uwajibikaji na mtazamo chanya wa ukuaji, ili kuvutia wawekezaji na kuhakikisha manufaa ya muda mrefu kwa wadau wote.

HITIMISHO

Kwa niaba ya Bodi ya Wakurugenzi, napenda kuwashukuru tena Wanahisa wetu wapendwa, Mamlaka ya Masoko ya Mitaji na Dhamana (CMSA), pamoja na Soko la Hisa la Dar es Salaam (DSE) kwa usaidizi wao endelevu, ushirikiano na mwongozo katika safari yetu ya mafanikio.

Tunajivunia mafanikio yetu ya mwaka 2024, lakini tumejawa na matumaini makubwa kwa mafanikio yatakayokuja. Kwa maono wazi, utawala bora na mshikamano, tunaamini kuwa NICOL itaendelea kukuza hadhi yake kama Kampuni bora ya uwekezaji nchini.



Hisa za NICOL ziliendelea kupata uhitaji mkubwa, bei ya hisa ikipanda kutoka TZS 850 mwaka 2023 hadi TZS 950 mwaka 2024. Hii inaashiria imani kubwa ya wawekezaji katika utendaji wa Kampuni yetu

Hatimaye, nawapongeza na kuwashukuru Wajumbe wa Bodi kwa uvumilivu, hekima na ufanisi wao katika kusimamia shughuli za Kampuni. Pia nawapongeza Menejimenti na Wafanyakazi wote kwa mchango wao mkubwa katika mafanikio haya.

Ahsanteni sana.

Dkt. Gideon H. Kaunda

LLB, Dip A&SL, LLM, PhD/DCL

MWENYEKITI WA BODI

NATIONAL INVESTMENTS PLC (NICOL)

REPORT OF THE **CHIEF EXECUTIVE OFFICER** to the shareholders of National Investments PLC



**“As we grow,
we remain deeply
committed
to delivering
consistent returns
to our shareholders
while supporting the
broader economic
transformation of
Tanzania.”**

ERASTO NGAMILAGA,
Chief Executive Officer

REPORT OF THE CHIEF EXECUTIVE OFFICER

To the shareholders of national investments PLC



Dear Esteemed Shareholders,

It is with great honour and appreciation that I present to you the Chief Executive Officer's Report for the Financial Year Ended 31st December 2024. On behalf of the Management Team, I extend my sincere gratitude to the Shareholders for continued confidence, unwavering support, and trust throughout the year. Our stakeholders' strong commitment to National Investments Plc has remained the cornerstone of the Company's visible success, as we pursue our ambition to become the foremost collective investment group in high-stake business diversification—while competitively gaining ground in innovative, profitable ventures that deliver long-term value to our Shareholders and contribute meaningfully to the national economy.

The year 2024 was marked by a strong financial recovery, disciplined execution of our strategic plan, expansion into new income-generating activities, and steady improvement in our key performance indicators. We continued to

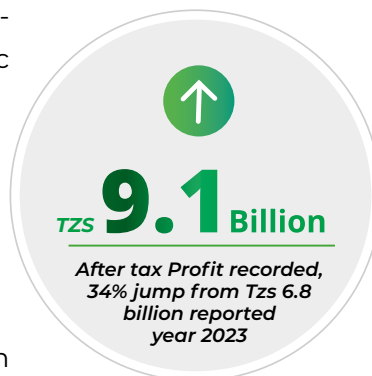
strengthen our investment base while optimizing operational efficiency and earning the reputation of a responsible corporate citizen.

FINANCIAL PERFORMANCE HIGHLIGHTS

During the year under review, the Group recorded a **profit after tax of TZS 9.1 billion**, a significant increase of **34%** compared to **TZS 6.8 billion** reported in 2023. This was supported by stronger earnings from our investment portfolios, real estate activities, and new market ventures.

Total revenue grew to **TZS 15.601 billion**, up from **TZS 12.388 billion** in 2023, representing a **26% year-on-year increase**, driven by income from newly consolidated subsidiaries and expanded operating income sources.

Our **cost-to-income ratio** stood at **22%**, well below our internal benchmark of 25%, demonstrating our continued focus on cost control and operational discipline.



The Group's Net Asset Value (NAV) per share increased to TZS 2,638, supported by strong earnings growth and appreciation in portfolio value



REPORT OF THE CHIEF EXECUTIVE OFFICER

Key performance ratios remained strong:

- **Return on Assets (ROA)** improved to **6%**, from 5% last year and 2% in 2018.
- **Return on Investment (ROI)** remained steady at **8%**, underlining the quality and consistency of our investment approach.

The Group's **Net Asset Value (NAV) per share** increased to **TZS 2,638**, supported by strong earnings growth and appreciation in portfolio value. As at the month of Aug 2024, **NICOL shares were trading at TZS 2040 per share** on the Dar es Salaam Stock Exchange (DSE). This upward market trend reflects renewed investor confidence in our Company's fundamentals and strategic direction. Although the share price still trades below NAV, we are optimistic that sustained performance will drive continued market appreciation toward intrinsic value.

On **shareholder returns**, we maintained our track record of consistent dividend payments. In 2023, the Company paid a dividend of **TZS 3.3 billion**, bringing the **total dividend payout over the past five years to TZS 9.2 billion**, in line with our commitment to delivering stable and increasing value to our investors.

STRATEGIC DEVELOPMENTS

The year 2024 marked a significant evolution in our investment strategy with the **introduction of bond and equity trading** on the Dar es Salaam Stock Exchange. Through a well-structured **TZS 7 billion overdraft facility**, the Company generated **TZS 400 million** in income from these market operations - a promising step toward diversifying income sources and enhancing portfolio returns.

Another major milestone was the **successful acquisition of Mirambo Street Properties Ltd (MSP)** by our real estate subsidiary, **Nicoland Development Company Ltd**. This transaction added a high-value commercial asset to our portfolio and is already contributing positively to income and capital appreciation.

The year also marked the **fourth year of implementing our Five-Year Strategic Plan (2020–2025)**. We are pleased with the steady progress achieved and remain focused on meeting the final milestones in 2025. The foundations laid continue to support our ambition to create a **resilient, diversified, and future-oriented investment company**.

SUBSIDIARY HIGHLIGHTS

Our subsidiary, **NICOLAND Development Company Ltd**, reactivated in 2022, was reinvigorated to explore opportunities in **real estate, infrastructure development, and joint ventures**. In its first full year of operations, Nicoland posted a **profit of TZS 609 million**, largely from land trading activities—confirming the subsidiary's



In 2023, the Company paid a dividend of TZS 3.3 billion, bringing the total dividend payout over the past five years to TZS 9.2 billion, in line with our commitment to delivering stable and increasing value to our investors.

REPORT OF THE CHIEF EXECUTIVE OFFICER



National Investments Plc remains committed to corporate social responsibility and contributing meaningfully to society. Our Environmental, Social, and Governance (ESG) priorities are embedded in our operational framework.

commercial viability and successful entry into a strategic sector.

Going forward, Nicoland is expected to play a central role in our real estate strategy and broader investment participation—particularly through scalable ventures with limited supervisory requirements, including public-private partnerships that meet NICOL's rigorous investment criteria.

ESG AND COMMUNITY DEVELOPMENT

National Investments Plc remains committed to corporate social responsibility and contributing meaningfully to society. Our **Environmental, Social, and Governance (ESG)** priorities are embedded in our operational framework.

Through investments in **NMB** and **CRDB Banks**, we continue to support financial inclusivity across Tanzania. Our capital indirectly enables broader access to credit, SME financing, and infrastructure development—supporting national economic transformation.

In **Dar es Salaam**, Nicoland has taken the lead in improving infrastructure around its developments—including road access, utility enhancement, and planning interventions that positively impact nearby communities.

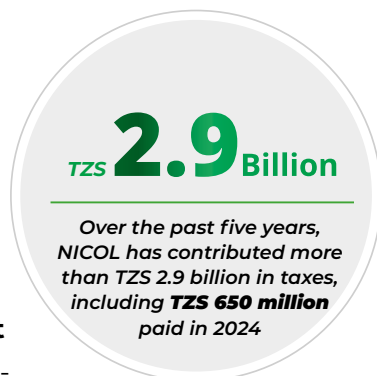
We are equally proud of our **fiscal contribution to national development**. Over the past five years, NICOL has contributed more than **TZS 2.9 billion** in taxes, including **TZS 650 million paid in 2024**. These contributions directly support critical public services including education, health, and infrastructure.

OUTLOOK

As we transition toward the next development cycle, we remain focused on reinforcing our core investment base while selectively expanding into **high impact and profitable ventures**.

The evolving investment landscape—especially in the **fixed income market** has presented new challenges. The Bank of Tanzania's recent monetary tightening has affected long-term bond

REPORT OF THE CHIEF EXECUTIVE OFFICER



yields, reducing interest income from government securities. In response, the Company has **embarked on a strategic realignment** aimed at safeguarding shareholder value and ensuring sustainable long-term returns.

As part of the initial steps, **NICOL is enhancing its participation in financial markets** while concurrently **preparing to structure and launch a Real Estate Investment Trust (REIT)**. This REIT will be backed by **prime land assets** and developed through **joint venture partnerships** into commercial and residential properties in **Dar es Salaam**. The initiative is expected to **unlock significant capital, diversify income streams, and drive long-term capital appreciation** through value-added real estate development.

In addition, **NICOL is evaluating cross-border listed investments** in high-potential sectors including **financial markets, energy, agriculture, infrastructure, and mining**. These initiatives will support **geographic and sectoral diversification**, generate **foreign currency income**, and **mitigate domestic market risks**.

As we envision the **next Five-Year Strategic Plan**, all ventures will undergo **rigorous professional assessments** aligned with our investment policy and long-term shareholder value

creation goals.

Our future strategy remains anchored in **sustainable growth, responsible investing, and best-in-class corporate governance**. With a solid foundation, clear direction, and strong partnerships, we are confident in our ability to deliver superior, long-term returns to our shareholders.

CLOSING REMARKS

In conclusion, I extend my heartfelt appreciation to the **Board of Directors** for their wise counsel, to **Management and Staff** for their dedication and resilience, and most importantly, to **you our esteemed Shareholders** for your continued trust and support.

Together, we will continue building a stronger, more agile, and impactful **National Investments Plc**.

Yours Sincerely,

ERASTO NGAMILAGA
Chief Executive Officer
National Investments Plc

TAARIFA YA AFISA MTENDAJI MKUU

Kwa wanahisa wa National Investments PLC



***Kadri tunavyokua,
tunaendelea kujitolea
kwa dhati kutoa faida
thabiti kwa wanahisa
wetu huku tukisaidia
mabadiliko makubwa
ya kiuchumi ya
Tanzania.***

ERASTO NGAMILAGA,
Chief Executive Officer

Waheshimiwa Wanahisa,

Kwa heshima na shukrani kubwa, napenda kuwasilisha kwenu Taarifa ya utendaji kwa Mwaka wa Fedha ulioishia tarehe 31 Desemba 2024. Kwa niaba ya Menejimenti ya Kampuni, natoa shukrani za dhati kwa wanahisa wetu kwa kuendelea kutuamini na kutuunga mkono bila kuyumba. Uungwaji mkono wenu umekuwa nguzo muhimu ya mafanikio ya NICOL,



TAARIFA YA AFISA MTENDAJI MKUU

tunapoendelea kutekeleza mkakati wetu wa kuwa kampuni inayoongoza katika uwekezaji wa pamoja na uwekezaji wenye tija, huku tukijikita katika ukuzaji wa thamani ya muda mrefu kwa wanahisa na kuchangia maendeleo ya uchumi wa taifa letu.

Mwaka 2024 umeendelea kuwa wa mafanikio makubwa ya kifedha, utekelezaji thabiti wa mikakati ya kampuni, upanuzi wa shughuli zetu za mapato, na uboreshaji wa mchanganyo wa uwekezaji wetu (investment portfolio mix). Tumeendelea kuimarisha msingi wetu wa uwekezaji huku tukiboresha ufanisi wa kiutendaji na kujenga taswira ya NICOL kama taasisi makini na yenye uwajibikaji kwa taifa letu huku tukichangia ukuaji wa uchumi wetu kupitia kodi mbalimbali.

MAFANIKIO YA KIFEDHA

Katika mwaka wa fedha uliopita, Kampuni ilipata faida baada ya kodi ya shilingi bilioni 9.1, sawa na ongezeko la asilimia 34 ikilinganishwa na faida ya shilingi bilioni 6.8 mwaka 2023. Mafanikio haya yalitokana na mapato mazuri kutoka kwenye uwekezaji wa hisa, sekta ya mali isiyo- hamishika, na miradi mipya ya kibiashara.

Mapato ya jumla yaliongezeka hadi shilingi **bilioni 15.6** kutoka shilingi **bilioni 12.4 mwaka 2023**,

ikiwa ni ongezeko la **asilimia 26**, kutokana na kuongezeka kwa vyanzo vya mapato na kuingizwa kwa kampuni tanzu mpya katika taarifa ya fedha.

Uwiano wa gharama kwa mapato ulikuwa **asilimia 22**, chini ya kiwango cha ndani cha asilimia 25 tulichojiwekea, jambo linalodhihirisha nidhamu yetu katika matumizi na ufanisi wa uendeshaji.

Viashiria vya utendaji vilibaki imara: **faida kwa mali (ROA)** iliongezeka hadi **asilimia 6** kutoka asilimia 5 mwaka uliopita, na faida kwa uwekezaji (ROI) ilibaki kwenye asilimia 8, ikionyesha uimara wa uwekezaji.

Thamani halisi ya hisa kwa kila mali (NAV) iliongezeka hadi TZS 2,638 kutokana na faida nzuri na kuongezeka kwa thamani ya uwekezaji. Hadi Agosti 2024, bei ya hisa ya NICOL katika Soko la Hisa la Dar es Salaam **ilifikia TZS 2,040**. Ingawa bado iko chini ya thamani halisi, tunategemea kwamba utendaji bora utaendelea kuvutia wawekezaji na kuinua bei ya hisa kuelekea thamani yake halisi.

Kwa upande wa gawio, NICOL iliendelea kuli- pa gawio kwa wanahisa wake. Mwaka 2023 tulilipa gawio la TZS bilioni 3.3, na kufanya jumla ya gawio lililolipwa katika miaka mitano kufikia



Thamani halisi ya hisa kwa kila mali (NAV) iliongezeka hadi TZS 2,638 kutokana na faida nzuri na kuongezeka kwa thamani ya uwekezaji.



NICOL imeendelea kutekeleza wajibu wake wa kijamii kupitia vipaumbele vya ESG vilivyojikita katika utendaji wa kila siku wa kampuni.

TZS bilioni 9.2, kuendana na ahadi yetu ya kutoa thamani endelevu kwa wawekezaji, tunaendelea kusimamia ahadi yetu ya ukuaji wa gawio kila mwaka.

MAENDELEO YA MKAKATI WA KAMPUNI

Mwaka 2024 uliashiria mageuzi makubwa ya kimkakati, ambapo tulianza rasmi kufanya biashara ya hati fungani na hisa katika soko la DSE. Kupitia mkopo wa TZS bilioni 7 kwa njia ya overdraft, kampuni ilipata mapato ya zaidi ya **TZS milioni 400** kutoka biashara hizo. Hili ni hatua muhimu ya kuongeza vyanzo vya mapato na kuboresha mapato ya uwekezaji.

Hatua nyingine muhimu ilikuwa ni ukamili-fu wa ununuzi wa kampuni ya Mirambo Street Properties Ltd kupitia kampuni tanzu yetu ya NICOLAND Development Company Ltd. Mali hii ya kibiashara imeongeza thamani ya mtaji wetu na tayari inachangia mapato ya Kampuni.

Huu ulikuwa pia mwaka wa nne wa utekelezaji wa Mpango wa Maendeleo wa Miaka Mitano (2022–2026). Tunaendelea kufanikisha malengo ya mkakati huo, tukilenga kufikia hatua ya mwisho mwaka 2026.

UTENDAJI WA KAMPUNI TANZU

NICOLAND Development Company Ltd, iliyorejeshwa mwaka 2022, imejikita katika maendeleo ya sekta ya ardhi, ujenzi, na ubia wa kibiashara. Katika mwaka wake wa kwanza kamili wa biashara, kampuni hii ilipata faida ya TZS milioni 609 kutoka biashara ya ardhi. Mafanikio haya yanathibitisha uwepo wa fursa kubwa kwenye sekta ya mali isiyohamishika.

Kwa kuangalia mbele, NICOLAND itakuwa kiungo kikuu cha utekelezaji wa mkakati wa mali isiyohamishika, hasa kwa kushirikiana na sekta binafsi na umma katika miradi ya pamoja yenye tija.

UWAJIBIKAJI KWA JAMII NA MAZINGIRA (ESG)

NICOL imeendelea kutekeleza wajibu wake wa kijamii kupitia vipaumbele vya ESG vilivyojikita katika utendaji wa kila siku wa kampuni. Kupitia uwekezaji wetu katika benki za NMB na CRDB, tumeendelea kusaidia upatikanaji wa huduma za kifedha kwa watazania wengi, hasa kupitia mikopo kwa wajasiriamali na ufadhili wa miradi ya miundombinu.

TAARIFA YA AFISA MTENDAJI MKUU

Kupitia NICOLAND, tumeshiriki katika kuboresha miundombinu katika maeneo ya miradi yetu, ikiwa ni pamoja na barabara, huduma za maji na umeme.

Kwa kipindi cha miaka mitano iliyopita, NICOL imechangia zaidi ya **TZS bilioni 2.9** kwa Serikali kama kodi, ambapo **TZS milioni 650** zililipwa mwaka 2024 pekee. Hii ni sehemu ya mchango wetu katika kutoa huduma muhimu kama afya, elimu, na miundombinu.

MTAZAMO WA MWAKA UJAO

Tunapoelekea kwenye mzunguko mwingine wa maendeleo, tunajikita katika kuimarisha msingi wetu wa uwekezaji na kuchangamkia miradi ya kimkakati yenye tija kubwa. Mwaka 2024 ulileta mabadiliko makubwa katika soko la hati fungani, ambapo hati fungani (Government Bond) za serikali sasa zinatolewa kwa bei ya juu lakini zenye viwango vya chini vya riba, hali inayoweza kuathiri mapato ya taasisi nyingi, ikiwemo NICOL.

Kama hatua ya kimkakati, Kampuni imeanza mchakato wa kujipanga upya kwa lengo la kulinda thamani ya wanahisa na kuhakikisha faida ya muda mrefu. Katika hatua za awali, NICOL imeanza kuimarisha ushiriki wake katika masoko ya fedha, sambamba na maandalizi ya kuanzisha Mfuko wa Uwekezaji wa Mali Isiyohamishika (REIT). Mfuko huu utatumia ardhi ya thamani inayomilikiwa na Kampuni, itakayojengwa kwa ubia kuwa miradi ya biashara na makazi jijini Dar es Salaam. Lengo ni kufungua mtaji, kupanua vyanzo vya mapato na kuonge-



za thamani kupitia uendelezaji wa mali.

Vilevile, NICOL inaendelea kuchunguza uwekezaji kwenye masoko ya kimataifa, hususan katika sekta zenye uwezo wa kutoa mapato makubwa kama vile masoko ya fedha, uzarishaji, nishati, kilimo, miundombinu, na

madini. Hatua hizi zitasaidia kupanua eneo la uwekezaji, kuongeza mapato ya fedha za kigeni, na kupunguza utegemezi wa soko la ndani.

Mikakati yetu yote mipya itaangaliwa kwa kina na kufanyiwa tathmini ya kitaalamu, kwa kuzingatia malengo ya msingi ya uwekezaji wa NICOL na maslahi ya muda mrefu ya wanahisa wetu.

HITIMISHO

Kwa kumalizia, napenda kuwashukuru sana Mwenyekiti na Wajumbe wa Bodi ya NICOL kwa uongozi wao makini, timu ya menejimenti na wafanyakazi kwa kujituma na uadilifu kazini, na hasa wanahisa wetu wapendwa kwa kuendelea kutuamini na kutuunga mkono.

Kwa pamoja, tutalijenga shirika imara, lenye uwezo, na lenye kutoa matokeo chanya kwa wanahisa na kwa Taifa kwa ujumla.

Asante,

ERASTO NGAMILAGA
Mkurugenzi Mtendaji
National Investments Plc

CHIEF FINANCE OFFICER'S STATEMENT

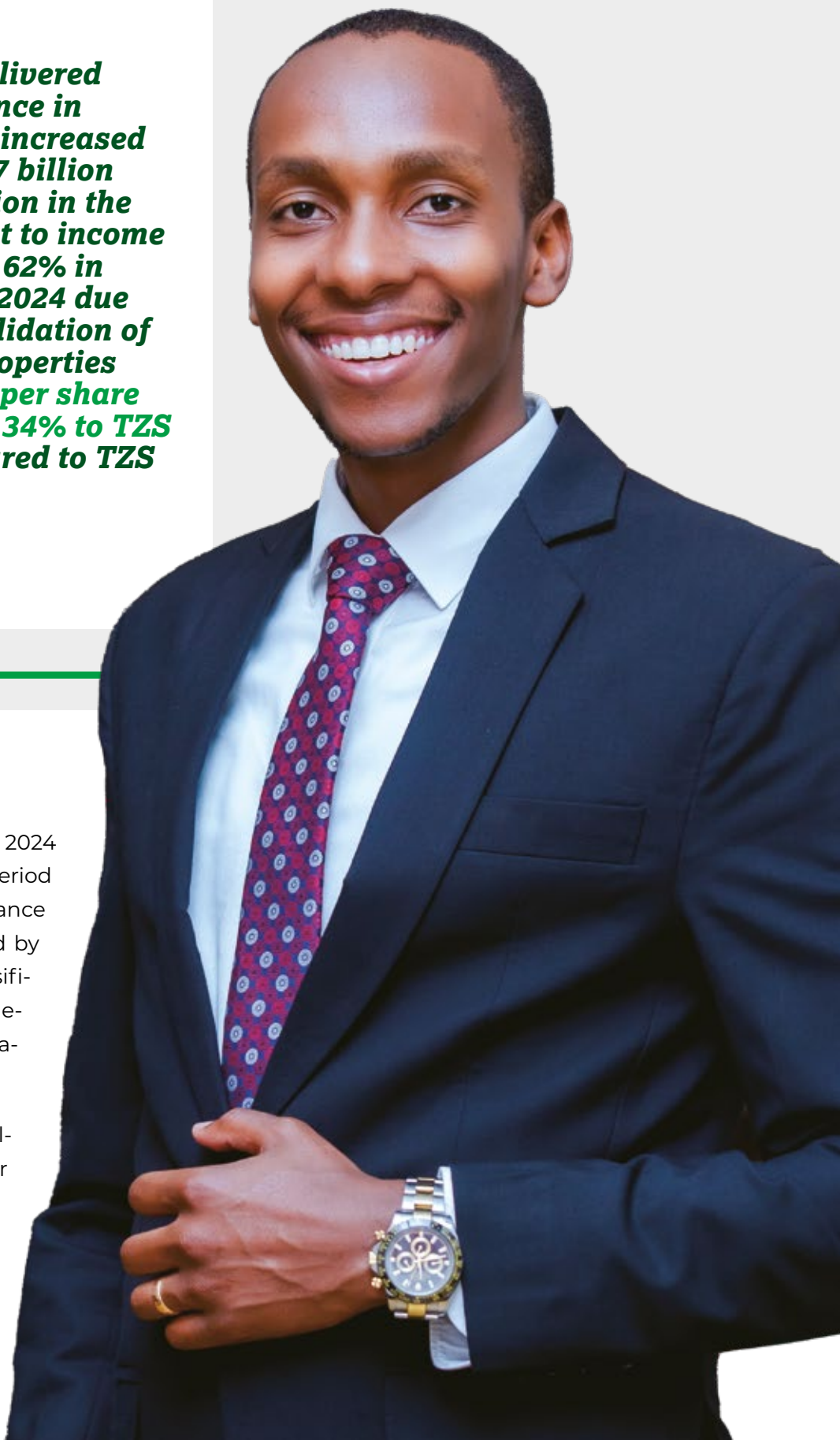
“ The Group delivered a record performance in 2024, as net profit increased by 34% to TZS 9.07 billion from TZS 6.79 billion in the previous year. Cost to income increased from 18.62% in 2023 to 22.44% in 2024 due to first-time consolidation of Mirambo Street Properties Limited. Earnings per share have increased by 34% to TZS 147 in 2024 compared to TZS 110 in 2023

EZEKIEL LOVILILO

Chief Finance Officer

The financial year 2024 marked another period of strong performance for our Group, underpinned by deliberate portfolio diversification, prudent risk management, and enhanced operational efficiency.

We have solidified our balance sheet, enhanced our risk management, and continued to diversify our investments, which has led to drive business growth.



CHIEF FINANCE OFFICER'S STATEMENT

The Group continues to be in a strong position to seize opportunities as they arise and withstand any potential impacts that may arise in the road ahead. We continue to strengthen our fundamentals to ensure growth in our revenues, and we remain committed to ensuring better returns for our shareholders.

INVESTMENT STRATEGY AND KEY DEVELOPMENTS

The Group made significant strides in portfolio diversification, most notably through the successful acquisition and consolidation of Mirambo Street Properties Limited, an asset that directly enhances our recurring income via commercial real estate. The year also saw land sales and healthy returns from our listed equity portfolio, particularly from our strategic stake in National Microfinance Bank (NMB).

RISK MANAGEMENT AND GOVERNANCE

Ensuring financial sustainability requires strong risk management. The Group continued to enhance its internal controls. The Audit & Risk Committee maintained oversight of financial reporting, regulatory compliance, and risk exposures. Our policies and governance practices remain aligned with regulatory requirements and international standards. No significant mat-

ters were noted by our external auditors, TaxPro & Associates, who issued an unqualified audit opinion for the year.

FINANCIAL PERFORMANCE HIGHLIGHTS

The Group delivered a record performance in 2024, as net profit increased by 34% to TZS 9.07 billion from TZS 6.79 billion in the previous year. Cost to income increased from 18.62% in 2023 to 22.44% in 2024 due to first-time consolidation of Mirambo Street Properties Limited. Earnings per share have increased by 34% to TZS 147 in 2024 compared to TZS 110 in 2023.

The improved performance was primarily driven by a 15% increase in investment income, which rose to TZS 12.84 billion in 2024 from TZS 11.12 billion in 2023. Additionally, the introduction of a new revenue stream from rental income, following the Group's strategic diversification into real estate, contributed TZS 1.8 billion. These gains were further supported by net land sales totaling TZS 641 million and effective cost controls, which helped maintain operational efficiency throughout the year.

We continue to lay emphasis on all key financial lines to ensure we continue to grow and deliver better results and hence better returns to our shareholders.



The improved performance was primarily driven by a 15% increase in investment income, which rose to TZS 12.84 billion in 2024 from TZS 11.12 billion in 2023.

CHIEF FINANCE OFFICER'S STATEMENT

INCOME STATEMENT ANALYSIS

Group's Profit and Loss Summary (TZS '000')	2020	2021	2022	2023	2024	Change
Gross profit (Land sales)	-	-	-	-	641,253	-
Investment Income	3,558,578	5,689,948	8,342,351	11,123,629	12,836,470	15%
Rental Income	-	-	-	-	1,863,348	-
Other Income	-	-	218,381	1,265,850	261,346	-79%
Administrative Expenses	(1,651,399)	(1,323,233)	(2,095,439)	(1,473,739)	(2,602,469)	76%
Other operating expenses	(223,812)	(256,495)	(180,935)	(833,029)	(898,714)	8%
Operating profit	1,683,367	4,110,220	6,284,358	10,082,711	12,101,234	20%
Finance costs	-	(11,242)	(87,685)	(2,447,987)	(2,171,309)	-11%
Profit before tax	1,683,367	4,098,979	6,196,673	7,634,724	9,929,925	30%
Tax charge	(175,312)	(221,992)	(277,344)	(848,446)	(859,695)	1%
Profit after tax	1,508,055	3,876,987	5,919,329	6,786,278	9,070,230	34%
Return on equity (%)	2%	5%	6%	5%	6%	
Return on investment assets (%)	4%	8%	8%	8%	8%	
Cost to income ratio (%)	53%	28%	27%	19%	22%	
Earnings per share (TZS)	22	63	96	110	147	
Dividend per share (TZS)	10	37	43	53	70	

CHIEF FINANCE OFFICER'S STATEMENT

FINANCIAL POSITION HIGHLIGHTS

The Group maintained its focus on strengthening its balance sheet which signifies diversification, robust and well positioned for further growth. The Group closed the 2024 financial year with a strong and resilient balance sheet whereby total assets grew by 16% to TZS 189 billion, reflecting strategic growth in both equity and fixed-income investments. Shareholders' equity also rose by 17% to TZS 163 billion, supported by retained earnings and asset value appreciation. This growth was achieved without reliance on debt, reinforcing the Group's conservative capital structure and financial stability.

The investment portfolio was further improved, with equity investments increasing by 19% to TZS 115 billion and government bond holdings rising by 29% to TZS 45 billion. This mix balances growth potential with income stability, aligning with NICOL's risk management framework. Net Asset Value per share improved by 17% to TZS 2,638, reflecting strong value creation for shareholders. Overall, the Group's financial position demonstrates prudent capital allocation, portfolio resilience, and readiness to support long-term strategic growth.

BALANCE SHEET ANALYSIS

Group's Balance Sheet Summary (TZS '000')	2020	2021	2022	2023	2024
Goodwill	-	-	-	-	168,980
Property, plant and equipment	1,658,463	1,694,972	1,923,888	2,308,107	22,203,279
Right of use asset	-	95,787	27,912	268,608	202,574
Corporate Bonds	-	-	-	202,702	202,962
Investment securities	80,997,056	57,123,378	66,464,348	96,877,777	114,933,931
Government securities	1,093,450	15,400,196	4,637,359	34,637,359	44,675,021
Trade and other receivables	68,773	259,435	743,905	17,916,130	1,444,354
Inventories	-	-	-	9,549,356	2,120,398
Investment property	-	-	1,754,294	-	-
Deposits with financial institutions	-	-	10,021,918	-	-
Cash and cash equivalents	769,106	36,834	11,949,680	611,376	2,919,311
Total Assets	84,586,848	75,210,602	127,523,304	162,371,415	188,870,810

CHIEF FINANCE OFFICER'S STATEMENT

Group's Balance Sheet Summary (TZS '000')	2020	2021	2022	2023	2024
Lease liabilities	-	73,637	6,025	277,055	171,353
Trade and other payables	999,454	1,039,966	769,338	1,596,869	609,724
Dividends payable	729,701	1,063,790	1,182,463	1,882,761	2,926,892
Bank overdraft	-	-	-	-	6,108,984
Current tax payable	-	-	-	485,556	304,282
Borrowings	-	-	21,600,000	19,614,286	16,161,905
Total liabilities	1,729,155	2,177,393	23,557,826	23,856,527	26,283,140
Total equity	82,857,693	73,033,209	103,965,478	138,514,888	162,587,670
Total equity and liabilities	84,586,848	75,210,602	127,523,304	162,371,415	162,587,670

OUTLOOK FOR 2025 AND BEYOND

The Group's 2024 financial results reflect the good progress we continue to make in the execution of the strategic plan.

We enter 2025 with a strong balance sheet, prudent investment portfolio, and clear focus on execution. Key priorities include:

- Expanding real estate income streams through additional acquisitions and rental yield optimization.

- Scaling exposure to fixed income and capital markets through UTT and other regulated vehicles.
- Enhancing digital capabilities to improve financial reporting, risk analytics, and investment decision-making.

Focusing ahead, we remain optimistic in 2025 and ahead as we look towards unlocking further opportunities and enhancing expansion to drive strong value creation and deliver strong returns to our shareholders.

TAARIFA YA AFISA MKUU WA FEDHA



Kampuni ilifikia mafanikio ya kihistoria kwa mwaka 2024, ambapo faida baada ya kodi iliongezeka kwa 34% hadi kufikia TZS bilioni 9.07, ikilinganishwa na TZS bilioni 6.79 mwaka 2023. Uwiano wa gharama kwa mapato uliongezeka kutoka 18.62% mwaka 2023 hadi 22.44% mwaka 2024, kutokana na kuunganishwa kwa mara ya kwanza kwa mahesabu ya kampuni tanzu ya Mirambo Street Properties Limited.

Mapato kwa kila hisa yaliongezeka kwa 34% hadi TZS 147 mwaka 2024 kutoka TZS 110 mwaka 2023

EZEKIEL LOVILILO

Chief Finance Officer

Mwaka wa fedha 2024 uliashiria kipindi kingine cha mafanikio makubwa kwa Kampuni yetu, yakichangiwa na mwelekeo wa kimkakati katika utofauti wa uwekezaji, usimamizi makini wa hatari, na uboreshaji wa ufanisi wa kiutendaji.

TAARIFA YA AFISA MKUU WA FEDHA

Tumeimarisha mizania ya fedha ya kampuni, kuendeleza usimamizi wa hatari, na kupanua wigo wa uwekezaji wetu, hatua ambazo zimesaidia kuchochea ukuaji wa biashara. Kampuni inaendelea kuwa katika nafasi imara ya kunufaika na fursa zinapojitokeza na kuhimili changamoto zozote zinazoweza kujitokeza mbele. Tutaendelea kuimarisha misingi yetu ya kifedha ili kuhakikisha ongezeko la mapato na kuwaletea wanahisa wetu faida bora zaidi.

MIKAKATI YA UWEKEZAJI NA MAENDELEO MUHIMU

Kampuni ilipiga hatua kubwa katika utofauti wa uwekezaji, hususan kupitia ununuzi na uunganishaji wa kampuni tanzu ya Mirambo Street Properties Limited, rasilimali inayoongeza mapato endelevu kupitia mali za ardi na majengo. Mwaka huu pia ulihusisha mauzo ya ardhi pamoja na mapato mazuri kutoka kwenye hisa zetu zilizo rodheshwa, hasa kutokana na uwekezaji wetu wa kimkakati katika Benki ya NMB.

USIMAMIZI WA HATARI NA UTAWALA

Kuhakikisha uendeleu wa kifedha kunahitaji usimamizi madhubuti wa hatari. Kampuni iliondelea kuimarisha udhibiti wa ndani, huku Kamati ya Ukaguzi na Hatari ikiendeleza usimamizi wa karibu wa taarifa za kifedha, uzingatiaji wa kanuni, na hatari zinazoweza kujitokeza. Sera na taratibu zetu za utawala zinaendelea kuendana na mahitaji ya kisheria na viwango vya kimataifa. Hakuna hoja kubwa zilizobainishwa na wakaguzi wetu wa nje, TaxPro & Associates, waliotoa ripoti ya ukaguzi isiyo na shaka kwa mwaka huu.

MUHTASARI WA MATOKEO YA KIFEDHA

Kampuni ilifikia mafanikio ya kihistoria kwa mwaka 2024, ambapo faida baada ya kodi iliongezeka kwa 34% hadi kufikia TZS bilioni 9.07, ikilinganishwa na TZS bilioni 6.79 mwaka 2023. Uwiano wa gharama kwa mapato uliongezeka kutoka 18.62% mwaka 2023 hadi 22.44% mwaka 2024, kutokana na kuunganishwa kwa mara ya kwanza kwa mahesabu ya kampuni tanzu ya Mirambo Street Properties Limited. Mapato kwa kila hisa yaliongezeka kwa 34% hadi TZS 147 mwaka 2024 kutoka TZS 110 mwaka 2023.

Uboreshaji huu wa matokeo ulitokana kwa kiasi kikubwa na ongezeko la mapato ya uwekezaji kwa 15%, kutoka TZS bilioni 11.12 mwaka 2023 hadi TZS bilioni 12.84 mwaka 2024. Aidha, kuanzishwa kwa chanzo kipya cha mapato kupitia upangishaji wa majengo, kufuatia mkakati wa kampuni kuwekeza kwenye sekta ya ardhi na majengo, kuliingiza TZS bilioni 1.8. Mapato haya



Uboreshaji huu wa matokeo ulitokana kwa kiasi kikubwa na ongezeko la mapato ya uwekezaji kwa 15%, kutoka TZS bilioni 11.12 mwaka 2023 hadi TZS bilioni 12.84 mwaka 2024

TAARIFA YA AFISA MKUU WA FEDHA

pia yaliungwa mkono na mauzo ya ardhi yenye jumla ya TZS milioni 641 pamoja na usimamizi makini wa gharama, uliosaidia kudumisha ufanisi wa kiutendaji mwaka mzima.

Tunaendelea kuweka mkazo kwenye maeneo yote muhimu ya kifedha ili kuhakikisha tunazidi kukuza thamani ya kampuni, kuimarisha mapato, na kuleta faida bora kwa wanahisa wetu.

UCHAMBUZI WA TAARIFA YA MAPATO NA MATUMIZI

Taarifa fupi ya Faida na Hasara (TZS '000')	2020	2021	2022	2023	2024	Mabadiliko (%)
Faida Kuu (Mauzo ya Ardhi)	-	-	-	-	641,253	-
Mapato Halisi ya Uwekezaji	3,558,578	5,689,948	8,342,351	11,123,629	12,836,470	15%
Mapato ya Kodi ya Pango	-	-	-	-	1,863,348	-
Mapato mengineyo	-	-	218,381	1,265,850	261,346	-79%
Gharama za uendeshaji	(1,651,399)	(1,323,233)	(2,095,439)	(1,473,739)	(2,602,469)	76%
Gharama nyinginezo za uendeshaji	(223,812)	(256,495)	(180,935)	(833,029)	(898,714)	8%
Faida ya uendeshaji	1,683,367	4,110,220	6,284,358	10,082,711	12,101,234	20%
Gharama za riba	-	(11,242)	(87,685)	(2,447,987)	(2,171,309)	-11%
Faida Kabla ya Kodi	1,683,367	4,098,979	6,196,673	7,634,724	9,929,925	30%
Gharama za Kodi ya Mapato	(175,312)	(221,992)	(277,344)	(848,446)	(859,695)	1%
Faida ya Mwaka	1,508,055	3,876,987	5,919,329	6,786,278	9,070,230	34%
Faida ya mtaji (%)	2%	5%	6%	5%	6%	
Faida ya mali zilizowekezwa (%)	4%	8%	8%	8%	8%	
Uwiano wa Gharama na Mapato (%)	53%	28%	27%	19%	22%	
Pato kwa Hisa (TZS)	22	63	96	110	147	
Gawio kwa Hisa (TZS)	10	17	20	43	70	

TAARIFA YA AFISA MKUU WA FEDHA

MUHTASARI WA NAFASI YA KIFEDHA

Kampuni iliendelea kuweka mkazo katika kuimarisha mizania yake ya fedha, jambo linaloonesha utofauti wa uwekezaji, uimara wa kifedha, na maandalizi madhubuti ya ukuaji wa baadaye. Kampuni ilifunga mwaka wa fedha 2024 kikiwa na mizania imara na thabiti, ambapo jumla ya mali ilikua kwa 16% hadi kufikia TZS bilioni 189, ikionyesha ukuaji wa kimkakati katika uwekezaji wa hisa na hati fungani. Mtaji wa wanahisa pia uliongezeka kwa 17% hadi TZS bilioni 163, kutokana na faida zilizohifadhiwa na ongezeko la thamani ya mali. Ukuaji huu ulifikiwa bila kutegemea mikopo, jambo linaloimarisha muundo wa mtaji wa kihafidhina wa Kikundi na uthabiti wake wa kifedha.

Mfuko wa uwekezaji uliimarishwa zaidi, ambapo uwekezaji katika hisa uliongezeka kwa 19% hadi TZS bilioni 115, na uwekezaji katika hati fungani za serikali uliongezeka kwa 29% hadi TZS bilioni 45. Mchanganyiko huu unalinganisha uwezo wa ukuaji na utulivu wa mapato, sambamba na mfumo wa usimamizi wa hatari wa NICOL. Thamani halisi ya mali kwa kila hisa iliongezeka kwa 17% hadi TZS 2,638, ikionyesha uboreshaji mkubwa wa thamani kwa wanahisa. Kwa ujumla, nafasi ya kifedha ya Kampuni inaonyesha matumizi ya mtaji kwa uangalifu, uimara wa mfuko wa uwekezaji, na maandalizi ya kusaidia ukuaji wa kimkakati wa muda mrefu.

UCHAMBUZI WA MIZANI

Taarifa Fupi ya Mizania (TZS '000')	2020	2021	2022	2023	2024
Thamani isiyoonekana	-	-	-	-	168,980
Mali na vifaa	1,658,463	1,694,972	1,923,888	2,308,107	22,203,279
Haki ya kutumia jengo	-	95,787	27,912	268,608	202,574
Hati fungani za kampunibinafsi	-	-	-	202,702	202,962
Dhamana ya uwekezaji	80,997,056	57,123,378	66,464,348	96,877,777	114,933,931
Hati fungani za Serikali	1,093,450	15,400,196	4,637,359	34,637,359	44,675,021
Mali nyingine	68,773	259,435	743,905	17,916,130	1,444,354
Uhifadhi katika uuzaji	-	-	-	9,549,356	2,120,398
Mali ya uwekezaji	-	-	1,754,294	-	-
Akiba kwenye benki	-	-	10,021,918	-	-
Fedha taslimu	769,106	36,834	11,949,680	611,376	2,919,311
Jumla ya mali	84,586,848	75,210,602	127,523,304	162,371,415	188,870,810

TAARIFA YA AFISA MKUU WA FEDHA

Taarifa Fupi ya Mizania (TZS '000')	2020	2021	2022	2023	2024
Dhima ya kupangisha	-	73,637	6,025	277,055	171,353
Madeni mengine	999,454	1,039,966	769,338	1,596,869	609,724
Madeni ya magawio	729,701	1,063,790	1,182,463	1,882,761	2,926,892
Mkopo wa Dhima kutoka Benki	-	-	-	-	6,108,984
Madeni ya kodi	-	-	-	485,556	304,282
Mikopo	-	-	21,600,000	19,614,286	16,161,905
Jumla ya madeni	1,729,155	2,177,393	23,557,826	23,856,527	26,283,140
Jumla ya mtaji	82,857,693	73,033,209	103,965,478	138,514,888	162,587,670
Jumla ya madeni na mtaji	84,586,848	75,210,602	127,523,304	162,371,415	162,587,670

MWELEKEO KWA MWAKA 2025 NA KUENDELEA MBELE

Matokeo ya kifedha ya mwaka 2024 yanaonesha maendeleo mazuri ambayo Kampuni inaendelea kuyapata katika utekelezaji wa mpango mkakati.

Tunaingia mwaka 2025 tukiwa na mizania imara ya fedha, mfuko wa uwekezaji wa tahadhari, na mkazo wa wazi katika utekelezaji wa malengo ya kimkakati. Vipaumbele vikuu ni pamoja na:

- **Kuongeza vyanzo vya mapato ya mali isi-yohamishika** kupitia ununuzi wa mali zaidi na kuboresha mapato ya upangishaji.

- **Kupanua uwekezaji katika hati fungani na masoko ya mitaji** kupitia UTT na mifumo mingine ya uwekezaji iliyodhibitiwa.
- **Kuimarisha uwezo wa kidijitali** kwa ajili ya kuboresha taarifa za kifedha, uchambuzi wa hatari, na maamuzi ya uwekezaji.

Tukiangalia mbele, tunaendelea kuwa na matumaini makubwa kwa mwaka 2025 na kuendelea, huku tukilenga kufungua fursa zaidi, kupanua biashara, na kuongeza thamani kwa wanahisa wetu kwa kiwango cha juu.



OUR BUSINESS **STRATEGY**

BUSINESS STRATEGY STATEMENT

OUR STRATEGY OBJECTIVES 2022 – 2026

STRATEGIC OBJECTIVE	DETAILS
1. Enhancing Shareholder Value	We are committed to maximizing shareholder returns by increasing earnings per share, ensuring consistent and progressive dividend payments, and improving the share price through sustainable business growth and strategic investments.
2. Diversification of Investment Portfolio	We will continue to diversify our investment portfolio across key industries, balancing risk with potential returns. This strategy includes increasing investments in sectors such as financial services, real estate, and energy, while maintaining a focus on long-term growth industries.
3. Operational Efficiency & Cost Management	Maintaining operational efficiency is critical to our strategy. We will strive to reduce our cost-to-income ratio to below 25% through strict cost control measures and optimization of internal processes. This will allow us to reinvest savings into growth opportunities.
4. Strengthening Market Position	We aim to strengthen our market position by expanding our geographic footprint and increasing the company's presence across various sectors. This involves exploring new markets, enhancing the company's brand visibility, and tapping into emerging opportunities.
5. Innovation and Digital Transformation	Embracing technological innovation is key to future growth. We will leverage digital platforms and technologies to improve operational performance, enhance decision-making, and offer innovative solutions that align with modern business practices.
6. Corporate Social Responsibility & Sustainability	We are dedicated to making a positive social and environmental impact. Our strategy includes integrating sustainability initiatives into our business operations and contributing to the development of the communities in which we operate.
7. Governance & Risk Management	Strong governance and risk management practices are central to our strategic execution. We will ensure that the Board remains active in maintaining transparency, accountability, and compliance with all regulatory frameworks. Additionally, we will implement a comprehensive risk management framework to safeguard assets and investments.

BUSINESS STRATEGY STATEMENT

PROJECTED STATEMENT OF PROFIT AND LOSS FOR THE FIVE YEARS 2022 - 2026

	2022 TZS '000'	2023 TZS '000'	2024 TZS '000'	2025 TZS '000'	2026 TZS '000'
Income					
Dividend Income	5,327,212	5,593,573	5,761,380	5,934,221	6,290,274
Interest Income	2,431,846	4,057,875	4,463,663	4,999,302	5,249,267
Other Income and Income from Subsidiaries		1,654,900	1,850,000	1,150,600	2,860,000
Total Income	7,759,058	11,306,348	12,075,042	12,084,123	14,399,542
Expenses					
Employees benefits	(602,675)	(662,943)	(729,237)	(765,699)	(816,593)
Administration expenses	(1,342,318)	(1,193,854)	(1,212,469)	(1,352,095)	(1,473,783)
Other expenses	(9,385)	(86,691)	(147,479)	(171,035)	(223,812)
Finance costs	(9,472)	(249,608)	(6,125)	(71,774)	
Profit before tax	5,795,208	9,113,252	9,979,733	9,723,521	11,885,353
Tax Charge	(263,620)	(201,502)	(130,734)	(125,997)	(175,312)
	5,531,588	8,911,750	9,848,999	9,597,524	11,710,041

BUSINESS STRATEGY STATEMENT

ACTUAL RESULTS - STATEMENT OF PROFIT AND LOSS FOR THE FIVE YEARS 2020- 2024

	2020 TZS '000'	2021 TZS '000'	2022 TZS '000'	2023 TZS '000'	2024 TZS '000'
Income					
Dividend Income	3,506,248	4,354,438	5,322,391	6,039,217	7,675,659
Interest Income	52,330	1,335,510	3,019,960	5,084,412	5,160,811
Other Income			218,381	1,265,850	2,765,947
Total Income	3,558,578	5,689,948	8,560,732	12,389,479	15,602,417
Expenses					
Employees benefits	(770,371)	(416,814)	(656,720)	(786,837)	(895,641)
Administration expenses	(881,028)	(906,420)	(1,438,719)	(686,902)	(1,706,828)
Other expenses	(223,812)	(256,495)	(180,935)	(833,029)	(898,714)
Finance costs		(11,242)	(87,685)	(2,447,987)	(2,171,309)
Profit before tax	1,683,367	4,098,977	6,196,673	7,634,724	9,929,925
Tax Charge	(175,312)	(221,992)	(277,344)	(848,446)	(859,695)
	1,508,055	3,876,985	5,919,329	6,786,278	9,070,230
Basic Earning per Share	21.8	62.9	96.04	110.10	147.16
Diluted Earning per Share	21.8	62.9	96.04	110.10	147.16
Dividend payment per share	10	37	43	53	
% Dividend payment/ EPS	46%	59%	45%	48%	

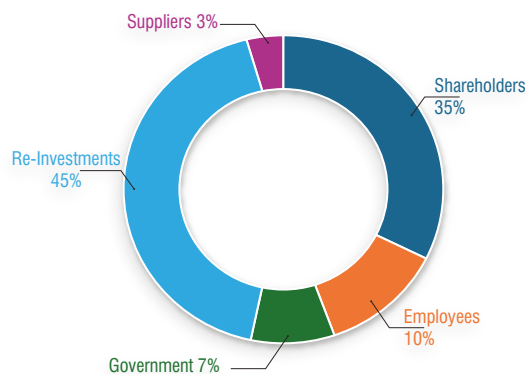
BUSINESS STRATEGY STATEMENT

MALENGO MKAKATI WETU WA MIAKA MITANO 2022 MPAKA 2026

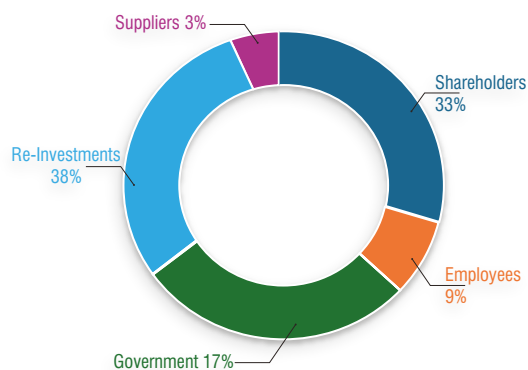
MALENGO MKAKATI	MAELEZO
1. Kuongeza Thamani kwa Wanahisa	Tunajitahidi kuongeza mapato kwa wanahisa wetu kwa kuongeza faida kwa kila hisa, kuhakikisha malipo ya gawio yanayokua kwa kasi na kuboresha bei ya hisa kupitia ukuaji endelevu wa biashara na uwekezaji wa kimkakati.
2. Kuongeza Mseto wa Uwekezaji	Tutazidi kutanua wigo wa uwekezaji wetu katika sekta muhimu kwa kuzingatia usawa kati ya hatari na faida. Mkakati huu unajumuisha kuongeza uwekezaji katika sekta kama vile huduma za kifedha, mali isiyohamishika, na nishati huku tukilenga sekta zinazokua kwa muda mrefu
3. Ufanisi wa Uendeshaji na Usimamizi wa Gharama	Ufanisi wa uendeshaji ni nguzo muhimu ya mkakati wetu. Tutajitahidi kupunguza uwiano wa gharama kwa mapato hadi chini ya 25% kwa kudhibiti gharama kwa umakini na kuboresha michakato ya ndani. Hii itatuwezesha kuwekeza tena akiba kwenye fursa za ukuaji.
4. Kuimarisha Nafasi Yetu Sokoni	Tunalenga kuimarisha nafasi yetu sokoni kwa kupanua wigo wetu wa kijiografia na kuongeza uwepo wa kampuni kwenye sekta mbalimbali. Hii inajumuisha kuchunguza masoko mapya, kuboresha muonekano wa chapa ya kampuni, na kutumia fursa zinazojitokeza.
5. Ubunifu na Mageuzi ya Kidijitali	Kukumbatia ubunifu wa kiteknolojia ni ufunguo wa ukuaji wa siku za usoni. Tutatumia majukwaa ya kidijitali na teknolojia ili kuboresha utendaji wa shughuli zetu, kuongeza maamuzi yenye ufanisi, na kutoa suluhisho za ubunifu zinazolingana na mbinu za kisasa za kibiashara.
6. Uwajibikaji kwa Jamii	Tumejizatiti kutoa mchango mzuri kwa jamii na mazingira. Mkakati wetu unajumuisha kujumuisha mipango ya uendelevu kwenye shughuli za biashara zetu na kuchangia maendeleo ya jamii tunazozifanyia kazi.
7. Utawala Bora na Usimamizi wa Hatari	Utawala bora na mbinu za usimamizi wa hatari ni kiini cha utekelezaji wa mkakati wetu. Tutahakikisha kuwa Bodi yetu inabaki na jukumu la kudumisha uwazi, uwajibikaji, na uzingatiaji wa sheria zote za udhibiti. Zaidi ya hayo, tutaweka mfumo kamili wa usimamizi wa hatari ili kulinda mali na uwekezaji wetu.

NICOL VALUE ADDED STATEMENT

NICOL VALUE DISTRIBUTION FY 2023



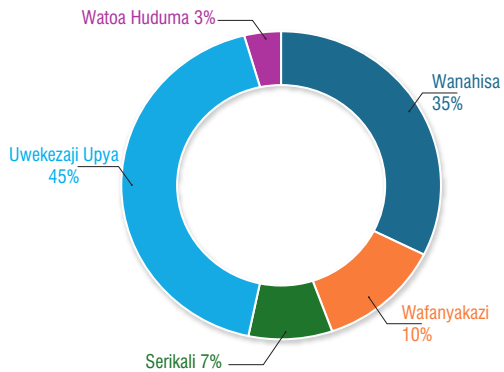
NICOL VALUE DISTRIBUTION FY2024



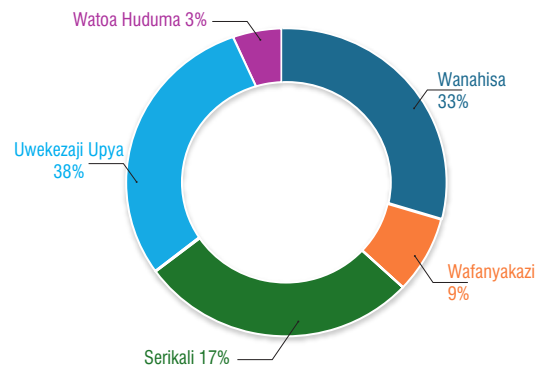
	2023 TZS'000'	%	2024 TZS'000'	%
Revenue Generated	12,389,479		15,602,417	
Interest expenses paid	(2,447,987)		(2,171,309)	
Administrative expenses	(2,306,768)		(3,501,183)	
Total Cost of operations	(4,754,755)		(5,672,492)	
Value Added from operations of the Company	7,634,724		9,929,925	
Distributed to:				
Shareholders	2,650,298	35%	3,266,646	33%
Employees	786,837	10%	895,641	9%
Government	520,920	7%	1,696,319	17%
Re-Investments	3,453,338	45%	3,800,000	38%
To Suppliers	223,331	3%	271,319	3%
Value Created by Company	7,634,724		9,929,925	

TAARIFA YA ONGEZECO LA THAMANI KWA MWAKA WA FEDHA ULIOSHIA 2024

UGAWAJI WA THAMANI WA NICOL
MWAKA WA FEDHA 2023



UGAWAJI WA THAMANI WA NICOL
MWAKA WA FEDHA 2024



	2023 TZS'000'	%	2024 TZS'000'	%
Mapato yaliyokusanywa	12,389,479		15,602,417	
Gharama za riba zilizolipwa	(2,447,987)		(2,171,309)	
Jumla ya gharama za uendeshaji	(2,306,768)		(3,501,183)	
Jumla ya Gharama za Uendeshaji	(4,754,755)		(5,672,492)	
Thamani iliyoongezeka kutokana na uendeshaji wa kampuni	7,634,724		9,929,925	
Imesambazwa kwa:				
Wanahisa	2,650,298	35%	3,266,646	33%
Wafanyakazi	786,837	10%	895,641	9%
Serikali	520,920	7%	1,696,319	17%
Uwekezaji mpya	3,453,338	45%	3,800,000	38%
Kwa Watoa Huduma	223,331	3%	271,319	3%
Thamani Iliyoundwa na Kampuni	7,634,724		9,929,925	

NICOL SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY (CSR) STATEMENT

NICOL CORPORATE RESPONSIBILITY STATEMENT - 2024

Fostering Shared Prosperity Through Sustainable Impact

At National Investments Plc (NICOL), we remain steadfast in our commitment to fostering sustainable growth while upholding the highest standards of corporate responsibility. As a listed entity, we understand that true success is not measured solely by financial returns but by our ability to create lasting value for our shareholders, employees, communities, and the environment.

Our Corporate Social Responsibility (CSR) strategy is woven into the fabric of our operations. Through responsible investment, ethical governance, and collaborative partnerships, we continue to champion initiatives that support Tanzania's social, environmental, and economic transformation.

1. ENVIRONMENTAL STEWARDSHIP

NICOL is deeply committed to protecting and enhancing the environment across all its invest-



ment activities. Our approach emphasizes minimizing our ecological footprint and integrating sustainability into real estate and infrastructure development.

- **Energy Efficiency and Sustainable Operations**

As part of our 2025–2026 sustainability goals, we are implementing energy and water-saving technologies at our flagship investment property at 50 Mirambo Street. These improvements are designed to bring the property in line with international energy efficiency standards and support our bid for World Bank accreditation.

- **Green Infrastructure and Tree Planting Initiatives**

Beginning in 2026, NICOL is expanding its environmental efforts by supporting infrastructure development and tree planting in all communities surrounding our projects. This initiative is designed to improve local living conditions, enhance climate resilience, and reinforce our long-term commitment to environmental stewardship. We believe these efforts will unlock added value for both communities and investors.

2. SOCIAL RESPONSIBILITY

NICOL's social investments aim to deliver measurable and lasting impact in the areas we operate. Our priorities continue to focus on public health, education, and workforce well-being.

NICOL SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY (CSR) STATEMENT



i. Community Health Contributions

For a second consecutive year, NICOL has set aside **TZS 150 million** to support public health services in hospitals across five targeted regions in Tanzania. This initiative remains central to our commitment to improving access to quality healthcare, particularly for underserved populations.

ii. Employee Welfare and Development

Recognizing our employees as the cornerstone of our success, NICOL has maintained a dedicated **Employee Welfare and Development Fund**. This fund supports professional development, mental and physical well-being, and fosters a motivated, high-performing workforce.

iii. Corporate Governance and Ethical Conduct

NICOL is governed by a strong ethical foundation that promotes integrity, compliance, and transparency. We operate with a clear governance framework that aligns with both regulatory expectations and shareholder interests.

iv. Ethical Leadership and Compliance

We uphold full compliance with all regulatory frameworks, including those set by the **Capital Markets and Securities Authority (CMSA)** and **Dar Es Salaam Stock Exchange (DSE)**. Internally, we cultivate a culture of ethical responsibility across all levels of the organization.

v. Transparency and Accountability

We continue to enhance corporate transparency through timely disclosures, regular reporting, and stakeholder engagement. Our governance structures ensure accountability in decision-making and uphold the trust placed in us by shareholders and the public.

4. SUSTAINABLE ECONOMIC GROWTH

NICOL's investment philosophy is anchored in long-term value creation that supports national development and economic resilience.

• Strategic Investment for Long-Term Impact

Our investment portfolio is continuously aligned to sectors that offer sustainable economic returns and resilience, including banking, manufacturing, real estate, and infrastructure. This strategic focus ensures continued returns to shareholders while supporting national development.

NICOL SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY (CSR) STATEMENT

• Empowering Local Economies

NICOL's operations contribute to local economic empowerment through the promotion of local industries, SMEs, and job creation. Our investments are intentionally designed to stimulate inclusive growth in the regions where we operate.

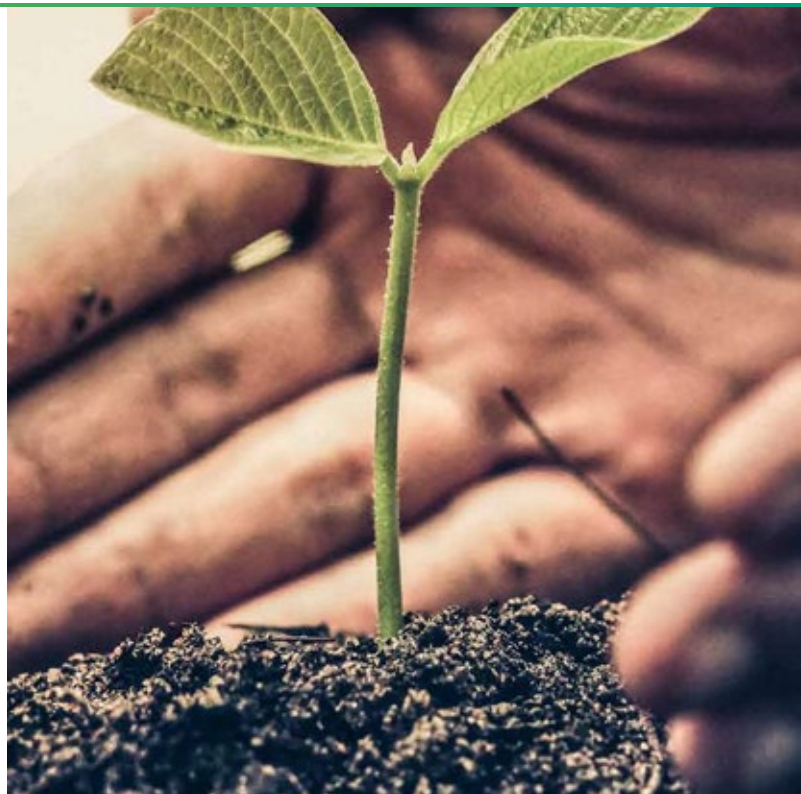
5. STAKEHOLDER ENGAGEMENT

We believe strong relationships with stakeholders are vital to achieving sustainable impact. Our CSR approach is informed by continuous engagement with:

- **Shareholders:** To whom we commit sustained value through consistent performance and responsible practices.
- **Communities:** Whom we empower through targeted programs in health, environment, and infrastructure.
- **Regulators & Industry Partners:** With whom we collaborate to align our initiatives with national priorities and international best practices.

6. CONTINUOUS IMPROVEMENT

NICOL maintains a culture of continuous learning and adaptation. We assess our CSR and sustainability performance regularly and remain responsive to stakeholder feedback and evolving



societal needs. As we look ahead, we are committed to staying at the forefront of sustainable investing, delivering both impact and value.

LOOKING FORWARD

As we expand our reach and deepen our investments, NICOL will continue to prioritize sustainable development and shared prosperity. Our 2026 initiatives, particularly in infrastructure and environmental enhancement around our projects, reflect a bold step toward building resilient communities and sustainable value.

TAKE CARE
OF OUR
PLANET



NICOL is deeply committed to protecting and enhancing the environment across all its investment activities. Our approach emphasizes minimizing our ecological footprint and integrating sustainability into real estate and infrastructure development.

TAARIFA YA UWAJIBIKAJI WA KAMPUNI YA NICOL

TAARIFA YA UWAJIBIKAJI WA KAMPUNI YA NICOL – 2024

Kuendeleza Maendeleo ya Pamoja Kupitia Mchango Endelevu kwa Jamii

Kampuni ya National Investments Plc (NICOL) imeendelea kudhihirisha dhamira yake ya kukuza maendeleo endelevu sambamba na kuheshimu viwango vya juu vya uwajibikaji wa kampuni. Kama kampuni iliyoorodheshwa katika soko la hisa, tunaelewa kuwa mafanikio ya kweli hayawezi kupimwa tu kwa faida ya kifedha, bali kwa uwezo wetu wa kuleta thamani ya kudumu kwa wanahisa wetu, wafanyakazi wetu, jamii tunazohudumia, na mazingira tunamendesha shughuli zetu.

Mkakati wetu wa Uwajibikaji wa Kijamii wa Kampuni (CSR) umejumuishwa katika shughuli zetu za kila siku. Kupitia uwekezaji wa kuwajibika, uongozi wa kimaadili, na ushirikiano wa karibu na wadau, tunaendelea kuongoza juhudi zinazounga mkono mabadiliko ya kijamii, kimazingira na kiuchumi nchini Tanzania.



1. ULINZI NA UTUNZAJI WA MAZINGIRA

NICOL imejikita katika kulinda na kuboresha mazingira kupitia shughuli zake zote za uwekezaji. Tunahakikisha kuwa tunapunguza athari za kimazingira na kuendeleza miradi yenye suluhisho endelevu, hasa katika sekta ya ujenzi na miundombinu.

• **Ufanisi wa Nishati na Uendeshaji Endelevu**

Kama sehemu ya malengo yetu ya uendelevu ya mwaka 2025–2026, tumeanza kutumia teknolojia za kuokoa maji na umeme katika jengo letu la uwekezaji lililopo Mtaa wa Mirambo Na. 50. Maboresho haya yanatupatia nafasi ya kufikia viwango vya kimataifa vya ufanisi wa nishati, na kusaidia kupata ithibati kutoka kwa Benki ya Dunia.

• **Maendeleo ya Miundombinu na Upandaji Miti**

Kuanzia mwaka 2026, NICOL inaongeza wigo wa mchango wake kwa mazingira kwa kuunga mkono uendelezaji wa miundombinu na upandaji wa miti katika maeeneo yote yanayozunguka miradi yetu. Hatua hii inalenga kuboresha mazingira ya jamii zinazotuzunguka, kuongeza ustahimilivu wa hali ya hewa, na kuimarisha thamani ya uwekezaji wetu. Tunaamini kuwa hatua hizi zitafungua fursa mpya za maendeleo kwa jamii na wawekezaji.

TAARIFA YA UWAJIBIKAJI WA KAMPUNI YA NICOL



2. UWAJIBIKAJI WA KIJAMII

Mchango wa NICOL kwa jamii unalenga kuleta matokeo chanya na ya kudumu kwa watu tunaowahudumia. Vipaumbele vyetu vinaendelea kulenga afya, elimu na ustawi wa wafanyakazi.

- **Mchango kwa Sekta ya Afya**

Kwa mwaka wa pili mfululizo, NICOL ime-tenga **TZS milioni 150** kwa ajili ya kusaidia huduma za afya katika hospitali zilizopo kwenye mikoa mitano nchini Tanzania. Lengokuu ni kuboresha upatikanaji wa huduma muhimu za afya, hasa kwa makundi yaliyo katika mazingira magumu.

- **Ustawi na Maendeleo ya Wafanyakazi**

Kwa kutambua kuwa wafanyakazi wetu ndio msingi wa mafanikio ya NICOL, tumeendelea kuwa na **Mfuko Maalum wa Ustawi na Maendeleo ya Wafanyakazi**. Mfuko huu unahimiza maendeleo ya kitaaluma, ustawi wa kimwili na kisaikolojia, na kuongeza morali ya wafanyakazi ili kuongeza tija na ufanisi mahala pa kazi.

3. UTAWALA BORA NA MAADILI

NICOL inaongozwa na misingi imara ya maadili, uwajibikaji na uadilifu. Tunaendesha shughuli zetu chini ya mfumo madhubuti wa utawala unaoendana na matakwa ya wanahisa pamoja na viwango vya kisheria na vya udhibiti.

- **Maadili na Uzingatiaji wa Sheria**

Tunaendelea kuheshimu kikamilifu sheria na kanuni zote, hasa zile zinazotolewa na **Mamlaka ya Masoko ya Mitaji na Dhama-na (CMSA)** na **Soko la Hisa la Dar es Salaam (DSE)**. Ndani ya kampuni, tunajenga utamaduni wa maadili thabiti unaojengwa katika kila ngazi ya uongozi.

- **Uwajibikaji na Uwazi**

Tunaendeleza mawasiliano ya wazi na kwa wakati na wanahisa wetu pamoja na wadau wengine. Taarifa zetu za kifedha hutolewa kwa uwazi, na miundo yetu ya utawala huhakikisha maamuzi yanayowajibika na usimamizi madhubuti.

4. UKUAJI ENDELEVU WA UCHUMI

Falsafa ya uwekezaji ya NICOL inalenga uendeleu wa kiuchumi kwa muda mrefu huku ikisaidia maendeleo ya Taifa na ustawi wa jamii.

- **Uwekezaji wa Kimkakati kwa Thamani ya Kudumu**

Tunaendelea kuelekeza rasilimali zetu katika sekta zenye uwezo wa kutoa faida endelevu na zinazokinzana na misukosuko ya kiuchumi. Uwekezaji wetu unaongeza thamani kwa wanahisa wetu huku ukiunga mkono ajenda ya maendeleo ya Taifa.

TAARIFA YA UWAJIBIKAJI WA KAMPUNI YA NICOL

▪ Kuwezesha Uchumi wa Ndani

NICOL inawekeza katika kuendeleza viwanda vya ndani, kuunga mkono biashara ndogo na za kati (SMEs), pamoja na kuchochea ajira katika maeneo mbalimbali ya Tanzania. Lengo letu ni kuleta ukuaji wa uchumi unaojumuisha watu wote.

5. USHIRIKIANO NA WADAU

Ushirikiano thabiti na wadau wetu ni kichocheo cha mafanikio ya NICOL. Mikakati yetu ya CSR inaendeshwa kwa kuzingatia maoni ya:

- **Wanahisa:** Tunahakikisha tunaleta thamani ya kudumu kwa wanahisa kupitia utendaji wa kifedha na maadili ya biashara.
- **Jamii:** Tunawekeza katika miradi inayolenga kuboresha maisha ya jamii na kuchochea maendeleo ya kijamii na kiuchumi.
- **Wadau wa Udhhibiti na Sekta:** Tunashirikiana kwa karibu na wadhibiti kama CMSA, DSE na washirika wa sekta binafsi kuhakikisha juhudi zetu zinaendana na vipaumbele vya Taifa na viwango vya kimataifa.

6. UBORESHAJI ENDELEVU

NICOL ina dhamira ya kuboresha utendaji wake kila mara. Tunapima mafanikio yetu kwa kutumia malengo tuliyojiwekea, tunapokea mrejesho kutoka kwa wadau na kubadilisha mikakati yetu kulingana na changamoto na fursa



mpya. Lengo letu ni kuendelea kuwa mfano wa taasisi inayowajibika kwa jamii na mazingira.

KUANGALIA MBELE

Kadri tunavyozidi kupanua shughuli zetu na kuboresha uwekezaji wetu, NICOL itaendelea kuweka kipaumbele katika maendeleo endelevu na ustawi wa pamoja. Mipango yetu ya mwaka 2026, hususan kwenye *miundombinu na upandaji miti* katika maeneo ya miradi yetu, ni hatua muhimu ya kujenga jamii imara, mazingira bora na thamani ya muda mrefu kwa wanahisa wetu.



CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

The Board of Directors ("Board") of National Investments Plc oversee governance as promoting strategic decision making that balances short, medium, and longterm outcomes, and safeguarding interests of the Organization, and the society in which we operate to create sustainable shared value. Directors have a statutory duty to promote the success of the Company for the benefit of its stakeholders.

In promoting the success of the Company, Directors must have due regard to the long-term consequences of their decisions, the legitimate interests of employees, the need to foster effective business relationships with shareholders and various other stakeholders, the impact of the Company's operations on the community we operate, and the desire to maintain a reputation for high standards of business conduct.

The Board is committed to ensuring that company complies with the laws, regulations and standards applicable to it. The Board ensures that high standards and practices in Corporate Governance and more specifically the principles, practices and recommendations set out under the Code of Corporate Governance Practices for Listed Companies, 1994 (CMSA Principles of Good Corporate Governance Practices), are adhered to.

The Board believes that good corporate governance is the core driver of sustainable corporate performance and creates shared value by ensuring the right balance between organizational growth and long - term stakeholder value. The Board of Directors

at NICOL, regularly reviews its corporate governance arrangements and practices and ensures that the same reflects evolving good corporate governance norms, the developments in regulation, best market practice and stakeholder expectations. Our corporate governance framework enables the Board to oversee the strategic direction of the organization, financial goals, resource allocation, risk appetite and to hold the executive management accountable for execution.

GOVERNANCE STRUCTURE

Governance framework

NICOL operates within a clearly defined corporate governance framework which provides for delegation of specific mandates (as may be necessary) and clear lines of responsibility without abdicating the responsibility of the Board. Through the framework, the Board sets out the strategic direction of the company while entrusting the day-to-day management of the business and the implementation of the Company's strategy to the Management Team led by the Chief Executive Officer ("CEO"). The Board operates through three committees mandated to review specific areas and assist the Board undertake its duties effectively and efficiently.

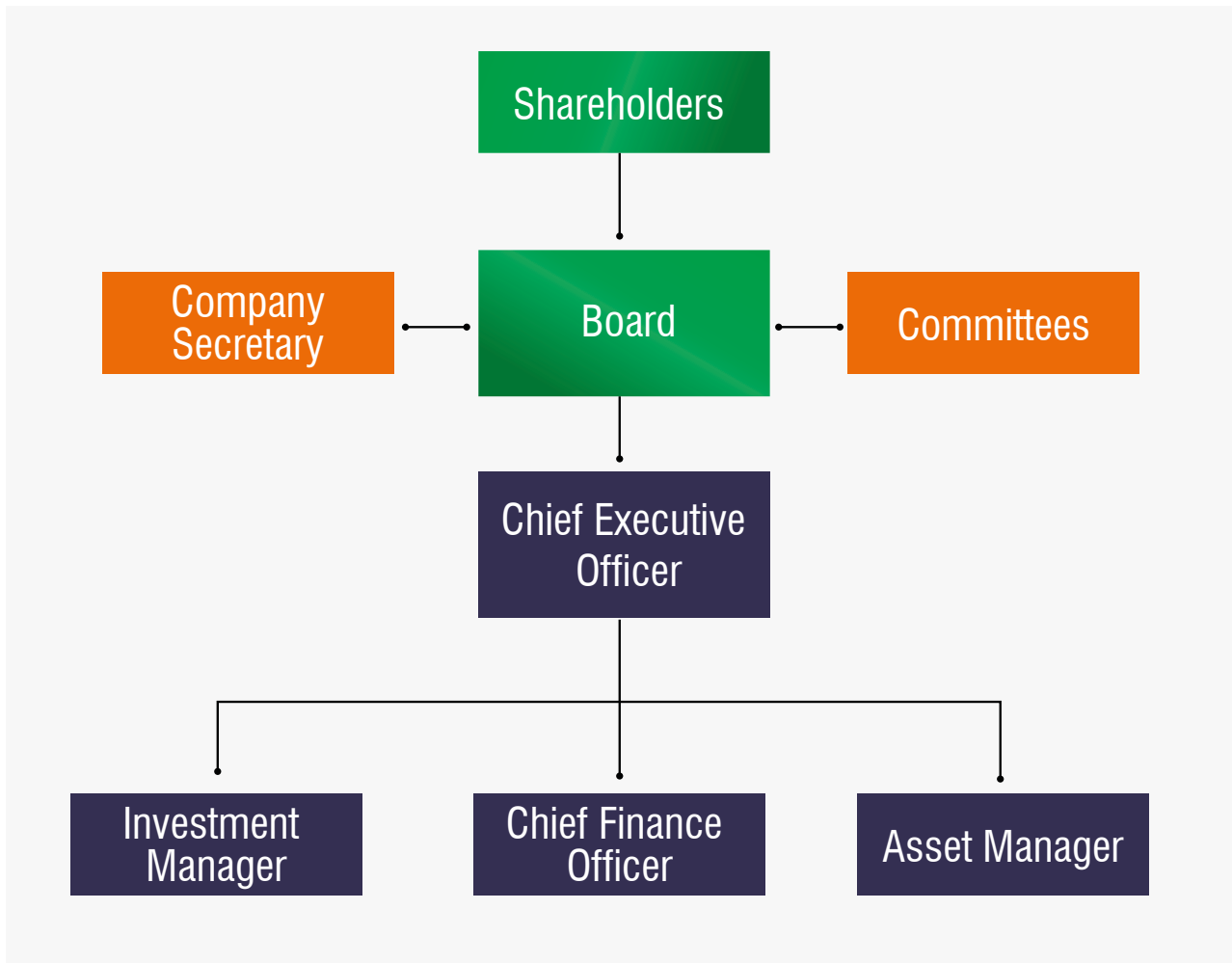
These Board Committee are as follows:

- Board Executive Committee
- Board Investment and Financing Committee

CORPORATE GOVERNANCE

- Board Audit and Risk Committee

The fundamental relationships between the shareholders, Board Committees and Executive Management is illustrated below:



The Board Charter is regularly reviewed by the Board and provides for a clear definition of the roles and responsibilities of the Company's Chairman, directors as well as the Company Secretary. The roles and responsibilities of the Company Chairman and the Chief Executive Officer are separate and distinct with a clear division of responsibility between the running of the Board and the executive responsibility of strategy execution and running of the business

THE BOARD

National Investments Plc is governed by a Board of Directors ("The Board"). The appointment of directors is regulated by the Memorandum and Articles of Association of the Company, as well as the guidelines issued by the Capital Markets and Securities Authority, pursuant to the Capital Markets and Securities Act 1994, respectively. All Shareholders regardless of percentage of shares held, have the right to

CORPORATE GOVERNANCE

nominate any person to become director of the Company. The names are presented to the Annual General Meeting (AGM) for approval.

The Board is accountable to the shareholders for the overall Company's performance and is collectively responsible for the long-term success of the company. The Board is responsible and accountable for providing effective corporate governance, direction and control of the company. The directors have a duty to exercise leadership, enterprise, integrity and judgment based on transparency, fairness, accountability and responsibility.

BOARD'S ROLE AND DIRECTORS' RESPONSIBILITIES

The Board, led by the Board Chairman, is responsible among other matters for:

- The Board is the ultimate decision-making body of the Company.
- The Board is responsible for establishing sound system of internal control for the Company.
- The Board is responsible for overseeing the corporate governance framework.
- The Board is responsible for adoption of strategic plans, policies, monitoring the operational performance, and processes that ensure integrity of the Company's risk management and internal controls.
- The Board is responsible for establishing clear roles and responsibilities in discharging its fiduciary and leadership functions.

- The board is responsible for ensuring that management actively cultivates a culture of ethical conduct and sets the values to which the institution will adhere.
- The Board is responsible for ensuring that the strategies adopted promote the sustainability of the company.
- The Board is responsible for establishing policies and procedures for effective operations of the Company.
- The Board shall establish an appropriate staffing and remuneration policy including the appointment of the Chief Executive Officer and the senior staff as may be applicable.
- The Board is responsible for ensuring cognizance is taken by management of all applicable laws, regulations, governance codes, guidelines and regulations and establishing systems to effectively monitor and control their compliance across the Company.

SEPARATION OF ROLES AND RESPONSIBILITIES

The role of Board Chairman is separate from that of the Chief Executive Officer. There is a clear division of responsibilities between the leadership of the Board by the Board Chairman, and the executive responsibility for day-to-day management of the Company's business, which is undertaken by the Chief Executive Officer.

CORPORATE GOVERNANCE

Chairman	- Responsible for leading the Board, its effectiveness and setting high governance standards - To ensure effective communication with shareholders and, where appropriate, the stakeholders. - Upholding rigorous standards of preparation for meetings, and ensuring that decisions by the board are executed
Chief Executive Officer	- Responsible for the executive responsibility for day-to-day management of the company's business - Recommending strategy to the Board and ensuring that the strategic objectives and Board's directives are implemented through the Board Executive Committee.
Non-Executive Directors	- Responsible for ensuring that the company has in place proper internal controls as well as a robust system of risk management. - To support the development of proposals on strategy, hold management to account and ensure that they discharge their responsibilities properly, while creating the right culture to encourage constructive challenged
	- Provides support and guidance to the Board in matters relating to governance and ethical practices. - Also responsible for induction programs of new directors, keeping board members abreast of relevant changes in legislation and governance principles - In support from the Chairman, prepare Board meetings agenda and be custodian of the Board minutes.

BOARD DIVERSITY

The Board considers the diversity of views and experiences as essential for ensuring that all aspects of strategies and plans are fully considered. The combination of backgrounds and experience at the Board ensures that there is a balance of power that stimulates robust challenge and debate such that no individual or group can dominate board processes or decision-making.

This is important for sustainable stakeholder value protection. In the Annual General Meeting, shareholders approved to adjust number of existing directors to seven, and on

14th May 2022, at its Extra Ordinary Shareholders Meeting, shareholders approved appointment nomination of five new members to join the Board, these new members acquired different vast experience in leadership and other sectors.

BOARD NOMINATION, APPOINTMENT AND RE- ELECTION OF DIRECTORS

The current Board structure comprises of seven non-executive Directors including the Board Chairman. The Board determines its size and composition, subject to the Company's Articles of Association, Board Charter and applicable law. The Board composition is driven by the following principles:

CORPORATE GOVERNANCE

- The Board must comprise of independent non-executive directors.
- The Board should consist of directors with a broad range of skills, experience and expertise and be from a diverse range of backgrounds.
- The Chairman of the Board must be a non-executive director. Appointment of the Chairman will be made by the Shareholders as recommended by the Board members in the Annual General Meeting. The Chairman of the Board is also the Chairman of any Shareholders meeting.

The Board executive committee is responsible for recommending the procedure for the selection of new directors, the proposed criteria for the selection of candidates with reference to current mix of skills, knowledge and experience.

The committee identifies and nominates a shortlist of candidates and may engage the services of a professional intermediary to assist in identifying and assessing potential candidates. The preferred candidates meet with the members of the executive committee before a final decision is made. Prior to confirmation of appointment, all Directors are required to pass Proper requirements set out by the Capital Market and Securities Authority. The key terms and conditions of a director's appointment are documented in a letter of appointment.

BOARD INDUCTION AND TRAINING

All newly appointed non-executive Directors participate in an induction program. The induction program which is coordinated by

the Company Secretary includes a series of meetings with other Directors, the Chief Executive Officer, and senior executives to enable new Directors familiarize themselves with the business. Directors also receive comprehensive guidance from the Company Secretary on Directors' fiduciary duties, and responsibilities as well as liabilities.

All Directors are expected to maintain the requisite skills and demonstrate ethical standards to carry out their obligations. The Chairman regularly reviews the professional development needs of each Director. The program of continuing education ensures that the Board is kept up to date with developments in the industry both locally and globally.

To ensure the Board is updated, the company will arrange the following trainings:

- Board Leadership & Corporate Governance Masterclass Africa
- Effective Audit Committees

BOARD COMPOSITION

NICOL is committed to ensuring the overall effectiveness of the Board and that it achieves the appropriate composition and balance of directors. The Board comprises a majority of independent non-executive directors who bring a diversity of skills, experience, and knowledge to the discussion, and play an important role in supporting the Board. The non-executive Directors are expected to have a clear understanding of NICOL strategy as well as knowledge of the collective investment scheme and the operating market. The aggregate mix of skills and experience of the

CORPORATE GOVERNANCE

Directors seeks to bring about individual and collective competence requisite in fostering robust and constructive debate, augments and challenges the strategic thinking of the executives thereby adding value to the company.

BOARD ATTENDANCE

During the year, there were 5 Board meetings one (1) of which was Extra- Ordinary Board

Meeting. There were also.

- Four (4) Board Audit and Risk Committee meetings, (BARC)
- Four (4) Board Investment and Financing Committee meetings (BIFC)
- Three (3) Board Executive Committee meetings.

The following table shows the number of Board and Committee meetings held during the year and the attendance by directors: -

DIRECTORS

NAME	BOARD	BEC	BARC	BIFC
Dr. Gideon H. Kaunda	5	3	n/a	n/a
CPA George M.J. Nchwali	5	n/a	4	n/a
CPA Oswald M. Urassa	5	n/a	n/a	4
Ms. Kissa V Kilindu	4	n/a	n/a	4
Ms. Rehema A. Tukai	4	n/a	4	n/a
Eng. Boniface G. Nyamo-Hanga	4	3	n/a	n/a

BOARD COMMITTEES

The Board places significant reliance on its committees by delegating a broad range of responsibilities and issues to them to achieve effective independent oversight and stewardship. It therefore remains crucial that effective linkages are in place between the committees and the Board as a whole, not least as it is impracticable for all independent non-executive directors to be members of all the committees. Mechanisms are in place to

facilitate these linkages, including ensuring that there are no gaps or unnecessary duplications between the remit of each committee and overlapping membership between Board committees where necessary. Alongside interconnected committee membership, the Board receives documented summaries of each of the committee's meetings.

The Board has three standing committee namely, Board Executive Committee, Board Audit and Risk Committee and Board Investment Committee.

CORPORATE GOVERNANCE

BOARD AUDIT AND RISK COMMITTEE

Members of the Audit Committee were as follows:-

NAME	DESIGNATION
CPA. George MJ Nchwali	Chairman
Ms. Rehema Tukai	Member

The Committee assists the Board in fulfilling its oversight responsibility relating to the integrity of the company's financial statements and financial reporting process, systems of accounting and financial controls; the annual external audit of financial statements, reporting and internal controls; performance of the Internal Audit, Risk Functions; compliance with legal and regulatory requirements; adequacy of the risk management function; the oversight responsibility on planning and conduct of audits to determine that the company's financial statements and disclosures are complete and accurate and are in accordance with International Financial Reporting Standards and applicable laws, rules and regulations.

Audit Functions: The BAC assists the Board by providing oversight of the Bank's financial reporting responsibilities including external audit independence and performance. The Audit Committee responsibilities include the following:

- Reviewing the quarterly and full-year statutory financial reports for recommendation to the Board.
- Reviewing significant accounting estimates and judgments used for the preparation of

the financial reports.

- Advising the Board on the NICOL's financial reporting requirements to ensure that the Board has exercised oversight of the work carried out by management, and the external auditor.
- Reviewing and approving any new or proposed changes in the accounting policies.
- Monitoring developments in statutory reporting and accounting and disclosure requirements
- Reviewing the effectiveness of, and ensuring that management has appropriate internal controls over, financial reporting
- Reviewing and monitoring the relationship with the external auditor and oversees its appointment, tenure, rotation, remuneration, independence, and engagement for non-audit services.
- And overseeing the work of the Internal Audit and monitoring and assessing the effectiveness, performance, resourcing, independence and standing of the function.

CORPORATE GOVERNANCE

BOARD EXECUTIVE COMMITTEE

COMMITTEE COMPOSITION

NAME	POSITION
Dr. Gideon H Kaunda	Chairman
Eng. Gissima Nyamo-Hanga	Member

- The Committee assists the Board in fulfilling its oversight responsibilities in accordance with the Articles of Association of the Company.
- The Committee, which is a steering committee for the full Board, has an oversight role over the critical key issues of the Company, provide guidance, support and mentor Management during transitional periods as well as be involved in any crisis situation that may arise within the Company.
- It is the general intention that all substantive matters in the ordinary course of business are brought before the full Board for action and/or ratification, but the Board recognizes the need for flexibility to act on substantive matters where action may be necessary between Board meetings.

- 1) The asset allocation policy shall be sufficiently diversified to enable the appropriate fiduciary to manage risk without imprudently sacrificing returns.
- 2) The Committee with support from the Management, will establish investment performance benchmarks for each asset class, based on pre-approved criteria. The same shall be approved by the Board of Directors.
- 3) The Investment committee has the role of deciding investment priorities and establishes an efficient portfolio and submits the same for approval by the Board of Directors

The Chief Executive Officer of NICOL implement the asset allocation policy as recommended by the Investment and Financing Committee and approved by the Board of Directors.

All proposals of all new investment opportunities identified by the Management is reviewed by the Investment and Financing Committee which makes recommendation to the Board of Directors. The Board have the approval powers of all investments.

The Committee met four (4) times during the year. It comprised of the following members:

BOARD INVESTMENT AND FINANCING COMMITTEE (BIFC)

The Investment Committee is responsible for creating and overseeing benchmarks and directives and measure their potential impact on financial condition of NICOL and assess their suitability in meeting the objectives of NICOL.

CORPORATE GOVERNANCE

NAME	NATIONALITY	QUALIFICATION	TITLE
CPA Oswald M. Urassa	Tanzanian	Certified Public Accountant	Director
Ms. Kissa V. Kilindu	Tanzanian	Engineer and ICT Specialist	Director
Dr. Hildebrand E. Shayo	Tanzanian	Economist	Invitee
Ms. Ngenda C. Kigaraba	Tanzanian	Economist	Invitee

COMPANY SECRETARY

The company secretary is Mr. Benjamin Mwakagamba, and he provides support and guidance to the Board in matters relating to governance and ethical practices. He is also responsible for induction programs of new directors, keeping board members abreast of relevant changes in legislation and governance principles.

The Company Secretary is the custodian of all Board minutes for all committees and Board.

COMMUNICATION WITH SHAREHOLDERS

The company recognizes that effective communication with stakeholders is essential to good governance. Following the publication of its financial results, it engages with investors to present the results and answer questions accordingly. Shareholders are encouraged to attend the Annual General Meeting to be held in Arusha on Saturday, 30th August 2025 and participate to discuss the affairs and development of the company.



DIRECTOR'S PROFILE



NICOL BOARD OF DIRECTORS AND MANAGEMENT



BOARD OF DIRECTORS CAREER PROFILES



GIDEON H KAUNDA (PhD)
BOARD CHAIRMAN

Graduated first as a lawyer earning an LLB degree, University of East Africa, Dar-Es-Salaam College. Practiced in Tanzania, Kenya and Uganda as Counsel in the EACSO/EAC, prior to appointment as Tanzania Permanent Representative on ICAO Council in Montreal, Canada. He rejoined Government service after his overseas diplomatic tour of duty. As a UNDP Scholar, Dr. Kaunda obtained a Diploma in Air and Space law, subsequently graduating with a Masters Degree (LLM) and a PhD (DCL), at the Faculty of Graduate Studies and Research, McGill University, Canada.

At different times he served in various National Institutions as Board Director, in STS, NTC, ATCL, the Tanzania Commission for Universities (TCU); Task Force Member- Presidential Commission on Reduction of Expenditure in Government Ministries and Corporations and Steps to Increase Efficiency and Productivity and Member of the National Sports Council.

Internationally, he served as a Consultant with the World Bank, UNDP, the European Union (EU), AFCAC, Economic Commission for Africa (ECA), (as Consultant of the UN Secretariat), COMESA and the Lesotho Government on infrastructure projects. He also carried out investment and advisory assignments of multinational companies in mineral prospecting and gold extraction for Golden Pride Nzega, AUSENCO of Australia, Shanta Gold Mine (Songwe) and Peak Resources of Australia on Rear Earth Minerals. He currently serves as EXTENDA Chairman, a regional micro-finance entity.

Before joining the private sector as a TPSF Member, Dr. Kaunda was appointed by a London Panel of Judges Session as an Arbitrator of the International Court of Aviation and Space Arbitration (ICASA). He maintains special interest in the Outer Space regime and scientific studies on celestial bodies, associated with the UN- COPUOS. Other areas of involvement include: Member, Tanzania Institute of Directors; Trustee; Nelson Mandela African Institute of Science and Technology; Founder Director, VIASAT-1 Free to Air Television Network (TV-1); Participant; Tanzania Government Technical Preparatory Team for the Five Year Development Plan (FYDP- II) 2016 – 2021; Member, Court Users` Committee, High Court Commercial Division; Chairman; Rural Energy Agency (REA); Board Director and Investment Committee Member; TICL; Member, Tanganyika Law Society and Advocate of the High Court of Tanzania; Life Member, McGill Institute of Air and Space Law Canada, Co-opted Member, Flight Transportation Laboratory, Centre for Advanced Engineering Study, School of Aeronautics and Astronautics, Massachusetts Institute of Technology (MIT), Cambridge, Boston USA; Rotary International Paul Harris Fellow (2002); President, Rotary Club of Dar-Es-Salaam (2002- 2003).

BOARD OF DIRECTORS CAREER PROFILES

Mr. George M. J. Nchwali was appointed as Non-Executive Director of National Investments Plc, his appointment was approved in the NICOL Extra-Ordinary Shareholders Meeting held on 14th May 2022.

CPA George M.J. Nchwali is an authorized Certified Public Accountant in Public Practice (CPA-PP). He holds Master of Business Administration (MBA) from University of Dar es Salaam, Certificate in Company Direction (IOD – UK) and a Diploma in Accounting.

He is an audit partner of BMF Associates and Chairperson of BMF Consult Ltd. He is a retired civil servant with more than 31 years of working experience in the fields of Financial Management and Forensic Accounting and Investment Planning supplemented by Human Resources Management and Corporate Secretarial Services.

Worked as Director of Finance & Administration of the Rural Energy Agency (REA); Finance & Administration Manager of the National Examinations Council of Tanzania (NECTA); Rural Livelihood Development Company (RLDC) and Tanzanian & Italian Petroleum Refinery (TIPER). Also worked as General Manager, Chief Internal Auditor and Company Secretary of Tanzanian & Italian Petroleum Refinery (TIPER); Internal Auditor of VETA (Vocational Education and Training Authority), Internal Auditor at Agip Tanzania Ltd and a Tutor at Dar es Salaam School of Accountancy – Ministry of Finance.

At different times CPA Nchwali served as a Board member of the Energy and Water Utilities Regulatory Authority (EWURA), St. Joseph Millennium Secondary School, member of the Disciplinary and Education Committees of the Tanzania Association of Accountants (TAA) and is currently serving as a Chairperson of the Governing Board of TANOIL Investments Limited. He undertaken training in Advanced Issues in Regulating Electric and Water Utilities at the Institute for Public-Private Partnerships (IP3)-Washington, DC and Utilities Regulatory Studies Program (Camp NARUC) at the Institute of Public Utilities – Michigan State University (USA).



CPA GEORGE M. J. NCHWALI
NON-EXECUTIVE DIRECTOR

BOARD OF DIRECTORS CAREER PROFILES



CPA OSWALD M. URASSA
NON EXECUTIVE DIRECTOR

CPA Oswald Urassa was appointed and became a Non-Executive Director of National Investments Plc. His appointment was approved in the NICOL Extra-Ordinary Shareholders Meeting held on 14th May 2022.

CPA Oswald Urassa studied Accountancy at the University of Dar es Salaam, Tanzania before joining the University of Birmingham, United Kingdom (UK) for his Masters in Business Administration (MBA). He is Certified Public Accountant and a Fellow Member of the local Accountancy Body (National Board of Accountants and Auditors- NBAA) as well as Tanzania Association of Accountants (TAA). He is Certified Commonwealth Corporate Governance Practitioner and Trainer as well as Certified Financial Educator (CFE) by the Bank of Tanzania (BOT). CPA Oswald has attended several short courses in the areas of financial reporting, corporate governance, auditing, risk management, capital markets, securities market risk management and performance auditing organized by the World Bank, International Finance Corporation (IFC), NBAA, Bank of Tanzania (BOT); BSE Securities Exchange (formerly Bombay Stock Exchange) – India; Centre for Corporate Governance in Kenya and University of Connecticut – USA among others. He has facilitated some consultancy assignments in the areas of risk management, strategic planning, corporate governance and preparation of Board Charter.

CPA Oswald started his career as Tutorial Assistant with the Institute of Finance Management (IFM), one of the highly respected institutions of higher learning in Tanzania where he rose to the position of Senior Lecturer and Head of Accountancy Department. He moved to Dar es Salaam Stock Exchange Plc(DSE) as the founding Head of Finance and Operations before shifting to NMB Bank Plc as Treasurer, the largest commercial bank in Tanzania. CPA Oswald later joined Tanzania Mortgage Refinance Company Ltd (TMRC) as Chief Finance Officer (CFO) from 2011 to July 2024. He is currently Senior Partner, Diamond Financial Services, an audit and advisory firm based in Dar es Salaam.

He is currently a Non- Executive Director of the Tanzania Portland Cement Plc Board of Directors. He previously served as a director at Rural Energy Agency (REA); a Trustee at the GEPF Retirement Benefit Fund for nine (9) years before the merger of pension funds in July 2018; Board Member, National Board of Accountants and Auditors Governing Board; Chairman of the Tanzania Association of Accountants (TAA) Governing Board as well as Chairman of the Evangelical Lutheran Church in Tanzania, Eastern and Coastal Diocese Investment Trust Board (ELCT-ECD- ITB).

BOARD OF DIRECTORS CAREER PROFILES

Kissa Vivian Kilindu was appointed as Non-Executive Director of National Investments Plc and her appointment was approved in the NICOL Extra-Ordinary Shareholders Meeting held on 14th May 2022.

Ms. Kissa Vivian Kilindu is an Assistant Director at the Prime Minister's Office. She has previously worked as a Director at Tanzania Employment Services Agency and at the Bank of Tanzania as a Senior Computer Systems Engineer.

An MBA holder (Durham University – UK), Ms. Kilindu is an Engineer by profession holding a BEng. (Hons) Electrical and Electronic degree from the University of Greenwich (UK). Ms. Kilindu has over 20 years of extensive working experience in areas of Information and Communication Technology Governance, Management and Policy Research.

Her passion is Cyber Security, and she is an ICT Professional Member of the Information and Communication Technologies Commission (ICTC), Registered Member of the Engineers Registration Board (ERB) and Member of the Institute of Directors in Tanzania (IoDT).

Ms Kilindu serves as a Member of the Board of Directors of National Investments PLC (NICOL) Investment and Financing Committee and also serves as a Member of the Board of Directors of Mwalimu Commercial Bank (MCB) where she is a Member of the Audit and Risk Committee. She is also a member of the ICT Steering Committee of the Public Service Social Security Fund (PSSSF).

She has previously served as a Member of the Board of Directors of Tanzania Electric Supply Company Limited (TANESCO) where she was a Member of the Audit, Corporate and Governance Committee.



MS. KISSA VIVIAN KILINDU
NON EXECUTIVE DIRECTOR

BOARD OF DIRECTORS CAREER PROFILES



MS. REHEMA A. TUKAI
NON EXECUTIVE DIRECTOR

Ms. Rehema Tukai was appointed as Non-Executive Director of National Investments Plc and her appointment was approved in the NICOL Extra-Ordinary Shareholders Meeting held on 14th May 2022.

Rehema is a development expert with over 20 years in senior management roles focusing on institutional partnership frameworks, design and delivery of donor funded development programmes and developing organizational approaches to optimize delivery of results, and learning.

Rehema Tukai is currently consulting with Oxford Policy Management Limited in Tanzania and also served as Country Director of Water For People in Tanzania. Prior to that she served as a Deputy Director for the Accountability in Tanzania Programme, a UKaid funded programme managed by KPMG Development Advisory. Prior to that she worked for REPOA, a national think tank focusing on policy research and advisory on economic development.

She brings experience on institutional governance from serving on several oversight boards and committees. She is a Deputy Board Chairperson of REPOA and Board Treasurer for Voluntary Services Overseas in Tanzania and a member of the MoFP Steering Committee for Public Private Partnerships.

She is an alumna of University of Canberra in Australia and Institute of Social Studies at Erasmus University in the Netherlands and has expert qualification in Monitoring and Evaluation.

ADV. BENJAMIN MWAKAGAMBA COMPANY SECRETARY

Mr. Benjamin Mwakagamba is an Advocate of the High Court of Tanzania and a professional member of Tanganyika Law Society (TLS) and East Africa Law Society (EALS). Currently, he is the Managing Partner and founder of the Law Firm styled as BM Attorneys.

He is a legal practitioner and travelled appreciable distance in the litigation field. He deals with company formation and investments advice, corporate restructuring, legal services to banks and other financial institutions, Environmental Law, Intellectual property law, Corporate, Statutory and Business support services, Labour Law, Tax Law, Land Law conveyancing and receivership liquidation.

He is appointed retainer by Tanzania Action Aid as Legal Counsel handling all legal matters of the organisation. Also, he is the Company Secretary of National Investments PLC (NICOL)



THE EXECUTIVE MANAGEMENT TEAM



THE EXECUTIVE MANAGEMENT TEAM

ERASTO G. NGAMILAGA **CHIEF EXECUTIVE OFFICER**

Mr. Erasto Gaudence Ngamilaga joined National Investments PLC in June 2017, after more than five years of service at the Serengeti Breweries Ltd as subsidiary of the DIAGEO a multinational company based in UK served in various senior leadership position including Credit Risk Manager and Supply Finance Manager. Before entrusted by the NICOL Board in the position of the Chief Executive Officer of NICOL, Ngamilaga was as the Chief Finance Officer of NICOL.

Prior to year 2017, Ngamilaga also served as the Deputy Chief Executive Officer of the National Investments PLC, where he brought significant impacts to the achievement in the re-listing of NICOL shares at the Dar Es Salaam Stock Exchange in year 2018. He also made significant impact in portfolio diversification in driving agenda for sustainability, increased returns, shareholders value and growth.

Ngamilaga career in Finance and Management spans over fifteen (15) years, covering Financial Accounting, Banking Operation, Project Management and control functions. He has immense experience in Strategic Management, Management, Transformational Leadership and Business Turnaround Strategy.

He has successfully led teams to deliver on various key areas that have helped to shape the required needs of the companies.

Earlier in his career, Ngamilaga worked for NMB Plc as the bank officer and later promoted as the Financial Analyst and selected to be part in leading transformation team (Sunrise Project) in the transformation of the NMB Bank.

In 2009, had to grow his career and joined the TanzaniteOne Mining Ltd as the Manufacturing Accountant and later promoted to the position of Finance Manager. He was then moved to Sumbawanga Agricultural and Animal Feed Ltd as the Finance Manager in 2011.

Ngamilaga is the Certified Public Accountant (CPA T) issued by the National Board of Accountant and Auditors (NBAA) and also holds a Masters Degree in Finance and Investments from Coventry University. He has also attended various Executive Development and Leadership programs, various NBAA seminars and other development programs.

Ngamilaga is the believer of positive change to bring about positive impacts to the owners of the Shareholders, to the people and to the national economy at large.



THE EXECUTIVE MANAGEMENT TEAM

EZEKIEL LOVILILO CHIEF FINANCE OFFICER

Ezekiel Lovililo who joined NICOL as the Chief Finance Officer in July 2022 has more than 10 years of experience in finance, spanning various industries including financial services, government, and investments in international and multi-cultural environments. Ezekiel has a proven track of building competent teams, improving performance, business turnaround, simplification, and digitalisation.

His division is responsible for the overall financial strategy, management, and oversight of the Group.

Prior to joining NICOL, Lovililo was Chief Finance Officer at Britam Insurance Tanzania Limited where he oversaw finance, corporate treasury, strategy, corporate development, investor relations, property, and supply chain management functions.

His extensive experience in providing direction of the financial strategic planning and tactical initiatives to accomplish goals brings in significant value to the Group.

Lovililo is an Associate Certified Public Accountant (ACPA) issued by the National Board of Accountants and Auditors (NBAA) and holds a Diploma in International Public Sector Accounting Standards (IPSAS) issued by the National Board of Accountants and Auditors (NBAA). He also holds a Master Degree of Science in Accounting and Finance from Mzumbe University. He also holds a Bachelor of Accounting and Finance from Mzumbe University. He has attended various executive programs and events as well as professional trainings. He is also a Certified Director by the Institute of Directors Tanzania.

Lovililo is a visionary leader with result-oriented mindset who believes in change and embraces it in a better way to reach a goal and add value to the Shareholders.



THE EXECUTIVE MANAGEMENT TEAM



DEOGRATIAS DARIO **INVESTMENT MANAGER**

Deogratias Dario joined NICOL as the Investment Manager in April 2021. He is a seasoned professional with a decade of experience in the financial sector. He has extensive knowledge and expertise in financial markets, portfolio management and project financing. His division is responsible for development of strategic plans of the company's direction and analyse investment opportunities with potential to meet the company's financial and investment objectives.

Prior to joining NICOL, Dario spent six years in the stock brokerage and investment advisory industry, holding various positions at CORE Securities Limited. Throughout his career he has accumulated a deep understanding of the Tanzanian capital market and attained strong requisites as an investment advisor.

Dario's skill set is underscored by proven technical proficiency, outstanding interpersonal abilities, and effective leadership qualities poised to make a significant contribution to NICOL's sustainable growth.

Dario holds a MSc. in Finance and Investment from Coventry University and a Bachelor's degree in Economics and Finance from the Institute of Accountancy Arusha. Also, He holds the Securities Industry Certification from Capital Markets and Securities Authority (CMSA) in collaboration with the Chartered Institute of Securities and Investment, UK. He is a certified Securities and Investments practitioner by the Chartered Institute of Securities and Investment (CISI)

Additionally, he holds a Certificate in Directorship from the Institute of Directors in Tanzania (IoDT), highlighting his commitment to excellence.



INVESTMENT COMMITTEE PROFILE

CO-OPTED MEMBERS PROFILE



HILDEBRAND E SHAYO
BA (Hons) MSc,
Dev Eco, PhD
COMMITTEE MEMBER

Hildebrand Shayo is a holder of a PhD degree in Resource planning (resource economics) from London South Bank University, UK. He also holds a Master's degree in Development Studies (development planning) from the University of Dar es Salaam obtained in 1995. He also holds a Bachelor of Arts and Social Science (Economics) obtained in 1993 from the University of Dar es Salaam, Tanzania.

Currently is the Principal Officer, of Agency Fund Solicitation and Administration at TIB Development Bank, wholly owned by the Government of the United Republic of Tanzania. Dr Hildebrand Shayo joined TIB Development Bank as Manager of Strategic Planning and Economic Research in 2013. Before that, worked at the Open University of Tanzania as a Senior Lecturer at the Economics Department from 2010-2011. Before that worked as Investment and Asset Manager for Tanzania National Investment Company cum Chief Executive Officer (CEO), then NICOL's subsidiary company.

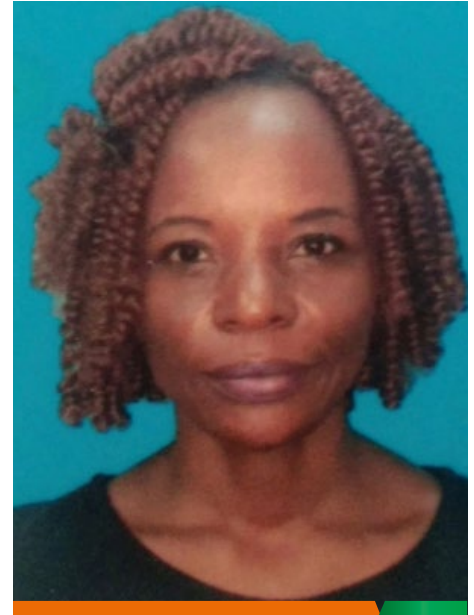
Before joining Open university worked as an associate researcher/ lecturer at the Built Environment, London South Bank University from 2004 to November 2009. Before working at LSBU, worked at the Prime Minister's Office of the United Republic of Tanzania as a data analyst at a national local government reform program. Before joining PMO, worked as Senior Investigator Office at the prevention corruption bureau (PCCB) under the President's Office. Before, worked as a tutorial assistant at the Institute of Development studies at the University of Dar es salaam from 1995 to 1999 and part-time lecturer at the Police College, at Kurasini Dar es Salaam Tanzania.

Hildebrand has served as a Directors for strategic government establishment Institutions in Tanzania, namely:- Tanzania Port Authority (TPA), Tanzania State Mining Corporation (STAMICO), Tanzania Red Cross (TRC) and Tanzania Broadcasting Corporation (TBC). He has published widely- books, book chapters and published more than 350 investment and business articles in local and international academic journals. He is a Moodys trained investment data analyst and a certified and Nominated Transaction Advisor since 2013 by the Capital Market Authority of Tanzania (CMSA).

CO-OPTED MEMBERS PROFILE

Kathryn has over 20 years' experience in finance and investment. As a former fund analyst, management consultant, CFO and strategic advisor, Kathryn is an expert in all aspects of investment facilitation, capitalisation, acquisitions and divestitures, finance and legal transactions, deal structuring and investor relations. She worked in Switzerland for many years and more recently in Kenya, South Africa, and Tanzania.

Previously consulting as Strategic Advisor to the Tanzania Mercantile Exchange, Kathryn is now Director of Tanzania Traders & Merchants Ltd. Tanzania's first privately owned commodity exchange. She is also a Non-Executive Director at Tanzania Private Equity & Venture Capital Association. Kathryn brings her deep understanding and networks across the financial sector in Tanzania as an investment facilitation expert on the GGF.



KATHRYN KIGARABA NGENDA
COMMITTEE MEMBER

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CONSOLIDATED ST

	2011	2010
	Managers	Managers
Salaries	\$ 2,162,856	\$ 433,312
Payroll taxes and fringe benefits	482,784	22,804
Utilities	1,050,829	250,480
Professional fees and contract services	354,431	185,000
Repairs and maintenance	596,482	743,000
Food	-	400,000
Insurance	366,080	-
Interest expense	86,762	-
Office expenses	-	67,833
Rent	-	104,882
Minor equipment and furniture purchases	-	-
Real estate taxes	-	-
Supplies	-	-
Senior trips and activities	-	-
Telephone and postage	-	-
Equipment rental	-	-
Special events	-	-
Other expenses	-	-
Depreciation and amortization	-	-
Expense	-	-

FINANCIAL STATEMENTS

THE AGED, INC. AND AFFILIATES		2017		2016	
STATEMENTS OF FUNCTIONAL EXPENSES		Management and General		Fundraising	
Year Ended December 31		Total Expenses		Total Expenses	
Management and General	Fundraising	Management and General	Fundraising	Management and General	Fundraising
\$ 487,294	\$ 147,256	\$ 672,140	\$ 79,608	\$ 514,521	\$ 18,261
221,716	22,885	301,652	18,261	336,839	10,975
6,143	17,008	1,107,180	-	1,352,291	-
301,572	3,910	469,140	-	1,352,291	-
4,526	1,140	-	-	1,352,291	-
3,362	-	-	-	1,352,291	-
32,911	14,590	-	-	1,352,291	-
209,530	-	-	-	1,352,291	-
149,213	-	-	-	1,352,291	-
53,077	-	-	-	1,352,291	-
2,513	-	-	-	1,352,291	-
-	-	-	-	1,352,291	-
-	-	-	-	1,352,291	-
63,709	-	-	-	1,352,291	-
60,323	-	-	-	1,352,291	-
40,268	-	-	-	1,352,291	-
-	-	-	-	1,352,291	-
86,766	-	-	-	1,352,291	-
53,617	-	-	-	1,352,291	-
26,762	-	-	-	1,352,291	-
13,782	-	-	-	1,352,291	-
8,794	-	-	-	1,352,291	-
10,900	-	-	-	1,352,291	-
71,172	-	-	-	1,352,291	-
-	-	-	-	1,352,291	-
\$ 5,665,575	\$ 4,283,740	\$ 11,751,531	\$ 115,288	\$ 11,751,531	\$ 115,288

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024

CORPORATE INFORMATION

1. DIRECTORS

The Directors who served in office during the year and to the date of this report are shown on page 5.

2. REGISTERED OFFICE

National Investments Public Limited Company
Mirambo House, 3rd Floor 50 Mirambo Street
P.O. Box 7465, Dar es Salaam, Tanzania

3. BANKERS

Diamond Trust Bank Tanzania Limited
Masaki Branch
P.O. Box 115
Dar es Salaam, Tanzania

NMB Bank Plc
Ilala Branch
P.O. Box 9213
Dar es Salaam, Tanzania

4. AUDITOR

Tax Pro & Associates
Certified Public Accountants
P. O. Box 7550, NIC Investment House Dar es Salaam, Tanzania

5. MAIN LAWYER

BM Attorneys,
RITA Tower, 22nd Floor, Plot 727/11, Makunganya Street
P.O. Box 4681,
Dar es Salaam, Tanzania

6. COMPANY SECRETARY

Mr. Benjamin S. Mwakagamba
RITA Tower, 22nd Floor, Plot 727/11, Makunganya Street
P.O. Box 4681,
Dar es Salaam, Tanzania

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

The Directors present their report together with the audited financial statements for the year ended 31 December 2024, which disclose the state of affairs of National Investments Public Limited Company (the “Company” or “National Investments PLC” or “NICOL”) and its subsidiary Nico Land Development Company Ltd (together, the ‘Group’).

1. INCORPORATION

National Investments Public Limited Company is a public limited company incorporated in the United Republic of Tanzania under the Companies Act 2002 through certificate of incorporation number 41644 of 27 June 2001.

National Investments PLC’s registered office is located on the 3rd Floor, Mirambo House, 50 Mirambo Street, and P.O Box 7465, Dar Es Salaam, Tanzania.

2. VISION

To develop and increase active participation of local Tanzanians in the management and control of their national economy.

3. MISSION

“To be the leading Collective Investment Scheme in the country by efficiently mobilizing resources and strategically investing in viable economic ventures through equity ownership and direct investments. We are committed to leveraging cost-effective management systems and a highly skilled, motivated workforce to maximize returns and create long-term value for our shareholders.”

4. PRINCIPAL ACTIVITIES

“The principal activity of National Investments Plc is to strategically invest in a diversified portfolio, including shares of listed and unlisted companies, government securities, corporate bonds, and other financial instruments. Additionally, the company establishes and manages business enterprises in key economic sectors such as manufacturing, financial services, telecommunications, agriculture, mining, and other service industries. National Investments Plc is listed on the Dar es Salaam Stock Exchange PLC (DSE) in Tanzania.”

The Company is committed to maintain high standards of corporate governance which enhance performance, reduce risks and promote the protection of our shareholders’ interests.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

5. CORPORATE GOVERNANCE STATEMENT (Continued)

The Board recognizes that sound and effective corporate governance is essential to the long-term success of the organization, creating trust and ensuring positive relationships with our stakeholders. NICOL has a comprehensive range of policies and procedures in place designed to ensure that it is well managed, with effective oversight and controls.

The Board of Directors ("Board") of the Company sees governance as promoting strategic decision making that balances short, medium, and long-term outcomes, and safeguarding interests of the Company, shareholders, and the society in which we operate to create sustainable shared value.

Directors have a statutory duty to promote the success of the Company for the benefit of the stakeholders. In promoting the success of the Company, Directors must have due responsibility with regard to the long-term consequences of their decisions, the legitimate interests of employees, the need to foster effective business relationships with shareholders, Government and various stakeholders, the impact of the Company's operations on the community, the environment, and the desire to maintain a reputation for high standards of business conduct.

During the year we have undertaken steps to ensure ongoing compliance with Corporate Governance Code and related Guidelines. Throughout the year ended 31 December 2024, the Company has endeavoured to apply the core governance principles to comply with the provisions of the Code. The Board is committed to ensuring that the Company complies with the laws, regulations, and standards applicable to the industry. The Board ensures that high standards and practices in Corporate Governance and more specifically the principles, practices and recommendations set out under the Code of Corporate Governance Practices for Listed Companies, 1994 (Capital Markets and Securities Authority (CMSA) Principles of Good Corporate Governance Practices), the Corporate Governance Regulations 2021 as well as the laws governing the establishment of the Collective Investment Scheme in safeguarding interest of all shareholders.

The Board believes that good corporate governance is the core driver of sustainable corporate performance and creates shared value by ensuring the right balance between organizational growth and long-term stakeholders' value.

The Board regularly reviews its corporate governance arrangements and practices and ensures that the same reflects evolving good corporate governance norms, the developments in regulation, and stakeholders' expectations. Corporate governance framework enables the Board to oversee the strategic direction of the Company, financial goals, resource allocation, risk appetite and to hold the executive management accountable for execution.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

6. OUR CORPORATE GOVERNANCE FRAMEWORK

Our Corporate Governance framework enables the Board to oversee the strategic direction of the organization, financial goals, resource allocation, risk appetite and to hold the executive management accountable for execution.

This statement details the key corporate governance arrangements and practices of National Investments Plc and its affiliate company. The statement sets out the key components of NICOL corporate governance framework, which provides guidance to the Board, management and employees and defines roles, responsibilities and expected behaviours and conduct standards.

NICOL'S GOVERNANCE FRAMEWORK

The Company operates within a clearly defined corporate governance framework which provides for delegation of specific mandates (as may be necessary) and clear lines of responsibility without abdicating the responsibility of the Board. Through the framework, the Board sets out the strategic

direction of the Company while entrusting the day-to-day management of the business and the implementation of the Company's strategy to the Chief Executive Officer (CEO).

NICOL is governed by the Board of Directors. The appointment of directors is regulated by the Memorandum and Articles of Association (MEMARTS) of the Company and guidelines issued by the Capital Markets and Securities Authority and the Capital Markets and Securities Act of 1994.

The Board is accountable to the shareholders for the overall performance and is collectively responsible for long-term success of NICOL. The Board is responsible and accountable for

providing effective corporate governance, direction, and control of the company. The Directors have a duty to exercise leadership, enterprise, integrity, and judgment based on transparency, fairness, accountability and responsibility.

The Board is composed of six directors, who are Independent Non-Executive Directors. The Board is assisted in fulfilling its responsibilities by three principal committees. Executive Committee, Audit and Risk Committee, and Investment and Financing Committee. The relevant committees assist the Board to undertake its duties effectively and efficiently in line with the strategic priorities.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

6. OUR CORPORATE GOVERNANCE FRAMEWORK (Continued)

The Board Charter

NICOL has Board's Charter with terms of references which provide for a clear definition of the roles and responsibilities of the Company's Board Chairman, Directors as well as the Company Secretary. The roles and responsibilities of the Company's Board Chairman and the Chief Executive Officer are separate and distinct with a clear division of responsibility between the running of the Board and the executive responsibility of strategy execution and running of the Company.

7. COMPOSITION OF THE BOARD OF DIRECTORS

The Company is committed to ensuring the overall effectiveness of the Board and that it achieves the appropriate composition and balance of directors. The Board comprises of non-executive Directors who bring a diversity of skills, experience, and knowledge to the discussion, and play an important role in supporting the Board. The non-executive Directors are expected to have a clear understanding of the strategy of the Company, Risk and Governance, as well as knowledge of the investment industry and in particular Collective Investment Scheme.

The aggregate mix of skills and experience of the Directors seeks to bring about individual and collective competence requisite in fostering robust and constructive debate, augments and challenges the strategic thinking of the executives thereby adding value to the Company.

Currently, the Board comprises six non-executive Directors including the Board Chairman. The Board determines its size and composition, subject to the Company's Articles of Association, Board Charter, and applicable law.

As of the date of this report and for the year ended 31 December 2024, the Board of Directors ("the Board") comprised six Directors all of whom are Non-Executive Directors.

NAME	POSITION	NATIONALITY	DATE OF APPOINTMENT
Dr. Gideon H. Kaunda	Chairman	Tanzanian	Re-appointed on 12 November 2022)
CPA George M.J. Nchwali	Director	Tanzanian	Appointed - 11-Feb-22
CPA Oswald M. Urassa	Director	Tanzanian	Appointed- 11-Feb-22
Ms. Kissa V. Kilindu	Director	Tanzanian	Appointed - 11-Feb-22
Ms. Rehema A. Tukai	Director	Tanzanian	Appointed - 11-Feb-22
Eng. Boniface G. Nyamo-Hanga	Director	Tanzanian	Appointed- 11-Feb-22

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

8. COMPANY SECRETARY

As of 31 December 2024, the Company Secretary is Mr. Benjamin S. Mwakagamba. He provides support and guidance to the Board on governance, regulatory compliance, and ethical practices.

The Company Secretary plays a vital role in ensuring effective corporate governance by facilitating the efficient functioning of the Board and its committees in accordance with their terms of reference and best practices. His key responsibilities include:

- Maintaining strong and consistent governance practices at Board level and throughout the Company.
- Supporting the Board Chairman in ensuring effective functioning of the Board and its committees, and transparent engagement between senior management and the Board.
- Facilitates induction and professional development of Board members.
- Advises and supports the Board and management in ensuring effective end-to-end governance and decision making of the company.
- Provides support and guidance to the Board in matters relating to governance and ethical practices.
- Responsible for induction programs of new directors, keeping board members abreast of relevant changes in legislation and governance principles.

9. BOARD COMMITTEES

The Board places significant reliance on its committees by delegating a broad range of responsibilities and issues to them to achieve effective independent oversight and stewardship. It therefore remains crucial that effective linkages are in place between the committees and the Board as a whole, as it is impracticable for at least one non-executive Directors to be members of at least each Committee.

Mechanisms are in place to facilitate these linkages, including ensuring that there are no gaps or unnecessary duplications between the remit of each committee and overlapping membership between Board committees where necessary. Alongside interconnected committee membership, the Board receives documented summaries of each of the committee's meetings.

During the year, the Board had the following board sub-committees to ensure a high standard of corporate governance throughout the Company.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

9. BOARD COMMITTEES (Continued)

9.1. Board Executive Committee (BEC):

The Committee assists the Board in fulfilling its oversight responsibilities in accordance with the Articles of Association of the Company. The Committee, which is a steering committee for the full Board, shall have an oversight role over the critical key projects of the Company, provide guidance, support and mentor Management during transitional periods as well as be involved in any crisis situation that may arise within the Company. During the year the committee met 3 times.

It is the general intention that all substantive matters in the ordinary course of business are brought before the full Board for action and/or ratification, but the Board recognizes the need for flexibility to act on substantive matters where action may be necessary between Board meetings.

NAME	NATIONALITY	QUALIFICATION/DISCIPLINE
Dr. Gideon H. Kaunda	Tanzanian	Economist, Lawyer
Eng. Boniface G. Nyamo-Hanga	Tanzanian	Engineer

9.2. Board Audit and Risk Committee (BARC)

The Committee assists the Board in fulfilling its oversight responsibility relating to the integrity of the Company's financial statements and financial reporting process, systems of accounting and financial controls; the annual external audit of financial statements, reporting and internal controls; performance of the Internal Audit and Risk Functions; compliance with legal and regulatory requirements; adequacy of the risk management function; the oversight responsibility on planning and conduct of audits to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with IFRS Accounting Standards and applicable laws, rules and regulations.

Audit Functions:

The BARC assists the Board by providing oversight of the Company's financial reporting responsibilities, including external audit independence and performance. Currently, the Audit Committee comprises two independent Directors. The Committee's responsibilities include the following:

- Reviewing the quarterly and full- year statutory financial reports for recommendation to the Board.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

9. BOARD COMMITTEES (Continued)

9.2. Board Audit and Risk Committee (BARC) (Continued)

Reviewing significant accounting estimates and judgments used for the preparation of the financial reports.

- Advising the Board on the Company's financial reporting requirements to ensure that the Board has exercised oversight of the work carried out by management, Internal Audit Function, and the external auditor.
- Reviewing and approving any new or proposed changes in the accounting policies.
- Monitoring developments in statutory reporting and accounting and disclosure requirements.
- Reviewing the effectiveness of, and ensuring that management has appropriate internal controls over, financial reporting.
- Reviewing and monitoring the relationship with the external auditor and oversees its appointment, tenure, rotation and remuneration.
- Overseeing the work of the Internal Audit and monitoring and assessing the effectiveness, performance, resourcing, independence and standing of the function.

BARC also has overall non-executive responsibility for oversight of risk-related matters and the risks impacting the Bank.

During the year, the committee met 4 times, the committee comprises the following members.

NAME	NATIONALITY	QUALIFICATION/DISCIPLINE
CPA George M.J. Nchwali	Tanzanian	Certified Public Accountant
Ms. Rehema A. Tukai	Tanzanian	Development Practitioner and Environment Specialist

9.3. Board Investment and Financing Committee (BIFC)

The Investment Committee is responsible for creating and overseeing benchmarks and directives and measures their potential impact on the financial condition of NICOL and assess their suitability in meeting the objectives of NICOL.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

9. BOARD COMMITTEES (Continued)

9.3. Board Investment and Financing Committee (BIFC) (Continued)

- 1) The asset allocation policy shall be sufficiently diversified to enable the appropriate fiduciary to manage risk without imprudently sacrificing returns.
- 2) The Committee, with support from the Management, will establish investment performance benchmarks for each asset class, based on pre-approved criteria. The same shall be approved by the Board of Directors.
- 3) The Investment committee has the role of deciding investment priorities and establishes an efficient portfolio and submits the same for approval by the Board of Directors

The Chief Executive Officer of NICOL implements the asset allocation policy as recommended by the Investment and Financing Committee and approved by the Board of Directors.

All proposals of all new investment opportunities identified by the Management is reviewed by the Board Investment and Financing Committee which makes recommendation to the Board of Directors. The Board has the approval powers of all investments.

The Committee met four (4) times during the year. It comprised of the following members:

NAME	NATIONALITY	QUALIFICATION/ DISCIPLINE	TITLE	STATUS
CPA Oswald M. Urassa	Tanzanian	Certified Public Accountant	Director	Available
Ms. Kissa V. Kilindu	Tanzanian	Engineer and ICT Specialist	Director	Available
Dr. Hildebrand E. Shayo	Tanzanian	Economist	Invitee	Available
Ms. Ngenda C. Kigara	Tanzanian	Economist	Invitee	Resigned 03-Oct-24
Mr. Brighton R. Kinemo	Tanzanian	Economist	Invitee	Resigned 02-Aug-24

10. BOARD ACTIVITIES DURING THE YEAR

During the year, a total of five (5) Board meetings were held, including one (1) Extraordinary Board Meeting.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

10. BOARD ACTIVITIES DURING THE YEAR (Continued)

Additionally, the following committee meetings took place:

- **Four (4)** Board Audit and Risk Committee (BARC) meetings
- **Four (4)** Board Investment and Financing Committee (BIFC) meetings
- **Three (3)** Board Executive Committee meetings

The table below provides a summary of the number of Board and Committee meetings held during the year, along with the attendance record of directors:

DIRECTOR'S NAME	BOARD (5)	BEC (3)	BARC (4)	BIFC (4)
Dr. Gideon H. Kaunda	5	3	n/a	n/a
CPA George M.J. Nchwali	5	n/a	4	n/a
CPA Oswald M. Urassa	5	n/a	n/a	4
Ms. Kissa V. Kilindu	4	n/a	n/a	4
Ms. Rehema A. Tukai	4	n/a	4	n/a
Eng. Boniface G. Nyamo-Hanga	4	3	n/a	n/a

11. CORPORATE GOVERNANCE AND MANAGEMENT OF THE SUBSIDIARY

The subsidiary, Nico Land Development Company Ltd, is 99% owned by National Investments Plc. The Board of Directors of Nico Land Development Company Ltd (the "Board") comprises two (2) Directors, both of whom hold non-executive positions. The Board assumes overall responsibility for the subsidiary, including oversight of key risk areas, investment decisions, significant financial matters, and the review of strategic plans and budgets. Additionally, the Board ensures the implementation of a robust internal control framework, adherence to corporate governance principles, and regulatory compliance.

The Board is required to convene a meeting at least four times per year. The day-to-day management of Nico Land Development Company Ltd is delegated to the Chief Executive Officer of National Investments Plc, who is supported by professionals from the parent company in areas such as accounting and company secretarial services under a management service agreement.

Due to the limited number of transactions, Nico Land Development Company Ltd currently has no direct employees. Essential functions, including secretarial and accounting services, have been outsourced to the parent company. As business operations expand and transaction volumes increase, the Group will reassess the subsidiary's organizational structure and address any identified gaps as necessary.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

12. CAPITAL STRUCTURE

	2024 TZS "000"	2023 TZS "000"
Authorized:		
1,600,000,000 (2022: 1,600,000,000) ordinary shares of 125 each	200,000,000	200,000,000
Issued and fully paid:		
61,634,834 (2022: 61,634,834) ordinary shares of TZS 125 each	7,704,354	7,704,354
Share premium	1,588,635	1,588,635
	1,588,635	1,588,635

13. SHAREHOLDERS OF THE COMPANY

Shareholders of the National Investments PLC are as follows:

Name of Shareholder	2024 Number of shares	%	2023 Number of shares	%
The Public Service Social Security Fund	5,666,670	9.2	5,666,670	9.2
Erncon Holdings Limited	1,284,982	2.1	1,284,982	2.1
Ernest Saronga Massawe	1,014,500	1.6	1,014,500	1.6
Tanzania Posts Authority	800,000	1.3	800,000	1.3
Commex Holding Ltd	800,000	1.3	800,000	1.3
Mark William Njiu	716,000	1.2	716,000	1.2
General Public	51,352,682	83.3	51,352,682	83.3
Total	61,634,834	100	61,634,834	100

14. PERFORMANCE FOR THE YEAR

The performance results for the year are set out on page 28 of these financial statements.

The Group's revenue increased by 40%, reaching a total of TZS 15.6 billion during the year (2023: TZS 8.3 billion). Operating profit grew by 20%, rising from TZS 10.1 billion in 2023 to TZS 12.1 billion in the current year.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

14. PERFORMANCE FOR THE YEAR (Continued)

Total expenses for the year ended 31 December 2024 increased to TZS 3.5 billion (2023: TZS 2.3 billion), primarily driven by the business combination following the acquisition of Mirambo Street Properties Limited in 2024, which resulted in the consolidation of its expenses into the Group's financials.

The Group and the Company reported a profit after tax of TZS 9.07 billion and TZS 8.60 billion, respectively, for the year ended 31 December 2024 (2023: TZS 6.79 billion and TZS 6.83 billion, respectively).

15. KEY PERFORMANCE INDICATORS

The Key Performance Indicators of the Group and Company for the year ended 2024 were computed based on the targets set by the Group and Company in comparison with the actual performance results for the year.

The Key Performance Indicators were derived from a KPI dashboard which measured the following parameters throughout the year:

Key performance indicators

	Group 2024	Group 2023	Company 2024	Company 2023
Total Income (TZS'000)	15,602,417	12,389,479	13,031,470	12,389,479
Operating profit (TZS'000)	12,101,234	10,082,711	10,829,086	10,128,352
Operating profit margin (%)	78	81	83	82
Profit for the year (TZS'000)	9,070,230	6,786,278	8,596,541	6,832,369
Net profit margin (%)	58	55	66	55
Net assets (TZS'000)	162,587,670	138,514,888	162,503,379	138,632,224
Return on capital employed (%)	7	7	6	7

16. STOCK EXCHANGE INFORMATION

National Investments PLC was relisted on the Dar es Salaam Stock Exchange (DSE) in 2018. As of the year-end, the share price stood at TZS 640 (2023: TZS 500).

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

16. STOCK EXCHANGE INFORMATION (Continued)

The market capitalization as of 31 December 2024 was TZS 39.45 billion (2023: TZS 30.1 billion). Stock price fluctuations are influenced by the demand and supply of shares in the market. Additionally, changes in economic conditions, market dynamics, regulatory policies, and accounting standards can impact corporate profitability, potentially leading to temporary stock price variations.

However, the net asset value (NAV) of National Investments PLC is estimated to be approximately TZS 2,634 per share.

17. CURRENT AND FUTURE DEVELOPMENT PLANS

National Investments PLC is currently implementing a five-year strategy which is focusing on investing in a well-diversified portfolio to ensure value creation and improved shareholders return. The Group will continue to improve its profitability through the focusing on a diversified set of specialized associate enterprise, capable of flourishing and insulated from the shifting business landscape triggered by economic changes and technological imperatives to the advantage of the centrifugal growth while carefully managing both costs and risks.

18. STAKEHOLDERS RELATIONSHIP

The sustainability of our business depends on positive relationships with our stakeholders. We pursue stakeholder engagement systematically, which allows us to understand those risks that could impact our business. We believe that open exchange with and between diverse stakeholder groups has a significant potential and contribution in our strategy and ultimately our value creation. National Investments PLC, therefore, remains committed to understanding the needs of our stakeholders and receiving feedback, and responding appropriately so that we can consistently and sustainably create value in the short, medium and long term.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

18. STAKEHOLDERS RELATIONSHIP (Continued)

The table below highlights our stakeholders, their expectations and our strategic responses.

STAKEHOLDER GROUP	WHAT THESE STAKEHOLDERS CARE ABOUT	OUR STRATEGIC RESPONSES
Shareholders and Investment Community	• Share price growth. • Dividends paid. • Effective corporate governance. • Experienced management. • Sustainable growth. Industry regulation.	• Focusing on delivering operational efficiencies, growth, and international diversification. • Growing contribution of revenue from international markets. • Providing a diversified product and service offerings. Promoting an ethical culture and responsible corporate citizenship across the Group. • Robust risk management and control measures
Regulators and Government agencies	• Full compliance with regulatory obligations and laws. • Involvement in industry discussions and thought leadership. • Sustainable operations	• Ensure compliance with all applicable legislation. • Monitor and respond to changes in our regulatory landscapes, staying up to date with changes in laws, regulations, and compliance frameworks. • When called upon we engage with regulatory bodies to provide inputs for new/ proposed legislation(s).

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

18. STAKEHOLDERS RELATIONSHIP (Continued)

STAKEHOLDER GROUP	WHAT THESE STAKEHOLDERS CARE ABOUT	OUR STRATEGIC RESPONSES
Employees	• Health and safety in the workplace. • Equitable remuneration. Career advancement and growth opportunities. Opportunities for learning and development. • Fair and equitable performance evaluation and feedback.	• Focusing on employee wellness and development. • Fair and competitive remuneration. • Talent development programs. • Investing in leadership development programs. Implementing strategies to ensure a highly engaged workforce. • Encouraging and supporting a culture of safety within the workplace. • Encouraging and supporting a culture of continuous personal learning. • Focusing on employee wellness and development. Fair and competitive remuneration. • Talent development programs. • Investing in leadership development programs. Implementing strategies to ensure a highly engaged workforce. • Encouraging and supporting a culture of safety within the workplace. • Encouraging and supporting a culture of continuous personal learning.
Suppliers and Service Providers	Timely payments. Beneficial long-term relationships. Sustainable business operations. Supporting local business. Open communication on matters that concern them.	Use of technology to facilitate timely payments. Prioritizing fair and transparent procurement activities. Ensuring adequate diversification of supplies through selecting suppliers who provide quality, affordable supplies that meet our requirements. Supporting local vendors. Monitoring relationships with our suppliers.
Strategic Partners	Win-win collaboration opportunities. Our performance and leadership in areas of collaboration.	We have put in place a policy on strategic partnerships to ensure the interests of the partners and the Group are aligned and mutually beneficial to both parties.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

19. PRINCIPAL RISKS, UNCERTAINTIES AND OPPORTUNITIES

Our enterprise risk management framework

National Investments PLC's long-term resilience and stability are the goal of our risk management initiatives. We accept the risks that come with our primary business. Even as we embrace these inherent risks, we strive to diversify them through our size and nature of the risk.

We invest in shares of listed and unlisted companies, government bonds, and other securities. Because of our responsibility to our shareholders, we prefer to keep those risks that we believe we can manage to generate a return.

Types of risk inherent in our business model

National Investments PLC has two (2) types of risk that are inherent to its business model.

1) Risk Arising from our Investments and other core activities:

- Refer Note 4.

2) Risk from our Operations and other business risks:

- **Operational risk:** This is the risk of direct or indirect losses resulting from insufficient or failed internal processes, people, and systems, as well as external events such as legislative or regulatory changes.
- **Strategic risk:** This is a risk that can occur as a result of poor business decisions, poor decision execution, insufficient resource allocation, or a failure to respond effectively to changes in the business environment.

How National Investments PLC share risk management responsibilities

The First Line of Defence - Executive Management

The Risk-Taking Function

In terms of strategy, performance measurement, and the formation and maintenance of internal control and risk management, the executive and management are the first line of defence.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

19. PRINCIPAL RISKS, UNCERTAINTIES AND OPPORTUNITIES (Continued)

The First Line of Defence - Executive Management (Continued)

The Risk-Taking Function (Continued)

They are responsible for:

- Managing daily risk exposures through the use of suitable procedures, internal controls, and adherence to Company-wide specified policies.
- Ensuring that sufficient resources are allocated for the effective execution of risk management initiatives and activities.
- Tracking risk incidents and losses, identifying issues and taking remedial action to resolve these issues, and reporting and escalating material risks and issues to the appropriate governing bodies.

The Second Line of Defence - The Risk Management Function

The Risk Oversight Function

The second line of defence is in charge of maintaining a formal risk management framework within which the National Investments PLC's policies and minimum requirements are established, as well as objective risk management monitoring across the Group.

The second line of defence includes the Board Audit and Risk Committee.

The Third Line of Defence - The Internal Audit Function

The Risk Assurance Function

Internal Audit, the third line of defence, ensures the effectiveness of National Investments PLC's internal control mechanisms established by the first and second lines of defence in an independent and objective manner.

Internal Audit is also in charge of providing management and the Board of Directors with independent and objective assurance on the Group and Company's risk management, governance, business processes, and controls.

External auditors have a statutory duty to report to the Board Audit, Risk and Compliance Committee any accounting and operational controls weaknesses discovered during their audits.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

19. PRINCIPAL RISKS, UNCERTAINTIES AND OPPORTUNITIES (Continued)

Overview of our principal risks

The types of risk to which the National Investments PLC is exposed, described in the table below,

MARKET RISK		
RISK DESCRIPTION	SOURCE OF RISK	MITIGATION
The risk that the financial assets held reduce in value below what the current value is. This risk impacts equities, bonds, property, and any foreign currency, denominated exposures, including liabilities.	• Equity Price • Property • Interest Rate • Foreign Exchange • Inflation We actively match our assets to liabilities and therefore, uptake market risks that match our liabilities' profile. Additionally, we have a NIL appetite for property risks as this asset class does not match the underlying liabilities' profile.	• Risk appetites set to limit exposures to key market risks. • Asset and liability duration matching which limits impact of interest rate changes and ensures optimal liquidity.
COUNTERPARTY RISK		
RISK DESCRIPTION	SOURCE OF RISK	MITIGATION
The risk that a counterparty defaults on a promise/obligation, and therefore, the group or company loses some of its assets.	• Bank deposits • Corporate bonds and commercial paper	• Meeting of risk appetite for bank deposits in terms of maximum limit in a single bank and maximum exposure limits to Tier I, Tier II and Tier III banks. • Risk appetite limits for exposure to corporate bonds and commercial paper in terms of limits to a single entity.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

19. PRINCIPAL RISKS, UNCERTAINTIES AND OPPORTUNITIES (Continued)

Overview of our principal risks (Continued)

LIQUIDITY RISK		
RISK DESCRIPTION	SOURCE OF RISK	MITIGATION
The risk that the business cannot meet its obligations or liabilities as and when they fall due.	• Mismatch of assets and liabilities, usually by duration • Low cash flow generation, e.g., due to reduced inflows and higher withdrawals	• Documented procedures for the finance and investment team that ensure liquidity is monitored daily. • Maintaining committed borrowing facilities from banks

OPERATIONAL RISK		
RISK DESCRIPTION	SOURCE OF RISK	MITIGATION
Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people, systems, or external events.	• Conduct • Legal & regulatory • People • Process • Data security • Technology • Brand and Reputation Operational risk should generally be reduced to as low a level as is commercially sensible. Operational risk will rarely provide us with an upside.	• Application of enhanced business standards covering key processes. • Enhanced scenario-based approach to determine appropriate level of capital to be held in respect of operational risks. • Ongoing investment in simplifying our technology to improve the resilience and reliability of our systems and in IT security to protect our data.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

19. PRINCIPAL RISKS, UNCERTAINTIES AND OPPORTUNITIES (Continued)

Principal emerging risks

Compliance Risks

- National Investments PLC being a listed Company at the Dar es Salaam Stock Exchange Market Plc (DSE) and being regulated by the Capital Market and Securities Authority (CMSA) poses a risk of compliance due to the reporting requirements and adherence to the rules and regulations of a listed company. Having known that, a risk dashboard is in place to ensure no reporting deadline is missed and all rules and regulations are adhered.

Cyber Security Risks

- The advanced use of technology in interactions with shareholders and stakeholders. This has caused heightened exposure to cyber related risks. However, our IT Security infrastructure has continued to ensure that our IT assets remain well protected even as there is heightened cyber security risk.

Fraud Risks

- Fraud risk remains a key risk for the business and as a result, National Investments PLC is in the process of implementing a comprehensive fraud risk management framework that incorporates; fraud prevention, proactive detection, investigation and response. As part of the organization's governance structure, National Investments PLC will have fraud risk management programs in place, including written policies to convey the expectations of the board of directors and senior management regarding the management of fraud risk. There are mechanisms to periodically assess fraud risk exposure within the organization to identify potential fraud schemes and events that the company needs to mitigate.

Environmental, social, and governance (ESG) Risks

Environmental, Social, and Governance (ESG) issues as well as their associated opportunities and risks are becoming more and more relevant for financial institutions. Sustainability is not just an ethical but may soon enough also become an economic and existential question - generating a new type of risk.

A key pillar of ESG is the environment. One source of environmental risk relates to climate change. This includes: – risks related to the transition to a lower-carbon economy, including policy and legal risks, technology risk, market risk and reputation risk – physical risks, such as changes in water availability, sourcing, and quality; food security; and extreme temperature changes affecting an organization's premises, operations, supply chains, transport needs, and employee safety.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

19. PRINCIPAL RISKS, UNCERTAINTIES AND OPPORTUNITIES (Continued)

Principal emerging risks (Continued)

Environmental, social, and governance (ESG) Risks (Continued)

National Investments PLC believes that activities that have negative E&S impacts affect the overall performance of the business.

National Investments PLC will use its reasonable commercial endeavors to adopt the following E&S principles to promote environmental and social protection and sustainable development in its activities:

- All activities must be environmentally friendly and socially responsible;
- All activities shall comply with national legislation and where applicable international environmental management conventions;
- Ensuring E&S reporting transparency in its activities;
- All activities must have respect for local communities and indigenous people;
- National Investments PLC will not knowingly finance activities that contravene international environmental agreements that have been enacted into the law of, or otherwise have the force of law, in the country in which the project is located;
- Projects must develop standards that promote favorable working conditions and are not harmful to employee health and well-being;
- Ensuring that the management and the shareholders understand these E&S policy commitments made by National Investments PLC;
- Financing investments only when they are expected to be designed, built, operated, and maintained in a manner consistent with the Applicable Requirements and Guidelines

20. LIQUIDITY

National Investments PLC ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted. The internal sources of the company's liquidity remain to be dividend income and interest income borne from the investments made.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

21. TECHNOLOGY AND INNOVATION

In 2024, National Investments PLC company maintained its existing technological infrastructure without significant new innovations or developments. However, we continue to explore opportunities for future enhancements in technology and innovation to support operational efficiency and long-term strategic objectives.

22. BUSINESS OBJECTIVES AND STRATEGIES

As an entity, we are faced with several challenges and opportunities. The Group's ongoing business profitability and sustainability is largely pegged into how we manage these challenges and weaknesses and take advantage of the opportunities and strengths.

Current and emerging risks that could threaten our business model, strategy and sustainability are identified and assessed through a top-down risk identification and assessment process. In addition, risks identified through the business unit strategic planning processes provide a bottom-up view.

National Investments PLC has identified key results areas, and the associated strategic objectives as identified in the table below.

KEY RESULT AREA	STRATEGIC OBJECTIVE
Investment Growth and Diversification - Investment Portfolio expanded. - Company profitability expanded.	- Identify suitable investments. - Construct diversified portfolio. - Understand and practice portfolio management. - Management of administrative and operational costs.
Business Development and Growth Marketing initiatives strengthened.	- Improve Company visibility to the market. - Re-gain market confidence. - Use technology to improve shareholders' information. - Introducing marketing and public relation department.
ICT Application Introduced ICT application in operation strengthened.	- Improve available communication channels. - Invest in technology to digitalize the operations.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

22. BUSINESS OBJECTIVES AND STRATEGIES (Continued)

KEY RESULT AREA	STRATEGIC OBJECTIVE
Financial and Human Resource Management Empowered - Financial management efficiency improved. - Human capital and performance improved.	- Introduce an effective system to record and monitor Company expenses. - Improve employees' skills which results in realization of the vision and strategic objective of the Company.
Company Governance Enhanced Leadership and management system introduced.	- Improve corporate governance. - Improve the management system to support the successful leadership of the Company.

23. DIVIDENDS

At the end of the financial year 2023, the Board proposed a final dividend payment of TZS 53 per share, totalling TZS 3,266,646,202 (2022: TZS 43 per share), based on the Group's financial performance for the year. This proposal was presented to shareholders at the 10th Annual General Meeting, where it was approved and subsequently paid during the year 2024.

The Board remains committed to a progressive dividend policy, ensuring consistent and sustainable returns to shareholders while aligning with the Group's financial performance and long-term growth strategy.

24. EMPLOYEES WELFARE

National Investments PLC (NICOL) is committed to fostering a supportive and inclusive work environment by prioritizing the well-being, professional growth, and financial stability of its employees. The Company offers a range of welfare initiatives designed to enhance employee satisfaction and productivity.

Health and Well-being

NICOL provides comprehensive medical insurance coverage through strategic partnerships with insurance providers, ensuring employees and their dependents have access to quality healthcare services.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

24. EMPLOYEES WELFARE (Continued)

Retirement Benefits

NICOL is dedicated to securing the financial future of its employees beyond their active working years. Employees are enrolled in a pension scheme, in line with statutory requirements, to ensure long-term financial security.

To enhance employee retention, the Board introduced a gratuity scheme, where employees are enrolled in a 25% gratuity program, which will be paid at the end of their employment contract. This initiative serves as an additional financial incentive to retain and reward employees for their service and commitment to the Company.

Flexible Staff Loan and Financial Support

To support financial well-being, NICOL provides interest-free staff loans, repayable over 12 months, to all employees. Additionally, the Company offers staff advances in case of emergencies, ensuring financial stability during unforeseen circumstances.

Training and Professional Development

NICOL invests in continuous training programs, workshops, and certifications to enhance employees' skills and career growth. Employees are encouraged to participate in capacity-building initiatives to improve performance and advance their careers.

Workplace Safety and Well-being

The Company prioritizes workplace safety by implementing health and safety policies in line with labor regulations. Regular safety drills, risk assessments, and awareness programs are conducted to maintain a safe working environment.

Employee Engagement and Corporate Social Responsibility (CSR)

NICOL actively encourages its employees to participate in Corporate Social Responsibility (CSR) initiatives, reinforcing the Company's commitment to giving back to the community. Employee involvement in CSR activities is a key pillar of NICOL's corporate culture, supporting initiatives that benefit society.

Equal Opportunity and Diversity

NICOL promotes a workplace that values diversity, inclusion, and equal opportunities. The Company upholds non-discriminatory policies in recruitment, career progression, and overall workplace engagement.

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

24. EMPLOYEES WELFARE (Continued)

Leave Benefits

Employees are entitled to annual leave, maternity/paternity leave, sick leave, and other statutory leave benefits, ensuring work-life balance and employee well-being.

25. SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBLY (CSR)

During the year, while no major ESG initiatives were implemented, the company remained committed to fostering diversity and inclusion. As part of this commitment, a dedicated budget was allocated for Women's Day celebrations, recognizing and supporting the contributions of women within the group. The Group continues to assess opportunities to enhance its ESG efforts in the future.

26. RELATED PARTY TRANSACTIONS

The details of related party balances and transactions are provided in Note 26 to the financial statements.

27. AUDITORS

National Investments PLC appointed Tax Pro & Associates as auditor for the financial year 2024. A resolution for appointment of the National Investments PLC auditor for the year ending 31 December 2025 will be put to the Annual General Meeting for the same to be approved by the shareholders.

28. RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

The Members charged with governance accept responsibility for preparing these financial statements which show a true and fair view of the Group and Company to the date of approval of the audited financial statements, in accordance with the applicable standards, rules, regulations and legal provisions. The members also confirm compliance with the provisions of the requirements of TFRS 1 and all other statutory legislations relevant to the Group and Company.

BY ORDER OF THE BOARD



Dr. Gideon H. Kaunda

Chairman

29 March 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31st DECEMBER 2024

The Companies Act, No. 12 of 2002 requires Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of National Investments PLC as at the end of the financial year and of its profit or loss for the year. It also requires the directors to ensure that National Investments PLC keeps proper accounting records that disclose, with reasonable accuracy, the financial position of National Investments PLC. They are also responsible for safeguarding the assets of National Investments PLC and hence taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

The Directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with IFRS Accounting Standards and the requirements of the Companies Act, No. 12 of 2002. The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of National Investments PLC and of its profit in accordance with IFRS. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Nothing has come to the attention of the Directors to indicate that National Investments PLC will not remain a going concern for at least twelve months from the date of this statement.

BY ORDER OF THE BOARD



Dr. Gideon H. Kaunda
Chairman

29 March 2025



CPA George M.J.
Nchwali
Director

DECLARATION OF THE CHIEF FINANCE OFFICER

FOR THE YEAR ENDED 31st DECEMBER 2024

The National Board of Accountants and Auditors ("NBAA") according to the powers conferred to it 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 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 a true and fair view of the entity's position and performance in accordance with IFRS Accounting Standards and the requirements of the Companies Act, No.12 of 2002. Full legal responsibility for the preparation of financial statements rests with the Board of Directors as stated under the Statement of Directors' Responsibilities on the previous page.

I, Ezekiel Lovililo, being the Chief Finance Officer of National Investments PLC, hereby acknowledge my responsibility of ensuring that the financial statements for the year ended 31 December 2024 have been prepared in compliance with IFRS Accounting Standards and the requirements of the Companies Act, No. 12 of 2002

I thus confirm that the financial statements give a true and fair view of the financial position and results of National Investments PLC as on that date and for the year then ended, and that the financial statements have been prepared based on properly maintained financial records.

Signature:



Signed by:

CPA Ezekiel Lovililo

Position:

Chief Finance Officer

NBAA Membership Number:

ACPA 4122

Date:

29 March 2025



INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NATIONAL INVESTMENTS PLC (Continued)

REPORT ON THE FINANCIAL STATEMENTS

In our opinion the financial statements present fairly, in all material respects, the financial position of National Investments PLC as at 31 December 2024 its financial performance and its cash flows for twelve months' period then ended in accordance with International Financial Reporting Standards (IFRS) and comply with Companies Act 2002.

What we have audited

We have audited the annual financial statements of National Investments PLC for the year ended 31 December 2024 set out on pages 28 to 91. We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our audit.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we plan and perform the audit to obtain reasonable assurance that the annual financial statements are free from material misstatements. An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by the management, and
- Evaluating the overall financial statements presentation.

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 my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Opinion section we have determined the matters described below to be the key audit matters to be communicated in my report. We have determined that there are no key audit matters to communicate.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NATIONAL INVESTMENTS PLC (Continued)

REPORT ON THE FINANCIAL STATEMENTS (Continued)

Independence

We are independent of the Institution in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the ethical requirements of the National Board of Accountants and Auditors (NBAA) that are relevant to our audit of the financial statements in Tanzania. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the ethical requirements of the NBAA

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises of the Director's Report and the Declaration by the Head of Finance but does not include the financial statements and our auditor's report thereon.

Key audit matters (continued)

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 on the other information 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 Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NATIONAL INVESTMENTS PLC (Continued)

REPORT ON THE FINANCIAL STATEMENTS (Continued)

Responsibilities of Management and Those Charged with Governance for the Financial Statements (Continued)

In preparing the financial statements, management is responsible for assessing the entity'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 management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditors' Responsibility for the audit of the company financial statements

Our objectives are to obtain reasonable assurance about whether the company 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 the company financial statements.

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

- Identify and assess the risks of material misstatement of the company 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NATIONAL INVESTMENTS PLC (Continued)

REPORT ON THE FINANCIAL STATEMENTS (Continued)

Auditors' Responsibility for the audit of the company financial statements (Continued)

- 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 company 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 company financial statements, including the disclosures, and whether the company financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the Company financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.
- 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the company 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NATIONAL INVESTMENTS PLC (Continued)

REPORT ON THE FINANCIAL STATEMENTS (Continued)

Report on other legal and regulatory requirements

This report, including the opinion, has been prepared for, and only for, the company's members as a body in accordance with the Companies Act, No. 12 of 2002 and for no other purposes.

As required by the Companies Act, No. 12 of 2002, we are also required to report to you if, in our opinion, the Director's Report is not consistent with the financial statements, if the company has not kept proper accounting records, if the financial statements are not in agreement with the accounting records,

If we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed. In respect of the foregoing requirements, we have no matter to report.

JERRY E. MASSAGA (ACPA-PP 1107)

Managing Partner

TAXPRO & ASSOCIATES

(Certified Public Accountants)

Dar es Salaam

Date: 29 March 2025



FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Sales of land	6	9,042,093	-	-	-
Cost of sales	7	(8,400,840)	-	-	-
Gross profit		641,253	-	-	-
Investment income	8	12,836,470	11,123,629	12,836,470	11,123,629
Rental income	9	1,863,348	-	106,442	-
Other income	10	261,346	1,265,850	88,558	1,265,850
Administrative expenses	11	(2,602,469)	(1,473,739)	(1,788,833)	(1,428,698)
Other operating expenses	12	(898,714)	(833,029)	(413,551)	(832,429)
Operating profit		12,101,234	10,082,711	10,829,086	10,128,352
Finance costs	13	(2,171,309)	(2,447,987)	(1,532,991)	(2,447,987)
Profit before taxation		9,929,925	7,634,724	9,296,095	7,680,365
Tax charge	14	(859,695)	(848,446)	(699,554)	(847,996)
Profit for the year		9,070,230	6,786,278	8,596,541	6,832,369
Attributable to:					
Owners of the Company		9,065,494	6,786,739	-	-
Non-controlling interest		4,736	(461)	-	-
		9,070,230	6,786,278	-	-
Other Comprehensive Income:					
Items that will not be reclassified subsequently to profit or loss:					
Fair value revaluation gain/(loss) on equity instruments designated at FVOCI	27	18,056,154	30,413,429	18,056,154	30,413,429
		18,056,154	30,413,429	18,056,154	30,413,429
Total comprehensive income for the year, net of tax		27,126,384	37,199,707	26,652,695	37,245,798
Attributable to:					
Owners of the Company		27,121,648	37,200,168	-	-
Non-controlling interest		4,736	(461)	-	-
		27,126,384	37,199,707	-	-
Basic and diluted earnings per share	18	147.16	110.10	139.48	110.85

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

STATEMENT OF FINANCIAL POSITION

	Notes	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Equity					
Share capital	16	7,704,354	7,704,354	7,704,354	7,704,354
Share premium	17	1,588,635	1,588,635	1,588,635	1,588,635
Retained earnings		45,489,829	39,477,937	45,409,101	39,594,100
Fair value through OCI reserve		107,801,289	89,745,135	107,801,289	89,745,135
Equity attributable to owners		162,584,107	138,516,061	162,503,379	138,632,224
Non-controlling interest		3,563	(1,173)	-	-
Total Equity		162,587,670	138,514,888	162,503,379	138,632,224
Non-current liabilities					
Lease liabilities	19	134,201	233,919	134,201	233,919
Borrowings	31	12,709,524	16,161,905	12,709,524	16,161,905
		175,431,395	154,910,712	175,347,104	155,028,048
REPRESENTED BY Non-current assets					
Goodwill	35	168,980	-	-	-
Property and equipment	20	20,149,208	387,565	454,668	387,565
Capital work in progress	20	2,054,071	1,920,542	2,054,071	1,920,542
Right-of-use asset	21	202,574	268,608	202,574	268,608
Long-term receivable	32	-	-	-	2,191,781
Investment in subsidiary	28	-	-	23,241,234	23,241,234
Corporate bonds	30	202,962	202,702	202,962	202,702
Equity investments at FVTOCI	27	114,933,931	96,877,777	114,933,931	96,877,777
Government securities at amortised cost	29	44,675,021	34,637,359	44,675,021	34,637,359
		182,386,747	134,294,553	185,764,461	159,727,568
Current assets					
Trade and other receivables	22	1,444,354	17,916,130	2,723,109	873,464
Inventories	33	2,120,398	9,549,356	-	-
Cash and cash equivalents	23	2,919,311	611,376	98,896	548,007
		6,484,063	28,076,862	2,822,005	1,421,471

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

STATEMENT OF FINANCIAL POSITION (Continued)

	Notes	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Current liabilities					
Lease liabilities	19	37,152	43,136	37,152	43,136
Borrowings	31	3,452,381	3,452,381	3,452,381	3,452,381
Bank overdraft	34	6,108,984	-	6,108,984	-
Trade and other payables	24	609,724	1,596,869	423,354	257,607
Current tax payable	14	304,282	485,556	290,599	485,106
Dividends payable	15	2,926,892	1,882,761	2,926,892	1,882,761
		13,439,415	7,460,703	13,239,362	6,120,991
Net current assets/(liabilities)		(6,955,351)	20,616,159	(10,417,357)	(4,699,520)
		175,431,395	154,910,712	175,347,104	155,028,048

The financial statements on pages 120 to 195 were approved and authorised for issue by the Board of Directors on 29 March 2025 and were signed on its behalf by:



Dr. Gideon H. Kaunda
Chairman



CPA George M.J. Nchwali
Director

STATEMENT OF CHANGES IN EQUITY

Group	Notes	Share capital TZS'000	Share premium Non controlling interest TZS'000	FVOCI reserve TZS'000	Retained earnings TZS'000	TZS'000	Total TZS'000
Year ended 31 December 2024							
At start of year		7,704,354	1,588,635	89,745,135	39,477,937	(1,173)	138,514,888
Other comprehensive income for the year, net of income tax:							
Profit for the year		-	-	-	9,065,494	4,736	9,070,230
Adjustment Mirambo Street Properties Limited profit		-	-	-	(272,062)	-	(272,062)
Adjustment overstatement 2023		-	-	-	485,106	-	485,106
Fair value of disposed equity investments		-	-	-	-	-	-
Gain in fair value of equity instruments designated at fair value through other comprehensive income	27	-	-	18,056,154	-	-	18,056,154
Transactions with owners							
Dividends:							
Final dividend for 2023	15	-	-	-	(3,266,646)	-	(3,266,646)
At end of year		7,704,354	1,588,635	107,801,289	45,489,829	3,563	162,587,670
Year ended 31 December 2023							
At start of year		7,704,354	1,588,635	58,431,696	36,241,506	(712)	103,965,479
Other comprehensive income for the year, net of income tax:							
Profit for the year		-	-	-	6,786,739	(461)	6,786,278
Fair value of disposed equity investments		-	-	900,010	(900,010)	-	-
Gain in fair value of equity instruments designated at fair value through other comprehensive income	27	-	-	30,413,429	-	-	30,413,429
Transactions with owners							
Dividends:							
Final dividend for 2022	15	-	-	-	(2,650,298)	-	(2,650,298)
At end of year		7,704,354	1,588,635	89,745,135	39,477,937	(1,173)	138,514,888

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

STATEMENT OF CHANGES IN EQUITY (Continued)

Company	Notes	Share capital TZS'000	Share premium TZS'000	FVOCI re-serve TZS'000	Retained earnings TZS'000	Total TZS'000
Year ended 31 December 2024		7,704,354	1,588,635	89,745,135	39,594,100	138,632,224
At start of year		-	-	-	8,596,541	8,596,542
Profit for the year:						
Adjustment overstatement 2023		-	-	-	485,106	485,106
Other comprehensive income for the year, net of income tax:					-	-
Fair value of disposed equity investments						
Gain in fair value of equity instruments designated at fair value through other comprehensive income	27	-	-	18,056,154	-	18,056,154
Loss on disposed equity investments						
Transactions with owners						
Dividends:						
Final dividend for 2022	15	-	-	-	(3,266,646)	(3,266,646)
At end of year		7,704,354	1,588,635	107,801,289	45,409,101	162,503,380
Year ended 31 December 2023		7,704,354	1,588,635	58,431,696	36,312,039	104,036,724
At start of year		-	-	-	6,832,369	6,832,369
Profit for the year:						
Other comprehensive income for the year, net of income tax:						
Fair value of disposed equity investments		-	-	900,010	(900,010)	-
Gain in fair value of equity instruments designated at fair value through other comprehensive income	27	-	-	30,413,429	-	30,413,429
Loss on disposed equity investments		-	-	-	-	-
Transactions with owners						
Dividends:						
Final dividend for 2023	15	-	-	-	(2,650,298)	(2,650,298)
At end of year		7,704,354	1,588,635	89,745,135	39,594,100	138,632,224

STATEMENT OF CASH FLOWS

	Notes	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Operating activities					
Cash from operations	25	30,313,745	(6,433,865)	11,494,201	9,223,374
Tax paid	14	(615,779)	(362,890)	(408,955)	(362,890)
Net cash from operating activities		29,697,966	(6,796,755)	11,085,246	8,860,484
Investing activities					
Purchase of equipment	20	(23,276,159)	(364,844)	(160,507)	(364,844)
Acquisition of intangible (Goodwill)	35	(168,980)		-	-
Purchase inventories	33	7,428,958	(7,795,063)	-	-
Capital work in progress	20	(133,529)	(58,678)	(133,529)	(58,678)
Investment in subsidiary		-	-	-	(23,241,211)
Movement in deposits with banks		-	10,021,918	-	10,021,918
Bonds trading income received		-	50,041	-	50,041
Purchase of government bonds		(32,343,793)	-	(32,343,793)	-
Disposal of government bonds		22,946,394	-	22,946,394	-
Net cash from/(used in) investing activities		(25,547,109)	1,853,374	(9,691,435)	(13,592,774)
Financing activities					
Dividends paid	15	(2,222,515)	(1,950,000)	(2,222,515)	(1,950,000)
Borrowings		(3,452,381)	(1,985,714)	(3,452,381)	(1,985,714)
Payment of loan processing fee		-	(6,018)	-	(6,018)
Payment of interest on borrowings	31	(2,127,727)	(2,424,938)	(2,127,727)	(2,424,938)
Interest paid on lease liabilities		-	-	-	-
Payment on lease liabilities	19	(149,283)	(28,253)	(149,283)	(28,253)
Net cash used in financing activities		(7,951,906)	(6,394,923)	(7,951,906)	(6,394,923)
Increase/(decrease) in cash and cash equivalents		(3,801,049)	(11,338,304)	(6,558,095)	(11,127,213)
Movement in cash and cash equivalents					
At start of year		611,376	11,949,680	548,007	11,675,220
Increase/(Decrease) in cash and cash equivalents		(3,801,049)	(11,338,304)	(6,558,095)	(11,127,213)
At end of year	23	(3,189,673)	611,376	(6,010,088)	548,007

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024

1. GENERAL INFORMATION

National Investments PLC is a Company incorporated in Tanzania under the Companies Act. The address of its registered office and principal place of business is indicated on page 1.

The statement of profit or loss and statement of other comprehensive income represent the profit and loss account referred to in the Act. The statement of financial position represents the balance sheet referred to in the Act.

2. MATERIAL ACCOUNTING POLICY INFORMATION

a) Basis of preparation

The consolidated and company financial statements have been prepared in accordance with IFRS Accounting Standards and the requirements of the Companies Act.

Apart from certain items that are carried at revalued and fair valued amounts, as explained in the accounting policies below, the financial statements have been prepared on the historical cost basis. The principal accounting policies are set out below.

The financial statements have been prepared on the basis of accounting policies applicable to a going concern and presented in Tanzanian Shillings (TZS), rounded to the nearest thousand. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires Directors to exercise judgement in the process of applying the accounting policies.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

a) Basis of preparation (Continued)

New and revised standards and interpretations which have been issued

i) IFRS standards effective in 2024 and beyond

IFRS ACCOUNTING STANDARD	EFFECTIVE DATE	DESCRIPTION
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	The amendments are effective for reporting periods beginning on or after 1 January 2024, with earlier adoption permitted. As a part of transitional relief, the Amendments provide exemptions from certain disclosures (the illustrative dates provided below assume an entity with a calendar year-end and a 30 June interim financial statement issued in accordance with IAS 34. It is assumed that the entity applies the Amendments for annual reporting periods beginning on or after 1 January 2024 i.e. the Amendments are not early adopted)	These Amendments arose as a result of a submission received by the IFRS Interpretations Committee (the Committee) about the presentation requirements for liabilities and associated cash flows arising out of supply chain financing arrangements and related disclosures. The Amendments require entities to provide certain specific disclosures (qualitative and quantitative) related to supplier finance arrangements. The Amendments also provide guidance on characteristics of supplier finance arrangements.
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	The Amendments are effective for annual reporting periods beginning on or after 1 January 2024, with earlier application permitted. If a seller-lessee applies these amendments for an earlier period, it shall disclose that fact. A seller-lessee shall apply the Amendments retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application of IFRS 16.	The IFRS Interpretations Committee issued an agenda decision in June 2020 – Sale and leaseback with Variable Payments. This matter was referred to the IASB for standard setting for some aspects. The IASB issued the final amendments in September 2022. The Amendments provide a requirement for the seller-lessee to determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

a) Basis of preparation (Continued)

New and revised standards and interpretations which have been issued (Continued)

i) IFRS standards effective in 2024 and beyond (Continued)

IFRS ACCOUNTING STANDARD	EFFECTIVE DATE	DESCRIPTION
Classification of Liabilities as Current or Non-Current (Amendment to IAS 1)	The IASB issued amendments to IAS 1 - Classification of Liabilities as Current or Non-current in January 2020, which have been further amended partially by amendments Non-current Liabilities with Covenants issued in October 2022. These amendments are effective for annual reporting periods beginning on or after 1 January 2024.	The amendments require that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement for at least twelve months after the reporting period. As a result of the COVID-19 pandemic, the Board deferred the effective date of the amendments by one year to annual reporting periods beginning on or after 1 January 2024.
Non-current Liabilities with Covenants (Amendments to IAS 1)	Subsequent to the release of amendments to IAS 1 Classification of Liabilities as Current or Non-Current, the IASB amended IAS 1 further in October 2022. These amendments are effective for annual reporting periods beginning on or after 1 January 2024.	If an entity's right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period. The amendments also provide clarification on the meaning of 'settlement' for the purpose of classifying a liability as current or non-current
Non-current Liabilities with Covenants (Amendments to IAS 1)	Subsequent to the release of amendments to IAS 1 Classification of Liabilities as Current or Non-Current, the IASB amended IAS 1 further in October 2022. These amendments are effective for annual reporting periods beginning on or after 1 January 2024.	If an entity's right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period. The amendments also provide clarification on the meaning of 'settlement' for the purpose of classifying a liability as current or non-current

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

a) Basis of preparation (Continued)

New and revised standards and interpretations which have been issued (Continued)

ii) New and amended standards issued but not yet effective

NUMBER	EFFECTIVE DATE	DESCRIPTION
Lack of exchangeability (Amendments to IAS 21)	An entity shall apply the Amendments for annual reporting periods beginning on or after 1 January 2025 with earlier application permitted. The date of initial application is the beginning of the annual reporting period in which an entity first applies those amendments. In applying the Amendments, an entity is not permitted to restate comparative information. The Amendments require the following with respect to the accounting at the date of initial application.	The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. The amendments clarify when a currency is considered exchangeable into another currency and how an entity estimates a spot rate for currencies that lack exchangeability. The amendments introduce new disclosures to help financial statement users assess the impact of using an estimated exchange rate.
Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	An entity shall apply the Amendments for annual reporting periods beginning on or after 1 January 2026 with earlier application permitted. The Amendments permit an entity to early adopt only the amendments related to the classification of financial assets and the related disclosures and apply the remaining amendments later. This would be particularly useful to entities that wish to apply the Amendments early for financial instruments with ESG (Environmental, Social and Governance)-linked or similar features.	The Amendments clarify - the requirements related to the date of recognition and derecognition of financial assets and financial liabilities, with an exception for derecognition of financial liabilities settled via an electronic transfer. - the requirements for assessing contractual cash flow characteristics of financial assets. - the requirements for assessing contractual cash flow characteristics of financial assets. The Amendments also introduce certain disclosure requirements for financial instruments.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

a) Basis of preparation (Continued)

New and revised standards and interpretations which have been issued (Continued)

ii) New and amended standards issued but not yet effective (Continued)

NUMBER	EFFECTIVE DATE	DESCRIPTION
Contracts Referencing Nature dependent Electricity (previously Power Purchase Agreements) (Amendments to IFRS 9 and IFRS 7)	These amendments are effective for annual reporting periods beginning on or after 1 January 2026. Early application of the amendments is permitted. However, for certain jurisdictions the amendments must be endorsed prior to application.	The amendments include: - Clarifying the application of the 'own-use' requirements; - Permitting hedge accounting if these contracts are used as hedging instruments; and - Adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

The Group and company have not elected to adopt any of the above standards in advance of the effective date and therefore the same do not have any impact to the financial statements.

iii) New Standards on the Radar

Soon to be issued IFRS 18 to address presentation of financial statements

To help improve comparability and transparency of companies' performance reporting, the IASB published IFRS 18 on 9 April 2024, a new IFRS Accounting Standard, in 2024. Effective in 2027, IFRS 18 will replace IAS 1 Presentation of Financial Statements and set out presentation and disclosure requirements for financial statements. The changes, which mostly impact the income statement, include the requirement to:

- classify items of income and expense into categories (i.e. operating, investing and financing); and
- present subtotals for operating profit or loss and profit or loss before financing and income tax.

IFRS 18 also provides enhanced requirements for aggregation and disaggregation of expenses, introduces new disclosure requirements of management-defined performance measures and includes a limited changes to the statement of cash flows.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

a) Basis of preparation (Continued)

New and revised standards and interpretations which have been issued (Continued)

iii) New Standards on the Radar (Continued)

IFRS 19 Subsidiaries without Public Accountability

On 9 May 2024, the International Accounting Standards Board (IASB) issued IFRS 19 Subsidiaries without Public Accountability: Disclosures. This will be effective in 2024.

The eligibility criteria for an entity to apply IFRS 19 are:

- The entity is a subsidiary;
- The entity does not have public accountability; and
- The entity has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

An entity has public accountability if:

- Its debt or equity instruments are traded in a public market, or it is in the process of issuing such instruments for trading in a public market; or
- It holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses outsiders as one of its primary businesses.

b) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group has power over the investee, is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of subsidiaries is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree, and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

b) Consolidation (Continued)

Acquisition-related costs are expensed as incurred. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset, or liability is recognised in accordance with IFRS 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiaries acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

Investments in subsidiary companies by the Group are carried at cost less provision for impairment.

If the group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest other components of equity, while any resultant gain or loss is recognised in the profit or loss. Any investment retained is recognised at fair value.

The Group consists of the parent company and its subsidiaries, which are fully consolidated in these financial statements. Subsidiaries are entities controlled by the parent, directly or indirectly.

SUBSIDIARY NAME	COUNTRY	% OWNERSHIP BY PARENT	% OWNERSHIP BY DIRECT SUBSIDIARY
Nico Land Development Company Limited	Tanzania	99%	-
Mirambo Street Properties Limited	Tanzania	-	99.99% (owned by Nico Land Development Company Limited)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

c) Translation of foreign currencies

On initial recognition, all transactions are recorded in the functional currency (the currency of the primary economic environment in which the Group and Company operates), which is Tanzanian Shillings. Transactions in foreign currencies during the year are converted into the functional currency using the exchange rate prevailing at the transaction date. Monetary assets and liabilities at the statement of financial position date denominated in foreign currencies are translated into the functional currency using the exchange rate prevailing as at that date. The resulting foreign exchange gains and losses from the settlement of such transactions and from year-end translation are recognised on a net basis in profit or loss in the year in which they arise, except for differences arising on translation of non-monetary available-for-sale financial assets, which are recognised in other comprehensive income.

d) Revenue Recognition

Revenue is recognised as and when it satisfies a performance obligation by transferring control of a product or service to a customer. The amount of revenue recognised is the amount the Group and Company expects to receive in accordance with the terms of contract, and excludes amounts collected on behalf of third parties, such as Value Added Tax, rebates and discounts.

i) Dividend income

Dividend income from investment is recognised when the shareholder's right to receive payment has been established.

ii) Land sale revenue

Revenue from sale of land is recognized when control is transferred to the buyer, which generally occurs upon legal transfer of title or handover of possession. If payment terms extend significantly beyond the sale date, the transaction price is adjusted to reflect the time value of money in accordance with IFRS 15. If land development obligations exist before transfer, revenue is recognized progressively based on the stage of completion.

iii) Interest income

Interest income from financial assets is recognised when it is probable that the economic benefit will flow to the Group and Company and the amount of income can be measured reliably. Interest income is accrued by reference to time in relation to the principal outstanding and the effective interest rate applicable.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

d) Revenue Recognition (continued)

iv) Rental income

Rental income from operating leases is recognized on a straight-line basis over the lease term in accordance with IFRS 16. Lease incentives provided to tenants are recognized as a reduction of rental income over the lease term. Variable lease payments that do not depend on an index or rate are recognized as income in the period they are earned.

v) Miscellaneous Income

Miscellaneous income consists primarily of administration fees arising from services rendered in relation to the issue and management of deposit administration and investment contracts. Fees are recognised in the accounting period in which the services are rendered and are presented in the statement of profit or loss within 'other income'.

e) Property and equipment

All categories of property and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and Company and the cost of the item can be measured reliably. Repairs and maintenance expenses are charged to the profit or loss in the year in which they are incurred.

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

	RATE (%)	
Motor vehicles	20	
Furniture, fittings and office equipment	25	

An asset's carrying amount is immediately written down to its recoverable amount if the asset's carrying amount is greater than estimated recoverable amount. As no parts of items of furniture and equipment have a cost that is significant in relation to the total cost of the item, the same rate of depreciation is applied to the whole item.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

e) Property and equipment (continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

Gains and losses on disposal of property and equipment are determined by reference to their carrying amount and are considered in determining operating profit. On disposal of re-valued assets, amounts in the revaluation surplus relating to that asset are transferred to retained earnings.

f) Intangible assets

The Group and Company's intangible assets relate to computer software. Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of four years.

Development Costs that are directly associated with identifiable and unique software products that will generate economic benefits beyond one year, are recognised as intangible assets if:

- It is technically feasible to complete the software product so that it will be available for use;
- Management intends to complete the software product and use or sell it;
- There is an ability to use or sell the software product;
- It can be demonstrated how the software product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and use or sell it are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

Direct costs include the software development, employee costs and an appropriate portion of relevant overheads. Other development expenditure that does not meet these criteria are recognised as an expense as incurred. Development costs that have been expensed are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives (not exceeding seven years). Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

Intangible assets amortization starts when the asset becomes available for use. This is when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

f) Intangible assets (continued)

Goodwill from other intangible assets is not identifiable, meaning it cannot be separated or sold independently. Goodwill represents the excess of the purchase price over the fair value of net assets acquired in a business combination and is recognized as an intangible asset in accordance with IFRS 3. Goodwill is not amortized but is tested for impairment annually or whenever there is an indication of impairment, as required by IAS 36. The impairment test compares the carrying value of the cash-generating unit (CGU) to its recoverable amount, and any impairment loss is recognized immediately in profit or loss. Goodwill is not remeasured after initial recognition.

Goodwill = Purchase Price – (Fair Value of Assets – Fair Value of Liabilities)

Goodwill is recognized as an intangible asset in the statement of financial position but is not amortized. Instead, it undergoes annual impairment testing under IAS 36 – Impairment of Assets.

g) Leases

The Group and Company lease its office. Rental contracts are typically made for fixed periods of 2 years but may have extension options. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable.
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date.
- amounts expected to be payable by the Group and Company under residual value guarantees.
- the exercise price of a purchase option if the Group and Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the company exercising that option.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

g) Leases (continued)

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group and Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Group and Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.
- makes adjustments specific to the lease, e.g., term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost and the same are presented under financing activities in the statement of cashflows. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability.
- any lease payments made at or before the commencement date less any lease incentives received.
- any initial direct costs, and restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

g) Leases (continued)

Extension and termination options

Extension and termination options are included in the property lease contract. These terms are used to maximise operational flexibility in terms of managing contracts.

h) Financial instruments

The Group's financial assets are classified and measured at amortised cost, at fair value through other comprehensive income and at fair value through profit or loss. The classification of the assets to the three categories is based on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

i. Classification of financial assets

Classification of financial assets at amortised cost

The Group measures a financial asset at amortised cost if both of the following conditions are met.

- The financial asset is held within the Group with an objective to collect contractual cash flows.
- The contractual terms of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group holds the following assets at amortised costs: government securities portfolio, other receivables, deposits with financial institutions and cash and bank balances.

Classification of financial assets at fair value through other comprehensive income

The Group measures financial assets at fair value through other comprehensive income if both of the following conditions are met:

- The financial asset is held within the Group with an objective to both collect contractual cash flows and sell the financial asset; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Classification of financial assets at fair value through profit or loss

The Group measures financial assets at fair value through profit or loss unless as a financial asset is measured at amortised cost or at fair value through other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

h) Financial instruments (continued)

i. Classification of financial assets (continued)

Classification of financial assets at fair value through profit or loss (continued)

However, the Company, may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income.

The Group may at initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (accounting mismatch) that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. A majority of the Group's financial liabilities are measured at fair value and hence the assets on a different bases creates an accounting mismatch.

Regular purchases and sales of financial assets are recognized on the trade date – the date on which the Group commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit or loss.

Recognition and measurement of financial assets

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present unrealized and realized fair value gains and losses on equity investments in other comprehensive income, there is no subsequent recycling of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognized in profit or loss as long as they represent a return on investment. The Group is required to reclassify all affected debt investments when and only when its business model for managing those assets changes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

h) Financial instruments (continued)

ii. Classification of financial liabilities

The Group classifies financial liabilities in two categories: at amortised cost and at fair value through profit or loss.

Classification of financial liabilities at amortised cost

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for:

- Financial liabilities at fair value through profit or loss.
- Financial liabilities that arise when a transfer of a financial asset does not qualify for recognition or when the continuing involvement approach applies.
- Financial guarantee contracts.
- Contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies.

Classification of financial liabilities at fair value through profit or loss.

The Group, at initial recognition irrevocably designates a financial liability as measured at fair value through profit or loss when doing so results in more relevant information, because either:

- It eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

A group of financial liabilities or financial assets is managed and its performance i.e., evaluated on a fair value basis, in accordance with documented risk management or investment strategy, and information about the Company is provided internally on that basis to the entity's key management personnel.

Recognition and measurement of financial liabilities

Two measurement categories continue to exist: FVTPL and amortised cost. Financial liabilities held for trading are measured at FVTPL, and all other financial liabilities are measured at amortised cost unless the fair value option is applied.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

h) Financial instruments (continued)

ii. Classification of financial liabilities (continued)

IFRS 9 contains an option to designate a financial liability as measured at FVTPL if:

- doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases, or
- the liability is part or a group of financial liabilities or financial assets and financial liabilities that is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the entity's key management personnel.

A financial liability which does not meet any of these criteria may still be designated as measured at FVTPL when it contains one or more embedded derivatives that sufficiently modify the cash flows of the liability and are not clearly closely related.

IFRS 9 requires gains and losses on financial liabilities designated as at FVTPL to be split into the amount of change in fair value attributable to changes in credit risk of the liability, presented in other comprehensive income, and the remaining amount presented in profit or loss. The new guidance allows the recognition of the full amount of change in the fair value in profit or loss only if the presentation of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. That determination is made at initial recognition and is not reassessed. Amounts presented in other comprehensive income shall not be subsequently transferred to profit or loss, the Group may only transfer the cumulative gain or loss within equity.

iii. Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Company recognises loss allowances for Expected Credit Losses (ECLs) on the following financial instruments that are not measured at Fair Value Through Profit or Loss (FVTPL):

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

h) Financial instruments (continued)

iii. Impairment of financial assets (continued)

- Government securities at amortized cost;
- Cash at bank;
- Deposits from financial institutions.
- Other receivables; and

ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e., lifetime ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- Full lifetime ECL, i.e., lifetime ECL that result from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

The Group measures ECL on an individual basis, or on a collective basis for class of assets that share similar economic risk characteristics.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forwardlooking information that is available without undue cost or effort. Forwardlooking information considered includes the future prospects of the industries in which the Company's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant thinktanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Company's core operations.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

h) Financial instruments (continued)

iii. Impairment of financial assets (continued)

(i) Significant increase in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g., a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- The financial instrument has a low risk of default;
- The debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

h) Financial instruments (continued)

iii. Impairment of financial assets (continued)

(i) Significant increase in credit risk (continued)

- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amounts.

For financial guarantee contracts, the date that the Company becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Company considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

The Company considers the following as constituting an event of default:

- The debt is for a third party that has no existing business relationship.
- The debtor is unlikely to pay its obligations to the Company in full.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

h) Financial instruments (continued)

iii. Impairment of financial assets (continued)

(ii) Definition of default (continued)

- When there is a breach of financial covenants by the debtor; or
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collateral held by the Company).

The definition of default is appropriately tailored to reflect different characteristics of different types of assets.

When assessing if the debtor is unlikely to pay its obligation, the Company take into account both qualitative and quantitative indicators. The information assessed depends on the type of the asset. The Company uses a variety of sources of information to assess default which are either developed internally or obtained from external sources.

Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than 90 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iv) Writeoff policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g., when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the debtor has ceased transacting with the Company, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e., the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forwardlooking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

h) Financial instruments (continued)

iii. Impairment of financial assets (continued)

(v) *Measurement and recognition of expected credit losses* (continued)

the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forwardlooking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with IAS 17 Leases.

For a financial guarantee contract, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

h) Financial instruments (continued)

(vi) Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right of set-off must be available today (e.g., not contingent on any future event) and be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency, or bankruptcy.

i) Cash and cash equivalents

Cash and cash equivalents include cash in hand and demand and term deposits with banking institutions and other short-term highly liquid investments in money market instruments with maturities of three months or less from the date of acquisition, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and which are not encumbered, net of bank overdrafts.

j) Borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest method; any differences between proceeds (net of transaction costs) and the carrying value of the borrowings is recognised in profit or loss over the period of the borrowings.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets is substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

k) Employee benefits

(i) Retirement benefit obligations

The Group operates a defined contribution plan for its employees. A defined contribution plan is a plan under which the Company pays fixed contributions into a separate entity. The employees of the Company are members of National Social Security Fund (NSSF), which are defined contribution schemes. Contributions are determined by local statute and the Company's contributions are charged to the profit or loss in the year to which they relate. The company does not have any obligation to pay further contribution to the plan if the plan doesn't hold sufficient assets to pay benefits relating to employee services in the current or prior period.

(ii) Other entitlements

Employee entitlement to gratuity is recognised when they accrue to employee as per their contract. A provision is made for the estimated liability for such entitlements as a result of services rendered by employees up to the financial reporting date.

The estimated monetary liability for employees accrued annual leave entitlement at the financial reporting date is recognised as an expense accrual.

l) Dividends

Dividends on ordinary shares are recognized as a liability in the year in which they are declared. Dividends proposed by the directors are accounted for as a separate component of equity until they have been declared at an annual general meeting.

m) Share capital

Ordinary shares are recognized at par value and 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.

n) Income tax

Income tax expense is the aggregate amount charged/(credited) in respect of current tax and deferred tax in determining the profit or loss for the year. Income tax expense is recognised in the profit or loss except when it relates to items recognised in other comprehensive income, in which case it is also recognised in other comprehensive income, or to items recognised directly in equity, in which case it is also recognised directly in equity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

n) Income tax (continued)

(i) Current income tax

Current income tax is the amount of income tax payable on the taxable profit for the year, and any adjustment to tax payable in respect of prior years, determined in accordance with the Tanzanian Income Tax Act. The directors periodically evaluate positions taken in tax returns with aspects of situation in which the applicable tax regulations are subject to interpretations and establishes provisions where appropriate. Due to the nature of our business tax is captured on source through dividends and interest income and the same appears as our tax charge for the year.

(ii) Deferred income tax

Deferred income tax is provided in full on all temporary differences except those arising on the initial recognition of an asset or liability, other than a business combination, that at the time of the transaction affects neither the accounting nor taxable profit or loss. Deferred income tax is determined using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes, using tax rates and laws enacted or substantively enacted at the statement of financial position date and expected to apply when the related deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilized. Recognised and unrecognized deferred tax assets are reassessed at the end of each reporting period and, if appropriate, the recognised amount is adjusted to reflect the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

o) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. The provisions are measured using the best estimate of the expenditure required to settle the present obligation at the statement of financial position date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

p) Earnings per Share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive.

q) Comparatives

Where necessary comparative figures have been adjusted to conform to changes of presentation in the current year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Significant judgements made in applying the Company's accounting policies

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

(i) Provisions

The recognition of provisions involves assumptions about the probability, amount and timing of an outflow of resources embodying economic benefits. A provision is recognized to the extent that an outflow of resources embodying economic benefits is probable and a reliable estimate can be made.

(ii) Investment property

The investment property is measured at fair value. The timing between the acquisition of the investment land and the year-end, was short and therefore considered an appropriate estimate of the fair value as at the year end. Should it come to the attention of management and the Group's directors in one way or other including as a result of subsequent revaluation, that the initially recorded asset is different from the market value at the reporting date, such differences will be adjusted through the statement of profit or loss and other comprehensive income in the period in which such differences are determined.

(iii) Impairment of financial assets

As explained in Note 2, ECLs are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

Establishing groups of assets with similar credit risk characteristics:

When ECLs are measured on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics. Refer to Note 2 for details of the characteristics considered in this judgment. The Company monitors the appropriateness of the credit risk characteristics on an ongoing basis to assess whether they continue to be similar. This is required in order to ensure that should credit risk characteristics change there is appropriate re-segmentation of the assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(iii) Impairment of financial assets (continued)

This may result in new portfolios being created or assets moving to an existing portfolio that better reflects the similar credit risk characteristics of that group of assets. Re-segmentation of portfolios and movement between portfolios is more common when there is a significant increase in credit risk (or when that significant increase reverses) and so assets move from 12-month to lifetime ECLs, or vice versa, but it can also occur within portfolios that continue to be measured on the same basis of 12-month or lifetime ECLs but the amount of ECL changes because the credit risk of the portfolios differ.

Models and assumptions used:

The Group uses various models and assumptions in measuring fair value of financial assets as well as in estimating ECL. Judgment is applied in identifying the most appropriate model for each type of asset, as well as for determining the assumptions used in these models, including assumptions that relate to key drivers of credit risk.

Key estimation

The following are key estimations that the directors have used in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements:

- Establishing the number and relative weightings of forward-looking scenarios for each type of market and determining the forward-looking information relevant to each scenario: When measuring ECL the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.
- Probability of default: PD constitutes a key input in measuring ECL. PD is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

Loss Given Default: LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that are expected to be received, taking into account cash flows from collateral and integral credit enhancements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(iii) Impairment of financial assets (continued)

(iv) Leases

Assumptions used on lease term/period.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise the extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

- If there are significant penalties to terminate (or to extend), the company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have significant remaining value, the company is typically reasonably certain to extend (or not terminate).
- Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The lease commenced in September 2023 after the end of the first lease term. The extension considered the lease term and the future expectation of holding the leased property. This can be revised if a significant event occurs, which affects the extension and is within the control of the lessee. A gain on interest on lease ended was recognized in the profit and loss account in 2024 which was borne from the lease that ended. The lease term has been extended to 5 years from 3 years as per the previous lease term.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

4. MANAGEMENT OF CAPITAL AND FINANCIAL RISK

(a) Financial risk

The Group is exposed to a range of financial risks through its financial assets and financial liabilities. The most important components of this financial risk are interest rate risk, equity price risk, currency risk and credit risk.

These risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements. The risks that the Group primarily faces due to the nature of its investments and liabilities are interest rate risk and equity price risk.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board has established the audit and risk committee, which is responsible for developing and monitoring Group risk management policies in their specified areas. All Board committees have non-executive members and report regularly to the Board of Directors on their activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The Audit and Risk Committee is responsible for monitoring compliance with the Group's risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit and Risk Committee is assisted in these functions by Internal Audit. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Board Audit and Risk Committee.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

4. MANAGEMENT OF CAPITAL AND FINANCIAL RISK (continued)

(a) Financial risk (continued)

(i) Credit risk

The Group takes on exposure to credit risk, which is the risk that a counter party will cause a financial loss to the Group by failing to pay amounts in full when due. Credit risk is an important risk for the Group's business. Management therefore carefully manages the exposure to credit risk by:

- Developing and maintaining processes for measuring ECL including monitoring of credit risk, incorporation of forward-looking information and the method used to measure ECL.
- Ensuring that the Group has policies and procedures in place to appropriately maintain and validate models used to assess and measure ECL.
- Establishing a sound credit risk accounting, assessment and measurement process that provide it with a strong basis for common systems, tools and data to assess credit risk and to account for ECL.

The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower or groups of borrowers. Such risks are monitored on a revolving basis and subject to annual or more frequent review. The exposure to any one borrower is further restricted by sub-limits. Actual exposures against limits are monitored regularly. Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing lending limits where appropriate. Exposure to credit risk is also managed in part by obtaining collateral and corporate and personal guarantees. The credit quality of financial assets is assessed by reference to external credit ratings if available or internally generated information about counterparty default rates.

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's trade and other receivables. Key areas where the Group is exposed to credit risk are:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

4. MANAGEMENT OF CAPITAL AND FINANCIAL RISK (continued)

(a) Financial risk (continued)

(i) Credit risk (continued)

Maximum exposure to credit risk held by the Group as at 31 December:

Financial assets	12-month or lifetime ECL	2024 TZS'000	2023 TZS'000
Investments in Government securities	Lifetime (Above 20 years)	44,675,021	34,637,359
Investment in Corporate bonds	Above 4 years	202,962	202,702
Staff loans and other receivables	12 -month	1,366,561	41,055
Other receivables (TMCL)	12 -month	-	-
Cash and cash equivalent**	12 -month	2,918,606	610,859
		49,163,150	35,491,975

Maximum exposure to credit risk held by the Company as at 31 December:

Financial assets	12-month or lifetime ECL	2024 TZS'000	2023 TZS'000
Investments in Government securities	Lifetime (Above 20 years)	44,675,021	34,637,359
Investment in Corporate bonds	Above 4 years	202,962	202,702
Long-term receivable	Lifetime (36 -month)	-	3,000,000
Staff loans and other receivables	12 -month	2,680,750	41,055
Other receivables (TMCL)	12 -month	-	-
Cash and cash equivalent**	12 -month	98,623	547,904
		47,657,356	38,429,020

** The amount for cash and cash equivalent above excludes cash on hand.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

4. MANAGEMENT OF CAPITAL AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

(i) Credit risk (continued)

Significant increase in credit risk

As explained in Note 2, the Company monitors all financial assets that are subject to impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime rather than 12-month ECL.

ASSET CLASS	DRIVERS OF CHANGE IN CREDIT QUALITY	QUALITATIVE INDICATORS ASSESSED
Receivables arising from Nicoland	30 days past due	Company closure, significant decline in the industry which the client operates, listing on credit reference bureau, inability to service debt, loss of income, among others.
Cash at bank and deposits with financial institutions	Downgrade to tie four	Bank closure, bank run, default on debt, credit rating downgrade, material adverse mention or investigation, change in bank tier, negative change in debt ratios, debt covenant breach, regulator actions among others.
Government Securities	Downgrade from investment grade to non-investment grade as per the external ratings	Credit rating downgrade, adverse political instability, military coup / attempt / civil turmoil, hyper inflationary trajectory, external war, Significant fall in tax collection rates, Significant natural disaster events, warnings from Bretton Woods Institutions, debt restructure, currency devaluation, unemployment rate growth among others.
Corporate Debt	Default in contractual cash flows	Credit rating downgrades, significant adverse political turmoil in country of major operations, significant fall in revenue collection, significant natural disaster events, debt restructure, material Adverse change (change in business model; significant change in priority staff), significant court process interference on business model, insolvency, government agency takeover, financial covenant breach, material representation inaccuracy or warranty breach, material adverse mention, investigation among others.
Equities - Dividend Income	Default in contractual cash flows	Company closure, default on debt, credit rating downgrade, adverse material mention, change in balance sheet debt composition, debt covenant breach, adverse change in business model, company insolvency among others.
Staff/ non staff loans	Default in contractual cash flows	Listing on credit reference bureau, inability to service debt, loss of income, death, permanent disability, imprisonment, number of months in arrears among others.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

4. MANAGEMENT OF CAPITAL AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

(i) Credit risk (continued)

Significant increase in credit risk (continued)

The Group has monitoring procedures in place to make sure that the criteria used to identify significant increases in credit are effective, meaning that a significant increase in credit risk is identified before the exposure is defaulted. The Group performs periodic back-testing of its ratings to consider whether the drivers of credit risk that led to default were accurately reflected in the rating in a timely manner.

Incorporation of forward-looking information

The Group uses forward-looking information that is available without undue cost or effort in its assessment of the significant increase of credit risk as well as in its measurement of ECL. The Company uses external and internal information to generate a 'base case' scenario of future forecasts of relevant economic variables along with a representative range of other possible forecast scenarios. The external information used includes economic data and forecasts published by governmental bodies and monetary authorities.

The Group applies probabilities to the forecast scenarios identified. The base case scenario is the single most-likely outcome.

Group and Company's receivables age analysis

Group

2024				2023			
Age Bracket Days	Amount TZS'000	Provision TZS'000	Net TZS'000	Age Bracket Days	Amount TZS'000	Provision TZS'000	Net TZS'000
0-30	6,559	-	6,559	0-30	7,807	-	7,807
31-60	6,559	-	6,559	31-60	7,807	-	7,807
61-90	6,559	-	6,559	61-90	1,643	-	1,643
Above 90	5,364,074	1,378,641	3,985,433	Above 90	4,401,639	1,378,641	3,022,998
Total	5,383,751	1,378,641	4,005,110	Total	4,418,896	1,378,641	3,040,255

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

4. MANAGEMENT OF CAPITAL AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

(i) Credit risk (continued)

Group and Company's receivables age analysis (continued)

Company

2024				2023			
Age Bracket Days	Amount TZS'000	Provision TZS'000	Net TZS'000	Age Bracket Days	Amount TZS'000	Provision TZS'000	Net TZS'000
0-30	6,559	-	6,559	0-30	7,807	-	7,807
31-60	6,559	-	6,559	31-60	7,807	-	7,807
61-90	6,559	-	6,559	61-90	1,643	-	1,643
Above 90	4,039,945	1,378,641	2,661,304	Above 90	4,401,639	1,378,641	3,022,998
Total	4,059,622	1,378,641	2,680,981	Total	4,418,896	1,378,641	3,040,255

(ii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted.

All liquidity policies and procedures are subject to review and approval by the Group's board of directors.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

4. MANAGEMENT OF CAPITAL AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

(ii) Liquidity risk (continued)

Maturity profile of non-derivative financial liabilities based on the contractual cash flows, “undiscounted” including interest and excluding impact of netting is as follows:

The table below shows the contractual maturity of financial liabilities:

2024	Total TZS'000	1 - 3 months TZS'000	3 - 12 months TZS'000	1 - 5 years TZS'000
Lease liabilities	174,187	8,615	28,039	137,533
Borrowings	20,922,454	1,321,616	3,844,891	15,755,947
Trade and other payables	423,354	274,409	140,445	8,500
Dividend payable	2,926,892	-	2,926,892	-
	24,446,887	1,604,640	6,940,267	15,901,980

2023	Total TZS'000	1 - 3 months TZS'000	3 - 12 Months TZS'000	1 - 5 years TZS'000
Lease liabilities	280,344	10,002	32,556	237,786
Borrowings	26,502,563	1,302,256	4,277,852	20,922,455
Trade and other payables	223,904	94,067	34,622	95,215
Dividend payable	1,882,761	-	1,882,761	-
	28,889,572	1,406,325	6,227,791	21,255,456

(iii) Market risk

Market risk is the risk that changes in market prices, such as interest rate, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's / issuer's credit standing) will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

4. MANAGEMENT OF CAPITAL AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

(iii) Market risk (continued)

Interest rate risk

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 optimising net interest income, given market interest rates levels consistent with the Company's business strategies.

The table below summarises the contractual maturity periods and interest rate profile of the Company's financial instruments:

2024	Due within 12 months TZS'000	Due between 1 and 25 years TZS'000	Non-interest bearing TZS'000	Total TZS'000
Assets				
Investments in Government securities	-	44,675,021	-	44,675,021
Equity investments	-	-	114,933,931	114,933,931
Corporate bond	-	202,962	-	202,962
Other receivables	-	2,000,000	680,750	2,680,750
Cash and bank balances*	98,623	-	273	98,896
	98,623	46,877,983	115,614,954	162,589,560
Liabilities				
Lease liabilities	36,654	137,533	-	174,187
Borrowings	5,166,507	15,755,947	-	20,922,454
Trade and other payables	-	-	423,354	423,354
Dividend payable	-	-	2,926,892	2,926,892
	5,203,161	15,893,480	3,350,246	24,446,887
Interest rate gap	(5,104,538)	30,984,503	112,264,708	138,142,673

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

4. MANAGEMENT OF CAPITAL AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

(iii) Market risk (Continued)

Interest rate risk (continued)

2023	Due within 12 months TZS'000	Due between 1 and 25 years	Non-interest bearing TZS'000	Total TZS'000
Assets				
Investments in Government securities	-	34,637,359	-	34,637,359
Equity investments	-	-	96,877,777	96,877,777
Corporate bond	-	202,702	-	202,702
Other receivables	-	3,000,000	41,055	3,041,055
Cash and cash equivalent	547,904	-	103	548,007
	547,904	37,840,061	96,918,935	135,306,900
Liabilities				
Lease liabilities	43,136	233,919	-	277,055
Borrowings	3,452,381	16,161,905	-	19,614,286
Trade and other payables	-	-	223,904	223,904
Dividend payable	-	-	1,882,761	1,882,761
	3,495,517	16,395,824	2,106,665	21,998,006
Interest rate gap	(2,947,613)	21,444,237	94,812,270	113,308,894

At 31 December 2024 if interest rates of functional currency denominated assets and liabilities had been 100 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been 13.8 million (2023: 11.3 million) lower/higher, mainly as a result of fluctuations in interest income and interest expense.

Foreign currency risk

The Company is exposed to currency risk on settlement of investments that are denominated in a currency other than the respective functional currency of the Company, the Tanzanian Shillings (TZS). The Company's strategy towards managing its foreign currency exposure is through transacting mainly using its functional currency.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

4. MANAGEMENT OF CAPITAL AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

(iii) Market risk (Continued)

Foreign currency risk (continued)

Exposure to currency risk for foreign denominated amounts in the following classes of financial instruments; disclosure around market risk also relates to sensitivity analysis of the type of market risk, showing how the income profit or loss and equity would have been affected by reasonably possible changes in the relevant risk variable at the yearend date.

The Company's exposure to foreign currency risk was as follows based on notional amounts in US dollars:

Group	2024 TZS'000	2023 TZS'000
Bank balances	1,637,167	25,805
Payables	(14,296)	(6,496)
	1,622,871	19,309

A sensitivity analysis in relation to net exposure for a 10% strengthening of the USD against TZS

Increase/(decrease) in equity and profit or loss	162,287	1,931
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Group	2024 TZS'000	2023 TZS'000
Bank balances	86,034	25,805
Payables	(14,296)	(6,496)
	71,738	19,309

A sensitivity analysis in relation to net exposure for a 10% strengthening of the USD against TZS

Increase/(decrease) in equity and profit or loss	7,174	1,931
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

4. MANAGEMENT OF CAPITAL AND FINANCIAL RISK (CONTINUED)

(b) Financial risk (continued)

(iv) Price risk

The Company has equity investments classified at fair value through other comprehensive income. If the respective prices for the equity investments increase or decrease by 10%, the pre-tax impact would be TZS 11.5 billion in 2024 (2023: TZS 9.69 billion)

(v) Capital management

The company's objectives when managing its capital are to comply with the rules and regulations of the Capital Markets and Securities Authority, the Companies Act and Tanzania Regulatory Authority; safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; provide an adequate return to shareholders by investing in different investment portfolios commensurately with the level of risk; and to maintain a strong capital base to support the development of its business.

The Company's gearing ratio is as shown below:

	2024 TZS'000	2023 TZS'000
Leases	171,354	277,055
Borrowings	16,161,905	19,614,286
Bank overdraft	6,108,984	-
Total borrowings	22,442,243	19,891,341
Cash and cash equivalents	(98,896)	(548,007)
Net borrowings	22,343,347	19,343,334
Equity	162,318,117	138,632,225
Total Capital	184,661,464	157,975,559
Gearing ratio	14%	14%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

4. MANAGEMENT OF CAPITAL AND FINANCIAL RISK (continued)

(c) Accounting classification and fair values

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data. For government securities classified as level 2; the prices of bonds with similar maturity is applied for fair value estimation.

There were no transfers between level 1 and level 2 of fair value hierarchy during the year.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

4. MANAGEMENT OF CAPITAL AND FINANCIAL RISK (continued)

(d) Accounting classification and fair values (continued)

2024	Fair value through other comprehensive income TZS'000	Amortized cost TZS'000	Other financial liabilities at amortized cost TZS'000	Total TZS'000	Level 1 TZS'000	Level 2 TZS'000	Level 3 TZS'000
Financial assets measured at fair value							
Equity investments	114,933,931	-	-	114,933,931	114,933,931	-	-
Investments in Government securities	-	44,675,021	-	44,675,021	-	44,675,021	-
Corporate bonds	-	202,962	-	202,962	-	202,962	-
Other receivables	-	42,432	-	42,432	-	-	42,432
Cash and cash equivalents	-	98,896	-	98,896	-	-	98,896
	114,933,931	4,809,311	-	159,953,242	114,933,931	44,877,983	141,328
Lease liabilities	-	-	171,354	171,354	-	-	171,354
Borrowings	-	-	16,161,905	16,161,905	-	-	16,161,905
Bank overdraft	-	-	6,108,984	6,108,984	-	-	6,108,984
Trade and other payables	-	-	423,354	423,354	-	-	423,354
Dividend payable	-	-	2,926,892	2,926,892	-	-	2,926,892
	-	-	25,792,489	25,792,489	-	-	25,792,489

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

4. MANAGEMENT OF CAPITAL AND FINANCIAL RISK (continued)

(d) Accounting classification and fair values (continued)

2023	Fair value through other comprehensive income TZS'000	Amortized cost TZS'000	Other financial liabilities at amortized cost TZS'000	Total TZS'000	Level 1 TZS'000	Level 2 TZS'000	Level 3 TZS'000
Financial assets measured at fair value							
Equity investments	96,877,777	-	-	96,877,777	96,877,777	-	-
Investments in Government securities	-	34,637,359	-	34,637,359	-	34,637,359	-
Corporate bonds	-	202,702	-	202,702	-	202,702	-
Other receivables	-	41,055	-	41,055	-	-	41,055
Cash and cash equivalents	-	548,007	-	548,007	-	-	548,007
	96,877,777	35,429,123	-	132,306,900	96,877,777	34,840,061	589,062
Lease liabilities	-	-	277,055	277,055	-	-	277,055
Borrowings	-	-	19,614,286	19,614,286	-	-	19,614,286
Trade and other payables	-	-	223,904	223,904	-	-	223,904
Dividend payable	-	-	1,882,761	1,882,761	-	-	1,882,761
	-	-	21,998,006	21,998,006	-	-	21,998,006

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

4. MANAGEMENT OF CAPITAL AND FINANCIAL RISK (continued)

(e) Measurement of fair values

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring level 2 and level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments not measured at fair value

TYPE	VALUATION TECHNIQUE	SIGNIFICANT UNOBSERVABLE INPUTS
Government Securities (Bonds)	Market Comparison technique: The fair value is based on market prices. If this information is not available, fair value is estimated using quoted market prices for securities with similar credit, maturity and yield characteristics.	Not applicable

There were no transfers into or out of any levels during the year.

(f) 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 is responsible for allocating resources and assessing performance of the operating segments. The chief operating decision maker has been identified as operating board that makes strategic decisions. In the year ended 31 December 2024, the Company and its subsidiary were considered as one segment and all operating decisions were exercised by same management.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

5. INVESTMENT IN SUBSIDIARY

(a) Composition of the Group

The Group has full control over its subsidiary, Nico Land Development Company Limited, in which it holds a 99% ownership stake. The principal activity of Nico Land Development Company Limited is real estate investment, including the acquisition, development, and management of commercial properties, student hostels, and shopping malls. The company also engages in joint ventures to expand its real estate portfolio.

Nico Land Development Company Limited, in turn, holds a 99.99% ownership stake in its subsidiary, Mirambo Street Properties Limited. Mirambo Street Properties Limited specializes in real estate investment and owns a commercial building, Mirambo 50, located in Posta, Dar es Salaam.

(b) Summary of the results

Summarised financial information for Nico Land Development Company Limited Group, is set out below:

STATEMENT OF PROFIT OR LOSS	2024 TZS '000	2023 TZS '000
Sales of land	9,042,093	-
Cost of sales of land	(8,400,840)	-
Gross profit	641,253	-
Rental income	1,756,906	-
Other income	172,789	-
Administrative expenses	(1,298,799)	(45,641)
Operating profit	1,272,149	(45,641)
Finance costs	(638,318)	-
Profit before taxation	633,831	(45,641)
Taxation	(160,141)	(450)
Profit for the year	473,690	(46,091)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

5. INVESTMENT IN SUBSIDIARY (continued)

(b) Summary of the results (continued)

STATEMENT OF FINANCIAL POSITION	2024 TZS '000	2023 TZS '000
Equity		
Share capital	23,241,236	23,241,236
Retained earnings	84,289	(117,338)
Equity attributable to owners of the company	23,325,525	(23,123,898)
REPRESENTED BY		
Non-current assets		
Goodwill	168,980	-
Property and equipment	19,694,540	-
	19,863,520	-
Current assets		
Trade and other receivables	1,359,563	17,850,885
Inventories	2,120,398	9,549,356
Cash and cash equivalents	2,820,415	63,369
	6,300,376	27,463,610
Current liabilities		
Borrowings	(2,638,318)	(3,000,000)
Sundry creditors	(186,370)	(1,339,262)
Current income tax payable	(13,683)	450
Net current assets/(liabilities)	3,462,005	23,123,898
	23,325,525	23,123,898
STATEMENT OF CASHFLOWS		
Net cash from operating activities	19,648,154	(16,557,239)
Net cash used in investing activities	(15,891,108)	(7,795,062)
Net cash from (used in) financing activities	(1,000,000)	24,141,211
Net increase/(decrease) in cash and cash equivalents		(211,090)
At start of the year	63,369	274,459
Net cash inflow	2,820,415	63,369

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

6. SALES OF LAND

	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Land sale Kigamboni	4,542,093	-	-	-
Land sale Ngobanya	4,500,000	-	-	-
	9,042,093	-	-	-

7. COST OF SALES

	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Purchases and costs Kibada	2,727,496	-	-	-
Purchases Amani Gomvu	1,804,717	-	-	-
Purchases and costs Ngobanya	3,868,627	-	-	-
	8,400,840	-	-	-

8. INVESTMENT INCOME

	GROUP		COMPANY	
	2024 TZS'000	2023 TZS'000	2024 TZS'000	2023 TZS'000
8 (a) Interest income recognised at EIR				
Interest on treasury bonds	5,052,749	4,484,137	5,052,749	4,484,137
Interest on fixed deposit	80,865	520,775	80,865	520,775
Interest on TMRC Bond	20,660	12,902	20,660	12,902
Interest on bank balance	6,537	66,598	6,537	66,598
Total Interest income	5,160,811	5,084,412	5,160,811	5,084,412
8 (b) Dividend income	7,675,659	6,039,217	7,675,659	6,039,217
Total investment income	12,836,470	11,123,629	12,836,470	11,123,629

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

9. RENTAL INCOME

	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Mirambo 50	1,756,906	-	-	-
Msasani Plot 818	106,442	-	106,442	-
	1,863,348	-	106,442	-

10. OTHER INCOME

	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Bonds trading income	84,864	50,041	84,864	50,041
Exchange gain	176,482	-	3,694	-
Miscellaneous income	-	7,569	-	7,569
Over-provision writeback	-	1,208,240	-	1,208,240
	261,346	1,265,850	88,558	1,265,850

11. ADMINISTRATIVE EXPENSES

	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Staff costs*	895,641	786,837	855,958	786,837
Annual general meeting	143,081	110,805	143,081	110,805
Legal expenses	124,912	64,888	58,640	61,950
Secretarial expenses	32,400	32,400	32,400	32,400
Director's fees	177,290	88,641	88,641	88,641
Board expenses	262,358	140,168	244,901	117,155
Auditor's remuneration	59,408	62,171	30,131	48,944
Consultancy expenses	393,681	32,630	68,853	32,280
Other administrative expenses	513,698	155,199	266,228	149,686
	2,602,469	1,473,739	1,788,833	1,428,698

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

11 ADMINISTRATIVE EXPENSES (continued)

*Staff cost comprises of;

	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Salaries and wages	740,092	639,391	700,409	639,391
NSSF Contribution	63,969	63,939	63,969	63,939
Gratuity	55,215	51,608	55,215	51,608
Other staff costs	36,365	31,899	36,365	31,899
	895,641	786,837	855,958	786,837

12. OTHER OPERATING EXPENSES

	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Office rent (Service charge)	29,144	26,936	29,144	26,936
Security expenses	2,800	4,800	2,800	4,800
Electricity and water	165,222	-	-	-
Licenses and subscriptions	62,948	29,036	62,348	28,436
City service levy	66,459	-	63,156	-
Repairs and maintenance	127,005	4,608	1,842	4,608
Depreciation of right of use assets	66,034	49,125	66,034	49,125
Depreciation PPE	284,280	39,300	93,405	39,300
Provision for impairment	-	679,224	-	679,224
Incidental expenses	94,822	-	94,822	-
	898,714	833,029	413,551	832,429

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

13. FINANCE COSTS

	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Interest expense lease liability	43,582	17,031	43,582	17,031
Loan processing fees	-	6,018	-	6,018
Interest expense on loans	2,127,727	2,424,938	1,489,409	2,424,938
	2,171,309	2,447,987	1,532,991	2,447,987

14. INCOME TAX

a) Current tax expense

	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Current Income tax	468,866	546,485	308,725	546,035
Final withholding tax on dividends earned	390,829	301,961	390,829	301,961
	859,695	848,446	699,554	847,996

b) Reconciliation of tax based on accounting loss to income tax expense

	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Profit before income tax	9,939,806	7,634,724	9,296,096	7,680,365
Tax expense calculated at a tax rate of 30%	2,981,942	2,290,417	2,788,829	2,304,110
<i>Tax effect of:</i>				
Disallowable expenses for tax purposes	1,010,539	44,096	986,065	30,404
Exempt income subjected to final tax	(3,523,615)	(1,795,951)	(3,466,169)	(1,795,952)
Final withholding tax on dividends	390,829	301,961	390,829	301,961
Penalties for late filing	-	7,923	-	7,473
	859,695	848,446	699,554	847,996

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

14. INCOME TAX (continued)

b) Reconciliation of tax based on accounting loss to income tax expense (continued)

The charge equals to the current income tax, payable tax during the year by the Company and penalties for late filing of tax corporate returns by the subsidiary. The income on government bonds is exempt for income tax purposes. The tax affairs of the Company are subject to agreement with the Tanzania Revenue Authority (TRA).

c) Current income tax payable

	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Opening balance	-	-	-	-
Tax charge for the year	740,105	848,446	699,554	847,996
Tax payments	(435,823)	(362,890)	(408,955)	(362,890)
	304,282	485,556	290,599	485,106

d) Tax recoverable

	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Opening balance	-	-	-	-
Tax charge for the year	119,591	-	-	-
Tax payments	(179,956)	-	-	-
	(60,365)	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

14. INCOME TAX (continued)

d) Deferred tax

Group	As at 1 Jan 2024 TZS'000	Potential credit /(debit) to P&L TZS'000	As at 31 Dec 2024 TZS'000
Accelerated capital deductions	(2,258)	(16,178)	(18,436)
Other timing differences	203,767	35,066	238,833
Tax losses	(35,201)	35,201	-
	166,308	18,888	220,397

Company	As at 1 Jan 2024 TZS'000	Potential credit /(debit) to P&L TZS'000	As at 31 Dec 2024 TZS'000
Accelerated capital deductions	(2,258)	(16,178)	(18,436)
Other timing differences	203,767	-	203,767
	201,509	(16,178)	185,331

The deferred taxes have not been recognized due to the fact that the Directors do not expect the Company to generate sufficient taxable losses in the foreseeable future against which the deferred tax can be utilized.

15. DIVIDEND PAYABLE

	Group & Company 2024 TZS'000	Group & Company 2023 TZS'000
Balance brought forward	1,882,761	1,182,463
Dividends declared during the year	3,266,646	2,650,298
Paid during the year	(2,222,515)	(1,950,000)
	2,926,892	1,882,761

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

15. DIVIDEND PAYABLE (continued)

At the end of the financial year 2023, the Board proposed a final dividend payment of TZS 53 per share, totaling TZS 3,266,646,202 (2022: TZS 43 per share TZS 2,650,297,862), based on the Group's financial performance for the year. This proposal was presented to shareholders at the 10th Annual General Meeting, where it was approved and subsequently paid during the year 2024.

The Board remains committed to a progressive dividend policy, ensuring consistent and sustainable returns to shareholders while aligning with the Group's financial performance and long-term growth strategy.

Payment of dividends is subject to withholding tax at the rate of 5%.

16. SHARE CAPITAL

Authorised:

	Group & Company 2024 TZS'000	Group & Company 2023 TZS'000
1,600,000,000 (2023: 1,600,000,000) ordinary shares of TZS 125 each	200,000,000	200,000,000

Issued and fully paid:

	Group & Company 2024 TZS'000	Group & Company 2023 TZS'000
61,634,834 (2023: 61,634,834) ordinary shares of TZS 125 each	7,704,354	7,705,604

National Investments PLC re-listed its shares on the Dar es Salaam Stock Exchange (DSE) in 2018. However, during the re-listing process, the Company undertook a reconciliation of its issued shares. As of 31st December 2024, a total of 61,634,834 shares were confirmed as legitimately issued and fully paid.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

17. SHARE PREMIUM

	Group & Company 2024 TZS'000	Group & Company 2023 TZS'000
Balance brought forward	1,588,635	1,587,385
Adjustment	-	1,250
	1,588,635	1,588,635

18. BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year.

	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Profit attributable to equity holders	9,348,323	6,786,278	8,896,384	6,832,369
Weighted average number of ordinary shares	61,634,834	61,634,834	61,634,834	61,634,834
Earnings per share	151.67	110.10	144.34	110.85

Diluted earnings per share

Diluted earnings/(loss) per share is calculated by dividing the profits/(loss) attributable to equity holders of the company by the adjusted weighted average number of dilutive potential ordinary shares in issue during the year.

	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Profit attributable to equity holders	9,348,323	6,786,278	8,896,384	6,832,369
Weighted average number of ordinary shares	61,634,834	61,634,834	61,634,834	61,634,834
Earnings per share	151.67	110.10	144.34	110.85

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

19. LEASE LIABILITIES

	Group & Company 2024 TZS'000	Group & Company 2023 TZS'000
Non-current	134,202	233,919
Current	37,152	43,136
	171,354	277,055
The total cash outflow for leases in the year was:		
Payments of principal portion of the lease liability	149,283	28,253
Interest paid on lease liabilities.	43,582	17,031
	192,865	45,284
Reconciliation of lease liabilities arising from financing activities		
At start of the year	277,055	6,025
Interest charged to profit or loss (Note 13)	43,582	17,031
Cashflow:		
- Financing activities (interest paid)	(43,582)	(17,031)
- Additions	43,582	299,283
- Payments under leases	(149,283)	(28,253)
At end of year	171,354	277,055

The lease liabilities are unsecured and subject to review at various dates.

The exposure of the Company's leases interest rate changes and the contractual repricing dates at the reporting date are as follows:

	Group & Company 2024 TZS'000	Group & Company 2023 TZS'000
6-12 months	37,152	43,136
1-5 years	134,202	233,919
	171,354	277,055
Weighted average effective interest rates at the reporting date was:		
	16	16

The carrying amounts of the company's lease liabilities are denominated in the United States Dollar.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

19. LEASE LIABILITIES (continued)

Maturity based on the repayment structure of lease liabilities is as follows:

Gross lease liabilities – minimum lease payments

	Group & Company 2024 TZS'000	Group & Company 2023 TZS'000
Not later than 1 year	36,654	42,558
Later than 1 year and not later than 5 years	165,489	237,786
Total gross leases	202,143	280,344
Future interest expense on leases liabilities	(30,789)	(3,289)
Present value of lease liabilities	171,354	277,055
Present value of lease liabilities		
Not later than 1 year	37,152	43,136
Later than 1 year and not later than 5 years	134,202	233,919
	171,354	277,055

20 (A) CAPITAL WORK IN PROGRESS

	Group	Group	Company	Company
	2024	2023	2024	2023
	TZS'000	TZS'000	TZS'000	TZS'000
At start of the year	1,920,542	1,861,864	1,920,542	1,861,864
Additions	133,529	58,678	133,529	58,678
Net book value	2,054,071	1,920,542	2,054,071	1,920,542

As part of its portfolio diversification strategy, NICOL acquired a semi-finished property at Msasani, Plot 818, in 2018, initially intended for the construction of a corporate office. However, following the acquisition of Mirambo Building, which now houses NICOL's corporate office, the development of Msasani Plot 818 was deferred.

To optimize the asset's value, the property was repurposed for rental use. Currently, the ground and front areas of Msasani Plot 818 have been leased, generating an annual rental income of TZS 184 million. This decision aligns with the Company's broader investment strategy, ensuring optimal utilization of assets to enhance shareholder value.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

20 (B) PROPERTY AND EQUIPMENT

Group

Year ended 31 December 2024	Motor vehicles TZS'000	Office equipment, furniture & fittings TZS'000	Building TZS'000	Total TZS'000
Cost				
At start of year	340,430	273,768	-	614,198
Additions	154,091	502,068	22,620,000	23,276,159
At end of year	494,521	775,836	22,620,000	23,890,357
Depreciation				
Charge from the previous year	39,743	186,890	-	226,633
Charge for the year	60,137	337,151	3,117,228	3,514,516
At end of year	99,880	524,041	3,117,228	3,741,149
Net book value	394,641	251,795	19,502,772	20,149,208

Year ended 31 December 2023	Motor vehicles TZS'000	Office equipment, furniture & fittings TZS'000	Building TZS'000	Total TZS'000
Cost				
At start of year	26,670	222,684	-	249,354
Additions	313,760	51,084	-	364,844
At end of year	340,430	273,768	-	614,198
Depreciation				
Charge from the previous year	26,670	160,660	-	187,330
Charge for the year	13,073	26,230	-	39,303
At end of year	39,743	186,890	-	226,633
Net book value	300,687	86,878	-	387,565

For the year ended 31 December 2024, a significant change in the asset register was the addition of a building having fair value of TZS 22.6 billion, following the acquisition of Mirambo Street Properties Limited.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

20. (B) PROPERTY AND EQUIPMENT (continued)

Company

	Motor vehicles TZS'000	Office equipment, furniture & fittings TZS'000	Total TZS'000
Year ended 31 December 2024			
Cost			
At start of year	340,430	273,768	614,198
Additions	154,091	6,416	160,507
At end of year	494,521	280,184	774,705
Depreciation			
Charge from the previous year	39,743	186,890	226,633
Charge for the year	60,137	33,267	93,404
At end of year	99,880	220,157	320,037
Net book value	394,641	60,027	454,668
Year ended 31 December 2023			
Cost			
At start of year	26,670	222,684	249,354
Additions	313,760	51,084	364,844
At end of year	340,430	273,768	614,198
Depreciation			
Charge from the previous year	26,670	160,660	187,330
Charge for the year	13,073	26,230	39,303
At end of year	39,743	186,890	226,633
Net book value	300,687	86,878	387,565

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

21. RIGHT-OF-USE ASSETS

	Group & Company 2024 TZS'000	Group & Company 2023 TZS'000
At start of the year	268,608	27,912
Additions	-	289,821
Depreciation charge for the year	(66,034)	(49,125)
At end of the year	202,574	268,608

22. TRADE AND OTHER RECEIVABLES

	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Other receivables	1,401,995	41,055	42,432	41,055
Receivable from Nico land (current portion)	-	-	2,638,318	808,219
Receivable from TMCL	-	679,224	-	-
Provision for bad debt	-	(679,224)	-	-
Advance paid to Mirambo Properties Ltd	-	17,850,885	-	-
Net trade and other receivables	1,401,995	17,891,940	2,680,750	849,274
Prepayments	42,359	24,190	42,359	24,190
	1,444,354	17,916,130	2,723,109	873,464

Following the takeover of Tanzania Meat Company Limited (TMCL) by the Government on 27 December 2019 and the subsequent decision to wind up TMCL, the Company fully impaired 100% of the TMCL receivable in 2020.

After extensive follow-ups with the Ministry of Livestock and Fisheries, a share transfer agreement and payment commitment were signed for an outstanding amount of TZS 679 million. However, as of the reporting date, no payment has been received, and the full amount of TZS 679 million was provided for in 2023.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

23. CASH AND CASH EQUIVALENTS

	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Cash in hand	705	517	274	103
Cash at bank	2,918,606	610,859	98,622	547,904
At end of the year	2,919,311	611,376	98,896	548,007

The carrying amounts of the Group and Company's cash and cash equivalents are denominated in the following currencies:

	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Tanzanian Shilling	1,282,143	555,461	12,862	522,202
United States Dollar	1,637,168	55,915	86,034	25,805
	2,919,311	611,376	98,896	548,007

24. TRADE AND OTHER PAYABLES

	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Other payables	268,772	1,373,498	198,201	47,013
Accruals	323,520	190,599	207,721	177,822
Payables to related parties	17,432	32,772	17,432	32,772
	609,724	1,596,869	423,354	257,607

Other payables relate to payables to several creditors who remained unpaid during the close of the year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

25. CASH FROM OPERATIONS

	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Profit before tax	9,929,926	7,634,274	9,296,096	7,680,365
Adjustments for:				
Depreciation property and equipment (Note 20)	3,514,516	39,303	93,404	39,303
Depreciation on right of use (Note 21)	66,034	49,125	66,034	49,125
Interest on lease liability (Note 16)	43,582	17,031	43,582	17,031
Mirambo Street Properties profit	(272,062)	-	-	-
Loan processing fee (Note 10)	-	6,018	-	6,018
Investment in corporate bond	-	(202,700)	-	(202,700)
Net income from land sales	(641,253)	-	-	-
Liquidation of fixed deposit	-	600,000	-	600,000
Release of overprovision	-	(1,265,850)	-	(1,265,850)
Interest expense on borrowings	2,127,727	2,424,938	1,489,409	2,424,938
Changes in working capital:				
- trade and other receivables	16,532,422	(17,172,225)	(1,851,849)	436,192
- trade and other payables	(987,147)	1,436,221	165,744	96,486
- long-term receivable	-	-	2,191,781	(657,534)
Cash from operations	30,313,745	(6,433,865)	11,494,201	9,233,374

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

26. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Compensation to key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration of Directors and other key management members during the year were as follows:

a) Director's remuneration

Remuneration paid to directors during the year was as follows:

	Group 2024 TZS'000	Company 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Director's fees	177,290	88,641	88,641	88,641
Director's expenses	55,277	61,617	37,820	61,617
Board expenses	207,081	78,551	207,081	55,538
	439,648	228,809	333,542	205,796

(b) Key management personnel

	Group & Company 2024 TZS'000	Group & Company 2023 TZS'000
Salaries and allowances	481,692	480,492
Gratuity	55,215	51,608
	536,907	532,100

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

26. RELATED PARTY TRANSACTIONS (continued)

(c) Receivables from related party

	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Nicoland Development Company Limited	-	-	2,638,318	3,000,000
Staff loan – key management personnel	31,064	31,632	31,064	31,632
	31,064	31,632	2,669,382	3,031,632

(d) Payables from related party

	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Legal fees	17,432	32,771	17,432	32,771
Gratuity	150,430	95,215	150,430	95,215
Directors' terminal benefits	22,135	-	8,500	-
	189,997	127,986	176,362	127,986

(e) Payments made to Company Secretary and Company Lawyer

	Group 2024 TZS'000	Group 2023 TZS'000	Company 2024 TZS'000	Company 2023 TZS'000
Legal fees	124,912	64,450	58,640	61,950
Secretarial fees	32,400	32,400	32,400	32,400
	157,312	96,850	91,040	94,350

* Company Lawyer's firm is controlled by the Company Secretary.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

27. EQUITY INVESTMENT AT FVOCI

	Group & Company 2024 TZS'000	Group & Company 2023 TZS'000
At start of the year	96,877,777	66,464,348
Current year FV revaluation gain/(loss)	18,056,154	30,413,429
At 31 December	114,933,931	96,877,777

The equity investments designated as held at fair value through other comprehensive income (FVOCI) relate to the following investments in securities quoted and traded on the Dar es Salaam Stock Exchange PLC (DSE). The market prices of these securities are available to the public.

	%interest held		Group & Company 2024 TZS'000	Group & Company 2023 TZS'000
	2024	2023		
National Microfinance Bank	4.1	4.1	109,113,945	91,778,085
Tanzania Breweries Limited	0.04	0.04	1,396,617	1,396,617
Tanga Cement PLC	0.06	0.06	72,558	85,457
CRDB Bank	0.01	0.01	192,250	131,992
Swissport Plc	0.01	0.01	3,696	4,435
Tanzania Cigarette Company	0.01	0.01	130,560	130,560
Tanzania Portland Cement PLC	0.03	0.03	219,744	266,135
Dar-es-Salaam Stock Exchange	6.35	6.35	3,034,561	2,314,496
Vodacom	0.04	0.04	770,000	770,000
			114,933,931	96,877,777

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

27. EQUITY INVESTMENT AT FVOCI (continued)

The table below discloses the number of shares and value per share.

	No. of shares 2024 TZS'000	Value per share 2024 TZS'000	No. of shares 2023 TZS'000	Value per share 2023 TZS'000
NMB Bank Plc	20,395,130	5,350	20,395,130	4,500
Tanzania Breweries Plc	128,130	10,900	128,130	10,900
Tanga Cement Plc	40,310	1,800	40,310	2,120
CRDB Bank Plc	286,940	670	286,940	460
Swissport Plc	3,360	1,100	3,360	1,320
Tanzania Cigarette Plc	7,680	17,000	7,680	17,000
Tanzania Portland Cement Plc	61,040	3,600	61,040	4,360
Dar es Salaam Stock Exchange Plc	1,285,831	2,360	1,285,831	1,800
Vodacom Tanzania Plc	1,000,000	770	1,000,000	770

28. INVESTMENT IN SUBSIDIARY

	Company 2024 TZS'000	Company 2023 TZS'000
Nico Land Development Company Limited	23,241,234	23,241,234

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

29. GOVERNMENT SECURITIES HELD AT AMORTIZED COST

	Group & Company 2024 TZS'000	Group & Company 2023 TZS'000
Treasury bonds		
Maturing 22 May 2039	5,046,399	-
Maturing 22 April 2040	2,121,111	-
Maturing 30 July 2040	10,863,915	1,106,899
Maturing 21 May 2040	1,415,929	1,415,929
Maturing 11 February 2041	3,636,261	3,636,261
Maturing 20 May 2041	2,073,796	2,073,796
Maturing 8 July 2041	3,827,794	3,827,794
Maturing 23 June 2042	-	2,307,625
Maturing 28 July 2042	996,324	996,324
Maturing 29 September 2042	7,195,732	7,195,732
Maturing 24 November 2042	2,000,785	2,000,785
Maturing 22 April 2046	1,751,587	1,751,587
Maturing 5 August 2046	3,745,388	1,605,166
Maturing 8 July 2047	-	1,596,861
Maturing 20 October 2047	-	5,122,600
	44,675,021	34,637,359

Treasury Bonds are securities issued by the Government of the United Republic of Tanzania. During the year ended 31 December 2024, the Company acquired Treasury Bonds for 20 years and 25 years with a face value of TZS 16,184,400,000 and TZS 2,010,000,000 respectively. The interest of the treasury bonds purchased was 15.49% and 15.95% for 20 years and 25 years respectively, the maturity analysis of the treasury bonds is as stated above.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

30. CORPORATE BONDS

	Group & Company 2024 TZS'000	Group & Company 2023 TZS'000
TMRC Bond (Principal)	200,000	200,000
Accrued interest	2,962	2,702
Total	202,962	202,702

The Company acquired a Corporate Bond from Tanzania Mortgage and Refinance Company (TMRC) worthy TZS 200 million with a tenure of 5 years in 2023. The Corporate Bond attracts an interest income 10.20%. This was part of a strategic move towards diversification of investments.

31. BORROWINGS

	Group & Company 2024 TZS'000	Group & Company 2023 TZS'000
Current	3,452,381	3,452,381
Non-current	12,709,524	16,161,905
Total borrowings	16,161,905	19,614,286

In 2022, National Investments Plc secured a long-term loan facility of TZS 21.6 billion from Diamond Trust Bank Ltd (DTB) with a tenure of seven (7) years at an interest rate of 11.5% per annum. Additionally, the Company obtained a further TZS 1.1 billion loan from DTB in 2023 at an interest rate of 11.5% per annum for a tenure of three (3) years.

Both loans are secured against Treasury Bonds and were fully utilized to finance investments in NICOLAND Development Co. Ltd, facilitating the completion of investments in Mirambo Building as part of the Group's diversification strategy

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

31. BORROWINGS (continued)

	Group & Company 2024 TZS'000	Group & Company 2023 TZS'000
Balance at start of the year	19,614,286	21,600,000
Additions	-	1,100,000
Accrued interest	2,127,727	2,424,938
Payments (principal & interest)	(5,580,108)	(5,510,652)
At end of the year	16,161,905	19,614,286

The Group and company's net debt comprises of leases and borrowings. The net debt reconciliation is as presented in note 19 for leases and above respectively.

32. LONG-TERM RECEIVABLE

	Company 2024 TZS'000	Company 2023 TZS'000
Nico land Development Company Limited	-	2,191,781
Total	-	2,191,781

33. INVENTORIES

	Group 2024 TZS'000	Group 2023 TZS'000
At start of the year	9,549,356	-
Cost of sales on disposed land	(7,428,958)	9,549,356
At end of the year	2,120,398	9,549,356

As of 31 December 2024, all land held by the subsidiary is intended for sale in the ordinary course of business. Consequently, it qualifies for classification as Inventories under IAS 2 – Inventories.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

34. BANK OVERDRAFT

	Group & Company 2024 TZS'000	Group & Company 2023 TZS'000
DTB Bank overdraft	6,108,984	-
	6,108,984	-

As part of its strategic initiative to enhance shareholder returns, NICOL secured an overdraft facility of TZS 7 billion from Diamond Trust Bank (DTB) in April 2024, at an interest rate of 11.5% per annum. This facility was primarily intended for money market trading, specifically through the purchase and resale of ready-market Government Bonds to capitalize on price appreciation.

By leveraging this approach, NICOL aimed to generate returns from the price differential between the initial purchase and the subsequent sale of the bonds. As of 31 December 2024, the Company had utilized TZS 6.1 billion of the TZS 7 billion overdraft facility. The overdraft is governed by a one-year contract with DTB Bank and is classified under current liabilities in the Statement of Financial Position.

During the year, NICOL's trading activities in the money market yielded a net income of TZS 85 million, contributing to the Company's broader objective of optimizing financial performance and enhancing shareholder value.

35. GOODWILL

During the financial year ended 31 December 2024, Nico Land Development Company Limited acquired Mirambo Street Properties Limited for a purchase consideration of TZS 21.26 billion. The acquisition resulted in recognition of goodwill amounting to TZS 169 million, representing the excess of the purchase price over the fair value of net identifiable assets acquired for consolidation purposes only. The subsidiary of Nico Land Development Company Limited named Mirambo Street Properties Limited reports its assets and liabilities at historical cost.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

35. GOODWILL (continued)

	2024 TZS'000
Non-current assets (A)	
Property and equipment	19,694,540
	19,694,540
Current assets (B)	
Sundry debtors	331,377
Cash and cash equivalents	3,833,552
	4,164,929
Current liabilities (C)	
Trade and other payables	2,763,877
	2,763,877
Net current assets (B-C=D)	1,401,052
Net Assets Value (A-D=E)	21,095,592
Consideration paid(F)	21,264,572
Goodwill (F-E)	168,980

As of 31 December 2024, management conducted an impairment test on goodwill. No impairment has been recognized during the year.

Goodwill will be subject to annual impairment testing, and any impairment losses will be recorded in the income statement as incurred. The subsidiary continues to report at cost, while fair value adjustments are only for consolidation purposes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2024 (Continued)

36. CONTINGENT LIABILITIES

The Company is currently defending few pending legal suits, for which no liability has been admitted. While the Company maintains a strong legal position, there remains a possibility of incurring claims if the defence is unsuccessful. Accordingly, management has assessed these matters in compliance with International Accounting Standard (IAS) 37 – Provisions, Contingent Liabilities, and Contingent Assets, and has recorded provisions were deemed appropriate.

The Directors do not anticipate that the outcome of these legal proceedings will have a material impact on the Company's financial statements.

37. EVENTS AFTER THE REPORTING DATE

There are no events or otherwise matters occurring subsequent to year end requiring disclosure and/or adjustment to these financial statements.



The Economic Shield of The Nation

NATIONAL INVESTMENTS PLC

National Investments PLC
50 Mirambo Street
3rd Floor, Mirambo House
P.O. Box 7465
Dar Es Salaam
Phone: +255 22 2701436/2701348
0682 720 679
E-mail: invest@nicol.co.tz