

A photograph of a small green seedling with two leaves growing out of a stack of gold coins. The coins are stacked on a dark, reflective surface. The background is blurred, showing a warm, golden light source. The overall scene is a metaphor for investment and growth.

Investor Presentations –Rights Issue

DCB Bank History

- Origination idea – Benjamin William Mkapa



1995

- 10th Conference of Banks and Financial Institutions

1999

- The outcry of small entrepreneurs for lack of capital

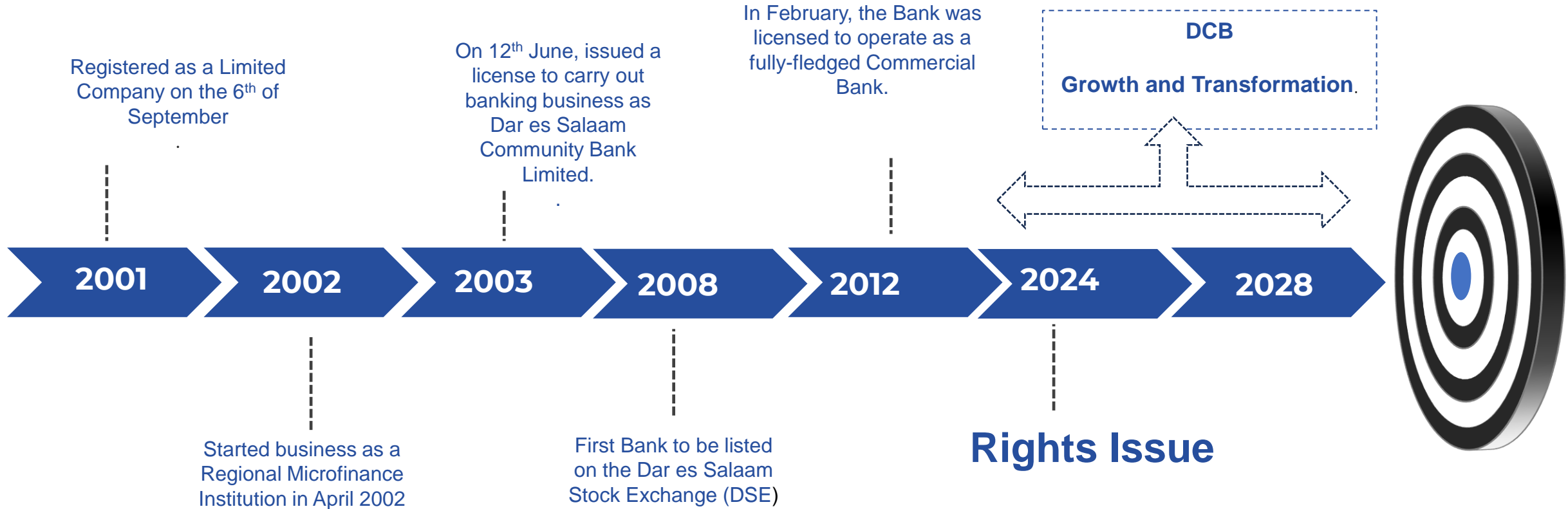
2000

- Feasibility assessment

2001

- Registration (Dar Es Salaam Community Bank)

DCB Bank Journey



DCB A STRONG BRAND H1 2024;









DCB Bank is a fully-fledged retail and commercial bank in Tanzania.

The bank's core business segments include **Personal Banking, Micro-Credit and Commercial Banking.**

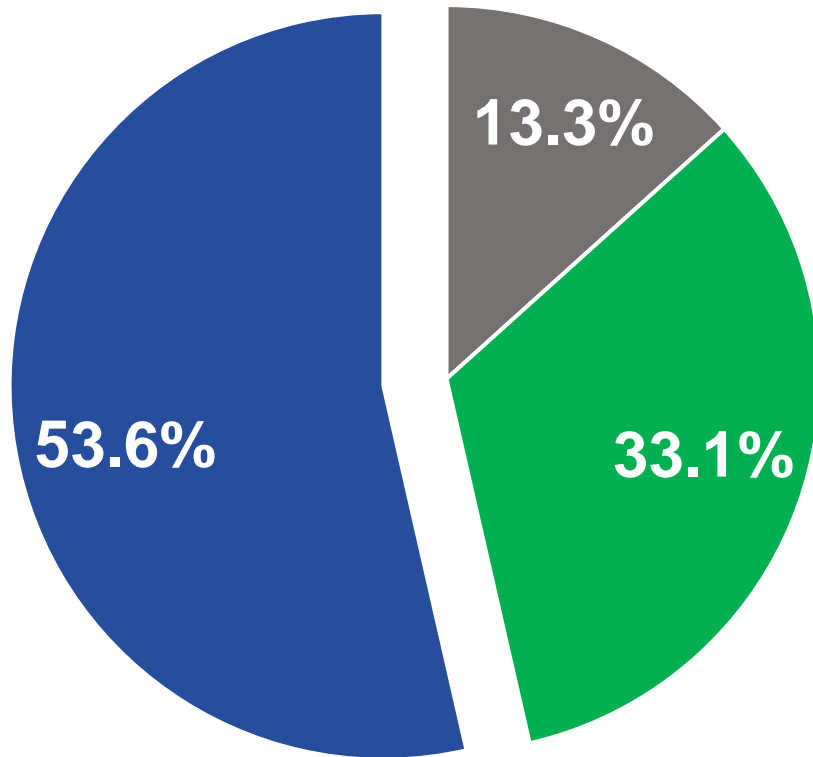
The Bank strive to innovate and introduce new financial solutions, while also contributing to the economic growth of Tanzania and creating value for the shareholders.

| | |
|-------------------|-------------------|
| Total Asset | TZS 258.9 Billion |
| Customer Deposits | TZS 135.8 Billion |
| Loans & Advances | TZS 136.8 Billion |

| | | | | | |
|--|---------|-----------|---|--------|----------------------------------|
|  | 9 | Branches |  | 1000 | DCB Wakalas Across the Country |
|  | 30,000+ | Customers |  | 5,000+ | DCB Internet Banking Subscribers |
|  | 223 | Employees |  | 280+ | ATMs (Umoja Switch) |

Shareholding Structure –H1 2024

DCB Shareholding Structure



■ Govt Parastatals ■ Govt Municipals ■ Private Inst.. & Individual

Government Parastatals –UTT, NHIF

- ✓ Key support partners in deposits.
- ✓ Strong shareholders

Government Municipals

- ✓ Major source of Cheap Deposits
- ✓ Element of political risk

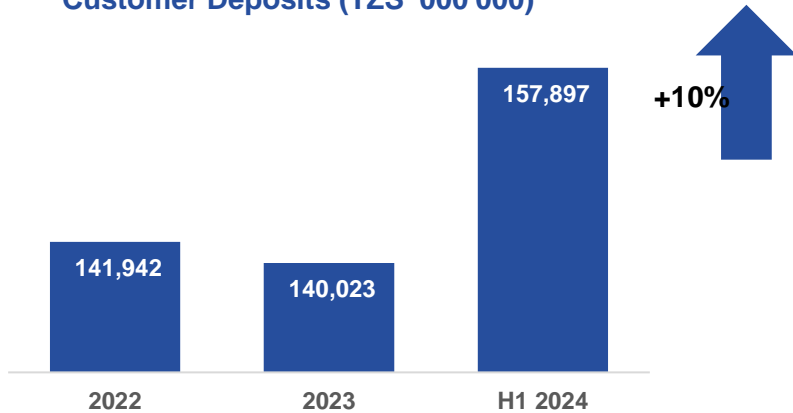
Private Institutions and Individual

- ✓ Majority own small shares.
- ✓ Potential area for onboarding a new private investor that will help steer the bank to new heights

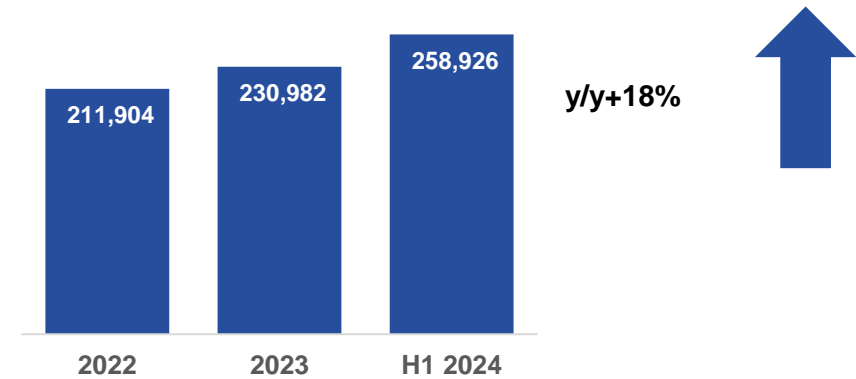
Financial Highlights 2022- H1 2024



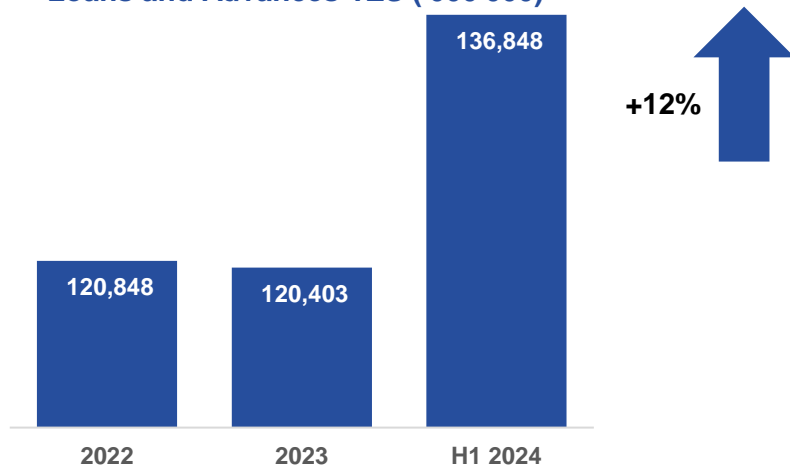
Customer Deposits (TZS '000'000)



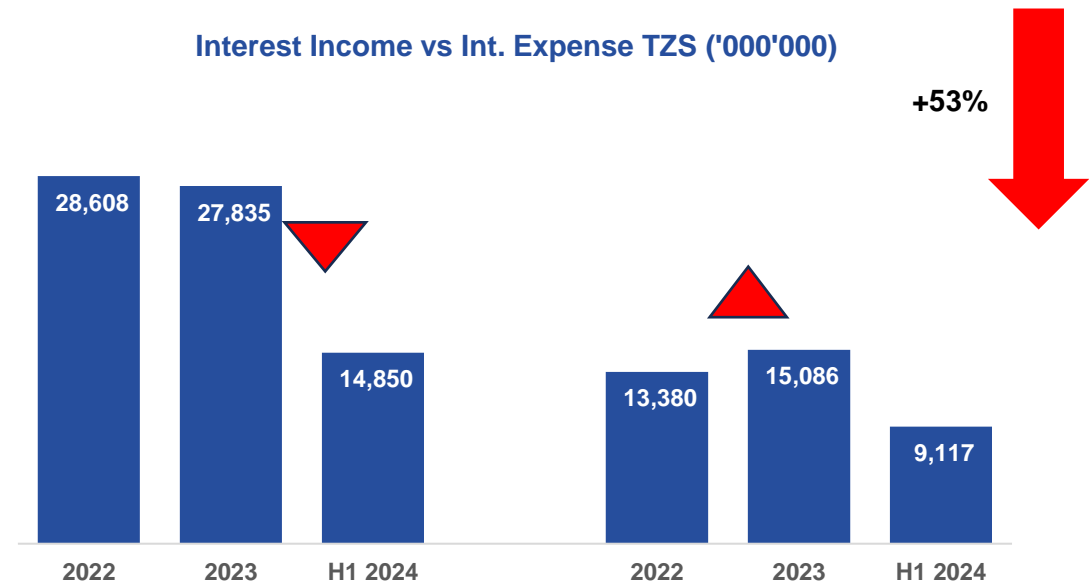
Total Assets TZS('000'000)



Loans and Advances TZS ('000'000)



Interest Income vs Int. Expense TZS ('000'000)



A New Business Growth Strategy 2024-2028

Driven
by

Our vision

To be the preferred financial service provider in Tanzania

Our Mission

To provide excellent and innovative financial services to our esteemed customers while contributing to the social and economic development and generating value to shareholders

Customer reach

- 2+ million customers banking with DCB
- Reliable banking service provider
- Alternative channels through strategic partnerships



Sustainability excellence

- To be a sustainable excellence practitioner and thought leader
- Regulatory Compliant

Digital transformation

- Become a technology company with a banking license
- Partnerships with strong brands i.e. MNOs

Our
strengths



**Visionary
Leadership**



**Strong
relationships**



**Customer service
obsession**

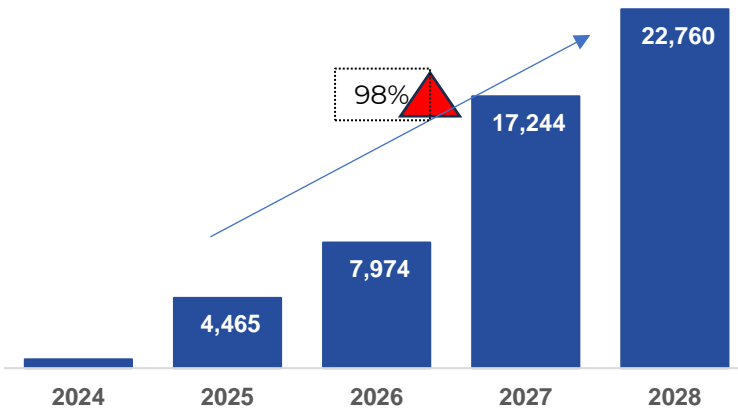
■ Managing Director – Sabasaba K. Moshingi



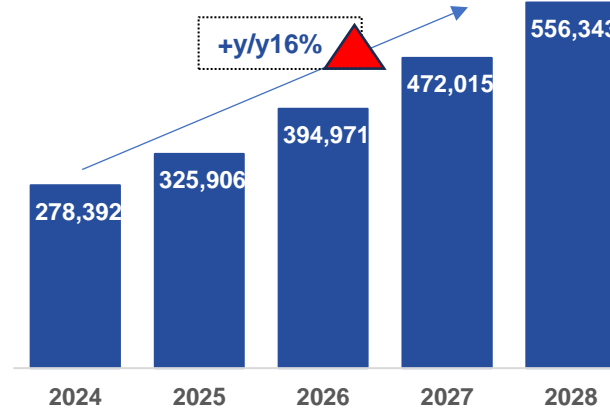
- Appointed – November 2023
- More than 20 years in the banking sector.
- Has been managing director of TCB for more than 12 years and successfully transformed the bank from a small bank to a tier 1 bank.
- TCB Total assets increased from TZS 121 bn to 1.3 trillion.
- DCB is expected to transform and achieve its profitability, growth and sustainability strategies under his leadership

How We Picture Success (2024-2028)

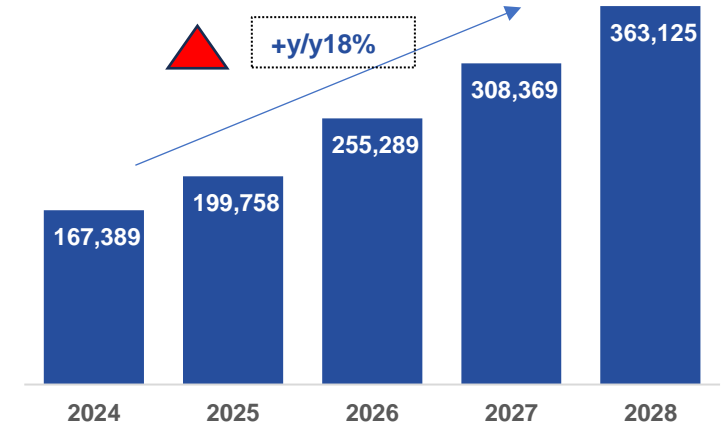
Profit Before Tax TZS ('000'000)



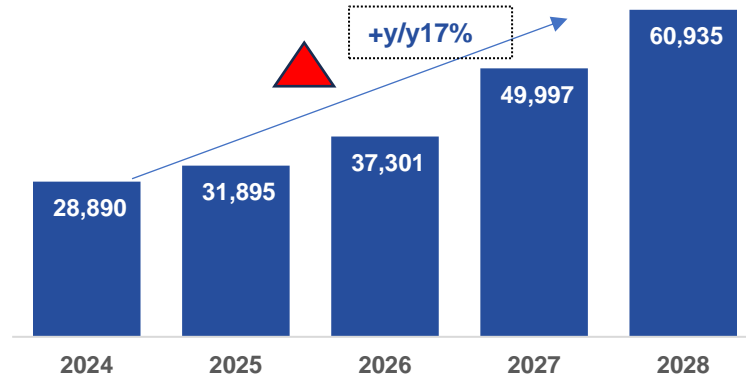
Total Assets TZS ('000'000)



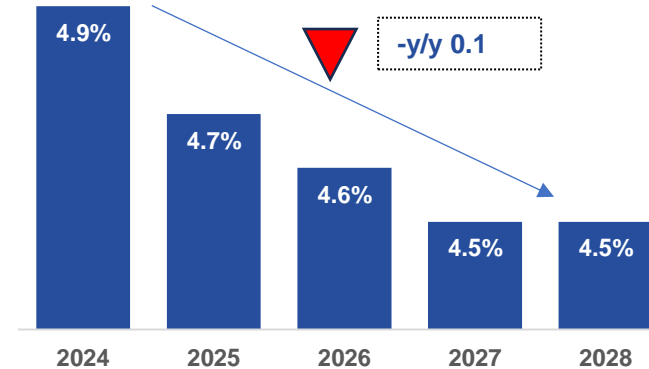
Customer Deposits TZS ('000'000)



Core Capital TZS ('000'000)



Non Performing Loans TZS ('000'000)



- Earning per Share ▲ +10x
- Return on Equity ▲ +10x
- Dividend Payout Ratio Up to ▲ 50%
- Cost to Income Ratio ▼ 48%

Strategy and Projections – (2024 –2028)

TOP 5 PRIORITIES

1. **Capital Growth**
2. **Customer Deposit Growth**
3. **Channel Optimization (branch & digital)**
4. **Quality Asset Growth and Income – Focusing on high-margin segments**
5. **Financial Inclusion**

| EXPECTED SUCCESS BY 2028 | Key Performance Indicators | 2023 | Jun-24 | 2024 | 2025 | 2026 | 2027 | 2028 |
|-------------------------------------|-----------------------------------|-------------|---------------|-------------|-------------|-------------|-------------|-------------|
| | Profit Before Tax | (3,618) | (358) | 551 | 4,465 | 7,974 | 17,244 | 22,760 |
| | Gross Loan | 124,952 | 141,182 | 155,114 | 188,523 | 235,138 | 283,951 | 332,178 |
| | Total Assets | 230,982 | 258,926 | 278,392 | 325,906 | 394,971 | 472,015 | 556,343 |
| | Customer deposits | 141,809 | 157,928 | 167,289 | 199,758 | 255,289 | 308,369 | 363,125 |
| | Core Capital | 16,389 | 15,060 | 28,890 | 31,895 | 37,301 | 49,997 | 60,935 |
| | Tier 1 CAR (12.50%) | 12.40% | 10.55% | 18.5% | 17.2% | 16.6% | 18.5% | 19.0% |
| | Total CAR (14.50%) | 12.77% | 10.88% | 18.8% | 17.4% | 16.9% | 18.7% | 19.2% |
| | Non Performing loans ratio | 5.50% | 4.7% | 4.9% | 4.7% | 4.6% | 4.5% | 4.5% |
| | Cost to Income ratio | 108% | 110% | 96% | 78% | 70% | 54% | 48% |

Fueling strategic initiatives; Accelerating Max-out

Pillar 1 Capital Growth

- The capital injection through the rights issue will empower the bank to expand its lending capacity, invest in cutting-edge technologies, and enhance service delivery across all its channels.
- Beyond the rights issue, the bank is exploring additional avenues to strengthen its capital base further.
- These include the issuance of corporate bonds to attract long-term investment and strategic partnerships with both local and international lenders.
- These initiatives will be particularly focused on projects that align with the bank's commitment to supporting women and promoting environmental sustainability

Pillar 2 Quality Asset Growth and Income Diversification

- Increase loan portfolio from TZS 115 Billion to TZS 332 Billion by 2028.
- Increase non-funded income streams through exhausting trade finance and transaction banking.
- Grow Micro-Credit loan portfolio to TZS 50Billion
- Grow commercial asset book portfolio to TZS 186Billion which is equivalent to a +70% increase

Pillar 5 Supporting Financial Inclusion

- Recognizing the potential in the low-income segment, the bank will intensify its focus on Microcredit and MSME banking.
- By extending financial services to underserved segments, the bank aims to contribute to financial inclusion while tapping into a high-growth market.

Pillar 3 Channel Optimization

- Optimize branch channels and digital network
- Open six new branches on prime regions and relocate 3 existing ones to prime areas
- Leverage on partnerships with strong brands to increase our customer outreach
- Increase digitally active customers from 32.5% to 45.0%

Pillar 6 Customer Deposit Growth

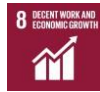
- Grow affordable deposit to achieve a 60:40 mix from the current ratio of 30:70 by 2028.
- This will be achieved through targeted initiatives aimed at key deposit segments.
- Deepen its relationship with its main shareholders especially local government authorities in Dar es Salaam and prominent investors to channel their businesses to DCB Bank.

Pillar 4 Employee wellbeing & development

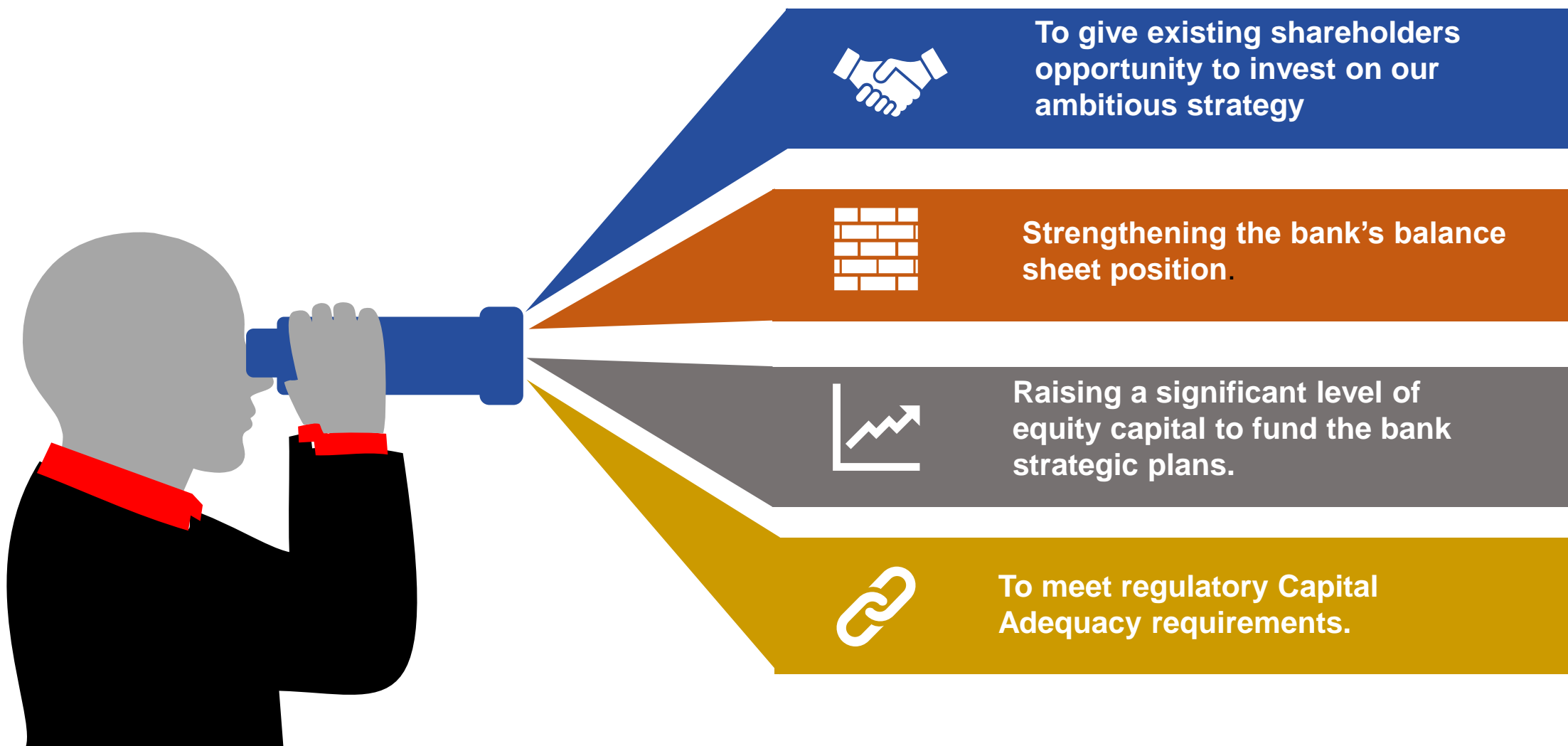
- Female gender ratio at 50%.
- Physical & mental wellness checks & awareness for staff.
- Training and Personal development.
- Talent management and retention program
- Reward and recognition

Pillar 7 Leverage Current Trends

- Green and Climate Financing.
- Agriculture Financing.
- Innovation and Start-ups.



Why the Rights Issue?



Rights Issue Structure



TZS 10,741,160,430

Total amount to be raised during the rights issue.

| | | | |
|----------------|--------------------------------|--------------------|--------------------------------------|
| 1 : 1 | 1 Share for every 1 Share held | 97,646,913 | Number of Shares Before Rights Issue |
| TZS 110 | Rights Issue Share Price | 195,293,826 | Number of Shares after Rights Issue |
| TZS 160 | Share Price as at 30 Sept 2024 | TZS 249.38 | Book Value per Share as at Q2 2024 |
| 31% | Discount from Market Price | 126% | Upside Potential to Book Value |



Why Invest on US ?

Why Invest in DCB.....?

Discounted Share Price

- Rights issue share price is TZS 110 which is a discount of 29% percent against the market price of TZS 155.

Return on Investment

- An expected return on investment of 21% as of 2027.
- Money back guarantee (Dividends, lower tax brackets)

Expected Increase in share price

- An expected increase in share price to TZS 350 per share as of 2027.
-

How to Invest on US?

- **Share purchase**



- At a discounted Price of TZS 110 per share

A close-up photograph of a business meeting. Two people in dark suits are shaking hands over a dark wooden table. One person is holding a tablet computer. On the table, there are several documents with charts and graphs. The scene is brightly lit, suggesting an office environment.

THANK YOU