

1. National Information Services Agency (NISA)

1.1. Strategic Overview

1.1.1. *Mandate*

The National Information Services Agency (NISA) was enacted under the National Information Services Agency Act 4 of 2010.

Our main function is as follows:

- (i) To compile, produce, publish and print the national newspaper, *Seychelles NATION*.
- (ii) To provide pre-press services
- (iii) To provide printing services,
- (iv) As well as to engage in any lawful income generating activity to support our core function.

1.1.2. *Vision*

To be the leading local news and information provider across all media platforms with a global reach.

1.1.3. *Mission*

Our mission is to educate, entertain and disseminate factual information in a timely and objective manner through the publication of the *Seychelles NATION* newspaper and other appropriate technological medium, to help people shape their decisions.

1.1.4. *Strategic Priorities for 2025-2027*

Financials

- 1) Increase sales and revenue
- 2) Increase profitability
- 3) Increase return on investment / Return on capital employed
- 4) Reduce operational cost

Customer

- 1) Improve internal Turn-around-time (TAT)
- 2) Diversification of sales & products offerings by segments
- 3) Improve digital offerings and portfolios
- 4) Improve on customer relationships

Brand

- 1) Retain customer values
- 2) Increase social media presence
- 3) Conduct surveys to improve awareness of our clients' needs

Compliance

- 1) Improve on reporting to PEMC
- 2) Compliance to all regulations
- 3) Defining and embedding a Business Continuity Plan
- 4) Maintain complaints register to improve on our services
- 5) Compliance with all internal policies and procedures

1.1.5. Key Challenges

Property

The Agency is currently facing challenges relating to both of its properties.

The Victoria property was acquired / Handed over to another Ministry. Inspection by the other party has already been done.

The second property at Bois De Rose, is being leased from a political party.

Newspaper

Trends related to readership of physical newspaper versus technological medium is a key challenge within our industry. Although the impact is not immediate, the management remains mindful and cautious with the change of mindset.

Cost of material vs revenue cost (Advertising revenue)

With the ever increase of raw materials and other cost to serve, finding the right balance to increase revenue is a challenge as digital advertising is cannibalizing revenue streams of newspaper earnings

1.2. Outlook of Financial Strategy

1.2.1. Projected Financial Position of National Information Services Agency

SCR ('000)

DESCRIPTION	Actual Figures		Provisional		Forecast		SCR ('000)
	2021	2022	2023	2024	2025	2026	
	SCR	SCR	SCR	SCR	SCR	SCR	SCR
Property, plant and equipment	15,478	14,559	13,731	13,057	12,600	12,345	10,437
Intangible assets	9	-	13	3	-	-	-
Right of use asset	4,863	4,651	4,440	6,100	5,795	5,490	5,185
Deferred tax asset	-	-	-	-	-	-	-
Non-current assets	20,350	19,210	18,184	19,160	18,395	17,835	15,622
Inventories	3,874	2,805	3,942	3,942	3,942	3,942	3,942
Trade and other receivables	3,285	2,211	2,440	2,440	2,440	2,440	2,440
Current tax asset	14	-	-	-	-	-	-
Cash and cash equivalents	4,761	5,156	3,304	3,500	4,665	6,776	8,497
Current assets	11,934	11,172	9,686	9,882	11,047	13,158	14,879
TOTAL ASSETS	32,284	30,382	27,871	29,042	29,442	30,993	30,501
Retained earnings	14,552	15,385	16,298	16,561	17,650	18,786	19,683
Equity	14,552	15,385	16,298	16,561	17,650	18,786	19,683
Borrowings	4,221	708	-	-	-	-	-
Provision for employee benefit	1,487	1,558	1,861	2,005	2,258	2,388	2,504
Lease liability	4,963	4,887	4,804	6,286	6,156	6,015	5,862
Deferred tax	2,845	2,609	2,404	1,998	1,694	1,120	896
Non-current liabilities	13,516	9,762	9,069	10,289	10,108	9,523	9,262
Trade and other payables	950	1,387	1,214	1,807	1,226	2,173	1,095
Borrowings	3,236	3,516	706	-	-	-	-
Current tax liability	-	144	320	45	118	171	121
Deferred income	30	187	265	340	340	340	340
Current liabilities	4,216	5,235	2,505	2,192	1,684	2,684	1,556
TOTAL EQUITY AND LIABILITIES	32,284	30,382	27,871	29,042	29,442	30,993	30,501

1.2.2. Projected Statement of Comprehensive Income of National Information Services Agency

Description	Actual				Provisional		Forecast		SCR ('000)
	2021	2022	2023	2024	2025	2026	2027		
Revenue	20,875	23,393	23,828	24,506	25,560	25,773	26,348		
Operating costs	19,150	21,748	22,183	23,679	23,732	23,903	24,823		
Operating Profit	1,725	1,645	1,645	827	1,828	1,870	1,525		
Finance Income	50	41	33	27	25	35	45		
Finance Costs	1,140	930	638	544	534	523	511		
	-1,089	-888	-605	-517	-509	-488	-466		
Profit for the year before taxation	636	756	1,040	310	1,319	1,382	1,059		
Taxation	5,455	77	128	47	230	246	162		
Profit for the year after taxation	-4,819	679	912	263	1,089	1,136	897		

1.2.3. Projected Cash Flow Statement of National Information Services Agency

SCR ('000)

Description	Actual		Provisional		Forecast		
	2021	2022	2023	2024	2025	2026	2027
OPERATING ACTIVITIES							
Profit before taxation	636	756	1040	310	1319	1382	1059
<i>Adjustments</i>							
Depreciation on property, plant and equipment	1,309	1,211	1,211	1,320	1,320	1,320	1,320
Amortization of intangible assets	9	9	5	-	-	-	-
Amortization of Right of Use Asset	211	211	211	305	305	305	305
Provision for employee benefit							
Gain due to decrease / Increase in consideration of rental property	-213	-	-	-525	-	-	-
Interest Payable	1,140	930	638	552	534	523	511
	3,092	3,117	3,105	1,962	3,478	3,530	3,195
Movements in working Capital							
(Increase)/Decrease in trade	-545	1,074	-229	0	0	0	0
(Increase)/Decrease in inventories	1,588	69	-137	0	0	0	0
Increase/(Decrease) in	-20	437	-173	593	-581	-348	-280
Increase/(Decrease) in deferred income	-346	157	78	75	0	0	0
Provision for employee	-107	71	302	144	253	130	116
	570	1808	-159	812	-328	-218	-164
Tax refund / (Paid)	0	0	-158	-334	-140	-137	-246
Interest on borrowing	-1,140	-930	-638	-552	-534	-523	-511
	-1,140	-930	-796	-886	-674	-660	-757
Net cash flow from operating activities	2,522	3,995	2,150	1,888	2,476	2,652	2,274
CASH FLOW FROM INVESTING ACTIVITIES							
Purchase of tangible assets	-316	-291	-383	-863	-1,181	-400	-400
Purchase of intangible assets	0	0	-18	0	0	0	0
Net cash flow from investing activities	-316	-291	-401	-863	-1,181	-400	-400
CASH FLOW FROM FINANCING ACTIVITIES							
Repayment of loan	-1,465	-3,233	-3,519	-708	0	0	0
Repayment of Lease Liability	-111	-76	-83	-120	-130	-141	-153
Net cash flow from financing activities	-1,576	-3,309	-3,602	-828	-130	-141	-153
Net movement in cash and cash equivalents	630	395	-1,853	197	1,165	2,111	1,721
Cash and Cash equivalent as at January 01	4,131	4,761	5,156	3,303	3,500	4,665	6,776
Cash and Cash equivalent as at December 31	4,761	5,156	3,303	3,500	4,665	6,776	8,497

1.2.4. Projected Capital Investment Plan of National Information Services Agency

SCR ('000)

Project Name	Project Purpose and Description	Expected Outcome of the Project	Total Estimated Project Cost	Source of Finds	Year of Project Commenced	Expected Completion Date	Actual Figures			Provisional		Forecast		Anticipated Risks
							2021	2022	2023	2024	2025	2026	2027	
Major Capital Investments														
							-	-	-	-	-	-	-	
							-	-	-	-	-	-	-	Details Not Provided
							-	-	-	-	-	-	-	
							-	-	-	-	-	-	-	
Replacements and upkeep of Assets (PPE)														
Motor vehicle							-	-	-	-	625	-	-	
Computers/ Printers / Chairs / etc	To replace faulty ones	Details Not Provided					316	291	401	863	356	200	200	Details Not Provided
Finishing equipment							-	-	-	-	200	200	200	
Total							316	291	401	863	1,181	400	400	

1.3. Projected TAX, Divided, Debt Payments, Subventions, Grants and Contingencies

1.3.1. Tax Implications by the Operations of National Information Services Agency

Type of Tax	Actual Figures			Provisional		Forecast		SCR ('000) Anticipated Risks
	2021	2022	2023	2024	2025	2026	2027	
Business Tax	0	158	334	45	118	185	136	
PIT	747	815	976	1,119	1,305	1,381	1,457	
VAT	2,331	2,762	3,252	3,440	3,589	3,866	3,952	
Total	3,078	3,735	4,562	4,604	5,012	5,432	5,545	Details Not Provided

1.3.2. Anticipated Dividend Declarations By National Information Services Agency

NISA does not anticipate declaring any dividend

1.3.3. Debt Payments Forecasts By National Information Services Agency

SCR ('000)

Lending Organization	Description	Purpose of Borrowings	Total Debt Amount (Capital)	Total Borrowings and Debt Servicing							
				Actual Figures			Provisional		Forecast		
				2021	2022	2023	2024	2025	2026	2027	
Loan 01 From Nouvobanq Bank	Borrowings	Financing of printing machine + Renovation of property	20,000								
	Interest for the Year			405	508	222	8	0	0	0	
	Repayment of Capital			-1,465	-3,233	-3,516	-706	0	0	0	
	Balance carried forward			7,457	4,224	-706	0	-	0	0	

1.3.4. Anticipated Subventions and Grants By National Information Services Agency

NISA does not anticipate in receiving any subventions or grants

1.3.5. Contingencies of National Information Services Agency

NISA does not anticipate any contingent liabilities

1.3.6. Assumptions used for the Financial Projections of National Information Services Agency

- 1) The approved strategic plan 2024 – 2028 of the Agency has guided the finalization of the medium term financial strategy.
- 2) Assumption is made that all revenue will be collected during the year they are incurred.
- 3) Assumption is made that all expenses will be paid during the year they are incurred.
- 4) Assumption is made that all inventory will be used during the year they are purchased

1.4. KPIs, Risk Management Strategy and Reporting Obligations

1.4.1. Key Performance Indicators of the National Information Services Agency

Title of Key Performance Indicators	Description	Achievements of KPIs						
		Actual Figures			Provisional	Forecast		
		2021	2022	2023	2024	2025	2026	2027
Return on investment / Capital employed	Profit generated from investment made / Total assets – current liabilities	2%	3%	4%	1%	5%	5%	4%
Net Profit margin	Profit generated after all cost from the sales value	3%	3%	4%	1%	5%	5%	4%
Increase in revenue	Operational revenue		12%	2%	3%	4%	1%	2%
Production cost	% change in production cost year on year		20%	0%	-1%	-13%	8%	0%
Staff turnover	Number of staff leaving	18%	22%	22%	Less than 10	Less than 10	Less than 10	Less than 10
Customer complaint	Number of complaints received per year	0	0	0	0	0	0	0
Staff training rate (Long term)	Number of staff entering the training program per year	2	2	2	3	3	3	4
Increase in online presence	% increase in online presence					100%	100%	100%
Customer lifetime value	Improvement in brand					100%	100%	100%
Process automation	Implementation of digitalization of processes					100%	100%	100%
Risk register					25%	100%	100%	100%
Policy register	At least 5 policies per year				5	5	5	5

1.4.2. Risks and Resilience Plan of the National Information Services Agency

Risk Category	Potential Risks Identified	Risk Mitigation Strategies
Strategic Risks	The business model is not successful	The board of NISA with the Management has worked on a strategic plan, with the focus on diversification. Many scenarios have been discussed in order to ensure the success of the plan.
	The core business of the Agency, the newspaper becomes obsolete (Especially the physical newspaper)	The Agency is working on a diversification model to counter such eventuality
Financial Risks	Foreign exchange rate risk - Almost all of the inventory and spare parts for the printing machine of NISA is bought overseas. Any changes in foreign exchange rate poses a risk on the ability of the Agency to pay should the increase be substantial.	Monitor risk. The Agency will have to bear the cost or pass on to customers.
	Interest rate risk – The Agency is currently servicing a loan at the commercial bank. Any upward changes in interest rate will have a negative impact on the Finance of the Agency	The loan balance will clear off in 2024. Any changes will have minimal impact.
Operational Risks	The Agency's Victoria location has been acquired by another government entity.	Currently the Agency is still trying to find other locations
	The Agency is at risk of not having an office to run its operation	
	Risk in landlords not selling the property at Bois De Rose	
	Printer or related equipment malfunction	As part of our strategy, a Business Continuity Management plan is being developed.
	Breakdown in the supply of printing inventory	Having multiple supplier – Both locally and internationally
Compliance and Regulatory Risks	Non-compliant to procurement Act, PEMC Act, Licensing Authority, Seychelles Revenue Commission and other regulatory bodies	The Agency has to keep abreast of all laws and regulations that may have a direct or indirect impact on its operation.
Environmental and Social Risks	Fire may completely damage the property with all its offices and equipment.	A business continuity plan is being worked on by the Agency
	Potential risk of weather related impact or act of God (eg. Tsunami of 2004)	Along with the Business continuity plan, a digitization plan is also being developed to ensure the business remains in operation through all digital channels, plus using clouds services
PESTEL	Policies of the Government related to media houses Operational policies - Changes in government policy relating to media and information may have an impact on our operation. The government may decide to privatize all media houses	Monitor Risk. Board will have to regroup to review strategy and determine impact and required action.
	Fiscal policy - The government's decision to reduce its budget expenditure may indirectly affect our operation. Most times the items that are reduced are related to printing and stationary as well as newspapers.	Diversification strategy of the Agency.

1.4.3. External Reporting's by the National Information Services Agency

Name/Title of the Report	Recipients of the Report	Description of the purpose, content and inclusion of the report	Frequency and Timing of the Report
Annual Report	PEMC Responsible Minister Minister of Finance, trade and National Development National Assembly of Seychelles	Reporting on operational, Environment, social and financial activity of the Agency	Annually
Audited Financial Statements	PEMC Responsible Minister Minister of Finance, trade and National Development National Assembly of Seychelles	Reporting on the audited financial statements prepared by the Agency	Annually
Quarterly Reports	PEMC	Reporting on quarterly unaudited financial performance of the Agency	Quarterly
Statement of Corporate Intent	PEMC , Responsible Minister	Provides reason for creation of NISA	annually
Strategic plan	PEMC , Responsible Minister	Provides 5 year strategy the Agency intends to undertake to achieve its objective	5 years
Business plan	PEMC , Responsible Minister	Provides shorter plan of action for the Agency to achieve its objective	3 years
Procurement Plan	Procurement Oversight Unit	Provides procurement plan of the Agency for a year	Annually

1.5. Stakeholder Engagement

1.5.1. Statement by CEO

I am pleased to present the mid-term budget statement, outlining the National Information Services Agency's (NISA) financial performance, strategic priorities, and objectives for the upcoming fiscal period.

This statement serves as a roadmap to guide NISA towards achieving its goals financially and sustainably.

Over the years, NISA has faced different circumstances, but the organisation has always demonstrated resilience and adaptability. It has also remained committed to financial discipline.

NISA's ambitious growth plan is still on the table and thanks to effective planning in budgeting we are ensuring that the organisation meets its financial goals and operates efficiently.

We are mindful that the budget is aligned with the company's strategic goals and long-term vision. At the same time, we determine how the budget can support overall business objectives – market expansion, product development, and operational efficiency.

Following the approval of its new strategy 2024-2029 with a focus on diversification, NISA now has a new, slimmer structure with five distinct departments – Finance; Editorial; People, Culture and Administration; Production; and Business Development which encompasses sales and marketing. All these departments are headed by competent managers although some still need to follow leadership training. Having slimmed down, it is anticipated that NISA will be more efficient to deliver on its core mandates.

We also need to relook at some of our processes and find ways to continue improving accountability. We will also require a more transparent procurement system.

NISA has invested in new machinery to give it the edge over its competitors and help in the diversification of its products as strives to enter new markets and establish a bigger market share within the next four years

To achieve our strategic objectives, we have set the following objectives for the mid-term budget period:

Financials: We aim to increase sales and revenue; increase return on investment / return on capital employed; and reduce production cost.

Customer: We will improve internal TAT; diversify sales and product offerings by segments; and improve digital offerings and portfolios.

Compliance: We will improve on reporting to PEMC; be compliant to all regulations; and also define and embed a Business Continuity Plan.

To conclude, I would like to thank our dedicated team for their hard work and commitment to NISA's success.

I have full confidence in our team's ability to navigate the challenges and opportunities that lie ahead. Together, we will navigate the opportunities and challenges of the mid-term period to achieve our financial targets and continue to drive NISA towards a prosperous future.

Thank you for your dedication, hard work, and commitment to our shared vision. I look forward to the remainder of the fiscal year with optimism and excitement.

Gerard Govinden

CEO



1.5.2. Foreword by Chairperson

As we move into the second year of our five-year mandate, I am pleased to present our Mid-term financial strategy 2025-2028. This update provides an overview of our financial performance, outlines our strategic priorities, and sets forth our objectives for the upcoming period. Our commitment remains to ensure transparency and to align our financial planning with the strategic vision of NISA.

Financial performance

Over the past year, NISA has achieved notable financial performance. Key highlights include:

Revenue: We have experienced an increase in revenue, reflecting strong demand for advertising in the *Seychelles NATION* newspaper and commercial printing specifically stationery products like exercise books, leaflets, and posters. This growth aligns with our expectations and supports our strategic initiatives.

Profitability: Our net profit margin has improved, driven by effective cost management and operational efficiencies. This is a testament to our ability to manage expenses while pursuing growth opportunities.

Cost management: Despite the increase in production costs, we have successfully maintained operating costs to a satisfactory level through cost-saving measures, such as operational improvements. This has to a certain extent enhanced our overall financial health.

Strategic priorities

Our strategic focus remains on key areas that are critical for sustaining growth and enhancing value. These priorities include:

Innovation and development: We are committed to advancing our product and service offerings. Investments in research and development are being prioritised to foster innovation and maintain our competitive edge in commercial printing.

Market expansion: Expanding our presence in new markets is a core objective. We are exploring opportunities to enter specialised printing and online advertising markets to capture new growth potential and diversify our revenue streams.

Customer experience: Enhancing customer satisfaction and loyalty is a priority. We are implementing new strategies and technologies to improve the customer journey and strengthen relationships. We are also fostering good relationships and maintaining a corporate customer retention rate of 80%.

Sustainability and responsibility: We continue to advance our sustainability goals. Our commitment to environmental responsibility and corporate ethics remains a cornerstone of our business strategy. For all these to happen, we have streamlined the structure of NISA to a more effective and modern media company set-up.

Compliance: We continue to enhance compliance to reinforce governance, increase transparency, and adhere to the requirements of the main shareholder. This is by:

- a. establishing and maintaining a robust governance framework that outlines roles, responsibilities, and processes;
- b. implementing transparency mechanisms such as reporting of financial statements, decision-making processes, and key performance indicators;
- c. providing training for employees and board members on compliance, governance, and ethical standards;
- d. and engaging with stakeholders, especially PEMC, to understand their expectations and requirements.

Objectives for the upcoming fiscal period

For the upcoming fiscal years, we have established the following key objectives:

Deliver better final performance: Drive gross revenue by a minimum of 2.75% CAGR (compound annual growth rate) leading to 14% by 2028. This will be driven by the launch of new products.

Cost efficiency: Target a further reduction in production costs through continued focus on efficiency and process optimisation. We aim to reduce production cost by 5%.

Market penetration: Establish market share in new markets and expand our footprint in existing markets.

Sustainability targets: Engagement with the community and portray NISA as an environmentally conscious agency. Also define and embed Business Continuity Management (BCM) Plan into NISA's operation.

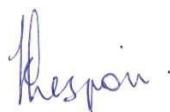
Conclusion

In conclusion, our mid-term performance has been quite strong, reflecting our strategic focus and operational discipline. As we move forward, our attention will remain on achieving our financial and strategic objectives, ensuring that we continue to deliver value to our shareholders and stakeholders.

I would like to extend my gratitude to the board, management team, and all employees for their dedication and hard work. Together, we will continue to navigate challenges and seize opportunities to drive the success of NISA.

Thank you for your continued support.

Sincerely,



*Kurtis Lespoir (Mr)
Chairman of the Board of Directors*

1.5.3. Statement by the Responsible Minister

*Statement Not Provided