KADOO Securities

MONTHLY STOCK PICKS

August 2026

DSE MARKET REVIEW | BEHIND THE TRADE

KADOO SECURITIES | RESEARCH DEPARTMENT

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MONTHLY MARKET REVIEW

EXECUTIVE SUMMARY

August's rally was corporate - event driven. NMB's Split unlocked demand.

EQUITY TURNOVER	DOMESTIC MARKET	LOCAL BUY SHARE	NET FOREIGN FLOW
TZS 146.4bn	**+7.4%**	**99.75%**	**-TZS 32.8bn**
-67% vs July	TSI and market-cap gain	Domestic demand dominated	

WHAT HAPPENED IN AUGUST

Domestic Liquidity Sustains gains

- **Corporate Catalyst**

  NMB's share-split announcement ignited the rally; implementation drove a 20% final-week gain.

- **Market breadth**

  Domestic counters added TZS 1.85tn of value as the TSI rose 7.4%.

- **Liquidity**

  Equity turnover reached TZS 146.4bn across 20 sessions, with the final full week contributing 35.8%.

- **Foreign supply**

  Foreign investors remained net sellers, but local buyers absorbed TZS 32.8bn without derailing the rally.

MARKET OUTLOOK

Stay constructive and selective

01 Position for bank earnings

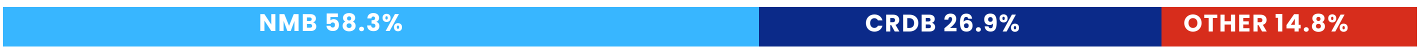
Accelerating private-sector credit and M3 money-supply growth are expanding banks' earnings base. This supports stronger loan growth and transaction income, although margins and asset quality remain key watchpoints.

02 Prepare for dividend catalysts

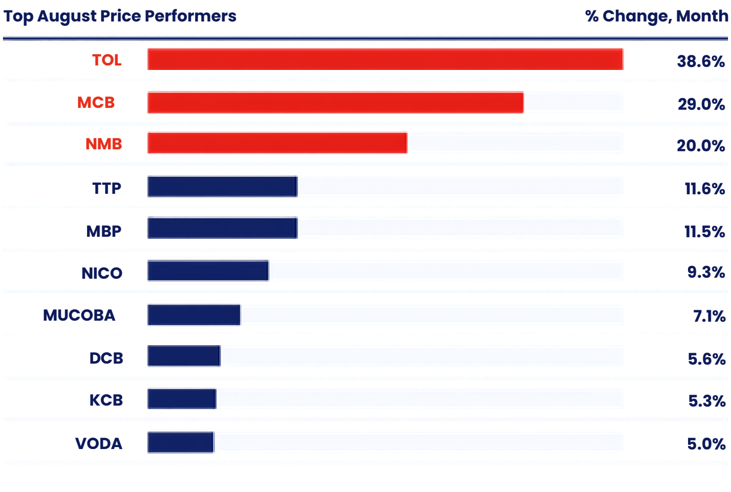
NICO and AFRIPRISE are yet to announce dividends. Confirmed declarations could provide near-term share-price catalysts, although expectations may already be partly priced in.

WHERE EXECUTION SAT

NMB + CRDB accounted for 85.2% of August turnover



Price Performance



Market Read Through

NMB (+20.0%) — Split induced parabolic price action: The share split reduced the nominal price per share, creating a perception that the counter had become cheaper and more accessible.

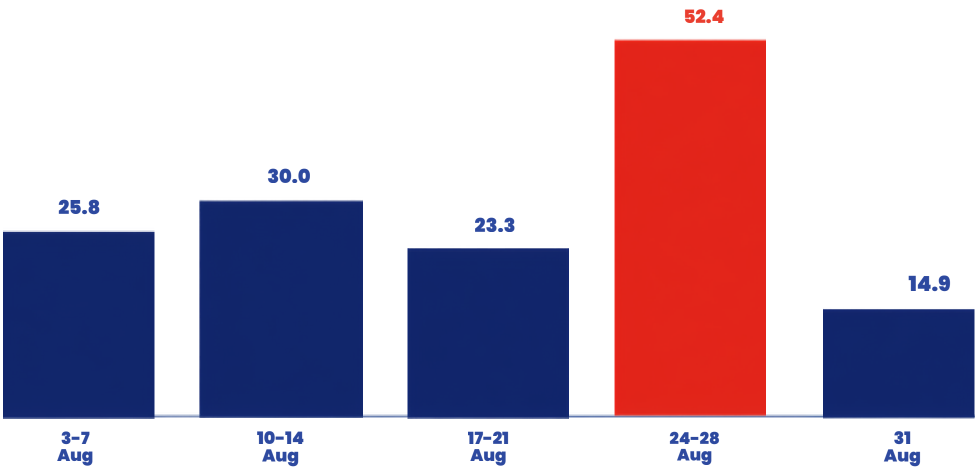
TOL (+36.6%) — transaction expectations: The AGM-announced rights issue raised expectations of fresh capital and business expansion.

AUGUST MARKET STRUCTURE

Late-August liquidity surged, but only a few price gains were supported by deep trading.

Week 4 carried 35.8% of turnover; NMB and CRDB together carried 85.2%

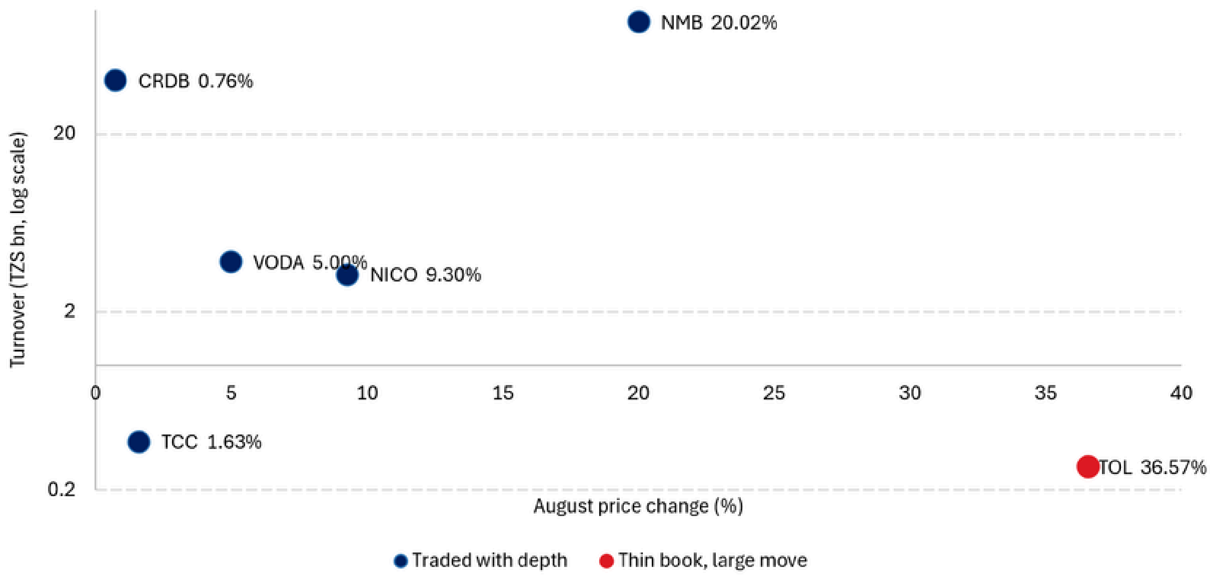
WEEKLY EQUITY TURNOVER TZS BN



Source: DSE market reports, Kadoo Securities Research calculations

PRICE GAINS VS EXECUTION DEPTH

Large Price gains were not always supported by deep trading activities



MARKET READ-THROUGH

NMB: Its 20.0% gain was supported by deep turnover, confirming broad post-split demand.
CRDB: Heavy trading but limited price appreciation indicates strong supply absorption.
TOL: The 36.6% gain on thin turnover suggests speculative, event-driven momentum.

SELECTION FRAMEWORK

The picks are built from observable execution, not price momentum alone.

Five lenses separate sustained accumulation from thin event-driven price moves

01
Demand confirmation
Price direction + turnover

02
Execution depth
Deals + active sessions

03
Participation
Traded volume

04
Market pressure
Bids vs offers

05
Investor motive
Catalyst + valuation + income

SELECTION DECISION

NMB, CRDB, VODA, TCC and NICO combine executable demand with distinct Investor motives. TOL remains an event-driven watch.

EVIDENCE BEHIND THE PICKS

Each counter is supported by observable trading evidence and a clear investor motive

TICKER	PRICE MOVE	TURNOVER	DEALS	INVESTOR BEHAVIOUR
NMB	20.00%	TZS 85.34bn	21,837	Post-split affordability broadened demand.
CRDB	0.80%	TZS 39.39bn	29,265	Heavy participation absorbed persistent
VODA	5.00%	TZS 3.84bn	4,375	Steady accumulation, not speculative
TCC	1.60%	TZS 0.37bn	330	Yield-seeking demand supported
NICO	9.30%	TZS 3.23bn	1,850	Positioning ahead of an expected dividend

SCORECARD

COUNTER	DEMAND	EXECUTION	PARTICIPATION	PRESSURE	MOTIVE
NMB	Strong	Strong	Strong	Bid-led	Split
CRDB	Strong	Strong	Strong	Absorbed	Earnings
VODA	Moderate	Moderate	Moderate	Balanced	
TCC	Moderate	Limited	Limited	Supported	Income
NICO	Strong	Moderate	Moderate	Accum.	Dividend
TOL	Event-led	Weak	Limited	Thin	Rights issue

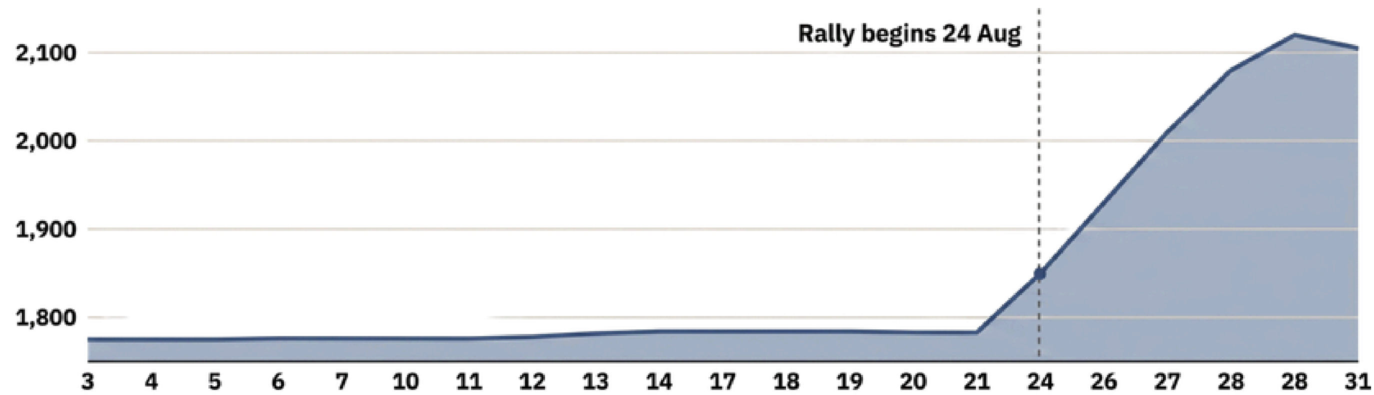
STOCK PICK | NMB

Split-induced parabolic price action broadened access, but the offer wall argues for disciplined entries.

AUGUST RETURN	TURNOVER	DEALS	MONTH-END OFFERS
+20.0%	TZS 85.3bn	21,837	100%
Adjusted for the split	58.3% of market		Offers dominated

Adjusted closing price

TZS PER SHARE · AUGUST SESSIONS



PRICE

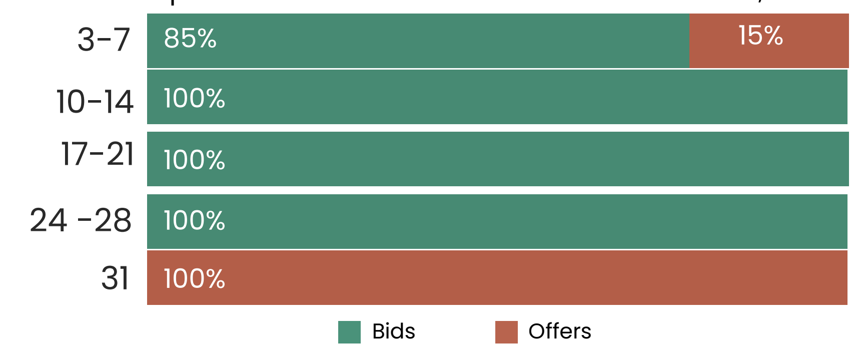
The price held between 1,775 and 1,784 through 21 August, then rose on every subsequent session to a high of 2,120 on 28 August before easing to 2,110.

BOOK

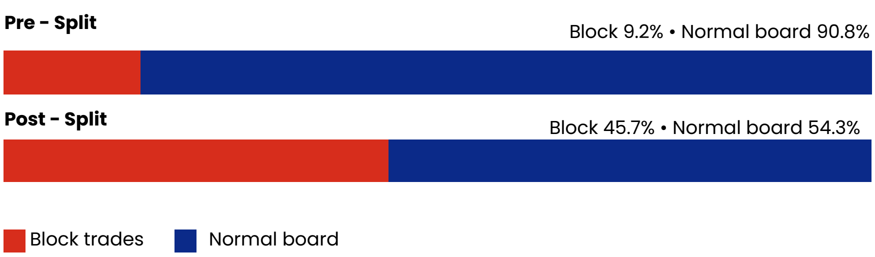
Bids dominated the book through the rally. On 31 August the recorded book was entirely offers, with no bid side present.

Order-book pressure

Share of book, %



Execution depth • Block trades



7.36m shares

Largest August block • 27 August

74.1% of that day's volume

STOCK PICK | CRDB

CRDB is the execution anchor: dense dealing and stable pricing support accumulation.

AUGUST RETURN	TURNOVER	DEALS	MONTH-END BIDS
+0.8%	TZS 39.4bn 26.9% of market	29,265	**53.3%** Balanced Support

Adjusted closing price

TZS PER SHARE · AUGUST SESSIONS

PRICE

CRDB began August at TZS 2,600 and reached TZS 2,700 on 13 August before surrendering most of the gain to close at TZS 2,640.

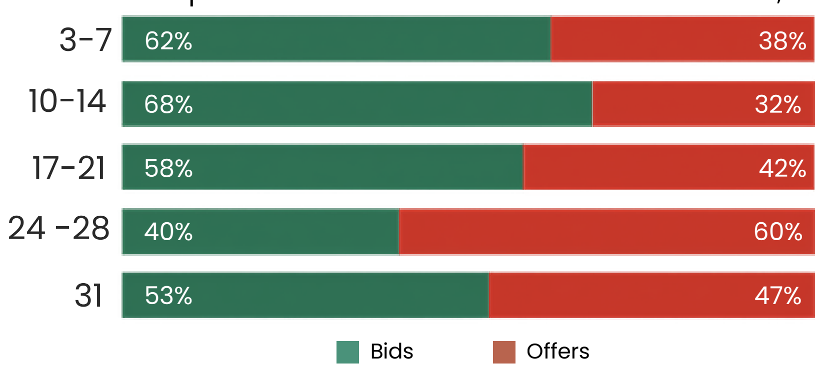
The late-month decline coincided with NMB's post-split acceleration.

We believe part of CRDB's selling pressure may have reflected tactical rotation into NMB as investors sought to participate in the post-split rally.

This interpretation is based on coincident market activity rather than confirmed investor-level flows.

Order-book pressure

Share of book, %



Execution Depth • Block trades

2.28m shares

Largest block • 10 August • 79.5% of that day's CRDB volume

CRDB's price remained comparatively stable despite periods of heavy visible supply. High deal activity, recurring block trades and strong normal-board liquidity indicate that investors used the counter primarily for executable exposure rather than speculative momentum.

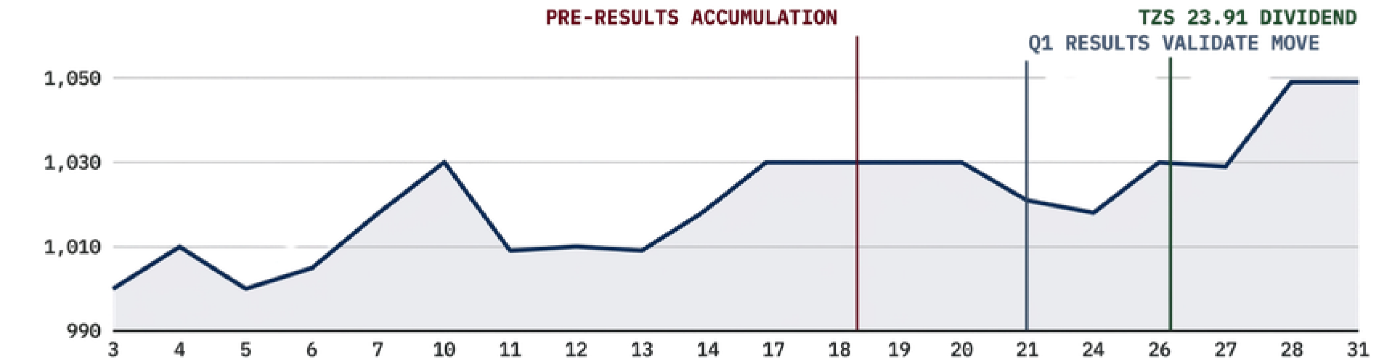
STOCK PICK | VODA

VODA's rerating anticipated an earnings inflection

AUGUST RETURN	TURNOVER	DEALS	MONTH-END BIDS
+5.0%	TZS 3.84bn 2.6% of market	4,375	95.5% Demand Dominated

Adjusted closing price

TZS PER SHARE · AUGUST SESSIONS



Why earnings accelerated

1 - SCALE

Revenue growth reached the P&L

Service revenue rose 21.7% while EBITDA expanded 37.0%, demonstrating stronger operating leverage.

2 - CONVERSION

Lower D&A lifted operating profit

Depreciation and amortisation fell 13.3%, helping net profit rise to TZS47.3bn from TZS8.5bn.

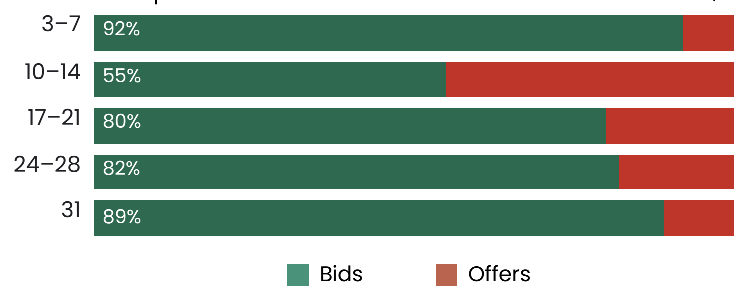
3 - QUALITY CHECK

The recovery is real, but not risk-free

Capex nearly doubled and finance costs increased, limiting how far the Q1 profit acceleration should be extrapolated.

Order-book pressure

Share of book, %



Execution Depth • Block trades

Block trades 19.0%

Normal board 81.0%

M-Pesa

Platform modernisation expands the path from transfers into higher-value financial services.

+26.0% M-Pesa revenue growth

Beyond transfers

Merchant payments • lending • savings • investment products

STOCK PICK | TCC

TCC is an income selection, not a momentum call.

AUGUST RETURN	TURNOVER	DEALS	MONTH-END OFFERS
+1.6%	TZS 0.37bn	330	75%

Adjusted closing price

TZS PER SHARE · AUGUST SESSIONS

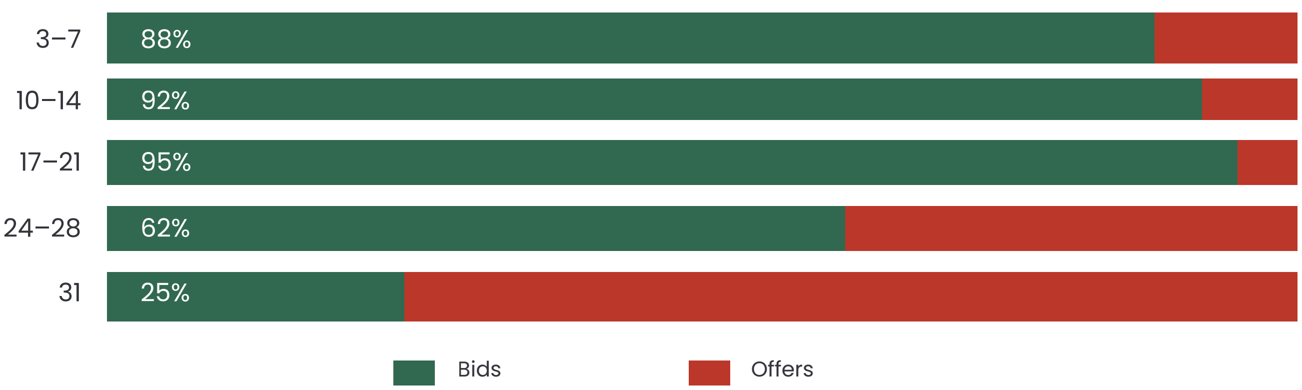
POSITIONING
INCOME BUY

CATALYST
Dividend support and demand cash generation.

KEY RISK
Excise and regulatory risk; liquidity can disappear quickly when buyers step back.

Order-book pressure

Share of book, %



Investment read-through
INCOME BUY

TCC entered the basket because the investor motive is income: the stock held a narrow monthly range while offering the highest indicative yield in the valuation set.

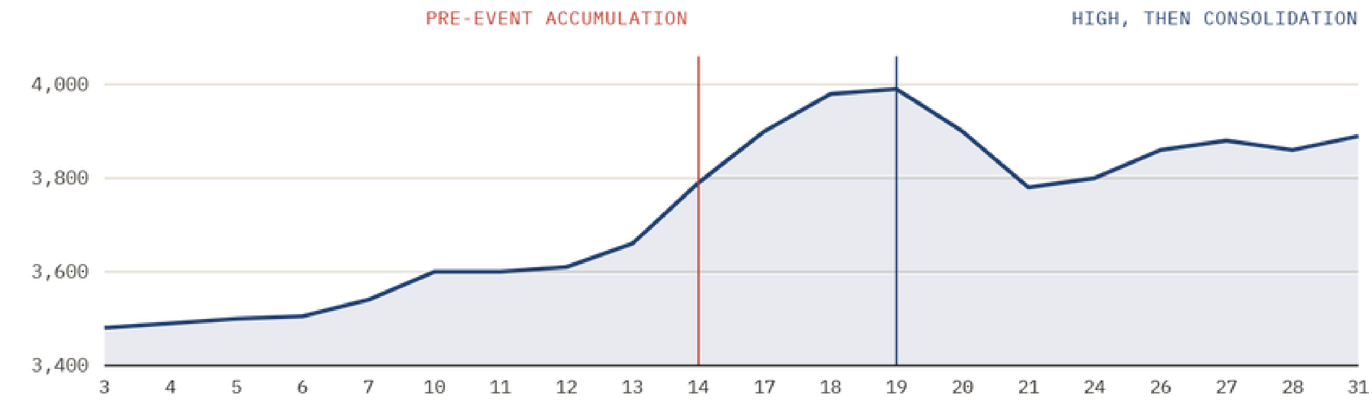
STOCK PICK | NICO

NICO shows pre-event positioning ahead of a potential dividend catalyst.

AUGUST RETURN	TURNOVER	DEALS	MONTH-END OFFERS
+9.3%	TZS 3.23bn	1,850	68.2%

Adjusted closing price

TZS PER SHARE · AUGUST SESSIONS



DIVIDEND SETUP SNAPSHOT

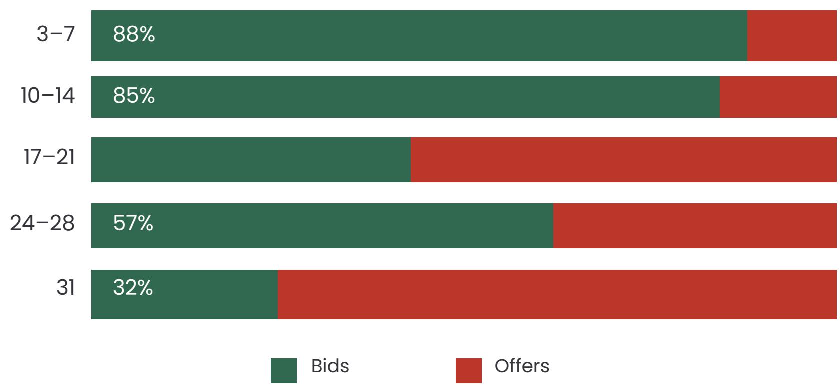
LAST DPS
TZS 70
FY2024

EXPECTED DPS
TZS 90–95
Research range

IMPLIED YIELD
2.3–2.4%
At TZS 3,940

Order-book pressure

Share of book, %



PRICE VS REPORTED NAV

MARKET PRICE
TZS 3,940

31.7% DISCOUNT

REPORTED NAV/SHARE
TZS 5,770

Investment read-through

BUY

The price, turnover and deal pattern is consistent with investors positioning before a dividend decision. Because confirmation is still pending and the month-end book was offer-heavy, part of the expected catalyst may already be reflected in price.

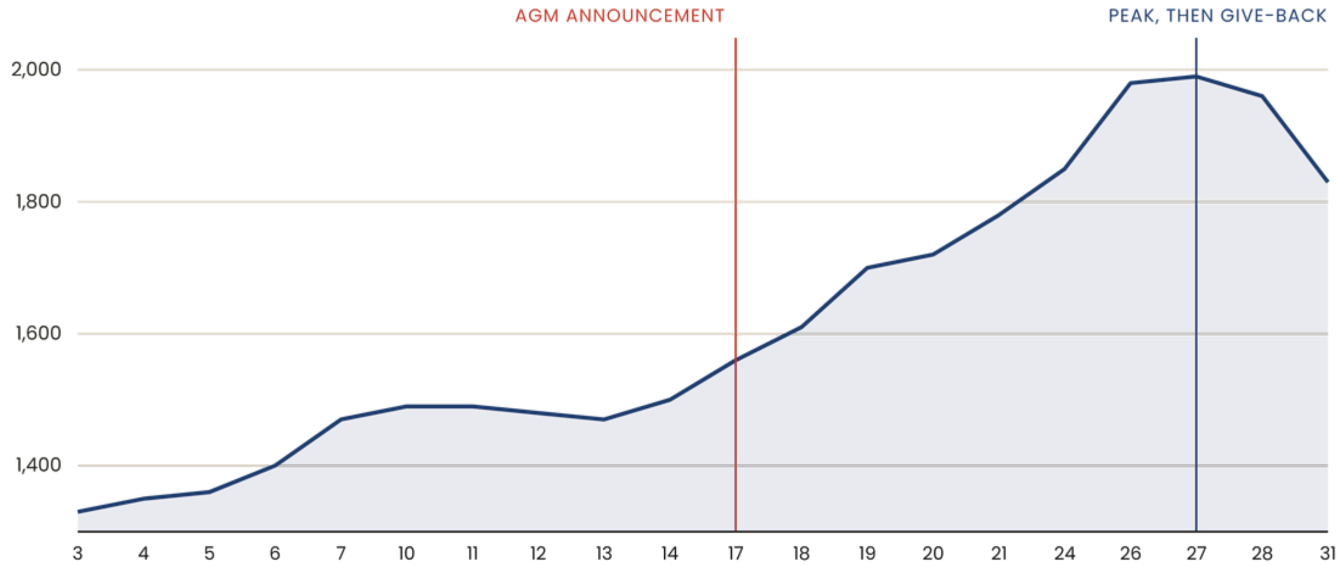
CORPORATE - EVENT WATCH

TOL rerated on rights-issue expectations after the AGM announcement.

AUGUST RETURN	TURNOVER	DEALS	MONTH-END OFFERS
+36.6%	TZS 0.27bn	981	95.7%

Adjusted closing price

TZS PER SHARE · AUGUST SESSIONS



Order-book pressure

Share of book, %

READ-THROUGH

WATCH

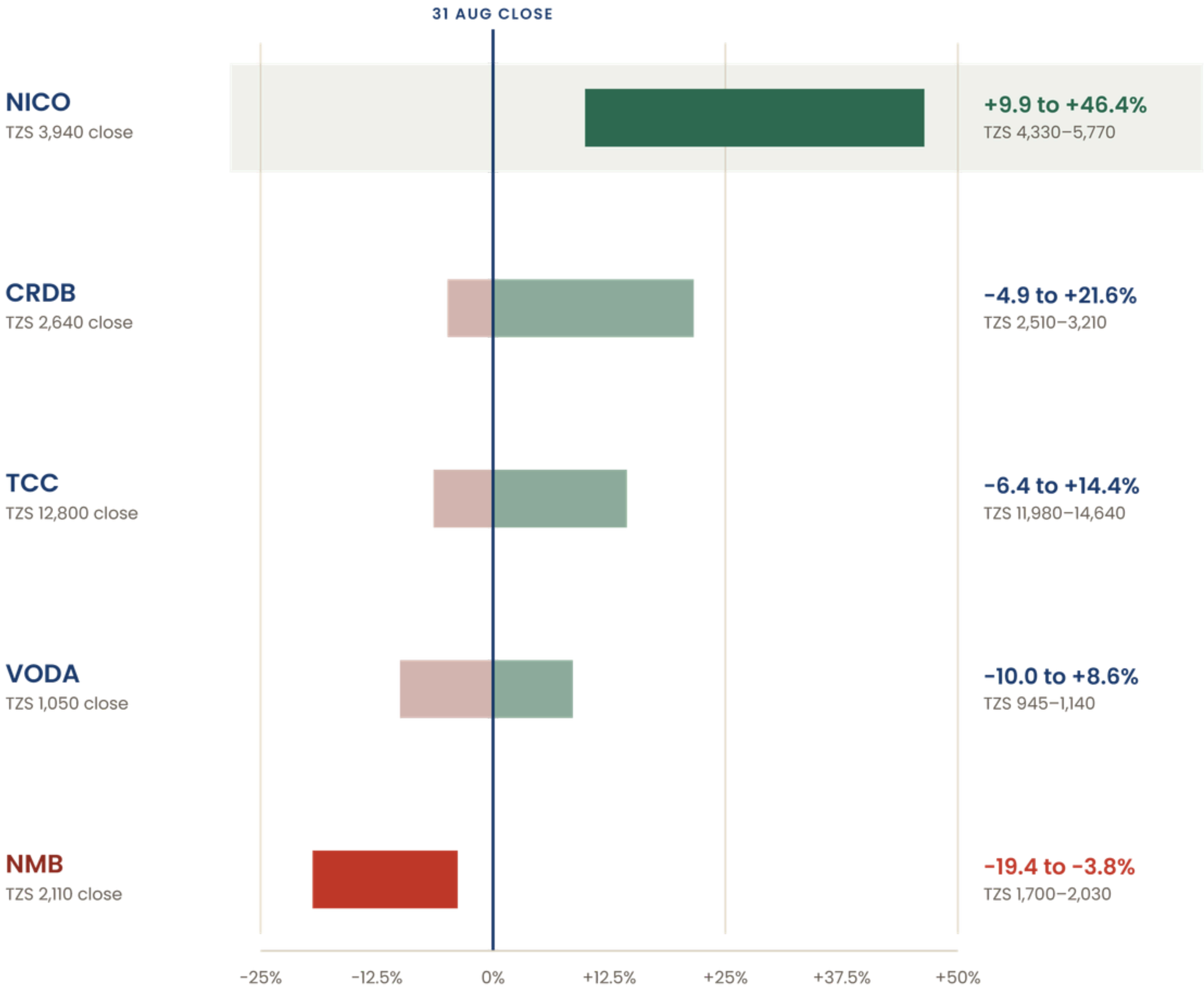
Investors appear to have capitalised expected balance-sheet funding and expansion optionality. The next rerating step requires evidence on issue price, entitlement ratio, dilution, underwriting and use of proceeds. Until those terms are visible, TOL remains a watch rather than a balanced core recommendation.

RELATIVE VALUATION

Monthly Stock Picks · August 2026

NICO UPSIDE TO RANGE	PICKS INSIDE RANGE	NMB VS UPPER BAND
+9.9–46.4%	3 of 5	+3.9%
Asset-backed gap on reported NAV	CRDB, TCC and VODA straddle bands	Entry discipline after the split rally

IMPLIED VALUE RANGE VS 31 AUGUST CLOSE



Upside to range Downside to range Trading above range Valuation scenarios—not price targets. Sorted by upside.

Rapid credit and money growth should translate into stronger bank revenue momentum.

Volume effect

Faster private-credit growth expands average earning assets and supports interest income.

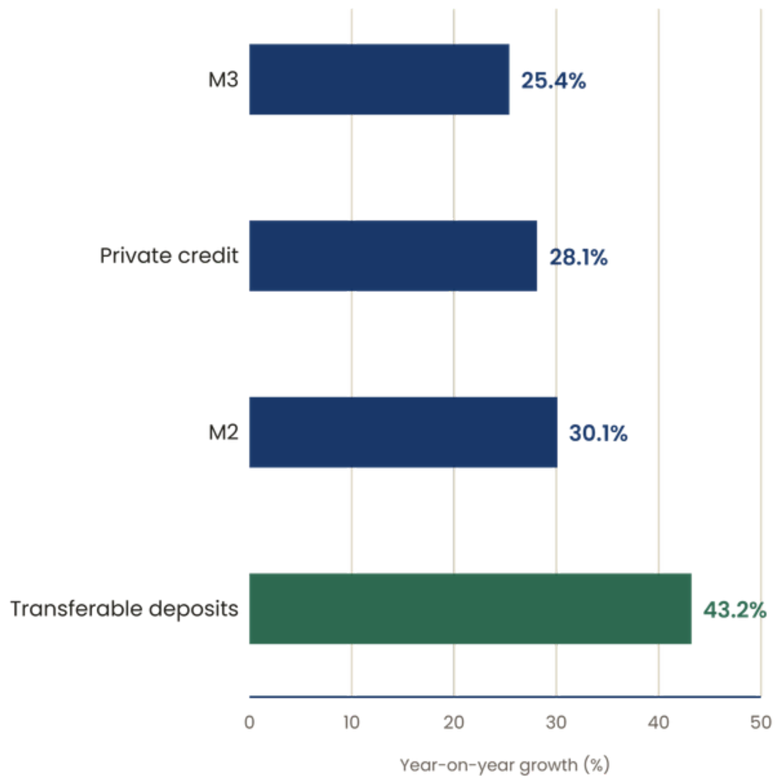
Transaction effect

M3 and transferable-deposit growth support payments, balances and fee-generating activity.

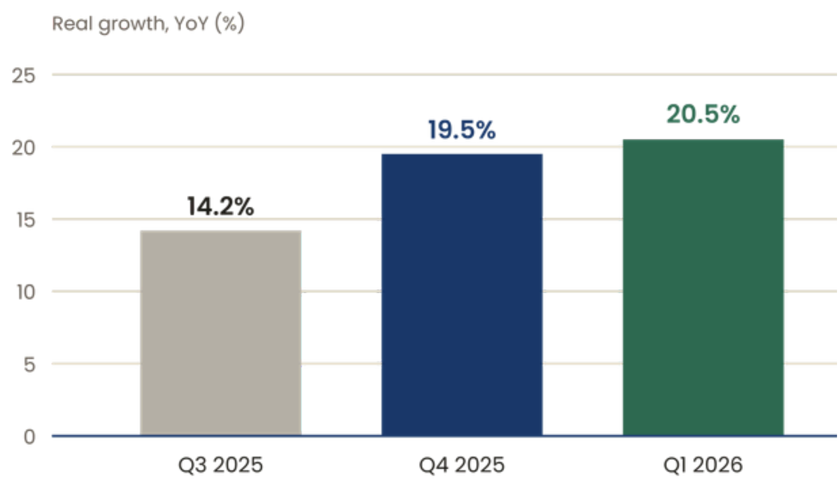
Quality check

Deposit pricing, net-interest margins and non-performing loans determine how much growth reaches profit.

MONEY AND CREDIT GROWTH, YEAR ON YEAR



FINANCIAL - SERVICES GDP, REAL GROWTH



The macro signal is supportive; the investment question is how much converts into earnings without eroding margins or asset quality.

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