

JATU Public Limited Company



INTERIM RESULTS FOR PERIOD ENDING JUNE 2021

HEADLINE RESULTS

JATU PLC today announces its results for the six-month period ended 30 June 2021.

FINANCIAL HIGHLIGHTS

	2021	2020	%
	TZS'M	TZS'M	CHANGE
Revenue	2,910	719	304%
Gross Profit	1,565	366	327%
Operating Profit	68	(48)	241%
Basic Earnings Per Share	16	-	

Financial Review

The Company is pleased to announce its results for the first Half of 2021. The Company's Revenue increased by 304% with growth in maize flour, rice, beans and sunflower oil, depicting strong momentum in our business growth.

The growth in revenue went almost parallel with operating profit which increased by 241%. This is primarily due to a significant increase in sales and marketing investment in all products compared to the same period last year. Staff costs increased by 288% following increase in hiring and Administrative expenses by 238% to support the production and sales investment where the operating margin increased from -6.6% last June to 2.3% in the current June.

The growth in profit after tax for the period is same as Operating profit growth due to non-charge of Tax Expenses as a result of Unrelieved losses.

Investment in capital expenditure during the 6-month period increased by 25%

The Company reported cash generated from operations was TShs 187Mmillion, of which TShs 131Million was utilized to pay capital expenditure. Bank Term loan of 250Mil supported the working capital and Projects financing which by 30th June 2021 they were in WIP stage worth TZS 201Million.

I extend my sincere thanks to the JATU Board of Directors, management and employees for their tireless and industrious efforts and continued support as well as our members and all stakeholders for their loyalty in our agribusiness support.

JATU Public Limited Company

Corporate Plans

Our company is focused on the following plans:

a) On Dividend;

During the year, the Directors have proposed dividend of TZS 41.2 million for 2020 as execution of the company policy to pay at least 30% of profit as year dividend.

However, the final ordinary dividends decisions are subject to adoption by shareholders at the Annual General Meeting.

b) On Increase of Capital;

JATU PLC aims to increase its share capital through the issuance of shares in Dar es Salaam Stock Exchange (DSE) market. This will enable the company to roll out all its planned projects.

c) On Increase of Profitability;

To persuade new investors we need to increase profitability of our agribusiness. To start with, in the forthcoming farming season, JATU PLC will introduce 25% share of profit on the member farmers produce sale profit and 20% on the livestock products sale profit.

Peter Isare Gasaya



Chief Executive Officer

JATU PLC

Date ____17/11/2021

JATU Public Limited Company

Company Overview

JATU (Jenga Afya Tokomeza Umasikini), this is a Swahili phrase to mean “Make Health and Eradicate Poverty”. JATU is a Tanzanian company registered as a Public Limited Company that engages in agriculture in modern block farming. Registered on 20 October 2016 under the Companies Act of 2002 and the registration number is 130452 issued by the Business Registration and Licensing Agency (BRELA) Tanzania.

The Company's objectives are divided into three (3) sections; (a) Integrate agriculture, smallholder farmers and people interested in farming and assist them in modern and collective/block farming. (b) Establishing factories close to farming areas and food processing industries activities. (c) To run internet marketing in the sale of various goods and services to its members and public at large.

The Company's strategic plan is to reach all districts of Tanzania through Agriculture, Industry and Internet Marketing. Currently, the Company operates bean farming activities in Kilindi district, Tanga region, Rice farming in Kilombero district, Morogoro, maize and sunflower farming in Kiteto District, Manyara Region and Fruit Farming, Handeni District, Tanga Region. The company also recently embarked on banana farming to improve Tarime banana farmers' economy and finally render income to the company through sale of banana products locally and abroad. Avocado farming is in 2 years stage at Njombe region.

The Company buys all farmers' produce as raw materials for the processing of different final products. The maize flour factory is currently located in Kibaigwa - Dodoma. Our plan is to relocate this factory to Kiteto Manyara. Rice milling factory is located in Kilombero - Morogoro. This plan is in line with the National Industrial Policy.

Manufactured products are sold through JATU's role through a digital system that is implemented through online marketing i.e. Jatu Marketing App.

JATU Public Limited Company

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the 6 months ended 30 June 2021

	2021 TZS'M	2020 TZS'M	Change in %
Revenue	2,910	719	304%
Cost of Sales	1345	353	281%
Gross Profit	1,565	366	327%
Staff Costs	780	201	288%
Administrative Expenses	717	213	238%
Operating Profit/(Loss)	68	(48)	241%
Income Tax Expense	-	-	-
Profit/(Loss) for the period	68	(48)	241%
Attributable to:			
Equity holders of company	68	(48)	241%
Basic earnings per share (TZS)	16	-	-

STATEMENT OF FINANCIAL POSITION As At 30th June 2021

	2021 TZS'M	2020 TZS'M	Change in %
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	1,120	836	
Projects Work-In-Progress	289	-	
	1,409	836	69%
Current Assets			
Inventories	177	201	
Trade and Other Receivables	547	555	
Tax credit	6	1	
Cash and Bank Balances	163	19	
	893	780	
Total Assets	2,302	1,617	42%
EQUITY			
Capital and Reserves			
Share Capital	1,082	1,082	
Retained Earnings	161	(8)	
Total Equity	1,243	1,074	16%
LIABILITIES			
Current Liabilities			
Provisions for other liabilities	521	306	
Trade and other Payables	278	194	
Term Loans	260	42	
	1,059	542	95%
TOTAL EQUITY AND LIABILITIES	2,302	1617	

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STATEMENT OF CASH FLOWS

For the 6 months ending 30th June 2021

	2021 TZS'M	2020 TZS'M	Change in %
I: Cash Flow From Operating Activities:			
Net Profit/(Loss)	68	(48)	
Adjustments for:			
Prior Year adjustment	(2)	-	
Depreciation:	156	67	
Change in Receivables	(70)	(29)	
Change in Payables	(71)	221	
Change in Inventories	105	21	
Tax Paid	-	(1)	
Net Cash Provided by Operating Activities	187	231	(19%)
II: Cash Flow From Investing Activities:			
Projects Work-In-Progress	(201)	-	
Purchases of fixed assets	(131)	(266)	
Net Cash Used by Investing Activities	(332)	(266)	25%
III: Cash Flow From Financing Activities:			
Term Loans	231	22	
Net Cash Provided by Financing Activities	231	22	950%
IV: Cash and Cash Equivalents:			
Net Increase/(Decrease) in Cash and Cash Equivalents	86	(12)	816%
Cash and Cash Equivalents at the beginning of the year	77	31	
Cash and Cash Equivalents at the end of the period	163	19	

STATEMENT OF CHANGE IN EQUITY

For the 6 months ended 30th June 2021

	Attributable to Holders of Equity		
	Share Capital TZS'M	Retained Earnings TZS'M	Total Equity TZS'M
Balance at 1 January 2021	1,082	93	1,175
Profit for the period	-	68	68
Balance at 30 June 2021	1,082	161	1,243