



PRESS RELEASE

PR. No 280/2023

ECOBANK TRANSNATIONAL INCORPORATED (ETI) –

**ETI REPORTS PROFIT BEFORE TAX OF \$308 MILLION, DILUTED EPS OF 0.65
US CENTS ON NET REVENUE OF \$1,037 MILLION FOR HALF YEAR 2023**

ETI has released the attached announcement for the information of the general investing public.

Issued in Accra, this 27th.
day of July 2023

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att'd.

Distribution:

1. All LDMs
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** MD*

ECOBANK REPORTS PROFIT BEFORE TAX OF \$308 MILLION, DILUTED EPS OF 0.65 US CENTS ON NET REVENUE OF \$1,037 MILLION FOR HALF YEAR 2023.

ROTE: 27.0%, Cost-to-income: 54.3%, Loans-to-deposits: 57.1%, and Total CAR: 13.7%

Pre-provision, pre-tax operating profit up 18% to \$474 million

Stable credit quality with NPL ratio at 5.5% and Cost-of-risk at 0.71%

Improving underlying results reflect the resilience of Ecobank's diversified business model, efficiency, and stability.

Group-wide Financial Summary (in millions of \$ except ratios and per-share metrics)					1H23 Regions & Business Unit Segments Highlights (\$m)			
Income Statement	1H23	1H22	YoY %	CC ¹ %	Regions: 1H23 (\$M)	Net revenues	PBT	ROE
Net revenues (operating income)	1,037	910	14%	38%	UEMOA	314	150	27.9%
Pre-provision, pre-tax operating profit	474	401	18%	52%	NIGERIA	142	29	9.6%
Profit before tax	308	261	18%	67%	AWA	263	100	26.4%
Profit available to ETI shareholders	161	130	23%	-	CESA	364	141	28.8%
Diluted EPS (\$ cents)	0.65	0.53	23%	-	INTERNATIONAL	38	21	23.6%
Balance Sheet					Business Units:1H23	Net revenues	PBT	CIR
Gross loans and advances to customers (EOP)	11,112	10,053	11%	32%	CORP & INVT. BANKING	534	234	41.4%
Deposits from customers (EOP)	19,451	19,745	(1)%	18%	COMMERCIAL BANKING	286	86	55.0%
Basel II/III Total CAR ²	13.7%	14.8%	(7)%	-	CONSUMER BANKING	253	73	65.5%
Tangible book value per share (\$ cents) TBVPS	4.34	5.09	(15)%	-				
Profitability Metrics								
Return on shareholders' equity (ROE)	25.5%	18.0%	-	-				
Return on tangible shareholders' equity (ROTE) ³	27.0%	19.5%	-	-				

For notes refer to page 10

CEO COMMENTARY

Jeremy Awori, CEO of Ecobank Group, said:

"Our results for the first six months of 2023 demonstrate the benefits of our diversified business model, resilient balance sheet and our commitment to serving our customers. Profit before tax increased by 18% to \$308 million and by 67% if you exclude foreign currency translation effects. Net revenues were up 14% to \$1,037 million, or 38% in constant currency, and we delivered a return on tangible equity of 27%. We achieved these results despite continued challenging macroeconomic conditions in the second quarter, with significant weaknesses in African currencies, high consumer prices and tepid economic growth."

"We have made meaningful progress in formulating our strategic roadmap, which will provide the blueprint for our Growth, Transformation and Returns agenda. Over the last few months, as I engaged with our customers, colleague Ecobankers, and other stakeholders, my confidence in our growth opportunities has been reaffirmed. We see opportunities to build stronger and better customer relationships in our businesses, forge strategic partnerships and be the go-to Payments bank, leveraging our superior platforms.

In addition, we will take forward our transformation and growth agenda for our corporate, commercial and consumer banking businesses. Notably, achieving our goals will require even more discipline in execution, proactive risk management, and focus on delivering for our customers. Furthermore, the prudent management of our balance sheet and capital remains a priority. We will also continue investing in our best-in-class technology, retaining and attracting talent while reinforcing the right culture," Awori added.

"Finally, I am proud of Ecobank's contributions across the African communities in which we operate, and equally proud of the good work Ecobankers do for our customers daily," Awori concluded.

Total Volume of Transactions on Digital Channels

Period ended: (in millions of US dollars)	30 June 2023	30 June 2022	YoY %
Omni Plus	27,280	24,967	9%
Omni Lite ¹	3,250	2,572	26%
Ecobank Mobile App & USSD	4,641	2,733	70%
Ecobank Online	967	1,053	(8)%
Xpress Points (Agency Network)	2,971	2,446	21%
Indirect Channels ²	8,241	5,302	55%

(1) The decline in Omni Lite volumes was due to currency movements and a decline in the flow of international payments

(2) Mostly transactions on partnership platforms such as Telcos

SUMMARY FINANCIAL REVIEW OF THE ECOBANK GROUP

Selected Income Statement Highlights

For the period ended: (in millions of US dollars except per share data)	30 Jun 2023	30 Jun 2022	YoY %	CC ¹ %
Net interest income	547	493	11%	34%
Non-interest revenue	490	417	18%	42%
Net revenues (operating income)	1,037	910	14%	38%
Operating expenses	(563)	(509)	11%	27%
Pre-provision, pre-tax operating profit	474	401	18%	52%
Net impairment charges and modification losses on financial assets	(103)	(115)	(10)%	1%
Net monetary loss arising from hyperinflationary economies	(62)	(24)	158%	-
Profit before tax	308	261	18%	67%
Profit for the period	216	185	16%	72%
Profit available to ETI shareholders	161	130	23%	-
Ratios				
NIM	4.9%	4.7%	-	-
NIR ratio	47.2%	45.8%	-	-
Cost-to-income	54.3%	56.0%	-	-
Effective tax rate	30.0%	29.0%	-	-
Per Share Data (US cents)				
Basic EPS	0.65	0.53	23%	-
Diluted EPS	0.65	0.53	23%	-

Note: Selected income statement lines only and totals may not sum up.

(1) Constant currency = year-on-year percentage change on a constant currency basis

n.m. = not meaningful

Discussion of results:

Group profits available (attributable) to shareholders of ETI was \$161 million for the first six months of 2023 compared with \$130 million in the similar period of 2022. The 23% increase in attributable profits was driven by solid revenue performance across both net interest income and non-interest revenue, positive operating leverage and stable credit quality.

Group profit before tax increased by 18% or 67% at constant currency to \$308 million.

Group net revenues for the first half 2023 were \$1,037 million, increasing by 14% or 38% at constant currency. The net revenue increase was driven by the net impact of higher interest rates on net interest

incomes across markets, particularly in the AWA and CESA regions, modest growth in interest-earnings assets, higher fees on cash management and card transactions and episodic income from volatile currency movements in some of our markets. Net revenues in the Consumer Banking business rose 13% to \$253 million, primarily driven by deposit margins and payments. In the Commercial Banking business, income from foreign currency (FC) sales and client-driven trade helped net revenues increase by 31% to \$286 million. Net revenues in the Corporate and Investment Banking business were \$534 million, up 5% from the prior year, primarily driven by a significant rise in FC sales, asset and liability management, and the trade business.

Net interest income generated in the first six months of 2023 was \$547 million, increasing by 11% or 34% at constant currency, and the net interest margin was 4.9%, compared with a net interest income of \$493 million and a net interest margin of 4.7% in the prior-year period. The increase in net interest income was primarily driven by the net impact of higher market rates on interest earned on loans and investment securities, particularly in the AWA and CESA regions, partially offset by an increase in interest paid on deposits and borrowed funds, especially in Nigeria. In addition, the non-accrual of earned interest income from holdings of GoG Eurobonds and the comparatively lower yields on the local GoG bonds received under the Domestic Debt Exchange Programme (DDEP) in February 2023 held back growth in net interest income.

Non-interest revenues increased 18% or 42% at constant currency to \$490 million in the first six months of 2023, driven by client-driven FC sales, especially within Corporate and Commercial Banking, deposit margins, and Payments. Net fees and commission income of \$249 million increased by 8%, primarily driven by higher fees in Cash Management and Payments mostly from AWA and Nigeria. Net trading income (NTI) of \$209 million increased by 28%, partly driven by higher revenues from Nigeria and the Paris-based business and partly benefiting from the volatility experienced in the rate and currency markets, particularly in Zimbabwe, where NTI rose approximately \$48 million on revaluation gains. Also helping to boost non-interest revenues was a one-off non-cash adjustment on loans that Ecobank Nigeria previously sold to Nigeria's Asset Management Corporation of Nigeria (AMCON). Revenue sources were well-diversified, with the non-interest revenue portion of total net revenues increasing to 47.2% compared to 45.8% in the prior-year period.

Group pre-provision, pre-tax profit, a key metric for assessing the bank's earnings power, increased 18% or 52% at constant currency to \$474 million. The increase was primarily driven by positive operating leverage - revenue growth exceeding operating expenses growth.

Group operating expenses for the first half of 2023 were \$563 million, increasing by 11% or 27% at constant currency. The higher operating expenses in the half year were driven by a mix of inflationary-driven costs and increased staff compensation in some of our markets in line with inflationary trends. Key drivers of the expense increase were costs associated with the card business, insurance, IT licences and related technical fees, and other administrative expenses. However, the rise in operating expenses was offset by higher revenues helping drive an improvement in the cost-to-income ratio to 54.3% compared with 56.0% in the prior year.

Group income taxes for the first half of 2023 were \$92 million compared with \$76 million in the prior-year period. The associated effective income tax rate (ETR) was 30.0% versus 29.0%.

Group-wide impairments charges

For the period ended (in millions of US dollars)	30 Jun 2023	30 Jun 2022
Gross impairment charges on loans and advances	(79)	(137)
Less: recoveries and impairment charge releases	39	45
Net impairment charges on loans and advances	(40)	(92)
Impairment charges on other assets	(37)	(24)
Modification losses on GoG net of impairment charge releases	(26)	-
Net impairment charges and modification losses on financial assets	(103)	(115)
Cost-of-risk	0.71%	1.81%

(1) Cost-of-risk is computed on an annualised basis

Group impairment charges on loans and advances for the first six months of 2023 were \$79 million, a decrease of 42% or 36% in constant currency if compared with \$137 million of gross impairment charges in the first six months of 2022. The lower impairment charges in the current period reflected better-than-expected credit quality and relatively healthy client credit profiles, partially offset by an increase in impairments on specific loans in the Corporate Banking business. The rate of loans recovered and impairment releases was lower in the current period at \$39 million compared with \$45 million in the first six months of 2022, leading to a net impairment charge of \$40 million for the period, lower than the \$92 million in the prior year's period. The lower net impairment charges for the period resulted in a lower cost-of-risk of 71 basis points compared to the 181 basis points for the first half of 2022. The modification losses on the Government of Ghana (GoG) net of impairment charge releases of \$26 million are due to the final settlement of the old bonds for the new bonds in February under the GoG DDEP.

BALANCE SHEET SUMMARY

Selected Balance Sheet Information						
As at: (in millions of US dollars, except per share amounts)	30 Jun 2023	31 Dec 2022	30 Jun 2022	YoY %	YTD %	YoY CC* %
Gross loans and advances to customers (EOP)	11,112	11,521	10,053	11%	(4)%	32%
Less allowance for impairments (expected credit losses)	490	518	703	(30)%	(5)%	-
Net loans and advances to customers (EOP)	10,622	11,003	9,350	14%	(3)%	36%
Net loans and advances to customers (AVERAGE) ¹	10,442	9,718	9,277	13%	7%	-
Deposits from customers (EOP)	19,451	20,813	19,745	(1)%	(7)%	18%
Deposits from customers (AVERAGE) ¹	19,729	19,668	19,502	1%	0%	-
Total assets	27,036	29,004	27,093	(0)%	(7)%	20%
Equity attributable to owners of ETI	1,127	1,395	1,358	(17)%	(19)%	-
Total equity to all owners	1,764	2,027	1,954	(10)%	(13)%	21%
Loan-to-deposit ratio	57.1%	55.4%	50.9%	12%	3%	-
CET1 ratio ²	9.0%	9.6%	10.0%	(10)%	(6)%	-
Tier 1 capital adequacy ratio ²	9.7%	10.2%	10.7%	(9)%	(5)%	-
Total capital adequacy ratio (CAR) ²	13.7%	14.2%	14.8%	(7)%	(3)%	-
Risk-weighted assets (RWA)	14,104	15,356	15,251	(8)%	(8)%	-
End-of-period ordinary shares outstanding (millions of shares)	24,730	24,730	24,730	-	-	-
Per Share Data (in US Cents)						
Book value per ordinary share, BVPS ³	4.56	5.64	5.49	(17)%	-	-
Tangible book value per ordinary share, TBVPS ⁴	4.34	5.30	5.09	(15)%	-	-
Share price (EOP)	2.00	2.37	2.55	(22)%	-	-
Share price (EOP) - Nigerian Naira, NGN	15.20	10.60	10.60	43%	-	-

(1) The year-on-year growth of the sum of the average last four quarters (EOP) of loans and customer deposits for the period. Showing averages help to smooth out any one-off spikes within the year.

(2) Basel II/III CET1, Tier 1 and Total CAR ratios of 9.0%, 9.7% and 13.7% are proxy estimates only and subject to change. We report regulatory capital ratios semi-annually (submission deadline of 30 April for CAR for 31 December and submission deadline of 31 October for CAR for 30 June) to the regulator, the Central Bank of West African States (BCEAO).

(3) ETI shareholders' equity divided by end-of-period ordinary shares outstanding

(4) Tangible ETI shareholders' equity divided by end-of-period ordinary shares outstanding. Tangible ETI shareholders' equity is ETI shareholders' equity less goodwill and intangible assets

EOP = End-of-period

*CC = year-on-year percentage change on at constant currency

Average deposits and loans is on a quarterly basis

Group gross loans and advances (EOP) were \$11.1 billion for the period ended 30 June 2023, compared to \$11.5 billion and \$10.0 billion as of 31 December 2022 and 30 June 2022, respectively. The year-on-year (YoY) increase of 11% or 32% at constant currency reflected strong loan growth, particularly in trade loans within Corporate Banking in the 4Q22. Year-to-date (YTD) loans grew modestly, primarily within CIB and across Consumer and Commercial Banking businesses.

The Group's deposit base remained stable and diversified, with approximately 81% of customer deposits in 'sticky' and less volatile current and savings accounts (CASA). CASA deposits were unchanged from the year-ago period but decreased by 6% YTD. EOP Group-wide customer deposits were \$19.5 billion as of 30 June 2023, compared to \$20.8 billion and \$19.7 billion as of 31 December 2022 and 30 June 2022, respectively. Deposits grew by 18% at constant currency year-on-year but modestly on a YTD basis as competition for deposits intensified across all businesses. The increase in the cost of funding to 2.9% from 2.3% a year ago, despite the increasing share of CASA deposits within the deposit mix, reflects the competitive dynamics for deposits in the current rate environment.

Equity available (attributable) to ETI shareholders was \$1.13 billion as of 30 June 2023, down 19% year-on-year, reflecting the negative impact of foreign currency translation effects on capital from the depreciating values of our key local currencies against the US dollars, unrealised revaluation losses on fair value through other comprehensive income (FVTOCI); financial debt securities, and the payment of dividend in 2023 related to the 2022 financial year.

The Group's estimated (subject to change) CET1 ratio, Tier 1 ratio, and Total Capital Adequacy Ratio (CAR) in the period ended 30 June 2023 was 9.0%, 9.7% and 13.7% compared with 9.4%, 10.1% and 14.4% respectively as of 30 June 2022. The slight decrease in the capital position of the Group was predominantly driven by the final IFRS 9 Day 1 amortisation of \$75 million in January 2023, the adverse effects of foreign currency translation (FCTR) differences on the capital supply (numerator), carried in local currencies, partially offset by local currency assets within risk-weighted assets, RWA (the denominator). As a result, the net impact of FCTR on regulatory capital is relatively diminished. RWAs were \$14.1 billion as of 30 June 2023, slightly lower than RWAs of \$14.7 billion a year ago, reflecting ongoing RWA optimisation initiatives.

Asset Quality			
As at: (in millions of US dollars)	30 Jun 2023	31 Dec 2022	30 Jun 2022
Gross loans and advances to customers	11,112	11,521	10,053
Of which Stage 1	9,355	9,748	8,321
Of which Stage 2	1,145	1,174	1,113
Of which Stage 3 (Non-Performing Loans)	612	599	619
Less allowance for impairments (accumulated expected credit losses)	490	518	703
Of which Stage 1: 12-month ECL ⁽¹⁾	60	62	85
Of which Stage 2: Life-time ECL	121	140	135
Of which Stage 3: Life-time ECL	309	317	482
Net loans and advances to customers	10,622	11,003	9,350
NPL ratio	5.5%	5.2%	6.2%
Accumulated ECL as a % of gross loans and advances	4.4%	4.5%	7.0%
NPL coverage ratio	80.0%	86.5%	113.5%
Stage 3 coverage ratio	50.5%	53.0%	77.9%

(1) Expected Credit Losses

Non-performing loans (impaired or stage 3 loans) were \$612 million as of 30 June 2023, with an associated ratio of non-performing loans to total loans (NPL ratio) of 5.5%. NPLs for the period were largely unchanged from the prior year but rose on a linked-quarter basis. The slight increase in NPLs in the second quarter was driven by episodic NPLs, mostly within Commercial Banking. Group-wide gross impairments for expected

Scredit losses of \$490 million decreased from \$521 million as of the second quarter and \$703 million in the prior year's period. Compared to the prior year, the decrease is partially due to the impairment releases of \$126 million in the fourth quarter of 2022 from the \$206 million central macro-overly following impairment assessments on the loans and collateral in the Resolution Vehicle (RV).

REGIONAL PERFORMANCE

We categorise the Group's pan-African operations into four geographical regions. These reportable regions are Francophone West Africa (UEMOA), Nigeria, Anglophone West Africa (AWA), and Central, Eastern and Southern Africa (CESA). Accordingly, the financial results of the constituent affiliates of Ecobank Development Corporation (EDC), the Group's Investment Banking (IB) and Securities, Wealth, and Asset Management (SWAM) businesses across our geographic footprint are reported within their country of domicile and therefore in the applicable regions of UEMOA, Nigeria, AWA, and CESA. In addition, the Group categorises its Paris banking subsidiary and representative offices in Beijing, London, and Dubai as International.

Comparisons noted in the commentary below are calculated for the period ended 30 June 2023 versus 30 June 2022, unless otherwise specified.

Francophone West Africa (UEMOA)				
	30 Jun 2023	30 Jun 2022	YoY %	*CC %
Period ended: (in millions of US dollars)				
Net interest income	176	168	5%	6%
Non-interest revenue	138	114	21%	22%
Net revenue	314	282	11%	12%
Operating expenses	(151)	(143)	3%	7%
Pre-provision, pre-tax operating profit	163	139	17%	18%
Gross impairment charges on loans	(33)	(43)	(24)%	-
Less loan recoveries and impairment releases	20	28	(29)%	-
Net impairment charges on loans	(13)	(16)	(16)%	-
Impairment charges on other assets	(0)	0	n.m	-
Impairment charges on financial assets	(13)	(16)	(15)%	-
Profit before tax	150	123	21%	22%
End-of-period balances				
Loans (net)	4,698	3,473	35%	29%
Deposits	7,791	6,875	13%	8%
Ratios:				
Cost-to-income ratio	48.1%	50.7%	-	-
Return on equity (ROE)	27.9%	24.7%	-	-

Francophone West Africa (UEMOA)

UEMOA's *profit before tax* of \$150 million in the first half of 2023 increased by 21% or 22% at constant currency from the prior-year period, benefiting from positive operating leverage. Annualised ROE improved to 27.9% from 24.7% in the first half 2022.

Net revenues increased by 11% or 12% at constant currency to \$314 million, with growth benefiting from higher fees from FC sales and cash management. *Net interest income* of \$176 million increased by 5%, primarily driven by an increase in investment securities balances, partially offset by margin compression from repricing lags on loans compared to deposits. On the other hand, underlying client momentum supported higher fee income generation from FC sales and digital wholesale payments, helping *non-interest revenues* increase 21% to \$138 million in the half year 2023.

Operating expenses for the half-year were \$151 million compared with \$143 million in the prior-year period, up 3% or 7% at constant currency, driven by staff compensation increases, card costs, investments in technology and inflationary-driven costs.

Net impairment charges on loans of \$13 million were lower than \$16 million in the prior year's period as loans are adequately reserved for expected credit losses (ECL).

NIGERIA				
	30 Jun	30 Jun		
Period ended: (in millions of US dollars)	2023	2022	YoY %	*CC %
Net interest income	74	69	8%	25%
Non-interest revenue	68	50	36%	59%
Net revenue	142	119	20%	39%
Operating expenses	(104)	(95)	10%	27%
Pre-provision, pre-tax operating profit	38	24	59%	87%
Gross impairment charges on loans	(11)	(10)	7%	-
Less loan recoveries and impairment releases	1	2	(41)%	-
Net impairment charges on loans	(9)	(8)	21%	-
Impairment charges on other assets	-	-	-	-
Impairment charges on financial assets	(9)	(8)	21%	-
Profit before tax	29	16	77%	111%
Ratios:				
Loans (net)	2,094	2,517	(17)%	49%
Deposits	3,204	4,066	(21)%	41%
Ratios:				
Cost-to-income ratio	73.3%	79.9%	-	-
Return on equity (ROE)	9.6%	4.7%	-	-

Note: The Resolution Vehicle's financials were excluded from the Nigeria region in 3Q22. 1H22 results have been adjusted to exclude the RV's pre-tax profits of \$1.8m.

Nigeria

Nigeria's *profit before tax* was \$29 million in the first half of 2023 compared with \$16 million in the first half of 2022, representing a growth of 77% or 111% at constant currency. Annualised ROE for the half year was 9.6%, an improvement from 4.7% in the first half of 2022.

Net revenues increased 20% or 39% at constant currency to \$142 million. Repricing actions on eligible loans due to higher market rates and modest loan growth, partially offset by an increase in funding costs partly due to the impact on the cost of funds from high deposit cash reserve requirements (CRR), drove *net interest income* up by 25% in constant currency to \$74 million. *Non-interest revenues* of \$68 million increased by 59% at constant currency, with increased market liquidity and volatility driving client-driven trading activity and higher fees and commissions from trade and cash management volumes. Non-interest revenue in the second quarter included approximately \$20 million in one-off non-cash adjustment on loans that Ecobank Nigeria previously sold to Nigeria's Asset Management Corporation of Nigeria (AMCON).

Operating expenses were \$104 million in the period, rising by 10% or 27% at constant currency, predominantly driven by consumer-price growth, which accelerated following the newly elected president's removal of fuel subsidies and exchange-rate reform in June 2023. The cost-to-income ratio improved to 73.3% from 79.9% a year ago.

The quarter's *net impairment charge on loans* was \$9 million compared with \$8 million a year ago, mainly due to comparatively lower loan recoveries in the first half of 2023.

Anglophone West Africa (AWA)				
	30 Jun 2023	30 Jun 2022	YoY %	*CC %
Period ended: (in millions of US dollars)				
Net interest income	186	172	8%	51%
Non-interest revenue	77	96	(20)%	6%
Net revenue	263	268	(2)%	34%
Operating expenses	(124)	(121)	3%	42%
Pre-provision, pre-tax operating profit	139	148	(6)%	28%
Gross impairment charges on loans	(17)	(21)	(20)%	-
Less loan recoveries and impairment releases	4	4	9%	-
Net impairment charges on loans	(13)	(17)	(27)%	-
Modification losses on GoG net of impairment charge releases	(26)	(0.3)	-	-
Impairment charges on financial assets	(38)	(17)	-	-
Profit before tax	100	130	(23)%	4%
End-of-period balances				
Loans (net)	1,438	1,379	4%	40%
Deposits	3,681	3,683	(0)%	32%
Ratios:				
Cost-to-income ratio	47.2%	45.0%	-	-
Return on equity (ROE)	26.4%	28.3%	-	-

Anglophone West Africa (AWA)

AWA's *profit before tax* for the first half of 2023 was \$100 million compared with \$130 million in the year-ago period reflecting a 23% decline or a 4% increase in constant currency. Annualised ROE was 26.4% versus 28.3% in the prior-year period. The modest increase in profits, in constant currency, is attributed to growth in non-interest revenue, partially offset by higher costs and the impact of the net debt modification losses of \$26 million, including the recycling of losses in other comprehensive income into profit and loss that Ecobank Ghana incurred on the settlement date in February 2023 when the GoG offered the new bonds for the old eligible local currency bonds under the DDEP. The net modification loss is the net change in the present value of the cash flows of the new debt and the old debt after adjusting for previous impairments booked.

AWA's *net revenue* for the first half of 2023 decreased by 2% or increased by 24% at constant currency to \$263 million, with growth mainly driven by net interest income across all businesses. *Net interest income* for the first half was \$186 million, up 8% or 51% at constant currency, mainly driven by higher market rates which benefited deposit margins within Consumer and Commercial Banking. The period's net interest income excludes interest earned on its Eurobond exposure while awaiting plans for the GoG to reach agreements with its creditors. *Non-interest revenue* decreased by 20% or increased by 6% at constant currency—the modest increase was driven by higher income from Cards, Trade and Cash Management offset by a significant decrease in FICC-related fees and commissions.

Operating expenses increased 3% or 38% at constant currency to \$124 million, mainly driven by higher staff compensation costs and rising consumer prices. Despite AWA's revenue growth falling behind expense growth, its cost-to-income remained resilient, slightly deteriorating to 47.2% from 45.0% in the prior year's period.

Net impairment charges on loans were lower at \$13 million compared with \$17 million in the prior year due to lower non-performing loans. The modification losses on the Government of Ghana (GoG) net of impairment charge releases of \$26 million are due to the final settlement of the old bonds for the new bonds in February under the GOG DDEP.

Central, Eastern and Southern Africa (CESA)				
	30 Jun	30 Jun		
Period ended: (in millions of US dollars)	2023	2022	YoY %	*CC %
Net interest income	172	138	25%	50%
Non-interest revenue	192	143	34%	88%
Net revenue	364	281	29%	68%
Operating expenses	(148)	(134)	11%	28%
Pre-provision, pre-tax operating profit	216	147	47%	113%
Gross impairment charges on loans	(18)	(21)	(15)%	-
Less loan recoveries and impairment releases	10	8	32%	-
Net impairment charges on loans	(8)	(14)	(42)%	-
Impairment charges on other assets	(4)	(2)	80%	-
Impairment charges on financial assets	(12)	(16)	(23)%	-
Net monetary loss arising from hyperinflationary economy	(62)	(24)	158%	-
Profit before tax	141	107	32%	111%
End-of-period balances				
Loans (net)	1,732	1,536	13%	34%
Deposits	4,675	4,947	(6)%	15%
Ratios:				
Cost-to-income ratio	40.7%	47.7%	-	-
Return on equity (ROE)	28.8%	23.8%	-	-

Central, Eastern and Southern African Region (CESA)

CESA's *profit before tax* for the first half of 2023 was \$141 million compared with \$107 million in the prior year. The 32% increase or 111% at constant currency in profit before tax was driven by significantly higher revenues, partially offset by net monetary losses from hyperinflation. As a result, the annualised ROE for the half year improved to 28.8% from 23.8% in the year-ago period.

Net revenues of \$364 million increased 29% or 68% at constant currency, primarily driven by an expansion in net interest margin and FICC-related fees and commissions. *Net interest income* increased 25% or 50% at constant currency to \$172 million, driven mainly by repricing actions in line with higher regional market rates, increased balances in the investment portfolio, and modest loan growth. *Non-interest revenues* increased by 34% or 88% at constant currency to \$192 million, primarily driven by FC sales within Corporate and Investment Banking and Commercial Banking, trade fees, and deposit margins.

Operating expenses for the period were \$148 million, increasing by 11% or 28% at constant currency due to inflation and currency weaknesses. The cost-to-income ratio for the first half of 2023 was 40.7%, an improvement on 47.7% a year ago as revenue growth exceeded cost growth.

Net impairment charges on loans for the quarter were \$8 million versus \$14 million in the prior-year period, primarily due to an increase in loan recoveries and impairment charge releases back to the income statement.

Notes:

(1) Constant currency reporting eliminates fluctuations in the functional currencies of our operating subsidiaries against the US dollar, our reporting currency. It is a clearer and meaningful indicator of the firm's underlying performance, assuming the US dollar exchange rate to the various functional currencies did not change within the period

(2) Basel II/III Total CAR are estimates as at 30 June 2023. Final numbers will be ready on 30 October 2023 after submission to the regulator.

(3) ROTE is profit available (attributable) to ETI shareholders divided by the average end-of-period tangible shareholders' equity
EOP = end-of-period

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About Ecobank Transnational Incorporated ('ETI' or 'The Group')

Ecobank Group is the leading private pan-African banking group with unrivalled African expertise. Present in 35 sub-Saharan African countries, as well as France, the UK, UAE and China, its unique pan-African platform provides a single gateway for payments, cash management, trade and investment. The Group employs over 13,000 people and offers Consumer, Commercial, Corporate and Investment Banking products, services and solutions across multiple channels, including digital, to over 32 million customers. For further information, please visit ecobank.com.

Cautionary note regarding forward-looking statements

Certain statements in this document are "forward-looking statements". These statements are based on management's current expectations and are subject to uncertainty and changes in circumstances. Actual results may differ materially from those included in these statements.

Earnings Call Information:

Ecobank will host a conference call on **Tuesday, 8 August 2023, at 14:00 GMT (15:00 Lagos time)** to present the unaudited financial results for the period ended 30 June 2023. A Q&A session will follow the presentation.

Joining the Earnings Call:

To participate in the Earnings Call, please register in advance using the link below. Upon registering, you will receive an email containing joining information and the link for the Call.

Link to online registration: <https://msteams.link/4CDV>

In the 10 minutes before the Call starts, you will need to use the access information provided in the email at the point of registering.

Note: Ecobank is hosting the Call using Microsoft Teams. Participants can join the discussion on a mobile, tablet, or computer device.

- Upon registration, you will receive a link to join the Call.
- You can either click on the link or copy the link URL and paste it directly into Google Chrome or Microsoft Edge. You will be prompted to join by downloading the Microsoft Teams app or **on the web**. We recommend you participate on the web if you still need to download the app.
- Your browser may ask if it is okay for Teams to use your microphone and camera. Be sure to allow it.
- Next, enter your name, and choose your audio and video settings. When you are ready, click **Join now**.
- Upon connecting, ensure your audio is muted and video of.

Also, you can scan the QR code below using your Android or iOS phone's camera to launch the registration page.



For those who cannot listen to the live conference, a recording of the call will be available at: <https://ecobank.com/group/investor-relations> . The earnings presentation will be posted on the same website before the call.

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Summary Income Statement and Balance Sheet Highlights for the Regions:

Ecobank Geographical Regions Summary financials for the six months ended 30 June 2023 <i>(In thousands of US Dollars)</i>	UEMOA	NIGERIA	AWA	CESA	INTER- NATIONAL	ETI & Others (1)	Ecobank Group
Income statement highlights							
Net interest income	176	74	186	172	11	(72)	547
Non-interest revenue	138	68	77	192	27	(12)	490
Operating income (net revenue)	314	142	263	364	38	(84)	1,037
Total operating expenses	151	104	124	148	17	19	563
Pre-provision, pre-tax operating profit	163	38	139	216	21	(103)	474
Impairment charges on financial assets	13	9	38	12	0	30	103
Operating profit after impairment losses	150	29	100	204	21	(133)	370
Net monetary loss arising from hyperinflationary economies	-	-	-	(62)	-	-	(62)
Profit before tax	150	29	100	141	21	(133)	308
Profit after tax	128	27	70	101	16	(125)	216
Balance sheet highlights							
Total Assets	10,396	5,203	4,862	6,538	1,112	(1,075)	27,036
Gross loans and advances to customers	4,822	2,183	1,500	1,860	547	200	11,112
Of which stage 1	4,567	1,404	1,273	1,632	480	-	9,355
Of which stage 2	179	600	176	126	63	-	1,145
Of which stage 3 (NPLs)	76	179	51	102	5	200	612
Less: accumulated impairments	(124)	(89)	(62)	(128)	(6)	(80)	(490)
Of which stage 1	(16)	(10)	(13)	(20)	(0)	-	(60)
Of which stage 2	(61)	(36)	(8)	(16)	(1)	-	(121)
Of which stage 3 (NPLs)	(47)	(44)	(42)	(92)	(5)	(80)	(309)
Net loans and advances to customers	4,698	2,094	1,438	1,732	541	120	10,622
Non-performing loans	76	179	51	102	5	200	612
Deposits from customers	7,791	3,204	3,681	4,675	100	-	19,451
Total equity	908	424	514	717	142	(941)	1,764
Ratios							
ROE ⁽²⁾	27.9%	9.6%	26.4%	28.8%	23.6%		27.0%
ROA	2.4%	0.9%	2.8%	3.0%	2.6%		1.5%
Cost-to-income	48.1%	73.3%	47.2%	40.7%	44.6%		54.3%
Loan-to-deposit ratio	61.9%	68.1%	40.7%	39.8%	547.0%		57.1%
NPL Ratio	1.6%	8.2%	3.4%	5.5%	0.9%		5.5%
NPL Coverage	163.9%	50.0%	122.1%	125.9%	123.5%		80.0%

1. ETI and Others comprise the financial results of ETI (parent company), eProcess (the Group's shared services technology company), EBISA (Paris subsidiary), other ETI-affiliates and structured entities, and the net impact of eliminations from the Group's accounting consolidation. Also included here is the resolution vehicle (RV)

2. ROE for the Regions are computed using profit after tax divided by the average end-of-period (EOP) total equity. However, the ROE for the Group, is computed using profit available to ETI divided by average EOP shareholders' equity.

Francophone West Africa (UEMOA)

As at: (in millions of US dollars)	30 Jun 2023	30 Jun 2022	YoY %	CC %
Loans & advances to customers (gross)	4,822	3,571	35%	29%
Of which Stage 1	4,567	3,308	38%	32%
Of which Stage 2	179	171	5%	(0)%
Of which Stage 3 (non-performing loans)	76	92	(17)%	(26)%
Less allowance for impairments (Expected Credit Loss)	(124)	(98)	26%	13%
Of which Stage 1: 12-month ECL ⁽¹⁾	(16)	(26)	(38)%	(41)%
Of which Stage 2: Life-time ECL	(61)	(31)	94%	86%
Of which Stage 3: Life-time ECL	(47)	(41)	16%	(5)%
Loans & advances to customers (net)	4,698	3,473	35%	29%
Total assets	10,396	9,167	13%	8%
Deposits from customers	7,791	6,875	13%	8%
Total equity	908	820	11%	6%
Loan-to-deposit ratio	61.9%	51.9%		
NPL ratio	1.6%	2.6%		
NPL coverage ratio	163.9%	107.5%		
Stage 3 coverage ratio	62.6%	44.6%		

NIGERIA

As at: (in millions of US dollars)	30 Jun 2023	30 Jun 2022	YoY %	*CC %
Loans & advances to customers (gross)	2,183	2,753	(21)%	42%
Of which Stage 1	1,404	1,612	(13)%	56%
Of which Stage 2	600	713	(16)%	51%
Of which Stage 3 (non-performing loans)	179	428	(58)%	(25)%
Less: allowance for impairments (Expected Credit Loss)	(89)	(236)	(62)%	(32)%
Of which Stage 1: 12-month ECL ⁽¹⁾	(10)	(11)	(10)%	61%
Of which Stage 2: Life-time ECL	(36)	(73)	(51)%	(12)%
Of which Stage 3: Life-time ECL	(44)	(152)	(71)%	(48)%
Loans & advances to customers (net)	2,094	2,517	(17)%	49%
Total assets	5,203	6,412	(19)%	46%
Deposits from customers	3,204	4,066	(21)%	41%
Total equity	424	467	(9)%	5.6%
Loan-to-deposit ratio	68.1%	67.7%		
NPL ratio	8.2%	15.5%		
NPL coverage ratio	50.0%	55.1%		
Stage 3 coverage ratio	24.4%	35.5%		

Note: Selected income statement line items only and thus may not sum up

* CC = year-on-year percentage change at constant currency

(1) ECL = Expected Credit Loss

n.m. = not meaningful

Anglophone West Africa (AWA)

As at: (in millions of US dollars)	30 Jun 2023	30 Jun 2022	YoY %	*CC %
Loans & advances to customers (gross)	1,500	1,448	4%	40%
Of which Stage 1	1,273	1,363	(7)%	26%
Of which Stage 2	176	50	253%	391%
Of which Stage 3 (non-performing loans)	51	35	44%	104%
Less allowance for impairments (Expected Credit Loss)	(62)	(69)	(10)%	29%
Of which Stage 1: 12-month ECL ⁽¹⁾	(13)	(25)	(47)%	(21)%
Of which Stage 2: Life-time ECL	(8)	(12)	(36)%	(14)%
Of which Stage 3: Life-time ECL	(42)	(32)	28%	84%
Loans & advances to customers (net)	1,438	1,379	4%	40%
Total assets	4,862	4,896	(1)%	37%
Deposits from customers	3,681	3,683	(0.1)%	32%
Total equity	514	608	(15)%	14%
Loan-to-deposit ratio	40.7%	39.3%		
NPL ratio	3.4%	2.4%		
NPL coverage ratio	122.1%	194.8%		
Stage 3 coverage ratio	81.6%	91.5%		

Central, Eastern and Southern Africa (CESA)

As at: (in millions of US dollars)	30 Jun 2023	30 Jun 2022	YoY %	*CC %
Loans & advances to customers (gross)	1,860	1,622	15%	36%
Of which Stage 1	1,632	1,394	17%	41%
Of which Stage 2	126	169	(25)%	(20)%
Of which Stage 3 (non-performing loans)	102	59	71%	86%
Less: allowance for impairments (Expected Credit Loss)	(128)	(86)	49%	68%
Of which Stage 1: 12-month ECL ⁽¹⁾	(20)	(21)	(2)%	20%
Of which Stage 2: Life-time ECL	(16)	(19)	(17)%	(18)%
Of which Stage 3: Life-time ECL	(92)	(46)	99%	129%
Loans & advances to customers (net)	1,732	1,536	13%	34%
Total assets	6,538	6,467	1%	16%
Deposits from customers	4,675	4,947	(6)%	15%
Total equity	717	639	12%	29%
Loan-to-deposit ratio	39.8%	32.8%		
NPL ratio	5.5%	3.7%		
NPL coverage ratio	125.9%	145.2%		
Stage 3 coverage ratio	90.3%	77.9%		

Note: Selected income statement line items only and thus may not sum up

* CC = year-on-year percentage change at constant currency

(1) ECL = Expected Credit Loss

Ecobank Group

Unaudited consolidated statement of comprehensive Income

In thousands of US dollars, except per share amounts	Period ended 30 June	
	2023	2022
Interest income	913,869	760,801
Interest expense	(366,638)	(267,783)
Net interest income	547,231	493,018
Fee and commission income	275,404	269,109
Fee and commission expense	(26,717)	(38,436)
Trading income	209,449	163,966
Net investment income	4,647	8,146
Other operating income	27,149	13,987
Non-interest revenue	489,932	416,772
Operating income	1,037,163	909,790
Staff expenses	(236,487)	(221,703)
Depreciation and amortisation	(47,314)	(50,747)
Other operating expenses	(279,564)	(236,745)
Operating expenses	(563,365)	(509,195)
Operating profit before impairment charges and taxation	473,798	400,595
Impairment charges on financial assets	(103,417)	(115,163)
Operating profit after impairment charges before taxation	370,381	285,432
Net monetary loss arising from hyperinflationary economies	(62,310)	(24,123)
Profit before tax	308,071	261,309
Taxation	(92,421)	(75,890)
Profit after tax	215,650	185,419
Attributable to:		
Ordinary shareholders	160,918	130,304
Other equity instrument holder	3,656	3,656
Non-controlling interests	51,076	51,459
	215,650	185,419
Earnings per share from continuing operations attributable to owners of the parent during the period (expressed in United States cents per share):		
Basic (cents)	0.654	0.530
Diluted (cents)	0.654	0.530

Ecobank Group

Unaudited consolidated statement of other comprehensive income

Period ended 30 June

In thousands of US dollars, except per share amounts	2023	2022
Profit after tax	215,650	185,419
Other comprehensive income:		
Items that may be reclassified to profit or loss:		
Exchange difference on translation of foreign operations	(406,209)	(269,760)
Net change in fair value of other financial assets FVOCI	(23,892)	(53,273)
Net change in fair value on property and equipment	6,880	(1,271)
Other comprehensive loss for the period, net of taxation	(423,221)	(324,304)
Total comprehensive loss for the period	(207,571)	(138,885)
Total comprehensive (loss) / income attributable to:		
Ordinary shareholders	(240,751)	(134,631)
Other equity instrument holder	3,656	3,656
Non-controlling interests	29,524	(7,910)
	(207,571)	(138,885)

Ecobank Group

Unaudited consolidated statement of financial position

As at

In thousands of US dollars, except per share amounts	30 June 2023	31 December 2022
ASSETS		
Cash and balances with central banks	3,638,293	4,293,810
Trading financial assets	63,656	173,195
Derivative financial instruments	377,510	137,468
Loans and advances to banks	1,690,100	1,496,567
Loans and advances to customers	10,622,408	11,002,905
Treasury bills and other eligible bills	1,697,441	2,455,739
Investment securities	6,779,171	7,004,434
Pledged assets	137,083	153,970
Other assets	1,142,461	1,197,175
Investment in associates	570	1,016
Intangible assets	54,264	84,545
Property and equipment	629,078	754,011
Investment properties	9,354	9,922
Deferred income tax assets	188,496	229,434
	27,029,885	28,994,191
Assets held for sale	5,834	9,978
Total assets	27,035,719	29,004,169
LIABILITIES		
Deposits from banks	1,880,002	2,461,934
Deposits from customers	19,451,121	20,813,313
Derivative financial instruments	326,483	94,224
Borrowed funds	2,110,971	2,278,392
Other liabilities	1,256,100	1,069,131
Provisions	64,421	63,255
Current income tax liabilities	61,460	77,696
Deferred income tax liabilities	94,067	99,948
Retirement benefit obligations	27,196	19,261
Total liabilities	25,271,821	26,977,154
EQUITY		
Share capital and premium	2,113,961	2,113,961
Retained earnings and reserves	(987,067)	(719,113)
Equity attributable to ordinary shareholders	1,126,894	1,394,848
Other equity instrument holder	74,088	74,088
Non-controlling interests	562,916	558,079
Total equity	1,763,898	2,027,015
Total liabilities and equity	27,035,719	29,004,169

Unaudited consolidated statement of changes in equity

	Attributable to equity holders of the company				Other equity	Non-Controlling Interest	Total Equity
	Share Capital	Retained Earnings	Other Reserves	Total equity and reserves attributable			
	In thousands of US dollars						
At 31 December 2021 / January 2022	2,113,961	434,419	(1,015,989)	1,532,391	74,088	557,827	2,164,306
Foreign currency translation differences	-	-	(212,605)	(212,605)	-	(57,155)	(269,760)
Net change in fair value of other financial assets	-	-	(51,059)	(51,059)	-	(2,214)	(53,273)
Net change in fair value on property and equipment	-	-	(1,271)	(1,271)	-	-	(1,271)
Profit for the period	-	130,304	-	130,304	3,656	51,459	185,419
Total comprehensive loss for the period	-	130,304	(264,935)	(134,631)	3,656	(7,910)	(138,885)
Coupon paid to other equity instrument holder	-	-	-	-	(3,656)	-	(3,656)
Dividend relating to 2021	-	(39,568)	-	(39,568)	-	(27,680)	(67,248)
At 30 June 2022	2,113,961	525,155	(1,280,924)	1,358,192	74,088	522,237	1,954,517
At 1 January 2022	2,113,961	434,419	(1,015,989)	1,532,391	74,088	557,827	2,164,306
Foreign currency translation differences	-	-	(323,504)	(323,504)	-	(62,602)	(386,106)
Net changes in debt instruments, net of taxes	-	-	(72,975)	(72,975)	-	(8,170)	(81,145)
Net changes in equity instruments, net of taxes	-	-	-	-	-	-	-
Net gain on revaluation of property	-	-	24,294	24,294	-	15,725	40,019
Remeasurements of post-employment benefit obligations	-	-	(665)	(665)	-	-	(665)
Profit for the year	-	286,430	-	286,430	7,312	72,949	366,691
Total comprehensive loss for the year	-	286,430	(372,850)	(86,420)	7,312	17,902	(61,206)
Additional tier 1 capital coupon	-	-	-	-	(7,312)	-	(7,312)
Transfer of to NCI	-	-	(6,471)	(6,471)	-	6,471	-
Equity component not converted	-	-	(5,084)	(5,084)	-	-	(5,084)
Transfer from revaluation reserve property on disposed property	-	85	(85)	-	-	-	-
Transfer from general banking reserves	-	2,120	(2,120)	-	-	-	-
Transfer to statutory reserve	-	(112,454)	112,454	-	-	-	-
Dividend relating to 2021	-	(39,568)	-	(39,568)	-	(24,121)	(63,689)
At 31 December 2022	2,113,961	571,032	(1,290,145)	1,394,848	74,088	558,079	2,027,015
Foreign currency translation differences	-	-	(382,334)	(382,334)	-	(23,875)	(406,209)
Net change in fair value of other financial assets	-	-	(25,190)	(25,190)	-	1,298	(23,892)
Net change in fair value on property and equipment	-	-	5,855	5,855	-	1,025	6,880
Profit for the period	-	160,918	-	160,918	3,656	51,076	215,650
Total comprehensive loss for the period	-	160,918	(401,669)	(240,751)	3,656	29,524	(207,571)
Coupon paid to other equity instrument holder	-	-	-	-	(3,656)	-	(3,656)
Dividend relating to 2021	-	(27,203)	-	(27,203)	-	(24,687)	(51,890)
At 30 June 2023	2,113,961	704,747	(1,691,814)	1,126,894	74,088	562,916	1,763,898

Ecobank Group

Unaudited consolidated statement of cash flows

In thousands of US dollars	Period ended 30 June	
	2023	2022
Cash flows from operating activities		
Profit before tax	308,071	261,309
Adjustments for:		
Foreign exchange income	(320,301)	(85,288)
Impairment losses on loans and advances	65,928	91,658
Impairment losses on other financial assets	37,489	23,505
Depreciation of property and equipment	31,044	35,660
Amortisation of software and other intangibles	16,270	15,087
Profit on sale of property and equipment	(1,606)	(3,288)
Income taxes paid	(103,998)	(107,640)
Changes in operating assets and liabilities	-	-
Trading financial assets	58,339	36,979
Derivative financial instruments	(263,383)	(37,512)
Treasury bills and other eligible bills	371,223	1,258
Loans and advances to banks	(330,434)	(437,709)
Loans and advances to customers	(1,222,128)	175,252
Pledged assets	(43,203)	7,773
Other assets	(257,585)	(83,442)
Mandatory reserve deposits with central banks	(161,377)	45,302
Deposits from customers	1,604,192	31,979
Other deposits from banks	(445,979)	(337,877)
Derivative liabilities	255,715	33,211
Other liabilities	470,156	159,791
Provisions	2,458	(518)
Net cashflow from / (used in) operating activities	70,891	(174,510)
Cash flows from investing activities		
Purchase of software	(1,989)	(2,988)
Purchase of property and equipment	(20,167)	(18,901)
Proceeds from sale of property and equipment	2,192	7,843
Purchase of investment securities	(1,265,153)	(570,745)
Redemption of investment securities	1,404,346	314,882
Net cashflow from / (used in) investing activities	119,229	(269,909)
Cash flows from financing activities		
Repayment of borrowed funds	(115,738)	(207,848)
Proceeds from borrowed funds	100,961	217,275
Coupon to Additional tier 1 capital	(3,656)	(3,656)
Dividends paid to ordinary shareholders	(27,203)	(39,568)
Dividends paid to non-controlling shareholders	(24,687)	(27,680)
Net cashflow used in financing activities	(70,323)	(61,477)
Net increase / (decrease) in cash and cash equivalents	119,797	(505,896)
Cash and cash equivalents at beginning of period	3,382,968	3,986,309
Effects of exchange differences on cash and cash equivalents	(467,338)	175,410
Cash and cash equivalents at end of the period	3,035,427	3,655,823