



ENGLISHON
MICROFINANCE LIMITED

ANNUAL REPORT 2025





CHAIRPERSON'S STATEMENT

2025 was a year defined by both resilience and growing engagement. Across northern Tanzania, pastoralist communities faced mounting pressure from a prolonged dry season that strained livelihoods, reduced business activity, and made it increasingly difficult for many families to maintain stable incomes. Yet despite these challenges, communities continued to adapt, support one another, and remain actively engaged in building more secure and sustainable futures.

Despite these hardships, more than 10,000 people, predominantly women, engaged in our training programmes this year, reflecting a growing need for financial services and knowledge. Women, particularly through VICOPA groups, continued to lead this progress by supporting one another in strengthening their businesses, supporting their families and investing valuable time in their own knowledge and skills development.

At the same time, Engishon reached a significant milestone. Through careful financial management while strategically investing in people and systems, we moved toward near-operational breakeven, proving that our model can be both impactful and sustainable.

Even in difficult times, our clients continue to show remarkable resilience and a strong commitment to investing in their future. Many have become excellent role models for their peers and take pride in their determination to positively impact their communities.

With the dedication and commitment of our team and partners, we continue to learn and evolve each year, enabling us to consistently meet or exceed our clients' needs and expectations.

From all of us at Engishon, we thank you for another year of partnership.

ABOUT ENGLISHON MICROFINANCE LIMITED



Who We Are

Englishon works with Indigenous pastoralist communities. Our focus is on women and youth who are often excluded from formal financial systems, not because they lack ability, but because services have not been designed with their realities in mind. Through small loans, context-specific repayment terms, and practical business training, we support clients to build businesses, diversify income sources, and strengthen their resilience.

How Our Clients Benefit

The direct benefits of increased profit to a woman client typically include:

- Her business grows. She can sell more and manage her work better.
- Repaying loans becomes easier. With steady income, payments feel less stressful and risky.
- She can reinvest with confidence. Extra income lets her buy more stock, improve tools, or expand her business.
- She becomes more independent. She relies less on others and has more say in household decisions, which builds her dignity, confidence and self-respect
- Her household benefits. The extra money can be spent on food, education, healthcare, or better living conditions.
- She becomes more resilient. She is better able to handle unexpected expenses without falling deeper into debt.



WHAT WE ACHIEVED IN 2025



7,201

Indigenous pastoralists received business and entrepreneurship training and improved their financial literacy

50%
Up on 2024



**1.2
BILLION TZS**

(over 480,000 USD)
disbursed via 215
microloans

24%
Increase in disbursements
compared to 2024

176

New group loans
disbursed totalling

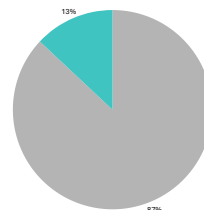


107 BILLION TZS

(over USD 428,000)

87%

Of new loans were
disbursed through
VICOBA groups



At least

7,352

women benefitted from
group loans

85%
Up on 2024



Average loan size per group
member increased to

244,205 TZS

(Equivalent to 98 USD)

52%
Up compared to
2024



Overall more than

28,000+ PEOPLE

The majority being women and their children
benefitted from increased financial resources
in 2025 due to Englishon Microloans



Stronger
Livelihoods



More
Empowered
Communities



Brighter future
for women and
youth



BUILDING FINANCIAL CONFIDENCE IN RURAL COMMUNITIES

Access to Engishon's financial services is changing what is possible for many pastoralist families. For communities that have traditionally relied on livestock and informal support systems, loans are helping families respond to everyday challenges while also planning for the future, without forcing them to move away from their traditional culture or pastoral livelihoods.

Women are using loans to grow small businesses, buy livestock, sell beadwork, or start trade activities that bring income closer to home. Young people are finding ways to earn a living within their communities instead of migrating to towns in search of work. For many households, the extra income means children can remain in school, and families are better prepared during drought or difficult grazing seasons.

Alongside the loans, business and financial training is helping clients build confidence in managing money, saving, and planning ahead. Many first-time borrowers who once feared taking loans now understand how access to capital can help them steadily grow their businesses and improve stability at home.

Interest in Engishon's services continued to rise throughout 2025, with more people joining trainings and applying for loans than ever before. Thanks to support from donors, including the Pastoral Women's Council, the revolving loan fund increased by 12% to more than TZS 1 billion (approximately USD 400,000). This growth allowed Engishon to reach more rural communities and increase loan sizes, though demand for support still far exceeds the funds currently available.

WHY WOMEN'S GROUPS WERE SUCCESSFUL IN 2025



Of more than 200 loans approved in 2025

87%

were issued to savings and loans groups, formed in and by the community, with majority women membership.



WHAT IS VICOBA AND HOW THE MODEL WORKS

VICOBA (Village Community Bank) groups offer an excellent platform for Engishon to lean further into the gender equity aspect of our social enterprise mission.

VICOBA is a women-led savings group where members contribute small amounts of money each week into a shared fund. Groups distribute funds as smaller loans to individual members and manage repayments collectively. Women borrow from the fund when they need support for important household or livelihood needs.

Loans are often used for:

- Starting or growing small businesses
- Farming activities
- Paying school fees
- Covering emergency expenses
- Other day-to-day needs



More than just a savings system, VICOBA helps women support one another, build confidence, and gain greater financial independence. Income generated is reinvested into households, supporting food, healthcare, and education. Many women are using profits to cover school costs, helping ensure their children, particularly girls, who are vulnerable to early childhood marriage, remain in education.

WHY ENGLISHON AND VICOBA ARE A PERFECT FIT



The strength of the VICOBA model as a savings and loans platform lies in its community-based yet formal formation, its peer accountability, weekly member participation in savings and loans, and a place for members to share ideas and challenges that help the entire collective grow and prosper.

Englishon, in turn, offers training and loans to qualifying VICOBA groups, to accelerate the growth and skills development of individuals and the collective.

Our Credit Officers attend group meetings regularly, providing mentorship, strengthening financial literacy, and identifying opportunities to improve member's business performance and loan management practices. This consistent engagement builds knowledge and trust and allows challenges to be identified and addressed early.

At the same time, the group structure fosters discipline and mutual support, with members learning from one another and working collectively to ensure successful repayment.



NASINYUNYE IRKANDA GROUP

In Lopolun village in Ngorongoro District, many women have spent years trying to grow small businesses with very limited options for reliable financial support. Some relied on casual labour to earn an income, while others borrowed money from informal lenders under difficult conditions that often left them struggling to keep up with repayments. For many families, even meeting everyday household needs or keeping businesses stocked could be uncertain.

Wanting a different path, 25 women came together to form Nasinyunye Group, a savings and lending group built around mutual support and shared responsibility. Through loans accessed with support from Engishon Microfinance, members began investing more confidently in businesses such as selling maize, beans, traditional Maasai beadwork, and household materials. As the businesses grew, so did the group's confidence and capacity. Starting with a loan of TZS 3 million, the group has now successfully progressed to TZS 9 million through consistent repayment and strong cooperation among members.

Today, many members speak about having more stable incomes and greater control over their financial decisions. Some are better able to cover school expenses, respond to emergencies, and support their households without depending on informal lenders or relatives. The group has also become an important space for women to meet regularly, encourage one another, and share ideas, strengthening not only livelihoods, but also the sense of solidarity within the community.



INSTITUTIONAL STRENGTHENING AND GROWTH

REACHING MORE COMMUNITIES

In 2025, Engishon continued to deepen its presence across northern Tanzania in Monduli, Longido, and Loliondo districts.

Engishon past and present clients can now be found across

76 VILLAGES

Our team of 11 staff are supported by 17 community volunteers. Together, they reached further into remote areas, ensuring services are accessible to those most often left behind by other financial institutions.

As active members of the pastoralist communities they serve, and the majority being women and youth, we are very proud of our staff for being great role models as they go about their work to empower others, just like them.



IMPROVED LENDING OVERSIGHT

Monitoring and analysing outcomes helps Engishon strengthen transparency, improve systems, and make more informed lending decisions. Alongside tracking key performance indicators, we also document client stories and case studies to better understand how loans impact households and communities.

This helps us to:

- Identify gaps in services
- Improve client accessibility
- Better understand client challenges and successes
- Develop products and services that respond to community needs
- Strengthen accountability and learning
- Share our impact and scaling potential with stakeholders

In 2025, Engishon recruited its first Data Analyst / MEAL Officer, significantly improving loan tracking, field reporting, client follow-up, and repayment visibility. Stronger coordination between the MEAL and Credit teams has enabled more timely monitoring of client progress and earlier intervention where challenges arise. This has strengthened accountability, organisational learning, and the ability of Credit Officers to provide more proactive support to clients.

TEAM MEMBER SPOTLIGHT

In mid-2024, Namayani Mathayo, our highest performing Credit Officer, was promoted to Credit Supervisor, responsible for staff and client engagement at 3 branch offices across Arusha region. As a full-time working parent, and small business owner, Namayani is a role model for aspiring Maasai women in her community and for other Credit Officers in the Engishon team.

As a pastoralist woman herself, Namayani embodies our ethos of expanding the skills and experience of otherwise marginalized rural pastoralist women. Her empathy and cultural sensitivities allow her to identify and encourage our clients' innate entrepreneurial spirit and motivate them to strive towards a better life.

She has helped strengthen the team through mentoring, training and daily supervision, and plays a significant role within the Engishon management team, striving for effective outreach and engagement with the community while optimizing our business processes.



“Our work is about more than just making loans accessible to pastoralist women. It is about helping clients reach their full potential. I’m inspired by seeing clients grow from dependence to self-reliance and become role models for others. As Credit Supervisor, it is especially rewarding to see our Credit Officers adopt the same client-focused approach, helping many women achieve financial independence.”

- Namayani Mathayo





A CHALLENGING YEAR

While demand remained strong, 2025 underscored the realities and vulnerabilities of pastoralist livelihoods. The sector's fragile dependence on external factors, particularly climate, was once again evident. An extended dry season significantly impacted both income and assets, with many clients reporting major livestock losses and spending prolonged periods searching for pasture and water instead of running their businesses.

As a result, Engishon's portfolio quality improved only marginally.. Portfolio-at-Risk (PAR >30 days) decreased from 13% to 12%, albeit double our target of 6%. More than 50 clients, including some groups, reported difficulty making timely or full repayments, and several experienced chronic non-payment of three months or more.

Each loan arrear is addressed collaboratively, and where clients show a willingness to work with us toward a resolution, we endeavor to reschedule payments to avoid imposing further financial stress or setting unachievable targets for already strained households.

Despite these pressures, Engishon's reputation within communities remains strong. Clients and community leaders continue to view us as supportive partners and collaborate with us to identify new potential client groups, to vouch for those from their community applying for loans and to help resolve any payment issues locally.

"During the drought, we lost many of our cattle and I did not know how I would continue supporting my family or repay my loan. Engishon stood with us during that difficult time and gave me the support and flexibility to recover. Thanks to this, I have completed my repayments and my business recovered. Their partnership gave me hope when we needed it most."

-Loliondo community member

STRENGTHENING CLIENT RESILIENCE

In 2025, client and community-wide challenges prompted deeper reflection on our community-centred approach to microcredit, and highlighted the need for more context-specific products that better protect our clients and our business from irregular financial shocks.

An enhanced training, loan qualification and follow-up approach will also be introduced in 2026 will better respond to client needs and circumstances:

- Refresher training on financial record-keeping and repayment management
- Increased client engagement to guide group clients in when and how to disburse loans to their members and to how to improve business profitability
- Technical guidance for further income diversification beyond livestock
- Development of seasonal loan products aligned with income cycles, to reduce non-repayment risks during prolonged droughts
- More encouragement for group members to save regularly to build resilience against future shocks
- Enhanced client readiness assessments prior to disbursing a loan
- Client resilience measures throughout the loan cycle

Additionally, more client case studies in 2026 will showcase our client successes and identify unmet needs and challenges that could be addressed within the scope of our business or by our trusted partners.



SUSTAINABLE MICROCREDIT FOR THE UNBANKED

Despite the challenges in 2025, Engishon managed expenses and cashflow closely, to achieve further improvements in operational efficiency. Annual losses reduced from TZS 110 million (USD 44,000) in 2023 to less than TZS 6 million TZS (USD 2,400) in 2025.

Achieving this result is a significant milestone for Engishon Microfinance Ltd, demonstrating that our social enterprise is fundamentally a viable business, and that the hyper-rural pastoralist women we seek to serve are not “un-bankable” but rather, they are “un-banked”, because social and economic norms leave women dependent on men who control family assets, while mainstream financial institutions often overlook women’s contributions and underestimate their potential as successful entrepreneurs and business leaders.

Further expansion of the revolving loan fund and targeted improvements in portfolio quality put us on an excellent trajectory for sustainability where 100% of profits will be turned back into this social-enterprise to fulfil its scaling potential.





IMPACT ON COMMUNITIES



Over **28,000**

People, mostly women and youth, were positively impacted by Engishon loans in 2025.

The most meaningful measure of Engishon's work is seen in the improving lives of its clients. Across the region, women are building businesses, generating income, and gaining greater independence. Many are able to support their families, invest in their children's education, and improve their overall well-being, creating more secure and progressive households and communities.

What clients had to say in 2025:

Naomi L. is a 48-year-old Maasai mother of seven from Gelai Lumbwa village in Monduli District who in 2025 transformed her livelihood through the Ngaishok Women's VICOBA group. In 2024, she accessed a TZS 500,000 (USD 200) sub-loan through Engishon-supported lending and opened a small retail shop near her home after years of relying on unpredictable market trading. The business has provided a more stable income for her family and strengthened Naomi's confidence and independence as she works to expand her business and create a better future for her children.

Noosikirari N. is a 38-year-old Maasai mother of four from Gelai Lumbwa in Longido District, where access to finance, electricity, and stable income opportunities is limited. For years, she supported her family of six by selling maize and beans from a temporary market stall, earning around TZS 500,000 (USD 200) a year – not enough to consistently cover food, school needs, healthcare, and other household expenses. Her family lived in a small two-room mud house without reliable lighting, making it difficult for her children to study at night.

In 2024, Noosikirari joined the VICOBA Ngaishok Women's Group and accessed a sub-loan of TZS 1,000,000 (USD 400) through Engishon's support to the group's lending structure. She used the loan to expand her business, adding rice, sugar, soap, and cooking oil to her stock. As her customer base grew, she moved from a temporary stall to a permanent retail shop near her home. Today, her business provides a more stable income for her family and supplies smaller retailers in the area, a significant step toward greater financial security and independence.



LOOKING AHEAD: SCALING IMPACT IN 2026



Engishon, in collaboration with PWC, is clearly driving meaningful change in pastoralist communities across northern Tanzania. By investing in rural women and youth, we are investing in a stronger future for their communities. We believe that every woman and man, youth or adult, deserves a chance to build a better life for themselves and their family. Our motto reminds us and our clients, “We Grow with You”. We stand together in the face of increasing unpredictability and uncertainty, determined to reach more unbanked pastoralists and give them their chance at dignity and self-reliance, and better equip them to join the formal business environment that so many others take for granted.

In 2026, we will focus on increasing our impact and commercial viability by:

- Growing the size of our revolving loan fund
- Improving the quality of our loan portfolio
- Engaging pastoralist youth to shape relevant products and services
- Expanding our seasonal loan offerings
- Growing our Group Loan programme still further
- Building stronger partnerships with community partners and supporters
- Giving our Credit Officers better tools and training
- Strengthening how we track and measure our impact
- Maintaining tight control of our finances

ASHE - THANK YOU

Engishon Microfinance Ltd., together with our clients, extends sincere gratitude and thanks (“Ashe Oleng” in Maa) to our partners around the world who share our vision of a more just and equitable society. Through this partnership, unbanked Indigenous pastoralists, especially women and youth, are gaining access to opportunities that enhance their economic well-being, strengthen their families and communities, and enable them to play a greater role in national development.

With your continued support and encouragement, we enter 2026 committed to building on this progress, adapting to the community’s evolving needs, and welcoming more of our community members to join this journey toward financial independence and self-realisation.



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