



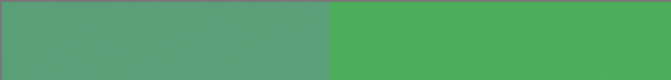
Q4 2021

Investor Briefing



2021 PERFORMANCE HIGHLIGHTS

Key Indicators



Q4 Results Snapshot

TZS 268 Bn

Net Profit

TZS 8.8 Tn

Total Assets

TZS 5 Tn

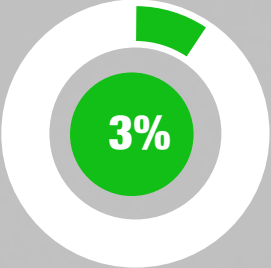
Total Loans

TZS 6.4 Tn

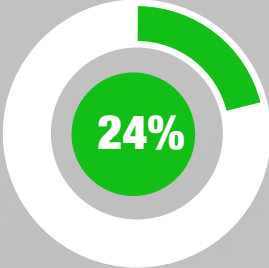
Total Deposits

Soundness

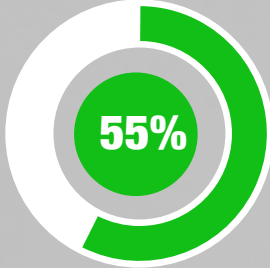
NPL



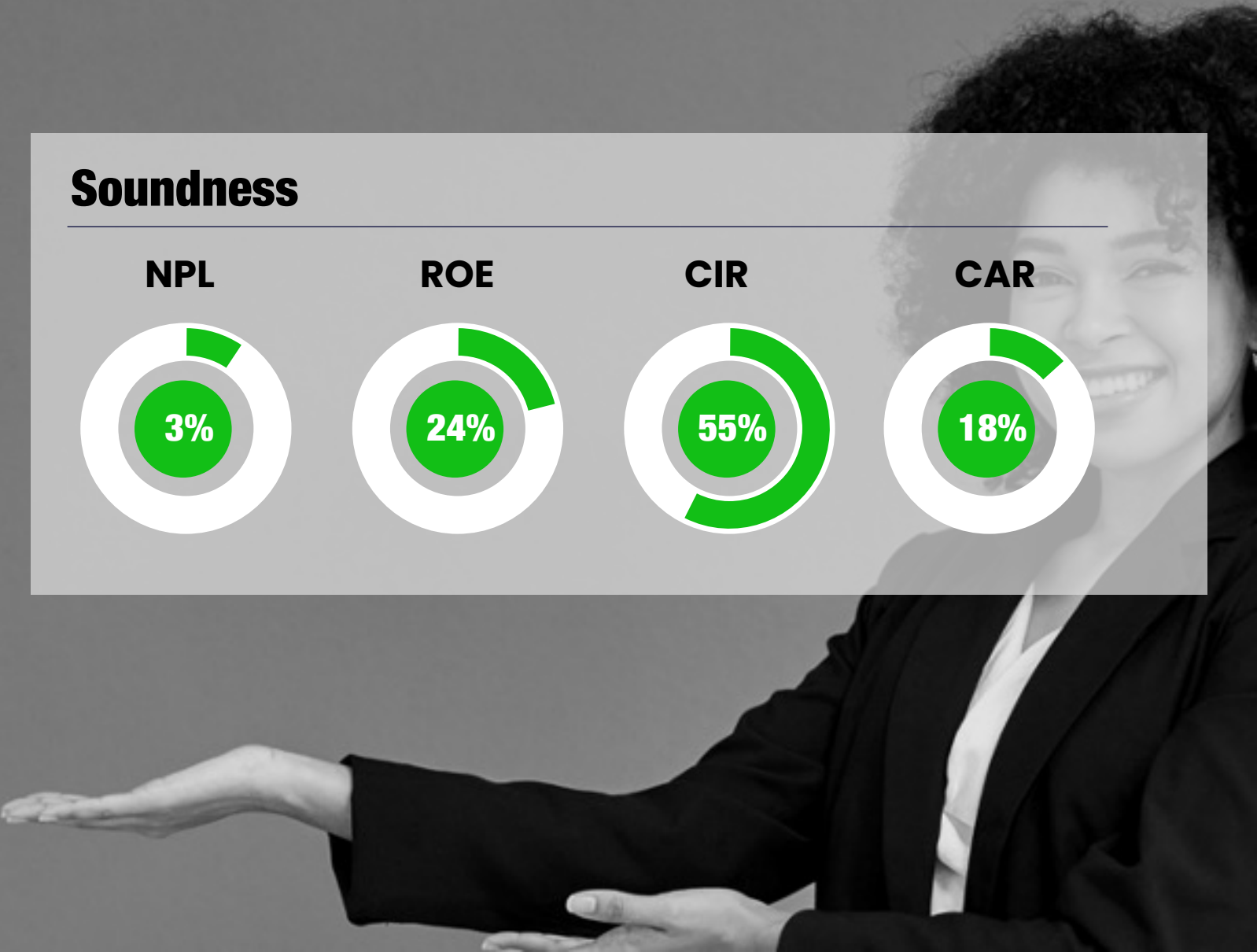
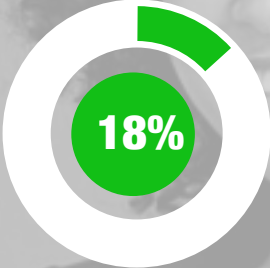
ROE



CIR



CAR



Recent Key Milestones



Move to the new HQ



Launch of Shariah Banking



Participation in COP26



Approval of USD 100m facility from GCF to finance climate-resilient agriculture and adaptation projects in Tanzania



Reducing interest rates – 9% for Agriloans and 13% for Salary Worker Loans



REGULATORY ENVIRONMENT

Increased oversight yet supportive regulatory landscape



- BOT directive to limit efficiency ratio ($\leq 55\%$) and NPL ($\leq 5\%$).
- Relaxation of agency banking requirement.
- Regulations on new tariff on mobile money transfer.
- Measures to be taken against loan defaulters and involved bank employees to address NPL.
- New amendments in respect of mainland businesses operating in Zanzibar.
- SMR relief to promote agriculture lending.

MARKET INSIGHTS

Renewed business confidence signalled by country policies



- Growing need to finance big strategic government projects.
- Potential to grow business due to relaxation of TRA conditions on businesses.
- Opportunities to capture cross border businesses due to improved cross border relationships.
- Capture funds from Inflow of foreign currencies from FDIs, international Aids and government loans.
- Opportunities to capture business from emerging sectors - SMEs, agriculture, women, youth and start-ups.



FINANCIAL PERFORMANCE

Group Balance Sheet

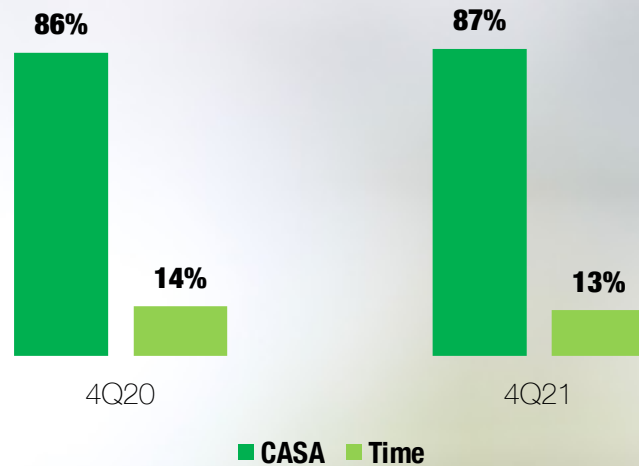
In TZS Billion	4Q20	4Q21	YoY Change
Net Loans and Advances	3,933	5,040	28%
Total Assets	7,174	8,819	23%
Customer Deposits	5,398	6,437	19%
Shareholders' Funds	1,011	1,218	20%
Borrowings	566	908	60%

COMMENTARY

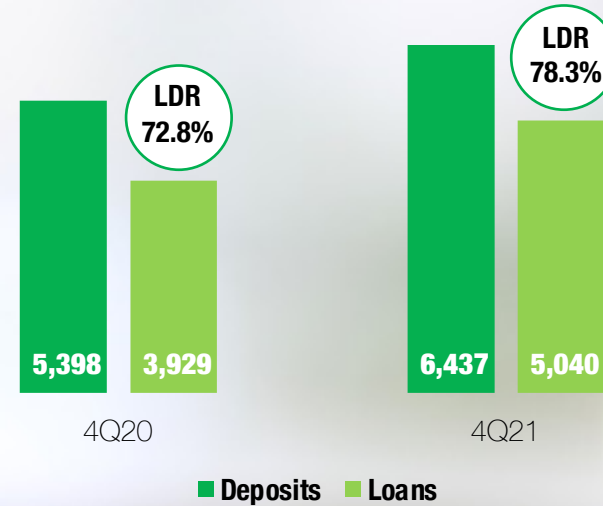
- Total Balance Sheet grew by 23% YoY driven by a healthy growth of the Group's loan book.
- Net Loans and Advances increased by 28% YoY driven by an increase in both Corporate Loans (59%) and Retail Loans (41%)
- The loans were funded by an increase in Customer deposits and Interbank Borrowing
- Customer deposits grew by 19% YoY while borrowings increased by 60% YoY

Deposits

Deposit Mix



Loan to Deposit



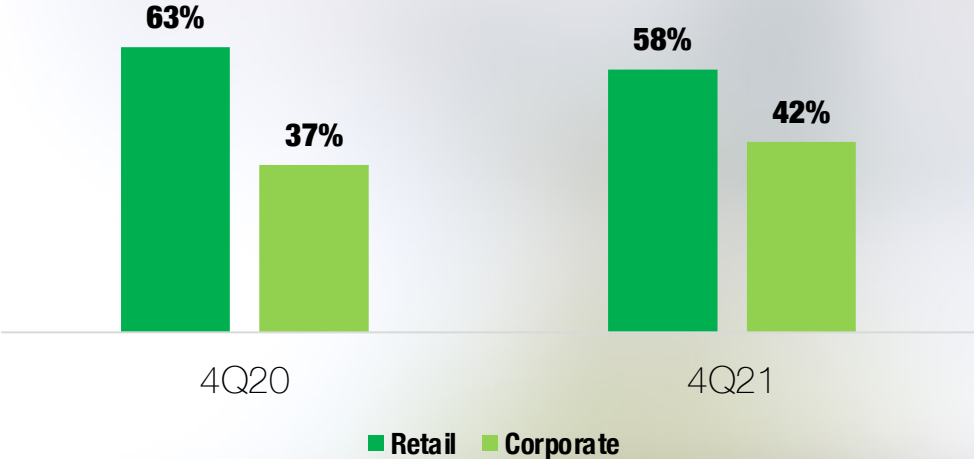
COMMENTARY

- In 2021, the Group was able to grow more its deposits from Current Accounts and Savings Accounts (CASA) compared to more pricy time deposits
- This was mostly driven by initiatives in the Retail Segment to grow the customer base and mobilize affordable deposits
- Growing market demand for loans resulted in more loan growth than customer deposits and a higher LDR
- To ease the liquidity pressure, the Group borrowed from the interbank market

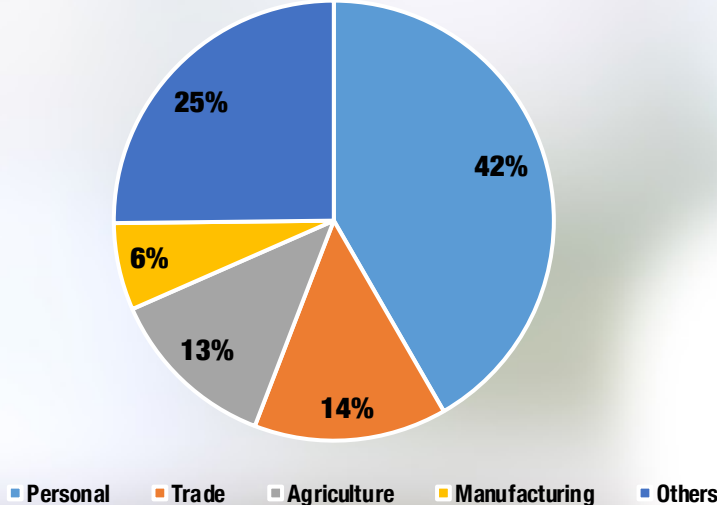
Loan Portfolio



Loan Book – Split by Business Segment



Loan Book Split by Sector

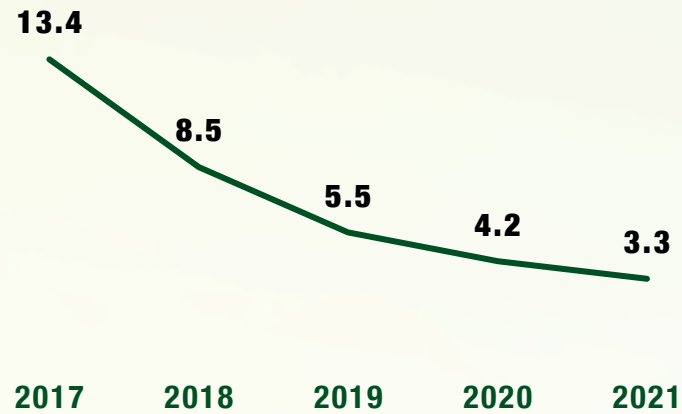


COMMENTARY

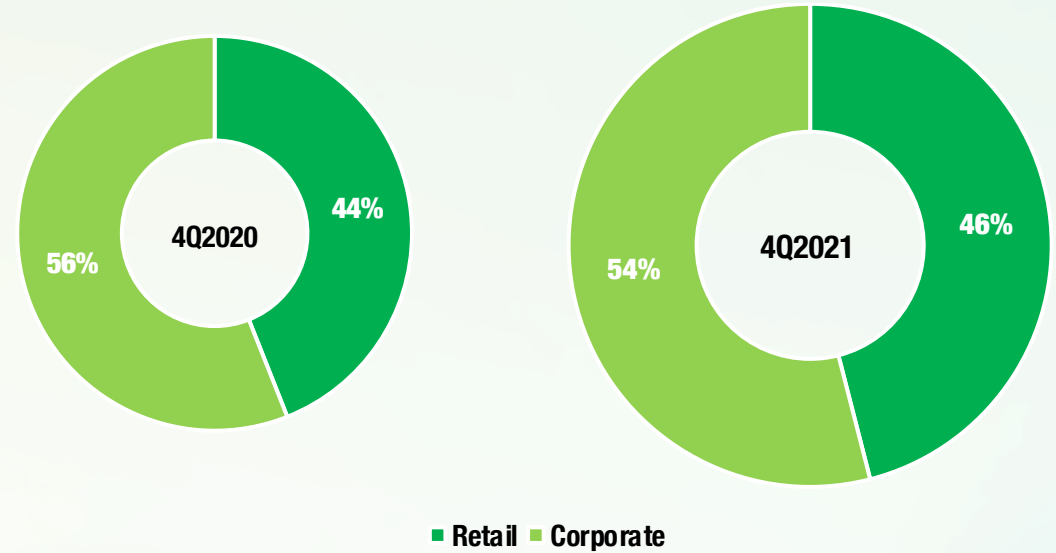
Corporate loans' contribution to the loan portfolio increased in the year, following the segment's expansion into emerging sectors such as Oil Marketing Companies, Oil & Gas and Hotel & Tourism

Asset Quality

Group NPL Trend



NPL Split by Segment



COMMENTARY

- The Group's NPL ratio has steadily been decreasing over the last 4 years
- In 2021, the NPL reached 3.3%; well below the regulatory requirement of 5%.

- A majority of the NPLs stem from the Corporate Book, albeit at a slightly lower composition in comparison to the previous year.
- 83% of the NPLs are from the agriculture, personal, trade, transport and communication, and education sectors

Group Income Statement

In TZS Billion	FY20	FY21	YoY Change
Interest Income	688	777	13%
Interest Expense	-118	-144	22%
Net Interest Income	570	633	11%
Non-Interest Income	284	354	25%
Operating Expenses	-542	-573	6%
Loan Impairment charges	-74	-28	-62%
Profit After Tax	165	268	62%

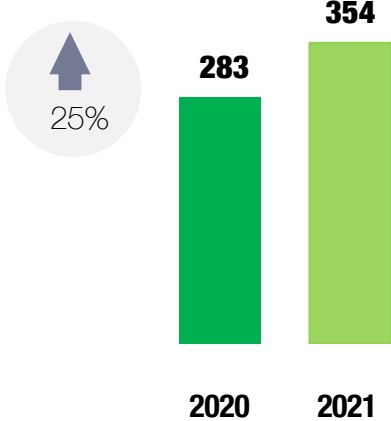
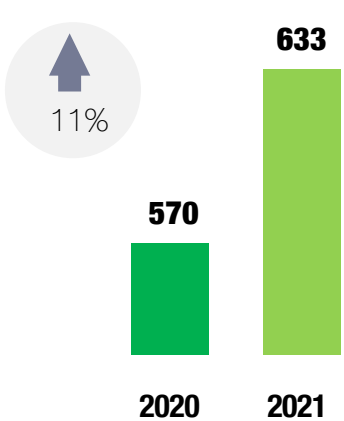
Commentary

- Great performance in the year - PAT TZS 268bn, YoY growth of 62%.
- Healthy loan portfolio growth resulted in 13% increase in interest income.
- Interest income from corporate loans and retail loans grew by 45% and 15% respectively
- Increase in Interest expense was driven by uptake of expensive deposits and interbank borrowings

Income Analysis

Net Interest Income

Non Interest Income



In TZS Billion

	FY20	FY21	YoY Change
Forex Income	37	38	3%
Fees and Commissions	223	281	26%
Dividend Income	3	-	-100%
Other Operating Income	21	35	64%

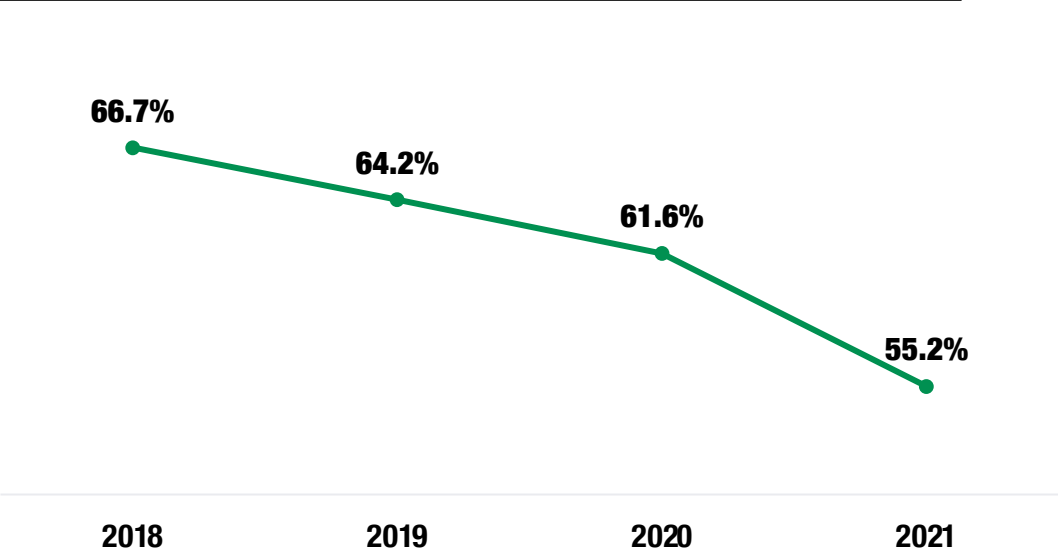
COMMENTARY

- Non-Interest Income to Total Income contribution increased from 33% in FY20 to 35% in FY21.
- Increase in Fees and Commission largely driven by an increase in income from Agency Banking, Loan Related Fees and ATMs.
- Other operating income contributed by realized gain on available for sale portfolio

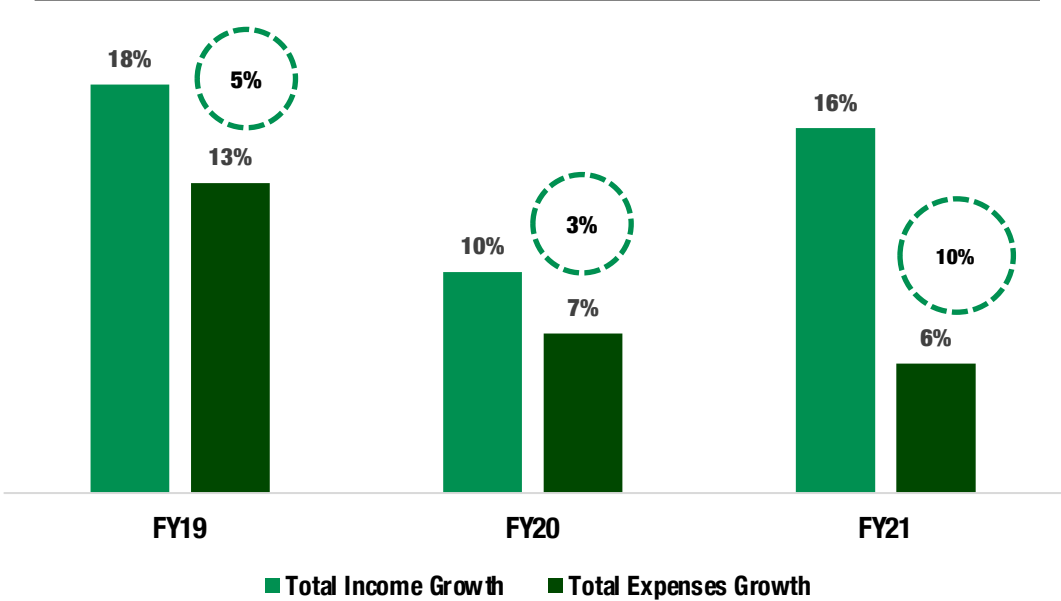
Cost to Income Analysis



CIR



Cost to Income Jaws



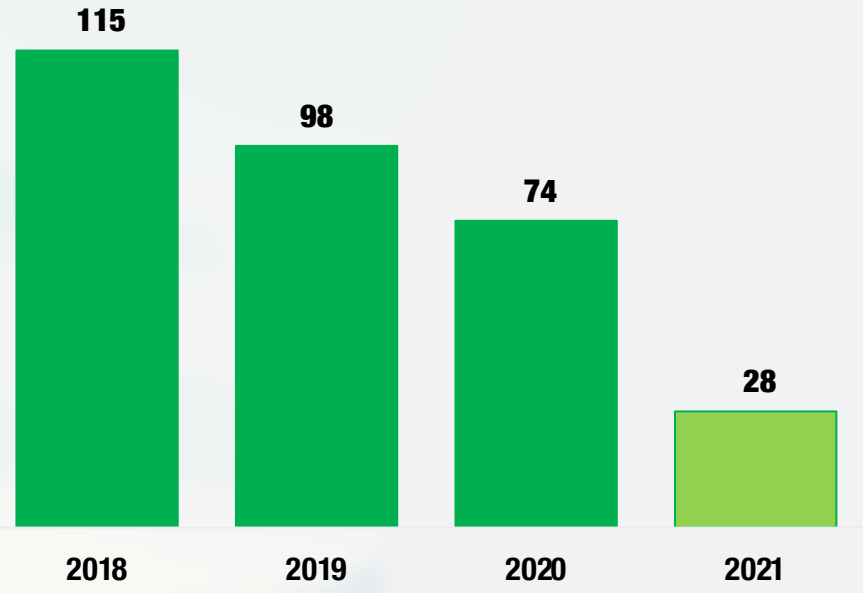
COMMENTARY

- Regulatory requirement achieved
- Cost containment initiatives ongoing

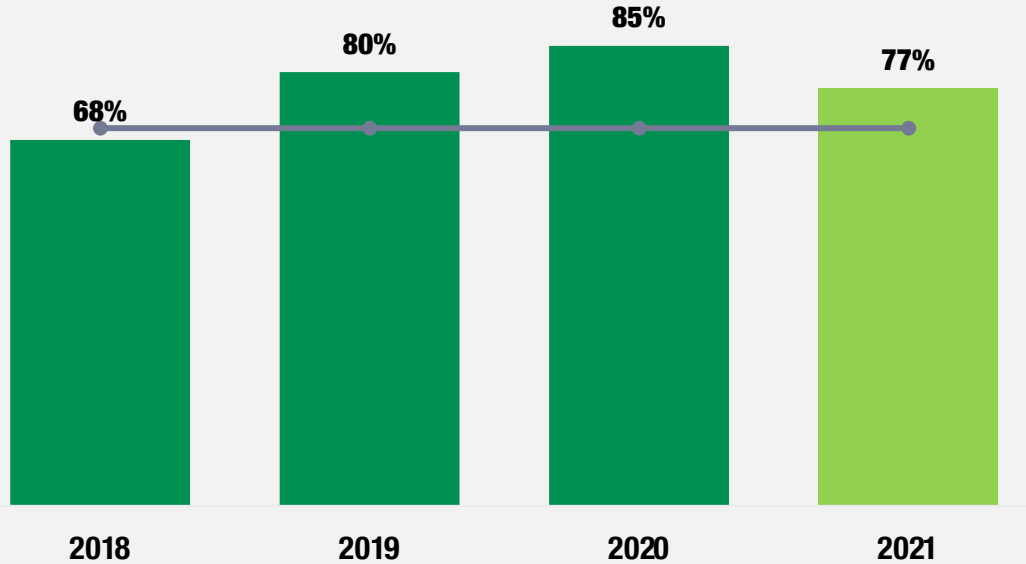
Impairment and NPL Coverage



Impairment Charge



NPL Coverage



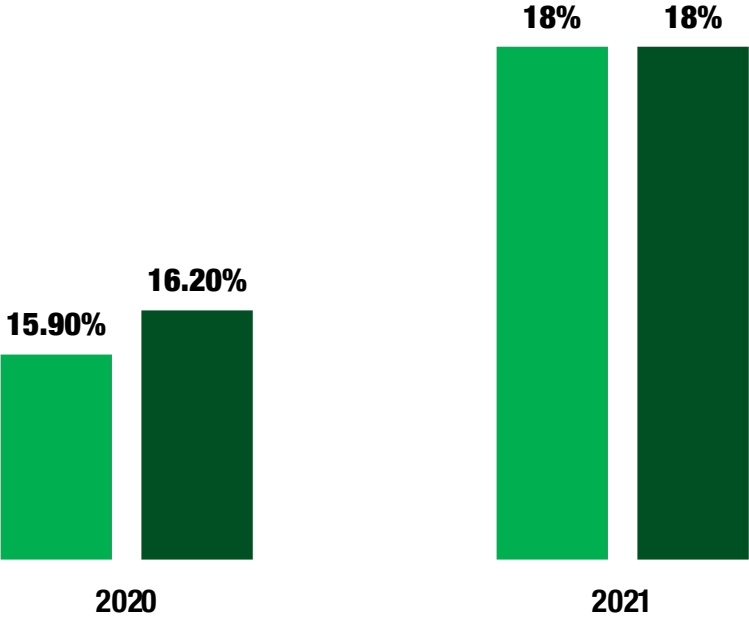
COMMENTARY

- Decrease in Impairment charge driven by improvement in quality of loans booked
- NPL Coverage maintained above internal limit of 70%

Strong Capital Base



Capital Adequacy Ratio



Regulatory limit

- Core Capital: 12.5%
- Total Capital: 14.5%

COMMENTARY

Capital is well above both regulatory and internal limits.



Subsidiary Contribution

Balance Sheet and Income Statement (Amount in TZS Bln)

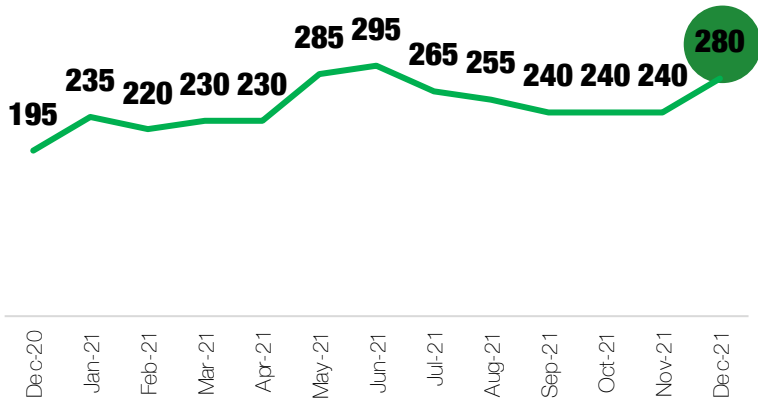
	4Q. 21	4Q. 20	% Change
Burundi			
Total Assets	534,903	353,342	51%
Total Deposits	332,529	200,526	66%
Operating Income	27,663	24,518	13%
Net Profit	12,839	11,234	14%
Insurance			
Total Assets	7,111	7,960	-11%
Net Commission Income	1,584	6,874	-77%
Net Profit	839	3,617	-77%

- Subsidiary contribution to Group performance has decreased from 9% in 2020 to 5% in 2021 despite 14% growth in Burundi PAT to TZS 12.8bn.
- The decreased contribution is due to transfer of insurance business to parent where the insurance brokerage business ended in February 2021, following introduction of Banc assurance business at Parent to comply with the regulatory requirements

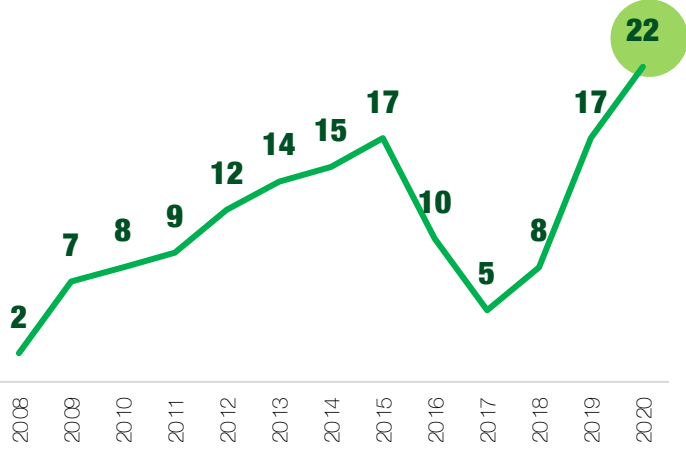
Investment Information



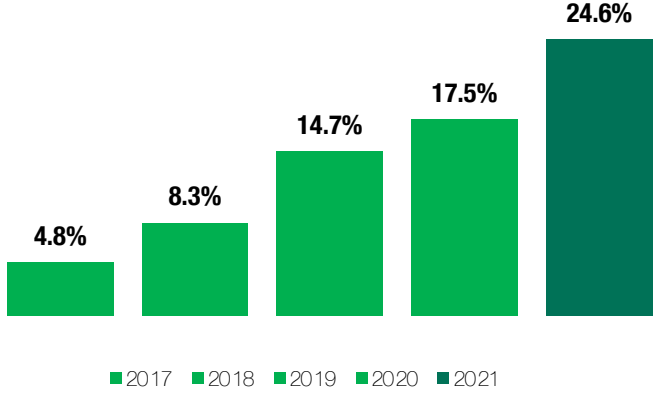
Share Price Trend



15 Year Dividend Payout Trend (TZS)



ROE



Share Price YoY Growth ▲ **44%**

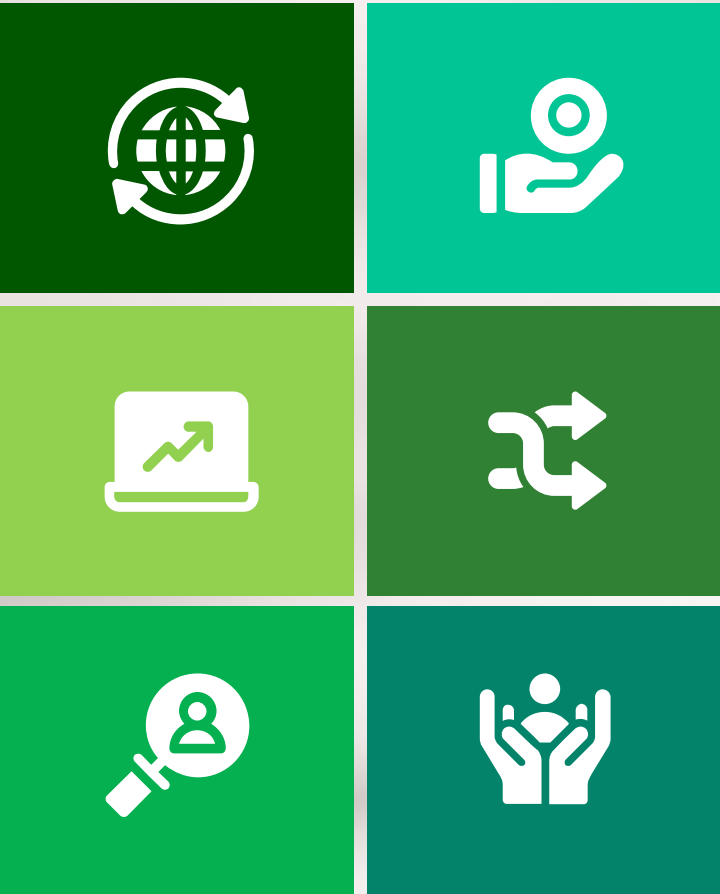
Dividends Pay-out ▲ **TZS 22**

- YoY share price increase by 44% from TZS. 195 in 2020 to TZS. 280 in 2021.
- Constantly able to payout dividends since listed, 29% YoY increment from TZS. 17 in 2019 to TZS. 22 in 2020.
- Strong Return on Equity (ROE) above strategic aspiration of 18% to 24.6% at the end of 2021.



WAY FORWARD

Ongoing Key Initiatives



- Cross-border expansion to DR Congo
- Establishment of CRDB Foundation
- ICT mission critical systems (CBS, ESB, Agency, Card & Switch)
- Culture transformation program
- Job evaluation and competency framework
- Recruitment of Chief Commercial Officer

2022 Strategic Focus



ASPIRATION

Customer first, innovative mind, efficiency at core

COMPETITIVE ADVANTAGE

Business diversification	Speed of service delivery and digital experience	Personalized offerings	Upper end and accessible touch points	Good public rapport and government support
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STRATEGIC THRUSTS

Balance sheet efficacy	Digital experience	Efficiency	Workforce agility	Brand positioning
Risk and compliance	Income generation	Distribution model	Loan portfolio Quality	Collaborations

Outlook For The Year



	2021	2022 Outlook
Loan Growth	11%	11% - 15%
Deposit Growth	8%	12% - 16%
Non Funded Income	25%	30% - 37%
Cost to Income Ratio	55%	50% - 55%
Return on Equity	22%	20% - 23%
Return on Assets	5%	4% - 5%
NPL	3.3%	3% - 4%



ABOUT US

CRDB at a GLANCE

OUR FINANCIAL STRENGTH

TZS 1.2 Trn

Total Capital

TZS 8.8 Trn

Total Assets



3.4 Mn

Our customer base

OUR HUMAN CAPITAL



44%

56%

+3,430 Professional Staff

Robust digital banking solutions



OUR CHANNELS



561
ATMs



254
Branches



20,000
Bank Agents



15,410
Merchant Outlets



21
Mobile Branches

Strategy Blueprint



VISION

To be the leading bank which is customer need driven with competitive returns to shareholders

MISSION

Provide competitive and innovative financial solutions through digital transformation, to achieve distinctive customer experience, while caring for our people and delivering a sustainable contribution to the society

STRATEGIC PILLARS



TRANSFORM THE EXISTING MACHINE

Transform branches world class to achieve best in class productivity and pro-active credit management



BUILD THE BANK OF THE FUTURE

Build banking capabilities to achieve seamless digital experience



ADDRESS THE ENABLERS

Address the enablers to address organization health & performance



16

Local & Regional Awards

- Best Bank in Tanzania (X2)
- Asian Banker Best Retail Bank in Tanzania
- Outstanding Innovation for the customer onboarding solution
- Best Trade Finance Bank in Tanzania
- Recognition for outstanding corporate Leadership
- Top 50 Africa's Banks CEO
- Best Quality Financial reporting
- African SME Supportive Bank of the Year
- Best Commercial Banking Institution in Tanzania
- Most customer-centric Bank' 2021 Tanzania
- Banking CEO of the Year Tanzania 2021
- Best Mobile Banking App Tanzania 2021
- Best CSR Bank Tanzania 2021
- Most Advanced Digital Bank in East Africa
- European Quality Achievement
- Best Presented Financials Statements

Disclaimer

CRDB Bank Plc has made various forward-looking statements with respect to its financial position, business strategy, plans and objectives of management. Such forward-looking statements are identified by use of the forward-looking words or phrases such as 'expects', 'estimates', 'anticipates', 'believes', 'intends', 'plans' or words or phrases of similar nature.

By their nature, forward-looking statements require the Bank to make assumptions which are subject to inherent risks and uncertainties. There is significant risk that predictions and other forward-looking statements will not prove to be accurate. We caution readers of this report not to place undue reliance on our forward-looking statements as a number of factors could cause future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking statements.

The future outcomes that relate to forward-looking statements may be influenced by many factors, including but not limited to interest rate and currency value fluctuations, industry and worldwide economic and political conditions, regulatory and statutory developments, the effects of competition in the geographic and business areas in which we operate, management actions and technological changes.

We caution that the foregoing list of factors is not exhaustive and that when relying on forward-looking statements to make decisions with respect to CRDB Bank Plc investors and other stakeholders should carefully consider these factors, as well as other uncertainties and potential events and the inherent uncertainty of forward-looking statements. The Bank does not undertake to update any forward-looking statement that may be made, from time to time, by the Bank or on its behalf.

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