



## Press Release

October 19, 2024

Addis Ababa

### **Zemen Bank earns Pre-tax Profit of Birr 3.77 billion and Delivers 37.6 percent Earnings Per Share to its Shareholders**

#### **Annual profit surges by 36.8 percent**

Zemen Bank announces an Earning Per Share (EPS) of 37.6 percent to its shareholders, following a pre-tax profit of Birr 3.77 billion in the 2023/24 fiscal year. This was disclosed on its annual report released on the 16<sup>th</sup> Annual General Meeting of shareholders held today at the Millennium Hall.

The Bank's profit increased by Birr 1.01 billion or 36.8 percent from last year's performance which is an achievement of 100 percent against the plan set for the fiscal year. Over the past five years, the Bank has paid average earnings per share of 44.28 percent to its shareholders'.

Key performance indicators also showed satisfactory result during the concluded fiscal year. The total asset of the Bank grew by 23.9 percent and reached Birr 59.2 billion. At the year-end (June 2024), customers' deposits reached Birr 43.61 billion implying a 17.6 percent growth from previous year. Loans and advances rose to Birr 35.63 billion, showing an increase of 13.5 percent over preceding year.

Foreign exchange inflows mobilized by the Bank during the year has reached USD 566 million, translating to an average inflow of USD 47.2 million per month. At the end of the fiscal year, the Bank was operating with 125 branches across the country.

The Bank has maintained a strong financial standing in terms of both its capital base and liquidity position. The paid up capital of the Bank has reached Birr 7.5 billion, which is an increase of Birr 2.45 billion from preceding year.



Currently, the Bank has a subscribed capital of Birr 14.97 billion. The capital adequacy ratio, as at June 2024, was 30.6 percent well above the regulatory minimum requirement of 8 percent. This demonstrates the Bank's strong capital position that will enable to stand with external economic shocks.

W/ro Enye Bemir, Chairperson of the Board of Directors of Zemen Bank, stated in her statement that during fiscal year 2023/24, Zemen Bank had demonstrated remarkable resilience in navigating a challenging economic landscape and achieved remarkable results across various performance indicators.

Ato Dereje Zebene, Chief Executive Officer of Zemen Bank, stated in his statement that "our Bank's commitment to customers and stakeholders has remained steadfast. We have continued to expand our branch network, invest in IT infrastructure, enhance our digital capabilities, and expand our service offerings. Our focus on prudent risk management and operational efficiency has been crucial in navigating this difficult landscape."

Looking forward Ato Dereje also pointed out that the Bank shall work into recalibrating its strategies to better align with the current economic realities, evolving interest in ESG (Environment, Social, Governance) and increased regulatory activity and oversight which continue to influence competitive dynamics. He also said the Bank will focus on product differentiation, delivery channels and a unique customer experience to mobilize resources. His statement also reads that the Bank aims to support economic growth by providing financing solutions that are tailored to the needs of its diverse clientele, from small businesses to large corporates.

The year has been marked by significant achievements for Zemen Bank, including the successful establishment of strategic partnerships with IFC which made the Bank a new member of the International Finance Corporation's Global Trade Finance Program (GTFP). Zemen Bank also inked financial services partnership agreement with Safaricom M-PESA as well as investment subscription agreement with Ethiopian Securities Exchange.



In line with its corporate social responsibility, the Bank has actively contributed to community development through various philanthropic activities. These initiatives include school feeding programs, support for Green Legacy initiative and assistance for underprivileged members of society, alongside its involvement in government development initiatives.

## **Background of Zemen Bank**

Zemen Bank S.C., established in 2008, is an innovative financial service provider in Ethiopia that has distinguished itself through a unique business model and modern banking services. Its mission is to deliver unique financial experience, engaging work environment and sustainable value for all our stakeholders using empowered workforce and technology, in a socially responsible manner. Its vision is to become a home of distinctive financial solutions and service excellence.

Zemen Bank is known for its robust financial performance, commitment to technology, and customer-focused approach. Zemen Bank's expansion from a corporate-focused entity to a versatile bank that embraces both corporate and retail clients, prioritizing innovation and efficiency in its services, enabled it contribute meaningfully to Ethiopia's economic development and the evolving banking landscape.

**For further information:**

**Zemen Bank S.C.**

**Marketing & Corporate Communications Department**

**Tel: +251 116 686 878**

**[www.zemenbank.com](http://www.zemenbank.com)**