

MAENDELEO BANK PLC

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021**

	Note	2021 TZS'000'	2020 TZS'000'
ASSETS			
Cash and balances with Bank of Tanzania	15	8,113,330	6,711,432
Placements and balances with other banks	16	7,928,601	7,376,347
Government securities	17	22,030,350	13,370,912
Loans and advances from customers	18	57,715,790	54,149,583
Inventories	19	12,887	2,615
Other assets	20	2,126,509	1,479,689
Intangible assets	23	172,269	259,291
Property, equipment and right of use	22(a)	1,657,028	1,306,905
Leasehold improvements	22(b)	626,500	627,207
Income tax receivable	21	178,061	-
Deferred tax	12	1,370,359	1,395,400
Total assets		101,931,684	86,679,381
EQUITY AND LIABILITIES			
EQUITY			
Share capital	31	13,121,983	11,862,201
Share premium		799,292	547,335
Advance towards share capital	31.3	-	548,230
Regulatory reserves	29	1,302,893	2,667,872
Retained earnings		1,124,328	(828,089)
Total equity		16,348,496	14,797,549
LIABILITIES			
Deposits	24	70,242,994	60,503,267
Other liabilities	25	1,474,089	1,170,303
Borrowings	27	13,866,105	9,931,793
Income tax payable	21	-	276,469
		85,583,188	71,881,832
Total Equity and Liabilities		101,931,684	86,679,381

These financial statements were approved by the Board of Directors for issue on 28/12/2021 2022 and were signed on its behalf by:

Name: Dr. Ibrahim Mwangalaba

Title: MD

Signature: [Signature]

Name: Amulike S.K. Ngilima

Title: Chairman

Signature: [Signature]

FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 TZS'000'	2020 TZS'000'
Revenue			
Interest income calculated using the effective interest method	5	12,844,295	11,010,779
Interest expense calculated using the effective interest method	6	(5,306,262)	(4,510,763)
Net Interest income		7,538,033	6,500,016
Written off bad loans	8(b)	(666,374)	-
Impairment losses	8(a)	(1,003,559)	(884,841)
Net Interest income after Impairment		5,868,100	5,615,175
Fees, commission and other income	7(a)	1,639,672	1,364,564
Fees and commission expenses	7(b)	(69,255)	(21,774)
Net fees, commission and other income		1,570,417	1,342,790
Net operating income		7,438,517	6,957,965
Foreign exchange gain/(loss)	9	43,019	34,225
Employee benefit expenses	10	(2,858,507)	(2,638,483)
General and administration costs	11	(3,159,010)	(2,818,887)
Depreciation and amortization	22	(757,874)	(831,482)
Operating expenses		(6,755,353)	(6,254,627)
Profit for the year before tax		706,145	703,338
Income tax credit/(expense)	12	(118,708)	14,380
Profit for the year		587,437	717,718
Other comprehensive income		-	-
Total comprehensive income for the year		587,437	717,718
Basic and diluted earnings per share	13	22.38	29.13

MAENDELEO BANK PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021**

	Note	2021 TZS`000	2020 TZS`000
Cash flows from operating activities			
Profit for the year before tax		706,146	703,338
Adjustments for:			
Amortization of intangible assets	22(b)	141,582	203,018
Interest on lease liability	25	50,640	37,350
Written-off bad loans	8b	666,374	-
Interest expense on borrowings	6	1,423,848	757,975
Impairment on financial assets	8(a)	1,003,555	884,841
Depreciation on property and equipment	22(a)	477,814	490,113
Amortization of leasehold improvements	22(c)	138,478	138,351
		4,608,44	3,214,986
Changes in operating assets and liabilities			
Increase in loans and advances		(4,827,289)	(7,065,559)
Decrease/(increase) in inventories		(10,272)	27,961
Decrease/(Increase) in placements with other banks		(552,254)	369,876
Decrease/(increase) in other assets		(756,960)	1,639,323
Increase in customer's deposits		9,508,997	6,674,956
Movement in statutory minimum reserve	15	(548,787)	219,551
(Decrease)/increase in other liabilities		279,859	(976,756)
Income tax paid	21	(548,195)	(80,170)
Interest paid on lease liability	22(a)	(50,640)	(37,350)
Cash generated from operating activities		7,102,899	3,986,818
Cash flows from investing activities			
Purchase of government securities	17	(8,216,151)	(6,925,141)
Acquisition of intangible assets	22	(54,560)	(57,982)
Acquisition of property and equipment	22	(572,333)	(305,019)
Leasehold improvements costs incurred	22	(137,771)	(34,818)
Net cash used in from investing activities		(8,980,815)	(7,322,960)
Cash flows from financing activities			
Increase in Borrowings	27	6,000,000	6,000,000
Repayment of borrowings	27	(2,065,688)	(1,480,385)
Interest paid on borrowings	27	(1,423,848)	(757,975)
Repayment of principal portion of lease liability	25	(71,185)	(277,162)
Paid up share capital/right Issue		963,509	412,172
Net cash generated from financing activities		3,402,788	3,896,650
Net (decrease)/increase in cash and cash equivalents		1,524,871	560,508
Cash and cash equivalents 1 January		11,174,089	10,613,581
Cash and cash equivalents 31 December	32	12,698,960	11,174,089
Additional information on operational cash flows from interest and dividend			
Interest received		12,844,295	11,008,414
Interest paid		5,306,262	4,538,392