

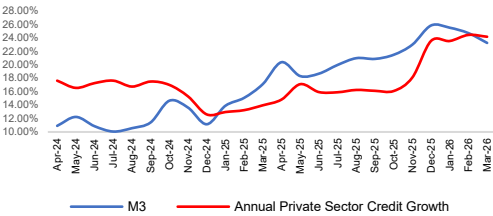
# Maendeleo Bank EARNINGS HIGHLIGHTS March 2026



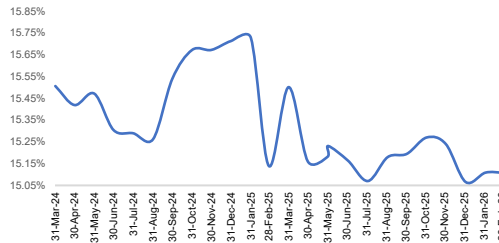
## MAENDELEO BANK FINANCIAL HIGHLIGHTS FOR THE QUARTER ENDING MARCH 2026

### INDUSTRIAL OVERVIEW

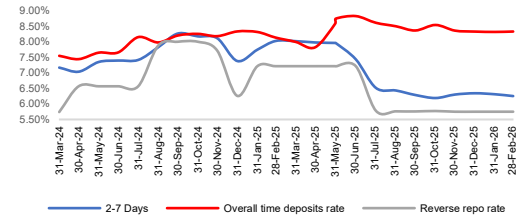
Annual M3 and Private Sector Credit Growth



Overall Lending Rate

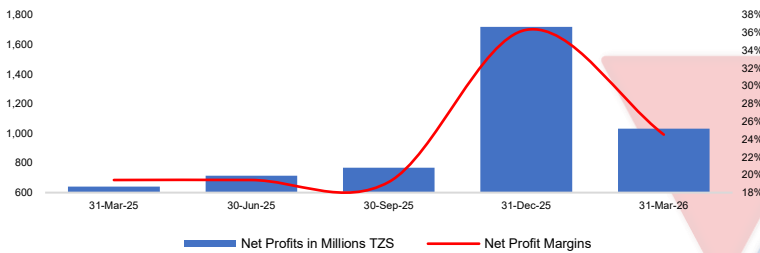


Interbank Cash Market, Reverse Repo & Overall Time Deposit Rates

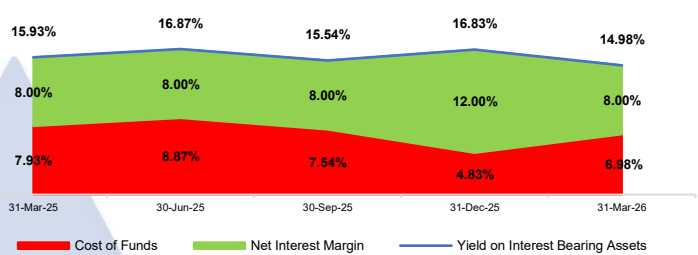


### INCOME STATEMENT ANALYSIS

Maendeleo Bank Profitability Trend



Maendeleo Bank Net Interest Margin Trend



Net Profits dropped 39.97% QoQ amounting to TZS 1.03 billion in Q1'26 from TZS 1.72 billion in Q4'25

#### Possible Reasons:

Net interest income dropped 23.01% QoQ amounting to TZS 3.37 billion due to a 9% QoQ drop in interest income from TZS 7.40 billion in Q4'25 to TZS 6.74 billion in Q1'26 all while interest expenses surged 11.27% QoQ from TZS 3.03 billion to TZS 3.34 billion during the same period. This mismatch in growth is likely as a result of falling yields on interest bearing assets and rising cost of funds from interest bearing liabilities.

Operating Expenses grew 2.73% QoQ amounting to TZS 3.17 billion in Q1'26 following a 16.45% QoQ growth in Salaries and benefits amounting to TZS 1.63 billion all while Maendeleo's net operating income dipped 10.52% QoQ due to the aforementioned drop in net interest income.

#### Improvements made:

Non-interest income continued to rally delivering positive growth for the 4<sup>th</sup> consecutive quarter with a 4.25% QoQ growth amounting to TZS 1.01 billion in Q1'26 from TZS 964 million in Q4'25. The growth in Q1 is due to a turnaround in the bank's foreign exchange income which turned around from a loss of TZS 5 million in Q4'25 to a TZS 149 million profit in Q1'26 and other operating income which grew from TZS 94 million in Q4'25 to TZS 537 million in Q1'26. Fees and Commissions however dropped 63.54% QoQ amounting to TZS 319 million likely due to a slowdown in revenue from the usage of its digital channels from a Q4 high.

Income Statement Analysis Amounts in Billions TZS	Mar-25	Jun-25	Sept-25	Dec-25	Mar-26
Net Operating Income	3.39	3.78	4.11	4.80	4.30
Growth Rate	-11.93%	11.54%	8.81%	16.73%	-10.52%
Operating Expenses	2.62	2.99	3.24	3.08	3.17
Growth Rate	-4.34%	13.92%	8.53%	-5.00%	2.73%

# MAENDELEO BANK FINANCIAL HIGHLIGHTS FOR THE QUARTER ENDING MARCH 2026

## BALANCE SHEET STATEMENT ANALYSIS

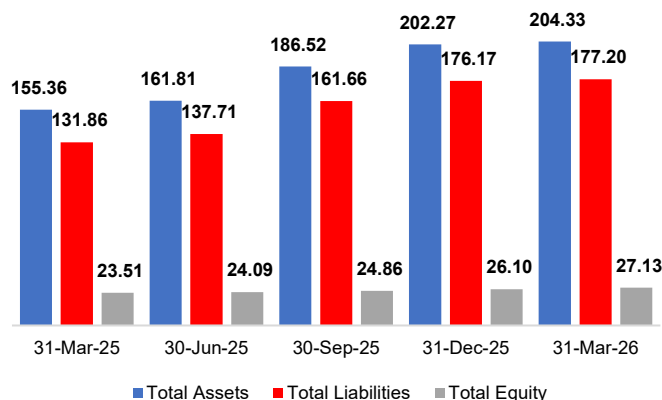
Maendeleo's balance sheet surged by 1.02% QoQ finally crossing the TZS from TZS 202.27 billion in Q4'25 to TZS 204.33 billion in Q1'26

### Key Drivers:

Earning Assets grew 2.18% QoQ amounting to TZS 179.81 billion largely driven by a 5.64% QoQ growth in net loans amounting to TZS 115.12 billion.

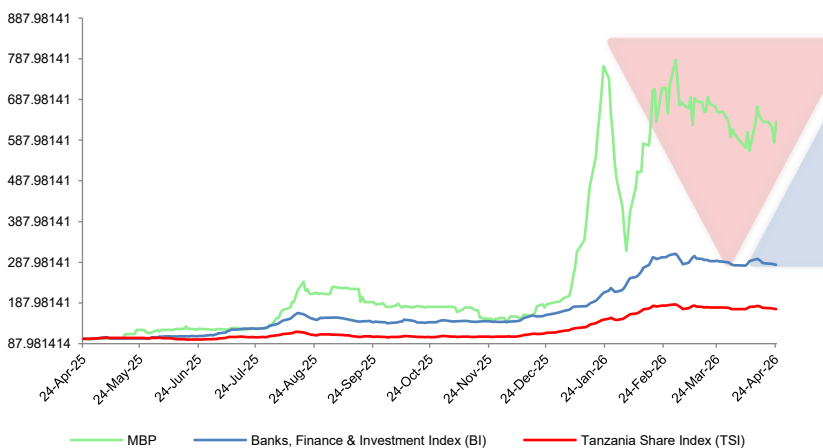
Financing this balance sheet growth is a 0.39% QoQ growth in interest-bearing liabilities amounting to TZS 173.35 billion largely driven by a 14.38% QoQ growth amounting to TZS 128.49 billion and shareholders equity which grew 3.95% QoQ amounting to TZS 27.13 billion due to the profits recorded during Q1'25.

Balance Sheet Highlights in Billions TZS



## INVESTORS' CORNER

MBP 52-Weeks Share Price Performance versus BI and TSI  
Index rebased at 100



### Supporting Fundamentals

Supporting Fundamentals	
Ticker	MBP
Closing Price as of 24 <sup>th</sup> Apr 2026	TZS 2,500
Book Value per Share	TZS 904.60
P/B Ratio	2.76x
Trailing EPS*	TZS 141.22
P/E Ratio	17.70x
ROE	16.73%
ROA	2.35%

## CUMULATIVE REVIEW & OUTLOOK

Maendeleo's profit after taxes for Q1'26 have grown 61% YoY amounting to TZS 1.03 billion in Q1'26 compared to TZS 641 million in Q1'25. Key to this growth was a 17.18% YoY growth in net interest income amounting to TZS 3.37 billion (Although its worth noting that a substantial negative jaws between interest income growth at 25.16% YoY and Interest expense growth of 34.30% YoY was observed during the period) in Q1'26 and a 92.53% YoY growth in the bank's non-interest income amounting to TZS 1.01 billion resulting in net operating income growth of 26.77% YoY closing at TZS 4.30 billion for Q1'26 compared to 3.39 billion in Q1'25. Net Operating Income growth also sustained positive jaws compared to operating expenses growth of 20.66% YoY amounting to TZS 3.16 billion.

Looking ahead the bank is anticipated to sustain positive growth on the back of macro-economic tailwinds of strong credit appetite especially from the private sector and strong M3 growth a precursor to strong broad-based deposit mobilization across the banking sector. Despite the optimistic outlook Maendeleo has to address it's the negative jaws between interest income and interest expense growth by optimizing its cost of funds perhaps via focusing on mass account opening initiatives via Current and Savings Accounts which tend to have lower cost of funding and rebalancing its earning assets portfolio towards higher-yielding assets in order to sustain strong profitability growth

# MAENDELEO BANK FINANCIAL HIGHLIGHTS FOR THE QUARTER ENDING MARCH 2026

## RATIO ANALYSIS

<b>Maendeleo Bank Ratios:</b>	30-Jun-24	30-Sep-24	31-Dec-24	31-Mar-25	30-Jun-25	30-Sep-25	31-Dec-25	31-Mar-26
<b>Capital Structure:</b>								
Borrowings to Equity	48.81%	83.17%	94.62%	85.39%	99.29%	132.58%	141.14%	130.21%
Equity Multiplier	6.61	6.78	6.63	6.61	6.72	7.50	7.75	7.53
Equity to Assets Ratio	15.14%	14.74%	15.07%	15.13%	14.89%	13.33%	12.90%	13.28%
<b>Asset Quality:</b>								
NPL Ratio	5.00%	5.00%	5.00%	6.00%	6.00%	7.90%	4.54%	4.33%
NPL Coverage Ratio	33.57%	40.38%	52.93%	52.93%	25.27%	14.06%	33.09%	29.91%
Cost of Risk	0.64%	0.98%	1.22%	0.01%	0.43%	0.86%	1.26%	0.13%
<b>Management Quality:</b>								
Loan Growth	7.46%	4.71%	1.22%	-0.24%	4.24%	6.61%	10.96%	5.64%
Deposit Growth	7.11%	0.81%	2.46%	4.31%	1.42%	14.15%	8.11%	1.61%
Earning to Total Assets	88.00%	89.00%	88.00%	87.00%	87.00%	87.00%	87.00%	88.00%
<b>Earnings Quality:</b>								
Net Profit Margins	11.75%	13.32%	12.43%	12.51%	12.46%	11.73%	14.73%	15.61%
Net Profit Growth	33.63%	55.76%	76.66%	20.04%	14.14%	4.06%	4.26%	61.00%
Cost to Income Ratio	71.01%	68.45%	67.24%	77.22%	73.97%	73.00%	68.32%	72.36%
<b>Liquidity:</b>								
Loan to Deposits Ratio	85.00%	88.00%	88.00%	84.00%	84.00%	79.00%	81.00%	85.00%
Loan to Deposits & Borrowings	75.91%	73.79%	70.70%	68.90%	68.92%	62.06%	63.24%	66.54%

## ANALYST'S NAMES & CONTACTS

Emmanuel Matunda  
[emmanuel@solomon.co.tz](mailto:emmanuel@solomon.co.tz)

For further information please contact Us : 2124495 /2112874 /0764269090 /0714 269090

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PSSSF House, Ground Floor  
Samora Avenue / Morogoro Road  
P.O. Box 77049  
Dar es Salaam

+255 764 269090  
+255 714 269090

[research@solomon.co.tz](mailto:research@solomon.co.tz)

[www.solomon.co.tz](http://www.solomon.co.tz)



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