



QUARTER 3 – UNAUDITED
FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 30 SEPTEMBER
2024

NATIONAL INVESTMENTS PLC

INTRODUCTION

This report has been meticulously prepared in adherence to the financial regulations governing the company, as well as the statutory obligations outlined by the Capital Market Securities Authorities (CMSA) and the Dar Es Salaam Stock Exchange (DSE). As required for publicly listed entities, this document provides a comprehensive overview of the performance and financial position of National Investments Plc for the period ended 30 September 2024.

PERFORMANCE AND FINANCIAL POSITION OVERVIEW

The financial results for the period ended 30 September 2024 are presented in detail in the following sections of this report.

Revenue Performance

The Group recorded a 27% increase in revenue, amounting to TZS 12.6 billion, compared to TZS 9.9 billion for the same period in the previous year. This figure excludes other income, which stood at TZS 178 million for September 2024, a decrease from TZS 1.2 billion in September 2023. The variance in other incomes is primarily attributed to the reversal of provisions in the prior period.

Expense Analysis

Total expenses, inclusive of interest expenses, rose to TZS 3.8 billion for the period ended 30 September 2024, up from TZS 3.1 billion in September 2023. This increase is largely driven by augmented DSE fees, and higher dividend processing costs, all of which escalated due to the rise in market capitalization. The Group remains committed to rigorous expense management as a strategic priority.

Profitability

The Group achieved a profit after tax of TZS 8.5 billion, reflecting a 9% increase compared to the TZS 7.8 billion reported in September 2023. This steady growth underscores the Group's resilient operational performance.

Balance Sheet Strength

The Group's balance sheet continues to exhibit strength, with total assets increasing by 14% to TZS 185 billion as of 30 September 2024, compared to TZS 162 billion as of 31 December 2023. Concurrently, total liabilities have increased by 1%, from TZS 23.9 billion in December 2023 to TZS 24.1 billion in September 2024, further bolstering the Group's financial position.

Investment Portfolio

The Group has made significant strides in enhancing its investment portfolio. Equity investments have risen by 18%, reaching TZS 114 billion as of September 2024, up from TZS 97 billion in December 2023. Additionally, investments in government securities have increased by 13%, totaling TZS 39 billion as of September 2024, compared to TZS 35 billion at the end of 2023.

Group Financial Performance Highlights	Sep 2024 TZS (Billion)	Sep 2023 TZS (Billion)	increase/decrease	December 2023 TZS (Billion)
Dividend Income	7.7	6.0	↑ 27%	6.0
Interest Income	4.1	3.9	↑ 3%	5.1
Profit before tax	8.9	8.1	↑ 10%	7.6
Basic earnings per share	139	127	↑ 9%	110
Share price	750	500	↑ 50%	500

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GROUP STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME AS AT 30 SEPTEMBER 2024

	Note	Group			Company		
		Sep-24	Sep-23	Dec-23	Sep-24	Sep-23	Dec-23
		TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000
Dividend Income	3	7,673,355	6,036,913	6,039,217	7,673,355	6,036,913	6,039,217
Interest Income	4	4,062,250	3,932,528	5,084,412	4,062,250	3,932,528	5,084,412
Net Plot Sales Income	19	915,591	-	-	-	-	-
Total Income		12,651,196	9,969,441	11,123,629	11,735,605	9,969,441	11,123,629
Rental Income	20	38,216	-	-	38,216	-	-
Other Income	21	139,748	1,265,850	1,265,850	138,935	1,265,850	1,265,850
Total Income		12,829,160	11,235,290	12,389,479	11,912,756	11,235,290	12,389,479
Employees' Benefit expenses	5	(616,868)	(548,112)	(786,837)	(616,868)	(548,112)	(786,837)
Administration Expenses	6	(851,439)	(414,697)	(458,092)	(542,888)	(372,799)	(436,064)
Other Admin expenses	7	(287,356)	(84,752)	(833,029)	(286,756)	(84,153)	(832,429)
Board Expenses	9	(327,025)	(161,275)	(228,809)	(284,302)	(141,457)	(205,796)
Total Operating Income		10,746,472	10,026,454	10,082,712	10,181,942	10,088,769	10,128,353
Finance Expenses	8	(1,785,985)	(1,871,399)	(2,447,988)	(1,785,985)	(1,871,399)	(2,447,988)
Profit Before Tax		8,960,487	8,155,055	7,634,724	8,395,957	8,217,370	7,680,365
Taxation		(421,300)	(347,159)	(848,446)	(391,269)	(347,159)	(847,996)
Profit After Tax		8,539,187	7,807,896	6,786,278	8,004,688	7,870,211	6,832,369
Other Comprehensive Income/Loss							
Items not classified to the profit or loss							
Net change in fair value (loss)/gain	10	17,175,860	9,630,430	30,413,429	17,175,860	9,630,430	30,413,429
Gain/loss on Bonds valuation		-	(488,481)	-	-	(488,481)	-
Total comprehensive income/Loss		25,715,047	16,949,845	37,199,707	25,180,548	17,012,160	37,245,798
Basic earnings per share (TZS)		139	127	110	130	128	111

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GROUP STATEMENT OF FINANCIAL POSITION FOR THE HALF YEAR PERIOD ENDED 30 SEPTEMBER 2024

	Notes	Group		Company	
		Sep-2024 TZS '000'	Dec-2023 TZS '000'	Sep-2024 TZS '000'	Dec-2023 TZS '000'
Equity					
Share capital	22	7,704,354	7,704,354	7,704,354	7,704,354
Share premium		1,588,635	1,588,635	1,588,635	1,588,635
Retained earnings		44,636,055	39,477,937	44,223,063	39,594,100
FVOCI Reserve		106,920,995	89,745,135	106,920,995	89,745,135
Total Equity for Parent		160,850,039	138,516,061	160,437,047	138,632,224
Non-controlling interest		4,172	(1,173)	-	-
Total Equity		160,854,211	138,514,888	160,437,047	138,632,224
Non-current liabilities					
Lease liabilities		263,909	233,919	263,909	233,919
Borrowings	16	13,664,286	16,161,905	13,664,286	16,161,905
		13,928,195	16,395,824	13,928,195	16,395,824
		174,782,406	154,910,712	174,365,242	155,028,048
REPRESENTED BY					
Non-current assets					
Property and equipment	11	309,736	387,565	309,736	387,565
Capital work in progress	11	2,054,071	1,920,542	2,054,071	1,920,542
Investments Held for sale	23	2,120,399	-	-	-
Right-of-use asset	24	218,893	268,608	218,893	268,608
Long-term receivable		-	-	1,884,226	2,191,781
Investment in Subsidiary		-	-	23,241,234	23,241,234
Investment Property	25	21,264,572	-	-	-
Corporate Bond		207,491	202,702	207,491	202,702
Equity investments	12	114,053,637	96,877,777	114,053,637	96,877,777
Government securities	13	39,270,190	34,637,359	39,270,190	34,637,359
		179,498,989	134,294,553	181,239,478	159,727,568
Current assets					
Trade and other receivables	14	3,361,643	17,916,130	1,267,853	873,465
Inventory	26	-	9,549,356	-	-
Deposits with financial institutions		2,062,466	-	2,062,466	-
Cash and cash equivalents	17	261,302	611,376	104,289	548,007
		5,685,411	28,076,862	3,434,608	1,421,472
Current liabilities					
Lease liabilities		46,628	43,136	46,628	43,136
Borrowings	16	3,452,381	3,452,381	3,452,381	3,452,381
Overdraft	18	625,576	-	625,576	-
Current tax payable		485,556	485,106	485,106	485,106
Trade and other payables	15	574,960	1,596,869	482,260	257,608
Dividend payable		5,216,893	1,882,761	5,216,893	1,882,761
		10,401,994	7,460,703	10,308,844	6,120,992
Net current liabilities		(4,716,583)	20,616,159	(6,874,236)	(4,699,519)
		174,782,406	154,910,712	174,365,242	155,028,048

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GROUP STATEMENT OF CASHFLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

	Group		Company	
	30 Sept 2024	31st Dec 2023	30 Sept 2024	31st December 2023
	TZS '000'	TZS '000'	TZS '000'	TZS '000'
Cashflow from Operating Activities				
Profit before tax	8,960,487	7,634,274	8,395,957	7,680,365
Investment in corporate bond	-	(202,700)	-	(202,700)
Interest and penalties - tax	(2,025)	-	(2,025)	-
Liquidation of fixed deposit	-	600,000	-	600,000
Tax paid	(421,300)	(362,890)	(391,269)	(362,890)
Depreciation property and equipment	84,248	39,303	84,248	39,303
Depreciation right of use asset	49,715	49,125	49,715	49,125
Loan/OD processing fee	120,780	6,018	120,780	6,018
Interest expense on borrowings	1,631,723	2,424,938	1,631,723	2,424,938
Rental Income	(38,216)		(38,216)	
Release provisions	-	(1,265,850)	-	(1,265,850)
Interest on lease liability	33,482	17,031	33,482	17,031
Operating Cashflows	10,418,894	8,939,249	9,884,395	8,985,340
Changes in working capital				
(Increase)/Decrease in trade receivables	24,011,150	(17,172,225)	(129,529)	(221,342)
Increase/(Decrease) in trade payables	(1,021,909)	1,436,221	224,653	96,486
Net Cashflows from Operating activities	33,408,134	(6,796,755)	9,979,519	8,860,484
Cashflow from Investing Activities				
Purchase of property and equipment	(6,417)	(364,844)	(6,417)	(364,844)
Capital work in progress	(133,529)	(58,678)	(133,529)	(58,678)
Purchase of inventories	-	(7,795,063)	-	-
Purchase of Government bonds	(19,350,800)	-	(19,350,800)	-
Disposal of Government Bonds	14,412,800		14,412,800	
Nico Land advance	-	-	(350,000)	-
Investment Property	(21,264,572)	-	-	-
Investment Held for sale	(2,120,399)	-	-	-
Investment in subsidiary (Nico Land)	-	-	-	(23,241,211)
Deposits with commercial banks	(2,000,000)	10,021,918	(2,000,000)	10,021,918
Government bonds trading income	238,556	50,041	238,556	50,041
Rental income	91,719	-	91,719	-
Net Cashflows from Investing Activities	(30,132,642)	1,853,374	(7,097,671)	(13,592,774)
Cashflow from Financing Activities				
Dividend paid	(1,021)	(1,950,000)	(1,021)	(1,950,000)
Loan repayment from Nico Land	-	-	300,000	-
Payments on interest from borrowing	(1,631,723)	(2,424,938)	(1,631,723)	(2,424,938)
Borrowings repayment of principal	(2,497,619)	(1,985,714)	(2,497,619)	(1,985,714)
Loan/OD processing fees	(120,780)	(6,018)	(120,780)	(6,018)
Payment of principal lease	-	(28,253)	-	(28,253)
Net cash used in Financing Activities	(4,251,143)	(6,394,924)	(3,951,143)	(6,394,924)
Increase/(decrease) in cash and cash equivalents	(975,650)	(11,338,304)	(1,069,295)	(11,127,213)
At start of the year	611,376	11,949,680	548,007	11,675,220
At end of the year	(364,274)	611,376	(521,288)	548,007

NATIONAL INVESTMENTS PLC

NOTES TO CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS

1. General Information

National Investments Plc is a Company domiciled in Tanzania. These consolidated unaudited financial statements comprise the financial statements of the Company and its subsidiary; Nico Land Development Company Limited (together referred to as “the Group”) and are for the period ended 30 September 2024.

2. Material accounting policy information

(a) Basis of preparation

These consolidated unaudited financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Companies Act, 2002.

These Consolidated financial statements have been prepared on the historical cost basis except for the following:

- Financial instruments at fair value through profit or loss are measured at fair value; and
- Available-for-sale financial assets are measured at fair value.

(b) Functional and presentation currency

These consolidated unaudited financial statements are presented in Tanzanian Shilling, which is the Company’s functional and presentation currency. Except as indicated, the financial information presented in Tanzanian Shillings has been rounded to the nearest thousands (TZS’000).

(c) Consolidation

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that currently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(d) Foreign currency transaction

Transactions in foreign currencies are translated to the functional currency at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period.

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NOTES TO CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS (Continued)

2. Material accounting policy information (continued)

(d) Foreign currency transaction (continued)

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are re-translated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available for-sale assets, which are included in the fair value reserve in equity.

(e) Financial Instruments Non-derivative financial assets

Recognition

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

De-recognition

The Group de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognized as a separate asset or liability.

Offsetting

Financial assets and liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are re-recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses. Loans and receivables comprise trade and other receivables, including service concession receivables.

Available for sale reserves

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale and that are not classified in any of the previous categories. The Group's investments in equity quoted securities are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences (if any)

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NOTES TO CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS (Continued)

2. Material accounting policy information (continued)

(e) Financial instruments (continued)

on available-for sale equity instruments, are recognised in other comprehensive income and presented within equity in the available for sale reserve. When an investment is derecognised, the cumulative gain or loss in other comprehensive income is transferred to profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, fixed deposits and any call deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(f) Property and equipment

(i) Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amount of property and equipment and are recognised net within profit or loss.

(ii) Subsequent costs

The cost of replacing part of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

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NOTES TO CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS (Continued)

2. Material accounting policy information (continued)

(f) Property and equipment (continued)

(iii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives for the current and comparative periods are as follows:

	Group	Company
· Buildings	2.50%	2.50%
· Plant and Machinery	25%	25%
· Furniture, Fixture and Equipment	25%-33%	25%
· Motor Vehicle	25%	25%
· Computer	25%	25%
· Leasehold land is not depreciated		

(g) Operating lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

(h) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(i) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in income statement when they are due.

(ii) Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal retirement date. Termination benefits for voluntary redundancies are recognised if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

(j) Investment income

Investment income comprises dividend income, interest income, gains on disposal of available for sale financial assets at fair value through profit or loss. Investment income is recognised as it accrues in income statement, using the effective interest method. Dividend income is recognised in income statement on the date the Company's right to

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NOTES TO CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS (Continued)

2. Material accounting policy information (continued)

(j) Investment income (continued)

receive payment is established, which in this case of quoted securities is the ex-dividend date at the date dividend declaration is made.

(k) Finance expenses

Finance expense comprises interest expense on borrowings. All borrowings are recognised in income statement using the effective interest method.

(l) Share capital

Ordinary shares are 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. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity net of tax as deduction from the proceeds.

(m) Earnings per share

The Group and Company present basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group and 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.

(n) Comparative figures

Previous year's audited figures have been regrouped whenever considered necessary to make them comparable, the half year figures of the current period comparable with those of the similar previous year period of the half year.

(o) 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 an operating board that makes strategic decisions. In the period ended 30 June 2024, the Company and its subsidiary were considered as one segment, and all operating decisions were exercised by the same management.

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NOTES TO CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS (Continued)

(p) Investment in Subsidiary

The Group controls one subsidiary named Nico Land Development Company Limited with 99% ownership whose principal activity is conducting business in real estate by investing in commercial properties, students' hostels, buy, develop and sale subdivided surveyed plots, establishment of shopping malls through joint ventures.

Summarized financial information for Nico Land Development Company Limited is set out below:

STATEMENT OF PROFIT OR LOSS

	2024 TZS '000	2023 TZS '000
Revenue	9,092,673	-
Other income	813	-
Net income	9,093,486	-
Cost of sales	(8,177,082)	-
Administrative expenses	(351,874)	(45,641)
Operating profit	564,530	(45,641)
Finance costs	-	-
Profit before taxation	564,530	(45,641)
Tax charge	(30,030)	(450)
Profit for the year	534,500	(46,091)

STATEMENT OF FINANCIAL POSITION

	2024 TZS '000	2023 TZS '000
Equity		
Share capital	23,241,236	23,241,236
Retained earnings	417,612	(117,338)
Equity attributable to owners of the company	23,658,848	23,123,898

REPRESENTED BY

Non-current assets

Investment property	21,264,572	-
Asset held for trading	2,120,399	-

Current assets

Trade and other receivables	3,259,565	17,850,885
Inventories	-	9,549,356
Cash and cash equivalents	157,012	63,369

Current liabilities

Borrowing	3,050,000	3,000,000
Sundry creditors	92,700	1,339,262
Current income tax payable	-	450
Net current liabilities	273,877	(4,339,712)
	23,658,848	23,123,898

STATEMENT OF CASHFLOWS

Net cash from operating activities	23,458,643	(16,557,239)
Tax Charge	(30,030)	-
Net cash used in investing activities	(23,384,970)	(7,795,062)
Net cash from (used in) financing activities	50,000	24,141,211
At start of the year	63,369	274,459
Net cash inflow	157,012	63,369

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NOTES TO CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS (Continued)

3. Dividend Income

	30-Sep-24	30-Sep-23	31-Dec-23
	TZS "000"	TZS "000"	TZS "000"
Dividend Income From NMB	7,366,313	5,838,106	5,838,106
Dividend Income From TBL	68,806	-	-
Dividend Income From TPCC	23,806	23,806	23,806
Dividend Income From Swissport	172	141	141
Dividend Income From TCC	1,536	2,842	5,146
Dividend Income From CRDB	14,347	12,912	9,950
Dividend Income From Vodacom	11,930	9,950	12,912
Dividend Income From DSE	186,445	149,156	149,156
	<u>7,673,355</u>	<u>6,036,913</u>	<u>6,039,217</u>

4. Interest Income

	30-Sep-24	30-Sep-23	31-Dec-23
	TZS "000"	TZS "000"	TZS "000"
Interest Income- 20Yrs G-Bonds	3,039,693	2,361,515	3,157,337
Interest Income 25Yrs G-Bond	939,419	992,374	1,326,800
Interest - Fixed Deposit	62,466	517,100	520,775
Interest - TMRC Bond	14,989	7,851	12,902
Interest on Bank Balance	5,683	53,688	66,598
	<u>4,062,250</u>	<u>3,932,528</u>	<u>5,084,412</u>

5. Employees Costs

	30-Sep-24	30-Sep-23	31-Dec-23
	TZS "000"	TZS "000"	TZS "000"
Training	4,951	5,330	6,830
Medical Expenses	2791	11	911
Medical Assurance	17,634	15,935	21,207
Salaries and Wages	477,706	416,988	602,316
NSSF (Employer's Contributions)	44,286	44,256	63,939
Gratuity	41,411	37,805	51,608
Workers Compensation Fund	2,214	2,213	2,951
Allowances	25,875	25,575	37,075
	<u>616,868</u>	<u>548,112</u>	<u>786,837</u>

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6. Administration Expenses

	30-Sep-24	30-Sep-23	31-Dec-23
	TZS "000"	TZS "000"	TZS "000"
Printing and Stationery	6,047	6,614	7,380
Telephone and Postage	1,245	415	600
Advertisement	7,009	25,273	28,659
Legal and Consultancy Fees	223,212	72,924	64,888
Annual General Meeting	137,220	2,891	110,805
Transport and Travelling	77,875	75,529	65,321
Bank Charges	7,902	4,163	8,198
Website Design & Internet	8,536	13,760	17,822
Office Supplies and Expenses	25,777	14,240	23,472
Transactional/Brokerage Fees	12,495	1,015	1,015
Consultancy Fees	155,650	35,702	32,628
Meetings and Conferences	1,505	660	1,210
Audit Fees - Current	45,441	34,989	62,171
Secretarial Services Expenses	24,300	24,300	32,400
Insurance	10,805	-	2,401
Exchange loss	-	73,894	(50,003)
Land Rent	1,705	-	-
Depreciation on right of use	49,715	28,328	49,125
Management Fee - Accrued	55,000	-	-
	851,439	414,697	458,092

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7. Other Admin Expenses

	30-Sep-24	30-Sep-23	31-Dec-23
	TZS "000"	TZS "000"	TZS "000"
Office Rent	21,190	17,519	26,936
Repairs and Maintenance	1,030	4,439	4,607
Depreciation Furniture and Fittings	6,242	6,242	8,322
Depreciation Air Conditioners	-	132	176
Depreciation Computers	7,926	8,730	12,340
Depreciation Office equipment	11,250	3,627	5,387
Depreciation Motor vehicle	58,830	-	13,073
Incidental Expenses	-	1,790	2,790
Trade licence fees	-	-	200
Security Charges	2,800	3,600	4,800
City Service Levy	63,156	-	-
Annual Subscription Charges	112,907	38,673	75,174
Interest and Penalties	2,025	-	-
Provision for impairment	-	-	679,224
	287,356	84,752	833,029

8. Finance Costs

	30-Sep-24	30-Sep-23	31-Dec-23
	TZS "000"	TZS "000"	TZS "000"
Interest on lease liability	33,482	5,482	17,031
Interest on loan	1,631,723	1,865,917	2,424,938
Loan processing fees	-	-	6,018
OD Arrangement fees	120,780	-	-
	1,785,985	1,871,399	2,447,987

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9. Board Expenses

	30-Sep-24	30-Sep-23	31-Dec-23
	TZS "000"	TZS "000"	TZS "000"
Board Meeting Expenses	36,060	59,588	78,551
Directors' Fees	94,381	66,481	88,641
Board Training / Induction	157,007	-	-
Board Travelling - Local	8,512	3,908	12,171
Director's retirement benefit	-	-	-
Exec Committee Exp	5,228	7,422	7,422
Investment Committee Exp	16,214	11,459	22,817
Audit and Risk Committee Exp	9,623	12,418	19,207
	327,025	161,276	228,809

During the period ended 30 September 2024, there was an induction session for the directors. After the appointment of the Directors this session was supposed to be held but was postponed until June 2024 due to the availability of Directors. This session was necessary to support effective governance, oversight and strategic decision-making.

A slight difference in the director's fees is due to the inflation review done in 2024.

10. Fair Value Gain/(loss) on Equity Valuation

	Shares	31-Dec-23	30-Sep-24	
	Number	TZS	TZS	TZS
	"000"	"000"	"000"	"000"
TPCC	61,040	4,360	3,840	(31,741)
Swissport	3,360	1,320	1,100	(739)
TCCL	40,310	2,120	1,920	(8,062)
CRDB	286,940	460	640	51,649
DSE	1,285,831	1,800	2,460	848,648
NMB	20,395,130	4,500	5,300	16,316,104
TBL	128,130	10,900	10,900	-
Vodacom	1,000,000	770	770	-
TCC	7,680	17,000	17,000	-
				17,175,860

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11. Property and Equipment Year Ended 30 Sep 2024

	WIP TZS "000"	Motor Vehicles TZS "000"	Furniture, equipment & fittings TZS "000"	Total TZS "000"
Cost				
At start of year	1,920,542	340,430	273,768	2,534,740
Additions	133,529	-	6,417	139,946
At end of year	<u>2,054,071</u>	<u>340,430</u>	<u>280,185</u>	<u>2,674,686</u>
Depreciation				
Charge from previous year	-	39,743	186,890	226,633
Charge for the year	-	58,830	25,418	84,248
At end of year	<u>-</u>	<u>98,573</u>	<u>212,308</u>	<u>310,881</u>
Net Book Value	<u>2,054,071</u>	<u>241,857</u>	<u>67,877</u>	<u>2,363,805</u>

12. Equity Investments

	30-Sep-24 TZS "000"	31-Dec-23 TZS "000"
Tanzania Portland Cement Co Ltd	234,394	266,134
Swissport Tanzania Plc	3,696	4,435
Tanga Cement Co Plc	77,395	85,457
CRDB Bank Plc	183,642	131,992
Dar es Salaam Stock Exchange Plc	3,163,144	2,314,496
NMB Bank Plc	108,094,189	91,778,085
Tanzania Breweries Ltd	1,396,617	1,396,617
Vodacom Tanzania Ltd	770,000	770,000
Tanzania Cigarettes Co Ltd	130,560	130,560
	<u>114,053,637</u>	<u>96,877,777</u>

13. Government Bonds

	30-Sep-24 TZS "000"	31-Dec-23 TZS "000"
20 Years Government Bonds	33,887,334	24,561,145
25 Years Government Bonds	5,382,856	10,076,214
	<u>39,270,190</u>	<u>34,637,359</u>

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14. Trade and other receivables

	30-Sep-24	31-Dec-23
	TZS "000"	TZS "000"
Staff loans and advances	54,651	29,259
Other receivables	3,306,992	17,886,871
	<u>3,361,643</u>	<u>17,916,130</u>

15. Trade and other payables

	30-Sep-24	31-Dec-23
	TZS "000"	TZS "000"
Other payables	239,751	1,373,498
Accruals	68,090	190,599
Payable to related parties	267,120	32,772
	<u>574,960</u>	<u>1,596,869</u>

16. Borrowings

	30-Sep-24	31-Dec-23
	TZS "000"	TZS "000"
Current	3,452,381	3,452,381
Non-current	13,664,286	16,161,905
	<u>17,116,667</u>	<u>19,614,286</u>

In the year 2022, NICOL obtained a loan of TZS 21.6 billion from Diamond Trust Bank (DTB) at an interest rate of 11.5% per annum, with a repayment period of seven years. The purpose of this loan was to finance the acquisition of shares and assets in Mirambo Street Properties Ltd (MSP) through NICOL's subsidiary, NICOLAND. The loan is secured by an existing 20-year Government Bond. The current portion comprise borrowing amount which falls due within twelve months and non-current comprises amount above twelve months.

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17. Cash and cash equivalents

	30-Sep-24	31-Dec-23
	TZS "000"	TZS "000"
Cash at bank	260,613	610,859
Cash in hand	689	517
	<u>261,302</u>	<u>611,376</u>

18. Overdraft

	30-Sep-24	31-Dec-23
	TZS "000"	TZS "000"
DTB TZS Account	625,576	-
	<u>625,576</u>	<u>-</u>

As of 30 September 2024, the Company has an overdraft in one of its bank accounts amounting to 625 million, which exceeds the cash balance available in that account. The overdraft has been recorded as a current liability in the Statement of Financial Position. This overdraft facility is provided by DTB Bank and bears an interest rate of 11.5% per annum. This overdraft is secured by our government bonds.

19. Profit on Plot Sales

	30-Sep-24
	TZS "000"
Sales	9,092,673
Cost of sales	
Commission expenses	238,400
Purchases costs – Amani Gomvu	1,804,717
Purchases costs – Kibada Block 15	2,238,039
Purchases costs - Ngobanya	3,868,627
Stamp Duty	27,298
	<u>(8,177,082)</u>
	<u>915,591</u>

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20. Rental Income

	30-Sep-24	31-Dec-23
	TZS "000"	TZS "000"
Rent from Msasani	38,216	-
	<u>38,216</u>	<u>-</u>

21. Other Income

	30-Sep-24	30-Sep-23	31-Dec-23
	TZS "000"	TZS "000"	TZS "000"
Bond trading income	238,556	-	-
Rental Income	38,216	-	-
Forex gain/(loss)	(98,808)	7,569	-
Miscellaneous	-	50,041	57,610
Yetu recovery	-	600,000	600,000
Release court case	-	608,240	608,240
	<u>177,964</u>	<u>1,265,850</u>	<u>12,710</u>

22. Share Capital

	30-Sep-24	31-Dec-23
	TZS "000"	TZS "000"
Authorised:		
1,600,000,000 ordinary shares @ TZS 125	<u>200,000</u>	200,000
Issued and fully paid:		
61,634,834 ordinary shares @ TZS 125	<u>7,704,354</u>	7,704,354

23. Investment Held for Sale

	30-Sep-24	31-Dec-23
	TZS "000"	TZS "000"
Nico Land Projects	2,120,399	-
	<u>2,120,399</u>	<u>-</u>

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24. Right of Use

	30-Sep-24	31-Dec-23
	TZS "000"	TZS "000"
At 1 January 2024	268,608	27,912
Additions	-	289,821
Amortisation charge	49,715	(49,125)
	<u>218,893</u>	<u>268,608</u>

25. Investment Property

	30-Sep-24	31-Dec-23
	TZS "000"	TZS "000"
Mirambo Building	21,264,572	-
	<u>21,264,572</u>	<u>-</u>

26. Inventory

	30-Sep-24	31-Dec-23
	TZS "000"	TZS "000"
Inventories – land purchased for resale	-	9,549,356
	<u>-</u>	<u>9,549,356</u>

27. 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.

a) Director's remuneration

	30-Sep-24	31-Dec-23
	TZS "000"	TZS "000"
Director's fees	66,481	88,641
Director's expenses	196,585	61,617
Board expenses	21,236	78,551
	<u>284,302</u>	<u>228,809</u>

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b) Key management personnel

	30-Sep-24	31-Dec-23
	TZS "000"	TZS "000"
Salaries and allowances	360,369	480,492
Gratuity	41,410	51,608
Bonus	45,619	-
	<u>447,398</u>	<u>532,100</u>

c) Receivables from related party

	30-Sep-24	31-Dec-23
	TZS "000"	TZS "000"
Staff loans – key management personnel	45,047	31,632
	<u>45,047</u>	<u>31,632</u>

d) Payables from related party

	30-Sep-24	31-Dec-23
	TZS "000"	TZS "000"
Legal fees	32,182	32,771
Gratuity	136,626	95,215
	<u>168,808</u>	<u>127,986</u>

These financial statements for the period ended 30th September 2024 are unaudited financial statements. These financial statements for the period ended 30th September 2024 should be referred to for a better understanding of the financial performance and position of the Group and Company.

Dr. Gideon Kaunda
Chairman

CPA. George Nchwali
Director