

QUARTERLY REPORT AS PER MARCH 31, 2021

REPORT OF CONDITION OF BANK ISSUED PURSUANT TO REGULATIONS 7 AND 8 OF THE BANKING AND FINANCIAL INSTITUTIONS (DISCLOSURES) REGULATIONS 2014

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2021		
	Current Quarter Mar-21 TZS '000	Previous Quarter Dec-20 TZS '000
A. ASSETS		
1 Cash	859,157	782,688
2 Balances with Bank of Tanzania	2,889,339	2,804,540
3 Investment in Government securities	0	0
4 Balances with other banks	2,741,154	5,097,965
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 Receivables	0	0
10 Investments in other securities	0	0
11 Loans, advances and overdrafts (net of allowances for probable losses)	32,969,415	32,651,835
12 Other assets	4,998,192	5,204,548
13 Equity Investments	0	0
14 Underwriting accounts	0	0
15 Property, plant and equipment(net)	2,760,226	2,839,034
16 TOTAL ASSETS	47,217,483	49,380,608
B. LIABILITIES		
17 Deposits from other banks	1,500,000	1,500,000
18 Customer Deposits	26,772,479	28,789,576
19 Cash letters of credit	0	0
20 Special deposits	140,000	140,000
21 Payment orders/transfers payable	0	0
22 Bankers' cheques and draft issued	0	0
23 Accrued taxes and expenses payable	961,449	1,371,852
24 Acceptances outstanding	0	0
25 Interbranch floats items	0	0
26 Unearned income and other deferred charges	124,318	280,104
27 Other liabilities	1,457,568	1,398,253
28 Borrowings	4,100,000	4,169,402
29 TOTAL LIABILITIES	35,055,814	37,649,187
30 NET ASSETS/(LIABILITIES)	12,161,668	11,731,421
C. CAPITAL AND RESERVES		
31 Paid up share capital	8,251,834	8,250,834
32 Capital Reserves	1,389,166	1,389,166
33 Retained earnings	1,812,494	(875,003)
34 Profit/(Loss) account	429,245	2,687,497
35 Other capital accounts	278,929	278,929
36 Minority Interest	0	0
37 TOTAL SHAREHOLDERS' FUNDS	12,161,668	11,731,423
38 Contingent liabilities	46,567,798	38,497,295
39 Non Performing Loans & Advances	5,827,515	5,333,900
40 Allowances for probable losses	2,582,984	2,474,402
41 Other non performing assets	0	0
D. PERFORMANCE INDICATORS		
i Shareholders funds to total assets	26%	24%
ii Non performing loans to total gross loans	16%	15%
iii Gross loans and advances to total deposits	125%	115%
iv Loans and advances to total assets	70%	66%
v Earning Assets to Total Assets	76%	76%
vi Deposits Growth	-7%	119%
vii Assets growth	-4%	174%

In preparation of the quarterly financial statements, consistent accounting policies have been used a those applicable to the previous year audited financial statements (if there were changes during the quarter, the changes be explained as per IAS 34 & IAS 8)

Signed by:

	Date
Isaack Chahe	Ag. Managing Director 24-Apr-21
Dominick Mnzava	Ag. Head of Finance 24-Apr-21
Elifuraha Charles	Internal Auditor 24-Apr-21

We, the undersigned directors, attest to the faithful representation of the above statements. We declare that the statements have been examined by us and to the best of our knowledge and belief, have been prepared in conformance with International Financial Reporting Standards and the requirements of the Banking and Financial Institutions Act, 2006 and they present a true and fair view.

Attested by:

	Date
Eng. Ridhuan Mringo	Board Chairman 24-Apr-21
Zukra Ally	Board Member 24-Apr-21

Message from the Board Directors, Financial statements. On 01st August 2020, Mwanga Community bank Limited (MCB) ,Hakika Microfinance Bank Limited(HMB) and EFC Tanzania Microfinance Bank (EFC) completed the merger of the 3 institutions to form Mwanga Hakika Microfinance Bank Limited(MHB); the transaction was accounted for in accordance with IFRS3-Business combinations. On 1st August 2020 the amalgamation was achieved by transferring the business and net assets of EFC and HMB to Mwanga Hakika Microfinance Bank Limited(MHB). The financial statements of the bank are prepared on a prospective basis(a continuation of MCB), representing the 3 months performance of merged bank (MHB), prior year comparatives are those of MCB only. The consolidated financial statements are also a continuation of the financial statements of MCB with an adjustment of capital to reflect the legal capital of EFC and HAKIKA. The prior quarter comparatives are those of MCB only

* Figures in the brackets indicate negative value

Fixed Deposit Account
Welcome to the land of dream and possibilities

- Mobile banking
- Savings Account
- Current Account
- Hekima Account (Wastaafu)
- Junior Account
- Insurance services
- Agent Banking
- Loans and Overdraft
- ATMs
- Bureau De Change
- Group Loans & VLSA
- Fixed Deposits Account with attractive rate

MHB Wakala
Welcome to the land of dreams and possibilities

MHB Wakala

1. Deposit and Withdraw
2. Buy Airtime
3. Check Balance
4. Loan Repayment
5. Bills Payments
6. Balance Statement

Customer Service number : +255 747 666 511
www.mhbbank.co.tz

- Money transfer all over the world i.e TISS, WESTERN UNION, MONEYGRAM, MARTIN BANK, Mobile Banking, Agency Banking

MINIMUM DISCLOSURES OF BANK CHARGES AND FEES 2021

(a) Interest rate - On Flat basis except on Salary Loan** Its on Reducing basis
(b) Loan Process fees - Of the requested amount
(c) Penalties late payment - amount current overdue
We the undersigned have examined the above information and hereby declare that, the information is true and correct to the best of our knowledge and information.

Isaack Chahe Ag. Managing Director	Dominick Mnzava Ag. Head of Finance	Elifuraha Charles Internal Auditor
24-Apr-21	24-Apr-21	24-Apr-21

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31ST MARCH 2021

	Current Quarter 31-Mar-21 TZS '000	Comparative Quarter 31-Mar-20 TZS '000	Curr Yr P & L cumm 31-Mar-21 TZS '000	Previous Yr P & L cumm 31-Mar-20 TZS '000
1 Interest Income	1,803,602	519,951	1,803,602	519,951
2 Interest Expense	426,906	201,373	426,906	201,373
3 Net Interest Income (1 minus 2)	1,376,696	318,578	1,376,696	318,578
4 Bad debts written off	0	0	0	0
5 Impairment losses on Loans and Advances	135,101	5,723	135,101	5,723
6 Non Interest Income	438,146	284,882	438,146	284,882
6.1 Foreign Currency Dealings and Translation Gains/(Loss)	29,005	31,734	29,005	31,734
6.2 Commissions and fees	351,130	250,897	351,130	250,897
6.3 Dividend Income	0	0	0	0
6.4 Other Operating Income	58,011	2,251	58,011	2,251
7 Non Interest Expense	1,250,496	432,496	1,250,496	432,496
7.1 Salaries and Benefits	658,416	282,217	658,416	282,217
7.2 Fees and Commission	0	0	0	0
7.3 Other Operating expenses	592,080	150,279	592,080	150,279
8 Operating Profit/(Loss) before Income Tax	429,245	165,241	429,245	165,241
9 Income Tax Provision	0	0	0	0
10 Net Income/(Loss) after Income Tax	429,245	165,241	429,245	165,241
11 Other Comprehensive Income	0	0	0	0
12 Total comprehensive income/(Loss) for the year	429,245	165,241	429,245	165,241
13 Number of Employees	93	40	93	40
14 Basic Earnings Per Share	260	0	260	0
15 Number of Branches	7	3	7	3
SELECTED PERFORMANCE INDICATORS				
(i) Return on average total assets	1%	1%	1%	1%
(ii) Return on average shareholders funds	4%	4%	4%	4%
(iii) Non Interest Expense to Gross Income	56%	54%	56%	54%
(iv) Net Interest Income to Average Earning Assets	4%	2%	4%	2%

CONDENSED STATEMENT OF CASH FLOW STATEMENT FOR THE QUARTER ENDED 31ST MARCH 2021

	Current Quarter 31-Mar-21 TZS '000	Previous Quarter 31-Dec-20 TZS '000	Current Yr Cumulative 31-Mar-21 TZS '000	Previous Yr Cumulative 31-Mar-20 TZS '000
I Cash Flow from Operating Activities :				
Net (loss)/Income	429,245	2,242,354	429,245	165,241
Adjustments for non cash items :				
- Depreciation of property and equipment	84,102	287,878	84,102	5,033
- Amortization of Refurbishment	37,265	61,476	37,265	0
- Amortization of Capital Grant & Reserve & Intangible Assets	0	(202,551)	0	1,052
- Prior Year adjustment on disposal of assets	0	(33,267)	0	0
- Expected credit loss IFRS 9	0	(1,667,308)	0	0
- Loans Written Off	0	0	0	0
- Change in Statutory minimum reserve (SMR)	550,612	688,582	550,612	171,326
(249,113)	(950,539)	(249,113)	40,152	
-Net change in loans and advances	(317,580)	(21,570,169)	(317,580)	(2,225,711)
-Net change in other assets	206,356	(584,541)	206,356	1,245,025
-Net change in deposits	(2,017,097)	17,025,935	(2,017,097)	1,852,925
-Net change in placement with other bank	2,356,811	2,247,731	2,356,811	(413,690)
-Net change in other liabilities	(806,388)	307,792	(806,388)	1,033,947
(827,011)	(3,523,791)	(827,011)	1,532,646	
-Tax paid	7,500	(48,000)	7,500	(12,000)
Net cash flows/(used) from operating activities	(268,899)	(2,883,209)	(268,899)	1,691,972
II Cash Flow from Investing Activities				
Dividend Received	0	0	0	0
Purchase of property, plant & equipment	(4,554)	(1,008,307)	(4,554)	0
Proceeds from disposal of property and equipment	3,500	0	3,500	0
Purchase of Intangible assets	0	(654,888)	0	0
Goodwill	0	(1,122,306)	0	0
Purchases of Non Dealing securities	0	0	0	0
Proceeds from sale of Non-Dealing Securities	0	0	0	0
Net cash provided (used) by investing activities	(1,054)	(2,785,501)	(1,054)	0
III Cash Flow from Financing Activities				
Repayment of Long term Debt	(100,822)	0	(100,822)	0
Proceeds from issuance of long term debts	0	0	0	0
Capital Grants	0	42,078	0	0
Proceeds from issuance of paid up capital	1,000	5,459,452	1,000	15,007
Payment of Cash Dividends	0	0	0	0
Net change in other borrowings	(69,402)	4,069,402	(69,402)	0
Net cash provided (used) by investing activities	(169,224)	9,570,932	(169,224)	15,007
IV Cash and Cash equivalents				
Net increase (decrease) in cash & cash equivalents	(439,177)	3,902,223	2,835,577	1,706,979
Cash & equivalents, beginning of quarter	6,928,827	3,026,604	3,654,073	1,947,094
Cash & equivalents, end of quarter	6,489,650	6,928,827	6,489,650	3,654,073

CONDENSED STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH 2021

	Share Capital	Share Premium	Retained Earnings	Regulatory Reserve	General Provision Reserve	Others	Total
First Quarter ended 31st March 2021							
Balance as at 01.01.2021	8,250,834	0	1,812,494	1,389,166	0	278,929	11,731,423
Profit for the year	0	0	429,245	0	0	0	429,245
Prior year adjustment	0	0	0	0	0	0	0
Adjustment during the year	0	0	0	0	0	0	0
Other Comprehensive Income	0	0	0	0	0	0	0
Transactions with owners	0	0	0	0	0	0	0
Dividends Paid	0	0	0	0	0	0	0
Regulatory Reserve	0	0	0	0	0	0	0
General Provision Reserve	0	0	0	0	0	0	0
Issued during the year	1,000	0	0	0	0	0	1,000
Gain from Merger	0	0	0	0	0	0	0
Advance Toward share Capital	0	0	0	0	0	0	0
Transfer to retained earnings	0	0	0	0	0	0	0
Balance as at 31.03.2021	8,251,834	0	2,241,739	1,389,166	0	278,929	12,161,668
Previous Quarter ended 31st Dec 2020							
Balance as at 01.10.2020	2,791,382	0	547,429	0	0	0	3,338,811
Profit for the year	0	0	2,687,497	0	0	0	2,687,497
Prior year adjustment	0	0	8,286	0	0	0	8,286
Adjustment during the year	0	0	(41,552)	0	0	0	(41,552)
Other Comprehensive Income	0	0	0	0	0	0	0
Transactions with owners	0	0	0	0	0	0	0
Dividends Paid	0	0	0	0	0	0	0
Regulatory Reserve	0	0	0	0	0	0	0
General Provision Reserve	0	0	0	0	0	0	0
Issued during the year	1,944,026	0	0	0	0	0	1,944,026
Gain from Merger	3,514,826	0	0	0	0	0	3,514,826
Advance Toward share Capital	600	0	0	0	0	0	600
Transfer to retained earnings	0	0	(1,389,166)	1,389,166	0	0	0
Balance as at the 31.12.2020	8,250,834	0	1,812,494	1,389,166	0	0	11,452,494

MINIMUM DISCLOSURES OF BANK CHARGES AND FEES 2021

TAARIFS ON ACCOUNT					
1. CURRENT ACCOUNT:			2. FIXED DEPOSIT:		
	BUSINESS	PREMIUM	Periods	p.a	
Minimum balance	TZS 100,000	TZS 50,000	3 Months	3% -12%	
Withdrawal fee < 10M @ counter	TZS 5,000	TZS 2,000	6 Months	4% -12%	
Withdrawal fee @ ATM	TZS 1,300	TZS 1,300	12 Months	7% -12%	
Maintenance fee (per month)	TZS 13,000	TZS 6,000	Upon request		
Overdraft	17% p.a-21% p.a.				
Cheque Book per Leaf	TZS 500	TZS 500			
Confirmation of Balance	TZS 30,000	TZS 30,000			
Closing account	TZS 10,000	TZS 10,000			

	Personal	Salary	Mtoto	Malengo	Jipange
3. SAVING ACCOUNT:					
Maintenance fee (per month)	TZS 2,000	TZS 2,000			