

First virtual AGM passes Sh44.4bn CRDB dividend

CRDB Bank Group chief executive Abdulmajid Nsekela speaks during the lender's virtual Annual General Meeting on Saturday. Partly hidden is board chairman Ally Laay. PHOTO | THE CITIZEN REPORTER



The net profit of the Dar es Salaam Stock Exchange-listed lender rose by a cool 87 percent last year, thanks to increased earnings in both interest and non-funded income streams

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Dar es Salaam. Shareholders of the CRDB Bank Plc will share a total of Sh44.4 billion in dividends, thanks to the lender's improving profitability.

The profit-after-tax of the Dar es Salaam Stock Exchange-listed bank rose by a cool 87 percent last year - thanks to increased earnings in both interest and non-funded income streams.

Profit-after-tax reached Sh120.1 billion last year, up from Sh64 billion in 2018.

Dividend

The Sh44.4 billion dividend translates into a 112 percent rise compared to the Sh20.9

billion that the bank's shareholders shared last year from the 2017 net profit.

The dividend was approved during the bank's first virtual Annual General Meeting (AGM) which saw to participation by about 2,000 shareholders at the weekend.

Initially, the AGM was to have been held on May 16, 2020 at the Arusha International Conference Centre. But with the raging Covid-19 pandemic, it was decided to hold it virtually.

Chief Executive Abdulma-

jid Nsekela told shareholders that the bank's business was improving across all key indicators, including loans and advances, as well as deposits and assets.

The former grew by eight percent - reaching Sh3.4 trillion in 2019, up from Sh3.1 trillion in 2018. The latter rose from by 11 percent: from Sh5.2 trillion in 2018 to Sh6.6 trillion in 2019.

"Also, our customer base grew by 50 percent across the Group: from two million to three million. We've transformed our business, digitizing our customer feedback routes and service touch points," he said.

A drop in nonperforming loans (NPLs) from 8.3 percent to 5.5 percent translated into improved assets quality.

In 2019, CRDB launched a Purchase Order Financing (POF) and Certificate and Invoice Discounting for contractors and suppliers.

Safari car loans

It also came up with Safari Car Loans for tour operators while a digital lending solution named Boom Advance was specifically introduced to cater to the needs of qualifying university and college students. This is especially for the period before their loans are disbursed by the Higher Education Students Loans Board. Jiwezeshe is a credit facility for microentrepreneurs was also introduced.

The CRDB Bank Group comprises CRDB Bank, Insurance Brokerage Limited and CRDB Bank Burundi SA.

Also, our customer base grew by 50 percent from two million to three million

MR NSEKELA | CRDB BANK CHIEF EXECUTIVE