



REPORT OF THE CONDITION OF THE FINANCIAL INSTITUTION PUBLISHED ISSUED PURSUANT TO REGULATIONS 7 AND 8 OF THE BANKING AND FINANCIAL INSTITUTIONS (DISCLOSURES) REGULATIONS, 2014

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2023 (Amounts in millions Shillings)

| A. | ASSETS | BANK CURRENT QUARTER 30/06/2023 | GROUP CURRENT QUARTER 30/06/2023 | BANK PREVIOUS QUARTER 31/03/2023 | GROUP PREVIOUS QUARTER 31/03/2023 |
|-----|--|---------------------------------------|--|--|---|
| 1 | Cash | - | - | - | - |
| 2 | Balances with Bank of Tanzania | 15 | 15 | 804 | 804 |
| 3 | Investments in Government Securities | 9,738 | 9,738 | 9,395 | 9,395 |
| 4 | Balances with Other Banks and financial institutions | 2,013 | 2,173 | 2,813 | 3,105 |
| 5 | Cheques and Items for Clearing | - | - | - | - |
| 6 | Interbranch float items | - | - | - | - |
| 7 | Bills Negotiated | - | - | - | - |
| 8 | Customer Liability on Acceptances | - | - | - | - |
| 9 | Interbank Loans receivables | - | - | - | - |
| 10 | Investments in other Securities | - | 300 | - | 300 |
| 11 | Loans, Advances and Overdrafts | 314,498 | 314,612 | 311,742 | 311,856 |
| | (Net of Allowances for Probable Losses) | | | | |
| 12 | Other Assets | 80,478 | 79,408 | 80,506 | 79,485 |
| 13 | Equity Investments | 19,623 | 17,742 | 19,161 | 17,308 |
| 14 | Underwriting accounts | - | - | - | - |
| 15 | Property Plant and Equipment | 1,644 | 1,754 | 1,699 | 1,821 |
| 16 | TOTAL ASSETS | 428,008 | 425,742 | 426,122 | 424,074 |
| B. | LIABILITIES | | | | |
| 17 | Deposits from Other Banks and Financial Institutions | 97,063 | 97,063 | 94,683 | 94,683 |
| 18 | Customer Deposits | 208,371 | 208,371 | 205,722 | 205,722 |
| 19 | Cash Letters of Credit | - | - | - | - |
| 20 | Special deposits | - | - | - | - |
| 21 | Payment Order/Transfers Payable | - | - | - | - |
| 22 | Bankers' Cheques and Drafts Issued | - | - | - | - |
| 23 | Accrued Taxes and Expenses Payable | 11,384 | 11,384 | 11,453 | 11,453 |
| 24 | Acceptances Outstanding | - | - | - | - |
| 25 | Inter Branch Float items | - | - | - | - |
| 26 | Unearned income and other deferred charges | - | - | - | - |
| 27 | Other Liabilities | 62,601 | 63,325 | 61,019 | 61,850 |
| 28 | Borrowings | 28,452 | 28,452 | 30,699 | 30,699 |
| 29 | TOTAL LIABILITIES | 407,871 | 408,595 | 403,576 | 404,406 |
| 30 | NET ASSETS /LIABILITIES | 20,137 | 17,147 | 22,546 | 19,667 |
| C. | SHAREHOLDERS' FUNDS AND RESERVES | | | | |
| 31 | Paid Up Share Capital | 219,138 | 219,138 | 219,138 | 219,138 |
| 32 | Capital Reserves | - | - | - | - |
| 33 | Retained Earnings | (213,729) | (216,733) | (212,270) | (215,015) |
| 34 | Profit (Loss) Account | (2,409) | (2,520) | (1,459) | (1,718) |
| 35 | Other capital accounts | 17,137 | 17,262 | 17,137 | 17,262 |
| 36 | Minority interest | - | - | - | - |
| 37 | TOTAL SHAREHOLDERS' FUNDS AND RESERVES | 20,137 | 17,147 | 22,546 | 19,667 |
| 38 | Contingent Liabilities | 13,123 | 13,123 | 14,009 | 14,009 |
| 39 | Non Performing Loans and Advances | 81,480 | 81,480 | 77,948 | 77,948 |
| 40 | Allowances for Probable Losses | 58,690 | 58,690 | 50,016 | 50,016 |
| 41 | Other Non Performing Assets | 1,821 | 1,821 | 1,872 | 1,872 |
| D | SELECTED FINANCIAL CONDITION INDICATORS | % | % | % | % |
| i | Shareholders Funds to Total Assets | 4.7% | 4.0% | 5.3% | 4.6% |
| ii | Non Performing Loans to Total Gross Loans | 21.7% | 21.7% | 21.1% | 21.1% |
| iii | Gross Loans and Advances to Total Deposits | 123.2% | 123.2% | 123.0% | 123.0% |
| iv | Loans and Advances to Total Assets | 73.5% | 73.9% | 73.2% | 73.5% |
| v | Earning Assets to Total Assets | 80.3% | 80.4% | 79.9% | 79.8% |
| vi | Deposit Growth | 1.7% | 1.7% | -0.3% | -0.3% |
| vii | Asset Growth | 0.4% | 0.4% | -12.6% | -12.7% |

CONDENSED STATEMENT OF CHANGES IN EQUITY AS AT 30TH JUNE 2023 (Amounts in millions Shillings)

| | SHARE CAPITAL | SHARE PREMIUM | RETAINED EARNINGS | REGULATORY RESERVE | GENERAL PROVISION RESERVE | OTHERS | TOTAL |
|---|------------------|------------------|----------------------|-----------------------|---------------------------------|--------|----------|
| GROUP | | | | | | | |
| CURRENT QUATER | | | | | | | |
| Balance at the beginning of the Quarter (01st April 2023) | 219,138 | - | (216,732) | - | - | 17,262 | 19,667 |
| Profit for the Quarter | - | - | (2,520) | - | - | - | (2,520) |
| Other Comprehensive Income | - | - | - | - | - | - | - |
| Transactions with owners | - | - | - | - | - | - | - |
| Dividends Paid | - | - | - | - | - | - | - |
| Regulatory Reserve | - | - | - | - | - | - | - |
| General Provision Reserve | - | - | - | - | - | - | - |
| Others | - | - | - | - | - | - | - |
| Balance at the end of the current period (30th June 2023) | 219,138 | - | (219,252) | - | - | 17,262 | 17,147 |
| PREVIOUS QUARTER | | | | | | | |
| Balance at the beginning of the Quarter (01st January 2023) | 219,138 | - | (151,215) | - | - | 17,066 | 84,989 |
| Profit for the Quarter | - | - | (1,718) | - | - | - | (1,718) |
| Other Comprehensive Income | - | - | - | - | - | - | - |
| Transactions with owners | - | - | - | - | - | - | - |
| Dividends Paid | - | - | - | - | - | - | - |
| Regulatory Reserve | - | - | - | - | - | - | - |
| General Provision Reserve | - | - | - | - | - | - | - |
| Others | - | - | - | - | - | - | - |
| Balance at the end of the current period (31st March 2023) | 219,138 | - | (216,732) | - | - | 17,262 | 19,667 |
| BANK | | | | | | | |
| CURRENT QUARTER | | | | | | | |
| Balance at the beginning of the Quarter (01st April 2023) | 219,138 | - | (213,729) | - | - | 17,137 | 22,546 |
| Profit for the Quarter | - | - | (2,409) | - | - | - | (2,409) |
| Other Comprehensive Income | - | - | - | - | - | - | - |
| Transactions with owners | - | - | - | - | - | - | - |
| Dividends Paid | - | - | - | - | - | - | - |
| Regulatory Reserve | - | - | - | - | - | - | - |
| General Provision Reserve | - | - | - | - | - | - | - |
| Others | - | - | - | - | - | - | - |
| Balance at the end of the current period (30th June 2023) | 219,138 | - | (216,138) | - | - | 17,137 | 20,137 |
| PREVIOUS QUARTER | | | | | | | |
| Balance at the beginning of the Quarter (01st January 2023) | 219,138 | - | (148,472) | - | - | 16,942 | 87,608 |
| Profit for the Quarter | - | - | (1,459) | - | - | - | (1,459) |
| Other Comprehensive Income | - | - | - | - | - | - | - |
| Transactions with owners | - | - | - | - | - | - | - |
| Dividends Paid | - | - | - | - | - | - | - |
| Regulatory Reserve | - | - | - | - | - | - | - |
| General Provision Reserve | - | - | - | - | - | - | - |
| Others | - | - | (63,798) | - | - | 195 | (63,603) |
| Balance at the end of the current period (31st March 2023) | 219,138 | - | (213,729) | - | - | 17,137 | 22,546 |

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30TH JUNE 2023 (Amounts in millions Shillings)

| E | | BANK CURRENT QUARTER 30/06/2023 | GROUP CURRENT QUARTER 30/06/2023 | BANK COMPARATIVE QUARTER 30/06/2022 | GROUP COMPARATIVE QUARTER 30/06/2022 | BANK CURRENT YEAR CUMULATIVE 30/06/2023 | GROUP CURRENT YEAR CUMULATIVE 30/06/2023 | BANK COMPARATIVE YEAR CUMULATIVE 30/06/2022 | GROUP COMPARATIVE YEAR CUMULATIVE 30/06/2022 |
|----|--|--|---|--|---|--|---|--|---|
| 1 | Interest Income | 13,488 | 13,488 | 17,686 | 17,686 | 22,039 | 22,039 | 24,948 | 24,948 |
| 2 | Interest Expense | (3,710) | (3,710) | (7,045) | (7,045) | (7,128) | (7,128) | (10,757) | (10,757) |
| 3 | Net Interest Income | 9,778 | 9,778 | 10,641 | 10,641 | 14,911 | 14,911 | 14,190 | 14,190 |
| 4 | Bad Debts Written Off | (102) | (102) | (1) | (1) | (3,357) | (3,357) | (45) | (45) |
| 5 | Impairment losses on loans and Advances | (8,674) | (8,674) | (5,708) | (5,708) | (8,982) | (8,982) | (5,173) | (5,173) |
| 6 | Non Interest Income | 2,908 | 2,948 | 1,258 | 1,333 | 3,518 | 3,440 | 2,043 | 2,246 |
| | 6.1 Foreign currency Dealings and Translation Gain /(Loss) | 2,646 | 2,646 | 612 | 612 | 2,825 | 2,825 | 1,262 | 1,262 |
| | 6.2 Fees and Commissions | 53 | 72 | 577 | 619 | 195 | 245 | 661 | 770 |
| | 6.3 Dividend Income | - | - | - | - | - | - | - | - |
| | 6.4 Other operating income | 208 | 230 | 69 | 103 | 498 | 370 | 120 | 214 |
| 7 | Non Interest Expense | (4,810) | (4,961) | (6,316) | (6,549) | (9,075) | (9,367) | (10,804) | (11,183) |
| | 7.1 Salary and benefits | (3,074) | (3,154) | (3,166) | (3,275) | (6,134) | (6,293) | (6,398) | (6,613) |
| | 7.2 Fees and Commissions | - | - | - | - | - | - | - | - |
| | 7.3 Other operating expenses | (1,736) | (1,807) | (3,150) | (3,274) | (2,941) | (3,074) | (4,405) | (4,570) |
| 8 | Operating Income/(Loss) beforeTax | (901) | (1,012) | (127) | (284) | (2,985) | (3,355) | 211 | 35 |
| 9 | Income Tax Provision | (1,508) | (1,508) | - | - | (883) | (883) | - | - |
| 10 | Net Income /(Loss) after Income Tax | (2,409) | (2,520) | (127) | (284) | (3,868) | (4,238) | 211 | 35 |
| 11 | Other Comprehensive Income (Itemize) | - | - | - | - | - | - | - | - |
| 12 | Total comprehensive income/(loss) for the year | (2,409) | (2,520) | (127) | (284) | (3,868) | (4,238) | 211 | 35 |
| 13 | Number of employees | 143 | 149 | 148 | 154 | 143 | 149 | 148 | 154 |
| 14 | Basic Earnings per share | (11) | (11) | (1) | (1) | (18) | (18) | 1 | 1 |
| 15 | Number of branches | - | - | - | - | - | - | - | - |
| F | SELECTED PERFORMANCE INDICATORS | | | | | | | | |
| | (i) Return on Average Total Assets | -1.1% | -1.1% | -0.0% | -0.0% | -1.6% | -1.6% | 0.0% | 0.0% |
| | (ii) Return on Average Shareholders Fund | -5.0% | -5.0% | -0.1% | -0.1% | -7.0% | -7.0% | 0.1% | 0.0% |
| | (iii) Non Interest Expense to Gross Income | 29.3% | 30.2% | 33.3% | 34.4% | 35.5% | 36.8% | 40.0% | 41.1% |
| | (iv) Net Interest Income to Average Earning Assets | 2.8% | 1.9% | 2.2% | 1.5% | 4.3% | 2.9% | 2.9% | 2.0% |

CONDENSED STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 30TH JUNE 2023 (Amounts in millions Shillings)

| | BANK FOR THE QUARTER ENDED 30/06/2023 | GROUP FOR THE QUARTER ENDED 30/06/2023 | BANK FOR THE QUARTER ENDED 31/03/2023 | GROUP FOR THE QUARTER ENDED 31/03/2023 | BANK CURRENT YEAR CUMULATIVE 30/06/2023 | GROUP CURRENT YEAR CUMULATIVE 30/06/2023 | BANK COMPARATIVE YEAR CUMULATIVE 30/06/2022 | GROUP COMPARATIVE YEAR CUMULATIVE 30/06/2022 |
|--|--|---|--|---|--|---|--|---|
| I: Cashflow from operating activities | | | | | | | | |
| Net Income(Loss) | (901) | (1,012) | (2,085) | (2,343) | (2,985) | (3,355) | 211 | 35 |
| Adjustments for: | | | | | | | | |
| Impairment/Amortisation | 70 | 82 | 70 | 81 | 140 | 163 | 97 | 170 |
| Net change in Loans and Advances | (2,756) | (2,756) | 3,062 | 3,062 | 306 | 306 | 1,609 | 1,609 |
| (Gain)/Loss on sale of Assets | - | - | - | - | - | - | - | - |
| Net change in Deposits | 5,316 | 5,316 | (946) | (946) | 4,370 | 4,370 | (6,424) | (6,424) |
| Net change in Short term Negotiable Securities | - | - | - | - | - | - | - | - |
| Net change in other liabilities | (282) | (358) | (2,100) | (1,986) | (2,383) | (2,345) | 4,513 | 3,764 |
| Net change in other Assets | (254) | (210) | 4,194 | 4,328 | 3,939 | 4,118 | 3,572 | 2,757 |
| Tax paid | - | - | - | - | - | - | - | - |
| Other :- Net change in deferred income | - | - | - | - | - | - | (486) | (486) |
| Net cash provided (used) by operating activities | 1,193 | 1,062 | 2,194 | 2,195 | 3,387 | 3,257 | 3,092 | 1,425 |
| II: Cash flow used in investing activities | | | | | | | | |
| Dividend Received | - | - | - | - | - | - | - | - |
| Purchase of Fixed Assets | (16) | (16) | (13) | (13) | (29) | (29) | (6) | (6) |
| Proceeds from Sale Of Fixed Assets | - | - | - | - | - | - | - | - |
| Purchase of non-dealing securities | - | - | - | - | - | - | - | - |
| Proceeds from sale of non-dealing securities | - | - | - | - | - | - | - | - |
| Others: Proceeds from disposal Investment Asset | - | - | - | - | - | - | - | - |
| Net cash provided (used) by investing activities | (16) | (16) | (13) | (13) | (29) | (29) | (6) | (6) |
| III:Cash flow from financing activities | | | | | | | | |
| Repayment of Long Term Borrowing | (2,768) | (2,768) | (1,771) | (1,771) | (4,539) | (4,539) | (2,927) | (2,927) |
| Proceeds from Issuance of Long Term Dept | - | - | - | - | - | - | - | - |
| Proceeds from Issuance of Share Capital | - | - | - | - | - | - | - | - |
| Payment of Cash Dividends | - | - | - | - | - | - | - | - |
| Net Change in Other Borrowings | - | - | - | - | - | - | - | - |
| Proceeds from disposal of available for sale investments | - | - | - | - | - | - | - | - |
| Others | - | - | - | - | - | - | - | - |
| Net cash provided (used) by Financing Activities | (2,768) | (2,768) | (1,771) | (1,771) | (4,539) | (4,539) | (2,927) | (2,927) |
| IV: Cash and Cash Equivalents | | | | | | | | |
| Net Increase/Decrease in Cash and Cash Equivalents. | (1,591) | (1,722) | 411 | 411 | (1,180) | (1,310) | 159 | (1,508) |
| Cash and Cash equivalents At the beginning of the quarter | 3,618 | 3,909 | 3,207 | 3,497 | 3,207 | 3,497 | 742 | 2,550 |
| Cash and Cash equivalents At the end of the quarter | 2,027 | 2,187 | 3,618 | 3,909 | 2,027 | 2,187 | 901 | 1,042 |

Signed By:

Ms. Lilian M. Mbassy
Ms. Mwasam S. Suleiman
Ms. Christine V. Mbonya

Acting Managing Director
Director of Finance
Director Internal Audit

We, the undersigned directors, attest to the faithful representation of the above statements. We declare that the statements have been examined by us and, to the best of our knowledge and belief, have been prepared in conformance with International Financial Reporting Standards and the requirements of the Banking and Financial Institutions Act, 2006 and they present a true and fair view.

Signed By:

Mr. Sosthenes L. Kewe
Date:

Board Chairperson
26/07/2023

MINIMUM DISCLOSURE OF BANK CHARGES AND FEES

| ITEM/TRANSACTION | CHARGE/FEE | |
|--|-----------------------|------------|
| Banking Sector - Deposit & Lending rates | | |
| | | |
| A Types of Lending Rates | lending Rate - PA (%) | |
| | TZS | USD |
| (a) Flat | N/A | N/A |
| (b) Declining | 16.0 | 9.0 |
| (c) Negotiable | N/A | N/A |