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**AwashBank**  
Nurturing Like The River

# Annual Report

## 2022/23

The Bank That

**NURTURES**

Your Life!



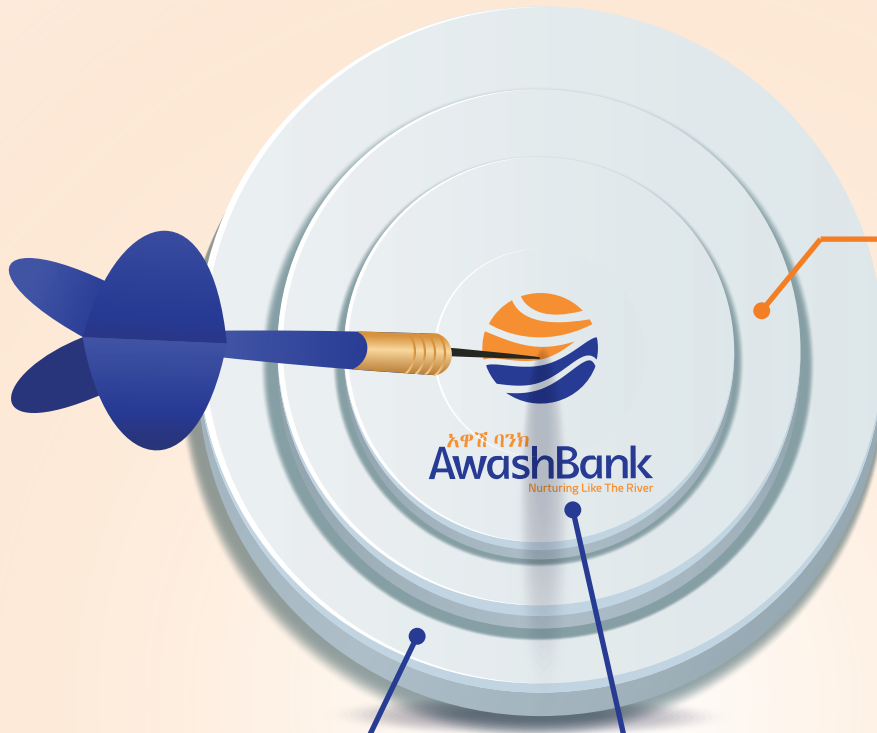
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**AwashBank**

# Annual Report For Financial Year Ended 30 June 2023



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**AwashBank**  
Nurturing Like the River



## VISION

“To be the best and preferred financial services provider where customers feel valued”

## MISSION

“To provide the most innovative and accessible banking services to our customers using the most relevant technology, motivated and talented staff to maximize stakeholders value and influence the life of the society positively”

## CORE VALUE

**A-** Accessibility

**W-** Wisdom

**A-** Accountability

**S-** Socially Responsible

**H-** Honesty

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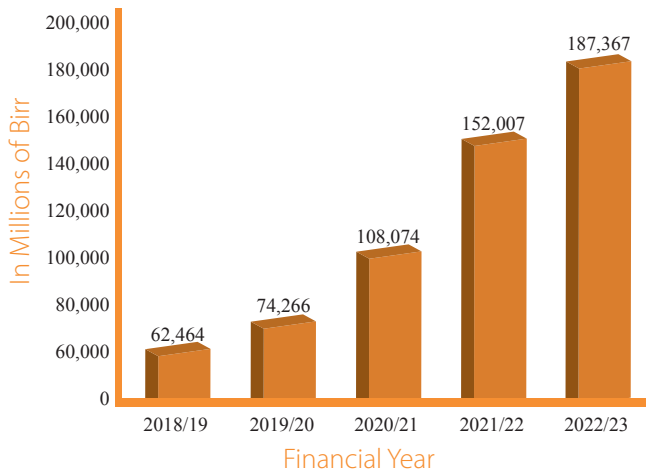
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**AwashBank**

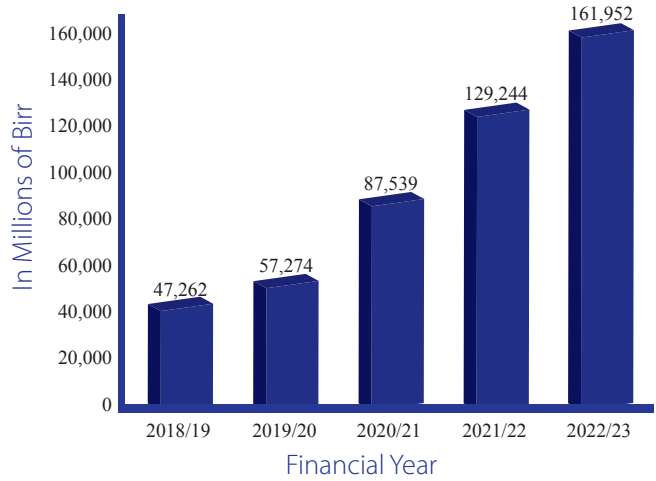
Nurturing Like the River

# Highlight of Major Performances

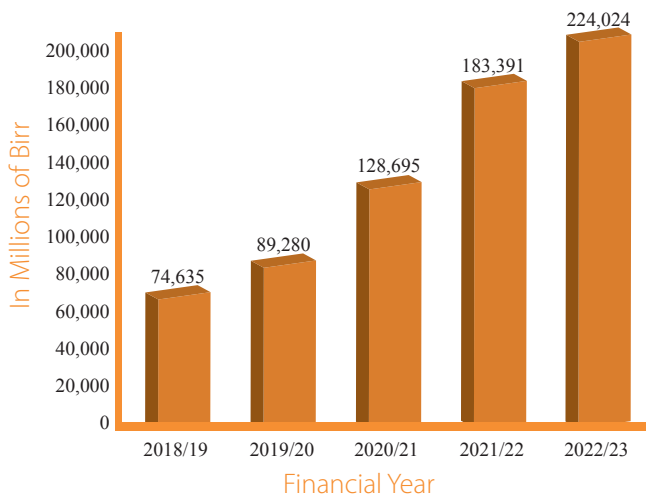
### Deposit



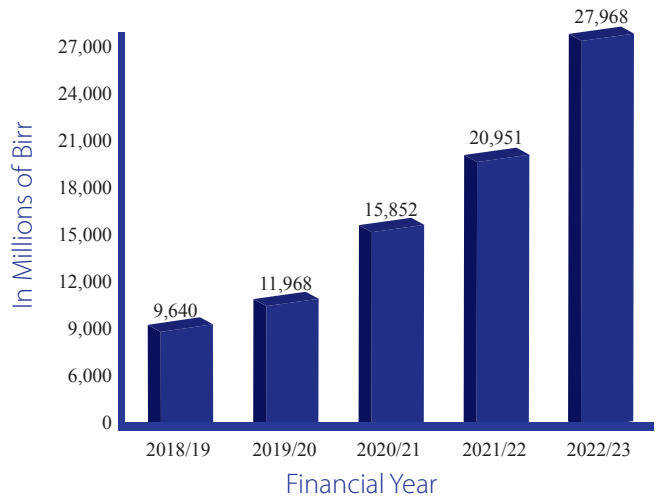
### Loans & Advances



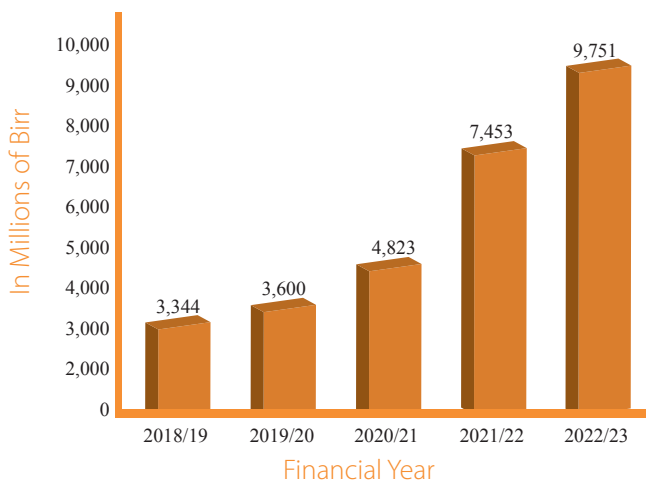
### Total Assets



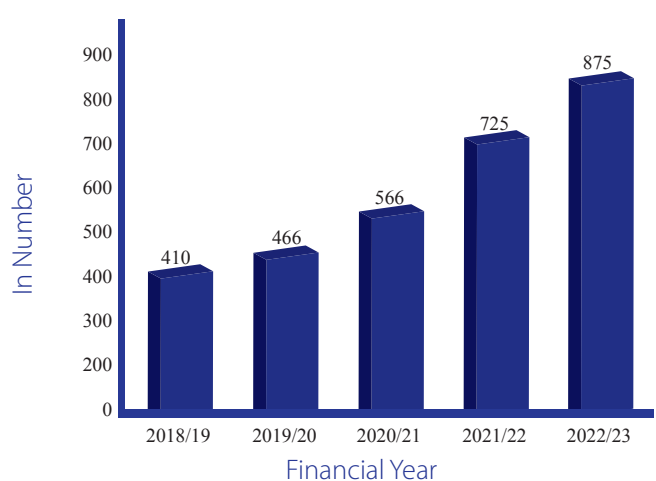
### Capital & Reserve



### Profit Before Tax



### Number of Branches





# Responding to Changing Life

AwashBank

**Online Banking**

Easy access. Many Solutions ...

sign Up & Dial  
**\*901#**

**AwashBirr**

**CARD BANKING**

**875 Branches**

**783 ATMs**

**Banking For Your Needs**

**2,472 POS Machines**

**20,055 Employees**

Awash BIRR  
Banking Everywhere

**5,500 አዋሽ ብር ወኪል Agents**

AwashBank  
Nurturing Like the River

## BOARD OF DIRECTORS



**GURE KUMSSA**  
Board Chairman



**Kedeme Teshome**  
V/Chairman



**Abaynesh Merga**  
Director



**Arega Gela**  
Director



**Beza Tadesse**  
Director



**Elias Geneti**  
Director



**Ephrem Getu**  
Director





**Frehiwot Alemayehu**  
Director



**Hordofa Bekele (Hon.Dr.)**  
Director



**Million Duguma**  
Director



**Roba Arega**  
Director



**Yoseph Yonas**  
Director

## BOARD CHAIRMAN'S MESSAGE



### **GURE KUMSSA**

#### **Board Chairman**

Your Excellences, Distinguished Shareholders, Honorable Guests,

**Ladies and Gentlemen!!**

It gives me a great pleasure to welcome you all, on behalf of the Board of Directors and on my own behalf to the 28<sup>th</sup> Awash Bank's Shareholders' Annual General Meeting (AGM) of the FY 2022/23. I also feel very privileged to extend my deepest appreciation to our honored shareholders and all other stakeholders for the unshakable backing, continued trust and support provided to enable Awash Bank to score again another astound result in all of the major banking operations that proven its leadership among the private banks of the country during the year under review. I am also confident that this multi-dimensional support from all stakeholders will also continue to make the Bank

remain the pioneer leading private bank as well as realizing of its future aspiration of becoming One of the Top Ten Banks in Africa in the coming years.

Awash Bank is entrusted with the task of upholding & maintaining good corporate governance in order to safeguard the interests of its shareholders, customers and the employees. The Bank is governed by twelve Board of Directors elected by the General Assembly of the Shareholders and the Management Team, that is led by the Chief Executive Officer (CEO) at the top. With these compositions, Awash Bank corroborated a continued progress in building a stronger and safer Bank that is capable of delivering higher revenues to its shareholders. Particularly, over the past twelve years, the Bank has recorded an incredible result that has certified an augmented income and Earnings Per Share (EPS), with a track record of creating a significant value for its investors.

The overall situation indicates that the world economy during the FY 2022/23 was characterized by severe headwinds amid weak growth prospects, elevated inflation and geopolitical challenges particularly, to the banking industry, with disrupted livelihoods, subdued investments and uncertainties. The major factors include, the effects of the COVID 19 pandemic, the protracted war in Ukraine, the ever worsening impacts of climate change and the rapidly shifting macro-economic conditions. According to the World Bank's latest Global Economic Prospects Report, the global growth is projected to decelerate from 3.1 percent in 2022 to 2.1 percent in 2023 with prospects clouded by financial risk.

Domestically, the Ethiopian economy in the FY 2022/23 faced rigorous macro-economic challenges, including persistently high inflation, insufficient foreign currency reserves, sharp fall in donor financing and depreciation of the national currency.

In the FY 2022/23, the country registered an average inflation rate of 33.6 percent due to rise in food prices, exacerbated by drought and internal conflict that complicated the domestic supply chain.

Regardless of the above impediments, however, the year for Awash Bank was grateful, enabling the Bank to operate efficiently and once again record a praiseworthy result.

The major and key financial and non-financial highlights for the year ended June 30, 2023 can be summarized as under:

- The aggregate deposit increased by 23 percent from last year same period and reached Birr 187.37 billion including L/C margin and deposit from IFB,
- Loans and Advances surged up by 25 percent as compared to last year same period and reached Birr 161.95 billion,
- Total income of the Bank escalated by 39 percent from last year same period and arrived at Birr 28.79 billion,
- The total expense of the Bank stood at Birr 19.05 billion as at June 30, 2023, up by 44 percent from previous year similar period,
- The gross profit grew by 30.8 percent over previous year and reached Birr 9.75 billion, as at end of June 2023,
- Total foreign currency generated during the year stood at USD 1.46 billion, surpassing the amount generated last year same period by USD 248.2 million or 17 percent,
- The aggregate deposit customer base rose to 10.4 million up by 34 percent from last year similar period,
- The branch network as at June 30, 2023 reached 875 showing a growth by 21 percent,
- Agents, POSs, ATMs and Merchants/Billers have shown a growth of 198%, 5%, 77% and 152%, respectively, as

compared to last year same period,

- The volume and the value of digital banking transactions have increased by 176 percent and 518 percent, respectively, when compared to last year same period.

The growth registered by the Bank in the major banking operations marked a historic year among the private banks and also in Awash Bank itself, reflecting how much the business of the Bank is strengthened.

The major causes for the delightful outcome of the Bank during the year are the efforts exerted in the resource mobilization activities & the continuous hard work applied in the collection of repayments of loans & advances resulting to a significant reduction of the Non-Performing Loans (NPLs) to less than one percent as at June 30, 2023.

The overall success of the Bank, however, is coiled on the wise guidance of the Board of Directors, the prudent and coordinated quality leadership of the CEO, the dedication and the hardworking commitment of the Management Members, the immense and unreserved contribution of the entire employees and the overall strong endeavors made by the Bank-wide community to maximize the wallet share of the Bank that deserves an honorary recognition.

In another phenomenon, although, the year was full of challenges, it is worth mentioning to raise one miraculous victory which the Bank enjoyed during the year under review. This surprising triumph was that a well-known world-wide Financial Magazine known by the name "Global Finance Magazine" has chosen Awash Bank, for the second time, as the Best Bank of Ethiopia in the fiscal year 2022/23. In recognition of this particular selection, an award was given to the Bank during the IMF/World Bank Group Annual Meeting of the FY 2022/23,

held at Morocco, Marrakech, from October 9 up to 15, 2023. On the other hand, Awash Bank has been recognized by the SME Financial Forum with an Honorable Mention in the best SME financier category of the Global SME Finance Award of 2023 from Africa. The award was given to the Bank for the outstanding achievements in delivering exceptional products and service to its SME clients. The event was held in Mumbai, India, in the presence of over 700 participants from more than 70 countries.

At this historic step, it should be noted that the Board is always committed to ensuring that Awash Bank is a robust organization with a focus on long-term value creation for its shareholders. In this regard, the concrete and swift actions taken by the Board in consultation with the Management during the year for fundamental changes & ensuring sustainable & profitable growth through excellence in operation, technology & ultimately customer satisfaction have all contributed to the success of the Bank.

Additionally, during the year under review, the Bank was embarked on various strategic initiatives, such as Developing of New Corporate Strategy, IT and Building Projects. In the Corporate Strategy Development studied by a well-known international consultant, McKinsey & Co., the Bank replaced the previous “Vision 2025” by a new “Vision 2030” which is aspiring to be “One of the Top Ten African Banks by the Year 2030”. The implementation of the new transformational journey has commenced starting from the first quarter of the FY 2023/24.

Similarly, to make the future IT Platform more user-friendly for its clients and also to go abreast along with the unprecedented surge in the digitalization of financial services, the Bank has reviewed the status of its present Core Banking System (CBS) and is moving to replace it with a

ground breaking technology. The Bank, in addition, has also identified the Fintech Companies with whom to work by focusing on enhanced digital capabilities, since these are the fundamental part of the banking innovations and remain the major area of investment for a Bank to be able to provide faster, safer, secured and more convenient banking facilities and services for enhancing customer satisfaction and sustained growth for the Bank.

In strengthening of its asset base, the Bank is also moving forward in the construction of its own buildings at the strategic areas of the country.

In line with Human Resource Policies and Practices, the Bank focuses on attracting, motivating and retaining qualified and skilled manpower. The Board believes that having a motivated workforce & a sound governance & risk management are pivotal to attaining the sustainable growth and the vision that the Bank aspires for. In this regard, the Bank has recently crafted new structural organization that enables it to attract, motivate and retain qualified and skilled manpower. Concomitant with this, steps were also taken to improve staff productivity, focusing on optimizing the existing resource through internal job postings, transfers and skill enhancement initiatives.

Regarding the capital structure, the strategic growth aspiration of the Bank, which is to become one of the top ten Banks in Africa by the year 2030, has to be backed by a solid capital base. On top of that, the capital adequacy ratio of the Bank should also comfortably be above the regulatory requirement and should provide strong foundation for the company. It is worth mentioning that the growth of the Bank itself involves capital growth. Therefore, in consideration of the above points, the Bank’s Shareholders at its 27th AGM has approved a new paid up capital of Birr 43 billion as proposed by the Board and the Management. The



payment of the new paid up capital is under progress to maintain the Bank with a strong capital position for the coming years.

In the way forward, I want to stress that the Board and the Management are still audacious to work hard during the FY 2023/24, striving to take the advantage of the resilient macroeconomic fundamentals to drive its business growth, despite of the fierce competition amongst Banks, the persistence of the impacts of costs of living and instability in some parts of the country. Given the dedication of the Board, the Management Team, and the competency of the entire employees, the attainment of the new vision 2030, which is becoming “One of the Top Ten African Banks by 2030” for Awash Bank is inevitable. The Bank will continue to deliver on its strategic commitments, which drive the operational performances and create values for its shareholders as well as the communities at large.

Besides its corporate objectives, the contribution of the Bank to the growth of the national economy and the wellbeing of its citizens during the FY 2022/23 is attention-grabbing. The annual tax paid, the financial support made for the national development projects such as “Gebeta Letiwlid” and the various financial supports given to the displaced & disaster affected victims are some to be mentioned. During the year under review, Awash Bank has provided more than Birr 300 million as the fulfillment of its Corporate Social Responsibilities (CSR).

In conclusion, on behalf of the Board of Directors, let me take this opportunity to express my deep sense of gratitude to all shareholders, loyal customers and the public at large for their firm and indispensable support and the confidence they have on our Bank. I solicit continued support from the valued partakers and

renewed commitment to work with the Bank in our journey forward.

My special thank goes to the Management Members and the entire employees for their passion and commitment, belongingness and hard work to elevate the position of their Bank, in delivering commendable results and enabling the Bank to maintain its leading position among the private commercial banks in the country. I would also like to commend the National Bank of Ethiopia (NBE) for rendering our Bank a constructive guidance and wholehearted support.

Finally, recalling that the Bank has come a long way so far, and has still a long way to go, I want to assure you that your Bank has put appropriate plans, policies and strategies to achieve growth with quality, stability and profitability in the years to come. To this end, our Bank will strongly scrutinize the laid down new vision and strategy of “Conquering the New Frontiers” and to bring about further excellence by exploiting opportunities and vigilantly withstanding the challenging environment.

Thank You!

# EXECUTIVE MANAGEMENT



**Tsehay Shiferaw**  
Chief Executive Officer



**Yohannes Merga**  
Senior Chief, Marketing  
& Facilities Mgt. Officer



**Tadesse Gemedo**  
Senior Chief, Wholesale  
Banking Officer



**Henock Tessema**  
Senior Chief, Retail  
& SME Banking Officer



**Tilahun Geleta**  
Senior Chief, Finance  
& Facilities Mgt. Officer



**Abebe Deressa**  
Senior Chief, Corporate  
Strategy Officer



**Dessalegn Tolera**  
Senior Chief, Enterprise Risk  
& Compliance Mgt Officer



**Tilahun Temotewos**  
Senior Chief,  
Information Officer





**Abdella Adem**  
 A/Chief, Interest Free  
 Banking Officer



**Berhanu Balcha**  
 Chief, Internal Audit Officer



**Beyene Dekeba**  
 Chief, IT Services Officer



**Kefyalew Shiferaw**  
 Chief, Digital Banking  
 Officer



**Lamessa Soboka**  
 Chief, Regional Operations  
 Officer



**Lemi Furgassa**  
 A/Chief, Credit Operations  
 Officer



**Netsanet W/Kidan**  
 Chief, Trade Services Officer



**Takele Arega**  
 Chief, Legal Services Officer



**Temesgen Busha**  
 Chief, Transformation  
 Officer



**Zebene Kaba**  
 Chief, Human Capital  
 Management Officer



**Abebe Tadesse**  
Director, Corporate Banking



**Alemayehu Tola**  
Director, Portfolio Management



**Bikila Anbessa**  
Director, Ethics & Anti-Corruption



**Danephrem Abule**  
Director, Operational Audit



**Dereje Getachew**  
Director, Credit Analysis & Appraisal



**Dereje Tamiru**  
Director, Institutional Banking



**Desalegne Assefa (PhD)**  
Director, Research & Bank Modernization



**Ebisa Deribie**  
Director, Communications & Branding



**Emnet Gadissa**  
Director, Finance Management



**Fikru Gebrewold**  
 Director, Construction Projects  
 & Building Administration



**Gacho Warra**  
 Director, Risk Management



**Gutema Tesfa**  
 Director, Information  
 Security Management



**Hailu Meskela**  
 Director, Learning &  
 Talent Development



**Hailu Woldegebriel**  
 Executive Assistant to the  
 CEO



**Jalene Tadesse**  
 Director, HR Operations



**Kelemu Ameha**  
 Director, Digital Marketing  
 & Product Dev't



**Lemessa Bulti**  
 Director, Inspection



**Melkamu Tadesse**  
 Director, Digital Operation



**Mohammed Kedir**  
 Director, IFB Financing & Investment



**Muleta Yohannes**  
 A/Director, Treasury Management



**Nurfeta Legesse**  
 Director, Program Management



**Olani Tabor**  
 Director, Import & Payment Services



**Regassa Gemechu**  
 Director, Export & Remittances



**Samson Hussein**  
 Director, IFB Operations & Support



**Shasho Ayalew**  
 Director, Product Development



**Shimelis Teklu**  
 Director, Credit Documentation & Disbursement



**Solomon Jebessa**  
 Director, Planning & Business Intelligence





**Soressa Alemu**

Director, Procurement & Supplies Management



**Teferi Bekele**

Director, Customer Acquisition



**Tegene Tesfaye**

Director, Government Enterprises & Multinational Companies



**Temesgen Workineh**

Senior Advisor to the CEO



**Tesfaye Seifu**

Director, IT Services



**Thomas Fikadu**

Director, Business Banking



**Tewodros Hailu**

Director, Bank Transformation



**Tsehay Getachew**

Director, Talent Acquisition & On-boarding



**Tusi Mendo**

Director, Compliance & KYC



**Wendimagegnehu Birhanu**  
Director, General, Technical  
& Security Services



**Yared Amanuel**  
Director, Property  
Estimation



**Yirga Yigezu**  
Director, Personal & SME  
Banking



**Yohannes Tsegaye**  
Director, Customer Experiences  
& Quality Assurance



**Yonas Atomsa**  
Director, Branch Affairs



**Yonas Kumera**  
Company Secretary



# REGIONAL OFFICE DIRECTORS



**Abdena Selbane**  
Director, West Region



**Chala Tadesse**  
Director, East Addis Ababa  
Region



**Elias Eshetu**  
Director, Dessie Region



**Girmay Seifu**  
Director, North Region



**Merga Atnafu**  
Director, Adama Region



**Meseret Ambelu**  
Director, North West Region



**Muluken Asfaw**  
Director, South-West  
Region



**Tadele Alemayehu**  
Director, North Addis Ababa  
Region



**Tilahun Dejene**  
Director, South Addis Ababa  
Region



**Wubineh W/Cherkos**  
Director, West Addis Ababa  
Region



**Yadessa Miressa**  
Director, South Region



**Zelalem Bekele**  
Director, Wolaita Sodo  
Region



**Tsehay Shiferaw**  
Chief Executive Officer

I feel proud and pleased to congratulate all respected Shareholders, Board of Directors, all Management and the entire hard-working staff members and above all, most respected and valued customers of the Bank on the magnificent and unparalleled financial and non-financial performance registered by our Bank for the financial year ended June 30, 2023. All other stakeholders of the Bank also deserve due recognition and appreciation for the performance registered during the financial year.

The financial year 2022/23 was challenging. As per the Federal Government's official report, in the budget year just ended, the nation-wide total revenue generated from export was USD 3.64 Billion while the plan

was USD 5.21 Billion, which is less by USD 1.5 Billion (31.8%). The drop in the value of global commodity prices, illegal trade, security issues, suspension from African Growth and Opportunity Act (AGOA), etc... were some of the factors that have contributed to slow-down of export earnings nation-wide.

Domestically, the security issue, especially in the northern and western part of the country, has been seriously affecting the national economy in general and the banking business in particular. Nation-wide, the inflation rate for food and non-food items has been above 30% over the past one year and this also escalated our day-to-day operational expenses.



Apart from the above, the banking industry was faced with other formidable challenges whose impact on business in general was substantial. However, our Bank has been able to withstand the challenges by putting in place different strategies to sustain our business and at the same time to satisfactorily address the expectations of our shareholders.

During the year just ended, with a concerted effort of all, our Bank was able to dig deeper to exploit all available business opportunities so as to sustain its leadership position. The below were some of our strengths and success stories that enabled us to vibrantly emerge as a leading performer in the industry.

1. As indicated herein above, total commodity export in the 2022/23 financial year generated USD 3.64 Billion. From the total export revenue, agricultural export constitutes 79%, manufacturing 11.7%, mineral 6.9% and others 3%. Of the total export items, coffee remained the most valuable item generating around 1.3 Billion dollars. As a result of tremendous effort exerted by all, the foreign currency generated by our Bank from export business as well as from other sources was USD 1.49 Billion against USD 1.24 Billion of last year same period.
2. A number of Memorandum of Understanding (MoU) has been signed with various local and international organizations during the year and some of them have been channeling a good sum of both local and hard currencies through our Bank.
3. Customers' Week of the Bank under the motto, "We Strive to Delight Our Customers" was successfully celebrated for one week from April 24 up to April 29, 2023. The celebration of the program ushered our commitment to serving our customers with due care and conscientiousness.

4. As a result of an impressive performance of our Bank in deposits, loans and advances, assets, profit, capital, branch network, customer base expansion, product innovation and digital banking activities, our Bank has been selected for the second time by Global Finance as Ethiopian Best Bank 2023. The award was given during the World Bank Summit in October 2023 in Morocco, Marrakech. No doubt, the award will enhance the reputation of our Bank world-wide.
5. Our Bank has received recognition in Global Small and Medium Enterprises (SMEs) Finance Awards for the 2023 Year! This year's Global SME Finance Awards, which recognizes financial institutions and fintech companies for their outstanding achievements in delivering exceptional products and services to their SME clients, was held in Mumbai, India in the presence of participants from more than 70 countries.

Awash Bank was recognized by the SME Finance Forum with an Honorable Mention in the Best SME Financier category of the Global SME Finance Awards 2023 from Africa.

6. The second phase of an Entrepreneurship Competition coined under the name Tatarwochu/ Qaxaleewwan was launched for the second time with a primary objective of empowering the visionaries. The project will provide training, business development support and access to finance for entrepreneurs with innovative and problem-solving business ideas and the project is expected to play its role in nation-building activities.

All in all, exploiting the available opportunities and competently confronting the challenges, our Bank, with a coordinated effort of all, has performed extremely well this year also. Accordingly, the profit before tax stood at Birr 9.8 Billion from Birr 7.4 Billion of last year same period; i.e. Birr 2.3 Billion or 31% growth. This is the

highest profit before tax ever registered in our Bank as well as in the history of private banks.

The paid-up capital has reached Birr 14.6 Billion from Birr 10.2 Billion of last year same period; that is, an increment of Birr 4.4 Billion or 42%. In spite of the capital increment, however, the pace of the growth of profit was even higher and as a result, the registered earnings per share (EPS) was Birr 577 in 2022/23 as compared to Birr 570 of the preceding year for a par value of Birr 1,000 which, I believe, is attractive and lucrative to the shareholders of the Bank.

As a result of intensified operation of the Bank and inflationary situation for goods and services, among others, total expense of the Bank, including interest expense, has surged from Birr 13.2 Billion in 2022 to Birr 19.1 Billion in 2023. Of the total expense items, personnel expense, interest expense, and other operating expenses took the highest share in their order, as has been the case in the preceding years.

Total deposit, including L/C Margin, as at June 30, 2023 stood at Birr 187.4 Billion and that was the highest deposit balance registered in our Bank as well as in the history of private banks. The deposit balance grew by Birr 35.4 Billion or 23% in 2023 as compared to 2022.

Total asset remarkably grew from Birr 183.1 Billion in 2022 to Birr 224.0 Billion in 2023; i.e. a growth of Birr 40.9 Billion or 22.3%, and that was the highest figure by all standards. Loans and advances took the biggest share of the total asset, accounting for Birr 162.0 Billion or 72% of the total asset of the Bank.

With a concerted effort to maintain the asset quality of the Bank, the NPLs ratio as at June 30, 2023 stood at about 1% and this was far below the threshold, i.e. 5%, set by the regulatory body. This insignificant ratio in comparison with the total loan portfolio

is not as such a concerning issue but still all possible effort will be exerted to keep it even at the lowest possible limit.

Our Bank has opened 150 branches in the financial year and the total number of branches nation-wide as at end of June 2023 reached 875.

Despite many ups and downs, the financial year 2022/23 was an impressive and successful year in many respects to the banking industry in general and to our Bank in particular. Some of the major success stories of our Bank which will enable us to perform even better in the year to come are the following:

1. Our Bank has successfully concluded its contractual agreement with an internationally renowned strategy development company, McKinsey and Company, for the development of a corporate strategy. The recommendations of the consulting company are now fully under implementation. A new organization structure is also in place to enable our Bank fully implement the recommended strategies. It's our strong conviction that the new corporate strategy will enhance the competitive position of our Bank in the future.
2. Measures are being undertaken by the Federal Government to address the existing double-digit inflation rate for food and non-food items in the year 2023/24 and beyond. This is expected to somehow ameliorate the various running costs and the profitability of the Bank.
3. A number of new local banks have joined the banking industry in the fiscal year. Lack of competition has never been good - ever! With competition, winners survive, losers don't. Thus, the coming of new banks will drive us to

think deeply, creatively and differently and finally come up with new ideas for the good of the general public at large.

The year 2023/24 is, nevertheless, expected to be challenging owing to the following factors:

- i. The National Bank of Ethiopia (NBE) has set a credit ceiling limit on banks for the year 2023/24. This decision of the central bank will have a significant impact on interest income that will be generated from loans and advances and an immediate impact on the profitability of the Bank.
- ii. Both local and foreign private financial service companies have been provided a mobile money service license by the regulatory body. New conventional and interest free banks have also been provided a license to join the banking industry. Business will not, therefore, be as usual and we expect stiffer competition in the years ahead.
- iii. The annual premium contribution to the newly established Ethiopian Deposit Insurance Fund is becoming an unexpected expense to member financial institutions and the premium contribution is escalating the expenses of banks.

I am, however, very hopeful and confident that with a coordinated effort of all, Awash will further flourish and become vibrantly visible by overcoming the challenges. I believe that with a renewed commitment, we can do even better by fully utilizing our potentials and exploiting the available opportunities. To this end, we will plan every time in advance to get the right things done at the right time as the six 'P' formula goes, 'proper prior planning prevents poor performance!'

Taking this opportune moment, I would like to extend my deepest appreciation once again to our customers for their loyalty, and dedicated Management and hard-working staff members for the best performance registered in 2022/23.

Lastly, I would also like to extend my heartfelt gratitude to all Shareholders, Board of Directors, our Correspondent Banks, Federal and Regional Government Offices and especially the National Bank of Ethiopia and Financial Intelligence Center for their relentless support, advice and guidance in all our day-to-day activities.

God bless you all!



# PICTORIAL PRESENTATION OF SHAREHOLDERS' MEETING



Partial View of the 27<sup>th</sup> Ordinary Shareholders' Meeting

## PICTORIAL PRESENTATION OF MANAGEMENT MEETING, 2022/23



**Partial View of Management Meeting**



**Awarded Best Performing Regions, RMs & Branches with  
the Board of Directors & Management**



# REPORT OF THE BOARD OF DIRECTORS

The Board of Directors of Awash Bank is pleased to present Awash Bank’s Annual Report and Audited Financial Statements for the financial year 2022/23 to the 28<sup>th</sup> Annual General Meeting of its valued Shareholders.

Financial Year 2022/23 witnessed both global and domestic challenges. At the global front, the main challenges were the slowdown of the world economic growth, high level of inflation, tightened monetary and financial conditions and disruptions in supply chain, owing to the lingering effects of the COVID-19 pandemic and the protracted Russia-Ukraine war.

On the domestic front, the Ethiopian economy was challenged by, among others, drought, continued internal conflicts in some parts of the country, double digit inflation and shortages of foreign currency.

In addition to global and domestic challenges, banks operating in Ethiopia have faced intense competition from existing and new entrant banks as well as from non-bank players such as Fintech companies and Telecom operators. It is worth mentioning that the number of commercial banks operating in Ethiopia has reached over 30 by the end of June 2023, half of which were the newly entrant ones during the last two years. Similarly, Ethio-Telecom and a number of Fintech companies have started engaging in payment services, which was previously allowed only for banks.

Despite these headwinds impacting the overall performances and profitability of banks, Awash Bank has once again registered an outstanding operational and financial results during the financial year 2022/23. Indeed, Awash Bank maintained its leading position in key performance areas such as total deposits, loans and advances, total assets and profits, among the private banks operating in Ethiopia.

## 1. OPERATIONAL PERFORMANCES

### 1.1 Deposits Mobilization

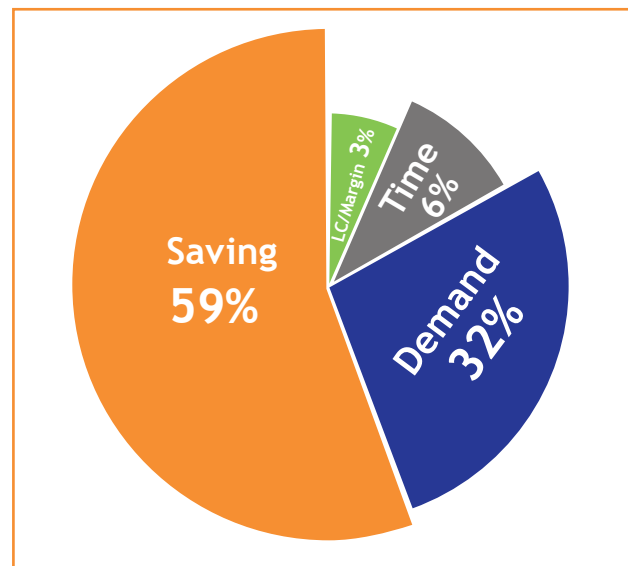
Awash Bank’s total deposits, including L/C margin and deposits from the Interest Free Banking (IFB) reached Birr 187.4 billion as at June 30, 2023, picked-up by Birr 35.4 billion (23 percent) over the preceding year. The Bank’s notable and sustainable deposit growth is attributed to a number of factors, including the expansion of the customer base of the Bank, offering of various deposit products and services and expansion of both conventional and digital service delivery channels.

Table 1: Deposit Composition by Type (In Millions of Birr)

Description	Financial Year		Growth		Share	
	2021/22	2022/23	Absolute	%	2021/22	2022/23
Saving Deposits	90,720	111,170	20,450	23	60	59
Demand Deposits	49,770	59,868	10,098	20	33	32
Time Deposits	7,538	11,433	3,895	52	5	6
L/C Margin	3,978	4,896	918	23	3	3
<b>Total</b>	<b>152,006</b>	<b>187,367</b>	<b>35,361</b>	<b>23</b>	<b>100</b>	<b>100</b>

Interest Free Banking line of business has continued to play a significant role in the overall deposit mobilization performance of the Bank. Accordingly, the IFB deposits grew by Birr 4.2 billion (37 percent) during the financial year 2022/23 and reached Birr 15.7 billion as at June 30, 2023.

Figure 1: Deposit Structure as at June 30, 2023



## 1.2 Loans and Advances

During the period under review, Awash Bank continued to support the economic growth of the country by availing finance to different sectors of the economy. Accordingly, the total outstanding loans and advances extended to the economy grew by 25 percent during the review period and reached Birr 162.00 billion at the end of June 2023.

The sectoral distribution of loans and advances reveals that domestic trade and services took the lion's share (24 percent), followed by export (19 percent), building and construction (17 percent), import (13 percent), manufacturing (11 percent), personal loans (9 percent), staff loans and advances (4 percent), transportation (2 percent) and other sectors (0.3 percent).

Table 2: Loans and Advances by Economic Sectors (In Millions of Birr)

Description	Financial Year		Growth	
	2021/22	2022/23	Absolute	Percentage
Domestic Trade & Services	29,237	39,251	10,013	34
Export	27,605	30,987	3,382	12
Building & Construction	22,786	27,514	4,729	21
Import	16,335	20,798	4,463	27
Manufacturing	15,550	18,449	2,899	19
Personal loans	9,758	14,659	4,901	50
Staff loans & advances	4,168	5,834	1,666	40
Transport	3,316	3,939	623	19
Others	490	522	32	7
<b>Total</b>	<b>129,244</b>	<b>161,952</b>	<b>32,708</b>	<b>25</b>

The Bank's asset quality, as measured by the ratio of non-performing loans, is one of the best in the industry. The Non-Performing-Loans (NPLs) ratio of the Bank stood at about one percent, which is by far below the NBE's (regulatory) threshold level of 5 percent. This commendable performance is the result of the concerted and consistent efforts of the Bank in maintaining high asset quality.

## Some of The Investments (Businesses) Financed by Awash Bank



### Daye Bensa Coffee



### AMG Coffee Export

### 1.3 International Banking Services

Generation of foreign currency and facilitation of international trade are the main activities of the Bank pertaining to international banking services. Accordingly, the total amount of foreign exchange earned during the financial year 2022/23 reached USD 1.49 billion, which is a record high performance as compared with both previous years' performances and the performances of all other private banks operating in Ethiopia. This was also a 20% increase (USD 244 Million) compared with last year.

This notably high performance is mainly attributed to efforts made to attract and retain exporters and other FCY generating companies.

The establishment of strategic partnerships with several international organizations and religious institutions and the Bank's well-earned reputation from correspondent banks for honoring its obligations have also played a significant role for the registered high performance in generating foreign currency during the review period.

Awash Bank has also continued to play a significant role in facilitating global trade by providing a variety of trade finance services to importers and exporters. Accordingly, the outstanding loans and advances availed to the export sector has reached Birr 31 billion by the end of June 2023, while loans and advances extended to the importers stood at Birr 20.8 billion during the same period.

## Lottery Award

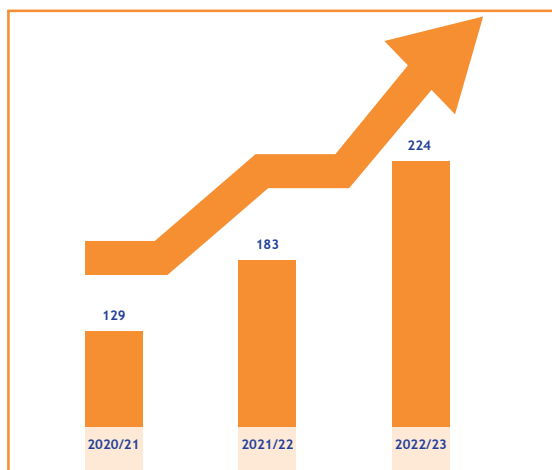




## 1.4 Total Assets

Awash Bank has shown a vibrant financial intermediation activity as reflected by a surge in its total assets. The total asset size of the Bank has crossed a Br. 200 billion mark for the first time in the history of private banks in Ethiopia. During the FY 2022/23, the total assets of the Bank has increased by Birr 40.9 billion (22.3 percent) and reached Birr 224 billion, which will apparently be a good springboard for the envisioned growth and expansion of the Bank. This growth was mainly driven by the growth in loans and advances, as well as investments on fixed assets. The growth in the asset position of the Bank was largely funded by deposits from customers, which accounted for over 83 percent of the total assets.

Figure 3: Trends in Total Assets  
(In Billions of Birr)



## 1.5 Capital

Following the Shareholders' decision at the 17<sup>th</sup> Extraordinary Meeting held in November 2022 to raise the paid-up capital of the Bank to Birr 55 billion within four years, the paid-up capital of the Bank has increased by Birr 4.4 billion (42 percent) during the reporting period and reached Birr 14.6 billion at the end of June, 2023. This strategic decision will allow the Bank to expand its operations, invest in new technologies, provide better services to its customers and ultimately allow Awash Bank to ensure its leadership position in all aspects of the competition.

Awash Bank is not only the most well capitalized private bank in Ethiopia, but also the Bank whose paid-up capital is well in excess of the minimum statutory requirement of Birr 5

billion set by the NBE, which all commercial banks operating in Ethiopia are required to meet by June 30, 2026.

## 2. FINANCIAL PERFORMANCE

Awash Bank has registered superior financial performances during the review period not withstanding challenging business environments and difficult macro-economic conditions such as high inflation and shortage of foreign currency.

### 2.1 Income

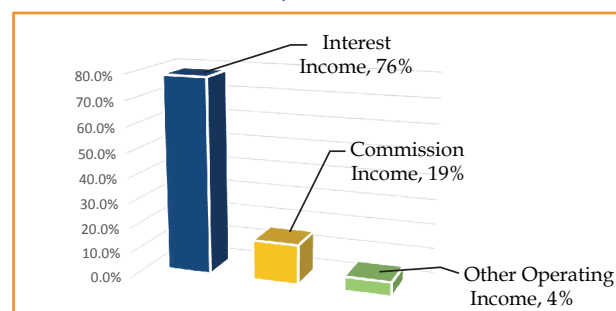
Total income of the Bank increased by Birr 8.2 billion (39.8 percent) over the previous year's performance and reached Birr 28.79 billion during the financial year 2022/23, which was largely driven by a surge in interest income. Accordingly, interest income was increased by 54.9 percent and reached Birr 21.9 billion, owing to a significant increase in loans and advances. Similarly, fees and commission income grew by 13 percent and reached Birr 5.6 billion during the review period. Meanwhile, income from other operating income decreased by 17 percent and stood at Birr 1.3 billion during the financial year under review. This registered decline in operating income is mainly due to the decline in gain on foreign currency transactions and translations.

Table 3: Components of Income  
(In Millions of Birr)

Description	Financial Year		Growth		Share	
	2021/22	2022/23	Absolute	%	2021/22	2022/23
Interest Income	14,160	21,934	7,775	55	69	76
Fees & Commission Income	4,961	5,605	644	13	24	19
Other Operating Income	1,522	1,261	(261)	(17)	7	4
<b>Total Income</b>	<b>20,643</b>	<b>28,788</b>	<b>8,154</b>	<b>40</b>	<b>100</b>	<b>100</b>

Interest income accounted for the largest portion of the overall income (76 percent), followed by fees and commissions (19 percent) and other operational income (4 percent).

Figure 4: Income Composition as at June 30, 2023



## 2.2. Expenses

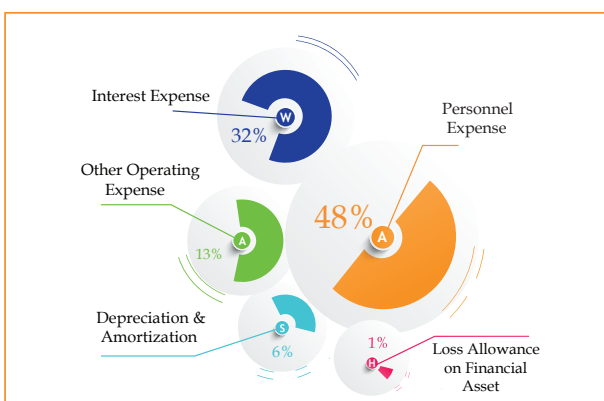
Total expense of the Bank was Birr 19.1 billion during the financial year 2022/23, depicting a growth of Birr 5.9 billion (44.4 percent) compared with the corresponding period of last year. The increase in the overall expenses of the Bank was mainly attributed to increased personnel and interest expenses. Accordingly, personnel expenses grew by Birr 3.4 billion (60.2 percent) and reached Birr 9.1 billion as at June 30, 2023. The rise in personnel expense was driven by the recruitment of additional staff for the aggressive branch expansion endeavor of the Bank and fulfillment of vacant posts at Regional and Head Offices. Similarly, interest expense stood at Birr 6.1 billion, up by Birr 1.7 billion (38.5 percent) as compared with last year, mainly due to the increase in the interest-bearing deposits.

**Table 4 Composition of Expense  
(In Millions of Birr)**

Description	Financial Year		Growth	
	2021/22	2022/23	Absolute	%
Interest Expense	4,377	6,061	1,684	38
Personnel Expense	5,677	9,094	3,417	60
Other Operating Expense	1,469	2,545	1,077	73
Depreciation and Amortization	807	1,107	300	37
Loss Allowances on Financial Assets	860	243	(618)	(72)
<b>Total Expense</b>	<b>13,190</b>	<b>19,050</b>	<b>5,860</b>	<b>44</b>

Personnel expenses accounted for the lion's share of the Bank's overall expense (48 percent), followed by interest expenses (32 percent), and other operating expenses (13 percent). During the review period, loss allowances on financial assets has significantly declined mainly because of the notable improvement in asset quality and increase in average recovery rate of the Bank.

**Figure 5: Components of Expense as at June 30, 2023 (Percentage)**



## 2.3. Profit

Awash Bank registered a record high profit before tax of Birr 9.8 billion in-the-face -of the obstructions emanated from the impact of internal and external factors affecting the overall business environment. Similarly, the Bank's profit after tax increased to Birr 7 billion as at June 30, 2023. The Bank's profit translates to earning per share of 577 per 1,000 par value during the reviewed financial year, which is higher than the previous year's 570 earnings per share. This growth in EPS is registered despite the significant capital growth of the Bank during the reviewed period.

**Table 5: Trends in Profit (In Millions of Birr)**

Description	Financial Year		Growth Percentage
	2021/22	2022/23	
Profit Before Tax	7,453	9,751	30.8
Profit After Tax	5,341	6,991	30.9

## 2.4. Proposal on Dividend Payout

Out of the total appropriable net profit of Birr 6,993,560,942 (Six Billion Nine Hundred Ninety-Three Million Five Hundred Sixty Thousand Nine Hundred Fourty-Two) after considering deductions in legal reserve and other allowances, the Board of Directors of Awash Bank recommended that a divided of Birr 5,168,820,599 (Five Billion One Hundred Sixty-Eight Million Eight Hundred Twenty Thousand Five Hundred Ninty-Nine) be paid to shareholders in cash or for purchasing of the Bank's shares, depending upon the choice of each shareholder.

### 3 STRATEGY AND BUSINESS-RELATED DEVELOPMENTS

#### 3.1 Crafting of New Corporate Strategy

In response to the dynamic changes in global, domestic and regulatory landscape in Ethiopia, such as the opening up of the financial market to foreign operators and fintech companies and the ongoing establishment of capital market, Awash Bank has crafted a new five-year corporate strategy to be implemented starting from FY 2023/24. According to the new strategy, the vision of the Bank is “To be the best and preferred financial services provider where customers feel valued.” The aspiration of the Bank is “To become one of the top ten African banks by 2030”.

#### 3.2 Human Capital Developments

In view of enhancing employee productivity, drive high performance culture and excellent customer services, the Bank has continued to provide targeted, role-based, specific as well as general trainings to its staff. During the review period, the Bank provided close to 287 different leadership and technical trainings to more than 19,000 employees with a total training cost of Birr 196.6 million.

Moreover, Awash Bank has continued to attract and retain the best talent from the market by ensuring competitive remunerations and conducive work environment. Accordingly, more than 4,300 new staff have joined the Bank, raising the total staff strength to 20,055 employees at the end of June 2023. The Bank’s workforce is composed of a mix of young aspiring professionals, established leaders, and experts in their respective fields.



#### 3.3 Service Delivery Channels

In a bid to be more accessible, convenient and to ensure positive customer experience, Awash Bank has expanded its physical footprints and digital presence. Accordingly, the Bank has opened 150 new branches during the FY 2022/23, raising its total branch network to 875 as at June 30, 2023. During the period under review, 341 additional ATMs have been deployed, increasing the total number of ATMs to 783. Similarly, additional 117 POS terminals have been deployed at different locations, raising the total number of POS terminals to 2,472.

Likewise, the number of mobile and internet banking service subscribers reached more than 5.46 million, of which 1.25 million subscribers were those registered during the review period. The total number of debit card users also reached more than 2.48 million, increased by 452 thousand (22%) from last year same period. The number of Agents working with Awash Bank increased by more than 3,600 during the review period and reached more than 5,500 at the end of the reporting period. Similarly, the number of merchants/billers reached more than 14,800, indicating an increase of 152% over last year same period.



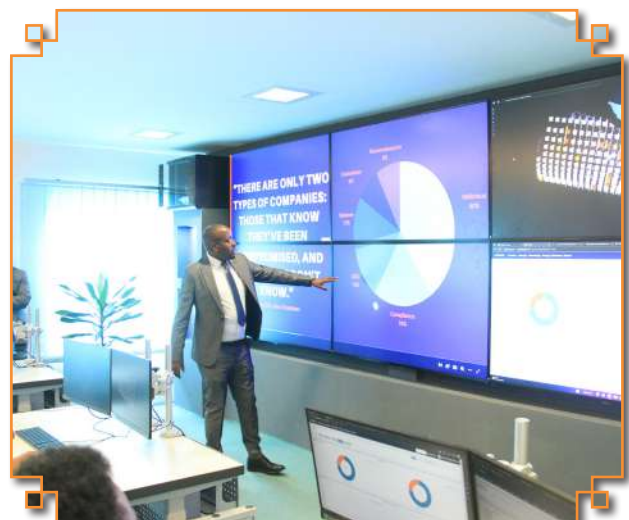
### 3.4 Information Technology(IT)

Awash Bank has continued to improve and enhance its technological and digital capabilities during FY 2022/23. In this regard, a number of systems development and configuration works were undertaken to include new set of services to customers and internal users as well as for third party system integrations. Moreover, Awash Bank has strengthened its IT security services that culminated in the establishment of Cyber Security Operation Center.

In addition, the Bank has steadily increased its digital banking capability which enhanced the Bank’s competitiveness in the industry. In addition to expanding its digital banking service accessibility, the Bank has also introduced various digital products and some of the fully completed projects during FY 2022/23 include credit card, digital micro-lending and digital aid distribution platforms.



**Awash Credit Card Launching Ceremony**



**Cyber Security Center Inauguration Ceremony**



### 3.5 Construction of Own Buildings

The construction of Bulbula Building (2B+G+13), Bale Robe Building (B+G+4) and Assella Building (B+G+5) were well underway. On the other hand, contract signing was made for the construction of Ambo (B+G+7) and Yebu (G+2) buildings. For the construction of Dire Dawa Building (B+G+7), the bid process for hiring the contractor is in progress. Meanwhile, the envisaged Woliso, Burayu Ketta, Bishoftu, Assosa and Bonga buildings and Burayu Ashewa Meda warehouse building are under the design process.



**Bale Robe Building under construction**



**Bulbula Building under construction**



**Dire Dawa Building Design**



**Ambo Building Design**



**Woliso Building Design**





Bishoftu Building Design



### 3.6 Corporate Social Responsibility (CSR)

Awash Bank places the concept of corporate social responsibility at the center of its corporate business strategic roadmap in the past decades and positively integrated it into its core business programs. In line with this, the Bank has continued participating in several developmental, humanitarian, health and environmental protection projects by allocating hundreds of millions of Birr over the years.

Moreover, as part of its corporate social responsibility, Awash Bank has launched and conducted an initiative called Tatariwochu/Qaxaleewwan/ ታታሪዎቅ/ባኣላሎወወን to encourage innovation and contribution to the development of micro, small, and medium enterprises (MSMES) and

start-ups. The goal of the initiative is to provide training and business development service, provide access to finance and empowering entrepreneurs to build entrepreneurial skills for future jobs, which is believed to play a major role in solving the unemployment problem in our country. Accordingly, more than 7,000 entrepreneurs and start-ups participated in the competition during the FY 2022/23. Awash Bank provided skill development trainings, arranged experience sharing events to create opportunities for the participants to network with business owners and potential investors to their ideas. Awash also awarded the winners up to Birr one million and facilitated access to credit up to Birr five million on clean basis to change their business ideas into practice.



**Green Legacy Seeds Planting Program**



Tatariwochu Entrepreneurship Competition Closing Ceremony





**Qaxaleewan Entrepreneurship Competition Closing Ceremony**



### 3.7 Global Recognitions and Accolades

Similar to that of the previous financial year, Awash Bank’s resilient performance earned the Bank global awards and recognitions during FY 2022/23. Accordingly, Global Finance Magazine selected Awash Bank for the second time in a row as one of the best banks in Africa for the financial year 2023. In addition, Awash Bank has received the Global SME Finance Awards for the year 2023. Global SME Financial Awards recognized Awash Bank for its outstanding achievements in delivering exceptional products and services to its SME clients. Moreover, it is to be recalled that Reputation Poll International LLC, a leading global reputation-management firm, had selected the Chief Executive Officer of the Bank, Ato Tsehay Shiferaw, as One of the Top 50 Most Reputable Bank CEO’s in Africa for FY 2021/22. The Board and the Management of Awash Bank would like to extend their heartfelt gratitude to the Bank’s invaluable customers for choosing Awash Bank and dedicated these awards to the Bank’s esteemed customers.



**Global Finance Best Bank Award 2023**



**Best Global SME Finance Award**



## 4. Interest Free Banking (IFB) Shariah Advisory Committee's Report for Financial Year 2022/23

### Shariah Advisory Committee



**Ustaz Sultan Aman Eba**  
Chairman



**Mohammedhakim Ahmed (Dr.)**  
D/Chairman



**Ustaz Hassen Abdulnasir Ali**  
Member

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

*“In the name of Allah, the most Compassionate, the most Merciful”*

*To the Awash Bank Board of Directors, all stakeholders and depositors:*

In compliance with the duties and responsibilities vested on us in the Bank's Shariah Advisory Committee Charter and the letter of appointment thereafter, we are required to ensure that Awash Bank's IFB operations are in compliance with the Islamic Shariah principles as well as those required by NBE Directive SBB/72/2019, Art 2.2.

To this end, we are required to issue and submit this report, which complies with international best practices, to be published on the Bank's annual financial report.

Awash Bank offers the following IFB services in fund mobilization, fund utilization, and service-based products at its more than 841 branches, among which 46 (Forty-six) are full-fledged IFB Branches, designated as “Ikhlas”, which is the brand name for the Bank's Interest Free Banking Services.

- Fund Mobilization Schemes: Wadiah Saving, Student Solution and Smart Child, Al-Khair & Labbaik - Wadiah Saving Accounts; Wadiah Current Account (Amanah); Unrestricted Mudarabah Investment Accounts.
- Fund Utilization Schemes: Murabaha Financing Schemes (Cost + Mark-up); Interest-Free Export Financing Scheme (Qard); Loan for Overseas Employment Agencies (Qard) and Loan for the Poor (Qard-al Hassan) or Benevolent Loans.
- Service Based Products: IFB Trade Services, (Murabaha, Musharakah and Wakalah L/C); IFB Bank Guarantees (Kafalah); Hawalah (Hiwalah), etc.

We have reviewed the products listed above with their respective expected Shariah principles, the relevant contracts, transactions, and IFB core banking of the Bank during the year ended June 30, 2023. In addition, we have assessed the IFB policies and procedures adopted by the Bank, examined sample transactions, the relevant documentations, all information and explanations which we considered necessary and sufficiently provide us evidence to give reasonable assurance that Awash Bank operations have not violated the Shariah principles.

In our opinion, generally, we, the Shariah Advisory Committee of Awash Bank, do hereby confirm that:

- The IFB Products mentioned above, operational procedures, contracts, transactions and dealings entered into by the Bank during the year ended 30 June 2023 that we have reviewed are in compliance with the Shariah principles and the Shariah rulings related to IFB operations.
- Mudarabah deposits and financing (Profit-Loss Sharing) is not yet started and thus, there is no allocation of profit and charging of losses relating to investment accounts.
- The profits generated by the Bank from Murabaha and other services like Kafalah, are Shariah-compliant and there are no earnings that have been realized from sources prohibited by the Shariah principles and thus, no fund is expected to be disposed to charitable causes from the Bank's profit. However, ETB 53,821,187.95 was collected from defaulted customers in the form of penalty which must be given to charity in line with the Shariah principle.

To ensure the objective utilization of the Charity Account, the SAC has adopted comprehensive guidelines. These guidelines outline the criteria for selecting eligible beneficiaries, the types of projects that qualify for funding, and the evaluation process for assessing the impact and feasibility of proposed initiatives. By adhering to these guidelines, Awash Bank Ikhlas ensures that funds are utilized effectively and in line with Shariah Principles.

We appreciate the progress made in the utilization of charity fund and we are pleased to report the completion of the following projects: Additional delivery rooms at Wolkite Hasan Injamo Clinic, & Building of a school block in South Wollo, Bistima Town. We are also happy to report that the building of a school block in the war-torn areas of North Wollo is well underway. These projects will make a significant difference in the lives of people by providing them with access to essential healthcare and education.

We recommend that the Bank continue to engage with the Shariah Advisory Committee on a regular basis to ensure that its IFB products and services remain Shariah-compliant. We also recommend that the Bank continue to invest in training and development for its staff on Interest Free Banking principles and practices.

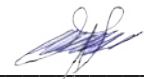
**Shukran! (Thank You)**

**Shariah Advisory Committee**

H.E Dr. Sheik Sultan Aman Eba (Chairman of the Shariah Advisory Committee)

Dr. Mohammedhakim Ahmed Hasan (D/Chairman of Shariah Advisory Committee)

Ustaz Hassan Abdulnasir Ali (Member of the Shariah Advisory Committee)



Addis Ababa, Ethiopia, July 7, 2023.

# AUDITORS' REPORT



አዋሽ ባንክ  
**AwashBank**  
Nurturing Like the River



በፌዴራል ዋና ኦዲተር መሥሪያ ቤት  
የሂሳብ ምርመራ አገልግሎት ኮርፖሬሽን  
Office of the Federal Auditor General  
Audit Service Corporation

INDEPENDENT AUDITOR'S REPORT  
TO THE SHAREHOLDERS OF  
AWASH BANK SHARE COMPANY



Report on the Audit of the Financial Statements

*Opinion*

We have audited the financial statements of Awash Bank Share Company (the Bank), which comprise the statement of financial position as at 30 June 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at 30 June 2023 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB).

*Basis for Opinion*

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in Ethiopia, and we have fulfilled our other ethical responsibilities in accordance with those requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Key Audit Matters*

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

*Impairment assessment of loans and advances to customers*

As required by IFRS 9, the Bank applies the expected credit loss (ECL) model to measure loss allowances for financial assets. Since this model involves many judgments and assumptions and in view of the significance of the amount of loans and advances to customers in the statement of financial position (as at 30 June 2023, gross loans and advances to customers amounted to Birr 161.95 billion, representing 71% of the total assets of the Bank, and impairment allowance for loans and advances to customers amounted to Birr 2.58 billion), impairment of loans and advances is considered a key audit matter.

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**INDEPENDENT AUDITOR'S REPORT  
TO THE SHAREHOLDERS OF  
AWASH BANK SHARE COMPANY (continued)**

Relevant disclosures are included in Note 2.6(c); 4 and Note 16 to the financial statements.

Our audit procedures to address this key audit matter included evaluating and testing the effectiveness of the design and implementation of key controls related to the credit approval process, post approval credit management, collateral monitoring and loan impairment assessment.

We adopted a risk-based sampling approach to review loan procedures, including the loan approval process, verification of loan agreements and legal documents to check the terms and conditions of the loans and advances, the adequacy and valuation of collaterals, the follow-up in respect to loan repayments and the proper categorization of loans and advances.

With respect to the loan impairment assessment, we obtained an understanding of the model used by management to calculate the expected credit loss, verified the model against the requirements of IFRS 9, tested the accuracy and completeness of the underlying data used in the model and the arithmetical accuracy of the computation of the expected credit loss and evaluated the adequacy and appropriateness of the disclosures included in the notes to the financial statements. Overall, we found no concerns in respect to the completion of formalities or the recording of loans and advances at appropriate values as well as the impairment assessment of loans and advances.

***Information Other than the Financial Statements and Auditor's Report Thereon***

Management is responsible for the other information. The other information comprises the annual report, but does not include the financial statements, our auditor's report thereon and the report of the Board of Directors.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

ASC



INDEPENDENT AUDITOR'S REPORT  
TO THE SHAREHOLDERS OF  
AWASH BANK SHARE COMPANY (continued)



*Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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**INDEPENDENT AUDITOR'S REPORT  
TO THE SHAREHOLDERS OF  
AWASH BANK SHARE COMPANY (continued)**

*Auditors' Responsibilities for the Audit of the Financial Statements (continued)*

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

*Report on Other Legal Requirements*

As required by the Commercial Code of Ethiopia Proclamation No. 1243/2021, we must report to you in accordance with

Article 349 (1) that we have no comments to make on the report of the Board of Directors; and  
Article 349 (2) that we recommend approval of the financial statements.

The engagement partner on the audit resulting in this independent auditor's report is Woizero Banchiyehu Tamirat.

*Audit Services Corporation*

Addis Ababa  
26 October 2023



Audit Services Corporation  
Auditors of  
Awash Bank Share Company

**Awash Bank S.C.**  
**Financial Statements**  
**For the year ended 30 June 2023**  
**Directors, Professional Advisers and Registered Office**

**Company trade license number**

LBB/001/91

**Directors (as of June 30, 2023)**

Gure Kumssa Deressa

kedeme Teshome Woldeyes

Abaynesh Merga Jena

Arega Gella Hedu

Beza Tadesse Gurmu

Elias Geneti Sima

Ephrem Getu Gelete

Frehiwot Alemayehu Kalbesa

Hordofa Bekele Gume

Million Duguma Hunde

Roba Arega Kitata

Yoseph Yonas Kumsa

**Executive Management (as of June 30, 2023)**

Tsehay Shiferaw Ensermu

Abdella Adem Sekeko

Abebe Deressa Dinssa

Berhanu Balcha Wordofa

Beyene Dekeba Obole

Dessalegn Tolera Jaleta

Henock Tessema Tadesse

Kefyalew Shiferaw Demissie

Lemessa Soboka Megerssa

Lemi Furgassa Bedada

Netsanet Woldekidan K/Mariam

Tadesse Gameda Denta

Takele Arega Mammo

Temesgen Busha Gemechu

Temesgen Workineh Sodu

Tilahun Geleta Neguma

Tilahun Temotewos Handino

Yohannes Merga Gudina

Zebene Kaba Deressa

**Senior Management (as of June 30, 2023)**

Abdena Selbana Adu

Abebe Tadesse Demesash

Alemayehu Tola Hirko

Bikila Anbessa Demma

Danephraim Abule Endashaw

Dereje Getachew Kelemu

Dereje Tamiru Alemu

Desalegne Assefa Yegzaw

Ebissa Deribe Cheru

Elias Eshetu Ali

Chairman

Vice Chairman

Non-Executive Director

Non-Executive Director

Non-Executive Director

Non-Executive Director

Non-Executive Director

Non-Executive Director

Non-Executive Director

Non-Executive Director

Non-Executive Director

Non-Executive Director

Non-Executive Director

Chief Executive Officer

Executive Officer

Executive Officer

Executive Officer

Executive Officer

Executive Officer

Executive Officer

Executive Officer

Executive Officer

Executive Officer

Executive Officer

Executive Officer

Executive Officer

Executive Officer

Executive Officer

Executive Officer

Executive Officer

Executive Officer

Executive Officer

Director

Director

Director

Director

Director

Director

Director

Director

Director

Director

(Appointed Jan 23, 2020)

(Appointed Jan 23, 2020)

(Appointed Jan 23, 2020)

(Appointed May 04, 2023)

(Appointed Jan 23, 2020)

(Appointed May 04, 2023)

(Appointed May 04, 2023)

(Appointed May 04, 2023)

(Appointed May 04, 2023)

(Appointed May 04, 2023)

(Appointed May 04, 2023)

(Appointed Jan 23, 2020)

(Appointed Jan 23, 2020)

(Appointed July 1, 2016)

(Appointed January 1, 2021)

(Appointed Oct 1, 2016)

(Appointed April 4, 2023)

(Appointed April 4, 2023)

(Appointed July 1, 2016)

(Appointed July 1, 2016)

(Appointed January 1, 2021)

(Appointed January 1, 2021)

(Appointed April 4, 2023)

(Appointed January 1, 2021)

(Appointed July 1, 2016)

(Appointed April 4, 2023)

(Appointed January 1, 2021)

(Appointed January 1, 2021)

(Appointed July 1, 2017)

(Appointed March 21, 2022)

(Appointed July 1, 2016)

(Appointed April 4, 2023)

(Appointed April 15, 2023)

(Appointed January 1, 2021)

(Appointed April 15, 2023)

(Appointed April 15, 2023)

(Appointed April 15, 2023)

(Appointed January 3, 2021)

(Appointed April 15, 2023)

(Appointed June 22, 2021)

(Appointed March 15, 2018)

(Appointed June 17, 2021)





**Awash Bank S.C.**  
**Financial Statements**  
**For the year ended 30 June 2023**  
**Directors, Professional Advisers and Registered Office**



Emnet Gadissa Guluma	Director	(Appointed April 15, 2023)
Fikru Gebrewold Ibsa	Director	(Appointed July 21, 2021)
Gacho Wara Abiyou	Director	(Appointed August 21, 2017)
Girmay Seyfu Asrat	Director	(Appointed January 1, 2021)
Gutama Tesfa Ashana	Director	(Appointed January 2, 2021)
Jalene Tadesse Yadeta	Director	(Appointed April 15, 2023)
Kelemu Ameha Alemu	Director	(Appointed March 24, 2021)
Hailu Meskela Gudeta	Director	(Appointed July 1, 2016)
Hailu Woldegebriel Teklemariam	Executive Assistant to the CEO	(Appointed July 1, 2016)
Lemessa Bulti Abdeta	Director	(Appointed January 1, 2020)
Melkamu Tadesse Zewdu	Director	(Appointed January 1, 2021)
Merga Atnafu Hirpa	Director	(Appointed January 1, 2021)
Meseret Ambelu Genie	Director	(Appointed January 1, 2021)
Mohammed Kedir Sado	Director	(Appointed January 1, 2021)
Moges Mulugeta Zemedede	Director	(Appointed April 15, 2023)
Muluken Asfaw Ayalew	Director	(Appointed April 15, 2023)
Nurfeta Legesse Kejella	Director	(Appointed December 18, 2018)
Olani Tabor Wami	Director	(Appointed January 1, 2021)
Regassa Gemechu Gultie	Director	(Appointed April 15, 2023)
Samson Hussein Jemal	Director	(Appointed June 15, 2021)
Shasho Ayalew Bezu	Director	(Appointed April 15, 2023)
Shimelis Teklu T/Mariam	Director	(Appointed April 15, 2023)
Solomon Jebessa Gudissa	Director	(Appointed May 17, 2021)
Soressa Alemu Mosissa	Director	(Appointed September 5, 2018)
Tegene Tesfaye Gebretsadik	Director	(Appointed February 21, 2019)
Tadele Alemayehu Mamo	Director	(Appointed January 1, 2021)
Teferi Bekele Olika	Director	(Appointed January 1, 2021)
Tesfaye Seyfu Tekle	Director	(Appointed January 1, 2021)
Tewodros Hailu Wordofa	Director	(Appointed April 19, 2021)
Thomas Fikadu Bekele	Director	(Appointed April 15, 2023)
Tilahun Dejene Tassew	Director	(Appointed January 1, 2021)
Tsehay Getachew Gebeyehu	Director	(Appointed January 1, 2021)
Tussi Mendido Urgessa	Director	(Appointed January 1, 2021)
Wondimagegnehu Berhanu Gemechu	Director	(Appointed July 1, 2016)
Wubneh W/Cherkos H/Silassie	Director	(Appointed April 15, 2023)
Yadessa Miressa Gamtessa	Director	(Appointed October 6, 2021)
Yared Amanuel Feyisa	Director	(Appointed April 15, 2023)
Yirga Yigezu Gemtessa	Director	(Appointed January 1, 2021)
Yohannes Tsegaye Terara	Director	(Appointed January 1, 2021)
Yonas Atomsa Bedasa	Director	(Appointed January 1, 2021)
Yonas Kumera Lemu	Board Secretary	(Appointed July 1, 2016)
Zelalem Bekele Gebremariam	Director	(Appointed January 6, 2021)



**Awash Bank S.C.**  
**Financial Statements**  
**For the year ended 30 June 2023**  
**Directors, Professional Advisers and Registered Office**



**Independent auditors**

The Federal Democratic Republic of Ethiopia  
Audit Services Corporation  
Addis Ababa  
Ethiopia

**Corporate office**

Awash Tower  
Ras Abebe Aregay Street  
P.O. Box 12638  
Addis Ababa, Ethiopia



This management report discloses summary of the financial performance and state of affairs of the Bank.

**Incorporation and address**

Awash Bank Share Company was incorporated in Ethiopia in 1994 as the first privately owned commercial Bank and is domiciled in Ethiopia.

Awash Bank was established by 486 founding shareholders with a paid-up capital of ETB 24.2 million and started banking operations on February 13, 1995. As of 30 June 2023, the number of shareholders and its paid-up capital increased to over 6,430 and ETB 14.650 billion respectively.

**Principal activities**

The Bank provides diverse range of financial products and services to a Wholesale, Retail and Small and Medium Enterprises (SME) clients base in Ethiopian Market; both for conventional and interest free banking(IFB) customers. Awash Bank focuses on delivering distinctive profitable solutions for its clients in all core areas of commercial banking in the arena of conventional and Interest free Banking.

**Results and dividends**

The Bank's results for the period ended 30 June 2023 are set out on the Statement of profit or loss and other comprehensive income. The profit for the year has been transferred to retained earnings. The summarised results are presented below.

	30 June 2023	30 June 2022
	ETB'000	ETB'000
Interest income	21,934,382	14,159,649
Profit / (loss) before tax	9,750,514	7,453,151
Tax (charge) / credit	(2,756,954)	(2,111,920)
Profit / (loss) for the year	6,993,561	5,341,231
Other comprehensive income / (loss) net of taxes	62,653	60,631
Total comprehensive income / (loss) for the year	<b>7,056,214</b>	<b>5,401,862</b>

  
 \_\_\_\_\_  
 Tsehay Shiferaw Ensermu  
 Chief Executive Officer  
 Addis Ababa, Ethiopia





**Awash Bank S.C.**  
**Financial Statements**  
**For the year ended 30 June 2023**  
**Statement of Directors' Responsibilities**

In accordance with the Banking Business Proclamation No. 592/2008, the National Bank of Ethiopia (NBE) may direct the Bank to prepare financial statements, whether their designation changes or they are replaced, from time to time. Also, the Financial Reporting Proclamation No. 847/2014 requires the Bank to prepare its financial statements in accordance with the International Financial Reporting Standards (IFRS).

The Board of Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Bank is required to keep such records as are necessary to:

- a) Exhibit clearly and correctly the state of its affairs;
- b) Explain its transactions and financial position; and
- c) Enable the National Bank to determine whether the Bank had complied with the provisions of the Banking Business Proclamation and regulations and directives issued for the implementation of the aforementioned Proclamation.

The financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies and supported by reasonable and prudent judgements and estimates.

The Bank's Board of Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in accordance with International Financial Reporting Standards.

The Bank's Board of Directors are of the opinion that the financial statements present fairly, in all material respects, the financial position of the Bank and its financial performance.

The Board of Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Board of Directors to indicate that the Bank will not remain as a going concern for at least twelve months from the date of this statement.

Signed on behalf of the Board of Directors by:



Gure Kumssa Deressa  
Board Chairman  
26 October 2023



Tsehay Shiferaw Ensermu  
Chief Executive Officer  
26 October 2023



**Awash Bank S.C.**  
**Financial Statements**  
**For the year ended 30 June 2023**  
**Statement of Profit or Loss and Other Comprehensive Income**

	Notes	30 June 2023 ETB'000	30 June 2022 ETB'000
Interest income	5	21,934,382	14,159,649
Interest expense	6	(6,061,492)	(4,376,829)
<b>Net interest income</b>		<b>15,872,890</b>	<b>9,782,820</b>
Fees and commission income	7	5,605,013	4,961,459
Other operating income	8	1,249,048	1,513,673
<b>Total operating income</b>		<b>22,726,951</b>	<b>16,257,952</b>
Loss Allowances on Financial Assets	9, 10 & 11	(242,916)	(860,434)
<b>Net operating income</b>		<b>22,484,035</b>	<b>15,397,518</b>
Share of profit from associate	18	12,140	8,613
<b>Total income</b>		<b>22,496,175</b>	<b>15,406,131</b>
Personnel expenses	12	(9,093,592)	(5,677,133)
Amortisation of intangible assets	21	(45,247)	(34,944)
Depreciation and impairment of property and equipment	22	(447,959)	(334,501)
Interest expense on lease liability	20	(60,332)	(36,613)
Amortisation of Right of Use Asset	20	(553,086)	(400,961)
Other operating expenses	13	(2,545,445)	(1,468,828)
<b>Profit before tax</b>		<b>9,750,514</b>	<b>7,453,151</b>
Taxation	14	(2,756,954)	(2,111,920)
<b>Profit after tax</b>		<b>6,993,561</b>	<b>5,341,231</b>
<b>Other comprehensive income (OCI) net of income tax</b>			
<i>Items that will not be subsequently reclassified into profit or loss:</i>			
Re-measurement gain/(loss) on retirement benefits obligations	26	(90,853)	(7,651)
Deferred tax (liability)/asset on remeasurement gain or loss	14	27,256	2,295
Re-measurement gain/(loss) on retirement benefits obligations (Net)		(63,597)	(5,356)
Fair value through other comprehensive income financial assets : - Unrealized gain arising from measurement at fair value-Equity Instruments		146,366	79,313
Deferred tax (liability)/asset on remeasurement gain or loss		(20,116)	(13,326)
		62,653	60,631
<b>Total comprehensive income for the period</b>		<b>7,056,214</b>	<b>5,401,862</b>
<b>Basic &amp; diluted earnings per share (ETB)</b>	29	<b>577</b>	<b>570</b>




The accompanying notes are an integral part of these financial statements.

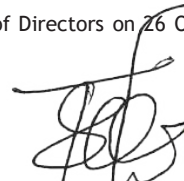
Awash Bank S.C.  
Financial Statements  
As At 30 June 2023  
Statement of Financial Position

	Notes	30 June 2023 ETB'000	30 June 2022 ETB'000
<b>ASSETS</b>			
Cash and bank balances	15	34,876,315	32,049,124
Loans and advances to customers (Net)	16	159,370,386	126,894,685
Investment securities:			
- Financial assets at fair value through OCI	17	523,078	340,030
- Financial assets at amortized cost	17	12,193,764	13,220,174
Investment in associates	18	69,459	52,119
Other assets	19	6,646,145	4,294,481
Right of Use Leased Assets	20	2,516,594	1,770,816
Intangible assets- Software	21	194,605	175,152
Property and equipment	22	7,633,768	4,549,996
Deferred Tax Assets	14	-	44,480
<b>Total assets</b>		<b>224,024,114</b>	<b>183,391,057</b>
<b>LIABILITIES</b>			
Deposits from customers	23	182,470,510	148,028,613
Borrowings	24	-	107,580
Other liabilities	25	9,596,580	11,257,683
Current tax liabilities	14	2,444,698	2,268,417
Lease liabilities	20	751,453	450,945
Severance and Retirement benefit obligations	26	532,304	326,674
Deferred tax liability	14	260,241	-
<b>Total liabilities</b>		<b>196,055,786</b>	<b>162,439,912</b>
<b>EQUITY</b>			
Share capital	27	14,649,656	10,291,407
Share premium	28	1,389	1,389
Retained earnings	30	5,852,088	5,066,847
Legal reserve	31	6,826,673	5,078,283
Risk regulatory reserve	32	425,353	362,703
Other reserve	33	213,170	150,517
<b>Total equity</b>		<b>27,968,329</b>	<b>20,951,145</b>
<b>Total equity and liabilities</b>		<b>224,024,114</b>	<b>183,391,057</b>

The accompanying notes are an integral part of these financial statements.

The financial statements were approved and authorized for issue by the Board of Directors on 26 October 2023 and were signed on its behalf by:

  
Gure Kumssa Dereessa  
Board Chairman

  
Tsehay Shiferaw Ensermu  
Chief Executive Officer





**Awash Bank S.C.**  
**Financial Statements**  
**For the year ended 30 June 2023**  
**Statement of Changes in Equity**

Notes	Share capital	Share premium	Retained earnings	Legal reserve	Risk regulatory reserve	Other Reserve (Fair value reserve)	Other Reserve (Defined Benefit reserve)	Total
	ETB'000	ETB'000	ETB'000	ETB'000	ETB'000	ETB'000	ETB'000	ETB'000
Balance as at 1 July 2021	8,188,948	1,389	3,547,493	3,742,975	258,709	97,794	(7,908)	18,432,692
Profit for the period	-	-	5,341,231	-	-	-	-	6,705,658
Other comprehensive income:								
Change in fair value of Fair value through other comprehensive income investments (net of tax)	-	-	-	-	-	65,987	-	79,313
Re-measurement gains on defined benefit plans (net of tax)	-	-	-	-	-	-	(5,356)	(5,356)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>8,888,724</b>	<b>3,742,975</b>	<b>258,709</b>	<b>163,781</b>	<b>(13,264)</b>	<b>25,212,308</b>
<b>Transactions with owners in their capacity as owners</b>								
Contributions of equity net of transaction costs (Proceeds from issue of shares)	262,300	-	-	-	-	-	-	262,300
Dividends Capitalized	1,840,159	-	(1,836,914)	-	-	-	-	3,245
Dividends paid	-	-	(486,411)	-	-	-	-	(486,411)
Dividends in Payable	-	-	(47,728)	-	-	-	-	(47,728)
Tax on Retained Earnings	-	-	(9,853)	-	-	-	-	(9,853)
Tax on interest income on foreign Directors' allowance	-	-	-	-	-	-	-	-
Transfer to legal reserve	31	-	(1,670)	-	-	-	-	(1,670)
Transfer to Risk regulatory reserve	32	-	(1,335,308)	1,335,308	-	-	-	-
			(103,994)	-	103,994	-	-	-
	<b>2,102,459</b>	<b>-</b>	<b>(3,821,878)</b>	<b>1,335,308</b>	<b>103,994</b>	<b>-</b>	<b>-</b>	<b>(280,117)</b>
<b>As at 30 June 2022</b>	<b>10,291,407</b>	<b>1,389</b>	<b>5,066,846</b>	<b>5,078,283</b>	<b>362,703</b>	<b>163,781</b>	<b>(13,264)</b>	<b>20,951,145</b>
<b>As at 1 July 2022</b>	<b>10,291,407</b>	<b>1,389</b>	<b>5,066,846</b>	<b>5,078,283</b>	<b>362,703</b>	<b>163,781</b>	<b>(13,264)</b>	<b>20,951,145</b>
Profit for the period	30	-	6,993,561	-	-	-	-	6,993,561
Other comprehensive income:								
Change in fair value of Fair value through other comprehensive income investments (net of tax)	-	-	-	-	-	126,250	-	126,250
Re-measurement gains on defined benefit plans (net of tax)	26	-	-	-	-	-	(63,597)	(63,597)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>12,060,407</b>	<b>5,078,283</b>	<b>362,703</b>	<b>290,031</b>	<b>(76,863)</b>	<b>28,007,359</b>
<b>Transactions with owners in their capacity as owners</b>								
Contributions of equity net of transaction costs (Proceeds from issue of shares)	599,085	-	-	-	-	-	-	599,085
Dividends Capitalized	3,759,164	-	(3,247,885)	-	-	-	-	511,279
Dividends paid	-	-	(603,424)	-	-	-	-	(603,424)
Dividends in Payable	-	-	(40,337)	-	-	-	-	(40,337)
Tax on Retained Earnings	-	-	(504,074)	-	-	-	-	(504,074)
Directors' allowance	25	-	(1,560)	-	-	-	-	(1,560)
Transfer to legal reserve	31	-	(1,748,390)	1,748,390	-	-	-	-
Transfer to Risk regulatory reserve	32	-	(62,650)	-	62,650	-	-	-
	<b>4,358,249</b>	<b>-</b>	<b>(6,208,320)</b>	<b>1,748,390</b>	<b>62,650</b>	<b>-</b>	<b>-</b>	<b>(39,030)</b>
<b>As at 30 June 2023</b>	<b>14,649,656</b>	<b>1,389</b>	<b>5,852,088</b>	<b>6,826,673</b>	<b>425,353</b>	<b>290,031</b>	<b>(76,863)</b>	<b>27,968,329</b>

The accompanying notes are an integral part of these financial statements.



**Awash Bank S.C.**  
**Financial Statements**  
**For the year ended 30 June 2023**  
**Statement of Cash Flows**

	Notes	30 June 2023 ETB'000	30 June 2022 ETB'000
<b>Cash flows from operating activities</b>			
Cash generated from operations	34	6,914,903	6,459,533
Directors' allowance paid		(1,560)	(1,670)
Income tax paid	14	(2,268,417)	(1,409,111)
Tax paid on Retained Earnings		(504,074)	(9,853)
Retirement benefit paid	26	(8,652)	(4,369)
<b>Net cash (outflow)/inflow from operating activities</b>		<b>4,132,200</b>	<b>5,034,530</b>
<b>Cash flows from investing activities</b>			
Purchase of investment securities in NBE bills and bonds	17	1,026,381	3,887,901
Purchase of equity investment securities	17	(36,682)	(31,590)
Purchase of Intangible Assets	21	(64,700)	(151,068)
Purchase of property, plant and equipment	22	(3,547,097)	(1,156,381)
Prepayments on Right of Use Assets		(986,677)	(827,020)
<b>Net cash inflow/ (outflow) from investing activities</b>		<b>(3,608,775)</b>	<b>1,721,842</b>
<b>Cash flows from financing activities</b>			
Proceeds from issues of shares		599,085	262,300
Receipt ( Payments) of lease liabilities	20	(64,739)	(87,253)
Dividends paid		(603,424)	(486,411)
<b>Net cash (outflow)/inflow from financing activities</b>		<b>(69,078)</b>	<b>(311,364)</b>
<b>Net increase/(decrease) in Cash and bank balances</b>		<b>454,347</b>	<b>6,445,008</b>
Cash and cash equivalents at the beginning of the year	15	20,150,786	12,698,221
Foreign exchange (losses)/ gains on cash and cash equivalents	8	672,938	1,007,557
<b>Cash and cash equivalents at the end of the year</b>	<b>15</b>	<b>21,278,071</b>	<b>20,150,786</b>

The accompanying notes are an integral part of these financial statements.



## 1 General information

Awash Bank S.C. ("Awash Bank or the Bank") is a private commercial bank domiciled in Ethiopia. The Bank was established in November 1994, in accordance with the provisions of the Commercial Code of Ethiopia of 1960 and the Licensing and Supervision of Banking Business Proclamation No. 592/2008. The Bank's registered office is at:

Awash Tower  
Ras Abebe Aregay Street  
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The Bank is principally engaged in the provision of diverse range of financial products and services to corporate, retail and SME clients base in Ethiopian market.

## 2 Summary of significant accounting policies

### 2.1 Introduction to summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 2.2 Basis of preparation

The financial statements for the year ended 30 June 2023 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Additional information required by National regulations is included where appropriate.

The financial statements comprise the statement of profit or loss and other comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the notes to the financial statements.

The financial statements have been prepared in accordance with the going concern principle under the historical cost concept, except for the following;

- defined benefit pension plans - plan assets measured at fair value.
- Equity investments which is measured at fair value.

All values are rounded to the nearest thousand, except when otherwise indicated. The financial statements are presented in thousands of Ethiopian Birr (ETB' 000).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Bank's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate and that the Bank's financial statements, therefore, present the financial position and results fairly. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.





## 2 Summary of significant accounting policies (continued)

### 2.2 Basis of preparation (Continued)

#### 2.2.1 Going concern

The financial statements have been prepared on a going concern basis. The management have no doubt that the Bank would remain in existence after 12 months.

#### 2.2.2 Changes in accounting policies and disclosures

##### New Standards, amendments, interpretations

##### New Standards, amendments, interpretations effective and adopted during the year.

##### Amendments to IAS 16 ‘Property, Plant and Equipment’: Proceeds before Intended Use

The amendment to IAS 16 prohibits an entity from deducting from the cost of an item of PPE any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly). The proceeds from selling such items, together with the costs of producing them, are recognised in profit or loss.

##### Amendments to IAS 37 ‘Provisions, Contingent Liabilities and Contingent Assets’ on Onerous Contracts—Cost of Fulfilling a Contract

The amendment clarifies which costs an entity includes in assessing whether a contract will be loss-making. This assessment is made by considering unavoidable costs, which are the lower of the net cost of exiting the contract and the costs to fulfil the contract. The amendment clarifies the meaning of ‘costs to fulfil a contract’. Under the amendment, costs to fulfil a contract include incremental costs and the allocation of other costs that relate directly to fulfilling the contract.

##### Annual Improvements to IFRS Standards 2018-2021 Cycle.

IFRS 9 Financial Instruments - clarifies which fees should be included in the 10% test for derecognition of financial liabilities. This change did not have an impact on the Bank’s financial statements.

IFRS 16 Leases - amendment to remove the illustration of payments from the lessor relating to leasehold improvements, to remove any confusion about the treatment of lease incentives. This change did not have an impact on the Bank’s financial statements.

##### New Standards, amendments, interpretations issued but not adopted.

##### IFRS 17 Insurance Contracts

IFRS 17 requires a current measurement model where estimates are remeasured in each reporting period. Contracts are measured using the building blocks of:

- discounted probability-weighted cash flows
- an explicit risk adjustment, and
- a contractual service margin (CSM) representing the unearned profit of the contract



## 2 Summary of significant accounting policies (continued)

### 2.2 Basis of preparation (Continued)

#### 2.2.2 Changes in accounting policies and disclosures (Continued)

##### IFRS 17 Insurance Contracts (Continued)

which is recognised as revenue over the coverage period. The standard allows a choice between recognising changes in discount rates either in the statement of profit or loss or directly in other comprehensive income. An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for short duration contracts, which are often written by non-life insurers.

There is a modification of the general measurement model called the 'variable fee approach' for certain contracts written by life insurers where policyholders share in the returns from underlying items. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the CSM. The results of insurers using this model are therefore likely to be less volatile than under the general model. The standard effective annual period beginning on or after 1 January 2023.

##### *Classification of Liabilities as Current or Non-current - Amendments to IAS 1*

The narrow-scope amendments to IAS 1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g., the receipt of a waiver or a breach of covenant). The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability. The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity. The standard effective on or after 1 January 2023.

##### *Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)*

The IASB amended IAS 1 to require entities to disclose their material rather than their significant accounting policies. The amendments define what is 'material accounting policy information' and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information. The standard effective on or after 1 January 2023.

##### *Definition of Accounting Estimates- Amendments to IAS 8*

The amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and future events, whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period. The standard effective on or after 1 January 2023.

##### *Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12*

The amendments to IAS 12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.



## 2 Summary of significant accounting policies (continued)

### 2.2 Basis of preparation

#### 2.2.2 Changes in accounting

##### *Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12 (Continued)*

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate.

IAS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments. The standard effective on or after 1 January 2023.

##### **Other Standards**

The financial statements of the Bank are not anticipated to be materially affected by the modified standard to IFRS 10 and IAS 28 on sale or contribution of assets between an investor and its associate or joint venture.

#### 2.3 Investment in associates

An associate is an entity over which the Bank has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. The Bank's investments in its associates are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Bank's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The statement of profit or loss reflects the Bank's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Bank's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Bank recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Bank and the associate are eliminated to the extent of the interest in the associate.

After application of the equity method, the Bank determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Bank determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Bank calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss. Upon loss of significant influence over the associate, the Bank measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in statement of profit or loss.





## 2 Summary of significant accounting policies (continued)

### 2.4 Foreign currency translation

#### a) *Functional and presentation currency*

Items included in the financial statements are measured using the currency of the primary economic environment in which the Bank operates ('the functional currency'). The functional currency and presentation currency of the Bank is the Ethiopian Birr (ETB).

#### b) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at exchange rates of monetary assets and liabilities denominated in currencies other than the Bank's functional currency are recognised in profit or loss within other (loss)/income. Monetary items denominated in foreign currency are translated using the closing rate as at the reporting date.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets measured at fair value, such as equities classified as FVOCI, are included in other comprehensive income.

### 2.5 Recognition of income and expenses

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Bank and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

The Bank earns income from interest on loans and advances given to customers, service charges and commissions from customers, interest income from Deposits with local and correspondent banks, investment in NBE (National Bank of Ethiopia) bills. Other income includes incomes like foreign currency transactions, dividend, rental, and other miscellaneous incomes.



## 2 Summary of significant accounting policies (continued)

### 2.5 Recognition of income and expenses (continued)

#### 2.5.1 Net interest income

##### *a. Effective interest rate and amortised cost*

Interest income and expense are recognised in profit or loss using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset;
- the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments other than credit-impaired assets, the Bank estimates future cash flows considering all contractual terms of the financial instrument, but not expected credit losses. For credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses.

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate, if the amount is material. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

##### *b. Amortised cost and gross carrying amount*

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance (or impairment allowance before 1 July 2018).

The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

##### *c. Calculation of interest income and expense*

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortised cost of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.



## 2 Summary of significant accounting policies (continued)

### 2.5 Recognition of income and expenses (continued)

#### 2.5.1 Net interest income (continued)

##### *d. Presentation*

Interest income and expense presented in the statement of profit or loss and OCI include:

- interest on financial assets and financial liabilities measured at amortised cost calculated on an effective interest basis;
  - interest on debt instruments measured at FVOCI calculated on an effective interest basis;
  - the effective portion of fair value changes in qualifying hedging derivatives designated in cash flow hedges of variability in interest cash flows, in the same period as the hedged cash flows affect interest income/expense; and
  - the effective portion of fair value changes in qualifying hedging derivatives designated in fair value hedges
- Interest income and expense on all trading assets and liabilities are considered to be incidental to the Bank's trading operations and are presented together with all other changes in the fair value of trading assets and liabilities in net trading income.

Interest income and expense on other financial assets and financial liabilities at FVTPL are presented in net income from other financial instruments at FVTPL.

#### 2.5.2 Fees and commission

Fees and commission income and expenses that are integral to the effective interest rate on a financial asset or liability are included in the measurement of the effective interest rate. Other fees and commission income such as rental income, telephone and SWIFT are recognised as the related services are performed.

When a loan commitment is not expected to result in the draw-down of a loan, loan commitment fees are recognised on a straight-line basis over the commitment period.

Other fees and commission expenses relate mainly to transaction and service fees and are expensed as the services are received.

#### 2.5.3 Dividend income

This is recognised when the Bank's right to receive the payment is established, which is generally when the shareholders approve and declare the dividend.

#### 2.5.4 Foreign exchange revaluation gains or losses

These are gains and losses arising on settlement and translation of monetary assets and liabilities denominated in foreign currencies at the functional currency's mid rate of exchange at the reporting date. This amount is recognised in the statement of profit or loss and it is further broken down into realised and unrealised portion.

The monetary assets and liabilities include financial assets within the foreign currencies deposits received and held on behalf of third parties etc.





## 2 Summary of significant accounting policies (continued)

### 2.6 Financial assets and financial liabilities

#### a. Recognition and initial measurement

The Bank shall initially recognise loans and advances, deposits, debt securities issued and subordinated liabilities on the date on which they are originated. All other financial instruments (including regular-way purchases and sales of financial assets) shall be recognised on the trade date, which is the date on which the Bank becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability shall be measured initially at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

#### b. Classification and subsequent measurement

##### i) *Financial assets*

On initial recognition, a financial asset shall be classified either as measured at either amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL).

The Bank shall measure a financial asset at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI).

A debt instrument shall be measured at FVOCI only if it meets both of the following conditions and is not designated at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

#### b. Classification and subsequent measurement

On initial recognition, an equity investment that is held for trading shall be classified at FVTPL. However, for equity investment that is not held for trading, the Bank may irrevocably elect to present subsequent changes in fair value in other comprehensive income (OCI). This election is made on an investment-by-investment basis.

All other financial assets that do not meet the classification criteria at amortised cost or FVOCI, above, shall be classified as measured at FVTPL.

In addition, on initial recognition, the Bank may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.



## 2 Summary of significant accounting policies (continued)

### 2.6 Financial assets and financial liabilities (continued)

#### - *Business model assessment*

The Bank shall make an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management’s strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Bank’s management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Bank’s stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis shall be measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Financial assets shall not be reclassified subsequent to their initial recognition, except in the period after the Bank changes its business model for managing financial assets.

#### - *Assessment of whether contractual cash flows are solely payments of principal and interest*

For the purposes of this assessment, ‘principal’ shall be defined as the fair value of the financial asset on initial recognition. ‘Interest’ shall be defined as the consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Bank considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Bank considers:



## 2 Summary of significant accounting policies (continued)

### 2.6 Financial assets and financial liabilities (continued)

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Bank's claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

#### ii) *Financial liabilities*

The Bank shall classify its financial liabilities, other than financial guarantees and loan commitments, as measured at amortised cost or FVTPL.

A financial guarantee is an undertaking/commitment that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified party fails to meet its obligation when due in accordance with the contractual terms.

Financial guarantees issued by the Bank are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of: the amount of the obligation under the guarantee, as determined in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets; and the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies.

#### c. **Impairment**

At each reporting date, the Bank shall assess whether there is objective evidence that financial assets (except equity investments), other than those carried at FVTPL, are impaired.

The Bank shall recognise loss allowances for expected credit losses (ECL) on the following financial instruments that are not measured at FVTPL:

- financial assets that are debt instruments;
- lease receivables;
- financial guarantee contracts issued; and
- loan commitments issued.

No impairment loss shall be recognised on equity investments.

The Bank shall measure loss allowances at an amount equal to lifetime ECL, except for the following, which are measured as 12-month ECL:

- debt investment securities that are determined to have low credit risk at the reporting date; and
- other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.



## 2 Summary of significant accounting policies (continued)

### 2.6 Financial assets and financial liabilities (continued)

Loss allowances for lease receivables shall always be measured at an amount equal to lifetime ECL.

12-month ECL is the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which a 12-month ECL is recognised are referred to as 'Stage 1 financial instruments'.

Life-time ECL is the ECL that result from all possible default events over the expected life of the financial instrument. Financial instruments for which a lifetime ECL is recognised but which are not credit-impaired are referred to as 'Stage 2 financial instruments'. Other wise, the financial instruments classified as 'Stage 3 financial instruments'.

#### *i) Measurement of ECL*

ECL is a probability-weighted estimate of credit losses. It shall be measured as follows:

- for financial assets that are not credit-impaired at the reporting date (stage 1 and 2): as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Bank in accordance with the contract and the cash flows that the Bank expects to receive);
- for financial assets that are credit-impaired at the reporting date (stage 3): as the difference between the gross carrying amount and the present value of estimated future cash flows;
- for undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Bank if the commitment is drawn down and the cash flows that the Bank expects to receive; and
- for financial guarantee contracts: as the expected payments to reimburse the holder less any amounts that the Bank expects to recover.

#### *ii) Restructured financial assets*

Where the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then the Bank shall assess whether the financial asset should be derecognised and ECL are measured as follows:

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.





## 2 Summary of significant accounting policies (continued)

### 2.6 Financial assets and financial liabilities (continued)

#### iii) *Credit-impaired financial assets*

At each reporting date, the Bank shall assess whether financial assets carried at amortised cost, debt financial assets carried at FVOCI, and finance lease receivables are credit impaired (referred to as 'Stage 3 financial assets').

A financial asset shall be considered 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the Bank on terms that the Bank would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

A loan that has been renegotiated due to a deterioration in the borrower's condition shall be considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a retail loan that is overdue for 90 days or more shall be considered credit-impaired even when the regulatory definition of default is different.

#### iv) *Presentation of allowance for ECL in the statement of financial position*

Loss allowances for ECL shall be presented in the statement of financial position as follows:

- for financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- for loan commitments and financial guarantee contracts: generally, as a provision;
- where a financial instrument includes both a drawn and an undrawn component, and the Bank cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Bank presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and
- for debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance shall be disclosed and is recognised in the fair value reserve.



## 2 Summary of significant accounting policies (continued)

### 2.6 Financial assets and financial liabilities (continued)

#### v) *Write-off*

Loans and debt securities shall be written off (either partially or in full) when there is no reasonable expectation of recovering the amount in its entirety or a portion thereof. This is generally the case when the Bank determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment shall be carried out at the individual asset level.

Recoveries of amounts previously written off shall be included in 'impairment losses on financial instruments' in the statement of profit or loss and OCI.

Financial assets that are written off could still be subject to enforcement activities in order to comply with the Bank's procedures for recovery of amounts due.

#### vi) *Non-integral financial guarantee contracts*

The Bank shall assess whether a financial guarantee contract held is an integral element of a financial asset that is accounted for as a component of that instrument or is a contract that is accounted for separately.

Where the Bank determines that the guarantee is an integral element of the financial asset, then any premium payable in connection with the initial recognition of the financial asset shall be treated as a transaction cost of acquiring it. The Bank shall consider the effect of the protection when measuring the fair value of the debt instrument and when measuring ECL.

Where the Bank determines that the guarantee is not an integral element of the debt instrument, then it shall recognise an asset representing any prepayment of guarantee premium and a right to compensation for credit losses.

### d. **Derecognition**

#### i) *Financial assets*

The Bank shall derecognise a financial asset when:

- The contractual right to the cash flows from the financial asset expires (see also (1.4)), or
- It transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred; or
- Bank neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.



## 2 Summary of significant accounting policies (continued)

### 2.6 Financial assets and financial liabilities (continued)

#### d. Derecognition (continued)

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI shall be recognised in profit or loss.

Any cumulative gain/loss recognised in OCI in respect of equity investment securities designated as at FVOCI shall not be recognised in profit or loss on derecognition of such securities.

Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Bank shall be recognised as a separate asset or liability.

#### ii) *Financial liabilities*

The Bank shall derecognise a financial liability when its contractual obligations are discharged or cancelled, or expire.

#### e. Modifications of financial assets and financial liabilities

##### i) *Financial assets*

If the terms of a financial asset are modified, then the Bank shall evaluate whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset shall be deemed to have expired. In this case, the original financial asset shall be derecognised (see (1.3)) and a new financial asset shall be recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification shall be accounted for as follows:

- fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs shall be included in the initial measurement of the asset; and
- other fees are included in profit or loss as part of the gain or loss on derecognition.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms.

If the Bank plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it shall first consider whether a portion of the asset should be written off before the modification takes place.

Where the modification of a financial asset measured at amortised cost or FVOCI does not result in derecognition of the financial asset, then the Bank shall first recalculate the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss. Any costs or fees incurred and fees received as part of the modification adjust the gross carrying amount of the modified financial asset and shall be amortised over the remaining term of the modified financial asset.



## 2 Summary of significant accounting policies (continued)

### 2.6 Financial assets and financial liabilities (continued)

#### e. Modifications of financial assets and financial liabilities (continued)

Where such a modification is carried out because of financial difficulties of the borrower, then the gain or loss shall be presented together with impairment losses. In other cases, it shall be presented as interest income calculated using the effective interest rate method.

#### ii) *Financial liabilities*

The Bank shall derecognise a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms shall be recognised at fair value. The difference between the carrying amount of the financial liability derecognised and consideration paid is recognised in profit or loss. Consideration paid shall include non-financial assets transferred, if any, and the assumption of liabilities, including the new modified financial liability.

Where the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability shall be recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit or loss. Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument.

#### f. Offsetting

Financial assets and financial liabilities shall be offset and the net amount presented in the statement of financial position when, and only when, the Bank currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses shall be presented on a net basis only when permitted under IFRS, or for gains and losses arising from a group of similar transactions such as in the Bank's trading activity.

#### g. Designation at fair value through profit or loss

#### i) *Financial assets*

At initial recognition, the Bank may designate certain financial assets as at FVTPL because this designation eliminates or significantly reduces an accounting mismatch, which would otherwise arise.

#### ii) *Financial liabilities*

The Bank shall designate certain financial liabilities as at FVTPL in either of the following circumstances:

- the liabilities are managed, evaluated and reported internally on a fair value basis; or
- the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise.





## 2 Summary of significant accounting policies (continued)

### 2.7 Interest Fee Banking (IFB)

#### 2.7.1 Murabaha

Murabaha is an interest free financing transaction which represents an agreement whereby the Bank buys a commodity/good and sells it to a counterparty (customer) based on a promise received from that counterparty to buy the commodity according to specific terms and conditions. The selling price comprises of the cost of the commodity/goods and a pre-agreed profit margin.

It is treated as financing receivables. Financing receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

The profit is quantifiable and contractually determined at the commencement of the contract. Murabaha Income (profit) is recognised as it accrues over the life of the contract using the effective profit method (EPRM) on the principal balance outstanding.

These products are carried at amortised cost less impairment.

#### 2.7.2 Interest Free export Financing Facility

Interest Free export financing facility is a short term financing given to the borrower for three months free of any charge or profit and not subject to discounting being a short term facility. Interest free export facility financing is stated in the statement of financial position of the bank at fair value of the consideration given (amount of disbursement) and subsequently, they shall be stated at disbursement amount less loss allowances (if any).

### 2.8 Cash and cash equivalents

Cash comprises cash on hand, deposits held on call with other banks, and other short term highly liquid investments. Cash equivalents are deemed of immediate realization since they are easily convertible into cash within three months following the date of the financial statements.



## 2 Summary of significant accounting policies (continued)

### 2.9 Property and Equipment

Property and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Bank recognises such parts as individual assets with specific useful lives and depreciates them accordingly. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Subsequent costs are included in the asset's carrying value or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the bank and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Asset class	Depreciation rate (years)
Freehold land	-
Buildings	50
Motor vehicles	10
Furniture and fittings:	
-Medium-lived	10
-Long lived	20
Computer and Accessories	7
Office equipment:	
-Short-lived	5
-Medium-lived	10

The Bank construct buildings in different cities mainly for image building, branches office and issue accounts use. The remaining is rented out. If the building is rented up to 80% of the floor of the building, the building shall be treated as PPE. If the building is rented out for more than 80% of the floor of the building, we ought to transfer it to Investment property (IP).

Capital work-in-progress is not depreciated as these assets are not yet available for use. They are disclosed when reclassified during the year.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is included in statement of profit or loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.



## 2 Summary of significant accounting policies (continued)

### 2.10 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in statement of profit or loss in the period in which the expenditure is incurred .

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expenses on intangible assets with finite lives are presented as a separate line item in the statement of profit or loss, if significant.

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over the lower of their estimated useful lives of six years or by the license duration for purchased computer software.

### 2.11 Impairment of non-financial assets

The Bank assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Bank estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Bank bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Bank's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.



## 2 Summary of significant accounting policies (continued)

### 2.11 Impairment of non-financial assets (continued)

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Bank estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

### 2.12 Other assets

Other assets are generally defined as claims held against other entities for the future receipt of money. The other assets in the Bank's financial statements include the following:

#### (a) Prepayments

Prepayments are payments made in advance for services to be enjoyed in future. The amount is initially capitalized in the reporting period in which the payment is made and subsequently amortised over the period in which the service is to be enjoyed.

#### (b) Other receivables

Other receivables are recognised upon the occurrence of an event or transaction as they arise and are cancelled when payment is received.

### 2.13 Fair value measurement

The Bank measures financial instruments classified as available-for-sale at fair value at each statement of financial position date. Fair value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed are, summarised in the following notes:

- Disclosures for valuation methods, significant estimates and assumptions Notes 3 and Note 4.7.1
- Quantitative disclosures of fair value measurement hierarchy Note 4.7.2
- Financial instruments (including those carried at amortised cost) Note 4.7.2

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.





## 2 Summary of significant accounting policies (continued)

### 2.13 Fair value measurement (continued)

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Bank uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Bank determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Bank's management determines the policies and procedures for both recurring fair value measurement, such as available-for-sale financial assets.

### 2.14 Employee benefits

The Bank provides post-employment schemes, including both defined benefit and defined contribution pension plans and post employment benefits.

#### (a) *Wages, salaries and annual leave*

Wages, salaries, other allowances, paid annual leave and sick leave are accrued in the period in which the associated services are rendered by employees of the Bank. The Bank operates an accumulating leave policy; this can be encashed when the employee is leaving employment or paid in cash if the bank rarely decides to pay in cash. The Bank measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the end of each reporting period.



## 2 Summary of significant accounting policies (continued)

### 2.14 Employee benefits (continued)

#### (b) *Defined contribution plan*

The Bank operates a defined contribution plans of pension scheme in line with the provisions of Ethiopian Pension of Private Organisation Employees Proclamation No. 715/2011. Funding under the scheme is 7% and 11% by employees and the Bank respectively; 2% provident fund contribution is made by the bank for employees covered under pension scheme.

#### (c) *Defined benefit plan*

The liability or asset recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

The current service cost of the defined benefit plan, recognised in the statement of profit or loss in employee benefit expense, except where included in the cost of an asset, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes curtailments and settlements.

Past-service costs are recognised immediately in profit or loss and other comprehensive income.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

#### (d) *Termination benefits*

Termination benefits are payable to executive directors when employment is terminated by the Bank before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Bank recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

#### (e) *Profit-sharing and bonus plans*

The Bank recognises a liability and an expense for bonuses and profit-sharing based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments. The Bank recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.



## 2 Summary of significant accounting policies (continued)

### 2.15 Provisions

A provision is recognised when the Bank has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Bank expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as other operating expenses.

### 2.16 Share capital

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### 2.17 Legal reserve

The legal reserve which is a statutory reserve to which no less than 25% of the net profits after taxation shall be transferred each year until such fund is equal to the capital. When the legal reserve equals the capital of the Bank, the amount to be transferred to the legal reserve account shall be 10% of the annual net profit.

### 2.18 Earnings per share

The Bank presents basic earnings per share for its ordinary shares. Basic earnings per share are calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted average number of shares outstanding during the period.

### 2.19 Leases

#### *(i) Bank as a lessee*

At commencement or on modification of a contract that contains a lease component, the Bank allocates consideration in the contract to each lease component on the basis of its relative stand-alone price. However, for leases of branches and office premises the Bank has elected not to separate non-lease components and accounts for the lease and non-lease components as a single lease component.



## 2 Summary of significant accounting policies (continued)

### 2.19 Leases (continued)

The Bank recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove any improvements made to branches or office premises.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Bank's incremental borrowing rate. Generally, the Bank uses its incremental borrowing rate as the discount rate.

The Bank determines its incremental borrowing rate by analysing its borrowings from various external sources and makes certain adjustments to reflect the terms of the lease and type of asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially
- measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Bank is reasonably certain to exercise, lease payments in an optional renewal period if the Bank is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Bank is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Bank's estimate of the amount expected to be payable under a residual value guarantee, if the Bank changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Bank presents right-of-use assets in 'property and equipment' and lease liabilities in 'other liabilities' in the statement of financial position.





## 2 Summary of significant accounting policies (continued)

### 2.19 Leases (continued)

#### (ii) Bank as a lessor

At inception or on modification of a contract that contains a lease component, the Bank allocates the consideration in the contract to each lease component on the basis of their relative stand-alone selling prices.

When the Bank acts as a lessor, it determines at lease inception whether the lease is a finance lease or an operating lease.

To classify each lease, the Bank makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Bank considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Bank applies the derecognition and impairment requirements in IFRS 16 to the net investment in the lease. The Bank further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

### 2.20 Income tax

#### (a) Current income tax

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in Ethiopia. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

#### (b) Deferred tax

Deferred tax is recognised as temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.



### 3 Significant accounting judgements, estimates and assumptions

The preparation of the Bank's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying value of assets or liabilities affected in future periods.

Other disclosures relating to the Bank's exposure to risks and uncertainties include:

- Capital management Note 4.6
- Financial risk management and policies Note 4

#### 3.1 Judgments

In the process of applying the Bank's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the financial statements:

##### (a) *Lease commitments - Bank as lessee*

The Bank has entered into commercial property leases. The Bank has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a substantial portion of the economic life of the commercial property, that it does not retain all the significant risks and rewards of ownership of these properties and accounts for the contracts as leases.

##### (b) *Going concern basis*

The Bank's management has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern, except that it has to make significant effort to reach the minimum capital requirement. However, the financial statements continue to be prepared on going concern basis.

#### 3.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation at the reporting date, that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year, are described below. The Bank based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances beyond the control of the Bank. Such changes are reflected in the assumptions when they occur.



### 3 Significant accounting judgements, estimates and assumptions

#### 3.2 Estimates and assumptions (Continued)

##### (a) *Impairment losses on loans and receivables*

The Bank reviews its loan portfolios for impairment on an on-going basis. The Bank first assesses whether objective evidence of impairment exists individually for loans and receivables that are individually significant, and individually or collectively for loans and receivables that are not individually significant. Impairment provisions are also recognised for losses not specifically identified but which, experience and observable data indicate are present in the portfolio at the date of assessment. For individually significant loans and receivables that have been deemed to be impaired, management deems that the cash flow from collateral would arise within one year where the loans and receivables is back by collateral.

##### *Impairment losses on loans and receivables*

Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when scheduling its future cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

The use of historical loss experience is supplemented with significant management judgment to assess whether current economic and credit conditions are such that the actual level of inherent losses is likely to differ from that suggested by historical experience. In normal circumstances, historical experience provides objective and relevant information from which to assess inherent loss within each portfolio. In other circumstances, historical loss experience provides less relevant information about the inherent loss in a given portfolio at the balance sheet date, for example, where there have been changes in economic conditions such that the most recent trends in risk factors are not fully reflected in the historical information. In these circumstances, such risk factors are taken into account when calculating the appropriate levels of impairment allowances, by adjusting the impairment loss derived solely from historical loss experience.

The detailed methodologies, areas of estimation and judgment applied in the calculation of the Bank's impairment charge on financial assets are set out in the financial risk management section.

The estimation of impairment losses is subject to uncertainty, which has increased in the current economic environment and is highly sensitive to factors such as the level of economic activity, unemployment rates, property price trends and interest rates. The assumptions underlying this judgement are highly subjective. The methodology and the assumptions used in calculating impairment losses are reviewed regularly in the light of differences between loss estimates and actual loss experience.

##### (b) *Fair value measurement of financial instruments*

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. As at year end, no financial instrument was measured at fair value. See Note 4.7.1 for further disclosures.



### 3 Significant accounting judgements, estimates and assumptions

#### 3.2 Estimates and assumptions (Continued)

##### (c) *Defined benefit plans*

The cost of the defined benefit pension plan, long service awards and gratuity scheme and the present value of these defined benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

##### (d) *Depreciation and carrying value of property, plant and equipment*

The estimation of the useful lives and residual values of assets is based on management's judgement. Any material adjustment to the estimated useful lives of items of property and equipment will have an impact on the carrying value of these items.

##### (e) *Impairment of non-financial assets*

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Bank is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

##### (f) *Income Taxes*

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.





## 4 Financial risk management

### 4.1 Introduction

Risk is inherent in the Bank's activities, but is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Bank's continuing profitability and each individual within the Bank is accountable for the risk exposures relating to his or her responsibilities. The Bank is exposed to credit risk, liquidity risk, market risk and different operational risks. It is also subject to various risks that affect the financial sector of the country.

The independent risk control process does not include business risks such as changes in the environment, technology and industry. The Bank's policy is to monitor those business risks through the Bank's strategic planning process.

#### 4.1.1 Risk management structure

The Board Risk Sub-Committee, a subset of the Board of Directors is responsible for the overall risk management approach and for approving the risk management strategies and principles. It also has the responsibility to monitor the overall risk process within the Bank.

The Senior Management chaired by the chief Executive Officer (CEO) has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. It is also responsible for managing risk decisions and monitoring risk levels and reports on a monthly basis to the Board Risk Sub-Committee.

The Risk Management Unit is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The unit works closely with the Senior Management to ensure that procedures are compliant with the overall framework.

The Risk Management Unit is responsible for monitoring compliance with risk principles, policies and limits across the Bank. It carries out an assessment of risk on an ad hoc basis to monitor the Bank's independent control of risks, including monitoring the risk of exposures against limits and the assessment of risks of new products and structured transactions. This unit also ensures the complete capture of the risks in risk measurement and reporting systems. Exceptions are reported, where necessary, to the Senior Management, and further to the Board Risk Sub-Committee and the relevant actions are taken to address exceptions and any areas of weakness.

The Bank Finance and Treasury function is responsible for managing the Bank's financial assets, financial liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Bank.

The Bank's policy is that risk management processes throughout the Bank are audited annually by the Internal Audit Function, which examines both the adequacy of the procedures and the Bank's compliance with the procedures. The Internal Audit Function discusses the results of all assessments with management, and reports its findings and recommendations to the Board Audit Sub-Committee.



#### 4 Financial risk management (Continued)

##### 4.1 Introduction (Continued)

##### 4.1.2 Risk measurement and reporting systems

The Bank's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss based on statistical models. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment. The Bank also runs worst-case scenarios that would arise in the event that extreme events, which are unlikely to occur, do in fact, occur.

Monitoring and controlling risks is primarily performed based on limits established by the Bank. These limits reflect the business strategy and market environment of the Bank as well as the level of risk that the Bank is willing to accept, with additional emphasis on selected regions. In addition, the Bank's policy is to measure and monitor the overall risk bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

##### 4.1.3 Risk mitigation

Risk controls and mitigates, identified and approved for the Bank, are documented for existing and new processes and systems.

The adequacy of these mitigates is tested on a periodic basis through administration of control self-assessment questionnaires, using an operational risk management tool which requires risk owners to confirm the effectiveness of established controls. These are subsequently audited as part of the review process.

#### 4.2 Financial instruments by category

The Bank's financial assets are classified into the following measurement categories: Financial assets at fair value through OCI and Financial assets at amortized cost and the financial liabilities are classified into other liabilities at amortized cost.

Financial instruments are classified in the statement of financial position in accordance with their legal form and The Bank's classification of its financial assets is summarised in the table below:

	Notes	assets at fair value through OCI ETB'000	Financial assets at amortized cost ETB'000	Total ETB'000
<b>30 June 2023</b>				
Cash and bank balances	15	-	34,876,315	34,876,315
Loans and advances to customers (Net)	16	-	159,370,386	159,370,386
Investment securities:				
- Financial assets at fair value through OCI	17	523,078	-	523,078
- Financial assets at amortized cost	17	-	12,193,764	12,193,764
Other assets	19	-	3,871,379	3,871,379
<b>Total financial assets</b>		<b>523,078</b>	<b>210,311,844</b>	<b>210,834,922</b>



**Awash Bank S.C.**  
**Financial Statements**  
**For the year ended 30 June 2023**  
**Notes to the Financial Statements**

**4 Financial risk management (Continued)**

**4.2 Financial instruments by category (Continued)**

	Notes	assets at fair value through OCI	Financial assets at amortized cost	Total
		ETB'000	ETB'000	ETB'000
<b>30 June 2022</b>				
Cash and bank balances	15	-	32,049,124	32,049,124
Loans and advances to customers (Net)	16	-	126,894,685	126,894,685
Investment securities:				
- Financial assets at fair value through OCI	17	340,030	-	340,030
- Financial assets at amortized cost	17	-	13,220,174	13,220,174
Other assets	19	-	2,241,976	2,241,976
<b>Total financial assets</b>		<b>340,030</b>	<b>174,405,959</b>	<b>174,745,989</b>

**4.3 Credit risk**

Credit risk is the risk of financial loss to the Bank if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Bank's loans and advances to customers and other banks and other financial assets.

Exposure to credit risk is managed through periodic analysis of the ability of borrowers and potential borrowers to determine their capacity to meet principal and interest thereon, and restructuring such limits as appropriate. Exposure to credit risk is also mitigated, in part, by obtaining collateral, commercial and personal guarantees .

The Bank structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and to term of the financial instrument and economic sectors.

The National Bank of Ethiopia (NBE) sets credit risk limit for a single borrower, one related party and all related parties to not exceed 25%, 5% and 35% of Bank's total capital amount as of the reporting quarterly period respectively.

Credit management is conducted as per the risk management policy and guideline approved by the board of directors and the Risk Management Committees. Such policies are reviewed and modified periodically based on changes and expectations of the markets where the Bank operates, regulations, and other factors.

In measuring credit risk of Financial assets at amortized cost to various counterparties, the Bank considers the character and capacity of the obligor to pay or meet contractual obligations, current exposures to the counterparty/obligor and its likely future developments, credit history of the counterparty/obligor; and the likely recovery ratio in case of default obligations-value of collateral and other solutions. Our credit exposure comprises wholesale and retail Financial assets at amortized cost which are developed to reflect the needs of our customers. The Bank's policy is to lend principally on the basis of our customer's repayment capacity through quantitative and qualitative evaluation. However we ensure that our loans are backed by collateral to reflect the risk of the obligors and the nature of the facility.



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**4 Financial risk management (Continued)**

**4.3 Credit risk (Continued)**

**4.3.1 Credit related commitment risks**

The Bank holds collateral against loans and advances to customers in the form of bank guarantees and property. Estimates of fair value are based on the value of collateral assessed at the time of lending.

**4.3.2 Credit risk exposure**

**(a) Maximum exposure to credit risk before collateral held or other credit enhancement**

The Bank's maximum exposure to credit risk at 30 June 2023 and 30 June 2022 is represented by the net carrying amounts in the statement of financial position.

	30 June 2023 ETB'000	30 June 2022 ETB'000
Cash and bank balances	34,876,315	32,049,124
Loans and advances to customers (Net)	159,370,386	126,894,685
Investment securities:		
- Financial assets at fair value through OCI	523,078	340,030
- Financial assets at amortized cost	12,193,764	13,220,174
Other assets	3,871,379	2,241,976
	<b>210,834,922</b>	<b>174,745,989</b>

Credit risk exposures relating to off balance sheet items are as follows:

Loan commitments	13,827,041	10,355,972
Guarantees	5,553,635	7,945,838
Letters of credit	3,347,407	3,843,965
	<b>22,728,083</b>	<b>22,145,775</b>
<b>Total maximum exposure</b>	<b>233,563,005</b>	<b>196,891,764</b>

**(b) Assets obtained by taking possession of collateral**

Details of financial and non-financial assets obtained by the Bank by taking possession of collaterals held as security against loans and advances to customers at the year end are shown below.

	30 June 2023 ETB'000	30 June 2022 ETB'000
Acquired	15,763	26,054
	<b>15,763</b>	<b>26,054</b>

The Bank's policy is to pursue timely realisation of the collateral in a timely manner. The Bank does not generally use the non-cash collateral for its own operations.





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**4 Financial risk management (Continued)**

**4.3 Credit risk (Continued)**

**4.3.2 Credit risk exposure (Continued)**

**(c) Loans and advances to customers at amortised cost**

**(i) Gross loans and advances to customers per sectors are analysed as follows:**

	30 June 2023	30 June 2022
	ETB'000	ETB'000
Domestic trade and services	35,415,023	27,107,021
Export	29,890,986	25,548,341
Building and construction	26,925,703	22,337,729
Import	20,600,676	16,170,654
Manufacturing	17,689,135	15,088,061
Transport	3,701,932	3,185,711
Personal loans	14,452,087	9,639,514
Merchandise	105,960	121,266
Agriculture	410,005	358,377
Staff loans and advances	5,814,027	4,164,666
Murahabah Financing-Domestic Trade	3,835,691	2,130,470
Murahabah Financing-Export	1,077,638	2,030,366
Murahabah Financing-Agriculture	6,018	10,041
Murahabah Financing-Building and construction	588,512	447,822
Murahabah Financing-Import	197,080	164,161
Murahabah Financing-Manufacturing	760,298	462,223
Murahabah Financing-Transport	237,359	130,015
Overseas Emp. Agencies Qard_IFB	18,058	26,011
Murahabah Financing-personal	206,700	118,566
Murabaha Financing -Staff loans & advances	19,532	3,170
	<b>161,952,420</b>	<b>129,244,185</b>

**(ii) Gross loans and advances from customers per National Bank of Ethiopia's impairment guidelines are analysed as**

	30 June 2023	30 June 2022
	ETB'000	ETB'000
Pass	155,771,313	122,365,631
Special mention	4,373,870	4,438,291
Substandard	109,653	715,048
Doubtful	493,851	850,968
Loss	1,203,733	874,247
	<b>161,952,420</b>	<b>129,244,185</b>

The above table represents a worst case scenario of credit risk exposure of the Bank as at the reporting dates without taking account of any collateral held or other credit enhancements attached. The exposures are based on carrying amounts as reported in the statement of financial position.

Management is confident in its ability to continue to control and effectively manage the credit risk exposure in the Bank's loan and advances portfolio.



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**4 Financial risk management (Continued)**

**4.3 Credit risk (Continued)**

**4.3.3 Credit quality analysis**

**(a) Credit quality of Cash and bank balances**

The credit quality of Cash and bank balances and short-term investments that were neither past due nor impaired at as 30 June 2023 and 30 June 2022 and are held in Ethiopian banks have been classified as non-rated as there are no credit rating agencies in Ethiopia. However, Cash and bank balances that is held in foreign banks can be assessed by reference to credit rating agency designation as shown in the table below;

	30 June 2023	30 June 2022
	ETB'000	ETB'000
A	27,292	15,436
A+	6,350,288	4,777,894
AA-	55,323	260,185
AAA	54,953	-
BB	56,999	-
BBB+	1,182,551	1,217,362
Not rated	27,150,665	25,779,909
	<b>34,878,071</b>	<b>32,050,786</b>

**Definitions of ratings**

**AA: Very high credit quality** This denotes expectations of a very low default risk. It indicates a very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.

**A: High credit quality** This denotes expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.

**BBB: Good credit quality** This indicates that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity.

**Not rated** This indicates financial institutions or other counterparties with no available ratings and cash in hand.

A "+" (plus) or "-" (minus) may be appended to a rating to indicate the relative position of a credit within the rating category. This is based on Fitch national long-term issuer default ratings.



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4 Financial risk management (Continued)

4.3 Credit risk (Continued)

4.3.3 Credit quality analysis (Continued)

(b) Credit quality of loans and advances to customers

The following table sets out information about the credit quality of financial assets measured at amortised cost and FVOCI debt investments. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts.

For loan commitments and financial guarantee contracts, the amounts in the table represent the amounts committed or guaranteed, respectively.

Explanation of the terms 'Stage 1', 'Stage 2' and 'Stage 3' is included in Note 2.6.

In ETB'000	2023			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Loans and advances to customers at amortised cost				
Stage 1 - Pass	108,158,489	-	-	108,158,489
Stage 2 - Special mention	-	4,169,763	-	4,169,763
Stage 3 - Non performing	-	-	1,519,145	1,519,145
<b>Total gross exposure</b>	<b>108,158,489</b>	<b>4,169,763</b>	<b>1,519,145</b>	<b>113,847,397</b>
Loss allowance	(803,208)	(75,748)	(379,231)	(1,258,186)
<b>Net carrying amount</b>	<b>107,355,281</b>	<b>4,094,016</b>	<b>1,139,915</b>	<b>112,589,211</b>

In ETB'000	2022			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Loans and advances to customers at amortised cost				
Stage 1 - Pass	84,036,494	-	-	84,036,494
Stage 2 - Special mention	-	3,217,698	-	3,217,698
Stage 3 - Non performing	-	-	2,133,188	2,133,188
<b>Total gross exposure</b>	<b>84,036,494</b>	<b>3,217,698</b>	<b>2,133,188</b>	<b>89,387,380</b>
Loss allowance	(530,720)	(56,945)	(606,260)	(1,193,926)
<b>Net carrying amount</b>	<b>83,505,774</b>	<b>3,160,752</b>	<b>1,526,928</b>	<b>88,193,454</b>



4 Financial risk management (Continued)

4.3 Credit risk (Continued)

4.3.3 Credit quality analysis (Continued)

(C) Credit quality of Off balance sheet items

In ETB'000	2023			Total
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	
<b>Off balance sheet items</b>				
Stage 1 - Pass	50,064,378	-	-	50,064,378
Stage 2 - Special mention	-	204,106	-	204,106
Stage 3 - Non performing	-	-	288,092	288,092
<b>Total gross exposure</b>	<b>50,064,378</b>	<b>204,106</b>	<b>288,092</b>	<b>50,556,576</b>
Loss allowance	(1,217,357)	(11,279)	(95,266)	(1,323,902)
<b>Net carrying amount</b>	<b>48,847,021</b>	<b>192,827</b>	<b>192,826</b>	<b>49,232,674</b>

In ETB'000	2022			Total
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	
<b>Off balance sheet items</b>				
Stage 1 - Pass	42,194,996	-	-	42,194,996
Stage 2 - Special mention	-	1,220,593	-	1,220,593
Stage 3 - Non performing	-	-	307,075	307,075
<b>Total gross exposure</b>	<b>42,194,996</b>	<b>1,220,593</b>	<b>307,075</b>	<b>43,722,664</b>
Loss allowance	(981,569)	(76,097)	(110,059)	(1,167,726)
<b>Net carrying amount</b>	<b>41,213,427</b>	<b>1,144,496</b>	<b>197,016</b>	<b>42,554,939</b>





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4 Financial risk management (Continued)

4.3 Credit risk (Continued)

4.3.3 Credit quality analysis (Continued)

(d) Credit quality of Other financial assets

<i>In ETB'000</i>	2023			
Other financial assets (debt instruments)		Gross exposure	Loss allowance	Net carrying amount
Cash and balances with banks	12 Month ECL	34,878,071	(1,756)	34,876,315
Investment securities (debt instruments)	12 Month ECL	12,194,395	(631)	12,193,764
Other receivables and financial	Lifetime ECL	3,641,305	(24,081)	3,617,225
<b>Total</b>		<b>50,713,771</b>	<b>(26,468)</b>	<b>50,687,304</b>

<i>In ETB'000</i>	2022			
Other financial assets (debt instruments)		Gross exposure	Loss allowance	Net carrying amount
Cash and balances with banks	12 Month ECL	33,234,203	(1,662)	33,232,541
Investment securities (debt instruments)	12 Month ECL	12,037,358	(602)	12,036,756
Other receivables and financial	Lifetime ECL	3,558,066	(18,844)	3,539,223
<b>Total</b>		<b>48,829,627</b>	<b>(21,107)</b>	<b>48,808,519</b>

4.3.4 Collaterals held and their financial effect

The bank holds collateral or other credit enhancements to mitigate credit risk associated with financial assets. The main types of collateral and the types of assets these are associated with are listed below. The Bank does not sell or repledge the collateral in the absence of default by the borrower. In addition to the Bank's focus on creditworthiness, the Bank aligns with its credit policy guide to periodically update the validation of collaterals held against all loans to customers.

The estimated value real estate collaterals are based on the last revaluations carried out by the Bank's in-house engineers. The valuation technique adopted for properties is in line with the Bank's valuation manual.



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**4 Financial risk management (Continued)**

**4.3 Credit risk (Continued)**

**4.3.5 Nature of security in respect of loans and advances to customers**

The Bank holds collateral against most of its credit exposures. The following table sets out the principal types of collateral held against different types of financial assets.

	Real estate	Machinery and equipment	Motor vehicles	Shares	Others	Total
	ETB'000	ETB'000	ETB'000	ETB'000	ETB'000	ETB'000
<b>30 June 2023</b>						
Domestic trade and services	56,523,822	1,171,064	2,890,331	319,263	4,588,606	65,493,087
Export	14,498,995	1,316,484	612,841	167,240	384,537	16,980,096
Building and construction	55,582,684	890,846	983,185	165,014	442,250	58,063,980
Import	27,310,426	621,116	819,502	710,960	744,101	30,206,105
Manufacturing	15,661,506	4,592,776	715,047	87,512	457,822	21,514,663
Transport	2,920,479	123,029	4,112,968	7,018	57,027	7,220,521
Personal loans	34,641,913	886,521	4,965,006	109,858	381,705	40,985,003
Agriculture	725,015	40,179	44,202	-	243,215	1,052,611
Staff loans and advances	6,910,901	26,132	1,128,036	3,047	60,707	8,128,824
	<b>214,775,740</b>	<b>9,668,148</b>	<b>16,271,120</b>	<b>1,569,912</b>	<b>7,359,971</b>	<b>249,644,890</b>
<b>30 June 2022</b>						
Domestic trade and services	66,340,196	408,408	3,866,895	329,225	2,139,302	73,084,026
Export	16,922,352	469,035	755,329	56,195	718,337	18,921,248
Building and construction	56,841,466	1,034,558	1,266,085	157,068	394,672	59,693,849
Import	31,068,254	452,772	1,254,899	326,356	768,307	33,870,588
Manufacturing	21,703,885	7,018,407	1,190,684	50,162	2,433,512	32,396,650
Transport	2,417,124	118,805	5,421,328	5,179	11,158	7,973,594
Agriculture	11,658,454	38,437	3,651,347	36,898	49,061	15,434,197
Personal Loans	609,121	30,567	78,787	-	230,912	949,387
Staff loans and advances	3,835,809	4,206	580,517	1,433	17,827	4,439,792
	<b>211,396,661</b>	<b>9,575,195</b>	<b>18,065,871</b>	<b>962,516</b>	<b>6,763,088</b>	<b>246,763,331</b>



4 Financial risk management (Continued)

4.3 Credit risk (Continued)

4.3.5 Nature of security in respect of loans and advances to customers (Continued)

*i) Loans and advances to customers*

The general creditworthiness of a customer tends to be the most relevant indicator of credit quality of a loan extended to it. However, collateral provides additional security and the Bank generally requests that corporate borrowers provide it. The Bank may take collateral in the form of a first charge over real estate, floating charges over all corporate assets and other liens and guarantees.

Because of the Bank's focus on customers' creditworthiness, the Bank does not routinely update the valuation of collateral held against all loans to customers. Valuation of collateral of real estates (buildings) is updated and reviewed every three year and at the same time whenever the loan foreclosure measure is opted. For credit-impaired loans, the Bank obtains appraisals of collateral because it provides input into determining the management credit risk actions.

As at 30 June 2023, the net carrying amount of credit impaired loans and advances to customers amounted to ETB 1.807 billion (2022: ETB 2.440 billion) and the value of identifiable collateral held against those loans and advances amounted to ETB 1.903 billion (2022: ETB 4.779 billion). For each loan, the value of disclosed collateral is capped at the nominal amount of the loan that it is held against.

*ii) Investment securities designated as at FVTPL*

As at 30 June 2023, the Bank had no exposure to credit risk of the investment securities designated as at FVTPL.

4.3.6 Amounts arising from ECL

*i) Inputs, assumptions and techniques used for estimating impairment*

See accounting policy in Note 2.6

*ii) Significant increase in credit risk*

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Bank considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Bank's historical experience and expert credit assessment and including forward-looking information.

The objective of the assessment is to identify whether a significant increase in credit risk has occurred for an exposure by comparing:

- the remaining lifetime probability of default (PD) as at the reporting date; with
- the remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure (adjusted where relevant for changes in prepayment expectations).
- the Bank uses three criteria for determining whether there has been a significant increase in credit risk:
  - quantitative test based on movement in PD;
  - qualitative indicators; and
  - a backstop of 30 days past due,



4 Financial risk management (Continued)

4.3 Credit risk (Continued)

4.3.6 Amounts arising from ECL (Continued)

*iii) Credit risk grades*

The Bank allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default. These factors vary depending on the nature of the exposure and the type of borrower.

Credit risk grades are defined and calibrated such that the risk of default occurring increases exponentially as the credit risk deteriorates so, for example, the difference in risk of default between credit risk grades 1 and 2 is smaller than the difference between credit risk grades 2 and 3. Each exposure is allocated to a credit risk grade on initial recognition based on available information about the borrower. Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade. The monitoring typically involves use of the following data;

**a. Term loan exposures**

- Information obtained during periodic review of customer files - e.g. audited financial statements, management accounts, budgets and projections. Examples of areas of particular focus are: gross profit margins, financial leverage ratios, debt service coverage, compliance
- Data from credit reference agencies, press articles, changes in external credit ratings
- Actual and expected significant changes in the political, regulatory and technological environment of the borrower or in its business activities
- Internally collected data on customer behaviour - e.g. utilisation of credit card facilities
- Affordability metrics

**b. Overdraft exposures**

- Payment record - this includes overdue status as well as a range of variables about payment ratios
- Utilisation of the granted limit
- Requests for and granting of forbearance
- Existing and forecast changes in business, financial and economic conditions

*iv) Generating the term structure of PD*

Credit risk grades are a primary input into the determination of the term structure of PD for exposures. The Bank collects performance and default information about its credit risk exposures analysed by type of product and borrower as well as by credit risk grading. The Bank employs statistical models to analyse the data collected and generate estimates of the remaining lifetime PD of exposures and how these are expected to change as a result of the passage of time.





#### 4 Financial risk management (Continued)

##### 4.3 Credit risk (Continued)

##### 4.3.6 Amounts arising from ECL (Continued)

###### v) *Determining whether credit risk has increased*

The Bank assesses whether credit risk has increased significantly since initial recognition at each reporting date. Determining whether an increase in credit risk is significant depends on the characteristics of the financial instrument and the borrower.

The credit risk may also be deemed to have increased significantly since initial recognition based on qualitative factors linked to the Bank's credit risk management processes that may not otherwise be fully reflected in its quantitative analysis on a timely basis. This will be the case for exposures that meet certain heightened risk criteria, such as placement on a watch list. Such qualitative factors are based on its expert judgment and relevant historical experiences.

As a backstop, the Bank considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering any grace period that might be available to the borrower.

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on an instrument returns to being measured as 12-month ECL. Some qualitative indicators of an increase in credit risk, such as delinquency or forbearance, may be indicative of an increased risk of default that persists after the indicator itself has ceased to exist. In these cases, the Bank determines a probation period during which the financial asset is required to demonstrate good behaviour to provide evidence that its credit risk has declined sufficiently. When contractual terms of a loan have been modified, evidence that the criteria for recognising lifetime ECL are no longer met includes a history of up-to-date payment performance against the modified contractual terms.

The Bank monitors the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews to confirm that:

- the criteria are capable of identifying significant increases in credit risk before an exposure is in default;
- the criteria do not align with the point in time when an asset becomes 30 days past due;
- the average time between the identification of a significant increase in credit risk and default appears reasonable;
- exposures are not generally transferred directly from 12-month ECL measurement to credit-impaired; and there is no unwarranted volatility in loss allowance from transfers between 12-month PD (Stage 1) and lifetime PD (Stage 2).

###### vi) *Definition of default*

The Bank considers a financial asset to be in default when:

the borrower is unlikely to pay its credit obligations to the Bank in full, without recourse by the Bank to actions such as realising security (if any is held);

- the borrower is more than 90 days past due on any material credit obligation to the Bank.

Overdrafts are considered as being past due once the customer has breached an advised limit or been advised of a limit smaller than the current amount outstanding; or

it is becoming probable that the borrower will restructure the asset as a result of bankruptcy due to the borrower's inability to pay its credit obligations.



#### 4 Financial risk management (Continued)

##### 4.3 Credit risk (Continued)

##### 4.3.6 Amounts arising from ECL (Continued)

In assessing whether a borrower is in default, the Bank considers indicators that are:

- qualitative: e.g. breaches of covenant;
- quantitative: e.g. overdue status and non-payment on another obligation of the same issuer to the Bank; and
- based on data developed internally and obtained from external sources.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

The definition of default largely aligns with that applied by the Bank for regulatory capital purposes .

The Bank incorporates forward-looking information into both the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and the measurement of ECL.

For each segment, the Bank formulates three economic scenarios: a base case, which is the median scenario, and two less likely scenarios, one upside and one downside. For each sector, the base case is aligned with the macroeconomic model's information value output, a measure of the predictive power of the model, as well as base macroeconomic projections for identified macroeconomic variables for each sector. The upside and downside scenarios are based on a combination of a percentage error factor of each sector model as well as simulated optimistic and pessimistic macroeconomic projections based on a measure of historical macroeconomic volatilities.

External information considered includes economic data and forecasts published by Business Monitor International, an external and independent macroeconomic data body. This is in addition to industry - level, semi - annual NPL trends across statistically comparable sectors.

##### *vii) Incorporation of forward-looking information (Continued)*

Periodically, the Bank carries out stress testing of more extreme shocks to calibrate its determination of the upside and downside representative scenarios. A comprehensive review is performed at least annually on the design of the scenarios by a panel of experts that advises the Bank's senior management.

The Bank has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses.



4 Financial risk management (Continued)

4.3 Credit risk (Continued)

4.3.6 Amounts arising from ECL (Continued)

vii) Incorporation of forward-looking

The key drivers for credit risk for each of the Bank's economic sectors is summarized below:

Sector/Product	Macroeconomic factors					
Agriculture and Personal loans and Staff loans (Cluster 1)	Goods exports, USD	-	-	-	-	-
Domestic Trade & Services and Transport (Cluster 2)	-	-	-	-	-	-
Building & Construction and Manufacturing (Cluster 3)	Goods imports, USD	Nominal GDP, USD	Real GDP per capita, USD (2010 prices)	-	-	-
Export and Import (Cluster 4)	Goods imports, USD	-	-	-	-	-

The economic scenarios used as at 30 June 2023 included the following key indicators for Ethiopia for the years 2022 to 2024

Macro-economic factor	2022	2023	2024
Goods exports, USDbn	4,022	4,137	4,393
Goods imports, USDbn	14,996	15,798	16,433
Nominal GDP, USD	100,847	115,100	130,089
Real GDP per capita, USD (2010 prices)	549	567	589
Goods imports, USDbn	14,996	15,798	16,433

Predicted relationships between the key indicators and default rates on various portfolios of financial assets have been developed based on analysing semi - annual historical data over the **past 5 years**.



4 Financial risk

4.3 Credit risk (Continued)

4.3.6 Amounts arising from ECL (Continued)

Scenario probability weightings

As at June 2023			
	Optimistic	Base	Downturn
Cluster 1	9%	91%	-
Cluster 2	-	100%	-
Cluster 3	48%	52%	-
Cluster 4	9%	91%	-

As at June 2022			
	Optimistic	Base	Downturn
Cluster 1	-	97%	3%
Cluster 2	3%	94%	3%
Cluster 3	4%	91%	4%
Cluster 4	2%	94%	3%

viii) *Modified financial assets*

The contractual terms of a loan may be modified for a number of reasons, including changing market conditions, customer retention and other factors not related to a current or potential credit deterioration of the customer. An existing loan whose terms have been modified may be derecognised and the renegotiated loan recognised as a new loan at fair value in accordance with the accounting policy set out.

When the terms of a financial asset are modified and the modification does not result in derecognition, the determination of whether the asset's credit risk has increased significantly reflects comparison of: its remaining lifetime PD at the reporting date based on the modified terms; with the remaining lifetime PD estimated based on data on initial recognition and the original contractual terms.

When modification results in derecognition, a new loan is recognised and allocated to Stage 1 (assuming it is not credit-impaired at that time).

The Bank renegotiates loans to customers in financial difficulties (referred to as 'forbearance activities') to maximise collection opportunities and minimise the risk of default. Under the Bank's forbearance policy, loan forbearance is granted on a selective basis if the debtor is currently in default on its debt or if there is a high risk of default, there is evidence that the debtor made all reasonable efforts to pay under the original contractual terms and the debtor is expected to be able to meet the revised terms.

The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of loan covenants. Both retail and corporate loans are subject to the forbearance policy. The Bank Credit Committee regularly reviews reports on forbearance activities.

For financial assets modified as part of the Bank's forbearance policy, the estimate of PD reflects whether the modification has improved or restored the Bank's ability to collect interest and principal and the Bank's previous experience of similar forbearance action. As part of this process, the Bank evaluates the borrower's payment performance against the modified contractual terms and considers various behavioural indicators.

Generally, forbearance is a qualitative indicator of a significant increase in credit risk and an expectation of forbearance may constitute evidence that an exposure is credit-impaired. A customer needs to demonstrate consistently good payment behaviour over a period of time before the exposure is no longer considered to be credit-impaired/in default or the PD is considered to have decreased such that the loss allowance reverts to being measured at an amount equal to Stage 1.





#### 4 Financial risk management (Continued)

##### 4.3 Credit risk (Continued)

##### 4.3.6 Amounts arising from ECL (Continued)

###### ix) Measurement of ECL

The key inputs into the measurement of ECL are the term structure of the following variables:

- Probability of default (PD);
- loss given default (LGD); and
- exposure at default (EAD)

ECL for exposures in Stage 1 is calculated by multiplying the 12-month PD by LGD and EAD. Lifetime ECL is calculated by multiplying the lifetime PD by LGD and EAD.

The methodology of estimating PDs is discussed above under the heading ‘Generating the term structure of PD’.

LGD is the magnitude of the likely loss if there is a default. The Bank estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties. The LGD models consider the structure, collateral, seniority of the claim, counterparty industry and recovery costs of any collateral that is integral to the financial asset.

EAD represents the expected exposure in the event of a default. The Bank derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract and arising from amortisation. The EAD of a financial asset is its gross carrying amount at the time of default. For lending commitments, the EADs are potential future amounts that may be drawn under the contract, which are estimated based on historical observations and forward-looking forecasts. For financial guarantees, the EAD represents the amount of the guaranteed exposure when the financial guarantee becomes payable. For some financial assets, EAD is determined by modelling the range of possible exposure outcomes at various points in time using scenario and statistical techniques.

As described above, and subject to using a maximum of a 12-month PD for Stage 1 financial assets, the Bank measures ECL considering the risk of default over the maximum contractual period (including any borrower’s extension options) over which it is exposed to credit risk, even if, for credit risk management purposes, the Bank considers a longer period.

The maximum contractual period extends to the date at which the Bank has the right to require repayment of an advance or terminate a loan commitment or guarantee.

However, for overdrafts that include both a loan and an undrawn commitment component, the Bank measures ECL over a period longer than the maximum contractual period if the Bank’s contractual ability to demand repayment and cancel the undrawn commitment does not limit the Bank’s exposure to credit losses to the contractual notice period. These facilities do not have a fixed term or repayment structure and are managed on a collective basis. The Bank can cancel them with immediate effect but this contractual right is not enforced in the normal day-to-day management, but only when the Bank becomes aware of an increase in credit risk at the facility level. This longer period is estimated taking into account the credit risk management actions that the Bank expects to take, and that serve to mitigate ECL. These include a reduction in limits, cancellation of the facility and/or turning the outstanding balance into a loan with fixed repayment terms.



4 Financial risk management (Continued)

4.3 Credit risk (Continued)

4.3.6 Amounts arising from ECL (Continued)

*ix) Measurement of ECL (Continued)*

Where modelling of a parameter is carried out on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics that include:

- instrument type;
- credit risk grading;
- collateral type;
- LTV ratio for retail mortgages;
- date of initial recognition;
- remaining term to maturity;
- industry; and
- geographic location of the borrower

The groupings are subject to regular review to ensure that exposures within a particular group remain appropriately homogeneous.

*x) Loss allowance*

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument.

In ETB'000	30-Jun-23			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Loans and advances to customers at amortised cost (on balance sheet exposures)				
Balance as at 1 July 2022	530,720	56,945	606,260	1,193,926
Transfer to stage 1 (12 months ECL)	446,089	(3,298)	(3,484)	439,308
Transfer to stage 2 (Lifetime ECL not credit impaired)	(42,228)	11,782	(326)	(30,772)
Transfer to stage 3 (Lifetime ECL credit impaired)	(102,465)	(22,903)	229,046	103,678
Net remeasurement of loss allowance	(263,090)	25,469	(381,985)	(619,606)
Net financial assets originated or purchased	350,337	21,412	24,817	396,566
Financial assets derecognised	(116,156)	(13,660)	(95,098)	(224,914)
Balance as at 30 June 2023	803,208	75,748	379,231	1,258,186



4 Financial risk management (Continued)

4.3 Credit risk (Continued)

4.3.6 Amounts arising from ECL (Continued)

x) Loss allowance (Continued)

In ETB'000	30-Jun-22			Total
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	
Loans and advances to customers at amortised cost (on balance sheet exposures)				
Balance as at 1 July 2021	935,141	77,090	393,090	1,405,321
Transfer to stage 1 (12 months ECL)	152,781	(4,633)	(1,222)	146,925
Transfer to stage 2 (Lifetime ECL not credit impaired)	(18,498)	5,998	(498)	(12,998)
Transfer to stage 3 (Lifetime ECL credit impaired)	(294,621)	(72,429)	227,392	(139,658)
Net remeasurement of loss	67,260	63,922	146,590.67	277,773
New financial assets originated or purchased	372,084	31,950	11,818	415,852
Financial assets derecognised	(683,425)	(44,954)	(170,910)	(899,289)
Balance as at 30 June 2022	530,720	56,945	606,260	1,193,926

In ETB'000	30-Jun-23			Total
	Stage 1	Stage 2	Stage 3	
Loan commitments and financial guarantee contracts (off balance sheet exposures)				
Balance as at 1 July 2022	981,569	76,097	110,059	1,167,726
Transfer to stage 1 (12 months ECL)	1,051,423	(34,512,420)	(16)	(33,461,013)
Transfer to stage 2 (Lifetime ECL not credit impaired)	(635)	-	-	(635)
Transfer to stage 3 (Lifetime ECL credit impaired)	(44,792)	(9,353,344)	41,120	(9,357,017)
Net remeasurement of loss	(755,494)	43,794,700	(25,426)	43,013,780
New financial assets originated or purchased	131,275	10,644	-	141,919
Financial assets derecognised	(146,119)	(4,398)	(30,472)	(180,988)
Balance as at 30 June 2023	1,217,227	11,279	95,266	1,323,771



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4 Financial risk management (Continued)

4.3 Credit risk (Continued)

4.3.6 Amounts arising from ECL (Continued)

x) Loss allowance (Continued)

In ETB'000	30-Jun-22			Total
	2 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	
Loan commitments and financial guarantee contracts (off balance sheet exposures)				
Balance as at 1 July 2021	101,531	14	785	102,330
Transfer to stage 1 (12 months ECL)	479,368	-	(3)	479,365
Transfer to stage 2 (Lifetime ECL not credit impaired)	(57,775)	-	-	(57,775)
Transfer to stage 3 (Lifetime ECL credit impaired)	(9,468)	-	7,883	(1,585)
Net remeasurement of loss	149,577	77,984	65,583	293,144
New financial assets originated or purchased	502,198	18,322	92,708	613,228
Financial assets derecognised	(183,862)	(20,223)	(56,897)	(260,982)
Balance as at 30 June 2022	981,569	76,097	110,059	1,167,726

In ETB'000	30-Jun-23			Total
	Cash and balances with banks	Investment securities (debt	Other receivables and financial	
Other financial assets (debt instruments)				
Balance as at 01 July 2022	1,662	602	18,844	21,108
Net remeasurement of loss	94	29	5,237	5,360
Balance as at 30 June 2023	1,756	631	24,081	26,468





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4 Financial risk management (Continued)

4.3 Credit risk (Continued)

4.3.6 Amounts arising from ECL (Continued)

x) Loss allowance (Continued)

In ETB'000	30-Jun-22			
	Cash and balances with banks	Investment securities (debt instruments)	Other receivables and financial assets	Total
Other financial assets (debt instruments)				
Balance as at 30 June 2021	835	1,731	13,499	16,065
Net remeasurement of loss	827	(1,129)	5,345	5,043
Balance as at 30 June 2022	1,662	602	18,844	21,108

– Loans with renegotiated terms

Loans with renegotiated terms are defined as loans that have been restructured due to a deterioration in the borrower's financial position, for which the Bank has made concessions by agreeing to terms and conditions that are more favourable for the borrower than the Bank had provided initially and that it would not otherwise consider. A loan continues to be presented as part of loans with renegotiated terms until maturity, early repayment or write-off.

– Loans that were past due but not impaired

Loans that were 'past due but not impaired' are those for which contractual interest or principal payments were past due but the Bank believed that impairment was not appropriate on the basis of the level of security or collateral available and/or the stage of collection of amounts owed to the Bank. The amounts disclosed exclude assets measured at FVTPL.

4.3.7 Commitments and guarantees

The maximum exposure to credit risk relating to a financial guarantee is the maximum amount the Bank could have to pay if the guarantee is called upon. The maximum exposure to credit risk relating to a loan commitment is the full amount of the commitment. The table below shows the Bank's maximum credit risk exposure for commitments and guarantees.

	30 June 2023 ETB'000	30 June 2022 ETB'000
Loan commitments	13,827,041	10,355,972
Guarantees	5,553,635	7,945,838
Letters of credit	3,347,407	3,843,965
	<b>22,728,083</b>	<b>22,145,775</b>



#### 4 Financial risk management (Continued)

##### 4.4 Liquidity risk

Liquidity risk is the risk that the Bank cannot meet its maturing obligations when they become due, at reasonable cost and in a timely manner. Liquidity risk arises because of the possibility that the Bank might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Bank on acceptable terms.

Liquidity risk management in the Bank is solely determined by the Asset and Liability Committee (ALCO), which bears the overall responsibility for liquidity risk. The main objective of the Bank's liquidity risk framework is to maintain sufficient liquidity in order to ensure that we meet our maturing obligations.

##### 4.4.1 Management of liquidity risk

Cash flow forecasting is performed by the Finance and Treasury function. The Finance and Treasury function monitors rolling forecasts of liquidity requirements to ensure it has sufficient cash to meet operational needs.

The Bank has incurred indebtedness in the form of borrowings. The Bank evaluates its ability to meet its obligations on an ongoing basis. Based on these evaluations, the Bank devises strategies to manage its liquidity risk.

Prudent liquidity risk management implies that sufficient cash is maintained and that sufficient funding is available to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk of damage to the Bank's reputation.

##### 4.4.2 Maturity analysis of financial liabilities

The table below analyses the Bank's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The cash flows presented are the undiscounted amounts to be settled in future.

	0 - 30 days	31 - 90days	91 - 180days	181 - 365 days	Over 4 year
	ETB'000	ETB'000	ETB'000	ETB'000	ETB'000
<b>30 June 2023</b>					
Deposits from customers	6,631,510	14,125,000	17,655,000	34,205,000	109,854,000
Other liabilities	2,219,769	4,896,197	-	-	-
<b>Total financial liabilities</b>	<b>8,851,279</b>	<b>19,021,197</b>	<b>17,655,000</b>	<b>34,205,000</b>	<b>109,854,000</b>
Loan commitments	-	13,827,041	-	-	-
Guarantees	-	-	5,553,635	-	-
Letters of credit	-	3,347,407	-	-	-
Other commitments	-	1,366,543	-	-	-
	-	<b>18,540,991</b>	<b>5,553,635</b>	-	-
Assets held for managing liquidity risk	<b>40,211,110</b>	<b>53,503,720</b>	<b>24,092,240</b>	<b>51,240,700</b>	<b>93,630,350</b>



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**4 Financial risk management (Continued)**

**4.4 Liquidity risk (Continued)**

**4.4.2 Maturity analysis of financial liabilities (Continued)**

30 June 2022	0 - 30 days	31 - 90days	91 - 180days	181 - 365 days	Over 1 year
	ETB'000	ETB'000	ETB'000	ETB'000	ETB'000
Deposits from customers	5,537,613	10,213,000	14,090,000	27,913,000	90,275,000
Other liabilities	5,455,842	3,978,189	-	-	-
<b>Total financial liabilities</b>	<b>10,993,455</b>	<b>14,191,189</b>	<b>14,090,000</b>	<b>27,913,000</b>	<b>90,275,000</b>
Loan commitments	-	10,355,972	-	-	-
Guarantees	-	-	7,945,838	-	-
Letters of credit	-	3,843,965	-	-	-
Other commitments	-	552,061	-	-	-
	-	<b>14,751,998</b>	<b>7,945,838</b>	-	-
Assets held for managing liquidity risk	<b>32,642,000</b>	<b>12,549,010</b>	<b>28,373,400</b>	<b>23,812,800</b>	<b>90,532,550</b>

**4.5 Market risk**

Market risk is defined as the risk of loss that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market risk factors such as interest rates, foreign exchange rates, equity prices, credit spreads and their volatilities. Market risk can arise in conjunction with trading and non-trading activities of a financial institutions.

The Bank does not ordinarily engage in trading activities as there are no active markets in Ethiopia.

**4.5.1 Management of market risk**

The main objective of Market Risk Management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Market risk is monitored by the risk and compliance management function regularly, to identify any adverse movement in the underlying variables.

**(i) Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument will be affected by changes in market interest rates. Borrowings and lending obtained at variable rates give rise to interest rate risk.

The Bank's exposure to the risk of changes in market interest rates relates primarily to the Bank's obligations and financial assets with floating interest rates. The Bank is also exposed on fixed rate financial assets and financial liabilities. The Bank's investment portfolio is comprised of treasury bills, Ethiopian government bonds and cash deposits.



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**4 Financial risk management (Continued)**

**4.5 Market risk (Continued)**

**4.5.1 Management of market risk (Continued)**

The table below sets out information on the exposures to fixed and variable interest instruments.

	Fixed interest bearing ETB'000	Non-interest bearing ETB'000	Total ETB'000
<b>30 June 2023</b>			
<b>Assets</b>			
Cash and bank balances	-	34,878,071	34,878,071
Loans and advances to customers	155,231,766	6,720,654	161,952,420
Investment securities	12,194,395	523,078	12,717,473
Other assets	-	3,895,460	3,895,460
<b>Total</b>	<b>167,426,161</b>	<b>46,017,263</b>	<b>213,443,424</b>
<b>Liabilities</b>			
Deposits from customers	109,851,492	72,619,018	182,470,510
Other liabilities	-	7,115,966	7,115,966
<b>Total</b>	<b>109,851,492</b>	<b>79,734,984</b>	<b>189,586,476</b>
	Fixed interest bearing ETB'000	Non-interest bearing ETB'000	Total ETB'000
<b>30 June 2022</b>			
<b>Assets</b>			
Cash and bank balances	-	32,050,786	32,050,786
Loans and advances to customers	123,843,076	5,401,109	129,244,185
Investment securities	13,220,776	340,030	13,560,806
Other assets	-	2,260,820	2,260,820
<b>Total</b>	<b>137,063,852</b>	<b>40,052,745</b>	<b>177,116,597</b>
<b>Liabilities</b>			
Deposits from customers	89,166,801	58,861,812	148,028,613
Other liabilities	-	9,434,031	9,434,031
<b>Total</b>	<b>89,166,801</b>	<b>68,295,843</b>	<b>157,462,644</b>





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**4 Financial risk management (Continued)**

**4.5 Market risk (Continued)**

**4.5.1 Management of market risk (Continued)**

**(ii) Foreign exchange risk**

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in foreign exchange rates.

The Bank is exposed to exchange rate risks to the extent of balances and transactions denominated in a currency other than the Ethiopian Birr (ETB). The Bank's foreign currency bank accounts act as a natural hedge for these transactions. Management has set up a policy to manage the Bank's foreign exchange risk against its functional currency.

The table below summarises the impact of increases/decreases of 10% on equity and profit or loss arising from the Bank's foreign denominated borrowings and cash and bank balances.

The total foreign currency denominated assets exposed to risk as at year end 30 June 2023 was ETB 7.909billion (30 June 2022: ETB 8.383billion).

**Foreign currency denominated balances**

	<b>30 June 2023</b>	<b>30 June 2022</b>
	<b>ETB'000</b>	<b>ETB'000</b>
US dollars (USD)	7,232,236	6,004,520
British pounds (GBP)	177,815	123,563
Euros (EUR)	442,388	309,998
Djiboutian franc (DJF)	-	1
Swiss franc (CHF)	50,707	8,346
Swedish Krona (SEK)	4,941	6,422
Japanese yen (JPY)	1,175	12,012
Saudi Riyal (SAR)	-	2,516.00
	<b>7,909,262</b>	<b>6,467,378</b>



4 Financial risk management (Continued)

4.5 Market risk (Continued)

4.5.1 Management of market risk (Continued)

*Sensitivity analysis for foreign exchange risk*

The sensitivity analysis for currency rate risk shows how changes in the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates at the reporting date.

	30 June 2023	30 June 2022
	ETB'000	ETB'000
Effect of a 10% Increase of the ETB against USD	723,224	600,452
Effect of a 10% Decrease of the ETB against USD	(723,224)	(600,452)
Effect of a 10% Increase of the ETB against GBP	17,782	12,356
Effect of a 10% Decrease of the ETB against GBP	(17,782)	(12,356)
Effect of a 10% Increase of the ETB against EUR	44,239	31,000
Effect of a 10% Decrease of the ETB against EUR	(44,239)	(31,000)
Effect of a 10% Increase of the ETB against JPY	118	1,201
Effect of a 10% Decrease of the ETB against JPY	(118)	(1,201)
Effect of a 10% Increase of the ETB against CHF	5,071	835
Effect of a 10% Decrease of the ETB against CHF	(5,071)	(835)
Effect of a 10% Increase of the ETB against SEK	494	642
Effect of a 10% Decrease of the ETB against SEK	(494)	(642)
Effect of a 10% Increase of the ETB against DJF	-	0
Effect of a 10% Decrease of the ETB against DJF	-	(0)

4.6 Capital management

The Bank's objectives when managing capital are to comply with the capital requirements set by the National Bank of Ethiopia, safeguard its ability to continue as a going concern, and to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.



#### 4 Financial risk management (Continued)

##### 4.6 Capital management (Continued)

###### 4.6.1 Capital adequacy ratio

According to the Licensing & Supervision of Banking Business Directive No SBB/50/2011 of the National Bank of Ethiopia, the Bank has to maintain a capital to risk weighted assets ratio of 8% at all times, the risk weighted assets being calculated as per the provisions of Directive No SBB/9/95 issued on 18 August 1995. Capital includes capital contributions, retained earnings, legal reserve and other reserves to be approved by the National Bank of Ethiopia.

The capital adequacy ratio is the quotient of the capital base of the Bank and the Bank's risk weighted asset base.

	30 June 2023	30 June 2022
	ETB'000	ETB'000
<b>Capital</b>		
Share capital	14,649,656	10,291,407
Share premium	1,389	1,389
Legal reserve	6,826,673	5,078,283
	<b>21,477,718</b>	<b>15,371,079</b>
<b>Risk weighted assets</b>		
Risk weighted balance for on-balance sheet items	178,685,396	140,257,051
Credit equivalent for off-balance	6,735,311	4,092,778
	<b>185,420,707</b>	<b>144,349,829</b>
Risk-weighted Capital Adequacy Ratio (CAR)	12%	11%
Minimum required capital	8%	8%
Excess	4%	3%

##### 4.7 Fair value of financial assets and liabilities

IFRS 13 requires an entity to classify measured or disclosed fair values according to a hierarchy that reflects the significance of observable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, which comprises three levels as described below, based on the lowest level input that is significant to the fair value measurement as a whole.



4 Financial risk management (Continued)  
 4.7 Fair value of financial assets and liabilities  
 4.7.1 Valuation models

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Bank's market assumptions.

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active, another valuation technique in which all significant inputs are directly or indirectly observable from market data.

In conclusion, this category is for valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs). This category includes all assets and liabilities for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the asset's or liability's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

4.7.2 Financial instruments not measured at fair value

The following table summarises the carrying amounts of financial assets and liabilities at the reporting date. The amounts are based on the values recognised in the statement of financial position.

	30 June 2023		30 June 2022	
	Carrying amount ETB'000	Amortized Cost ETB'000	Carrying amount ETB'000	Amortized Cost ETB'000
<b>Financial assets</b>				
Cash and bank balances	34,876,315	34,876,315	32,049,124	32,049,124
Loans and advances to customers	159,370,386	159,370,386	126,894,685	126,894,685
Investment securities				
- Financial assets at fair value through OCI	-	-	-	-
- Financial assets at amortized cost	12,193,764	12,193,764	13,220,174	13,220,174
Other assets	3,871,379	3,871,379	2,241,976	2,241,976
<b>Total</b>	<b>210,311,844</b>	<b>210,311,844</b>	<b>174,405,959</b>	<b>174,405,959</b>



4 Financial risk management (Continued)  
4.7 Fair value of financial assets and liabilities (Continued)  
4.7.2 Financial instruments not measured at fair value (Continued)

	30-Jun-23		30-Jun-22	
	Carrying amount	Amortized Cost	Carrying amount	Amortized Cost
	ETB'000	ETB'000	ETB'000	ETB'000
Financial liabilities				
Deposits from customers	182,470,510	182,470,510	148,028,613	148,028,613
Other liabilities	7,115,966	7,115,966	9,434,031	9,434,031
<b>Total</b>	<b>189,586,476</b>	<b>189,586,476</b>	<b>157,462,644</b>	<b>157,462,644</b>

4.7.3 Valuation technique using significant unobservable inputs - Level 3

The Bank has equity investments measured at fair value on subsequent recognition.

4.7.4 Transfers between the fair value hierarchy categories

During the two reporting periods covered by these annual financial statements, there were no movements between levels as a result of significant inputs to the fair valuation process becoming observable or unobservable.

4.8 Offsetting financial assets and financial liabilities

There are no offsetting arrangements. Financial assets and liabilities are settled and disclosed on a gross basis.





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	30 June 2023	30 June 2022
	ETB'000	ETB'000
<b>5 Interest income</b>		
Loans and advances	20,859,633	12,977,665
National Bank of Ethiopia bills and bonds	248,787	147,555
National Bank of Ethiopia Treasury Bills	519,137	759,301
Due from other banks	306,825	275,128
	<b>21,934,382</b>	<b>14,159,649</b>

Included within various line items under interest income for the year ended 30 June 2023 is a total of ETB 255.146 million (30 June 2022: ETB 250.817 million ) relating to impaired loans and advances.

	30 June 2023	30 June 2022
	ETB'000	ETB'000
<b>6 Interest expense</b>		
Deposits from customers	5,676,560	4,024,034
Due to National Bank of Ethiopia	7,452	47,869
Due to other banks	377,480	304,926
	<b>6,061,492</b>	<b>4,376,829</b>

	30 June 2023	30 June 2022
	ETB'000	ETB'000
<b>7 Fees and commission income</b>		
Cash payment orders and cheques	3,750	2,050
Foreign currency transactions	2,892,649	2,428,476
Letters of credit	1,172,083	1,093,006
Letters of guarantee	278,406	264,944
Telegraphic transfers	2	7
Money transfers	39,492	19,223
Other commission	567,512	943,254
Murabaha Income	651,119	210,499
	<b>5,605,013</b>	<b>4,961,459</b>



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	30 June 2023	30 June 2022
	ETB'000	ETB'000
<b>8 Other operating income</b>		
Dividends	39,381	33,780
Gain on foreign currency transactions and translations	672,938	1,007,557
Bad debts recovered	68	5
Telephone, postage and SWIFT	35,061	28,525
Rental	49,160	49,319
Gain on disposal of repossessed collateral	-	1,200
Estimation and inspection fees	11,413	13,936
Gain on Disposal of old assets	21,954	3,025
Other income	419,073	376,326
	<b>1,249,048</b>	<b>1,513,673</b>
	30 June 2023	30 June 2022
	ETB'000	ETB'000
<b>9 Loan impairment charge</b>		
Loans and advances - charge for the year (note 16)	232,534	855,392
Loans and advances - reversal of provision (note 16)	-	-
Loans and advances - Bad Debts Write Off	-	(12,054)
	<b>232,534</b>	<b>843,338</b>
	30 June 2023	30 June 2022
	ETB'000	ETB'000
<b>10 Impairment on other assets</b>		
Other assets-charges (reversal) for the year	5,237	5,344
Receivables - Bad Debts Write Off	5,021	-
	<b>10,258</b>	<b>5,344</b>
The current impairment charges on other assets is ETB 5.237 million.		
	30 June 2023	30 June 2022
	ETB'000	ETB'000
<b>11 Impairment on Cash, Bills and Bonds</b>		
Cash, Bills and Bonds-charge (reversal) for the year	124	(302)



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	30 June 2023	30 June 2022
	ETB'000	ETB'000
<b>12 Personnel expenses</b>		
Salaries and wages	4,333,208	2,663,660
Staff allowances	2,106,506	1,035,718
Provident fund and pension costs - Defined contribution plan	533,240	321,516
Provident fund and pension costs - Defined benefit plans	123,429	203,429
Prepaid staff expense	40,634	5,432
Bonus	1,571,546	974,735
Other staff expenses	385,029	472,643
	<b>9,093,592</b>	<b>5,677,133</b>
	<b>30 June 2023</b>	<b>30 June 2022</b>
	ETB'000	ETB'000
<b>13 Other operating expenses</b>		
Rent	7,272	5,226
Stationery	297,747	203,347
Transportation	158,521	103,544
Telephone and related charges	102,166	71,164
Professional and legal fees	348,709	282,034
Audit fee	2,390	2,168
Insurance	28,241	24,428
Taxes	31,774	17,096
Fuel	29,111	11,712
Repair and maintenance	174,253	95,245
Other expenses	236,643	202,134
Card charges	69,043	39,138
Cleaning	13,806	7,770
Entertainment	78,067	36,488
Utility	45,348	22,274
Bank charges	13,964	9,131
Penalties	460	1,264
Loss on Disposal of old assets	3,298	14,358
Membership fees	1,687	1,496
Board Members fees	2,926	1,560
Loss provision for assets damage_West Region	23,669	-
Provision on legal claims	-	2,445
Impairment (Reversal) on Off Balance sheet items	32	(649)
Shariah Advisory committee fees	800	1,010
Advertising and publicity	357,525	190,455
Donation	511,046	118,406
Bad Debt expense	5,021	3,519
Land and Building taxes	4,839	992
Postage	2,549	-
POS Charges	1,737	-
Wadi'ah Deposits	73	123
Mudarabah Investment	-	950
	<b>2,552,717</b>	<b>1,468,828</b>



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	30 June 2023	30 June 2022
	ETB'000	ETB'000
<b>14 Income tax</b>		
<b>14a Current income tax</b>		
Company income tax due to Federal Gov't	2,440,709	2,262,458
Rental income tax due to Regional Gov't and City Admin.	4,384	6,273
Deferred income tax/(credit) to profit or loss	311,861	(156,811)
<b>Total charge to profit or loss</b>	<b>2,756,954</b>	<b>2,111,920</b>
Tax (credit) on other comprehensive income	-	-
<b>Total tax in statement of comprehensive income</b>	<b>2,756,954</b>	<b>2,111,920</b>

**14b Reconciliation of effective tax to statutory tax**

The tax on the Bank's profit before income tax differs from the theoretical amount that would arise using the statutory income tax rate as follows:

<b>Profit before tax</b>	<b>9,750,514</b>	<b>7,453,151</b>
<b>Add : Disallowed expenses and reversals</b>		
Entertainment	78,067	36,488
Donation	69,002	5,098
Penalty	460	1,264
Taxes Paid on Tax audit	-	1,877
Accrued Leave	96,664	236,587
Amortisation of Right of Use Asset	545,814	400,961
Interest expense on lease liability	60,332	36,613
Long service Award (Severance and Gratuity pay)	123,429	203,429
Amortization of employee prepaid expense	40,634	5,432
Bad debt written off	19,009	1,046
Provision for loans and advances as per IFRS	232,534	855,392
Impairment Losses Reversal on Other Assets (includes Local and Foreign Deposits, NBE Bills and Bonds and Receivables)	10,382	5,042
Impairment Losses (Reversal) on off Balance Sheets (LC and Guarantees)	32	(649)
Bonus Provisional expenses	711,000	974,735
Provision for doubtful debt- litigation Cases	-	2,445
Loss provision for assets damage_West Region	23,669	-
Depreciation for accounting purpose_PPE	447,959	334,501
Amortization for accounting purpose_Intangible Assets	45,247	34,944
Net rental loss from rental operations	16,113	5,056
<b>Total disallowable expenses and reversals</b>	<b>2,520,347</b>	<b>3,140,261</b>



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**14 Income tax (Continued)**

**14b Reconciliation of effective tax to statutory tax (Continued)**

	30 June 2023	30 June 2022
	ETB'000	ETB'000
<b>Less : Allowed expenses and reversals</b>		
Depreciation and Amortization for tax purpose	593,615	420,325
Amortization on Prepaid Rent	603,571	429,273
Amortization on leasehold land	628	514
Accrued Leave Paid	13,084	13,084
Share of profit from associate	12,140	8,613
Provision for loans and advances for tax	200,110	541,388
Impairment Losses on Other Assets for tax	11,730	2,492
Bonus	1,571,546	399,521
Interest income taxed at source foreign	12,500	263
Dividend income taxed at source	39,381	33,780
Interest income taxed at source Local	1,062,248	1,181,722
Net rental income from rental operations	14,613	20,910
<b>Total allowable expenses and reversals</b>	<b>4,135,166</b>	<b>3,051,885</b>
<b>Taxable profit</b>	<b>8,135,696</b>	<b>7,541,527</b>
<b>Current tax at 30%</b>	<b>2,440,709</b>	<b>2,262,458</b>
	<b>2,440,709</b>	<b>2,262,458</b>

**14c Current income tax liability**

	30 June 2023	30 June 2022
	ETB'000	ETB'000
Balance at the beginning of the year	2,268,417	1,409,111
Charge for the year:		
Income tax expense	2,440,709	2,262,458
Rental income tax due to Regional Gov't and City Admin.	4,384	6,273
Prior year (over)/ under provision	-	-
Withholding tax	(395)	(314)
Payment during the year	(2,268,417)	(1,409,111)
<b>Balance at the end of the year</b>	<b>2,444,698</b>	<b>2,268,417</b>

All tax payable is current in nature.





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**14d Deferred income tax**

The analysis of deferred tax assets/(liabilities) is as follows:

	30 June 2023	30 June 2022
	ETB'000	ETB'000
To be recovered after more than 12 months	(260,241)	44,480

Deferred income tax assets and liabilities, deferred income tax charge/(credit) in profit or loss ("P/L"), in equity and other comprehensive income are attributable to the following items:

	At 1 July 2022	Credit/ (charge) to P/L	Credit/ (charge) to equity	30 June 2023
	ETB'000	ETB'000	ETB'000	ETB'000
<b>Deferred income tax assets/(liabilities):</b>				
Property, plant and equipment	(242,954)	(363,458)	-	(606,412)
Post employment benefit obligation	98,002	31,733	27,256	156,991
Provision for accrued leave	35,106	(60,180)	-	(25,074)
Provision for accrued bonus	178,120	80,044	-	258,164
Unrealized fair value gain (loss) on Equity Instrumer	(23,794)	-	(20,116)	(43,910)
<b>Total deferred tax assets/(liabilities)</b>	<b>44,480</b>	<b>(311,861)</b>	<b>7,140</b>	<b>(260,241)</b>

	At 1 July 2021	Credit/ (charge) to P/L	Credit/ (charge) to equity	30 June 2022
	ETB'000	ETB'000	ETB'000	ETB'000
<b>Deferred income tax assets/(liabilities):</b>				
Property, plant and equipment	(125,432)	(117,522)	-	(242,954)
Post employment benefit obligation	35,989	59,718	2,295	98,002
Provision for accrued leave	(29,336)	64,442	-	35,106
Provision for bonus leave	27,947	150,173	-	178,120
Unrealized fair value gain (loss) on Equity Instrumer	(10,468)	-	(13,326)	(23,794)
<b>Total deferred tax assets/(liabilities)</b>	<b>(101,300)</b>	<b>156,811</b>	<b>(11,031)</b>	<b>44,480</b>



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**14e Rental Income tax**

	2023						
	Addis Ababa	Oromia Regional Gov't	Oromia Regional Gov't (PMB)	Sidama Regional Gov't	Harari Regional Gov't	South Regional Gov't	Total
	ETB'000	ETB'000	ETB'000	ETB'000	ETB'000	ETB'000	ETB'000
<b>Income:</b>							
Rental Income	14,852	11,285	13,610	8,476	888	49	49,160
<b>Expenses:</b>							
Salaries and wages	2,032	3,644	1,640	2,823	721	-	10,860
Insurance	35	101	61	60	5	3	267
Depreciation	2,659	6,782	2,952	5,049	518	-	17,960
Repair and maintenance	164	8,706	511	2,406	-	-	11,787
Cleaning	121	105	37	-	-	-	263
Building Taxes	28	257	1,698	260	2	2	2,247
Utilities	460	263	351	-	-	-	-
Other Expenses	7	2	1,138	-	-	-	1,147
<b>Total Rental Expenses</b>	<b>5,506</b>	<b>19,861</b>	<b>8,388</b>	<b>10,597</b>	<b>1,247</b>	<b>5</b>	<b>45,605</b>
<b>(Loss) from Rental</b>	<b>9,347</b>	<b>(8,576)</b>	<b>5,222</b>	<b>(2,122)</b>	<b>(359)</b>	<b>44</b>	<b>3,556</b>
<b>Loss BF</b>	<b>-</b>	<b>(883)</b>	<b>-</b>	<b>(4,093)</b>	<b>(80)</b>	<b>-</b>	<b>(5,056)</b>
<b>Operation Income (Loss) After Loss BF</b>	<b>9,347</b>	<b>(9,459)</b>	<b>5,222</b>	<b>(6,215)</b>	<b>(439)</b>	<b>44</b>	<b>(1,500)</b>
<b>tax (30%) Due to Regional Gov't and City</b>	<b>2,804</b>	<b>(2,838)</b>	<b>1,567</b>	<b>(1,864)</b>	<b>(132)</b>	<b>13</b>	<b>(450)</b>
	<b>2022</b>						
	Addis Ababa	Oromia Regional Gov't	Oromia Regional Gov't (PMB)	Sidama Regional Gov't	Harari Regional Gov't	South Regional Gov't	Total
<b>Income:</b>	<b>ETB'000</b>	<b>ETB'000</b>	<b>ETB'000</b>	<b>ETB'000</b>	<b>ETB'000</b>	<b>ETB'000</b>	<b>ETB'000</b>
Rental Income	14,284	2,085	24,526	7,430	786	208	49,319
<b>Expenses:</b>							
Salaries and wages	1,838	958	2,472	1,778	496	-	7,542
Insurance	52	14	64	74	3	3	210
Depreciation	5,305	1,917	7,430	4,582	341	-	19,575
Repair and maintenance	4	4	15	6	-	-	29
Building Taxes	12	74	319	198	2	1	606
Utilities	409	-	183	463	-	-	1,055
<b>Total Rental Expenses</b>	<b>7,620</b>	<b>2,968</b>	<b>10,484</b>	<b>7,101</b>	<b>842</b>	<b>4</b>	<b>29,019</b>
<b>Net Profit (Loss)</b>	<b>6,664</b>	<b>(883)</b>	<b>14,042</b>	<b>329</b>	<b>(56)</b>	<b>204</b>	<b>20,300</b>
<b>Loss BF</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,422)</b>	<b>(24)</b>	<b>-</b>	<b>(4,446)</b>
<b>Rental Income (Loss)</b>	<b>6,664</b>	<b>(883)</b>	<b>14,042</b>	<b>(4,093)</b>	<b>(80)</b>	<b>204</b>	<b>15,854</b>
<b>Rental income tax (30%)</b>	<b>1,999</b>	<b>(265)</b>	<b>4,213</b>	<b>(1,228)</b>	<b>(24)</b>	<b>61</b>	<b>4,756</b>



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	30 June 2023	30 June 2022
	ETB'000	ETB'000
<b>15 Cash and bank balances</b>		
Cash in hand	2,752,389	2,132,824
Reserve account with National Bank of Ethiopia	13,600,000	11,900,000
Balance held with National Bank of Ethiopia	7,961,758	10,687,539
Deposits with foreign banks	7,909,263	6,336,189
Deposit with local banks Maturing in three months	1,200,000	-
Ethiopian Government Treasury Bills Maturing in three months	1,454,661	994,234
	<b>34,878,071</b>	<b>32,050,786</b>
Less: Loss allowances	(1,756)	(1,662)
	<b>34,876,315</b>	<b>32,049,124</b>
<b>Maturity analysis</b>		
Current	21,278,071	20,150,786
Non-Current	13,600,000	11,900,000
	<b>34,878,071</b>	<b>32,050,786</b>

**15a Cash and cash equivalents**

Cash and bank balances in the statement of cash flows are the same as on the statement of financial position as the Bank had no bank overdrafts at the end of each reporting period.

	30 June 2023	30 June 2022
	ETB'000	ETB'000
Cash on hand	2,752,389	2,132,824
Deposit with local banks Maturing in three months	1,200,000	-
Deposit with foreign banks	7,909,263	6,336,189
Balance held with National Bank of Ethiopia	7,961,758	10,687,539
Ethiopian Government Treasury Bills Maturing in three months	1,454,661	994,234
	<b>21,278,071</b>	<b>20,150,786</b>

We have reclassified local deposits and treasury bills maturing in three months as cash and bank balances and the remaining as investment securities.



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	30 June 2023	30 June 2022
	ETB'000	ETB'000
<b>16 Loans and advances to customers</b>		
Domestic trade and services	35,415,023	27,107,021
Export	29,890,986	25,548,341
Building and construction	26,925,703	22,337,729
Import	20,600,676	16,170,654
Manufacturing	17,689,135	15,088,061
Transport	3,701,932	3,185,711
Personal loans	14,452,087	9,639,514
Merchandise	105,960	121,266
Agriculture	410,005	358,377
Staff loans and advances	5,814,027	4,164,666
Murahabah Financing-Domestic Trade	3,835,691	2,130,470
Murahabah Financing-Export	1,077,638	2,030,366
Murahabah Financing-Agriculture	6,018	10,041
Murahabah Financing-Building and construction	588,512	447,822
Murahabah Financing-Import	197,080	164,161
Murahabah Financing-Manufacturing	760,298	462,223
Murahabah Financing-Transport	237,359	130,015
Overseas Emp. Agencies Qard_IFB	18,058	26,011
Murahabah Financing-personal	206,700	118,566
Murabaha Financing -Staff loans & advances	19,532	3,170
	<b>161,952,420</b>	<b>129,244,185</b>
Loan Loss Allowance_Stage 1	(2,020,511)	(1,512,191)
Loan Loss Allowance_Stage 2	(87,027)	(133,043)
Loan Loss Allowance_Stage 3	(474,496)	(704,266)
	<b>159,370,386</b>	<b>126,894,685</b>



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**16 Loans and advances to customers (Continued)**

**16a Impairment allowance on loans and advances to customers**

A reconciliation of the allowance for impairment losses for loans and advances to customers by class, is as follows:

	As at 1 July 2021	Charge for the year 2022	As at 30 June 2022	Remeasurme nt and Charge for the year 2023	As at 30 June 2023
	ETB'000	ETB'000	ETB'000	ETB'000	ETB'000
Domestic trade and services	428,054	173,153	619,281	25,497	644,778
Building and construction	147,942	75,616	155,844	(27,764)	128,080
Manufacturing	57,233	(3,660)	81,738	996	82,734
Export	564,278	101,893	760,306	346,956	1,107,262
Import	148,257	115,250	218,255	53,098	271,353
Transport	46,649	(29,256)	236,808	(168,822)	67,986
Merchandise	425	(167)	2,417	(782)	1,635
Agriculture	4,592	3,397	17,605	(3,947)	13,658
Personal	55,379	46,245	133,039	(6,373)	126,666
Staff loans and Advances	12,851	10,069	19,625	17,991	37,616
Interest Free Banking	40,501	19,696	104,582	(4,392)	100,190
	<b>1,506,161</b>	<b>512,236</b>	<b>2,349,500</b>	<b>232,458</b>	<b>2,581,958</b>
				<b>30 June 2023</b>	<b>30 June 2022</b>
				<b>ETB'000</b>	<b>ETB'000</b>

**17 Investment securities**

**Financial assets at fair value through OCI :**

Financial assets at FVOCI (equity investments)

523,078

340,030

523,078

340,030

**Financial assets at amortized cost :**

Ethiopian Government Treasury Bills

9,172,767

10,125,133

DBE Bill

2,269,516

889,186

Deposits with Local Banks

620,205

2,177,651

Ethiopian Government bonds

131,907

28,806

**12,194,395**

**13,220,776**

Less: Loss allowances

(631)

(602)

**12,193,764**

**13,220,174**

The Bank has pledged NBE Bills with a face value of ETB 2.822 Billion to secure currencies that the Bank carries in its vault on behalf of the NBE.





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**17 Investment securities (Continued)**

The Bank equity investment comprises:

	30 June 2023	Fair Value Adjustment	Additional Investment	30 June 2022
	ETB'000	ETB'000	ETB'000	ETB'000
<b>Entities</b>				
Ethiopian Reinsurance Share co.	51,699	14,604	5,329	31,766
Awash Insurance Share co.	161,382	38,535	17,117	105,730
Eth-Switch Solution Share co.	299,030	96,436	11,736	190,858
Negat Mechanical Engineering Share Co.	(885)	306	-	(1,191)
ODA Share Co.	6,294	(6,322)	-	12,616
Sheger Smart City Realestate S.C.	250	-	-	250
Capital Financial Excellence Center S.C	5,307	2,807	2,500	-
	<b>523,078</b>	<b>146,366</b>	<b>36,682</b>	<b>340,030</b>

As draft financial statement of both Negat Mechanical Engineering Share Co. and Ethiopian Reinsurance Share company were not ready for valuation, the last valuation date for our investments was on June 30, 2022.

	No of Shares	Proportion	30 June 2023	30 June 2022
			ETB'000	ETB'000
<b>18 Investment in associate</b>				
Premier Switch Solutions S.C.	44,996	30.12%	69,459	52,119

**18a Nature of relationship**

Premier Switch Solutions Share Co. is a consortium owned by six private banks; Awash Bank, Nib International Bank, United Bank, Berhan International Bank, Addis International Bank and Cooperative Bank of Oromia. It was established in 2009 by the visionary banks to save the high investment cost of the modern payment platform and deliver electronic payment services to financial institutions with a shared system. It commenced operation officially on 5 July 2012 with 165 million ETB. Awash Bank holds 44,996 shares which is 30.12% of the total shareholding of the entity.

In accordance with the shareholders' agreement, Awash Bank has the right to cast 30.12% of the votes at shareholders' meetings.

The associate is accounted for using the equity accounting method.

The financial year end date of Premier Switch Solutions Share Co. is 30 June. This was the reporting date established when that company was incorporated. For the purposes of applying the equity method of accounting, the provisional financial statements of Premier Switch Solutions Share co. for the year ended 30 June 2023 have been used.

The financial information in respect of the associate is set out below. The summarised financial information below represents amounts shown in the associate's financial statements.



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**18 Investment in associate (Continued)**

**18a Nature of relationship (Continued)**

	30 June 2023	30 June 2022
	ETB'000	ETB'000
<b>Premier Switch Solution S.C</b>		
Current assets	217,946	144,733
Non-current assets	66,034	83,996
Current liabilities	(48,637)	(28,537)
Non-Current liabilities	(5,098)	(6,147)
<b>Net Assets</b>	<b>230,245</b>	<b>194,045</b>

	30 June 2023	30 June 2022
	ETB'000	ETB'000
<b>Summarised statement of comprehensive income</b>		
Income	258,745	111,686
Operating expense	(203,066)	(90,662)
Profit from continuing operation	55,679	21,024
Finance income	10,161	8,514
Finance costs	(385)	-
Net finance costs	9,776	8,514
Profit(loss) before tax	65,455	29,538
Income tax	(24,100)	(435)
Profit after	41,355	29,103
Legal reserve	-	-
Board Allowances	(1,050)	(507)
Net profit for the year	<b>40,305</b>	<b>28,596</b>

The amount recognised in the income statement as share of profit/(loss) from investment in associate during the year is as follows:

Share of profit from associate	<b>12,140</b>	<b>8,613</b>
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Reconciliation of the above summarised financial information to the carrying amount of the interest in Premier Switch Solutions Share co. (PSS) recognised in these financial statements:

	30 June 2023	30 June 2022
	ETB'000	ETB'000
Opening net assets 1 July	173,037	146,311
Profit for the period	40,305	28,596
Dividend Paid	(5,200)	(1,871)
Closing net assets	<b>208,142</b>	<b>173,037</b>
Bank's share in %	30.12%	30.12%
Bank's share in ETB	62,692	52,119
Carrying amount on the Bank's financial statement	<b>62,692</b>	<b>52,119</b>



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	30 June 2023	30 June 2022
	ETB'000	ETB'000
<b>19 Other assets</b>		
<b>Financial assets</b>		
Uncleared effects	238,982	106,722
Other receivables	3,656,478	2,154,098
<b>Gross amount</b>	<b>3,895,460</b>	<b>2,260,820</b>
Less: Loss allowances (note 19a)	(24,081)	(18,844)
	<b>3,871,379</b>	<b>2,241,976</b>
<b>Non-financial assets</b>		
Repossessed collateral	15,763	26,054
Prepayments	205,238	354,601
Office supplies	518,178	268,555
Prepaid staff asset	2,035,587	1,403,295
<b>Gross amount</b>	<b>2,774,766</b>	<b>2,052,505</b>
	<b>6,646,145</b>	<b>4,294,481</b>
<b>Maturity analysis</b>		
Current	4,389,557	2,510,531
Non-Current	2,256,588	1,783,950
	<b>6,646,145</b>	<b>4,294,481</b>

**19a Loss allowance on other assets**

A reconciliation of the allowance for impairment losses for other assets is as follows:

	30 June 2023	30 June 2022
	ETB'000	ETB'000
Balance at the beginning of the year	18,843	13,499
(Reversal)/charge for the year (note 10)	10,258	5,343
Receivables - Bad Debts Write Off	(5,021)	-
<b>Balance at the end of the year</b>	<b>24,081</b>	<b>18,843</b>



## 20 Right of Use Assets and Lease Obligation

The Bank leases a number of assets including land and buildings. Information about leases for which the Bank is a lessee is presented below:

### i. Right-of-Use assets:

	Land ETB'000	Building ETB'000	Total ETB'000
<b>Cost:</b>			
Balance at 01 July 2022	35,759	2,648,633	2,684,391
Additions	116	1,291,476	1,291,592
<b>Balance at 30 June 2023</b>	<b>35,875</b>	<b>3,940,109</b>	<b>3,975,984</b>
<b>Amortisation</b>			
Balance at 01 July 2022	(1,906)	(911,670)	(913,576)
Charge for the year	(761)	(545,053)	(545,814)
<b>Balance at 30 June 2023</b>	<b>(2,667)</b>	<b>(1,456,722)</b>	<b>(1,459,389)</b>
<b>Net Carrying Value at 30 June 2023</b>	<b>33,208</b>	<b>2,483,387</b>	<b>2,516,594</b>

### ii. Lease Liabilities:

	Land ETB'000	Building ETB'000	Total ETB'000
Balance at 01 July 2022	13,799	437,146	450,945
Additions	(8,126)	313,041	304,915
Interest expense in P & L	51	60,280	60,332
payment of leases	(151)	(64,587)	(64,739)
<b>Balance at 30 June 2023</b>	<b>5,572</b>	<b>745,881</b>	<b>751,453</b>

The Bank recognises a lease liability at the present value of the lease payments that are not paid at that date. The Bank uses an incremental borrowing rate that is based on the weighted average cost of deposits across the years. The rates used to compute the present values of buildings lease liabilities as at 30 June 2023 was 10.81%. The adjustments were occurred due to changes in Incremental borrowing rate (IBR).

The Bank leases buildings for its office space and branches. The building leases typically run for a period between 2 and 15 years with the majority of the contracts running for a period of 5 and 7 years. Some leases include an option to renew the lease for an additional period at the end of the contract term. The renewal term and lease rental cannot be reliably estimated before the end of a contract.

The Bank leases land for construction of its own office buildings. The land leases typically run for a period of between 40 years and 70 years with majority of the contracts running for a period of 40 and 60 years. These leases include an option to renew the lease.



	<b>Purchased software ETB'000</b>
	<u>ETB'000</u>
<b>21 Intangible assets-Computer software</b>	
<b>Cost:</b>	
As at 1 July 2021	242,760
Acquisitions	151,068
As at 30 June 2022	<u>393,828</u>
As at 1 July 2022	393,828
Acquisitions/ Disposal	48,320
As at 30 June 2023	<u>442,148</u>
<b>Accumulated amortisation</b>	
As at 1 July 2021	183,732
Amortisation for the year	34,944
Impairment losses	-
As at 30 June 2022	<u>218,676</u>
As at 1 July 2022	218,676
Amortisation for the year	45,247
Disposal	(16,380)
Impairment losses	-
As at 30 June 2023	<u>247,543</u>
<b>Net book value</b>	
As at 1 July 2021	<u>59,028</u>
As at 30 June 2022	<u>175,152</u>
As at 30 June 2023	<u>194,605</u>





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22 Property and equipment	Freehold Land	Buildings	Motor vehicles	Furniture, fittings and equipments	Computer equipment	Construction-work in progress	Total
	ETB'000	ETB'000	ETB'000	ETB'000	ETB'000	ETB'000	ETB'000
<b>Cost:</b>							
As at 1 July 2021	4,391	1,784,301	554,621	1,152,855	582,304	441,522	4,519,994
Adjustments	-	-	-	35	-	-	35
Additions	-	95,802	266,910	486,528	247,878	59,263	1,156,381
Disposals	-	-	-	(34,006)	(10,636)	-	(44,642)
Reclassifications	-	-	-	242,400	106,505	-	348,905
<b>As at 30 June 2022</b>	<b>4,391</b>	<b>1,880,103</b>	<b>821,531</b>	<b>1,847,812</b>	<b>926,051</b>	<b>500,785</b>	<b>5,980,673</b>
As at 1 July 2022	4,391	1,880,103	821,531	1,847,812	926,051	500,785	5,980,673
Adjustments	-	-	-	878	(334)	-	544
Additions	-	204,643	372,562	1,852,267	410,722	706,903	3,547,097
Disposals	-	-	(6,775)	(62,865)	(28,776)	-	(98,416)
Reclassification	-	-	-	47	-	-	47
<b>As at 30 June 2023</b>	<b>4,391</b>	<b>2,084,746</b>	<b>1,187,318</b>	<b>3,638,139</b>	<b>1,307,663</b>	<b>1,207,688</b>	<b>9,429,945</b>
<b>Accumulated depreciation</b>							
As at 1 July 2021	-	148,757	244,674	405,872	324,766	-	1,124,069
Charge for the year	-	36,875	61,345	155,296	80,940	-	334,456
Adjustments/ Transfer charge	-	-	-	-	-	-	-
Disposals	-	-	-	(21,131)	(7,296)	-	(28,427)
<b>As at 30 June 2022</b>	<b>-</b>	<b>185,632</b>	<b>306,019</b>	<b>540,037</b>	<b>398,410</b>	<b>-</b>	<b>1,430,098</b>
As at 1 July 2022	-	185,632	306,019	540,037	398,410	-	1,430,098
Depreciation Charge for the year	-	40,475	73,229	214,703	119,521	-	447,928
Adjustments/ Transfer charge	-	-	-	(18)	-	-	(18)
Disposals	-	-	(4,021)	(50,923)	(27,213)	-	(82,157)
<b>As at 30 June 2023</b>	<b>-</b>	<b>226,107</b>	<b>375,227</b>	<b>703,799</b>	<b>490,718</b>	<b>-</b>	<b>1,795,851</b>
<b>Accumulated impairment</b>							
As at 1 July 2021	-	-	-	169	514	-	683
Charge/ Reversal for the year	-	-	-	-	-	-	-
Disposals	-	-	-	(18)	(86)	-	(104)
<b>As at 30 June 2022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>151</b>	<b>428</b>	<b>-</b>	<b>579</b>
As at 1 July 2022	-	-	-	151	428	-	579
Charge/ Reversal for the year	-	-	-	-	-	-	-
Disposals	-	-	-	(77)	(176)	-	(253)
<b>As at 30 June 2023</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>74</b>	<b>252</b>	<b>-</b>	<b>326</b>
<b>Net book value</b>							
As at 1 July 2021	4,391	1,635,544	309,947	746,814	257,024	441,522	3,395,242
As at 30 June 2022	4,391	1,694,471	515,512	1,307,624	527,213	500,785	4,549,996
As at 30 June 2023	4,391	1,858,639	812,091	2,934,266	816,693	1,207,688	7,633,768



**22(a) Property and equipment (Continued)**

- 22.1. Construction in progress represents directly attributable costs related to IT projects and construction of buildings at Head Office Caferria, Bulbula, Bale Robe and Ashewa Meda.
- 22.2. Upon impairment review, the net book values of property and equipment do not exceed their recoverable amounts. Furthermore, the bank disposed majority of impaired property and equipment during the period.
- 22.3. Property and equipment include ETB 4.391 freehold land with indefinite economic life that is not depreciated.

	30 June 2023	30 June 2022
	ETB'000	ETB'000
<b>23 Deposits from customers</b>		
Demand deposits	56,953,251	47,435,701
Savings deposits	98,850,139	81,653,675
Time deposits	11,001,353	7,513,126
Amana Deposit-Demand Private Sector	2,914,572	2,334,487
Wadi'ah-Saving Private Sector	12,144,284	8,957,160
Wadi'ah -Labbaik Account	115,258	81,716
Wadi'ah -Student Solution	60,284	27,587
Equity Investment A/C Holders	431,369	25,161
	<b>182,470,510</b>	<b>148,028,613</b>
<i>Maturity analysis</i>		
Current	140,619,240	106,177,343
Non-Current	41,851,270	41,851,270
	<b>182,470,510</b>	<b>148,028,613</b>
<b>24 Borrowings</b>		
	30 June 2023	30 June 2022
	ETB'000	ETB'000
Short term borrowings	-	107,580
	-	<b>107,580</b>

The Bank entered a one year Master Loan Agreement with NBE at an annual interest rate of 5% as a reimbursement to the credit extended to Hotel and Tourism Sectors to cope with the COVID-19 pandemic. This short-term borrowing was entirely repaid this fiscal year.



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25 Other liabilities	30 June 2023	30 June 2022
	ETB'000	ETB'000
<b>Financial liabilities</b>		
Deferred income	130,480	105,551
Letter of credit margin payables	4,896,197	3,978,189
Blocked accounts	7,286	14,429
Cheques issued	810,221	535,517
Exchange commission payable	120,193	245,169
Accounts payable	1,151,458	4,555,077
Loss Allowances on LC and Guarantee commitments	131	99
<b>Gross amount</b>	<b>7,115,966</b>	<b>9,434,031</b>
	30 June 2023	30 June 2022
	ETB'000	ETB'000
<b>Non-financial liabilities</b>		
Accruals	555,896	459,232
Directors' Allowance	1,580	1,713
Accrued Audit fee	2,390	2,168
Accrued liabilities-Bonus	1,507,430	956,241
provision for doubtful debt- litigation Cases	-	3,763
Provision for doubtful debt and assets damage- North Ethiopia conflict	191,058	201,758
Provision for assets damage- West Region	23,669	-
Other payables	10,574	37,936
Tax payable	188,017	160,841
<b>Gross amount</b>	<b>2,480,614</b>	<b>1,823,652</b>
	<b>9,596,580</b>	<b>11,257,683</b>
<b>Maturity analysis</b>		
Current	4,700,383	7,279,494
Non-Current	4,896,197	3,978,189
	<b>9,596,580</b>	<b>11,257,683</b>

Provision for doubtful debt and assets damage- North Ethiopia conflict - As a result of conflict in the Northern Part of Ethiopia in Tigray Region, the management of the Bank has made prudential judgements and estimates on the loss occurrence on the assets of the Bank. Thus, the Bank has made a total provision of ETB 191.058 million (2022: 201.758 million). Hence, the management believed that the Bank provided sufficient amount of provision. Beside, the Bank provided ETB 23.669 million for assets damaged in the West Region of the Bank due to internal conflict.

Tax payable includes tax on capital gain, value added taxes (VAT), income tax, tax on saving deposits interest paid and withholding taxes.



**26 Severance and Retirement benefit obligations**

	30 June 2023	30 June 2022
	ETB'000	ETB'000
<b>Defined benefits liabilities:</b>		
- Gratuity (note 26a)	532,304	326,674
<b>Liability in the statement of financial position</b>	<b>532,304</b>	<b>326,674</b>
<b>Income statement charge included in personnel expenses:</b>		
- Gratuity (note 26a)	123,429	203,429
<b>Total defined benefit expenses</b>	<b>123,429</b>	<b>203,429</b>
<b>Remeasurements for:</b>		
- Gratuity (note 26a)	63,597	5,356
	<b>63,597</b>	<b>5,356</b>

The income statement charge included within personnel expenses includes current service cost, interest cost and past service costs on the defined benefit schemes and legal requirement.

***Maturity analysis***

	30 June 2023	30 June 2022
	ETB'000	ETB'000
Current	123,429	203,429
Non-Current	408,875	123,245
	<b>532,304</b>	<b>326,674</b>

**26a Severance and Gratuity**

The employee benefit plan is made up of two (2) unfunded schemes which are severance benefits that are paid on voluntary withdrawal and retirement gratuity paid on retirement. These plans have been aggregated in determining the retirement benefit obligation as the inherent risks applicable to these plans have been assessed not to be materially different.

The key financial assumptions are the discount rate and the rate of salary increases. The provision for gratuity was based on an independent actuarial valuation performed by QED Actuaries & Consultants (Pty) Ltd using the projected unit credit method.

The Bank does not maintain any assets for the schemes but ensures that it has sufficient funds for the obligations as they crystallise.



**26 Severance and Retirement benefit obligations (Continued)**

*(i) Severance gratuity benefit*

The severance benefits are based on statutory severance benefits in Ethiopia. The statutory severance benefits are set out in Labour Proclamation No. 1156/2019. This benefit is summarised below:

Clause 39 (1) (h) of the Labour Proclamation sets out that any worker who has completed their probation and who is not eligible for pension is entitled to a severance benefit:

h) Where he has given service to the employer for a minimum of five years' service and his contract of employment is terminated because of sickness or death or his contract of employment is terminated on his own initiative provided that he has no contractual obligation relating to training to render service to the employer

Clause 40 of the Labour Proclamation sets out the amount of the benefit, as follows:

The benefit applicable would be:

- thirty times the average daily wages of their last week of service for the first year of service, with part-years pro-rata, plus
- ten times the average daily wages of their last week of service for each completed year of service after the first.

To a maximum of one years' wages payable to the member. Where the Company closes or reduces its work force, an additional multiple of sixty times the average daily wages of their last week of service is payable.

**Bank Paid Benefits**

The bank valued severance benefits payable on death or resignation after a minimum of 5 years' service only for all employees, as it is applied by the Bank.

Furthermore, one months' salary is divided by 30 to get the daily salary applied in the severance benefit calculation.

*(ii) Retirement gratuity scheme*

The long service awards is the only applicable to employees that reach the retirement age. Employees who attain this age while in a managerial position are entitled to 3 months final monthly salary while for other employees, it is 2 months final salary. The scheme is not funded hence, there are no plan assets.

Below are the details of movements and amounts recognised in the financial statements:

	30 June 2023	30 June 2022
	ETB'000	ETB'000
<b>A Liability recognised in the financial position</b>	<b>532,304</b>	<b>326,674</b>





26 Severance and Retirement benefit obligations (Continued)

	30 June 2023	30 June 2022
	ETB'000	ETB'000
<b>B Amount recognised in the profit or loss</b>		
Current service cost	36,860	3,075
Past Service cost	-	182,226
Interest cost	86,569	18,128
	<b>123,429</b>	<b>203,429</b>
<b>C Amount recognised in other comprehensive income:</b>		
Actuarial (Gains)/Losses on demographic assumptions	-	-
Actuarial (Gains)/Losses on economic assumptions	35,073	(28,233)
Actuarial (Gains)/Losses on experience	55,780	35,884
	<b>90,853</b>	<b>7,651</b>
Deferred tax (liability)/asset on remeasurement gain or loss	(27,256)	(2,295)
	<b>63,597</b>	<b>5,356</b>
<b>D Changes in the present value of the defined benefit obligation</b>		
	30 June 2023	30 June 2022
	ETB'000	ETB'000
The movement in the defined benefit obligation over the years is as follows:		
At the beginning of the year	326,674	119,963
Current service cost	36,860	3,075
Past Service cost	-	182,226
Interest cost	86,569	18,128
Retirement benefit paid	(8,652)	(4,369)
Remeasurement (gains)/ losses	90,853	7,651
At the end of the year	<b>532,304</b>	<b>326,674</b>

The significant actuarial assumptions were as follows:

i) Financial Assumption Long term Average

	30 June 2023	30 June 2022
Discount rate (p.a)	20.70%	24.10%
Long term salary increases (p.a)	15.10%	19.30%
Average Rate of Inflation (p.a)	17.10%	17.30%



**26 Severance and Retirement benefit obligations (Continued)**

ii) Mortality in Service

The rate of mortality assumed for employees are those published in the Demographic and Health Survey (“DHS”) 2016 report compiled by the CSA. The DHS report provides male and female mortality rates for 5 year age bands from age 15 to age 49. For ages over 47 we have assumed that mortality will be in line with the SA85/90 ultimate standard South African mortality tables published by the Actuarial Society of South Africa (“ASSA”), since the rates in these tables are similar to the DHS female mortality rate at age 47. These rates combined are approximately summarized as follows:

<u>Age</u>	Mortality rate	
	Males	Females
20	0.00306	0.00223
25	0.00303	0.00228
30	0.00355	0.00314
35	0.00405	0.00279
40	0.00515	0.00319
45	0.00450	0.00428
50	0.00628	0.00628
55	0.00979	0.00979
60	0.01536	0.01536

iii) Withdrawal from Service

The withdrawal rates are believed to be reasonably representative of the Ethiopian experience. The valuation assumed a rate of withdrawal of 15% at the youngest ages falling with increasing age to 2.5% at age 45.

The sensitivity of the overall defined benefit liability to changes in the weighted principal assumption is:

	Impact on defined benefit obligation				
	Change in assumption	30 June 2023		30 June 2022	
		Impact of an increase	Impact of a decrease	Impact of an increase	Impact of a decrease
	ETB'000	ETB'000	ETB'000	ETB'000	
Discount rate	1.0%	495,292	572,427	304,876	350,228



(i) Severance and Retirement benefit obligations (Continued)

	Impact on defined benefit obligation				
	Change in assumption	30 June 2023		30 June 2022	
		Impact of an increase ETB'000	Impact of a decrease ETB'000	Impact of an increase ETB'000	Impact of a decrease ETB'000
Salary Increase	1.0%	573,347	493,886	351,002	303,850

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years. The average duration of the gratuity scheme at the end of the reporting period is five years (30 June 2022: five years).

27 Share capital

	30 June 2023	30 June 2022
<b>Authorised:</b>		
Ordinary shares of ETB 1,000 each	55,000,000	12,000,000
<b>Issued and fully paid:</b>		
Ordinary shares of ETB 1000 each	14,649,656	10,291,407
<b>Issued but not fully paid:</b>		
Ordinary shares of ETB 1000 each	23,405,785	1,698,320
<b>Share Reconciliation</b>		
Number of shares outstanding at the beginning of the period	10,291,407	8,188,948
Number of shares Purchased by Cash	599,085	262,300
Number of shares Purchased by Dividend	3,759,164	1,840,159
Number of shares outstanding as at the end of the period	14,649,656	10,291,407

28 Share Premium

	30 June 2023	30 June 2022
	ETB'000	ETB'000
At the beginning of the year	1,389	1,389
Addition during the year	-	-
	<b>1,389</b>	<b>1,389</b>



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**29 Earnings per share**

Basic earnings per share (EPS) is calculated by dividing the profit after taxation by the weighted average number of ordinary shares in issue during the year.

	30 June 2023	30 June 2022
	ETB'000	ETB'000
Profit attributable to shareholders	6,993,561	5,341,231
Weighted average number of ordinary shares in issue	12,119,616	9,366,313
Basic & diluted earnings per share (ETB)	<b>577</b>	<b>570</b>

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. There were no potentially dilutive shares at the reporting date (30 June 2021:nil), hence the basic and diluted earnings per share have the same value.

**30 Retained earnings**

	30 June 2023	30 June 2022
	ETB'000	ETB'000
At the beginning of the year	5,066,847	3,547,495
Tax on Retained Earnings	(504,074)	(9,853)
Profit/ (Loss) for the year	6,993,561	5,341,231
Transfer to Legal reserve	(1,748,390)	(1,335,308)
Transfer from/to Risk Regulatory Reserve	(62,650)	(103,994)
Directors' allowance	(1,560)	(1,670)
Dividend declared	(3,891,646)	(2,371,054)
At the end of the year	<b>5,852,088</b>	<b>5,066,847</b>

**31 Legal reserve**

	30 June 2023	30 June 2022
	ETB'000	ETB'000
At the beginning of the year	5,078,283	3,742,975
Transfer from profit or loss	1,748,390	1,335,308
At the end of the year	<b>6,826,673</b>	<b>5,078,283</b>

The NBE Directive No. SBB/4/95 requires the Bank to transfer annually 25% of its annual net profit to its legal reserve account until such account equals its capital. When the legal reserve account equals the capital of the Bank, the amount to be transferred to the legal reserve account will be 10% (ten percent) of the annual net profit.



32 Risk regulatory reserve	30 June 2023	30 June 2022
	ETB'000	ETB'000
At the beginning of the year	362,703	258,709
Transfer to/from Retained Earnings	62,650	103,994
At the end of the year	<b>425,353</b>	<b>362,703</b>

Provisions under prudential guidelines are determined using the time based provisioning prescribed by the National Bank of Ethiopia (NBE) Directives. This is at variance with the expected credit loss model required by IFRS under IFRS 9. As a result of the differences in the provision, there will be variances in the impairments allowances required under the two methodologies. Similarly, interest on non-performing loans are suspended as per NBE directive, while IFRS 9 prescribes to recognize stage 3 loans interest income net of impairment losses.

The proclamation 'Financial Reporting Proclamation No.847/2014 stipulates that Banks would be required to make provisions for financial assets as prescribed in the relevant IFRS Standards when IFRS is adopted.

However, Banks would be required to comply with the following:

(a) Provisions for loans & advances and other assets are recognised in the income statement based on the requirements of IFRS. However, the IFRS provision should be compared with provisions determined under the NBE Directives and the expected impact/changes in other reserves are treated as follows:

- Prudential provisions is greater than IFRS provisions; the excess resulting should be transferred from the general reserve (retained earnings) account to a "regulatory risk reserve".
- Prudential provisions is less than IFRS provisions; IFRS determined provision is charged to the statement of comprehensive income. The cumulative balance in the regulatory risk reserve is thereafter reversed to the general reserve account.
- Interest suspended in the previous years and regularized in the current year is compared with current year stage 3 loans interest income recognized net of impairment losses. The difference between the two is transferred to "regulatory risk reserve".

(b) The non-distributable reserve should be classified under Tier 1 as part of the core capital.





**Awash Bank S.C.**  
**Financial Statements**  
**For the year ended 30 June 2023**  
**Notes to the Financial Statements**

33 Other reserves		30 June 2023	30 June 2022
		ETB'000	ETB'000
At the beginning of the year		150,517	89,886
Fair value reserve		126,250	65,987
Re-measurement gains on defined benefit plans (net of tax)		(63,597)	(5,356)
At the end of the year		<b>213,170</b>	<b>150,517</b>
34 Cash generated from operating activities		30 June 2023	30 June 2022
	Notes	ETB'000	ETB'000
Profit before tax		9,750,514	7,453,151
<b>Adjustments for non-cash items:</b>			
Foreign exchange gains/losses	8	(672,938)	(1,007,557)
Depreciation of property, plant and equipment	22	447,928	334,501
Amortisation of intangible assets	21	45,247	34,944
Amortisation of Right of Use Assets	20	545,814	400,961
Investment in associate	18	(17,340)	(8,051)
Gain/Loss on disposal of property, plant and equipment		16,006	(332,829)
Adjustments on property, plant and equipment reclassification	22	(608)	(45)
Impairment on loans and advances to customers	16	232,534	855,392
Loans and advances - Bad Debts Write Off	16	-	(12,054)
Impairment on other assets	10	5,237	5,344
Impairment charge / (reversal) on bills and bonds	11	124	(302)
Impairment charge / (reversal) on off balance sheet items	13	32	(649)
Interest expense on Lease Liability	20	60,332	36,613
Severance and Retirement Benefit Obligations	26	123,429	203,429
<b>Changes in working capital:</b>			
-Decrease/ (Increase) in loans and advances	16	(32,708,235)	(41,704,899)
-Decrease/ (Increase) in restricted deposits	15	(1,700,000)	(6,700,000)
-Decrease/ (Increase) in other assets	19	(2,357,296)	(1,511,594)
-Increase/ (Decrease) in Borrowings		(107,580)	(101,223)
-Increase/ (Decrease) in other liabilities	25	(1,190,194)	2,766,738
-Increase/ (Decrease) in customer's deposit		34,441,897	45,747,663
		<b>6,914,903</b>	<b>6,459,533</b>



**Awash Bank S.C.**  
**Financial Statements**  
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**35 Related party transactions**

Awash Bank Share Company is owned by over 6,430 shareholders without an ultimate parent company. Premier Switch share company (PSS) is the only associate of the Bank. See note 18 for the details of the Bank's relationship with PSS.

A number of transactions were entered with related party in the normal course of business. These are disclosed below:

<b>35a Transactions with related parties</b>	<b>Relationship</b>	<b>30 June 2023</b>	<b>30 June 2022</b>
		<b>ETB'000</b>	<b>ETB'000</b>
Income received from PSS	Associate	5,200	1,238
Payment made to PSS	Associate	(87,534)	(49,344)
Net Transaction		(82,334)	(48,106)
	<b>Relationship</b>	<b>30 June 2023</b>	<b>30 June 2022</b>
		<b>ETB'000</b>	<b>ETB'000</b>
	<u>management</u>		
	<u>personnel</u>		
Loans and advances	Board of Directors	7,569	1,649,510
	Executive Management	80,785	18,390
		<b>88,354</b>	<b>1,667,900</b>

**35b Key management compensation**

It has been determined that key management is the members of the Board of Directors and the Executive Management of the Bank. The compensation paid or payable to key management is shown. There were no sales or purchase of goods and services between the Bank and key management personnel as at 30 June 2023.

	<b>30 June 2023</b>	<b>30 June 2022</b>
	<b>ETB'000</b>	<b>ETB'000</b>
Salaries and short term benefits	62,093	31,173
Post-employment benefits	10,492	5,228
Board allowances	3,726	2,570
Share and benefit in kind	113,342	113,342
Other long term benefits	78,726	43,322
	<b>268,379</b>	<b>195,635</b>

Compensation of the Bank's key management personnel includes salaries, non-cash benefits and contributions to the post-employment defined benefits plans. During the year, the Board of Directors approves shares and other benefit in kind to the lower, middle and top managements of the Bank.



**36 Contingent assets and liabilities**

**36a Claims and litigation**

The Bank is a party to numerous legal actions brought by different organizations and individuals arising from its normal business operations. Other the other hand, the Bank has various litigation claims arising from its normal business operations. The maximum outflow and inflow of exposure from/to the Bank for these legal cases as at 30 June 2023 is ETB 9.452 million and ETB 57.118 million (2022: ETB 1.556 million and ETB 35.067 million) respectively.

**36b Guarantees and letters of credit**

The Bank conducts business involving bonds and guarantees. These instruments are given as a security to support the performance of a customer to third parties. As the Bank will only be required to meet these obligations in the event of the customer's default, the cash requirements of these instruments are expected to be considerably below their nominal amounts.

The table below summarises the fair value amount of contingent liabilities for the account of customers:

	30 June 2023	30 June 2022
	ETB'000	ETB'000
Guarantees	5,553,635	7,945,838
Letters of credit	3,347,407	3,843,965
	<b>8,901,042</b>	<b>11,789,803</b>
<b>37 Commitments</b>		
Loan commitments	13,827,041	10,355,972
Other commitments	1,366,543	552,061
	<b>15,193,584</b>	<b>10,908,033</b>

The Bank has commitments, not provided for in these financial statements for the year 30 June 2023 is ETB 24.095 billion (30 June 2022: ETB 22.698 billion), being exposure of the Bank from commercial letters of credit, guarantees to customers, loan commitments and other commitments. Other commitments represent commitments made in respect of the estimated cost to complete the Bank's construction work in progress.



**Awash Bank S.C.**  
**Financial Statements**  
**For the year ended 30 June 2023**  
**Notes to the Financial Statements**

**37 Commitments (Continued)**

**37a Lease commitments - Bank as lessee**

The Bank leases various properties under non-cancellable operating lease agreements. The lease terms are between two and fifteen years, and the majority of these lease agreements are renewable before the end of each lease period at market rate.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	30 June 2023	30 June 2022
	ETB'000	ETB'000
No later than 1 year	405,580	73,096
Later than 1 year and no later than 5 years	509,264	426,583
Later than 5 Years	9,456	73,700
<b>Total</b>	<b>924,300</b>	<b>573,379</b>

**37b Lease commitments - Bank as lessor**

The Bank acts as lessor of office spaces. These leases have an average life of between three and five years with no renewal option included in the contracts. There are no restrictions placed upon the lessee by entering into these leases (such as those concerning dividends, additional debt and further leasing).

Future minimum lease payments under non-cancellable operating leases as at 30 June are, as follows:

	30 June 2023	30 June 2022
	ETB'000	ETB'000
No later than 1 year	31,791	29,925
Later than 1 year and no later than 5 years	20,524	21,992
Later than 5 Years	238	-
<b>Total</b>	<b>52,553</b>	<b>51,917</b>

**38 Events after reporting period**

There were no significant post balance sheet events which could have a material effect on the state of affairs of the Bank as at 30 June 2023 and on the profit for the period ended on that date, which have not been adequately provided for or disclosed.



## Financial Highlight, Number of Branches and Employees (In Millions of Birr unless stated otherwise)

Particular	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Deposit*	16,118	19,506	24,236	32,893	45,906	62,464	70,578	108,074	152,007	187,367
Loans & Advance**	9,176	12,482	15,451	22,646	31,304	47,262	57,274	87,539	129,244	161,952
NBE Bills***	4,067	5,365	5,306	8,355	6,993	11,221	9,915	9,916	889	2,270
Total Asset Capital & Reserves	22,106	25,140	31,148	40,027	55,268	74,635	89,288	128,695	183,391	224,024
(Total Equity)	2,597	3,185	3,934	5,424	6,496	9,640	11,968	15,852	20,951	28,173
Profit Before Tax	829	861	986	1,350	1,946	3,344	3,600	4,823	7,453	9,796
Profit After Tax	619	669	744	1,003	1,492	2,432	2,591	3,396	5,341	7,046
Earnings Per Share (Birr)	475	445	371	390	543	632	510	470	570	577
No of Branches (in no.)	150	202	240	316	366	410	466	566	725	875
No. of Employees (in no.)	4,011	5,847	6,003	6,772	7,872	9,046	10,130	12,188	17,393	20,055

\* Including Margins Held on L/C  
 \*\* Including Provisions for Doubtful Loan & Advances  
 \*\*\* The Figure for FY 2021/22 and 2022/23 DBE Bill



## ATMs and their Locations as at June 30,2023

### 1. North Addis Ababa Region

No	Branch	ATM Type
1	5 Kilo	Lobby
2	Abado Meskelegna	TTW
3	ABUWARE GEBEYA ATM 01	TTW
4	Abware	Lobby
5	Addisu Gebeya	TTW
6	ADDISU GEBEYA ATM 02	TTW
7	Adina market center	Lobby
8	Aleltu	TTW
9	ALEM KETEMA ATM 01	TTW
10	Arada Giorgis	TTW
11	ARADA GIORGIS ATM 02	TTW
12	Arat Kilo	TTW
13	ARAT KILO ATM 02	TTW
14	Aselefech mergya	Lobby
15	Ayat tafo ATM 01	Lobby
16	Balderas	TTW
17	Betelihem plaza	Lobby
18	BILO ATM 01	TTW
19	Burka Qoricha atm 1	TTW
20	Chancho	TTW
21	CHURCHILE ROAD ATM 02	TTW
22	CHURCHILE ROAD ATM 03	TTW
23	Dalle Dembel	TTW
24	Debre Birhan	TTW
25	DEBRE BIRHAN ATM 02	TTW
26	DEBRE BIRHAN ATM 03	TTW
27	DEBRESINA ATM 01	TTW
28	DEGEM ATM 01	TTW
29	Del betgile	Lobby
30	Dera Gundo Meskel	TTW
31	Dessie Ber	TTW
32	Eliana mall	Lobby
33	Ferencay Legasion	TTW
34	Fiche	TTW
35	GARA KILO ATM 01	TTW
36	Gebre Guracha	TTW

No	Branch	ATM Type
37	GENERAL TADESSE BIRU ATM 01	TTW
38	Gojamber	TTW
39	Gullele Finance	TTW
40	Gurdshola	TTW
41	Habtegirogisdildiy	TTW
42	Haile grand resort	Lobby
43	HIDABU ABOTE ATM 01	TTW
44	HURUFA FEREDO ATM 01	TTW
45	JIDA ATM 01	TTW
46	KARA ALLO ATM 02	TTW
47	Kara Alo	TTW
48	Kara Mazoria	TTW
49	KARA MAZORIA ATM 02	TTW
50	Kara Road	TTW
51	KARA ROAD ATM 02	TTW
52	Kebena	TTW
53	KEBENA ATM 02	TTW
54	Kechene	TTW
55	Kechene Chilot Adebabay	TTW
56	Kotebe 02	Lobby
57	Kotebe 1	Lobby
58	Kotebe 2	Lobby
59	KOTEBE LOKE ATM 01	TTW
60	Lambert	TTW
61	Lege jida	TTW
62	Legetafo	TTW
63	Legetafo ATM 02	TTW
64	Megenagna	TTW
65	Mehal Arada	TTW
66	MEHAL ARADA ATM 02	TTW
67	Mehal Kotebe ATM 1	TTW
68	MEHAL MEDA ATM 01	TTW
69	MIDA ATM 01	TTW
70	MOLALE ATM 01	TTW
71	Mukaturi	TTW
72	PIASSA ATM 02	TTW
73	Piazza	TTW
74	Sandford	TTW

No	Branch	ATM Type
75	SANDFORD ATM 02	TTW
76	SEMEN MEZGAJA ATM 01	TTW
77	Sendafa Beke	TTW
78	Sheger	TTW
79	Shegole	TTW
80	Sheno	TTW
81	SHERARO ATM 01	TTW
82	Shiro Meda	Lobby
83	Shola Meskelegna	Lobby
84	Sidist Kilo	Lobby
85	Signal	TTW
86	SIGNAL ATM 02	TTW
87	Sululta	TTW
88	TEBASE ATM 01	TTW
89	Teklehymanot hospital	Lobby
90	Teraffic Tsifetbet Akababi	TTW
91	TRAFIC TSEFET BET ATM 02	TTW
92	TULU MILKI ATM 01	TTW
93	Wara Jarso	TTW
94	Weserbi	TTW
95	Wosen Sefer	TTW
96	Yared	TTW
97	YARED ATM 02	TTW
98	YAYA GULELE ATM 01	TTW
99	Yaya village	Lobby
100	Yeka	TTW
101	Yeka Abado	TTW
102	YEKA ABADO ATM 02	TTW
103	YEKA ATM 02	TTW
104	YEKA MEGENAGNA ATM 01	TTW
105	Zefmesh	Lobby

## ATMs and their Locations as at June 30, 2023

### 2. South Addis Ababa Region

No	Branch	ATM Type
1	5 Kilo	Lobby
2	Abado Meskelegna	TTW
3	ABUWARE GEBEYA ATM 01	TTW
4	Abware	Lobby
5	Addisu Gebeya	TTW
6	ADDISU GEBEYA ATM 02	TTW
7	Adina market center	Lobby
8	Aleltu	TTW
9	ALEM KETEMA ATM 01	TTW
10	Arada Giorgis	TTW
11	ARADA GIORGIS ATM 02	TTW
12	Arat Kilo	TTW
13	ARAT KILO ATM 02	TTW
14	Aselefech mergya	Lobby
15	Ayat tafo ATM 01	Lobby
16	Balderas	TTW
17	Betelihem plaza	Lobby
18	BILO ATM 01	TTW
19	Burka Qoricha atm 1	TTW
20	Chancho	TTW
21	CHURCHILE ROAD ATM 02	TTW
22	CHURCHILE ROAD ATM 03	TTW
23	Dalle Dembel	TTW
24	Debre Birhan	TTW
25	DEBRE BIRHAN ATM 02	TTW
26	DEBRE BIRHAN ATM 03	TTW
27	DEBRESINA ATM 01	TTW
28	DEGEM ATM 01	TTW
29	Del betgile	Lobby
30	Dera Gundo Meskel	TTW
31	Dessie Ber	TTW
32	Eliana mall	Lobby
33	Ferencay Legasion	TTW
34	Fiche	TTW
35	GARA KILO ATM 01	TTW
36	Gebre Guracha	TTW
37	GENRAL TADESSE BIRU ATM 01	TTW

No	Branch	ATM Type
38	Gojamber	TTW
39	Gullele Finance	TTW
40	Gurdshola	TTW
41	Habtegirogisdildiy	TTW
42	Haile grand resort	Lobby
43	HIDABU ABOTE ATM 01	TTW
44	HURUFA FEREDO ATM 01	TTW
45	JIDA ATM 01	TTW
46	KARA ALLO ATM 02	TTW
47	Kara Alo	TTW
48	Kara Mazoria	TTW
49	KARA MAZORIA ATM 02	TTW
50	Kara Road	TTW
51	KARA ROAD ATM 02	TTW
52	Kebena	TTW
53	KEBENA ATM 02	TTW
54	Kechene	TTW
55	Kechene Chilot Adebabay	TTW
56	Kotebe 02	Lobby
57	Kotebe 1	Lobby
58	Kotebe 2	Lobby
59	KOTEBE LOKE ATM 01	TTW
60	Lambert	TTW
61	Lege jida	TTW
62	Legetafo	TTW
63	Legetafo ATM 02	TTW
64	Megenagna	TTW
65	Mehal Arada	TTW
66	MEHAL ARADA ATM 02	TTW
67	Mehal Kotebe ATM 1	TTW
68	MEHAL MEDA ATM 01	TTW
69	MIDA ATM 01	TTW
70	MOLALE ATM 01	TTW
71	Mukaturi	TTW
72	PIASSA ATM 02	TTW
73	Piazza	TTW
74	Sandford	TTW
75	SANDFORD ATM 02	TTW
76	SEMEN MEZGAJA ATM 01	TTW

No	Branch	ATM Type
77	Sendafa Beke	TTW
78	Sheger	TTW
79	Shegole	TTW
80	Sheno	TTW
81	SHERARO ATM 01	TTW
82	Shiro Meda	Lobby
83	Shola Meskelegna	Lobby
84	Sidist Kilo	Lobby
85	Signal	TTW
86	SIGNAL ATM 02	TTW
87	Sululta	TTW
88	TEBASE ATM 01	TTW
89	Teklehymanot hospital	Lobby
90	Teraffic Tsifetbet Akababi	TTW
91	TRAFIC TSEFET BET ATM 02	TTW
92	TULU MILKI ATM 01	TTW
93	Wara Jarso	TTW
94	Weserbi	TTW
95	Wosen Sefer	TTW
96	Yared	TTW
97	YARED ATM 02	TTW
98	YAYA GULELE ATM 01	TTW
99	Yaya village	Lobby
100	Yeka	TTW
101	Yeka Abado	TTW
102	YEKA ABADO ATM 02	TTW
103	YEKA ATM 02	TTW
104	YEKA MEGENAGNA ATM 01	TTW
105	Zefmesh	Lobby

## ATMs and their Locations as at June 30,2023

### 3. East Addis Ababa Region

No	Branch	ATM Type
1	2000 Habesha	Lobby
2	22 Mazoria Atm 01	TTW
3	22 Mazoria Branch Atm 02	TTW
4	22 Wuha Limat	TTW
5	A.A Airport Terminal 1	Lobby
7	A.A Airport Terminal 2	Lobby
8	Abebe Tufa	TTW
9	Adey Ababa	TTW
10	Adey Abeba Branch Atm 02	TTW
11	Airport	TTW
12	Airport Atm 01 (NCR)	TTW
13	Akaki	TTW
14	Akaki 08 Branch Atm 01	TTW
15	Akaki Branch Atm 02	TTW
16	Akaki Gebeya	TTW
17	Akaki Gelan	TTW
18	Akaki Gelan Branch Atm 02	TTW
19	Akaki Kality	TTW
20	Akaki kality Branch Atm 02	TTW
21	Alemnesh Plaza	Lobby
22	Alfoz Mall	Lobby
23	Andode branch Atm	TTW
24	Atlas Branch Atm	Lobby
25	Bab Al Yemen Restaurant	Lobby
26	Beshale Branch Atm	TTW
27	Beshale Figa	TTW
28	Bole 17	TTW
29	Bole 18	TTW
30	Bole 22	TTW
31	Bole 24	TTW
32	Bole Abasena Branch Atm	TTW
33	Bole Arabsa	TTW
34	Bole Biras Branch Atm 01	TTW
35	Bole Biras Branch Atm 02	TTW
36	Bole Bulbula	TTW

No	Branch	ATM Type
37	Bole Bulbula Atm 02	TTW
38	Bole Lemi Idustry Park Branch Atm 01	TTW
39	Bole Medhanialem Atm 01	TTW
40	Bole Medhanialem Atm 02	TTW
41	Bole Medhanialem Atm 03	TTW
42	Bole Michael	TTW
43	Bole Michael Adebabay	TTW
44	Bole Michael Branch Atm 02	TTW
45	Bulbula	TTW
46	Bulbula 93 Mazoria	TTW
47	Bulbula 93 Mazoria Atm 02	TTW
48	Bulbula 93 Mazoria Atm 03	TTW
49	Bulbula Branch Atm	TTW
50	Burka Chefe	TTW
51	Burka Shobe Branch Atm	TTW
52	Cameroon Avenue	Lobby
53	Cameroon Avenue Branch Atm 02	TTW
54	Care Ethiopia	Lobby
55	Century Mall	Lobby
56	CMC	TTW
57	DH Geda	Lobby
58	Dukem	TTW
59	Dukem Branch Atm 02	TTW
60	Dukem Branch Atm 03	TTW
61	Dukem Industry Zone Branch Atm	TTW
62	Dynasty Hotel	Lobby
63	Edget	TTW
64	Edget Branch Atm 02	TTW
65	Figa (NCR)	TTW
66	Gara Duba (NCR)	TTW
67	Gara Gura	TTW
68	Gast Solar	Lobby
69	Gelan	TTW

No	Branch	ATM Type
70	Gelan Condominum Branch Atm 01	TTW
71	Gerji	TTW
72	Gerji Branch Atm 02	TTW
73	Gerji Branch Atm 03	TTW
74	Gerji Giorgis Atm 01	Lobby
75	Gerji Giorgis ATM 02	Lobby
76	Gerji Giorgis ATM 03	Lobby
77	Gerji Mebrat Haile Branch Atm	TTW
78	Gollagul Tower	Lobby
79	Goro Adebabay Branch Atm 01	TTW
80	Goro Beshale	TTW
81	Gurd Sholla Jakros	TTW
82	Harbu Gudo	TTW
83	Harmoney Hotel	Lobby
84	Hayat 49 Mazoria Branch Atm 02	TTW
85	Hayat 49 Mazoriya	TTW
86	Hayat Adebabay Branch	TTW
87	Hayat Adebabay Branch Atm 02	TTW
88	Hayat Arabsa	TTW
89	ICT Industry Park Atm	TTW
90	Imperial Akababi	TTW
91	INN Nexus Hotel	Lobby
92	Jackros	TTW
93	Jackros Adebabay	TTW
94	Jackros Adebabay Branch Atm	TTW
95	Jackros Figa Branch Atm 02	TTW
96	Jackros Figa Branch Atm 03	TTW
97	Jacros Figa	TTW
98	Kality Gebriel	TTW
99	Kality Gebriel Branch Atm 02	TTW
100	Kality Gumruk Branch atm 02	TTW
101	Kelela Building	Lobby

## ATMs and their Locations as at June 30, 2023

### 3. East Addis Ababa Region

No	Branch	ATM Type
102	Kilinto	TTW
103	Kilinto Branch Atm 02	TTW
104	Kokeb	TTW
105	Kore Guye Branch Atm	TTW
106	Korea Hospital	Lobby
107	Korea Hospital Branch Atm	TTW
108	Koye Fache Branch Atm 01	TTW
109	Koye Feche Branch Atm 02	TTW
110	Lemlem Meda Branch Atm 01	TTW
111	Mafi Mall	Lobby
112	Megenagna 22	TTW
113	Megenagna 22 Branch Atm 02	TTW
114	Megenagna 22 Branch Atm 03	TTW
115	Mehale Gerji Branch Atm	TTW
116	Mehale Summit Branch Atm	TTW
117	Melka Sheno	TTW
118	Meri Loke Branch Atm	Lobby
119	Meri Meskelegna (NCR)	TTW
120	Meri Summit Branch Atm	TTW
121	Milineum Akababi	TTW
122	Millenium Akababi	TTW
123	Moenco	TTW
124	Oda Nabe Branch Atm	TTW
125	Refenti Apartment	Lobby
126	Rwanda Embassy Akababi	TTW
127	Sabon Building	Lobby
128	Salogora	TTW
129	Salogora Branch Atm 02	TTW
130	Selam City Mall	Lobby
131	Shalla	TTW
132	Shalla Branch Atm 02	TTW
133	Snap Plaza	Lobby

No	Branch	ATM Type
134	Summit	TTW
135	Summit 72	TTW
136	Summit Branch Atm 02	TTW
137	Summit Giorgis Branch Atm 01	TTW
138	Summit Sefari Branch Atm	TTW
139	Summit-Goro Branch Atm	TTW
140	Sun Rise Apartment	Lobby
141	Tsega Mall	Lobby
142	Tulu Dimtu	TTW
143	Weji Branch Atm	TTW
144	Wollo Sefer	TTW
145	Wollo Sefer Adeba-bay Branch Atm 01	TTW
146	Wollo Sefer Adeba-bay Branch Atm 02	TTW
147	Wolo Sefer Branch Atm 02	TTW
148	Worku Sefer	TTW
149	World Bank	Lobby
150	Wuhalimat	TTW
151	Yere Leke Branch Atm	TTW
152	Yerer Branch	TTW
153	Yerer Branch Atm 02	TTW
154	Yerer Sefera Branch Atm	TTW
155	Yod Abyssinnia	Lobby

No	Branch	ATM Type
11	Ambo	TTW
12	Anfo	TTW
13	Asco Addis Sefer	TTW
14	Asko	TTW
15	Asko ATM 2	TTW
16	Ayer Tena 1	TTW
17	Ayer Tena ATM2	TTW
18	Balcha Aba Nefso ATM 2	LOBBY
19	Balcha Aba Nefso ATM 3	LOBBY
20	Balcha Aba Nefso ATM1	LOBBY
21	betel	TTW
22	Betel Adebabaye	TTW
23	Bgi	LOBBY
24	Burayou Mariam	TTW
25	Burayou Mariam ATM 2	TTW
26	Burayu	TTW
27	Burayu Keta Branch	TTW
28	Burayu Keta Branch 2	TTW
29	Catholic relief church	LOBBY
30	Coca Mazoria	TTW
31	D'afrique	TTW
32	Dire Enchine	TTW
33	Dire sololia	TTW
34	Dubai Tera	LOBBY
35	East Afrian Bottling	LOBBY
36	Ejere	TTW
37	Fili Doro	TTW
38	Gefersa Guji	TTW
39	Gefersa Nano	TTW
40	Geja Sefer 1	TTW
41	Geja Sefer ATM 2	TTW
42	Ginchi	TTW
43	Goro Kerensa	TTW
44	Guder	TTW
45	Guje	TTW
46	Gulalle Paulos	TTW
47	Gullele	TTW
48	Hachalu Hundesa	TTW
49	Holeta 1	TTW

### 4. West Addis Ababa Region

No	Branch	ATM Type
1	18 Mazoria	TTW
2	3 kutir Mazaoria	TTW
3	Abdi Nono	TTW
4	Addis Ketema	TTW
5	Adea Berga	TTW
6	Ahimed buisness Center	LOBBY
7	Ajamba	TTW
8	Alem Bank	TTW
9	Alert Hospital	LOBBY
10	Amanuel Total	TTW

## ATMs and their Locations as at June 30,2023

### 4. West Addis Ababa Region

No	Branch	ATM Type
50	Holeta ATM 2	TTW
51	IFB - Awelia	TTW
52	IFB - manal	TTW
53	Jeldu	TTW
54	JEMMO ATM 1	TTW
55	Jemmo ATM 2	TTW
56	Kachisi	TTW
57	Kara Gefersa	TTW
58	Kara Girar	TTW
59	Karakore	TTW
60	Karakore ATM 2	TTW
61	Keraniyo	TTW
62	ketena Hulet	LOBBY
63	Kolfe	TTW
64	Kolfe Atena Tera	TTW
65	KOLFE EFOYITA	TTW
66	KOLFE KUTEBA	TTW
67	Kolfe Lukuanda Tera	TTW
68	Lideta	TTW
69	Lideta ATM 2	TTW
70	LOMI MEDA	TTW
71	Mehal Gebeya	TTW
72	Mekenisa Kore	TTW
73	Melka Gefersa	TTW
74	Melka meskela	TTW
75	Merkato	TTW
76	Merkato Alem Tena	TTW
77	Merkato Kagnew Shaleka	TTW
78	Mesalemiya 1	TTW
79	Mesalemiya atm 2	TTW
80	Mickyland	TTW
81	Mu'amalat	TTW
82	Muger	TTW
83	Oddo Liban	TTW
84	Olankomi	TTW
85	Quasmeda	TTW
86	Quasmeda ATM 2	TTW
87	Sansusi	TTW
88	sebategna Akababi	TTW
89	senga tera total engineer	LOBBY
90	Sengatera tradders Bldg	LOBBY

No	Branch	ATM Type
91	Sidamo Tera	TTW
92	Tegbared	TTW
93	Teklehaimanot 1	TTW
94	Teklehaimanot ATM 2	TTW
95	Torhailoch	TTW
96	Tulu Boke	TTW
97	Yeshi Debebe Sefer	TTW
98	Yeshi Debebe Sefer ATM 2	TTW
99	Yusra	TTW
100	Zenebework	TTW

### 5. Adama Region

No	Branch	ATM Type
1	Abomsa ATM 01	TTW
2	Ada'a ATM 01	TTW
3	Adama ATM 01	TTW
4	Adama ATM 02	TTW
5	Adama ATM 03	TTW
6	Adama bole ATM 01	TTW
7	Adama goro ATM 01	TTW
8	Adama Ras ATM 01	TTW
9	Adea ATM 02	TTW
10	Adea ATM 03	TTW
11	Adulala ATM 01	TTW
12	Arboye ATM 01	TTW
13	Arerti ATM 01	TTW
14	Arsi Robe ATM 01	TTW
15	Arsi sire ATM 01	TTW
16	Assela ATM 01	TTW
17	Assela ATM 02	TTW
18	Assela ATM 03	TTW
19	Assela University ATM 01	Lobby
20	Awash arba ATM 01	TTW
21	Awash melksa ATM 01	TTW
22	Awash sebat ATM 02	TTW
23	Awash Sebat Killo ATM 01	TTW
24	Balchi ATM 01	TTW
25	Baracha ATM 01	TTW
26	Batu ATM 01	TTW

No	Branch	ATM Type
27	Batu ATM 02	TTW
28	Bekoji ATM 02	TTW
29	Bele gesgar ATM 01	TTW
30	Bishoftu ATM 01	TTW
31	Bishoftu ATM 02	TTW
32	Bokoji ATM 01	TTW
33	Boku shenen ATM 01	TTW
34	Bole nura era ATM 01	TTW
35	Boru jawi ATM 01	TTW
36	Bosset ATM 01	TTW
37	Bosset ATM 02	TTW
38	Bote ATM 01	TTW
39	Chefe ATM 01	TTW
40	Chefe Donsa ATM 01	TTW
41	Chilalo ATM 01	TTW
42	Chilalo ATM 02	TTW
43	Cholle ATM 01	TTW
44	Dabe boku ATM 01	TTW
45	Dabe soloke ATM 01	TTW
46	Dagaga ATM 01	TTW
47	Dambi ATM 01	TTW
48	Dembela ATM 02	TTW
49	Dembella ATM 01	TTW
50	Dera ATM 01	TTW
51	Derartu Adebabay ATM 01	TTW
52	Dhadhacha arara ATM 01	TTW
53	Diksis ATM 01	TTW
54	Doni ATM 01	TTW
55	Dosha ATM 01	TTW
56	Elemo Kiltu ATM 01	TTW
57	Eteya ATM 01	TTW
58	Gara beru ATM 01	TTW
59	Geda ATM 01	TTW
60	Genda gara ATM 01	TTW
61	Gobessa ATM 01	TTW
62	Gololcha ATM 01	TTW
63	Haile resort ATM 01	Lobby
64	Haro dembel ATM 01	TTW
65	Hora bishoftu ATM 01	TTW



## ATMs and their Locations as at June 30,2023

### 5. Adama Region

No	Branch	ATM Type
66	Huruta ATM 01	TTW
67	IFB-Kauser ATM 01	TTW
68	IFB-Noor ATM 01	TTW
69	IFB-Raji ATM 01	TTW
70	Irrecha ATM 01	TTW
71	Kalacha ATM 01	TTW
72	Kechemma ATM 01	TTW
73	Kersa ATM 01	TTW
74	Koka ATM 01	TTW
75	kuriftu Resort ATM 01	Lobby
76	Kurkura ATM 01	TTW
77	Lema guysa ATM 01	TTW
78	Lugo ATM 01	TTW
79	Lume ATM 01	TTW
80	Mararo ATM 01	TTW
81	Meki ATM 01	TTW
82	Meki ATM 02	TTW
83	Melke lemi ATM 01	TTW
84	Metehara ATM 01	TTW
85	Migra ATM 01	TTW
86	Mojo ATM 01	TTW
87	Mojo ATM 02	TTW
88	Negele arbegugu ATM 01	TTW
89	Oda boqatu ATM 01	TTW
90	Olenchiti ATM 01	TTW
91	Sagure ATM 01	TTW
92	Sartera ATM 01	TTW
93	Sekeklo ATM 01	TTW
94	Siltana ATM 01	TTW
95	Sole ATM 01	TTW
96	Uta wayu ATM 01	TTW
97	Welkessa ATM 01	TTW
98	Wonji ATM 01	TTW

### 6. Dessie Region

No	Branch	ATM Type
1	Bati	TTW
2	Buanba Wuha	TTW
3	Dessie	TTW
4	Kemisse	TTW
5	Kobo	TTW
6	Kombolcha	TTW
7	Lalibela	TTW
8	Logia	TTW
9	Mekaneselam	TTW
10	Mersa	TTW
11	Mugad	TTW
12	Sekota	TTW
13	Semera	TTW
14	Shewa robit	TTW
15	Tossa	TTW
16	Woldia	TTW

### 7. East Region

No	Branch	ATM Type
1	Aweday ATM01	TTW
2	Babile ATM01	TTW
3	Bedeno ATM01	TTW
4	Bedessa ATM01	TTW
5	Beroda ATM01	TTW
6	Berwaqoo-lfb(Ji-jiga)	TTW
7	Bilal ifb	TTW
8	Chelenko ATM01	TTW
9	Chinaksen IFB	TTW
10	Chiro ATM01	TTW
11	Daruselam IFB	TTW
12	Deder ATM01	TTW
13	Degahabur IFB	TTW

No	Branch	ATM Type
14	GANDE KORE (DIRE DAWA)	TTW
15	Gelemso ATM01	TTW
16	Gode	TTW
17	Grawa ATM01	TTW
18	GUMURUK (JIJIGA)	TTW
19	Hafetesa ATM01	TTW
20	Hafetesa ATM01	TTW
21	Harar Arategna Sefer ATM01	TTW
22	Harar ATM01	TTW
23	Harar ATM02	TTW
24	Harar Hundene	TTW
25	Haromaya ATM01	TTW
26	Hirna ATM01	TTW
27	Huda-lfb(near harar)	TTW
28	Jambo Implex ATM01	Lobby
29	Jijiga ATM01	TTW
30	Kali ATM01	TTW
31	Kezira ATM01	TTW
32	Laga Oda ATM01	TTW
33	Machara ATM01	TTW
34	Mashraq(diredawa)	TTW
35	Melka Jebdu	TTW
36	MERMERSA (DIRE DAWA)	TTW
37	Nahar lfb (Dire-dawa)	TTW
38	NUMBER ONE (DIRE DAWA)	TTW
39	Oda Bultum (Chiro)	TTW
40	Qorhay	TTW
41	Sabean ATM01	TTW
42	She-Bele(Jijiga)	TTW
43	Shew ber	TTW
44	Tajir ifb	TTW
45	WABI (JIJIGA)	TTW
46	weltesis	TTW

### 8. Head Office

No	Branch	ATM Type
1	Head Office ATM 1	TTW
2	Head Office ATM 2	TTW
3	Kelela Building	Lobby
4	Ramada Hotel	Lobby

## ATMs and their Locations as at June 30, 2023

### 9. North Region

No	Branch	ATM Type
1	Adigrat	TTW
2	Adihaki	TTW
3	Alamata	TTW
4	Axum	TTW
5	Edaga Hamus	TTW
6	Edaga Mekele	TTW
7	Godana Selam	TTW
8	Humera	TTW
9	Jibruk	TTW
10	Meda Agame	TTW
11	Mekele	TTW
12	Shire Endesilasie	TTW
13	Wukro	TTW

### 10. North West Region

No	Branch	ATM Type
1	Abay Mado	TTW
2	Azezo	TTW
3	Bahir Dar	TTW
4	Bahir Dar Ghion	TTW
5	Bahrdar ATM 2	TTW
6	Bichena	TTW
7	Bure Damot	TTW
8	Chagni	TTW
9	Dangela	TTW
10	Debre Markos	TTW
11	Debre Tabor	TTW
12	Enjibara	TTW
13	Fasiledes	TTW
14	Finoteselam	TTW
15	Gonder	TTW
16	Jawi	TTW
17	Mambuk	TTW
18	Maraki	Lobby
19	Merawi	TTW
20	Motta	TTW
21	Shimbit	Lobby
22	Woreta	TTW
23	Zenbaba	TTW

### 11. South Region

No	Branch	ATM Type
1	Abaro	TTW
2	Abaya	TTW
3	Abosto	TTW
4	Adaba	TTW
5	Adola	TTW
6	Aje	TTW
7	Alamura	TTW
8	Alamura ATM02	TTW
9	Aleta Chuko	TTW
10	Aleta Wendo	TTW
11	Ali	TTW
12	Angetu	TTW
13	Arsi Negele	TTW
14	Assasa	TTW
15	Awasho	TTW
16	Bale Robe	TTW
17	Bensa Daye	TTW
18	Beriso Dukale	TTW
19	Bore	TTW
20	Bule Hora	TTW
21	Chelelektu	TTW
22	Chembelala	TTW
23	Dato	TTW
24	Delo Sebro	TTW
25	Dilla	TTW
26	Dimtu	TTW
27	Dodola	TTW
28	Dolo Oddo	TTW
29	Dolomena	TTW
30	Filtu Branch	TTW
31	Fura	TTW
32	Gasera	TTW
33	Gedeb	TTW
34	Ginir	TTW
35	Goba	TTW
36	Hamawasa Menehariya ATM02	TTW
37	Haro Welabu	TTW
38	Harufa	TTW
39	Harufa ATM02	TTW
40	Hawassa	TTW
41	Hawassa Areb Sefer	TTW
42	Hawassa Menaharia	TTW

No	Branch	ATM Type
43	IFB-Ansar	TTW
44	Ib-Bani	TTW
45	IFB-Berekah	TTW
46	Ib-Ikram	TTW
47	IFB-Sefewa Reserve	TTW
48	Ib-Teqwa	TTW
49	Jara	TTW
50	Kerecha	TTW
51	Kiltu Dema	TTW
52	Kofele Branch	TTW
53	Kore	TTW
54	Leku Branch	TTW
55	Madda Walabu	TTW
56	Moyale	TTW
57	Negelle	TTW
58	Sawena	TTW
59	Shafeta	TTW
60	Shakiso	TTW
61	Shashamene	TTW
62	Shashemene ATM02	TTW
63	Shashemene ATM03	TTW
64	Sikko Mando	TTW
65	Siraro	TTW
66	Sofomer	TTW
67	Southstar Hotel	Lobby
68	Tabor	TTW
69	Wenago	TTW
70	Werka	TTW
71	Wondo Basha	TTW
72	Yabelo	TTW
73	Yirba	TTW
74	Yirgachefe	TTW
75	Yirgalem	TTW
76	Yirgalem Industrial Park	TTW

### 12. South West Region

No	Branch	ATM Type
1	Aba Jifar	TTW
2	Ababuna	TTW
3	Agaro	TTW
4	Agaro Gomma	TTW
5	Aman	TTW
6	Asendabo	TTW

## ATMs and their Locations as at June 30,2023

### 13. West Region

No	Branch	ATM Type
7	Baro Mado	TTW
8	Bedele	TTW
9	Bonga	TTW
10	Chora	TTW
11	Didessa	TTW
12	Dima	TTW
13	Gambela New Land	TTW
14	Gambella	TTW
15	Gatira	TTW
16	Gera	TTW
17	Ginjo	TTW
18	Gore	TTW
19	Hirmata	TTW
20	Hotel Salayish	Lobby
21	Hurumu	TTW
22	IFB-RAYYAN	TTW
23	Jimma	TTW
24	Jimma ATM02	TTW
25	Jimma ATM03	TTW
26	Jimma ATM2	TTW
27	Jimma university	Lobby
28	Jiren	TTW
29	Konta	TTW
30	Kuja	TTW
31	Lare	TTW
32	Limu Genet	TTW
33	Limu Shayi	TTW
34	Masha	TTW
35	Meti	TTW
36	Metu	TTW
37	Mizan Tefari	TTW
38	Mizan Teferi	TTW
39	Omonada	TTW
40	Pugnido	TTW
41	Sedecha	TTW
42	Seglen Ilu	TTW
43	Seka	TTW
44	Shebe	TTW
45	Shenen Gibe	TTW
46	Shey Bench	TTW
47	Sokoru	TTW
48	Tepi	TTW
49	Toba	TTW
50	Wacha	TTW
51	Yayo	TTW
52	Yebu	TTW

No	Branch	ATM Type
1	Aba Sena	TTW
2	Anger Gutte	TTW
3	Assosa	TTW
4	Ayira	TTW
5	Bako	TTW
6	Bambasi	TTW
7	Begi	TTW
8	Burka Jato	TTW
9	Dembidolo	TTW
10	Ejaji	TTW
11	Finchawa	TTW
12	Gedo	TTW
13	Ghimbi	TTW
14	Gida Ayana	TTW
15	Gidami	TTW
16	Gudatu Arjo	TTW
17	Guduru	TTW
18	Gulisso	TTW
19	Haro Sebu	TTW
20	Hotel Blendana	Lobby
21	Jardaga Jarte	TTW
22	Jima Arjo	TTW
23	Leka	TTW
24	Mendi	TTW
25	Mugi Branch	TTW
26	Nejo	TTW
27	Nekemte	TTW
28	Nole Kaba	TTW
29	Oda	TTW
30	Oda Buluk	TTW
31	Shambu	TTW
32	Sibu Sire	TTW

No	Branch	ATM Type
10	Chencha	TTW
11	Dallocha	TTW
12	Demboya	TTW
13	Dicha	TTW
14	Doyogena	TTW
15	Durame	TTW
16	Fonko	TTW
17	Garo	TTW
18	Gesuba	TTW
19	Gidole	TTW
20	Gimbichu	TTW
21	Gofer Meda	TTW
22	Gombora	TTW
23	Hadero	TTW
24	Haile Resort	Lobby
25	Homecho	TTW
26	Humbo	TTW
27	IFB-Afiya	TTW
28	IFB-Amanah	TTW
29	IFB-Imam	TTW
30	IFB-Mina	TTW
31	Jinka	TTW
32	Karat	TTW
33	Kindo Koysa	TTW
34	Mishala	TTW
35	Motolomi	TTW
36	Mudula	TTW
37	Paradize lounge	Lobby
38	Sawula	TTW
39	Sech Duna	TTW
40	Seleme	TTW
41	Shinshecho	TTW
42	Shone	TTW
43	Tercha	TTW
44	Tona	TTW
45	Wachemo	TTW
46	Werabe	TTW
47	Wollaita Sodo	TTW

### 14. Wolaita Region

No	Branch	ATM Type
1	Abebe Zelek	Lobby
2	Alaba Kulitu	TTW
3	Ameka	TTW
4	Angecha	TTW
5	Arba Minch	TTW
6	Areka	TTW
7	Birbir	TTW
8	Boditi	TTW
9	Bonosha	TTW

## Awash Bank Branch Address by Regional Office

### 1. North Addis Ababa Region

No	Branch	Office	Fax	Remark
1	Abwuare	011-557-69-01/557-68-36/08/68-83	011-557-69-10	
2	5 kilo	0 111541458		
3	Ababil br.	0111264766 / 0111264763		
4	Abado Meskelegna	011-869-40-44		
5	Abwuare Gebeya	011-6-68-03-51		
6	Addisu Gebeya	011-126-81-00/126-80-72	011-126-80-99	
7	Alettu	011-631-07-10/05-78	011-631-06-32	
8	Alem Ketema	0111321058/0111321146		
9	Arada Giorgis	0111-55-61-66/59-38/62-08	0111-55-58-00	
10	Arat Killo	0111-57-03-32/31/57-17-14/16	0111-57-03-35	
11	Balderas	011-636-81-41	011-636-81-42	
12	Bilo	011-1-61-71-29		
13	Burka Koricha			
14	Chancho	011-188-09-05/06	011-188-09-23	
15	Chirchil Road	0111-26-20-25/26-20-00/26-20-17	0111-26-20-18	
16	Dalle Dembel	011-667-95-39/91-94	011-665-92-78	
17	Debre sina	0 333116992		
18	Debreberhan	0116-37-50-61/94/71/51-01/011-890-90-57	0116-37-50-88	
19	Degem br.	111360544/0111360545		
20	Dejach Wube	0111702115/0111702979		
21	Dera Gundo Meskel	011-115-07-07/08-32	011-115-06-74	
22	Dessie Ber	0116-67-80-22/44/56	011667-80-48	
23	Eyesus 41	116687179		
24	Ferensay Legasion	011-154-80-82/84/90	011-154-80-81	
25	Fiche	011-135-20-22/77/69	011-135-21-87	
26	Gara Kilo	011-6-68-00-65		
27	General Tadese Biru	0 111609818		
28	Gerbaguracha	011-131-07-22/33/011-131-06-89/29	011-131-07-95	
29	Gojam Ber	011-126-83-45/55/	011-126-83-53	
30	Gulele-Fiinance	011-273-24-32/27/21	011-273-23-51	
31	Gurd Sholla	0116-46-76-99/16-47/16-79	0116-46-12-31	
32	Habtegiorgis	0111-57-88-91/95-93/91/155-51-20	0111-57-45-46	
33	Hayat Tafo	0116391502/18/73		

## Awash Bank Branch Address by Regional Office

34	Hidabu Abote	251-11-118-0862		
35	Hurufa Feredo	011-6679964 / 011-6679755		
36	Jida	011-6736365 / 011-6736357		
37	Kara Allo	011-667-89-06/667-88-59/32	0116-67-88-94	
38	Kara Mazoria	011-668-03-50/51	011-668-05-49	
39	Kara Road	0116-67-02-60/01-89/01-79	0116-67-02-57	
40	Kebena	0111-54-40-06/07/08/15/	0111-54-40-12	
41	Kechene	011-126-76-77/70-13	011-126-68-56	
42	Kechene Chilot Adebabay	011-126-34-90/91	011-126-34-92	
43	Kotebe	0116-47-54-00/45-62-75/46-28-12	0116-45-62-74	
44	Kotebe 02	011-667-62-86/63-66		
45	Kotebe Loke br.			
46	Lamberet	011-667-54-31/37/64 011-667-53-97	011-667-54-27	
47	Legetafo	011-637-50-76/51-10 011-829-07-48/ 011-651-13-29	011-637-50-81	
48	Lega Jida			
49	Lemi	011-1-19-06-01/ 011-1-19-07-69		
50	Megenagna	0116-18-27-74/18-26-69	0116-18-27-72	
51	Megenagna Adebabay	0116-67-37-37/67-36-37	0116-673799	
52	Mehal Arada	0111-11-92-26/15/34/15-58	0111-56-08-83	
53	Mehal Kotebe	011-5-31-91-02		
54	Mehal Meda	0116 850936		
55	Mida	0111-17-06-78/08-50		
56	Molale br.	112711453		
57	Mukaturi	011-134-08-26/89	011-134-06-15	
58	Parlama	011-1-70-46-94/46-95		
59	Piassa Giorgis Adebabay	011-1-26-48-39/48-40		
60	Piazza	0111-11-94-54/24-70/16-74	0111-11-22-54	
61	Ras Desta	011-133-0831/ 011-1330707		
62	Rufael	011-259-19-58/18-63/16-29	011-259-19-71	
63	Sanford	011-154-36-63/45-29	011-154-46-45	
64	Sebara Babur	0113697177/ 0113697849		
65	Semen Mezegaja	0111263740/ 0111263626		
66	Sendafa Beke	011-638-74-56/77-82	011-638-73-92	
67	Sheger	0111-55-89-38/ 011-157-00-47	0111-57-00-34	
68	Shegole	0112-59-03-46/59-02-24/04-75	011-259-03-79	
69	Sheno	011-687-06-35/07-74/ 0116310710	011-687-05-00	



### Awash Bank Branch Address by Regional Office

70	Sheraro	011-1330831 / 011-133-0707		
71	Shiro Meda	011-154-35-13/51-52	011-154-31-99	
72	Shola Gebeya	0118552623/ 01166789		
73	Shola Meskelenga	251-116-589280		
74	Sidist Killo	011-126-10-46/18	011-126-09-97	
75	Signal	0116-67-20-11/65/70/75	0116-67-20-17	
76	Sululta	011-161-71-34/38/46/41	011-161-71-51	
77	Tebase	0116375459/ 0116376200		
78	Trafic Tsefet Bet	0116-61-64-54/18-91-64/18-82-90	0116-18-87-18	
79	Tulu milki	0111420385/ 0111420520		
80	Wara Jarso	011-187-07-10/04	011-187-08-16	
81	Weddesa	0115321204/05		
82	Weserbi	011-862-55-03		
83	Wosen Sefer	011-668-00-65/67	011-667-82-39	
84	Welgeo		Relif	
85	Yared	011-126-14-03/15-53	011-126-01-88	
86	YaYa Gulele	911738962		
87	Yeka	011-667-40-49/68 / 011-859-22-48	011-667-35-20	
88	Yeka Abado	0 118721957		
89	Yeka Megegenagna	116687179		

### 2. South Addis Ababa Region

No	Branch	Office Telephone No	Fax No	Remark
1	Aberuse	011-365-90-64/ 011-330-18-08		
2	Abeshige	011-358-05-16/ 011-358-06-17		
3	Agena	011-329-03-44/ 011-329-03-83		
4	Africa Andinet	"011-371-61-02/ 011-372-03-36 011-372-26-11/ 011-371-65-93"	011-371-65-94	
5	Africa Avenue	011-557-05-33/ 011-557-05-34/ 011-557-05-35	011-557-05-36	
6	Alemgena	011-367-90-95/ 011-367-90-64 011367-91-22/ 011367-90-09	011-367-91-16	
7	Ameya	011-315-01-47/ 011-315-05-59		
8	Amin IFB	"011-380-52-40/ 011-380-50-64 "		
9	Bambis	011-557-69-76/ 011-557-69-73	011-557-69-71	
10	Behere Tsige	011-470-82-89/ 011-470-93-02		
11	Beklo Bet	011-4-66-85-75/ 011-466-23-54 011-470-05-14	011-416-68-78	
12	Bisrate Gebriel	011-320-99-18/ 011-369-21-87		

## Awash Bank Branch Address by Regional Office

13	Bu'i	046-883-07-11/ 046-883-07-22		
14	Bulgaria Matoria	011-554-00-14/ 011-554-02-92	011-554-03-11	
15	Burka Guya	011-385-44-28/ 011-385-44-26		
16	Busa	011-312-06-70/ 011-312-07-43		
17	Burka Wayu	011-471-10-21/ 011-471-18-61	011-471-16-41	
18	Butajira	046-115-10-28/ 046-115-07-05	046-115-09-27	
19	China Camp	011-369-42-30 / 011-369-44-26		
20	Dil Gebeya	011-372-08-20 / 0113-72-08-17 011-372-08-18/ 011-372-08-19	011-372-08-39	
21	ECA	011-558-92-97/ 011-558-86-37	011-558-64-78	
22	Emdibir	011-331-07-02/ 011-331-08-70		
23	Enderase	011-557-62-70/ 011-557-62-71	011-557-62-73	
24	Ereinzaf	0461-45-22-29/ 0461-45-65-91		
25	Eresha	046-145-96-87/046-145-16-37		
26	Ertu Lebu	011-471-35-30/ 011-471-32-54	011-471-38-65	
27	Finfinne	"011-557-02-00/ 011-557-01-12 011-557-01-07/ 011-557-07-87/ 011-557-11-23/ 011-557-10 03"	011-557 01 13	
28	Fit Ber	011-557-21-82/ 011-557-21-49	011-557-22-15	
29	Flamingo	011-526-02-21/ 011-526- 04-16		
30	Furi	011-367-90-87/ 011-367-91-08 011-367-90-92	011-367-90-92	
31	Furi Adebabay	011-380-22-30/ 011-380-20-99		
32	Furi Babur Tabya	09-13-47-37-57		
33	Gara Bolo	09-11-33-46-30		
34	Gada Faji	011-380-10-47/ 011-380-11-09		
35	Genet Hotel	011-554-02-56/ 011-554-00-22	011-554-00-33	
36	Global Akababi	011-470-24-12/ 011-470-23-68	011-470-13-68	
37	Gofa Gebriel	011-467-45-65/ 011-467-45-63 011-461-45-67/ 011-467-45-61	011-467-45-61	
38	Gofa Mebrat Hail	011-470-33-92/ 011-470-33-78 011-470-33-59/ 011-470-33-69	011-470-33-93	
39	Gofa sefer	"0114-65-36-91/ 011-466-98-11 011-465-36-15/ 011-4-67-31-67 011-467-35-67"	011-416-03-57	
40	Gotera	0114-67-03-92/ 0118-96-39-15 011-470-24-26	011-467-05-76	
41	Gubre	011-322-06-44		
42	Hayu	011558-18-85/ 011-558-30-80 011-558-15-85		
43	Hana Mariam	011-471-12-97/ 011-471-14-53	011-471-14-53	
44	Hurbu	011-471-33-27/ 011-471-39-24	011-471-36-43	
45	Ihsan	011-380-32-43/ 011-380-34-96		

## Awash Bank Branch Address by Regional Office

46	Jemmo 2	0118-83-80-70		
47	Jemo Micheal	011-369-96-02/ 011-369-99-57	011-369-84-07	
48	Karl Adebabay	011-384-81-54/011-384-80-04		
49	Kazanchis	011-557-07-56/ 011-557-07-57 011-557-07-22/ 011-557-07-28	011-557-06-83	
50	Kela	046-322-99-55/ 046-322-86-36		
51	Kera	011-471-25-19/ 011-471-23-34		
52	Kirkos Akababi	011-554-75-83/ 011-554-75-81 011-554-75-85/ 0118-59-22-49	011-554-75-82	
53	Kirkos Riche	011-470-06-45/ 011-470-21-33		
54	Kirkos 45	011-470-5606/ 011-470-40-36	011-470-58-39	
55	Kute	011-369-37-69/ 011-369-35-41		
56	Lafto	011-419-07-63/ 011-419-10-86 011-419-64-89/ 011-419-05-79	011-419-64-88	
57	Lafto Gebya	011-471-19-84/ 011-471-15-07 011-471-15-05		
58	Lebu	011-471-25-04/ 011-471-24-95	011-471-25-44	
59	Lebu Musika Sefer	011-471-11-56/ 011-437-53-79		
60	Legehar	011-532-00-01/ 011-553-19-48 011-5-54-77-65	011-551-08-67	
61	Legehar Gumeruk	011-558-15-45/ 011-558-34-87		
62	Lemen	011-363-03-59/ 011-363-03-60		
63	Liben	011-366-45-71/ 011-366-49-81		
64	Mebrate Condominium	011-470-58-68/ 011-470-56-74		
65	Mehal Amba	011-336-05-06/ 011-336-04-02		
66	Mehal Gofa	011-467-12-39/ 011-467-12-97	011-467-12-81	
67	Mehal Kazanchis	011-562-11-92/ 011-562-14-44		
68	Mekanisa Abo	011-369-03-26/ 011-369-03-27	011-369-03-29	
69	Mekenisa	011-369-83-48/ 011-369-86-03	011-369-83-25	
70	Mekanisa Seminary	011-385-41-28/ 011-385-42-04		
71	Melka Erecha	011-367-96-94/ 011-367-97-40		
72	Meskel Flower	011-466-93-930/ 011-467-15-27	011-466-95-01	
73	Mexico	011-557-21-79/ 011-557-22-61 011-557-22-08	011-557-22-59	
74	Mogole	011-366-21-74/ 011-366-22-78		
75	Nifas Silk	011-442-03-09/ 011-442-03-08 011-442-46-79/ 0114-70-75-63 011-4404385	011-442-09-58	
76	Olompia	011-557-11-90/ 011-557-12-40	011-557-11-88	
77	Sadeka	011-471-10-53/ 011-471-11-97		
78	Sarbet	011-372-73-91/ 011-372-78-06 011-372-77-95	011-372-78-72	

## Awash Bank Branch Address by Regional Office

79	Saris	011-443-12-72/ 011-412-37	011-443-13-58	
80	Saris Addis Amba	011-470-90-17/ 011-470-90-18		
81	Saris Addisu Sefer	0114-40-01-53/ 011-442-06-75 011-442-56-72	011-440-06-85	
82	Saris 58	011-471-19-53/011-471-19-69		
83	Sebeta	011-338-41-01/ 011-338-41-15 011-338-41-14	011-338-41-02	
84	Saden Sodo	0113-25-07-89/ 011-325-05-56		
85	Silk Amba	011-262-73-00/ 011-262-71-04		
86	Stadium	011-515-67-46/ 011-551-15 011-553-46-43/ 011-515-94-54 0118-59-22-51/ 011-515-72-12	011-550-29-20	
87	Stadium Zuria	011-531-91-02/03	011-531-91-01	
88	Tare	011-363-11-32/ 011-363-1349		
89	Temenja Yaj	011-416-27-20/ 011-4-27-16	011-416-27-05	
90	Teji	011-339-06-50/ 011-339-07-33		
91	Tulu Bolo	011-342-14-01/ 011-342-14-02	011-342-14-00	
92	Tulu Ejersa	011-471-17-35/ 011-471-13-18	011-471-15-97	
93	Tulu Jemmo	011-369-80-52/ 011-369-80-24		
94	Urael	011-554-08-30/ 011-554-08-31 011-554-08-32/ 011-554-08-33	011-554-08-36	
95	Urael Nigist Sefer	011-554-18-45/ 011-554-86-64	011-554-30-49	
96	Vatican	011-383-35-51/ 011-383-38-55		
97	Wechecha	011-380-40-47/ 011-380-40-48	011-380-40-33	
98	Wechecha IFB	011-380-50-82/ 011-380-51-76		
99	Weliso	011-341-34-73/ 011-3-41-34-74	011-341-34-72	
100	Wirtu	011-470-20-99/ 011-813-44-70		
101	Wolete	011-380-01-57/ 011-380-00-47	011-380-30-07	
102	Wolkite	011-365-81-69/ 011-365-83-84	011-365-81-68	
103	Yoseph	011-470-88-82/ 011-470-86-22	011-470-90-56	

### 3. East Addis Ababa Region

No	Branch Name	Office Tel.No	Fax	Remark
1	22 Mazzoria	011-662-46-68/67/ 18-99-38/ 63-50-31 CSM..Megrssa	0116-62-65-87	
2	22 Wuhalimat	011-660-84-43/86-73 0911643365 Muluken Tekele /913051412	011-660-09-31	
3	Adey Ababa	011-470-77-35/ 08/42/30/ Gobena 0912607740	011-470-77-43	
4	Airport	0116-18-06-11/75/ 091164-33-65	0116-18-01-71	

## Awash Bank Branch Address by Regional Office

5	Akaki	0114-34-07-23/435-16-72	0921 558268	
6	Akaki Gebeya	0114-71-54-31/51-59		
7	Akaki Gelan	011-471-65-03		
8	Akaki Kality	0114-71-64-40/41/ 0911784391	0114-71-64-26	
9	Atlase	0116-393108		
10	Beshale	11-673-4123 11-673-3877		
11	Beshale Figa	011-667-79-77/75-50	011-667-78-85	
12	Bole	0116-18-95-22/24/26/23 0116189521	0116-62-63-87	
13	Bole 17	011-660-66-32/25-51 011-660-90-02 / 65/53	011-660-06-82	
14	Bole 18	0116-90-21-02/23-13		
15	Bole 22	011-662-80-15/662-16-86/ 663-09-40 Acc. 0913062960	011-618-39-96	
16	Bole 24	011-667-36-79/ 011667 37 29	011-667-36-18	
17	Bole Abasena	0116686440		
18	Bole Arabsa	0118-13-20-63		
19	Bole Bulbula	011-471-40-47/45-94		
20	Bole Lemi	251-11-639-0323 / 0116 68 90 19		
21	Bole Medhanialem	0116-67-03-47/51	0116-67-02-37	
22	Bole Michael	0116-39-20-22/05/21/04	0116-39-20-23	
23	Bole Michael.Ade	116392952/ 0116392843 acc. 0910263095		
24	Bulbula	011-4-71-47-14/ 0114-71-48-32		
25	Bulbula 93	0114-71-40-15/48-75		
26	Burka Chefe	11-666-3987		
27	Burka Shobe	0116-39-13-78/77		
28	Cameroon Avenue	0116662429/ 0911833278	923789143	
29	CMC	0116-67-51-88/ 0116-67-51-55	0116-67-51-04	
30	Dukem	0114-32-05-02/03-42/03-99	0114-32-05-23	
31	Dukem Industry Zone	0114-62-80-20/ 0114-62-80-22		
32	Edget	0116-29-25-26/21-08	116-29-22-59	
33	Gara Gura	116390452/ 0116931368		
34	Gelan Branch	011471-34-70 Selamawit Acc. 0912-09-95-48		
35	Gelan Condominium	114550118		
36	Gerji	0116-47-62-75/76	0116-47-62-74	
37	Gerji Giorgis	0116-39-40-10/00	0116-39-40-02	
38	Gerji Mebrat	0116-39-49-14/ 0116-39-59-91		
39	Goro Beshale	0116-68-34-82/ 0116-66-09-31		



## Awash Bank Branch Address by Regional Office

40	Gurd Sholla Jakros	011-639-54-93/648-92-44/ 665-87-75/659-01-41/ 0911584767	011-661-74-00	
41	Harbu Guddo	0116683168 / 0116683225		
42	Hayat 49	0116-67-05-15		
43	Hayat Adebabay	011-639-03-05/03 - 23/36	011-639-03-14	
44	Hayat Arabsa	0118 16 01 10/ 0935008622		
45	Head Office	116620303/ 01166118/24/35/70	11-618-9522	
46	ICT Industry	116461231 fax		
47	Imperial Akababi	011-667-46-73/49-24	011-667-48-38	
48	Jackros	011-667-70-69	011-667-66-18	
49	Jackros Adebabay	0116-73-43-22/21		
50	Jackros Figa	0118-13-23-40/ 0118-132341/		
51	Kality Gebriel	011-471-72-62/15/65/28	0114 71 72 63	
52	Kality Gumruk	0114-70 72 79/55/63/54 / 011-869-49-83	011-470 72 86	
53	Kilinto	0114512014/15		
54	Kilinto Indu. Zone	1-11-618-9524		
55	Kokeb	011-667-44-63/28	0116-67-38-02	
56	Kore Guye	251-11-872-2897		
57	Korea Hospital	0116-29-38-36/35-43	0116-29-31-50	
58	Koyefeche	251-222-250-317/ 0115553649		
59	Lemelem Meda	0116-73-25-64		
60	Megenagna 22	011-667-33-82/31-56	011-667-33-63	
61	Mehale Gerji	116395838		
62	Mehale Summit	116688040		
63	Melka Sheno	0114715646/68-90		
64	Meri Summit	116682736/97-57		
65	Milinium Akababi	011-661-00-87/68-38/56-95 ( Sahile 0913117539)	011-661-55-50	Asnake Aman 0913 400242
66	Moenco	0116 67 44 48/20	0116-67-44-69	
67	OdaNebe	0114-71-82-93		
68	Rwanda Embassy	0116146758/ 0116146640		
69	Salogora	011-471-62-23/ 011-471-61-87 011-869-64-64	011-471-61-97	
70	Shalla Akababi	0116-67-38-20/21/22 Fasica 0913475533 Mesi 0913469381 /0924741452/	0116-67-37-18	
71	Sumit Safari	114702412		
72	Summit	0116680148/ 0116-68-09-71 0116-68-01-04		

### Awash Bank Branch Address by Regional Office

73	Summit 72	011639-11-51/52		
74	Summit -Goro			
75	Tulu dimtu	0114627011/12		
76	Weji	011-8-13-39-81		
77	Wollo Sefer	011-557-58-55/40-20	011-557-43-24	
78	Wollo Sefer Adebabay	011-557-8373		
79	Worku Sefer	0114-71-74-98/ 0114-71-79-49 0965-52-80-81		
80	world Bank	0116662192/ 0116662192		
81	Wuha Limat	0116-18-12-00/18-90-21	011-618-78-29	
82	Yerer	011-667-72-04/56		
83	Yerer Leka	0116-73-38-24		
84	Yerer Sefer	251-11-668-3428/ 0116-66-16-98/		
85	Goro Adebabay	464430935		
86	Summit geriogres	577760906		
87	Andode	11-440-0153		
88	Meri Loke			
89	Akaki 08	0114-62-98-27/ 0114-62-96-17		
90	Meri Meskelega			
91	Gara Duba			
92	Figa			
93	Bole Bras			
94	Habebe Tufa			
95	Bole Atlas	1-11-689-6992		
96	Megenagna Deledy			

### 4. West Addis Ababa Region

No	Branch	Mobile No	Office	Remark
1	18 Mazonia	0913 29 28 85	0112-79-14-44/011-273-89-60/56/ 0118-69-79-74	
2	Abdi Nono	0921 18 48 55	011260154013/30	
3	Addis Ketema	0911-42-51-53	"0112-75-83-58/57/77-24-81/82 011-894-95-40"	
4	Ada Berga	911-41-80-25	112860563	
5	Afdal(IFB)	913490331	011-273-31-02	
6	Ajamba	910831066	118552621	
7	Alem Bank Akababi	0941-39-91-90	011-369-45-59/65/63	
8	Amanuel Total	913078604	"011-273-60-09/46/39/73 011-833-40-50"	
9	Amanuel Ajib	924251811	/251-11-275-2907	

## Awash Bank Branch Address by Regional Office

10	Amala(IFB)	0911-98-76-33	011-273-55-24	
11	Ambo	913899395	0112-36-41-74/33-77/67-90 0112-36-61-90	
12	Anfo	917852452	0113-69-76-28/72-17	
13	Asco	917800404	0112-73-02-91/93/94	
14	Asco Addis Sefer	929310221	0112-73-16-31/32	
15	Awtobis Tera	966733589	011-273-44-17/26/19/15	
16	Aweliya	0910-77-11-90	112731210	
17	Ayer Tena	0911-87-14-22	0112-73-89-56	
18	Betel	0922-19-56-90	"0113-49-12-68/49-13-04/49-08-55"	
19	Betel Adebabay	0920 68 39 10	113490855	
20	Betel Alem Bank	911734354	011-273-3093	
21	Burayu	934186301	251-11-262-5998	
22	Burayou Keta	912185052	011-260-46-20/41/54	
23	Burayou Mariam	0911-82-01-06	011-260-49-81/31	
24	Babicha	912398038	112620700	
25	Coca Mazoriya	913-007883	112623426	
26	D'Afrique	"0913-18-03-80/ 0911 44 85 95"	011-557-70-14/67	
27	Dire Inchini	911941790	0-11-287-0589	
28	Dire Sololiya	911530599	112623426	
29	D/Balcha Safso	09-4768-74-43	011-530 31 10/11	
30	Dubai Tera	911320196	011-273-22-81/90	
31	Ejere	0913-075447	112610599	
32	Fili Doro	9-13-20-84-13	251-11-275-8357	
33	Gujee	912716768	0118126045	
34	Gefersa Gujee	0920-84-46-66	0112-60-18-52/16/79	
35	Gefersa Nono	0925-69-51-59	011-260-11-17/32/02	
36	Geja Sefer	0911 97 10 43/ 0919 18 37 05	0115-57-62-37/44/13	
37	Gesho Tera	0911-67-54-91	011-273-27-52/43/42/ 273-26-84	
38	Ginchi	0910-67-53-13	011-258-11-72/70/74	
39	Gojam Berenda	911152882	011-273 38 34	
40	Gola Michael	912386302	011-6-63-50-31	
41	Goro Keresa	910880051	0112-61-0237	
42	Guder	912646923	011-282-07-96/08-14	
43	Gulele	0911-15-67-70	"0112-78-49-26/31/29/30/ 0118-59-22-53/ 0112-78-49-26"	
44	Gulele Paulos	912-63-60-86	011-1-57-03-31	
45	Hanchalu Hundesa	0911-26-47-52	112581172	
46	Holota	0932-26-58-38	011-261-00-04/31/09	
47	Jeldu	0966-88-19-19	011-238-05-97/06-05	

## Awash Bank Branch Address by Regional Office

48	Jemmo	0911-23-71-01	0113-48-40-07/60-70/74-01
49	Kachisi	0922-87-81-69	011-215-05-30/62
50	Kara Girare	911438557	0113-69-56-47
51	Kara Gefersa	0912-430-583	/251112625801
52	Kara Kore	911-03-91-67	0113-69-30-69/46/15/59/09
53	Ketena Hulet	912282312	011-383-50-72/71
54	Keranio	0910-62-11-69	113841049
55	Khidma(IFB)	0944-13- 13 -52	0116-67-62-86
56	Kolfe	911486344	"0112-75-72-35/36/ 0112-75-17-67"
57	Kolfe Atena Tera	0912-18-29-26	0112-73-97-22
58	Kolfe Efoyita	923798287	112733834
59	Kolfe Lukanda Tera	919524713	011-1-57-03-31
60	Kolfe Kuteba	911348938	112736093
61	Kuas Meda	0911-14-79-49	0112-76-03-43/45/01-17/03-66
62	Lideta	0911 82 86 25	"0115-54-65-72/74/70/ 0118-95-99-58"
63	Lideta Menafesh	0911-67-94-37	115579235
64	Lome Meda	0911 74 63 48	112738014
65	Mehal Gebeya	0911-15 49 25	0112-77-94-72/13-54-42
66	Mekanisa Kore	938-95-94-34	0113-69-30-69
67	Menal(IFB)	0910 25 59 58	113695084
68	Merkato	0911-34-57-92	"0112-75-87-32/77-16-66/ 76-33-31/77-21-71-276-13-95"
69	Merkato Alem Tena	941299926	0112-75-83-57
70	Merkato Arategna	911476666	0112-73-20-32
71	Merkato Kagnew Shaleka	911728177	011-273-45-42/12
72	Merkato Tana	912095970	011-273-35-98/273-28-17
73	Mesalemia	912651077	011-275-84-37/276-97-80
74	Melka Gefersa	0911-10-37-30	0113-84-76-58
75	Melka Meskela	915882975	/251915882975
76	Mierab Merkato	911338630	"011-273-42-98/0112-73-29-92 0112-73-43-21/22"
77	Mikililand	0911-67-32-07	0112-73-03-98/41/57
78	Mu'amalat (IFB)	939953085	011369-78-15/0113-69-78-16
79	Muger	0913-41-57-71	0112-18-06-62/03-71
80	Sansuzi	0910-77-53-12	011-273-19-40
81	Sebategna Akababi	0911 72 86 71	011-277-33-43 /42 0112-13-03- 58/0118-30-76-69/
82	Sengatera	911145253	011-557-68-39/75/59/54/
83	Sheratera	911425969	011 273-59-02/54-97

### Awash Bank Branch Address by Regional Office

84	Sidamo Tera	911694005	"0112-78-41-18/94-53/ 78-94-55/41-18"	
85	Sost Kutir Mazoria	922183487	113692629	
86	Oddo Liben	0913-29-72-49	011-2-60-99-25	
87	Olankumi	0945-96-55-76	112850700	
88	Tegbared	913475102	0116-18-26-69	
89	Teklehaimanot	0911-74-66-91	"0112-78-93-76/77-27-30/31/ 276-01-09"	
90	Torhayloch	0911-76-65-24	011-369-13-11/369-12-93/13-18	
91	Torhayloch Adeba- bay	91-24-76-267	113842605	
92	Tulu Boke	913634122	0112-73-24-21	
93	Yeshi Debele Sefer	0922 47 9729	0113-69-23-92/24-50/07-21	
94	Yusra(IFB)	911607141		
95	Zenebe Work	0913-58-58-84	011-369-71-77	

### 5. Adama Region

No	Name of Branch	Branch D.L Phone, Office	Fax Number	Remark
1	Abomsa	0224-41-13-40/41		
2	ADA'A	0114-30-30-36 0114-33-89-00/8626	0114-33-85-47	
3	Adama Bole	0222-11-52-46/47		
4	Adama Branch	0221-11-85-84/85/86	0221-11-53-75	
5	ADAMA GORO	022-212-2882		
6	Adama Industry park	0222-12-59-87/6391		
7	ADAMA RAS	0222-11-63-93/94/95	022-211-63-93	
8	Adulata			
9	Arboye	0224-70-07-44/0412		
10	ARERTI	0222-23-06-64/2561		
11	ARSI ROBE	0222-42-17-65/1406/0042	022-242-00-42	
12	Arsi Sire	0223-30-07-39/57		
13	Assella Branch	0223-31-63-56/2875/2770	0223-31-56-22	
14	Awash 40	0342407921/0342407914		
15	Awash Melkasa	0222-25-03-08/17		
16	AWASH SEBAT KILO	0222-24-02-74/79	0222-24-02-51	
17	Balchi	0116-73-00-92/0406		
18	BATU BRANCH	0464-41-22-10/52	0464-41-22-11	
19	BEKOJI BRANCH	0223-32-06-55/0549/0439	0223-32-00-80	
20	Bele Gesgar	0225-13-76-56/7723		



## Awash Bank Branch Address by Regional Office

21	Berecha	0221-12-05-75/04-81/18-59	022-112-78-67	
22	Bishoftu Branch	0114-33-53-88/82/83	0114-37-04-20	
23	BOKU SHANAN	0222-11-79-64/65		
24	Bole Nura Era	0224-53-06-37/0863		
25	Boru Jawi	0225-12-04-00		
26	Bosset Branch	0221-11-90-27/28/30	0221-11-90-29	
27	BOTE BRANCH	0221-15-04-92/05-03/42		
28	Chefe	0222-11-16-34/07-30		
29	CHEFE DONSA	0224-51-05-10/14		
30	CHILALO BRANCH	0223-31-82-74/75/76	0223-31-82-77	
31	CHOLLE	022-454-0561		
32	Dabe Boku	0222-12-44-69/46-84		
33	Dabe Soloke	0222-11-54-33/75-88		
34	DAMBI BRANCH	0114-30-05-63/64/67	011-430-05-69	
35	Degaga	0222-11-93-77		
36	Dembela Branch	0221-10-06-23/21/24	0221-10-06-22	
37	DERA	0223-33-00-00/91-17	022-333-09-27	
38	DERARTU ADEBA-BAY	0222-11-69-26/62-20		
39	Dhadacha Arara	0222-12-17-46/30-74		
40	Diksis	0223-39-05-18/55		
41	Doni	0225-12-29-34/34-78		
42	Dosha	0222-38-26-12		
43	Ela Bela			
44	Elemo Kilitu	022-211-63-05		
45	Erecha	0222120945/1679		
46	Eteya Branch	0223-35-04-59/0765	022-335-08-18	
47	GANDA GARA	0222-12-19-03/48-52	022-212-23-39	
48	Gara Baru	0114-30-00-49/96		
49	Geda	0222126041/5720		
50	GOBESSA	0224-46-06-93/06-57		
51	GOLOLCHA	0228-26-09-04		
52	Haro Dembel	0461-41-17-38/30-83		
53	Hora Bishoftu	0114-30-05-87/84-97		
54	HURUTA	0223-34-12-32/12-33		
55	IFB-Kausar	0222-38-31-47/50-87		
56	IFB-NOOR	0221-11-27-79/0222-12-93-12		
57	IFB-Raji	0222-12-07-92		
58	Kalacha	0222-11-74-56/67-80		
59	Kechemma Branch	0221-11-83-02/06/83		
60	KERSA	0223-37-07-69/70/71	022-337-07-69	
61	KOKA BRANCH	0224-59-02-05/01-92		

## Awash Bank Branch Address by Regional Office

62	Kurkura	0118-48-08-65/80-30/70-07		
63	LEMA GUYA	0114304430/4530		
64	LUGO	0222-11-80-12		
65	Lume	0222-36-34-12		
66	Mararo	022-467-03-31		
67	MEKI BRANCH	0221-18-07-44/41	022-118-07-40	
68	MELKA LAMI	022-236-5826		
69	METEHARA BRANCH	0222-26-12-13/13-11	022-226-13-17	
70	Migra	0222-12-52-30/59-38		
71	Mojo	0221-16-03-55/02-86	022-116-04-73	
72	Negele Arbagugu			
73	ODA BOQOTA	0221182267		
74	OLENCHITI BRANCH	0221-13-11-11/71/10-33	0221 13 11 71	
75	Sagure	0223-38-05-33		
76	SAR TERA BRANCH	0222-12-04-14/03-90	022-212-04-08	
77	Sekakalo	0222-11-59-94/87-96		
78	SILTANA	0225-13-03-36/37		
79	Sole	0222-11-64-48/96-61		
80	Uta Wayu	0224-79-05-78/04-97		
81	Walkessa	022-238-51-00/52-22		
82	WENJI	022-220-21-74		
83	Haro Adi	0222261675		

## 6. Dessie Region

No	Branch Name	Telephone Number	Fax Number	Remark
1	Adago	0334314991/4992		
2	Afdera	0342464396/91		
3	Aflaha	0333518156/7905/6527		
4	Akesta	033114 0704/0749		
5	Akrma	0335520496/0515		
6	Asayita	0332408910/8693		
7	Ataye	0336611059/0730		
8	Ayteyef	0333127518/9024		
9	Bati	0335532272/1808		
10	Buanbuawuha	0331119898/6992		
11	Dawudo	0333122127/4704		
12	Degollo	0332260577		
13	Dessie	0331112829/2834		
14	Fathi	0333127981/8593		
15	Haik	0332221280/0765		

### Awash Bank Branch Address by Regional Office

16	Hara	0334520559/0544		
17	Kalu	0333510991/7822		
18	Kebir	0334490975/79		
19	Kelala	0334510557/0742		
20	Kemisse	0335541450/1443/3034	0335541447	
21	Kobo	033341312/033341336		
22	Kombolcha	0335510877/0839/0883/0792		
23	kombolcha Industry Park	0333516170/9122		
24	Kone	0334430754/0566		
25	Lalibela	0333361410/1335	0333361286	
26	Logia	0335500060/65		
27	Mabrook	0331180608/0627		
28	Mekanselam	0332201126/1106		
29	Meket	0332111288 /1274		
30	Mekoy	0334440288/0557		
31	Mersa	0333331036/1042		
32	Mugad	033 312 6579/6358		
33	Robit	0331130430/0230/0302		
34	Sekota	0335405419/20		
35	Semera	0333662813		
36	Shewarobit	0336642189/1986		
37	Tossa	0333127994/5612		
38	Tuluawelia	0332405591/5617		
39	Wegeltena	0333350002/0484		
40	Werebabo	0332210413/0416		
41	Wereiulu	0331160517/0669		
42	Wogdi	0334456423/1209		
43	Woldia	0333312579/1693	0333312619	
44	Zeweld	0333341359/1902		

### 7. East Region

No	Branch Name	Telephone Number (Office)	Fax	Remark
1	Afernkelo (Kersa)	025 336 03 70    025 336 03 75	-----	
2	Aweday	025 662 05 60    025 662 05 61 025 662 05 59	025 662 05 93	
3	Babile	025 665 06 14    025 665 06 07	025 665 06 67	
4	Bedessa	025 555 00 57    025 555 01 16 025 555 01 51	025 555 01 69	
5	Berwako	025 278 53 91    025 278 53 92	-----	

## Awash Bank Branch Address by Regional Office

6	Boke	025 230 07 11	025 230 04 69	-----	
7	Boreda	025 443 04 95	025 443 05 24	-----	
8	Bedeno	025 332 06 70	025 332 06 81	-----	
9	Chelenko	025 335 05 86	025 335 05 96	025 335 07 08	
10	Chinagsen	025 779 04 59	025 779 05 29	-----	
11	Chiro	025 551 10 20 025 551 11 21	025 551 10 21	025 551 10 22	
12	Deder	025 333 12 99	025 333 12 68	-----	
13	Degehabour	025 771 06 48	025 771 0649	-----	
14	Dire Dawa	025 111 40 42 025 112 00 17	025 111 42 51	025 111 40 46	
15	Daruselam	025 772 09 95	025772 09 37	-----	
16	Gelemso	025 552 13 28	025 552 14 00	-----	
17	Gode	025 776 10 89	025 776 16 95	025 776 16 95	
18	Grawa	025 334 05 79	025 334 05 31	-----	
19	Hafete-Issa	025 411 03 78 025 411 03 95	025 411 03 88	025 411 03 90	
20	Harar	025 667 07 60 025 667 11 25	025 667 07 45	025 667 02 87	
21	Harar Arategna	025 466 27 07	025 466 85 34	025 466 98 59	
22	Harar Hundene	025 466 85 35		-----	
23	Haromaya	025 661 04 67	025 661 04 39	025 661 04 31	
24	Hirna	025 441 12 51	025 441 12 52	025 441 12 53	
25	Huda	025 338 07 55	025 338 07 56	-----	
26	Industry Park	025 240 20 09	025 240 29 64	-----	
27	Jijiga	025 775 25 48 025 775 65 88	025 775 69 72	025 775 20 72	
28	Kali	025 278 02 35	025 775 02 91	025 278 02 61	
29	kezera	025 211 37 60	025 211 52 22	025 211 08 83	
30	Kebri-dehar (Kora-hay)	025 774 02 12	025 774 03 84	-----	
31	Kulibe	025 339 00 00	025339 03 14	-----	
32	Lege Oda	025 211 53 60	025 211 84 40	-----	
33	Mechara	025 557 05 61	025 557 05 62	025 557 05 63	
34	Meshrek	025 411 54 39	0254111593	-----	
35	Nahar	025 211 24 39	025 211 35 15	-----	
36	Sabiyan	025 112 48 79 025 111 21 30	025 113 03 69	025 111 21 33	
37	Shebele	0252786205	025 278 68 55	-----	
38	Togochale	025 882 01 31	025 882 01 32	025 882 02 17	
39	Shewaber	025 466 92 44	025 466 42 02	-----	
40	Weltesis	025 659 45 43	025 659 04 07	-----	
41	Tajir	025466 80 74	025 466 0946	-----	

### Awash Bank Branch Address by Regional Office

42	Bilal	025 466 41 76	-----	
43	Melka-Jebdu	025 116 06 45 025 116 08 33	-----	
44	Wabi	025 278 18 18 025 278 19 19	-----	
45	Number One	025 211 84 52 025 211 1255	-----	
46	GendeKore	025 411 98 30 025 411 40 65	-----	
47	Oda Bultu (Chiro)	025 651 42 54 025 651 72 30	-----	
48	Mermerssa	025 411 90 95 025 411 80 32	-----	
49	Berissa	025 211 07 11 025 211 42 09	-----	
50	Shemendfer	025 211 33 82 025 411 46 91	-----	
51	Jijiga Gumuruk	025 278 26 36 025 278 97 44	-----	
52	Harar chefi	025 466 36 03 025 466 58 59	-----	

### 8. North Region

No	Name of branchs	Office phone	Fax number	Remark
1	Adigrat	034-445-0330/ 034-445-0469	034-4450348	
2	Adihaki	034-240-2034/ 034-240-1862	034-2402546	
3	Alamata	034-7740174/ 034-774-0782 034-774-0735	034-7740597	
4	Axum	034-275-9490/ 034-275-7161	034-2750477	
5	Edaga hamus	034-773-0739/ 034-773-0795	034-7730652	
6	Edaga mekelle	034-240-5313	034-2405287	
7	Elala br.	0342402663/9064		
8	Godana selam	034-440-6996/ 034-440-7037	034-4406997	
9	Jibruk	034-440-4572/ 034-241-5080	034-4404579	
10	Meda Agame	0342-454317/ 0342-458718		
11	Mekelle	034-241-5212/ 034-241-5245	034-441-8966	
12	Shire endasilasie	034-444-0590	034-4440594	
13	Wukro	034-443-0496/ 034-443-0402	034-4430238	
14	Maichew			New
15	Hadinet			New



## Awash Bank Branch Address by Regional Office

### 9. North West Region

No	Name of Branch	Office Telephone	Fax NO	Remark
1	BahirDar	058-2200671/1026	058-2221147	
2	Abay Mado	058-3212081/3197	058-3210110	
3	BahirDar Ghion	058-3209510/9692	058-3208986	
4	Bure Damot	058-7741148/83/84	058-7741073	
5	Chagni	058-2250458/0179	058-2250532	
6	Debremarkos	058-7714024/7389	0587714225	
7	Debretabor	058-1410303/46	058-1410355	
8	Gishabay	058-2266467/4416	058-2220073	
9	Gonder	058-1114867/68	058-1118044	
10	Maraki	058-2115081/57	058-2115062	
11	Azezo	058-1141222/1163	058-1140879	
12	Injibara	058-2270807/09	058-2270804	
13	Dangila	058-2211820	058-2212143	
14	Finoteselam	058-7752113	058-7752115	
15	Metema	058-5555651	058-5555509	
16	Jawi	058-2780402	058-2780401	
17	Woreta	058-4461641		
18	Merawi	058-3300988		
19	Motta	058-6611954/2076		
20	Bichena	058-6651713		
21	Fasiledes	058-211 4621/22		
22	Manbuk	058-263 0567		
23	Este	058- 4471698/18		
24	Zimbaba	058- 3206924		
25	Kidame Gebeya	058- 221 8122/21		
26	Kuch	058-2980445		
27	Tilili	058-2290664		
28	Tana	058-3201860		
29	G/weyin	058-6640597		
30	Adet	058-3381074		
31	Lumame	058- 772 07 29		
32	Wonbera	058-451 04 51		
33	Nejash	058-320 7829		
34	B/Dar Gebeya	058-3201467		
35	Durbete	058-556 57 65		
36	Nefas mewucha	058-445 17 92		
37	Debark	058-417 35 00		

### Awash Bank Branch Address by Regional Office

38	jiga	058-779 06 39		
39	Debrework	058- 663 00 00		
40	Addiskidam	058-450 07 12		
41	Dejen	058- 776 24 74		
42	Yejube	058-246 04 39		
43	Shebelberenta	058-247 04 94		
44	Shimbt	058-320 42 90		
45	Humera	034 448 14 72		
46	Zigem	058-555 90 31		
47	Deber Eliyas	058 -250 06 35		
48	Dembecha	058-773 08 53		
49	Belay Zelek	058-320 84 39		
50	Kosober	058 227 70 60		
51	Dengele	058 320 71 61		
52	Amanuel	058 777 03 98		
53	Kotitina	0583209568		
54	Fasilo	0582200671		
55	Zoble	0585555651		
56	Simada	0586670703		
57	Koladeba	0583350708		
58	Azena	0583278378/8690		
59	Menkoror	0587717289		
60	Shahura	0582700507		
61	Dansha	0344481472		
62	Andabet	058 554 70 07		
63	Maksegnit	085 332 06 54		
64	Delgi			
65	Chuahit	058 334 07 25		
66	Sekela	058 259 07 51		

### 10. South Region

No	Branch	Branch Phone	Phax no	Remark
1	Abaro	0462113964/3965		
2	Abaya	0463266162/6534		
3	Abosto Branch	0462115077	0462115058	
4	Adaba Branch	0226631222/1265	0226631258	
5	Adola Weyu	0463350059/0607	0463350220	
6	Agarfa	0222271128/0999		
7	Aje	0464560268/0276		

## Awash Bank Branch Address by Regional Office

8	Alamura	0462126308/7096		
9	Aleta Chuko	0462270805		
10	Aleta Wendo Branch	0462240588/0630	0462240630	
11	Ali	0224770025/0328		
12	Angetu			
13	Arsi Negele	0461160127/0946	0461160877	
14	Assasa Branch	0223360845	0223360819	
15	Awasho Branch	0462119840/5535	0462119840	
16	Bale Robe Branch	0226651675/99	0226651975	
17	Bensa Daye	0463370637/0638		
18	Beriso Dukale	0464431520		
19	Bore	046 667-0593		
20	Bule Hora Branch	0464430927/0121	0464430935	
21	Chelelektu	463360420		
22	Chembelala	0462126656/6929		
23	Dato	046 221-0523		
24	Delo Sebro	no office phone	0226680540	
25	Dilla Branch	0463311062/0970	0463314107	
26	Dimtu	no office phone		
27	Dodola Branch	0226660474/0477	0226660429	
28	Dolo Oddo	0464490414/0377		
29	Dolomena Branch	0226680039/21		
30	Filtu Branch	0464730538/48		
31	Fura	0462121854/2188		
32	Garambamo	no office phone		
33	Gasera	0224620754/1588		
34	Gedeb	0462680377/0590		
35	Ginnir Branch	0226640065/1150	0226640449	
36	Goba	0226612623/2929	0226614927	
37	Goljota	0463287372/7209		
38	Haro Welabu Branch	0461310446/0445		
39	Harufa Branch	0461100335/0610	0461100543	
40	Hawasa Industry Park	0462122472		
41	Hawassa	0462204751/4722	0462204751	
42	Hawassa Areb Sefer	0462123849/4240	0462124811	
43	Hawassa Menaharia	0462124021/4162	0462123621	
44	Jara	0224780713/0691		
45	Kerecha Branch	0463242008	0463242004	
46	Kiltu Dema	0463289691		
47	Kofele Branch	0461120978/0869		
48	Kokosa	no office phone		
49	Kore	no office phone		

## Awash Bank Branch Address by Regional Office

50	Leku Branch	0462260757/0754		
51	Madda Walabu Branch	0222441803/2068		
53	Moyale Branch	0464441791/1662	0474441401	
54	Negelle Branch	0464452190/93	0464452192	
55	Raytu	no office phone		
56	Reserve For Berekah	0462119328/5647		
57	Reserve IFB-Ansar	0222441065/4563		
58	Reserve Ifb-Bani	0462111865/4998		
59	Reserve Ifb-Ikram	0223360795		
60	Reserve IFB-Sefewa	0226643231/2504		
61	Reserve Ifb-Teqwa	no office phone		
62	Sawena	no office phone		
63	Shafeta	0462126261		
64	Shakiso Branch	0463341399/1193	0463341348	
65	Shashemene Branch	0461106926	0461100014	
66	Sikko Mando	0462113101		
67	Siraro	0981110515/16(office Phone)		
68	Sofomer Branch	0226653117/2525	0226650043	
69	Tabor Branch	0462120034/56	0462120068	
70	Uruga	046 471-0528/0584		
71	Wenago	0463330728/0895		
72	Werka	no office phone		
73	Wondo Basha	046 222-0427/0515		
74	Yabelo Branch	0464460764/0197	0464460311	
75	Yirba	046239-0190/ 0387		
76	Yirgachefe	046 332-1564/1659		
77	Yirgalem	0463288176/8125		
78	Yirgalem Industrial Park	0463288109		

## 11. South West Region

No	Branch	Office Phone	Fax	Remark
1	Aba Jifar	047-211-27-94/17-33		
2	Ababuna	047-211-45-89/46-05		
3	AGARO BRANCH	047-221-17-46/36-55	047-221-1841	
4	Aman	047-336-07-66		
5	Asendabo	047-114-07-93/08-31		
6	Baro Mado	047-151-46-65/42-48		
7	BEDELE BRANCH	047-445-08-65/10-97/01-43	047-445-173	
8	Bonga	047-331-18-65/06-91	047-331-2323	
9	Chora	047-337-07-06/05		

## Awash Bank Branch Address by Regional Office

10	Darimu	047-444-06-28/05-61		
11	Didessa	047-443-05-37/39		
12	Dima	047-332-07-01/07-00		
13	GAMBELA BRANCH	047-551-18-14/67/68	047-551-1869	
14	Gambela New Land	047-151-52-79/38-50/03-52	047-151-0352	
15	Gatira	047- 655-04-40/05-39		
16	Gera	047-342-06-93		
17	Gesha	047-774-0340		
18	Ginjo	047-111-33-69		
19	Gomma	047-221-53-48/47		
20	Gore	047-554-14-27		
21	HIRMATA BRANCH	047-211-00-33/35/39	047-211-0044	
22	Hurumu	047-446 - 05-65/06-16		
23	Jimma Branch	047-111-21-89/59-76/12-92/46-10	047-111-9412	
24	Jiren Branch	047-211-37-08/31-88		
25	Konta	047-227-05-93		
26	Kuja	09-33-02-19-19		
27	Lare	047-553-00-37/27		
28	Limu Genet	047-224-07-52/20		
29	Limu Shay	09-11-59-02-45		
30	Masha	047-452-26-51/ 20		
31	Meti	047-339-06-64/06-04		
32	METU BRANCH	047-441-33-05/26-48/34/67	047-441-4165	
33	Mizan Teferi Branch	047-135-91-38/31-89	047-135-1879	
34	Omo Nada	047-115-06-80/04-99		
35	Pugnido	047-465-06-99		
36	Reserve for Hira	047-211-19-02		
37	Reserve IFB-Ashura	047- 223 - 05-19/05 - 26		
38	Reserve IFB-Rayyan	047-221-26-90		
39	Sadecha	047-211-30-41		
40	Saglan Ilu	09-62-39-79-33		
41	Saja	09-11-59-95-76		
42	Seka Chekorsa	047-116-06-86		
43	Shebe	047-118-07-75/89		
44	Shenen Gibe	047-211-76-24/66-93		
45	Shey Bench	047-777-04-46		
46	Shishinda	047-668-0269		
47	Sokoru	047-117-04-99		
48	Tepi branch	047-556-34-89/35-66	047-556-2506	
49	Toba	047-540-05-00		



### Awash Bank Branch Address by Regional Office

50	Wacha	047-338-04-75		
51	Yayo	047-333-07-65/51/80		
52	Yebu Branch	047-226-04-85/06-22	047-226-0560	

### 12. West Region

No	Branch Name	Telephone	Fax.No	Remark
1	Aba Sena	057-771-24-84/24-83		
2	Agamsa	057-890-49-35/057-667-05-02		
3	Amuru	057-639-06-36/07-65		
4	Anger Gute	057-634-02-49/03-84	057-634-03-28	
5	Aqoldi	057-275-9390/057-275-89-98		
6	Assosa	057-275-93-90/91-89		
7	Ayira	057-557-06-38/06-98	057-557-05-54	
8	Babo Gambel	057-71-17-03-69		
9	Bako	057-665-14-14/14-65	057-665-14-94	
10	Bambasi	057-441-06-77/07-34	057-441-06-54	
11	Begi	057-641-03-26/04-41		
12	Boji Dirmaji	057-777-0941		
13	Burka Jato	057-660-81-27/81-29		
14	Chomen Guduru	057-861-71-81		
15	Dalo	057-660-56-05/057-660-68-08		
16	Dambi Dollo	057-555-16-51/23-33	057-555-12-77	
17	Ejaji	057-550-06-12/06-02	057-550-05-65	
18	Enango	057-552-05-55		
19	Fincha	057-664-01-51	057-664-00-41	
20	Gedo	057-227-01-59/70	057-227-05-00	
21	Gefere	057-771-2751		
22	Gida Ayana	057-773-06-56/06-91	057-773-06-91	
23	Gidami	057-780-08-01	057-780-08-02	
24	Gimbi	057-771-06-66/03-42/00-60	057-771-08-80	
25	Gobu	057-665-1606/1573		
26	Gudatu Arjo	057-116-06-60/06-17	057-116-06-66	
27	Gudetu Mechara	057-446-83-56/057-446-96-20		
28	Gudeya Bila			
29	Guduru	057-663-06-10		
30	Guliso	057-778-07-81/02-78	057-778-02-86	
31	Hababo Guduru	057-445-66-69/60-30		
32	Harato	057-118-05-96/057-118-0526		
33	Haro Limu	057-446-22-10		
34	Haro sebu	057-556-05-74/06-22	057-556-06-31	

### Awash Bank Branch Address by Regional Office

35	Haro Sorga	057-660-18-60/057-660-26-05		
36	Hora Fincha	057-664-26-10/21-34		
37	Hora Fincha	057-664-26-10/21-34		
38	Horro	057-666-1636		
39	Jahan sayo	057-555-27-68		
40	Jardaga Jarte	057-637-06-80/06-51		
41	Jima Arjo	057-667-05-15/057-667-05-02		
42	Jima rare	057-223-06-55/05-27		
43	Jitu	057-633-06-14/03-97		
44	Kamashi	057-772-04-84/06-35		
45	Kumsa Moroda	057-660-27-05/12-51		
46	Lalo kile	057-225-05-82/057-225-05-12		
47	Mendi	057-776-09-06/07-07-56/08-77	057-776-08-77	
48	Mizinga	057-447-20-21/057-774-20-20		
49	Mugi	057-779-06-55/05-35	057-779-08-44	
50	Naafi	057660-97-35/97-36		
51	Nejo	057-774-04-92/02-87/06-14		
52	Nekemte	057-661-38-08/32-02/70-92	057-661-54-74	
53	Nole kaba	057-632-07-14/06-62	057-632-06-06	
54	Oda	057-660-09-20/13-70	057-660-32-56	
55	Oda Buluk	057-448-30-90		
56	Sayo Nole	047-557-2020/21		
57	Shambu	057-666-01-42/39	057-666-01-52	
58	Sibu Sire	057-668-09-17/09-21		
59	Uke kersa	057-447-61-61/61-62		
60	Zumbara			New

### 13. Wolayita Region

No	Branch Name	Branch Telephone	Fax No.	Remark
1	Afiya	046-237-0310/0390		
2	Alaba kulito	046-556-0124/0224/0052	011-261-00-21	
3	Amanah	046-556-1626/1625		
4	Ameka	046-855-5546		
5	Angecha	046-340-0666/0777		
6	Arbaminch	046-881-2992/34/2376	022-242-00-42	
7	Areka	046-552-1320/1321\1787	022-336-08-19	
8	Birbir	046-452-0678/0466		

## Awash Bank Branch Address by Regional Office

9	Boditi	046-559-0965 / 1000	0221-11-90-29	
10	Bonosha	046-453-0255/0455	011-260-49-59	
11	chencha	(046) 776-0754/0731		
12	Dallocha	046-466-0440\0596		
13	Damboya	046-245-0344/0358		
14	Dicha	046-180-4959/5714/6557	057-550-05-65	
15	Doyogena	046-244-0491/0459	057-664-00-41	
16	Durame	046-554-16-22/1865	011-367-90-92	
17	Fonko	(046) 450-0516/0395		
18	Garo	046-181-0331/4796	058-222-00-73	
19	Gesuba	046-469-0563/0521		
20	Gidole	(046) 235-0482/0665		
21	Gimbichu	046-772-0788		
22	Gofer meda	046-178-7993\7371		
23	Gombora	046-178-6757/8817		
24	Hadero	046-432-0691/0720		
25	Homecho	046-251-0456		
26	Hossana	046-555-0684/0075/0913		
27	Humbo	046-461-0520/0857		
28	Imam	046-234-0466/0297		
29	Jinka	046-775-1862/1800	033-336-12-86	
30	Karat	046-773-0580/0521		
31	Kindo koysha	046-450-0431/0395	0255-57-05-63	
32	Mina	046-771-0875/0844		
33	Mishala	(046) 556-2282/1606		
34	motolomi	0461804589/4803		
35	Mudula	(046) 235-0482/0665		
36	Sawula	046-777-1591/1662		
37	Sech duna	046-1787508		
38	Seleme	046-178-6242/2120		
39	Shinshicho	046-339-0850/62	011-365-81-68	
40	Shone	046-553-0908/0769	0113-41-34-72	
41	Tarcha	047-345-0864/0815		
42	Tona	046-180-5358/6580		
43	Wachemo	046-178-8007/9477		
44	Werabe	046-329-9187/9202		
45	Wolaita Sodo	046-551-2424/0743		

# Awash Bank Branch Address by Regional Office

## List of Full-Fledged Interest Free Banking Branches (IKHLAS)

IFB Branches				
S.N	Branch Name	Telephone Address	Fax	Remarks
<b>North Addis ababa Region</b>				
1	Ababil	011-126-47-63/66		
<b>South Addis Ababa Region</b>				
1	Ameen	011-380-5240	046-881-46-05	
<b>West Addis Ababa Region</b>				
1	Afdal	0112-73-31-01/02		
2	Amal	011-273-55-24/23		
3	Awelia	011-273-12-10/19-95		
4	Khidma			
5	Manal	011-369-50-84/58-12		
6	Mu'amalat	011-369-78-15/16		
7	Yusra	011-369-54-55/38-56		
<b>Adama</b>				
1	Kausar	022-238-31-47/50-87		New
2	Noor	022-111-27-79		
3	Raji	022-212-07-92/10-86		New
<b>Dessie Region</b>				
1	Akram	033-552-05-15/04-96	011-631-06-32	
2	Afdera			
3	Aflaha	0333518156/7905/6527		
4	Fathi	033-312-79-81/85-93	011-260-11-33	
5	Kebir			
6	Mabrook	033-118-06-08/06-27	047-444-14-01	
<b>East Region</b>				
1	Barwako	025-278-53-91/92		
2	Billal	025-466-41-76		New
3	Chinaksen	025-779-05-29/04-59		
4	Daru Selam			
5	Degehabur	025-771-06-48/49	0463-31-41-07	
6	Huda	025-441-12-51/52	057-667-05-02	
7	Qorahe	025-774-02-12		
8	Mashraq	025-411-54-39/15-93	057-660-32-56	
9	Naher			
10	Taajir	025-466-80-74/09-46		New
<b>South Region</b>				
1	Ansar			
2	Bani			New
3	Berekah	046-211-93-28/56-51		
4	Ikram	022-336-07-95/09-84		
5	Sefaw			

## Awash Bank Branch Address by Regional Office

### List of Full-Fledged Interest Free Banking Branches (IKHLAS)

6	Teqwa			
North West Region				
1	Nejashi	058-320-78-29/6312	057-666-01-52	
<b>Soth West Region</b>				
1	Ashura	047-223-05-19/26		New
2	Hira	047-211-19-02/21-64	0257-75-20-72	
3	Rayyan	011-471-10-53/11-97		
West Region				
1	Ihsan			
2	Naafii	0576609735		
<b>Wolaita Sodo Region</b>				
1	Afiya	046-237-03-10/		New
2	Amanah			New
3	Imam	046-234-04-66		New
4	Mina	046-771-0875/0844		







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**AwashBank**  
Nurturing Like the River

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**AwashBank**  
Nurturing Like The River

#### CONTACT US

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