

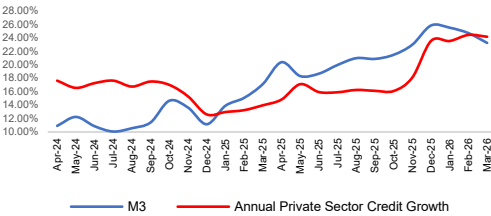
CRDB Bank EARNINGS HIGHLIGHTS March 2026



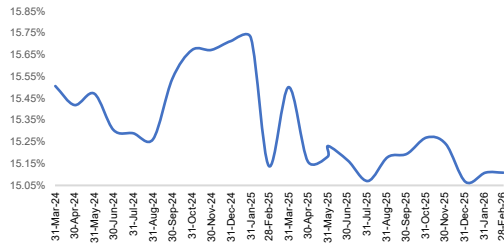
CRDB BANK PLC FINANCIAL HIGHLIGHTS FOR THE QUARTER ENDING MARCH 2026

INDUSTRIAL OVERVIEW

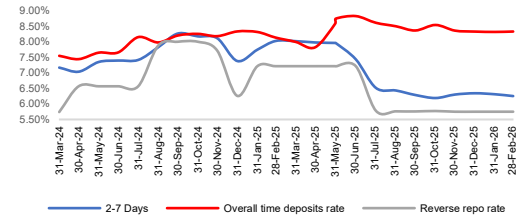
Annual M3 and Private Sector Credit Growth



Overall Lending Rate

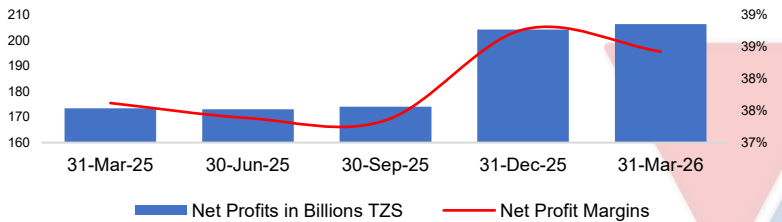


Interbank Cash Market, Reverse Repo & Overall Time Deposit Rates

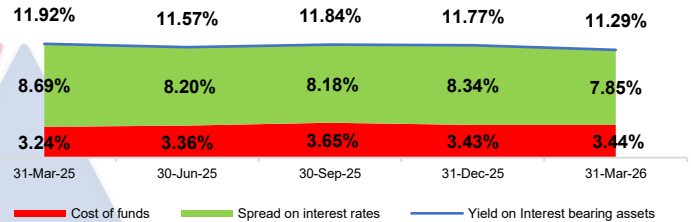


INCOME STATEMENT ANALYSIS

CRDB Profitability Trend



CRDB Indicative Interest Rate Trends



Net Profits grew marginally by 1.01% QoQ from TZS 204.14 billion in Q4'25 to TZS 206.20 billion in Q1'26

Reasons:

Non-interest income grew 4.92% QoQ from TZS 177.91 billion in Q4'25 to TZS 186.66 billion in Q1'25. The growth is as a result of foreign currency income which grew 150.26% QoQ from TZS 12.31 billion in Q4'25 to TZS 30.82 billion in Q1'26 possibly driven by strong performance of hard currencies such as the USD, GBP and EUR whose mean rates according to the Bank of Tanzania strengthened by 5.48%, 3.42% and 3.05% respectively as well as a potential surge in foreign currency transactions handled particularly by the bank's corporate clients. Its worth noting CRDB's foreign currency income growth in Q1 relative to Q4 has been a rather cyclical trend that has been reoccurring since FY'22.

The bank continued to contain operating expense growth relative to the banks gross and net operating revenues. Operating Expenses grew by a marginal 0.87% QoQ amounting to TZS 239.10 billion largely driven by cost savings from Other Operating expenses which saw a 7.44% QoQ contraction, all while gross income grew 1.22% QoQ amounting to TZS 575.42 billion. This resulted in the bank's cost to income ratio to improve marginally from 41.70% in Q4'25 to 41.55% in Q1'26

Areas that need be addressed:

Net interest income dipped 0.46% QoQ amounting to TZS 388.75 billion in retrospect brought about by a negative jaws between interest expenses which grew 7.73% QoQ amounting to TZS 175.22 billion and interest income which grew 1.95% QoQ to TZS 563.98 billion during the same period. This mismatch may be due to rising cost of funds particularly from customer deposits as competition for deposits between traditional banking and capital market products stiffens with the latter offering more competitive returns for customer funds prompting banks to retain customers by hiking deposits rates.

Fees and Commission income dipped 5.73% to TZS 143.93 billion likely due to cyclical peak transaction activity that happens during Q4's holiday season and comes with a subsequent cool-off in Q1, a trend that has remained for the last 4 financial years.

Income Statement Analysis Amounts in Billions TZS	Mar-25	Jun-25	Sept-25	Dec-25	Mar-26
Net Operating Income	460.99	462.88	465.92	526.64	536.70
Growth Rate	18.58%	0.41%	0.66%	13.03%	1.91%
Operating Expenses	206.82	217.22	219.52	237.04	239.10
Growth Rate	9.55%	5.03%	1.06%	7.98%	0.87%

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BALANCE SHEET STATEMENT ANALYSIS

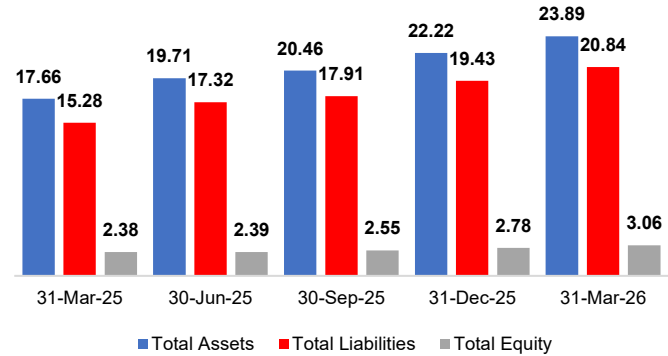
Total assets increased by 7.56% during the quarter ending March 2026, reaching TZS 23.89 trillion in value.

Key Drivers:

Customer loans expanded 6.69% QoQ to TZS 14.66 trillion, outperforming the broader private sector credit growth of 5.80%, with momentum anchored in SME, corporate, and microfinance lending. Beyond lending, the balance sheet saw notable expansion through a 13.34% and 27.07% QoQ increase in fixed income investments and central bank placements to TZS 3.76 trillion and TZS 1.95 trillion, respectively—suggesting a deliberate strategy to park excess liquidity and maintain a prudent liquidity buffers.

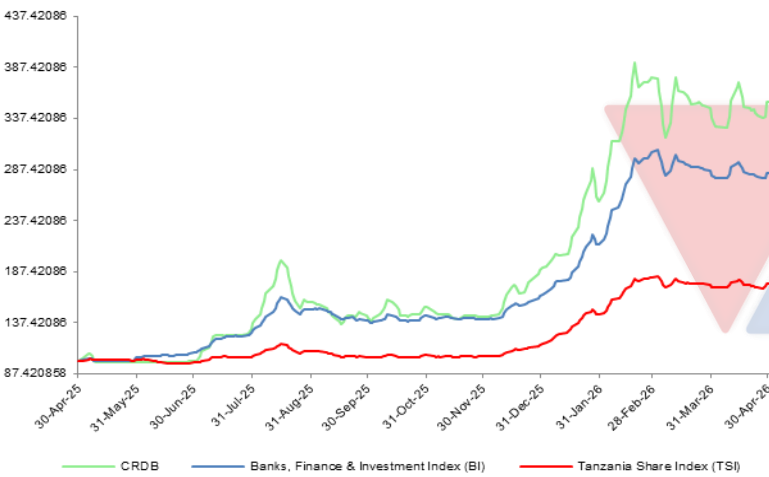
This growth was comfortably funded by customer deposits, which rose 9.72% QoQ to TZS 16.28 trillion, outpacing M3 growth of 4.42%. The growth reflects effective execution of deposit ringfencing strategies, continued expansion of the distribution network, and tailored customer financing propositions. Shareholder's equity grew 9.80% QoQ to TZS 3.06 trillion due to strong profits recorded during Q1.

Balance Sheet Highlights in Trillions TZS



INVESTORS' CORNER

CRDB Bank VS TSI & BI 52-Weeks Returns rebased at 100



Supporting Fundamentals

Ticker	CRDB
Closing Price as of 30 th April 2026	TZS 2,830
Book Value per Share	TZS 1,170.27
P/B Ratio	2.42x
Trailing EPS	TZS 289.97
P/E Ratio	9.76x
Return on Equity	28.11%
Return on Assets	3.51%

FAIR VALUE ASSESSMENT

Ticker	Prev Target Price	Target Price 30-Apr-26	Revised by	Share Price 30-Apr-26	Downside	Recommendation
CRDB	2,934.63	2,756.40	▼ 6.07%	2,830	▼ 2.60%	SELL

COMMENTARY

CRDB's Q1'26 profits have grown 18.91% YoY amounting to TZS 206.20 billion, following prudence in operating expense growth relative to gross revenues with Gross revenues growing 15.90% YoY amounting to TZS 575.42 billion compared to operating expenses which grew 15.61% YoY amounting to TZS 239.10 billion resulting in a marginal drop in the bank's cost to income ratio from 41.66% in Q1'25 to 41.55% in Q1'26.

Despite the steady growth in earnings its worth highlighting that the growth came in slower than expected due to higher cost of funds which resulted in interest expense growth at 45.43% YoY outpacing that of interest income at 31.59% resulting in slower net interest income growth of 26.17% YoY amounting to TZS 388.75 billion. Non-interest income growth came in weaker than expected with 0.91% decline YoY from TZS 188.38 billion in Q1'25 to TZS 186.66 billion in Q1'26 largely driven by a 40.31% drop in foreign currency income from a quarter high of TZS 51.63 billion in Q1'25 to TZS 30.82 billion in Q1'26.

Looking ahead we anticipate steady growth in earnings driven by operating cost containment, strong appetite for credit and steady growth in non-funded income due to strong growth in non-bank revenue-generating activities, and stable growth in digital usage and other banking support revenue initiatives. Our target price has been revised downwards by 6.07% to factor in the negative jaws between interest expense and interest income growth in our projections resulting in a fair value of TZS 2,756.40 which is a **SELL** recommendation when compared to the bank's share price of TZS 2,830 as of 30-Apr-2026.

CRDB BANK PLC FINANCIAL HIGHLIGHTS FOR THE QUARTER ENDING MARCH 2026

RATIO ANALYSIS

CRDB Group Ratios:	30-Jun-24	30-Sep-24	31-Dec-24	31-Mar-25	30-Jun-25	30-Sep-25	31-Dec-25	31-Mar-26
Capital Structure:								
Borrowings to Equity	131.52%	158.58%	139.57%	123.45%	117.17%	125.07%	148.80%	133.08%
Equity Multiplier	7.69	7.76	7.68	7.43	8.26	8.02	7.99	7.82
Equity to Assets Ratio	13.00%	12.89%	13.01%	13.47%	12.11%	12.47%	12.52%	12.79%
Asset Quality:								
NPL Ratio	3.16%	2.61%	2.89%	3.20%	2.96%	3.22%	2.89%	2.85%
NPL Coverage Ratio	34.94%	43.30%	46.26%	40.38%	45.38%	43.43%	55.92%	67.00%
Cost of Risk	0.12%	0.15%	0.11%	0.16%	0.16%	0.13%	0.15%	0.13%
Management Quality:								
Loan Growth	7.14%	6.32%	2.69%	5.62%	11.92%	4.72%	7.11%	6.69%
Deposit Growth	6.37%	2.16%	6.46%	8.86%	16.69%	0.91%	5.50%	9.72%
Earning to Total Assets	86.90%	85.70%	81.40%	83.90%	83.40%	83.40%	84.60%	83.60%
Earnings Quality:								
Net Profit Margin	38.54%	34.73%	36.50%	37.62%	37.38%	37.35%	38.76%	38.42%
Net Profit Growth	15.67%	-9.20%	5.97%	22.20%	-0.22%	0.56%	17.32%	1.01%
Cost to Income Ratio	44.75%	45.97%	45.85%	41.66%	43.44%	43.89%	41.70%	41.55%
Liquidity:								
Loan to Deposit Ratio	98.60%	100.10%	96.80%	93.80%	90.10%	93.60%	94.50%	92.80%
Loans to Deposits & Borrowings	75.04%	74.27%	74.00%	73.56%	73.21%	74.35%	72.41%	72.05%
Liquid to Total Assets	27.20%	30.04%	29.29%	29.13%	29.29%	27.36%	29.47%	28.72%

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