

AUDITED FINANCIAL STATEMENTS

Issued Pursuant to Section 7 & 8 of the Banking and Financial Institutions (disclosures) Regulations 2014

**EXTRACTS FROM AUDITED FINANCIAL STATEMENTS
(Regulation 8)**

BALANCE SHEET (AMOUNTS IN MILLIONS OF TANZANIAN SHILLINGS)	Current Year 31-December-22	Previous Year 31-December-21
A. ASSETS		
1 Cash	887	283
2 Balances with Bank of Tanzania	7,521	152
3 Investments in Government securities	65,423	70,423
4 Balances with other banks and financial institutions	13,613	8,427
5 Cheques and items for clearing	0	0
6 Inter branch float items	0	0
7 Bills negotiated	0	0
8 Customers liabilities for acceptances	0	0
9 Interbank loans receivable	0	0
10 Investments in other Securities	0	0
11 Loans, Advances and Overdrafts (net of allowances for probable losses)	25,869	22,785
12 Other Assets	7,101	6,033
13 Equity Investments	0	0
14 Underwriting Accounts	0	0
15 Property and Equipment	2,822	2,597
16 TOTAL ASSETS	123,237	110,700
B. LIABILITIES		
17 Deposits from other banks and financial institutions	0	0
18 Customer deposits	8,085	701
19 Cash letters of Credit	0	0
20 Special Deposits	0	0
21 Payment orders/transfers payable	0	0
22 Bankers' cheques and drafts issued	0	0
23 Accrued taxes and expenses payable	448	367
24 Acceptances outstanding	0	0
25 Interbranch float items	0	0
26 Unearned income and other deferred charges	2,812	3,653
27 Other Liabilities	2,215	1,972
28 Borrowings	12,429	7,820
29 TOTAL LIABILITIES	25,989	14,512
30 NET ASSETS/(LIABILITIES) (16 minus 29)	97,248	96,188
C.SHAREHOLDERS' FUNDS		
31 Paid up Share Capital	89,040	89,040
32 Capital Reserves	0	0
33 Retained Earnings	3,235	2,072
34 Profit (Loss) Account	4,337	4,490
35 Regulatory Reserve	637	587
36 Minority Interest	0	0
37 TOTAL SHAREHOLDERS' FUNDS	97,248	96,188
38 Contingent Liabilities	11,591	1,748
39 Non performing Loans & Advances	118	0
40 Allowances for Probable Losses	63	43
41 Other non Performing Assets	0	0
D.SELECTED FINANCIAL CONDITION INDICATORS		
(i) Shareholders Funds to Total Assets	79%	87%
(ii) Non performing Loans to Total Gross Loans	0.5%	0%
(iii) Gross Loans and Advances to Total Deposits	321%	3257%
(iv) Loans and Advances to Total Assets	21%	21%
(v) Earning Assets to Total Assets	85%	92%
(vi) Deposits Growth	1053%	-75%
(vii) Assets Growth	11%	-1%



INCOME STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2022

(AMOUNTS IN MILLIONS OF TANZANIAN SHILLINGS)		Current year 31st December 2022	Previous year 31st December 2021
1	Interest Income	13,127	13,695
2	Interest Expense	-734	-500
3	Net Interest Income (1 + 2)	12,393	13,195
4	Bad Debts Written-Off	0	0
5	Impairment Losses on Loans and Advances	-20	9
		12,372	13,204
6	Non Interest Income:		
6.1	Foreign Currency Dealings and translation Gain/(Loss)	97	-22
6.2	Fees and Commissions	233	194
6.3	Dividend Income	0	0
6.4	Other Operating Income	1,509	0
		14,211	13,377
7	Non Interest Expenses:		
7.1	Salaries and Benefits	-3,050	-2,783
7.2	Fees and Commission	0	0
7.3	Other Operating Expenses	-4,748	-4,109
		-7,799	-6,892
8	Operating Profit /(Loss) Before Taxation	6,412	6,484
9	Income Tax Provision	-2,075	-2,072
10	Profit/(Loss) After Income Tax	4,337	4,413
11	Other Comprehensive Income (itemize)	0	0
12	Total comprehensive income/(loss) for the year	4,337	4,413
13	Number of Employees	35	28
14	Basic Earnings per Share	108	112
15	Number of Branches	2	1
	SELECTED PERFORMANCE INDICATORS		
	(i) Return on Average Total Assets	3.7%	4.1%
	(ii) Return on Average Shareholder Funds	4.5%	4.7%
	(iii) Non Interest Expenses to Gross Income	54.8%	51.0%
	(iv) Net Interest Income to Average Earnings Assets	12.0%	13.0%

ANNEXTURE 3

CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2022

I. Cash flow from operating activities (AMOUNTS IN MILLIONS OF TANZANIAN SHILLINGS)	Current Year 31st December 2022	Previous Year 31st December 2021
Operating Profit /(Loss) Before Taxation	6,412	6,561
Adjustments for:		
-Impairment/Amortization	1,968	1,836
-Net change in Loans and Advances	-3,065	3,173
-Gain/loss on Sale of Assets	0	0
-Net change in Deposits	12,085	-4,503
-Net change in Short Term Negotiable Securities	0	0
-Net change in Other Liabilities	191	-361
-Net change in Other Assets	-6,990	2,410
- Tax Paid	-2,075	-2,142
-Others (specify)	0	0
Net cash provided (Used) by operating activities	8,526	6,975
II. Cash flow from investing activities:		
Dividend Received	0	0
Purchase of Fixed Assets	-1,014	-782
Proceeds from Sale of Fixed Assets	0	28
Others (Government Securities)	4,667	-10,335
Net cash (Used in) /generated from investing activities	3,654	-11,089
III. Cash flow from financing activities:		
Repayment of Long-term Debt	0	0
Proceeds from Issuance of Long Term Debt	0	0
Proceeds from Issuance of Share Capital	0	0
Payment of Dividends	-3,277	0
Net Change in other Borrowings	0	0
Others (specify) - WHT paid on Bonus Shares	0	0
Net Cash generated from Financing Activities	-3,277	0
IV. Cash and Cash Equivalents:		
Net Increase/ (Decrease) in Cash and Cash Equivalents	8,903	-4,114
Cash and Cash Equivalents at the beginning of the Year	476	4,590
Cash and Cash Equivalents at the end of the Year	9,379	476



CONDENSED STATEMENT OF CHANGES IN EQUITY AS AT DECEMBER 31, 2022

	Share capital	Share Premium	Retained Earnings	Regulatory reserve	General provision Reserve	Others	Total
Current Year							
Balance as at the beginning of the year	89,040	0	6,562	0	587	0	96,189
Profit for the year	0	0	4,337	0	0	0	4,337
Other Comprehensive Income	0	0	0	0	0	0	0
Transaction with owners	0	0	0	0	0	0	0
Dividends Paid	0	0	3,277	0	0	0	3,277
Regulatory reserve	0	0	50	0	50	0	100
General Provision Reserve	0	0	0	0	0	0	0
Others	0	0	0	0	0	0	0
Balance as at the end of the current period	89,040	0	7,571	0	637	0	97,248
Previous Year							
Balance as at the beginning of the year	89,040	0	2,639	0	0	0	91,679
Profit for the year	0	0	4,309	0	0	0	4,309
Other Comprehensive Income	0	0	0	0	0	0	0
Transaction with owners	0	0	0	0	0	0	0
Dividends Paid	0	0	0	0	0	0	0
Regulatory reserve	0	0	387	0	587	0	972
General Provision Reserve	0	0	0	0	0	0	0
Others	0	0	0	0	0	0	0
Balance as at the end of the previous period	89,040	0	6,862	0	587	0	96,189

Cheng Ji

Cheng Ji
Chief Executive Officer
31st March 2023

Zablon Shambuli

Zablon Shambuli
Head of Internal
Audit
31st March 2023

The above extracts are from the financial statements of the Bank for the year ended 31st December 2021 which have been prepared in accordance with international financial reporting standard (IFRS). The financial statements were audited by INNOVEX Auditors; Certified Public Accountants and received a clean/unqualified audit report.

Bao Dongqiang
Name: Bao Dongqiang (Chairman)
Date: 31st March 2023

Jimmy Mrosso
Name: Jimmy Mrosso (Director)
Date: 31st March 2023