Ecobank
The Pan African Bank

New Release | Lomé 23 March, 2021

Ecobank Group reports FY 2020 Profit Before Tax of $174 million ($338 million excluding goodwill charge), EPS of 0.010 US cents, Total CAR of 12.3%, and record deposit growth of $2.0 billion to $18.3 billion.

Income Statement ($M)	FY20	FY19
Net revenue (operating income)	**1,680**	1,622
Pretax, pre-provision operating profit	**626**	549
Profit before tax	**174**	405
Profit befort tax (*i.e.excl. goodwill charge*)	**338**	405
Profit available to ETI shareholders	**4**	194
Diluted EPS ($ cents)	**0.010**	0.778
Balance Sheet ($M)	**FY20**	**FY19**
Net loans and advances to customers	**9,240**	9,277
Deposits from customers	**18,297**	16,246
Cost of funds	**2.3%**	3.4%
Non-performing loans (NPL) ratio	**7.6%**	9.7%
NPL coverage ratio	**74.5%**	58.3%
Tangible book value per share ($ cents)	**5.47**	4.72
Basel II/III Total CAR[3]	**12.3%**	11.6%
Profitability Metrics	**FY20**	**FY19**
Return on average total assets (ROA)[1]	**0.4%**	1.2%
Normalised ROA (*i.e. excl. goodwill charge*)	**1.0%**	1.2%
Return on tangible shareholders' equity (ROTE)[2]	**0.3%**	16.5%
Normalised ROTE (*i.e. excl. goodwill charge*)	**13.3%**	16.5%
Net interest margin (NIM)	**5.5%**	4.7%
Cost-to-income ratio (CIR)	**62.7%**	66.2%
Cost-of-risk (CoR)	**1.85%**	1.12%

Geographical Region	ROE	CIR
Francophone West Africa (UEMOA)	18.6%	59.5%
Nigeria	4.2%	82.4%
Anglophone West Africa (AWA)	26.9%	49.4%
Central, Eastern and Southern Africa (CESA)	16.1%	54.4%

(1) ROA (annualised)is calculated as the Group's profit after tax divided by average end-of-period total assets
(2) Profit available (attributable) to ETI shareholders divided by the average end-of-period tangible shareholders' equity
(3) December 2020 CAR is provisional until submission to the regulator in April 2021

Group CEO Commentary

Ade Ayeyemi, Ecobank Group CEO, said: "2020 was a year which tested the resilience of the human spirit in rising to the many challenges as governments, businesses and households' unrelentingly strove to keep citizens, clients and loved ones safe. I am proud of Ecobankers' hard work and continued service to our customers and the support we provide to the communities we serve."

Despite the pandemic's challenges, revenues increased by 4% to $1.7 billion. Pre-tax pre-provision profits rose 14% to $626 million, reflecting the power of our pan-African diversified one-bank business model. Our tangible book value per share rose 16% to $0.0547. Pre-tax profits were $174 million, down 57% on last year, due to a $164 million goodwill charge, $61 million in net monetary losses, and legal and restructuring costs of $44 million. Corporate and Investment Banking was the primary growth driver, increasing PBT by 45%, as it repositioned the FICC business to offer innovative and structured products. Consumer Bank and Commercial Bank's profits were down as the pandemic's reverberations disproportionately affected households and small businesses, but they led the drive in the record growth of our customer deposits of $2bn to reach $18.3bn, thanks to the acceleration in digital channels usage. The regions' results benefited from continued execution momentum. Nigeria improved Return on Equity (ROE) and strengthened liquidity and capital levels. UEMOA and AWA produced strong ROEs reflecting their leadership positions. CESA, hampered by Zimbabwe and South Sudan's hyperinflation, delivered modest results. Group-wide we ended the year with a provisional Total Capital Adequacy Ratio of 12.3% versus 11.6% at the start. We improved our efficiency ratio by 342 basis points to 62.7% as we continued resetting the firm's cost base. With pre-tax, pre-provision profits up $77m, we added meaningfully to gross impairment reserves. We are turning the curve on asset quality. Non-performing loans reduced substantially, evidenced by our 7.6% NPL ratio. We closed with a coverage ratio of 75%, compared to 58% in 2019, and are aiming for 100% in the near term.

"We will continue to invest in our technology and payment business capabilities to ensure we deliver excellence in customer service. We remain optimistic about future growth and ability to create shareholder value by utilising our investments and achievements to grow revenues and generate long-term returns, despite the near-term challenges from COVID-19. I thank all Ecobankers for their continued dedication to helping our customers, communities and governments." Ayeyemi concluded.

- Pre-tax pre-provision operating profit increased $77m to $626m providing additional loss absorbing capacity and ability to build **macro-overlay of reserves of $55m** as a buffer against the uncertain economic outlook.
- Provided relief assistance to select clients affected by COVID-19 through granting moratoriums by way of 6-12 months principal payment deferrals in line with regulatory forbearance. **15% of loan book was availed of this forbearance.**
- Corporate & Investment Bank's (CIB) digital transformation of its cash management and trade business gained momentum. Total volume of transactions on Omni Plus **increased 21% to $27.7bn** and e-Trade digital platform volumes increased **191% to $529m**.
- **More than $600 million in syndicated loans to corporates and governments** were arranged by CIB. CIB also provided FX currency hedging solutions to mostly government clients.
- Trade loans within CIB's Trade Services and Finance business grew by 16% year-on-year.
- **Commercial Bank (CMB) added 498k** new customers to surpass the target of one million customers in 2020. Provided self-onboarding options on OmniLite and Ecobank Pay. **Launched OmniLite app,** which will allow access via a mobile device.
- **Launched Rapidtransfer International remittance offering, in France** and across 15 other European countries. We have had 6k app downloads and over 1k transactions with over 70% repeat customers.
- Total Payments Volume on OmniLite, CMB's payments platform for SME clients, grew by **1,368% to $3.9bn**.
- **CMB partnered with the AUDA-NEPAD** (the African Union Development Agency) to strengthen Africa's response to MSMEs and support recovery from COVID-19's impact.
- Continued to see accelerated shift from physical to digital with **transaction volumes on digital channels rising 56%, and in-branch transactions falling 8%.**
- Adopting a **digital-led mindset** around the Payments Business to ensure we are agile and flexible in embracing new technologies and business approaches to effectively compete.

TOTAL VOLUME ($m) OF TRANSACTIONS - DIGITAL CHANNELS

In millions of $	2020	2019	% CHG
Omni Plus	**27,739**	22,944	21%
Ecobank Mobile App	**3,343**	2,259	48%
Xpress Points (Agency Network)	**1,552**	1,709	(9)%
Ecobank USSD	**185**	76	142%
Ecobank Online	**1,051**	388	171%
OmniLite	**3,936**	268	1,368%
RapidTransfer App	**2.2**	3.1	(29)%
Indirect Channels	**3,977**	1,612	147%
Cards	**7,401**	7,037	5%
Bank Collect	**3,378**	1,713	97%
POS	**462**	388	19%
Ecobank Pay	**124**	95	30%
e-Commerce	**85**	264	(68)%

SUMMARY FINANCIAL REVIEW OF THE ECOBANK GROUP

Selected Income Statement Highlights				
For the year ended 31 December (In millions of US dollars except per share data and ratios)	**2020**	2019	YoY	Constant Currency[1]
Net interest income	**907**	750	21%	28%
Non-interest revenue	**773**	873	(11)%	(4)%
Operating income (net revenue)	**1,680**	1,622	4%	11%
Operating expenses	**(1,054)**	(1,073)	(2)%	2%
Pretax pre-provision operating profit	**626**	549	14%	32%
Gross impairment losses on loans	**(312)**	(314)	(1)%	(1)%
Loan recoveries and impairment losses releases	**131**	204	(36)%	(37)%
Net impairment losses on loans	**(182)**	(110)	65%	69%
Impairment losses on other assets	**(45)**	(24)	92%	37%
Impairment losses on financial assets	**(227)**	(134)	70%	61%
Net monetary loss arising from hyperinflationary economy	**(61)**	(9)	539%	-
Share of loss of associate	**(0.3)**	(0.8)	(62)%	
Profit before tax and goodwill impairment	**338**	405	(17)%	
Goodwill impairment	**(164)**	-		
Profit before tax	**174**	405	(57)%	(47)%
Taxation	**(89)**	(135)	(34)%	
Profit after tax from continuing operations	**85**	270	(69)%	-
Profit after tax from discontinued operations	**3**	5	(29)%	-
Profit for the year	**88**	275	(68)%	(34)%
Profit available to ETI shareholders	**4**	**194**	**(98)%**	**-**
Per Share Data (US cents)				
Basic EPS	**0.010**	0.778		
Normalised Basic EPS	**0.671**	n.a.		
Diluted EPS	**0.010**	0.778		
Normalised Diluted EPS	**0.671**	n.a.		

Note: Selected income statement lines only and totals may not sum up.
(1) Constant currecy = year-on-year percentage change on a constant currency basis

Profit before tax was $174 million, down $231 million or 57 per cent from 2019. Notable items that negatively impacted profit before tax were the $164 million of goodwill charge ($159 million related to Oceanic Bank acquired in 2011 and $4 million related to our microfinance entity SOFIPE in Burkina Faso acquired in 2014), and a net monetary loss of $61 million due to hyperinflation in Zimbabwe and South Sudan. Adjusting for the goodwill charge, profit before tax for

2020 was $338 million, down $67 million, from 2019. Profit available to ordinary shareholders of the parent company (ETI) was $4 million, down $190 million or 98 per cent from 2019, adversely impacted by the goodwill charge and net monetary loss.

Net revenue (operating income) was $1,680 million for 2020, increasing by $58 million or 4 per cent from 2019. Revenues benefited from an increase in net interest income partially offset by a decrease in non-interest revenues.

Net interest income increased by $157 million or 21 per cent to $907 million, reflecting the benefit of deposit and funding mix. As a result, interest expense declined $179 million, partially offsetting a decrease of $22 million in interest income. The decrease in interest income was because of the net impact of lower interest rates. The net interest margin (NIM) improved to 5.5 per cent compared with 4.7 per cent in 2019. The cost of funds of 2.3 per cent improved from 3.4 per cent in 2019.

Non-interest revenue declined by $100 million or 11 per cent to $773 million, primarily because consumer and business activities slowed down significantly due to the COVID-19 pandemic. As a result, net fees and commissions income fell by $31 million to $389 million. The decrease was driven by cash management and related fees, which declined by $11 million to $187 million. Moreover, lockdowns led to decreased spending. As a result, card management fees fell by $15 million to $65 million. Also, credit-related fees and commissions, and portfolio and management fees, declined by $7 million and $10 million, respectively. Net trading income decreased by $35 million to $346 million, driven by lower fees on client-driven foreign-exchange sales as trading activities slowed.

Expenses of $1,054 million decreased by $19 million or 2 per cent from 2019. Expenses benefited from targeted actions taken to reset the firm's cost base, especially amid the challenging operating environment. Also, savings from the lockdowns and social distancing restrictions implemented at the pandemic's height reduced expense items such as travel, rent, utilities and training budgets as most activities shifted to digital. Included in the expense base are legal and restructuring charges of $44 million. The cost-to-income ratio (efficiency ratio) improved by 342 basis points to 62.7 per cent from to 66.2 per cent in 2019.

Impairment losses on loans (net) for 2020 were $182 million, up $72 million from 2019. The higher impairments expense for 2020 reflected lower loan recoveries of $131 million in 2020 compared to $204 million in 2019. Gross provisions were down $2.1 million to $312 million, reflecting the reduction in non-performing loans. Extra management macro-overlays in reserves of $55 million were proactively taken as a buffer against what remains an uncertain economic outlook. Consequently, the cost-of-risk increased to 1.85 per cent from 1.12 per cent in 2019. Excluding the macro-overlay, the cost-of-risk was 1.29 per cent.

Taxation

Income taxes were $89 million in 2020 compared with $135 million in the prior-year period. The effective income tax rate (ETR) was 26.4 per cent (excluding the impact of one-off goodwill charge) versus 33.3% in 2019.

BALANCE SHEET SUMMARY

Selected Balance Sheet Information				
Period As At: (in millions of US dollars, except per share amounts)	**2020**	2019	YoY	Ccy*
Gross loans and advances to customers	**9,798**	9,834	(0.4)%	
Less: allowance for impairments	**558**	557	0.2%	
Net loans and advances to customers	**9,240**	9,277	(0.4)%	(2)%
Deposits from customers	**18,297**	16,246	13%	13%
Total assets	**25,939**	23,641	10%	10%
Equity attributable to owners of ETI	**1,503**	1,477	2%	
Total equity to all owners	**2,028**	1,886	8%	9%
Loan-to-deposit ratio	**53.6%**	60.5%		
Total capital adequacy ratio (CAR)[1]	**12.3%**	11.6%		
Tier 1 capital adequacy ratio	**9.4%**	8.8%		
Risk-weighted assets (RWA)	**15,550**	15,503	0.3%	
End-of-period ordinary shares outstanding (millions of shares)	**24,730**	24,730		
# of ordinary shares to be issued if convertible bond converts	**6,667**	6,667		
Per Share Data (In US Cents)				
Book value per ordinary share, BVPS[2]	**6.08**	5.97	2%	
Tangible book value per ordinary share, TBVPS[3]	**5.47**	4.72	16%	
Share price -End of Period	**1.58**	1.79	(12)%	

(1) December 2020 CAR is provisional until submission to the regulator in April 2021. CAR ratios are based on transitional adjusted capital; the Group is recognising IFRS 9 Day 1 impairments in regulatory capital over a 5-year period from 1 January 2018 to 1 January 2023
(2) ETI shareholders' equity divided by end-of-period ordinary shares outstanding
(3) 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
*Ccy = year-on-year percentage change on a constant currency

Gross loans and advances to customers of $9,798 million fell $36 million from the prior year. Net loans fell $37 million or 0.4 per cent to $9,240 million. A decline in Corporate Bank loans offset a modest increase in loans within Commercial Bank and Consumer Bank. Overall, lower demand, coupled with a deliberate approach to highly selective lending in the current challenging operating environment, stifled loan growth.

Deposits from customers of $18,297 million increased by $2,051 million or 13 per cent from 2019. The increase was across all business lines, but mostly in Consumer Bank, which added $947 million in deposits to $6,452 million in 2020. Also, a significant portion of incremental deposits were low-cost current and savings account (CASA)deposits, representing 82 per cent of total customer deposits. An increase in client utilisation of digital channels, such as Ecobank Omni, BankCollect and EcobankPay, was partly responsible for significant deposits growth. Overall, transaction volumes accelerated on POSs, Omni, OmniLite, BankCollect, and EcobankPay.

The Group's provisional Tier 1 CAR and Total CAR were 9.4 per cent and 12.3 per cent, respectively, as of 31 December 2020. The improvement in CAR for the year, up from 8.8 per cent Tier 1 and 11.6 per cent Total CAR as of December 2019, is primarily due to internal profit generation and the issuance of Tier 2 capital instruments at the affiliate level. On a fully loaded IFRS 9 Day One basis, the Group estimates Tier 1 CAR at 8.8 per cent and Total CAR at 11.7 per cent as of 31 December 2020. The $164 million impairment of goodwill had no impact on the capital ratios. Goodwill is already a deductible in the computation of Tier 1 capital.

Equity available (attributable) to ETI shareholders was $1,503 million as of 31 December 2020, compared with $1,477 in the prior year. The $27 million growth in available equity was driven by several factors – profit accretion for the current year, unrealised gains on fixed-income securities, gains on revaluation of properties and higher other comprehensive income, partially offset by the adverse impact of the non-cash goodwill impairment charge of $164 million, the $61 million net monetary loss arising from hyperinflation in Zimbabwe and South Sudan, and a negative reserve arising from

foreign currency translation (FCTR) effects.

Asset Quality		
In millions of US dollars **For the period ended:**	**31 Dec 2020**	31 Dec 2019
Gross impairment losses on loans and advances	**(312)**	(314)
Less: recoveries and impairment releases	**131**	204
Net impairment losses on loans and advances	**(182)**	(110)
Impairment losses on other assets	**(45)**	(24)
Impairment losses on financial assets	**(227)**	(134)
Cost-of-risk[1]	**1.85%**	1.12%
As at:		
Gross loans and advances to customers	**9,798**	9,834
Of which stage 1	**7,808**	7,733
Of which stage 2	**1,241**	1,145
Of which stage 3, credit impaired loans (non-performing loans)	**749**	955
Less: allowance for impairments (Expected Credit Loss)	**558**	557
Of which stage 1: 12-month ECL[2]	**90**	53
Of which stage 2: Life-time ECL	**93**	74
Of which stage 3: Life-time ECL	**375**	430
Net loans and advances to customers	**9,240**	9,277
Impaired loans or non-performing loans (NPLs)	**749**	955
NPL ratio	**7.6%**	9.7%
NPL coverage ratio	**74.5%**	58.3%
Stage 3 coverage ratio	**50.1%**	45.0%

(1) Cost-of-risk is computed on an annualised basis
(2) Expected Credit Losses
Note: totals may not add up due to rounding.

Impaired loans (Non-performing loans or Stage 3 loans) were $749 million as of 31 December 2020 compared with $955 million as of 31 December 2019. Recoveries, collections, and write-offs drove the decrease. Consequently, the non-performing loans ratio improved to 7.6 per cent from 9.7 per cent in 2019. The allowance coverage for non-performing loans was 74.5 per cent, a significant improvement on the 58.3 per cent in 2019. As we continue to build higher pre-tax pre-provision operating profit, we expect to drive coverage gradually towards 100 per cent of non-performing loans in the near term.

REGIONAL PERFORMANCE

The Group is divided into four geographical regions. These reportable regions are Francophone West Africa (UEMOA), Nigeria, Anglophone West Africa (AWA), and Central, Eastern and Southern Africa (CESA). 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.

Comparisons noted in the commentary below are calculated for the year ended 31 December 2020 versus the year ended 31 December 2019, unless otherwise specified.

Ecobank Geographical Regions Summary Performance as of 31 December 2020 (In millions of US Dollars)	NIGERIA [1]	UEMOA	AWA	CESA	ETI & Others [2]	Ecobank Group
Income statement highlights						
Net interest income	161	311	317	211	(92)	907
Non-interest revenue	109	201	159	247	57	773
Net revenue (operating income)	**269**	**511**	**476**	**458**	**(35)**	**1,680**
Operating expenses	222	304	235	249	44	1,054
Pre-provision operating profit	**47**	**207**	**241**	**209**	**(79)**	**626**
Impairment losses on financial assets	12	56	40	29	91	227
Operating profit after impairment losses	35	152	201	180	(169)	399
Net monetary loss arising from hyperinflationary economies	-	-	-	(61)	0	(61)
Share of post-tax results of associates	-	-	-	(0.1)	(0.2)	(0.3)
Profit before tax and goodwill impairment	35	152	201	119	(170)	338
Goodwill Impairment	-	-	-	-	(164)	(164)
Profit before tax	**35**	**152**	**201**	**180**	**(394)**	**174**
Profit after tax	**33**	**141**	**139**	**89**	**(314)**	**88**
Balance sheet highlights						
Total Assets	5,630	9,969	4,304	5,961	75	25,939
Gross loans and advances to customers	**2,481**	**3,870**	**1,213**	**1,796**	**438**	**9,798**
Of which stage 1	1,343	3,460	1,078	1,437	490	7,808
Of which stage 2	645	281	59	194	62	1,241
Of which stage 3 (NPLs)	493	129	77	165	(114)	749
Less: Accumulated impairments	**(279)**	**(73)**	**(72)**	**(163)**	**29**	**(558)**
Of which stage 1	(9)	(27)	(22)	(29)	(3)	(90)
Of which stage 2	(62)	(13)	(7)	(20)	9	(93)
Of which stage 3	(208)	(33)	(43)	(114)	23	(375)
Net loans and advances to customers	2,202	3,796	1,142	1,633	467	9,240
Non performing loan	493	129	77	165	(114)	749
Deposits from customers	3,538	6,849	3,180	4,510	221	18,297
Total equity	796	822	585	595	(771)	2,028
Ratios						
ROE [3]	4.2%	18.6%	26.9%	16.1%		0.3%
ROA	0.6%	1.5%	3.5%	1.5%		0.4%
Cost-to-income	82.4%	59.5%	49.4%	54.4%		62.7%
Loan-to-deposit ratio	70.1%	56.5%	38.2%	39.8%		53.6%
NPL Ratio	19.9%	3.3%	6.3%	9.2%		7.6%
NPL Coverage	56.7%	56.8%	93.5%	98.9%		74.5%

1. Also included in the Nigeria region are the results of the Resolution Vehicle
2. ETI & Others comprise the financial results of the parent company (ETI), eProcess (the Group's technology shared services company owned by ETI), Paris subsidiary, other ETI-owned affiliates and structured entities, and the impact of accounting eliminations arising from Group consolidation.
3. ROE for the regions are computed using profit after tax divided by average end-of-period (EOP) total equity. For the Group, the ROE is computed using profit available to ETI divided by average EOP shareholder's equity

Francophone West Africa (UEMOA)

Year ended 31 December (in millions of US dollars)	**2020**	2019	YoY	Ccy*
Net interest income	**311**	291	7%	4%
Non-interest revenue	**201**	217	(8)%	(10)%
Net revenue (operating income)	**511**	508	1%	(2)%
Operating expenses	**(304)**	(302)	1%	(2)%
Pretax, pre-provision operating profit	**207**	206	1%	(2)%
Gross impairment losses on loans	**(104)**	(154)	(33)%	(36)%
Loan recoveries and impairment releases	**53**	121	(57)%	(59)%
Net impairment losses on loans	**(51)**	(32)	57%	46%
Impairment losses on other assets	**(5)**	(0.1)	n.m.	n.m.
Impairment losses on financial assets	**(56)**	(32)	71%	59%
Profit before tax	**152**	174	(13)%	(14)%

As at 31 December (In millions of US dollars)	**2020**	2019	YoY	Ccy
Loans & advances to customers (gross)	**3,870**	3,848	1%	-
Of which stage 1	**3,460**	3,498	(1)%	-
Of which stage 2	**281**	191	47%	-
Of which stage 3, credit impaired loans (non-performing loans)	**129**	159	(19)%	(26)%
Less: allowance for impairments (Expected Credit Loss)	**(73)**	(79)	(8)%	(16)%
Of which stage 1: 12-month ECL[(1)]	**(27)**	(28)	(3)%	-
Of which stage 2: Life-time ECL	**(13)**	(11)	22%	-
Of which stage 3: Life-time ECL	**(33)**	(41)	(19)%	-
Loans & advances to customers (net)	**3,796**	3,769	1%	(8)%
Total assets	**9,969**	8,960	11%	2%
Deposits from customers	**6,849**	5,641	21%	11%
Total equity	**822**	697	18%	8%
Cost-to-income	**59.5%**	59.4%		
ROE	**18.6%**	22.8%		
Loan-to-deposit ratio	**56.5%**	68.2%		
NPL ratio	**3.3%**	4.1%		
NPL coverage ratio	**56.8%**	50.1%		
Stage 3 coverage ratio	**25.6%**	25.6%		

Note: Selected income statement line items only and thus may not sum up
* Ccy = year-on-year percentage change on a constant currency
(1) ECL = Expected Credit Loss

Francophone West Africa (UEMOA)

Francophone West Africa posted a profit before tax of $152 million, a decrease of $22 million or 13 per cent from the prior year. Net revenue of $511 million increased slightly by $3.1 million from the preceding year. ROE was 18.6 per cent down from 22.8 per cent in 2019, primarily due to higher impairments.

Net interest income rose $20 million or 7 per cent to $311 million, with a decrease of $49 million in interest income offset by a significant decrease in interest expense by $69 million. The decrease in interest expense benefited substantially from growth in customer deposits of $1.1 billion year-on-year, with a considerable portion being non-interest-bearing deposits.

Non-interest revenue declined by $17 million or 8 per cent to $201 million. The impact of COVID-19 weighed negatively on business activity, reducing the fees and commissions generated on cash management, trade finance, and payments. A significant portion of the non-interest revenue decrease was related to a significant compression in the margins generated on client-driven foreign-exchange transactions. Net fees and commissions fell $16 million to $119 million, and

net trading income declined by $2 million to $76 million, partly benefiting immensely from significant income generation from FX hedging solutions provided to sovereign clients.

Expenses were slightly up by $2 million to $304 million, driven by restructuring costs in Côte d'Ivoire and Mali, mainly associated with headcount and branch closures. The cost-to-income ratio of 59.5 per cent was flat versus the prior year.

Impairment losses on loans and financial assets of $56 million were $23 million higher than the $32 million in 2019. Episodic loan downgrades drove the increase in impairment losses in 2020. The portion of total gross loans that are non-performing was 3.3 per cent, improving from 4.1 per cent in 2019.

NIGERIA

Year ended 31 December (in millions of US dollars)	**2020**	2019	YoY	Ccy*
Net interest income	**161**	103	56%	66%
Non-interest revenue	**109**	153	(29)%	(21)%
Net revenue (operating income)	**269**	256	5%	15%
Operating expenses	**(222)**	(243)	(9)%	(0.4)%
Pretax, pre-provision operating profit	**47**	13	265%	323%
Gross impairment losses on loans	**(33)**	(32)	4%	11%
Loan recoveries and impairment releases	**27**	28	(2)%	1%
Net impairment losses on loans	**(6)**	(5)	40%	96%
Impairment losses on other assets	**(6)**	(2)	166%	171%
Impairment losses on financial assets	**(12)**	(7)	82%	126%
Profit before tax	**35**	6	462%	506%

As at 31 December (In millions of US dollars)	**2020**	2019	YoY	Ccy
Loans & advances to customers (gross)	**2,481**	2,504	(1)%	-
Of which stage 1	**1,343**	1,175	14%	-
Of which stage 2	**645**	731	(12)%	-
Of which stage 3, credit impaired loans (non-performing loans)	**493**	598	(18)%	5%
Less: allowance for impairments (Expected Credit Loss)	**(279)**	(279)	0%	56%
Of which stage 1: 12-month ECL[1]	**(9)**	(22)	(58)%	-
Of which stage 2: Life-time ECL	**(62)**	(56)	12%	-
Of which stage 3: Life-time ECL	**(208)**	(201)	3%	-
Loans & advances to customers (net)	**2,202**	2,225	(1)%	9%
Total assets	**5,630**	5,933	(5)%	10%
Deposits from customers	**3,538**	3,715	(5)%	5%
Total equity	**796**	785	2%	89%
Cost-to-income	**82.4%**	94.9%		
ROE	**4.2%**	0.4%		
Loan-to-deposit ratio	**70.1%**	67.4%		
NPL ratio	**19.9%**	23.9%		
NPL coverage ratio	**56.7%**	46.6%		
Stage 3 coverage ratio	**42.2%**	33.6%		

Note: Selected income statement line items only and thus may not sum up
* Ccy = year-on-year percentage change on a constant currency
(1) ECL = Expected Credit Loss

Nigeria

Nigeria's profit before tax improved, increasing by $29 million or 462 per cent to $35 million in 2020 compared to $6 million in 2019, despite operating in an economic recession. Net revenues increased $14 million or 5 per cent to $269 million. ROE improved to 4.2 per cent from 0.4 per cent a year ago.

Net interest income of $161 million increased by $58 million or 56 per cent from the prior year, primarily reflecting the impact of lower rates. While the low yield environment drove funding costs down, Nigeria's deliberate strategy to improve the deposit mix to favour lower-cost CASA deposits also helped reduce interest expenses.

Non-interest revenue fell $44 million or 29 per cent to $109 million, as restrictions to contain the coronavirus pandemic coupled with lower crude oil prices drove Nigeria's economy into an economic recession. As a result, fees generated on payments, cash management, trade finance, and client-related foreign exchange sales decreased year-on-year.

Expenses of $222 million decreased by $21 million or 9 per cent, driven by aggressive cost-cutting initiatives involving branch closures and staff reductions. Additionally, expenses benefited from the lockdown restrictions. The cost-to-income ratio improved to 82.4% from 94.9% in 2019.

Impairment losses on loans and financial assets increased by $5 million to $12 million. The impact of COVID-19 primarily drove the current period's higher impairments. Included in impairments for the current period are recoveries of $13 million from the Resolution Vehicle. Non-performing loans decreased by $105 million to $493 million, driven by loan recoveries and loan write-offs, resulting in an improvement in the non-performing loans ratio to 19.9 per cent from 23.9 per cent in 2019. The provision coverage for non-performing loans increased to 56.7 per cent from 46.6 per cent from the previous year.

Anglophone West Africa (AWA)

Year ended 31 December (in millions of US dollars)	**2020**	2019	YoY	Ccy*
Net interest income	**317**	264	20%	32%
Non-interest revenue	**159**	172	(8)%	(12)%
Net revenue (operating income)	**476**	436	9%	13%
Operating expenses	**(235)**	(205)	15%	18%
Pretax, pre-provision operating profit	**241**	232	4%	9%
Gross impairment losses on loans	**(53)**	(62)	(14)%	(10)%
Loan recoveries and impairment releases	**13**	10	35%	42%
Net impairment losses on loans	**(40)**	(52)	(23)%	(20)%
Impairment losses on other assets	**(0.01)**	(2)	(100)%	(100)%
Impairment losses on financial assets	**(40)**	(54)	(26)%	(23)%
Profit before tax	**201**	178	13%	19%

As at 31 December (In millions of US dollars)	**2020**	2019	YoY	Ccy
Loans & advances to customers (gross)	**1,213**	1,376	(12)%	-
Of which stage 1	**1,078**	1,203	(10)%	-
Of which stage 2	**59**	67	(12)%	-
Of which stage 3, credit impaired loans (non-performing loans)	**77**	106	(28)%	(26)%
Less: allowance for impairments (Expected Credit Loss)	**(72)**	(86)	(17)%	(21)%
Of which stage 1: 12-month ECL[1]	**(22)**	(38)	(43)%	-
Of which stage 2: Life-time ECL	**(7)**	(2)	189%	-
Of which stage 3: Life-time ECL	**(43)**	(46)	(6)%	-
Loans & advances to customers (net)	**1,142**	1,290	(12)%	(9)%
Total assets	**4,304**	3,595	20%	12%
Deposits from customers	**3,180**	2,704	18%	17%
Total equity	**585**	449	30%	31%
Cost-to-income	**49.4%**	46.9%		
ROE	**26.9%**	30.1%		
Loan-to-deposit ratio	**38.2%**	50.9%		
NPL ratio	**6.3%**	7.7%		
NPL coverage ratio	**93.5%**	80.9%		
Stage 3 coverage ratio	**56.5%**	43.1%		

Note: Selected income statement line items only and thus may not sum up
* Ccy = year-on-year percentage change on a constant currency
(1) ECL = Expected Credit Loss

Anglophone West Africa (AWA)

Anglophone West Africa recorded a profit before tax of $201 million, increasing by $24 million or 13 per cent from a year ago. Positive operating leverage, including a decline in impairment losses, were factors that contributed to profit growth. Net revenue increased by $40 million to $476 million. ROE was 26.9 per cent versus 30.1 per cent in 2019.

Net interest income increased by $53 million or 20 per cent to $317 million, mainly driven by higher interest income on investment securities and inter-bank placements. Net interest income further benefited from the decrease in interest expense because of an improvement in the cost of funds.

Non-interest revenue fell $13 million or 8 per cent to $159 million, predominantly driven by the pandemic's effects, negatively impacting fee and commission generation on trade finance, payments, and cash management.

Expenses increased $30 million or 15 per cent to $235 million, driven by a $24 million increase in other operating expenses. Contributing to the increase in other operating expense is a one-off legal charge. The cost-to-income ratio was 49.4 per cent compared with 46.9 per cent in 2019.

Impairment losses on loans and financial assets were $40 million, down $14 million from the prior year, reflecting the significant decrease in non-performing loans. Non-performing loans (stage 3) fell $30 million to $106 million in 2020. As a result, the NPL ratio improved to 6.3 per cent compared with 7.7 per cent in 2019. Consequently, the coverage ratio improved from 80.9 per cent to 93.5 per cent in 2020.

Central, Eastern and Southern Africa (CESA)

Year ended 31 December (in millions of US dollars)	**2020**	2019	YoY	Ccy*
Net interest income	**211**	194	9%	21%
Non-interest revenue	**247**	250	(1)%	32%
Net revenue (operating income)	**458**	444	3%	27%
Operating expenses	**(249)**	(259)	(4)%	6%
Pretax, pre-provision operating profit	**209**	185	13%	67%
Gross impairment losses on loans	**(50)**	(39)	28%	33%
Loan recoveries and impairment releases	**27**	45	(41)%	(40)%
Net impairment losses on loans	**(23)**	6	n.m	n.m
Impairment losses on other assets	**(5.8)**	(9)	(36)%	(31)%
Impairment losses on financial assets	**(29)**	(3)	896%	1,696%
Net monetary loss arising from hyperinflationary economy	**(61)**	(9)	n.m	n.m
Profit before tax	**180**	173	4%	46%

As at 31 December (In millions of US dollars)	**2020**	2019	YoY	Ccy
Loans & advances to customers (gross)	**1,796**	1,699	6%	-
Of which stage 1	**1,437**	1,382	4%	-
Of which stage 2	**194**	175	11%	-
Of which stage 3, credit impaired loans (non-performing loans)	**165**	143	15%	12%
Less: allowance for impairments (Expected Credit Loss)	**(163)**	(152)	7%	7%
Of which stage 1: 12-month ECL[1]	**(29)**	(33)	(11)%	-
Of which stage 2: Life-time ECL	**(20)**	(5)	275%	-
Of which stage 3: Life-time ECL	**(114)**	(114)	(0.4)%	-
Loans & advances to customers (net)	**1,633**	1,547	6%	7%
Total assets	**5,961**	5,598	6%	16%
Deposits from customers	**4,510**	3,903	16%	25%
Total equity	**595**	517	15%	25%
Cost-to-income	**54.4%**	58.3%		
ROE	**16.1%**	23.6%		
Loan-to-deposit ratio	**39.8%**	43.5%		
NPL ratio	**9.2%**	8.4%		
NPL coverage ratio	**98.9%**	106.4%		
Stage 3 coverage ratio	**69.0%**	79.8%		

Note: Selected income statement line items only and thus may not sum up
* Ccy = year-on-year percentage change on a constant currency
(1) ECL = Expected Credit Loss

CESA

Central, Eastern, and Southern Africa posted a profit before tax of $180 million, down $7 million or 4 per cent from the prior year. Profits were impacted by lower non-interest revenues from the impact of COVID-19 more than offsetting an increase in net interest income. Further impacting profits was the net monetary loss of $61 million from hyperinflation, mostly in Zimbabwe and, to a lesser extent South Sudan. Net revenue increased by $14 million or 3 per cent. ROE was 16.1 per cent down from 23.6 per cent a year ago.

Net interest income increased $17 million or 9 per cent to $211 million, predominantly driven by growth in investment securities and inter-bank placements balances. Additionally, net interest income benefited from lower funding costs from a significant increase in low-cost customer deposits driven by a mix of higher digital adoption usage and COVID-19.

Non-interest revenue was down $3 million or 1 per cent to $247 million, significantly impacted by COVID-19 restrictions. Factors accounting for the decrease included lower card spend, a reduction in fund transfer, and a decline in client-related foreign-exchange sales.

Expenses of $249 million declined $10 million or 4 per cent, reflecting significantly lower staff-related costs. Also, positively impacting expenses were lower travel expenses and other general administrative costs as the pandemic reduced mobility.

Impairment losses increased by $26 million to $29 million, mostly driven by some downgrades, including those in the sectors impacted by the pandemic like oil & gas, travel, and the entertainment sectors. Also, as a buffer against prevailing uncertainties due to COVID-19, impairment losses for the period included proactively higher reserve builds. The percentage of total gross loans that were non-performing (stage 3) at the end of December were $165 million or 9.2 per cent of loans, compared to 8.4 per cent at the end of 2019. The non-performing loans cover was 98.9 per cent versus 106.4 per cent a year ago.

About Ecobank Transnational Incorporated ('ETI' or 'The Group')
Ecobank Transnational Incorporated ('ETI') is the parent company of the Ecobank Group, the leading independent pan-African banking group. The Ecobank Group employs over 14,000 people and serves over 24 million customers in the consumer, commercial and corporate banking sectors across 33 African countries. The Group has a banking license in France and representative offices in Addis Ababa, Ethiopia; Johannesburg, South Africa; Beijing, China; London, the UK and Dubai, the United Arab Emirates. The Group offers a full suite of banking products, services and solutions including bank and deposit accounts, loans, cash management, advisory, trade, securities, wealth, and asset management. ETI is listed on the Nigerian Stock Exchanges in Lagos, the Ghana Stock Exchange in Accra, and the Bourse Régionale des Valeurs Mobilières in Abidjan. For further information please visit www.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.

Conference Call Information:

Ecobank will host a live conference call on **Tuesday, 23 March 2021 at 14:00 GMT (15:00 Lagos time)** to present the audited financial results for the year ended 31 December 2020. There will be a Q&A session at the end of the call.

Joining the Conference Call:

Please register in advance of the conference using the link provided below. Upon registering, you will be provided with participant dial-in numbers, Direct Event passcode and unique registrant ID.

Direct Event online registration: http://emea.directeventreg.com/registration/8939733

In the 10 minutes prior to the call start time, you will need to use the conference access information provided in the email at the point of registering.

Note: Due to regional restrictions some participants may receive Operator assistance when joining this conference call and will not be automatically connected. **Helpful keypad commands: *0=operator assistance; *6=self-mute/unmute.** If you should encounter any problems with the online registration, please dial the following number for assistance: **+44 330-606- 8606** (you will also need to provide the **Conference ID: 8939733**).

For those who are unable to listen to the live call, a replay of the conference all will be available from 23 March 2021 at 19:30 GMT until 30 March 2021 at 19:30 GMT. You may participate by dialling +44 333-300-9785, UK free call: 0808-238-0667, or USA: +1-866-331-1332 or +1 917-677-7532 and the Conference ID: 8939733.

The earnings presentation will be posted on our website prior to the conference call at www.ecobank.com

Investor Relations

Ecobank is committed to continuous improvement in its investor communications. For further information, including any suggestions as to how we can communicate more effectively, please contact Ecobank Investor Relations via ir@ecobank.com. Full contact details below:

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Ecobank Group

AUDITED CONSOLIDATED INCOME STATEMENT

In thousands of US dollars, except per share amounts	Year ended 31 December 2020	2019
Interest Income	**1,390,438**	1,411,998
Interest Expense	**(483,212)**	(662,269)
Net Interest Income	**907,226**	**749,729**
Fee and commission income	**424,589**	459,866
Fee and commission expense	**(35,643)**	(40,350)
Net trading income	**346,276**	381,691
Other operating income	**37,317**	71,323
Non-interest revenue	**772,539**	**872,530**
Operating income	**1,679,765**	**1,622,259**
Staff expenses	**(462,992)**	(490,311)
Depreciation and amortisation	**(104,206)**	(108,504)
Other operating expenses	**(486,840)**	(474,566)
Operating expenses	**(1,054,038)**	(1,073,381)
Operating profit before impairment losses and taxation	**625,727**	**548,878**
Impairment losses on loans and advances	**(312,072)**	(314,177)
Recoveries	**130,517**	204,262
Impairment charge on other financial assets	**(45,470)**	(23,642)
Impairment losses on financial assets	**(227,025)**	**(133,557)**
Operating profit after impairment losses before taxation	**398,702**	**415,321**
Net monetary loss arising from hyperinflationary economy	**(60,523)**	(9,466)
Share of post-tax results of associates	**(297)**	(776)
Profit before tax and goodwill impairment	**337,882**	**405,079**
Goodwill Impairment	**(163,564)**	-
Profit before tax	**174,318**	405,079
Taxation	**(89,335)**	(134,865)
Profit after tax from continuing operations	**84,983**	270,214
Profit after tax from discontinued operations	**3,336**	4,720
Profit after tax	**88,319**	**274,934**
Profit after tax attributable to:		
Owners of the parent	**4,202**	**193,958**
- Continuing operations	**2,401**	191,409
- Discontinued operations	**1,801**	2,549
Non-controlling interests	**84,117**	**80,976**
- Continuing operations	**82,582**	78,805
- Discontinued operations	**1,535**	2,171
	88,319	274,934
Earnings per share from continuing operations attributable to owners of the parent during the year (expressed in United States cents per share):		
Basic (cents)	**0.010**	0.778
Diluted (cents)	**0.010**	0.778

Ecobank Group

AUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In thousands of US dollars

	Year ended	
	31 December 2020	31 December 2019
Profit after tax	**88,319**	274,934
Other comprehensive income		
Items that may be reclassified to profit or loss:		
Exchange difference on translation of foreign operations	**(8,553)**	(243,219)
Impact of hyperinflation	**-**	(35,542)
Fair value gains on debt instruments at FVOCI	**76,639**	65,924
Taxation relating to components of other comprehensive income that may be subsequently reclassified to profit or loss	**(2,025)**	(1,468)
Items that will not be reclassified to profit or loss:		
Property and equipment - revaluation gain	**29,208**	13,224
Fair value gains in equity instruments designated at FVOCI	**79**	(184)
Remeasurements of defined benefit obligations	**(233)**	902
Taxation relating to components of other comprehensive income that will not be subsequently reclassed to profit or loss	**(9,605)**	(1,083)
Other comprehensive profit /(loss) for the period, net of tax	**85,510**	**(201,446)**
Total comprehensive profit for the period	**173,829**	73,488
Total comprehensive profit / (loss) attributable to:		
Owners of the parent	**69,446**	(14,571)
- Continuing operations	**67,645**	(17,120)
- Discontinued operations	**1,801**	2,549
Non-controlling interests	**104,383**	88,059
- Continuing operations	**102,848**	85,888
- Discontinued operations	**1,535**	2,171
	173,829	73,488

Ecobank Group

Audited Consolidated Statement of Financial Position

In thousands of US dollars	As at 31 December 2020	31 December 2019
ASSETS		
Cash and balances with central banks	**3,752,596**	2,829,313
Trading financial assets	**156,490**	182,662
Derivative financial instruments	**115,162**	65,459
Loans and advances to banks	**2,011,343**	1,891,889
Loans and advances to customers	**9,239,948**	9,276,608
Treasury bills and other eligible bills	**1,730,845**	1,632,749
Investment securities	**6,074,244**	4,857,763
Pledged assets	**423,599**	351,478
Other assets	**1,128,200**	1,184,770
Investment in associates	**3,468**	3,664
Intangible assets	**151,870**	309,974
Property and equipment	**810,521**	831,182
Investment properties	**12,365**	21,710
Deferred income tax assets	**164,486**	116,424
Assets held for sale and discontinued operations	**164,336**	85,539
Total Assets	**25,939,473**	23,641,184
LIABILITIES		
Deposits from banks	**2,386,747**	2,207,593
Deposits from customers	**18,296,952**	16,246,120
Derivative financial instruments	**78,908**	51,255
Borrowed funds	**1,923,182**	2,075,001
Other liabilities	**823,112**	845,970
Provisions	**60,462**	68,482
Current income tax liabilities	**68,534**	54,756
Deferred income tax liabilities	**76,528**	67,556
Retirement benefit obligations	**22,168**	31,082
	23,736,593	21,647,815
Liabilities held for sale and discontinued operations	**175,167**	107,592
Total Liabilities	**22,606,400**	21,755,407
EQUITY		
Share capital and premium	**2,113,961**	2,113,957
Retained earnings and reserves	**(610,565)**	(637,264)
Equity attributable to owners of the parents	1,503,396	1,476,693
Non-controlling interests	524,317	409,084
Total equity	**2,027,713**	1,885,777
Total liabilities and equity	**25,939,473**	23,641,184

Ecobank Group

Audited Consolidated Statement of Changes in Equity

	Attributable to equity holders of the company				Non-Controlling Interest	Total Equity
In thousands of US dollars	**Share capital & premium**	**Retained earnings**	**Other reserves**	**Total**		
Restated opening balance 1 January 2019	**2,113,957**	**185,893**	**(842,367)**	**1,457,483**	**275,539**	**1,733,022**
Net changes in debt instruments, net of taxes	-	-	59,199	59,199	5,257	64,456
Net changes in equity instruments, net of taxes	-	-	(184)	(184)	-	(184)
Foreign currency translation differences	-	-	(243,219)	(243,219)	-	(243,219)
Impact of adopting IAS 29 at 1 January 2019			(35,542)	(35,542)	-	(35,542)
Remeasurements of post-employment benefit obligations	-	-	902	902	-	902
Net gains on revaluation of property	-	-	10,315	10,315	1,826	12,141
Other comprehensive loss for the year	**-**		**(208,529)**	**(208,529)**	**7,083**	**(201,446)**
Restated Profit for the year	-	193,958		193,958	80,976	274,934
Total comprehensive income for the year	**-**	**193,958**	**(208,529)**	**(14,571)**	**88,059**	**73,488**
Transfer to other group reserve	-	-	36,382	36,382	-	36,382
Dividend relating to 2018	-	-	-	-	(19,476)	(19,476)
Change in minority interest	-	-	-	-	64,962	64,962
Transfer from share option reserve	-	-	94	94	-	94
Convertible bond - equity component			(2,695)	(2,695)		(2,695)
Transfer to general banking reserves	-	(28,124)	28,124	-	-	-
Transfer to statutory reserve	-	(106,164)	106,164	-	-	-
At 31 December 2019	**2,113,957**	**245,563**	**(882,827)**	**1,476,693**	**409,084**	**1,885,777**
Net changes in debt instruments, net of taxes	-	-	74,614	74,614	-	74,614
Net changes in equity instruments, net of taxes	-	-	79	79	-	79
Foreign currency translation differences	-	-	(28,819)	(28,819)	20,266	(8,553)
Remeasurements of post-employment benefit obligations	-	-	(233)	(233)	-	(233)
Net gains on revaluation of property	-	-	19,603	19,603	-	19,603
Other comprehensive income for the year	**-**	**-**	**65,244**	**65,244**	**20,266**	**85,510**
Profit for the year	-	4,202	-	4,202	84,117	88,319
Total comprehensive income for the year	**-**	**4,202**	**65,244**	**69,445**	**104,383**	**173,829**
Hyper-inflation reserve	-	-	(31,897)	(31,897)	-	(31,897)
Adjustment to ordinary capital	4	-	-	4	-	4
Change in minority interest	-	-	(10,850)	(10,850)	10,850	-
Transfer to general banking reserves	-	(2,227)	2,227	-	-	-
Transfer to statutory reserve	-	(48,366)	48,366	-	-	-
At 31 December 2020	**2,113,961**	**199,172**	**(809,737)**	**1,503,396**	**524,317**	**2,027,713**

Ecobank Group

Audited Consolidated Statement of Cash Flows

In thousands of US dollars	31 December 2020	31 December 2019
Cash flows from operating activities		
Profit before tax	**174,318**	405,079
Adjusted for:		
Foreign exchange income	**(205,585)**	(42,924)
Net loss from investment securities	**(16,617)**	(6,879)
Fair value loss on investment properties	**2,730**	-
Impairment losses on loans and advances	**181,555**	109,915
Impairment losses on other financial assets	**45,470**	23,642
Goodwill Impairment	**163,564**	
Depreciation of property and equipment	**82,679**	88,144
Net interest income	**(907,226)**	(749,729)
Amortisation of software and other intangibles	**21,527**	20,360
Profit on sale of property and equipment	**(1,928)**	(1,279)
Share of post-tax results of associates	**297**	776
Income taxes paid	**(126,841)**	(123,782)
Changes in operating assets and liabilities		
Trading financial assets	**26,172**	(60,379)
Derivative financial instruments	**(49,703)**	(15,545)
Treasury bills and other eligible bills	**157,824**	180,562
Loans and advances to banks	**(66,269)**	(100,064)
Loans and advances to customers	**35,595**	(26,449)
Pledged assets	**(72,121)**	(111,044)
Other assets	**56,570**	(445,602)
Mandatory reserve deposits with central banks	**87,327**	(135,505)
Deposits from customers	**2,050,832**	310,121
Other deposits from banks	**100,129**	1,204,157
Derivative liabilities	**27,653**	21,348
Other liabilities	**(22,858)**	(150,587)
Provisions	**(8,020)**	15,503
Interest received	**1,390,438**	1,411,998
Interest paid	**(483,212)**	(662,269)
Net cashflow from operating activities	**2,644,300**	**1,159,568**
Cash flows from investing activities		
Purchase of software	**(25,393)**	(58,369)
Purchase of property and equipment	**(298,027)**	(406,367)
Proceeds from sale of property and equipment	**255,842**	292,304
Purchase of investment securities	**(3,419,589)**	(2,911,125)
Redemption of investment securities	**2,547,499**	2,570,480
Purchase of investment properties	**(7,023)**	(4,222)
Disposal of investment properties	**3,985**	12,047
Net cashflow used in investing activities	**(942,706)**	**(505,252)**
Cash flows from financing activities		
Repayment of borrowed funds	**(510,646)**	(671,050)
Proceeds from borrowed funds	**396,644**	561,252
(Repayment) / proceeds of lease liabilities	**(37,817)**	125,107
Dividends paid to non-controlling shareholders	**(24,322)**	(19,476)
Net cashflow used in financing activities	**(176,141)**	**(4,167)**
Net increase in cash and cash equivalents	**1,525,453**	650,149
Cash and cash equivalents at beginning of year	**2,559,766**	2,141,855
Effects of exchange differences on cash and cash equivalents	**(284,763)**	(232,238)
Cash and cash equivalents at end of the year	**3,800,456**	**2,559,766**