

NITL

THE NATIONAL INVESTMENT TRUST PLC

(Incorporated in Malawi on 20th September 2001 under registration number 6024)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2019

Statement of comprehensive income

	Unaudited 6 Months Ended 30 Jun 2019	Unaudited 6 Months Ended 30 Jun 2018	Audited 12 months Ended 31 Dec 2018
	MK'000	MK'000	MK'000
Income			
Dividends	122,016	106,918	269,468
Interest income	<u>2,682</u>	<u>9,103</u>	<u>20,992</u>
Total Income	<u>124,698</u>	<u>116,021</u>	<u>290,460</u>
Total expenses	<u>(72,057)</u>	<u>(97,342)</u>	<u>(162,533)</u>
Profit before fair value gains	52,641	18,679	127,927
Fair Value gain on equity Investments	<u>626,740</u>	<u>1,419,472</u>	<u>1,204,856</u>
Profit before tax	679,381	1,438,151	1,332,783
Income tax (expense)/ credit	<u>(7,607)</u>	<u>(9,294)</u>	<u>89,330</u>
Profit for the year	<u>671,774</u>	<u>1,428,857</u>	<u>1,422,113</u>
Total comprehensive income Attributable to equity holders of the parent	<u>671,774</u>	<u>1,428,857</u>	<u>1,422,113</u>
Number of shares in issue	135,000	135,000	135,000
Basic and diluted earnings per share (Tambala)	498	1,058	1,053

Statement of cash flows

	Unaudited 6 Months Ended 30 June 2019	Unaudited 6 Months Ended 30 June 2018	Audited 12 Months Ended 31 Dec 2018
	MK'000	MK'000	MK'000
Cash flows from operating activities			
Dividends received	80,539	88,535	265,957
Interest received	<u>3,008</u>	<u>10,782</u>	<u>22,436</u>
	83,547	99,317	288,393
Operating expenditure	<u>(57,426)</u>	<u>(115,191)</u>	<u>(140,438)</u>
	26,121	(15,874)	147,955
Taxes paid	<u>(8,931)</u>	<u>(11,642)</u>	<u>(26,197)</u>
Cash flows from/ (used in) operating activities	<u>17,190</u>	<u>(27,516)</u>	<u>121,758</u>
Cash flows from investing activities			
Purchase of shares	(114,254)	(1,213,285)	(2,449,859)
Disposal of Shares	<u>162,297</u>	<u>1,259,458</u>	<u>2,383,418</u>
Cash flows from/ (used in) investing activities	<u>48,043</u>	<u>46,173</u>	<u>(66,441)</u>
Cash flows from financing activities			
Dividends paid	<u>(67,500)</u>	<u>(108,000)</u>	<u>(175,500)</u>
Cash flows used in financing activities	<u>(67,500)</u>	<u>(108,000)</u>	<u>(175,500)</u>
Net decrease in cash and cash equivalents	(2,267)	(89,343)	(120,183)
Cash and cash equivalents at beginning of the period	<u>124,047</u>	<u>244,230</u>	<u>244,230</u>
Cash and cash equivalents at end of the period	<u>121,780</u>	<u>154,887</u>	<u>124,047</u>

Statement of financial position

	Unaudited 6 Months Ended 30 Jun 2019	Unaudited 6 Months Ended 30 Jun 2018	Audited 12 Months Ended 31 Dec 2018
	MK'000	MK'000	MK'000
Assets			
Equity Investments	10,451,835	9,825,141	9,873,138
Deferred tax asset	33,807	-	33,808
Other assets	61,880	33,392	9,130
Cash and cash equivalents	<u>121,780</u>	<u>154,887</u>	<u>124,047</u>
Total assets	<u>10,669,302</u>	<u>10,013,420</u>	<u>10,040,123</u>
Equity and liabilities			
Equity			
Share capital	2,700	2,700	2,700
Share premium	169,550	169,550	169,550
Retained earnings	<u>10,369,896</u>	<u>9,734,866</u>	<u>9,765,622</u>
Total equity	<u>10,542,146</u>	<u>9,907,116</u>	<u>9,937,872</u>
Liabilities			
Deferred tax liability	-	35,630	-
Income tax liability	300	365	1,624
Other liabilities	<u>126,856</u>	<u>70,309</u>	<u>100,627</u>
Total liabilities	<u>127,156</u>	<u>106,304</u>	<u>102,251</u>
Total equity and liabilities	<u>10,669,302</u>	<u>10,013,420</u>	<u>10,040,123</u>

Statement of changes in equity

	Share Capital MK'000	Share Premium MK'000	Retained Earnings MK'000	Total MK'000
Balance as at 1 January 2018	2,700	169,550	8,519,009	8,691,259
Dividends paid	-	-	(175,500)	(175,500)
Total comprehensive loss	-	-	<u>1,422,113</u>	<u>1,422,113</u>
31 December 2018	<u>2,700</u>	<u>169,550</u>	<u>9,765,622</u>	<u>9,937,872</u>
Balance as at 1 January 2019	2,700	169,550	9,765,622	9,937,872
Dividends paid	-	-	(67,500)	(67,500)
Total comprehensive income	-	-	<u>671,774</u>	<u>671,774</u>
30 June 2019	<u>2,700</u>	<u>169,550</u>	<u>10,369,896</u>	<u>10,542,146</u>

Overview of results

During the six months period to 30 June 2019, the Company's equity portfolio value grew by 5.9% (2018: 16.2%) while the Malawi All Share Index grew by 3.4% (2018: 42.3%). During the same period, dividend income was K122 million (2018: K107 million). The company had revaluation gains on its equity investments amounting to K627 million (2018: K1.4 billion). Overall the Company made a profit after tax of K672 million (2018: K1.4 billion) due to share price losses on most of its investee companies.

Dividends

The Directors approved an interim dividend of 50 tambala per share (2018 interim: 50 tambala per share) payable on 25 October 2019 to shareholders appearing in the register at the close of business on 18 October 2019. The register of members will be closed from 18 October 2018 to 25 October 2019.

By order of the Board.

E. Gondwe
Chairperson

G.M. Msisha
Director