

1Q23 Investor Briefing



Country Highlights

Tanzania's economy is performing well, with leading economic indicators suggesting a strong positive outlook and confidence to investors and local businesses.



- The inflation rate slightly eased to 4.7% in Mar. 2023 from 4.8% in Feb. 2023, driven by moderation in global prices and partly due to a less accommodative monetary policy.
- The implementation of a liquidity-controlling monetary policy resulted in 11.5% growth in the money supply in Feb. 2023, significantly lower than the 17% recorded in February 2022.
- Private sector credit grew by 22.5% in the year ending February 2023, compared with 11.9% in the corresponding period in 2022.
- The country's foreign exchange reserves declined in Feb 2023 as shocks to global import prices led to a surge in the current account deficit. This highlights the ongoing US dollar scarcity in the country and other developing markets.
- The demand for T-bills in the primary market remains unfulfilled as cumulatively, in the first quarter, the government has mopped up fewer funds than tendered auctions.



Q1 2023 Key Performance Highlights

PROFIT AFTER TAX

TZS Bn
90

0%



TOTAL ASSETS

TZS Bn
11,990

+27%



NET LOANS

TZS Bn
7,194

+30%



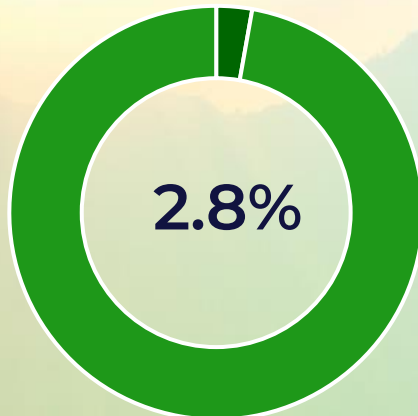
CUSTOMER DEPOSITS

TZS Bn
8,244

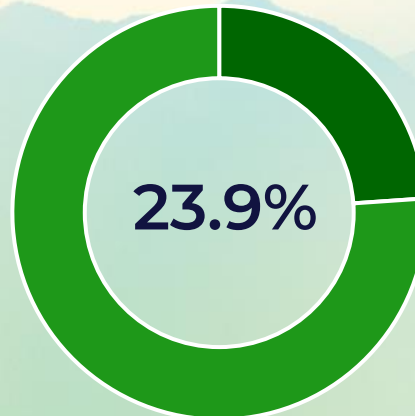
+26%



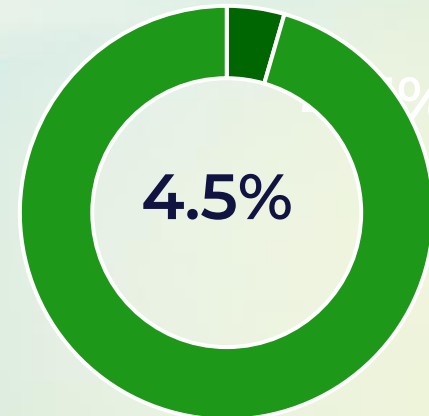
NPL



ROE



ROA

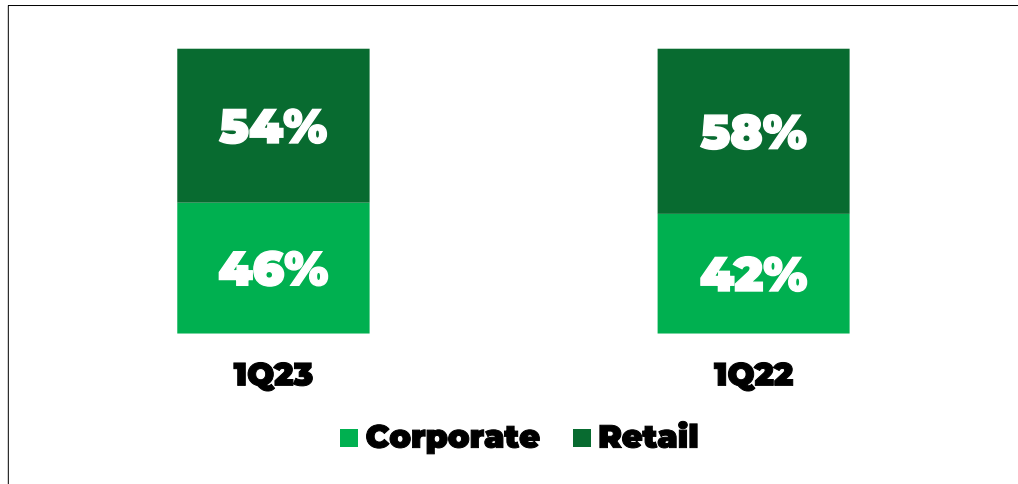


Group Balance Sheet (YoY Comparison)

TZS Billions	1Q23	1Q22	% Growth
Total Loans & Advances	7,194	5,536	30 %
Total Assets	11,991	9,407	27%
Customer Deposits	8,244	6,549	26 %
Borrowers Funds	1,902	1,263	51%
Shareholders Fund	1,538	1,333	15 %

- The balance sheet grew by 27% YoY. The growth was driven by an increase in loans and advances.
- Net Loans and Advances increased by 30% YoY driven by an increase in both corporate loans by 47%, personal loans by 22% and SME loans by 24%.
- The loans were funded by YoY growth in both Customer Deposits and Borrowings

Loan Portfolio Split



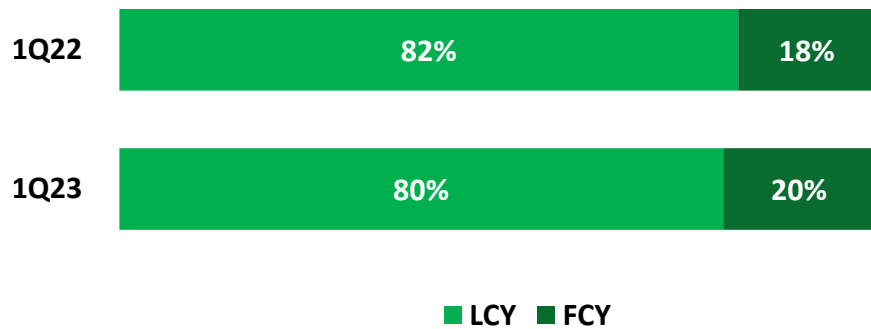
- Corporate loans' contribution to the total loan portfolio increased to 46% in the year resulting from the segment's expansion into emerging sectors such as Oil Marketing Companies and Oil & Gas

Split per Sector	1Q2023	1Q2022
Personal	39%	43%
Trade	18%	15%
Agriculture	15%	12%
Manufacturing	6%	6%
Building and Construction	4%	4%
Others	18%	20%

- Loans from the personal, trade and agriculture sectors continue to form a majority of the Group's loan portfolio

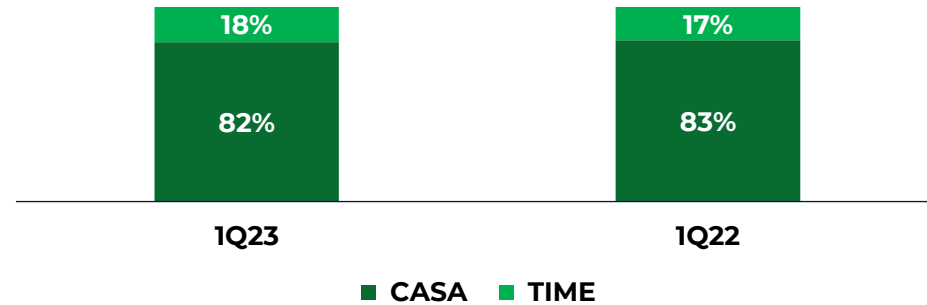
Deposit Mix

By Currency



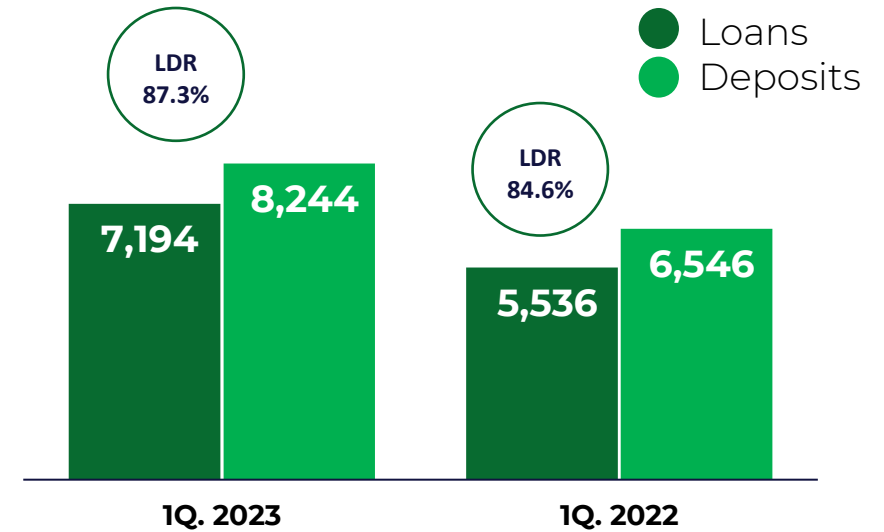
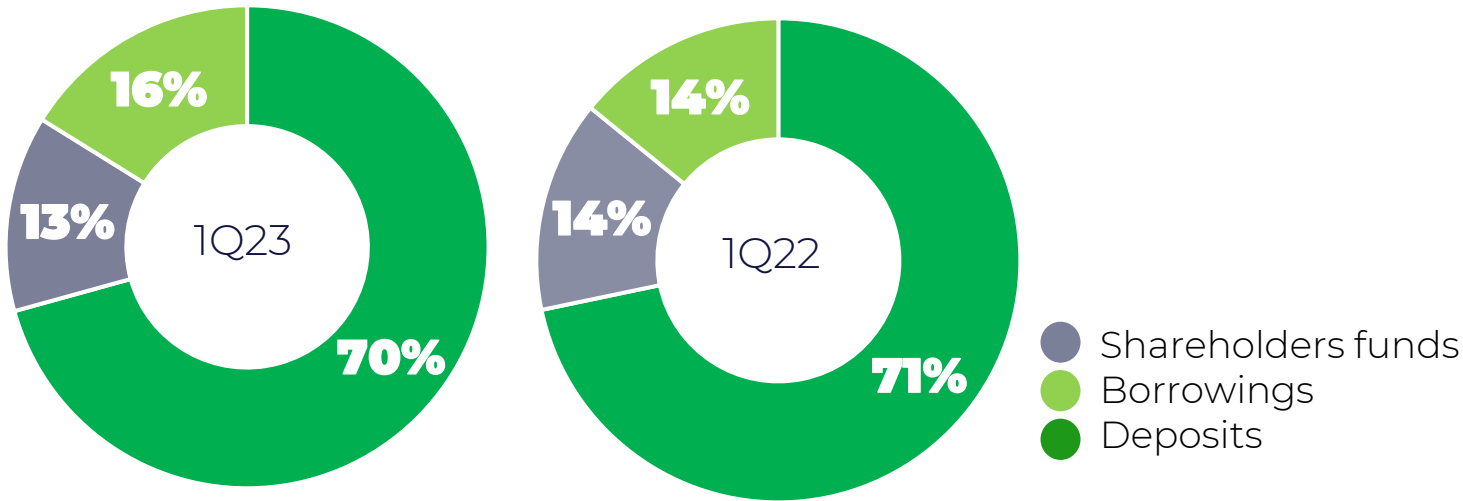
- The deposit growth achieved in the first quarter of the year resulted from an increase in both local currency and forex time deposits.

CASA Mix



- As a result of the market demands, the current and savings (CASA) composition decreased to 82% in 1Q23, from 83% in the same period in the previous year.

Liquidity and Funding Mix



- In the quarter, the composition of borrowings increased to 16% from 14% in the same period in the previous year. The borrowings were sought to support growing demands
- The Group closed the first quarter of the year with a liquidity ratio of 26.3%, well above the regulatory requirement ratio is 20% and the internal limit target of 25%.

Income Statement (YoY Comparison)

TZS Billions	1Q23	1Q22	% Growth
Interest Income	267,898	212,247	26%
Interest Expenses	(75,484)	(37,296)	102%
Net interest income	192,415	174,951	10%
Non - Funded Income	106,483	103,335	3%
Operating Expense	144,744	129,231	12%
Loan Impairment charges	(21,359)	(20,209)	6%
Profit After Tax	90,219	90,316	0%

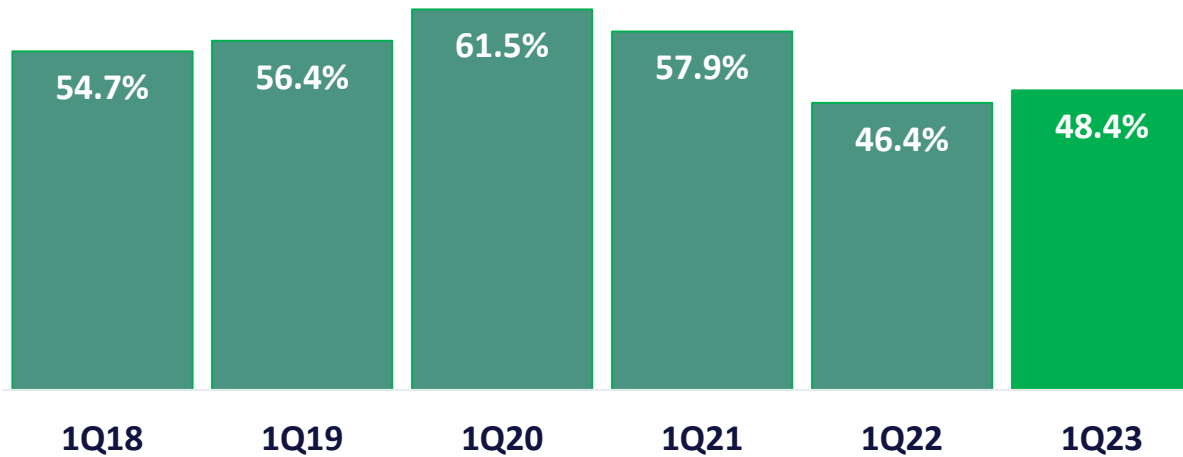
- Net Interest Income grew by 10% YoY to TZS 192 billion.
- Non-Funded Income grew by 3% YoY, driven by forex income and growth in fees and commission.
- PAT maintained at TZS 90bn, the same as recorded in the previous year.

NFI Split

TZS Billions	1Q23	1Q22	% Growth
Forex Income	17,272	13,663	26%
Fees and Commission	82,908	71,015	17%
Other Operating Income	6,303	18,657	-66%
NFI contribution to total income	36%	37%	-2.7%

- Growth in fees and commission was driven by increased activities in the alternative channels, specifically Simbanking, Agency Banking and Internet Banking, and expansion of the trade finance business.

Cost to Income Ratio



- The cost to income ratio (CIR) remains below the regulatory limit 55%
- Interest expense grew by 102% YoY, resulting from the increase in borrowings and time deposits growth,
- Non-Interest Expenses increased by 12% YoY, largely driven by Staff Expenses and Other Operating Expenses, which comprise 54% and 38% of total expenses, respectively.
- Other operating expenses comprise office expenses, maintenance expenses, property expenses and general expenses.

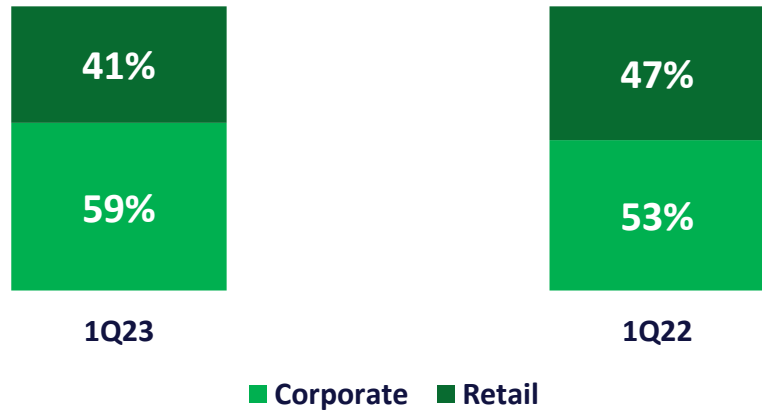
(Balance Sheet and Income Statement (Figures in TZS millions))

	1Q23	1Q22	% Growth
Burundi			
Total Assets	919,787	561,726	64%
Total Deposits	529,961	365,835	45%
Operating Income	13,843	10,517	32%
Net Profit	6,154	5,630	9%
Insurance			
Total Assets	7,022	6,957	1%
Net Commission Income	186	195	(5%)
Net Profit	(117)	(141)	17%

- Burundi's PAT of TZS 6.2bn YoY growth of 9% as a result of an increase in interest and non-interest income.
- CRDB Insurance Broker Limited has been changed to CRDB Insurance Company Limited.

Asset Quality

NPL Split per Segment

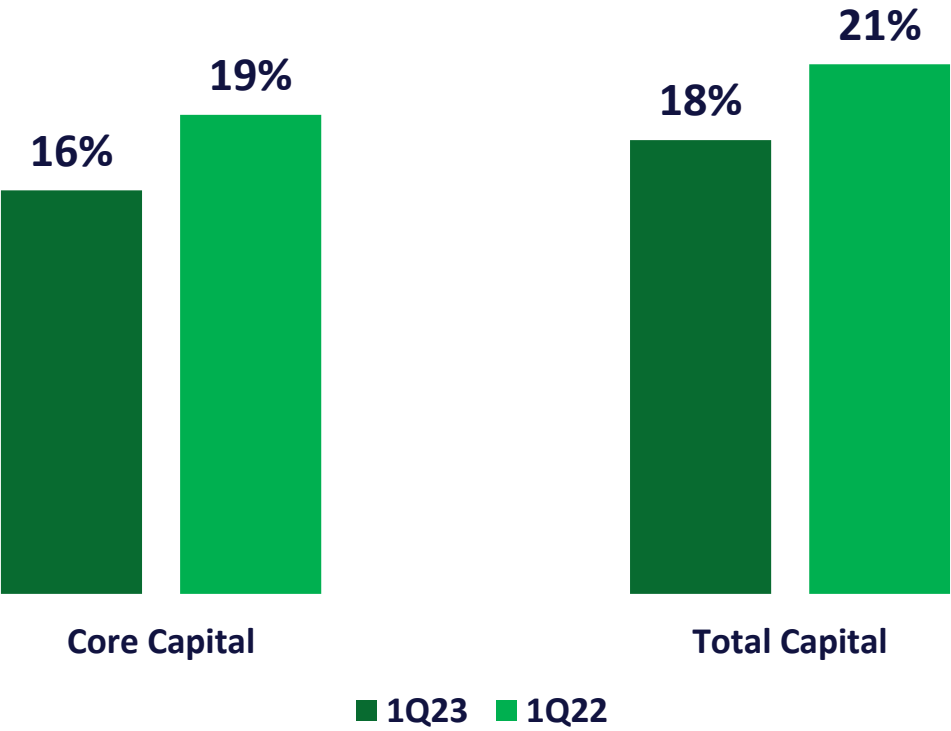


Top Five Contributing Sectors

	1Q2023	1Q2022
Real Estate	20%	8%
Agriculture	20%	21%
Personal	16%	17%
Trade	14%	14%
Transport and Communication	8%	6%

- The Group’s NPL ratio improved to 2.8% in 1Q23 compared to 3.2% recorded in 1Q22.
- Corporate loans continue to form a majority of the non-performing loans.
- Key contributing sectors are: Real Estate, Agriculture, Personal Loans, Trade and, Transport and Communication.
- The NPL coverage remains at 75%

Capital Management

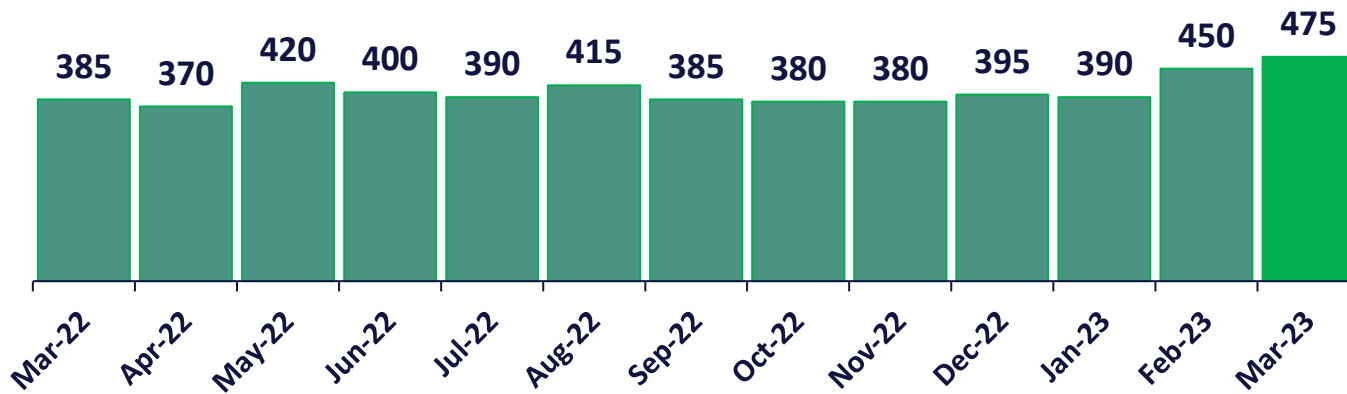


Regulatory Limits

Core Capital – **12.5%**
Total Capital – **14.5%**

Investment Information

Share Price Performance



- CRDB Bank's share price continued to show resilience at the closing price of TZS 475 as of 31st March 2023, a 23% YoY growth, with local investors dominated trading in the period.

Key Metrics

(TZS)	31st March 2023	31st March 2022	YoY Change
Market Cap (Bln)	1,241	1,006	23%
Share Price	475.0	385.0	23%
Book Value Per Share	588.8	496.4	19%
Earnings per Share	34.5	34.6	-



	1Q 2023 Actual	2023 Outlook
Loan Growth	30%	15% - 20%
Deposit Growth	26%	16% - 20%
Non Funded Income Contribution to Total Income	36%	35% - 40%
Cost to Income Ratio	48.4%	45% - 52%
Return on Equity	23.9%	25% - 30%
Return on Assets	4.5%	4.5% - 6.5%
NPL	2.8%	3% - 4%